

Merger Statement

Chr. Hansen Holding A/S

On 12 December 2022

Chr. Hansen Holding A/S (“**CHH**”) and

Novozymes A/S (“**Novozymes**” and together with CHH, the “**Companies**”)

have agreed to pursue a statutory merger of CHH and Novozymes with CHH as the dissolving company and Novozymes as the surviving company. On this basis, the Boards of Directors of CHH and Novozymes have prepared a joint merger plan (the “**Merger Plan**”) pursuant section 237 of the Danish Companies Act setting out the terms for the corporate law implementation of the contemplated merger as described in the Merger Plan (the “**Merger**”) and the Board of Directors of CHH has prepared this merger statement (the “**Merger Statement**”).

The Merger Statement is prepared in accordance with section 238 of the Danish Companies Act (hereinafter the “**DCA**”).

1 The Companies’ background

1.1 CHH

CHH conducts business as a global bioscience company. Prior to the Merger, CHH’s share capital amounts to nominally DKK 1,318,524,960 divided into shares of DKK 10 each or multiples thereof. CHH’s shares are admitted to trading and official listing on NASDAQ Copenhagen A/S.

1.2 Novozymes

Novozymes conducts business within industrial enzymes. Prior to the Merger, Novozymes’ share capital amounts to DKK 562,000,000 divided into shares of DKK 1 each or multiples thereof, of which DKK 107,487,200 is class A shares and DKK 454,512,800 is class B shares. Novozymes’ class B shares are admitted to trading and official listing on NASDAQ Copenhagen A/S in nominal values of DKK 2 each.

2 Reasons for the merger

Based on the contemplated Merger, the Boards of Directors of CHH and Novozymes have today prepared and signed the Merger Plan. The Merger Plan originates from a mutual desire of the Boards of Directors of CHH and Novozymes to combine the businesses of the Companies, including their respective subsidiaries, and to create a leading global biosolutions partner and is expected to unleash the full potential of biological solutions and generate significant value for all stakeholders and society at large.

Following the Merger, all activities, including all assets and liabilities, of CHH will have been transferred to Novozymes through universal succession. The completion of the Merger and the aforesaid legal effects will occur upon the final registration of the Merger with the Danish Business Authority, upon which CHH will be deemed as dissolved without liquidation.

3 The completion of the merger

As of the Merger, Novozymes will be the surviving company and CHH will be dissolved and the CHH shares will automatically be delisted from NASDAQ Copenhagen A/S.

According to the Merger Plan, completion of the Merger is subject to the following conditions:

- a. Resolutions are adopted to complete the Merger in accordance with applicable law and the terms set out in the Merger Plan by the general meetings of CHH and Novozymes, respectively;
- b. Any applicable waiting period (and any extension thereof) shall have expired or been earlier terminated and/or any applicable approvals or clearances shall have been obtained by Novozymes, as relevant, in each case under (i) the antitrust law of the jurisdictions listed in exhibit 1 of the Merger Plan, (ii) the foreign direct investment law of the jurisdictions listed in exhibit 2 of the Merger Plan and (iii) the antitrust law and/or foreign direct investment law of any other jurisdiction other than those listed in exhibits 1 and 2 of the Merger Plan, provided (in respect of (iii)) Novozymes in good faith reasonably considers (having consulted CHH) that such approvals or clearances of the Merger contemplated by the Merger Plan in the relevant jurisdictions is material to the Merger and should therefore be obtained prior to completion of the Merger;
- c. To the extent required by law, receipt of the statutory approval of a document prepared pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended, or delegated regulations issued thereunder, and any such required statutory approval not having been withdrawn;
- d. The Consideration Shares (as defined below) having been approved for admission to trading and official listing by Nasdaq Copenhagen;
- e. Except in respect of antitrust law and foreign direct investment law as shall be exhaustively governed by clause 3b), no legislation, rules or other regulation having been adopted, or any decision having been made and remaining in effect by a competent court or regulatory authority or any other Government Body that prevents or otherwise prohibits the Merger, nor shall any action have been taken, or any applicable law promulgated, entered, enforced, enacted, adopted, issued or deemed applicable to the Merger contemplated by the Merger Plan by any Government Body, which prohibits, makes illegal, prevents or otherwise prohibits the completion of the Merger in accordance with the Merger Plan. For the purpose of the Merger Plan, a "Government Body" means any (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; or (c) governmental or quasi-governmental authority of any nature, including any supra-national authority, governmental division, department, agency, commission, instrumentality, official, ministry, operator of a stock exchange or regulated market, unit, body or entity and any court, arbitrator or other tribunal;

- f. No adoption of any laws or any decision having been made following the date of the Merger Plan and remaining in effect by a competent court or regulatory authority or any other Government Body that (i) imposes any obligation on Novozymes, Novo Nordisk Fonden, CVR-no. 10 58 29 89, and/or Novo Holdings A/S, CVR-no. 24 25 76 30, whether before or after completion of the Merger, to make any offer to any shareholder of CHH pursuant to Chapter 8 of the Danish Capital Markets Act or similar law of other jurisdiction by virtue of the signing of the Merger Plan, the adoption of the Merger and/or the completion of the Merger (excluding, for the avoidance of doubt, any such obligation resulting solely from any purchase of shares in CHH by Novozymes, Novo Nordisk Fonden, Novo Holdings A/S and/or any of their respective subsidiaries after the date of the Merger Plan), or (ii) prevents Novo Nordisk Fonden (acting via Novo Holdings A/S) from fulfilling any of the commitments or undertakings made by Novo Holdings A/S for the support of the Merger; and
- g. No bankruptcy proceedings under applicable law having been opened or applied for by either of Novozymes in respect of Novozymes or CHH in respect of CHH and Chr. Hansen A/S, CVR-no. 12 51 64 79.

The Merger will not take legal effect until the time of fulfilment of the above conditions and final registration of the Merger with the Danish Business Authority will not take place prior to such time. The application for registration of the Merger may be revoked at any time prior to the final registration of the Merger with the Danish Business Authority.

The Merger shall become effective for accounting purposes as of 1 January 2023, cf. section 237(3)(8) of the DCA.

4 Consideration

4.1 Upon completion of the Merger, the share capital in Novozymes will be increased with nominally DKK 374,597,292 to DKK 936,597,292 by issuance of nominally DKK 374,597,292 new class B shares of nominally DKK 1 each, and CHH shareholders will receive such class B shares in Novozymes (“**Consideration Shares**”) as follows:

- a. Novo Holdings A/S exchanges a holding of 28,983,112 shares of nominally DKK 10 each in CHH (equivalent to approximately 21.98% of the total share capital as per the date of signing of this Merger Statement) for Consideration Shares according to an exchange ratio, where 1 share of nominally DKK 10 each in CHH is exchanged for 2.0454 Consideration Shares of nominally DKK 1 each. As Novozymes' B shares are traded on Nasdaq Copenhagen in nominal values of DKK 2 each, such exchange ratio corresponds to an exchange ratio of 1 share of nominally DKK 10 each in CHH for 1.0227 B shares of nominally DKK 2 each in Novozymes.
- b. The remaining shareholders of CHH exchange their respective shareholdings in CHH for Consideration Shares according to an exchange ratio, where 1 share of nominally DKK 10 each in CHH is exchanged for 3.0652 Consideration Shares of nominally DKK 1 each. As Novozymes' B shares are traded on Nasdaq Copenhagen in nominal values of DKK 2 each, such exchange ratio corresponds

to an exchange ratio of 1 share of nominally DKK 10 each in CHH for 1.5326 B shares of nominally DKK 2 each in Novozymes.

- c. To the extent that Novo Holdings A/S as per the date of the registration of the completion of the Merger in the Danish Business Authority's IT system owns a holding of shares in CHH of more than 28,983,112 shares of nominally DKK 10 each, Novo Holdings A/S exchanges such additional shareholding for Consideration Shares according to the exchange ratio set out in clause 4.1b.

4.2 The different exchange ratio for the consideration provided to Novo Holdings A/S pursuant to clause 4.1a above in respect of 28,983,112 shares of nominally DKK 10 each in CHH, has been separately consented to by Novo Holdings A/S, and Novo Holdings A/S has given its explicit consent to waive the principle of equal treatment of shareholders pursuant to section 45 of the DCA in this regard.

4.3 No fractional Consideration Shares will be issued as Consideration Shares and only whole new B shares in Novozymes (in the denomination of DKK 2 nominal value) will be paid and delivered as Consideration Shares. To the extent that the exchange of shares of CHH for Consideration Shares would otherwise entitle a shareholder of CHH to receive a fraction of a Consideration Share, i.e. a holding of Consideration Shares that is not a whole number of Consideration Shares (in the following referred to as "**Share Fractions**"), the number of Consideration Shares to be received by such shareholder of CHH (per each individual account kept by Euronext Securities Copenhagen) shall be rounded down to the nearest whole Consideration Share. The Share Fractions will be settled in cash based on a price per share equal to the closing price of the shares of Novozymes on Nasdaq Copenhagen on the first trading day after the registration of the Merger with the Danish Business Authority (or such other date during the period of settlement determined by Novozymes and communicated in a company announcement). Share Fractions will not be admitted to trading on Nasdaq Copenhagen.

Novozyymes will not in connection with process described in this clause 4.3 become the owner of Consideration Shares corresponding to the Share Fractions.

4.4 To the extent that a shareholder of CHH is restricted from receiving such shareholder's Consideration Shares, due to applicable mandatory law in the country of residence of such shareholder, including restrictions arising from legal requirements for Novozymes or CHH taking certain actions in such country which may potentially lead to risk of liability for damages and/or criminal liability for Novozymes' management and/or CHH's management (each referred to in the following as a "**Restricted Shareholder**"), Novozymes may procure that the Consideration Shares attributable to such Restricted Shareholder shall be sold by a settlement agent appointed by Novozymes and the cash proceeds (in DKK) from the sale shall then as soon as practicably possible be paid to such Restricted Shareholder in lieu of the Consideration Shares.

Novozyymes will not in connection with process described in this clause 4.4 become the owner of Consideration Shares which are attributable to any Restricted Shareholder.

- 4.5 The merger consideration has been determined through negotiations between the Boards of Directors CHH and Novozymes. The Board of Directors of CHH has also taken into account Novo Holdings A/S' acceptance of the consideration provided to Novo Holdings A/S according to the exchange ratio set out in 4.1a and Novo Holdings A/S' explicit consent to waive the principle of equal treatment of shareholders in CHH pursuant to section 45 of the DCA.

In determining a merger consideration that is deemed fair for the shareholders of CHH, the Board of Directors has taken a number of factors into consideration. The Board of Directors has primarily considered the respective Companies' latest annual reports, profit forecasts, the Companies' current market capitalisation, the observable relative market capitalisation over time between the Companies, the distribution of synergies between the shareholders and other matters that are usually taken into consideration in such determination. The Board of Directors has also considered a number of additional recognised valuation methods of fair value assessments.

Based on the foregoing, the Board of Directors is of the opinion that the methods applied for determining the merger consideration are appropriate and the Board of Directors of CHH considers the Merger beneficial to CHH and its shareholders, and that the total merger consideration is fair and reasonable from a financial point of view.

- 4.6 In this connection, the Board of Directors confirm that there have been no difficulties relating to such determination.
- 4.7 Goldman Sachs International has rendered its opinion to the Board of Directors of CHH that, as of 10 December 2022, based upon and subject to the factors, and assumptions specified therein, the Consideration Shares to be paid to each holder (other than Novozymes, Novo Holdings A/S and their respective affiliates in respect of which Goldman Sachs International has not opined) of CHH shares pursuant to the Merger was fair from a financial point of view to such holder. The full text of the written opinion of Goldman Sachs International, dated 12 December 2022, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, can be viewed at www.information-about-business-combination.com/. Goldman Sachs provided advisory services and its opinion is solely for the information and assistance of the Board of Directors of CHH in connection with its consideration of the Merger. The Goldman Sachs opinion is not a recommendation as to how any holder of CHH shares should vote with respect to the Merger or any other matter nor is it a valuation expert statement pursuant to Section 241 of the Danish Companies Act.
- 4.8 Further, valuation expert statements on the contemplated merger have been prepared by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab pursuant to section 241 of the Danish Companies Act concluding that the procedures applied in assessing the fair values of CHH and of Novozymes merged with CHH, including expected synergies, and for determining the consideration are appropriate and that the total consideration for the shares in CHH is fair and reasonable from a financial point of view under the circumstances.

[Signatures on next page]

Hørsholm, 12 December 2022

The Board of Directors of Chr. Hansen Holding A/S:

Dominique Jacqueline Nicole Reiniche
Chair

Jesper Brandgaard
Vice Chair

Lise Kaae

Luis Cantarell Rocamora

Heidemarie Rose Kleinbach-Sauter

Kevin Michael Lane

Charlotte Hemmingsen

Kim Ib Sørensen

Casper Lynghøj Giedo

Karen Louise Lauesen

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