

# Capital Markets Day

Taste, Texture & Health

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President TTH





# The Food and Beverage industry is an attractive market with rapidly changing consumer demands

Consumers demand food & beverages that are

Healthier



More delicious



Better for people and planet





# Our customers increasingly need a solution provider and partner



Faster changing local taste preferences require an accelerated speed for new launches



Increased focus on sustainability and traceability



Accelerated product reformulation needed for product positioning, optimization and affordability



Less sugar, salt and fat, more nutritional value and health benefits



# Delicious, Nutritious and Sustainable F&B Solutions





# We are a category of ONE...



**Synergistic,  
on-trend broad  
portfolio**

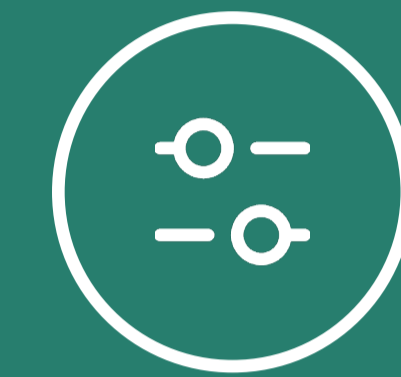
In attractive  
major markets

**Unique Co-creation, Application  
and Innovation capabilities**

Co-creation and  
Application capability

New Product and  
Concept development

Science & Innovation



**Understanding  
how to address  
local consumer needs**

Market and consumer  
insights, sensory and  
nutritional health expertise

**... uniquely positioned to support our customers around the globe with local solutions**

# Synergistic, on-trend broad portfolio in all major markets

% of total sales (~€3 bn in 2023)



## Beverages

~35%

- Taste
- Sugar Reduction
- F&B Premixes
- Hydrocolloids
- Coloration



## Dairy

~20%

- Taste
- Sugar Reduction
- F&B Premixes
- Hydrocolloids
- Enzymes
- Cultures
- Probiotics



## Baked goods & confectionary

~20%

- Taste
- Sugar Reduction
- F&B Premixes
- Hydrocolloids
- Enzymes
- Coloration



## Savory

~15%

- Taste
- Salt Reduction
- F&B Premixes
- Yeast Extracts



## Pet

~5%

- Taste
- Hydrocolloids
- Pet Premixes
- Omegas
- Postbiotics



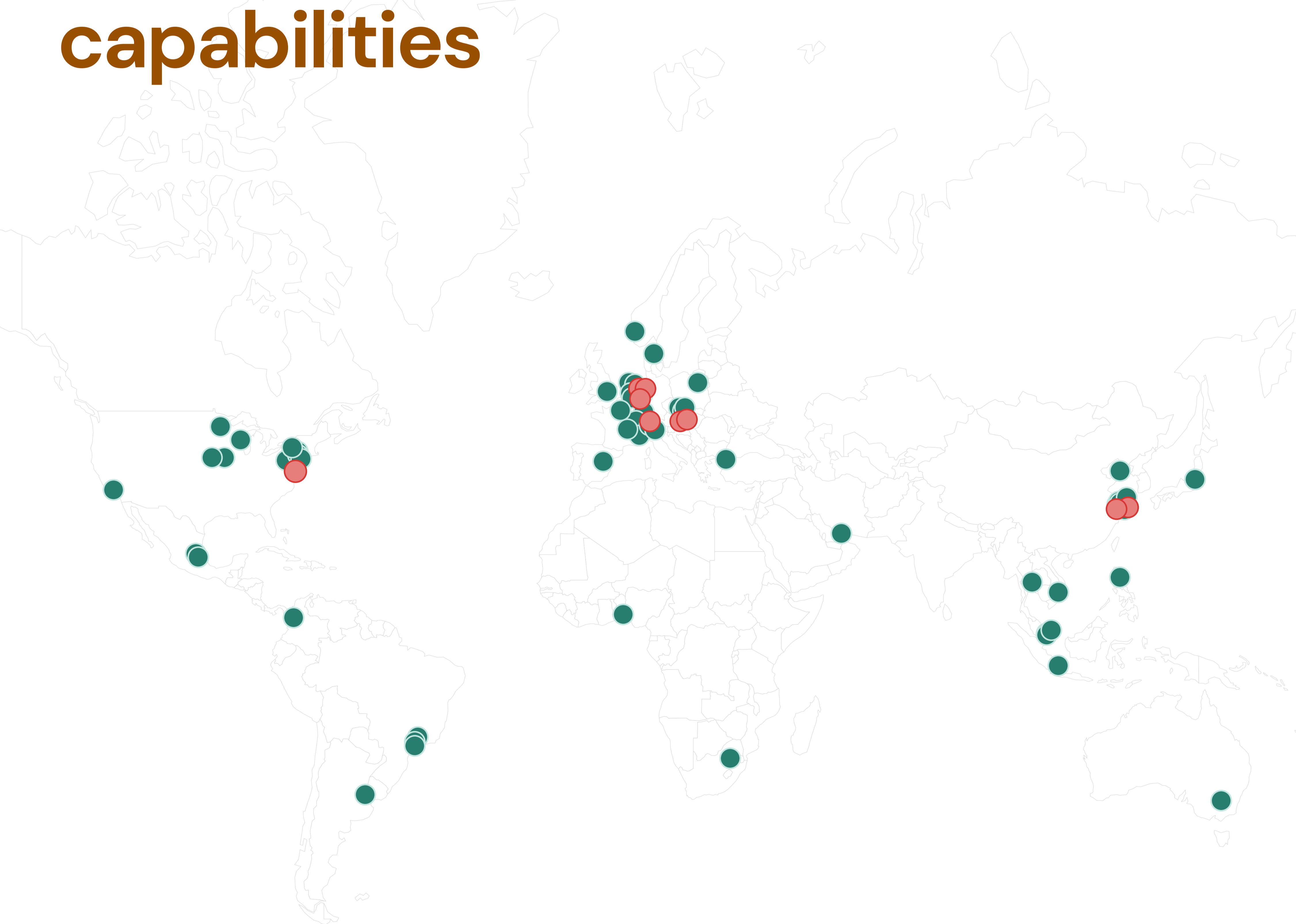
## Plant-based

~5%

- Taste
- Sugar Reduction
- F&B Premixes
- Hydrocolloids
- Salt Reduction
- Plant Proteins
- Fibers
- Coloration



# Unique co-creation, application, and innovation capabilities



● 53 co-creation and application labs

● 9 R&D sites



## Co-creation and application

- Over >500 employees in co-creation and application
- Tailored, local solutions with strong regional presence
- Synergy in application



## Science and innovation

- World-class biotechnology to develop natural ingredients and flavors
- Unique receptor technology to innovate in taste
- Food matrix & taste interaction know-how

# Understanding and addressing local consumer needs



2,000+ consumer & sensory studies per year

Measuring perception of 7,000+ food & beverage products



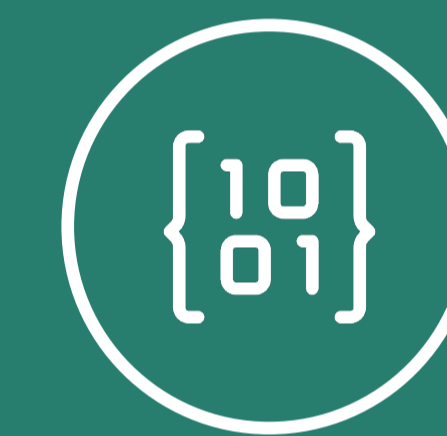
50,000 consumers engaged each year

Via surveys, concept and product taste tests



Nutritional & health expertise

Performing global studies to understand concerns and attitude towards health and nutrition



Proprietary AI & data tools

Machine learning and AI generated insights



Global competencies with local insights

Global competencies tailored & brought to market through local teams



# We will capture growth through our two businesses and through synergies



On a foundation of...

- Our passionate people
- Digital tools and infrastructure
- Co-creation, application and biosciences
- Consumer insights



# Strong synergies momentum, across regions & end-markets



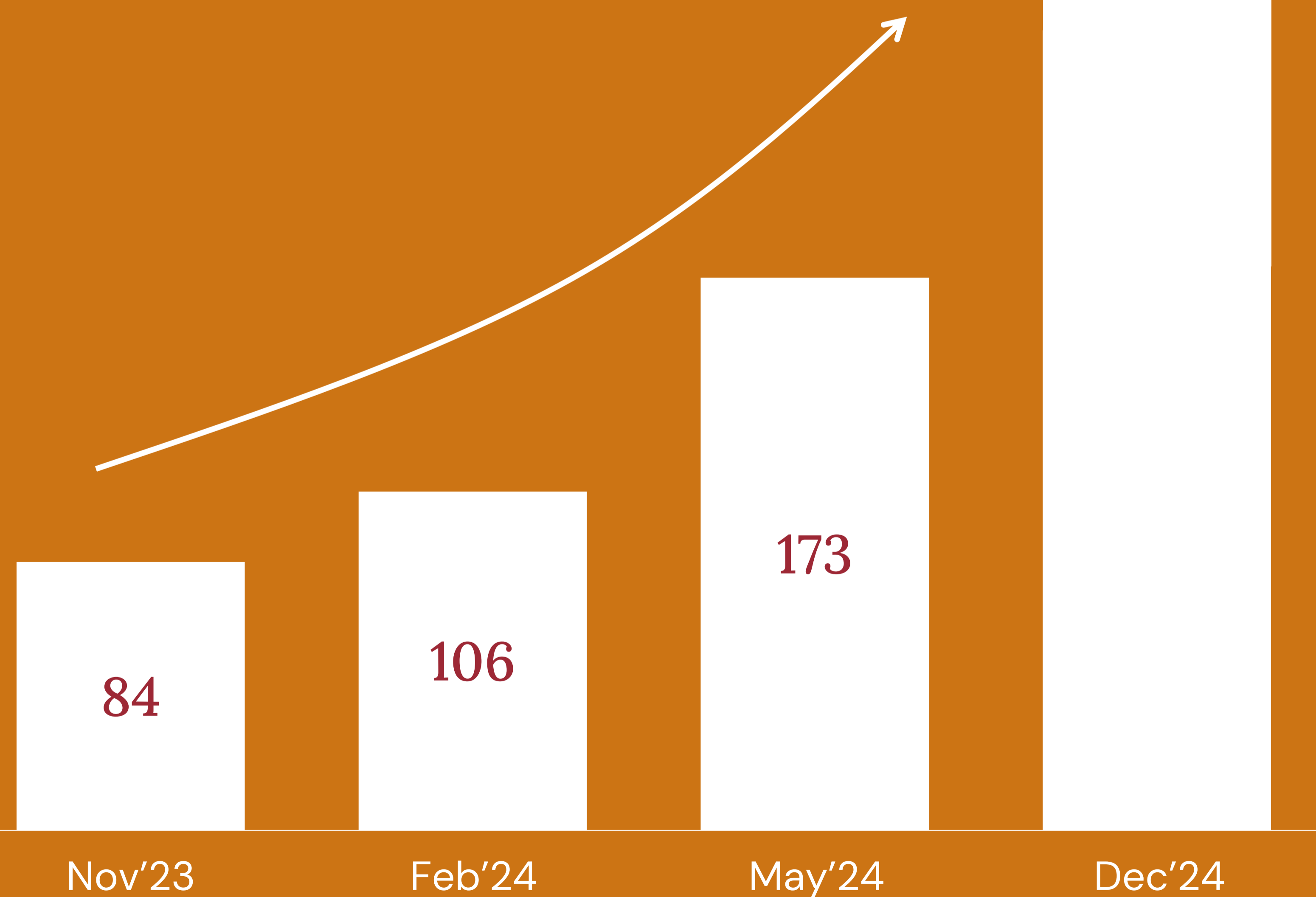
November 2023  
February 2024  
May 2024



# Strong revenue synergies pipeline, with confidence to reach targeted synergies

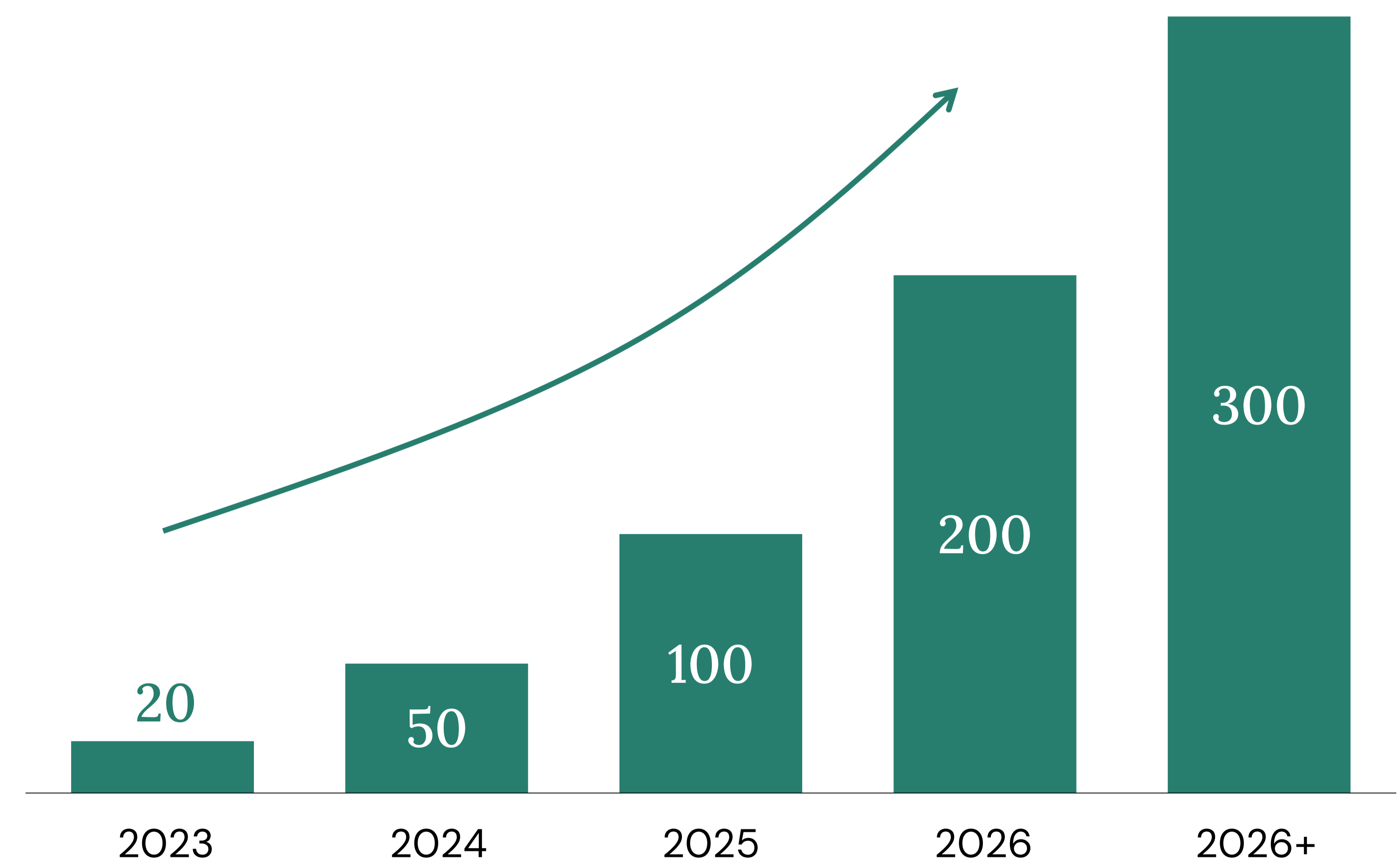
Strong pipeline  
of revenue synergies...

Pipeline of revenue synergies, € mn



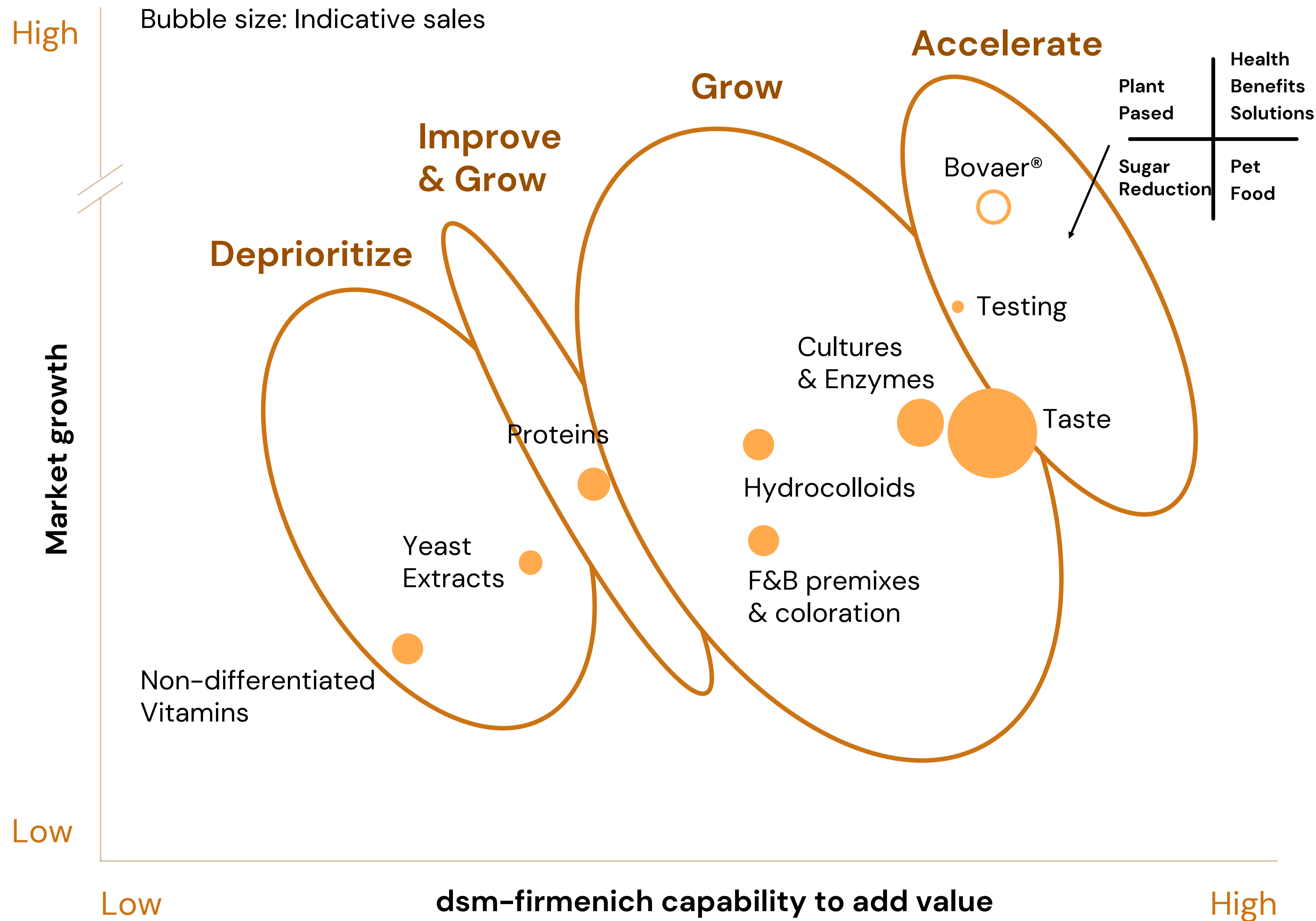
... translates into confidence  
to reach targets according to plan

Revenue synergies, € mn





# We focus on high growth, high margin segments



## Accelerate

Invest in long-term growth platforms

## Grow

Continue growth in attractive core segment Taste, as well as cultures and enzymes, while capitalizing on on-trend portfolio of hydrocolloids and pre-mix capabilities

## Improve to Grow / deprioritize

Focus on reduction of asset intensity



# Summary: Our strategic priorities...

- 1 Accelerate **profitable growth in Taste**, driven by customer intimacy, enabled by superior local consumer understanding and innovation

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- 2 Accelerate **profitable growth in Ingredient Solutions** by product leadership and portfolio optimization

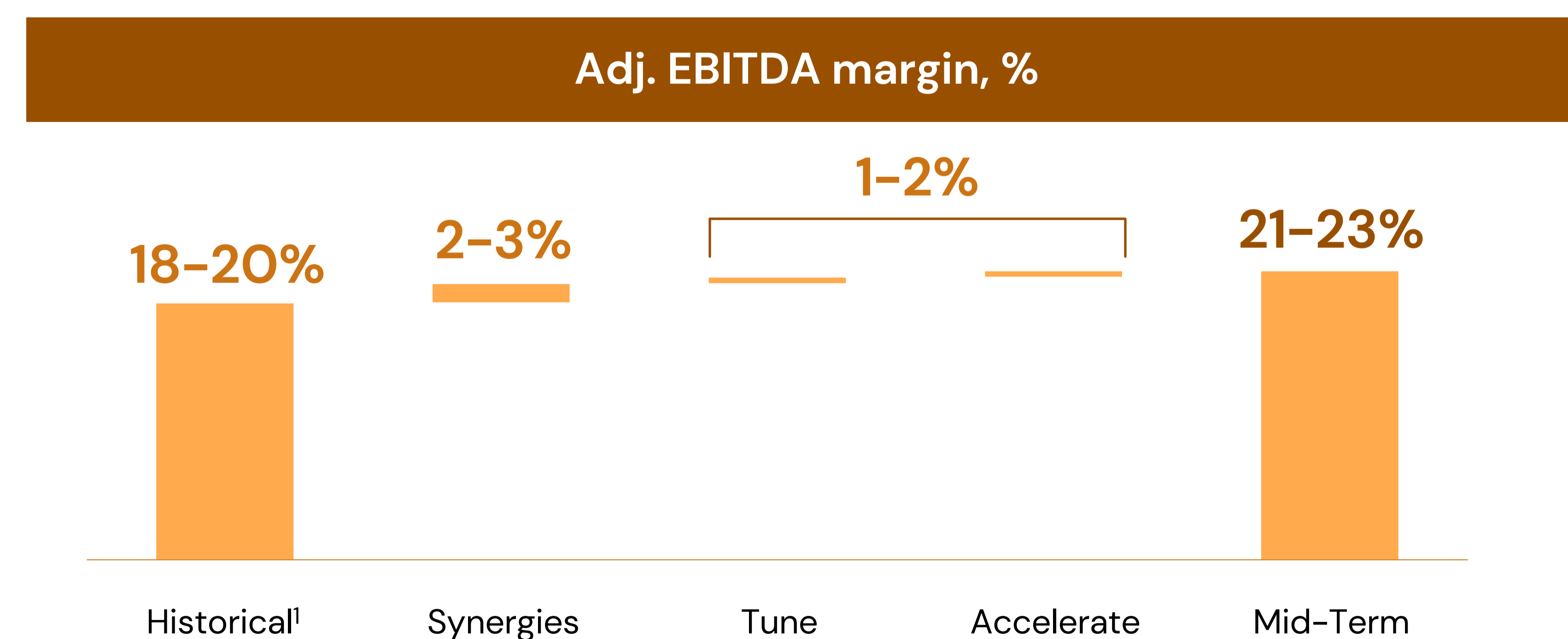
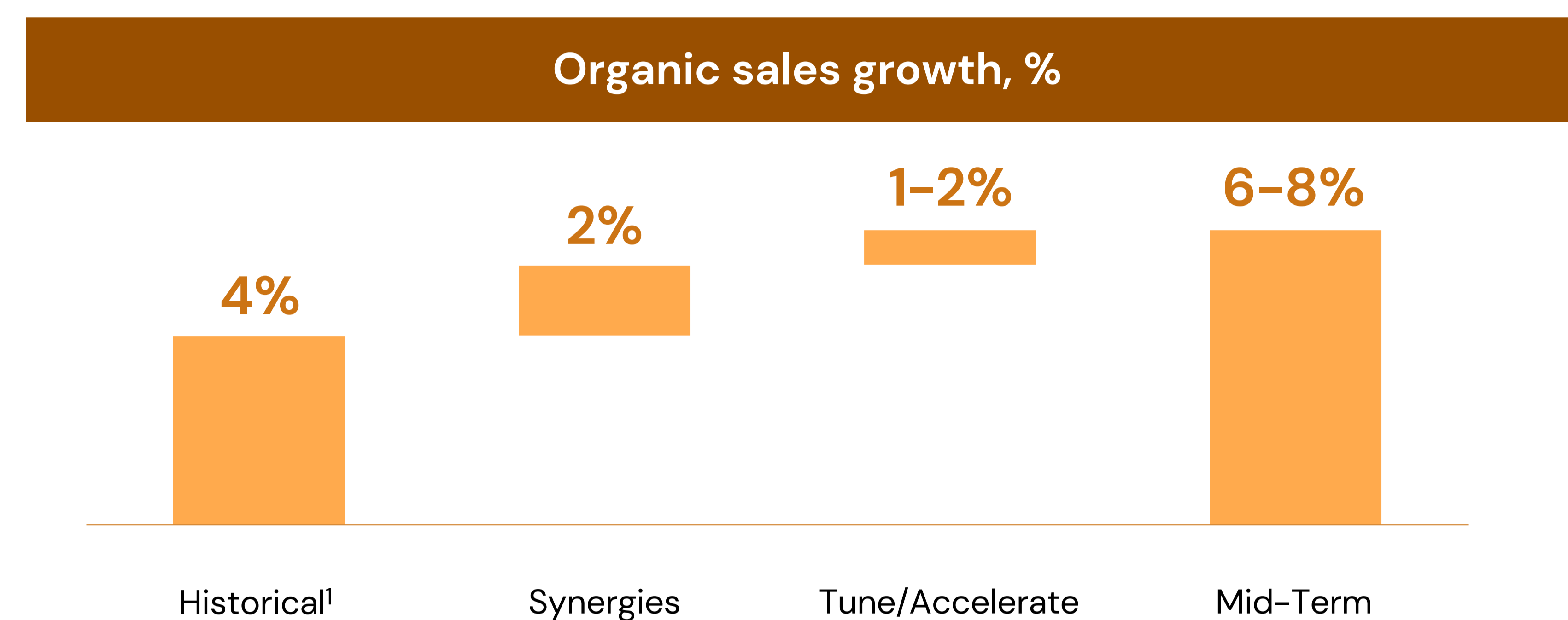
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- 3 Fully establish TTH's winning business model, as a category of ONE

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- 4 Capture €300 mn revenue **synergies** – AND further **accelerate 4 growth platforms**

## ... will drive value creation in line with group's mid term ambition



1. Pro forma numbers – historical refers to L10Y TTH (includes Bovaer®)

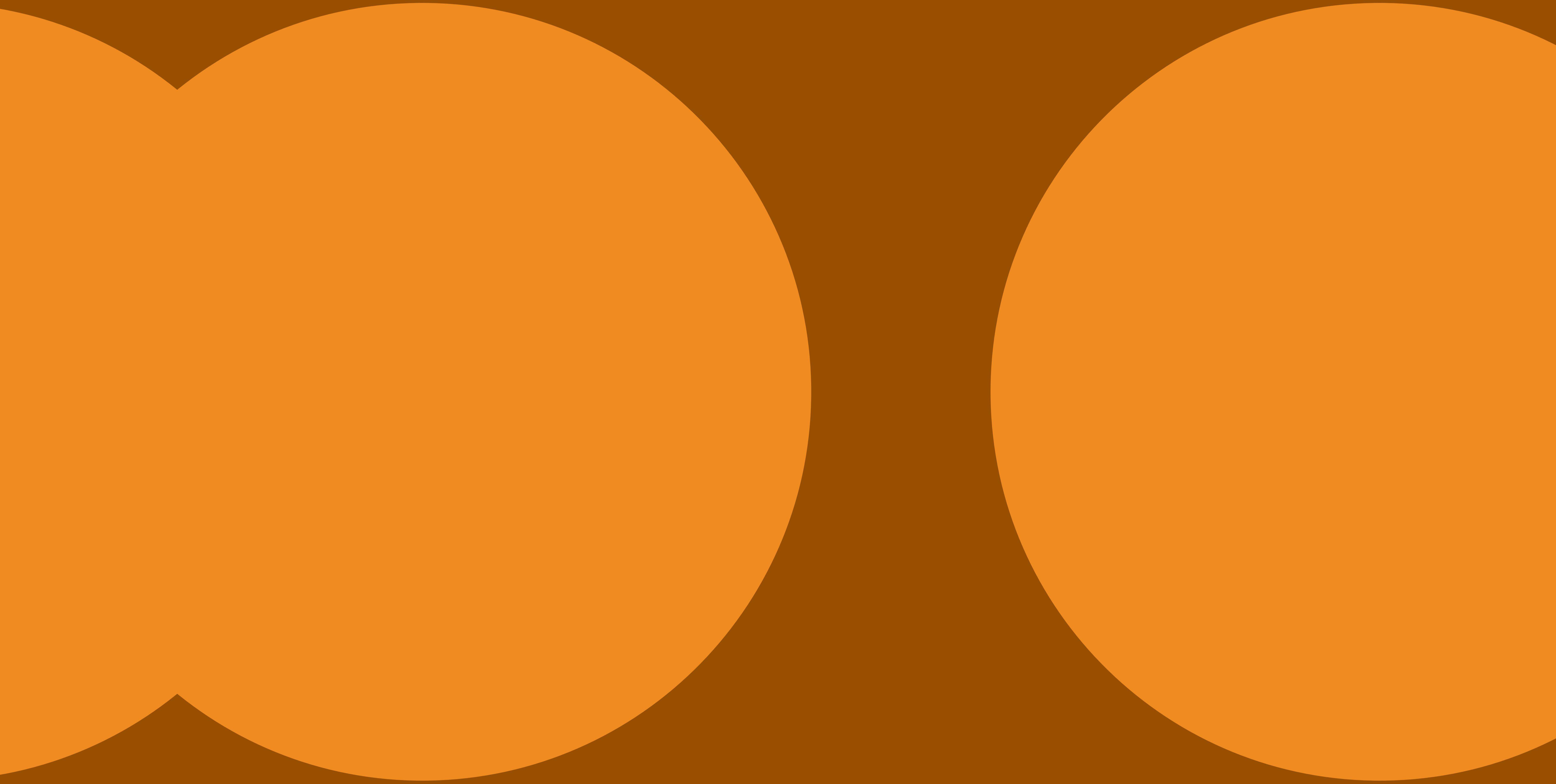


# Delicious, Nutritious and Sustainable F&B Solutions





# Fact slides





# Taste, Texture & health at a glance

**3.0 bn**

€ Revenues<sup>1</sup>

**6-8%**

Organic Sales Growth<sup>2</sup>

**21-23%**

Adjusted EBITDA Margin<sup>2</sup>

**6,500**

Highly engaged colleagues

**100**

**locations**

39 production sites, 53 application & creation labs, 9 R&D centres

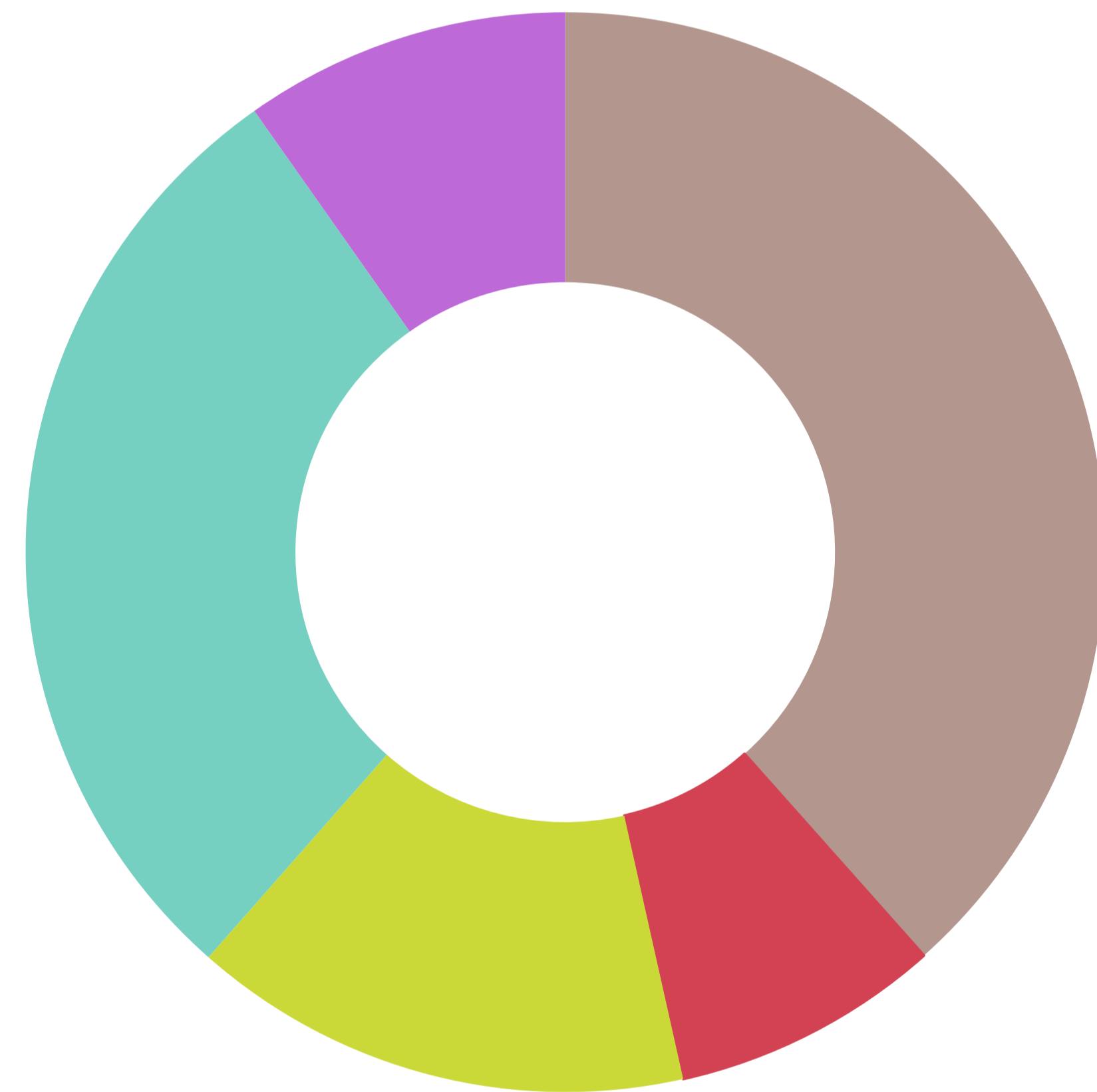
Creating delicious, nutritious and sustainable food & beverage solutions,  
together with our customers

1) 2023 Actuals  
2) Mid-term target



# Global Presence

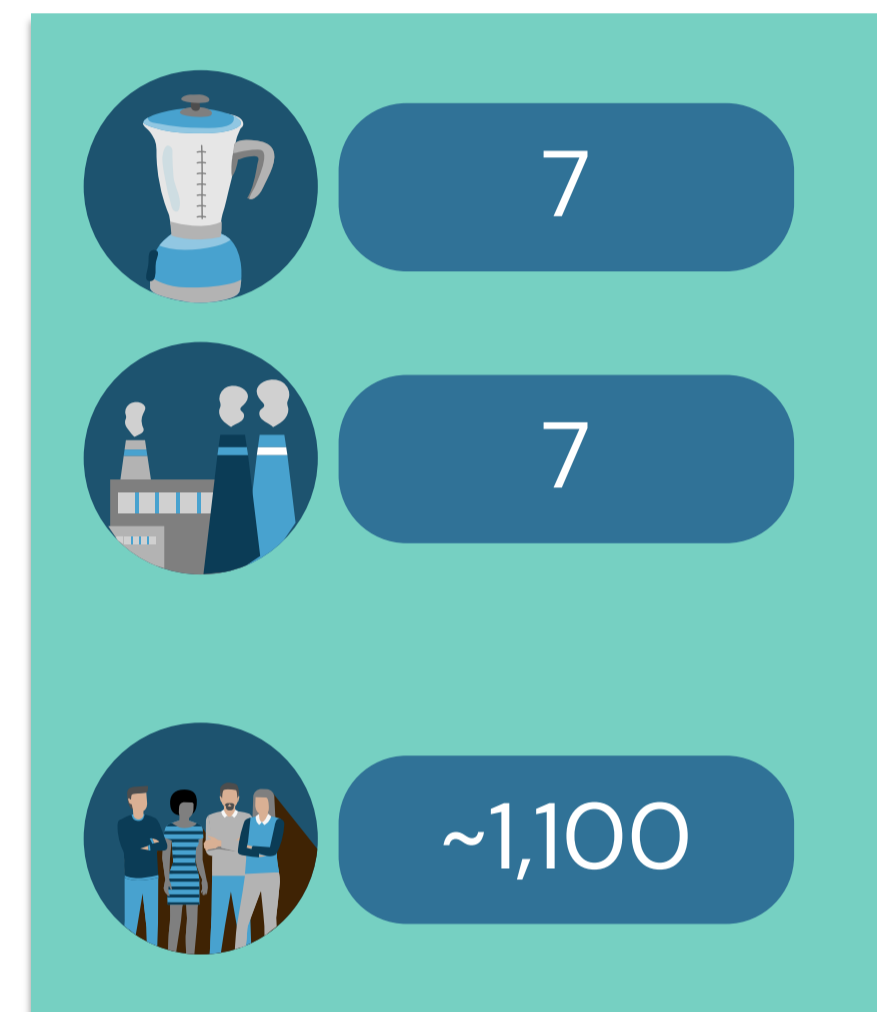
TTH €3.0 bn  
2023 Sales by destination (%)



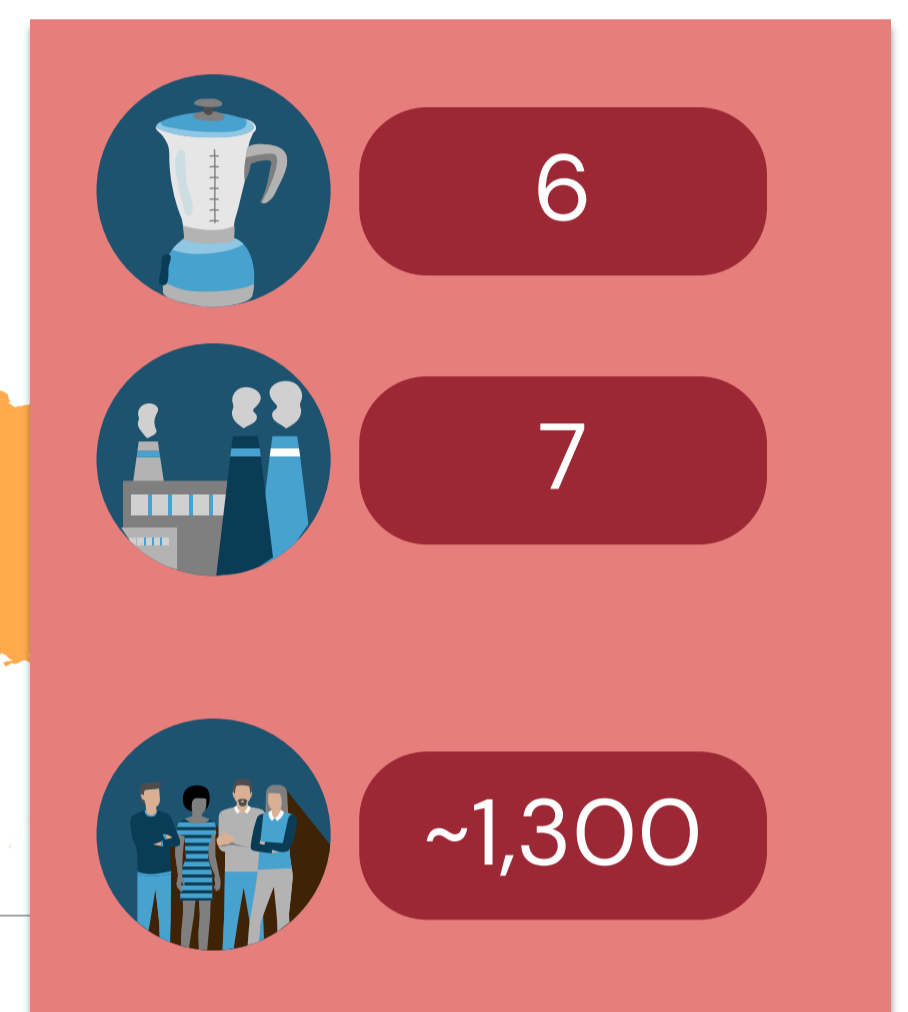
■ EMEA   ■ China   ■ APAC  
■ North America   ■ Latin America

Application labs   Production sites   Number of FTEs

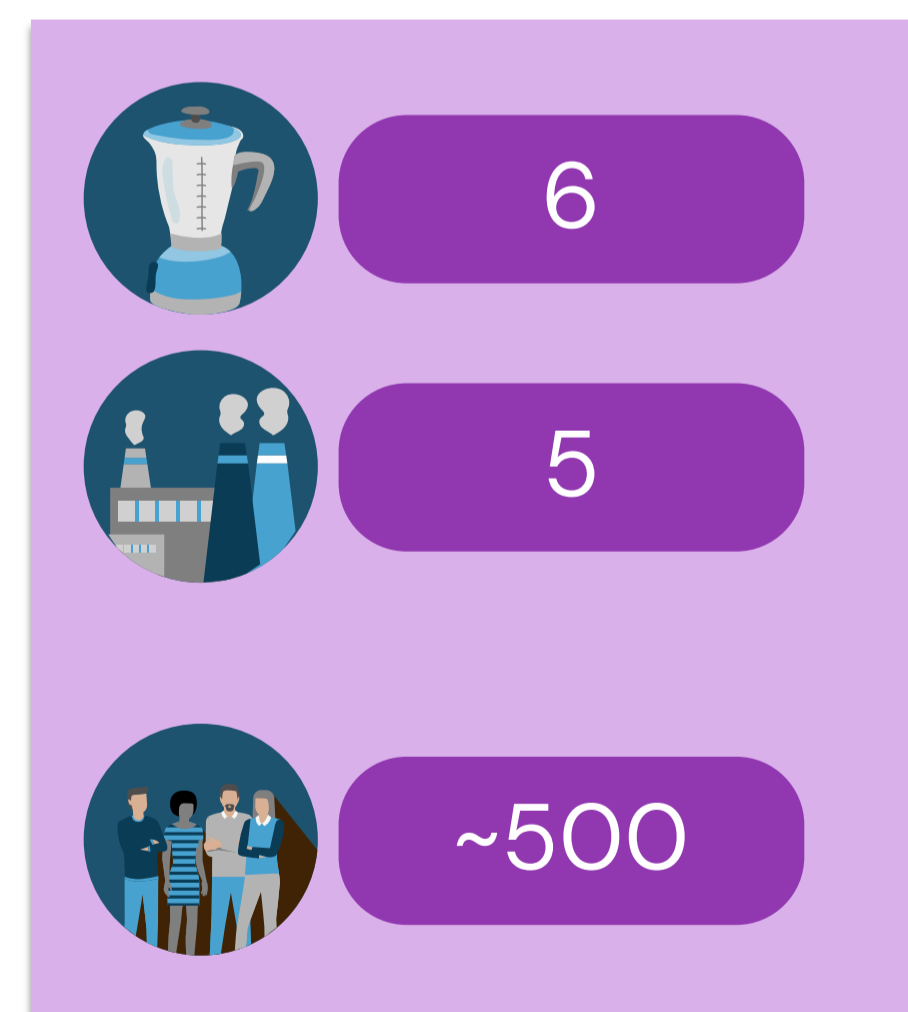
## North America



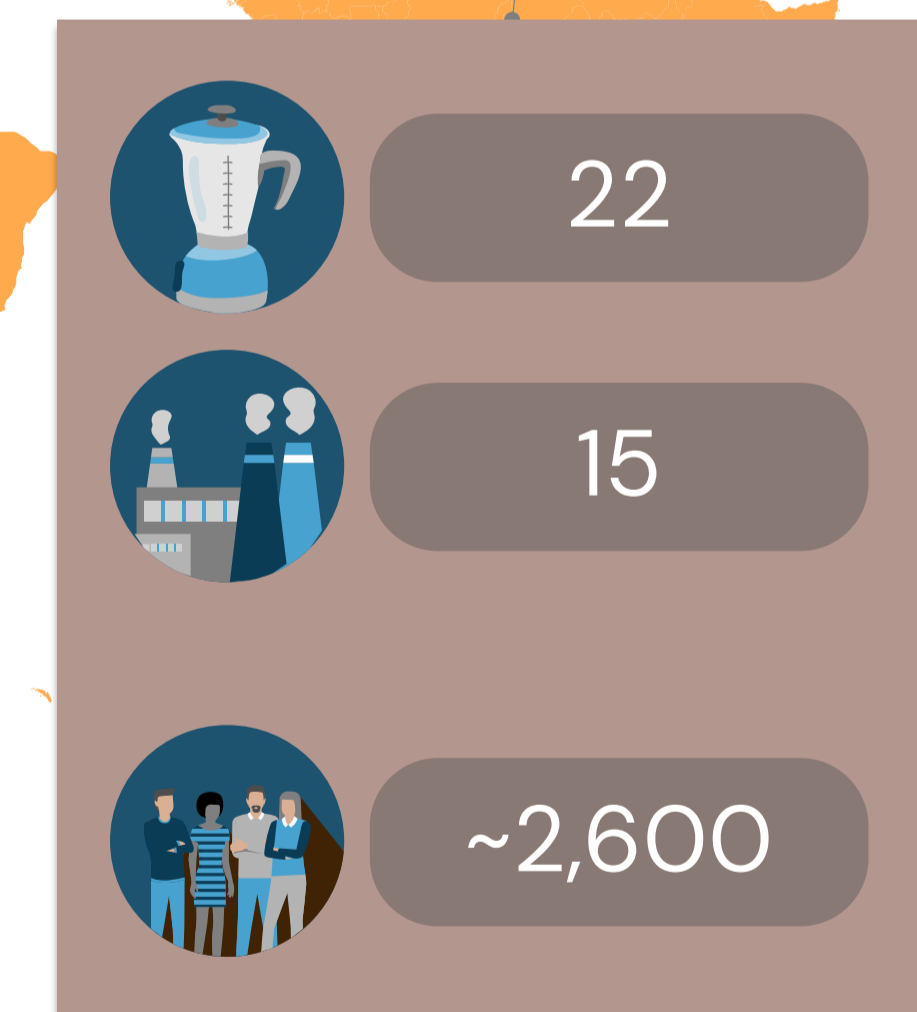
## China



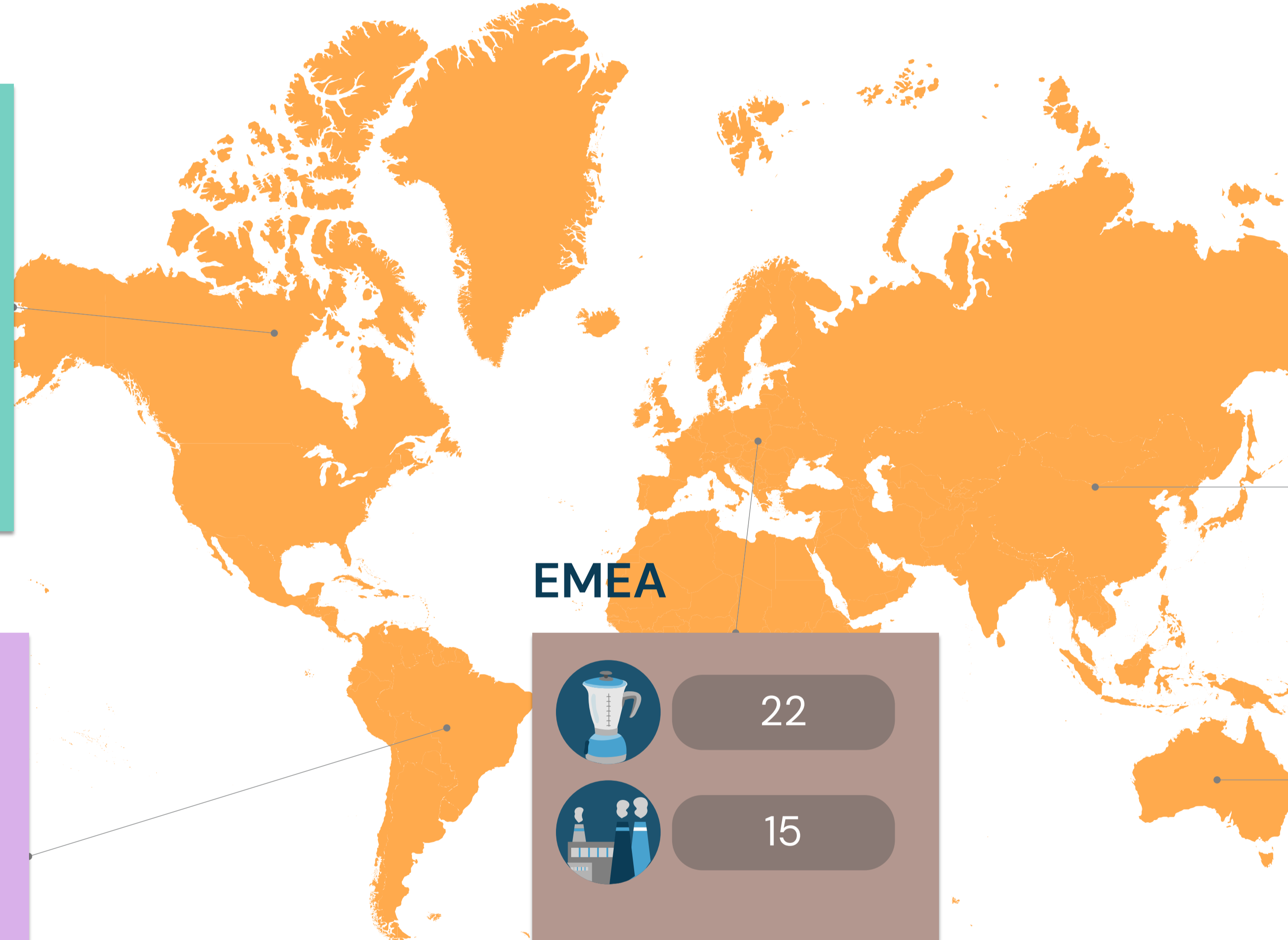
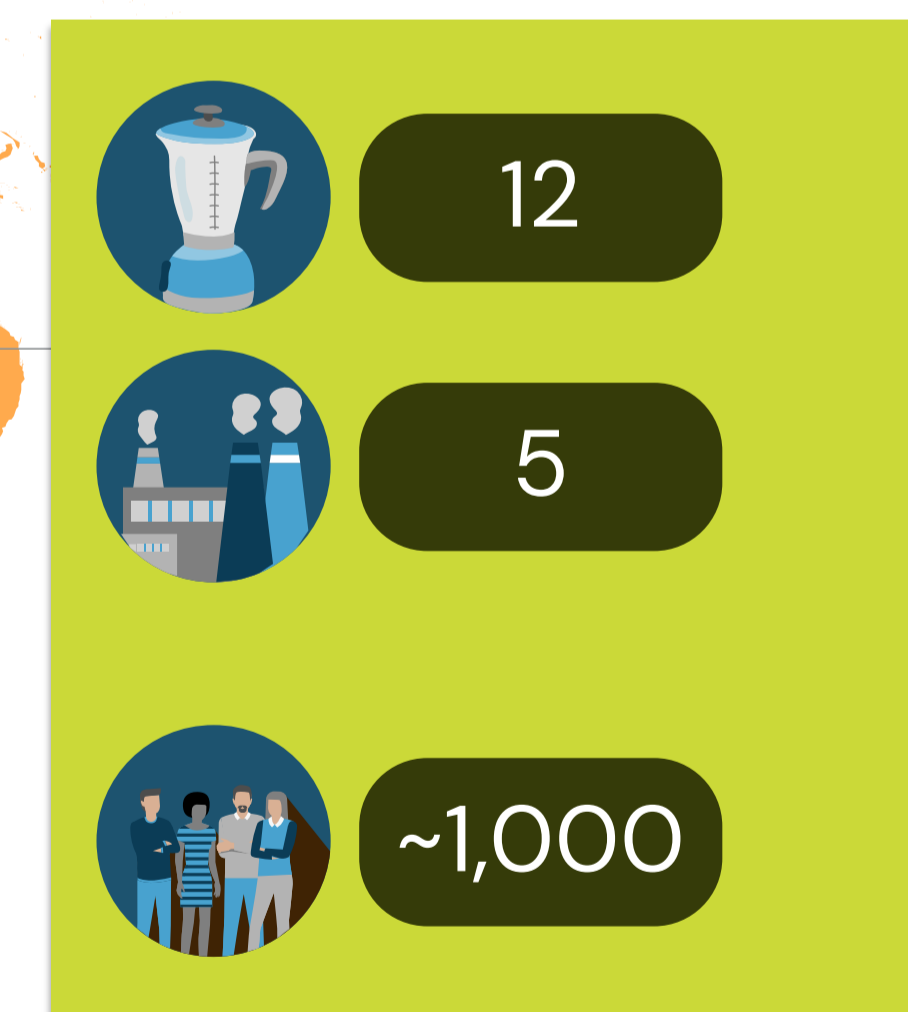
## LATAM



## EMEA



## APAC

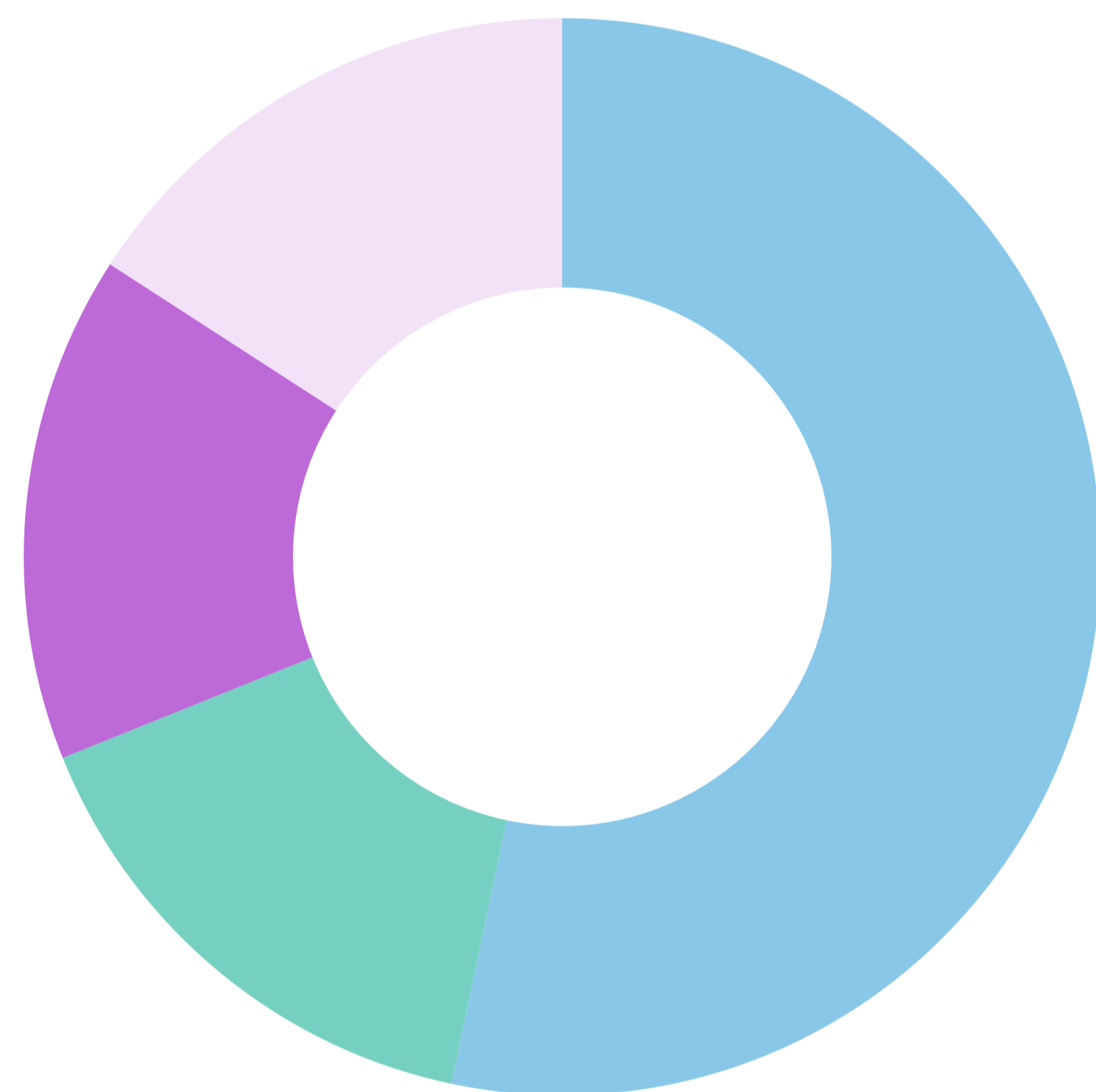


65 countries with 53 application & creation labs & 39 production sites  
+ Total of 9 R&D sites – supported by >6,500 highly engaged employees



# Key products

**TTH €3.0 bn**  
**2023 Sales by Product (%)**



- Flavors
- Enzymes & Cultures
- Essential Nutrients & Premix
- Other

## Flavors

Flavors coming from a portfolio of over 4,000 responsibly sourced natural or processed ingredients to add great taste to food and beverage products. dsm-firmenich has the broadest nature-based palette in the industry

## Enzymes & Cultures

Enzymes are proteins that act as natural catalysts to accelerate reactions. Examples are lactase to create lactose-free dairy, or brewing enzymes to save energy. Cultures are safe live bacteria used in dairy to develop the right taste and texture. Probiotics are a category of cultures used for gut health benefits

## Yeast Extracts

Ingredient made from yeast used in food such as soups, sauces, ready meals and savory snacks. It enhances taste while reducing salt

## Plant based Proteins

Vegetarian and vegan-friendly plant proteins with the neutral taste, optimal nutritional value and the right functional properties that are used in meat, fish and dairy alternatives, as well as sport nutrition

## Food Testing

Tests to guarantee the quality of the food & beverages. An example is Delvotest®, designed to optimize antibiotic residue detection in milk. TTH is a global leader in innovative diagnostic solutions, with a focus on food allergens, GMOs, and microbial contaminants

## Hydrocolloids

Hydrocolloids dissolve, disperse or swell in water to provide the right texture properties, such as gelling, mouthfeel, bite and chew, viscosity, amongst others in plant-based milk alternatives.

## Essential Nutrients

Portfolio of vitamins, minerals and lipids (omega's), of the highest quality, as ingredient or in a premix. The portfolio provides health benefits such as energy, immunity and cognition and enable front-of-pack health claims

## F&B Premixes

Custom nutrient premix blends, including more than 1,400 high-quality ingredients, such as vitamins, minerals, amino acids, nucleotides, nutraceuticals, specialty proteins, sweeteners, prebiotics, fibers, herbs and more

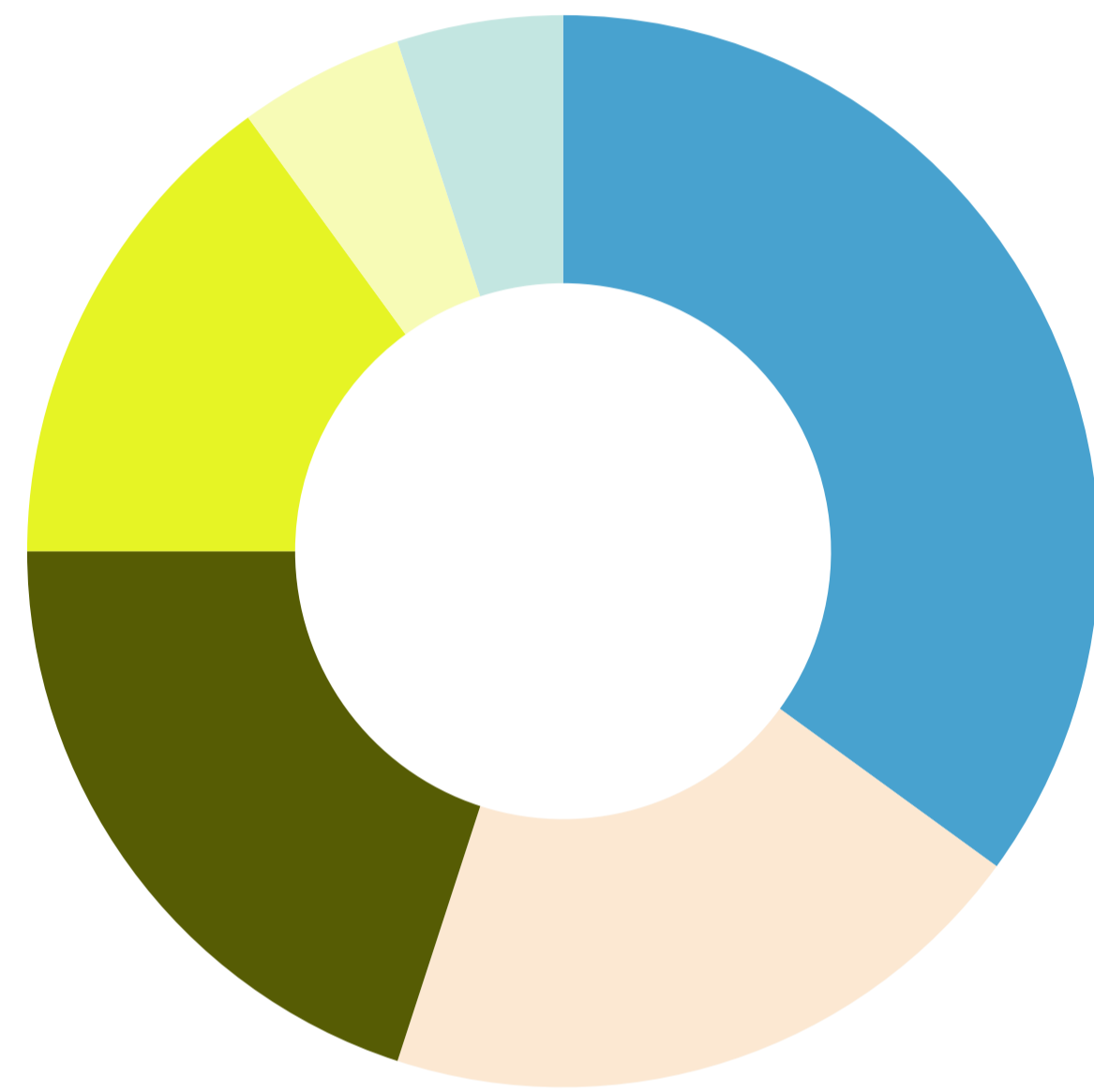
## Sugar Reduction

Taste Modulators and Integrated solutions for Sugar reduction, masking, mouthfeel improvement. As part of TTH's sugar reduction platform, it offers a full range of solutions including a large exclusive sweetener portfolio: Stevia and mogrosides

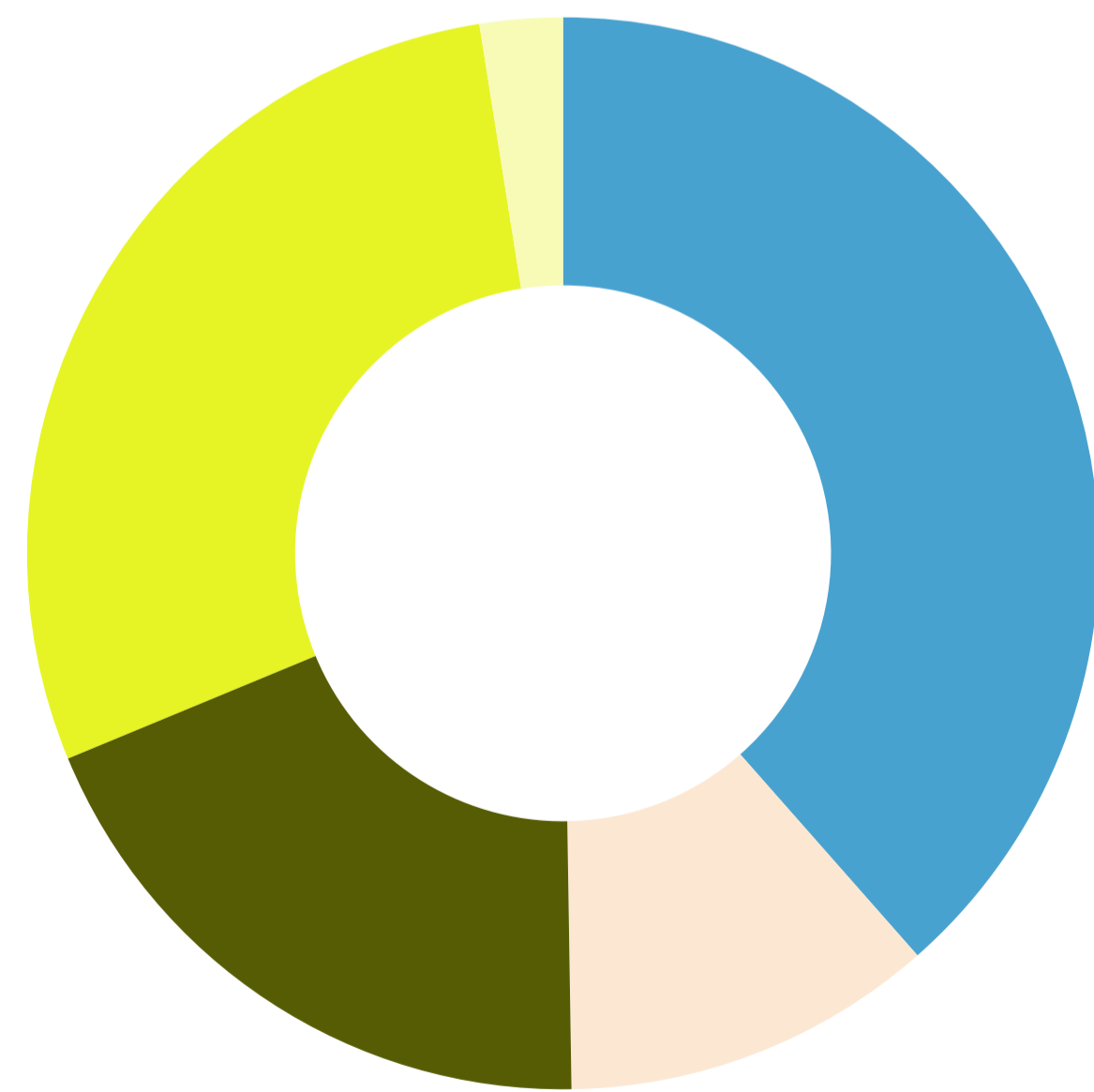


# End-Markets

TTH Sales €3.0 bn  
2023 Sales by end market (%)



- Beverages
- Baked & confectionary
- Pet
- Dairy
- Savory
- Plant-Based



Global 2023 end-market €4 trillion

## Beverages

- Flavors
- Sugar reduction
- Premixes
- Texturizers
- Coloration



## Dairy

- Flavors
- Sugar reduction
- Enzymes
- Cultures
- Probiotics
- Premixes
- Texturizers



## Baked goods & confectionary

- Flavors
- Sugar reduction
- Baking enzymes
- Premixes
- Texturizers
- Coloration



## Savory

- Flavors
- Salt reduction
- Yeast extracts
- Premixes



## Pet

- Premixes
- Texturizers
- Omegas
- Postbiotics



## Plant-based

- Flavors
- Salt reduction
- Sugar reduction
- Plant proteins
- Premixes
- Texturizers
- Fibers
- Coloration





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](http://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').



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