Chr. Hansen
Roadshow presentation
Q3 2020/21
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.

**FOOD CULTURES & ENZYMES**
66% of revenue YTD 2020/21 (cont. operations)

**HEALTH & NUTRITION**
34% of revenue

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

<table>
<thead>
<tr>
<th>INDUSTRY ATTRACTIVENESS</th>
<th>OUR COMPETITIVE EDGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive nature</td>
<td>Unique microbial capabilities and over 145 years experience</td>
</tr>
<tr>
<td>Strategic ingredient</td>
<td>Cost leadership through scalability</td>
</tr>
<tr>
<td>Fully aligned with megatrends</td>
<td>Close customer ties and high stickiness/switching costs</td>
</tr>
<tr>
<td>Consolidated industry in FC&amp;E</td>
<td>Strong purpose and performance culture</td>
</tr>
<tr>
<td>Innovation-driven</td>
<td>&gt;80% of revenue contribute to Sustainable Development Goals</td>
</tr>
</tbody>
</table>

MARKET LEADER WITH HIGH ENTRY BARRIERS
We address global challenges
with the Power of Good Bacteria™

Food production accounts for nearly 1/3 of global greenhouse gas emissions

1/3 of all food is wasted equal to 8% of global greenhouse gas emissions

Aging population, rise in non-communicable diseases and antibiotic resistance

70% agricultural efficiency increase is needed to feed the future population

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
Our underlying markets remain attractive supported by megatrends and increasing adoption of microbial solutions.

Estimated market growth (CAGR)

<table>
<thead>
<tr>
<th>Category</th>
<th>FY15-19</th>
<th>FY20-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Cultures &amp; Enzymes</td>
<td>4-5%</td>
<td>2-2.5%</td>
</tr>
<tr>
<td>Fresh Dairy</td>
<td>2-3%</td>
<td>1-2%</td>
</tr>
<tr>
<td>Cheese</td>
<td>10%</td>
<td>5-7%</td>
</tr>
<tr>
<td>Human Health</td>
<td>7-8%</td>
<td>7-8%</td>
</tr>
<tr>
<td>Animal Health</td>
<td>15-18%</td>
<td>15-18%</td>
</tr>
<tr>
<td>Plant Health</td>
<td>15-18%</td>
<td>&gt;30%</td>
</tr>
<tr>
<td>HMO</td>
<td>&gt;30%</td>
<td>FY20-25</td>
</tr>
</tbody>
</table>

Current penetration rates of microbial solutions

- **Fresh Dairy**: 80% (90% potential)
- **Cheese**: 55% (75% potential)
- **Human Health**: 5-15%
- **Animal Health**: 10-15%
- **Plant Health**: <5%
- **HMO**: <5%

Vast opportunities to increase microbial penetration

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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

HEALTH & NUTRITION

Human Health
Dietary supplements and infant formula

NEW: Pet food

Animal Health
Cattle, swine and poultry
**FC&E growth model**
supports 5-7% organic growth during the strategy period

Dairy market expected to grow 2% during strategy period with fermented milk ~2-2.5% and cheese ~1-2% (CAGR 22-25) whilst current growth levels are ~0-1% (CAGR 20-21)

Conversion in fermented milk ~80% (potential: 90%) and in cheese ~55% (potential: 75%)
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.

<table>
<thead>
<tr>
<th>Product</th>
<th>Benefit</th>
<th>Saving in % of COGS¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>YIELDMAX®</td>
<td>Yield improvement</td>
<td>1-1.5%</td>
</tr>
<tr>
<td>CHY-MAX® Supreme</td>
<td>Yield improvement</td>
<td>1-1.5%</td>
</tr>
<tr>
<td>ACIDIFIX®</td>
<td>Savings on protein</td>
<td>2-3%</td>
</tr>
<tr>
<td>YOFLEX® Premium</td>
<td>Protein savings due to better texture</td>
<td>~1%</td>
</tr>
<tr>
<td>SWEETY®</td>
<td>Sugar saving</td>
<td>~0.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Yogurt example</th>
<th>Regular</th>
<th>Lactose-free</th>
<th>Probiotic</th>
<th>Lactose-free clean-label probiotic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yogurt example</td>
<td>~1.5 EUR</td>
<td>~2.5 EUR</td>
<td>3 EUR</td>
<td>&gt;3 EUR</td>
</tr>
<tr>
<td>Number of Chr. Hansen products included (illustrative)</td>
<td>DVS®</td>
<td>DVS® NOLA® Fit</td>
<td>DVS® LGG®</td>
<td>DVS® NOLA® Fit LGG® FRESHQ®</td>
</tr>
</tbody>
</table>

¹ Management estimates. Examples for illustrations, may differ depending on product type and production.
**Human Health** is uniquely positioned after the acquisitions
to capture growth in attractive probiotic supplements market

**PROBIOTIC SUPPLEMENTS MARKET EXPECTED TO RETURN TO 4-6% GROWTH**
Year-on-year growth of probiotic supplement volumes in key markets

**COVID-19 IMPACTS:**
- Pantry loading
- New consumers
- Affordability / purchase power
- People don’t get sick / travel less
- Raw material shortage

**WE ARE UNIQUELY POSITIONED WITH OUR EXPANDED OFFERING AND BROADENED CUSTOMER BASE AFTER THE ACQUISITIONS**

<table>
<thead>
<tr>
<th>Market segment</th>
<th>Multi-species</th>
<th>Single-species</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value proposition</td>
<td>Microbiome diversity</td>
<td>Specific health conditions</td>
</tr>
<tr>
<td>Indication areas</td>
<td>Gut health, immune health, women’s health, infant, novel indication areas</td>
<td></td>
</tr>
<tr>
<td>Customer groups</td>
<td>E-commerce specialists</td>
<td>FMCG/CG Pharma</td>
</tr>
</tbody>
</table>

**Customer base 2x**
Customer concentration ↓

Source: Euromonitor
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 regions\(^1\)

GLOBAL ROLL-OUT OF PRODUCT PORTFOLIO
Example: Countries with (expected) registrations for GALLIPRO\(^\circ\) Fit

GalliPro\(^\circ\) Fit
- By 2020
- By 2022

\(^1\) FAOSTAT (2018).
LEVERAGE Microbial Platform to grow lighthouses and bring microbial solutions to food, health, farming and pharma markets

FOOD CULTURES & ENZYMES

<table>
<thead>
<tr>
<th>Bioprotection</th>
<th>Fermented Plant Bases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce food spoilage and increase food safety</td>
<td>‘Fermented milk’ alternatives and fermented beverages</td>
</tr>
</tbody>
</table>

HEALTH & NUTRITION

<table>
<thead>
<tr>
<th>Plant Health</th>
<th>Live Biotherapeutics</th>
<th>HMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microbial crop protection for more sustainable farming</td>
<td>Contract manufacturing for live biotherapeutics (Lonza JV)</td>
<td>Prebiotics for infant formula</td>
</tr>
</tbody>
</table>

Estimated addressable markets¹

<table>
<thead>
<tr>
<th>EUR 200m</th>
<th>EUR 1bn</th>
<th>EUR &lt;100m</th>
<th>EUR &gt;100m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>Long-term</td>
<td>2025</td>
<td>Long-term</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EUR 400m</th>
<th>EUR &gt;1bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>Long-term</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EUR 150-200m</th>
<th>EUR &gt;1bn</th>
<th>EUR &gt;400m</th>
<th>EUR &gt;1bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>Long-term</td>
<td>2025</td>
<td>Long-term</td>
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</tbody>
</table>

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

<table>
<thead>
<tr>
<th>APPLICATION</th>
<th>FERMENTED MILK</th>
<th>CHEESE</th>
<th>FERMENTED MEATS</th>
<th>OTHER MEATS &amp; FISH</th>
<th>DAIRY &amp; MEAT ALTERNATIVES</th>
<th>FRUITS &amp; VEGETABLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value proposition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extend shelf life &amp; reduce food waste</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Clean labelling &amp; food safety</td>
<td></td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Capabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product offering</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial/ market access</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opportunity</td>
<td>Penetration today</td>
<td>~10%</td>
<td>&lt;5%</td>
<td>~10%</td>
<td>&lt;1%</td>
<td></td>
</tr>
</tbody>
</table>
With our lighthouse in Fermented Plant Bases we will capture growth in the fast-growing markets for alternative protein sources and healthier beverages.

- **NEW LIGHTHOUSE: Fermented Plant Bases**
  - EUR >100m
  - long-term potential
  - EUR <100m addressable market in 2025

**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

**ACCELERATE**
- ‘FERMENTED MILK’ ALTERNATIVES
  - Solutions for spoonable and drinkable formats

**EXPLORE**
- ‘MEAT’ ALTERNATIVES
- ‘CHEESE’ ALTERNATIVES

**Government and NGO support**
Driven by global climate agenda and increasing protein demand.
**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

<table>
<thead>
<tr>
<th>TARGET CROPS</th>
<th>PRODUCT PIPELINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-furrow applications: Sugarcane Coffee Fruits &amp; vegetables</td>
<td>QUARTZO® Drive penetration in sugarcane in Brazil and expand in LATAM</td>
</tr>
<tr>
<td></td>
<td>ACCUDO® Biostimulant recently launched in South Korea; awaiting EU registration (FY21)</td>
</tr>
<tr>
<td></td>
<td>First biofungicide First biofungicide to be launched (FY22)</td>
</tr>
<tr>
<td></td>
<td>Further products in development and registration</td>
</tr>
<tr>
<td>Seed coating: Soy Corn Beans Cotton</td>
<td>PRESENCE® Drive penetration in soy in Brazil and expand in LATAM</td>
</tr>
<tr>
<td></td>
<td>AVODIGEN® Drive adoption in North America and register for other geographies</td>
</tr>
<tr>
<td></td>
<td>Further products in development and registration</td>
</tr>
</tbody>
</table>
Our joint venture Bacthera is a crucial enabler for the live biotherapeutics industry that is developing rapidly.

**RAPIDLY EMERGING MARKET FOR LIVE BIOATHERAPEUTICS**

+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

**FULL SUPPLY CHAIN OFFERING WITH TRULY DISTINCT CAPABILITIES**

- STRAIN INTAKE
- FERMENTATION & FREEZE DRYING
- FORMULATION & DRUG DELIVERY

**EUR >1bn long-term market potential**

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

• 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.

Microbial Platform

Cultures and probiotics
Value-added fermentation
Dairy enzymes

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

university of groningen
WISeSIN
apc
TUM
M
Lonza
FMC
We will further expand our customer base and global reach to drive growth, both in developed and emerging markets.

~40% of Group revenue in emerging markets

Organic sales growth by region (continuing operations)

- **NORTH AMERICA**: 30% of revenue (19/20)
  - 15/16: 5%
  - 16/17: 13%
  - 17/18: 4%
  - 18/19: 5%
  - 19/20: 4%

- **EMEA**: 41% of revenue
  - 15/16: 8%
  - 16/17: 7%
  - 17/18: 9%
  - 18/19: 5%
  - 19/20: 3%

- **LATAM**: 12% of revenue
  - 15/16: 13%
  - 16/17: 10%
  - 17/18: 26%
  - 18/19: 28%
  - 19/20: 24%

- **APAC**: 17% of revenue
  - 15/16: 23%
  - 16/17: 18%
  - 17/18: 17%
  - 18/19: 5%
  - 19/20: 6%

Revenue split 19/20
We will accelerate commercialization of new innovation
dedicating 75% of our R&D budget to new product development

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Mid- to long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAIRY &amp; MEAT</td>
<td>Maintain lead in core range e.g. next generation dairy enzymes, sugar reduction</td>
</tr>
<tr>
<td>PROBIOTICS</td>
<td>Probiotic solutions for new food applications (beyond traditional yogurt)</td>
</tr>
<tr>
<td>BIOPROTECTION</td>
<td>Fermented plant bases</td>
</tr>
<tr>
<td>FERMENTED PLANT BASES</td>
<td>Yogurt alternatives</td>
</tr>
<tr>
<td>HUMAN HEALTH</td>
<td>New strains for infant and dietary supplements</td>
</tr>
<tr>
<td>ANIMAL HEALTH</td>
<td>Pet health</td>
</tr>
<tr>
<td>PLANT HEALTH</td>
<td>New biostimulant/biofungicide</td>
</tr>
</tbody>
</table>
We will realize scalability benefits and operational efficiencies across our global production footprint.

ONE PLANT – MANY LOCATIONS
Global operations footprint

- **West Allis/New Berlin**: Animal Health, FC&E
- **Madison/Wausau**: Human Health (UAS Labs)
- **Valinhos**: Animal Health, Plant Health, Enzymes
- **Copenhagen**: Food Cultures, Human Health
- **Roskilde**: Human Health
- **Kalundborg**: HMO (to come)
- **Graasten**: Enzymes
- **Nienburg**: Animal Health, Plant Health, Enzymes
- **Pohlheim**: Meat Cultures, Animal Health
- **Bonn**: HMO
- **Arpajon**: Food Cultures
- **Hustopece**: Animal Health

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
Preserving our culture is a key priority whilst promoting talent management, diversity and ensuring a safe place to work

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
Executive compensation linked to sustainability targets and closely aligned with shareholder interests; strong incentive component

**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

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

<table>
<thead>
<tr>
<th>In % of fixed pay</th>
<th>Target</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEO</strong></td>
<td>80%</td>
<td>120%</td>
</tr>
<tr>
<td><strong>CFO/EVP</strong></td>
<td>60%</td>
<td>90%</td>
</tr>
</tbody>
</table>
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
We aim for industry-leading organic growth
across our two segments
We remain committed to driving gross margin expansion while investing in sales & marketing and R&D to support future growth.

<table>
<thead>
<tr>
<th>COST OF SALE % of revenue</th>
<th>SALES &amp; MARKETING EXPENSES % of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.3% 39.5% 39.2% 38.5% 39.8%</td>
<td>12.1% 13.2% 13.2% 14.1% 13.9%</td>
</tr>
<tr>
<td>15/16 16/17 17/18 18/19 19/20</td>
<td>15/16 16/17 17/18 18/19 19/20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADMINISTRATIVE EXPENSES % of revenue</th>
<th>R&amp;D EXPENSES INCL. CAPITALIZATIONS % of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.6% 7.2% 6.8% 6.5% 5.5%</td>
<td>8.0% 7.8% 8.1% 8.1% 8.0%</td>
</tr>
<tr>
<td>15/16 16/17 17/18 18/19 19/20</td>
<td>15/16 16/17 17/18 18/19 19/20</td>
</tr>
</tbody>
</table>

Increase due to higher COVID-19 related freight costs.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX</th>
<th>% of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>18/19</td>
<td>118</td>
<td>12.6%</td>
</tr>
<tr>
<td>19/20</td>
<td>119</td>
<td>12.2%</td>
</tr>
<tr>
<td>20/21E</td>
<td></td>
<td>~150 -160</td>
</tr>
<tr>
<td>24/25E</td>
<td></td>
<td>Ex. HMO</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Selection of large capex projects</th>
<th>Expected completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity upgrade, Roskilde</td>
<td>2021/22</td>
</tr>
<tr>
<td>Freeze dried &amp; powder packaging, Copenhagen</td>
<td>2022/23</td>
</tr>
<tr>
<td>Additional fermentation capacity upgrades, US</td>
<td>2022/23</td>
</tr>
<tr>
<td>Innovation campus incl. application center &amp; new pilot plant, Denmark</td>
<td>2022/23</td>
</tr>
<tr>
<td>Additional fermentation capacity upgrades, Germany</td>
<td>2024/25</td>
</tr>
<tr>
<td>HMO production, Denmark (phase I)</td>
<td>2024/25</td>
</tr>
<tr>
<td>Next large-scale dairy expansion</td>
<td>After 2024/25</td>
</tr>
</tbody>
</table>

**Postponements of capex due to UAS Labs acquisition:**
- Expansion of Human Health facility, Roskilde
- Dairy alternatives production
We have ambitions sustainability targets across our three dimensions Products, Planet and People

<table>
<thead>
<tr>
<th>CONTRIBUTION TO GLOBAL GOALS in % of gross revenue¹</th>
<th>FARMLAND TREATED WITH NATURAL SOLUTIONS² in ha</th>
<th>YOGURT WASTE SAVED in tons</th>
<th>PROBIOTICS CONSUMED in million people</th>
</tr>
</thead>
<tbody>
<tr>
<td>81% 82% 79% 81% &gt;80%</td>
<td>2.2 3.5 6.7 10.4 13.6 25</td>
<td>0.1 0.2 0.4 0.6 0.8 2.0</td>
<td>15/16 17/18 19/20 24/25 25</td>
</tr>
<tr>
<td>40% Usage of renewable energy across sites (target: 100%)</td>
<td>69% Circular management of biowaste (target: 100%)</td>
<td>67% Key packaging materials recyclable³ (target: 100%)</td>
<td>163 200</td>
</tr>
<tr>
<td>43:37 ratio Female employees and women in management (target: 1:1 ratio)</td>
<td>34% Score in annual engagement survey (target: top 25%)</td>
<td>1.3 Lost Time Incident Frequency (target: &lt; 1.5)</td>
<td>15/16 17/18 19/20 24/25</td>
</tr>
</tbody>
</table>

1 Continuing operations.
2 Plant Health or silage inoculants.
3 Includes continuing operations and discontinued operations.

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

✅ Better Energy agreement
✅ SBT initiative joined
Creating shareholder value
with very clear capital allocation priorities

<table>
<thead>
<tr>
<th>CAPITAL ALLOCATION PRIORITIES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td>Investments into capacity, innovation and people</td>
<td>1</td>
</tr>
<tr>
<td>Bolt-on acquisitions</td>
<td>To strengthen technology platform and/or expand market access</td>
<td>2</td>
</tr>
<tr>
<td>Ordinary dividend[^1]</td>
<td>40-60% of net income</td>
<td>3</td>
</tr>
<tr>
<td>Distribution of excess cash</td>
<td>Extraordinary dividend or share buy-back</td>
<td>4</td>
</tr>
</tbody>
</table>

[^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

- Pursue acquisitions in unrelated areas
- Expand outside microbial and fermentation platform
- Expand enzyme business outside food enzymes
- Become an integrated solutions provider
- Become a full value-chain pharma company
Third quarter in line with expectations
Financial highlights Q3/YTD 2020/21 (continuing operations)

**ORGANIC GROWTH**

<table>
<thead>
<tr>
<th>Period</th>
<th>Organic Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2020/21</td>
<td>4% (Q3 2019/20: 9%)</td>
</tr>
<tr>
<td>YTD 2020/21</td>
<td>8% (YTD 2019/20: 6%)</td>
</tr>
</tbody>
</table>

**EBIT MARGIN**
before special items

<table>
<thead>
<tr>
<th>Period</th>
<th>EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2020/21</td>
<td>29.3% reported (33.1% underlying¹)</td>
</tr>
<tr>
<td></td>
<td>(Q3 2019/20: 34.5%)</td>
</tr>
<tr>
<td>YTD 2020/21</td>
<td>27.3% reported (30.9% underlying¹)</td>
</tr>
<tr>
<td></td>
<td>(YTD 2019/20: 32.0%)</td>
</tr>
</tbody>
</table>

**FREE CASH FLOW**
before acquisitions & divestments and special items

<table>
<thead>
<tr>
<th>Period</th>
<th>Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2020/21</td>
<td>EUR 85m (Q3 2019/20: EUR 94m)</td>
</tr>
<tr>
<td>YTD 2020/21</td>
<td>EUR 120m (YTD 2019/20: EUR 144m)</td>
</tr>
</tbody>
</table>

¹ Underlying EBIT margin b.s.i. excludes recent acquisitions. See Q3 2020/21 company announcement, p. 20 for reconciliation.
Good progress on new product launches, lighthouses and portfolio changes
Strategic highlights Q3 2020/21

2025 STRATEGY

REINVESTING IN CORE TO DEFEND AND STRENGTHEN MARKET POSITION
- All-time high launch activity in dairy
- Animal Health launched new cattle probiotic Bovacillus™ in Americas
- Human Health released new clinical study on immune balancing benefits of probiotics
- Roll-out of The Probiotic Institute in China and globally

LEVERAGING MICROBIAL PLATFORM TO GROW LIGHTHOUSES AND NEW AREAS
- 3rd generation FreshQ® brought to market for fermentation-enabled bioprotection
- VEGA™ brand and new cultures launched for fermented plant bases
- Bacthera received manufacturing licenses for clinical trial production

EXTEND TECHNOLOGY PLATFORM VIA M&A AND PARTNERSHIPS
- UAS/HSO: Integration of manufacturing progressing; good sales momentum in Q3
- HMO: Capacity expansion in Germany on track

REVIEW STRATEGIC OPTIONS FOR NON-MICROBIAL ASSETS
- Divestment of Natural Colors to EQT closed on Mar 31
EMEA and APAC impacted by high baseline; LATAM with less EUR pricing
Regional highlights Q3/YTD 2020/21 (continuing operations)

EMEA
39% of revenue YTD
- Q3: FC&E delivered good growth, while H&N declined on a high comparable
- YTD: FC&E grew solidly, whilst H&N declined

NORTH AMERICA
31% of revenue YTD
- Q3: FC&E delivered solid growth; H&N declined slightly due to Human Health
- YTD: FC&E and H&N grew solidly

LATIN AMERICA
12% of revenue YTD
- Q3/YTD: FC&E and H&N grew very strongly across business units
- EUR pricing accounted for approx. >1/3 in Q3 vs. >1/2 YTD

APAC
18% of revenue YTD
- Q3: FC&E declined due to continued weakness in China but less than in H1; H&N declined on a high comparable
- YTD: FC&E declined, while H&N delivered very strong growth

• +3% organic growth in Q3 (Q3 2019/20: +9%)
• +5% organic growth YTD (YTD 2019/20: +3%)
• +5% organic growth in Q3 (Q3 2019/20: +2%)
• +7% organic growth YTD (YTD 2019/20: +6%)
• +19% organic growth in Q3 (Q3 2019/20: +21%)
• +30% organic growth YTD (YTD 2019/20: +16%)
• +6% organic growth in Q3 (Q3 2019/20: +12%)
• +0% organic growth YTD (YTD 2019/20: +5%)
Regional performance by quarter
Continuing operations since Q3 2018/19

**ORGANIC GROWTH** in %

<table>
<thead>
<tr>
<th>Region</th>
<th>Q3 18/19</th>
<th>Q1 19/20</th>
<th>Q3 19/20</th>
<th>Q1 20/21</th>
<th>Q3 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAM</td>
<td>8%</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>1%</td>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>EMEA</td>
<td>5%</td>
<td>-1%</td>
<td>-3%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>9%</td>
<td>7%</td>
<td>4%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>LATAM</td>
<td>34%</td>
<td>6%</td>
<td>9%</td>
<td>18%</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>32%</td>
<td>19%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>APAC</td>
<td>4%</td>
<td>5%</td>
<td>-2%</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>10%</td>
<td></td>
<td>-4%</td>
<td>-6%</td>
<td></td>
</tr>
</tbody>
</table>

**ABSOLUTE REVENUE** in EUR m

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 19/20</th>
<th>Q2 19/20</th>
<th>Q3 19/20</th>
<th>Q4 19/20</th>
<th>Q1 20/21</th>
<th>Q2 20/21</th>
<th>Q3 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAM</td>
<td>220</td>
<td>240</td>
<td>256</td>
<td>254</td>
<td>244</td>
<td>260</td>
<td>281</td>
</tr>
<tr>
<td>EMEA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LATAM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>APAC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

47% 40% 32%
Growth driven by solid momentum in cheese and less negative impact from China
Food Cultures & Enzymes Q3/YTD 2020/21

SALES PERFORMANCE
- **Q3**: Very strong growth in meat and fermented plant bases and strong growth in bioprotection; cheese delivered solid growth and fermented milk and enzymes good growth, while probiotics declined slightly
- **YTD**: Very strong growth in meat followed by strong growth in cheese, enzymes and fermented plant bases; bioprotection grew solidly and fermented milk showed good growth; probiotics declined
- Global fermented milk volumes declined year-to-date due to reduced production and demand in China and Latin America, while cheese grew around 1% benefitting from the recovery of food service in Q3

MARGIN DEVELOPMENT
- **Q3**: EBIT margin declined 1.4%-pts. as production efficiencies were more than offset by FX and a return to more normal spending patterns
- **YTD**: EBIT margin declined 1.3%-pts. as production efficiencies and savings from lower travel activity in the first half were more than offset by increased freight costs, unfavorable product mix and FX

**SALES PERFORMANCE**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q3 19/20</th>
<th>Q3 20/21</th>
<th>YTD 19/20</th>
<th>YTD 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>181</td>
<td>181</td>
<td>520</td>
<td>515</td>
</tr>
<tr>
<td>Organic growth</td>
<td>8%</td>
<td>5%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Volume/mix</td>
<td>4%</td>
<td>2%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>41.1%</td>
<td>39.7%</td>
<td>39.7%</td>
<td>39.1%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>34.4%</td>
<td>33.0%</td>
<td>32.9%</td>
<td>31.6%</td>
</tr>
<tr>
<td>ROIC ex. goodwill</td>
<td>38.9%</td>
<td>34.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
H&N impacted by inventory adjustments in HH; AH and PH grew solidly
Health & Nutrition Q3/YTD 2020/21

SALES PERFORMANCE
Q3:
- Human Health declined due to COVID-19 impact and customers responding to elevated inventory levels, mainly in NA and APAC
- Animal Health delivered solid growth driven by strong momentum in Cattle and good growth in Poultry & Swine
- Plant Health grew very strongly
- Acquisitions contributed EUR 30m; HSO now included in organic growth

YTD:
- Human Health delivered good growth driven by dietary supplements, whilst infant formula declined slightly
- Animal Health delivered very strong growth driven by Poultry & Swine and Cattle
- Plant Health grew very strongly
- Acquisitions contributed EUR 73m

MARGIN DEVELOPMENT
- Q3: Decrease in EBIT margin related to recent acquisitions, FX (1-1%pt. headwind) and ramp-up activities following COVID-19 lockdowns
- YTD: Decrease in EBIT margin related to recent acquisitions; underlying EBIT margin was impacted by a 2%-pts. headwind from FX and higher freight costs that offset pandemic-related savings

1 Underlying EBIT margin excludes recent acquisitions. See Q1 2020/21 company announcement, p. 20 for reconciliation.
Microbial platform with good organic growth driven by both volume and price
Continuing operations Q3/YTD 2020/21

### REVENUE COMPOSITION

<table>
<thead>
<tr>
<th>EUR</th>
<th>Q3 19/20</th>
<th>Volume/mix</th>
<th>Price</th>
<th>FX</th>
<th>Acquisitions</th>
<th>Q3 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>256m</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
<td>(5%)</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EUR 716m</th>
<th>YTD 19/20</th>
<th>4%</th>
<th>4%</th>
<th>(8%)</th>
<th>10%</th>
</tr>
</thead>
</table>

### QUARTERLY ABSOLUTE REVENUE AND ORGANIC GROWTH in EUR m / %

<table>
<thead>
<tr>
<th>Quarter</th>
<th>19/20</th>
<th>20/20</th>
<th>19/20</th>
<th>19/20</th>
<th>20/21</th>
<th>20/21</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>220</td>
<td>240</td>
<td>256</td>
<td>254</td>
<td>244</td>
<td>260</td>
<td>281</td>
</tr>
<tr>
<td>Organic Growth</td>
<td>2%</td>
<td>6%</td>
<td>9%</td>
<td>9%</td>
<td>10%</td>
<td>10%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Profitability in line with expectations
Continuing operations Q3/YTD 2020/21
Divestment of Natural Colors
P&L impact

**P&L IMPACT**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>YTD 19/20</th>
<th>YTD 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>165</td>
<td>131</td>
</tr>
<tr>
<td>EBIT b.s.i.</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Special items</td>
<td>-</td>
<td>(10)</td>
</tr>
<tr>
<td>Net financial items and income tax</td>
<td>(6)</td>
<td>(3)</td>
</tr>
<tr>
<td><strong>Profit after income tax from discontinued operations</strong></td>
<td><strong>15</strong></td>
<td><strong>9</strong></td>
</tr>
<tr>
<td>Gain on sale of discontinued operations after tax</td>
<td>-</td>
<td><strong>636</strong></td>
</tr>
<tr>
<td><strong>Profit from discontinued operations</strong></td>
<td><strong>15</strong></td>
<td><strong>644</strong></td>
</tr>
</tbody>
</table>

Sale price for discontinued operations 801
Carrying amount of net assets sold (154)
Income tax on gain & reclassification FX translation reserve (11)
Gain on sale of discontinued operations after tax 636
Leverage back to 2.3x after receipt of proceeds from Natural Colors
Continuing operations / Group YTD 2020/21

- Decrease in operating cash flow driven by higher working capital, partly offset by acquisition-related tax benefits resulting in lower taxes paid and higher non-cash adjustments due to depreciation and amortization charges
- Operational investing activities driven by the acquisition of the Kalundborg site for HMO production
- Leverage ratio of 2.3x following receipt of proceeds from the Natural Colors divestment and payment of EUR 116m extraordinary dividend (equal to a normalized ordinary dividend for 2019/20)

**CASH FLOW STATEMENT** (Continuing operations)

<table>
<thead>
<tr>
<th>EUR million</th>
<th>YTD 19/20</th>
<th>YTD 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>206</td>
<td>193</td>
</tr>
<tr>
<td>Cash flow from op. invest. act.</td>
<td>(68)</td>
<td>(95)</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>(119)</td>
<td>(318)</td>
</tr>
<tr>
<td>JV</td>
<td>(11)</td>
<td>(15)</td>
</tr>
<tr>
<td>Financing cash flow</td>
<td>(11)</td>
<td>220</td>
</tr>
<tr>
<td><strong>FCF b.a.s.i.d</strong>1</td>
<td><strong>144</strong></td>
<td><strong>120</strong></td>
</tr>
</tbody>
</table>

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

- Q3 20/21: 2.1
- Q4 19/20: 3.1
- Q1 20/21: 3.8
- Q2 20/21: 3.7
- Q3 20/21: 2.3

1 Before acquisitions, special items and divestment.
On track to deliver on full year goals

Outlook 2020/21 (continuing operations)

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 quarantine measures and travel restrictions during the pandemic have made it more difficult to visit customers to advance projects with new innovative solutions, a very important growth driver for Chr. Hansen, and this could 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 Brexit.

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### ORGANIC GROWTH

**Outlook 2020/21**

- 6-8%

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### EBIT MARGIN B.S.I.

- 27-28%

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### FREE CASH FLOW B.A.S.I. before divestment

- EUR 140-160m with capex of EUR 150-160m

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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 quarantine measures and travel restrictions during the pandemic have made it more difficult to visit customers to advance projects with new innovative solutions, a very important growth driver for Chr. Hansen, and this could 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 Brexit.
Profitability outlook reflects recent M&A, FX and strategic investments
Guidance 2020/21

- 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 FY21
- Special items of EUR 20m expected for FY21

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

- October 14, 2021
  Annual Report 2020/21

- November 24, 2021
  Annual General Meeting 2021

Contacts

Anders Mohr
Vice President Group Strategy & Investor Relations
+45 2515 23 64
DKAMC@chr-hansen.com

Annika Stern
Senior Investor Relations Officer
+45 23 99 23 82
DKASTE@chr-hansen.com