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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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.

We are market and technology leaders in our core business.
We develop natural solutions that help to reduce sugar, ensure food safety, improve health, replace artificial ingredients and much more!

**SWEETY®** reduces added sugar in yogurt by up to 20% without losing sweetness

**GALLIPRO® Fit** triple probiotic strain to boost prevention and contribute to food safety in poultry

Substitute 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® Supreme** dairies can increase cheese output by up to 1% compared to the market leading coagulant

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

**82% of our Group revenue contributes to the UN Global Goals** (FY 2018/19)
## STRATEGY

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

<table>
<thead>
<tr>
<th>Nature’s no.1</th>
<th>FOCUS AREAS FOOD CULTURES &amp; ENZYMES</th>
<th>FOCUS AREAS HEALTH &amp; NUTRITION</th>
<th>FOCUS AREAS NATURAL COLORS</th>
</tr>
</thead>
</table>
| Drive penetration of new innovation | • Continue to prioritize core dairy business  
• Develop adjuncts and adjacencies  
• Drive Bioprotection lighthouse to EUR 200m by 2025 | • Drive new products for Human Health (incl. Microbiome) and Animal Health  
• Invest in Plant Health platform to unlock potential of EUR 100m by 2025 | • Expand FruitMax® range of coloring foodstuffs |
| Reinforce position in growth markets | • Further strengthen global market presence  
• Application support in core adjacencies | • Human Health: Expansion into emerging markets and growth segments  
• Strengthen route-to-market in Ag businesses | |
| Generate fuel for growth | • Drive scalability in supply chain  
• Digitalize core processes | • Reinvest in future growth | • Continue drive to restore profitability |
Our three lighthouses address challenges within food safety, agriculture and public health

**Lighthouse**
Potential revenue of minimum EUR 100m per year

**FOOD CULTURES & ENZYMES**

**Bioprotection**
Bacterial solutions for food safety and freshness – target of EUR 200m by 2025 (under review)

**HEALTH & NUTRITION**

**Plant Health**
Bacterial cultures for crop protection – target of EUR 100m by 2025

**Human Microbiome**
Joint venture with Lonza in live biotherapeutic products (LBP) contract manufacturing – EUR 150-200m market potential by 2025

Designated as lighthouse in 2016

Designated as lighthouse in 2013

Designated as lighthouse in 2013
FC&E business model to deliver above-market growth driven by innovation, upselling and development of new adjacencies

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

**New**
- **Upselling and innovation in core business**
  - 2-3% growth
- **Extension into new food categories and near adjacencies**
  - <1% growth
- **Further conversion of dairies**
  - ~1% growth

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

FY 17/18 – 21/22 (as per April 2018)

Assumptions under review as part of the ongoing strategy process

Customers/markets

FC&E business model to deliver above-market growth driven by innovation, upselling and development of new adjacencies
We will continue to grow in China despite slower yogurt market growth

**Yesterday**
- Dairy a new category for Chinese consumers
- Double-digit market growth driven by ambient boom

**Today**
- Customers looking for differentiation & cost savings
- Growth slowing due to saturation in tier-1/2 cities

**Going forward**
- Focus on innovation, premiumization & new concepts
- Penetration beyond tier-1/2 cities
- SME segment
- Cheese travelling East
- Expansion outside of Chinese home market

Fermented milk market growth has slowed further and now is significantly below Chr. Hansen’s mid-term estimate of mid-single-digit growth due to high food price inflation/ African Swine Fever

Consumer downtrading & shift away from chilled, probiotic yogurts to ambient yogurts reduces upselling opportunities for Chr. Hansen
Rising customer interest in new fermented plant bases in NA and EMEA

Fermented plant-based products is a rapidly growing category...

... though still a niche with certain dilemmas to be solved!

Chr. Hansen well positioned to capture business opportunity

- Chr. Hansen active in fermented plant bases since 2008
- Dedicated culture range for different plant bases such as soy, almond, coconut and oat
- Cross-selling opportunity with probiotics to serve health & wellness trend
- Premium segment allows for premium pricing

Almond yogurt label

INGREDIENTS: ALMOND MILK, CANE SUGAR, ORGANIC TAPIOCA STARCH, NATURAL FLAVOR; LOCUST BEAN GUM, CITRIC ACID, VANILLA BEAN, XANTHAN GUM, AGAR, LIVE ACTIVE CULTURES: S.THERMOPHILUS, L.BULGARICUS, L.ACIDOPHILUS AND BIFIDOBACTERIA

For illustration only

Source: Mintel GNPD (Dec 2018)
Bioprotection allows manufacturers to naturally extend shelf life of fermented and non-fermented food products.

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

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

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

<table>
<thead>
<tr>
<th></th>
<th>Today</th>
<th>Tomorrow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh dairy</td>
<td><img src="dairy" alt="Diagram" /></td>
<td><img src="dairy" alt="Diagram" /></td>
</tr>
<tr>
<td>Cheese</td>
<td><img src="cheese" alt="Diagram" /></td>
<td><img src="cheese" alt="Diagram" /></td>
</tr>
<tr>
<td>Fermented meat</td>
<td><img src="fermented" alt="Diagram" /></td>
<td><img src="fermented" alt="Diagram" /></td>
</tr>
<tr>
<td>Animal products (meat adjacencies/fish)</td>
<td><img src="animal" alt="Diagram" /></td>
<td><img src="animal" alt="Diagram" /></td>
</tr>
<tr>
<td>Vegetable products</td>
<td><img src="vegetable" alt="Diagram" /></td>
<td><img src="vegetable" alt="Diagram" /></td>
</tr>
</tbody>
</table>

- **Traditionally fermented food products**: ✔️ ✔️ ✔️
- **Non-traditionally fermented food products**: ✔️ ✔️
HEALTH & NUTRITION

Potential to increase penetration of microbial solutions

Attractive market growth driven by megatrends FY 17/18 – 21/22 (as per April 2018)

Opportunities to increase penetration

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

Mega-trends

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

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

**Human Health facing headwinds in dietary supplements market**

**Infant formula will continue to be a growth driver**
- New regulation on infant formula registration in China (January 2018) reduced number of brands by 60%
  - Tailwind in FY 2017/18 and 2018/19 for Chr. Hansen
- Future growth to be driven by:
  - Increasing penetration in super premium segment
  - Innovation and new products

**Dietary supplements challenged by market slowdown**
- Probiotic supplements market showed step down in growth since 2016 amongst others due to category cannibalization and pill fatigue in the US
- Future growth of the category to be driven by:
  - Continued consumer interest in health and nutrition
  - Increasing public awareness and scientific progress in microbiome space
  - Innovation and consumer education crucial to drive category
- Chr. Hansen well positioned with its industry-leading strain portfolio

**Main markets and growth rates**

<table>
<thead>
<tr>
<th>Region</th>
<th>2012-16 CAGR</th>
<th>2017-19E CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Europe</td>
<td>14%</td>
<td>5%</td>
</tr>
<tr>
<td>APAC</td>
<td>25%</td>
<td>7%</td>
</tr>
<tr>
<td>Americas</td>
<td>17%</td>
<td>12%</td>
</tr>
<tr>
<td>World</td>
<td>12%</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Source:** Euromonitor, BCG
Joint venture with Lonza in live biotherapeutics manufacturing established

Emerging market
- +200 ongoing preclinical to phase III trials in different indication areas of which ~100 are relevant for JV
- USD1.6bn+ investments into microbiome companies (2005-2017)
- EUR 150-200m market potential for clinical supply by 2025; > EUR 1bn for clinical and commercial supply combined by 2035

Perfect fit
- Two leading players with strong execution track record
- Best-in-class complementary capabilities and unrivalled know-how in strict anaerobes

Strong value proposition
- First pharma contract manufacturer (CDMO) with full supply chain offering for LBP1
- Large scale pharma-grade manufacturing capabilities
- Faster route-to-market

Attractive risk-return profile
- Phased investment of EUR 90m to be shared equally between the partners over 3 years
- JV expected to be largely self-funding after production set-up has been established

Fully in line with strategy
- No changes to 2021/22 long-term financial ambition; Human Microbiome lighthouse no longer impacts Chr. Hansen’s guiding metrics2
- Capacity to distribute excess cash to shareholders modestly reduced for the next 3 years

Merger control clearance received in Q4 2018/19

CEO appointed: Lukas Schupach to join on Feb 1, 2020

Next milestone: Completion of first phase investments to serve pre-clinical to phase II trials (Dec 2020 - Q1 FY21)

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1 LBP = Live biotherapeutic products
2 Chr. Hansen will account for the JV interest using the equity method in its consolidated financial statements
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\(^2\)

**EMEA**
- Optimizing our business partner relationships
- Launching new products

- <20% of revenue\(^1\)
- 37% of global meat and dairy production\(^2\)

**LATAM**
- Combining direct sales and business partner network
- Launching new products in cattle and poultry

- <10% of revenue\(^1\)
- 14% of global meat and dairy production\(^2\)

**APAC**
- New business partners
- More dedicated resources on the ground
- Growing portfolio

- <10% of revenue\(^1\)
- 33% of global meat and dairy production\(^2\)

---

1 2018/19
2 FAOSTAT, tons of meat/dairy produced in 2016 (cattle, poultry, swine)
HEALTH & NUTRITION

Plant Health making good progress in sugarcane and soybeans in LATAM

Market opportunity in crop protection, % growth (CAGR 2018-21)

<table>
<thead>
<tr>
<th>Total crop protection</th>
<th>Biologicals</th>
<th>Microbials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5%</td>
<td>&gt; 10%</td>
<td>13-17%</td>
</tr>
</tbody>
</table>

>EUR 50bn total global crop protection sales

Penetration in %

- ≈5%
- ≈2%

Focus crops, m hectares (MH) harvested in 2017

- Sugar cane 26MH
- Soy 124MH
- Corn 197MH

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 target

Unlocked potential by 2025

Source: Phillips McDougall, Faostat, Markets&Markets
Natural Colors presents an attractive growth opportunity

Strong organic growth over time despite typical raw material price volatilities

- NCD ex. carmine/annatto
- Carmine/annatto
- Fruitmax

Conversion to natural colors and coloring foods comes in waves

**GLOBAL**
- Market value EUR: ~1,000m
- Conversion volume: ~35%

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

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

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

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

Source: Euromonitor and management estimates

Note: Market value measured as Food & Beverages Natural Colors including Coloring Foods, and excluding Caramel colors (approximately EUR 200m)
FINANCIAL PERFORMANCE

Great track record of financial performance

Revenue in EUR m / organic growth, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
</tr>
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<tbody>
<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>
<tr>
<td>18/19</td>
<td>7%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<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>
<tr>
<td>18/19</td>
<td>29.6%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>14/15</td>
<td>11%</td>
</tr>
<tr>
<td>15/16</td>
<td>11%</td>
</tr>
<tr>
<td>16/17</td>
<td>11%</td>
</tr>
<tr>
<td>17/18</td>
<td>11%</td>
</tr>
<tr>
<td>18/19</td>
<td>11%</td>
</tr>
</tbody>
</table>

Return on invested capital in EUR m / ROIC ex. goodwill, %

<table>
<thead>
<tr>
<th>Year</th>
<th>ROIC</th>
</tr>
</thead>
<tbody>
<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>
<tr>
<td>18/19</td>
<td>37.3%</td>
</tr>
</tbody>
</table>
FINANCIAL PERFORMANCE

Three complementary businesses with strong fundamentals

- **FOOD CULTURES & ENZYMES**
  - 59% of Group
  - 2014/15: 9%
  - 2015/16: 12%
  - 2016/17: 9%
  - 2017/18: 12%
  - 2018/19: 8%
  - ROIC ex. goodwill: 40.3%
  - EBIT margin: 31.5%

- **HEALTH & NUTRITION**
  - 22% of Group
  - 2014/15: 13%
  - 2015/16: 2%
  - 2016/17: 14%
  - 2017/18: 8%
  - 2018/19: 9%
  - Organic revenue growth: 33.3%
  - EBIT margin: 30.6%

- **NATURAL COLORS**
  - 19% of Group
  - 2014/15: 17.4%
  - 2015/16: 9%
  - 2016/17: 19%
  - 2017/18: 10%
  - 2018/19: 5%
  - EBIT margin: 12.7%

**Organic revenue growth**

**EBIT margin**

**Improving food & health**
FINANCIAL PERFORMANCE

Regionally balanced portfolio

NORTH AMERICA
27% of Group

EMEA
44% of Group

LATAM
12% of Group

APAC
17% of Group
FINANCIAL PERFORMANCE

We will drive scalability and invest for future growth

Improved efficiency will drive scalability...

Cost of sales in % of revenue

- 48.0% (14/15)
- 46.7% (15/16)
- 45.6% (16/17)
- 45.2% (17/18)
- **44.0%** (18/19)

Administrative expenses in % of revenue

- 7.1% (14/15)
- 6.9% (15/16)
- 6.7% (16/17)
- 6.4% (17/18)
- **6.1%** (18/19)

...whilst we invest for future growth

Sales & marketing expenses in % of revenue

- 11.8% (14/15)
- 11.9% (15/16)
- 12.6% (16/17)
- 12.7% (17/18)
- **13.7%** (18/19)

R&D expenditure incl. capitalizations in % of revenue

- 6.4% (14/15)
- 7.1% (15/16)
- 7.0% (16/17)
- 7.3% (17/18)
- **7.3%** (18/19)

Improved efficiency will drive scalability…

…whilst we invest for future growth
Reinvest for organic growth

- Capacity
- Innovation
- People

Bolt-on Acquisitions

- Technology
- Market presence

Ordinary Dividend

- 40-60% of net income

Additional cash to shareholders

- Extraordinary dividend
- Share buy-back

Leverage consistent with a solid investment-grade credit profile (2018/19: 1.8x EBITDA)
Investing into capacity expansions to support future growth

**Capex projection** in EUR m and % of revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex (EUR m)</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/13</td>
<td>70</td>
<td>9.6%</td>
</tr>
<tr>
<td>2013/14</td>
<td>62</td>
<td>8.3%</td>
</tr>
<tr>
<td>2014/15</td>
<td>70</td>
<td>8.2%</td>
</tr>
<tr>
<td>2015/16</td>
<td>75</td>
<td>8.2%</td>
</tr>
<tr>
<td>2016/17</td>
<td>104</td>
<td>10.0%</td>
</tr>
<tr>
<td>2017/18</td>
<td>107</td>
<td>9.8%</td>
</tr>
<tr>
<td>2018/19</td>
<td>139</td>
<td>12.0%</td>
</tr>
<tr>
<td>2019/20</td>
<td>&gt;139</td>
<td>~10% average</td>
</tr>
<tr>
<td>2020/21</td>
<td>139</td>
<td>~9% average</td>
</tr>
</tbody>
</table>

**Selection of major investment projects**

<table>
<thead>
<tr>
<th>Project</th>
<th>Expected year of completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freeze dried &amp; powder packaging</td>
<td>20/21</td>
</tr>
<tr>
<td>Upgrade of R&amp;D facility in Montpellier</td>
<td>19/20</td>
</tr>
<tr>
<td>Capacity expansion in Health &amp; Nutrition</td>
<td>20/21</td>
</tr>
<tr>
<td>Consolidation of carmine plants in Peru</td>
<td>20/21</td>
</tr>
<tr>
<td>Innovation campus including new pilot plant (partially financed by S&amp;L)</td>
<td>20/21 – 22/23</td>
</tr>
<tr>
<td>Additional US capacity</td>
<td>21/22</td>
</tr>
<tr>
<td>Dairy expansion</td>
<td>Beyond 22/23</td>
</tr>
<tr>
<td>Natural Colors US footprint</td>
<td>Under review</td>
</tr>
</tbody>
</table>
## R&D strategy fully aligned with Nature’s no. 1

### CSO priorities

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Increase speed of commercialization of new products</strong></td>
<td><strong>Drive efficiencies in scale-up and production</strong></td>
</tr>
<tr>
<td><strong>Leverage new technologies to increase R&amp;D speed</strong></td>
<td><strong>Invest in new state-of-the-art R&amp;D facility</strong></td>
</tr>
<tr>
<td><strong>Nurture and retain talent in R&amp;D</strong></td>
<td><strong>Embed sustainability into thinking</strong></td>
</tr>
</tbody>
</table>

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*Capacity Innovation People*
Recent product launches will support growth over the next years

<table>
<thead>
<tr>
<th>Segment</th>
<th>R&amp;D priorities</th>
</tr>
</thead>
</table>
| Food Cultures & Enzymes  | • New platforms for dairy  
                          |    • Grow the Bioprotection lighthouse  
                          |    • Build basis for future growth by investments in adjacencies |
| Health & Nutrition       | • Grow and strengthen the foundation for Animal & Human Health  
                          |    • Grow the Plant Health lighthouse  
                          |    • Succeed with the Human Microbiome lighthouse |
| Production               | • Deliver productivity improvements  
                          |    • Enable first-time-right scale up of novel microbes  
                          |    • Further build automation platform |

Recent launches to support future growth

- nu-trish® LGG® DA for fermented plant bases
- NEER™ brewing solution for non-alcoholic beer
- Sweety® to reduce added sugar in fermented milk
- CHY-MAX® Supreme for up to 1% more cheese yield
- GALLIPRO® Fit triple strain poultry probiotic
- HANSEN SWEET POTATO® to expand coloring foods range
- BACTHERA

Joint venture as an enabler for live biotherapeutics
## Our commercial and operational targets

<table>
<thead>
<tr>
<th>Target dimensions</th>
<th>Goal</th>
<th>KPI</th>
<th>Progress 18/19</th>
<th>Target 21/22¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Better farming</strong></td>
<td>Expand reach of natural plant solutions</td>
<td>Hectares of farmland treated (cumulative)²</td>
<td>10.4m hectares</td>
<td>25m hectares</td>
</tr>
<tr>
<td><strong>Good health</strong></td>
<td>Launch new products with a documented health effect</td>
<td>Number of products (cumulative)</td>
<td>4 products</td>
<td>6 products</td>
</tr>
<tr>
<td><strong>Less waste</strong></td>
<td>Reduce global yogurt waste</td>
<td>Tons of yogurt saved (cumulative)³</td>
<td>0.58m tons</td>
<td>1.2m tons</td>
</tr>
<tr>
<td><strong>Operational</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Workplace responsibility</strong></td>
<td>Improve work safety</td>
<td>LTIF⁴</td>
<td>1.32</td>
<td>≤1.8</td>
</tr>
<tr>
<td></td>
<td>Increase diversity of workforce</td>
<td>Women at Directors+ level</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-Danes at Directors+ level</td>
<td>43%</td>
<td>55%</td>
</tr>
<tr>
<td><strong>Climate and environment</strong></td>
<td>Reduce environmental footprint in:</td>
<td>Efficiency in % compared to base year 13/14⁵</td>
<td>11%</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Energy</td>
<td></td>
<td>7%</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Water</td>
<td></td>
<td>27%</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>CO₂</td>
<td></td>
<td>46%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Waste recycled</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Leading with integrity</strong></td>
<td>Ensure sustainable consumption and production patterns</td>
<td>Completion of e-learning in anti-corruption</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

¹ For better farming the target is to be reached by 24/25.
² Based on sales numbers and application rates of Plant Health solutions and silage inoculants.
³ Based on 7 days extended shelf life and sales numbers for FreshQ®.
⁴ Frequency of Lost Time Incidents per million working hours.
⁵ Efficiency relative to production units.
EXECUTIVE COMPENSATION

Closely aligned to key metrics and with strong incentive component

SHORT TERM
Annual incentive program for CEO and CFO
- Based on group financial targets and discretionary, personal goals
- Bonus is paid as 1/3 of the payout in Restricted Stock Units, and 2/3 in cash; normally accounts for 25-30% of total remuneration package
- Cap of max 50% of individual maximum in case of issuing profit warning

LONG TERM
Progressive three-year incentive program
- Requires personal investment in Chr. Hansen shares to participate:
- Grant value estimated (based on Black-Scholes) at 20-25% of the remuneration package
- Vest in full after three years

<table>
<thead>
<tr>
<th>Group financial targets</th>
<th>20%</th>
<th>20%</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth target</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT target</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free cash flow target</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Discretionary, personal goals

<table>
<thead>
<tr>
<th>Individual non-financial targets</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. diversity, sustainability</td>
<td></td>
</tr>
</tbody>
</table>

Table:

<table>
<thead>
<tr>
<th>In % of fixed pay</th>
<th>Target</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>70%</td>
<td>100%</td>
</tr>
<tr>
<td>CFO/EVP</td>
<td>50%</td>
<td>71%</td>
</tr>
</tbody>
</table>

1 Base plus pension

Table:

<table>
<thead>
<tr>
<th>In % of fixed pay</th>
<th>Target</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>76%</td>
<td>114%</td>
</tr>
<tr>
<td>CFO/EVP</td>
<td>57%</td>
<td>86%</td>
</tr>
</tbody>
</table>
Q1 2019/20
Results
Mixed start to the year: Q1 in line with expectations

1% organic growth
- Q1 2018/19: 10% organic growth
- Guidance Q1 2019/20: Flat to low single-digit
- Revised guidance FY 2019/20: 4-6% (narrowed)

25.7% EBIT margin b.s.i.
- Q1 2018/19: 26.3% EBIT margin b.s.i.
- Guidance Q1 2019/20: Below 2018/19
- Guidance FY 2019/20: Around 29.5%

EUR (6)m FCF b.a.s.i.
- Q1 2018/19: EUR (33)m FCF b.a.s.i.
- Guidance FY 2019/20: Around EUR 190m
**FINANCIAL HIGHLIGHTS Q1 2019/20**

FC&E with good growth despite normalization of distributor inventory levels; H&N and NCD declined in line with expectations

<table>
<thead>
<tr>
<th>Organic growth</th>
<th>Share of Group revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1 19/20</strong></td>
<td><strong>Food Cultures &amp; Enzymes</strong></td>
</tr>
<tr>
<td>4%</td>
<td>61%</td>
</tr>
<tr>
<td>(4)%</td>
<td><strong>(4)%</strong></td>
</tr>
</tbody>
</table>
Trading conditions, particularly in emerging markets, remain challenging

**Headwinds in emerging markets**
- Increased political uncertainty
- Tariffs and trade restrictions
- Lower consumer spending & downtrading

**Declining pigment prices and unfavorable ag trends**
- Annatto and carmine at historic lows
- African Swine Fever
- Extreme weather

**End-market changes**
- Maturation of Chinese yogurt market
- Probiotic supplements growth in US and Europe slowing down
- Cheese production volume growth at low point of cycle

**Customer dynamics**
- Large volume brands losing market share
- Increased focus on cost savings
- Project delays in dietary supplements due to lower end-market growth
PROGRESS ON KEY INITIATIVES

On track to drive accelerated performance during the rest of the year

- FOOD CULTURES & ENZYMES
  - Good progress on commercialization of recent launches (e.g. CHY-MAX® Supreme, NOLA® Fit) and upselling
  - Good momentum in plant alternatives, albeit still low base
  - 3rd generation development of bioprotection accelerated; momentum improved in Q1 with ~10% organic growth

- HEALTH & NUTRITION
  - New products launched in Human Health; expansion of customer base and global reach ongoing
  - Roll-out of new products such as GALLIPRO® Fit and BOVAMINE® Dairy Plus and strengthening of route-to-market in Animal Health well under way
  - Plant Health expanding into US and beyond sugarcane; trials ongoing
  - CEO for Human Microbiome lighthouse BacThera announced

- NATURAL COLORS
  - Focus on increasing market share in coloring foods (FRUITMAX®); double-digit growth
  - Driving conversion in US, pet food and food services
  - Strengthening profitability on the back of lower raw material prices
REGIONAL PERFORMANCE Q1 2019/20

Group growth driven by Americas; EMEA and APAC challenged

NORTH AMERICA 28% of Group
- FC&E on par with last year because of a stable cheese market and declines in probiotics and wine due to late season
- H&N with very strong growth mostly due to strength in AH
- NCD with good growth driven by coloring foods

LATAM 13% of Group
- FC&E with very strong growth supported by successful launch of CHY-MAX® Supreme
- H&N declined because of PH order timing
- NCD with solid growth driven by customer wins
- Positive EUR pricing impact

EMEA 42% of Group
- Good growth in FC&E despite destocking
- H&N declined due to order timing in HH
- NCD declined due to lower raw material prices and lower volumes in selected pigments

APAC 17% of Group
- Slight growth in FC&E
  - Strong growth in fermented milk in China partly offset by decline in probiotics
- H&N declined because of order timing and a very high comparable in HH
- NCD on par with last year

FC&E = Food Cultures & Enzymes, H&N = Health & Nutrition, NCD = Natural Colors (Division), AH = Animal Health, HH = Human Health.
4% ORGANIC GROWTH Q1 19/20

- Solid growth in fermented milk, enzymes, meat and wine; cheese with good growth, whereas probiotics declined
- Bioprotection with ~10% organic growth primarily driven by fermented milk and meat
- Normalization of inventory levels in distribution chain negatively impacted organic growth by ~2%-points
- Current dairy market growth: Global fermented milk growing 1-2% and cheese around 1%

32.1% EBIT MARGIN Q1 19/20 (+0.4%-point)

- Increase primarily driven by scalability benefits in production

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 17/18</td>
<td>12%</td>
<td>31.7%</td>
</tr>
<tr>
<td>Q2 17/18</td>
<td>12%</td>
<td>31.0%</td>
</tr>
<tr>
<td>Q3 17/18</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Q4 17/18</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>10%</td>
<td>34.7%</td>
</tr>
<tr>
<td>Q2 18/19</td>
<td>11%</td>
<td>31.7%</td>
</tr>
<tr>
<td>Q3 18/19</td>
<td>8%</td>
<td>35.1%</td>
</tr>
<tr>
<td>Q4 18/19</td>
<td>3%</td>
<td>38.0%</td>
</tr>
<tr>
<td>Q1 19/20</td>
<td>4%</td>
<td>32.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR million</th>
<th>Organic growth</th>
<th>Volume/mix</th>
<th>EBIT margin</th>
<th>ROIC ex. goodwill</th>
</tr>
</thead>
<tbody>
<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>
<tr>
<td>Q1 19/20</td>
<td>166.1</td>
<td>4%</td>
<td>3%</td>
<td>32.1%</td>
<td>36.7%</td>
</tr>
</tbody>
</table>
HEALTH & NUTRITION Q1 2019/20

Very strong growth in Animal Health offset by timing of orders in Plant and Human Health

(4)% ORGANIC GROWTH Q1 19/20

- Human Health declined due to order timing in infant formula and reduction of inventories with key customers in dietary supplements; also very high baseline from Q1 last year
- Animal Health with very strong growth mainly driven by Cattle segment due to improved dairy farmer economics, the roll-out of BOVAMINE® Dairy Plus and a positive impact from a late silage season
- Plant Health declined due to order timing

19.6% EBIT MARGIN Q1 19/20 (-5.8%-points)

- EBIT margin decreased due to decline in revenue and slightly higher R&D spending for Plant Health

Quarterly development of organic revenue growth and EBIT margin, %

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q4 17/18</th>
<th>Q1 18/19</th>
<th>Q2 18/19</th>
<th>Q3 18/19</th>
<th>Q4 18/19</th>
<th>Q1 19/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>55.6</td>
<td>53.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organic growth</td>
<td>17%</td>
<td>(4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume/mix</td>
<td>16%</td>
<td>(4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT margin</td>
<td>25.4%</td>
<td>19.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROIC ex. goodwill</td>
<td>21.7%</td>
<td>14.7%</td>
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</tr>
</tbody>
</table>
Growth in coloring foods offset by negative impact from low raw materials

(1)% ORGANIC GROWTH Q1 19/20

- Very strong growth in coloring foods, particularly in EMEA
- Decline in traditional natural colors driven by continued decline in raw material prices for carmine and continued challenging economic climate in emerging markets

12.0% EBIT MARGIN Q1 19/20 (+1.1%-points)

- Increase mainly due to lower raw material prices
- Absolute EBIT increased by 10%
GROUP FINANCIALS Q1 2019/20

Continued investments in R&D and other strategic priorities

<table>
<thead>
<tr>
<th>P&amp;L drivers</th>
<th>Q1 18/19</th>
<th>Q1 19/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>269.4</td>
<td>272.4</td>
</tr>
<tr>
<td>Organic growth</td>
<td>10%</td>
<td>1%</td>
</tr>
<tr>
<td>Volume/mix</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Price</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Currencies</td>
<td>-4%</td>
<td>0%</td>
</tr>
<tr>
<td>EUR growth</td>
<td>6%</td>
<td>1%</td>
</tr>
</tbody>
</table>

- Gross margin improvement of 0.4%-point driven by Food Cultures & Enzymes and Natural Colors but partly offset by Health & Nutrition
- Increase in operating expenses due to higher R&D expenses mainly related to FC&E and Plant Health as well as higher sales and marketing expenses for FC&E and Natural Colors whilst administrative expenses decreased

Cash flow analysis (EURm)

- Increase in operating cash flow driven by favorable change in net working capital and lower taxes paid
- CAPEX at 10.6% of sales (vs. 11.1% last year)
- EUR 6m investments in associates related to BacThera JV

<table>
<thead>
<tr>
<th></th>
<th>2018/19</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>-3</td>
<td>-6</td>
</tr>
<tr>
<td>Op. investing cash flow</td>
<td>-30</td>
<td>-29</td>
</tr>
<tr>
<td>Free cash flow b.a.s.i</td>
<td>-33</td>
<td></td>
</tr>
</tbody>
</table>
OUTLOOK 2019/20

Organic growth guidance range narrowed towards lower end

<table>
<thead>
<tr>
<th>Organic revenue growth</th>
<th>Q1 2019/20</th>
<th>Q2-Q4</th>
<th>FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Cultures &amp; Enzymes</td>
<td>4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health &amp; Nutrition</td>
<td>(4)%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Colors</td>
<td>(1)%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Organic revenue growth**
- **EBIT margin b.s.i.**
- **Free cash flow b.a.s.i.**

**Outlook 2019/20 as per Jan 15, 2019**

- **Microbial platform**
  - Around 7% (7-10% before) with FC&E 5-6%
- **Group:**
  - 4-6% (4-8% before)
- **Low to mid single-digit**
- **Around 29.5%**
- **Around EUR 190m**

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1 The outlook is 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. Any deterioration in the political and economic climate might impact the outlook negatively. This includes, but is not limited to, the economic climate in several emerging markets, such as China, Turkey, Brazil and Argentina; the risk of a global economic recession; the overall situation in the Middle East, including any potential sanctions; a deepening of the US-China trade tension; an escalation of the US-EU tariff situation; and a no-deal Brexit scenario.
NEW PRELIMINARY LONG-TERM GROWTH AMBITION

Strategy review process indicates that end markets no longer support 8-10% organic growth ambition for the Group until 2021/22

Preliminary conclusions from strategy review process:

- **Food Cultures & Enzymes** fundamental end-market growth expected to be around 2% (previously 3%)
- **Human Health** market to grow lower due to structural changes in dietary supplements
- **Natural Colors** does not appear to accelerate towards higher conversion rates absent any regulatory incentives

Financial calendar

April 16, 2020
Interim Report Q2 2019/20

April 22, 2020
Capital Markets Day in Copenhagen

July 2, 2020
Interim Report Q3 2019/20

October 8, 2020
Annual Report 2019/20

November 25, 2020
Annual General Meeting 2020

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Sign-up for the Capital Markets Day until March 31, 2020 on our IR website!