



# Chr. Hansen Q3 2021/22

Investor presentation

July 7, 2022

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## Safe harbor statement

This presentation contains forward-looking statements that reflect management's current views and expectations with respect to Chr. Hansen's future and potential financial performance.

Those forward-looking statements are based upon data and information currently available to the company, and on a variety of assumptions, many of which may be beyond our control and subject to risks and uncertainties that may cause the actual results of the Company or the industry to differ materially from such forward-looking statements.

The information, opinions and forward-looking statements contained in this document speak only as at the date of it and the company is under no obligation to publish any updates thereof except for what is required by applicable law or stock exchange rules and regulations.

# Solid results in an uncertain macroeconomic environment

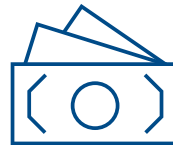
Financial highlights Q3/YTD 2021/22



**ORGANIC GROWTH**

**9%**

YTD 2021/22: 11%



**EBIT MARGIN**  
before special items

**26.7%** (-2.6% vs. LY)

YTD 2021/22: 26.3%  
(-1.0% vs. LY)



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

**EUR 30m**

YTD 2021/22: EUR 116m

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# Focus on commercial execution, supply security and inflation-driven pricing

Strategic and operational highlights Q3/YTD 2021/22

## 2025 STRATEGY



### REINVEST

Strong demand for productivity and yield-optimizing solutions in **FC&E**



### REINVEST

**Human Health's** combined strain-to-solution offering presented at several industry events



### LEVERAGE

New products for meat alternatives, cream cheese and beer launched in **Fermented Plant Bases**

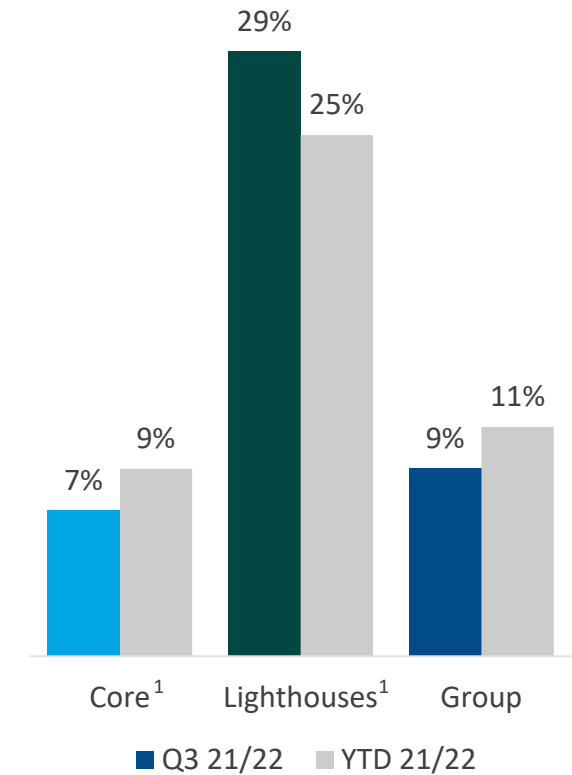


### GROUP

Inflation-driven **pricing measures** started to contribute positively

## ORGANIC GROWTH

Q3/YTD 2021/22



<sup>1</sup> Core includes FC&E ex. Bioprotection and Fermented Plant Bases, Human Health and Animal Health. Lighthouses includes Bioprotection, Fermented Plant Bases, HMO and Plant Health.

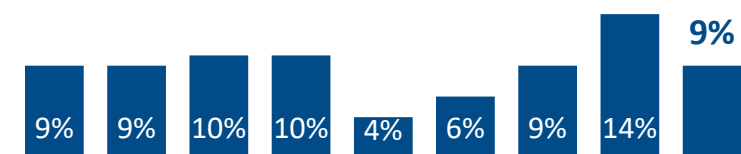
# Solid growth in FC&E and strong growth in H&N

Sales performance by segment

Organic growth by business



**GROUP<sup>1</sup>**

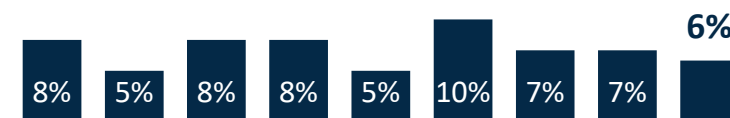


Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20								

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q3	+7%	+2%	+4%	+13%
YTD	+9%	+2%	+3%	+14%



**FOOD CULTURES & ENZYMES**

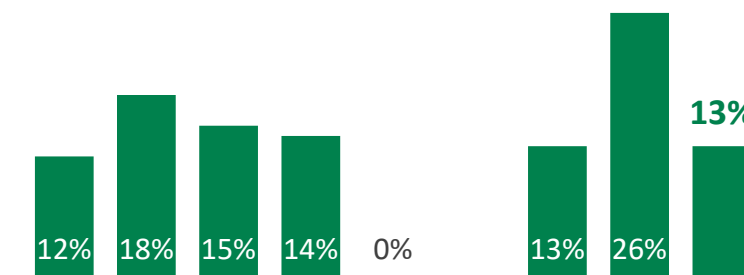


Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20								

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q3	+4%	+2%	+3%	+9%
YTD	+6%	+2%	+1%	+8%



**HEALTH & NUTRITION<sup>2</sup>**



Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20								

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q3	+12%	+1%	+8%	+21%
YTD	+17%	+1%	+6%	+23%

<sup>1</sup> Historic figures refer to continuing operations (i.e., excluding Natural Colors).

<sup>2</sup> The acquisition of HSO HC is included in organic growth since Q3 2020/21 (closing April 2020), UAS Labs (closing July 2020) and Jennewein (closing October 2021) since Q1 2021/22.

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# Solid progress in developed markets; emerging markets remain soft

## Sales performance by region

Organic growth Q3/YTD 2021/22

# +10%

### NORTH AMERICA

31% of revenue

YTD 2021/22: +11%

- Solid growth in FC&E driven by strong momentum in cheese and pricing initiatives
- Strong growth in H&N supported by strong HMO sales, while level of activity in Human Health normalized

# -1%

### LATIN AMERICA

11% of revenue

YTD 2021/22: +8%

- FC&E on par with last year as slight volume growth and pricing initiatives were offset by a negative impact from EUR-based pricing
- H&N negatively impacted by order timing in Plant Health

# +10%

### EUROPE, MIDDLE EAST & AFRICA

39% of revenue

YTD 2021/22: +11%

- Solid growth in FC&E supported by pricing including EUR-based pricing
- Very strong growth in H&N supported by strong sales in Human Health and HMO

# +9%

### ASIA-PACIFIC

19% of revenue

YTD 2021/22: +10%

- Solid growth in FC&E driven by strong momentum in India, while China declined
- Strong growth in H&N driven by very strong growth in Human Health supported by infant and children

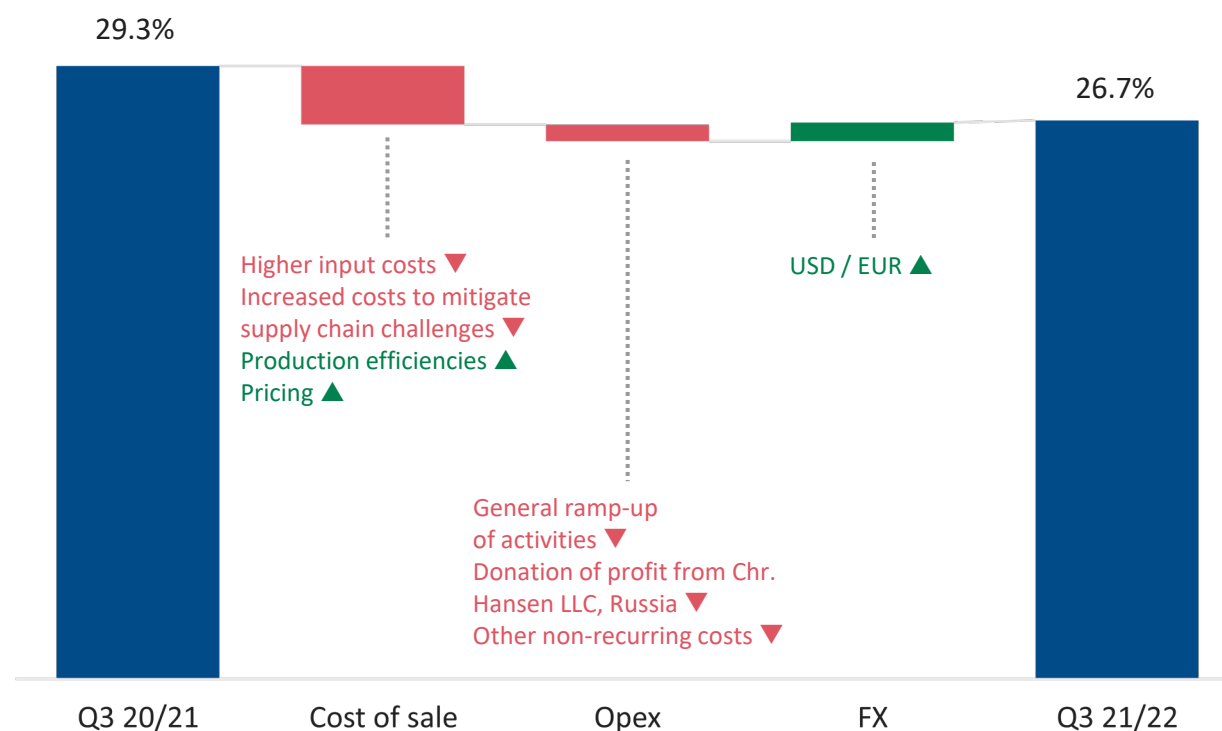
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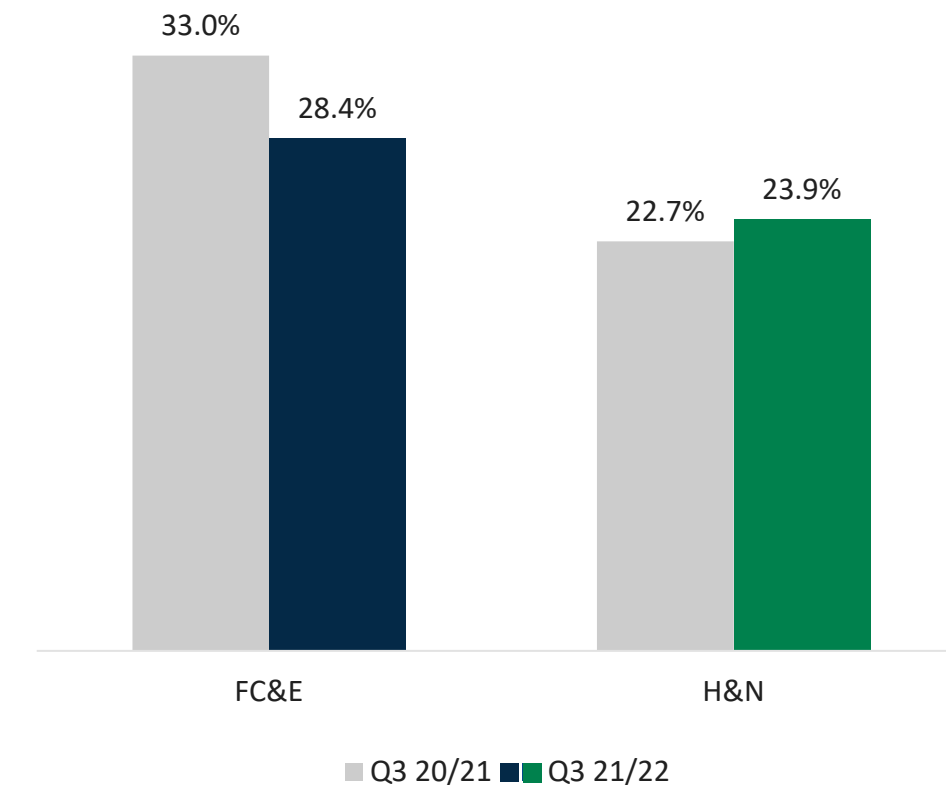
# Profitability reflects inflationary pressure and delayed impact from pricing

EBIT margin b.s.i. Q3 2021/22

## GROUP EBIT MARGIN B.S.I. in %



## SEGMENT EBIT MARGIN B.S.I. in %



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# Lower FCF b.a.s.i. due to higher taxes paid

Cash flow and ROIC

FREE CASH FLOW B.A.S.I. in EURm<sup>1</sup>



ROIC excl. goodwill in %

	20/21 YTD	21/22 YTD
<b>Group</b>		
	23.7%	23.3%
<b>FC&amp;E</b>		
	34.6%	31.9%
<b>H&amp;N</b>		
	12.0%	14.6%

<sup>1</sup> Excl. impact from discontinued operations in 2020/21.



# On track to reach targets for 2021/22, organic growth range narrowed

2021/22 outlook

	2021/22 OUTLOOK <sup>1</sup> July 7, 2022	PREVIOUS OUTLOOK Apr 6, 2022
 <b>ORGANIC GROWTH</b>	<b>8-10%</b>	<b>7-11%</b>
 <b>EBIT MARGIN</b> b.s.i.	<b>26-27%</b>	<b>26-27%</b>
 <b>FREE CASH FLOW</b> b.s.i.	<b>EUR 140-170m</b>	<b>EUR 140-170m</b>

<sup>1</sup> The outlook is based on constant currencies, no acquisitions, the current political and economic environment. Continued changes in the political and macroeconomic climate including additional sanctions, supply disruptions, developments in raw material and other input costs such as energy may impact the outlook for 2021/22.





# Let's grow a better world. Naturally.

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

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# What makes us stand out

## Equity story highlights



A leading bioscience player with attractive competitive position



Attractive market growth supported by megatrends



Innovation-driven with focused microbial and fermentation technology capabilities



Sustainable products ('handprint')



Strong cash flow generation with clear capital allocation priorities



# Chr. Hansen is a microbial and fermentation technology leader

with attractive competitive position across all its end markets



## FOOD CULTURES & ENZYMES

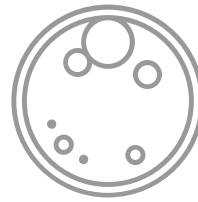
EUR 701m revenue  
(65% of total) in 2020/21



Dairy



Food &  
Beverages



## Microbial Platform

Shared R&D backbone



## HEALTH & NUTRITION

EUR 377m revenue  
(35% of total) in 2020/21



Human Health  
& HMO



Animal &  
Plant Health

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# We are the preferred partner

for strategic value-added ingredients



Quotes from customer survey

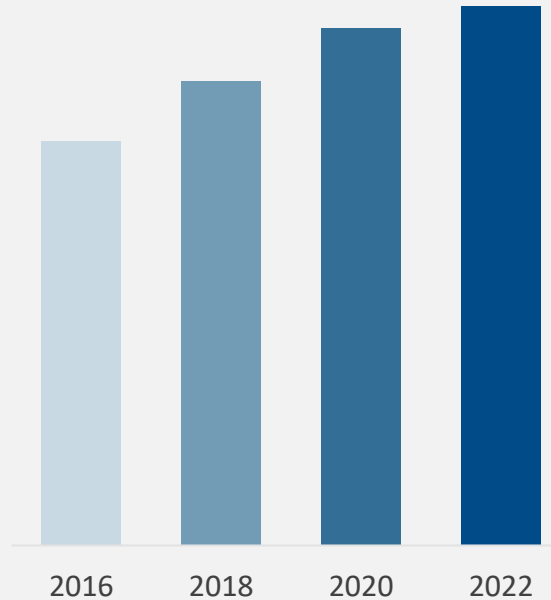
“The **quality of products is definitely the best** on the market.”

“We receive **excellent support from the technical team.**”

“Good professional team that goes beyond the traditional supplier - **always offering the best service**, speed of delivery and new market insights.”

## HIGH CUSTOMER SATISFACTION AND LOYALTY

Net Promoter Score®



## STRATEGIC INGREDIENT LOW COST – HIGH VALUE



Flavor & texture  
Nutritional value  
Quality & consistency  
Pathogen protection  
Yield improvements

**1-5%**  
of cost



Health benefits  
Higher feed conversion  
Better crop yields

**>1-5%**  
of cost

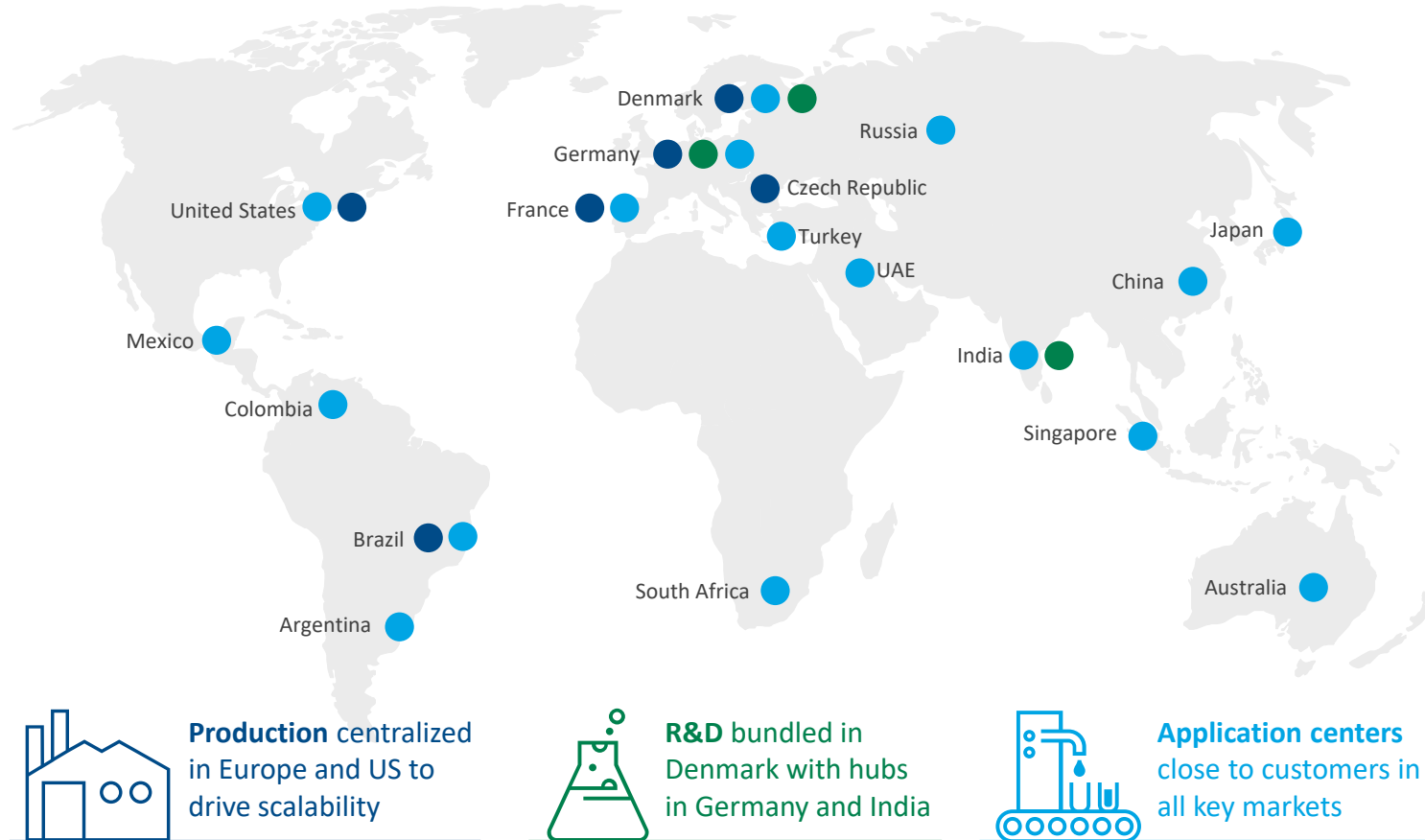
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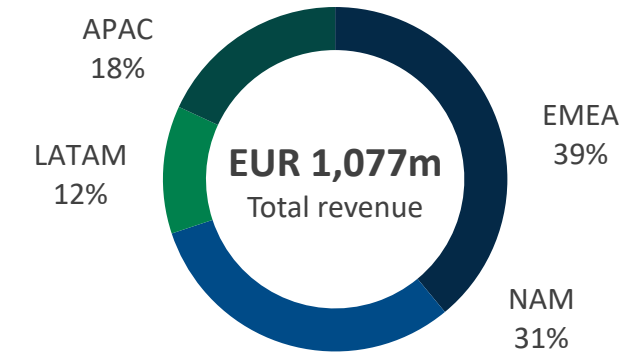
# We operate globally

with a centralized R&D and production set-up and a comprehensive network of application centers

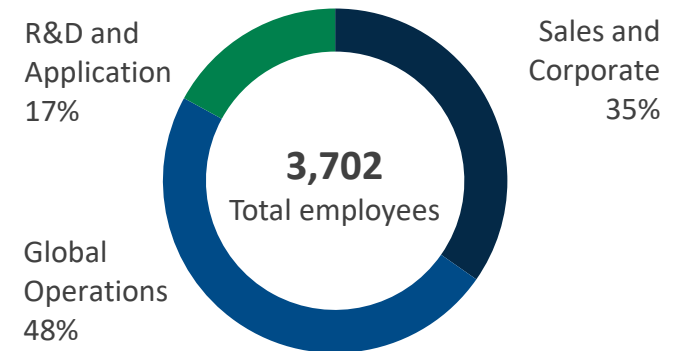
## GLOBAL FOOTPRINT AT A GLANCE



## REVENUE BY REGION 2020/21



## EMPLOYEES BY FUNCTION 2020/21

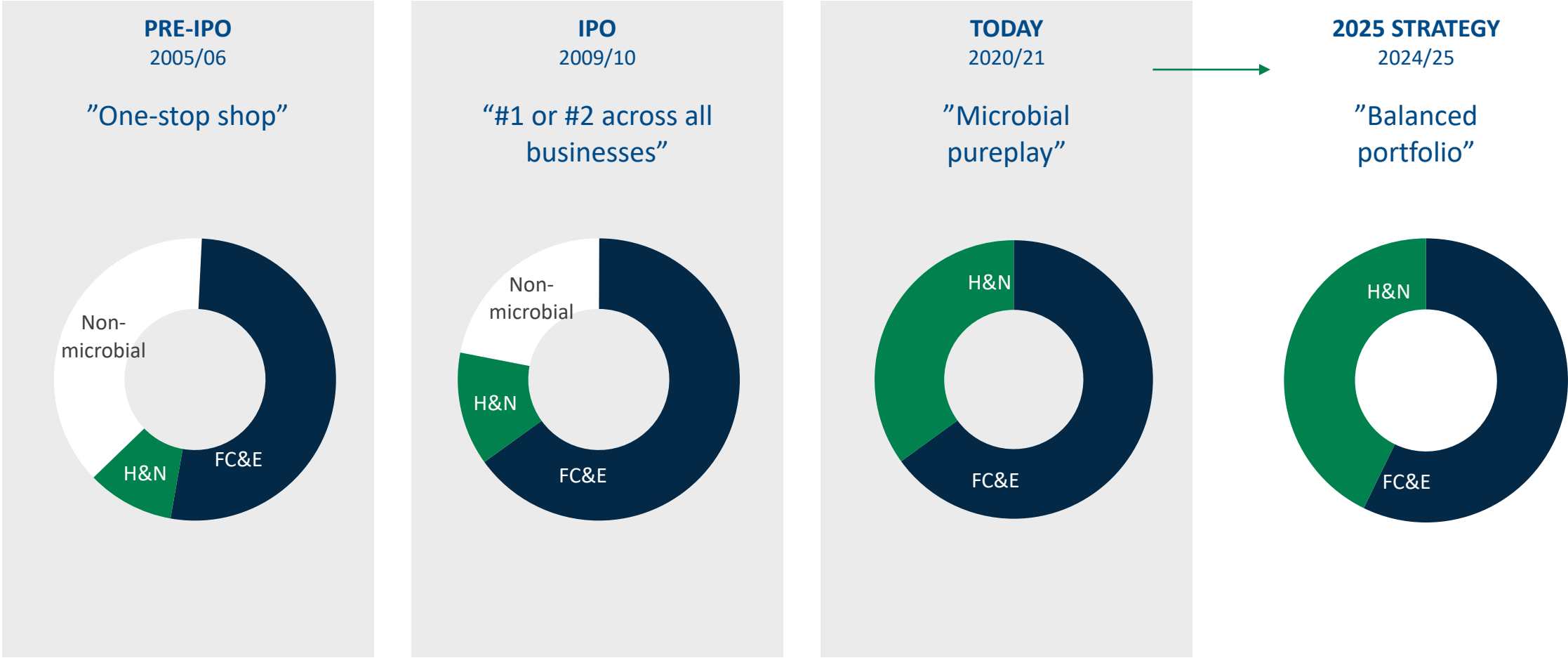


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# We have expanded our technology platform

over the past two decades whilst disposing non-core assets to become a microbial pureplay



Note: Non-microbial assets included blends, flavors, sweeteners, coatings, excipients, colors.

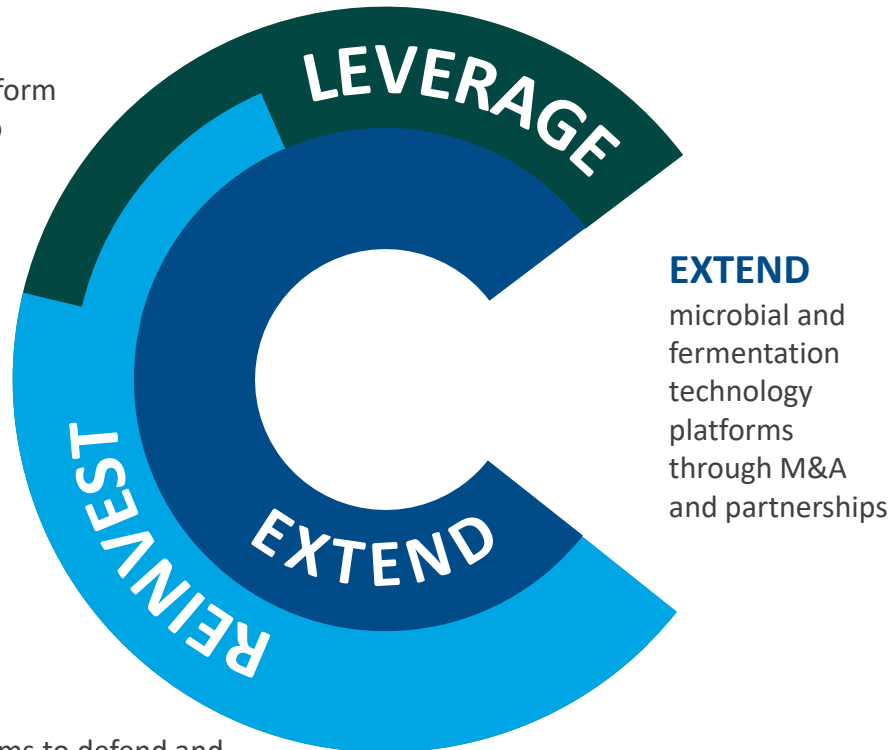
# 2025 Strategy: Creating a differentiated bioscience company

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

## Where to play

### LEVERAGE

Microbial Platform  
to 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** Grow a better world. Naturally.

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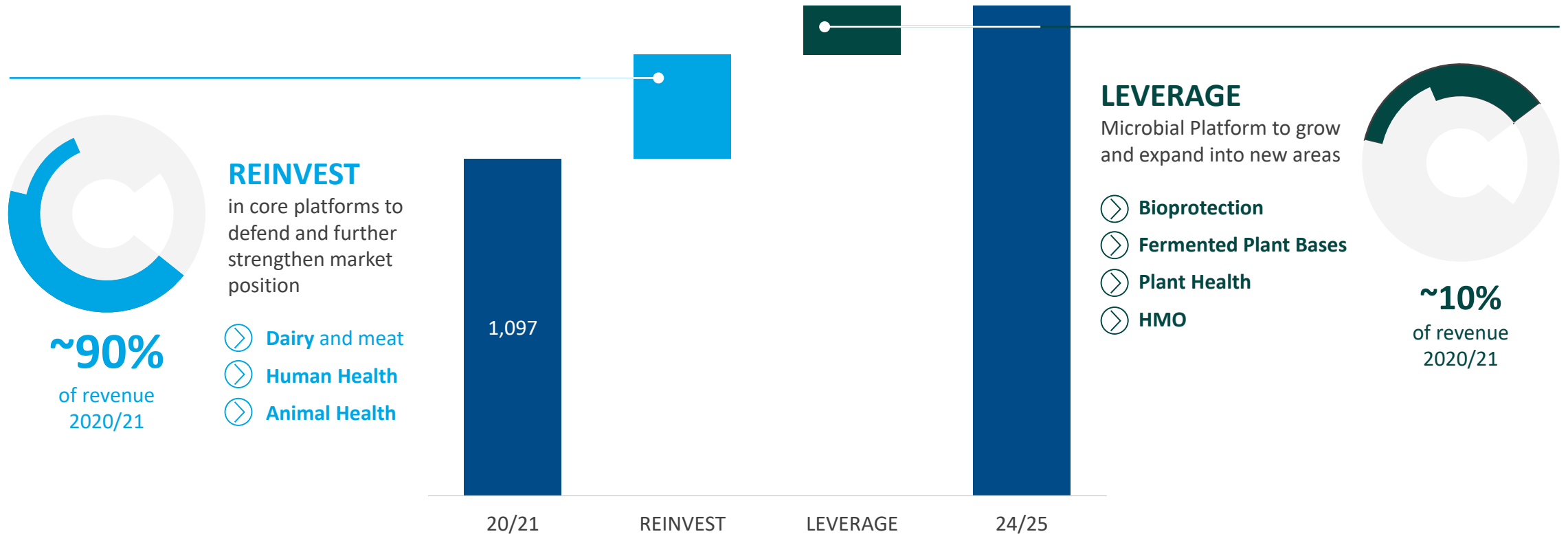
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# Core platforms will be the biggest absolute growth driver until 2025

while new growth areas are expected to grow faster than Group

## ABSOLUTE GROWTH DRIVERS UNTIL FY25



# We will continue to reinvest in our core FC&E business

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



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

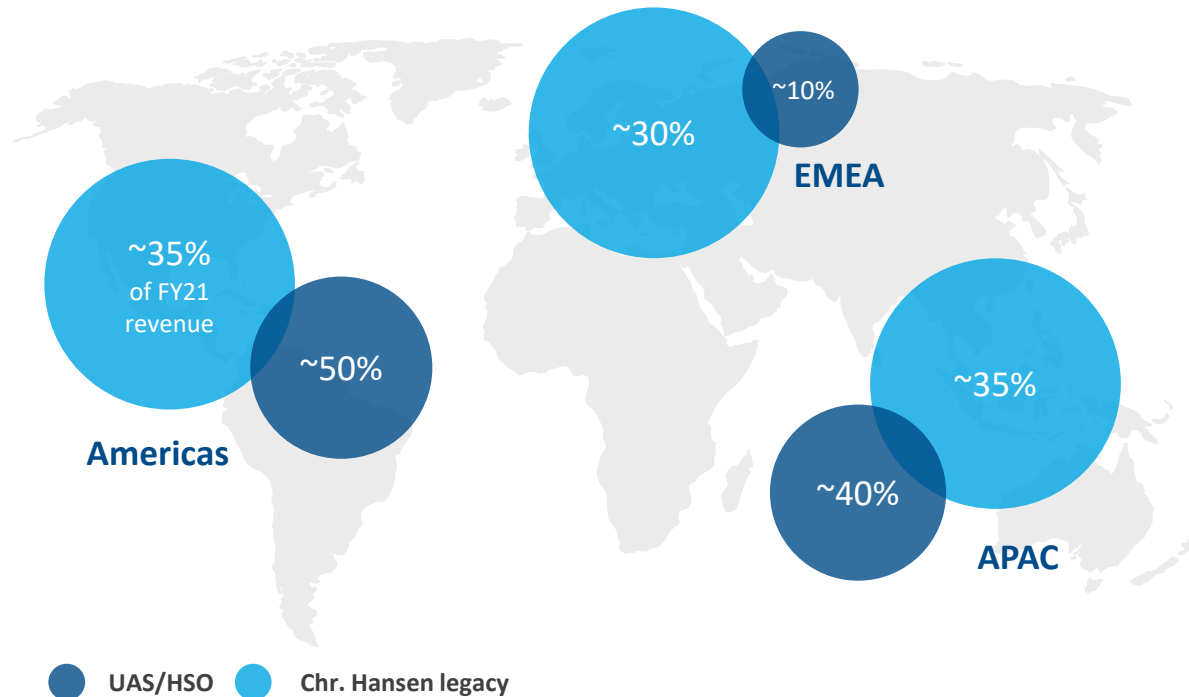
# Human Health is uniquely positioned after the acquisitions

to serve a broader customer base and realize synergies



WE WILL LEVERAGE OUR GLOBAL COMMERCIAL CAPABILITIES TO  
ROLL OUT OUR PRODUCT OFFERING GLOBALLY....

... TO A BROADER CUSTOMER BASE IN DIFFERENT SEGMENTS,  
INDICATION AREAS AND CHANNELS



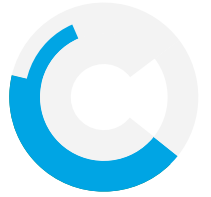
Market segment	Multi-speciesSingle-species		
Value proposition	Microbiome diversitySpecific health conditions		
Indication areas	Gut health, immune health, women's health, infant, novel indication areas		
Customer groups	E-commerce specialistsFMCG/CHCPharma		

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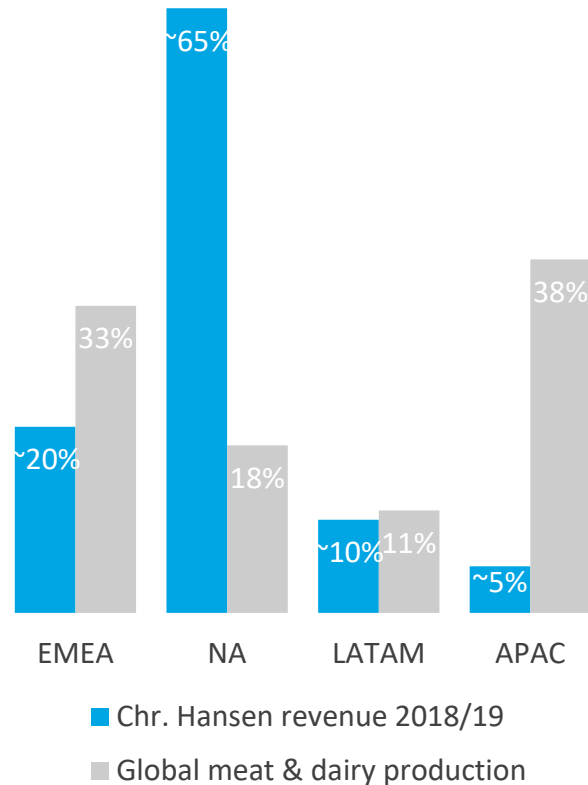
# In Animal Health we will continue to expand our market presence

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



## EXPANDING OUTSIDE OF NORTH AMERICA

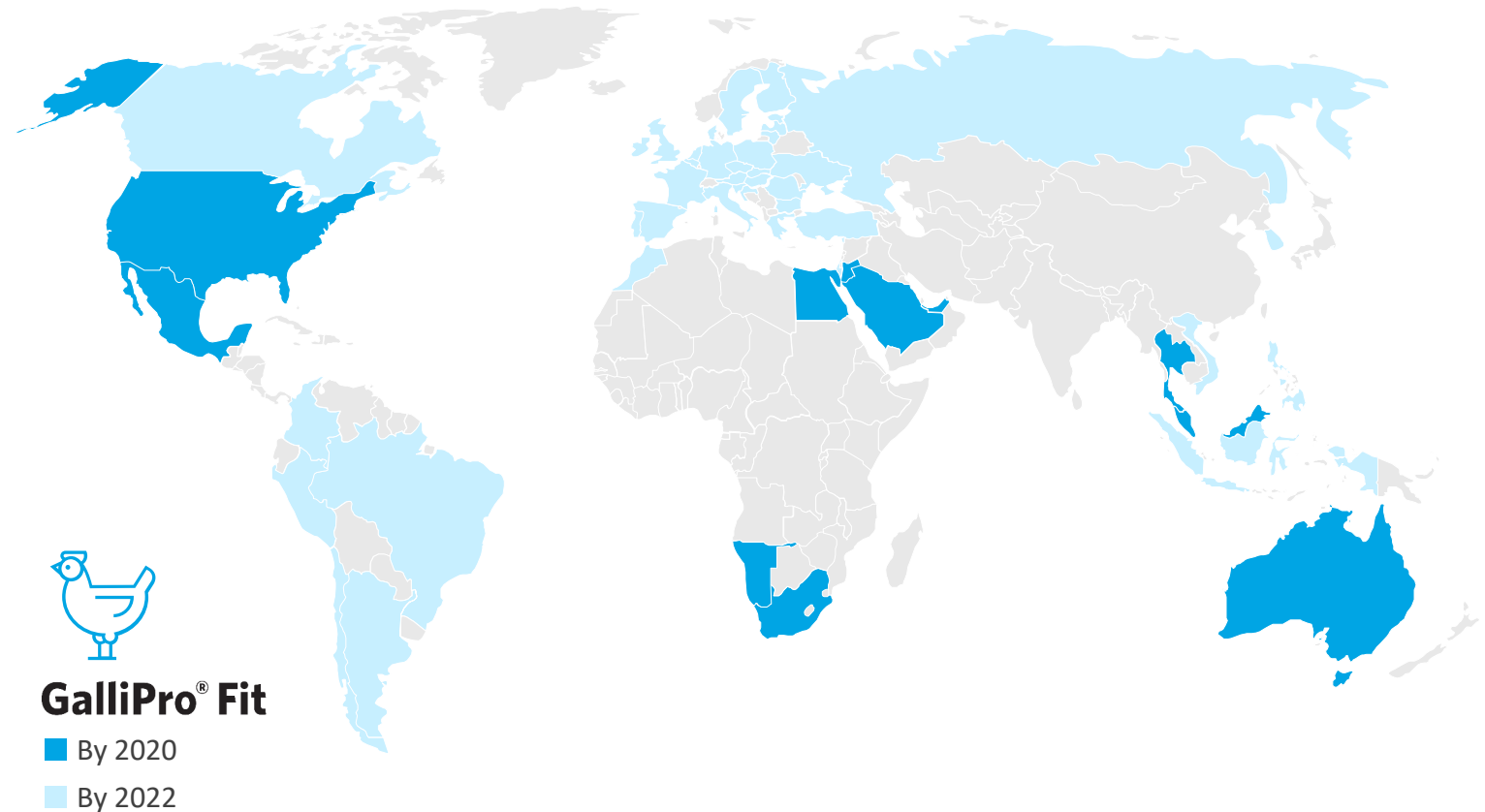
Animal Health revenue vs. global meat and dairy production volumes by regions<sup>1</sup>



<sup>1</sup> FAOSTAT (2018).

## GLOBAL ROLL-OUT OF PRODUCT PORTFOLIO

Example: Countries with (expected) registrations for GALLIPRO<sup>®</sup> Fit



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# We leverage our technology platform to expand into new areas

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



## FOOD CULTURES & ENZYMES



### Bioprotection

Reduce food spoilage and increase food safety



### Fermented Plant Bases

'Fermented milk' alternatives and fermented beverages



### Plant Health

Microbial crop protection for more sustainable farming



### HMO

Prebiotics for infant formula



### Live Biotherapeutics

Contract development and manufacturing for live biotherapeutics

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# High growth in HMO market

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



## STRONG UNDERLYING GROWTH DRIVERS



### 2020/21

- Acquisition of Jennewein with EUR 19m revenue in FY21 and ~120 employees
- Pioneer in HMO manufacturing with highly cost-competitive and IP protected downstream process



### 2020/21-21/22

- Establishment of HMO as separate, full value chain under H&N
- Production expanded to secure capacity short-term
- New Applied HMO team established and R&D center inaugurated



### 2022/23 – 24/25

- Build large-scale manufacturing site in Kalundborg; scale a key driver for HMO business to break even
- Secure regulatory approval of HMOs in China and registration of 5HMO mix for several markets

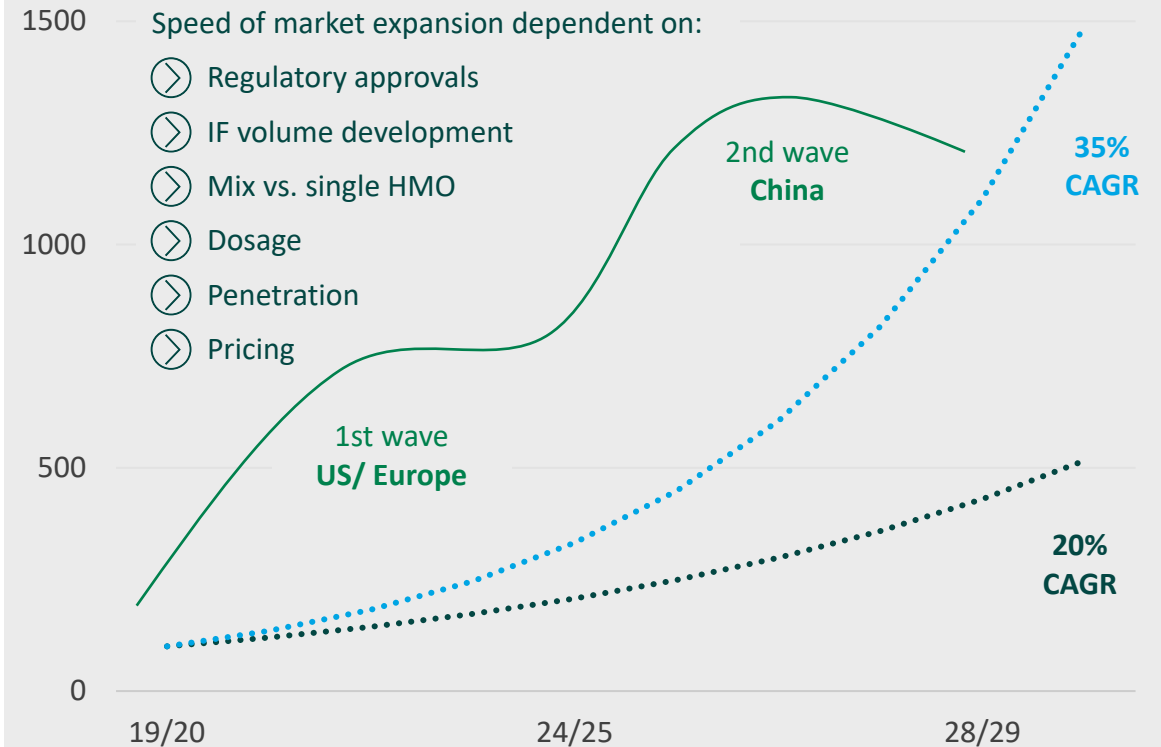


### Beyond 2024/25

- Bring next generation HMOs to market
- Explore applications beyond infant formula e.g. supplements
- Develop synbiotics

## HMO MARKET EXPANSION DEPENDENT ON SEVERAL FACTORS

Addressable market in EUR m (illustrative)

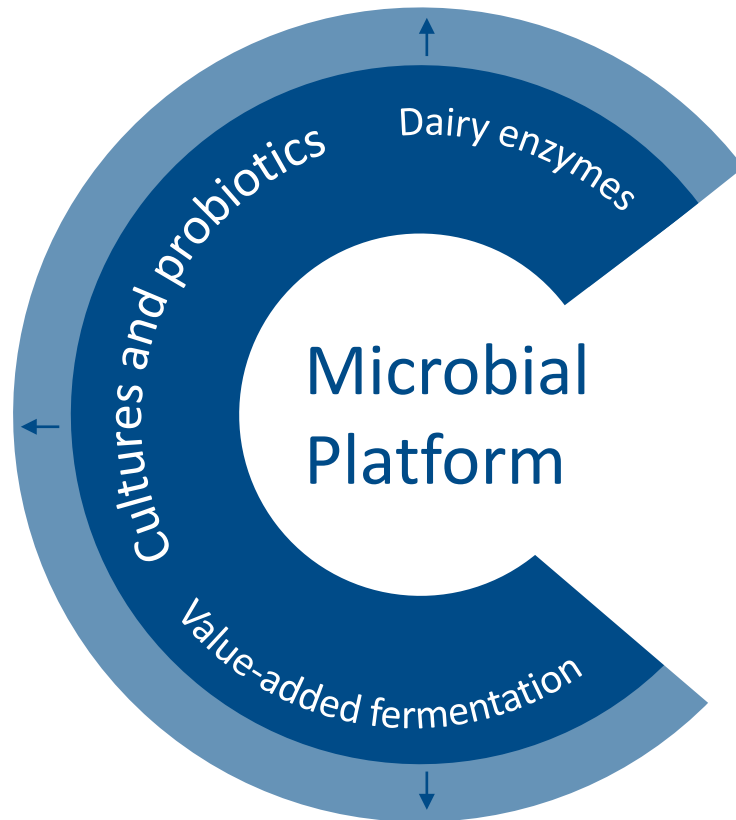


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# We extend our Microbial Platform

through M&A and partnerships



## 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**

**FMC**

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# Attractive market growth supported by megatrends



## SUSTAINABLE AGRICULTURE



## BETTER FOOD PRODUCTION



## IMPROVED HEALTH



Natural plant  
protection



Better quality  
silage



Animal  
nutrition



Quality and  
safety



Efficient  
production



Less waste



Healthier  
food



Supporting  
health



Next  
generation  
health



# Our microbial solutions enable a more sustainable food system from farm to fork and contribute positively to the global health agenda

## GLOBAL CHALLENGE<sup>1</sup>

<b>GROWING POPULATION</b>	<ul style="list-style-type: none"><li>• +50% protein needed to feed 10bn in 2050</li><li>• Growing consumerism in emerging markets</li></ul>
<b>RESOURCE SCARCITY</b>	<ul style="list-style-type: none"><li>• 75% of agricultural land used to produce 1/3 of protein</li><li>• 1/3 of food is wasted</li></ul>
<b>CLIMATE CHANGE</b>	<ul style="list-style-type: none"><li>• Industrialized animal ag stands for 15% of global emissions</li><li>• Global food system key driver for biodiversity loss</li></ul>
<b>RISING HEALTH COSTS</b>	<ul style="list-style-type: none"><li>• Number of people age 65+ to double by 2050</li><li>• Chronic diseases account for &gt;50% of deaths worldwide</li><li>• Antimicrobial resistance top 10 global public health threat</li></ul>

## MICROBIAL OPPORTUNITY

 Increase dairy efficiency	 Prevent food contamination
 Better feed conversion in livestock	 Less antibiotic growth promoters
 New plant-based foods with lower carbon footprint	 Alternatives to chemical crop protection
 Healthier food – less sugar, salt, lactase and fat	 Health through nutrition – HMOs and probiotics

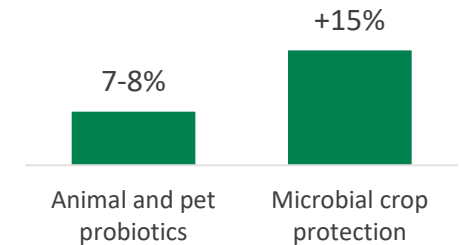
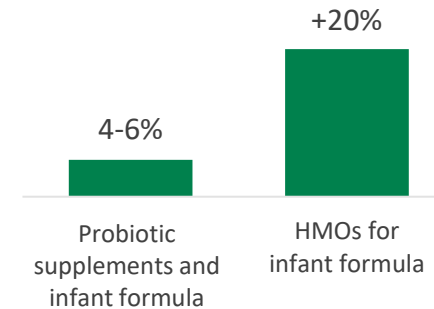
<sup>1</sup> Sources: Good Food Institute, AMR, WHO, UN.

# We aim to grow faster than our underlying markets

through our superior product offering, route-to-market expansion and customer proximity



## MARKET GROWTH until FY25<sup>1</sup>



## BUSINESS DRIVERS



Leading microbial science and new product development



Expansion into new geographies and customer groups



Local application presence and superior technical service

<sup>1</sup> Sources: IDF, GIRA, Euromonitor, Markets and Markets, FAO statistics, BCG, McKinsey, Mintel, customer interviews.

# Innovation-driven

with focused microbial and fermentation  
technology capabilities



+145 years of experience in  
microbial science



One of the industry's largest culture  
collections with +40,000 strains



Mastering complexity with +400  
strains produced at industrial scale



~8% of revenue spent  
on research and development



# Chr. Hansen is a microbial powerhouse

with leading capabilities across the entire R&D value chain

## ANALYTICAL SOLUTIONS, EMERGING TECHNOLOGIES & PORTFOLIO MANAGEMENT



### DISCOVERY



### CULTURE DEVELOPMENT



### APPLICATION



### PROCESS DEVELOPMENT

From genotype...

...to phenotype

- Maintain, expand and improve culture collection
- Strain characterization to identify applications
- Strain customization via classical improvement techniques (no GMO)

From strain...

...to culture

- Identify how many and which strains compose a culture (combinatorial microbiology)

From culture...

...to product

- Operate application centers
- Provide daily technical support to customers
- Know how microbes work in different foods, human and animal guts, plants and soils

From sample size...

...to industrial scale

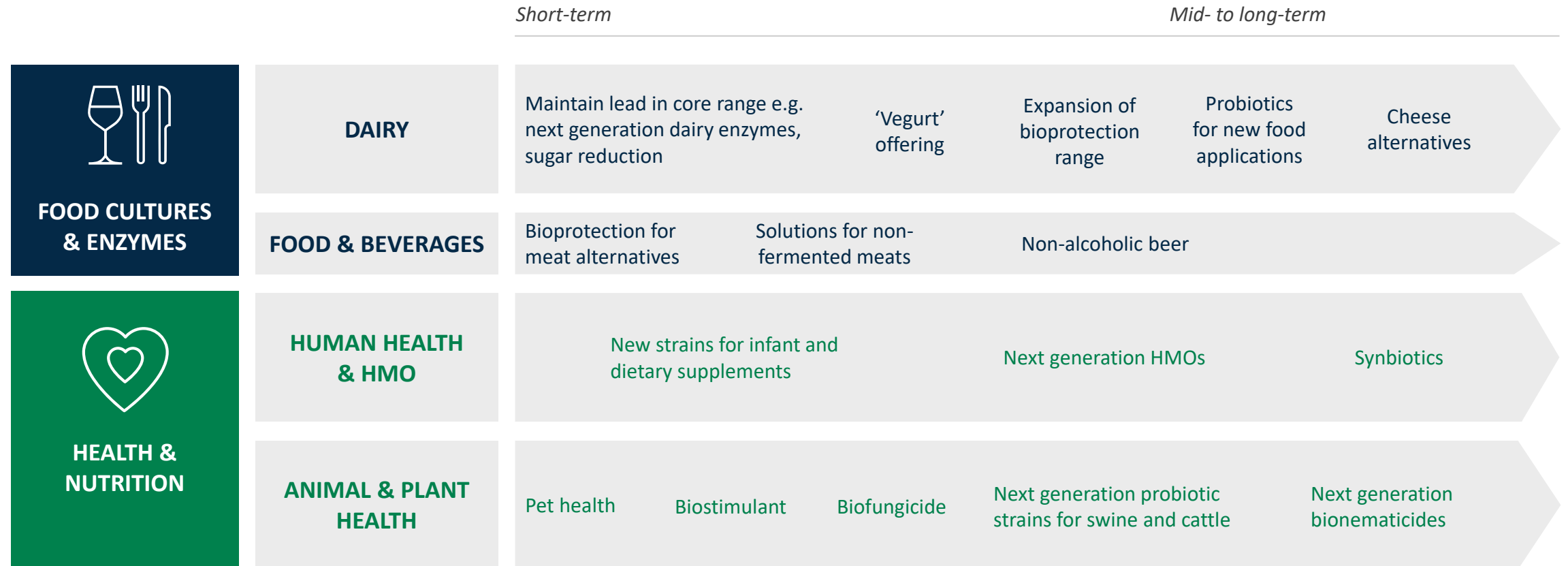
- Develop manufacturing processes e.g. upscaling for ONE industrial platform
- Drive productivity and efficiencies together with Global Operations
- Microbial stability programs
- Run pilot plants and produce all inoculation materials worldwide

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# Strong and well-balanced R&D pipeline

to drive growth during strategy period until 2025 and beyond





# Sustainable products



Ranked as a leader  
in sustainability by  
Corporate Knights

**>1 billion**

People consume  
a product with a Chr. Hansen  
ingredient every day

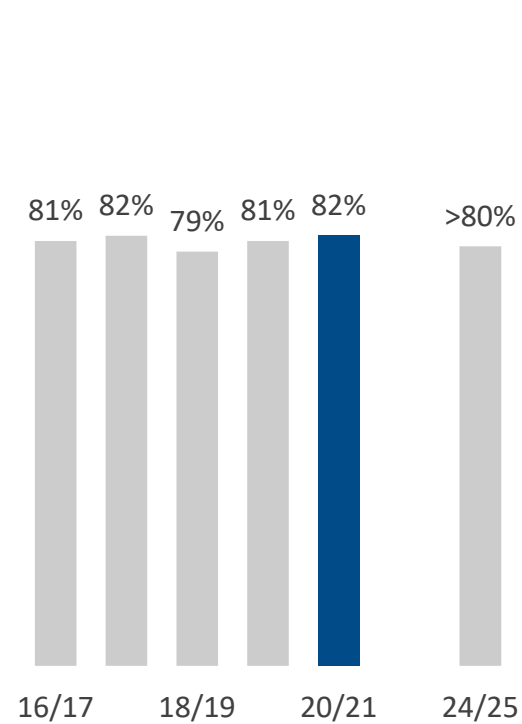
**82%**

Of our revenue contributing  
positively to the United Nation's  
Sustainable Development Goals

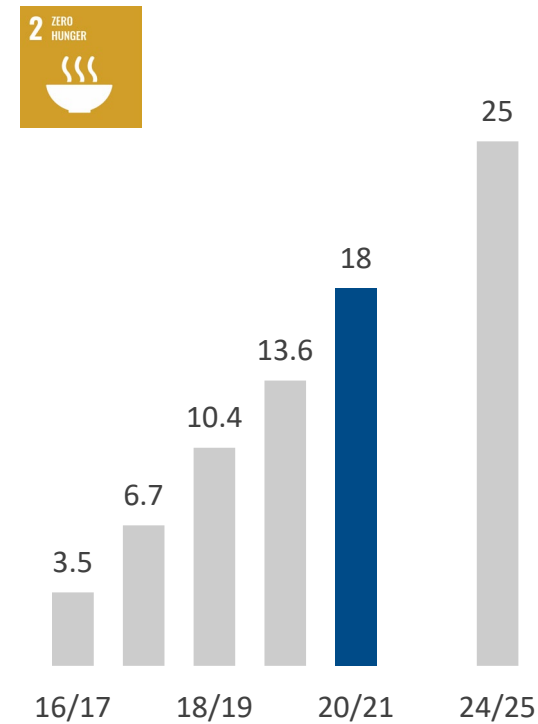
# 82% of our revenue contribute to the Sustainable Development Goals

as per our annual product mapping which is assured by PwC

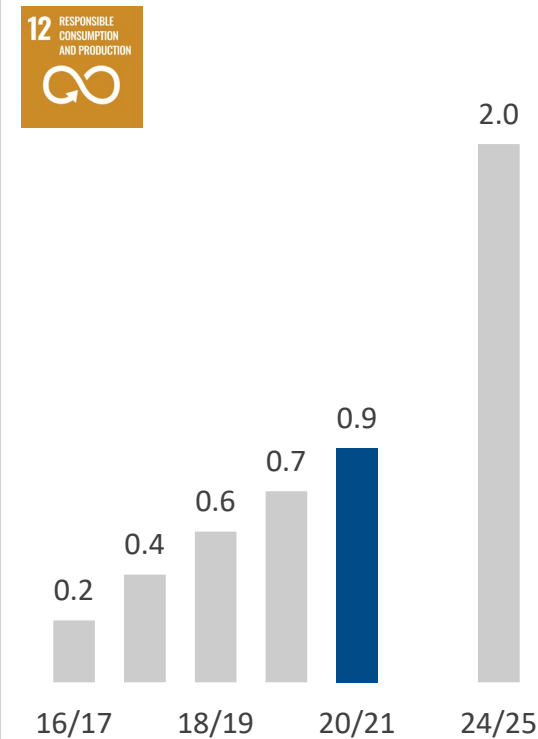
## CONTRIBUTION TO UN GLOBAL GOALS in % of gross revenue<sup>1</sup>



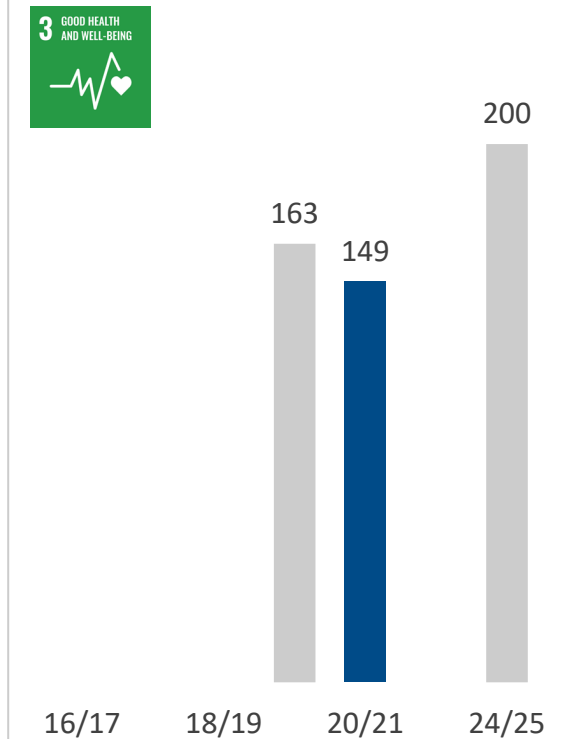
## FARMLAND TREATED WITH NATURAL SOLUTIONS<sup>2</sup> in m ha



## YOGURT WASTE SAVED<sup>3</sup> in m tons



## PROBIOTICS CONSUMED in m people<sup>4</sup>



<sup>1</sup> Financial years 2016/17 and 2017/18 include Natural Colors business that was divested in 2021 and are therefore not fully comparable.

<sup>2</sup> Includes Plant Health and Animal Health silage inoculants.

<sup>3</sup> Figures have been recalculated in FY21 based on a minor adjustment of the methodology.

<sup>4</sup> New KPI was introduced in FY21.



# We help the dairy and agricultural industries to become more efficient

with solutions that improve productivity and make more out of less

## FOOD CULTURES & ENZYMES



### CHY-MAX® S / YIELDMAX®

- Helps cheese makers achieve higher yield of up to 1%
- Enables faster and more precise production



### YOFLEX® PREMIUM

- Allows protein savings of 3-4% by reducing unnecessary ingredients such as skim milk powder

## ANIMAL & PLANT HEALTH



### QUARTZO® / PRESENCE®

- Protect crops from nematodes
- 5-20% yield increases depending on crop and region<sup>1</sup>
- Improve water use efficiency



### ANIMAL PROBIOTICS

- BOVAMINE® can increase milk yields
- BIOPLUS® can decrease feed used per kg of weight gain in swine
- GALLIPRO® delivers feed cost savings in poultry

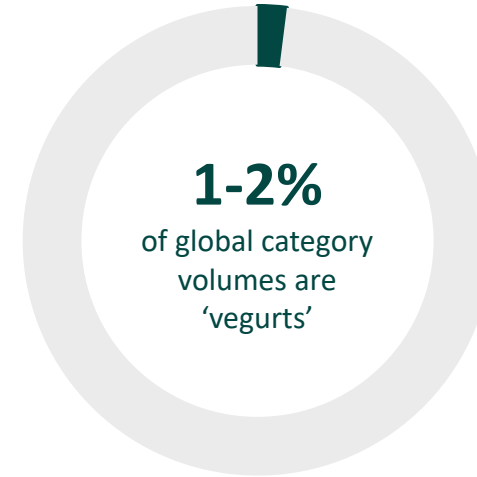
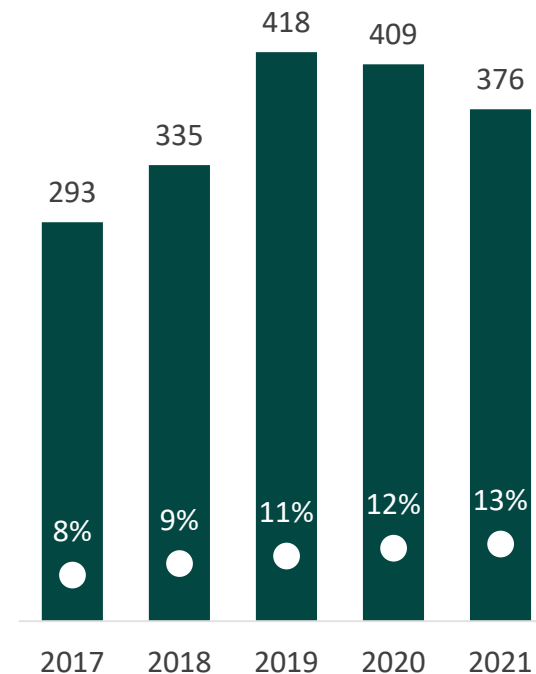
<sup>1</sup>Based on field trial results conducted between 2013-2018 in Brazil for sugarcane and soy.

# Consumer demand for plant-based remains high

but taste is the key barrier the industry needs to overcome to go mass market

## LAUNCH ACTIVITY REMAINS HIGH BUT VOLUMES ARE SMALL...

Global 'vegurt' launches and share of total launches in yogurt category<sup>1</sup>



## ... DUE TO PRODUCT QUALITY

Share of active consumers<sup>2</sup>

**40%**

struggle to give up dairy and meat as products do not live up to expectations

**70%**

of consumers would be willing to eat more plant-based foods if they tasted better than they do today








<sup>1</sup> Mintel (Dec 2021).

<sup>2</sup> FMCG Guru (2021).

# Food Cultures & Enzymes aims to be the fermentation partner of choice

transforming proteins into great food and beverages products – no matter which protein base

## PROTEIN SOURCES

MILK BASES  		MEAT BASES  		PLANT BASES   		
Fermented milk	Cheese	Fermented meat	Other meats & fish	Dairy & meat 'alternatives'	Ready-to-eat salads	Fermented beverages
FERMENTATION for texture, taste, other (e.g. sugar reduction)						
BIOPROTECTION for shelf-life extension and food safety						
PROBIOTICS for gut health & immunity						
ENZYMES for coagulation, lactose & sugar reduction, productivity (e.g. yield)						

## MICROBIAL SOLUTIONS



With our microbial expertise we cater to consumer demand for safe, tasty, healthy and sustainable foods and beverages

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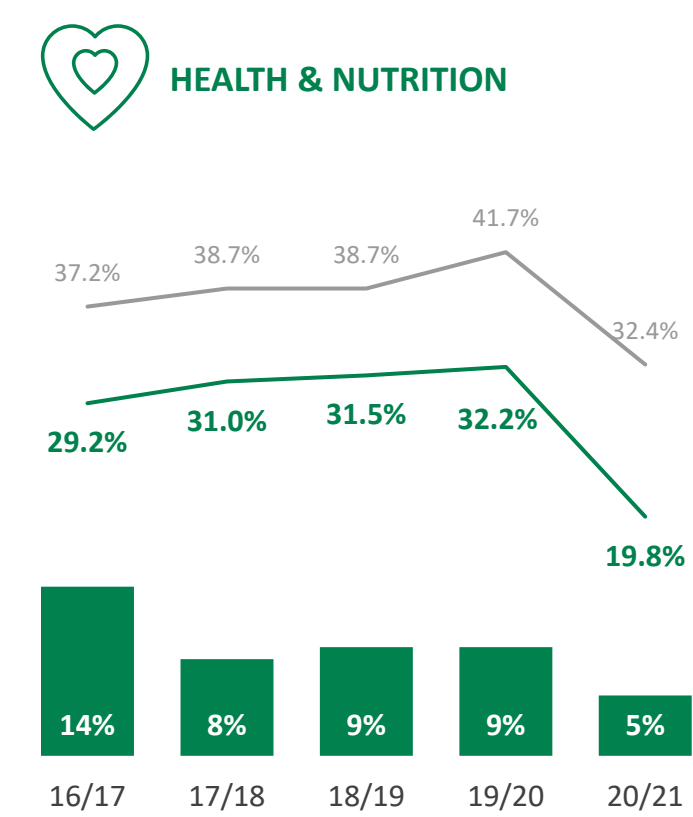
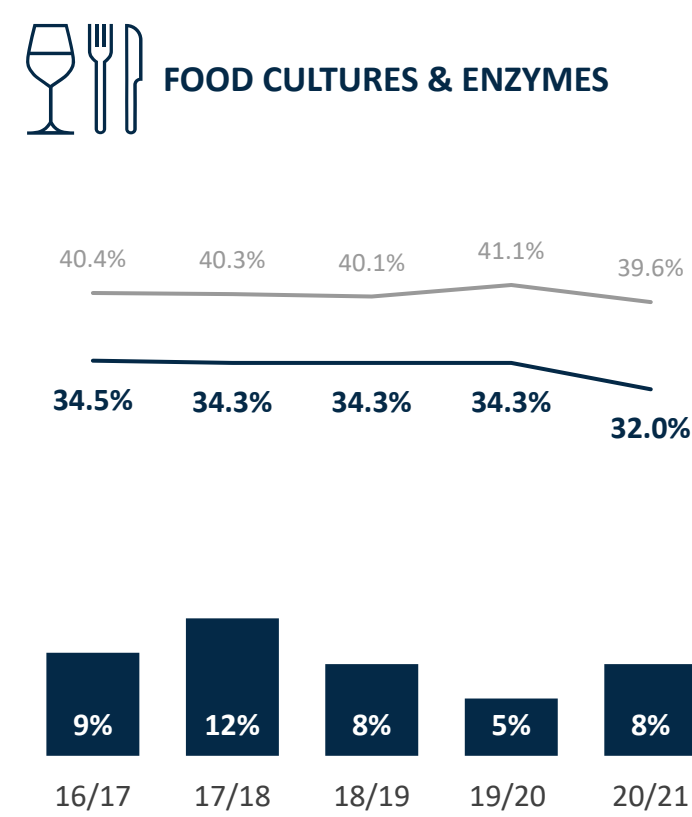
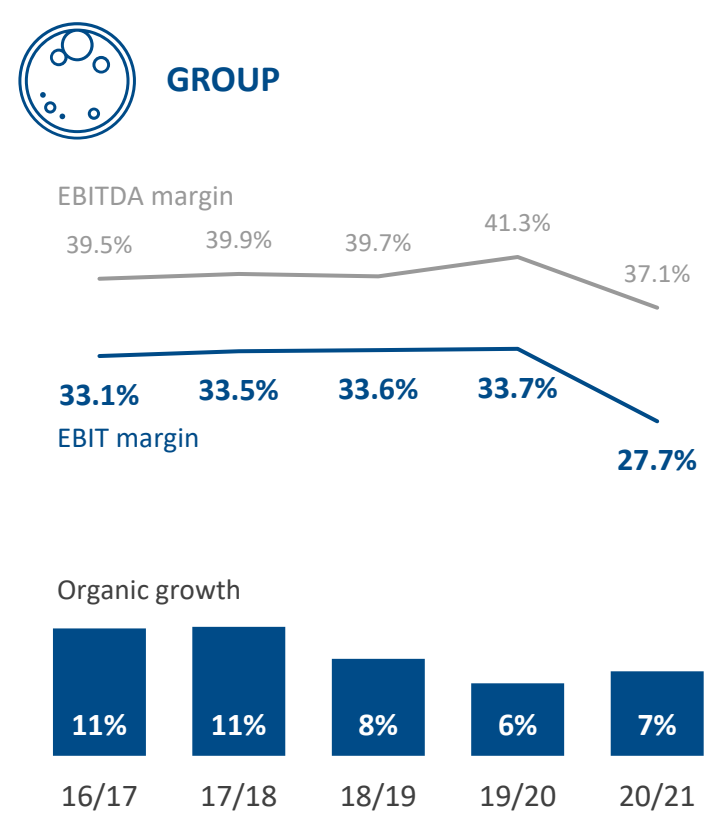


# Strong cash flow generation with clear capital allocation priorities



# We aim for industry-leading, profitable organic growth

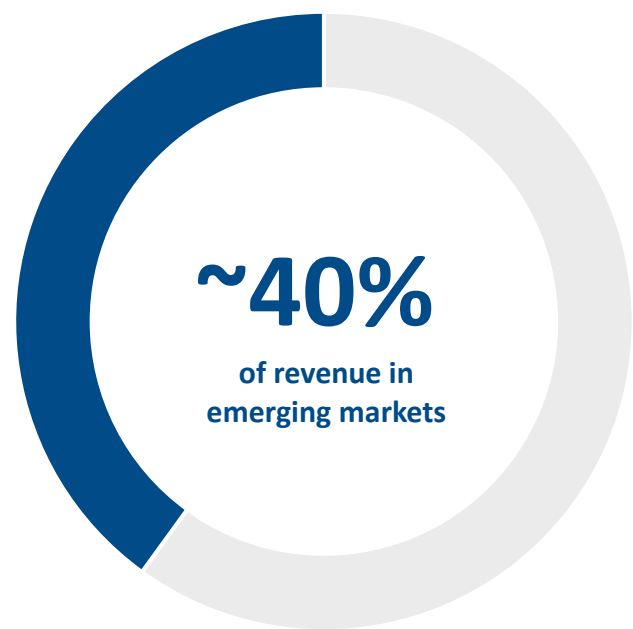
across our two segments



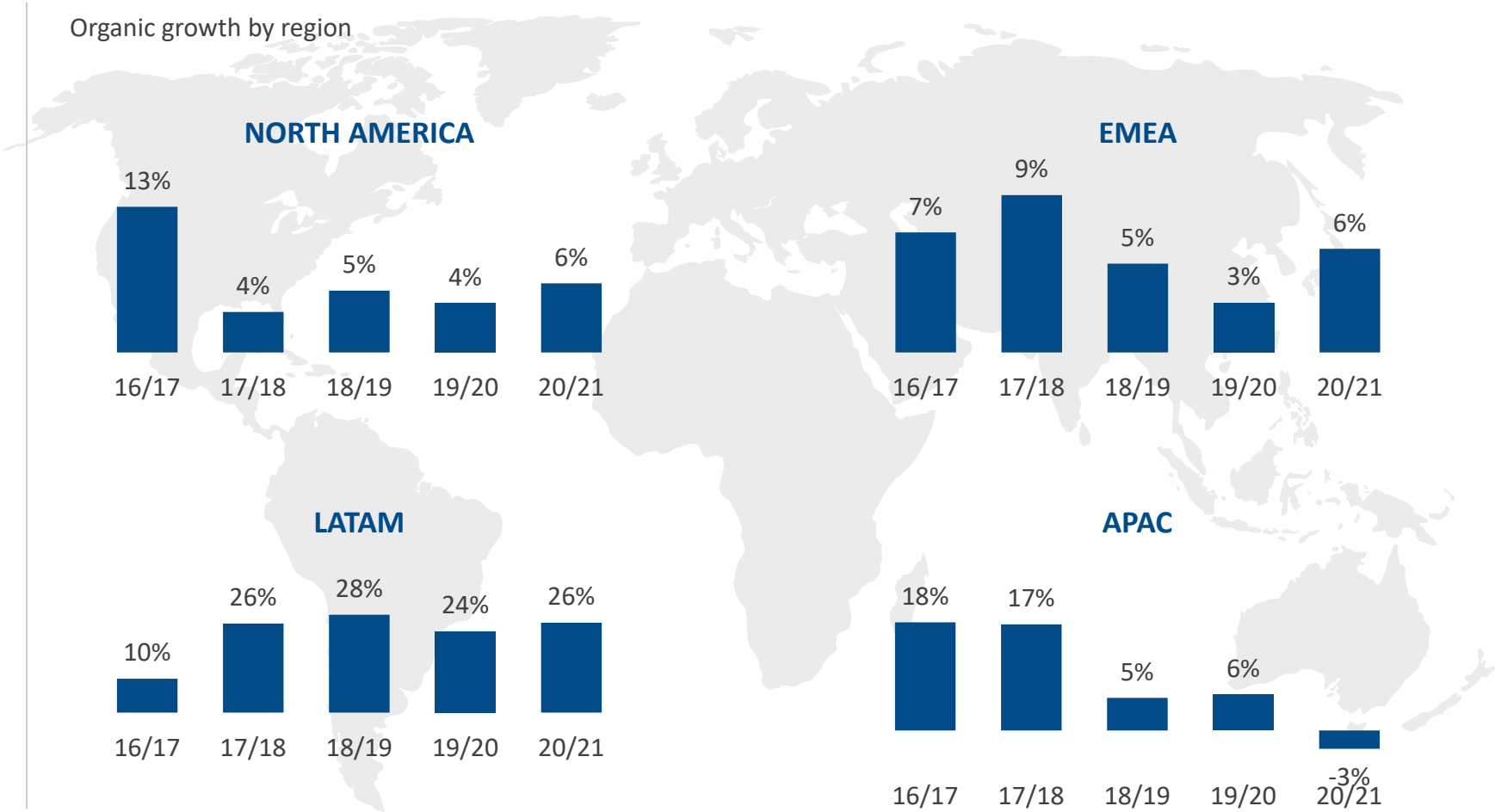
# We will further drive growth in developed and emerging markets

by expanding our customer base and global reach

Revenue split



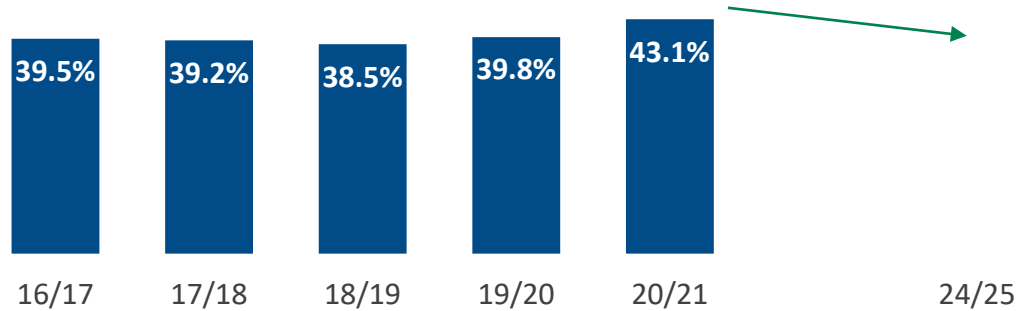
Organic growth by region



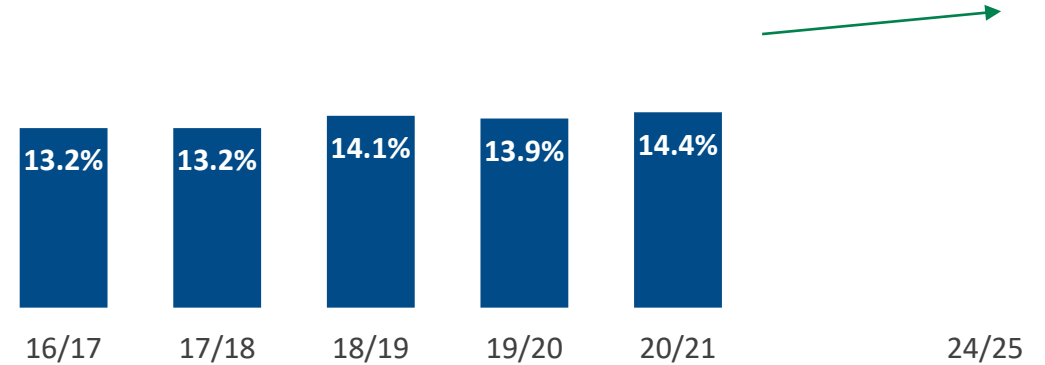
# We remain committed to driving gross margin expansion

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

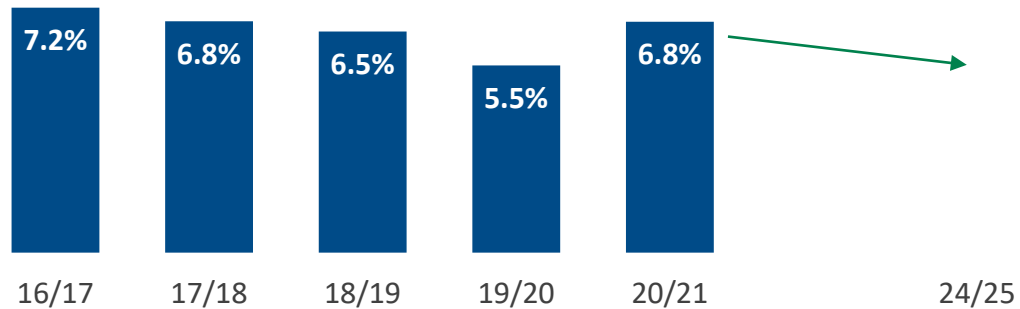
**COST OF SALE % of revenue**



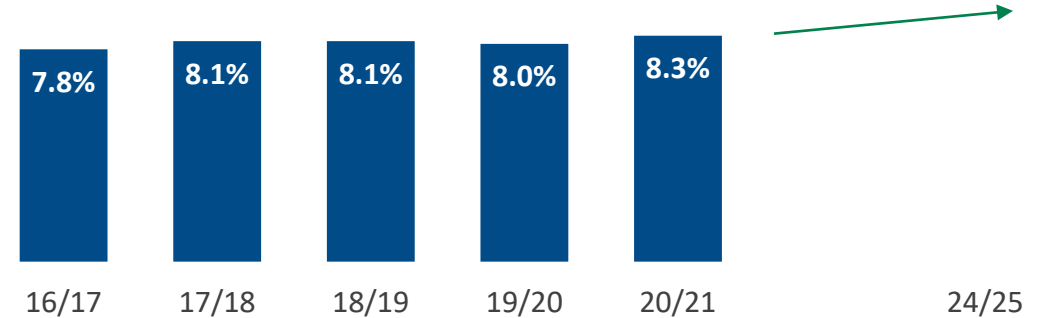
**SALES & MARKETING EXPENSES % of revenue**



**ADMINISTRATIVE EXPENSES % of revenue**



**R&D EXPENSES INCL. CAPITALIZATIONS % of revenue**



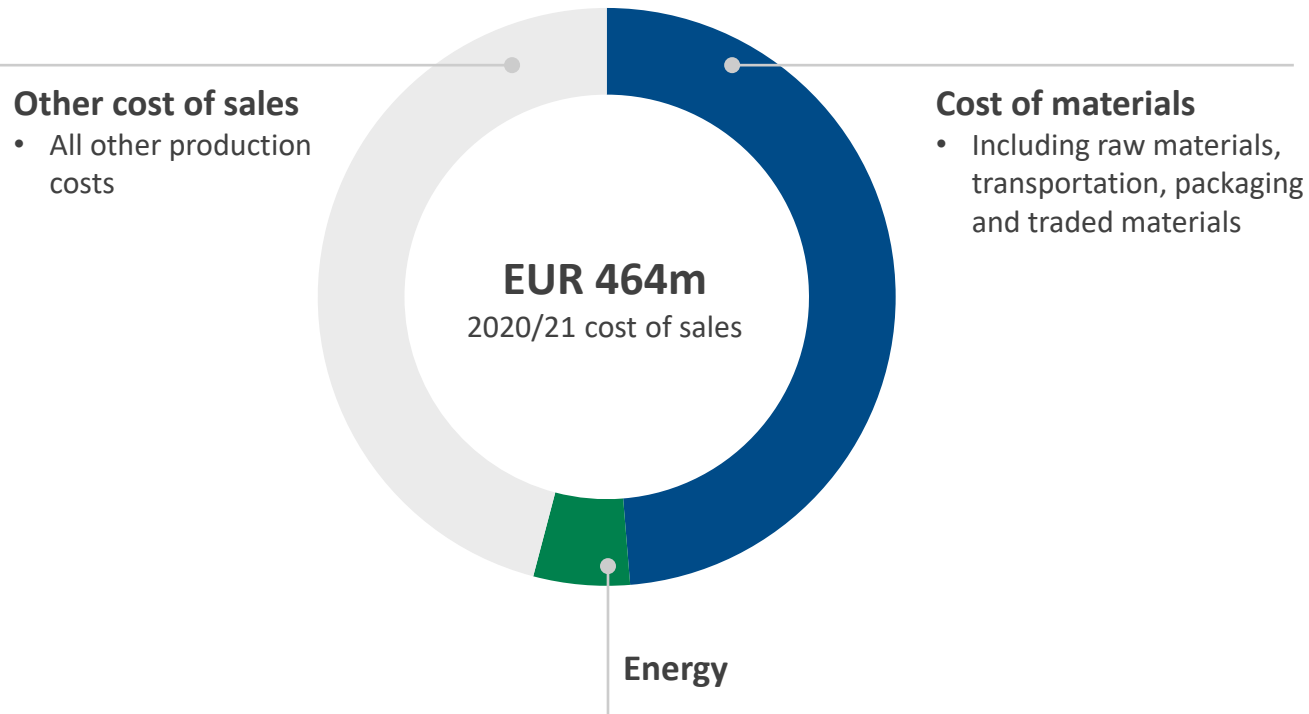
Note: Restated figures for continuing operations (Microbial Platform).

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# Cost base under pressure short-term due to rising input costs

## BREAK-DOWN OF COST BASE



## COMMENTS

- Continued inflationary pressure on key input costs such as raw materials, energy and logistics
- Key focus is securing availability of key materials
- Implementation of price adjustments progressing
  - Expect 2-3% pricing contribution for FY22
- Short-term, EBIT margin will be negatively impacted as price increases are implemented with a timing delay

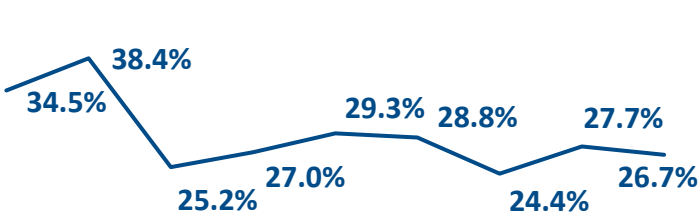


# EBIT margin b.s.i. by segment

Quarterly development



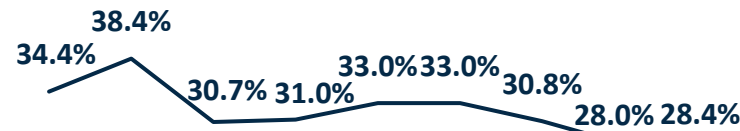
GROUP



Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20			20/21				21/22	



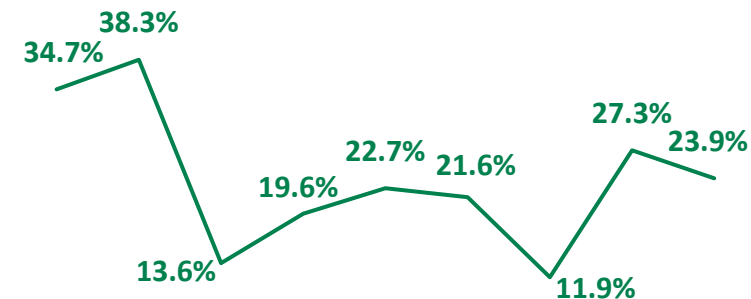
FOOD CULTURES & ENZYMES



Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20			20/21				21/22	



HEALTH & NUTRITION



Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
19/20			20/21				21/22	

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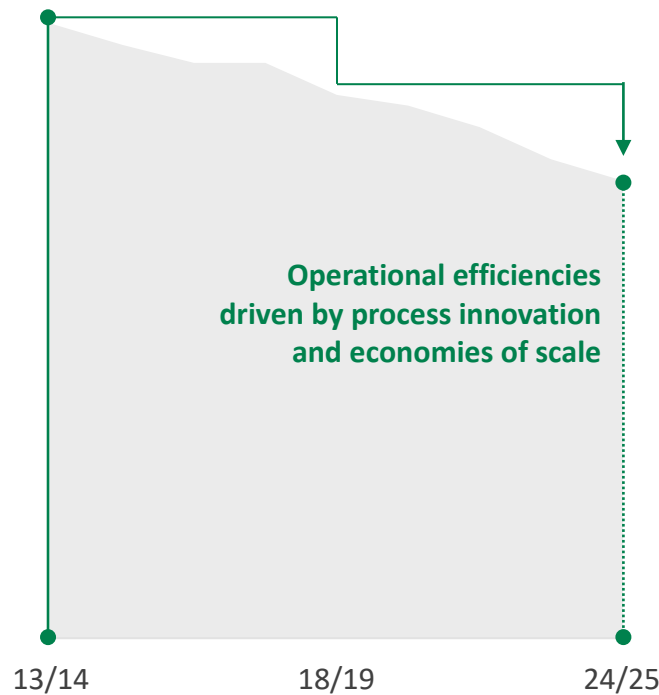
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# We will realize scalability benefits and operational efficiencies

across our global production footprint

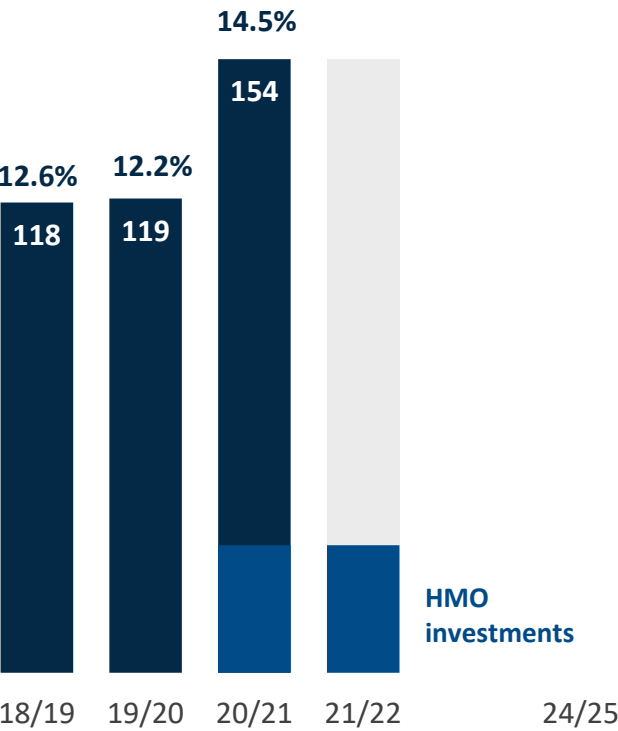
## GLOBAL OPERATIONS WILL CONTINUE TO DELIVER SIGNIFICANT COST SAVINGS...

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



## ... WHILE SECURING ADDITIONAL CAPACITY FOR FUTURE GROWTH

Capex in EUR m / % of revenue



## OVERVIEW OF LARGE CAPEX PROJECTS WITH EXPECTED COMPLETION DURING THE STRATEGY PERIOD

Freeze dried & powder packaging, Copenhagen

Additional fermentation capacity upgrades, US

Innovation campus, Denmark

Additional fermentation capacity upgrades, Germany

HMO production, Denmark (phase I)

Next large-scale dairy expansion

# Sustainability as an additional enabler for margin expansion

Our decarbonization roadmap towards 2030

## 2030 SCIENCE BASED TARGETS



**42%**

reduction target for scope 1+2



**20%**

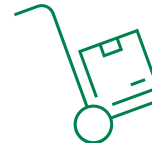
reduction target for scope 3

## THINK CLIMATE. NATURALLY. INITIATIVES



### OPERATIONS

- Convert all sites to 100% renewable electricity
- Work smarter with heat supply
- Sustainable refrigerants
- Recyclable packaging
- Optimize waste management



### SOURCING

- Approach selected suppliers for low-carbon practices incl. conversion to renewable energy
- Optimize use of raw materials via process innovations



### LOGISTICS

- Optimize transition from air to sea or road freight
- Explore low-carbon fuels in dialogue with freight forwarders



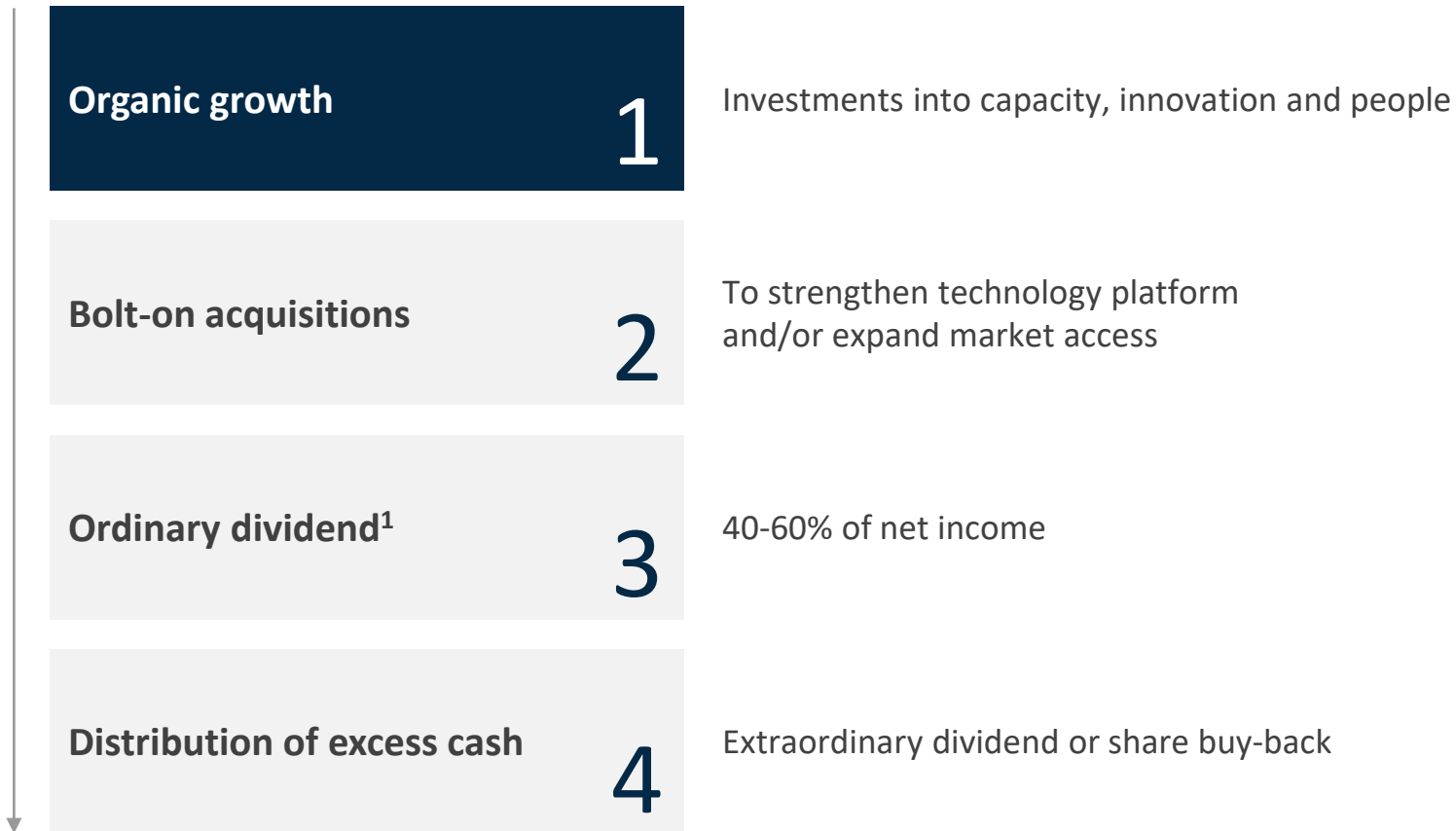
### ENGAGEMENT

- Promote climate literacy amongst employees
- Crowdsource climate smart ideas

# Creating shareholder value

with very clear capital allocation priorities

## CAPITAL ALLOCATION PRIORITIES



<sup>1</sup> 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



# Executive compensation 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
  - 20% of annual bonus linked to ESG (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 <sup>1</sup>	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 <sup>1</sup>	Target	Max
CEO	80%	120%
CFO/EVP	60%	90%

<sup>1</sup> Base plus pension.

# Long-term ambitions

2020/21 - 2024/25



## FINANCIALS<sup>1</sup>

### Industry-leading growth

- Mid- to high single-digit organic growth, averaged over the period

### Improving profitability

- Increase in EBIT margin b.s.i. over the period to >30% with efficiency gains, scalability benefits and acquisition synergies to be partly reinvested into the business

### Strong cash flow

- Average growth in free cash flow b.s.i.<sup>2</sup> to exceed average growth in EBIT b.s.i.

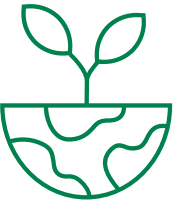
## PRODUCTS

- 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

- 100% use of renewable electricity
- 100% circular management of biowaste
- 100% key packaging materials recyclable
- 42% reduction of scope 1+2 emissions and 20% of scope 3 emissions (until 2029/30)



## PEOPLE

- 1:1 ratio of female employees and women in management
- Top 25 score in engagement matters survey
- < 1.5 Lost-Time Incident Frequency
- 100% of new employees onboarded to culture model



<sup>1</sup> The global political and economic environment has changed significantly in the past nine months, particularly impacted by accelerating inflationary cost pressure, disruption of global supply chains, and the Russian invasion of Ukraine. As a consequence, Chr. Hansen's ability to meet the long-term financial ambitions towards 2025 is highly sensitive to the following core assumptions: adjustment of selling prices to offset inflationary pressure over the period, normalization of global supply chains, a stabilization of the political and macroeconomic environment and constant currencies and no impact from future acquisitions or divestments.

<sup>2</sup> 2020/21 free cash flow baseline adjusted for acquisition-related impact on taxes paid of approx. EUR 45m.

# Financial calendar

**October 12, 2022**  
Annual Report 2021/22

**November 23, 2022**  
Annual General Meeting 2022

**January 12, 2023**  
Interim Report Q1 2022/23

**April 13, 2023**  
Interim Report Q2 2022/23

**July 6, 2023**  
Interim Report Q3 2022/23

**October 12, 2023**  
Annual Report 2022/23

**November 22, 2023**  
Annual General Meeting 2023

# Contacts

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