

Media release

DKSH acquires Axieo in Australia and New Zealand and extends its specialty chemicals business in Asia Pacific

The agreement to acquire specialty chemicals distributor Axieo is a continuation of DKSH's acquisition strategy, allowing the company to expand its coverage in Asia Pacific and to become a market leader in Australia and New Zealand.

Zurich, Switzerland, December 23, 2019 – DKSH has signed an agreement to acquire specialty chemicals distributor Axieo, thereby expanding the geographical footprint of its Performance Materials Business Unit in the Pacific region. The transaction allows DKSH to distribute its product portfolio in Australia and New Zealand to Axieo's diversified customer base. In addition, DKSH enters the agrichemicals sector in these markets.

Founded in 1950, Axieo sells, markets and distributes specialty chemicals to more than 2,600 customers. These specialty chemicals are used in various industrial applications as well as in the cosmetics, pharma and food and beverage industries. Axieo operates two innovation centers for Industrial and Life Science products in collaboration with the renowned Monash University in Melbourne, developing innovative formulation solutions for new and existing customers. The innovation centers will join DKSH's innovation and formulation network of now 46 worldwide.

Axieo employs 120 specialists and generates around CHF 130 million in net sales¹ at solid profitability and return on capital. The acquisition is immediately earnings-accretive for DKSH. Closing of the transaction is expected for the first quarter of 2020 and is subject to certain conditions.

Thomas Sul and Natale Capri, Co-Heads Business Unit Performance Materials, DKSH, jointly commented: "By acquiring Axieo we actively drive forward market consolidation in the specialty chemicals industry in Asia Pacific. We are increasing our presence in the region to an extended customer base through our complementary portfolios and become a leading player in Australia and New Zealand. A warm welcome to all of Axieo's employees and we look forward to jointly expanding our regional coverage."

Steve Dawson, CEO, Axieo, added: "By combining DKSH's international expertise and Axieo's local experience, we will generate more value for manufacturers and customers. The acquisition marks the beginning of another exciting chapter in our almost seventy-year history. We look forward to contributing to our joint future success."

Stefan P. Butz, CEO of DKSH, concluded: "The signed acquisitions of Axieo and Crossmark Field Marketing expand our market position in Asia Pacific and add value for our clients and customers. Including the four deals closed earlier this year, our focused acquisition strategy delivers strategic value and contributes to DKSH's development."

¹ Exchange rate Australian dollar / Swiss franc 0.70

About DKSH

DKSH is the leading Market Expansion Services provider with a focus on Asia. The Group helps other companies and brands to grow in the Consumer Goods, Healthcare, Performance Materials and Technology sectors. DKSH's portfolio of services includes sourcing, market insights, marketing and sales, distribution and logistics as well as after-sales services. Publicly listed on the SIX Swiss Exchange, the Group operates in 35 markets with 33,000 specialists, generating net sales of CHF 11.3 billion in 2018. With its Swiss heritage and long business tradition since 1865, DKSH is deeply rooted in Asia Pacific.

The DKSH Business Unit Performance Materials distributes specialty chemicals and ingredients for food, pharmaceutical, personal care and various industrial applications. With 46 innovation centers and regulatory support worldwide, we create cutting-edge formulations that comply with local regulations. With around 1,080 specialists, the Business Unit generated net sales of CHF 960.4 million in 2018.

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