

DSM acquires CSK Food Enrichment for 150M euros

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Royal DSM, a global science-based company in Nutrition, Health and Sustainable Living announces that it has reached agreement with the shareholders of specialty dairy solutions provider Koninklijke CSK Food Enrichment C.V. 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.

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 are 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.