

Press Release

Heerlen (NL), 31 March 2021

Royal DSM
media.contacts@dsm.com
www.dsm.com

06E

DSM acquires Flavor & Fragrance bio-based intermediates business from Amyris

Royal DSM, a global science-based company in Nutrition, Health and Sustainable Living, today announces that it has reached an agreement to acquire the flavor and fragrance (F&F) bio-based intermediates business of Amyris, Inc., which extends DSM's offerings in Aroma Ingredients with bio-based ingredients for the flavor and fragrance and cosmetics industries.

DSM will acquire the business currently consisting of seven intermediate products (four already generating meaningful sales and EBITDA, two just launched and one under development) which will be added to DSM's existing Personal Care & Aroma Ingredients activities.

DSM will acquire the business for an upfront consideration of US\$150 million, which represents an estimated 15x EV/EBITDA 2021 multiple. Amyris will share in the EBITDA growth over the period 2021-2024 of certain of the activities (mainly the products just launched/ under development), receiving additional earn-outs equal to 9x the realized EBITDA in 2024, which is estimated to result in a total earn-out amount of US\$100-150 million. DSM and Amyris will continue their R&D partnerships.

In recent years DSM acquired Amyris' Farnesene business and technology for nutritional and F&F ingredients, as well as its Brotas (Brazil) biotechnology manufacturing facilities. DSM has been producing several F&F products for Amyris in this facility. Acquiring now the entire F&F business from Amyris is synergetic for DSM as it:

- Further strengthens DSM's globally-leading biotechnology base with F&F intermediate products and increases the scale of DSM's biotechnology activities in nutritional ingredients;
- Broadens DSM's existing offerings in Aroma Ingredients with additional biotechnology-based products for DSM's – already existing – F&F customer base;
- Strengthens DSM's sustainability profile further, as bio-based F&F ingredients offer additional alternatives to chemistry-based products as well as botanically-sourced ingredients.

Gareth Barker, President DSM Personal Care & Aroma Ingredients, commented: "We are pleased that we can extend the offering to our customers with an additional seven important intermediates that will help our flavor and fragrance and cosmetics customers to improve their sustainability profile. These bio-based ingredients provide them with attractive and sustainable additional alternatives."

The transaction is expected to close today.

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 delivers 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.

Or find us on:    

For more information:

DSM Corporate Communications
Lieke de Jong-Tops
tel. +31 (0) 45 5782420
e-mail media.contacts@dsm.com

DSM Investor Relations
Dave Huizing
tel. +31 (0) 45 5782864
e-mail investor.relations@dsm.com

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.