

**Event Details**

Date: 2026-04-22

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 of Investor Relations**Conference Call Participants:****Wim Hoste** - KBC Securities**Robert Jan Vos** - ABN AMRO ODDO BHF**Fernand de Boer** - Degroof Petercam**Setu Sharda** - Barclays Bank**Karel Zoete** - Kepler Cheuvreux**Sebastian Bray** - Berenberg**Reginald Watson** - ING**Eric Wilmer** - Van Lanschot Kempen**MANAGEMENT DISCUSSION SECTION:**

**Olivier Rigaud, Chief Executive Officer:** Good morning, everyone, and thank you for joining us today for Corbion's first-quarter 2026 earnings call.

Let me get straight to the point: As we outlined in February, the first quarter reflects phasing effects, primarily in Nutrition, and a very strong comparison base for Functional Ingredients & Solutions.

Against that backdrop, we delivered group sales of nearly €294 million and an adjusted EBITDA of €37.8 million with a margin of 12.9%. While this is below last year's exceptional start, it's fully in line with our expectations. And importantly, it doesn't change our confidence in the year ahead.

In fact, what we are seeing now is encouraging. April trading confirms that momentum is building, and we expect a clear acceleration in both volume and earnings as we move through the year.

Let me highlight what is driving that momentum. In Functional Ingredients & Solutions, we delivered stable sales of €236 million against a very strong prior year. Underneath that, volume/mix was positive, supported by continuous strong demand for natural preservation solutions and solid growth in Biochemicals and Lactic Acid to PLA.

While margins were temporarily impacted by mix, we expect a steady improvement from Q2 onwards. This will be supported by lower sugar costs and disciplined cost reduction execution. growth will continue to be driven by structural demand for food safety solutions and increasing adoption of PLA, particularly in 3D printing, and as dynamics in fossil-based plastics evolve.

In Health & Nutrition, Q1 sales of nearly €58 million reflects phasing into the remainder of the year. The fundamentals here are strong. Demand remains robust, fish-oil prices are going up, our contract positions are intact, and we expect a normalization of sales and volume growth from Q2 onwards.



Our biomaterials business continues to build momentum and delivered a second record quarter in a row delivering growth across orthopedics, drug delivery, and aesthetics. On the TotalEnergies Corbion Joint Venture, we also achieved organic growth and our divestment process is progressing as planned.

At the group level, margins were impacted by mix effects and temporarily lower operational leverage in Q1. These are timing-related factors, and we expect a clear improvement as volume ramp-up and cost measures take effect. This brings me to cost discipline. In a macroeconomic environment that remains volatile, particularly with well-known geopolitical tensions, we are acting decisively and have implemented a focused cost reduction program.

Turning to cash flow, Q1 free cash flow was negative at -€15.7 million, and as expected, given seasonal patterns. We remain fully confident to deliver €85-90 million in FCF for the full year.

Looking ahead, we fully reaffirm our 2026 outlook and we continue to target 3% to 6% organic sales growth and adjusted EBITDA margin of around 17% and strong cash generation with performance weighted towards the second half. This will be driven by sustained demand in natural preservation, normalization in nutrition, improving PLA market conditions, and disciplined execution of our cost reduction initiatives.

While uncertainty in energy and input cost remains, we have robust mechanisms in place, and are actively managing volatility through pricing, hedging, sourcing, and operational control. So let me close with this. Q1 reflects timing and conversion effects, not the strength of our underlying business. Our fundamentals are strong. Momentum is building, and we are executing with discipline and focus. We are confident in our ability to deliver on our commitment for 2026.

With that, let us move now to questions.

#### [Analyst Questions & Answers]

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**Wim Hoste, KBC Securities:** Yes. I have three, please. The first one is on the raw materials versus pricing dynamics. I know there's significant hedging on sugar and energy and some of the other components. But can you maybe quantify or elaborate a little bit on the kind of headwinds you're seeing maybe also on transportation costs or logistics issues, et cetera? And then also, what kind of pricing initiatives you put against that? So that's the first question.

The second one is on foods. Can you maybe elaborate on the contract wins that are mentioned in the press release? What kind of product geographies are we talking about regarding these contract wins?

And then third and last question would be on the progress with the PLA divestments. Can you maybe elaborate a little bit on the process, the number of interested parties, the alignment with Total on that? So those are the questions.

**Olivier Rigaud, Chief Executive Officer:** Okay. Thank you, Wim. I will answer the food and the contract wins, and Peter, the points on the raw material pricing and the PLA.

Let me start with your second question on contract wins. Basically, what we see in foods are twofold. One is related to our natural preservatives and primarily related to some specialties in their



own clean label. You might remember, we discussed during our CMD about the new EU listeria regulation. That is getting implemented in July this year '26. So we've been actively working on this, and this is bringing very nice upside, primarily related to our natural vinegar systems. And we see that really already starting in Q1, but accelerating over Q2 as customers are preparing to switch to new preservation systems. Amongst others, we see strong momentum in seafood. That is one.

The second one is more US-related, where back on the GLP-1 trend, we've had a couple of major wins on high-protein functional systems for our bakery business. And we have been able to build some inventory to prepare for the big launch in Q2 on that front as well. These are the -- amongst the two major drivers of these food ingredients contract wins that we mentioned in the press release.

Now to you, Peter, for the two other questions.

**Peter Kazius, Chief Financial Officer:** From a raw-material perspective, you are right: on sugar we have strong visibility for the coming periods. We are fully hedged for 2026 and also hedged into 2027. The other key components to highlight, particularly given the situation in the Middle East, are energy prices—and therefore transport costs—and sulfur, as we use sulfuric acid in the production of lactic acid.

Looking at these three components: energy is around 7% of input cost (as disclosed in the annual report) and is well hedged for the remainder of the year. We therefore see minimal exposure there. In transport, we do see some exposure—mainly linked to sulfuric acid. Our current estimate is an impact this year of up to €10 million. We are taking pricing actions through the market mechanisms available (e.g., list prices, surcharges, and related measures).

So that's a bit the current outlook Middle East impact, I would say, from a cost perspective.

On the PLA divestment, I will stay at a high level. We are progressing well and remain on track. As mentioned on the Q4 call, we expect to share more news by mid-2026, as we do not want to hamper or jeopardize the process.

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**Robert Jan Vos, ABN AMRO ODDO BHF:** I have a few questions as well. Based on what you said about pricing in FI&S in Q1, still slightly negative, but the mix plus phasing of input cost materials, should we anticipate positive pricing in the forthcoming quarters? That's first on FI&S. Second one is maybe elaborate a little bit on the softness in the North American market?

Then moving to H&N. You say that you expect volume mix growth to return to positive in the next quarters, compensating for Q1. So my question here is, do you expect -- because Q1 was pretty negative, do you expect positive volume mix growth for H&N in the full year? And related to this, what about pricing in H&N in the coming quarters?

And my final question, the cost savings. Can you elaborate a little bit on this? What is the amount that you expect for this year that you can take out of your model? How is it split per division? And are there upfront costs related to this?

**Olivier Rigaud, Chief Executive Officer:** Thank you, Robert Jan. I will discuss the answer in North American softness and on H&N. Whilst Peter, you can take pricing and cost savings.

With the softness in North American market, indeed we are exposed to some large categories such as bakery and meat there. And we've seen, of course, the inflation impact and the tariffs impact in



the US. For some large customers, that impacted them already in Q4 last year. And we've seen some continuation of that in some of these categories. Although lately, when we look at retail numbers, you would say bakery's leveling off. It's not declining anymore, whilst the meat sector is still declining in the US.

Now as I said, it's unequal. We see some of these developments, as I just mentioned, in very specific areas, like the natural preservation and clean label. There is quite a lot going on related to MAHA on clean label developments, primarily on preservation specialties. And nothing new, but a continuation of the fortified proteins compounds that we see.

The US is a big market for us, and it's currently a mixed bag. On the meat side, it's more negative than in bakery where things are stabilizing.

There is a new bright spot for Corbion emerging in the US being around culinary, where it was announced as part of our strategy to develop business in culinary. I mentioned just before on the previous question, that we also address listeria concerns with antimicrobial systems-- primarily based on vinegar. We see really strong sales of vinegar-based preservatives across the board, not just in Europe but also in North America.

On the H&N expected returns. As we said, indeed, we see already a much better momentum starting in Q2, and we have a very good visibility as we speak—particularly in aquaculture. This is a concentrated market with five large players, and it's really positive phasing to one of these customers that we knew upfront that is now kicking in as from Q2.

To your question: we expect positive volume/mix growth for the year. We see three key underlying drivers. First, we renewed an expiring longer-term contract, so we have a strong contracted position for the year. Second, we are developing well into adjacent markets, including human nutrition, and we are seeing good progress in shrimp aquaculture in Asian markets.

We are developing nicely into adjacent markets, being human nutrition, and also we have very nice development into the shrimp market as well as we speak in the Asian markets. So that's the second driver we see supporting our growth this year.

On pricing, we expect a positive contribution later in the year for the non-contracted part of the business, supported by higher fish oil prices. Peru's final quota has now been confirmed for this year and is 36% lower than last year, which is pushing fish oil prices up and supports the open portion of the portfolio.

To close the point on fish oil: the supply gap we have discussed—also at the CMD—was estimated at around 50,000 tonnes for this year. Based on what we are seeing, it is likely to be materially higher than 50,000 tonnes. We track this closely, and this underpins our confidence in Health & Nutrition for the year.

**Peter Kazius, Chief Financial Officer:** Yeah. So your point on the pricing, Robert Jan, it was indeed negative in Q1, driven by lactic acid pass-through mechanism to the joint venture, with a bit of positive even in some other areas. The price uptick, which I just discussed related to the Middle East is not included in Q1 and will be only as of Q2, but mainly in the second part of the year. So I anticipate a mild negative in Q2 and then basically returning into positive.

If you look into the acceleration of our cost savings program, and the timing and impact from it—meaning benefits from the program combined with the benefit from lower sugar costs—I anticipate



an increase of about €5 million which will be mainly in Functional Ingredients & Solutions and a bit and Health & Nutrition.

Maybe one additional comment because you did ask. Sorry, I forgot. In terms of kind of additional costs, we did incur some additional costs in Q1 in anticipation, basically, of this program.

**Robert Jan Vos, ABN AMRO ODDO BHF:** I also saw that depreciation and amortization was €23 million in the quarter, which appeared a bit high. Is that a proxy for the remaining quarters? Or did it include some impairments in Q1?

**Peter Kazius, Chief Financial Officer:** No, it includes some small adjusted items related to two different elements. One is the divestment process of PLA, as you can imagine. And the other is that we reached a favorable tax outcome in discussions with the Spanish authorities, with a positive impact of around €5 million on tax this year. Some costs related to that are included as well. On depreciation specifically, we are a little above €22 million, which is broadly in line with the run rate for Q2, Q3, and Q4.

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**Fernand de Boer – DeGroef Petercam:** Actually I had one question. If I look to the drop in EBITDA in FI&S, you can say, okay, part is because of ForEx, maybe the mix was negative, but still, there is an absolute decline of €10 million. So could you help me out a little bit on the bridge because I can understand maybe that food sales were quite negative in that respect.

**Peter Kazius, Chief Financial Officer:** If you look to the absolute EBITDA, indeed, it is a drop. There is indeed a currency effect in it because the exchange rate was \$1.05/€ in last year, and it is \$1.17/€ in the average of this year. Then if you look to the delta, there is indeed a kind of negative impact in the equation of mix, price, and volume. There is -- if you compare to last year, of course, a bit of inflation in that one. We did have some additional costs, as I indicated.

And the other one is-- and it's maybe a bit technical-- accounting wise, but we do share the current bill of SG&A across the different segments.

Meaning that if you have a reduction of your overall sales, it's also impacting the absolute number.

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**Setu Sharda, Barclays:** Yeah. So one question on the volumes, like given the soft Q1 start and the ongoing inflationary pressure on end market on customers, has your base case assumption for the volume growth changed in either division, like -- and how sensitive is your FY26 guidance to a slower-than-expected volume ramp-up in Health & Nutrition?

And my second question is on the fish oil contracts. Like could you clarify like how much of your Nutrition business is currently sold on a spot basis versus under contract? And when do the existing contracts typically come up for renegotiation? And could you provide like more color on how you are approaching contracting in context of volatile fish oil prices?

And my third question is on like if you can give more info on the trading, like how has been the Q2 trading date like in both in FI&S and Health & Nutrition? And are you already seeing some sort of recovery that you are expecting?

**Olivier Rigaud, Chief Executive Officer:** Thank you, Setu. Taking your question on H&N and fish oil, if you look to the way we are ramping up the H&N volumes and primarily the omega-3, which is the large chunk there, what we see is that, again, across the year -- last year, if you remember, on



customer phasing, we had a kind of u-curve. And this year, it's more a v-curve in terms of the contracts.

And this the ordering pattern of this business, which is volatile from one quarter to another, but we have a great visibility on this contracted part for the year. And then as you know, we are adding more stable sales and predictable sales in both pet and human nutrition that is now nicely ramping up. And there, we also have very good visibility.

So if I look to the fully contracted position, this year is very similar in H&N as last year where we have around about two-thirds of our business under longer-term contracts and one-third that is more open.

To your pricing question, which is a bit open, we already have evidence that we can pass on some price increases over the next three quarters. And these are roughly double-digit price increases on the open contracts more exposed to fish oil. Now where is fish oil going? As you know, we've seen fish oil prices going from the low \$3,000 per tonne, to now around \$4,500-- \$4,600 sometimes, and this is what we are translating.

On the long-term agreements, to your second question, we are really not looking to align our pricing on fish oil only. The aim of the game is doing these two-to-three-year deals to have visibility on margin because then we are hedging our sugar.

And we do not want to play the commodity game that fish oil is about. It's about having visibility and security of supply to fuel the supply gap to our key customers. And some of them, of course, do share that view, others less, but this is the way we approach it.

Now on the renewal, to your question, we had a contract that was ending by end '25 that we have renewed, and the others we are ending in '26. So it means that we would probably start next multiyear negotiation for the next years in the course of the summer to renew these type of contracts because they're all ending now by end of '26. So that's what I can say on that.

On the inflationary pressure, I think this is a difficult one because we see our customers trying to push price increases to retail and to their consumers. Now with what Peter explained, and what we are facing with the Middle East crisis and how we're going to also push our sulfuric cost and extra freight costs, these are really pricing we are implemented wherever now we have open contracts, but the vast majority will be implemented as from early H2.

This is what we have and what we are planning. But quite a lot of conversations are going on. I have to say that on freight, it's different in FI&S than in H&N. In H&N, on this large aquaculture contract, we have freight clauses in all these contracts where we immediately pass on any freight surcharges. It's a lot more limited in FI&S where you have this 3-month lag to push these prices as from the end of July, early August.

**Setu Sharda, Barclays:** That was helpful. Just one question, how is the trading update until now? Have you seen the recovery in Health and Nutrition?

**Olivier Rigaud, Chief Executive Officer:** We have very good visibility on Q2, with a strong start to the quarter. Based on what we see in April, we remain confident across both divisions.

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**Karel Zoete, Kepler Cheuvreux:** I have two questions actually in relation to the FI&S business unit because the margin has been, of course, a bit lower than expected in the quarter. But if we zoom out, it's been a couple of quarters in which profit margins are declining instead of going up towards



the 14% to 15% ambition level. So in relation to that, what are the incremental savings efficiencies, et cetera, you try to capture now?

And the more longer-term question then is the positioning of the business. Where are you losing market share? Or is it simply the exposure to more mature categories in the US that have been under pressure?

**Peter Kazius, Chief Financial Officer:** Okay. Let me do the first one in terms of the longer-term trajectory and then Olivier can take the market one. And you are right, that you see basically a kind of negative momentum if you look quarter after quarter. There is always a bit of volatility around it, frankly speaking, a bit of phasing. And I don't want to basically go to all these details. But if you look to Q2, and let's start with that. Then I did mention we anticipate a €5 million positive impact of sugar and cost reduction savings, of which the majority will be in FI&S. And that will lead to a sizable margin improvement as of Q2, with improvements in Q3 and Q4 as well. So with that one, I think that in terms of Q1, we reached the bottom from a longer-term perspective. The ambition level is still there, and I anticipate for the full year 2026 to be higher in terms of FI&S margin than last year, but not to the 15% this year.

**Olivier Rigaud, Chief Executive Officer:** Karel, so on the cost positioning of the business, this is a very valid question. If you look to the entire FI&S segment, and I'm taking out Lactic Acid to PLA that has a longer-term pricing formula than the other pieces, basically there is the natural preservation business, and that is where we invest in growth, which is high margin, high growth. And we see even a lot more options around the lactic acid derivatives, but also in vinegars, antioxidants, and a lot of food ferments, and mold inhibitors that are growing. This is the part of the business we really want to grow and focus on. And this is where we are investing our resources as well.

There is the functional systems business as well that basically is transitioning from a pure 'bakery-only play' to a business we want to specialize into something that has close synergies with preservation, meaning enzyme cocktails and shelf-life extension. And this is a business we are now really simplifying as part of the cost program to really simplify SKUs and focus on the high end. This really is one of the big angles of our cost optimization program that Peter mentioned.

And then you have what I call the basic derivatives, like plain lactic acid that is commoditizing. We basically changed the management structure to run this business, since January, with a new team with a very lean base. And that's the business we also are looking to now restructure further, leveraging our lowest cost plant-- the new lactic acid gypsum-free plant in Thailand. This area is not where we're going to invest going forward. The aim is really to have this gradual shift in portfolio to the preservation specialties, and restructure the functional systems into the shelf-life extension and less exposure to 'bakery only' going forward. That's our mission here. Now as you know, there is still a large chunk of this commoditized lactic acid-- or less differentiated products-- where I think pricing discipline is important, but also cost management.

And back a minute to the FI&S margins point-- as Peter alluded to before, we started this program and presented our new Chief Integrated Supply Chain Officer's ambition at the CMD back in November last year, as well as our new ExCo structure. He kicked off a major program that we embarked on, and in Q1, you see the costs of that program and not its benefit yet. But that's fine, we are planning to develop and share more around that at our H1 results call in July. So that is to come.



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**Sebastian Bray, Berenberg:** I have two, please. You have talked about, Olivier, the pieces of movement in terms of last expiry of long-term contracts in '26 for algal oils, if everything were to remain the same as it is today, when spot prices for fish oil were to remain the same, assuming that the contracts expire and are then restruck, is the pricing effect from algo oils for 2027, roughly flat? Or is it different to that?

My second question is on the ongoing negotiations regarding the PLA divestment. Are there any dyssynergies to think of here? Because the current setup of contracting is that there is almost an over-the-fence style cost-plus agreement. Is a buyer interested in, let's say, renegotiating that? Or do the economics in all likelihood remain intact as they are for supply of lactic acid to the PLA JV post divestment?

**Olivier Rigaud, Chief Executive Officer:** Thanks, Sebastian. Your H&N question is very relevant. Now, what we said publicly in the past is that these long-term contracts were, at the time negotiated between \$4,000 and \$5,000 dollar-equivalent. And now, we need to understand the fish oil price dynamic in the coming months when we're going to be at the negotiating table in the summer. Now having said that, if you compare the fish oil price volatility, we know it has been ticking up to \$8,000 or \$9,000 and going down to as low as \$2,000 in the past. Looking ahead, we see the forecasted price levels and are confident that they at the longer-term sustainable price levels that we need to command our requisite margins.

It's difficult to answer because as we are grow volumes, we have better and better operational leverage and we should get better margins as we go to this price level between \$4,000 and \$5,000. And we believe these are the longer-term right level of prices. Now let's see where the fish oil price development is going to be over the next months, but again, for these contracts, we want to disconnect from fish oil volatility and enjoy stable prices and margins.

On the PLA dyssynergies question, I'm not trying to give you a sales pitch for the business, but the combination of this PLA factory next to the lowest-cost, largest lactic acid plant in the world is a very powerful selling point for a new owner of that business. There is a long-term agreement to supply lactic acid that is in place until 2035 and that would survive any change of control of the PLA JV.

And for Corbion, whether we own part of the JV or not, it's a very nice plant filler because in these huge lactic acid factories, operational leverage is very important and you really make -- and start to make a lot of money when you run above 80%/85% capacity. And for us, the output to PLA is a sort of guarantee that we can run at very high capacity rate.

It's quite critical. We remain the supplier, and it's also the way to buffer our other two lactic plant sites as well. We see it as a very nice addition. And it's a set-up and contract with very little, if any, cost-- it's essentially a pipeline.

At first glance, the margin might look low, but it has such a huge operational leverage impact on the rest of the lactic that we sell to natural preservation and other categories—that's very important. There are no specific dyssynergies that we see from that deal.

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**Reginald Watson, ING:** I'd like to come back to the cost cutting, if I may, Peter. Thank you for giving us the €5 million delta between Q1 and Q2. Could you break that down a bit, please? How



much of that is the absence of the costs you had to take in Q1? And how much of that is the cost saving? And how much of that is the sugar?

And a follow-on question from that is, how do you expect this to build through the quarters in the year? Is this a one-off cost-saving exercise? Or do you see further benefits to come in the coming quarters?

**Peter Kazius, Chief Financial Officer:** The €5 million delta relates to lower sugar costs and the cost-reduction actions. It is not simply the reversal of one-off items. This is a recurring benefit, and we expect the contribution to increase further in the second half of the year.

**Reginald Watson, ING:** Okay. And then to that, in terms of the language and, Olivier, Peter, feel free either of you to answer this. You mentioned that the sales strength in Q2 is expected to "more than compensate for Q1." As analysts, we're too hung up on quarterly volatility, if we look at first half in the round, do you expect them to deliver positive volume for -- sorry, positive sales, with particular volume/mix for the business as a whole?

**Peter Kazius, Chief Financial Officer:** Looking at the business as a whole, in terms of volume/mix, then for the first half, I do indeed anticipate a positive development. If I look in the combination a bit, with Health & Nutrition, I see a recovery, but it is around the same level.

If you look in terms of price, I think I alluded to it, in terms of FI&S, I anticipate in Q2, still a mild year-on-year price reduction driven by Lactic Acid to PLA. And then a reversal of that trend in the second half of the year, driven by the growth which we made on cost and pricing.

In terms of Health & Nutrition, looking at pricing, then we had a 4% pricing delta. I anticipate a mild price erosion during the remainder part of the year.

**Reginald Watson, ING:** And then final question from me. How is the ramp-up of the gypsum-free lactic acid plant going? Where are you at on continuous capacity utilization?

**Olivier Rigaud, Chief Executive Officer:** So Reg, as you know, the plant is designed to produce 125,000 tonnes of lactic acid. We are now approaching the 100,000 tonnes type of level on that plant, yeah? And it's also important that -- because we've discussed that in the past as well. It's also because these are significant additional volumes we put in the market, and it's important we put that in the market wisely.

Also making sure that we do not come with large volume-shocks that would impact our margins. So there is a conscious ramp-up that we have on this. Obviously, the sooner we can fill it, the better, but we see a very nice upside from the remaining part of the year on PLA that is required a lot more globally.

And that's quite an important element because, as you know, the conversion ratio between lactic and PLA is 1.4. Meaning you need 1.4 times lactic to produce 1 unit of PLA. So, when PLA grows, it's really accelerating the demand for lactic acid. And we see that for our JV, but we also see that for Chinese competition as well. And that's something that when we look to the whole balance of lactic market, it would be really helpful to see how Corbion can 1) leverage our competitive advantage because we are gypsum-free, and 2) leverage our strong cost position with respect to Thai sugar costs-- versus our competitors in China who rely on corn. So the ratio is, again, back in favor of Thai sugar since September last year-- it's already been two quarters. And that is going to support Corbion margins going forward as well.



**Reginald Watson, ING:** So it is good to hear you are running the plant at around 80% utilization; that should support production efficiencies and variable costs. Is it fair to say this makes it among the most cost-efficient lactic acid plants globally?

**Olivier Rigaud, Chief Executive Officer:** You are right. The gypsum-free process is a major competitive advantage. Conventional lactic processes use lime and then need sulfuric acid to precipitate gypsum. Our process avoids gypsum and therefore does not require sulfuric acid—an important advantage given current supply conditions.

**Reginald Watson, ING:** And then does that mean then that the cost benefit of the ramp-up is now already included in the numbers? Or should we continue to see more benefit to come from any further utilization, any further ramping of this through the year?

**Olivier Rigaud, Chief Executive Officer:** We have already factored in our outlook what we think we're going to achieve in terms of capacity this year, the rest-- we keep for '27.

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**Eric Wilmer, Van Lanschot Kempen:** Yeah, two remaining questions, brief questions, actually. Given that sugar prices or sugar costs actually have come down year-on-year, might this actually result in market dynamics and forcing lower product pricing for functional ingredients during the remainder of this year?

And maybe on customer behavior, are there any signs of -- given the current disruptions, customers stocking up your product? You mentioned sulfuric acid supply chain issues? And maybe actually also a third one then on transportation costs. You talked about obviously increasing them. I was wondering to what extent our customers' perceptive, given from what I may read energy costs have actually started to come down a bit again. And I've been hearing that this is not always a very straightforward discussion.

**Olivier Rigaud, Chief Executive Officer:** Except for a few large US contracts, and of course the joint venture, sugar-related clauses is not something we have. But in terms of the competitive dynamic, today, our critical competitors in lactic acid are in China, and they are using corn as their primary input. It's therefore important to compare Chinese corn prices versus New York 11 or Thai sugar or Brazilian sugar. This is what really plays into the competitive dynamic.

On stocking, we don't see it. The situation has been heavily complexified with tariffs, and still is complex. And what we see is that the advantage of Corbion being the only lactic acid producer with a plant on each of the three main continents is really helpful for us. So there are different dynamics. In the US, we have our plant in Blair, Nebraska; in Brazil, in Campos; and in Rayong, in Thailand. We do not anticipate any extra customer stocking. It's the opposite-- we see customers being so tight on working capital that we have a lot of rush orders, a lot of last-minute orders which are creating other issues. That's what we're seeing.

And on freight cost, Health & Nutrition is very different from FI&S. In Health & Nutrition, all the large contracts do have a freight clause-- that we review on a quarterly basis. If freight costs are improving or declining, in the next quarter we would pass it on—in both cases. In FI&S, it's very different. We have rely on shipping routes, where most of the European lactic acid is shipped via freight from Thailand to Europe. And this is a very large volume as its the feedstock for all the derivatives we make in our Spanish and Dutch operations. That's an important one for us where, we have no choice but to push these extra freight costs to the market. This is what Peter explained and we are busy doing what we have to.



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**Alex Sokolowski, Head of IR:** This concludes our conference call this morning. Thank you all for your attendance and questions, and we look forward to discussions at upcoming conferences in the next weeks.

Please note that we will hold our Annual General Shareholders Meeting on May 13, 2026, in Amsterdam, and our Q2 half-year 2026 results on July 31. The Information on both meetings is available on the Investor Relations page of our website, and we look forward to engaging with you again.