Safe harbor statement

- This presentation contains forward-looking statements that reflect management’s current views with respect to certain future events and potential financial performance.

- Forward-looking statements are other than statements of historical facts. The words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “outlook,” “will,” “may,” “continue,” “should” and similar expressions identify forward-looking statements.

- Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company’s markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in records and other data available from third parties.

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Corporate Knights named Chr. Hansen most sustainable company in the world in 2019

- Independent ranking conducted by Canadian media and research firm Corporate Knights since 2005
- Review of all publicly listed companies worldwide with >USD 1bn revenue (7,500 in total)
- Screening based on 21 quantitative indicators
- Chr. Hansen was named #1 because of the contribution of its product portfolio to the UN Global Goals and its reporting (‘100% score on clean revenue’)
- Corporate Knights’ Global 100 index has outperformed MSCI All Country World Index since inception in February 2005 to December 2018 (127% vs. 118% net investment return)
Food Cultures & Enzymes and Health & Nutrition share a common research platform, and production method. The R&D platform is a process of screening, developing and upscaling of microbes. Production is the optimization of recipes, flows and infrastructure for the fermentation of microbes. Together: The Microbial Platform.

AT A GLANCE
We are market and technology leaders in our core business

Food Cultures & Enzymes

- Dairy cultures incl. probiotics
- Dairy enzymes
- Meat, wine & fermented beverages
- Bioprotection
- Human Health & Microbiome
- Animal Health

Natural Colors

- Confectionery & ice cream
- Dairy & fruit preparation
- Prepared food
- Beverages

Health & Nutrition

- Plant Health

Food Cultures & Enzymes

- 59% Share of revenue

Natural Colors

- 20% Share of revenue

Health & Nutrition

- 21% Share of revenue

Confectionery & ice cream
Dairy & fruit preparation
Prepared food
Beverages
Plant Health

4
We develop natural solutions that help to reduce sugar, ensure food safety, improve health, replace artificial ingredients and much more!

**AT A GLANCE**

**NOLA® Fit** reduces added sugar in yogurt by 2g per 100g yogurt without losing sweetness

**SAFEPRO®** cultures help to keep meat safe from *Listeria*

Replace artificial ingredients with our e-number free labeling coloring foodstuffs range **FRUITMAX®**

**QUARTZO® and PRESENCE®** are probiotic plant health solutions that help sugar cane and other crops fight off attacks from nematodes

With **CHY-Max®** dairies can increase cheese output by 0.5% compared to other coagulants (i.e. 100 tons in case of a production volume of 20,000 tons)

**LGG®** has been studied in +300 clinical studies that indicate that the strain may have beneficial effects on immune and gastrointestinal functions
AT A GLANCE

Sustainability is at the core of what we do

Better farming
We help feed the growing population by promoting sustainable agriculture

Expand reach of natural plant protection by 25m hectares (2025)

Good health
We improve global health through healthier, safer and more products

Launch 6 new products with a documented health effect (2022)

Less waste
We help customers reduce food waste and improve yield and productivity

Reduce global yogurt waste by 1.2m tons (2022)

82% of Chr. Hansen’s 2017/18 revenue contributes to the UN Global Goals - reviewed by PWC
## STRATEGY

**Our Nature’s no.1 strategy: evolution since 2013 – now Sustainably**

<table>
<thead>
<tr>
<th>Nature’s no.1</th>
<th>FOCUS AREAS</th>
<th>Leverage the full potential</th>
<th>Develop the microbial platform</th>
<th>Create further value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food Cultures &amp; Enzymes</strong></td>
<td><strong>Health &amp; Nutrition</strong></td>
<td><strong>Natural Colors</strong></td>
<td><strong>Health &amp; Nutrition</strong></td>
<td><strong>Natural Colors</strong></td>
</tr>
<tr>
<td>Drive penetration of new innovation</td>
<td>Continue to prioritize core dairy business</td>
<td>Drive new products for Human Health (incl. Microbiome) and Animal Health</td>
<td>Expand FruitMax® range of coloring foodstuffs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop adjuncts and adjacencies</td>
<td>Invest in Plant Health platform to unlock potential of EUR 100m by 2025</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Drive Bioprotection lighthouse to EUR 200m by 2025</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reinforce position in growth markets</td>
<td>Further strengthen global market presence</td>
<td>Human Health: Expansion into emerging markets and growth segments</td>
<td>Drive US conversion and secure APAC growth</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Application support in core adjacencies</td>
<td>Strengthen route-to-market in Ag businesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generate fuel for growth</td>
<td>Drive scalability in supply chain</td>
<td>Reinvest in future growth</td>
<td>Continue drive to restore profitability</td>
<td></td>
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<tr>
<td></td>
<td>Digitalize core processes</td>
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</tr>
</tbody>
</table>
STRATEGY

Our three lighthouses address challenges within food safety, agriculture and public health

- **Bioprotection**: Bacterial solutions for food safety and freshness – target of EUR 200m by 2025
  - Designated as lighthouse in 2016

- **Plant Health**: Bacterial cultures for crop protection – target of EUR 100m by 2025
  - Designated as lighthouse in 2013

- **Human Microbiome**: Next generation bacteria for Human Health
  - Designated as lighthouse in 2013

Lighthouse
Potential revenue of minimum EUR 100m per year
We retain our long term growth guidance with majority of growth coming from core customers and markets.

**Organic growth divisional target**: 7-8%

**Technologies**

- **Existing**
  - Fundamental market growth, pricing and market share
  - ~4% growth

- **New**
  - Upselling and innovation in core business
  - 2-3% growth

**Customers/markets**

- **Existing**
  - Further conversion of dairies
  - ~1% growth

- **New**
  - Extension into new food categories and near adjacencies
  - <1% growth
Upselling novel solutions and increasing wallet size with existing customers is a key focus for 2018/19

Rejuvenate product offerings and up-sell customers to newer, higher priced solutions

Develop new adjunct uses of cultures and enzymes

Selling more solutions to each existing customer on average

Identify paths to outpace volume growth in mature fermented milk markets (France, Russia and US)
Our bioprotection journey

Late 1990s
First bioprotection solutions emerge

Early 2000
Chr. Hansen launches first bioprotection solutions in meat to control Listeria

2013
Chr. Hansen enters bioprotection market in dairy with launch of FreshQ® brand

2017/18
Launch of 2nd generation FreshQ® targeted at regions with hotter climates and less reliable cold chains

Today: Unlocking the full potential of the business
- Regional expansion into LATAM and APAC
- Building application knowledge and client relationships in adjacent areas
- Working with authorities on regulatory framework & labelling solutions

2024/25
EUR200m sales target

Bioprotection business split by category and region
- Dairy
- Meat
- NA
- LATAM
- EMEA
- APAC
We continue to roll out the 2nd generation bioprotection in emerging markets and drive penetration across core food applications

Bioprotection has made strong progress since 2013, and will continue to create long-term revenue optionality.

<table>
<thead>
<tr>
<th>Year</th>
<th>Today</th>
<th>Tomorrow</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/13</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>13/14</td>
<td></td>
<td></td>
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<tr>
<td>14/15</td>
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<td>15/16</td>
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<tr>
<td>16/17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17/18</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

### Food waste
- Shelf life extension targeting yeasts/mould

### Food Safety
- Additional protection against gram-positive food pathogens (Listeria, Clostridium)

#### Traditionally Fermented Food Products
- Fresh dairy
- Cheese
- Fermented meat

#### Non Traditionally Fermented Food Products
- Animal products (meat adjacencies/fish)
- Vegetable products
HEALTH & NUTRITION

Potential to increase penetration of microbial solutions

Attractive market growth driven by megatrends

- **Growing world population and rapid urbanization**
- **Increasing scientific evidence of health benefits from “good bacteria” (and KOL/consumer awareness)**
- **Resource scarcity creates productivity squeeze for customers**
- **Need to reduce antibiotic growth promoter usage in livestock production**
- **Pressure to curb chemicals usage in crop production**

### Opportunities to increase penetration

- **5-15%** Microbial penetration
- **10-15%** Microbial penetration
- **<5%** Microbial penetration

Source: Euromonitor and management estimates
**HEALTH & NUTRITION**

**Human Health to focus on launch of new products**

1. **Microbiome is creating new opportunities within conventional strains and existing end markets**
   - Infants in hospitals: Reduce risk of gastrointestinal complications
   - Infant: Support infant gut microbiome for healthy development
   - Adult: Promote intestinal integrity
   - Women: Rebalance a healthy vaginal microbiome

2. **Partnership with Prota Therapeutics to treat peanut allergy with LGG®**

**Fit to current capabilities**

**Conventional strains**

**Novel uses for existing bacteria (partnership model)**

Long term potential but not a current investment focus

**Existing Human Health business**

Opens new segments such as metabolic and skin health

**Supplements & Infant Nutrition**

- **Pharma**
- **End market**
We educate customers on the functional benefits of probiotics and the value of scientific documentation

### Potential beneficial effects on immune and gastrointestinal function

<table>
<thead>
<tr>
<th>LGG®</th>
<th>BB-12®</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>The world’s best documented probiotic strain</td>
<td>The world’s best documented Bifidobacterium</td>
<td>Hatakka et al. 2001, Hajsak et al. 2010a</td>
</tr>
<tr>
<td>Used in food and dietary supplements since 1990</td>
<td>Used in food and dietary supplements since 1985</td>
<td>de Vrese et al. 2005</td>
</tr>
<tr>
<td>Described in more than 1,000 scientific publications</td>
<td>Described in more than 307 scientific publications</td>
<td>Pärtty et al. 2013</td>
</tr>
<tr>
<td>Studied in more than 300 clinical studies</td>
<td>Studied in more than 180 clinical studies</td>
<td>Isolaari et al. 2000</td>
</tr>
</tbody>
</table>

- May reduce respiratory tract challenges
- May enhance the immune response
- May alleviate symptoms of irritated skin
- May reduce crying and fussiness in infants
- May reduce the risk of an upset stomach
- May enhance the immune response
- May reduce respiratory tract challenges
- May support bowel function

### We educate customers on the functional benefits of probiotics and the value of scientific documentation

1 Selection of scientific studies as per April 2017 (LGG®) and Feb 2016; for more details refer to Chr. Hansen website.

Culture bank of +30,000 strains

3 out of the 4 best documented strains in our library
Consumers and regulators are demanding natural alternatives to antibiotics in livestock production

Antibiotic resistance is one of the main threats defined by the WHO

Regulators are increasing pressure & end consumers start to demand non-antibiotic-ever meat

Probiotics for animals help improve feed efficiency and reduce need for antibiotics

Deaths attributable to major causes annually (in m)¹

1 2014  2 2050

1 Source: AMR Review (2014).
Animal Health to further strengthen route-to-market globally

- **North America**
  - Direct route-to-market
  - Introducing our newest innovations
  - >60% of revenue\(^1\)
  - 16% of global meat and dairy production

- **EMEA**
  - Optimizing our business partner relationships
  - Launching new products; Gallipro Fit and Bovamine
  - <20% of revenue\(^2\)
  - 37% of global meat and dairy production

- **APAC**
  - New business partners
  - More dedicated resources on the ground
  - Growing portfolio
  - <10% of revenue\(^2\)
  - 33% of global meat and dairy production

- **LATAM**
  - Combining direct sales and business partner network
  - Launching new products in cattle and poultry
  - <10% of revenue\(^3\)
  - 14% of global meat and dairy production

---

\(^1\) Fiscal Year 2017
\(^2\) Source: FAOSTAT, tons of meat/dairy produced in 2016 (cattle, poultry, swine)
Plant Health to unlock a potential of EUR 100m revenue by 2025

**Big and growing market**

- 5% penetration of microbial products in the industry
- >10% expected growth of the biopesticide industry towards 2021
- 2.5% expected growth of the Crop protection industry towards 2021

**Hectares harvested in existing vs. potential markets, 2015**

- **Sugarcane**: 23m
  - Latin America
  - North America
- **Soybean**: 108m
  - APAC
  - EU
  - Latin America
  - North America
- **Corn**: 119m
  - APAC
  - EU
  - Latin America
  - North America

**Ambitions of Plant Health**

- **Today**: On market primarily in South America (Brazil)
- **2019/20**: Expansion in North America
- **2024/25**: Presence in all major geographies
- **Ramping up investments in capacity, discovery, and tech support**

**EUR 100m**

Unlocked potential by 2025

*Source: Phillips McDougall, Faostat, Markets & Markets*
NATURAL COLORS

Natural Colors presents an attractive growth opportunity

Key messages

- Attractive growth potential from conversion and coloring foodstuffs
- Transformation project completed
- Limited synergies between Natural Colors and our microbial platform

Main trend and projected value

- Demand for cleaner, healthier and more natural products
- Projected 2030 market value of EUR 2.0 - 2.5bn

Current market overview

NORTH AMERICA
Market value EUR: ~150m
Conversion volume: ~25%

EMEA
Market value EUR: ~500m
Conversion volume: ~60%

LATAM
Market value EUR: ~100m
Conversion volume: ~25%

APAC
Market value EUR: ~225m
Conversion volume: ~30%

Source: Euromonitor and management estimates.
Note: Market value measured as Food & Beverages Natural Colors including Coloring Foods, and excluding Caramel colors (approximately EUR 200m)

Global market growth

5-7%
Market value EUR: ~1,000m
Conversion volume: ~35%
FINANCIAL PERFORMANCE

Great track record of financial performance

**Revenue** in EUR m / organic growth, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/14</td>
<td>8%</td>
</tr>
<tr>
<td>14/15</td>
<td>10%</td>
</tr>
<tr>
<td>15/16</td>
<td>12%</td>
</tr>
<tr>
<td>16/17</td>
<td>10%</td>
</tr>
<tr>
<td>17/18</td>
<td>9%</td>
</tr>
</tbody>
</table>

Revenue: 756, 859, 949, 1,063, 1,097

**EBIT before special items and acquisitions** in EUR m / margin, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/14</td>
<td>27.1%</td>
</tr>
<tr>
<td>14/15</td>
<td>27.1%</td>
</tr>
<tr>
<td>15/16</td>
<td>28.2%</td>
</tr>
<tr>
<td>16/17</td>
<td>28.9%</td>
</tr>
<tr>
<td>17/18</td>
<td>29.2%</td>
</tr>
</tbody>
</table>

EBIT: 205, 233, 268, 307, 320

**Free cash flow before special items and acquisitions** in EUR m / CAGR, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/14</td>
<td>12%</td>
</tr>
<tr>
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</tr>
<tr>
<td>16/17</td>
<td>12%</td>
</tr>
<tr>
<td>17/18</td>
<td>12%</td>
</tr>
</tbody>
</table>

Free cash flow: 124, 151, 175, 188, 198

**Return on invested capital** in EUR m / ROIC, %

<table>
<thead>
<tr>
<th>Year</th>
<th>ROIC %</th>
</tr>
</thead>
<tbody>
<tr>
<td>13/14</td>
<td>34.9%</td>
</tr>
<tr>
<td>14/15</td>
<td>37.6%</td>
</tr>
<tr>
<td>15/16</td>
<td>39.7%</td>
</tr>
<tr>
<td>16/17</td>
<td>40.1%</td>
</tr>
<tr>
<td>17/18</td>
<td>38.0%</td>
</tr>
</tbody>
</table>

ROIC: 1,214, 1,247, 1,445, 1,581, 1,632
Three complementary businesses with strong fundamentals

- **FOOD CULTURES & ENZYMES**
  - EBIT margin: 30.2% to 34.5%
  - Organic revenue growth: 8% to 12%
  - 59% of Group sales

- **HEALTH & NUTRITION**
  - EBIT margin: 34.3% to 34.6%
  - Organic revenue growth: 15% to 28.3%
  - 21% of Group sales

- **NATURAL COLORS**
  - EBIT margin: 26.2% to 30.3%
  - Organic revenue growth: 13% to 12.0%
  - 20% of Group sales

FINANCIAL PERFORMANCE
LONG-TERM AMBITION

We will continue to pursue profitable growth through 2021/22

8-10% organic growth
with 7-8% organic growth in FC&E

30+% EBIT margin b.s.i.

+10% CAGR FCF b.s.i.a.
Our capital priorities are unchanged with organic growth still being the top priority.

1. Reinvest for organic growth
   - Capacity
   - Innovation
   - People
   - EUR ~425m capex spent 13/14 - 17/18

2. Bolt-on acquisitions
   - Technology
   - Market presence
   - EUR ~250m in acquisitions 13/14 - 17/18

3. Ordinary dividend
   - 40-60%
   - EUR ~410m ordinary dividend 13/14 - 17/18

4. Additional cash to shareholders
   - Extraordinary dividend
   - Share buy-back
   - EUR ~460m additional cash distributed 13/14 - 17/18

Leverage consistent with a solid investment-grade credit profile.
INVESTMENTS

Peak capex in 18/19, partially to be financed with sale-and-lease-back

Capex projection in EUR m and % of revenue (illustrative)

Selection of major investment projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Expected Year of Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freeze dried &amp; powder packaging</td>
<td>19/20</td>
</tr>
<tr>
<td>Natural Colors US footprint &amp; Montpellier R&amp;D upgrade</td>
<td>19/20</td>
</tr>
<tr>
<td>Capacity expansion in Health &amp; Nutrition</td>
<td>20/21</td>
</tr>
<tr>
<td>R&amp;D facility</td>
<td>21/22</td>
</tr>
<tr>
<td>Dairy expansion</td>
<td>Beyond 21/22</td>
</tr>
</tbody>
</table>

~10% of net revenue capex p.a. 2017/18 – 21/22

~9% average  
~10% average
Q1 2018/19
Results
FINANCIAL HIGHLIGHTS Q1 2018/19

We had a solid start to the year, in-line with our expectations

10% organic growth
Guidance 2018/19: 9-11%

26.3% EBIT margin b.s.i.
Q1 2017/18: 25.4%

EUR (32.5m) FCF b.s.i.a.
Q1 2017/18: EUR (18.9m)
## STRATEGIC HIGHLIGHTS Q1 2018/19

Focus areas for 2018/19 defined to deliver on Nature’s no. 1 strategy

### FOCUS 2018/19

<table>
<thead>
<tr>
<th>Area</th>
<th>Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FOOD CULTURES &amp; ENZYMES</strong></td>
<td>Leverage the full potential</td>
</tr>
<tr>
<td>Drive penetration of new innovation</td>
<td>Continue to drive penetration of new products, e.g. bioprotection</td>
</tr>
<tr>
<td></td>
<td>Cross-sell and develop adjacent areas</td>
</tr>
<tr>
<td>Reinforce position in growth markets</td>
<td>Strengthen attention to key accounts</td>
</tr>
<tr>
<td></td>
<td>Invest in and strengthen local footprint</td>
</tr>
<tr>
<td></td>
<td>Push market-specific new product development</td>
</tr>
<tr>
<td>Generate fuel for growth</td>
<td>Leverage new expansion</td>
</tr>
<tr>
<td></td>
<td>Upgrade e-commerce solution</td>
</tr>
<tr>
<td></td>
<td>New digital services</td>
</tr>
<tr>
<td><strong>HEALTH &amp; NUTRITION</strong></td>
<td>Develop the microbial platform</td>
</tr>
<tr>
<td></td>
<td>Launch new products in Human Health</td>
</tr>
<tr>
<td></td>
<td>Expand Plant Health business to new countries and crops</td>
</tr>
<tr>
<td><strong>NATURAL COLORS</strong></td>
<td>Create further value</td>
</tr>
<tr>
<td></td>
<td>Portfolio expansion within coloring foodstuffs</td>
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<tr>
<td></td>
<td>Driving conversion projects in partnerships with our customers</td>
</tr>
<tr>
<td></td>
<td>Continue growth momentum in all segments</td>
</tr>
<tr>
<td></td>
<td>Further expand Animal Health commercial footprint in Asia-Pacific and Latin America</td>
</tr>
<tr>
<td></td>
<td>Scalability and efficiencies in production</td>
</tr>
<tr>
<td></td>
<td>Investments in new US capacity and continuation of efficiency programs</td>
</tr>
</tbody>
</table>
Momentum continued with EMEA, APAC and LATAM driving growth

**REGIONAL PERFORMANCE Q1 2018/19**

**NORTH AMERICA**
- Strong growth in FC&E and Natural Colors
- Animal Health declined due to timing of orders in silage and poor dairy farmer economics; Human Health was flat

**LATAM**
- Strong growth across all businesses except for Natural Colors which declined due to raw material headwinds and cost-conscious customers
- EUR pricing accounted for approximately half of the organic growth

**APAC**
- Human Health with strong growth
- Natural Colors with solid growth
- FC&E grew slightly impacted by timing of orders and lower market growth

**EMEA**
- Strong growth in Human Health and Animal Health
- FC&E and Natural Colors with solid growth

---

**EUR pricing**: Invoicing in local currency, but based on EUR-denominated price lists i.e. if a currency depreciates against the EUR, prices in local currency will be increased automatically to protect bottom line against currency fluctuations; fully or partially implemented in most countries except USA & China.
## Strong start driven by cheese, meat and bioprotective cultures

### +10% ORGANIC GROWTH Q1 18/19

- Strong growth in cheese and meat cultures followed by enzymes and fermented milk with solid growth; probiotics were flat
- Bioprotection delivered ~15% organic growth against a high comparable, driven by existing segments; penetration of 2nd generation continued to increase particularly in LATAM and APAC, albeit from a low base
- Pricing contribution driven by EUR pricing reflects strong pricing power

### 31.7% EBIT MARGIN Q1 18/19 (on par yoy)

- Scalability benefits in excess of 1%-point, most notably from Avedøre expansion, were offset by strategic initiatives such as digitalization and bioprotection as well as an increase in sales and application development activities

### Quarterly development of organic revenue growth and EBIT margin, %

<table>
<thead>
<tr>
<th>Organic growth</th>
<th>EBIT margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16/17</td>
<td>10%</td>
</tr>
<tr>
<td>Q2 16/17</td>
<td>8%</td>
</tr>
<tr>
<td>Q3 16/17</td>
<td>10%</td>
</tr>
<tr>
<td>Q4 16/17</td>
<td>10%</td>
</tr>
<tr>
<td>Q1 17/18</td>
<td>12%</td>
</tr>
<tr>
<td>Q2 17/18</td>
<td>12%</td>
</tr>
<tr>
<td>Q3 17/18</td>
<td>11%</td>
</tr>
<tr>
<td>Q4 17/18</td>
<td>12%</td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>10%</td>
</tr>
</tbody>
</table>

### EUR million

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
<th>Organic growth</th>
<th>Volume/mix</th>
<th>EBIT margin</th>
<th>ROIC ex. goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 17/18</td>
<td>155.1</td>
<td>12%</td>
<td>10%</td>
<td>31.7%</td>
<td>40.8%</td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>161.0</td>
<td>10%</td>
<td>5%</td>
<td>31.7%</td>
<td>39.0%</td>
</tr>
</tbody>
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EUR million

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</tr>
</tbody>
</table>
HEALTH & NUTRITION Q1 2018/19

Human Health back on track, Plant Health strong and margins increased

+17% ORGANIC GROWTH Q1 18/19

- Human Health with strong growth in infant formula in all regions and continued strong momentum in dietary supplements in APAC
- Animal Health with a strong quarter in swine, whilst cattle declined due to poor dairy farmer economics in the US, and silage declined due to timing of orders
- Plant Health continued to increase strongly in LATAM

25.4% EBIT MARGIN Q1 18/19 (+2.2%-point yoy)

- Increase driven by high volume growth and timing of production costs, partly offset by investments in Animal Health’s sales force expansion outside of North America as well as Plant Health

**Quarterly development** of organic revenue growth and EBIT margin, %

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Organic growth</th>
<th>EBIT margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16/17</td>
<td>8%</td>
<td>21.1%</td>
</tr>
<tr>
<td>Q2 16/17</td>
<td>13%</td>
<td>28.3%</td>
</tr>
<tr>
<td>Q3 16/17</td>
<td>14%</td>
<td>33.6%</td>
</tr>
<tr>
<td>Q4 16/17</td>
<td>21%</td>
<td>32.5%</td>
</tr>
<tr>
<td>Q1 17/18</td>
<td>10%</td>
<td>30.8%</td>
</tr>
<tr>
<td>Q2 17/18</td>
<td>7%</td>
<td>35.7%</td>
</tr>
<tr>
<td>Q3 17/18</td>
<td>7%</td>
<td>23.2%</td>
</tr>
<tr>
<td>Q4 17/18</td>
<td>10%</td>
<td>25.4%</td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>17%</td>
<td>25.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q1 17/18</th>
<th>Q1 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>48.3</td>
<td>55.6</td>
</tr>
<tr>
<td>Organic growth</td>
<td>10%</td>
<td>17%</td>
</tr>
<tr>
<td>Volume/mix</td>
<td>10%</td>
<td>16%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>23.2%</td>
<td>25.4%</td>
</tr>
<tr>
<td>ROIC ex. goodwill</td>
<td>18.7%</td>
<td>21.7%</td>
</tr>
</tbody>
</table>
Momentum from Q4 maintained, but raw material prices declining

+6% ORGANIC GROWTH Q1 18/19

- Strong growth in coloring foodstuffs with new launches in the FRUITMAX® range
- Declining carmine and annatto prices negatively impacted organic growth

10.9% EBIT MARGIN Q1 18/19 (+2.5%-point yoy)

- Margin improvement driven by operating efficiencies and modest prior year comparable

Quarterly development of organic revenue growth and EBIT margin, %

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16/17</td>
<td>51.1</td>
</tr>
<tr>
<td>Q2 16/17</td>
<td></td>
</tr>
<tr>
<td>Q3 16/17</td>
<td></td>
</tr>
<tr>
<td>Q4 16/17</td>
<td></td>
</tr>
<tr>
<td>Q1 17/18</td>
<td></td>
</tr>
<tr>
<td>Q2 17/18</td>
<td></td>
</tr>
<tr>
<td>Q3 17/18</td>
<td></td>
</tr>
<tr>
<td>Q4 17/18</td>
<td></td>
</tr>
<tr>
<td>Q1 18/19</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
<th>Organic growth</th>
<th>Volume/mix</th>
<th>EBIT margin</th>
<th>ROIC ex. goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 17/18</td>
<td>51.1</td>
<td>4%</td>
<td>1%</td>
<td>8.4%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>52.8</td>
<td>6%</td>
<td>5%</td>
<td>10.9%</td>
<td>19.2%</td>
</tr>
</tbody>
</table>
INCOME STATEMENT Q1 2018/19

Gross margin improvement partly offset by increased S&M expenses

Comments
- Gross margin increased by 2.4%-points driven by all three business areas
- Operating expenses increased by 12% mainly due to higher sales & marketing expenses related to NN1 initiatives and more sales and application development activities in FC&E
- EBIT margin b.s.i. increased by 0.9%-points to 26.3%; currencies had a immaterial impact
- Special items of EUR 0.5m related to the acquisition and integration of Hundsbichler

Group revenue growth Q1 2018/19

<table>
<thead>
<tr>
<th>Q1 17/18</th>
<th>Volume/mix</th>
<th>Price</th>
<th>FX</th>
<th>M&amp;A</th>
<th>Q1 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>+10% organic growth</td>
<td>+7%</td>
<td>+3%</td>
<td>-4%</td>
<td>0%</td>
<td>+6%</td>
</tr>
</tbody>
</table>

EUR million

<table>
<thead>
<tr>
<th>Q1 17/18</th>
<th>Q1 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>254.5</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(120.8)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td><strong>133.7</strong></td>
</tr>
<tr>
<td>Gross margin</td>
<td>52.5%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>(19.0)</td>
</tr>
<tr>
<td>% of sales</td>
<td>7.5%</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>(32.4)</td>
</tr>
<tr>
<td>% of sales</td>
<td>12.7%</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(18.0)</td>
</tr>
<tr>
<td>% of sales</td>
<td>7.1%</td>
</tr>
<tr>
<td>Other operating income/expenses</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>EBIT b.s.i.</strong></td>
<td><strong>64.7</strong></td>
</tr>
<tr>
<td><strong>EBIT b.s.i. margin</strong></td>
<td>25.4%</td>
</tr>
<tr>
<td>Special items</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td><strong>64.7</strong></td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>25.4%</td>
</tr>
<tr>
<td>Net financial items</td>
<td>(4.3)</td>
</tr>
<tr>
<td>EBT</td>
<td>60.4</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(13.9)</td>
</tr>
<tr>
<td><strong>Tax rate</strong></td>
<td>23%</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>46.5</td>
</tr>
</tbody>
</table>

Comments

Group revenue growth Q1 2018/19

- 4% volume/mix
- 6% price
- 3% FX
- 0% M&A

Volume/mix Q1 17/18 Q1 18/19

Price Q1 17/18 Q1 18/19

FX Q1 17/18 Q1 18/19

M&A Q1 17/18 Q1 18/19

Profit for the year Q1 17/18 Q1 18/19

EUR million

Revenue 254.5 269.4
Cost of sales (120.8) (121.5)
Gross profit 133.7 147.9
Gross margin 52.5% 54.9%
R&D expenses (19.0) (19.3)
% of sales 7.5% 7.2%
Sales and marketing expenses (32.4) (38.9)
% of sales 12.7% 14.4%
Administrative expenses (18.0) (19.4)
% of sales 7.1% 7.2%
Other operating income/expenses 0.4 0.5
EBIT b.s.i. 64.7 70.8
EBIT b.s.i. margin 25.4% 26.3%
Special items - (0.5)
EBIT 64.7 70.3
EBIT margin 25.4% 26.1%
Net financial items (4.3) (3.9)
EBT 60.4 66.4
Income taxes (13.9) (15.3)
Tax rate 23% 23%
Profit for the year 46.5 51.1
Free cash flow b.s.i.a. reflects absence of tax benefits and higher capex

### Comments
- Decrease in operating cash flow was driven by higher taxes paid (EUR 47.3m vs. EUR 32.7m last year due to absence of acquisition-related benefits), partly offset by increase in EBIT.
- Net working capital as % of revenue increased due to higher inventories and stable trade payables.
- Increase in cash flow used for operational investing activities from 9.1% to 11.1% of revenue.
- In line with communicated expansion program including investments in Avedøre (freeze-dried & powdered packaging for FC&E and H&N), Milwaukee and Montpellier (new US facility and R&D center upgrade for NCD) to be completed by 2019/20.
- Total capex for the financial year 2018/19 expected to be between EUR 110-130m.
- Cash flow used for acquisitions of EUR 9m related to Hundsbichler acquisition announced on October 15 (specialty cheese rennet).

### In EUR m

<table>
<thead>
<tr>
<th></th>
<th>Q1 17/18</th>
<th>Q1 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes paid</td>
<td>(32.7)</td>
<td>(47.3)</td>
</tr>
<tr>
<td>Operating activities</td>
<td>4.2</td>
<td>(3.1)</td>
</tr>
<tr>
<td>Operational investing activities</td>
<td>(23.2)</td>
<td>(29.9)</td>
</tr>
<tr>
<td>Free operating cash flow</td>
<td>(19.0)</td>
<td>(33.0)</td>
</tr>
<tr>
<td>Free cash flow b.s.i.a.</td>
<td>(18.9)</td>
<td>(32.5)</td>
</tr>
<tr>
<td>Acquisition activities</td>
<td>0</td>
<td>(9.3)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>(19.0)</td>
<td>(42.3)</td>
</tr>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>1,796.7</td>
<td>1,877.7</td>
</tr>
<tr>
<td>Equity</td>
<td>702.9</td>
<td>713.1</td>
</tr>
<tr>
<td>Net interest-bearing debt</td>
<td>646.5</td>
<td>714.1</td>
</tr>
<tr>
<td><strong>Key ratios</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net working capital</td>
<td>19.7%</td>
<td>20.8%</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>9.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td>ROIC excluding goodwill</td>
<td>30.9%</td>
<td>31.4%</td>
</tr>
<tr>
<td>NIBD/EBITDA</td>
<td>1.8x</td>
<td>1.8x</td>
</tr>
</tbody>
</table>
# OUTLOOK

## Group outlook for the year maintained

<table>
<thead>
<tr>
<th></th>
<th>Q1 2018/19</th>
<th>Outlook 2018/19&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Outlook 2018/19&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Long-term financial ambition&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organic revenue growth</strong></td>
<td>10%</td>
<td>9-11%</td>
<td>9-11%</td>
<td>8-10%</td>
</tr>
<tr>
<td>Food Cultures &amp; Enzymes</td>
<td>10%</td>
<td>Above long-term ambition</td>
<td>Above long-term ambition</td>
<td>7-8%</td>
</tr>
<tr>
<td>Health &amp; Nutrition</td>
<td>17%</td>
<td>10% or above</td>
<td>10% or above</td>
<td>n.a.</td>
</tr>
<tr>
<td>Natural Colors</td>
<td>6%</td>
<td>6-10%</td>
<td>6-9%</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>EBIT margin b.s.i.</strong></td>
<td>26.3%</td>
<td>Around 29.5%</td>
<td>Around 29.5%</td>
<td>30+%</td>
</tr>
<tr>
<td><strong>Free cash flow b.s.i.a.</strong></td>
<td>(32.5m)</td>
<td>Around the same level as in 17/18&lt;sup&gt;3&lt;/sup&gt;</td>
<td>Around the same level as in 17/18&lt;sup&gt;3&lt;/sup&gt;</td>
<td>+10% CAGR</td>
</tr>
</tbody>
</table>

<sup>1</sup> Based on constant currencies and stable raw material prices, and assumes no acquisitions. The outlook is also based on the current political and economic environment, although there is a risk of increased political and economic uncertainty – e.g. the economic climate in the Middle East and Latin America, the risk of a ‘hard’ Brexit and trade tensions between large economies. Any deterioration in these situations might impact the outlook.

<sup>2</sup> Baseline 2016/17, updated at Capital Market Day on April 18, 2018.

<sup>3</sup> Assumes lower growth in cash flow from operating activities than growth of EBIT before special items, due to a higher level of taxes to be paid in 2018/19, mainly related to the absence of acquisition-driven tax benefits realized in 2017/18. Cash flow used for operational investment activities will be at a relatively high level, and is expected to be between EUR 110-130 million. This includes multiple investments across the group, and also assumes a successful sale-and-lease-back of the company’s main site in Hørsholm in Q4 2018/19.
Financial calendar

April 3, 2019
Interim Report Q2 2018/19

July 3, 2019
Interim Report Q3 2018/19

October 10, 2019
Annual Report 2018/19

November 27, 2019
Annual General Meeting 2019

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