

# Frequently asked questions

*On December 12, 2022, Novozymes A/S (“Novozymes”) and Chr. Hansen Holding A/S (“Chr. Hansen”) announced that they have entered into an agreement to create a leading global biosolutions partner through a statutory merger of the two companies (the “Combination”).*

*The completion of the proposed Combination is subject to, inter alia, approval by the extraordinary general meetings of Novozymes and Chr. Hansen, respectively, as well as customary merger control and other regulatory approvals from relevant authorities.*

*The Novozymes extraordinary shareholders' meeting is to be held on Thursday March 30, 2023 at 12:00 (noon) CEST.*

*The Chr. Hansen extraordinary general meeting is to be held on Thursday March 30, 2023 at 5:00 p.m. CEST.*

*For more information about the extraordinary general meetings, we refer to the notices sent out by Novozymes and Chr. Hansen, respectively.*

*The following frequently asked questions and answers (“FAQ”) relate primarily to the rationale of the proposed Combination, the structure and the technical settlement hereof.*

## **What is the rationale behind the proposed Combination?**

- The Combination will leverage Novozymes and Chr. Hansen’s complimentary expertise, powerful capabilities, and innovation and commercial excellence to develop biological solutions that will enable healthier lives, transform food systems, and support the development towards a climate neutral society.

## **What will happen in the proposed Combination?**

- The proposed Combination will be structured as an all-share statutory merger, effectuated in accordance with the Danish Companies Act. The merger consideration offered to the shareholders of Chr. Hansen will consist of newly issued B-shares in Novozymes.

If and when the proposed Combination is completed, the following steps will have taken place:

- Chr. Hansen will be merged with and into Novozymes;
- Novozymes will continue as the surviving company;
- Chr. Hansen will be dissolved, and its shares will be removed from trading and official listing on Nasdaq Copenhagen, and the newly issued B-shares in Novozymes will be admitted to trading and official listing on Nasdaq Copenhagen; and
- Chr. Hansen’s current shareholders will become shareholders in Novozymes.

## **What will be the name of the combined company?**

- Novozymes and Chr. Hansen will jointly develop a new name and brand of the combined company. At completion of the Combination, the combined company will initially operate under the name Novozymes A/S with Chr. Hansen registered as a secondary name.

## **Where can I find more information about the proposed Combination?**

- Relevant documents regarding the proposed Combination are available here at this site.
- You will find, among others, the company announcement, investor presentation, merger plan, merger statement, etc.

- Please note that further information about the proposed Combination is made available in a disclosure document (the exemption document), which has been published on March 8, 2023. The exemption document is available here at this site.
- Novozymes and Chr. Hansen have, respectively, convened extraordinary general meetings for the shareholders to adopt the proposed Combination. The notice for the extraordinary general meeting of Chr. Hansen including the agenda and complete proposals and forms used for voting by proxy or by postal vote is available here at this site.
- We recommend that all shareholders read the relevant documents made available here at this site including the exemption document.

**If I have 1 Chr. Hansen share, how many Novozymes shares will I get if and when the proposed Combination has been completed?**

- If and when the proposed Combination has been completed, you will receive 1.5326 new Novozymes B-shares (of nominally DKK 2 each) for each share in Chr. Hansen (of nominally DKK 10 each) that you own at the time of completion.
- No fractional Novozymes B-shares will be issued and only whole new Novozymes B-shares will be paid and delivered as merger consideration.
- To the extent that you are entitled to receive a fraction of a new Novozymes B-share, then such fraction will be settled in cash based on a price per share equal to the closing price of the Novozymes B-shares on Nasdaq Copenhagen on the first trading day after the registration of the merger with the Danish Business Authority (or such other date which may subsequently be communicated by company announcement).
- Please note limitations apply for shareholders in certain jurisdictions.

**Why is the exchange ratio different for Novo Holdings and the other Chr. Hansen shareholders?**

- In order to send a clear signal of its strong belief in the commercial, strategic and long-term economic benefits of a Combination, Novo Holdings, as a long-term shareholder in both companies, is willing to accept a less favourable exchange ratio than that offered to other Chr. Hansen shareholders. Novo Holdings has agreed to exchange its shares in Chr. Hansen at an exchange ratio of 1.0227 Novozymes B-share (of nominally DKK 2 each) for each share in Chr. Hansen (of nominally DKK 10 each). This exchange ratio implies that Novo Holdings will not receive a premium for its holding of Chr. Hansen shares, it held as of December 12, 2022. Additional shares in Chr. Hansen that Novo Holdings may acquire after this date, will, however, be exchanged at the same exchange ratio as for other Chr. Hansen shareholders.

**What happens to the Chr. Hansen shares after the proposed Combination?**

- If and when the proposed Combination has been completed, Chr. Hansen will be dissolved and its shares will be removed from trading and official listing on Nasdaq Copenhagen. At the same time, the new consideration B-shares of Novozymes will be issued and admitted to trading and official listing on Nasdaq Copenhagen.

**Can I trade Chr. Hansen shares during the period between the extraordinary general meetings approval of the Combination and completion of the Combination?**

- Yes, you can trade Chr. Hansen shares as usual until the Combination is completed and Chr. Hansen is dissolved and its shares are removed from trading and official listing on Nasdaq Copenhagen.

**When will Chr. Hansen shareholders receive their new B-shares in Novozymes?**

- If and when the proposed Combination has been completed, the former holders of Chr. Hansen shares will be notified of their new Novozymes B-shares through the securities system of Euronext Securities Copenhagen. It is currently expected that the proposed Combination will close during Q4, calendar year 2023/Q1 calendar year 2024.

- Please note limitations apply for shareholders in certain jurisdictions.

#### **How will Chr. Hansen shareholders receive their new B-shares in Novozymes?**

- If and when the proposed Combination has been completed, Chr. Hansen shareholders will receive the newly issued Novozymes B-shares in their securities accounts with Euronext Securities Copenhagen. The newly issued Novozymes B-shares that Chr. Hansen shareholders will receive in the proposed Combination will be issued in book-entry form, which entails that ownership of the new Novozymes B-shares is recorded electronically on the books and records of Novozymes as maintained by Novozymes' share issuing agent.
- Please note limitations apply for shareholders in certain jurisdictions.

#### **What material will Novozymes and Chr. Hansen shareholders receive?**

- On March 8, 2023, Novozymes and Chr. Hansen have sent their respective shareholders a notice to convene an extraordinary general meeting of Novozymes and Chr. Hansen, respectively, with the purpose of adopting the proposed Combination.
- A disclosure document (the exemption document) containing information describing the proposed Combination and its impact on Novozymes has been prepared and made available to shareholders here at this site.

#### **What are the tax consequences for me as a private Danish shareholder?**

- It is the intention to implement the proposed Combination as a tax-exempt merger according to the Danish Merger Tax Act.
- On January 24, 2023, Novozymes and Chr. Hansen have, jointly, received a binding ruling by the Danish National Tax Board confirming that, subject to certain assumptions, the Combination can be treated as a tax-exempt merger.
- The exemption document made available on this site contains further information on taxation in relation to the proposed Combination, including confirmation of whether the proposed Combination is carried out according to the Danish Merger Tax Act.

#### **How do I know that the exchange ratio is fair to me?**

- Both Boards of Directors unanimously support the Combination and recommend the shareholders to vote in favor of and adopt the Combination and other proposals to be put forward by the Board of Directors of Novozymes and Chr. Hansen, respectively, at the extraordinary general meetings. For Chr. Hansen shareholders, the exchange ratio reflects an implied premium of approximately 49% to the Chr. Hansen share price, valuing each Chr. Hansen share at DKK 660.55 per share<sup>1</sup>.
- Based on the volume-weighted average price of the Novozymes B-shares and the Chr. Hansen shares for the 30 trading days ending December 9, 2022<sup>2</sup>, the exchange ratio reflects an implied premium of approximately 43%.

#### **How do I vote on the proposed Combination?**

- As a Novozymes shareholder, you can vote on the proposed Combination at the extraordinary general meeting of Novozymes to be held on Thursday March 30, 2023 at 12:00 (noon) CEST.
- As a Chr. Hansen shareholder, you can vote on the proposed Combination at the extraordinary general meeting of Chr. Hansen to be held on Thursday March 30, 2023 at 5:00 p.m. CEST.
- If the proposed Combination is approved at the extraordinary general meeting of Novozymes and Chr. Hansen, respectively, with the requisite vote, all Chr. Hansen shares will be automatically exchanged to new Novozymes B-shares shortly after the time of completion.

<sup>1</sup> Based on closing share prices of Chr. Hansen shares of DKK 444.20 and Novozymes B-shares of DKK 431.00, as at December 9, 2022

<sup>2</sup> Across multiple trading venues, including Nasdaq Copenhagen, Aquis Exchange, CBOE DXE and Turquoise Europe

- The completion of the proposed Combination is subject to customary merger control and other regulatory approvals from relevant authorities.

**What happens if the proposed Combination is not approved at either the extraordinary general meeting of Chr. Hansen or Novozymes?**

- We focus on delivering value to all stakeholders through the proposed Combination, which we believe is in the very interest of all of our shareholders. We believe the proposed Combination has a strong strategic logic and will drive value creation for all shareholders in the long-term through continued ownership of a combined company.
- In case the proposed Merger is not approved, Chr. Hansen will continue its 2025 strategy which has been laid out previously to continue to create value for all our stakeholders on a standalone basis.

## DISCLAIMERS

This document is not for release, publication or distribution, directly or indirectly (in whole or in part) in or into the United States or any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction or where such action would require additional prospectuses, filings or other measures in addition to those required under Danish law.

ELIGIBLE INVESTORS AND SHAREHOLDERS ARE URGED TO CAREFULLY READ THE EXEMPTION DOCUMENT RELATING TO THE PROPOSED COMBINATION IN ITS ENTIRETY, AS WELL AS ANY OTHER DOCUMENTS THAT HAVE BEEN OR WILL BE PUBLISHED BY EACH OF NOVOZYMES AND CHR. HANSEN IN CONNECTION WITH THE COMBINATION OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT NOVOZYMES, CHR. HANSEN, THE PROPOSED COMBINATION AND RELATED MATTERS.

This document is for informational purposes only and does not constitute a notice to an extraordinary general meeting resolving on the Combination, an exemption document or a merger prospectus and as such, does not constitute or form part of and should not be construed as, an offer to sell, or the solicitation or invitation of any offer to buy, acquire or subscribe for, any securities or any other financial instruments in Novozymes or Chr. Hansen or an inducement to enter into investment activity. Any decision with respect to the proposed Combination of Chr. Hansen into Novozymes should be made solely on the basis of information to be contained in the actual notices to the extraordinary general meetings of Novozymes and Chr. Hansen, as applicable, and the exemption document or merger prospectus or other documents regarding the proposed Combination, as applicable, related to the Combination as well as on an independent analysis of the information contained therein. Investors should consult the exemption document, when published, for more complete information about Novozymes, Chr. Hansen, their respective subsidiaries, their respective securities and the Combination.

NO OFFERING IS BEING MADE TO ANY PERSON IN ANY JURISDICTION. THIS DOCUMENT MAY NOT BE USED FOR, OR IN CONNECTION WITH, AND DOES NOT CONSTITUTE, OR FORM PART OF, AN OFFER BY, OR INVITATION BY OR ON BEHALF OF, NOVOZYMES, CHR. HANSEN, OR ANY REPRESENTATIVE OF NOVOZYMES, OR CHR. HANSEN, TO PURCHASE ANY SECURITIES OR AN OFFER TO SELL OR ISSUE, OR THE SOLICITATION TO BUY SECURITIES BY ANY PERSON IN ANY JURISDICTION. NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION BY NOVOZYMES OR CHR. HANSEN THAT WOULD PERMIT AN OFFERING OF THE ORDINARY SHARES OR POSSESSION OR DISTRIBUTION OF A PROSPECTUS IN ANY JURISDICTION, EXCEPT TO THE EXTENT EXPLICITLY DISCLOSED BY NOVOZYMES OR CHR. HANSEN.

This document is not a recommendation to engage in investment activities and is provided "as is", without representation or warranty of any kind. While all reasonable care has been taken to ensure the accuracy of the content, Novozymes and Chr. Hansen do not guarantee its accuracy or completeness and Novozymes and Chr. Hansen will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. No information set out or referred to in this document may be regarded as creating any right or obligation and Novozymes and Chr. Hansen expressly disclaim liability for any errors or omissions. The price and value of securities and any income from them can go down as well as up and investors could lose their entire investment. Past performance is not a guide to future performance. Information in this document cannot be relied upon as a guide to future performance.

This document is not intended to be, and shall not constitute in any way, a binding or legal agreement, or impose any legal obligation on the Novozymes Group or the Chr. Hansen Group. All proprietary rights and interest in or connected with this document shall vest in the Novozymes Group or the Chr. Hansen Group, as the case may be. No part of it may be redistributed or reproduced without the prior written permission of the Novozymes Group and Chr. Hansen Group. This document speaks only as of this date (March 8, 2023).

### Additional information for US holders

NEITHER THE US SECURITIES AND EXCHANGE COMMISSION NOR ANY US STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE COMBINATION OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE

EXEMPTION DOCUMENT OR ANY OTHER DOCUMENTS REGARDING THE COMBINATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE UNDER US LAW.

This document relates to the proposed Combination of two Danish public companies. This document, the exemption document and other documents relating to the proposed Combination would be prepared in accordance with European and Danish law and European and Danish disclosure requirements, format and style, all of which differ from those in the United States. The proposed Combination referred to herein and the information to be distributed in connection therewith, including the proposed Merger and related shareholder vote and any related corporate transactions, are subject to disclosure, timing and procedural requirements and practices applicable in Europe and Denmark, which differ from the disclosure requirements of the United States.

The securities referred to herein and to be issued pursuant to the proposed Combination have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under any laws or with any securities regulatory authority of any state, district or other jurisdiction of the United States, and unless so registered may not be offered, pledged, sold, delivered or otherwise transferred (directly or indirectly), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state and other securities laws. There will not be any public offer of any securities in the United States. The information contained herein does not constitute an offer to sell or solicitation of an offer to buy any securities in the United States. Further details of which US holders are eligible to receive the securities referred to herein, and the procedural steps required to be taken by such persons to so receive such securities, as well as the procedures for those US holders who do not so qualify to receive such securities (if any), will be set forth in the exemption document.

Neither the U.S. Securities and Exchange Commission (SEC) nor any US state securities commission or regulatory authority has approved or disapproved of the securities referred to herein to be issued in connection with the proposed Combination or any related corporate transaction, or determined if the information contained herein or in the exemption document is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

The securities referred to herein have not been and are not presently expected to be listed on any US securities exchange or quoted on any inter-dealer quotation system in the United States. None of Novozymes or Chr. Hansen presently intends to take any action to facilitate a market in such securities in the United States. Financial statements, and all financial information that is included in the information contained herein or in the exemption document and any other documents relating to the securities referred to herein, have been or will be prepared in accordance with International Financial Reporting Standards (IFRS) or other reporting standards or accounting practice which may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States (US GAAP). It may be difficult for US holders to enforce their rights and claims arising out of the US federal securities laws, since Novozymes and Chr. Hansen are incorporated under the laws of Denmark and the majority or all of their respective officers and directors are residents of non-US jurisdictions. Judgments of US courts are generally not enforceable in Denmark. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment. In addition, original actions, or actions for the enforcement of judgments of US courts, based on the civil liability provisions of the US federal securities laws, may not be enforceable in Denmark. Each shareholder is advised to read the exemption document and is urged to consult his or her independent professional adviser regarding the tax consequences of the Combination.

### Information Regarding Forward-Looking Statements

This document includes forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Novozymes Group's, the Chr. Hansen Group's and the combined group's control and all of which are based on the Novozymes Group's, the Chr. Hansen Group's or the combined group's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualized", "anticipate", "assess", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other



variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and other documents regarding the proposed Combination and include statements that reflect the Novozymes Group's, the Chr. Hansen Group's or the combined group's intentions, beliefs or current expectations and projections about the their respective future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, targets, strategies and opportunities and the markets in which they respectively operate, and the anticipated timing of the proposed Combination. These forward-looking statements and other statements contained in this document regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Novozymes Group, the Chr. Hansen Group or the combined group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Forward-looking statements in this document speak only as of the date of this document. The information contained in this document is subject to change without notice and, except as required by applicable laws and regulations, Novozymes, and Chr. Hansen expressly disclaim any obligation or undertaking to update or revise the forward-looking statements contained in this document to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based and nor does it intend to. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this document. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

### **Financial Information**

This document and the exemption document and other documents relating to the proposed Combination may include financial objectives. Financial objectives are internal objectives of Novozymes, Chr. Hansen and the combined group to measure its operational performance and should not be read as indicating that Novozymes, Chr. Hansen or the combined group is targeting such metrics for any particular financial year. The ability of Novozymes, Chr. Hansen and the combined group to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Novozymes, Chr. Hansen and the combined group, and upon assumptions with respect to future business decisions that are subject to change. As a result, the actual results of Novozymes, Chr. Hansen and the combined group may vary from these financial objectives, and those variations may be material.

### **Transaction conditions**

Completion of the Combination is subject to the satisfaction of a number of conditions as more fully described in company announcement no. 13 of December 12, 2022 and the exemption document and other documents relating to the proposed Combination. Consequently, there can be no certainty that completion of the Combination will be forthcoming.

Novozymes refers to Novozymes A/S and the Novozymes Group refers to Novozymes and its subsidiaries. Chr. Hansen refers to Chr. Hansen Holding A/S and the Chr. Hansen Group refers to Chr. Hansen and its subsidiaries. The combined group refers to Novozymes and its subsidiaries following completion of the Combination (including the Novozymes Group and the Chr. Hansen Group).