

## Press Release

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# Royal DSM to acquire Royal CSK, combining complementary strengths to better serve global dairy industries

**Royal DSM, a global science-based company in Nutrition, Health and Sustainable Living, today announces that it has reached agreement with the shareholders of specialty dairy solutions provider Koninklijke CSK Food Enrichment C.V. (“CSK”) for the acquisition of a 100% interest in the company for a cash consideration of about €150 million. Subject to customary conditions, the transaction is expected to close before the end of the year.**

Dairy is DSM's single largest segment in food and beverages, and customers are increasingly looking for solution providers with a broad portfolio of offerings and deep expertise, to support them in delivering differentiating, delicious and sustainable end products to consumers. The combination of DSM's dairy business and CSK will be even better able to serve those needs, and well-placed to address the fast-growing and attractive dairy cultures markets.

With the acquisition of CSK, DSM will further strengthen its product portfolio and application know-how and expertise in food & beverage, in particular in the complementary area of taste, texture and bio-preservation solutions for semi-hard cheeses such as Dutch heritage cheeses Gouda and Edam. The transaction will include CSK's state-of-the-art dairy application center in the heart of Food Valley, Wageningen (the Netherlands). In addition, it will bring its high-tech fermentation facility in Leeuwarden (the Netherlands) into DSM's global manufacturing network, providing additional production capacity for a range of products, located in the strategically important European region. CSK generated in 2018 net sales of €65 million with approximately 180 employees, around 150 of whom based in the Netherlands.

Patrick Niels, DSM Food Specialties President, commented: *“We are very much looking forward to welcoming Royal CSK to DSM. Our companies have a great fit together, with shared passion for dairy, skilled and dedicated people, and complementary solution portfolios. This is also a testament to DSM's commitment to the dairy industry, which we support throughout our Nutrition businesses. Today's dairy needs are constantly changing, and DSM continues to invest in enabling customers to keep satisfying consumer demand, helping them grow their business, while we grow ours in line with our purpose-led, performance-driven strategy. The acquisition of CSK will greatly strengthen our ability to do so.”*

Sanne Melles, CEO of Royal CSK, said: *“In DSM, we recognize the opportunity for CSK to make the leap forward that we were looking for. Our combined capabilities will accelerate our international growth ambition and enhance our innovative offerings to the dairy industry”.*

The two companies share a long history of serving food and beverage markets, with deep roots in the Netherlands. CSK has a track record of Dutch heritage semi-hard cheese cultures of more than 100 years since its foundation in 1905, while in 2019 DSM celebrates 150 years of fermentation and biotechnology innovation at its site in Delft.

### Forward-looking statements

This press release may contain forward-looking statements with respect to DSM's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company. DSM 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. DSM has no obligation to update the statements contained in this press release, unless required by law. The English language version of the press release is leading.

**DSM – Bright Science. Brighter Living.™**

Royal DSM is a global, purpose-led, science-based company active in Nutrition, Health and Sustainable Living. DSM's purpose is to create brighter lives for all. DSM addresses with its products and solutions some of the world's biggest challenges while simultaneously creating economic, environmental and societal value for all its stakeholders – customers, employees, shareholders, and society at large. DSM delivers innovative solutions for human nutrition, animal nutrition, personal care and aroma, medical devices, green products and applications, and new mobility and connectivity. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 23,000 employees. The company was founded in 1902 and is listed on Euronext Amsterdam. More information can be found at [www.dsm.com](http://www.dsm.com).

Or find us on: 

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