DSM-Firmenich Investor call – May 31, 2022

Dave Huizing – VP Investor Relations DSM: Good day everyone and thank you for joining this webinar to discuss the proposed merger of DSM and Firmenich.

There were two press releases this morning, one from DSM on the sale of DSM Engineering Materials to Advent and Lanxess and the second one by DSM and Firmenich on the merger of both companies, which is the focus of this call.

In addition to the merger press release, we also issued a presentation to investors, which you can find on the joint transaction website. In these documents you will find the legal disclaimers, and I would encourage you to read these.

The presentation to investors will be presented to you by Gilbert Ghostine, the CEO of Firmenich, and the two co-CEOs of DSM, Geraldine Matchett and Dimitri de Vreeze. They will cover in their joint presentation four key areas; an introduction to the proposed combined group, an introduction to Firmenich, an overview of DSM's transformation journey to date, the strategic rationale for the combined company and an overview of the pro forma financial information and aspirations of DSM Firmenich as a combined entity.

Thereafter, we will have a Q&A session with the three CEOs. Sell-side analysts who want to ask questions have to register by via audio conference link, which they can find on the transaction website. All other participants can listen into this Q&A session via the Zoom meeting, but before we move to the presentation we will start with the introduction remarks by Thomas Leysen, Chairman of the DSM Supervisory Board, and Patrick Firmenich, Chairman of Firmenich. Thomas and Patrick, over to you.

Thomas Leysen – chairman of the Supervisory Board, DSM: Thank you, Dave, and welcome all. This is a great day for DSM and, I dare say, for Firmenich as well. One of our co-CEOs earlier this morning, even called it "a monumental day".

After months of intense discussions and preparations, today we have announced the intention to merge DSM and Firmenich. We want to bring together these two impressive groups to create something truly unparalleled and thereby establish a new industry leader, a creation and innovation partner with a unique set of capabilities.

Many of you know DSM and its 150+ years of scientific heritage and its long history of transformation and value creation. We have always prided ourselves on our capacity to work in partnerships with customers and other parties to create new products and solutions, as well as entirely new product categories and science-based innovations.

Ours is a business that has continuously evolved and over the past 20 years or so, we have made bold strategic moves to focus ever more on health and nutrition. As we have done so, a purpose-led, performance-driven mindset has been our guiding spirit.

Over the last few months, I have gotten to know Firmenich much better, and I have seen many similarities to DSM. A proud business with science at its core, with an equally impressive history of innovation, investment, and growth, and which has the same deeply rooted commitment to sustainability. This gives me enormous confidence in the great potential of our combination because successful mergers in my mind depend not only on complementary capabilities or compelling financials, which we certainly have, and they not only demand a balanced governance and the respect for the interests of all stakeholders, but they crucially require shared values.

My colleagues and I are convinced that we have all those elements together here and it is for this reason that after extensive and careful consideration, the whole supervisory board of DSM concluded that this is truly a merger, which is in the interest of our stakeholders.

I thus believe that we have a tremendous opportunity ahead of us, and I am personally committed to make this combination and realize its full potential, together with Patrick, to whom I am now pleased to hand over.

Patrick Firmenich – Chairman Firmenich: Thank you very much, Thomas, and good day to everyone. I am Patrick Firmenich, the chairman of Firmenich, a role that I have held since 2016. Prior to 2014, I was Firmenich's CEO for more than a decade.

Thomas, without a doubt I share your excitement for the future of DSM Firmenich. Firmenich is a fifth generation [family] company which started in Geneva in 1895. Since then, our company has evolved into a global leader in the taste and perfumery industry. We employ more than 10,000 people across the world, including the largest creation community of prize winning masters in perfumery and taste.

Firmenich has always been a leader and has never been afraid to take bold decisions. Firmenich and its shareholders have never held back and have always done the right thing for our customers.

Since the very beginning, we were very quick to develop key customer relationships in major cities such as Paris, New York City, and London. Today we operate in over 100 markets around the world, including a significant presence in China and India, among others. We have always been and continue to be a pioneer in science and leading innovation.

In 1939, a Nobel prize in chemistry was awarded to our Director of Research and Development. Leopold Ružička, for his revolutionary work, cementing our legacy as a perfumery ingredient leader. And once again, this past year, we were associated with a second Nobel prize [E.D.: awarded to Professor David MacMillan]

We were also the first company to set ground-breaking standard on ESG commitments and we have been operating in accordance with public and international company standards, as a family company for decades.

In DSM we see a company which share our purpose-led approach, a company which strives to lead in science and break new ground like we do, and a company that shares our deeply held value about how we engage with our various stakeholders around the world.

With this merger we are combining ourselves with a highly complementary partner that brings together Firmenich's unique, industry-leading perfumery ingredient and taste business and its associated co-creation capability together with DSM's unmatched Health and Nutrition portfolio capabilities and expertise that will enhance the experience and proposition for all our current and future DSM Firmenich customers.

I am confident that the creation of DSM Firmenich will accelerate growth for both us and our customers and provide many new opportunities for our employees.

Our people have been at the heart of the success of Firmenich for more than 125 years, and I have no doubt that the combination of colleagues across Firmenich and DSM will help shape an exciting new journey with much success for years to come.

The most exciting times lay ahead of us as DSM Firmenich. This is a development that all of our stakeholders can be excited about.

Speaking personally for a moment, I would be excited to serve as vice-chairman of DSM Firmenich alongside Thomas as chairman, and my fellow board colleagues.

The various Firmenich shareholders are also excited and committed to be long-term shareholders of the new company with a focus on long-term value creation.

I will now hand it over to the co-CEOs of DSM and the CEO of Firmenich to inform you how this transformational combination will be delivered and why - together -DSM and Firmenich will build on iconic heritage and accelerate progress.

I will now hand it over to you, Geraldine.

Geraldine Matchett – co-CEO DSM: Hello everyone. Thank you very much for these introductory statements and welcome from me as well to this investor call. Although there have been two announcements as they said, we will actually focus predominantly on the merger.

Now, this is an exceptional day in many respects. Normally, when two companies come together you get to hear from two CEOs but this is a special day, so you are going to hear from three CEOs. So, it is my honour and pleasure to be the first voice today.

Now why are we here on this call? As you have read, we have announced today that DSM and Firmenich will be merging. These are two great companies. On the one hand you have DSM, the innovators in the health and nutrition bioscience space. On the other hand, you have Firmenich, the creator when it comes to flavors, fragrance and taste, and extremely strong on data analytics.

But not only are we two leaders, two strong companies, getting together, we also have a very strong track record of having individually delivered on our results, always with above market growth at good margins. In fact, we both have a lot of upsides on a standalone basis.

Among the things that we have in common is, of course, a core of science, and this has led to a very strong pipeline of innovations that underpinned our long-term growth all these years and will continue to do so.

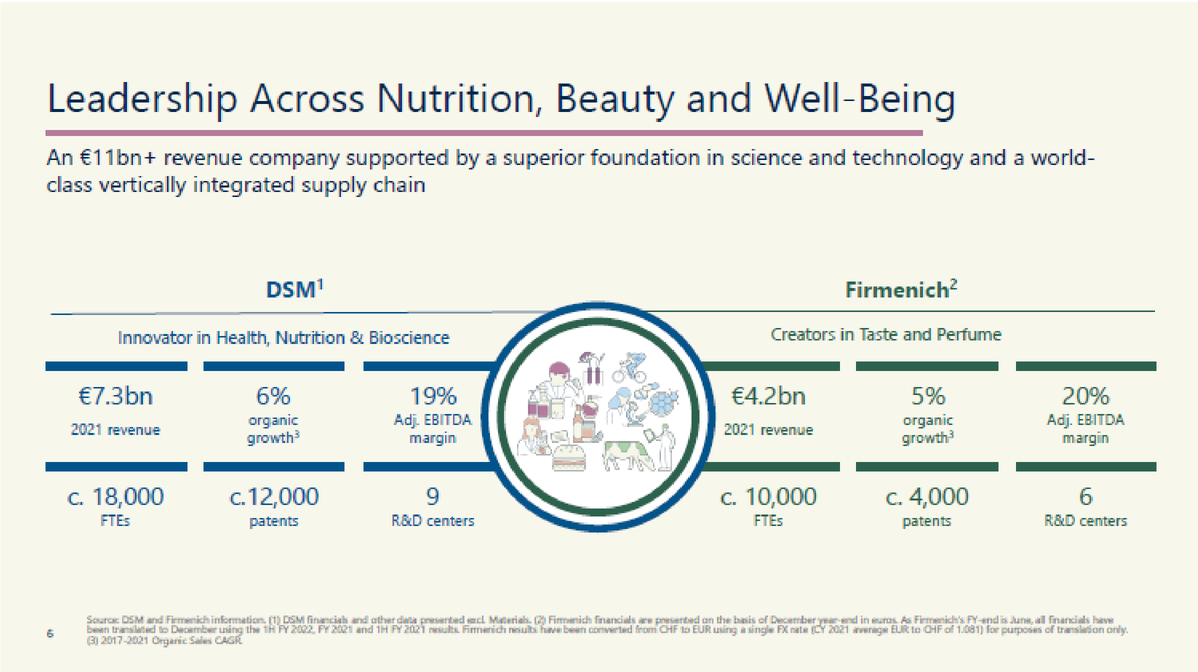
The other thing that we have in common is for sure that we are purpose-led. As you know certainly in the words that we use - ‘purpose-led, performance-driven’ - we note that Firmenich feels the same. When you have a very strong input to bring in positive impact that underpins your performance in the long term as well.

So, in short, as is recapped on this slide, we are convinced that today we are on the way to creating a real industry leader, an industry leader in Nutrition, Beauty, and Well-being.

But it is one thing for me to say it, but why not find out a little bit more as to the “why”?

And for this, I hand over first to Gilbert.

Gilbert Ghostine – CEO Firmenich: Thank you very much Geraldine and good morning and good afternoon everyone. Like Thomas, Patrick, Geraldine, and Dimitri, I am extremely excited that through the combination of these two iconic companies, we will establish the leading creation and innovation partner in Nutrition, Beauty and Well-being DSM Firmenich.



This merger brings together Firmenich's unique industry-leading Perfumery ingredients and Taste businesses with DSM's outstanding Health and Nutrition portfolio.

DSM-Firmenich will comprise of four high-performing and complementary businesses, each with pioneering leading positions and underpinned and empowered by world class science.

First, Perfumery & Beauty. Firmenich, the leading creator of positive fragrances and beauty products, undisputed leader in naturals and renewable ingredients will expand into Beauty through DSM's Personal Care and aroma business as Perfumery and Beauty.

Second, Food & Beverages and Taste & Beyond will form a global scale partner to the food and beverage industry with extensive capabilities in taste, nutrition, and functionality.

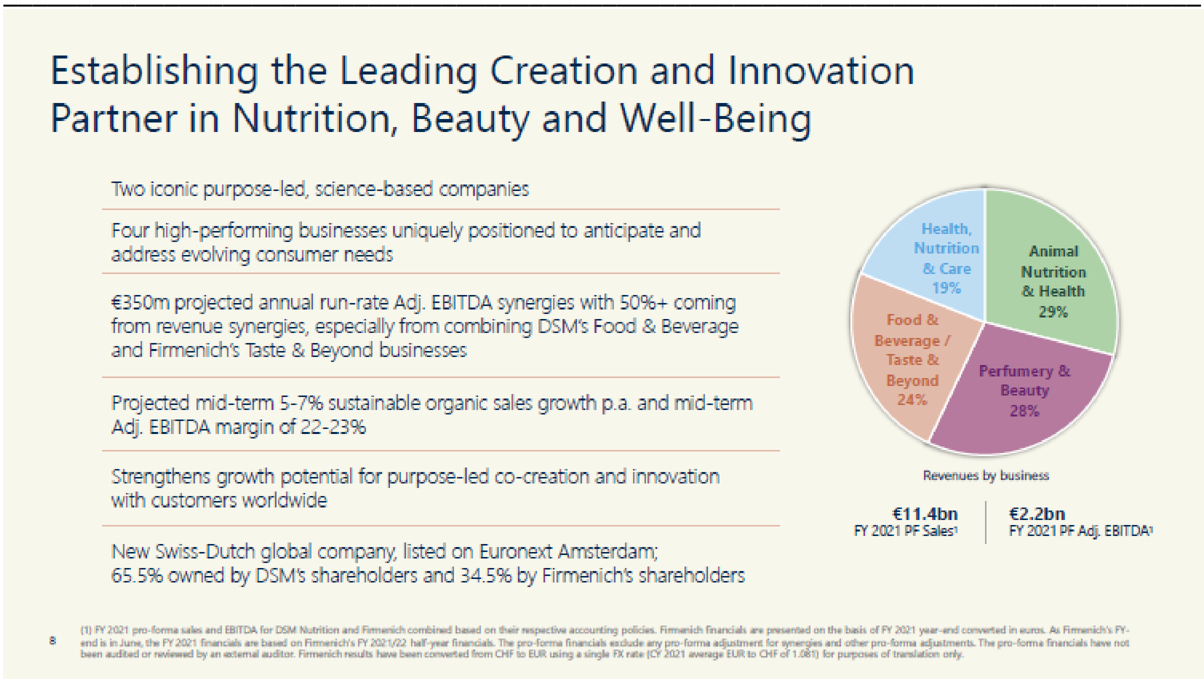
Third, Human Nutrition & Care will continue development as an end-to-end partner, providing customized quality solutions that support the health of people at every life stage

Fourth, Animal Nutrition and Health will continue to focus on speciality science and technology driven solutions to make animal farming radically more sustainable.

The new company will be supported by World Class Foundation in science and technology, a vertically integrated portfolio of nutrition, naturals, and renewable ingredients, as well as best-in-class business functions. Together, DSM-Firmenich can better anticipate and address needs of today's conscious consumers, prioritizing sustainability, hygiene, sanitation, health, and well-being.

And here I handed over to Dimitri.

Dimitri de Vreeze – co-CEO DSM: Thank you, thank you Gilbert. Let me build on what you just eloquently explained, [and specifically] on the leading creation and innovation partner in the space of Nutrition, Beauty and Well-being.



This merger will establish that leading partner. It is an unparalleled unique combination with unique skill sets. And with the merger, DSM-Firmenich can address what the world needs in terms of solutions around health and nutrition, around sustainability around hygiene and sanitation as well as well-being. We will have four high-performing businesses, uniquely positioned to anticipate and address these consumer needs, as Gilbert already explained.

The company itself will be around EUR 11.4 billion in sales and a EUR 2.2 billion in adjusted EBITDA. Surely, one of the largest players in our industry with a strong 5% - 7% sustainable organic sales growth and a mid-term adjusted EBITDA margin of 22% to 23%. This will be driven by a EUR 350 million run rate of EBITDA synergies, of which more than 50% will come from revenue synergies and especially from combining DSM's Food & Beverage with the Firmenich's Taste & Beyond business. Together we will strengthen our potential for a purpose-led creation and innovation company, a Swiss-Dutch global company, listed on the Euronext Amsterdam that at the inception will be owned by 65.5% of the DSM shareholders and 34.5% by the various Firmenich shareholders.
You in the call already know quite a bit about DSM (and if not … I think Geraldine and I did not do a good job!). We will just assume you already know quite a bit about DSM. But let me ask Gilbert, as CEO of Firmenich, to explain a bit more what a fantastic company Firmenich is and what it stands for. Gilbert?

Gilbert Ghostine – CEO Firmenich: Thank you, Dimitri. Firmenich is the hidden jewel of the fragrance and taste industry.

It is the world's largest privately-owned fragrance and taste company and a pioneer in our industry, having been founded in Geneva back 127 years ago. We are here today, because our shareholders, who have long been visionaries in our industry, have recognized that we must open up our capital if we are to continue to lead. After careful evaluation, we concluded that a merger with DSM, a highly complementary and like-minded company, will enable us to accelerate the delivery of our strategic ambitions, creating greater value for all our shareholders.

For those of who have not had the opportunity to get to know us before, I am excited to introduce you to the world of Firmenich.

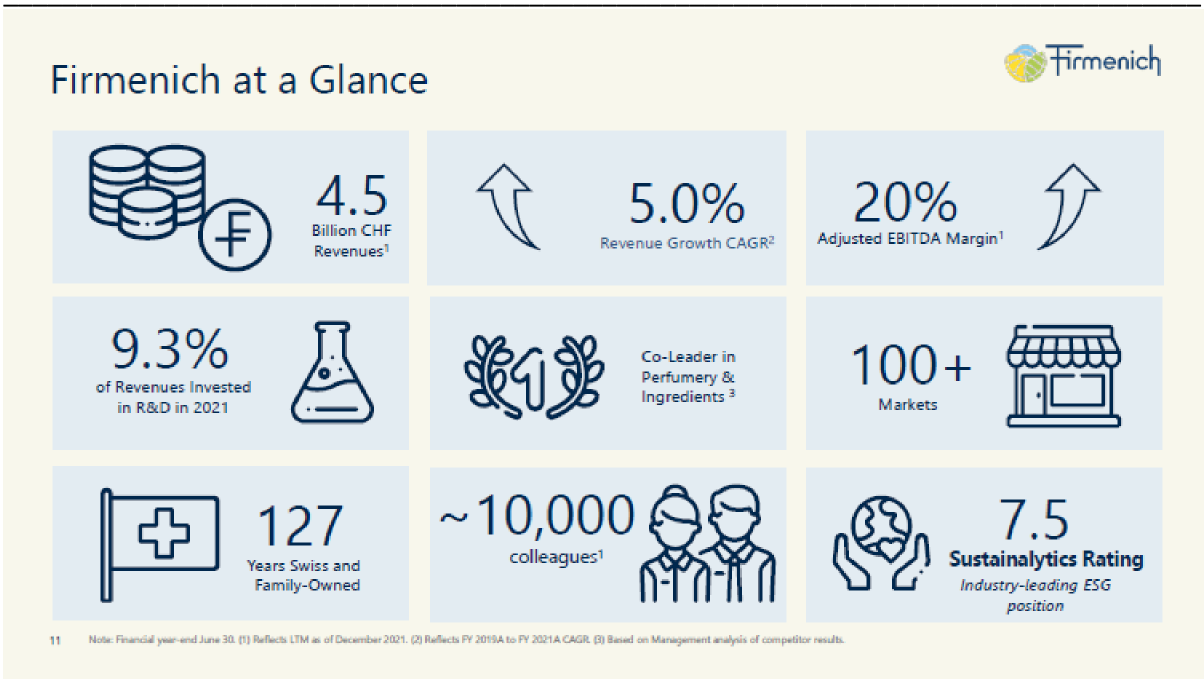
Our ingredients touch the lives of 4 billion consumers around the world every day. The Firmenich brand is synonymous with excellence in innovation, pristine reputation, and intimacy with the world's highest quality customers.

Our longevity and success are due to four key elements. Firstly, our passion to innovate with our customers. Our business is consumer-driven, building on clear consumer insights and anticipating consumer needs. We leverage these insights through our industry-leading R&D capabilities to help our customers win.
Secondly, we lead with differentiated and proprietary ingredients. We have the widest and broadest palette of natural, synthetic, renewable, biodegradable and biotech ingredients and, as the most vertically integrated player in our industry, we were able to weather the supply challenges of the recent years and maintain top service for our customers.

Thirdly, we have demonstrated passion for performance. We have led the fragrance and taste industry growth over the last 15 years and we have delivered industry-leading profitability through the cycle. We consistently provide best-in-class service to our customers, delivering the highest quality products in a timely manner.

Finally, we are defined by our values. Firmenich is a company that cares about all its stakeholders and our leadership credentials in this space are widely recognized.

Let's turn now to the details of our business.



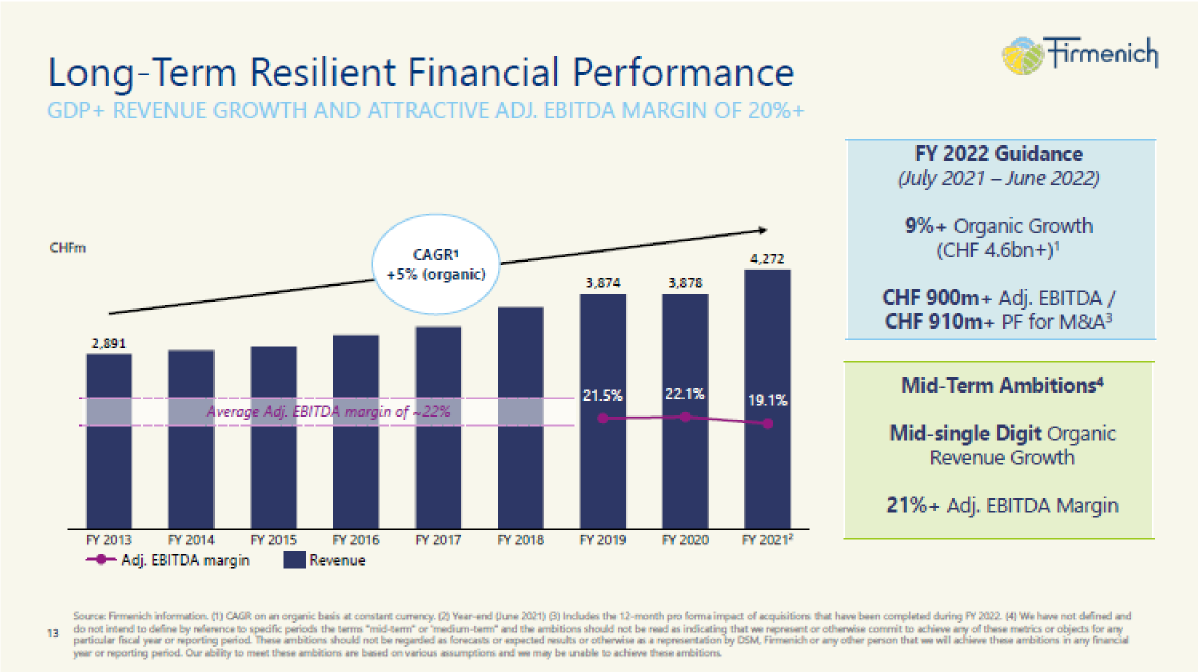
Our innovation enabled us to deliver a track record of attractive organic growth of 5% per annum since fiscal 2013 while maintaining a strong profitability profile of 20% EBITDA margin lately. We are a leader in our industry and specifically in Perfumery and Ingredients, and with a very strong global Taste business. We are a research-driven innovation-led organization dedicating more resources to R&D as a percentage of revenue than any of our competitors. And this gives us a significant competitive advantage.

We are a global player of scale serving over 100 markets with around 10,000 colleagues and 47 manufacturing facilities around the world. We are defined by values that are aligned with the strategic commitment to deliver long-term sustainable growth and we lead the industry in the responsible business.

Let me now turn to our businesses.

We are a global leader in the Fragrance and Taste industry. Our Perfumery & Ingredients business contribute two thirds of our revenues. We lead across all Perfumery & Ingredients segments. We are number one in fine fragrance, partnering with perfumery customers to design and customize their unique fragrances, we are global number two in the Personal Body & Home Care segment, and we are the global number one in fragrance and taste ingredients, with a broad portfolio that includes proprietary molecules and the world's leading portfolio of natural, renewable and biodegradable ingredients. Our master perfumers and master flavorists drive differentiation for customers through superior science, innovation, and local consumer insights.

Our Taste & Beyond business represents one third of our revenues. We are a leading global player in Taste with a great portfolio of products across all sub segments, sweet goods, beverages, and savoury. Our global scale is a key advantage that we have developed over decades of partnerships with key customers around the world including global, regional, and local customers and successful start-ups. We figured out a model to win with the winners. We have expanded our commercial reach by investing disproportionately behind new emerging categories, applying our innovation capabilities to build proprietary solutions and secure a leadership position on major structural megatrends. Just to name a few, in plant-based protein, we are recognized as a leader in our industry. We started working and investing behind this category seven years ago by supporting the key start-ups that became leaders in this space. We are the leading player in sugar reduction in our industry with the most developed ecosystem that will secure this leadership position for decades to come. And we have a leadership position in naturals and clean label ingredients. We are well positioned to capitalize on structural growth trends in both developed and growth markets and our revenues are split roughly evenly between the two. The US, China and India are three of our top four markets globally and we are recognized as a local company in each of these markets.



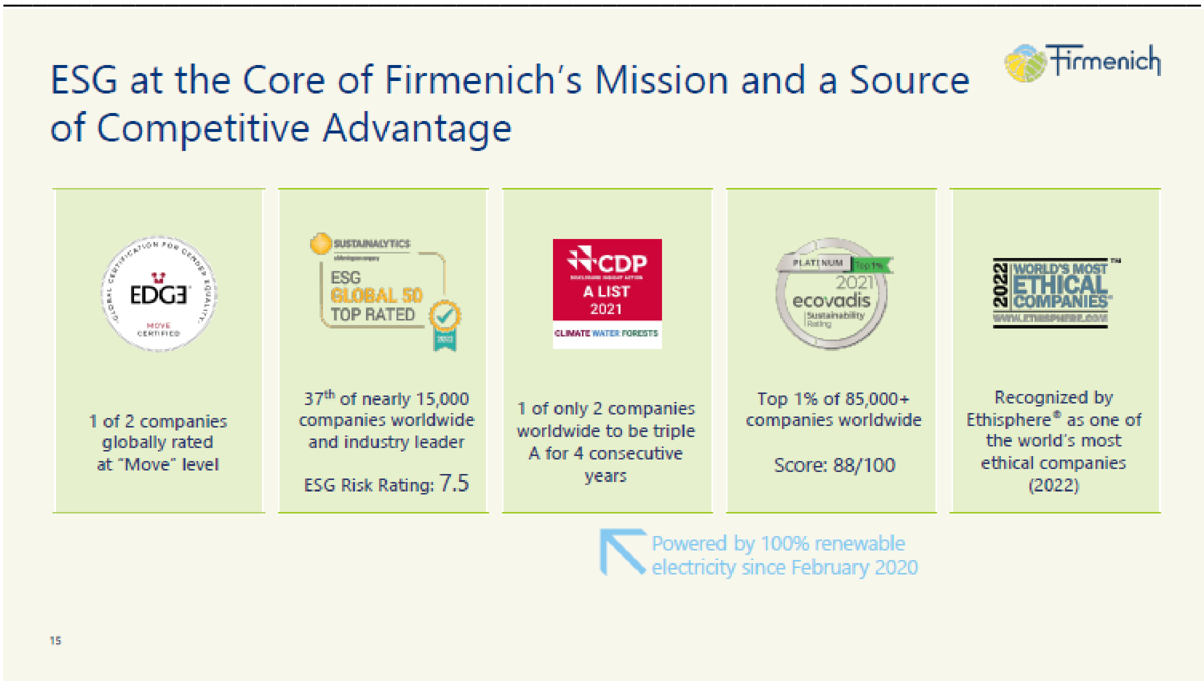
We have demonstrated our resilient long-term financial performance, growing organic revenue ahead of the industry at 5% CAGR and gaining share as well as weathering the Covid-19 crisis solidly. Fragrance and Taste is an attractive industry, which enjoys the tailwind of very strong structural growth drivers and fundamentals. We are focused on delivering sustainable and profitable long-term performance by aligning our innovation capabilities against the highest-growth segments and consumer trends. Our consistent performance is a testimony to the strength diversification and the resilience of our business as well as our commitment to execution excellence. In addition, our business model has proven its ability to serve a broad range of customers - global, regional, local - and successful start-ups around the world. And we are winning with the winners.

Our fiscal year 2022, which ends on June 30th, 2022 – so our fiscal year starts on July 1 and finishes on June 30 – has been a year of growth, leadership, and excellence in execution. We expect to close the fiscal year, so in a month's time, with over 9% organic revenue growth reaching more than CHF 4.6 billion and adjusted EBITDA of more than CHF 900 million. Including the pro forma impact of completed acquisitions, we expect an adjusted EBITDA of more than CHF 910 million.

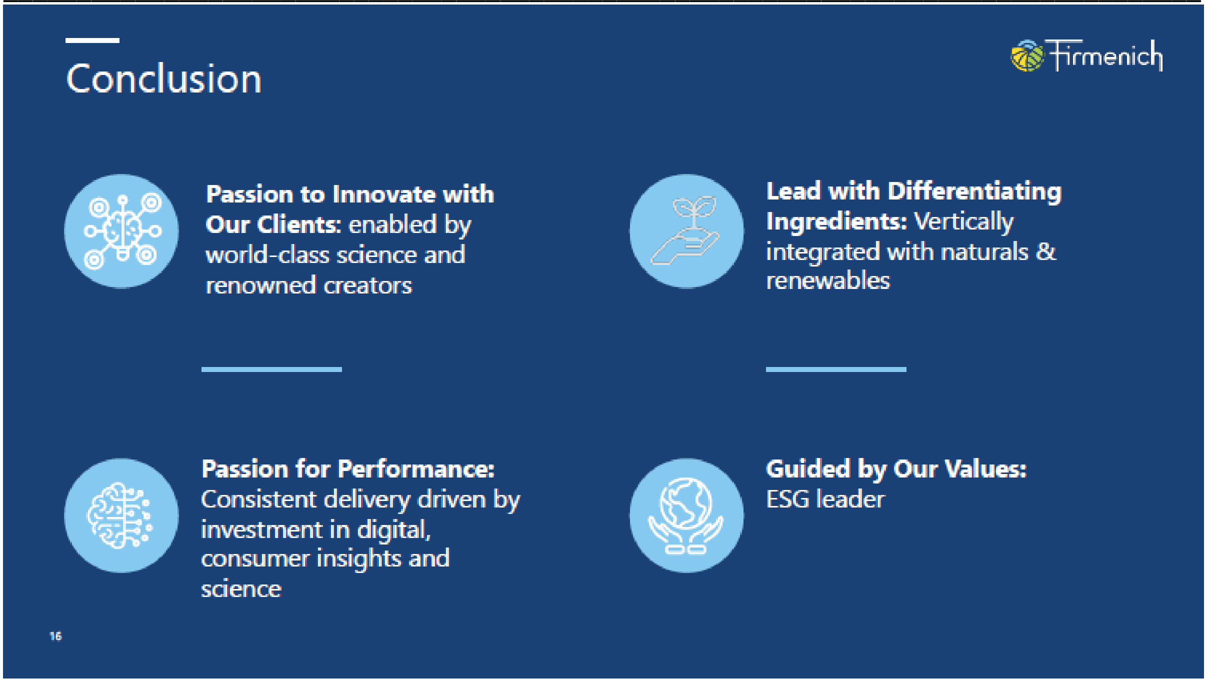
As I shared with you already and you heard from Patrick in his opening words, we have a strong track record of innovation-driven growth underpinned by world class science. We are a research-driven organization and our relentless commitment to innovation is at the heart of our continued success. We proudly carry the legacy of a Nobel Prize, received back in 1939. And today we are honored to be the only fragrance and taste company recognized in the LexisNexis Global Top 100 companies in the world for their innovation alongside the likes of Apple or Google, just to name a few.

Our innovation is focused on addressing the structural trends that are driving growth in our industry and we devote a larger proportion of revenues to R&D than any of our key peers. We employ 450 scientists around the world in six major R&D centres with a portfolio of over 4,000 patents. We have deep expertise in a broad range of disciplines, including cellular biology, organic chemistry, sensory or cognitive science as well as biotechnology, among other areas of expertise. Leveraging superior consumer insights, our research supports our ability to develop creations and applications that delight consumers across both Perfumery Ingredients and Taste & Beyond.

As Patrick has mentioned and I mentioned already to you, sustainability has been ingrained in our history and in our DNA as an organization and we are extremely proud to be the clear leader in ESG in our industry.



As you can see on this slide, we are a company that walks the talk on responsible business. This is a source of trust and differentiation for our customers, investors and all our stakeholders. Sustainalytics ranked us as leaders in our industry and the broader chemical sector, but also in the global top 50 of over 15,000 companies. We are one of only two companies in the world alongside L'Oréal, to have received a AAA rating from CDP in climate, water, and forests for the fourth year in a row. Since February 2020, we have run all our operations around the world on 100% renewable electricity, which is again an industry-first.



Let me wrap up. We take great pride in being a trusted partner to our customers and have a passion to innovate with them. These are deep relationships that we have nurtured for decades. Our results demonstrate our passion for performance with consistent, profitable growth, driven by our digital transformation, deep consumer insights and our leadership in science that allows us to capture growth opportunities.

We are clear leaders in naturals and renewable ingredients and we have a differentiated portfolio and distinctive technology. We innovate in the highest growth segments, naturals, clean label, and origin-traceability as consumers increasingly focus on well-being and healthy food and beverage choices.

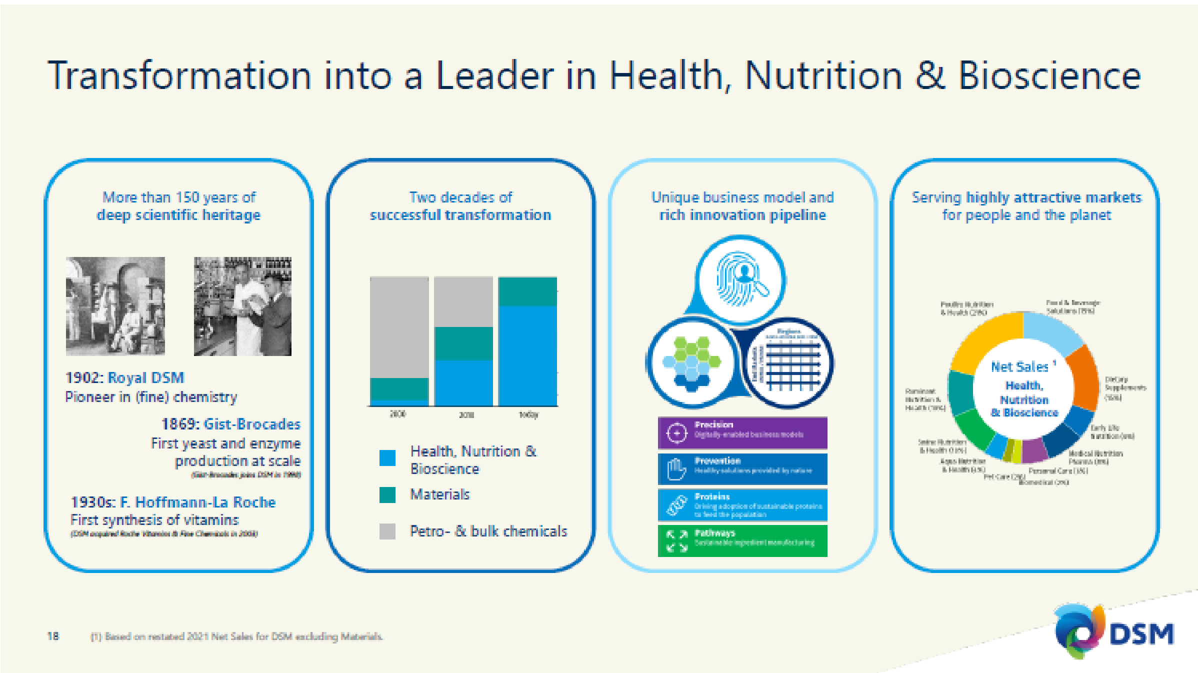
We are proud of our 127 years legacy of responsible business, which is a core part of our heritage and is consistent with our values and company purpose. We continuously raise the bar in our industry.

I am excited that the legacy of Firmenich will carry on proudly in the creation of a new industry leader that will continuously innovate for a better world: DSM-Firmenich.

With that, I will hand it back to Dimitri and Geraldine.

Dimitri de Vreeze – co-CEO DSM: Thank you Gilbert. What a fantastic story and what a fantastic company. You started your presentation with Firmenich being a hidden jewel but after this, I think a hidden jewel, no more! It is out there in the public. You and us as merger partner are proud of it. Thank you very much.

Let me just complete the picture of the story before we go into the DSM-Firmenich merger: I'll recap a little bit about DSM just to refresh your memory.



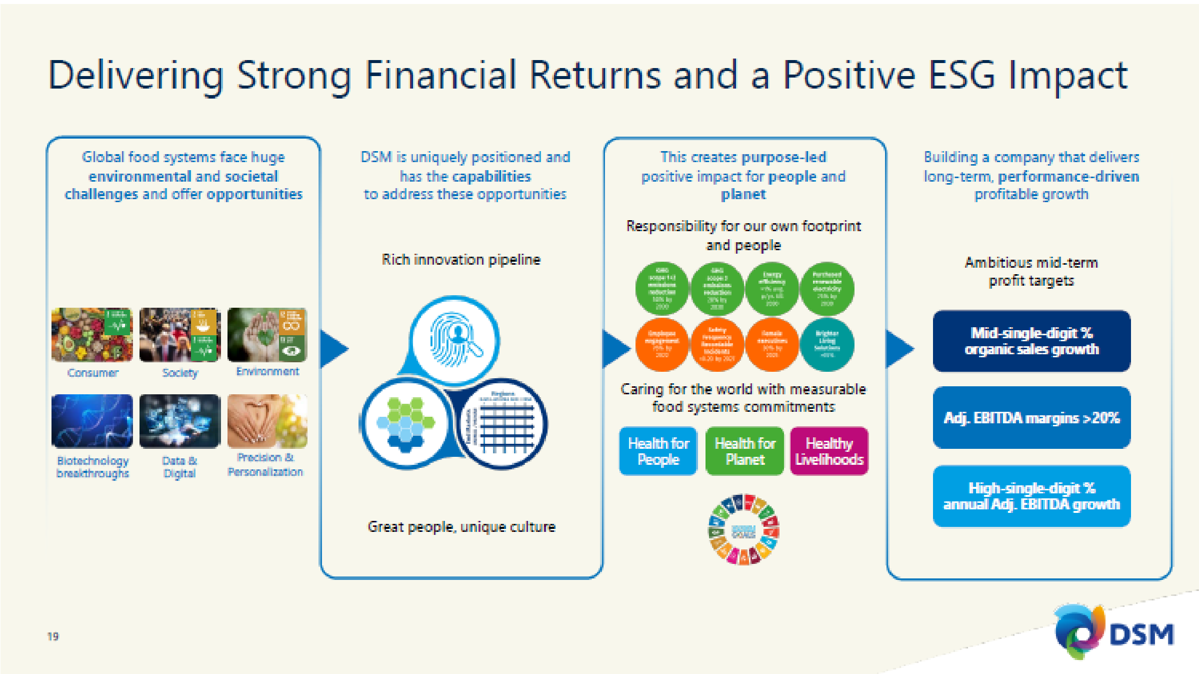
And if we go to the next slide, a bit of the company DSM was, where we stand and how we have transformed into becoming a leader in Health, Nutrition and Bioscience. We have a rich heritage of that transformation, and we started, as you perhaps know, as a coal mining company.

The fantastic yeast enzyme production at scale by Gist Brocades and, in the 1930s, the company Hoffman-LaRoche, which we basically have merged into our portfolio 15 years ago, became the platforms of our science-based company.

In the last 20 years there was a clear shift towards Health and Nutrition. Last year, we announced the full focus to accelerate that company towards Health, Nutrition and Bioscience and at the same time we explained that we would be reviewing strategic options for all our three Materials businesses.

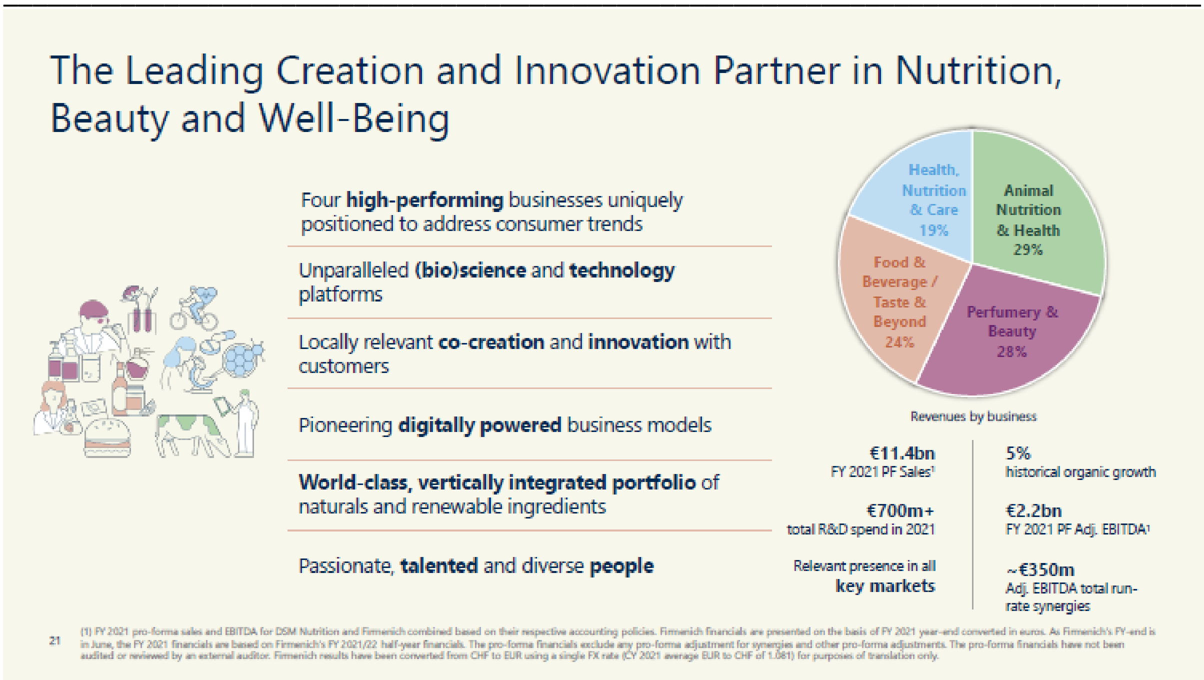
Well, here we are today where we also have announced, as Geraldine said in the beginning, also the last bit of finding a new owner for our third Materials business, Engineering Materials. That also closes the whole of a transition on the Materials front.

That was on the one hand side. On the other hand side, our Health Nutrition business continued to accelerate. Our science continued to be at the core and the driver of our market growth within attractive markets, addressing major challenges as they exist in our food systems. We have positioned ourselves in very highly attractive markets with differentiation.



By now you are used to our strategy one-slider, and although it might look complicated, in fact it is not. It has just four steps where we go from macro and what is happening in the market into our unique business model towards commitments to the world but also towards improving our own footprint, to building that growth company with ambitious targets which we have been delivering against year after year, after year.

With that fantastic story on Firmenich with a recap of the transition journey of DSM, I think now it is time to lay out a little bit the strategic vision of DSM-Firmenich.



Let's do that, let’s reflect on what DSM-Firmenich would like to stand for. If we go to the next slide, and I will make it a bit of a repetition.

We will lead creation and innovation to become a nutrition, beauty, and well-being company. The outcome is that the combination of these businesses is a well-balanced business across four core divisions, as we already alluded to. All these businesses will be powered by digitally enabled business models, with science at the core. The science of Firmenich coupled with the science of DSM is absolutely an unparalleled combination. And we will have global capability to meet the needs of our customers locally. We will be EUR 11.4 billion in size in terms of turnover with a EUR 2.2 billion adjusted EBITDA, approximately EUR 350 million total run rate synergies, and this combined group is uniquely positioned to address the consumer trends of today around health, nutrition, hygiene, and wellbeing, coupled with a strong science base, an [inaudible] integrated portfolio of naturals and renewable ingredients, what the world is asking for. And doing so, that company would be retaining very passionate and talented and diverse people who wants to work for this fantastic company, which then is called DSM-Firmenich.

Let me give you some highlights on the four businesses, four complementary and high-performing and resilient businesses, perfumery, and beauty. We will continue the strong leadership position in perfumery, and it will be combined with DSM's personal care and aroma business. And this combination will open further opportunities to grow the business in beauty, and the combination as a business group will be a 3.3 billion business.

Food and beverage and taste and beyond will undergo the biggest transformation with both parties. DSM's food and beverage business and Firmenich's taste them beyond business will create a business group good for 2.7 billion business top line. And it will all be about delicious, nutritious, and sustainable products. And you might wonder about the name food and beverage/ taste and beyond, don't worry, this is not the new name, that is still to come.

Then the third business group, health, nutrition, and care, we will continue to focus on keeping the world's growing population healthy. And animal nutrition and health, where we'll continue to focus on providing sustainable and affordable animal protein solutions for a growing population. And as you know, animal protein is a critical part of a healthy diet, and therefore key to our overall mission of nutrition, beauty, and wellbeing in a sustainable way.

If we then go to science, I already said it a few times, and if you go to the next slide, you get a bit of a feel of what it will mean in the combination. It will be a science leader. It will have unique capabilities that both bring Firmenich and DSM, and it'll be complementary to each other, as well as broadening the offering. We will have over 2,000 employees in science and innovation across 15 R&D facilities, 40 creation centres, and levering a portfolio of more than 2,600 patents. Both companies run successful R&D programs, addressing the most pressing needs of consumers and society with transformational innovations. And as DSM-Firmenich, we will continue our commitment to that innovation, because that's what we're built on, creation and innovation, building on a pipeline and a track record of delivery and supported by more than 700 million euros of annual R&D investments. A business that will deliver breakthroughs and captures the value of innovation from discovery throughout commercialization.

Then a little bit about the vertically integrated supply chain, a key issue of a successful company over the last two years. And I think DSM and Firmenich basically have done very well in their integrated supply chain in a disruptive supply situation over the last two to two and a half years. It's an incredible footprint of capabilities which we have as a combination, and we will be able to address customers locally in our creation centres, in our application labs, but also with about 70 premix sites and 88 manufacturing sites around the world. The recent events of the last two years show how important that is for our customers. And we, as a combination, could provide even greater resilience and deepen trusts with customers to make sure that we are there for our customers when it really matters. So overall, a global company really where our people will thrive because our people will make the difference, our people will drive that future success, above anything else.

And I'm very happy and very proud to say that we have highly cultural lined businesses driven by purpose, caring for our people. And we've seen this in the discussion of the last months. And we also know this is a major driver for the engagement of all our people across the two companies. A company with learning and career development opportunities, a growing company, and a business where anyone globally and locally wants to make a positive impact.

Let me finalize on what we stand for. Gilbert already stated that Firmenich is a purpose-lead company, you know from DSM that we are a purpose-led company, we will continue our purpose- led commitment to people and planet. We are purpose-led at key and at core of both businesses. And we have had wide recognition and worldwide leading partnerships to build on this. Together, not only we can achieve more for shareholders, but we can achieve and will achieve more for all stakeholders, delivering a positive and a measurable impact for people, climate, and nature. And with that, I'm handing over to Geraldine to give you some insights on the governance and the financials, Geraldine.

Geraldine Matchett – co-CEO DSM:

Thank you, Dimitri. Thank you, Gilbert. And I hope that you all on the line realize why we're so excited about creating DSM-Firmenich. Now there's of course, a lot of information and my pen is ready for the Q&A, however, I'm also aware that our press release 13 pages long, and that there's quite a lot of information in there. So probably worth running through a few more pieces before we open the Q&A on governance, on deal structure and on financials and synergies.

So let me dive in, and it will not be an exhaustive from end-to-end explanation, but still the main points. So let me start with governance. Now, of course, a new company requires a top structure, and what you will have seen in the documentation is that the board of directors of DSM-Firmenich will be basically made up of 12 board members. Our chairman and our vice chairman, you have heard already today, so Thomas Leysen as the chair and Patrick Firmenich as the vice chair. Now, also we will have on the board three representatives of Firmenich, and an independent coming from the Firmenich board as well. And then that leaves basically eight independents of which seven will be coming from DSM board.

So basically, a very balanced board, because we really want to retain in this merger of equals the knowledge and the legacy that's coming from both sides to drive forward this company together. And as well, I want to point out, of course, a long-standing commitment to best practice when it comes to governance, which is already in place, to be fair, in both boards today. So, a very, very solid board coming together.

Now, when it comes to the executive team here, we are looking at an 11-member executive team. And today we are only able to mention a few names. Firstly, of course, Dimitri and I feel honored, excited, privileged at the prospect of continuing in our co-CEO model to lead DSM-Firmenich. And we're very glad that Emmanuel Butstraen, who is currently the business leader on the flavors and taste business has agreed to be leading the integration. It will be a very key role. And again, in a merger of equals it's extremely important to have a very balanced and fair structure when we are thinking about integration. So, Emmanuel will be taking this critical role.

As for the remainder of the top team, we are not able to announce it today, which is quite normal, but please believe us when we say that we have a very deep pool of talented senior executives and that we will be communicating this soon. It will be a very balanced team as well. Again, this is a merger of equals, so that is a very logical step. So that's in terms of the top structure of the organization.

Now let me run through a couple of slides that you have seen in the deck and that hold a lot of information. So again, I will not run through it from top to bottom but let me use this slide to point out a few key things as to why is this truly a merger of equals. Well, firstly, it's a structure that we've put in place, which really fits that concept. So it will be a new co within which we will be contributing DSM and Firmenich. So, in the case of DSM, of course we are a listed company, so that will be a public offer, tendering the shares and basically a one for one exchange for DSM share to a DSM-Firmenich share. Now, once this is in place, we will be seeing basically the shares of Firmenich being contributed as well, and with a 3.5 billion of cash in addition as consideration. So that is the structure.

Now, what does this structure lead to in terms of location? Well, importantly on an investor call, DSM-Firmenich will be listed on the Euronext in Amsterdam. The domicile or the seat of the principal company will be in Switzerland in Kaiseraugst, which makes it a Swiss-domiciled company with Swiss governance rules. And operationally, we will have a dual headquarter. So, one headquarter, dual location, because we really want to leverage our existing strength, both in Kaiseraugst and in the Netherlands in Maastricht, so dual headquarters.

When it comes to, where will the businesses be led from? I think it's worth also pointing out that here we are basically using our established strength. So, our animal nutrition business and HNC that are currently led out of Kaiseraugst in Switzerland will continue to be led at that location. The perfumery and beauty will be led out of Geneva, and this temporarily named food and beverage/taste and beyond will be led out of Delft, where, by the way, from which we will also be leading the global biosciences network that is so exciting about for both of our companies coming together.

Also, when it comes to the research and innovation, I want to point out that the research behind the perfumery business, behind taste, will be remaining in Geneva, and behind ingredients as well, of course. That has lived and thrived off a very rich ecosystem in Geneva, and that will continue. So that's from a location point of view. And I would like to then move briefly to what kind of structure do we end up on the tendering? Well, just then pointing out here that at inception we expect the shareholders of DSM to hold 65.5% of NewCo DSM-Firmenich shares, and that the various shareholders of Firmenich will in aggregates hold 34.5% at inception.

Now finally, you've seen some figures on this slide that are, if you go back one, just briefly, looking at enterprise value, I just want to point out here, this was last night or first thing this morning, but before the announcements. So, this was run off a very different share price than you have right now for DSM.

In short, what we're bringing here is two companies together, and I will be touching on the cost synergies, but I just want to finish off on the synergies. I was just at the point of saying that there will be a cost with value creation. Of course, we have been looking and spending 99% of our time, looking at how do these businesses not only continue to be strong in themselves, but how do we create synergy value?

And you have seen figures that I'll come back on with basically 500 million of top line, 350 of adjusted EBITDA. Now, when you bring all of that together, this very much creates a picture of EPS accretion, at least double digits. And that is why we are so convinced that this is a great, great news for all shareholders today.

Now moving to the next slide, quite a bit of information in here as well, some I have covered, that is the governance, I will not really touch on that again. But let me just talk about what are broadly the next steps, and here, I am not a lawyer, so I'm going to simplify. But as I said, the process will require a tender offer and it is therefore necessary for us to issue all the documentation around this, the prospectus, and that will happen during the second half of this year, over the summer or early autumn. From the moment this documentation is available, the tender period will start. And during that period, we will have an EGM. The EGM is there to approve all different pieces of this transaction, and that is a necessary step that will then enable the actual tendering itself. Once the DSM shareholders have been done with this standard process, then we will have the contribution of DSM-Firmenich.

Now, these are multiple steps, which does put us on a timeline of looking at a completion of probably somewhere in the first half of 2023. Now, moving to a few financial information here. Of course, you've heard me talk already about the synergies. So, if we go down one slide, this is very critical and a big part of course, of the value creation. Although not the only part, because there's also an overall valuation of the combined company that will come into play. But we have spent a lot of time looking at this, and this is very much a growth story. And you see that from the figures. So, we expect that the 350 million of Synergy will come 50, 60% from top line. So, a real step up of 500 million. And also, like always when you combine companies, you have an element of efficiency.

Now, when I come to the top line, of course, we've been talking about food and beverage and taste and beyond as being a very logical area where our capabilities are going to be very complimentary, but it's not the only part. And you see here on the right-hand side, that in the health, nutrition and care business, taste also matters. So, if you think about medical nutrition, or if you think about dietary supplements with the trend towards gummies, for example, these are areas where we see some synergies. And of course, we have our personal care and aroma business that Dimitri mentioned, will be then combining very strongly with the perfumery business leading to this perfumery and beauty pillar. So, multiple revenue synergies to deliver those synergies. We have estimated this at EUR 250 million, most likely over a couple of years. The, and the kind of costs here are, of course, all the integration costs around the systems, around our footprint, et cetera. All in all, of course, very positive value creation here.

There was a slight technical glitch and so let me just then finish off on the synergies. I was just at the point of saying that there will be a cost to deliver those synergies. We have estimated this at EUR 250 million, most likely over a couple of years. The kind of costs are of course all of the integration costs around the systems, around our footprint, et cetera. All in all, of course, very positive value creation here.

Strong Financial Profile Enhanced by Material Synergies Over Time

Indicative pro-forma[1]	DSM[2] FY 2021	+	Firmenich[3] CY 2021	+	Synergies[4]	=	DSM-Firmenich[5]
Sales	€7.3bn		€4.2bn		~€0.5bn		€11.9bn
Adj. EBITDA	€1.4bn		€0.8bn		€0.35bn		€2.6bn
Adj. EBIT	€0.8bn		€0.5bn				
FCF[6]	€0.8bn		€0.6bn				
Effective Tax Rate	19%		18-19.5%				

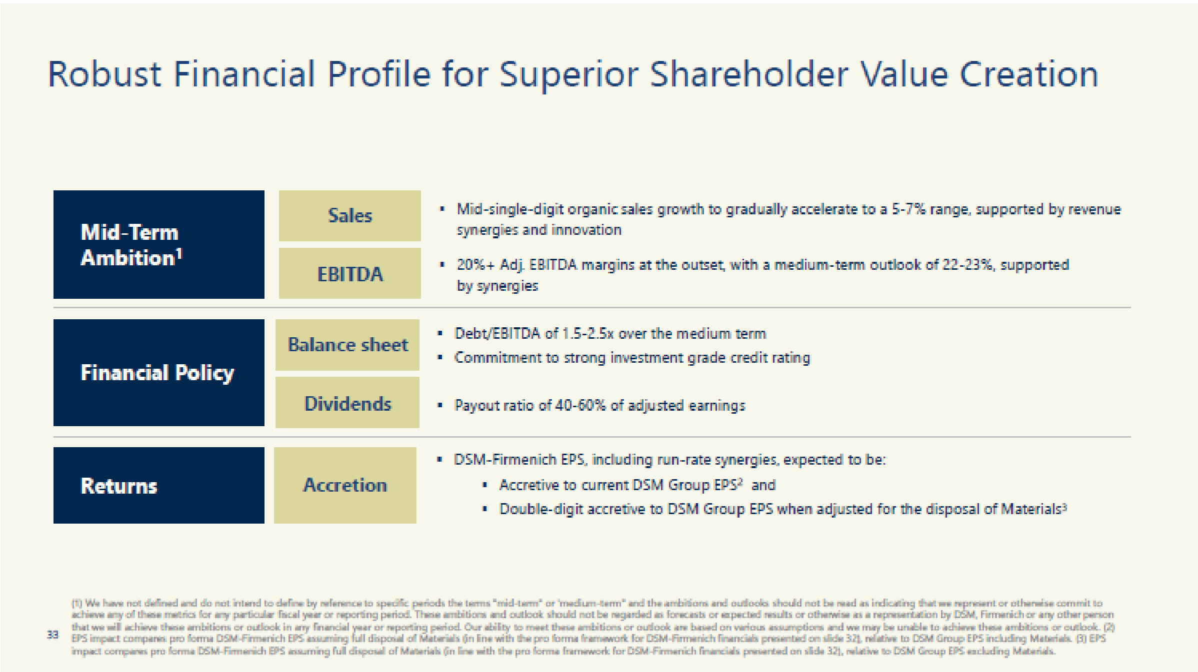
32 (1) Pro-forma financials exclude any pro-forma adjustment for synergies and other pro-forma adjustments. The pro-forma financials have not been audited or reviewed by an external auditor. (2) FY 2021 pro-forma sales and EBITDA for DSM Nutrition based on accounting policies. (3) Firmenich financials are presented on the basis of December year-end in euros. As Firmenich's FY end is June, all financials have been translated to December using the 1H FY 2022, FY 2021 and 1H FY 2021 results. Firmenich results have been converted from CHF to EUR using a single FX rate (CY 2021 average EUR to CHF of 1.081) for purposes of translation only. (4) Figures represent run-rate synergies. (5) Combination 2021 financials plus full run-rate of synergies. (6) Calculated as EBITDA - Capex - change in NWC.

If we move to the next slide, here you see the financials of 2021 on the left-hand side. As you can see, we have clearly become an EUR 11 billion+ as DSM-Firmenich company. On top of that, you can expect the sales synergies. That also underpins the mid-term ambition of going through a 5 to 7 % organic growth mid-term ambition.

The synergies on the earnings line of course will help us in terms of margin as well, so you have seen that we indicate in a mid-term ambition of 22% - 23% adjusted EBITDA, because we do intend also to reinvest. This is a growth story as well.

There are a couple of points to highlight. Of course cash generation. It is very key to know that due to the structure and partly due as well to the announcement today of the divestments, this new company will have a very strong balance sheet, which is also a very healthy place to start and an effective tax rate broadly in line with the DSM one of today.

So last but not least, one last slide and we will open the Q&A, just to finish off the financials. Let me touch on some financial policies.



Back to the strong balance sheet. Here we are really committed to a strong investment grade. That has been very helpful to us in the past and we think it is a good thing to have in the future. So, we are really looking at the leverage of 1.5 to 2.5 times as a benchmark. Our dividend policy will be a pay-out ratio of 40% to 60% as a new co. I have already commented on the EPS accretion value creation. That is a very clear picture beyond any overall valuation uptick linked to the quality of the business together.

Now with that, it is time to open Q&A.

Dave Huizing – VP Investor Relations DSM: OK. Thanks Geraldine and now the fun can start. Sell-side analysts who want to ask questions have to register via an audio conference link, which they can find on the transaction website. So if you have not done so yet, you can still register. I see that we have a lot of people in the room, so that should be good. All the participants can listen into this Q&A session via the Zoom meeting. So, only the sell-side people can ask questions.

The rules of the game are that we like the analysts to stick to two questions please, because we have a lot of people there and that gives more people room to ask a question. Since we have already a line-up, I suggest that we start.

So, operator, please let us have the first question.

Operator: Thank you, Mr. Huizing. First of all, I would like to request the Q&A participants to dial *1 to register for questions. The first question is coming from Mr. Matthew Yates, Bank of America. Please go ahead.

QUESTIONS AND ANSWERS

Matthew Yates – Bank of America: Good afternoon everyone and congratulations on the deal. The first question is really around the integration of the respective businesses and in particular Emmanuel's role. He has been appointed Chief Integration Officer. Was it important to you that this role comes from the Firmenich side, given they are the ones who are going to be absorbing the majority of the DSM assets? But in particular on Emmanuel, is their experience during his time at Firmenich in terms of assets that he has integrated or anything in the prior points of his career that can give us a sense as to his experience and capabilities in this very important role?

The second question is around framing the revenue synergy, because I think Dimitri said a few times on this call that it really is a unique combination of assets. So, the EUR 500 million is about 4.5% of pro forma sales, perhaps 5% if we strip out the animal side. Any more context as to why you think this is a reasonable working assumption? And as we think about the event, you have lined up on the 13th of June, is the intention to elaborate more on the combination benefits at that event or is it more just to familiarize ourselves with the Firmenich portfolio? Thank you.

Geraldine Matchett – co-CEO DSM: Matthew, thank you for joining us and let me answer your last question first before I hand over to both Dimitri and probably Gilbert as well on the integration, because this is a critical topic for sure.

Yes, the answer is the Capital Markets Day – I was going to keep that to the end of the Q&A – is on Monday the 13th of June and we would love to have all of you there, because it is exactly the purpose. We knew that over a call like this, we cannot provide the quality and the depth of information around where the synergies are going to come from, from a product development going to market, customers, et cetera. So it is a big resounding 'yes' and I hope we are going to see there, Matthew.

Dimitri, do you want to kick off on integration and then maybe Gilbert?

Dimitri de Vreeze – co-CEO DSM: I will talk a little bit about the synergy and how we how we came about the 350-number. So, we clearly went through all the businesses. We have looked at a combination. We have said before, DSM is strong in Health and Nutrition and Firmenich is very strong in everything that has to do with sustainability, natural ingredients and flavors and fragrances. The interesting thing is that in today's world it can be very healthy, it can be very sustainable, but if it does not smell or taste nice, it is not going to work. Therefore, it makes really a unique combination with the science at hand. Gilbert already alluded to it very eloquently, on how strong that science-based is in flavour & fragrances. That is one.

What you are going to be looking at is that we have all types of products, for instance the plant-based burger. We all know that the nutritional value of that plant-based burger is important. It is more sustainable because it is using natural ingredients. However, it also needs to taste well. So, this is a nice example where it all comes together. Also in dairy products, yoghurts, where we bring in vitamins but also the probiotics which is good for gut health. And hopefully in the future these dairy products also use milk from cows that have taken Bovair, with a reduced methane profile.

Plant-based yoghurts and milk-based need to have the right taste and flavour. So, I think it is a unique combination which we bring to the game as we have looked at it. Part of that synergy, the predominant part of that is really bringing products to market where consumers are asking us today to develop. The combination of DSM and Firmenich makes that a unique combination.

Lastly and then I hand over to Gilbert, on the Chief Integration Officer role, a hugely important role, we have made a very validated decision that we wanted to have in the leadership team, a balanced representation of this merger of equals. Therefore, we first look at capability. Do not get me wrong, it is first a capability set. Gilbert can allude to that because he already worked with Emmanuel for quite some years. It is clearly capability, but we also had a preference to have someone from Firmenich to help that because it needs to be balanced. So, the co-CEOs coming from DSM can learn quite a bit from Emmanuel and the other way around. So, it was a validated upfront-made decision and maybe Gilbert, you can explain a little bit on your experiences with Emmanuel.

Gilbert Ghostine – CEO Firmenich: Thank you very much, Dimitri. Matthew, this is a very good question. To build on what Dimitri was saying, when we were thinking about management of the company it was all driven by meritocracy. When we will be able to announce the executive committee, you will see that it is a balanced and it is driven by meritocracy. You will be impressed by the names that will be sitting on it, coming from both companies and a very well balanced committee to reflect this merger of equals.

On Emmanuel. Emmanuel is a very highly respected and a fully rounded executive in our industry. He worked previously at BASF with good experience in managing animal nutrition, he had a great career when managing the personal care and aroma business at Solvay and when he joined us over three years ago, he is behind the transformation of our Taste & Beyond business. To put it in perspective, our Taste & Beyond business has been outperforming in top line growth the industry for the last seven consecutive quarters. Emmanuel comes with credentials. He understands the industry well, inside out. When we were having these conversations with Geraldine and Dimitri and externally, too, we realized that the integration you know will have to take place mainly in Food & Beverage and Taste & Beyond. Emmanuel, being the architect of the transformation and the turnaround of the Taste & Beyond business, with very good customer intimacy and a very good understanding of consumer trends, he could play the best role in this integration. We are confident that we have the right leader that has the global experience, the industry experience and the industry credibility and at the same time the attitude to be able to be inclusive and work with the other members of the future DSM Firmenich exec to make sure that he brings in the synergies that are expected. From my experience, Emmanuel overdelivers, because he is extremely driven and extremely committed to doing the right thing by the company and by all his stakeholders.

Geraldine Matchett – co-CEO DSM: Thank you, Gilbert.

Matthew Yates: Thank you, everyone.

Operator: The next question is coming from Andrew Stott –. UBS

Andrew Stott – UBS: Good afternoon everybody and similarly congratulations on the transaction. The first thing is around the Food & Beverage comment. Geraldine, in your presentation you pulled out the detail of 60% of synergies coming from Food & Bev. I wonder if you could just walk through maybe the categories and the geographies where you think that is most deliverable, and why.
Maybe that is a question to Gilbert as well.

And then the second question is a bit more technical. Thinking about the mid-term stability of the share price under the new merged entity and the 35% that is obviously owned by Firmenich beyond, is there a lock-up agreement by the shareholders of Firmenich in the new entity? Also, could you use that 35% to buy back stock from? Would that be an option, thinking about your comments on the balance sheet from day one, thank you.

Geraldine Matchett – co-CEO DSM: Let me start with the technical questions and then I think Dimitrit you had partially answered the 65%. Maybe we can top up there between you and Gilbert. But firstly, on the stability of the percentages of shareholding. Obviously, at inception this is the percentage that we are going to get. Depending on how the tender offer goes, at some point we may have a squeeze out sort of back-end structure type of thing, which would mean that we may buy some of the shares on the market. You will see already in the documentation that that we already commit to bring back to the market so as to arrive at that structure that we indicating here, 34.5% and 65.5%. There is an element in the BCA orderly marketing arrangements, and you will see that when we put all of that information, it will be, and of course, everyone will have to go and read through all of the fine print, but there are orderly marketing rules within this structure to ensure there is not any effect on the share price in case of any material changes or any unexpected changes to these ownership levels. As for that beyond we have not gone into whether we should use the balance sheet to do any other big moves on the capital structure. It is very important to say that the Firmenich shareholders are very long-term minded shareholders and they have been very excited about the value creation that this brings. I am saying double-digit EPS. I have seen other numbers printed today which are very valid as well, which go well beyond that. When you look at the quality of the company that we are building. And we know that there is a very strong commitment to be part of that value creation that is going to take place over time. So, I would really urge you to think this is a very stable set-up with a few mechanisms behind it to ensure that this is the case.

So that is on the legal structure. Dimitri, do you want to start on the revenue synergies?

Dimitri de Vreeze – co-CEO DSM: I do not want to work on it too much, but maybe two things just to confirm. Emmanuel has been part of that exercise and he also confirmed the synergy, so I think that is important on the way forward. We are very confident that that synergy is built up.

By the way, this is not just one number, this is a whole list – I will spare you the Excel file – of opportunities where we have looked at special end user segments where this health, sustainability and flavor and fragrance could help in terms of innovation scientifically based. So, for savory, for bakery, for all types of enzymes and cultures, probiotics, plant-based material, dairy products where we can really accelerate our solution capability to the customers using this fantastic capability set of Firmenich and DSM. This is line item by line item. It would not be wise to explain exactly where, how et cetera; the only message I want to get across is that we went through it line item by line item, functionality by functionality and also customer by customer where we feel that this revenue could be generated. Let me leave it there. Certainly, between signing and closing, we will do a little bit more work on the plan of approach while also respecting the legal boundaries too until we start as one company. So, in that whole responsible way of approaching it we still have some work to do between signing and closing but this is not something which is an aspiration; this is backed up by real content work.

Gilbert Ghostine – CEO Firmenich: I completely concur with Dimitri. Emmanuel has been involved in grounding these numbers and he came with great ideas. At the same time, referring to the deck that has been posted on the site, on page 75 of the Paris document, you will see some of these items fleshed out, so I can mention few of them as I have the page in front of me. Function and nutrition, plant-based food, dairy, savory, pet food. So, it was grounded as Dimitri has just mentioned and you will hear more on this one and we will see you in Paris. So, it is a good teaser.

Geraldine Matchett – co-CEO DSM: A very good teaser! Maybe Andrew, I would just throw in (that's what you get for having three CEOs the same call !), as Dimitri ran through the map, one thing clear most definitely by combining our footprints is that we are going to be able to accelerate the ability to cater not only global customers but also regional and local. We know that the trends are becoming increasingly local, so the footprint in itself is going to be a real asset when it comes to creating those revenue synergies. Thanks for your question, Andrew and back to the operator.

Operator: Thank you. And the next question is coming from Charlie Webb with Morgan Stanley, please go ahead.

Charlie Webb – Morgan Stanley: Hi everyone. Thank you very much for taking the question. I am sorry if I missed it, but Geraldine, you were talking about the balance sheet position post-merger but it came on and off in terms of being able to hear all of it. Given you have a targeted leverage range of between 1.5 and 2.5 net debt to EBITDA and post merger it looks like the balance sheet will be pretty clean and certainly below the mid-point of that. How do you see capital allocation policy for the merged entity and what would you be favoring buy-backs, special dividends or M&A move into that range?

Secondly, on the regulatory approval process. Just out of interest, how many regulatory approvals are you seeking, how many jurisdictions, how many regions, a timeline for that. Do you see any kind of points where there could be dyssynergies, a potential for an excessive overlap or is it pretty clean from what you can see?

Geraldine Matchett – co-CEO DSM: Thanks, Charlie. When it comes to the balance sheet, indeed the good thing with this merger of equals is the fact that we will be entering as a new co with a pretty nice balance sheet. In the meantime of course we have a bit of a timing element, so we have got in place the bridge facility for EUR 3 billion, because getting the proceeds in from the Materials divestment and the deal actually completing which will be sometime in the first half of next year, we will see where we are from there. The capital allocation policy is likely to be very similar to effectively ours, that you know well, but I happen to know also the capital allocation policy of Firmenich and that is very much 'let's invest in our organic growth and our innovation first and foremost'. You have seen in Gilbert's presentation that the investment in continuing a very strong science base has been strong and we intend to continue that. You know that we also have our big-ticket innovations. All of that needs to continue. So first and foremost, organic growth, innovation, science. I mentioned the 40% - 60% pay-out ratio on our dividend. It means that we basically have the financial means to potentially at some point continue on some additional M&A. If we think about the integration of course, there is a big piece of work to be done as a big company. There is clearly Food & Beverage, Taste & Beyond which will be the major construction site, as we like to think about it. But the other three businesses may wish to deploy some capital, although we have to be careful in terms of workload of course and make sure that we are able to digest. Regarding cash back, let's give ourselves some time and see where we are in terms of our balance sheet by that point in time.

As for the regulatory process, our businesses are very complementary and there is very little overlap. So, from an antitrust point of view we really do not foresee much at all. It is going to be pretty straight forward. Here, the timeframe around regulatory has actually more to do with the tender offer process. In here, there are a few hoops we need to go through, including the lead times from the moment that we issue the documentation, et cetera, so the reference to the regulatory approvals have more to do with that and the listing and all of these good things than with antitrust.

Charlie Webb – Morgan Stanley: Brilliant. Thank you very much.

Operator: And the next question is coming from Mr. Gunther Zechmann, please go ahead, sir.

Gunther Zechmann – Bernstein: Hi good afternoon, thanks for taking my questions. The first one is around the whole concept of integrated solutions. Could you just highlight what makes the combination unique? Because you are not the first mover in integrated solutions. But what makes you comfortable that you can continually outgrow your competitor to the 5% to 7% organic sales growth?

My second question is around management pay-outs as a result of the deal. Could you share with us what the incentives and pay-outs are for the two management teams as a result of the merger?

Geraldine Matchett – co-CEO DSM: Let me start first of all, with the second question. Any kind of remuneration and such structures of course are not things we disclose broadly, although they will be in the prospectus. So this will come as part of the print. The one thing that I am happy to say today is that it is included in the integration and deal costs. Further information will be provided at a later stage.

When it comes to integrated solutions underpinning the 5% to 7% growth, let me give my first view and then I could see Dimitri is unmuted. One thing that is super important is that all of our capability sets are what we like to refer to as front-of-pack information and really what makes consumers make a decision? I know that when I choose something, the first thing I do actually is not taste it but smell it and ask myself whether it looks appealing. Then there is taste and then there is 'is it good for me, is it sustainably produced, et cetera?' These are all consumer-relevant features of a food or drink. That is why we are so confident; we know that the capability set of DSM and of Firmenich are all consumer relevant, and that is why it is exciting. Dimitri, do you want to add something?

Dimitri de Vreeze – co-CEO DSM: We should also ask Gilbert because we have two sides of the coin. At the end of the day, as I said, I strongly believe – I went through all the line items on the synergy – that DSM being very strong in their capability set on Health and Nutrition. Certainly, we are working at flavor and fragrances and taste because at the end of the day it can be healthy, it can be nutritional, but if it does not taste well, it is very difficult to sell or when it does not smell well. That scientific background with these four businesses which are leaders in the field are reinforcing that science and application for these four businesses. That is definitely unparalleled. There is no copy of that outside the DSM Firmenich combination.

Secondly, if you look at the natural ingredients and renewable ingredients it is fair to say that that Firmenich is absolutely a key leader in that field and DSM and DSM customers will benefit from that. We are just entering in that field, so merging that together will create absolutely additional sales in a fast-growing market. Last but not least, I think it is fair to say that in today's world, breakthrough innovation, bioscience, is absolutely a preferred route. And I think bringing these scientific giants together, I think we will be faster, we'll be stronger and we'll also commercialize faster towards the route to market

Geraldine Matchett – co-CEO DSM: Apologies everyone for again a technical interruption, but back to the KPN line.

And I think that creates a faster growing company. And that's what we also said, that the organic growth will be above 5 to 7%, accelerating that growth based on all these elements together. And, but maybe Gilbert, you want to put some more flesh on the bone than I just did.

Gilbert Ghostine – CEO Firmenich: Thanks. Gunther, it's a very good question. I think it's important that you go back at the starting point. If you look at the starting point, the opportunity here is that we are putting together two successful companies, two companies that have been growing mid-single digit in top-line growth, gaining market share, outperforming the industry.

So this is the starting point. So the starting point is not lagging behind industry performance. The starting point is already in mid-single digit, we are moving it from mid-single digit to a high-single digit. So that's a little bit of philosophy.

And three areas to emphasize, obviously science, and science is core. And here, whereby putting together DSM and Firmenich, we are creating a powerhouse in science and innovation. Think about 16,000 life patents, 2,000 people working in science and innovation, and at the same time, the firepower of over 700 million euros every year invested behind R&D.

What made Firmenich who it is today is the disproportionate investment behind R&D. One element, and obviously bioscience was highlighted by Dimitri, and bioscience will be transformational to our industry. And here, combining both capabilities and not only science, creation, and at the same time, unity, manufacturing and production.

So being able to control it across the value chain end-to-end is extremely powerful here. And that's what all our customers demand. Also, think about benefits to other businesses. Geraldine was talking about smell and taste. The people who cover our industry know this very well. The zero moment of truth for all the brands on the shelves is when you open the bottle of perfume, you open the pack, you smell it. You like the smell, you like the taste. 70 to 80% of the purchases are driven by the zero moment of truth. And the learning and the expertise that Firmenich has in this space, the knowledge about how receptors in the nose work, how the receptor-based technology work, and how we could potentially replicate this also to animal nutrition could be extremely powerful.

So combining these two companies is really mind-blowing, because of the expertise, because of the knowledge and also because of the complementarity. And at the same time, it's a low risk merger.

When having conversations with notation agencies, all of them came back to us and said, "It's a low risk merger. You have a real merger in food and beverage and taste and beyond, and that's where we have the best experts to figure this one through."

Operator: And the next question is coming from Mr. Martin Roediger, Kepler Cheuvreux . Please go ahead.

Martin Roediger – Kepler Cheuvreux: Hello, good afternoon and also congrats with the deal. My first question is for Gilbert. Firmenich's EBITDA margin was 19.1% by June 2021. Based on the data in the handout it seems to be that the fiscal year 2022 will be also at around 19.5%, so not much better. What is the reason for the lower profitability than the 22% EBITDA margin you have achieved in the past years and what makes you confident that Firmenich is able to achieve a 21%+ EBITDA margin in mid-term, excluding the synergies?

The second question is for Dimitri. You touched a little bit on it, but maybe you can talk a bit more about the cultural fit of both companies and especially the cultural differences between DSM and Firmenich. Thank you.

Gilbert Ghostine – CEO Firmenich: Martin, thank you for asking me this question and it is a very important question. As you saw on slide 13, historically we have been in this 22% EBITDA-margin band. Up till fiscal 2020. Fiscal 2021 there is one event that happened, which is that we have acquired DRT. DRT is a strategic acquisition for Firmenich. If you talk to our customers and our global customers, everyone will tell you they need biodegradable and renewable ingredients. By acquiring DRT Firmenich became the most vertically-integrated player in our industry, the no. 1 by a long mile in Ingredients, for Fragrance and Taste, and at the same time with the broadest palette of ingredients, naturals, synthetic, biotech, renewable, biodegradable. So, this was a strategic acquisition that we have made and it is reflected in our performance today because all our customers are reformulating their brands, reusing these renewable ingredients.

Now, if you have covered our industry – and I guess you have – you saw that when Givaudan in the past acquired Naturex they had a dip in their margin. We have acquired this DRT business. We knew we were buying a company that is strategically a spot-on of where consumer trends are going and what our customers are asking but we knew that the profitability of this company was below our average profitability. We are confident that with the actions that we are putting in place – and you have to take into consideration that this DRT business was disproportionately impacted by Covid-19 – so take into consideration, fine fragrance, the key, chewing gum, rubber, adhesive,.. so this was disproportionately impacted by Covid-19. Hence you know the decline of our profitability. Based on the information we have and that we have shared, we have issued our trading statement today. Our EBITDA margin will be higher than the number that you have mentioned but when we announce our results on 5 August, we will see what the number will be. That is why we are extremely confident that we will go back to 21% in fiscal year 2024. There is no reason why we will not go back to 22% in fiscal year 2025. If you look at Givaudan, this is exactly what happened with them when they have acquired Naturex.
It took them a few years to digest the company and get back to their normal margin within the range that we operate as leaders in this industry.

Geraldine Matchett – co-CEO DSM: Thank you, Gilbert. Dimitri, cultural differences?

Dimitri de Vreeze – co-CEO DSM: I'm 32 years with DSM and when I was really young my first customer to visit was Firmenich. So for me it feels like the circle is rounded again. We all know each other very well but just to elaborate a bit on your question, I think, if you look at the culture and the feel at Firmenich – it is difficult to say; Gilbert should say it but I am looking at the screen and if he says 'no' I will correct myself – you see that Firmenich has a passion for innovation and it has a passion for performance, really, really big time. The values are guided by ESG norms. If you then compare with DSM, I think we have passion for innovation. We are purpose-led and performance-driven. Those are terms and words we use, which were not aligned. It was not something that has been prepared over the last five years. It was aligned because the cultures themselves have a natural fit. It is one of the reasons why we are so confident that this merger is a fantastic success.

If you then also look at taking responsibility for the environment from a scientific perspective, I think Firmenich has already done that. Geraldine and myself are very proud of the success and the progress DSM has made. But in all fairness, when we saw that Firmenich already had 100% renewable energy in February 2020, some modesty needs to be applied because we are at 75% - 76%. So, there is a real cultural ambition to do what it takes. I think it is a fantastic fit. Maybe I am biased because I really think that this is a fantastic, unique combination.

Where there could be differences, it is fair to say that Firmenich is a privately owned company, and DSM is stock listed although, in all fairness, to a certain extent DSM is also a bit of a family.
We do care about people, we do care about the environment, and – I would dare to say it with all the investors and analysts on the call – we do care about our people and we are a stakeholder company. So in that sense, maybe there is a difference to it but maybe the difference is not even that big.

Martin Roediger – Kepler Cheuvreux: Thanks.

Operator: And the last question is coming from Mr. Ranulf Orr, Citi. Please go ahead.

Ranulf Orr – Citi: Hi, good afternoon everyone. Thank you very much for taking the two questions. Firstly, just I apologize if these have been addressed. The first question is just on your partner of choice in Firmenich. I am curious to understand why a business with two thirds of its revenue coming from the fragrance side was the best partner for you, given it is such a small part of your portfolio today. Do you think it has a long-term future in in in the DSM portfolio? What is the strategy for it?

The second question is just on customer overlap. Could you please give an idea of that as well?

Dimitri de Vreeze – co-CEO DSM: Let me comment on the first question. Let me say that clearly Perfumery & Beauty is core of the company that we are going to build, as for Food &

Beverage and Taste & Beyond, as for Health, Nutrition and Care, as for Animal Nutrition and Health. Why is that? Because all these businesses benefit from highly synergetic overlap in technologies and science. Creation skills, consumer trends, let me also explain. As Gilbert said, about EUR 500 million of sales in our Personal Care and Aroma business will really nicely fit into the Perfumery & Beauty unit, a really fantastic place which will create synergies in itself. Then also, let's be aware that in the Perfumery & Beauty trending, the trends to natural and renewable ingredients is absolutely key. Sometimes they are even far ahead of the industry. We will use that know-how and that learning into the area of Food & Beverage and Taste & Beyond, even in Animal Nutrition and Health. So, it is hugely synergetic; you should not misunderstand that there is quite some overlap in these giants of scientific know-how, which will emerge to create faster, bigger, and stronger propositions to our customers. Last but not least, Health and Nutrition has a key capability set for DSM, with sustainability at its core. Flavors & Fragrances is key for Firmenich with science and innovation creation at its core.

Let me explain yet again. If we have healthy products and nutritional products, healthy solutions, nutritional solutions which do not taste well and do not smell well, that is not the future. You need to have it all in the same basket, and – and - and. The elements of Perfumery ingredients are key to building that knowledge. I am creating a bit more background on it because I fully appreciate the question and I even understand why you ask that question, but I feel very strongly about the four set-ups as you have seen on the slide. It is really the science base which could make a difference to all these four fantastic businesses which by the way on all fronts will be leaders.

Geraldine Matchett – co-CEO DSM: Thank you Dimitri. That is probably another good reason to come to our Capital Markets Day on June 13th, because this is where we will be able to demonstrate a lot of this. When we did the due diligence conversations, I mean, the energy in the room because of these overlaps, and these synergies was really palpable and has been driving us the whole way.

Now to your second question on customer overlap, of course we are in parallel going to some similar clients. You know some of our big food and beverage customers are the same, which by the way, means that we are well known by that customer base. I have to say today that we all three have been receiving some extremely supportive and the smiling messages of wow, great, fantastic, look forward to it. So, it is landing very well. The question was indeed asked earlier whether there is overlap that could be concerning. It is very minimal. It is more that we go in parallel and now we are going to be able to be much more blended in our offering to customers. Firmenich is very strong muscle when it comes to responding to customer briefs and customer demands, et cetera. We have a lot to learn in the go-to-market and that is why we are very excited.

Operator: There is one last question coming in from Chetan Udeshi, JPM

Chetan Udeshi – JP Morgan: Hi, thanks for squeezing me in. I have a couple of questions. I am going back to the slide which discussed the R&D to sales of different players in the industry. It is interesting to see Firmenich having 9% R&D to sales is clearly higher than most peers in the industry. I am curious why is that not reflected in any better financial metrics? You know, the growth of 5% has been more or less same as the other players, the margin is not necessarily much better, so is there a structural reason why Firmenich has higher R&D to sales for the same sort of financial profile like the other players in the industry?

And the second question was more broadly around the return profile of the combined entity. How should we think about the return capital employed? Because again – I have not done a lot of work to look at the financials of Firmenich – taking a closer look at their annual report, it seems they have a pretty high working capital to sales ratio of 35%, just core working capital. But I am just curious how should we think about the return profile of the of the combined entity going forward. Thank you.

Geraldine Matchett – co-CEO DSM: Thank you for your question. Let me start by handing over to Gilbert on the R&D to sales question.

Gilbert Ghostine – CEO Firmenich: Hi Chetan, this is a good question and thank you for asking it. There is a slide in the Paris deck but I do not have the number of the slide. If you look at it and the tracks over the last ten years, you will see that we were outperforming some of our key competitors in terms of top line growth. You will see the names there and you will also see that we were doing better in terms of organic top line growth.

In terms of profitability, now we have opened our website for investors as of today. You will see that the margins that we used to have before the DRT-acquisition in terms of EBITDA and also in terms of gross margin were even higher than the leader in our industry. This is what we will be able to restore after we absorb the DRT-acquisition.

Geraldine Matchett – co-CEO DSM: Thank you, Gilbert. And then on the return on capital employed, I will make a comment that is linked to the time. If you have a look at the last two years, the massive supply chain disruptions have been coming both with the pandemic and all kinds of things and now of course you know the situation that we are all living. These numbers are on the high side for most companies, because in fact what both companies are very proud of – we have had those conversations – is how we have not let down our customers ever during these 2.5 years of extremely hard work. If there are teams that are absolutely exhausted right now of a whole supply chain colleagues, both in terms of sourcing but also in terms of logistics to deliver to customers, et cetera. The figures that we see now are clearly not aimed at maximizing working capital over sales. Having said that, your point is absolutely fair, which is that will this be an area where we will in slightly more normalized times have to be putting a lot of attention, the answer is 'yes'. If I look at the cash generation of the company, it actually has a very healthy free cash flow and of course, we are going in with a very healthy balance sheet. In that sense, I feel that this is actually a very solid proposition. With my CFO hat on, I never gave the businesses a break on working capital, by definition. And that will continue.

As there are no more question, let's close up the call.

Dave Huizing – VP Investor Relations DSM: Apologies to the people who have been struggling with the audio line and we will figure out what happened here.

Geraldine Matchett – co-CEO DSM: Indeed, that was a little less reliable than we have had for many calls. I do not know what happened.

Thank you very much for your patience, thank you for your time this afternoon, and thank you for your questions. We have already mentioned a few times the Capital Markets Day. It is on Monday, June 13th, in Paris, in fact, on the edge of two big consumer ingredient conferences. So, we hope that in many ways that will be convenient. We really look forward to seeing, hopefully, as many of you as possible to join us there.

With that, we are closing the call. Thanks everyone and goodbye.

End of call