

## Novonesis completes acquisition of dsm-firmenich's share of the Feed Enzyme Alliance

Novonesis has successfully completed the acquisition of dsm-firmenich's share of the Feed Enzyme Alliance following the satisfaction of all closing conditions. The acquisition was initially announced on February 11, 2025 (announcement No 2).

Investor News  
June 02, 2025

**Ester Baiget, CEO of Novonesis comments:** *"With the closing of this strategic acquisition we have now an expanded presence across the animal biosolutions value chain, and it positions us to create more value for customers with sustainable value-adding biosolutions. Focus is now on integration of the business, and we are excited to welcome the full team to Novonesis".*

### Impact on 2025 outlook

The acquired sales will not impact organic sales growth; however, it will impact the sales performance in EUR. The outlook for the adjusted EBITDA margin of 37-38% is maintained as the contribution from the acquisition is only around a quarter of a percentage-point.

For modelling purposes, Novonesis previously communicated that sales in EUR are expected to be around 2 percentage points lower than the organic sales growth. This is now expected to be between 0-1pp as the acquisition is impacting reported sales positively by around 1.5 percentage points. Net financial costs are indicated to be around EUR 70 million (previously around EUR 50 million) following higher interest expenses, and the leverage (NIBD/EBITDA) is now expected to be around 2x (previously around 1x) by the end of the year. Additionally, special items are now indicated to be around EUR 60 million (previously around EUR 30 million) following the inclusion of transaction and integration cost related to this acquisition.

### Strategic rationale

**Driving the complete value chain:** Novonesis is vertically integrating the complete value chain of the Alliance, adding dsm-firmenich's sales and distribution activities alongside its existing product innovation and production capabilities. The fully integrated business will be better equipped to serve existing and new customers with strong insights into core markets and product technologies enhancing R&D and unleashing further innovation.

**Enhances leading position in animal biosolutions:** Novonesis, through the successful combination of Novozymes and Chr. Hansen, is now an industry leader in animal biosolutions with one consolidated go to market model and leading technological know-how. With this transaction Novonesis will have a greater customer reach and a broader offering of market leading biosolutions, combining enzymes and probiotics, for both animal nutrition and health.

**Attractive growth potential, further enhanced by revenue synergies:** The total animal biosolutions market is projected to grow at a mid-single digit CAGR driven by growing protein demand, land scarcity and environmental concerns. This acquisition will accelerate Novonesis' sales growth of animal biosolutions by a low-single-digit CAGR above market growth while also delivering adj. EBITDA margin accretion for the group. The attractive financial profile of the acquired business is enhanced through harvesting growth synergies and streamlining operations.

### Transaction overview and financial impact

- EUR 1.5 billion all cash purchase price for dsm-firmenich's share of the Feed Enzymes Alliance.
- Close to 3% acquired revenue contribution on group level in the first full year, and ~5% for the Planetary Health division.
- Low-single-digit accretion to Novonesis' animal biosolutions growth above mid-single-digit market growth in the mid-term.

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#### Novonesis is a global company leading the era of biosolutions.

By leveraging the power of microbiology with science, we transform the way the world produces, consumes and lives. In more than 30 industries, our biosolutions are already creating value for thousands of customers and benefiting the planet. Our 10,000 people worldwide work closely with our partners and customers to transform business with biology.

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- -70MEUR adj. EBITDA contribution on a first full year basis, leading to a -0.5pp margin accretion on group level and -1pp for the Planetary Health division in the first full year with further margin accretion in the following years.
- Low-single-digit % adjusted EPS (excluding amortization) accretion in first full year post closing; mid-single-digit % in year 3.
- 100% debt financed (fully committed).
- Highly attractive cash conversion with limited incremental capital expenditure needs.
- Strong expected cash generation will provide for deleveraging to the target range of 1.3-1.7x NIBD/EBITDA within the next 2 years.
- No impact on expected dividend payouts.
- Novonesis will continue the long-term supply relationship with dsm-firmenich for their premix business.

#### About Novonesis

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