



Event Details

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Company: Corbion NV Ticker: CRBN-NL

Corporate Participants:

Olivier Rigaud - Corbion NV, Chief Executive Officer, Chairman-Board of Management & Member-Executive Committee

Peter Kazius - Corbion NV, Chief Financial Officer, Member- Board of Management & Executive Committee

Alex Sokolowski - Corbion NV, Head-Investor Relations

Conference Call Participants:

Setu Sharda, Barclays Bank

Robert Jan Vos, ABN AMRO ODDO BHF

Fernand de Boer, Degroof Petercam

Eric Wilmer, Van Lanschot Kempen

Reginald Watson, ING

MANAGEMENT DISCUSSION SECTION:

Operator: Welcome to Corbion Q1 Results 2025 Conference Call. Following the opening remarks, there will be an opportunity for questions. Please note that this call will be recorded. I would now like to hand over to Mr. Alex Sokolowski, Head of Investor Relations. Please go ahead, sir.

Alex Sokolowski, Head of Investor Relations: Good morning everyone and welcome to Corbion's first half 2025 results conference call. This morning, we published our half-year 2025 results press release and presentation. These can be found on our website at www.corbion.com > Investor Relations > Financial Publications.

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Before we begin, please note that today's discussion will include forward-looking statements based on current expectations and assumptions. These statements involve risks and uncertainties that may cause actual results to differ materially from those expressed. Factors beyond our control, including market conditions, economic changes, and regulatory actions can impact outcomes. Corbin does not undertake any obligation to update statements made in this call or contained in today's press release and presentation. For more details on our assumptions and estimates, please refer to our annual reports.

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With me on the call today are Olivier Rigaud, Chief Executive Officer, and Peter Kazius, Chief Financial officers.

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Now, I would like to hand the call over to Olivier.



Olivier Rigaud, Chief Executive Officer: Good morning and thank you for joining us today for Corbion's Half-year 2025 earnings call.

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Let's start with some key highlights from our latest results. I am pleased to report that for the half-year, we achieved an increase in sales, driven by robust demand and delivering on our strategic initiatives.

We achieved an organic sales of €645.6 million for the half-year result, corresponding to a +2.9% organic sales growth rate.

As anticipated at Q1 2025 reporting, back in April, phasing of sales into Q1 resulted in a lower sales level in Q2. Our volume/mix growth came in at +3.3% for the half-year, with a Q2 growth at -1.3%, again reflecting the phasing effect.

In terms of EBITDA development, we have seen significant improvements. Our Adjusted EBITDA reached €106.6 million for the half-year, with a Q2 figure of €52.2 million. This represents an Adjusted EBITDA growth of +23.8%.

Our adjusted EBITDA margins improved by +300 basis points to 16.5% , demonstrating our operational efficiency and cost management as well as growth in higher-margin products categories.

Free cash flow was positive for an eighth consecutive quarter.

We feel very confident and reaffirm our FY 2025 outlook—which I will discuss in more detail when we'll cover the outlook section.

Diving a bit deeper into our segments...

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Our Functional Ingredients & Solutions segment showed positive volume/mix in two of the three businesses—our specialty Food ingredients and the Lactic Acid to the PLA JV. The half-year volume/mix growth in Food ingredients was in the meat, dairy, and culinary markets as demand for Corbion's natural preservation solutions remain healthy. Our focus on strong customer collaboration and leveraging our broad natural portfolio is paying off there. Whereas in the Biochemicals businesses, some demand softness persists.

Looking at growth initiatives , continued success in focused areas like food ferments, natural mold inhibition and dairy stabilizers continues. We are also experiencing strong growth in adjacent culinary applications with our natural mold inhibitors portfolio. Another interesting growth driver has been in High-protein bread fortification in the US driven by strong consumer demand for high protein diets and fortified foods.

As recently announced, Corbion is participating in the Ferment4Health project, a research initiative focused on understanding the health benefits of fermented foods and postbiotics, particularly their impact on gut health and inflammation. Corbion's involvement will



leverage our expertise in fermentation-based ingredients to contribute to the development of functional food solutions.

From the operational and manufacturing front, our circular Thai lactic acid plant is ramping up gradually, and looking forward we are confident about delivering the full value creation from this investment. Our new vinegar plant in Montgomery is also ramping up bringing substantial insourcing benefit as we are backward integrating this critical building block into our portfolio of natural preservatives.

Nonetheless, we continue to positively impact our EBITDA with cost-savings benefits from other initiatives, such as operational excellence and complexity reduction and volume/mix growth in higher margin categories.

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Turning now to our Health & Nutrition segment, and our three business therein. Starting with Nutrition-- despite quarterly fluctuations-- there has been continued strong demand for algae-derived omega-3 DHA in aquaculture, pet nutrition, and we have some promising new contracts in human nutrition as well.

Additionally, there is also positive momentum in our Biomedical Polymers business, in the two important key submarkets: drug delivery and orthopedics. Also, our Pharma business, containing our high-purity lactic acid derivatives, has shown strong double-digit volume/mix growth, mainly in the kidney dialysis market in China.

As for our exciting growth initiatives, First, our Biomedical Polymers products are increasingly used as a biostimulatory treatment agent to support tissue growth and natural collagen production in the aesthetics market, next to the 2 historical sub segments of orthopedics and drug delivery.

Secondly, referencing and first contracted volume in human nutrition end-markets, materializing in H2, And finally, on omega-3 DHA, we continue to pursue opportunities to broaden our customer base in aquaculture, in pet nutrition, but also now in some attractive terrestrial-animal-feed categories.

A highlight for the Nutrition business in the quarter was recent Corbion's announcement, that the company successfully secured multiple regulatory approvals from China's General Administration of Customs (GACC) paving the way for offering the company's high quality, sustainable, algae-derived omega-3 DHA solutions in China's fast-growing human and animal nutrition end-markets. This is opening great opportunities for us going forward into 2026.

Last but not least, on efficiency initiatives, our investment program is delivering the expected capacity increase to secure growth for 2026 and beyond.

Through micro algae strain optimization, we can further increase yield from existing assets.



And with that, I'd like to give the stage to Peter to present our half-year results in more detail. Peter...

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Peter Kazius, Chief Financial Officer: Thank you, Olivier. In the first half of 2025, our sales increased by +1.3% compared to H1 2024. This growth includes an organic growth of +2.9%. Currency impacts, particularly due to the depreciation of the US dollar in the 2nd quarter resulted in a -1.2% impact on sales. The organic sales growth was driven by volume/mix growth in Functional Ingredients & Solutions of +2.9% and in Health & Nutrition of +5.0%. In the second quarter, mainly due to phasing effects, organic sales growth was -1.8% for Functional Ingredients & Solutions and -0.6% for Health & Nutrition. I will come back on the dynamics when presenting the individual business units.

Turning to our adjusted EBITDA, we achieved a remarkable growth of +23.8% increase versus H1 2024, with an organic growth of +29.3%. This increase was driven by sales growth as well as cost-saving measures within Functional Ingredients & Solutions. The Adjusted EBITDA margins improved overall by +300 bps to 16.5% overall. This resulted in a € 25 million benefit on an organic basis.

The currency effect, largely driven by depreciation of the US dollar, impacted the EBITDA by -€ 2.2 million. The non-recurring transitional service agreement benefit realized last year from the divested emulsifiers business affected year-on-year growth EBITDA by -€ 2.5 million. On Adjusted EBITDA growth we have seen organic growth both in Q1 as well as Q2.

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Looking further down the line in our Profit and Loss statement, Depreciation & Amortization decreased year-over-year following the depreciation of the US dollar and Brazilian Real as well as some assets which were fully depreciated. This was partly offset by an increase of depreciation from the new Thai Lactic Acid plant. Adjustments were driven by some restructuring cost as well as cost related to the planned settlement of a defined benefit scheme.

Financial Income and Expense came in higher than last year mainly driven by translation effects of intercompany positions deviating from the reporting currencies of the different entities. The interest expense on our debt is € 6.5 million which is an interest rate around 3%. 50% of the Net Results of the TotalEnergies Corbion joint-venture were € 1.1 million negative. The positive EBITDA of € 6.7 million, is offset by interest paid to the shareholders and tax.

Our effective tax rate stands at 18%, which is relatively low. This is due to tax effects related to currency results.

For the full-year 2025, an effective tax rate of 23%-25% is anticipated. Finally, our results after tax has seen a positive impact of +86.8%.



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Looking at the Functional Ingredients & Solutions business unit, we experienced a positive volume/mix growth of +2.9% for the half-year and -1.2% for Q2. This growth was primarily driven by our food business, particularly in meat and dairy markets, as well as our key product and market adjacencies. Additionally, we observed growth in Lactic Acid volumes to our Joint Venture.

In H1, our Biochemicals business was down compared to last year, primarily driven by weaker demand in some categories, like agrochemicals and semiconductor markets, which especially impacted Q2. This was amplified by phasing of some key customer orders into the 2nd half of the year.

Regarding pricing, we saw a negative impact of -1.0% for the half-year and -0.6% for Q2, following the decline of input costs mainly passing on to the joint venture.

Our EBITDA margin for the H1 stood at 11.9%, with Q2 at 11.7%. This represents an increase of nearly 300 bps versus the first half of 2024. Variable margin improved following the implementation of cost reduction initiatives and input cost decline, offsetting negative mix impact from growth in Lactic Acid to the PLA JV.

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Moving on to Health & Nutrition, and starting with our organic sales growth, we achieved +6.8% for the first-half of the year, with Q2 contributing -0.6%. Our volume/mix growth for H1 was +5.0%, with Q2 showing a decline of -1.1% due to customer phasing within the Nutrition part of the portfolio. The H1 growth was driven by all three businesses, Nutrition, Pharma and Biomedical Polymers. In the Pharma business, we deliver double-digit volume/mix growth mainly due to addressing the kidney dialysis market in China. In the Biomedical Polymers business, sales grew by high-single-digit percent in H1, supported by increased sales to two key target markets, orthopedic devices, drug delivery, and also aesthetics.

Moving on to EBITDA, H1 Adjusted EBITDA grew from € 41.5 million to € 47.5 million driven by volume/mix growth in all three businesses. The Adjusted EBITDA margin grew +240 bps to 32.1% for H1 2025 driven by leverage of fixed cost and positive pricing. In summary, our Health & Nutrition segment was impacted by some phasing in Q2, whilst having a positive momentum across our key business areas.

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Moving now to the performance of the TotalEnergies Corbion Joint Venture. The JV achieved an organic sales growth of +5.6% for the half-year, with Q2 showing a year-over-year decline of -9.3%. The growth in the first half of 2025 was driven by volume growth, albeit at low PLA prices. The JV achieved a margin of +9.7% for H1, with Q2 at +11.7% in line with expectations. We continue to expect high single-digit EBITDA margins for full-year 2025.

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And with that, I would like to hand back over to Olivier.



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Ok. Thanks, Peter. Moving on to the outlook for the rest of the year...we are confident to achieve our previously-given ambitious targets for full-year 2025.

We are targeting a volume/mix growth of between 2% and 6%.

Moving on to our organic adjusted EBITDA growth, we maintain our target growth rate of over 25%. This reflects our confidence in the strength of our business and our capacity to deliver on our cost efficiency program.

We target free cash flow of over €85 million and continue to anticipate a covenant net debt to covenant EBITDA ratio of approximately 1.6x by the end of the year. This target reflects our commitment to maintaining a strong balance sheet.

And now, Peter and I are happy to take your questions. Alex, back to you.

Alex Sokolowski, Head of Investor Relations: Okay, before going into today's Q&A, I would also like to announce that we are planning to host the Corbion Capital Markets Day 2025 on November 20th at our Gorinchem site in the Netherlands. Email invitations to register to attend the event in person or to log into the live webcast from your computer will be sent out shortly. So please keep your eyes, on your inboxes.



[Analyst Questions & Answers]

Setu Sharda, Barclays: Q3 is expected to be negative. So how confident you are able to deliver the volume growth for '25 in the 2% to 6% range? Any risk we should consider and also if you can give any color on how the trading has been so far in Q3.

My second question is on the nutrition volumes. They have been quite volatile since the fish oil prices have come down. So, what is your outlook on nutrition volumes in H2? And have you seen any impact of lower fish oil on contracting?

And my third question is on the cost savings. Can you update us on the progress on cost saving and how much of target is achieved and if anything is pending, which should be incremental in H2.

Olivier Rigaud, Chief Executive Officer: I will pick the first two, and I will let Peter, handle the cost-savings one. We reiterate our target of 2% to 6%, so we feel confident there. Now, as we explained, we already discussed about the phasing in Q1. Q2 is different from one business to another. If I start first with Functional Ingredients & Solutions, if I look at the current momentum starting Q3, Food ingredients continues, with a nice momentum and we do not expect that really to change in the rest of the year. We have also some visibilities on the lactic acid intake to the PLA JV, and we also we confirm, the growth ambition of the joint venture for the full year.

I think the nutrition question, your second question around the fish oil price dynamic and outlook on H2 is I think worth really diving into.

We explained that indeed we had a very strong Q1 and with some phasing into Q2. When we look forward, basically on volume outlook, we do not expect, an outstanding Q3 just because we have a very high comparable if you compare to Q3 2024, if you remember we grew this business with ~30% in Q3 last year. Q3 2025 will be good, but obviously, we face a very strong comparable. At the same time, we have a very good visibility on our Q4, and we expect a very strong Q4 in animal nutrition.

I think it's also worth explaining a bit the dynamic in that business because when you speak about omega-3's, obviously in the three segments being aquaculture, pet food and human nutrition. We see a very different dynamic in aquaculture. Basically, you serve some major global accounts with contracted volumes with good visibility from one quarter to another. We supply product at 'spot pricing' and supply the on the other side the contracted volume and for that we have very good visibility.

And we said last time we have basically 30% of our business that is not contracted where we have lower visibility and that is more exposed to spot price dynamics. So, when we look again at H2 for, our nutrition omega 3 business. We anticipate a low Q3 based on very high comparable last year and we expect a very strong Q4 and we maintain, our double digit growth rate, for the full year, and we also maintain a very strong EBITDA margin, for that division. Further sustained by a good performance in the biomedical polymer and pharma business on top of the of the omega-3 DHA products in Nutrition.



So, Peter, maybe you take out the cost savings now. Yeah.

Peter Kazius, Chief Financial Officer: So, thanks for the question. Overall, on cost savings in our program, we are online and therefore in line and therefore also happy to see the margin delivery mainly in our FI&S business unit which increased 290 basis points for this last year. And if you translate the 290 basis points, then that's roughly €50 million. And therefore, we are also confident, and we are iterating our outlook in terms of EBITDA delivery for the Food business.

Setu Sharda, Barclays: Thank you. That's quite helpful.

Robert Jan Vos, ABN AMRO ODDO BHF: Yes, hi, good morning. I have a couple of questions as well. First one is on free cash flow. You delivered € 12 million in the first half. The target, if I'm not mistaken, is still more than € 85 million, reiterated today. So, yeah, there's a lot of, facing first half, second half. Is that purely working capital or are there any other factors that we should take into consideration? That's my first question.

Then the second one. You talked in the preparatory marks, but also, in the Q&A you already talked a bit about the pricing, of the non-contracted portion in aquaculture, in H2 following, the fish oil prices that are quite low. Yeah, in 2025, you just said that this non-contracted part is 30%. So relatively small in the total portfolio, but for 2026, I assume that all the contracts, which is 70% apparently currently, needs to be, renegotiated.

So, my question is not so much on 2025 2nd half, but what is your first view on new contracts for the upcoming year in this business? In other words, do you still expect to be able to achieve this 30%-plus EBITDA margin in the division.

My third question is on PLA. What exactly was the reason that the organic sales growth dropped so much in Q2 and at the same time, the EBITDA margin was much higher than in Q1. Maybe you can elaborate a little bit on that. Okay, that's it for now.

Peter Kazius, Chief Financial Officer: So Robert, you're right. If you look to the free cash flow delivery, then there is a phasing between H1 and H2. By the way, also pretty much in line with last year because last year, if you recall, we did also € 12 million in in H1. And then then H2, we ended up in a full year of around € 100 million. So, it's really the seasonality in our working capital which is the prime reason behind that.

Olivier Rigaud, Chief Executive Officer: Let me start with the PLA and then I can elaborate more on the official question. When we look at again at phasing, in the full year, we see the reduction on some of the key markets, primarily China in Q2, but this has been also phasing because we see, till the end of the year a consistent forecast on the PLA on venture outcome. So I would say, the joint venture is sticking to its target for the full year. Now, as we discussed many times. The portfolio is still quite widely exposed to what's happening in Asia and primarily in China, so this has not changed, but there is no structural changes suddenly from one quarter to another on the PLA that are leading us to



say, yeah, we're going to change the outlook for the joint venture for the year. Now, as we said earlier, the pricing, remained depressed, also back on the fossil-based polymer, competition. That is, also really low right now. What we see is that the margins are being impacted by pricing. At the same time, as the major input costs being lactic acid and we have a pass-through in terms of price formula to the joint venture. The joint venture is benefiting largely from the relaxation in input cost coming from sugar. Which is also, of course, benefiting the wider Corbion as this is one of our major input costs and you might have seen the dynamic around sugar prices over the last month that is trending very positively for us because to some extent, we are back to some pre-COVID level in sugar prices ... and even lower.

So that's a different point, but we are taking advantage of the current situation in sugar prices to basically to hedge for longer term sugar for carbon and of course we're going to start to benefit from that, in the second half of the year, but really moreover, a lot more in 2026. Yeah, as we are now, I can say fully covered for '26 and our sugar is at a much lower price.

On the fish oil and non-contracted business questions. We've all seen the fish oil price dynamic and our strategy of using longer-term contracts has paid off.

Now, on this 30% uncontracted, we had to adapt our pricing in line with the overall trend.

To your question on '26, and this is a very critical one, and let me a bit elaborate on the current dynamic, although it's very early, but you might know that Peru just concluded the first, anchovy fishing season. And they put a quota target of 3 million tons, and they decided to stop at 82% of the 3 million tons last week, actually on July 23rd.

It's also important to understand that, if you look at the numbers, of course, Peru to a large extent is setting the price of fish oil, but you have to look at, the 13 countries that matters and you have the big countries being Peru, Chile, Denmark, UK, and US.

They do represent roughly 50% of the global fish oil output globally, and this is what making the price trend. When you look to what's happening, obviously, they didn't match the quota. What's going to happen on price is still to be seen, but we are still very much in the balance of supply and demand where, things might turn with a slight surplus or a slight deficit on the pricing dynamic because this is a commodity.

And another important element is China. China is an important player in terms of fishing and what they call marine ingredients. The domestic production of marine ingredients in China continues to be limited due to ongoing fishing bans along the coastline. And we can see that of course, in the first half of '25, the Chinese domestic marine ingredient output has been really decreased substantially.

We see some very slight signals of potential rebound in price, but it's minor. You speak about 2.5% right now on fish oil, but we cannot make any conclusions yet. What we have seen is that basically, the increased stocking activity, and the more positive profitability outlook for the fish farmers suggests that the aquaculture market's demand for omega-3 at



the end of the year may surpass the 2024 level. That could point to a potentially stronger demand for marine ingredients as the year progresses. Now, we are not in a position to make any speculation for 2026 on fish oil. Back to the contract discussion, we still have contracts running until the end of '26.

For the contracts that are to be renegotiated by the end of the year, because we have some ending in 2025, we've initiated discussions to renew these contracts, already in the course of Q2 because we are not waiting until last minute, but we are in the middle of negotiation rounds on these contracts that are going to end by the end of the year.

Structurally, we believe that at one point, with everything that we are seeing in terms of fishing quotas and fish oil dynamics that the market is really structurally short anyhow. And whether the quota, going to lead to 1.2 million or 1.3 million tons of fish oil, that's going to make either, a shortage or a slight surplus, but structurally, we are still in this year where, there is no more fish than you can catch and structurally the fundamentals of the business remain really strong.

So let's see how it moves over the next months. You still have a small fishing season, in October and that will tell a lot more and whether '26 is going to show a shortage or a slight surplus, but if it's a surplus, it's going to be really tight. So that's our current analysis of the market dynamics.

Robert Jan Vos, ABN AMRO ODDO BHF: Okay, that is quite clear, but maybe if I may, ask, what is the general status of pricing discussions you currently have with customers for whom the contracts end at the end of this year?

Olivier Rigaud, Chief Executive Officer: It's difficult to disclose, of course, the detail as you understand, but basically, our aim is not to align right now to the current official price because, when you negotiate a multi-year contract and that's what we are looking for-- the aim is really to see what is the right price to offer fish oil with security of supply and zero volatility. Some customers do approach this as fish oil being only a commodity, but as a security of supply and a risk mitigation supply because they know structurally, fish oil is going to be short, and if you want to stay in the omega-3 DHA market and guarantee the - omega-3 level in salmon, you have to secure a minimum amount of omega-3. We are more keen to discuss and favor these customers that do not speculate on fish oil but see that as a risk management and the supply guarantees over the long term than the short-term players. And just to end on that topic, this is why also the diversification strategy going more to pet food, and moving to terrestrial-animal feed, but also primarily human nutrition is crucial in our ongoing strategy.

Robert Jan Vos, ABN AMRO ODDO BHF: Very clear. Thank you. I have one small question for Peter. You elaborated briefly on depreciation. Is it fair to assume that depreciation will increase with the lactic acid plant in Thailand now coming on stream?

Peter Kazius, Chief Financial Officer: Yeah, so that, that's the right assumption, Robert Jan. If you look at it moving forward, if currencies do not fluctuate because there's quite some assets in US dollar and Brazilian real, then you are right.



Robert Jan Vos, ABN AMRO ODDO BHF: And what is the step up approximately?

Peter Kazius, Chief Financial Officer: If you look to the step up, and I look a bit back, so in total, if you look at the capex amount, then we talk about roughly €240 million. You have a depreciation between 15 to 20 years. So, if you calculate that that back, then it's, then it is quite a significant amount which will come. The depreciation, by the way, we will do in a unit of measures and not a straight-line depreciation. So, it's ramping up in line with the ramp up of the lactic acid plant.

Fernand de Boer, Degroof Petercam: Yes, good morning. Two questions from my side. One, Olivier, did I hear you saying that you had again a yield improvement coming in for the omega-3 DHA. That's the first question and the second one is-- I remain a little bit puzzled on the pricing. In the human and health because 30% of the omega 3 is non-contracted. There you should expect a big decline in the prices. While the price stayed positive in the quarter, so I think that if you look at fish oil prices, omega-3 DHA prices on the spot price, that already should take this pricing down for the whole segment in Q2, but it is still positive in the second quarter. So could you explain a little bit.

Olivier Rigaud, Chief Executive Officer: First on yield improvement, yes, the fact is that this process is still relatively new, as we explained. Two years ago we had this massive yield improvement in terms of getting more oil out of the biomass and then of course more omega-3 DHA. And now we are benefiting from a kind of a second row of yield improvement on omega 3 content.

That's the kind of trade secret here we don't disclose in terms of percentage, but obviously with the same asset and the same ton of sugar, we produce a lot more omega-3 DHA and we are pricing based on the omega-3 DHA percentage to customers, not the full tons of oil. This is where the profit lies. As we get more experienced in the plant, we are making really great efficiency progress in terms of yield improvement. Sometimes these are small bottlenecks or improvements, sometimes they are massive, so we are still learning as we go. The other thing is that we have a much better operational leverage because of course the volume is going up and like in many situations where we see that we can get a lot more throughput from existing assets as well just by having, small improvements on various parts of the process. Whether we improve the refining process, but also during fermentation and moreover by reducing fermentation time, we achieve benefits. So, this is where the major projects comes because it's really where the secret lies. We also increase the efficiency of the plant and reduce the fermentation cycles in the plant. The team has made great progress, and this has really enabled us to, first of all, get more throughput. But also get a much more operational leverage on our fixed cost there in in Brazil.

On pricing, Peter, do you want to comment?

Peter Kazius, Chief Financial Officer: Happy to take the pricing question, and you're right, Fernand. If you look on a yearly basis, the percentage is roughly 70%-30%, in the quarters, it changes a bit, and fair enough from that perspective. And if you currently see



where we are in terms of contracts, then there is stability of the contract part of the business. If you look to the non-contracted part of the business, I anticipate pricing to be reduced in the second half of the year and not so much in the first half of the year. And then if you look to overall in the margin profile, because that I articulated, I think in the previous call, we still think we will reach margin levels of around 30% of EBITDA margins.

Fernand de Boer, Degroef Petercam: Okay. But coming back on the on the question on the yield improvement, you said that you do not need capacity increases in Brazil for '26 and beyond. Correct?

Olivier Rigaud, Chief Executive Officer: If you'll recall when we presented the capital plan, we had € 550 million investments over three years for omega-3s, and now we are really at the in the middle of that program. So, and we say with this € 50 million, we can really materialize the numbers we gave at that time, to go until the end of '27, and secure growth. We are well on track there. So even though we are ahead on, I would say on this capacity because we are spot on with this € 50 million investment but more throughput money debate for the € 50 million actually. So this is the good news on algae and obviously we would have to make a decision on next step, probably in the first half of '26 of what to do to grow beyond, as from '28. As I also said previously, we've eliminated the option of building a brand new greenfield operations because with what we've learned from the process, we think that further incremental lower capex spend options are really better than, moving into a new factory whether it is a green field or a brown field.

Eric Wilmer - Van Lanschot Kempen: I believe you saw volumes, come down in functional ingredients by a little over 1% in Q2, which seemed primarily driven by softness on the biochemical side which I believe is around 15% of your functional ingredients sales. You also highlighted that meat and dairy was up, or bakery was slightly down. I was wondering about the sequential performance of your bakery business. Did this go down sequentially in Q2? And where does the softness come from in bakery during both Q1 and Q2? Are you seeing customers or consumers perhaps switching back to synthetic, potentially as a result of down trading? Or is this primarily related to a stronger focus on protecting pricing resulting perhaps in some market share loss losses? Am I right to assume that the phasing that you alluded to was primarily geared to the biochemicals business within Functional Ingredients & Solutions?

Olivier Rigaud, Chief Executive Officer: Yes, Eric, I think, this is indeed the case, basically, the biochemicals business is where really, we had seen this softness, and we've seen, I mean, even further deterioration. If you look at that business, indeed, roughly 15% of FI&S, you have sub-segments like semiconductors, agrochemicals and animal feed, which usually, are volatile by nature, but also there are some underlying markets trends, for instance, in Agro where this type of products is being formulated out and the more stringent regulations. We have also decided to be a much more disciplined on pricing there even if we have to let some business go because these are not really aligned with our strategic priorities. So this is indeed explained the largest part of the softness in the Q2 is coming from this biochemicals part of the portfolio.



As for the Food business, indeed, as you just said, we see, meat and the adjacent categories culinary & savory, growing nicely with natural preservatives, dairy as well. Bakery, the category is flattish. Now in this category, you have different dynamics. We have, of course, a strong presence in the US but we have also a strong presence in LATAM. And actually, we had some downsizing in LATAM with a couple of customers and one reformulating one product, which is, a one-off event. At the same time, we have a good pipeline, but to your questions on people moving back to synthetic, we've not seen that. Now, I think it's a great question in the sense that we have still to see what the new tariffs and their impact is going to be in that category because there is still quite a lot of ingredients being imported from outside the US. These might be formulated out to the benefit of products produced in the US. And this is where, we intend to leverage our manufacturing presence, primarily on natural mold inhibitors. Today, basically the major competition we do have in the US bakery market is coming from outside imports amongst others from China, and I think we have a competitive advantage if this is going to be confirmed in upcoming negotiations to benefit from that with our US footprint because we manufacture there, but, so, yeah, there is no move right now to synthetic in the short term.

Eric Wilmer - Van Lanschot Kempen: Okay, that's very helpful and maybe if I, may squeeze in one more question. Pretty excited to hear about the Capital Market Day on the 20th of November. The question here is, regarding, perhaps natural flavors. Also, given your background, Olivier, and your previous experience in natural extracts, there's a pretty clear focus within the industry, within the flavors industry on natural flavors also through fermentation. It's also something you can make through lactic acid. Is this something-- without giving a spoiler alert-- but is this something that is this an area of growth potentially for Corbion going forward?

Olivier Rigaud, Chief Executive Officer: I would say yes, in principle, not becoming a flavors house, this is not where we are going, but, again, to make it simple, when you look to the world of additives or ingredients and whether additives are natural, they need to be labelled as additive with the numbers, or if you have natural flavors that as a more friendly, cleaner label attributes. When we look at preservatives today, we already have some lactic acid derivatives that are labelled as a natural flavors. What I'm a strong believer in is that Corbion should invest-- and will invest-- more into this avenue of cleaner label solutions. Partly, if you look at, what you can do with natural antioxidants for preservation, quite a lot of these natural antioxidants could be botanical extracts or fermented products. That could be labelled as natural flavors, although they bring a functionality of natural preservation. So, this is clearly an avenue we are really working deeply on that we will disclose more about at the upcoming CMD, for sure, Eric.

Reginald Watson, ING: I had a follow up please, Peter, on the depreciation question. Thank you for highlighting that it's based on unit of measure on the gypsum-free plant. To help us calibrate this for the depreciation charge for this year, can you tell us where you are on the utilization of that plant, please?



Peter Kazius, Chief Financial Officer: If you look at the depreciation which we have done in the early part of the year, it's a couple of million euro impact.

Reginald Watson, ING: Okay, but would that increase through the year, is that an expectation because presumably the utilization rate is changing all the time.

Peter Kazius, Chief Financial Officer: That's correct. So, it will, change during the year and then running up to the amount which I indicated earlier.

Reginald Watson, ING: Okay, thank you. And then my second question relates to the Q3, Q4 seasonality. So, thank you for highlighting that Q3 is going to be down year on year, but I'm acutely aware that Q4 is normally seasonally the weakest quarter both from a revenue and EBITDA perspective. Do you still expect that to be the case this year with the weakness in Q3 or is Q3 still going to be stronger than Q4?

Peter Kazius, Chief Financial Officer: So, if you look overall to the seasonality impacts and if you look to Functional Ingredients & Solutions and Health & Nutrition. In Health & Nutrition, I would say, the seasonality impact was really pronounced last year because we had this plus, what was it 30% in Q3, and then it was around flattish in Q4, and I assume that will turn around into, in this year. Having said that, with the order pattern which we see in the contracted part of the businesses, I see some shift from Q3 to Q4 as well. So, I don't anticipate Q4 being weaker. In Functional Ingredients & Solutions, you will roughly see in the same pattern as we have seen previously.

Reginald Watson, ING: Okay, that's really helpful. Thank you.

Alex Sokolowski, Head of Investor Relations: As there are no more questions, this concludes our conference call this morning. Thank you all for your attendance and questions, and we look forward to discussions at upcoming roadshows and conferences in the coming weeks. A transcript of today's call will be available on the investor relations page of Corbion.com, in the next days.

Operator: This concludes today's conference call. Thank you all for participating. You may now disconnect your lines. Thank you and have a good day.