

Capital Markets Day

Health, Nutrition & Care

Philip Eykerman

President HNC



Preventative health matters. Now, more than ever.

Four macro-trends are fueling growing needs for specialized, preventative health solutions



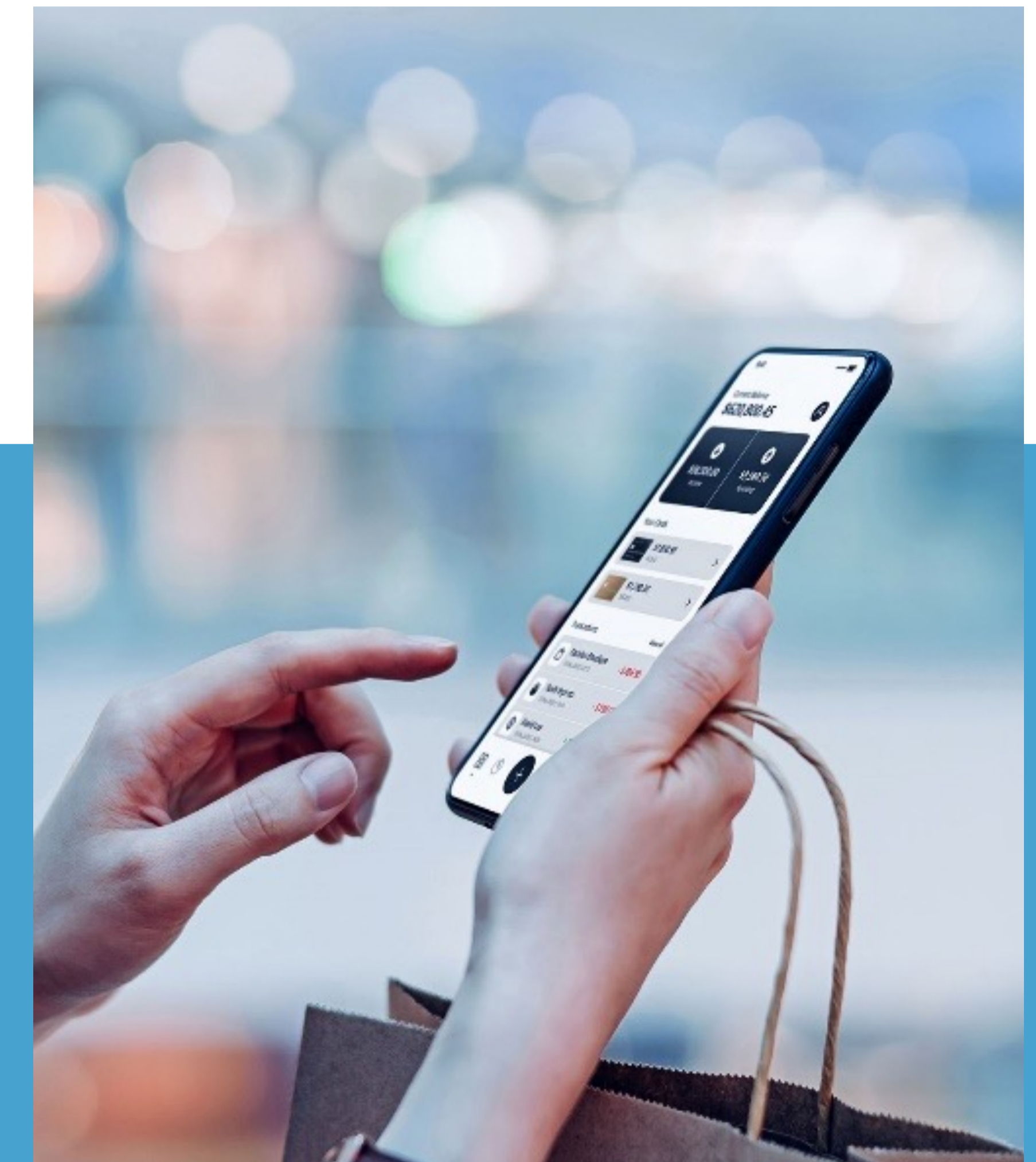
Gap between healthspan and lifespan



Self-care & preventative health



Sustainable & evidence-based solutions



New players with different needs

Together, keeping the world's growing population healthy!

Preventative
health
Essential

Science-backed
enjoyable
solutions
Desirable

Better for
people & planet
Sustainable

HNC plays across fundamentally attractive, specialized segments within the preventative health space

% of total sales (~€2.3 bn in 2023)

Early Life Nutrition

Dietary Supplements

Pharma

Medical Nutrition

Nutritional Improvement

i-Health

Biomedical



~20%

~30%

~15%

~5%

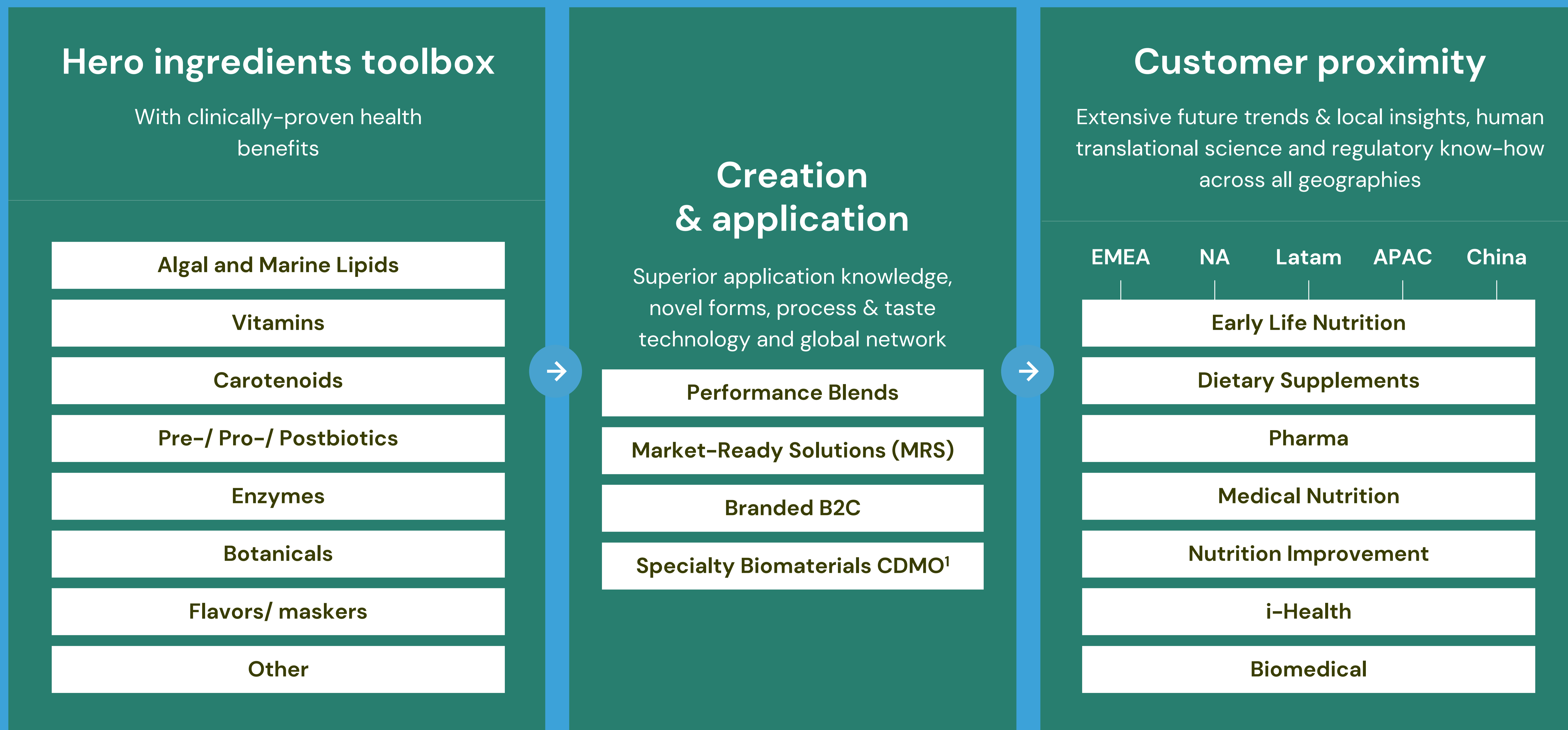
~5%

~15%

~10%

HNC is the market leader in B2B: 3x larger than next competitors

Our unique business model enables us to win at scale

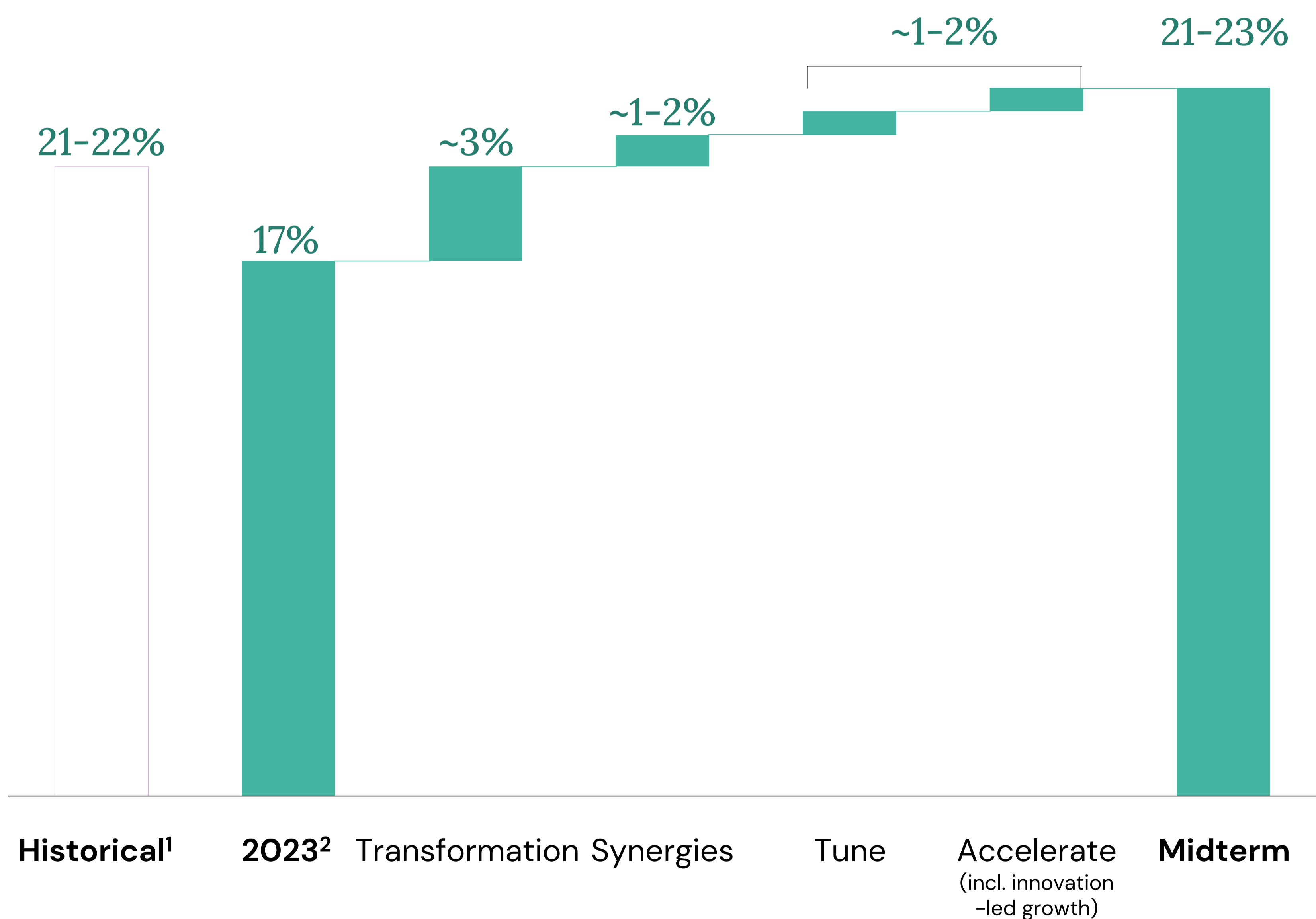


1. CDMO: Custom Development and Manufacturing

HNC has a strong underlying growth and margin profile that was exceptionally challenged in 2023

Strong underlying growth/margin profile ...

Adj. EBITDA margin, %

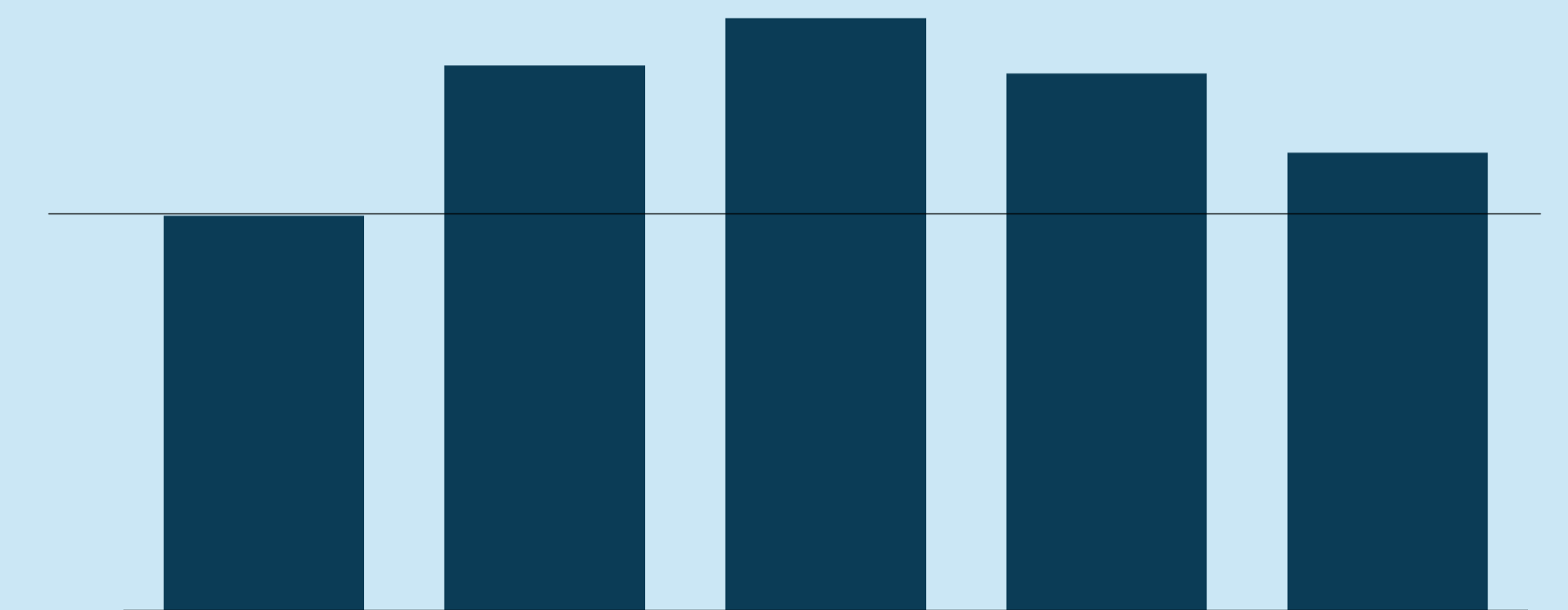


1. L10Y
2. Pro forma numbers

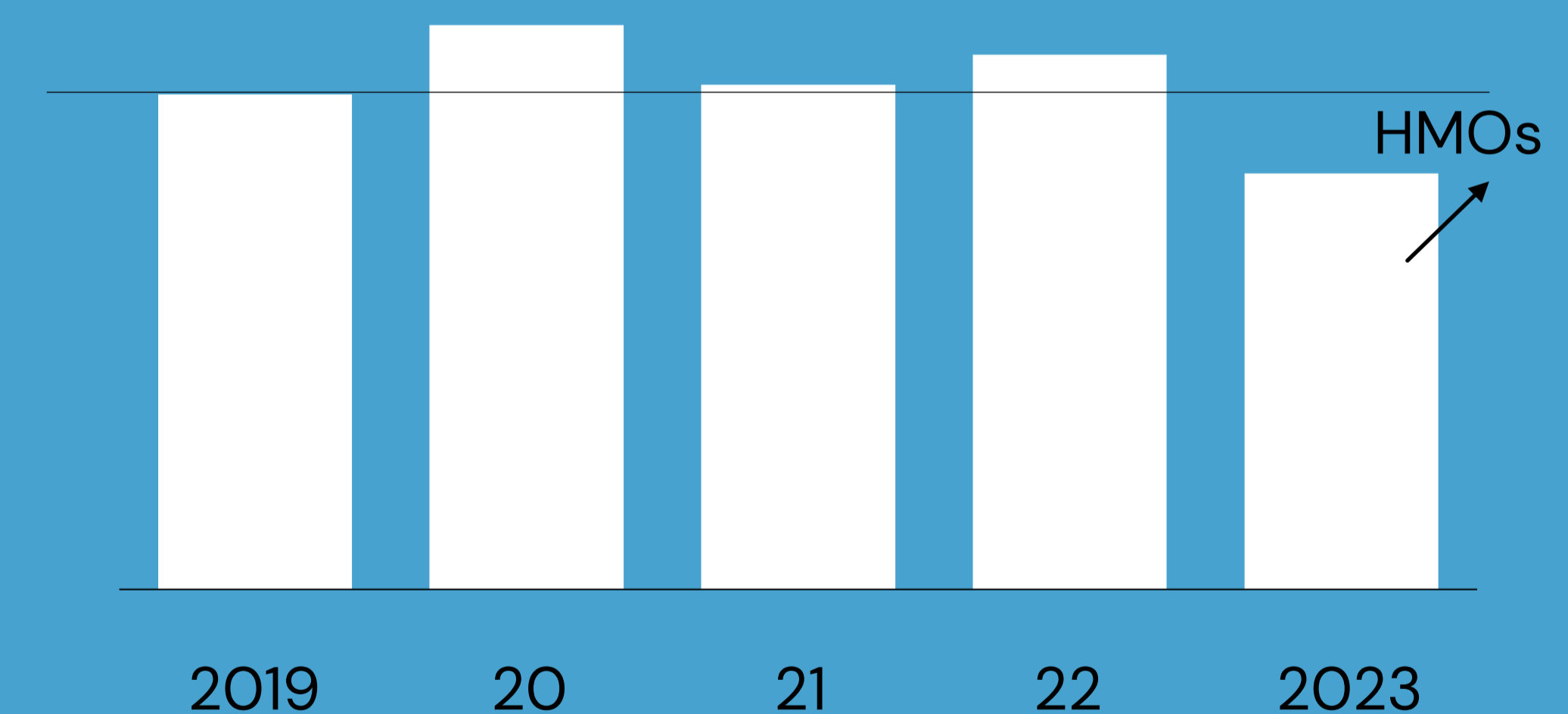
... exceptionally challenging 2023

Volume effect (2019 = 100)

Declining sales in **Dietary Supplements** after once-in-a-lifetime growth in **immunity-improving ingredients** ...

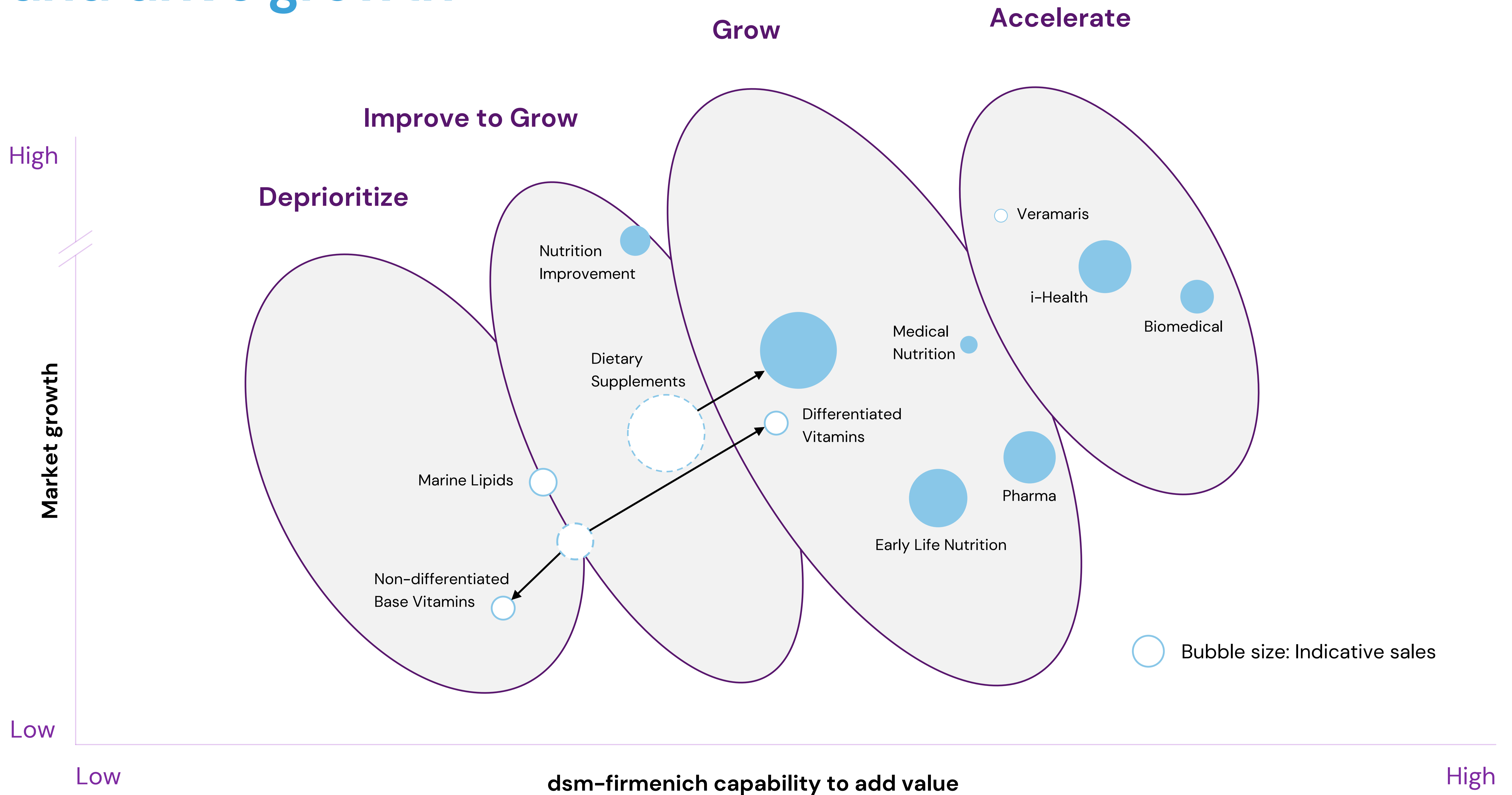


... and in **Early Life Nutrition** due to **destocking** and delays in approval for **HMOs** in China



... and energy/raw materials spike

We have taken swift action to address the situation and drive growth



Consumer-driven, science-based transition to a broader portfolio of differentiated hero ingredients with proven health benefits

Expanding health benefits



Example:
Reinventing Health from the Gut

Increasing differentiation



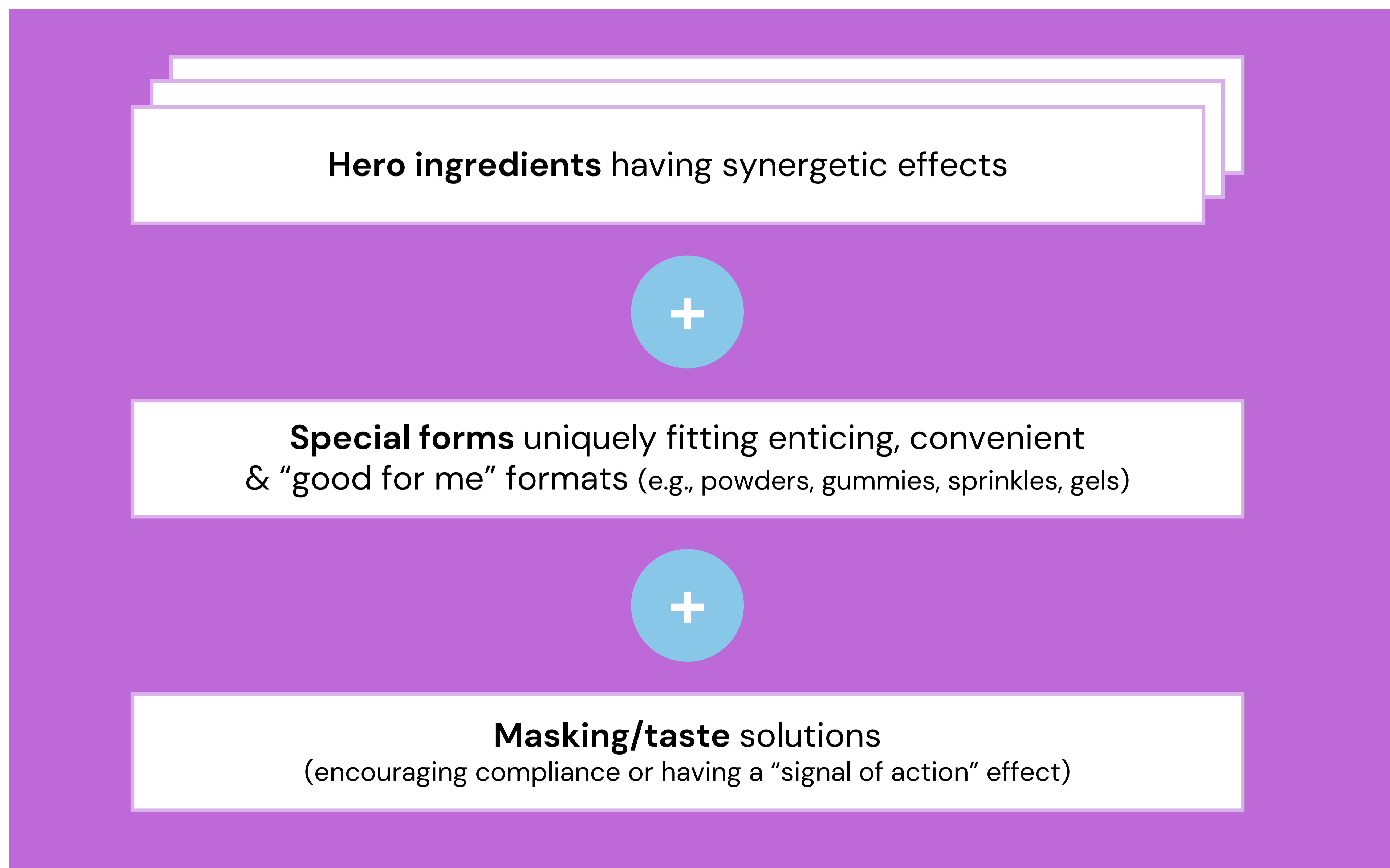
Example:
Novel Solutions for Healthy Aging

Driving sustainability



Example:
Supporting Big Shift to Algal

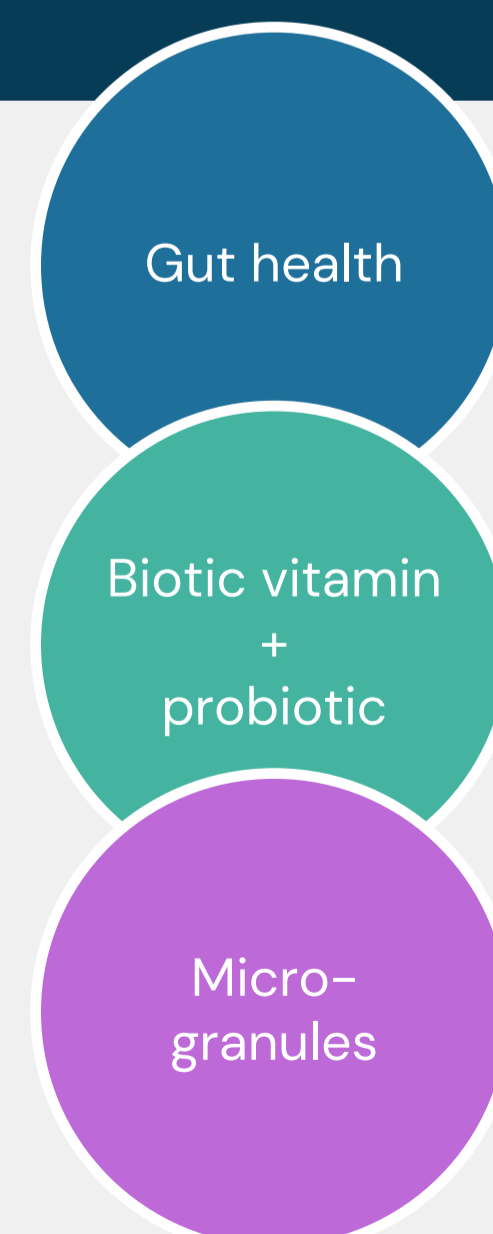
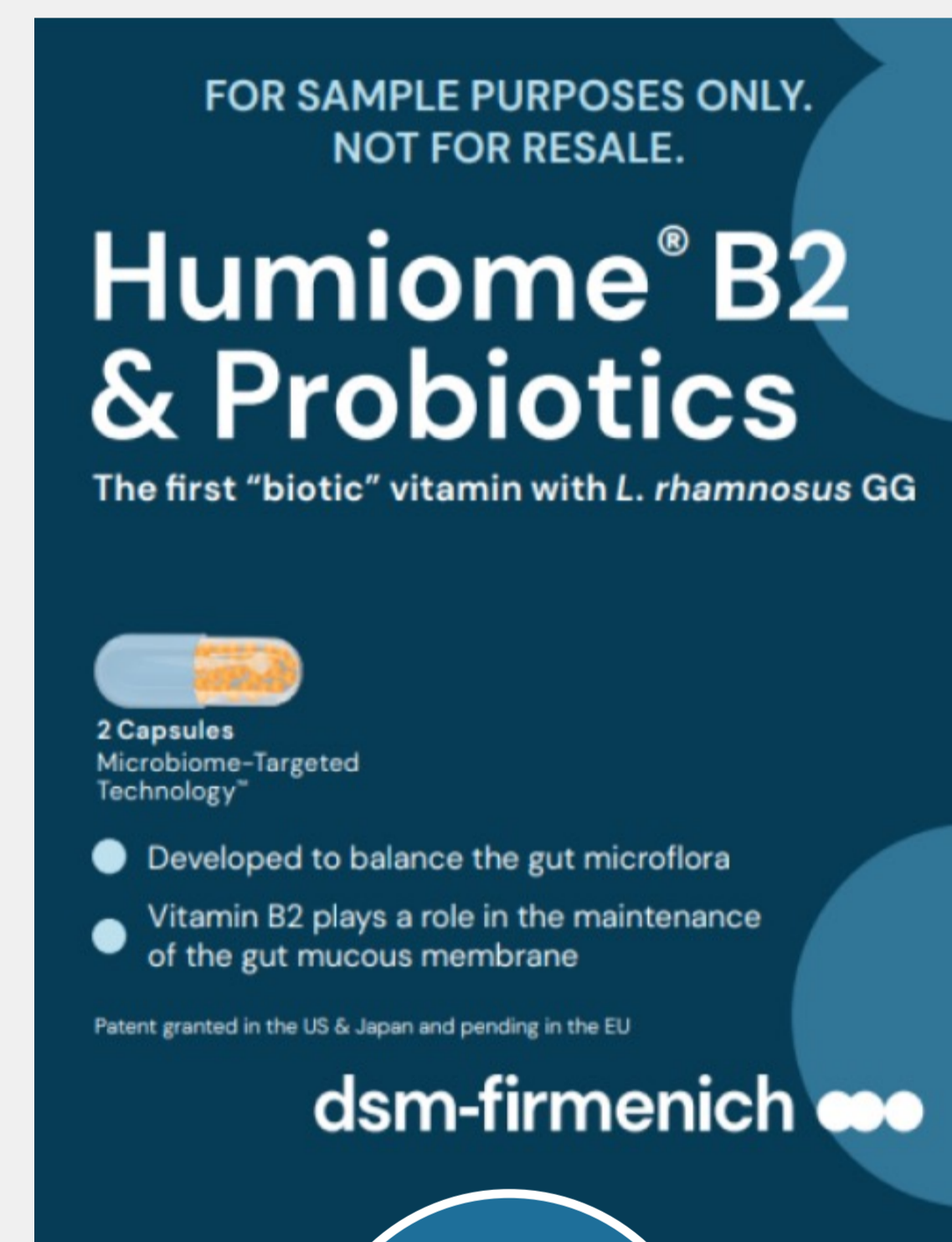
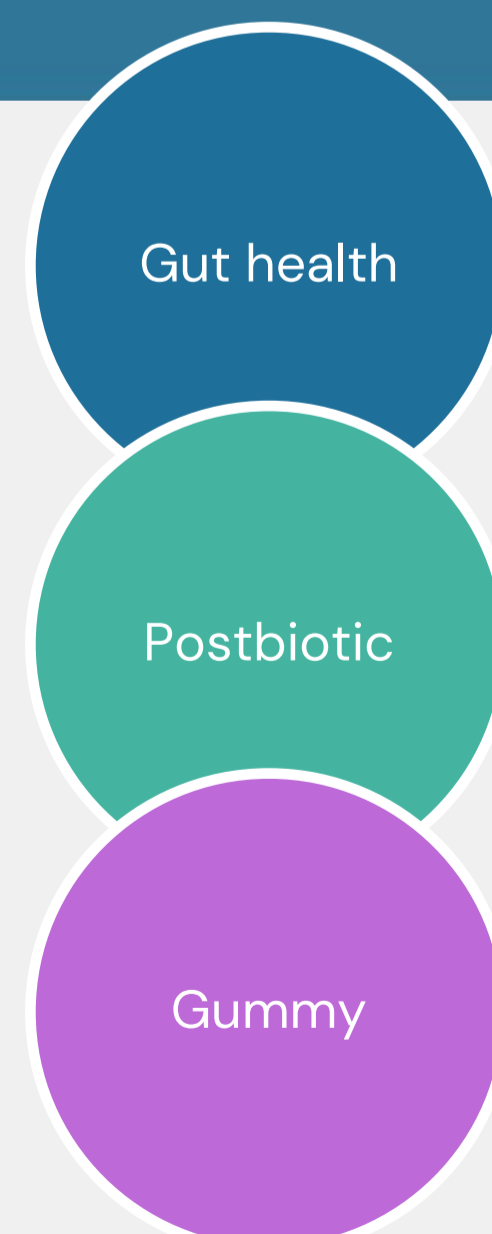
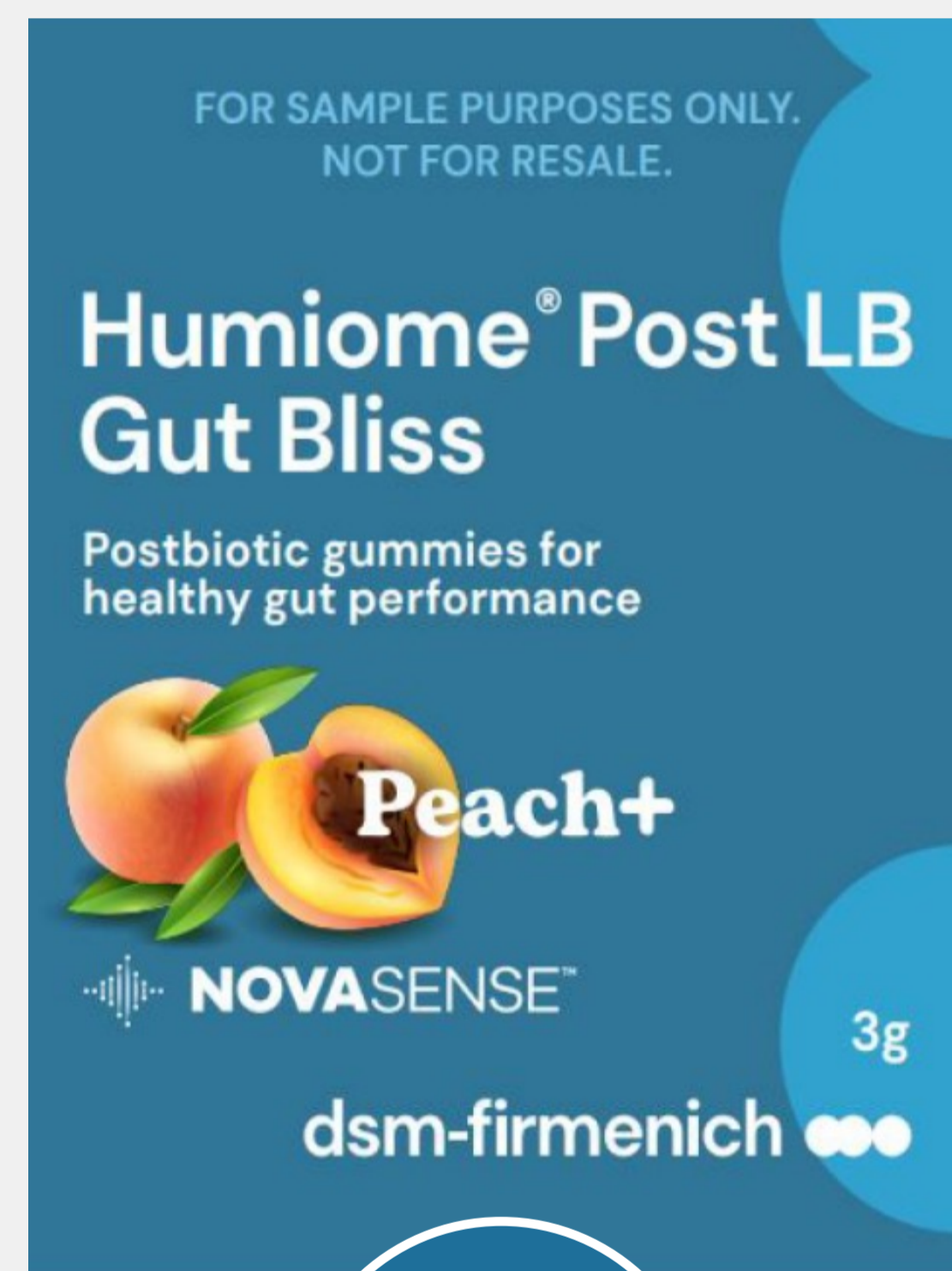
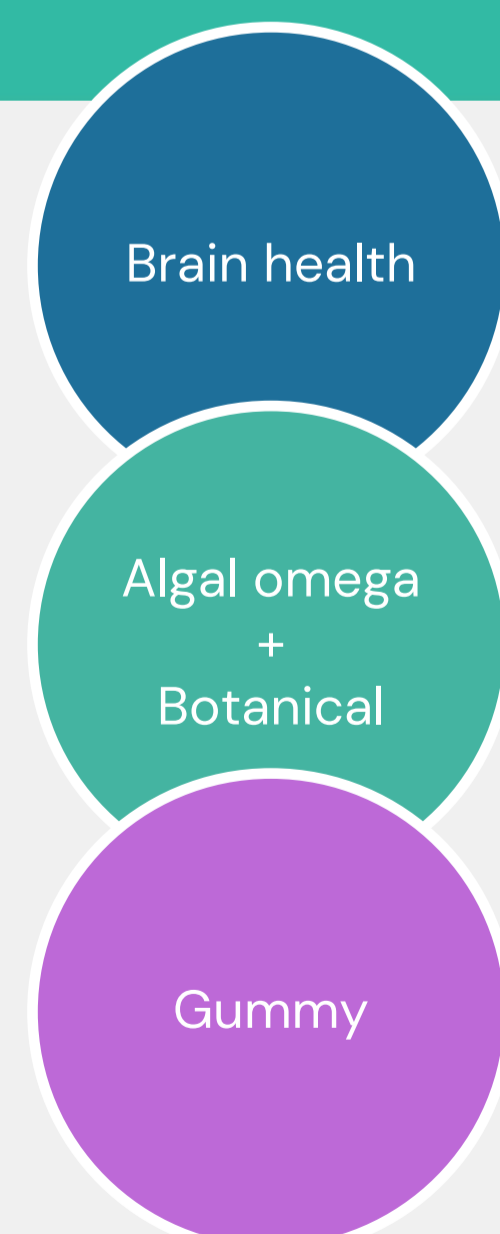
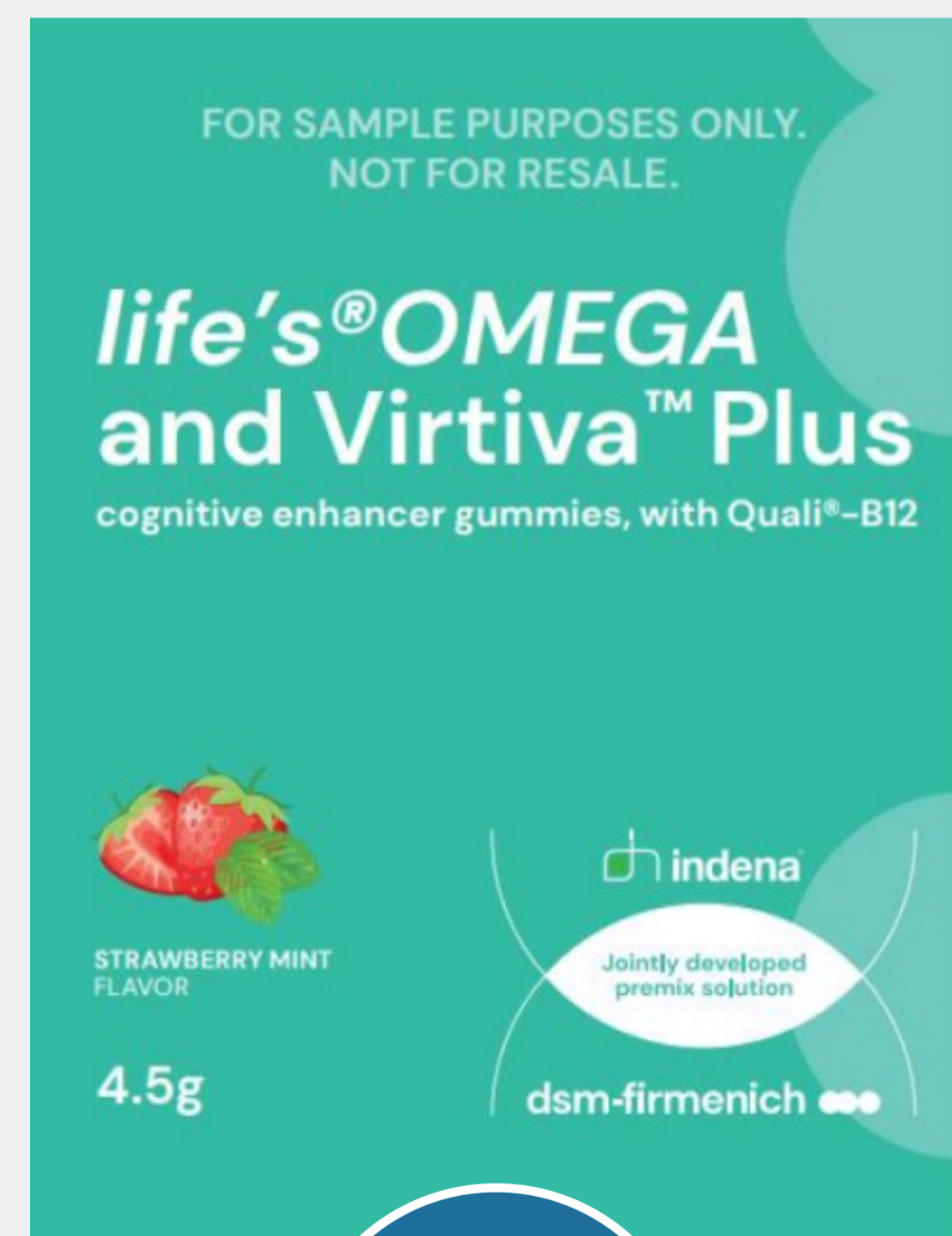
With our merged creation & application strengths, we are uniquely positioned to be the innovation and solution partner to our customers



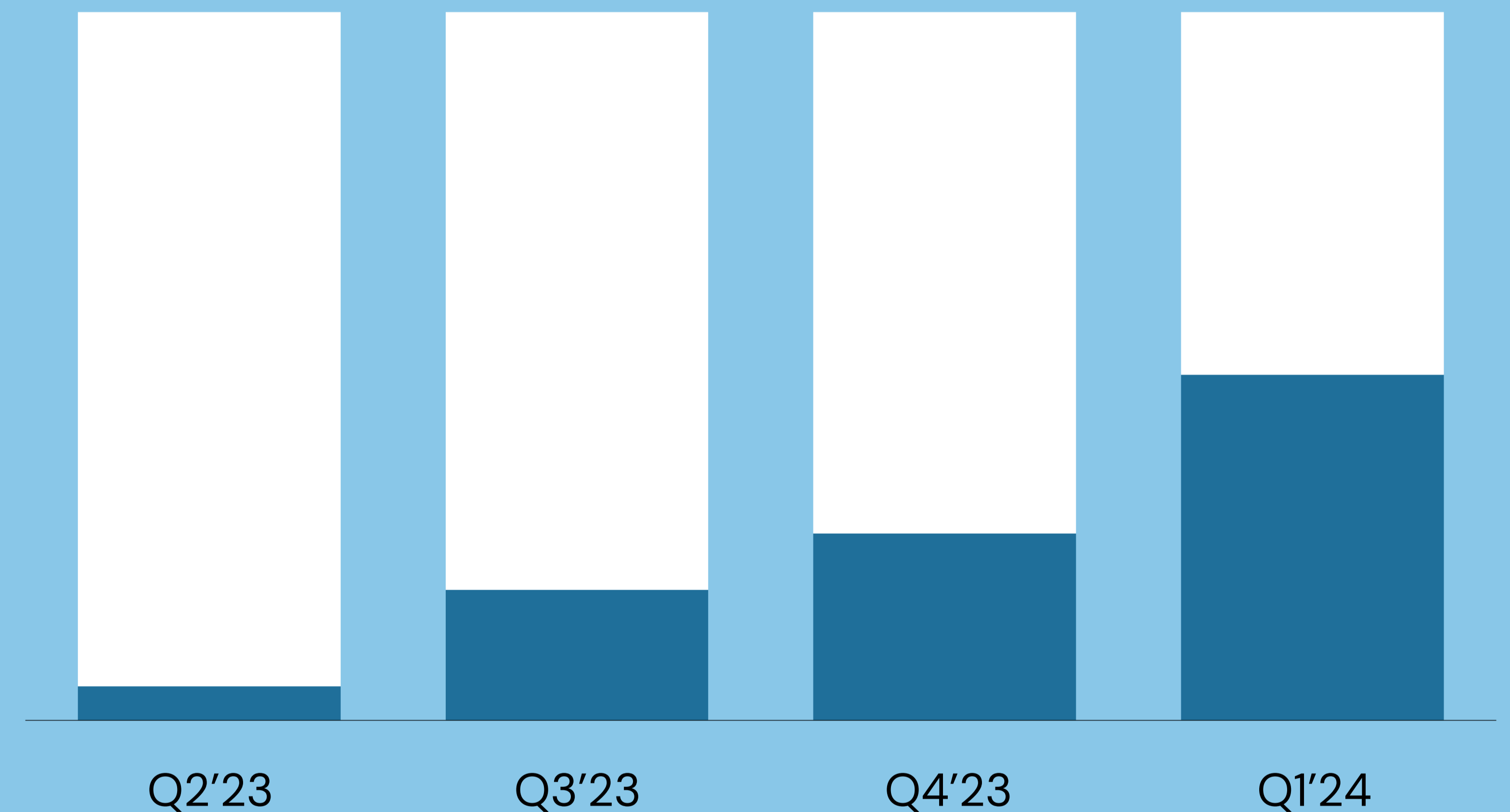
We give our customers the power of differentiation

Prototype examples ...

● Health benefit ● Hero ingredient ● Format



... substantiating our pipeline of revenue synergies

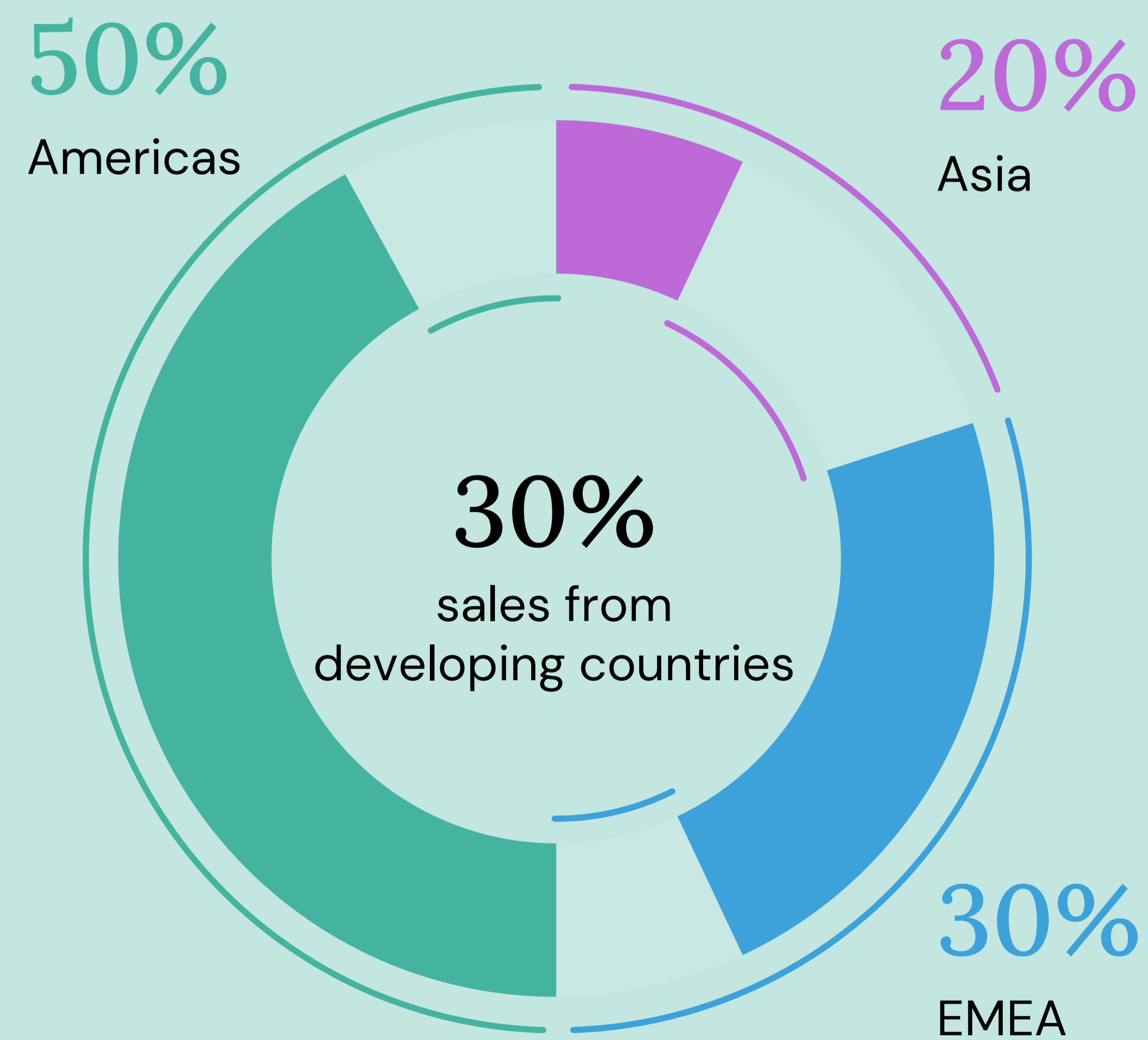


← Bi-weekly tracking →

€125 mn revenue synergies by 2027 from cross-selling, concept-selling and capabilities with >€60 mn in the pipeline Q1'24

Customer-centric set-up, global reach, strong position with regional players and market access capabilities provide strong platform for growth

Share of sales



Customer profile



Market access



Business model supports segment-specific, differentiated strategies

Early Life Nutrition



- Premiumization via innovation
- Affordable solutions for developing regions

Dietary Supplements



- Differentiated solutions for preventative health
- Growth with regional customers

i-Health



- Window into dietary supplements market
- Shape market for innovations

Pharma



- Portfolio and application diversification

Strategic priorities

Summary: Our strategic priorities ...

01 Create performance uplift
(non-differentiated base vitamins
and marine lipids)

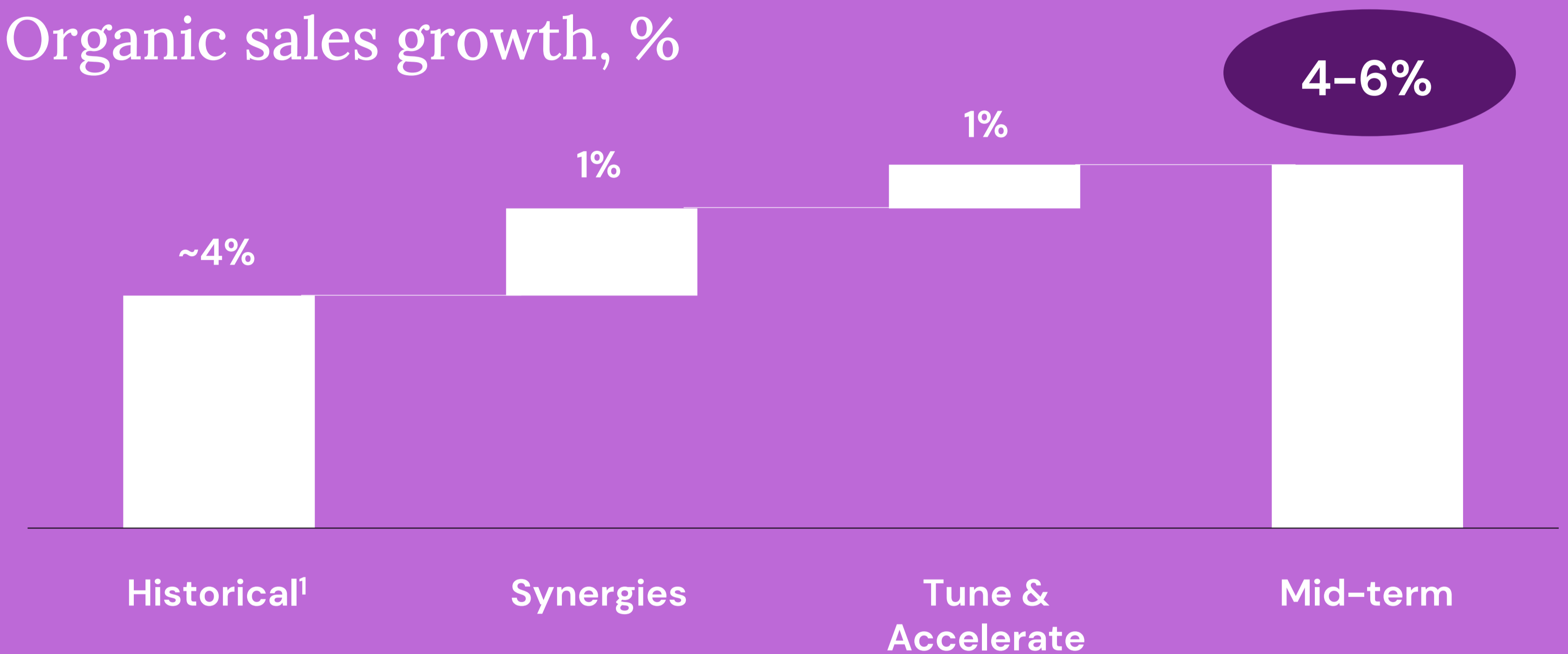
02 Fully establish HNC's winning
business model

03 Improve and grow leading positions
in Dietary Supplements, Early Life
Nutrition, and Pharma

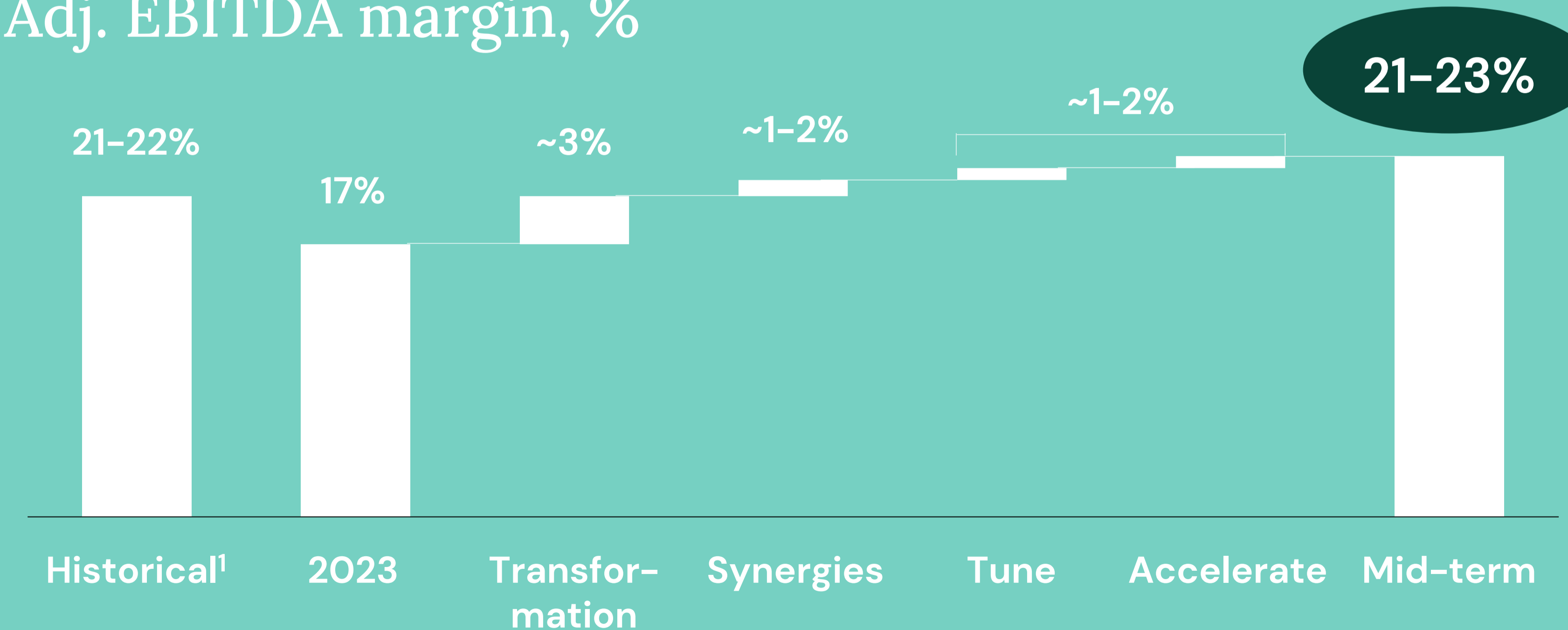
04 Accelerate profitable growth
in i-Health & Biomedical

... will drive value creation in
line with the Group's mid-term
ambition

Organic sales growth, %



Adj. EBITDA margin, %



1. Pro forma numbers, historical defined as L10Y

Together, keeping the world's growing population healthy!

Preventative
health
Essential

Science-backed
enjoyable
solutions
Desirable

Better for
people & planet
Sustainable

Fact slides

Health, Nutrition & Care at a glance

2.3 bn

€ Revenues¹

4-6%

Organic Sales Growth²

21-23%

Adjusted EBITDA Margin²

>4,500

Health & Nutrition Professionals

70+

locations

10 ingredient production sites, 14 premix sites, 6³ application labs

Keeping the World's Growing Population Healthy

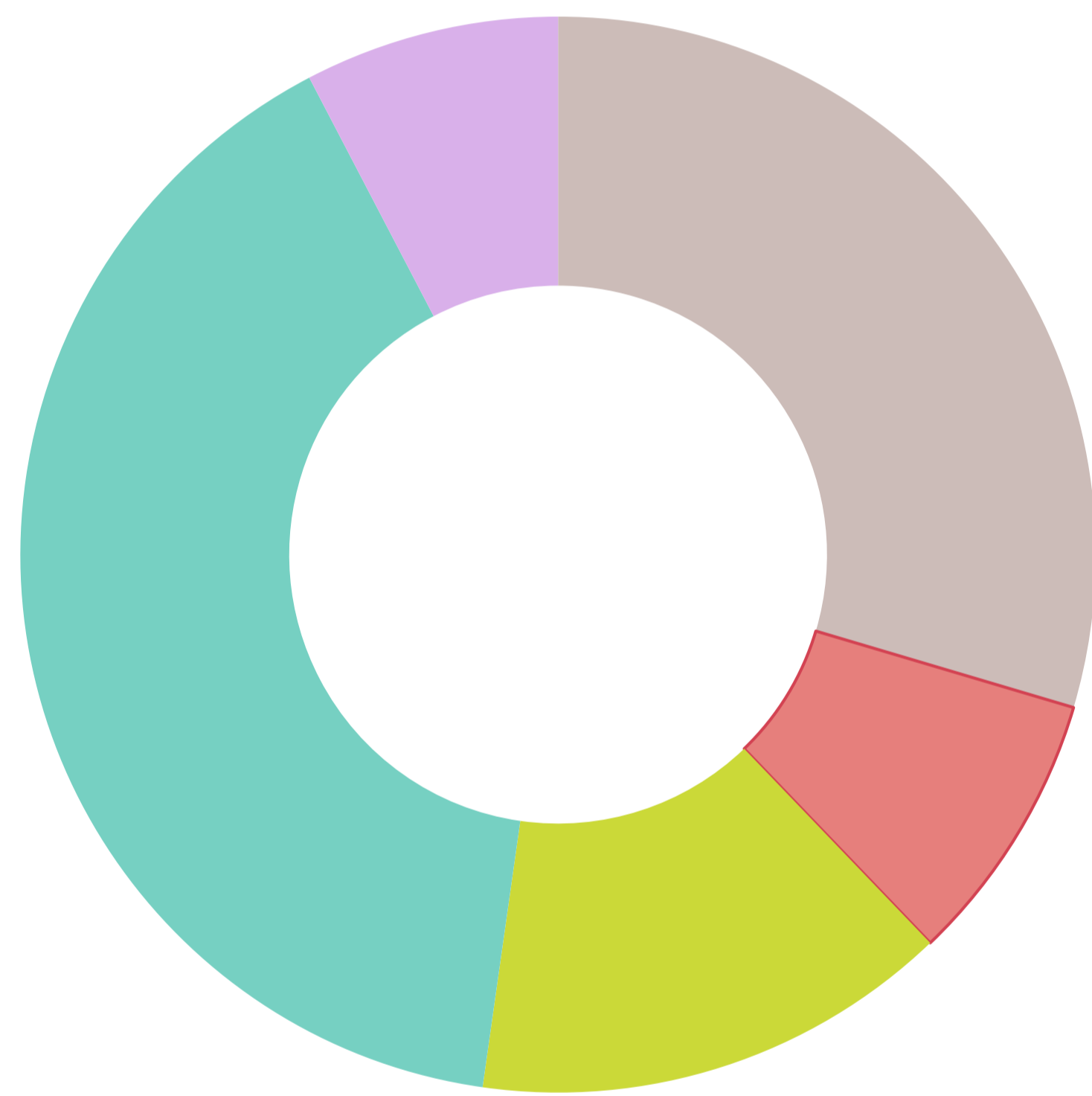
1) 2023 Actuals

2) Mid-term target

3) Excluding Taste application labs

Global Presence

HNC €2.3 bn
Sales by destination (%)



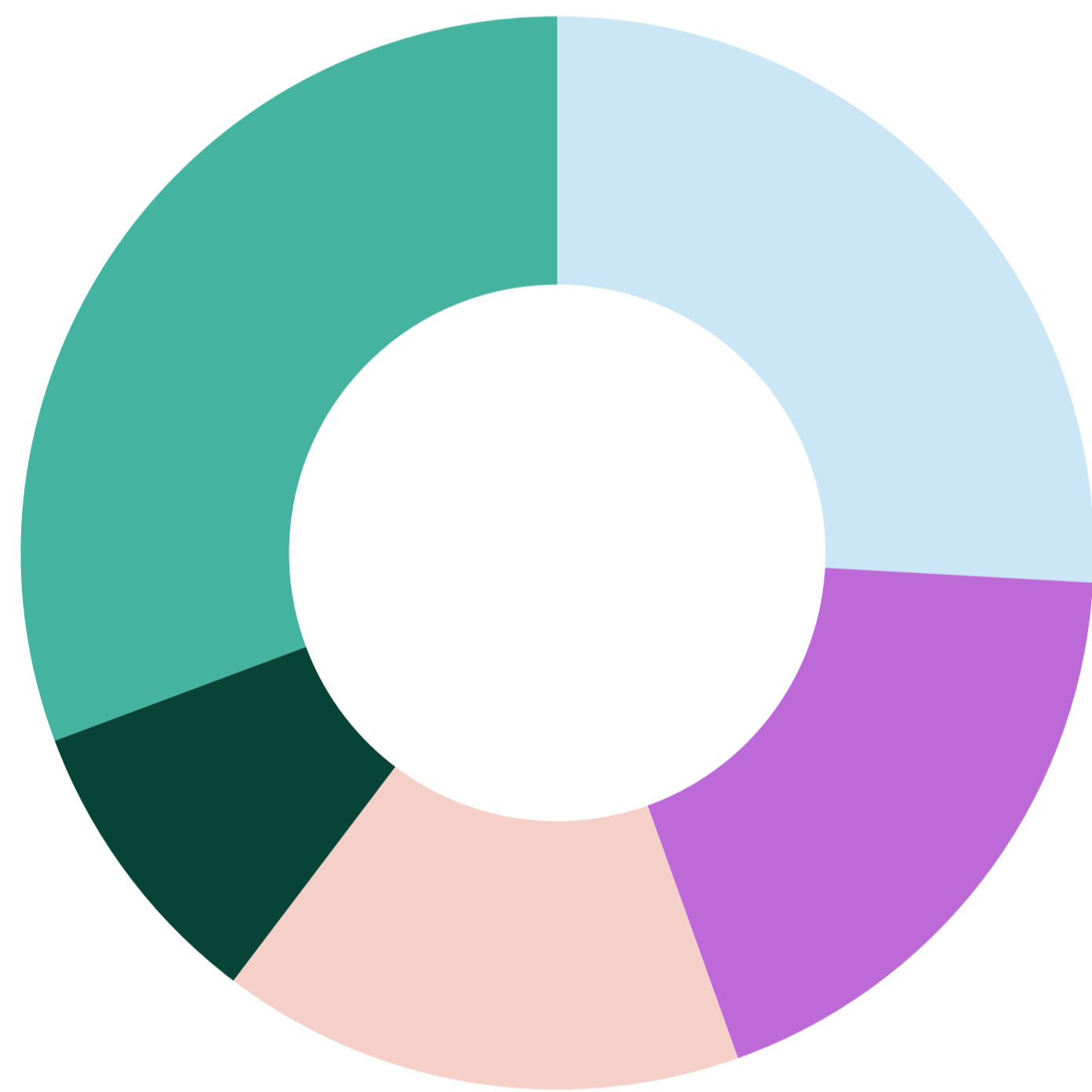
EMEA China APAC
North America Latin America



10 ingredient production sites & 14 premix sites
+6 application centers supported by >4,500 Health & Nutrition professionals

Key products

HNC €2.3 bn
Sales by Product (%)



■ Vitamins ■ Lipids ■ i-Health ■ Biomedical ■ Other

Vitamins

Broadest range of vitamins, which are essential ingredients required for growth and well-being ranging from fat-soluble vitamins (A, D, E, K) to water-soluble vitamins (C, all B vitamins, folic acid and pantothenic acid). Vitamins aid metabolism, growth and physical well-being

Carotenoids

Natural source & natural-based beta-carotene, lutein, zeaxanthin; In addition to vibrant colors, carotenoids will give your products healthy benefits. Certain carotenoids work as antioxidants in the body to protect cells, tissues and organs against the damaging effects of free radicals

Lipids – Omegas

We are the global leader in nutritional lipids (ARA/EPA/DHA), with a portfolio that includes market-leading products in both marine and algal-source omega-3s, as well as arachidonic acid, the primary omega-6 fatty acid, important for optimal growth and development of the infant brain

Pharma ingredients

Special-grade vitamins and lipid formulations for pharmaceutical applications

Pro-/pre-/postbiotics

Gut health goes beyond issues with digestion, but also relates to many aspects of overall health. The role of the gut microbiome is of great importance. There is a clear potential for the landscape of gut health products. Our Culturelle (i-Health) is the no 1 probiotic brand in the US.

HMOs

Human Milk Oligosaccharides are carbohydrate structures, naturally occurring in breast milk, and the 3rd most abundant solid component of human milk after lipids and lactose. HMOs help to develop the desired microbiota by serving as a food source for the good bacteria in the intestine.

Nutraceuticals

Ingredients, such as Fruitflow®, OatWell®, resVida®, Reducose®, ALL-Q™, deliver optimal balance of microflora in the gastro-intestinal tract enabling consumers to perform at their peak, as well as helping cope with health concerns such as cardiovascular disease and weight management

Enzymes

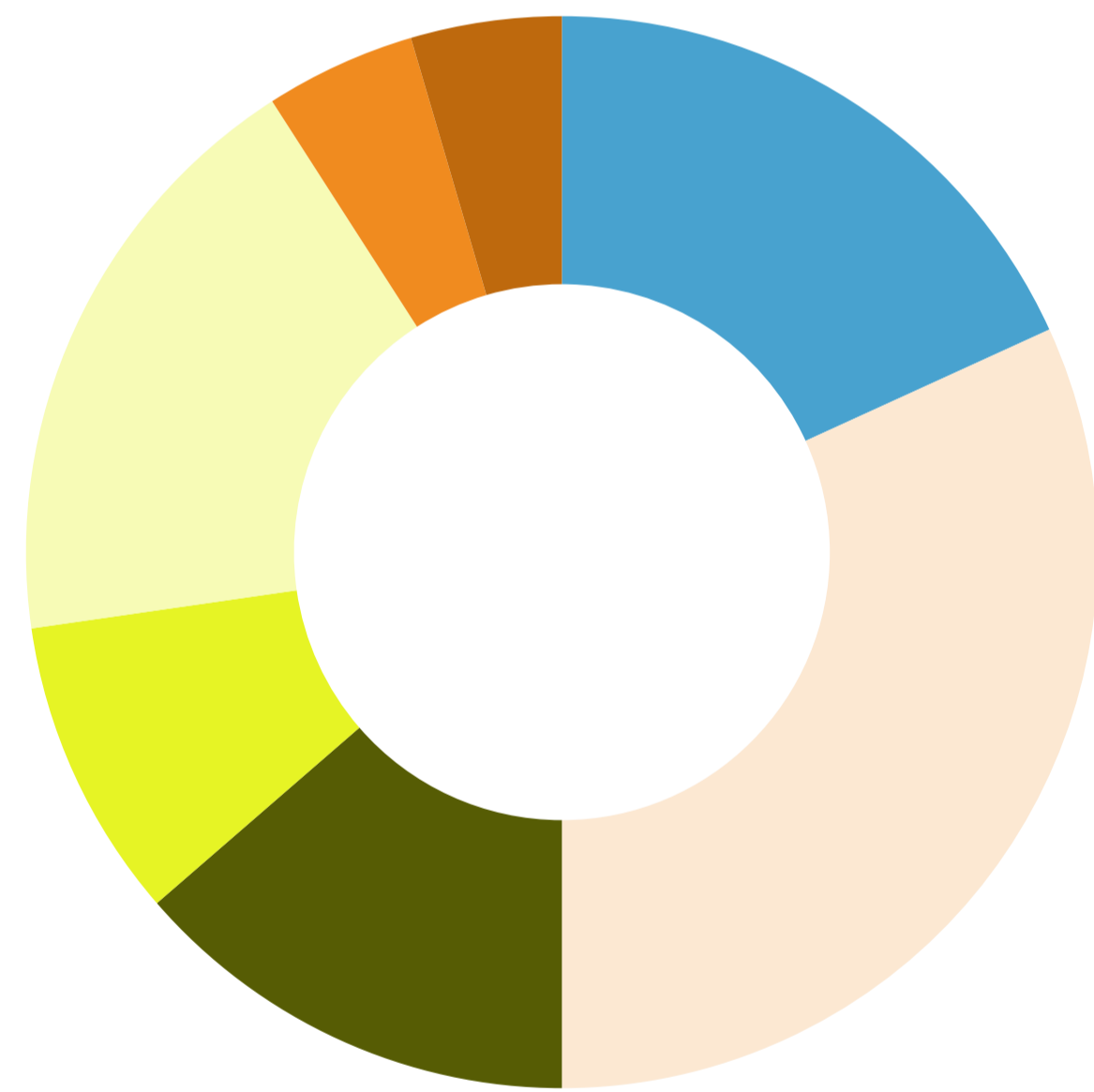
dsm-firmenich offers solutions for digestion support through optimal nutrient breakdown. Digestive enzyme are designed to have optimal activity within the stomach's harsh conditions.

Biomedical

Portfolio of customizable, combinable, and sustainable biomaterials that are unrivaled in the medical industry - empowering designers and engineers to explore new creative frontiers and bring innovative medical solutions to market faster

End-Markets

HNC Sales €2.3 bn
2023 Sales by end market (%)



- Early Life Nutrition
- Dietary Supplements
- Pharma
- Biomedical
- i-Health
- Medical Nutrition
- Nutrition Improvement

Early Life Nutrition

With dsm-firmenich, it's possible to develop safe and efficacious solutions that support the development of children



Dietary Supplements

Inspire consumers to rethink health through science-backed, purpose-led, tailor-made solutions



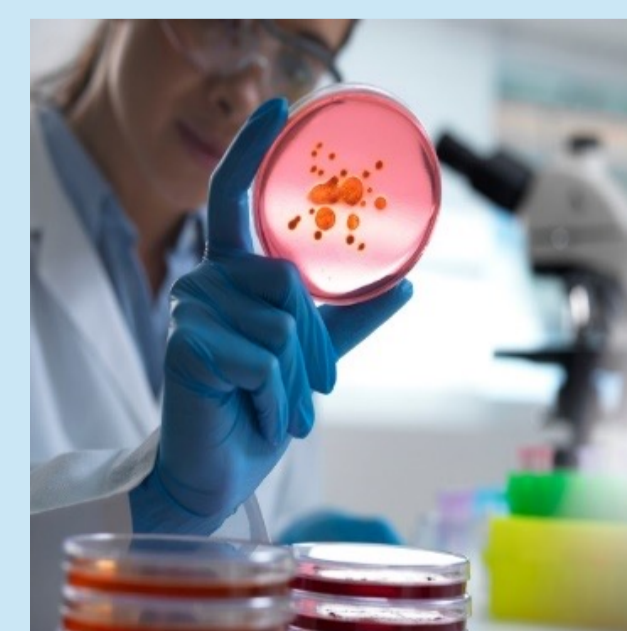
Pharma/ Med. Nutrition

Our process begins and ends with consumers. We help improve quality of life for patients, elderly and active adults with formats that are palatable as well as medically compliant



Biomedical

Bringing progress to life through sustainable biomaterials for orthopedic and cardiovascular applications delivering tangible and valuable benefits to our partners and patients



i-Health

Our B2C business, developing, marketing and distributing branded products that support health and wellness, including gut health & immunity, hormonal health, digestive health, urinary health



Nutritional improvement

Creates brighter futures for the most vulnerable populations by tackling micronutrient deficiencies



This presentation contains forward-looking statements with respect to dsm-firmenich's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of dsm-firmenich and information currently available to the company. dsm-firmenich cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. Also, for a variety of reasons including many factors outside the control of dsm-firmenich, there can be no guarantee that the proposed separation of ANH will be decided and completed within the expected time frame or at all. Nor can there be any guarantee that dsm-firmenich or a separate ANH business will be able to realize any of the potential strategic benefits, synergies or opportunities or any guarantee that shareholders will achieve any particular level of return in relation thereto. dsm-firmenich has no obligation to update the statements contained in this presentation, unless required by law. The English language version of this press release prevails over other language versions.

A more comprehensive discussion of the risk factors affecting dsm-firmenich's business can be found on the company's corporate website, www.dsm-firmenich.com as well as in the companies Integrated Annual Report 2023.

This presentation includes information that is presented on a pro forma basis ('pro forma figures') as well as other alternative performance measures (APMs), and information that is presented in accordance with IFRS as issued by the International Accounting Standard Board ('IFRS figures').

We bring progress to life