

Chr. Hansen Roadshow presentation

Q1 2020/21



CHR. HANSEN

Improving food & health

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.

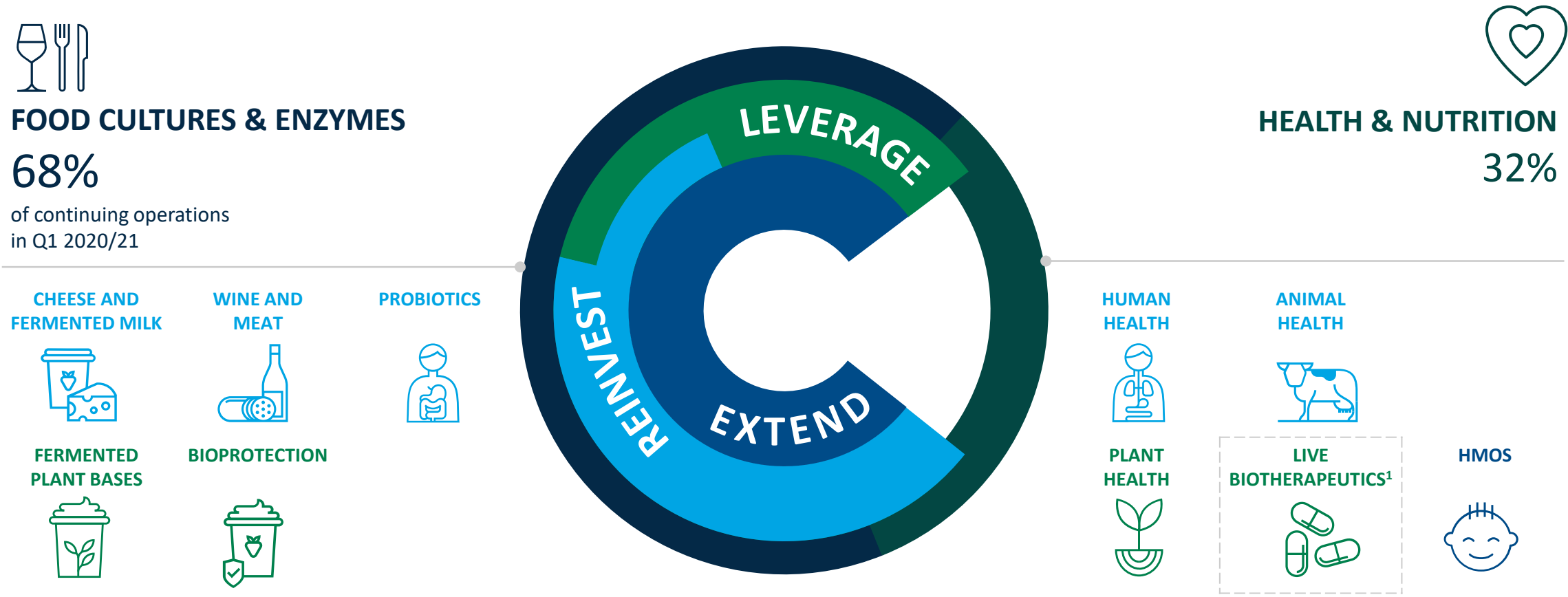
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Chr. Hansen is a microbial powerhouse

with leading market positions across different end-markets in food, health and agriculture



¹ Does not contribute to organic growth (50-50 JV with Lonza).

What makes us stand out

Equity story at a glance

INDUSTRY ATTRACTIVENESS

Defensive nature

Strategic ingredient

Fully aligned with megatrends

Consolidated industry in FC&E

Innovation-driven

OUR COMPETITIVE EDGE



Unique microbial capabilities and over 145 years experience



Cost leadership through scalability



Close customer ties and high stickiness/switching costs



Strong purpose and performance culture



>80% of revenue contribute to Sustainable Development Goals



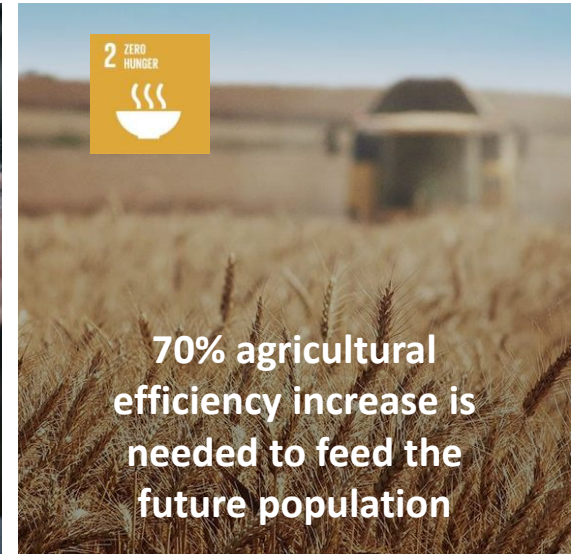
MARKET LEADER WITH HIGH ENTRY BARRIERS

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Improving food & health

We address global challenges

with the Power of Good Bacteria™



FOOD CULTURES & ENZYMES



Our Good Bacteria can:



Increase productivity in yogurt and cheese manufacturing



Extend shelf life of foods and protect against pathogens



Create great healthy and tasty foods



Support gut & immune health in adults and infants



Potentially cure diseases as 'bugs as drugs'



Reduce use of AGPs in livestock production



Replace chemical pesticides in crop farming

HEALTH & NUTRITION



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Our underlying markets remain attractive

supported by megatrends and increasing adoption of microbial solutions

FOOD CULTURES & ENZYMES



FRESH DAIRY



CHEESE

Estimated market growth

4-5%	2-2.5%	2-3%	1-2%
FY15-19	FY20-25	FY15-19	FY20-25

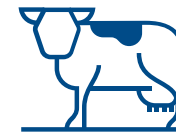
Current penetration rates of microbial solutions¹



HEALTH & NUTRITION



HUMAN HEALTH



ANIMAL HEALTH



PLANT HEALTH

10%	5-7%	7-8%	7-8%	15-18%	15-18%
FY15-19	FY20-25	FY15-19	FY20-25	FY15-19	FY20-25



Vast opportunities to increase microbial penetration

¹ Management estimates. For dairy and cheese referring to penetration of DVS solutions.
Sources: IDF, GIRA, Euromonitor, Markets and Markets, FAO statistics, BCG, McKinsey, Mintel, customer interviews.

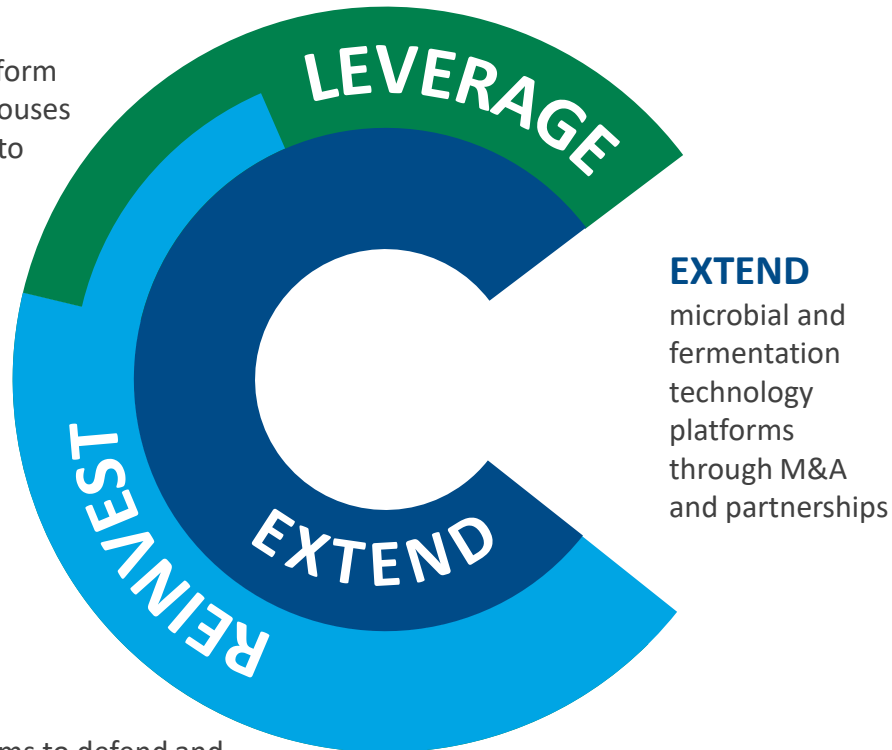
2025 Strategy: Creating a differentiated bioscience company

with focus on microbial and fermentation technology platforms to grow a better world. Naturally.

Where to play

LEVERAGE

Microbial Platform to grow lighthouses and expand into new areas



REINVEST

in core platforms to defend and further strengthen market position

How to win

- 1 CUSTOMERS** Further expand customer base and global reach and excel in customer centricity
- 2 INNOVATION** Accelerate new product development and commercialization
- 3 OPERATIONS** Realize scalability benefits and operational efficiencies
- 4 PEOPLE** Safeguard culture and invest in talent management
- 5 PURPOSE** Drive sustainability agenda to grow a better world. Naturally.

REINVEST in core platforms

to defend and further strengthen market positions in dairy and meat, Human and Animal health



FOOD CULTURES & ENZYMES



Dairy
and meat



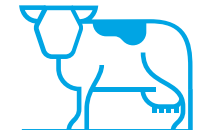
Probiotics
for fermented milk

NEW:
Probiotics
in food



Human Health
Dietary supplements
and infant formula

HEALTH & NUTRITION



Animal Health
Cattle, swine
and poultry

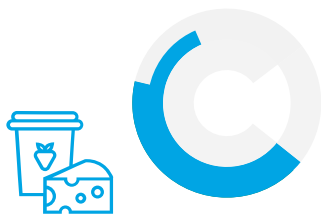
NEW:
Pet food

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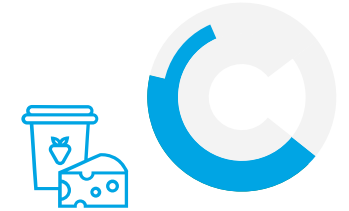
FC&E growth model

supports 5-7% organic growth during the strategy period

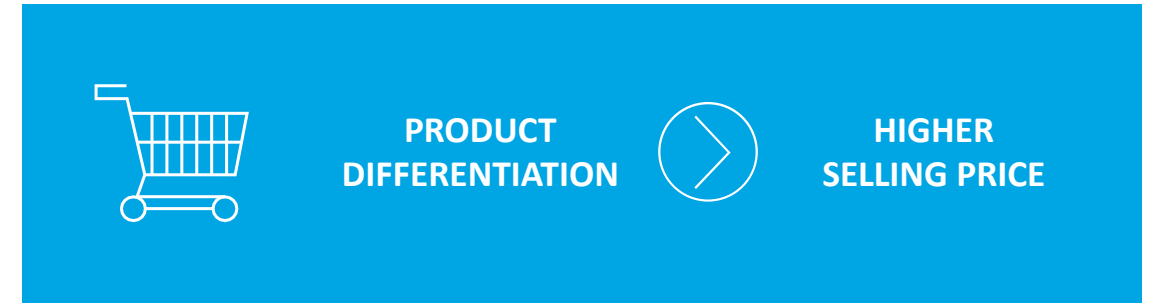


We will reinvest in our core dairy business

to bring new innovations to customers and increase our share of wallet through upselling



We have product solutions for both driving efficiencies and product differentiation



Product	Benefit	Saving in % of COGS ¹
YIELDMAX®	Yield improvement	1-1.5%
CHY-MAX® Supreme	Yield improvement	1-1.5%
ACIDIFIX®	Savings on protein	2-3%
YOFLEX® Premium	Protein savings due to better texture	~1%
SWEETY®	Sugar saving	~0.5%

Yogurt example	Regular	Lactose-free	Probiotic	Lactose-free clean-label probiotic
Retail price per liter	~1.5 EUR	~2.5 EUR	3 EUR	>3 EUR
Number of Chr. Hansen products included (<i>illustrative</i>)	DVS®	DVS® NOLA® Fit	DVS® LGG®	DVS® NOLA® Fit LGG® FRESHQ®

¹ Management estimates. Examples for illustrations, may differ depending on product type and production.

In Human Health we will shape the global probiotic market

through science leadership and expansion into new customer groups and segments



UNPARALLELED PRODUCT OFFERING ACROSS LIFE STAGES, INDICATION AREAS AND PRODUCT FORMATS

Gut health



Immune health



Women's health



Infant & young children



Novel indication areas



WITH THE ACQUISITIONS OUR INTERNAL CAPABILITIES COVER THE ENTIRE VALUE CHAIN FROM STRAIN TO SOLUTION

Innovation



- Strain safety and characterization
- Clinical trials and documentation
- Mode of action and microbiome research

Product development



- Strain selection
- Formulation and dosage forms
- Product grade

Manufacturing



- State-of-the-art fermentation facilities
- In-house finished goods manufacturing

Services



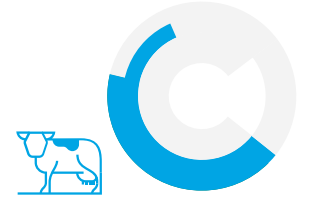
- Global regulatory and legal support
- Customer insights and marketing
- Health care professional education

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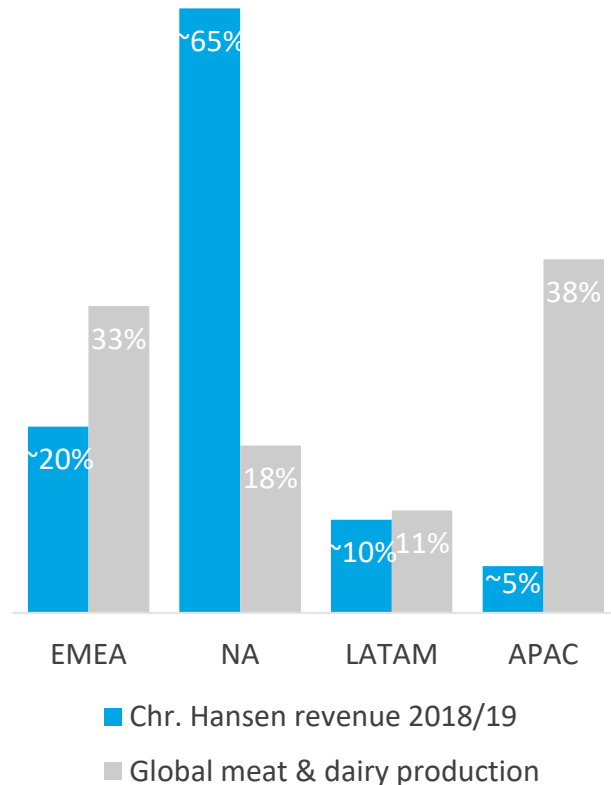
We continue to expand our market presence in Animal Health

working with partners and direct accounts and rolling our products out globally



EXPANDING OUTSIDE OF NORTH AMERICA

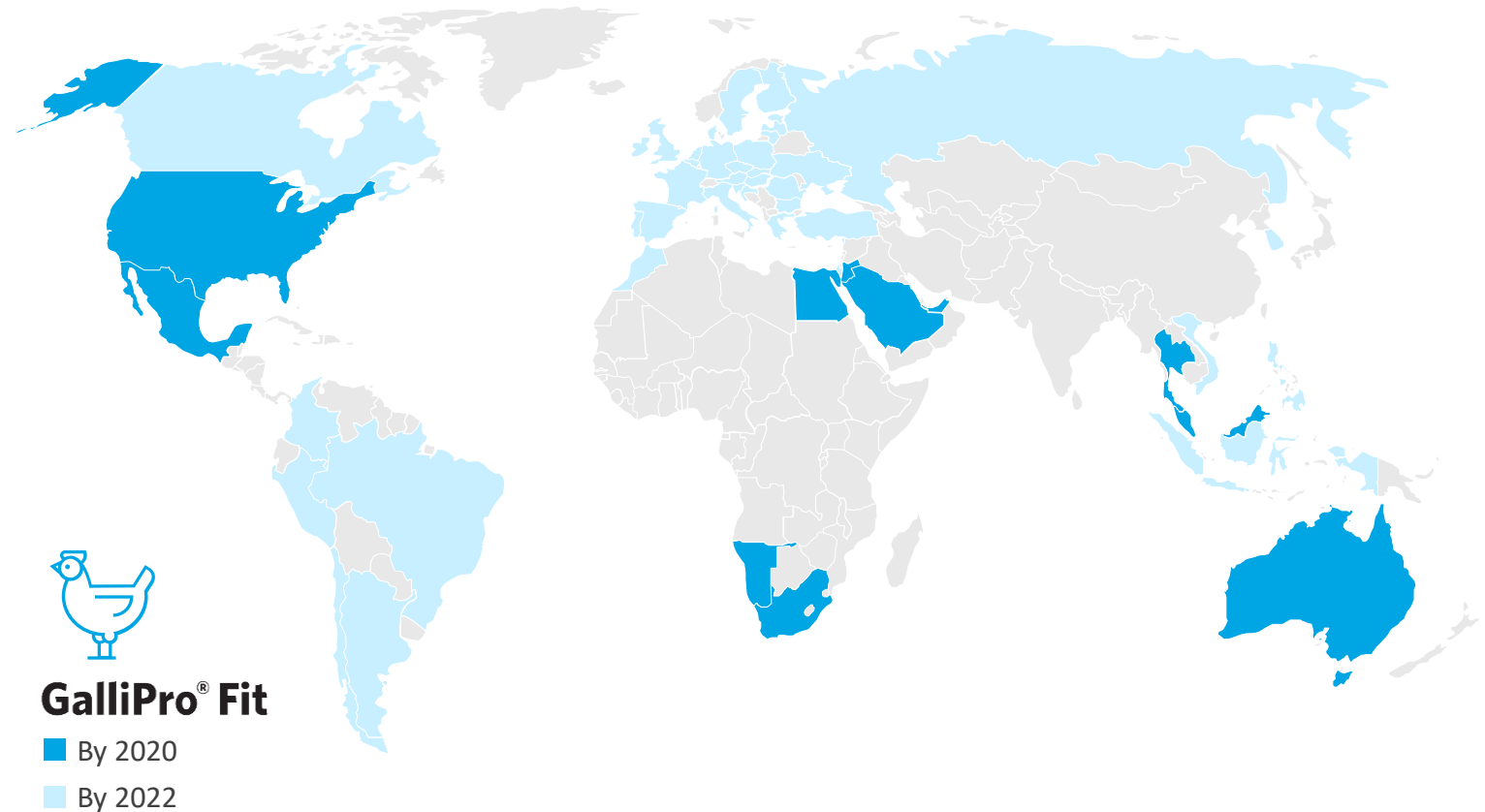
Animal Health revenue vs. global meat and dairy production volumes by regions¹



¹ FAOSTAT (2018).

GLOBAL ROLL-OUT OF PRODUCT PORTFOLIO

Example: Countries with (expected) registrations for GALLIPRO[®] Fit



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LEVERAGE Microbial Platform to grow lighthouses

and bring microbial solutions to food, health, farming and pharma markets



FOOD CULTURES & ENZYMES



Bioprotection

Reduce food spoilage
and increase food safety



Fermented Plant Bases

‘Fermented milk’ alternatives
and fermented beverages

HEALTH & NUTRITION



Plant Health

Microbial crop protection
for more sustainable farming



Live Biotherapeutics

Contract manufacturing for
live biotherapeutics (Lonza JV)



HMOs

Prebiotics for infant
formula (Jennewein)

Estimated addressable markets¹

EUR 200m

2025

EUR 1bn

Long-term

EUR <100m

2025

EUR >100m

Long-term

EUR 400m

2025

EUR >1bn

Long-term

EUR 150-200m

2025

EUR >1bn

Long-term

EUR >400m

2025

EUR >1bn

Long-term



















¹ Management estimates.

LIGHTHOUSE: New business area of strategic importance with minimum revenue potential of EUR 100m per year and above Group growth rates.

We continue our journey in Bioprotection

by further expanding our range to extend shelf life and increase food safety



APPLICATION		 FERMENTED MILK	 CHEESE	 FERMENTED MEATS	 OTHER MEATS & FISH	 DAIRY & MEAT ALTERNATIVES	 FRUITS & VEGETABLES
Value proposition	Extend shelf life & reduce food waste	✓	✓	✓		✓	
	Clean labelling & food safety		✓	✓	✓	✓	✓
Capabilities	Product offering						
	Commercial/ market access						
Opportunity	Penetration today	~10%	<5%	~10%		<1%	

With our lighthouse in Fermented Plant Bases we will capture growth in the fast-growing markets for alternative protein sources and healthier beverages



GROWTH DRIVERS



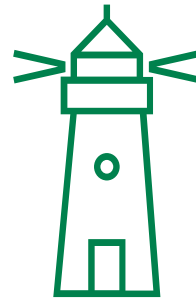
Changing consumer preferences
with focus on health and more sustainable consumption



Government and NGO support
driven by global climate agenda and increasing protein demand



Improving product quality, availability and pricing



NEW LIGHTHOUSE: Fermented Plant Bases

EUR >100m
long-term potential

EUR <100m
addressable market in 2025

'FERMENTED MILK' ALTERNATIVES

Solutions for spoonable and drinkable formats

FERMENTED BEVERAGES

Solutions for non-/low-alcohol beer & fermented tea

'MEAT' ALTERNATIVES

'CHEESE' ALTERNATIVES

ACCELERATE

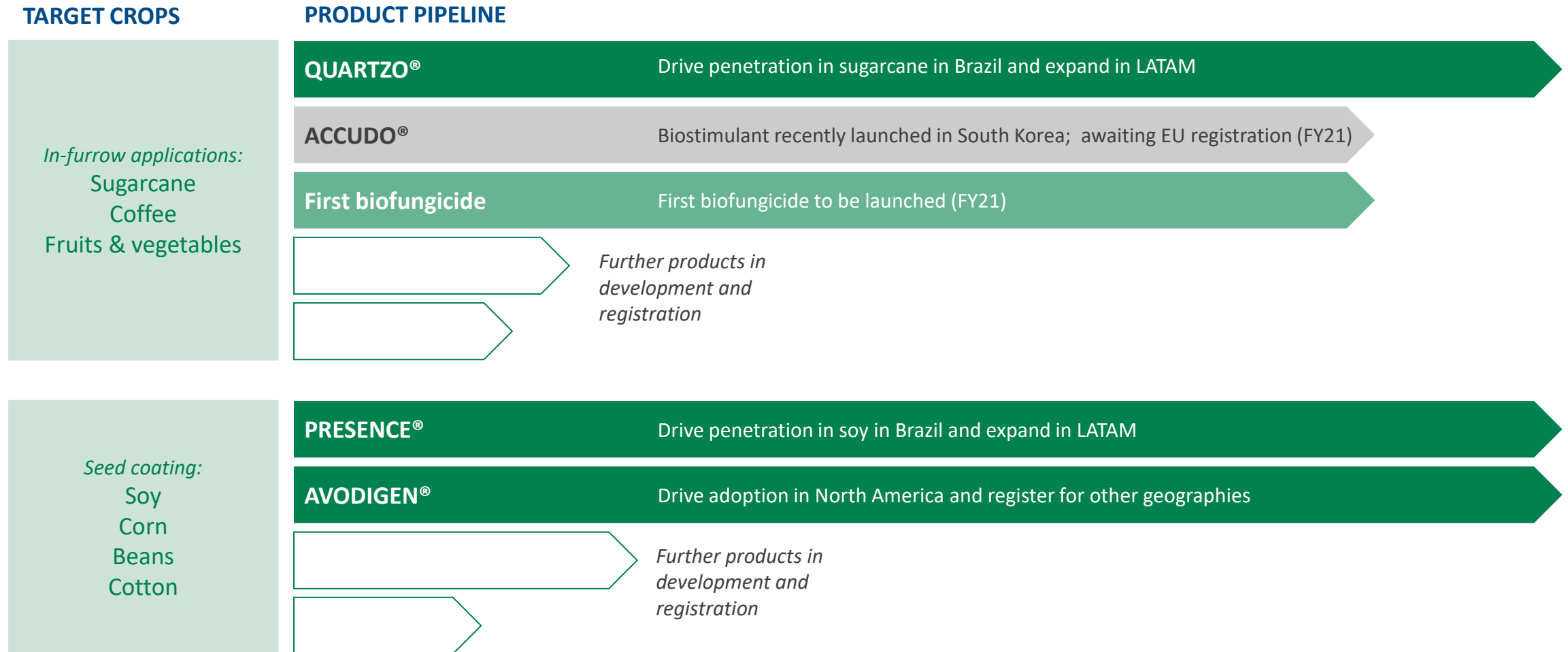
EXPLORE

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We have a strong product pipeline in Plant Health

and will be launching several new products over the coming years whilst expanding our global reach

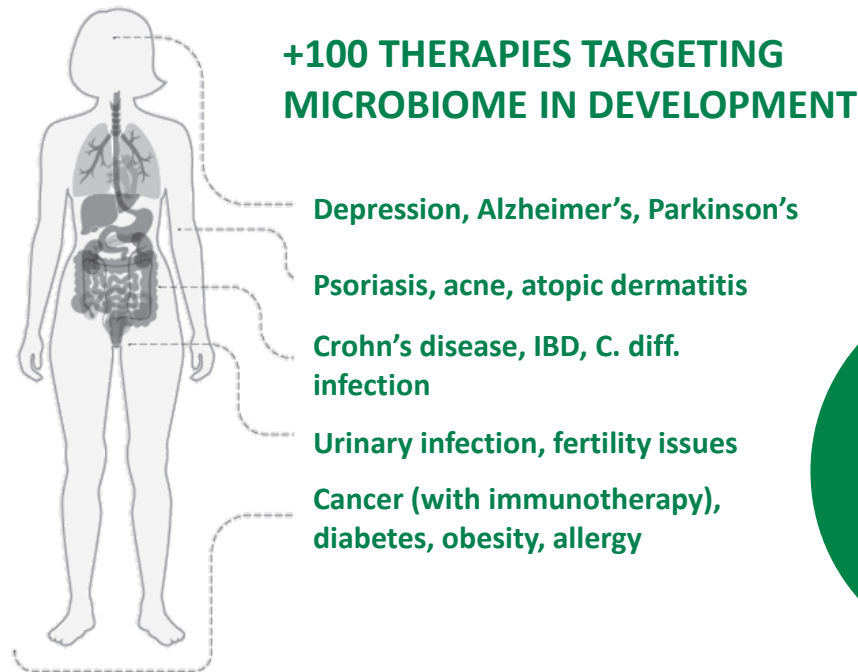


Our joint venture Bacthera is a crucial enabler

for the live biotherapeutics industry that is developing rapidly



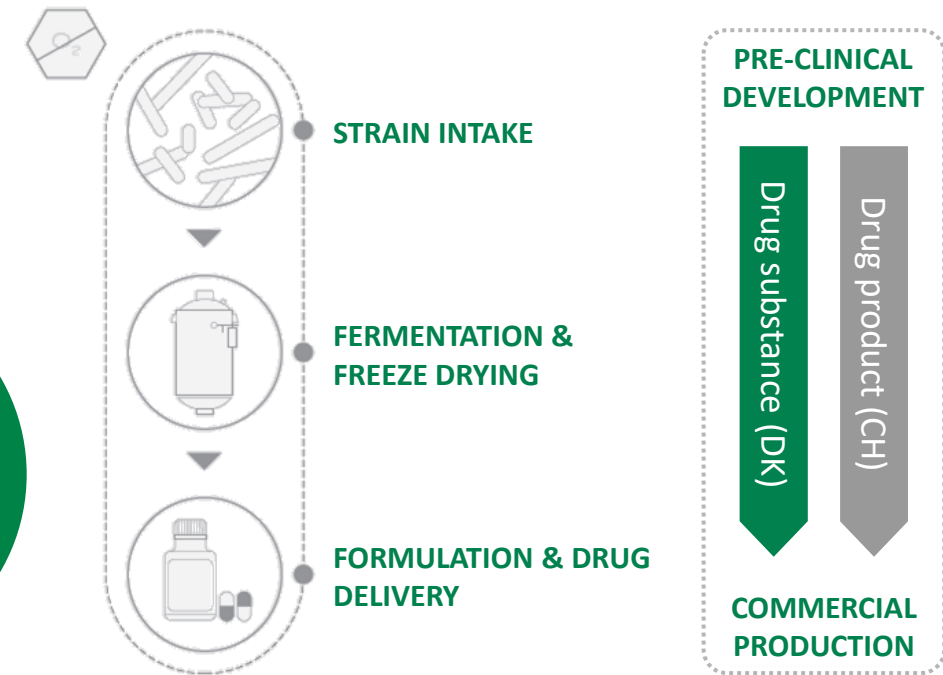
RAPIDLY EMERGING MARKET FOR LIVE BIOTHERAPEUTICS



EUR >1bn
long-term
market potential

EUR 150-200m
in 2025 (only
clinical trial)

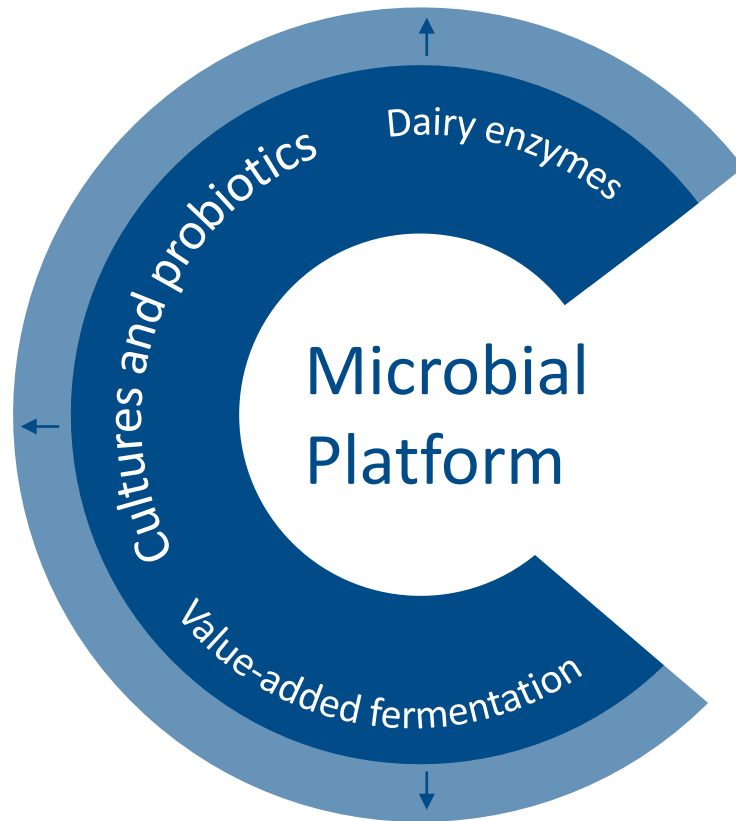
FULL SUPPLY CHAIN OFFERING WITH TRULY DISTINCT CAPABILITIES



- Organization established (+50 FTEs) and first customer contracts signed; strong pipeline
- Supply chain build-out progressing well with first phase of investments to be completed by end of Q1 FY21 (EUR 90m in total FY20-22 split between CHR/Lonza)
- Largely self-funding after FY22

EXTEND Microbial Platform through M&A and partnerships

to further enhance our microbial and fermentation capabilities



COMPLEMENTED WITH BOLT-ON ACQUISITIONS

2015
DIAL



2016
NPC



2016
LGG



2018
Hundsbichler



2020
HSO



2020
UAS Labs



2020
Jennewein



STRONG NETWORK OF GLOBAL PARTNERS



FOOD OPTIMIZED

Lonza



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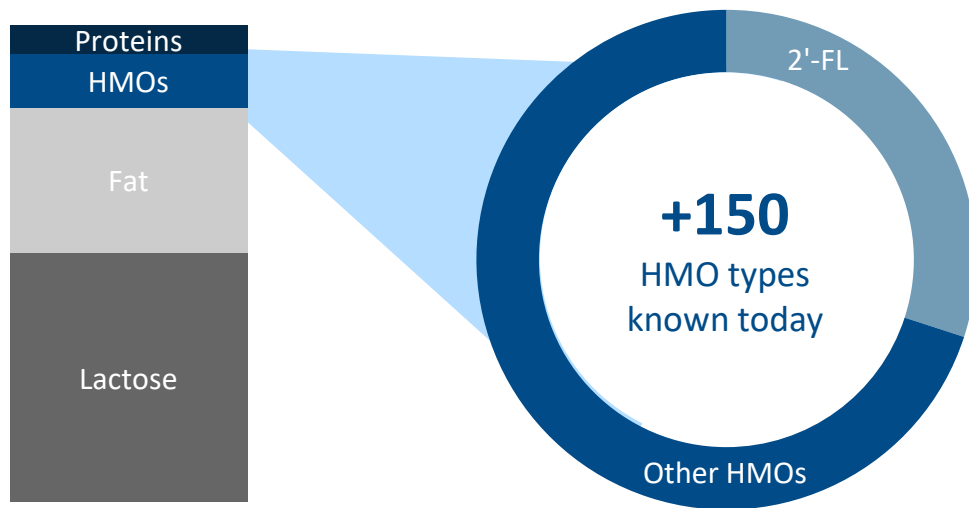
Attractive growth prospects for HMOs globally

driven by consumer demand for 'close-to-nature' infant formula and increasing scientific evidence



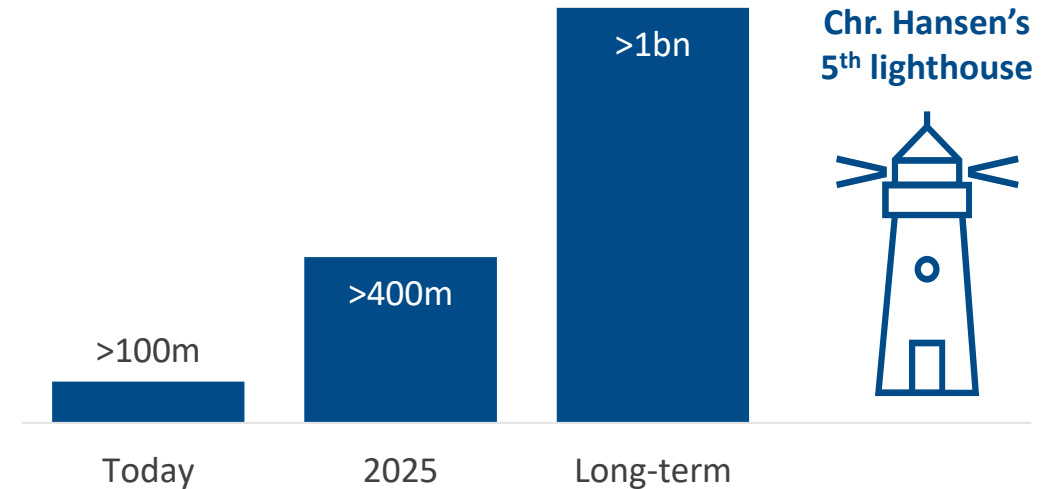
HMOs ARE THE THIRD LARGEST COMPONENT IN HUMAN MILK

Nutrient composition in human milk



DEMAND FOR HMOs IS EXPECTED TO INCREASE MEANINGFULLY

Addressable market in EUR¹



Selected health benefits:

- Support neuronal & brain development of infants
- Reduce risk of NEC in pre-terms infants
- Improve digestive health & strengthen immune system
- Immunomodulatory effect
- Act against bacterial/viral pathogens and toxins

Growth drivers:

- Premiumization trend in infant formula to drive penetration
- Regulatory approval in NA, Europe and parts of LATAM and Asia; further countries to come
- Increasing scientific evidence around health benefits
- Combination products and new applications

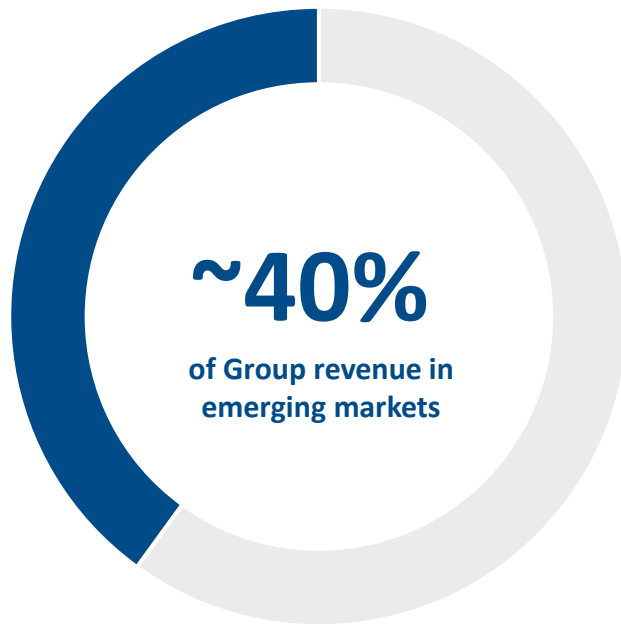
¹ Management estimates.

We will further expand our customer base and global reach

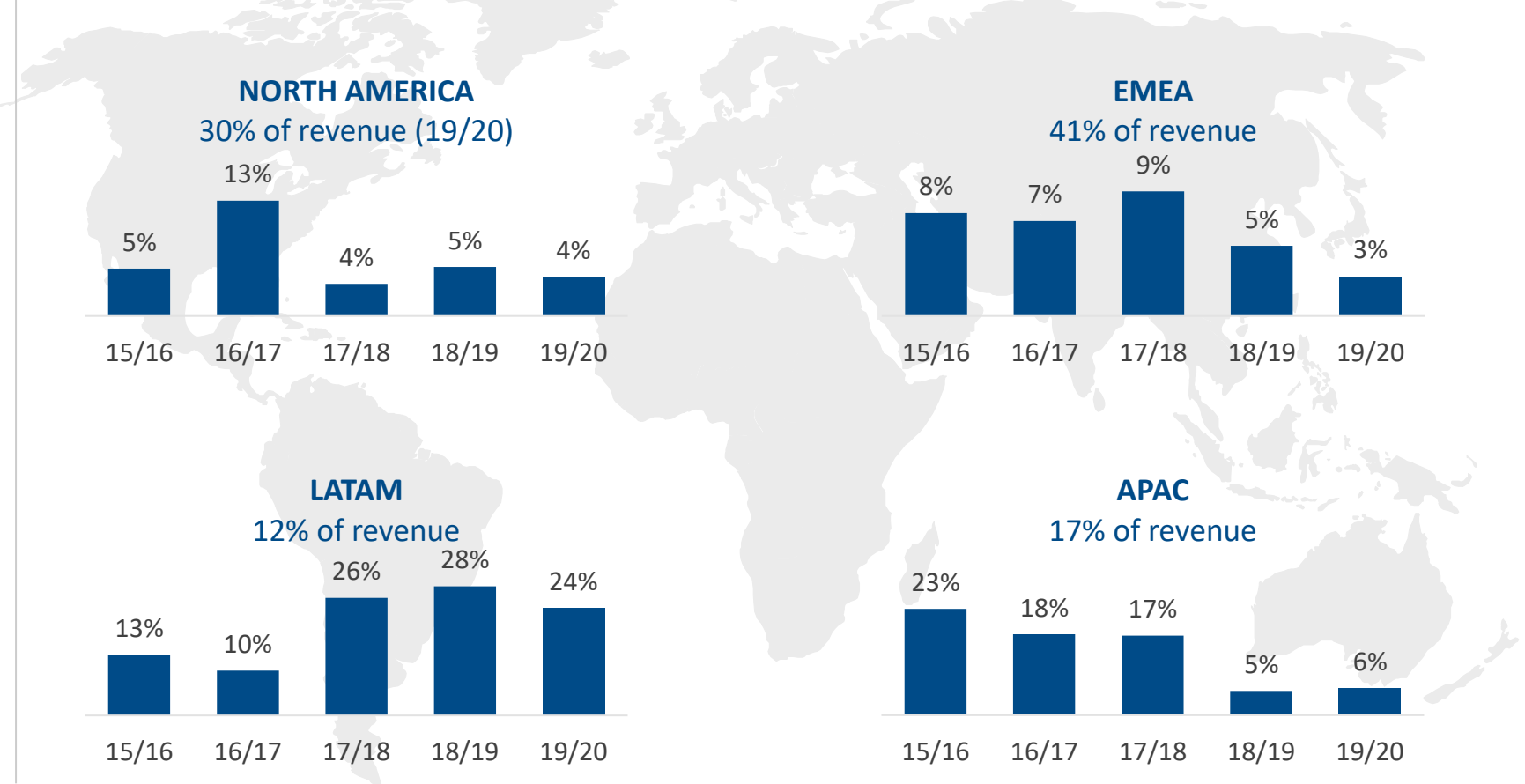
to drive growth, both in developed and emerging markets



Revenue split 19/20

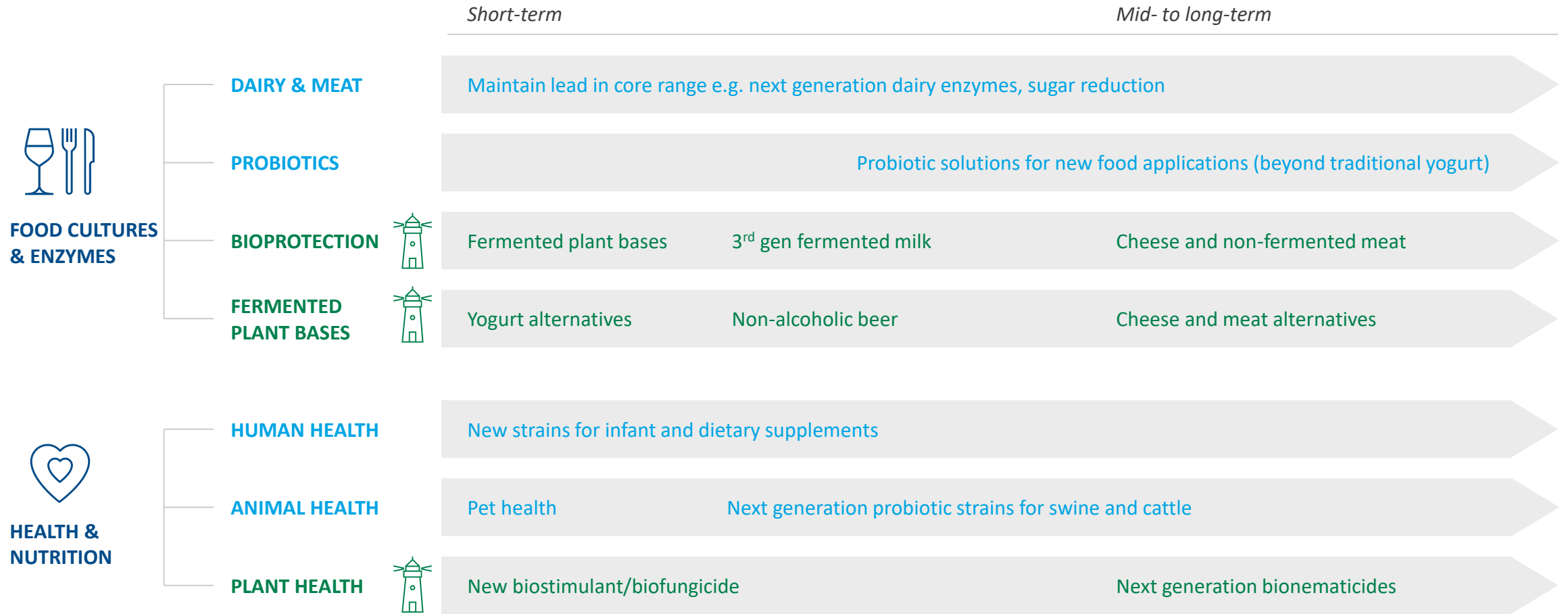


Organic sales growth by region (continuing operations)



We will accelerate commercialization of new innovation

dedicating 75% of our R&D budget to new product development



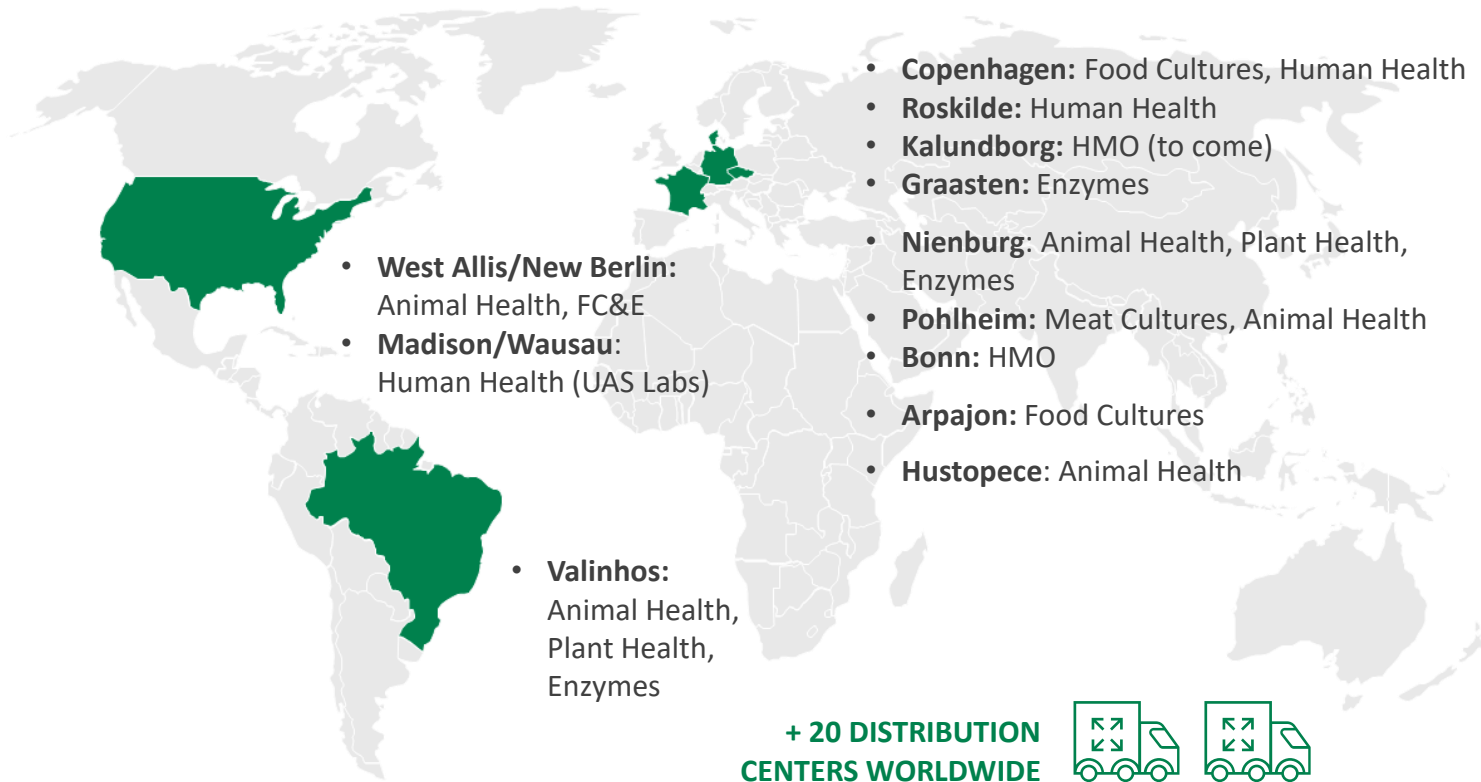
We will realize scalability benefits and operational efficiencies

across our global production footprint



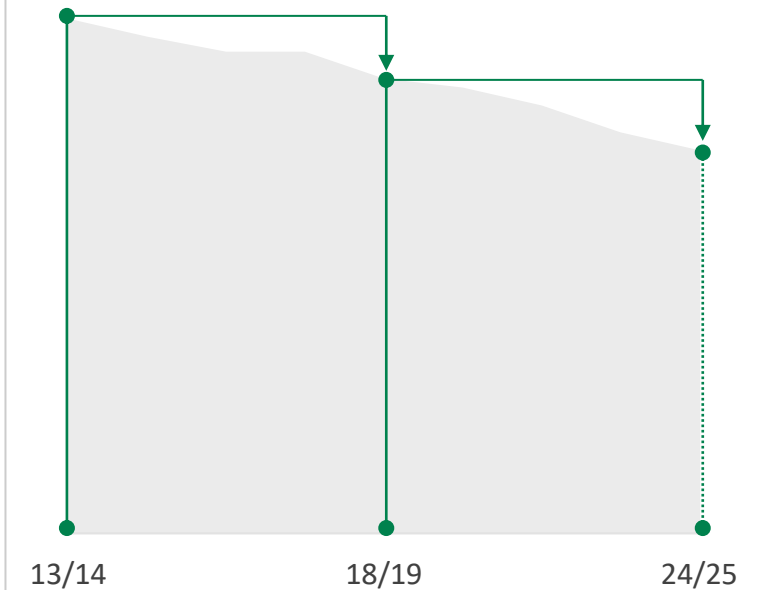
ONE PLANT – MANY LOCATIONS

Global operations footprint



GLOBAL OPERATIONS WILL CONTINUE TO DELIVER SIGNIFICANT COST SAVINGS

Cost of production in % of revenue (*illustrative*)



Operational efficiencies driven by process innovation and economies of scale

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**We work for
a better world**

**We rely on
each other**

**We act with
freedom**

**We deliver
results**

Preserving our culture is a key priority

whilst promoting talent management, diversity and ensuring a safe place to work

PEOPLE



SAFEGUARD CULTURE & SUCCESSFUL ONBOARDING OF NEW EMPLOYEES

- Top 25% score in employee engagement survey
- 100% introduced to culture model



COMMITMENT TO TALENT MANAGEMENT AND DIVERSITY

- 1:1 ratio between female employees and managers



SAFE PLACE TO WORK

- <1.5% lost-time incident frequency



ATTRACTIVE COMPENSATION FOR MANAGEMENT

- Performance metrics aligned with shareholder interests
- In line with industry benchmarks

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Executive compensation linked to sustainability targets

and closely aligned with shareholder interests; strong incentive component

PEOPLE



SHORT TERM: ANNUAL INCENTIVE PROGRAM FOR CEO AND CFO

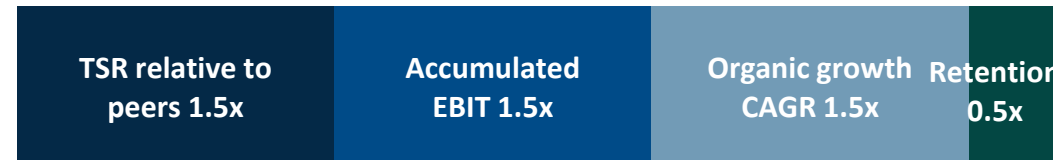
- Based on group financial and non-financial targets
 - NEW: Non-financial KPIs related to customer service, quality, diversity, safety and environment**
- Bonus is paid as a minimum 1/3 in Restricted Stock Units and 2/3 in cash; normally accounts for 25-30% of total remuneration package



In % of fixed pay ¹	Target	Max
CEO	70%	100%
CFO/EVP	50%	70%

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



Target matching shares per investment of one share

In % of fixed pay ¹	Target	Max
CEO	80%	120%
CFO/EVP	60%	90%

¹ Base plus pension.



Purpose and mission

Grow a better world. Naturally.

By pioneering microbial science to improve food and health, for a sustainable future.



2
ZERO
HUNGER

25m

Hectares covered with plant health and silage solutions



3
GOOD HEALTH
AND WELL-BEING

200m

People consuming Chr. Hansen's probiotic strains



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION

2m

Tons of yogurt waste reduced

Financial and non-financial ambitions until 2024/25

FINANCIALS

Creating value for shareholders.



Industry-leading growth

- Mid-to high single-digit organic growth CAGR

Improving profitability

- Underlying expansion in EBIT margin b.s.i. before portfolio changes and FX

Strong cash flow generation

- Free cash flow b.a.s.i. to grow faster than absolute EBIT b.s.i.

PRODUCTS

More than 80% of revenue from sustainable products.

- 25m hectares covered with natural solutions
- 200m people consuming our probiotics
- 2m tons of yogurt waste reduced



PLANET

Limit global temperature rise to 1.5C.

- 100% Renewable energy
- 100% Circular management of biowaste
- 100% Key packaging materials recyclable



PEOPLE

A diverse, engaged and safe workforce.

- 1:1 Female employees and women in management
- Top 25 Score in engagement matters survey
- < 1.5 Lost-Time Incident Frequency



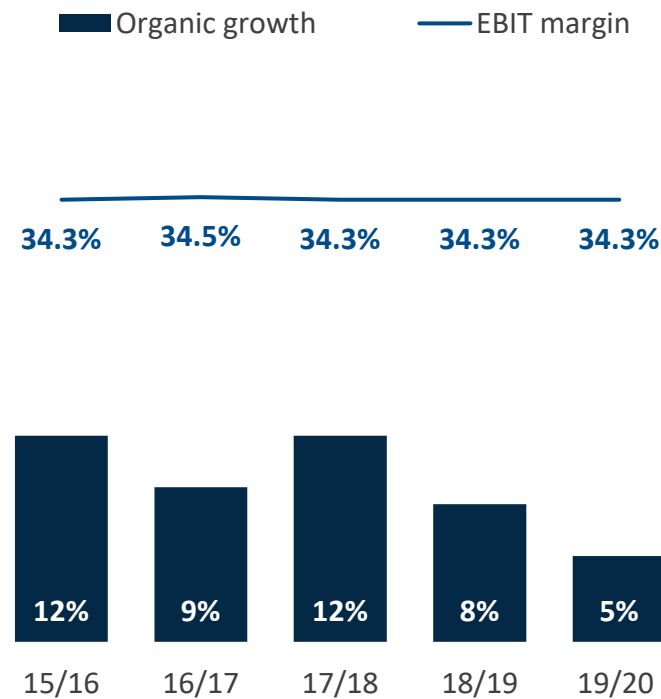
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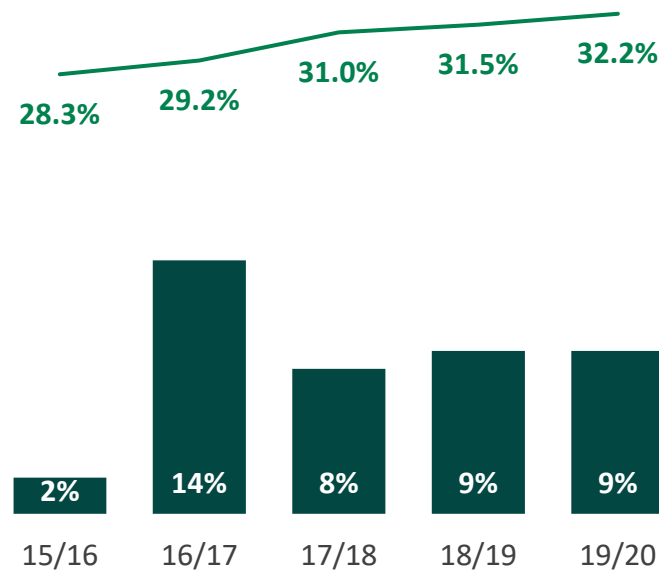
We aim for industry-leading organic growth

across our two segments

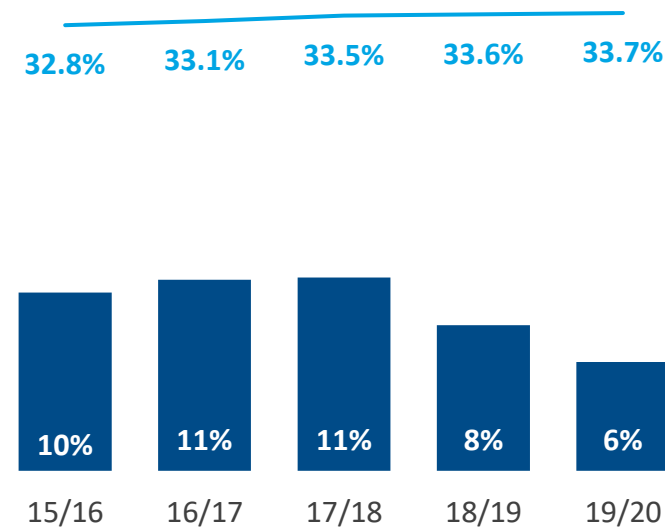
FOOD CULTURES & ENZYMES



HEALTH & NUTRITION



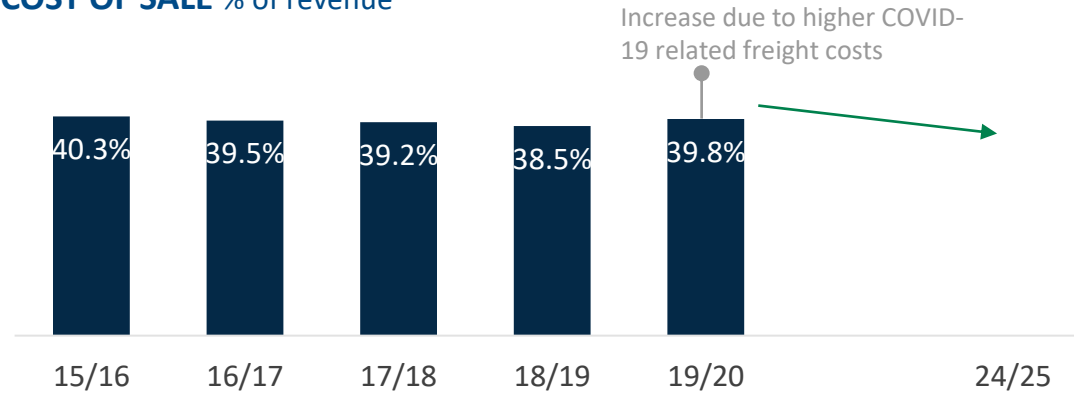
CONTINUING OPERATIONS



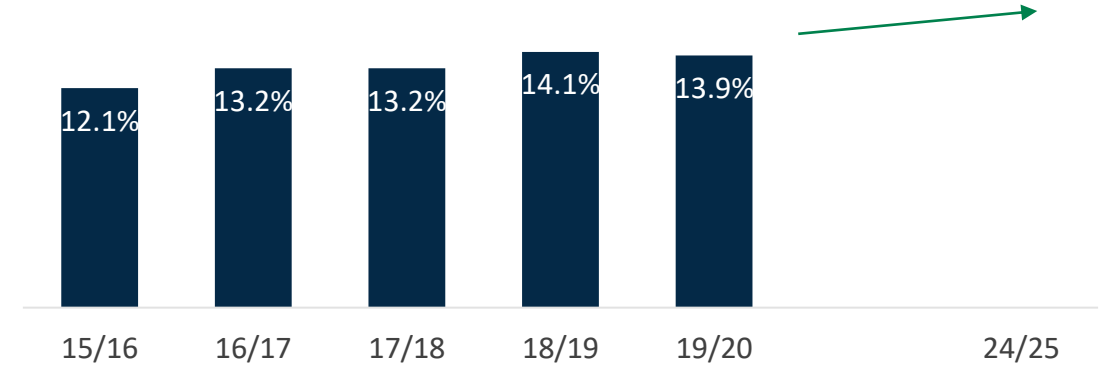
We remain committed to driving gross margin expansion

while investing in sales & marketing and R&D to support future growth

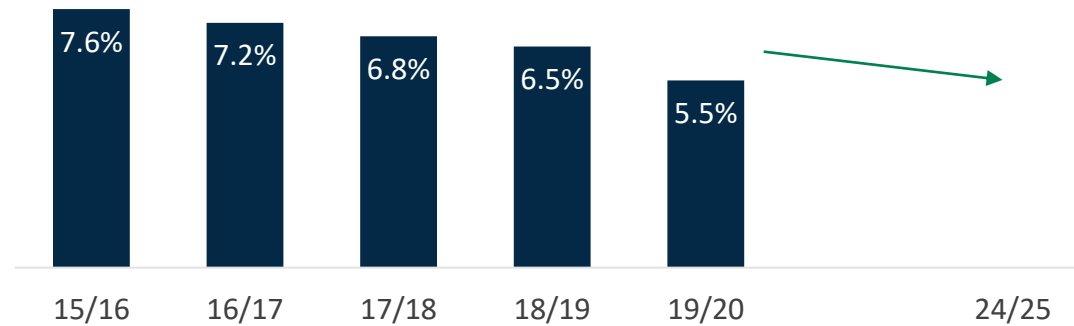
COST OF SALE % of revenue



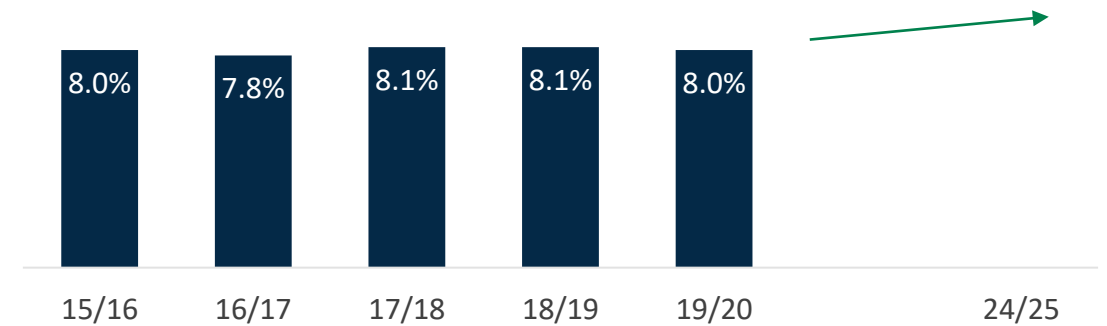
SALES & MARKETING EXPENSES % of revenue



ADMINISTRATIVE EXPENSES % of revenue



R&D EXPENSES INCL. CAPITALIZATIONS % of revenue



Note: Restated figures for continuing operations (Microbial Platform).

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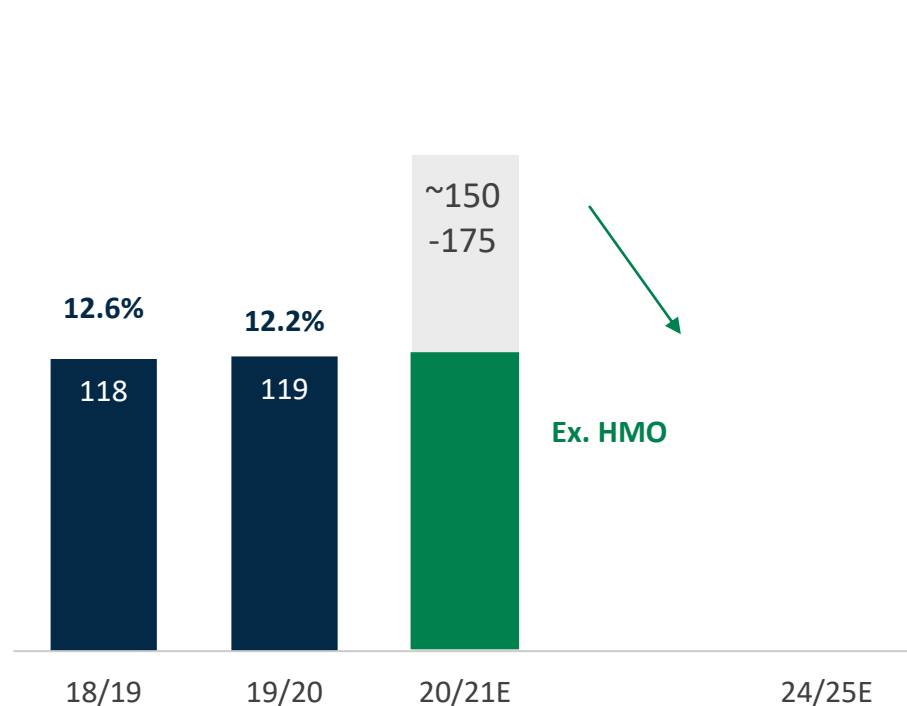
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Growth in free cash flow to exceed growth in absolute EBIT










supported by reduced investment needs until 2024/25

CAPEX SPENDING FOR CONTINUING OPERATIONS

in EUR million and % of revenue



UAS LABS ACQUISITION AND PRODUCTION OPTIMIZATION ALLOW FOR PHASING OF CAPEX PROJECTS TO BEYOND THE STRATEGY PERIOD

Selection of large capex projects	Expected completion
Capacity upgrade, Roskilde 	2021/22
Freeze dried & powder packaging, Copenhagen  	2022/23
Additional fermentation capacity upgrades, US 	2022/23
NEW: HMO production, Kalundborg (phase I) 	2022/23-23/24
Additional fermentation capacity upgrades, Germany  	2024/25
Innovation campus incl. application center & new pilot plant, Denmark 	2022/23
Next large-scale dairy expansion 	After 2024/25

Postponements of capex due to UAS Labs acquisition:

Expansion of Human Health facility, Roskilde

Dairy alternatives production

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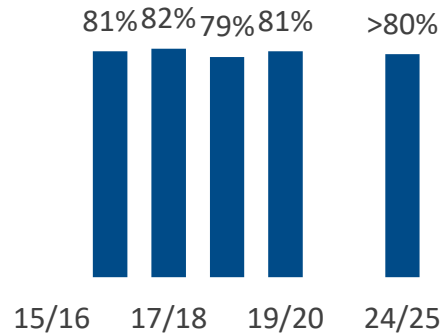
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We have ambitions sustainability targets

across our three dimensions Products, Planet and People

PRODUCTS

CONTRIBUTION TO GLOBAL GOALS
in % of gross revenue¹



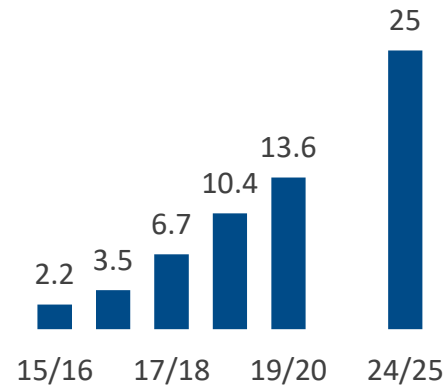
PLANET

40%
Usage of renewable
energy across sites (target: 100%)

PEOPLE

43:37 ratio
Female employees and women in
management (target: 1:1 ratio)

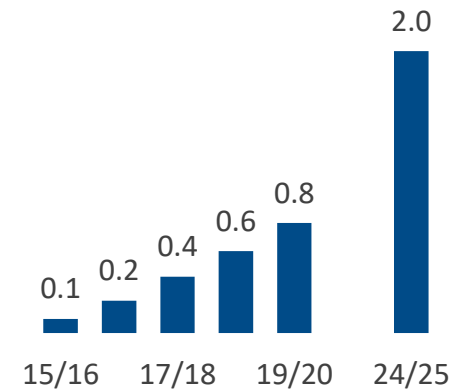
**FARMLAND TREATED WITH
NATURAL SOLUTIONS²** in ha



69%
Circular management
of biowaste (target: 100%)

34%
Score in annual engagement
survey (target: top 25%)

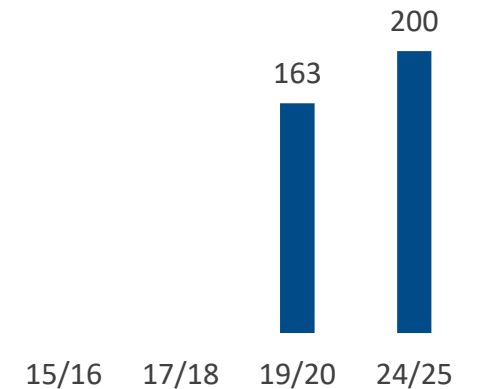
YOGURT WASTE SAVED
in tons



67%
Key packaging materials
recyclable³ (target: 100%)

1.3
Lost Time Incident Frequency
(target: < 1.5)

PROBIOTICS CONSUMED
in million people



✓ **Better Energy agreement**
✓ **SBT initiative joined**

✓ **New purpose “Grow a
Better World. Naturally.”
launched**

¹ Continuing operations.

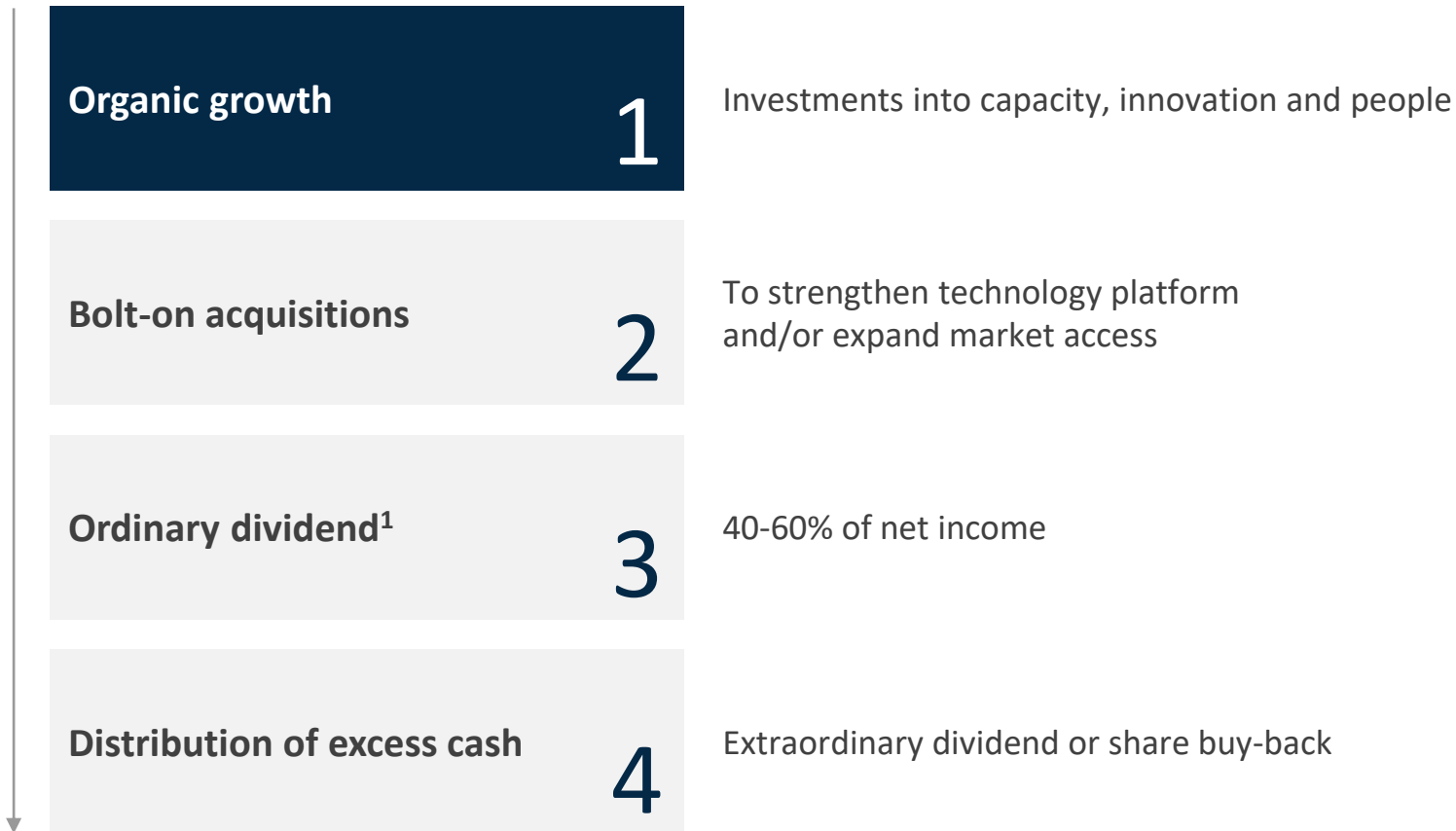
² Plant Health or silage inoculants.

³ Includes continuing operations and discontinued operations.

Creating shareholder value

with very clear capital allocation priorities

CAPITAL ALLOCATION PRIORITIES



¹ The dividend proposed will depend on the Board of Directors' assessment of factors such as business development, growth strategy, current leverage and financing needs, and there is no guarantee that an ordinary dividend will be proposed or declared in any given year.

WHAT WE WILL NOT DO

- X** Pursue acquisitions in unrelated areas
- X** Expand outside microbial and fermentation platform
- X** Expand enzyme business outside food enzymes
- X** Become an integrated solutions provider
- X** Become a full value-chain pharma company

Q1 2020/21 Results



Strong start to the year supported by all businesses

Financial highlights Q1 2020/21 (continuing operations)



ORGANIC GROWTH

10%

Q1 2019/20: 2%
Guidance 20/21: 5-8%



EBIT MARGIN

before special items

28.5% underlying¹

25.2% reported
Q1 2019/20: 29.0%
Guidance: 20/21: 27-28%



FREE CASH FLOW

before acquisitions &
divestments and special items

(EUR 6.9m)

Q1 2019/20: EUR 7.5m
Guidance 20/21: EUR 120-160m

¹ Underlying EBIT margin b.s.i. excludes recent acquisitions. See Q1 2020/21 company announcement, p. 20 for reconciliation.

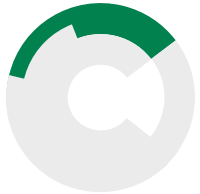
Launching new innovations & advancing integration agenda during first quarter

Strategic highlights Q1 2020/21



REINVEST

- FC&E strengthening core dairy range with new product innovations including YoFlex® Premium, nu-trish® Premium, F-DVS® Pure Appeal and SPICEIT® MPlus
- Human Health with great momentum in women's health and adding oral care to its product portfolio
- Animal Health expanding route-to-market and further rolling out products globally



LEVERAGE

- Expansion of Fermented Plant Bases product range with new bioprotection solution
- New Plant Health application center opened in the US to support sales activities on the ground
- Strong project pipeline at Bacthera; momentum in live biotherapeutics industry accelerating



EXTEND

- Integration of UAS Labs and HSO Health Care progressing as planned (finalization by end of FY21)
- Jennewein transaction completed in October 2020; delay in capacity built-up
- Contribution from all three acquisitions now around EUR 100m revenue and around EUR 10m EBITDA for FY21



REVIEW

- Carve-out well under way; closing in spring 2021 expected

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Pick up in growth in EMEA and NA offset by weakness in APAC

Regional highlights Q1 2020/21 (continuing operations)

EMEA 37% of revenue



+7%
organic growth
(Q1 2019/20: -3%)

- FC&E with solid growth; improved momentum in ME & Turkey
- H&N grew slightly driven by strong growth in AH, while HH declined because of delays in product launches and soft volumes

NORTH AMERICA 32% of revenue



+9%
organic growth
(Q1 2019/20: +8%)

- Solid growth in FC&E, primarily driven by cheese
- Strong growth in H&N driven by HH, while AH was on par with last year

LATIN AMERICA 13% of revenue



+40%
organic growth
(Q1 2019/20: +9%)

- Very strong growth in FC&E driven by both volume and EUR pricing (approx. 2/3)
- H&N grew very strongly across all three businesses

APAC 18% of revenue



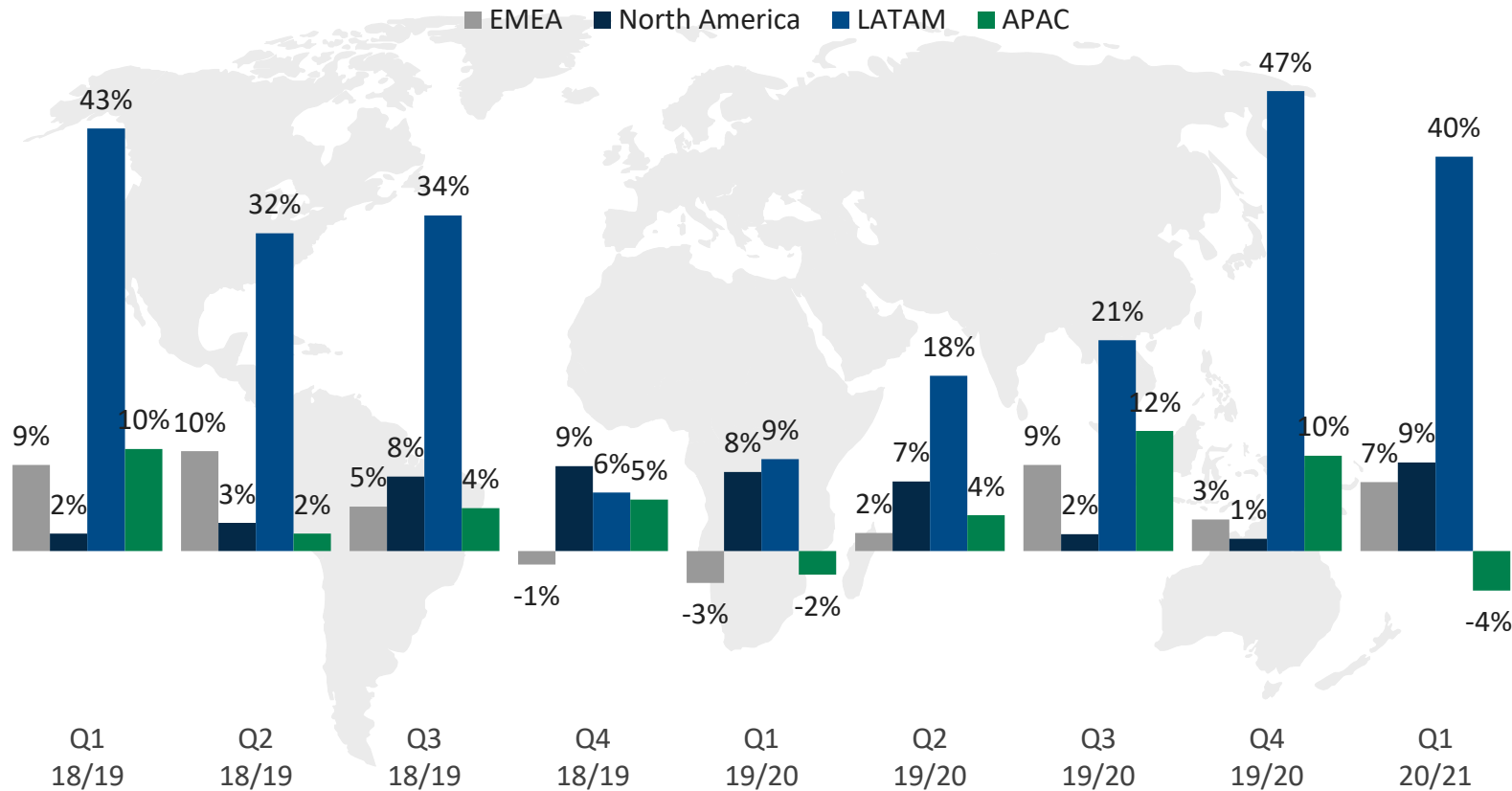
-4%
organic growth
(Q1 2019/20: -2%)

- FC&E declined because of continued softness in the Chinese yogurt and probiotic market
- H&N delivered very strong growth driven by AH while HH declined because of infant formula

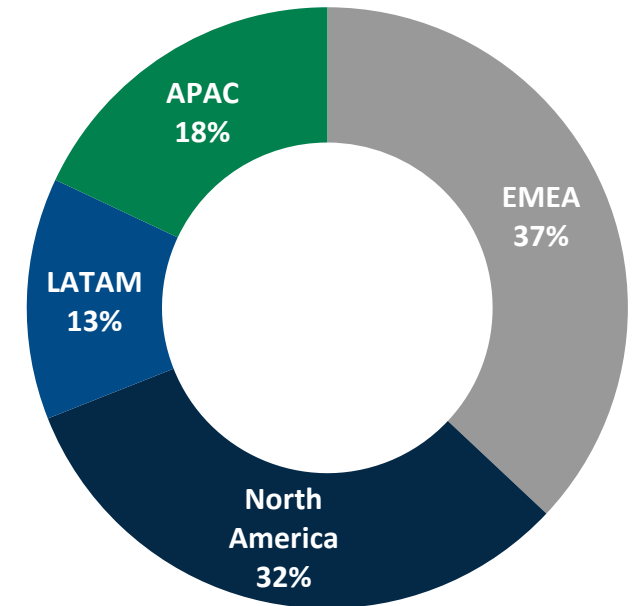
Regional performance by quarter

Continuing operations Q1 2018/19 – Q1 2020/21

ORGANIC GROWTH



REVENUE SPLIT Q1 20/21



Strong growth in cheese and enzymes offset by continued weakness in yogurt

Food Cultures & Enzymes Q1 2020/21

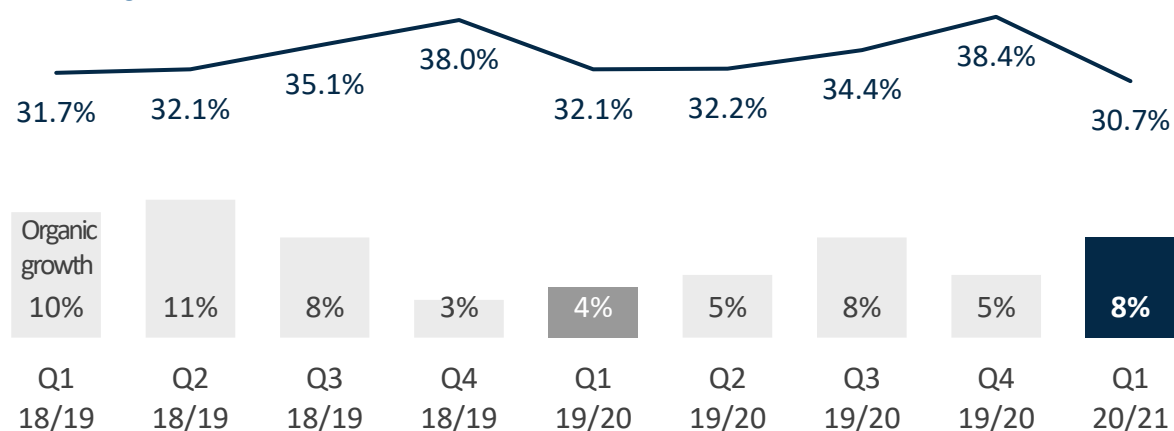
SALES PERFORMANCE

- Very strong growth in cheese, enzymes and fermented plant bases followed by strong growth in meat as well as solid growth in bioprotection, while fermented milk was on par with last year; probiotics and wine declined
- Dairy end markets remained soft globally with fermented milk declining slightly due to reduced output in China and LATAM, whilst cheese grew >1%

MARGIN DEVELOPMENT

- EBIT margin decreased by 1.4%-pts. as production efficiencies, lower travel activity and cost management initiatives were offset by higher freight costs, unfavorable product mix, higher depreciation and FX

EBIT margin



EUR million	Q1 19/20	Q1 20/21
Revenue	166.1	165.3
Organic growth	4%	8%
Volume/mix	3%	2%
EBIT margin	32.1%	30.7%
EBITDA margin	38.9%	39.4%
ROIC ex. goodwill	36.7%	33.4%

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Strong quarter in AH driven by new wins, while momentum in HH slowed

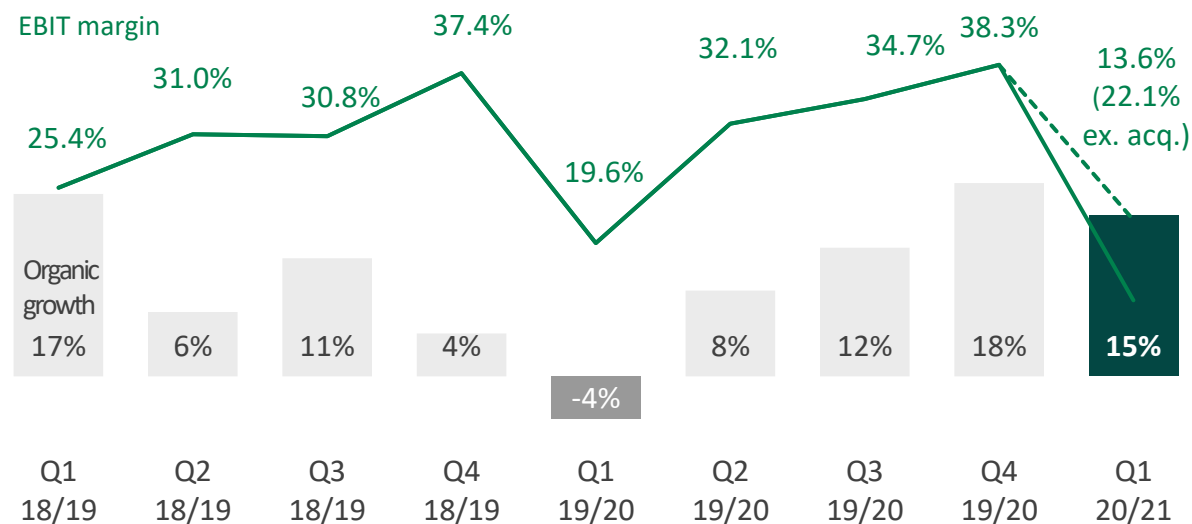
Health & Nutrition Q1 2020/21

SALES PERFORMANCE

- Human Health (HH) with solid growth driven by very strong performance in supplements, mainly in US, while infant formula declined because of delays in product launches and softer volumes
- Animal Health (AH) with very strong growth driven by Poultry & Swine supported by new customer wins and global roll-out of GalliPro® Fit, while Cattle delivered good growth
- Plant Health (PH) with very strong growth driven by bionemanticides business in LATAM
- Acquisitions contributed EUR 21m revenue

MARGIN DEVELOPMENT

- Decrease in EBIT margin related to recent acquisitions and FX; profitability of underlying business improved supported by strong volume growth (on easy baseline) and lower travel activities, partly offset by higher freight costs and FX
- Acquisitions contributed EUR 4m to EBITDA and a EUR 2m loss to EBIT



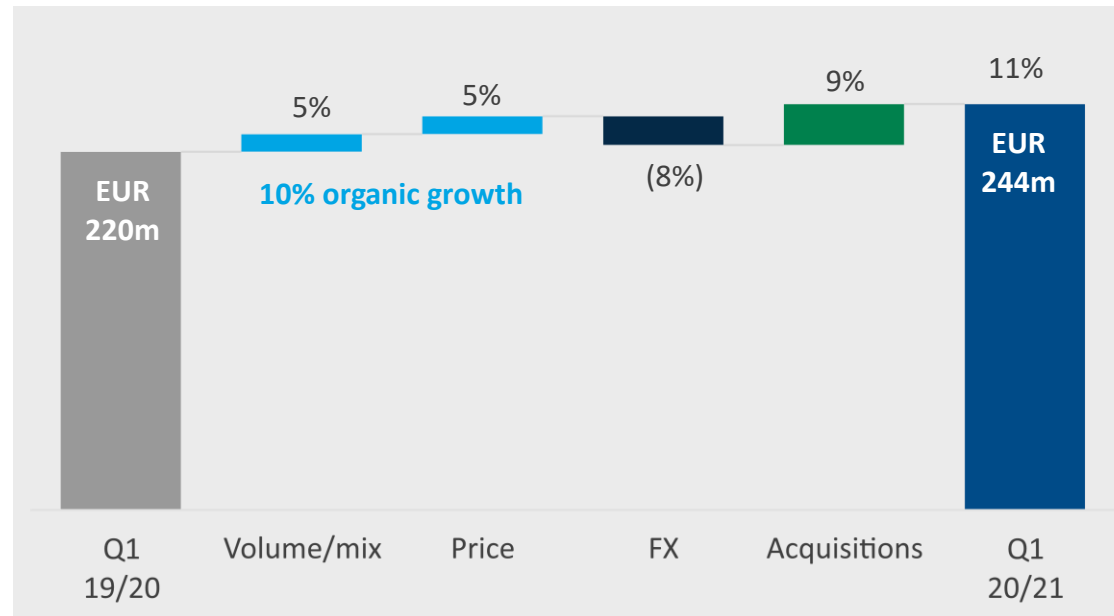
EUR million	Q1 19/20	Q1 20/21
Revenue	53.9	78.2
Organic growth	(4%)	15%
Volume/mix	(4%)	13%
EBIT margin (underlying ¹)	19.6%	13.6% (22.1%)
EBITDA margin (underlying ¹)	28.9%	28.9% (32.3%)
ROIC ex. goodwill	14.7%	7.2%

¹ Underlying EBIT margin excludes recent acquisitions. See Q1 2020/21 company announcement, p. 20 for reconciliation.

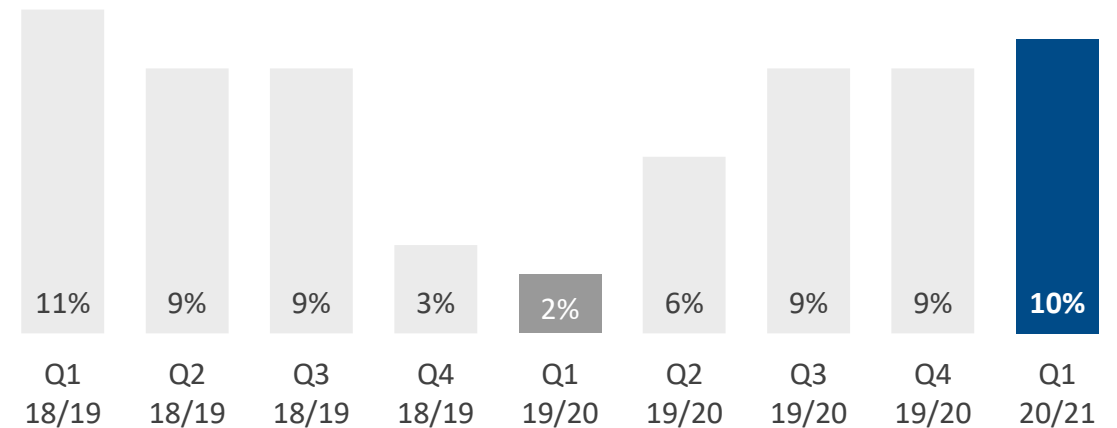
Strong organic growth with equal contributions from volume and price

Continuing operations Q1 2020/21

REVENUE COMPOSITION



QUARTERLY ORGANIC GROWTH

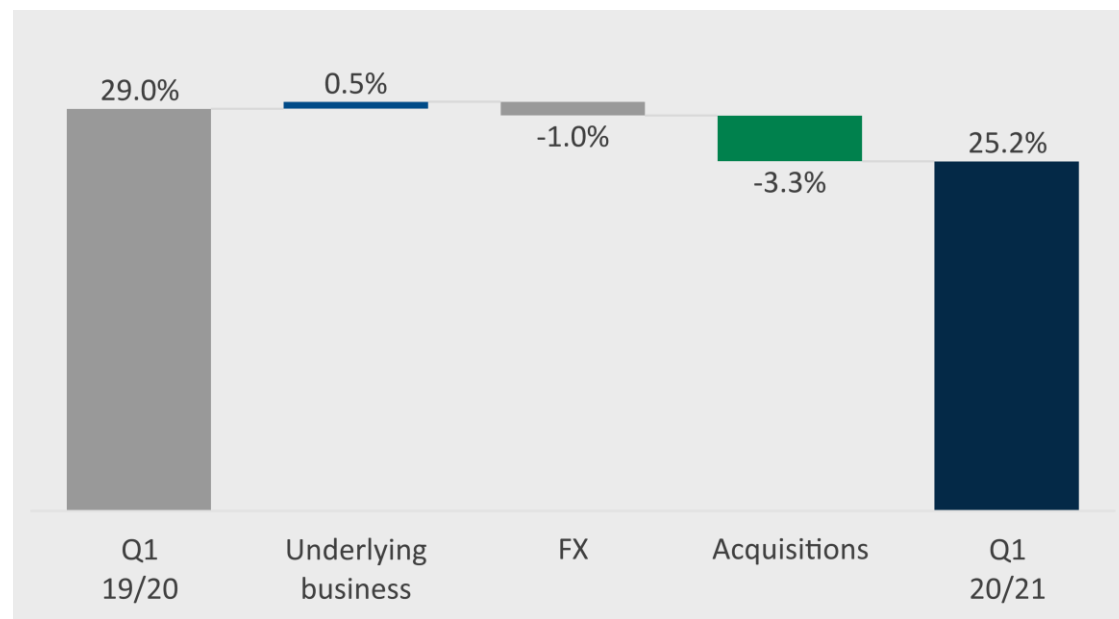


- Organic growth was equally split between volume/mix and price
- FX headwind mainly related to depreciation of USD
- Acquisitions of UAS Labs, HSO Health Care and Jennewein contributed EUR 21m to Group revenue in Q1

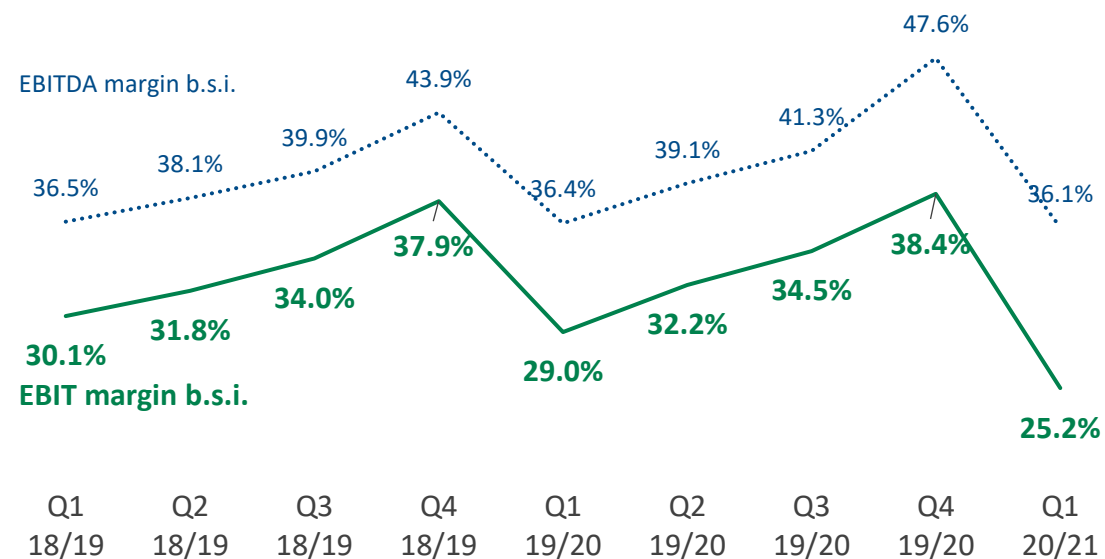
Profitability reflects recent acquisitions & FX headwinds

Continuing operations Q1 2020/21

EBIT MARGIN B.S.I. BRIDGE



QUARTERLY DEVELOPMENT EBIT AND EBITDA MARGIN B.S.I.



- Gross margin decreased by 4.4%-pts. to 55.9% due to acquisitions (>3%-pts.), FX (1%-pt.), higher freight costs and product mix that were partly compensated by production efficiencies and scalability
- Operating expenses as % of revenue decreased to 30.6% (compared to 31.2% last year) because of lower travel expenses due to COVID-19 restrictions and cost management

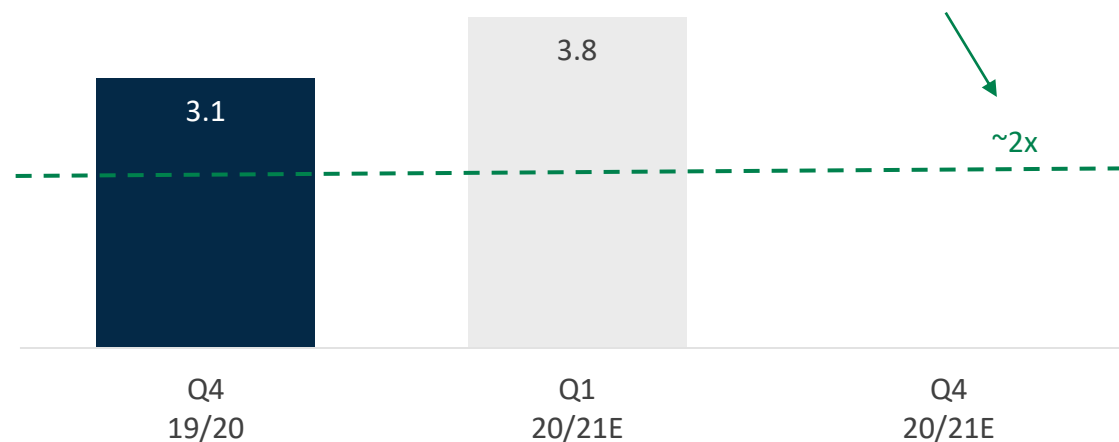
Cash flow reflects HMO investments; leverage to come down from elevated level

Continuing operations / Group Q1 2020/21

CASH FLOW STATEMENT (Continuing operations)

EUR million	Q1 19/20	Q1 20/21
Operating cash flow	29.9	38.8
Cash flow from op. invest. act.	(23.2)	(52.1)
M&A	-	(319.0)
JV	(5.5)	(5.1)
Financing cash flow	(6.3)	315.7
FCF b.a.d.s.i.¹	7.5	(6.9)

LEVERAGE RATIO in net debt/EBITDA b.s.i. (Group)



- Increase in operating cash flow driven by lower taxes paid and higher non-cash adjustments partly offset by a negative development in working capital
- Increase in operating investing cash flow driven (capex-to-sales ratio of 22.4%) driven by the acquisition of the Kalundborg site; capex-to-sales ratio ex. HMO was 12.1% (compared to 10.5% last year)
- Leverage ratio with 3.8x above ambition to be in line with investment grade credit rating due to recent acquisitions

¹ Before acquisitions, divestment and special items.

A year of transition with higher uncertainty due to COVID-19

Guidance 2020/21 (continuing operations)



ORGANIC GROWTH



EBIT MARGIN B.S.I.²



FREE CASH FLOW B.A.S.I.
before divestment²

Outlook 2020/21¹

5-8%

27-28%

EUR 120-160m
with capex of EUR ~150-175m

**Long-term financial
ambition until 2024/25**

**Organic growth CAGR of
mid- to high single-digit**

**Underlying expansion in EBIT margin
b.s.i. before portfolio changes and FX**

**Free cash flow b.a.s.i.
to outgrow absolute EBIT b.s.i.**

¹ The outlook is based on constant currencies and assumes no further acquisitions. The outlook is also based on the current political and economic environment. The depth and duration of a potential global recession, or other negative macroeconomic events, triggered by COVID-19 may affect demand negatively in the medium term, especially in emerging markets, and a combination of quarantine measures and recession may change consumption patterns between eating out, on-the-go and in-home. The various quarantine measures and travel restrictions already imposed around the world make it more difficult to visit customers to advance projects with new innovative solutions, a very important growth driver for Chr. Hansen, and this will slow the progress of the commercial project pipeline in the medium term. The impacts of COVID-19 are continuously being monitored and evaluated for their short- and medium-term effects. 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 overall situation in the Middle East, including any potential sanctions; a deterioration in global trading conditions; and negative consequences of implementing Brexit.

² The guidance for EBIT margin before special items and for free cash flow before acquisitions and special items assumes constant currencies from the time of this announcement and for the remainder of the financial year.

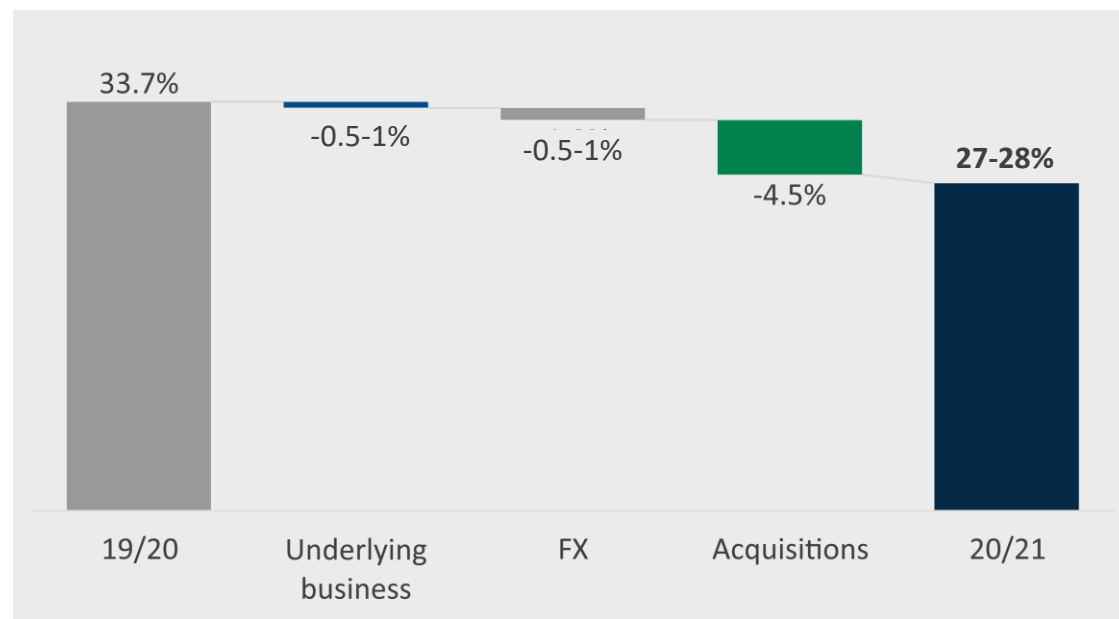
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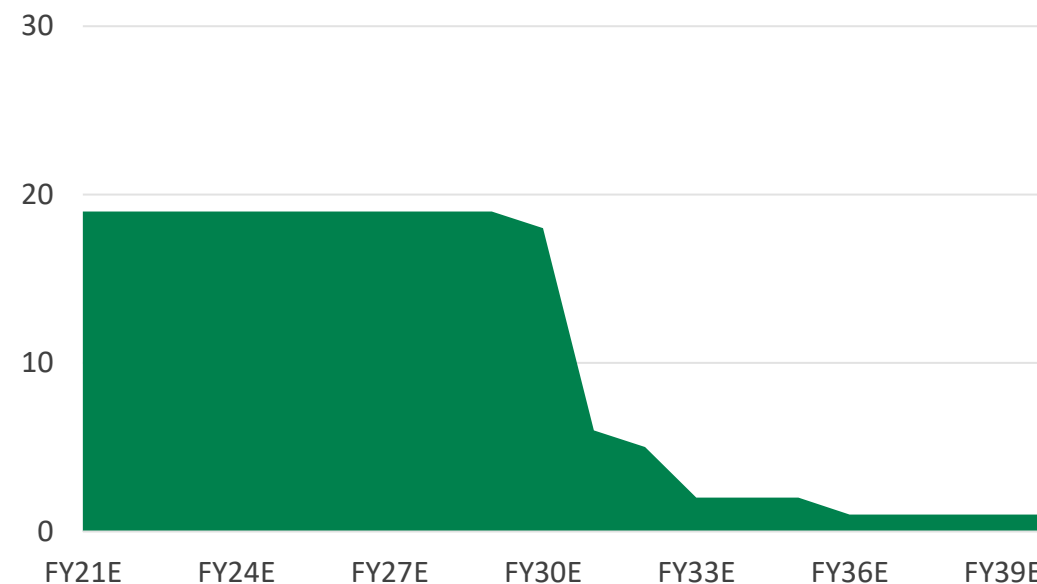
Profitability outlook reflects recent M&A, FX and strategic investments

Guidance 2020/21

EBIT MARGIN B.S.I. BRIDGE (Continuing operations)



PRELIMINARY AMORTIZATION SCHEDULE OF ACQUISITIONS



- Decline in underlying business driven by normalization of cost base following one-offs in FY20 and return to normal spending patterns and 2025 Strategy investments
- Current FX rates suggest up to ~1%-pt. hit for FY21¹
- Special items of EUR 15-20m expected for FY21

- PPA amortizations of around EUR 15-20m until 2030 (preliminary estimate)

¹ Main exposure relates to USD and CNY: +/- 5% change in EUR/USD will impact the revenue by EUR ~20m and EBIT by EUR ~12m and a +/- 5% change in EUR/CNY will impact the revenue by EUR ~5m and EBIT by EUR ~4m.

Financial calendar

April 15, 2021

Interim Report Q2 2020/21

July 8, 2021

Interim Report Q3 2020/21

October 14, 2021

Annual Report 2020/21

November 24, 2021

Annual General Meeting 2021

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