

## Novonesis to acquire dsm-firmenich's share of the Feed Enzyme Alliance

Novonesis has reached an agreement with dsm-firmenich to dissolve the Feed Enzyme Alliance and take over its sales and distribution activities, in exchange for a total cash consideration of EUR 1.5 billion. After more than 25 years of successful collaboration, a strategic repositioning at dsm-firmenich allowed this opportunity to materialize. This acquisition is aligned with Novonesis' growth strategy and expands its presence across the animal biosolutions value chain. Financially, this transaction is accretive to revenue growth, adjusted EBITDA margin and adjusted EPS excl. amortization, with attractive revenue synergies.

February 11, 2025  
Company announcement No. 2

**Ester Baiget, CEO of Novonesis comments:** "We are thrilled to announce the strategic acquisition of the full Feed Enzyme Alliance. Growing global protein demand, coupled with increasing land and water scarcity, requires innovative solutions. Now with an expanded presence across the animal biosolutions value chain, we are better positioned to create more value for customers with sustainable value adding biosolutions. This transaction underscores our commitment to driving growth, while also improving our EBITDA margin."

**Dimitri de Vreeze, CEO of dsm-firmenich says:** "The Alliance has been a great success for both companies, establishing a global leadership position in feed enzymes. I am confident that this business will continue to thrive under the leadership of Novonesis, and I am pleased that the long-term commercial relationship with our Animal Nutrition & Health business will continue."

### Strategic rationale

**Driving the complete value chain:** Novonesis will vertically integrate 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.
- ~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.
- Subject to regulatory approvals, the transaction is expected to close in the course of 2025.

**Conference call**  
February 11, 2025  
8.30 CET  
Please pre-register  
for the call [here](#).  
[Webcast](#)

### **About Novonesis**

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.

### **About the Feed Enzyme Alliance**

The Feed Enzyme Alliance was founded on a strong combination of two companies where Novonesis has contributed with extensive expertise in high-quality enzyme development and dsm-firmenich has offered a wide-reaching sales force with access to key industry customers. A strong relationship, business performance and high level of trust has made the Alliance a sound business for both parties.

### **About dsm-firmenich**

As innovators in nutrition, health, and beauty, dsm-firmenich reinvents, manufactures, and combines vital nutrients, flavors, and fragrances for the world's growing population to thrive. With its comprehensive range of solutions, with natural and renewable ingredients and renowned science and technology capabilities, the company work to create what is essential for life, desirable for consumers, and more sustainable for the planet. Dsm-firmenich is a Swiss-Dutch company, listed on the Euronext Amsterdam, with operations in almost 60 countries and revenues of more than €12 billion. With a diverse, worldwide team of nearly 30,000 employees, the company bring progress to life every day, everywhere, for billions of people. [www.dsm-firmenich.com](http://www.dsm-firmenich.com).

### **Advisors**

Novonesis is exclusively advised by Gordon Dyal & Co and financing is obtained through BNP Paribas. Legal advisor is Baker McKenzie.

### **Investor & analyst conference call**

Novonesis will host a conference call on February 11, 2025, at 8.30 CET to discuss this announcement. Supplemental material that may be referenced during the teleconference will subsequently be available at Novonesis' website.

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