



Chr. Hansen Roadshow presentation

Q2 2020/21

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Chr. Hansen is a microbial powerhouse

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



FOOD CULTURES & ENZYMES

66% of revenue YTD 2020/21 (cont. operations)

DAIRY CULTURES



PROBIOTICS



DAIRY ENZYMES



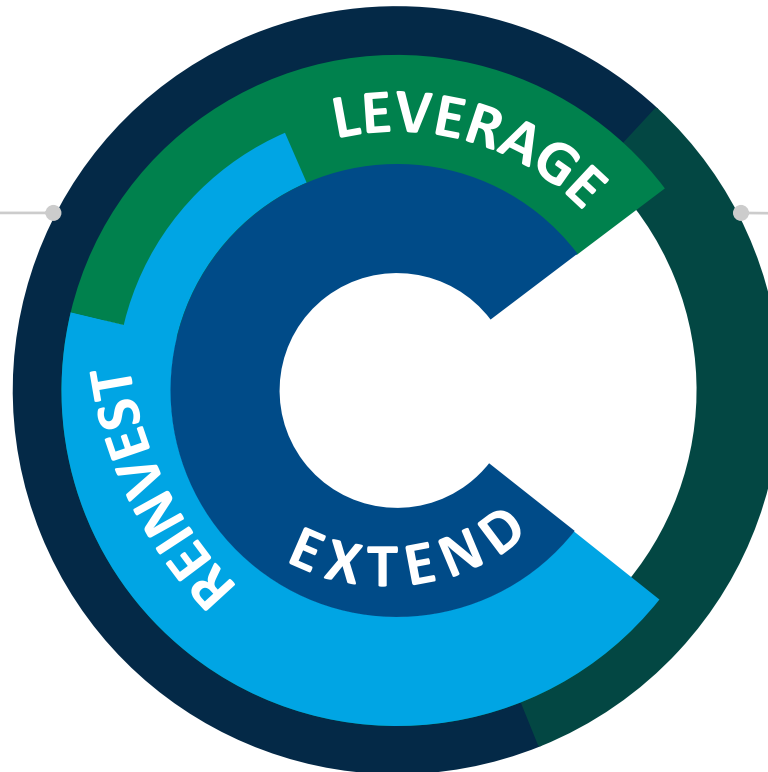
WINE & MEAT



BIO-PROTECTION



FERMENTED PLANT BASES



HEALTH & NUTRITION

34% of revenue

HUMAN HEALTH



PLANT HEALTH



ANIMAL HEALTH



BACTHERA¹
(Live biotherapeutics)



HMOS²



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

² Human Milk Oligosaccharides.

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

CHR HANSEN

Improving food & health

We address global challenges

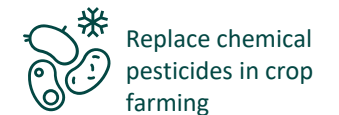
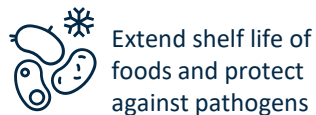
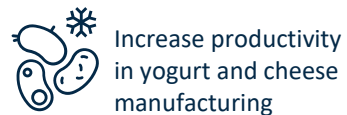
with the Power of Good Bacteria™



FOOD CULTURES & ENZYMES



Our Good Bacteria can:



HEALTH & NUTRITION



CHR HANSEN

Improving food & health

Our underlying markets remain attractive

supported by megatrends and increasing adoption of microbial solutions

FOOD CULTURES & ENZYMES



FRESH DAIRY

Estimated market growth

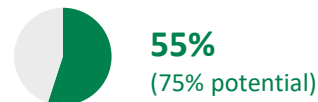
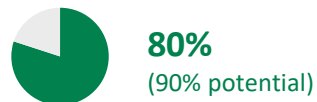
4-5% FY15-19
2-2.5% FY20-25



CHEESE

2-3% FY15-19
1-2% FY20-25

Current penetration rates of microbial solutions¹



HEALTH & NUTRITION



HUMAN HEALTH

10% FY15-19
5-7% FY20-25



ANIMAL HEALTH

7-8% FY15-19
7-8% FY20-25



PLANT HEALTH

15-18% FY15-19
15-18% FY20-25



HMOs

>30% 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.

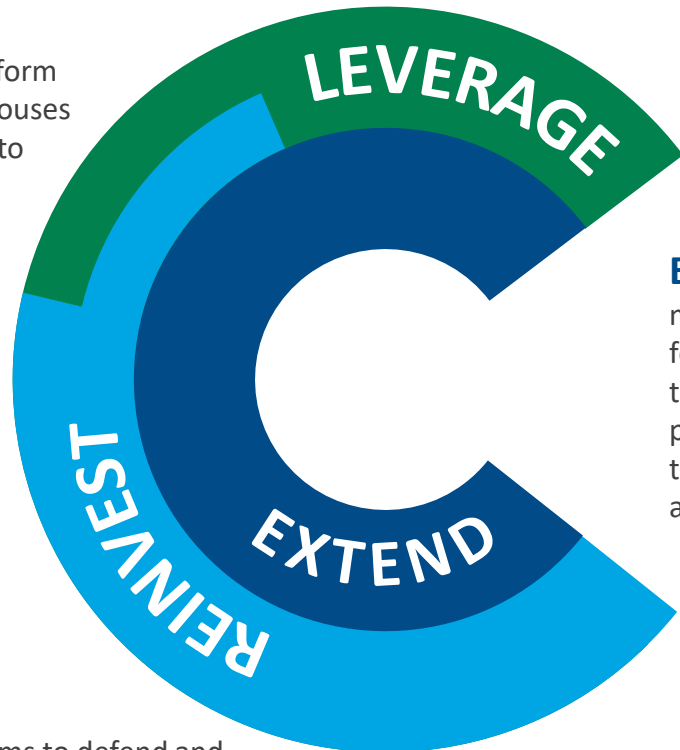
2025 Strategy: Creating a differentiated bioscience company

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



EXTEND

microbial and fermentation technology platforms through M&A and partnerships

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

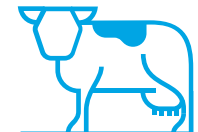


Probiotics
for fermented milk

NEW:
Probiotics
in food



Human Health
Dietary supplements
and infant formula



Animal Health
Cattle, swine
and poultry

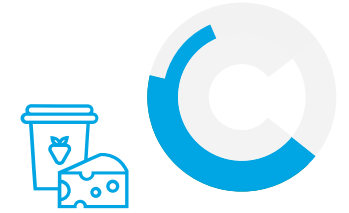
NEW:
Pet food

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Improving food & health

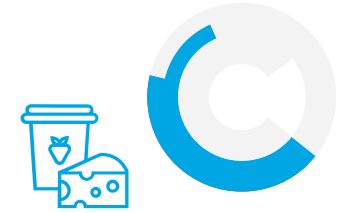
FC&E growth model

supports 5-7% organic growth during the strategy period

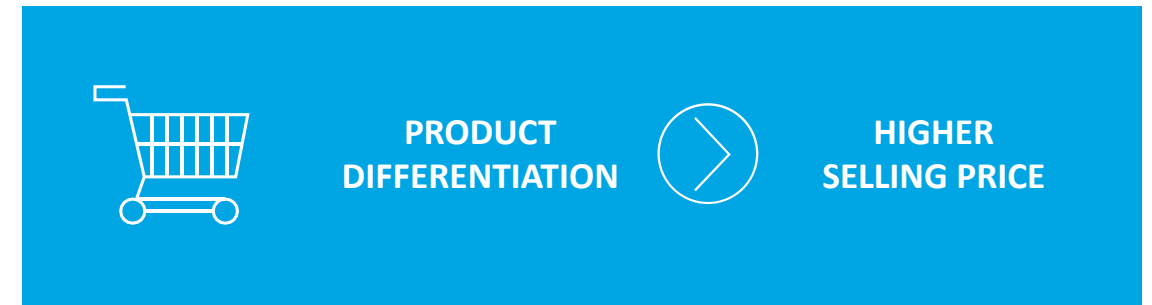


We will reinvest in our core dairy business

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



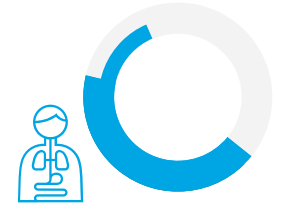
Product	Benefit	Saving in % of COGS ¹
YIELDMAX [®]	Yield improvement	1-1.5%
CHY-MAX [®] Supreme	Yield improvement	1-1.5%
ACIDIFIX [®]	Savings on protein	2-3%
YOFLEX [®] Premium	Protein savings due to better texture	~1%
SWEETY [®]	Sugar saving	~0.5%

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

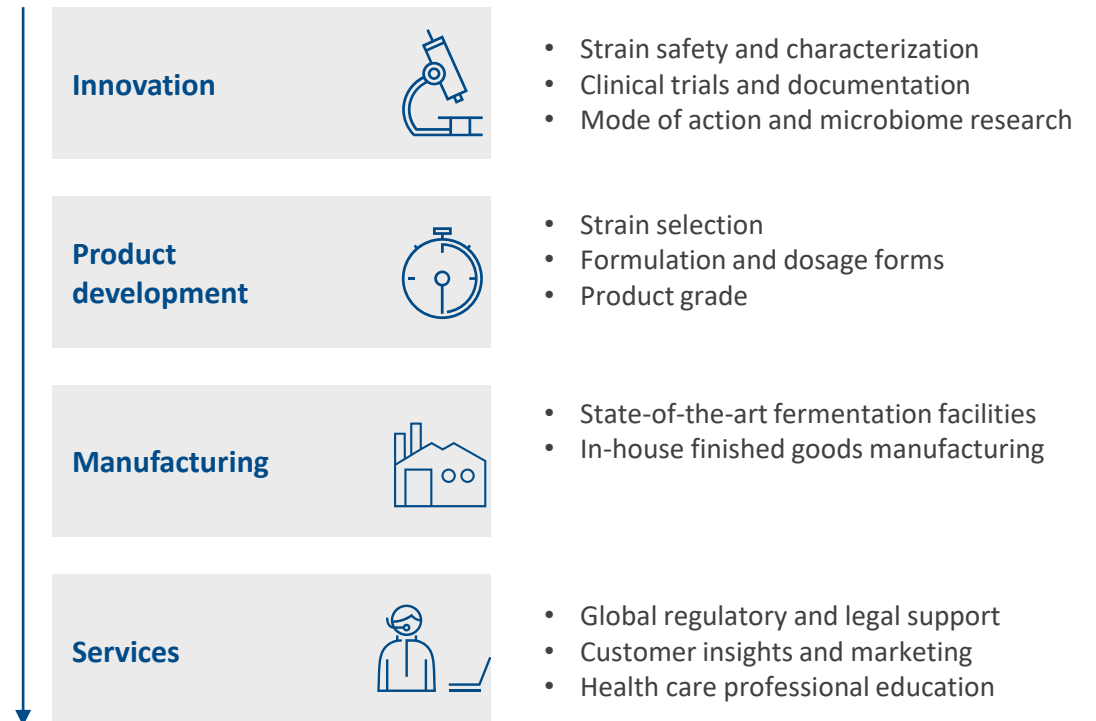
through science leadership and expansion into new customer groups and segments



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

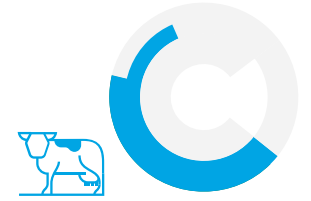


WITH THE ACQUISITIONS OUR INTERNAL CAPABILITIES COVER THE ENTIRE VALUE CHAIN FROM STRAIN TO SOLUTION



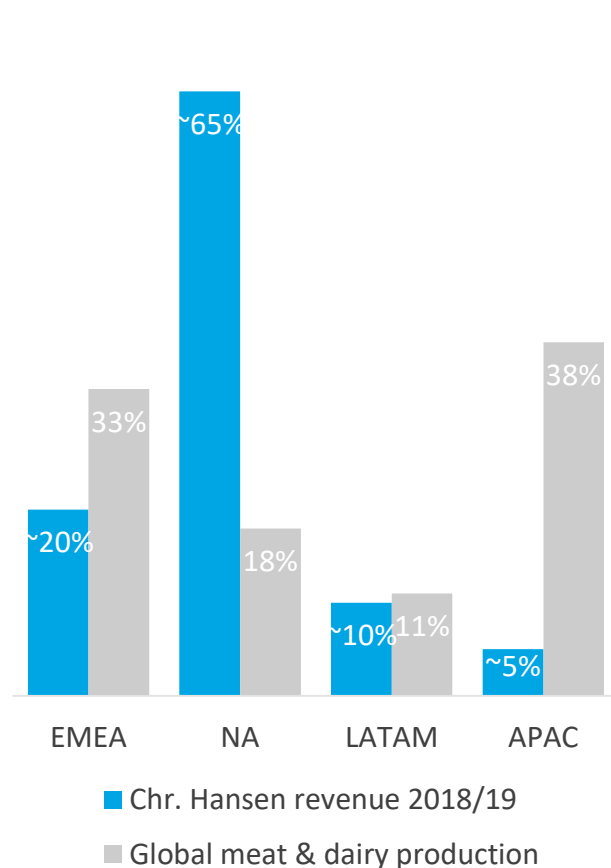
We continue to expand our market presence in Animal Health

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



EXPANDING OUTSIDE OF NORTH AMERICA

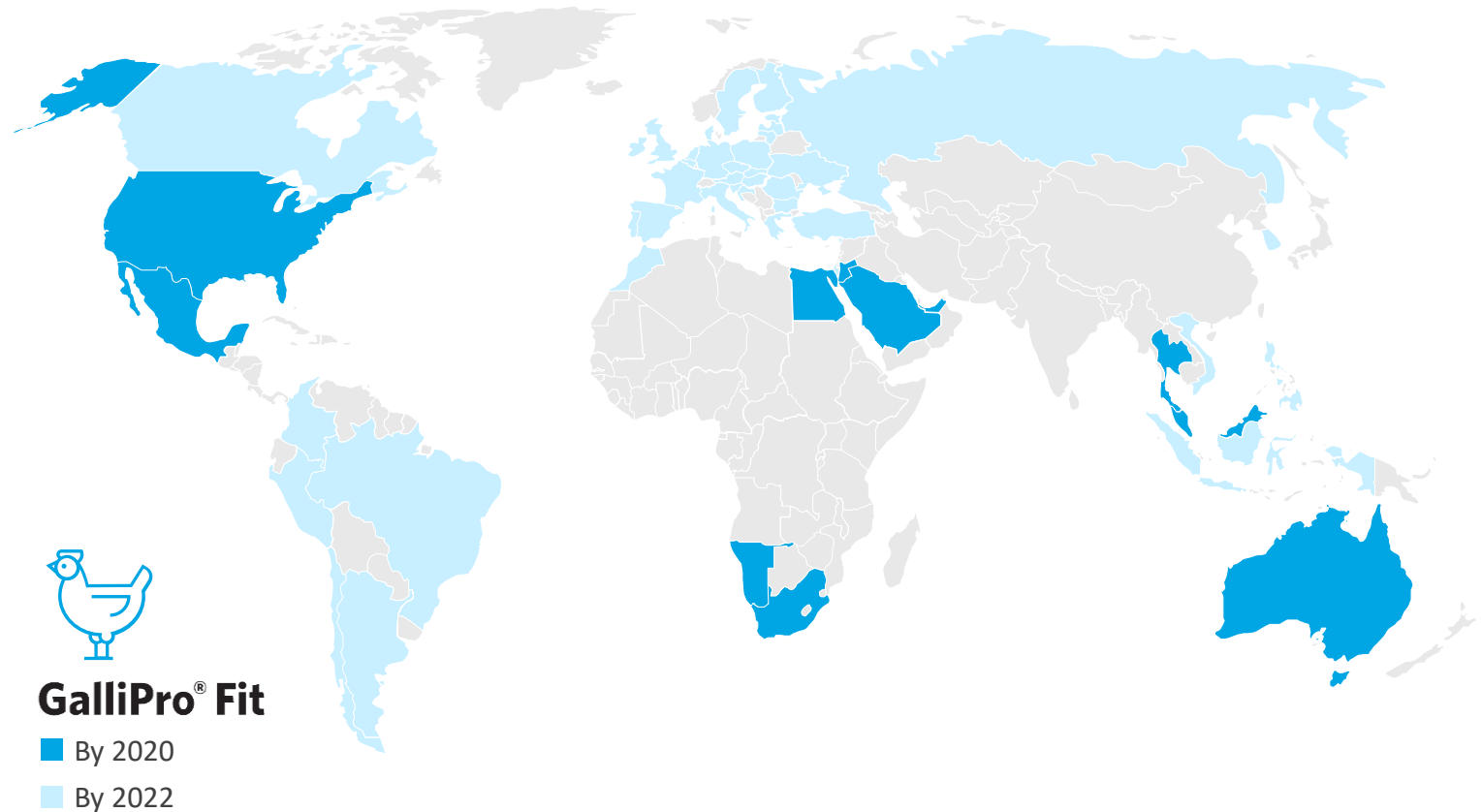
Animal Health revenue vs. global meat and dairy production volumes by regions¹



¹ FAOSTAT (2018).

GLOBAL ROLL-OUT OF PRODUCT PORTFOLIO

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



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Improving food & health

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

Estimated addressable markets¹

EUR 200m

2025

EUR 1bn

Long-term

EUR <100m

2025

EUR >100m

Long-term

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)

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



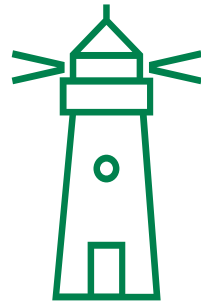
Changing consumer preferences with focus on health and more sustainable consumption



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

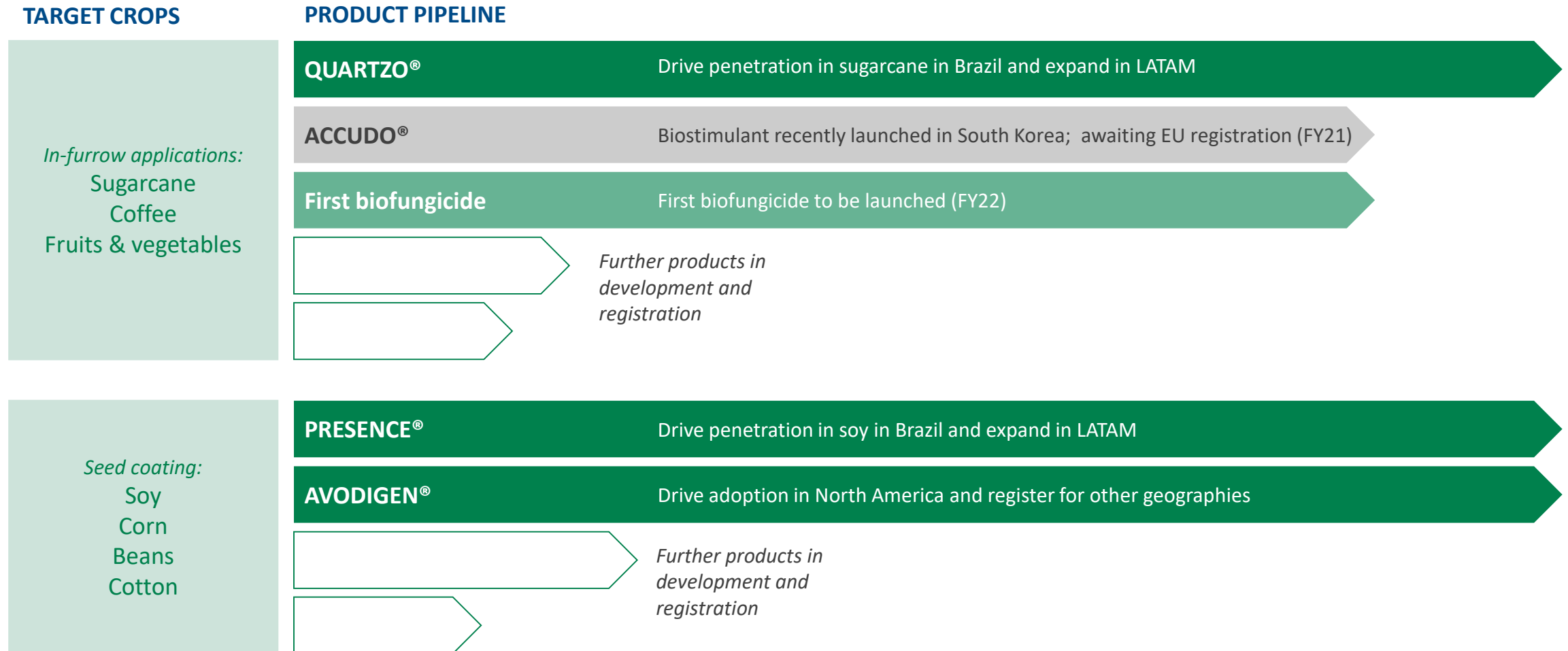
EXPLORE

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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

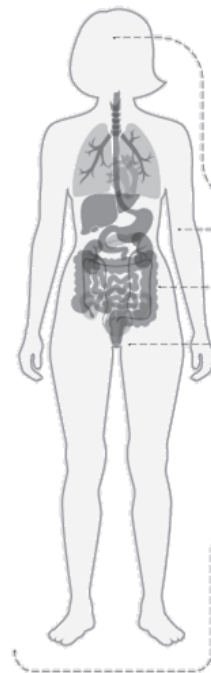


Our joint venture Bacthera is a crucial enabler

for the live biotherapeutics industry that is developing rapidly



RAPIDLY EMERGING MARKET FOR LIVE BIOTHERAPEUTICS



+100 THERAPIES TARGETING MICROBIOME IN DEVELOPMENT

Depression, Alzheimer's, Parkinson's

Psoriasis, acne, atopic dermatitis

Crohn's disease, IBD, C. diff. infection

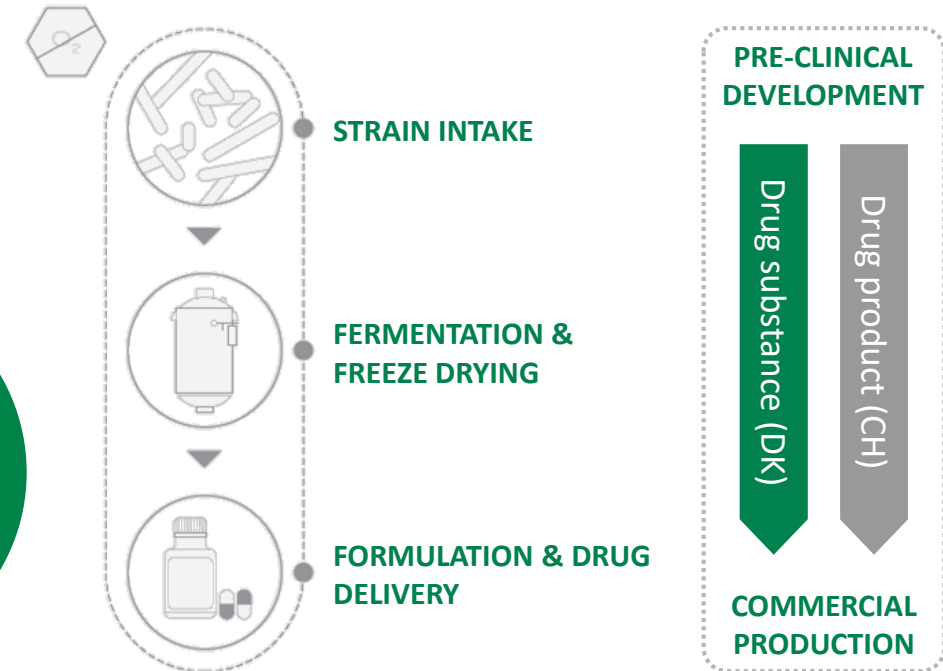
Urinary infection, fertility issues

Cancer (with immunotherapy), diabetes, obesity, allergy

EUR >1bn
long-term
market potential

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

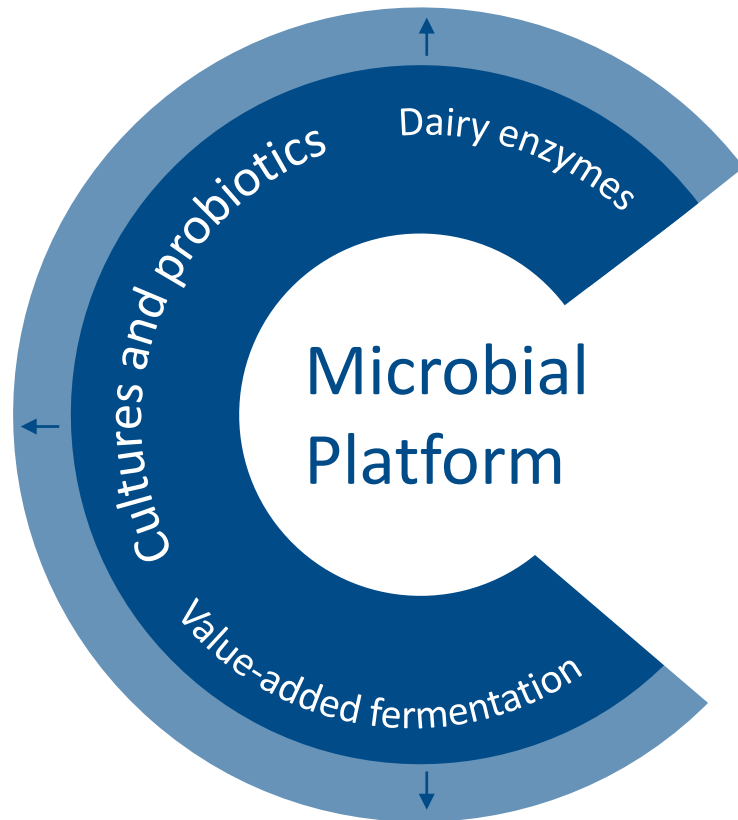
FULL SUPPLY CHAIN OFFERING WITH TRULY DISTINCT CAPABILITIES



- Organization established (+50 FTEs) and first customer contracts signed; strong pipeline
- Supply chain build-out progressing well with first phase of investments completed (total investment of EUR 90m in 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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Improving food & health

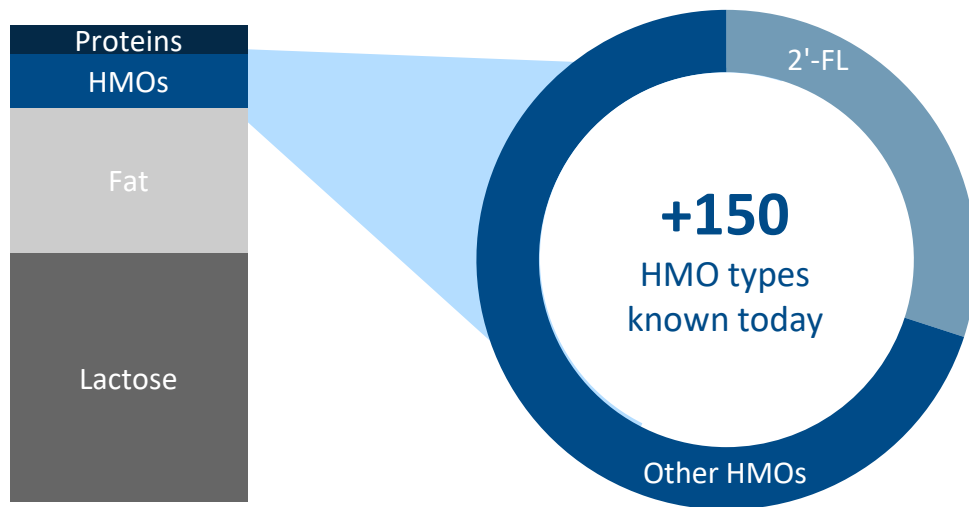
Attractive growth prospects for HMOs globally

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



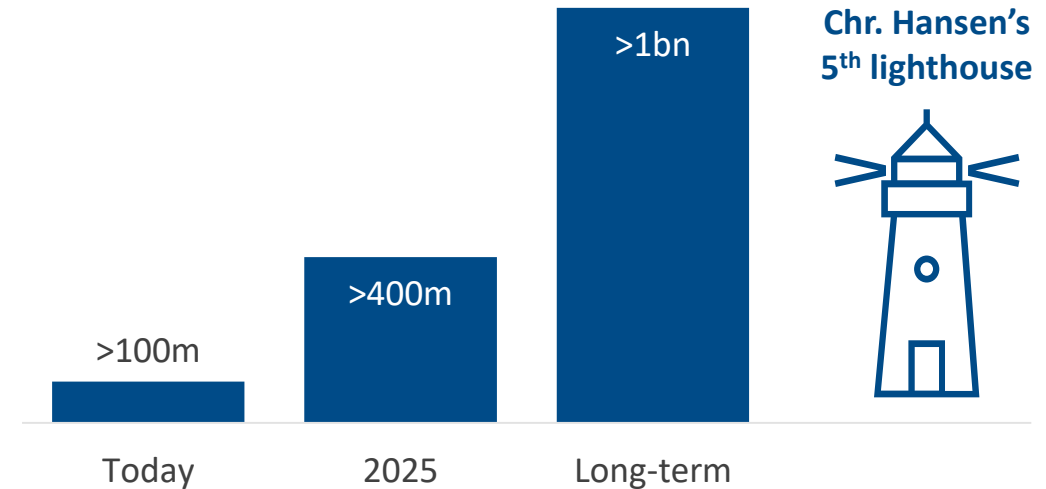
HMOs ARE THE THIRD LARGEST COMPONENT IN HUMAN MILK

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

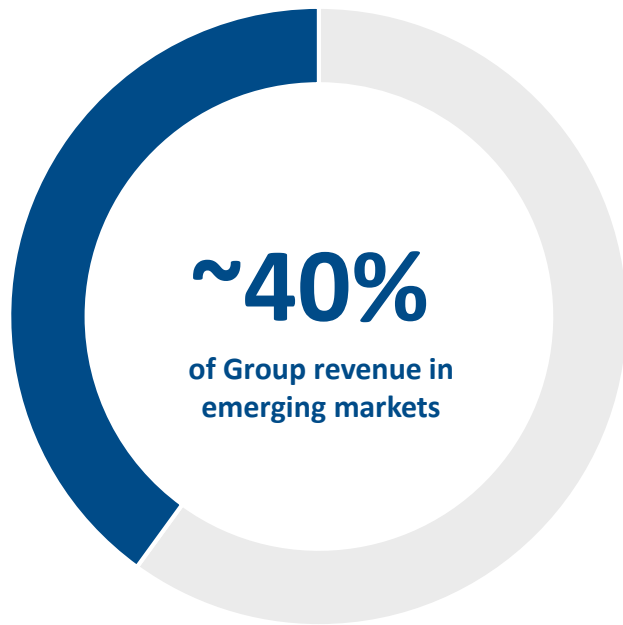
¹ Management estimates.

We will further expand our customer base and global reach

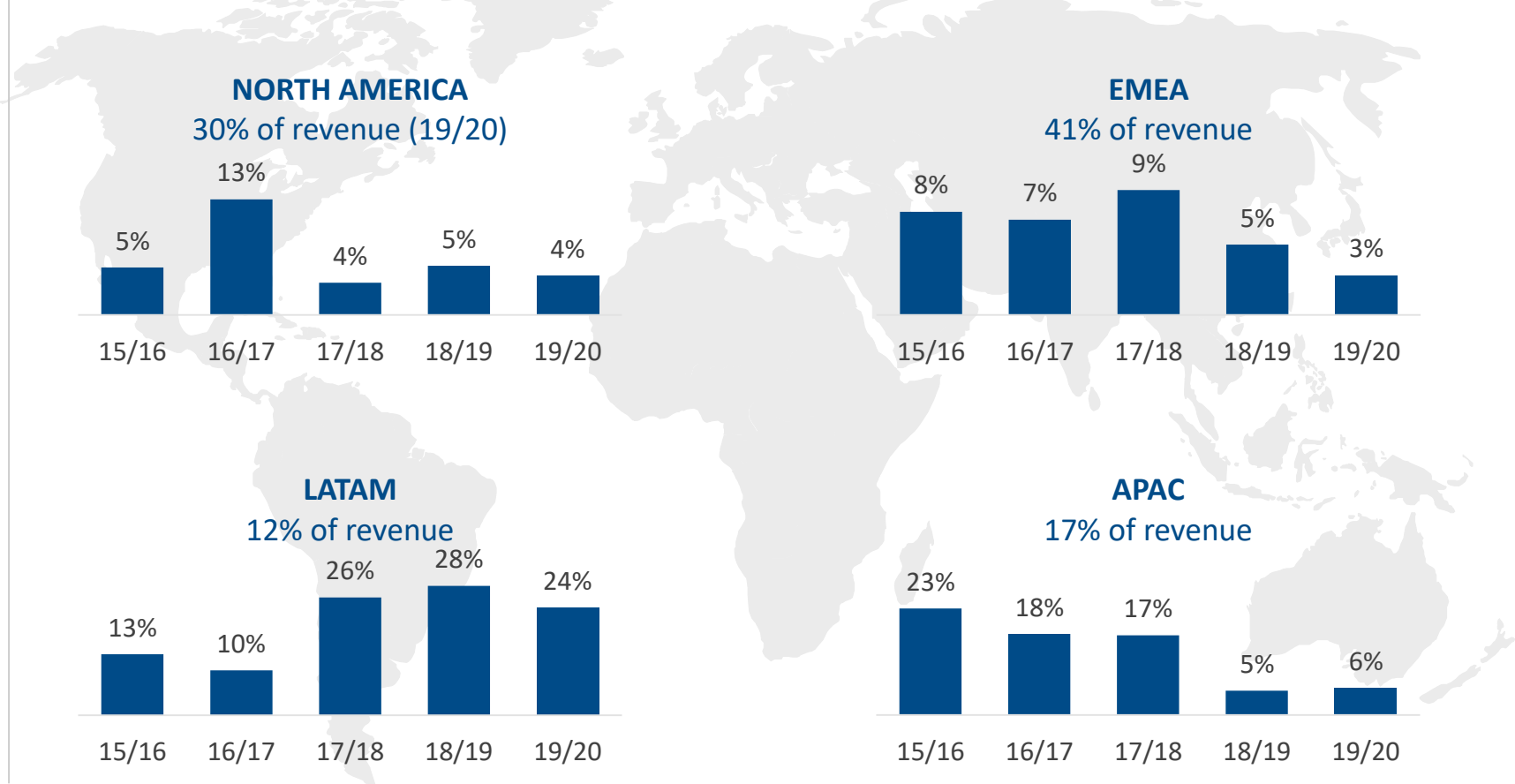
to drive growth, both in developed and emerging markets



Revenue split 19/20

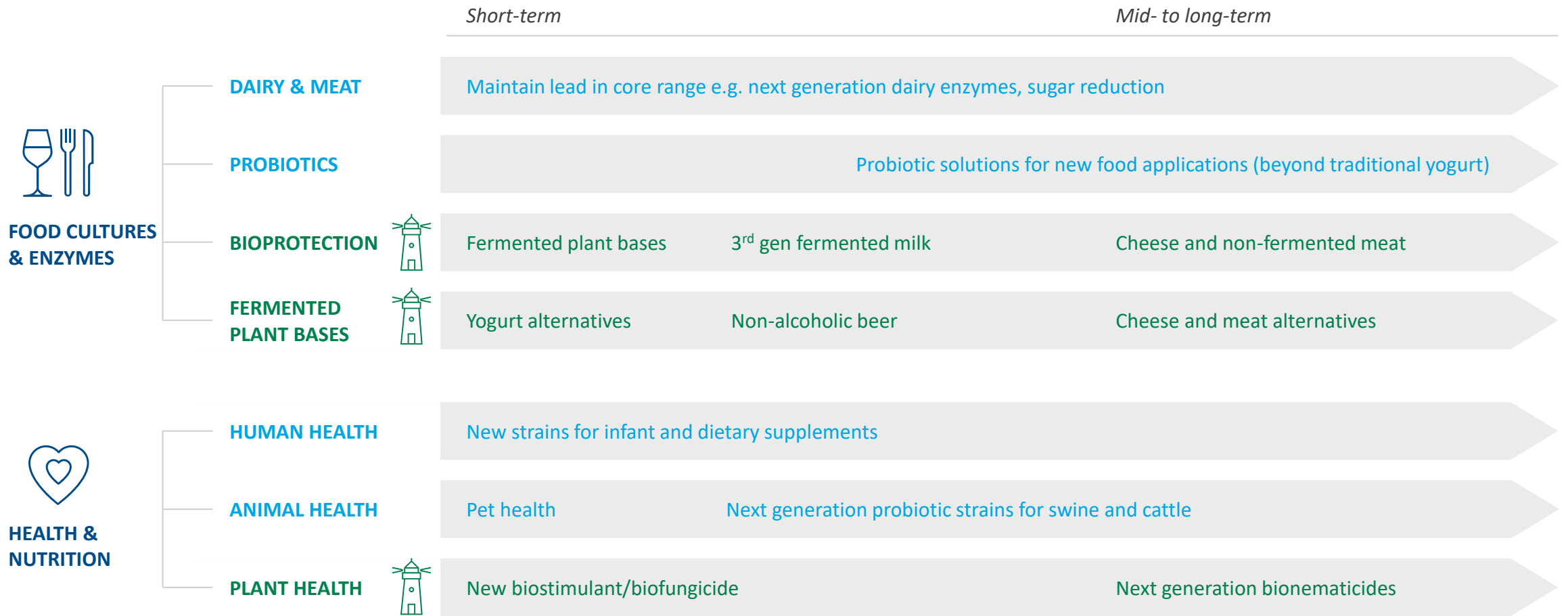


Organic sales growth by region (continuing operations)



We will accelerate commercialization of new innovation

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



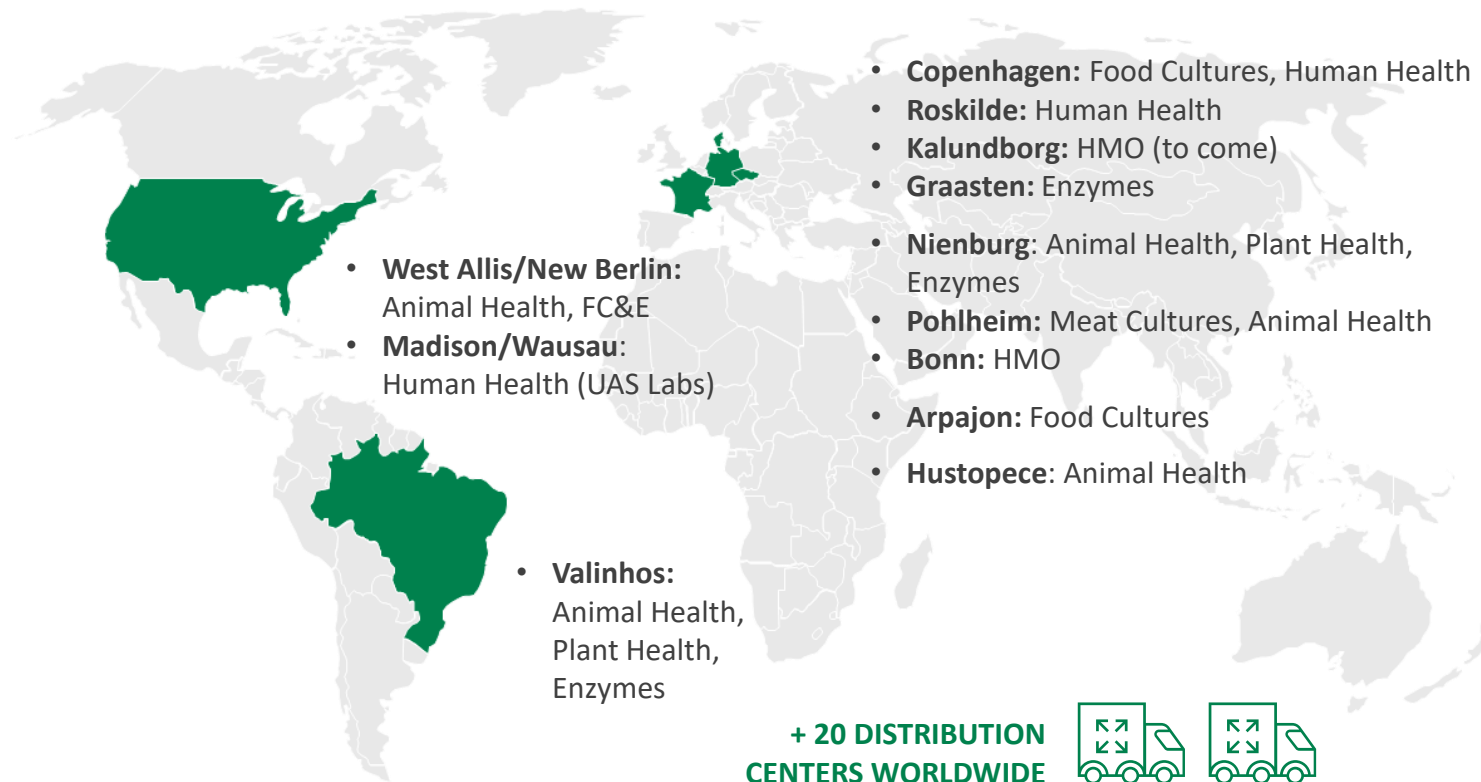
We will realize scalability benefits and operational efficiencies

across our global production footprint



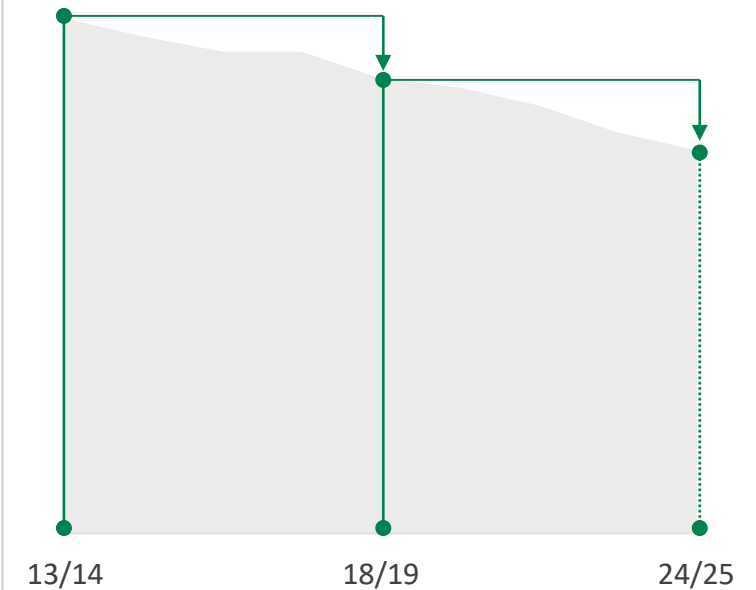
ONE PLANT – MANY LOCATIONS

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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Improving food & health



We work for a better world

We rely on each other

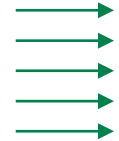
We act with freedom

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

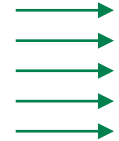
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Executive compensation linked to sustainability targets

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

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	70%	100%
CFO/EVP	50%	70%

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.



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



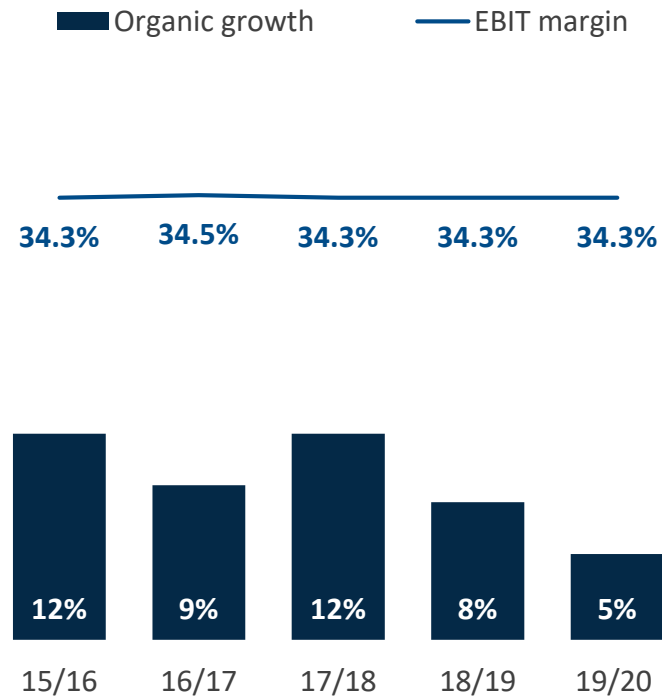
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Improving food & health

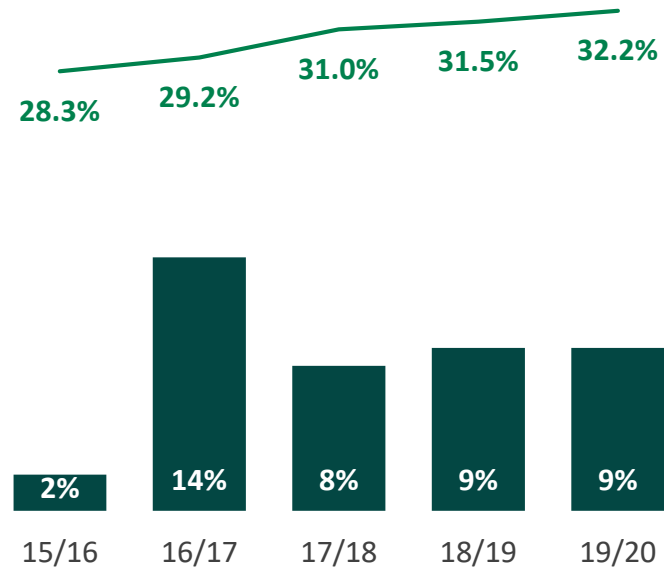
We aim for industry-leading organic growth

across our two segments

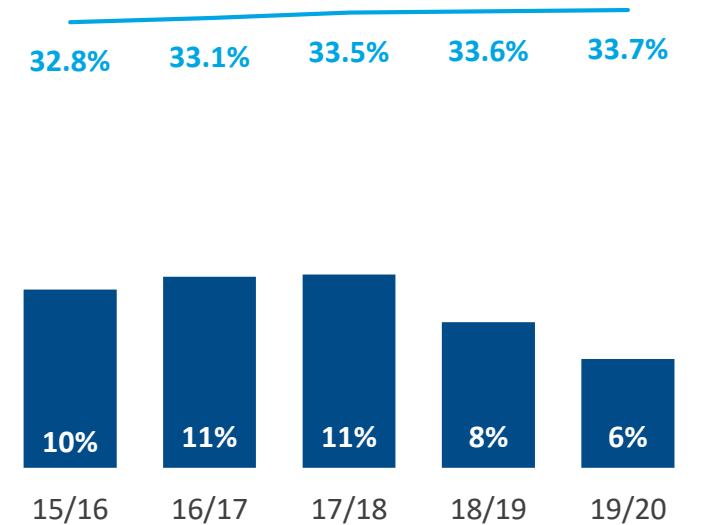
FOOD CULTURES & ENZYMES



HEALTH & NUTRITION



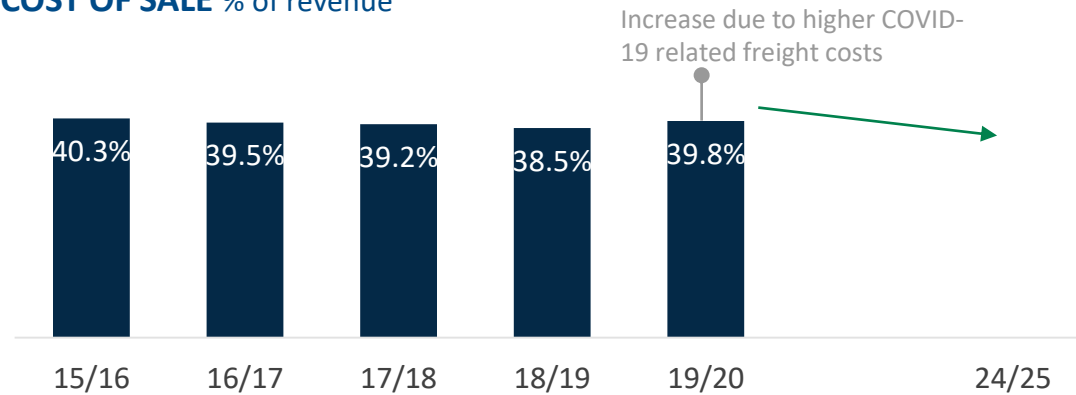
CONTINUING OPERATIONS



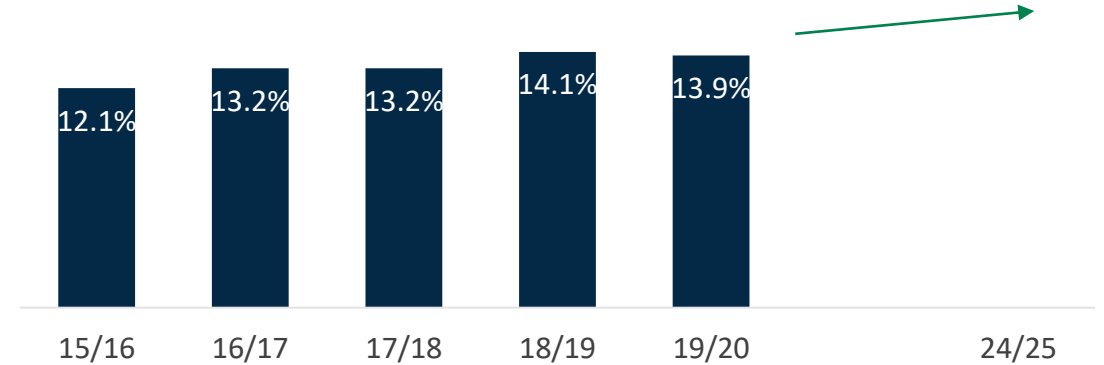
We remain committed to driving gross margin expansion

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

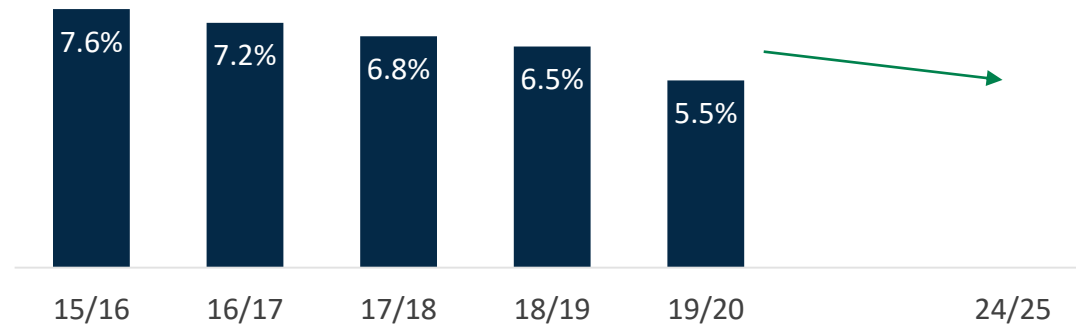
COST OF SALE % of revenue



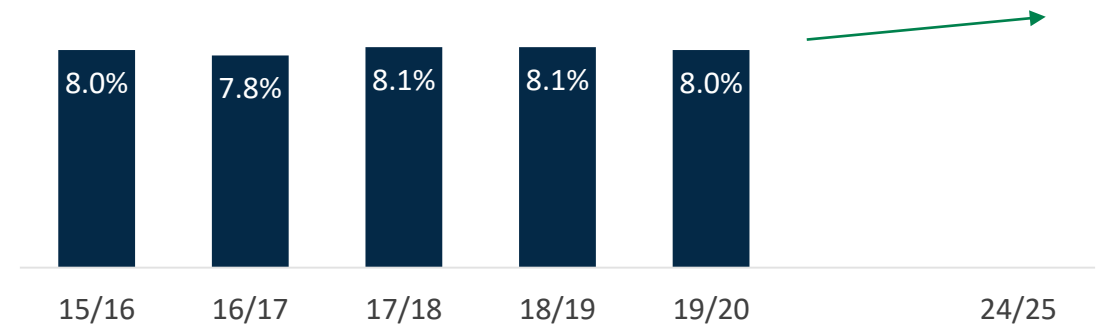
SALES & MARKETING EXPENSES % of revenue



ADMINISTRATIVE EXPENSES % of revenue



R&D EXPENSES INCL. CAPITALIZATIONS % of revenue

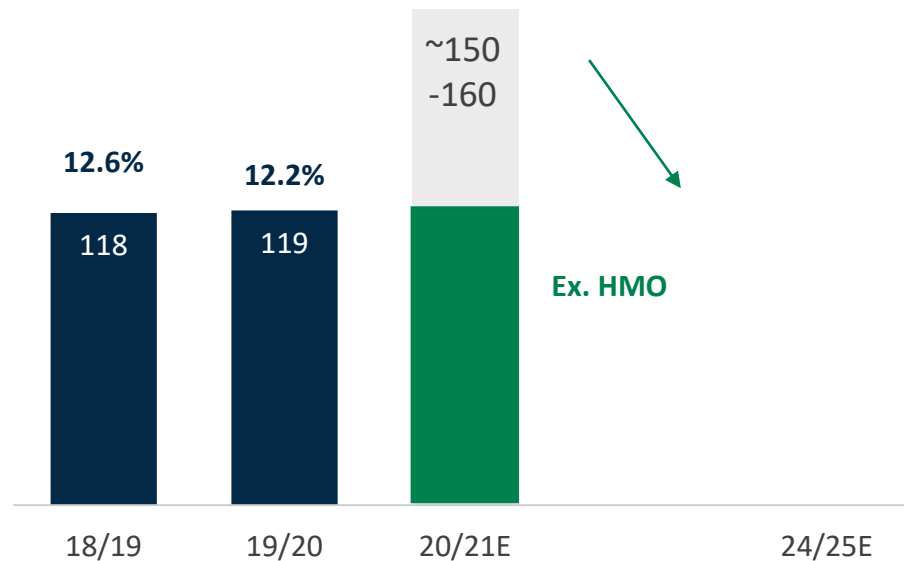


Note: Restated figures for continuing operations (Microbial Platform).










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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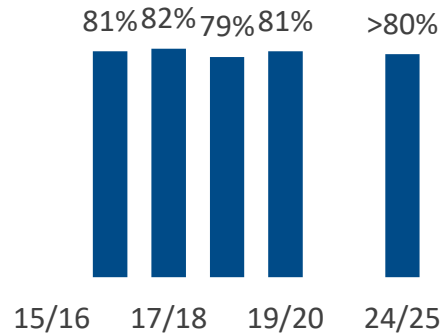
Improving food & health

We have ambitious sustainability targets

across our three dimensions Products, Planet and People

PRODUCTS

CONTRIBUTION TO GLOBAL GOALS
in % of gross revenue¹



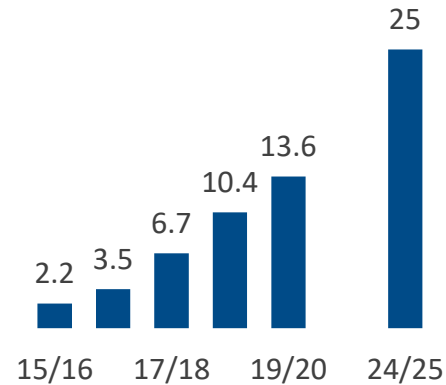
PLANET

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

PEOPLE

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

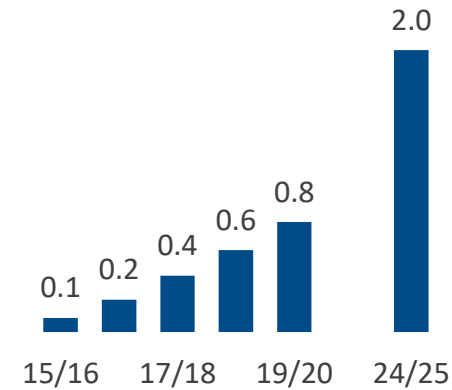
FARMLAND TREATED WITH NATURAL SOLUTIONS² in ha



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

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

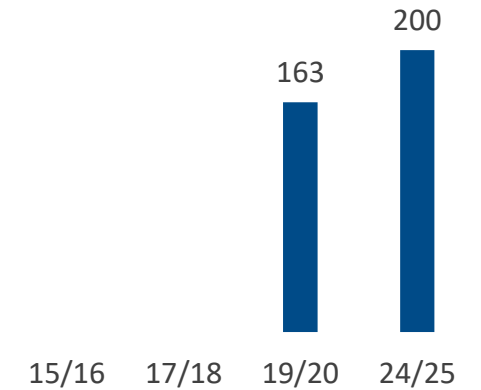
YOGURT WASTE SAVED in tons



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.

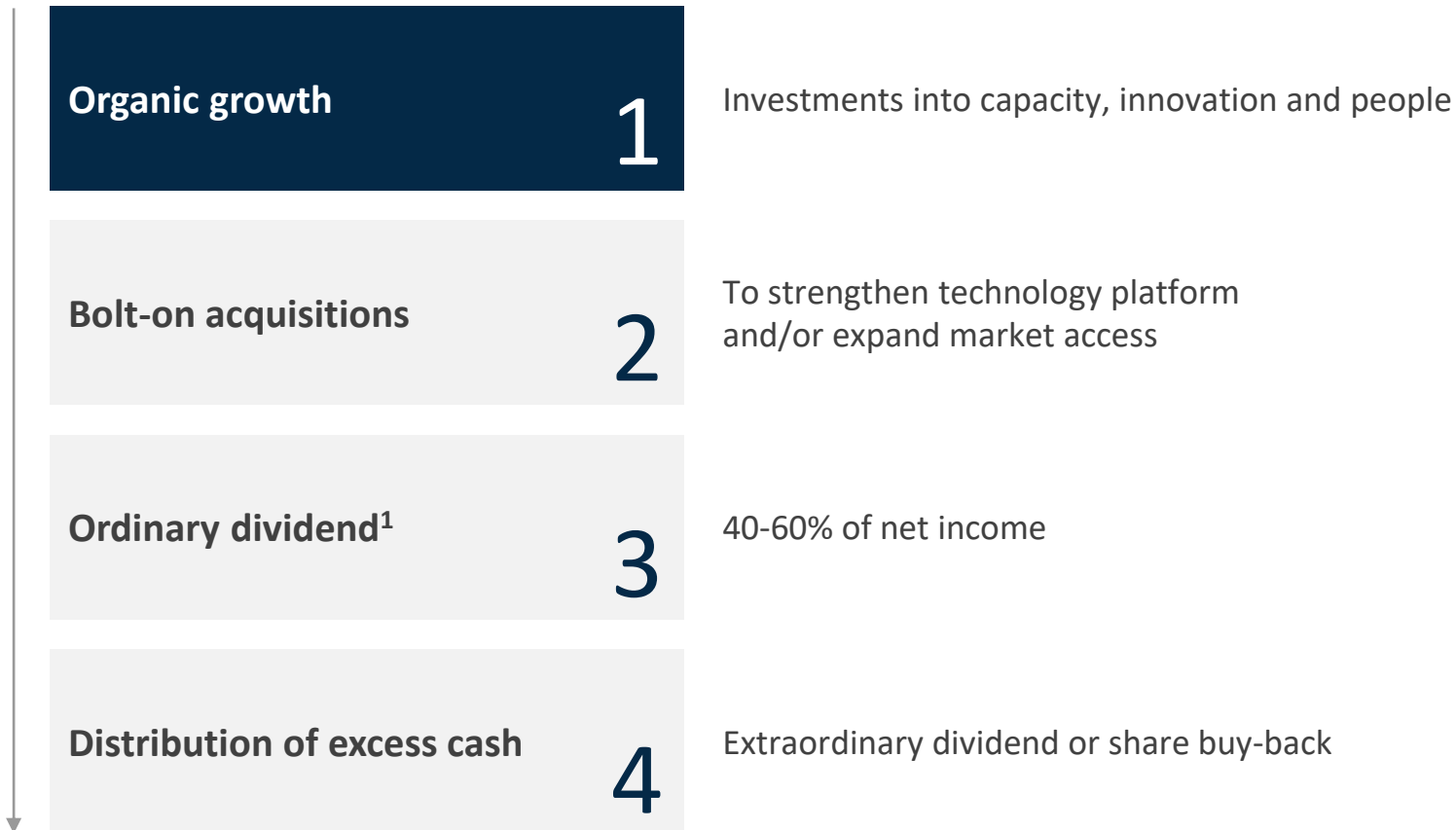
² Plant Health or silage inoculants.

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

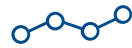
- X** Pursue acquisitions in unrelated areas
- X** Expand outside microbial and fermentation platform
- X** Expand enzyme business outside food enzymes
- X** Become an integrated solutions provider
- X** Become a full value-chain pharma company

Q2 2020/21 Results



Continued strong organic growth momentum during global pandemic

Financial highlights Q2/YTD 2020/21(continuing operations)



ORGANIC GROWTH



EBIT MARGIN

before special items



FREE CASH FLOW

before acquisitions & divestments and special items

Q2 2020/21

10%
Q2 2019/20: 6%

30.9% underlying¹
27.0% reported
Q2 2019/20: 32.2%

EUR 42m
Q2 2019/20: 42m

YTD 2020/21

10%
YTD 2019/20: 4%

29.8% underlying¹
26.1% reported
YTD 2019/20: 30.7%

EUR 35m
YTD 2019/20: 49m

¹ Underlying EBIT margin b.s.i. excludes recent acquisitions. See Q2 2020/21 company announcement, p. 20 for reconciliation.

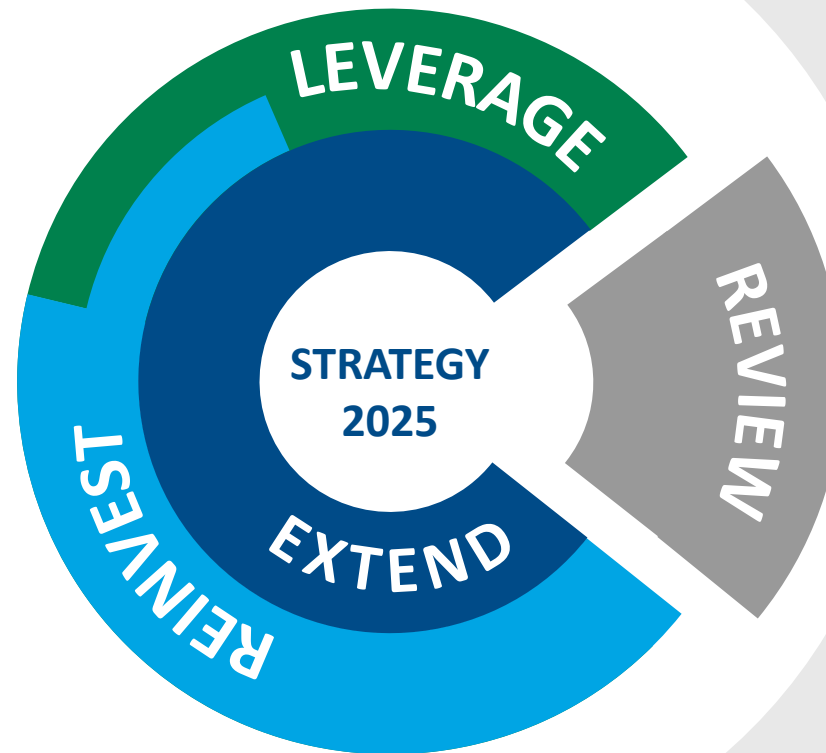
Starting a new chapter as a microbial pureplay after successful NCD divestment

Strategic highlights Q2 2020/21

REINVEST in core platforms to defend and further strengthen market position

LEVERAGE Microbial Platform to grow lighthouses and expand into new areas

EXTEND microbial and fermentation technology platforms through M&A and partnerships



REVIEW

strategic options for non-microbial assets

- Divestment of Natural Colors to EQT completed as of March 31 for a total consideration of EUR 800m on a cash- and debt-free basis
- Includes business operations in more than 30 countries and around 600 employees (FY20: EUR 219m revenue and EUR 29m EBIT)
- Full legal transition in a few countries will be finalized during the coming months
- Estimated impact on profit from discontinued operations of around EUR 650m after taxes and transaction costs
- Chr. Hansen to provide transition services to NCD for a period of up to two years

Strong growth in APAC despite continued weakness in Chinese yogurt market

Regional highlights Q2/YTD 2020/21 (continuing operations)

EMEA

38% of revenue YTD



+4%

organic growth in Q2
(Q2 2019/20: +2%)

+6%

organic growth YTD
(YTD 2019/20: (1%))

- **Q2/YTD:** FC&E grew solidly whilst H&N declined due to softness in Human Health, Animal Health with very strong growth

NORTH AMERICA

31% of revenue YTD



+7%

organic growth in Q2
(Q2 2019/20: +7%)

+8%

organic growth YTD
(YTD 2019/20: +8%)

- **Q2/YTD:** FC&E and H&N with solid growth; in Animal Health growth accelerated in Q2, whilst Human Health declined due to softness in dietary supplements

LATIN AMERICA

13% of revenue YTD



+32%

organic growth in Q2
(Q2 2019/20: +18%)

+36%

organic growth YTD
(YTD 2019/20: +14%)

- **Q2/YTD:** Very strong growth in FC&E and H&N; EUR pricing accounted for approx. 2/3

APAC

18% of revenue YTD



+10%

organic growth in Q2
(Q2 2019/20: +4%)

+3%

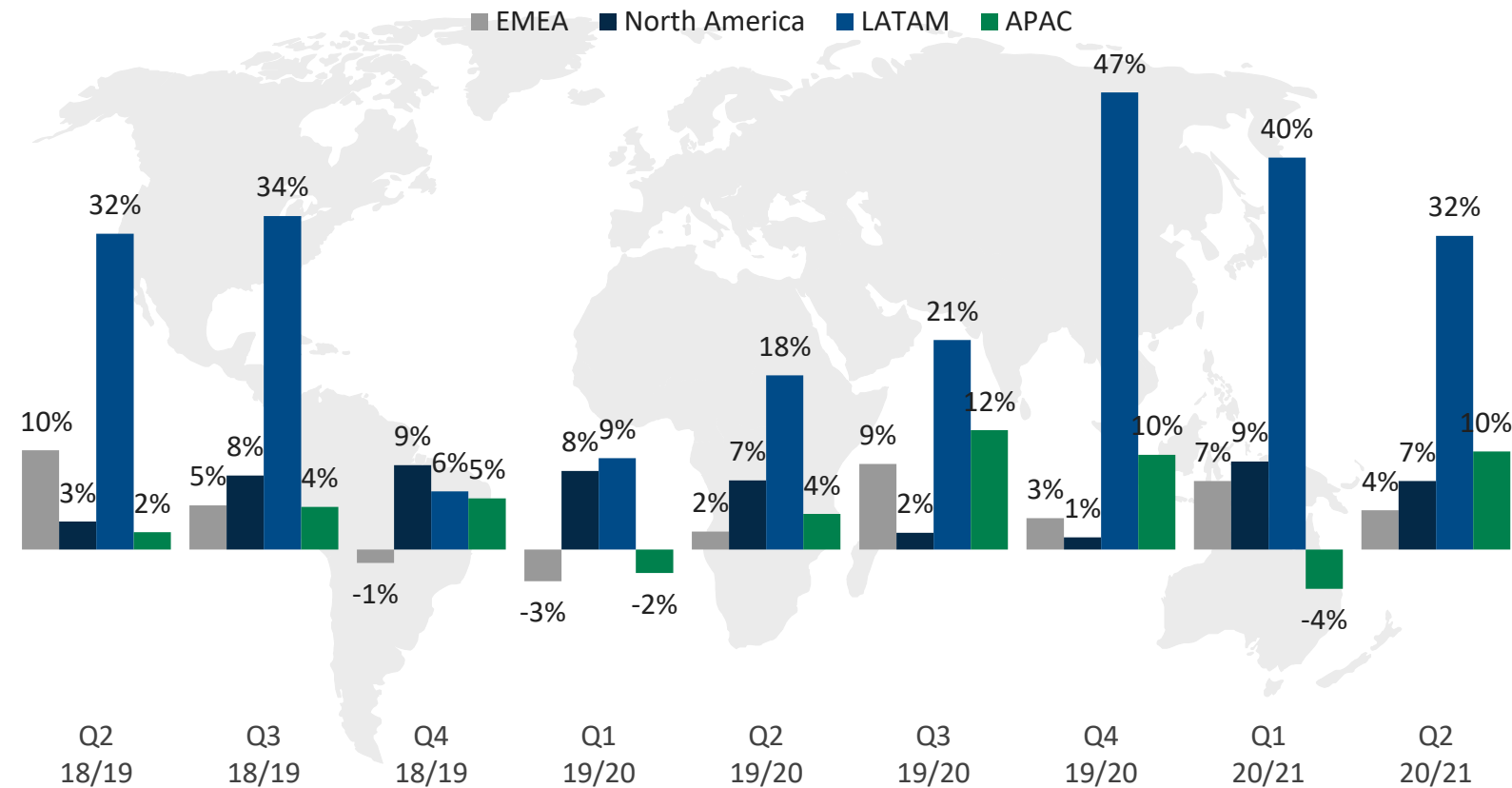
organic growth YTD
(YTD 2019/20: +1%)

- **Q2/YTD:** FC&E declined due to continued weakness in China, whilst H&N grew very strongly

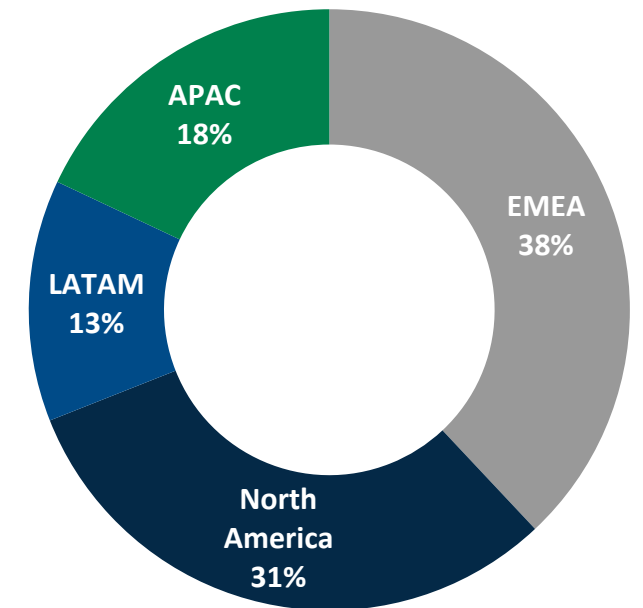
Regional performance by quarter

Continuing operations Q2 2018/19 – Q2 2020/21

ORGANIC GROWTH



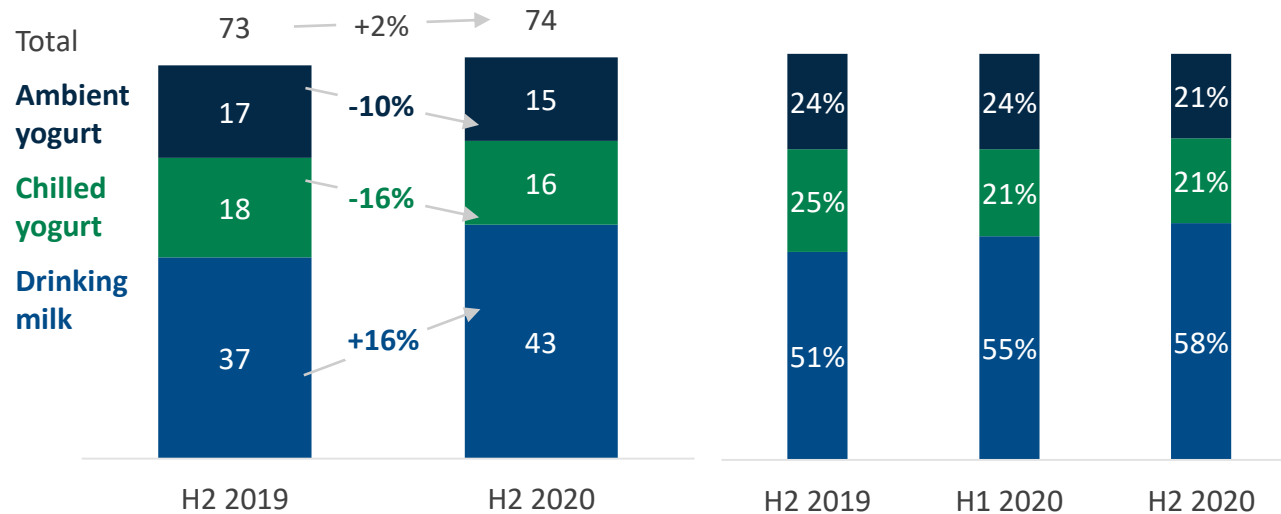
REVENUE SPLIT YTD 20/21



Chinese dairy market: Shift towards drinking milk has led to a decline in production and demand for fermented products

COVID-19 HAS TRIGGERED A SHIFT IN LOCAL DAIRY CONSUMPTION WITH DRINKING MILK GROWING ON THE EXPENSE OF FERMENTED PRODUCTS

Chinese dairy market retail value¹
(in RMB billion / % growth YoY)



TWO MAIN DRIVERS:

1. Consumer choices/ affordability

Drinking milk on average less expensive than yogurt



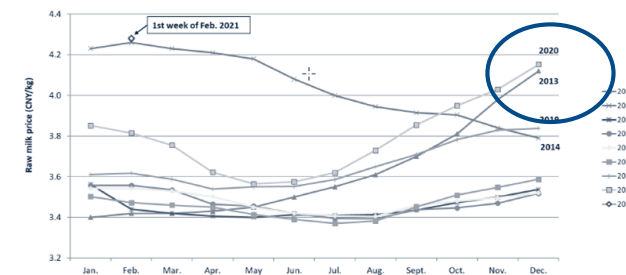
<10 - >20 RMB/l Drinking milk

Yogurt <20 - >60 RMB/l



2. Producers shifting priorities

Average Chinese raw milk producer prices on very high levels



Reacceleration of market growth to mid-single digit to be driven by government support to consume more dairy, economic growth, investments into local dairy farming industry that will rebalance demand/supply and need for innovation

¹ Calendar year not Chr. Hansen financial year. Retail value is considered a reasonable proxy for volume growth.
Sources: AC Nielsen, GIRA.

Chr. Hansen well-positioned to capture growth in China going forward

and outperform the market via upselling and innovation



CHR. HANSEN'S CHINA STRATEGY

CORE	<ul style="list-style-type: none"> Defend existing business & increase share in affordable yogurt segment Market to grow 4-6% until 2025; muted in 2020 and 2021
UP-/ CROSS-SELLING	<ul style="list-style-type: none"> Promote product offering to drive efficiencies in environment of lower growth and cost pressure as well as solutions to differentiate
INNOVATION	<ul style="list-style-type: none"> Expand share of wallet in yogurt with new concepts tailored to local market needs and consumer preferences
CUSTOMER BASE	<ul style="list-style-type: none"> Intensify innovation and development partnership with key accounts Increase share with SME¹ that stand for ~30% of market
LOCAL PRESENCE	<ul style="list-style-type: none"> Strengthen local application and commercial capabilities
BEYOND YOGURT	<ul style="list-style-type: none"> Build a market for cheese and dairy alternatives Explore opportunities in fermented beverages and meat
BEYOND CHINA	<ul style="list-style-type: none"> Expand with Chinese dairies outside their home market

¹ Small and medium-sized enterprises.

Continued strength in cheese and enzymes tempered by slight growth in yogurt

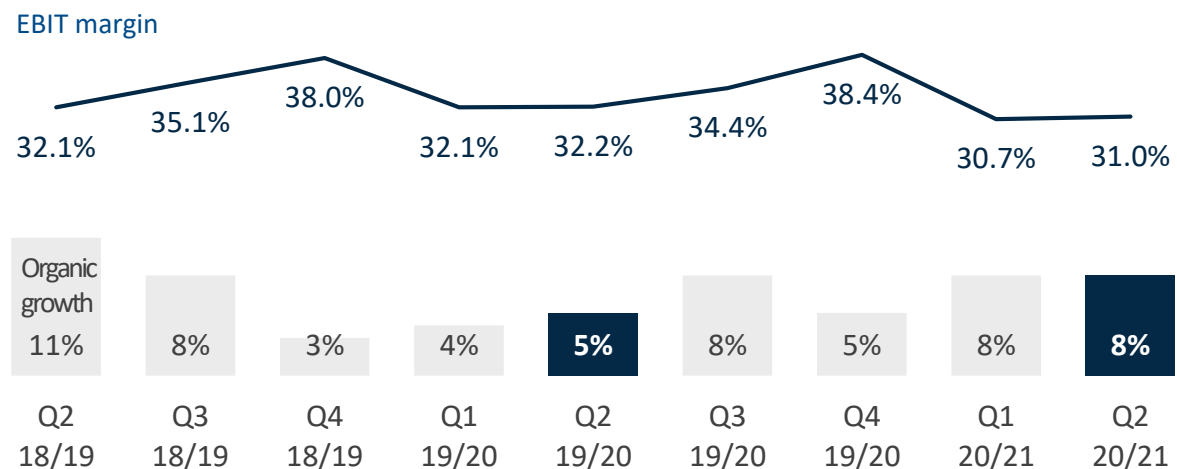
Food Cultures & Enzymes Q2/YTD 2020/21

SALES PERFORMANCE

- **Q2:** Very strong growth in enzymes and meat followed by strong growth in cheese and bioprotection and slight growth in fermented milk; probiotics declined
- **YTD:** Organic growth was primarily driven by very strong growth in enzymes and meat, strong growth in cheese and solid growth in bioprotection, while fermented milk was flat, and probiotics declined
- Fermented milk end markets declined in H1 due to reduced demand in China and LATAM, partly offset by increases in EMEA and NA

MARGIN DEVELOPMENT

- **Q2/YTD:** EBIT margin declined as production efficiencies and lower travel activity were offset by higher freight costs, unfavorable product mix and FX (and a one-off increase in depreciations in Q1)



EUR million	Q2 19/20	Q2 20/21	YTD 19/20	YTD 20/21
Revenue	172.5	168.7	338.6	334.0
Organic growth	5%	8%	4%	8%
Volume/mix	4%	2%	3%	2%
EBIT margin	32.2%	31.0%	32.1%	30.8%
EBITDA margin	38.9%	38.3%	38.9%	38.9%
ROIC ex. goodwill			37.1%	32.9%

CHR HANSEN

Improving food & health

Strength in Animal Health partly offset by slow-down in Human Health

Health & Nutrition Q2/YTD 2020/21

SALES PERFORMANCE

Q2

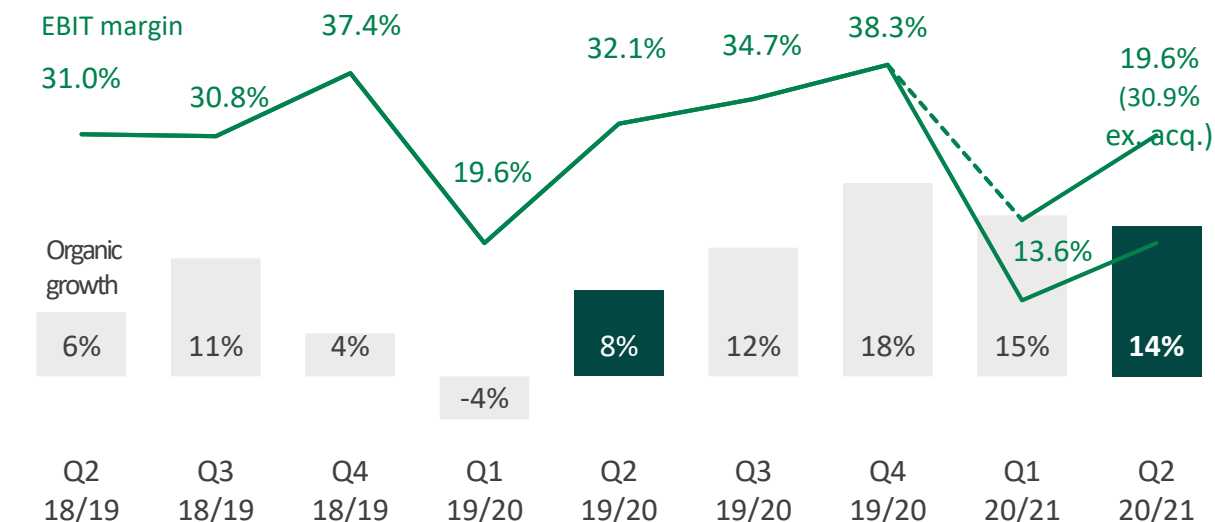
- HH with solid growth driven by strong growth in infant formula and probiotics for young children, while dietary supplements delivered good growth despite softer markets in Europe and North America
- AH with very strong growth driven by Cattle, whilst Swine & Poultry grew solidly; very strong momentum across all regions
- PH with very strong growth driven by LATAM
- Acquisitions contributed EUR 22m in revenue

YTD

- HH with solid growth driven by strong growth in supplements, mainly in Asia and US, whilst infant formula grew slightly
- AH with very strong growth supported by all segments
- PH with very strong growth driven by LATAM
- Acquisitions contributed EUR 43m in revenue

MARGIN DEVELOPMENT

- **Q2/YTD:** Decrease in EBIT margin related to recent acquisitions and FX (2%-pts. currency headwind in Q2 and YTD)



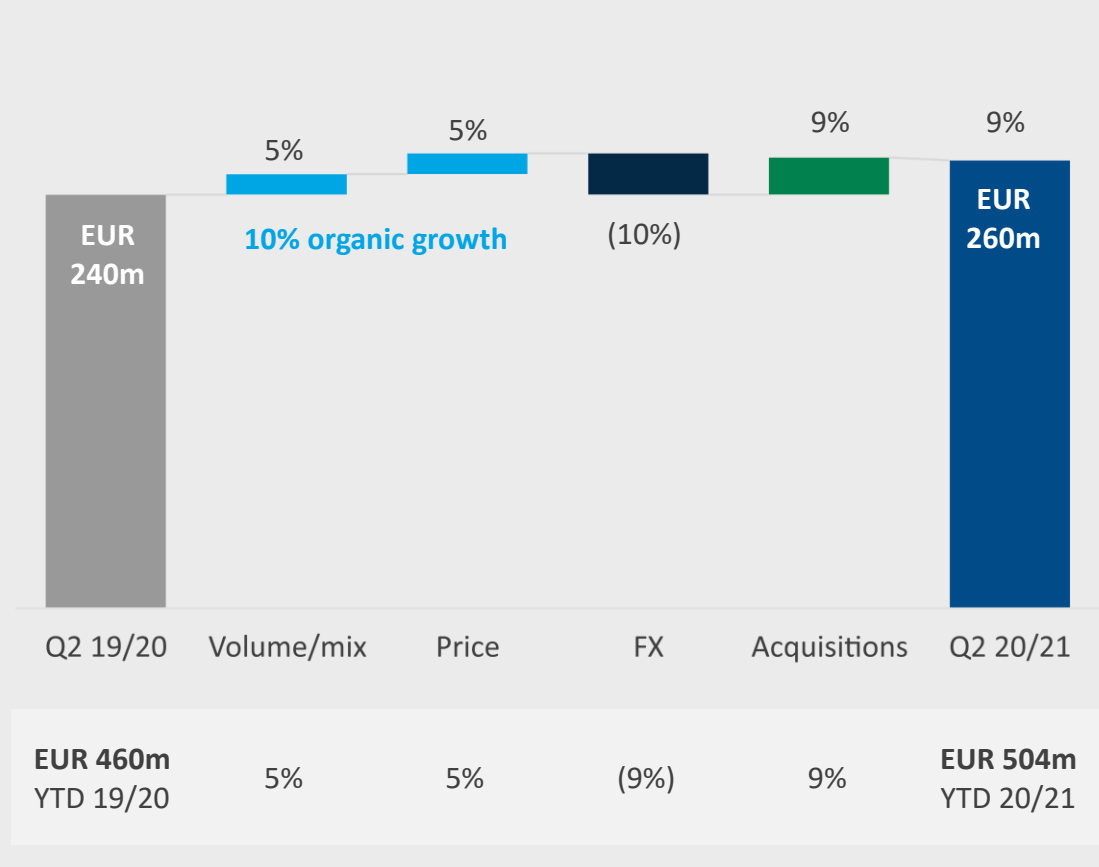
EUR million	Q2 19/20	Q2 20/21	YTD 19/20	YTD 20/21
Revenue	67.1	91.3	121.0	169.5
Organic growth	8%	14%	2%	14%
Volume/mix	9%	13%	3%	13%
EBIT margin (underlying ¹)	32.1%	19.6% (30.9%)	26.5%	16.8% (26.9%)
EBITDA margin (underlying ¹)	39.8%	31.2% (38.8%)	35.0%	30.1% (35.8%)
ROIC ex. goodwill			21.5%	10.1%

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

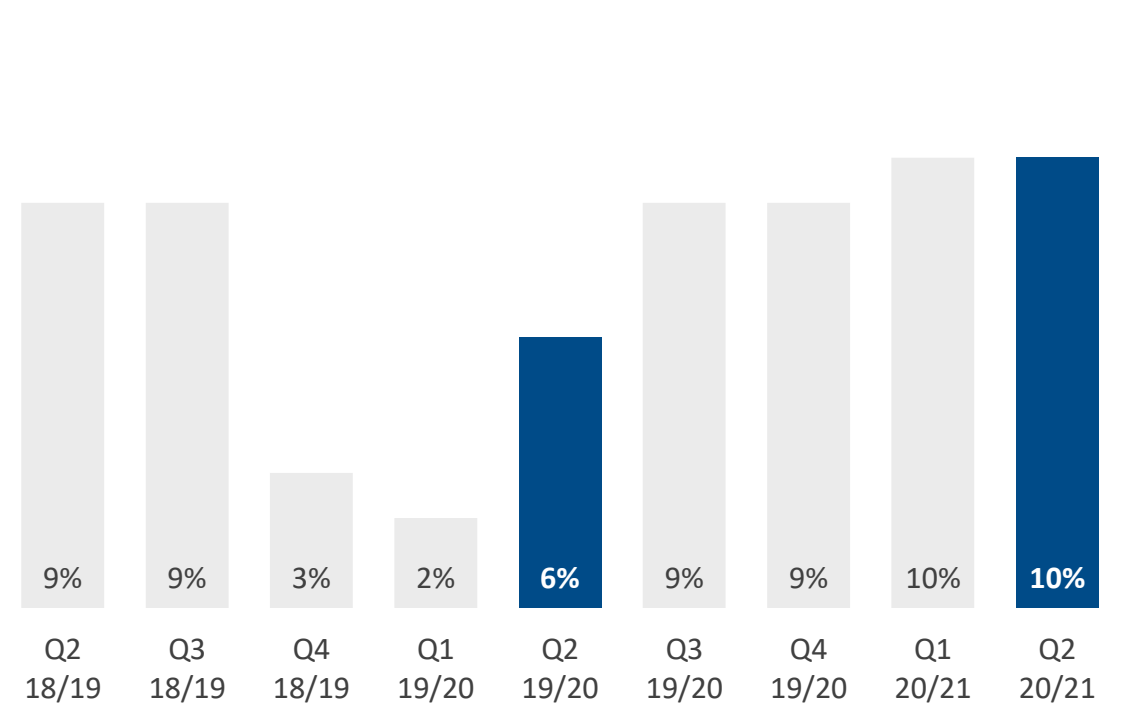
Strong organic growth with equal contributions from volume and price

Continuing operations Q2/YTD 2020/21

REVENUE COMPOSITION



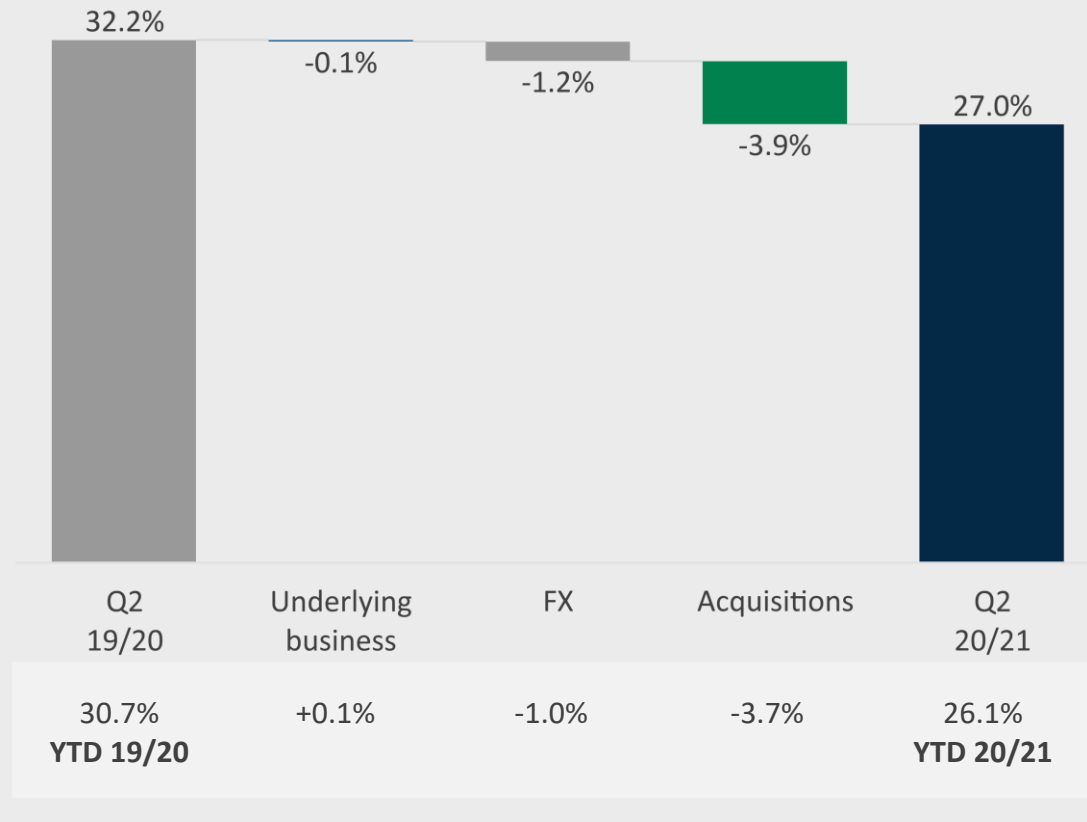
QUARTERLY ORGANIC GROWTH



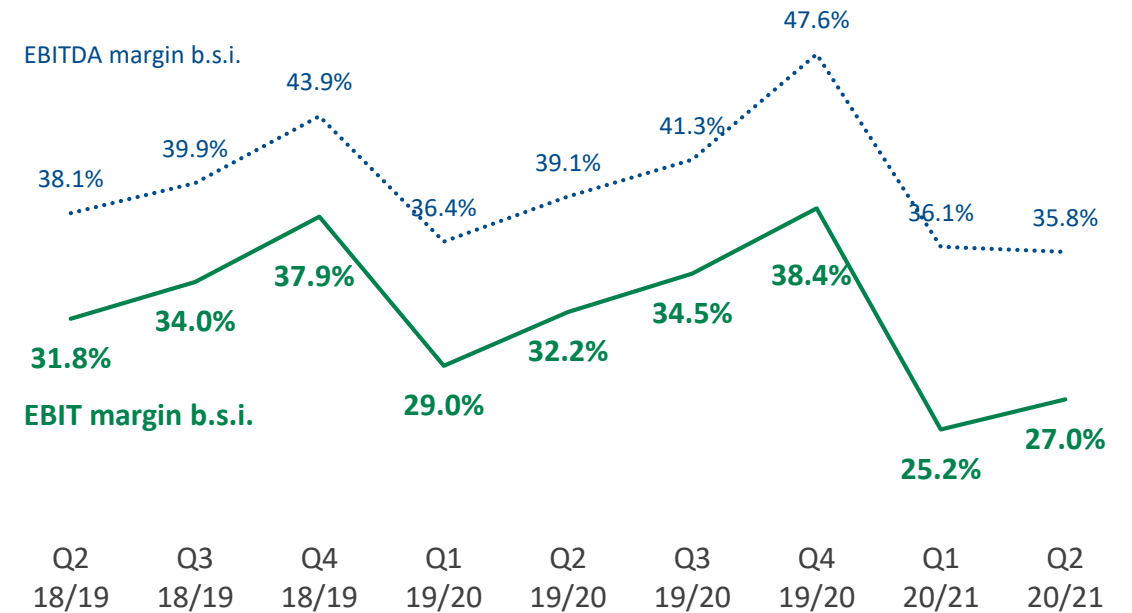
Profitability reflects recent acquisitions & FX headwinds

Continuing operations Q2/YTD 2020/21

EBIT MARGIN B.S.I. BRIDGE



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



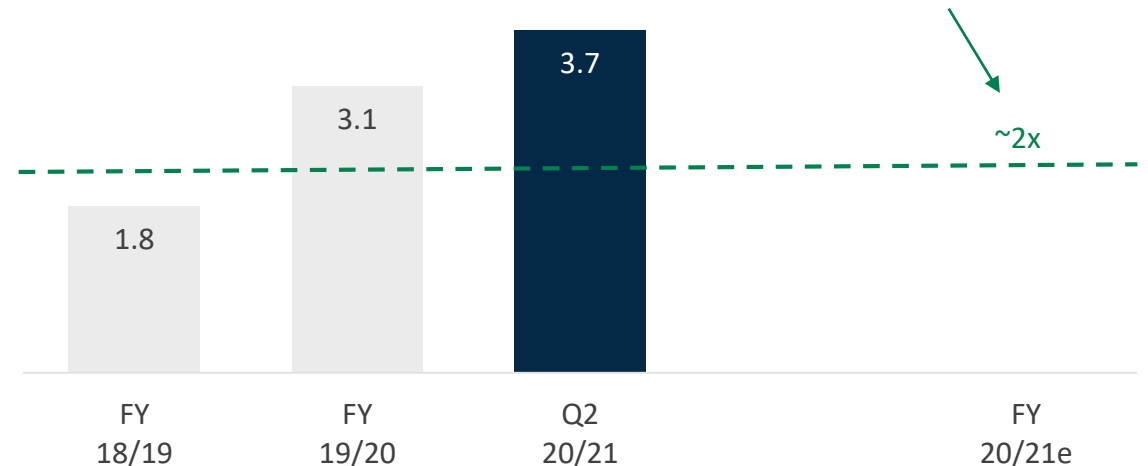
Cash flow reflects acquisition of Kalundborg site; leverage to come down in Q3

Continuing operations / Group YTD 2020/21

CASH FLOW STATEMENT (Continuing operations)

EUR million	YTD 19/20	YTD 20/21
Operating cash flow	91.3	97.0
Cash flow from op. invest. act.	(44.4)	(72.7)
M&A	-	(319.0)
JV	(10.6)	(10.2)
Financing cash flow	(54.5)	284.6
FCF b.a.s.i.d¹	49.1	34.9

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



- Increase in cash flow from operating activities driven by acquisition-related tax benefits resulting in lower taxes paid, higher non-cash adjustments due to depreciations and amortization charges, partly offset by a higher working capital
- Operational investing activities driven by the acquisition of the Kalundborg site for HMO production
- Leverage ratio with 3.7x above ambition to be in line with investment grade credit rating due to recent acquisitions

¹ Before acquisitions, special items and divestment.

Organic growth guidance upgraded but uncertainty due to COVID-19 remains

Guidance 2020/21 (continuing operations)



ORGANIC GROWTH



EBIT MARGIN B.S.I.



FREE CASH FLOW B.A.S.I.

before divestment

Outlook 2020/21¹

6-8%
(before 5-8%)

27-28%

EUR 140-160m
with capex of EUR 150-160m
(before EUR 120-160m FCF b.a.s.i.d.
and 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**

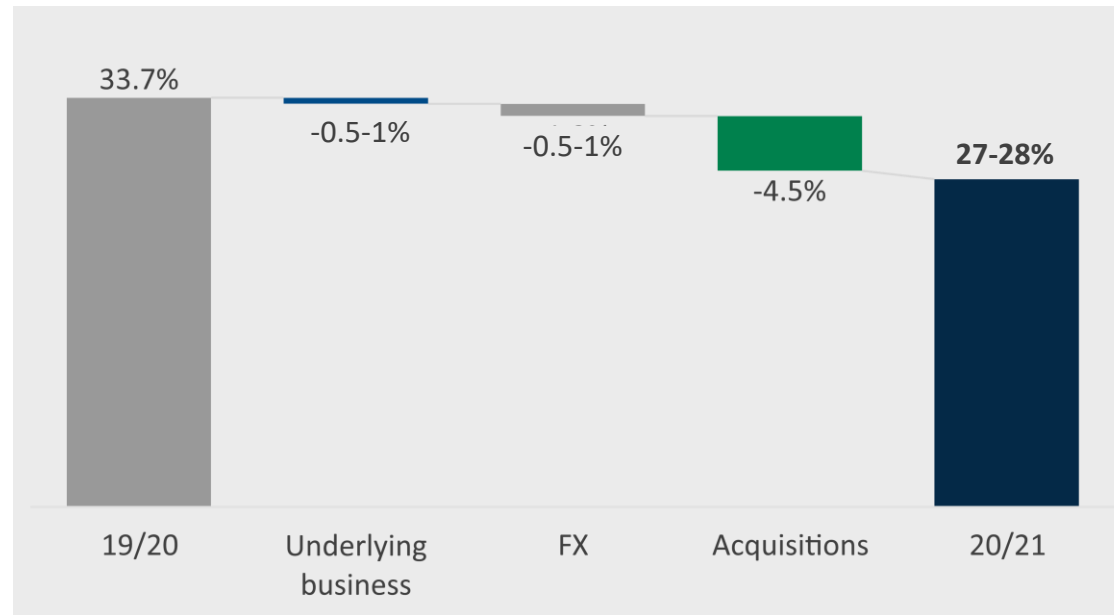
**Free cash flow b.a.s.i.
to outgrow absolute EBIT b.s.i.**

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.

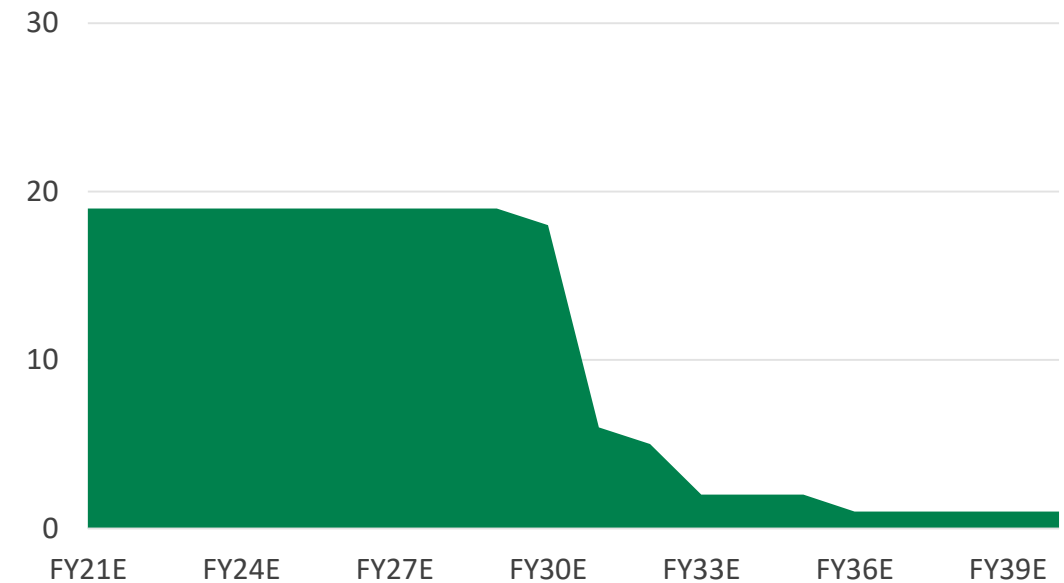
Profitability outlook reflects recent M&A, FX and strategic investments

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 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

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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CHR HANSEN

Improving food & health