



Chr. Hansen FY 2021/22

Investor presentation

October 12, 2022

CHR HANSEN

Improving food & health



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 are provided as of the date stated in this document 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 financial results in a volatile macroeconomic environment

Financial highlights Q4/FY 2021/22



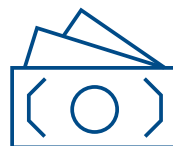
ORGANIC REVENUE GROWTH

6%

(12% EUR growth)

FY 2021/22: 9%

(13% EUR growth)



EBIT MARGIN

before special items

27.9%

(9% EBIT b.s.i. growth)

FY 2021/22: 26.8%

(9% EBIT b.s.i. growth)



FREE CASH FLOW

before acquisitions and special items

EUR 56m

FY 2021/22: EUR 172m

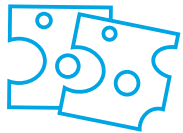
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Good progress on strategic priorities

Strategic and operational highlights Q4/FY 2021/22

2025 STRATEGY



REINVEST

Continued momentum in cheese and solutions focused on production efficiencies in **FC&E**



REINVEST

Solid **Human Health** driven by strong execution in the infant and children segment



LEVERAGE

New regulatory approvals for **HMO** received in Europe, North America and Israel

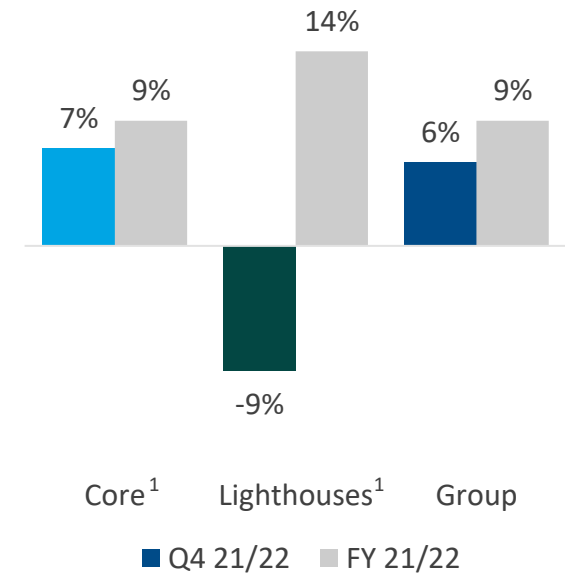


GROUP

Growing impact from implementation of inflation-driven **price adjustments**

ORGANIC GROWTH

Q4/FY 2021/22



¹ 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.

Our microbial solutions help the agricultural industry become more efficient

with solutions that improve productivity and make more out of less

DAIRIES ARE INCREASINGLY CHALLENGED BY

- Rising raw material costs
- Rising energy costs
- Rising milk prices
- Rising labor costs



CHY-MAX® S / YIELDMAX®

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

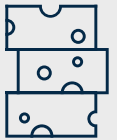


YOFLEX® PREMIUM

- Allows protein savings of 3-4% by reducing unnecessary ingredients such as skim milk powder equal to 1-3% in COGS

EXAMPLE OF A CHEESE PRODUCER USING CHY-MAX® SUPREME

- Yield increase of up to **1.5%**¹
- Faster and more efficient production
- Extension of shelf-life



- The cheese producer achieved yearly cost savings of **960,000 EUR**¹



¹The cheese producer has a yearly production of 16,000 tons. The cheese price is 4,000 EUR per ton.

And enable a more sustainable food system

GLOBAL CHALLENGE¹

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

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, lactose and fat	 Health through nutrition – HMOs and probiotics

¹ Sources: Good Food Institute, AMR, WHO, UN.

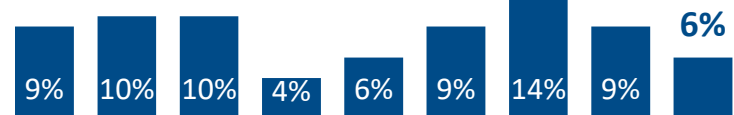
Solid organic growth in both FC&E and H&N

Organic sales performance by business area



GROUP¹

2021/22: 9%



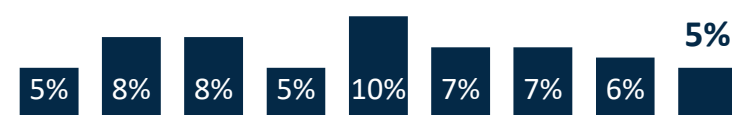
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
20/21					21/22			

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q4	+4%	+2%	+6%	+12%
FY	+7%	+2%	+4%	+13%



FOOD CULTURES & ENZYMES

2021/22: 7%



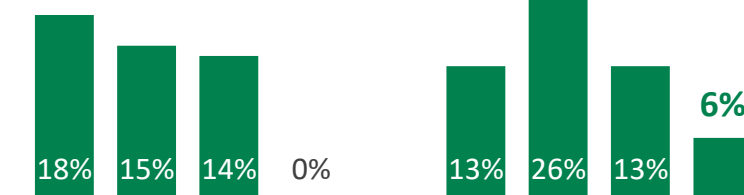
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
20/21					21/22			

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q4	+1%	+4%	+5%	+10%
FY	+5%	+2%	+2%	+9%



HEALTH & NUTRITION²

2021/22: 14%



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

	VOLUME/ MIX	PRICE	FX	EUR GROWTH
Q4	+7%	-1%	+8%	+14%
FY	+14%	0%	+7%	+21%

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

² 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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Growth supported by APAC in Q4

Organic sales performance by region

ORGANIC GROWTH Q4/2021/22

+1%

FY 2021/22: +8%

NORTH AMERICA

34% of revenue

- FC&E supported by solid momentum in cheese and fermented beverages as well as pricing initiatives; fresh dairy below last year
- H&N declined compared to last year due to customer order patterns in HMO and Human Health

+3%

FY 2021/22: +7%

LATIN AMERICA

11% of revenue

- Pricing initiatives in FC&E partly offset by a negative impact from EUR-based pricing and lower volumes
- H&N adversely impacted by the timing of orders in Plant Health

+6%

FY 2021/22: +10%

EUROPE, MIDDLE EAST & AFRICA

37% of revenue

- Solid growth supported by all product areas (except Human Health) and pricing initiatives, including a positive impact from EUR-based pricing
- Growth negatively impacted by Russia
- Human Health negatively impacted by customer order patterns

+17%

FY 2021/22: +12%

ASIA-PACIFIC

18% of revenue

- Growth driven by volume growth and supported by all product areas, except for dairy which was negatively impacted by declining volumes in China
- Positive impact from pricing initiatives was more than offset by a negative impact from EUR-based pricing

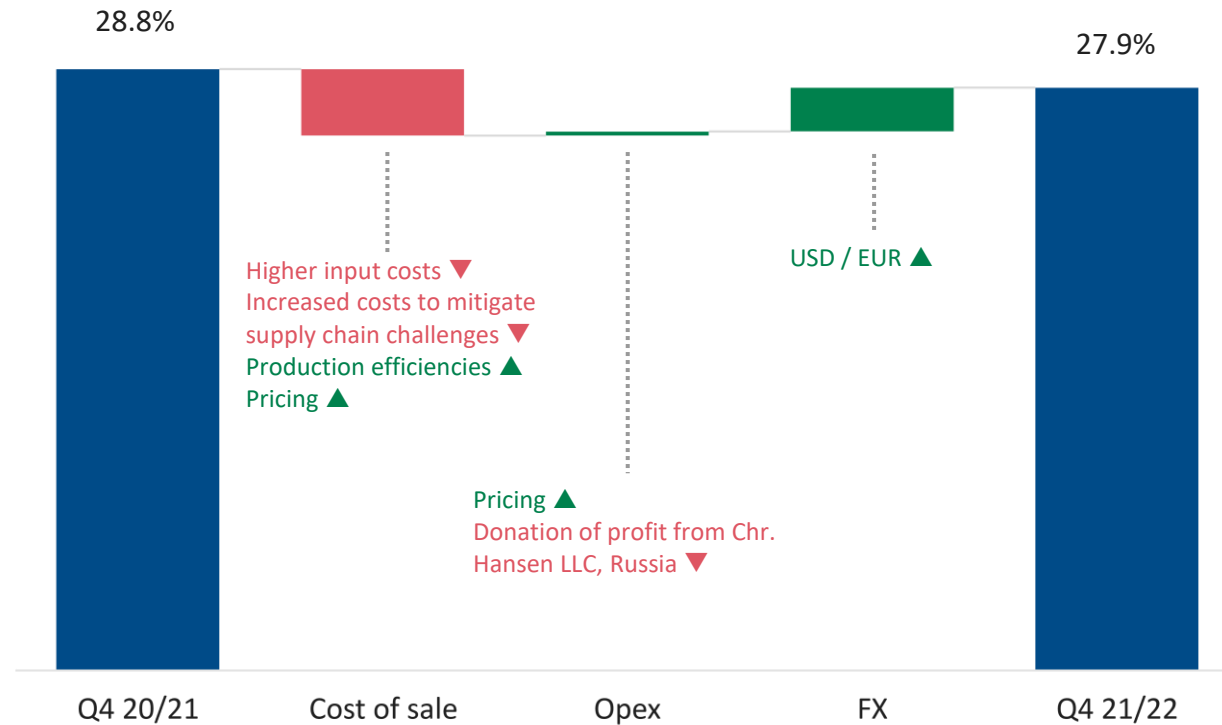
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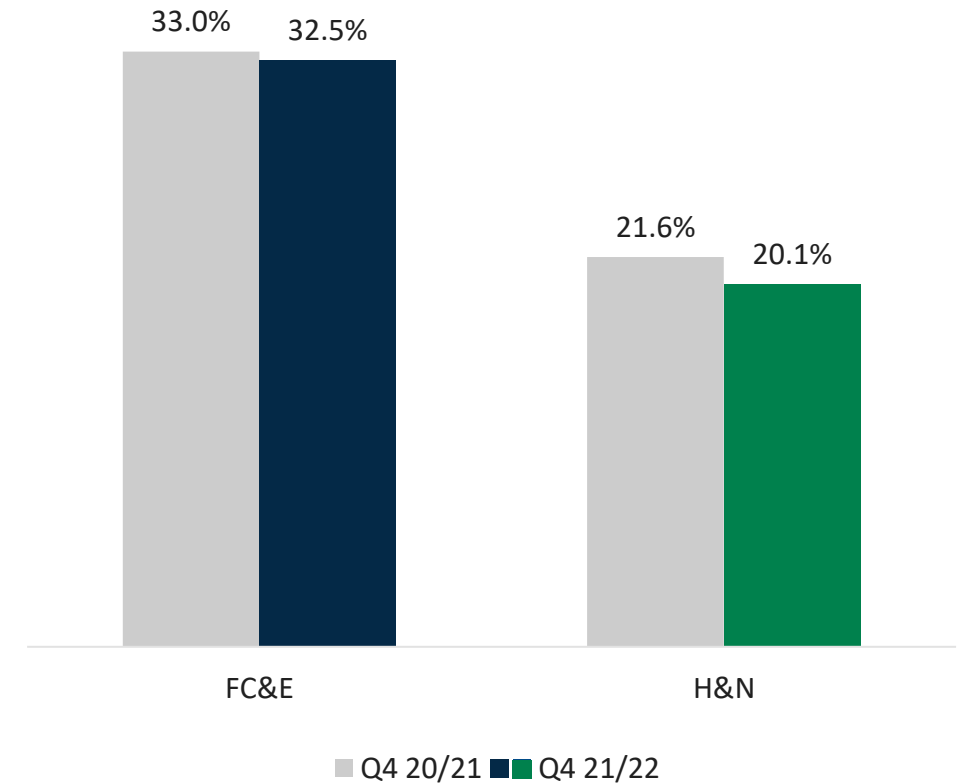
Profitability impacted by higher input costs and activities to mitigate supply chain constraints

EBIT margin b.s.i. Q4 2021/22

GROUP EBIT MARGIN B.S.I. in %



SEGMENT EBIT MARGIN B.S.I. in %

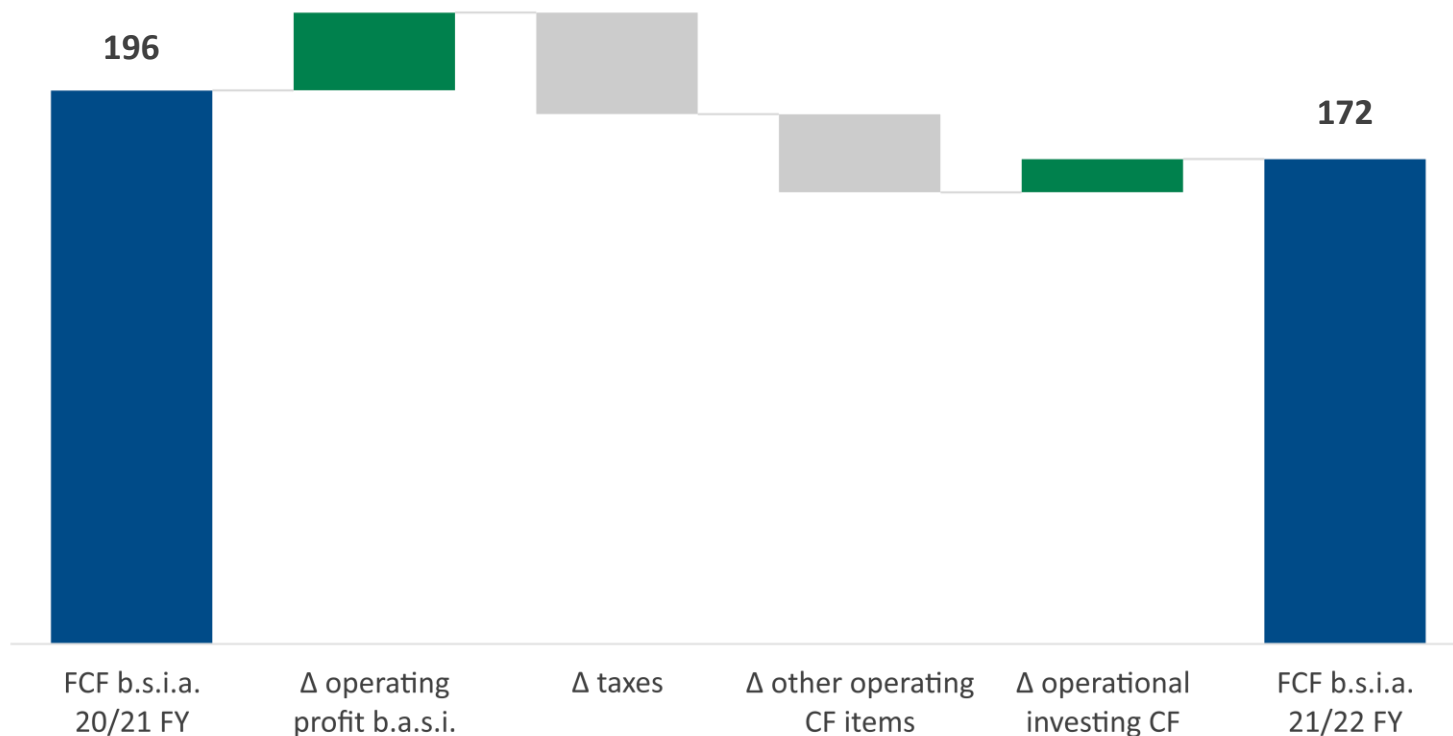


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Strong cash flow generation despite impact from higher taxes paid

FREE CASH FLOW B.A.S.I. in EURm¹



ROIC excl. goodwill in %

	20/21 FY	21/22 FY
Group		
	24.8%	24.0%
FC&E		
	35.8%	33.4%
H&N		
	13.0%	14.5%

¹ Excl. impact from discontinued operations in 2020/21. 2020/21 free cash flow baseline adjusted for acquisition-related impact on taxes paid of approx. EUR 45 million.

Clear capital allocation priorities

CAPITAL ALLOCATION PRIORITIES

Organic growth	1	Investments into capacity, innovation and people
Bolt-on acquisitions	2	To strengthen technology platform and/or expand market access
Ordinary dividend¹	3	40-60% of net income
Distribution of excess cash	4	Share buy-back or extraordinary dividend

2021/22

R&D	8.1% of revenue
CAPEX	11.6% of revenue
N/A	
Proposal for AGM EURm 125, equal to 55% of net profit	
BoD to consider distribution of excess cash during 2022/23	

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.

2022/23 outlook

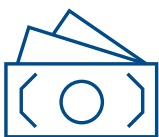
2022/23 OUTLOOK

October 12, 2022



ORGANIC REVENUE GROWTH

7-10%



EBIT MARGIN b.s.i.

27.0-28.0%



FREE CASH FLOW b.s.i.

EUR 190-230 million

SUPPORTING ASSUMPTIONS

- Based on the current exchange rate, revenue growth is expected to be positively impacted by approx. 5%
- Based on the outlook for revenue and organic growth, the absolute EBIT b.s.i. is expected to grow faster than revenue

SENSITIVITY

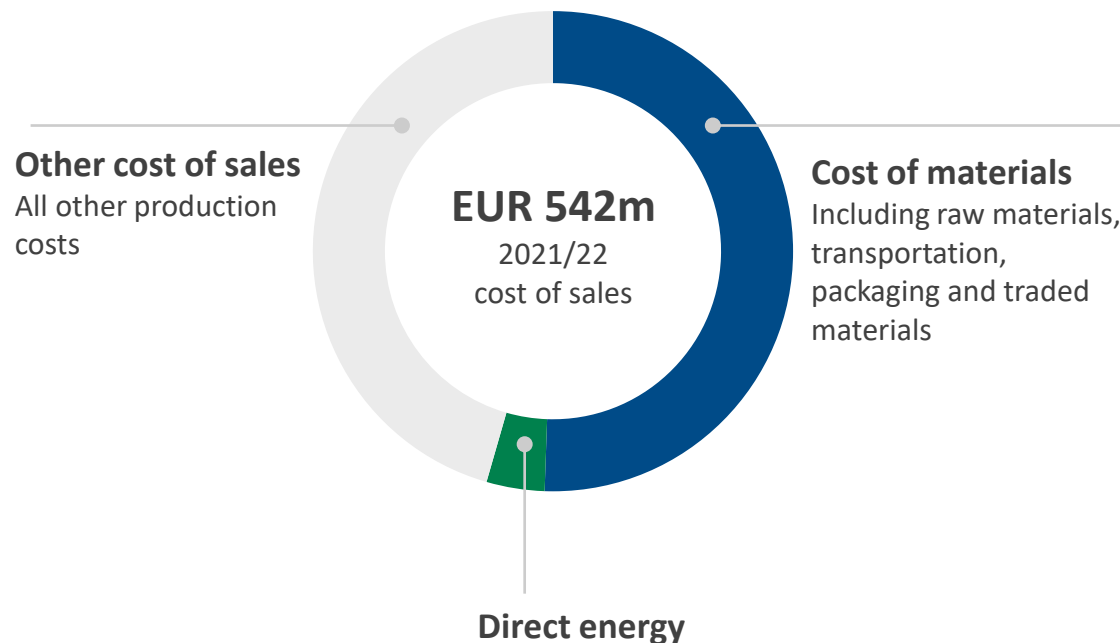
- Continued changes in the geopolitical and macroeconomic climate including additional sanctions towards Russia or other countries where Chr. Hansen operate, supply disruptions and developments in raw material and other input costs, such as energy, may impact the outlook for 2022/23
- The outlook for 2022/23 is based on actual rates until October 11, 2022, and for the remainder of the year assuming constant exchange rates at the current level of EUR/USD rate of 0.97

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Managing the cost base

BREAK-DOWN OF COGS



FY23 KEY DRIVERS

Energy

- Direct energy exposure is mainly related to electricity and natural gas sources. Consumption (mWh) for FY23 partly hedged, but with increased unhedged position end of year
- Indirect energy exposure impacting raw materials, transportation, packaging and traded materials

Availability

- Secure continued operations in a volatile energy supply situation
- Challenging supply situation of certain packaging and raw materials
- Challenging labor market

KEY MITIGATIONS

- Continued pricing initiatives
- Efficiency programs
- Strict supply management
- Mitigation plans for energy consumption

The outlook is supported by a robust business model for volatile times

FOOD CULTURES & ENZYMES

- ⬆ More support from pricing
- ⬇ Less support from market growth
- ➡ Similar support from innovation and upselling although balance will be more towards solutions supporting production efficiencies

Food Cultures & Enzymes



HEALTH & NUTRITION

- ⬆ More support from pricing
- ⬇ Less support from market growth especially in Animal & Human Health
- ➡ Similar support from Lighthouses (HMO & Plant Health)

Human Health

Market segment	Multi-species		Single-species
Value proposition	Microbiome diversity		Specific health conditions
Indication areas	Gut health, immune health, women's health, infant, novel indication areas		
Customer groups	E-commerce specialists	FMCG/CHC	Pharma

Long-term financial ambitions until 2024/25

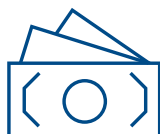
Chr. Hansen remains committed to delivering industry-leading profitable growth and strong cash flows with the focus on cost discipline and capital efficiency.

ORGANIC GROWTH



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

EBIT MARGIN b.s.i.



Increase EBIT margin b.s.i. to more than 30%

FREE CASH FLOW b.s.i.



Average growth in free cash flow b.s.i.¹ to exceed average growth in EBIT b.s.i.

SENSITIVITY

The geopolitical and macroeconomic environment has changed significantly in the past year, particularly impacted by accelerating inflationary cost pressure, disruption of global supply chains, and effects related to Russia's 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 geopolitical and macroeconomic environment
- Constant currencies and no impact from future acquisitions or divestments

¹ 2020/21 free cash flow baseline adjusted for acquisition-related impact on taxes paid of approx. EUR 45m.

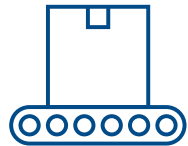
Let's grow a better world. Naturally.

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

AMBITIOUS LONG-TERM AMBITIONS

2021/22 KEY HIGHLIGHTS

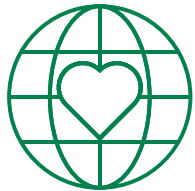
PRODUCTS



- More than 80% of revenue from sustainable products¹
- 25m hectares covered with natural solutions
- 200m people consuming our probiotics
- 2m tons of yogurt waste reduced

- ✓ With bioprotective properties helped avoid **160,000 tons** of yoghurt waste
- ✓ **195 million people** consumed Chr. Hansen's probiotics

PLANET



- 100% use of renewable electricity²
- 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)²

- ✓ Launch of **Science Based Targets**
- ✓ Launch of '**Think Climate. Naturally.**' program

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

- ✓ **New flexible work guidelines** rolled out
- ✓ **New 780 Hasenites onboarded**

¹ For more information on the methodology, see sustainability accounting policies on p. 74-76 in the Annual Report 2021/2022.

² Achieving the target may be impacted by the current geopolitical environment with volatile supply chains for energy.

Q&A



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

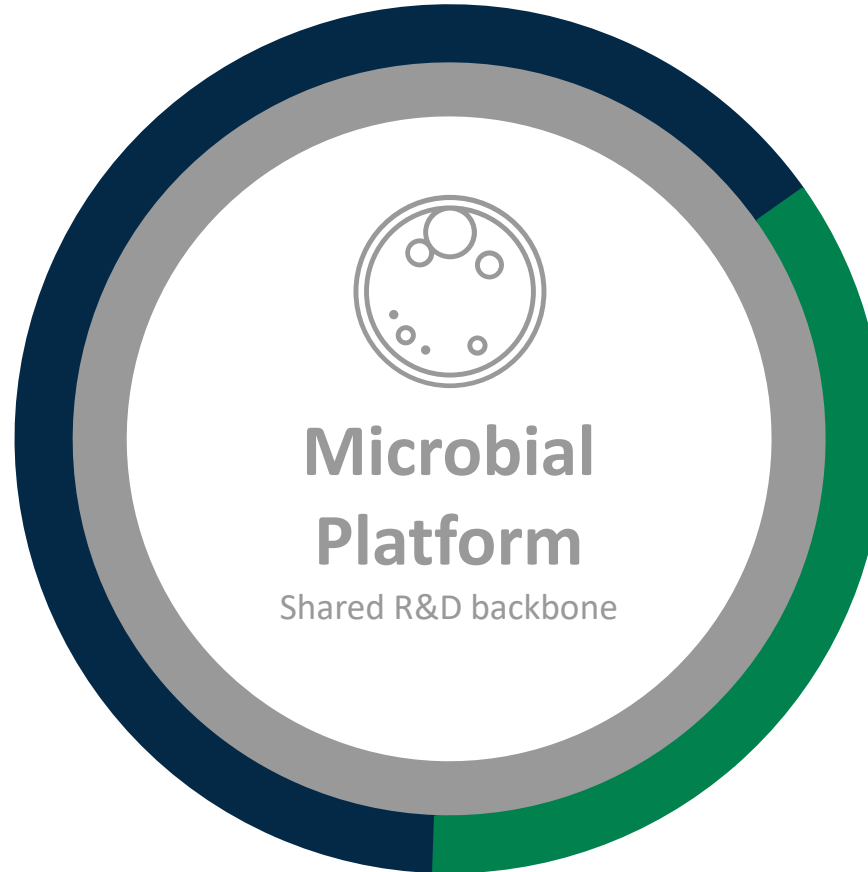
EUR 762m revenue
(63% of total) in 2021/22



Dairy



Food &
Beverages



HEALTH & NUTRITION

EUR 455m revenue
(37% of total) in 2021/22



Human Health
& HMO



Animal &
Plant Health

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We are the preferred partner

for strategic value-added ingredients



Quotes from customer survey

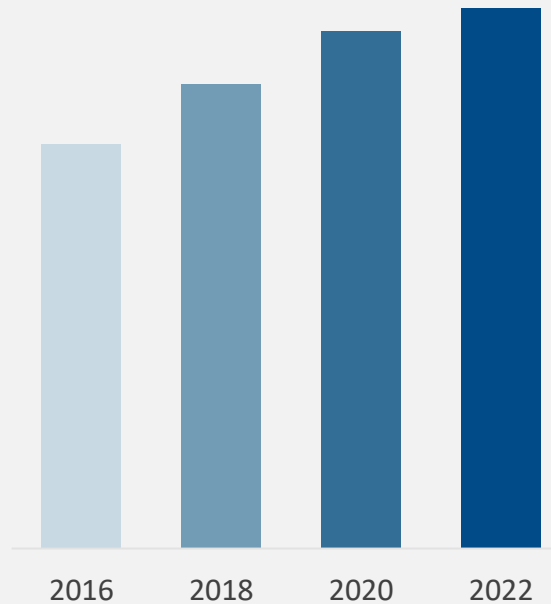
“The **quality of products is definitely the best** on the market.”

“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



Taste & texture
Nutritional value
Quality & consistency
Pathogen protection
productivity improvements

1-5%
of cost



Health benefits
Higher feed conversion
Better crop yields

>1-5%
of cost

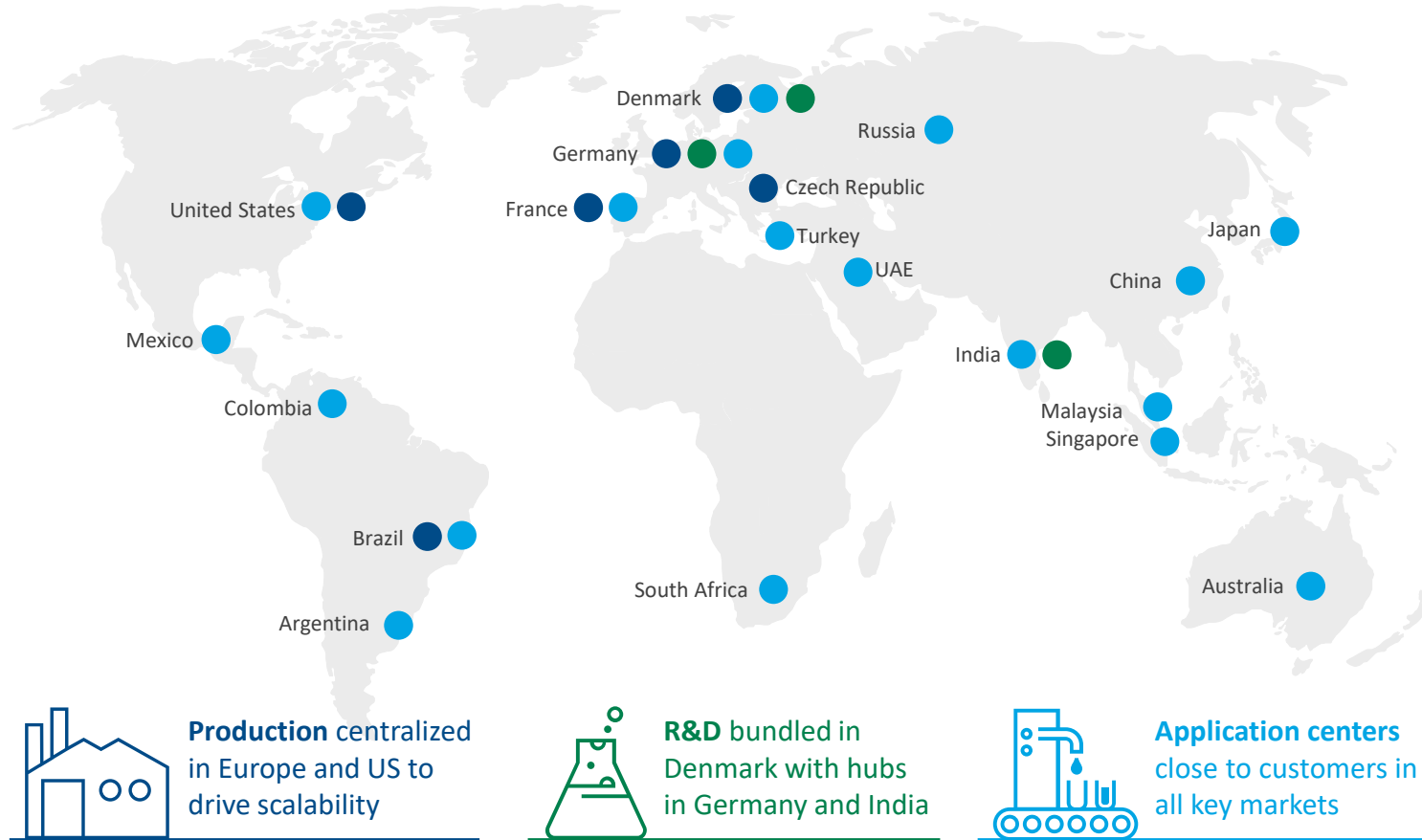
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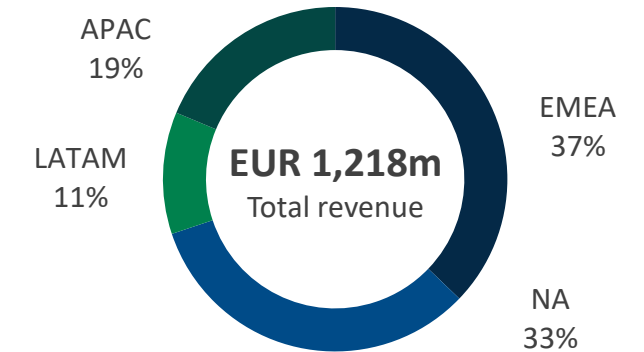
We operate globally

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

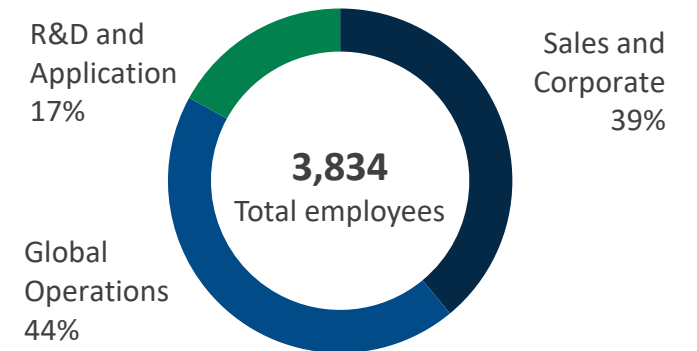
GLOBAL FOOTPRINT AT A GLANCE



REVENUE BY REGION 2021/22



EMPLOYEES BY FUNCTION 2021/22

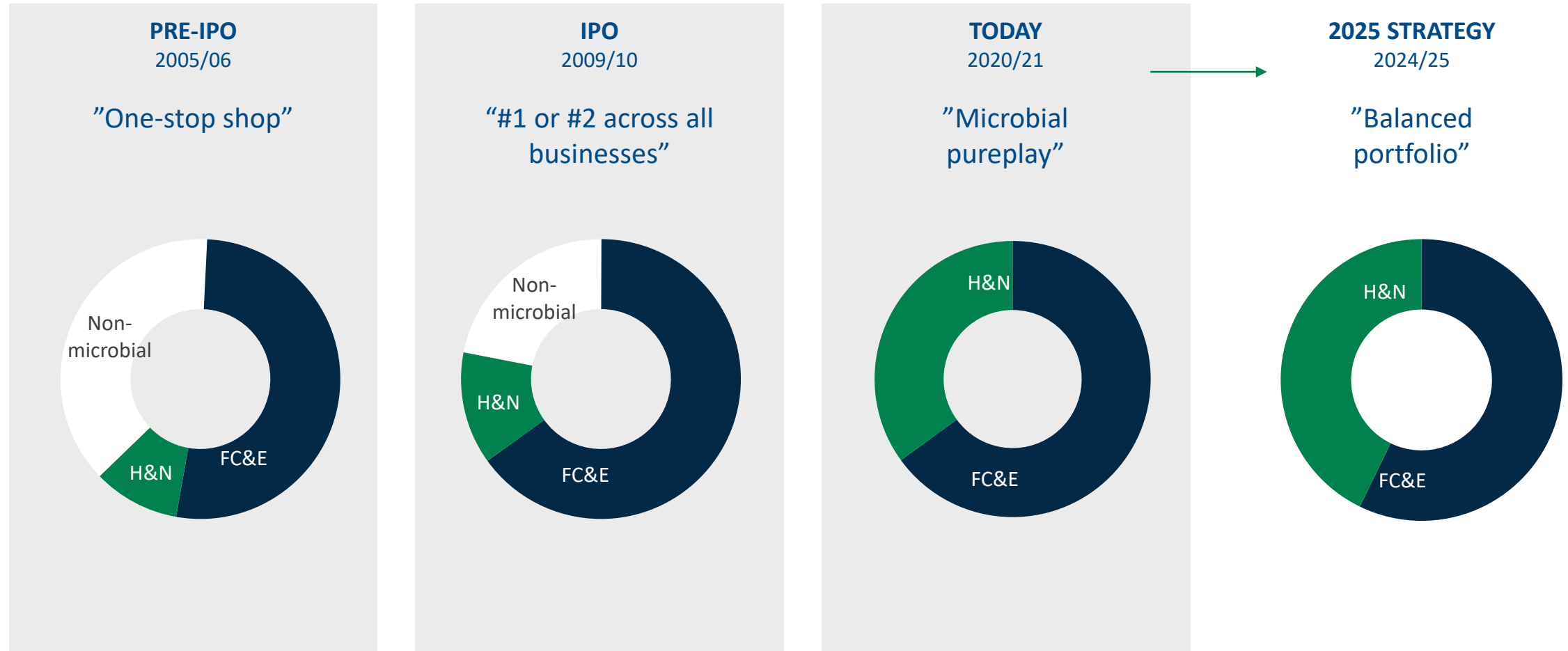


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We have expanded our technology platform

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.

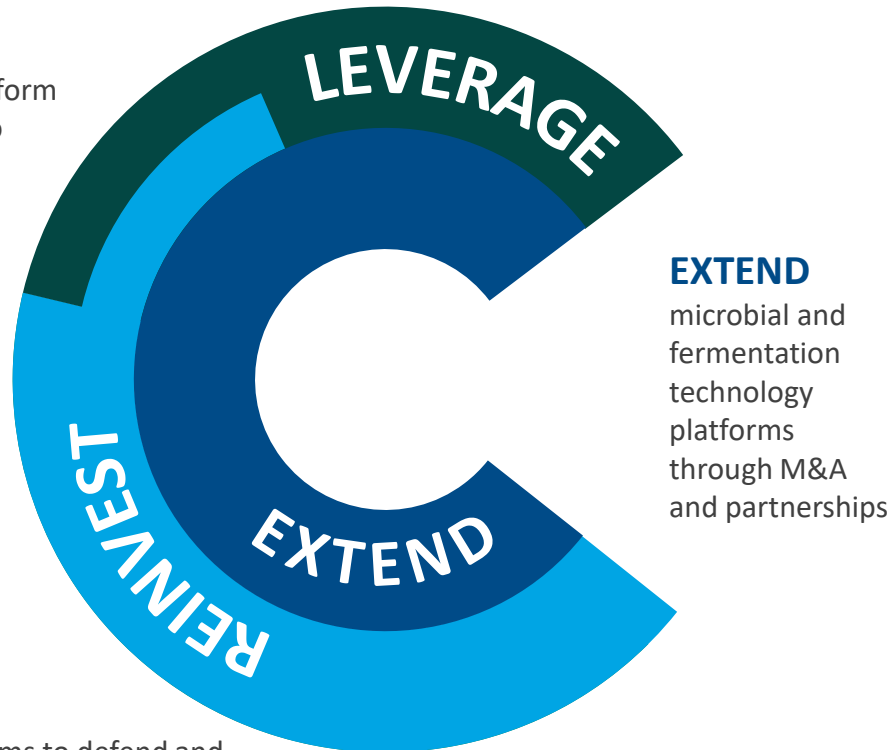
2025 Strategy: Creating a differentiated bioscience company

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

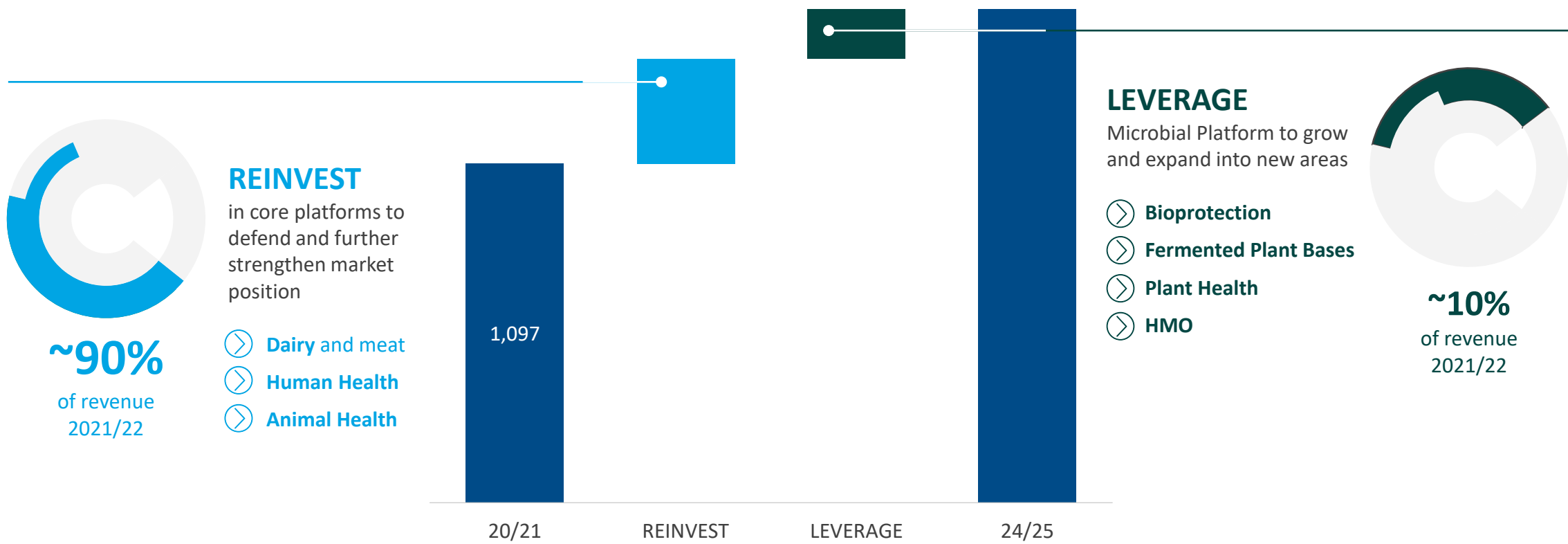
How to win

- 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.

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



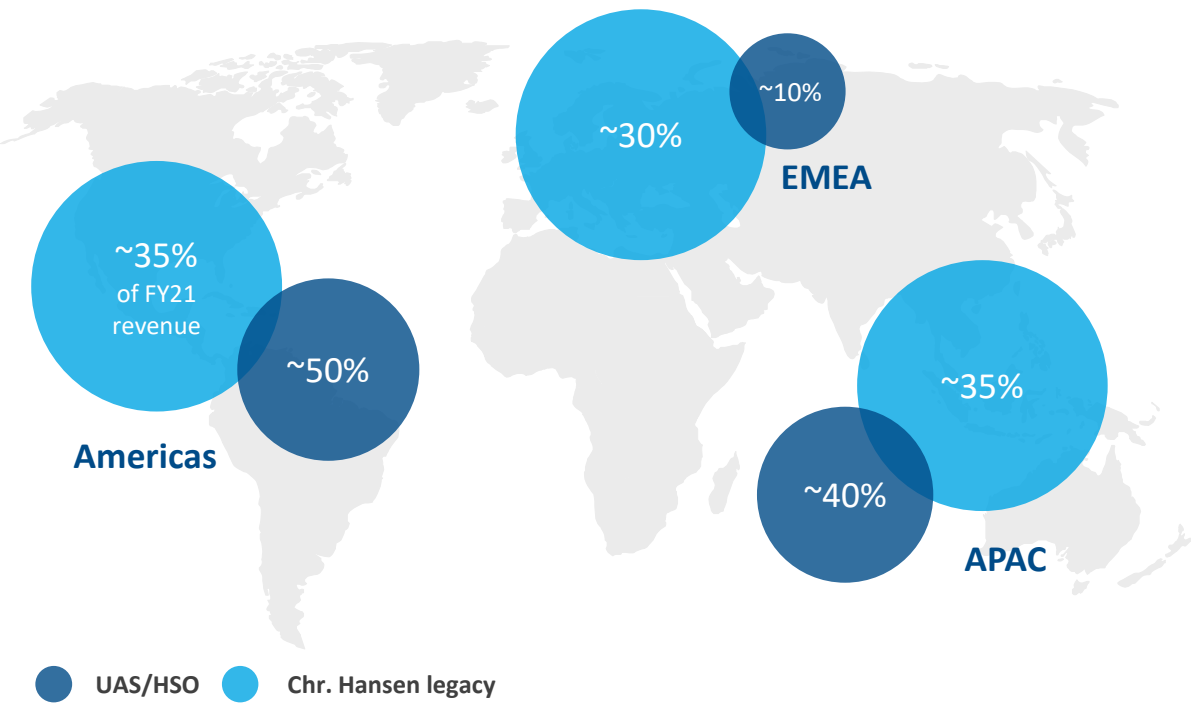
Conversion in fermented milk
~80% (potential: 90%) and in
cheese ~55% (potential: 75%)

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....

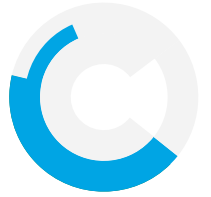


... TO A BROADER CUSTOMER BASE IN DIFFERENT SEGMENTS, INDICATION AREAS AND CHANNELS

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		

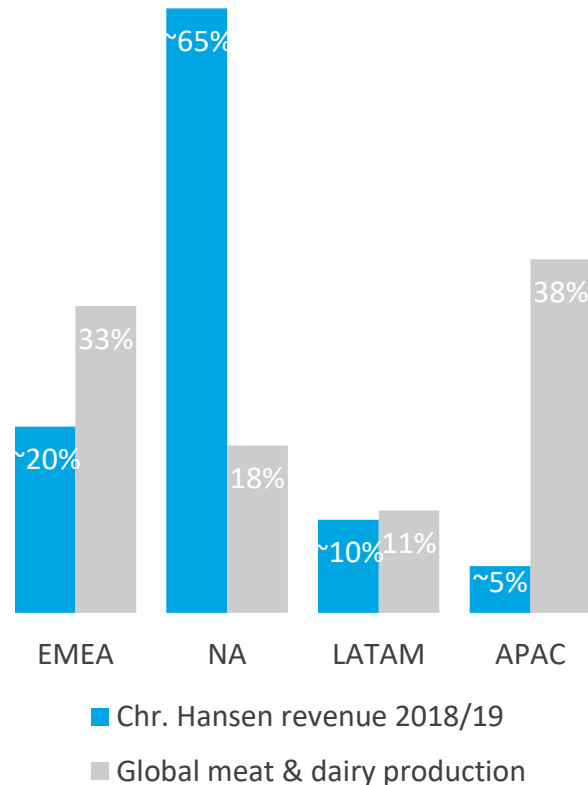
In Animal Health we will continue to expand our market presence

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



EXPANDING OUTSIDE OF NORTH AMERICA

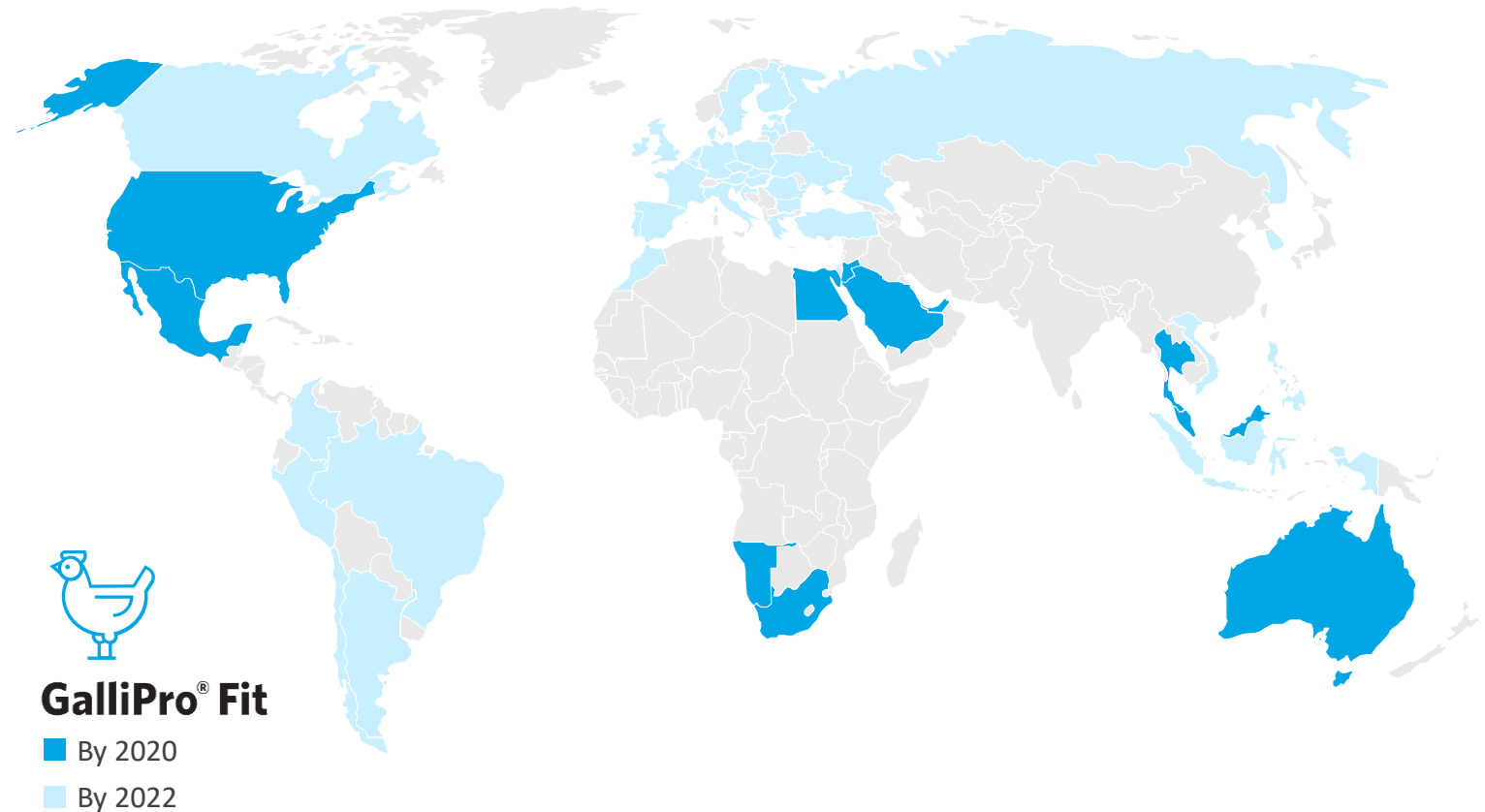
Animal Health revenue vs. global meat and dairy production volumes by regions¹



¹ FAOSTAT (2018).

GLOBAL ROLL-OUT OF PRODUCT PORTFOLIO

Example: Countries with (expected) registrations for GALLIPRO® 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

- 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



2021-22

- 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
- New regulatory approvals for HMO in Europe, North America and Israel



2022-25

- Expand manufacturing capacity; 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

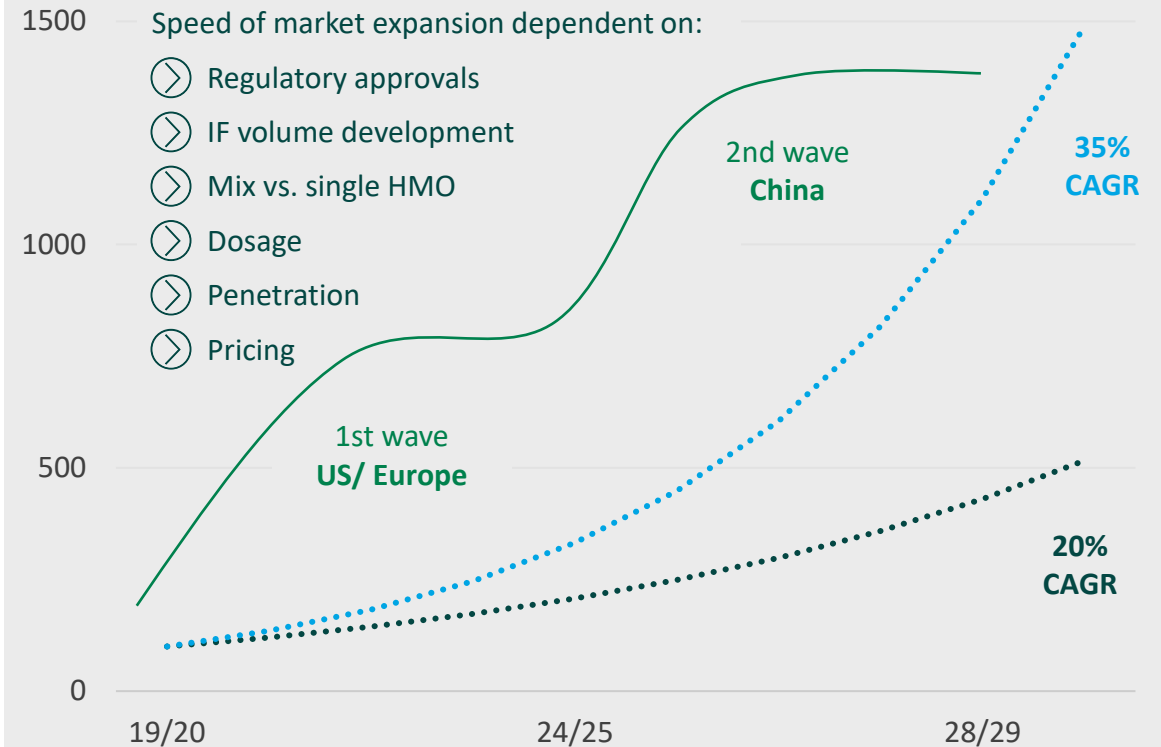


Beyond 25

- Expand manufacturing capacity
- 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 EURm (illustrative)

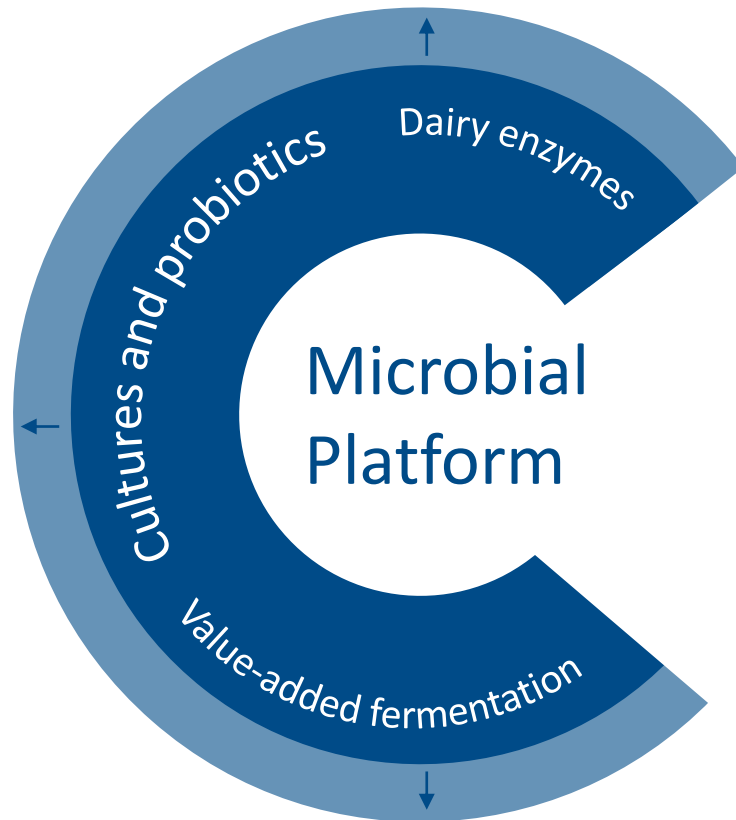


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We extend our Microbial Platform

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



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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 CHALLENGE¹

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

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, lactose and fat	 Health through nutrition – HMOs and probiotics

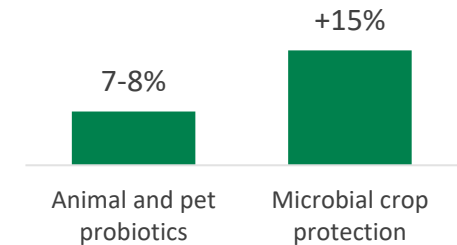
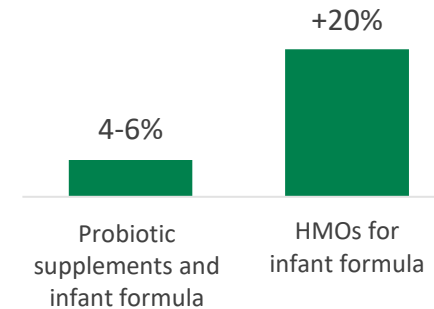
¹ Sources: Good Food Institute, AMR, WHO, UN.

We aim to grow faster than our underlying markets

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



MARKET GROWTH until FY25¹



BUSINESS DRIVERS



Leading microbial science and new product development



Expansion into new geographies and customer groups



Local application presence and superior technical service

NB: The above market projections were laid out in connection with initiation of the strategy in 2020, covering the period until FY2025. Expected market growth rates for 2023 are currently at modest levels due to the market environment.

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

Innovation-driven

with focused microbial and fermentation
technology capabilities



Nearly 150 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

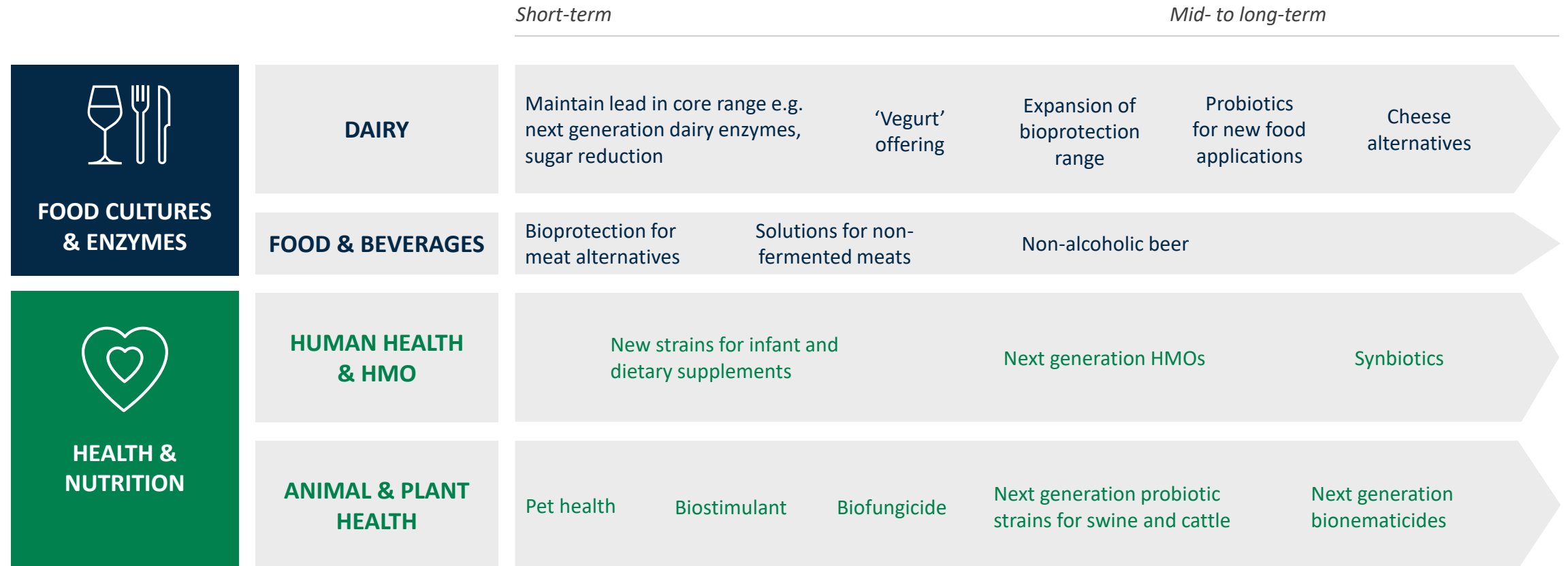
- Develop manufacturing processes e.g. upscaling for ONE industrial platform
- Drive productivity and efficiencies together with Global Operations
- Microbial stability programs
- Run pilot plants and produce all inoculation materials worldwide

CHR HANSEN

Improving food & health

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

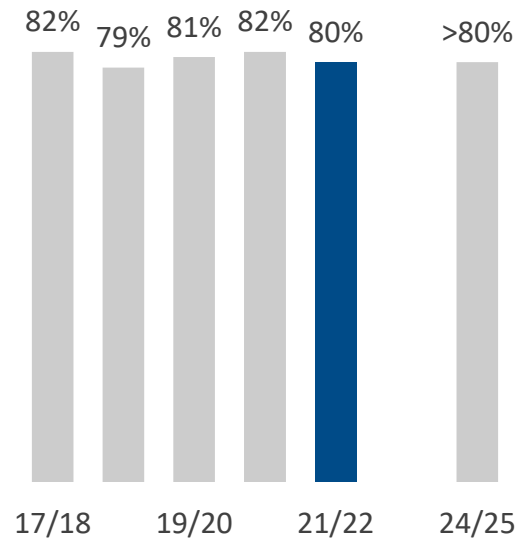
80%

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

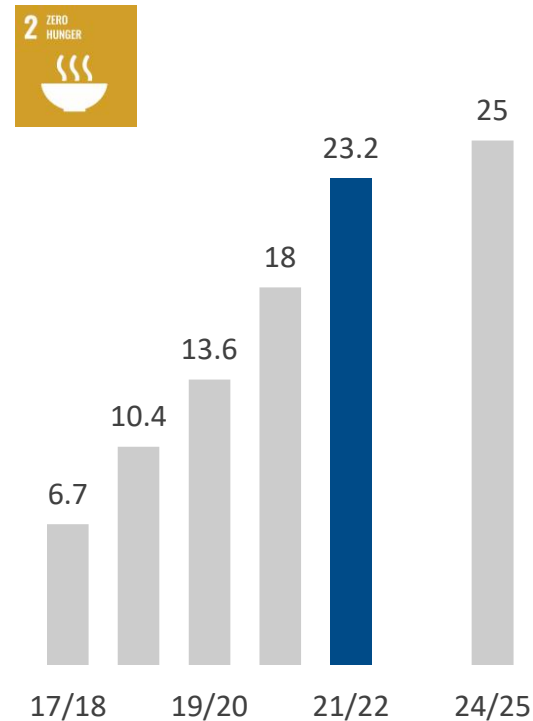
80% of our revenue contribute to the Sustainable Development Goals

as per our annual product mapping which is assured by PwC

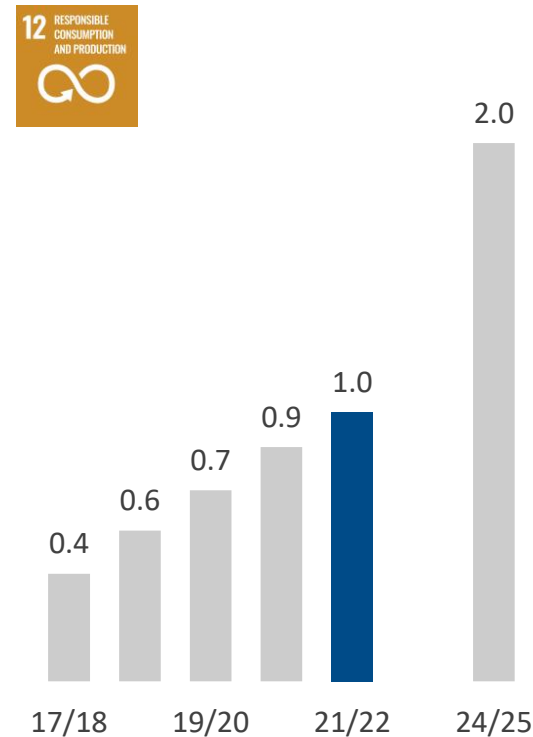
CONTRIBUTION TO UN GLOBAL GOALS in % of gross revenue¹



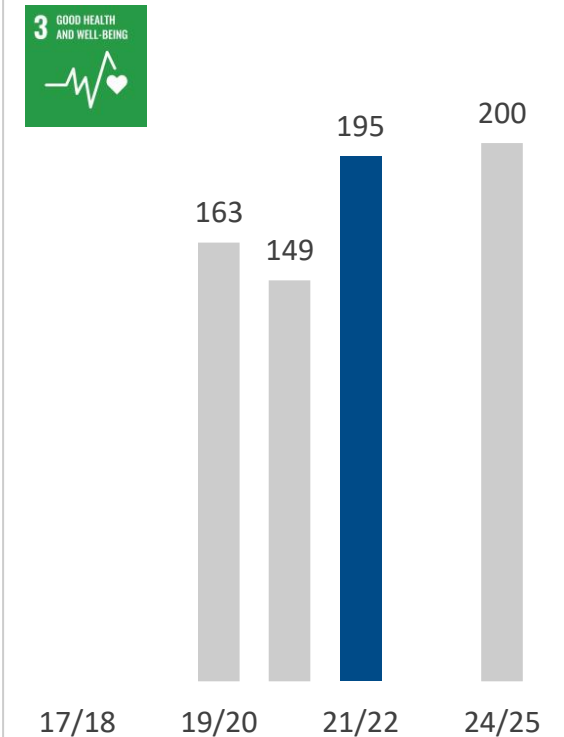
FARMLAND TREATED WITH NATURAL SOLUTIONS² in m ha



YOGURT WASTE SAVED³ in m tons



PROBIOTICS CONSUMED in m people⁴



¹ Financial year 2017/18 includes Natural Colors business that was divested in 2021 and are therefore not fully comparable.

² Includes Plant Health and Animal Health silage inoculants.

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

⁴ New KPI was introduced in FY21.

We help the dairy and agricultural industries 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 region¹
- 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

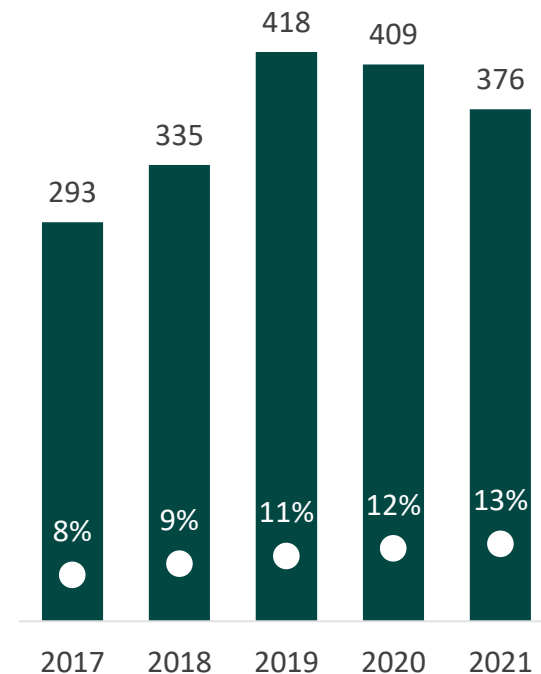
¹Based on field trial results conducted between 2013-2018 in Brazil for sugarcane and soy.

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 category¹



¹ Mintel (Dec 2021).

² FMCG Guru (2021).

... DUE TO PRODUCT QUALITY

Share of active consumers²

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

CHR HANSEN

Improving food & health

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

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

MICROBIAL SOLUTIONS	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)						



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

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Improving food & health

Strong cash flow generation with clear capital allocation priorities



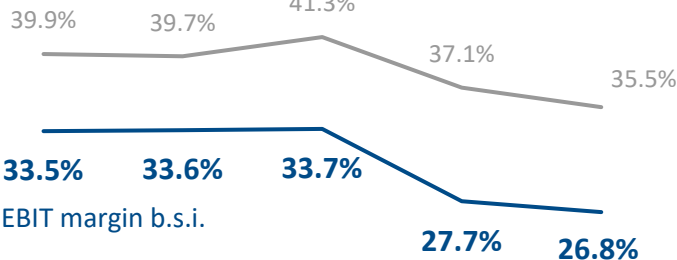
We aim for industry-leading, profitable organic growth

across our two segments

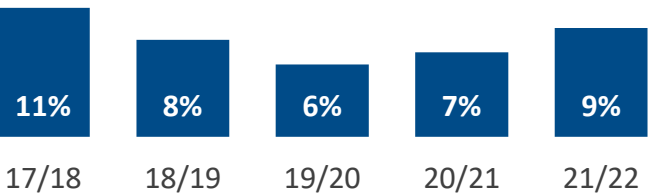


GROUP

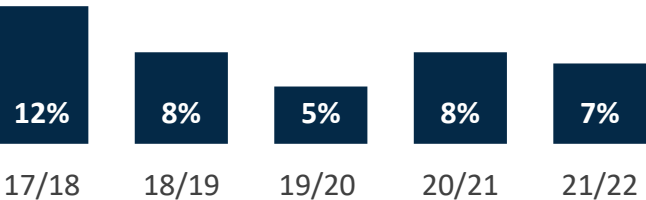
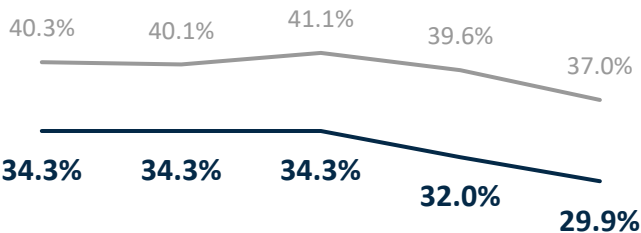
EBITDA margin b.s.i.



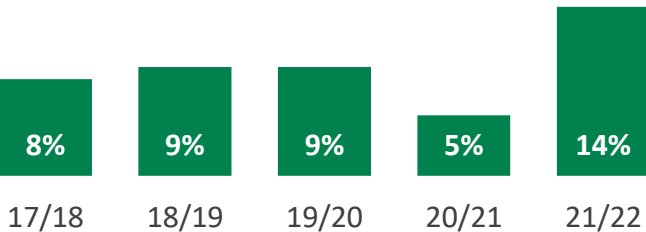
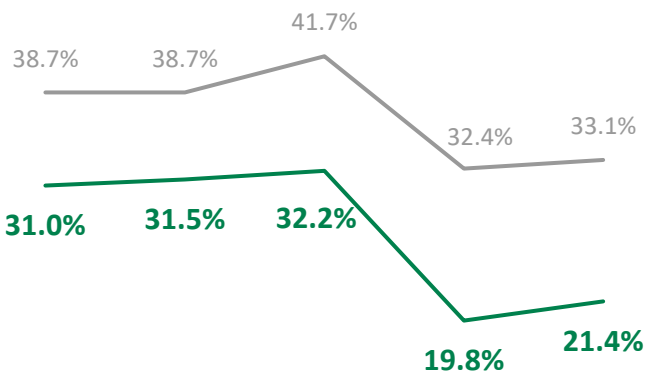
Organic growth



FOOD CULTURES & ENZYMES



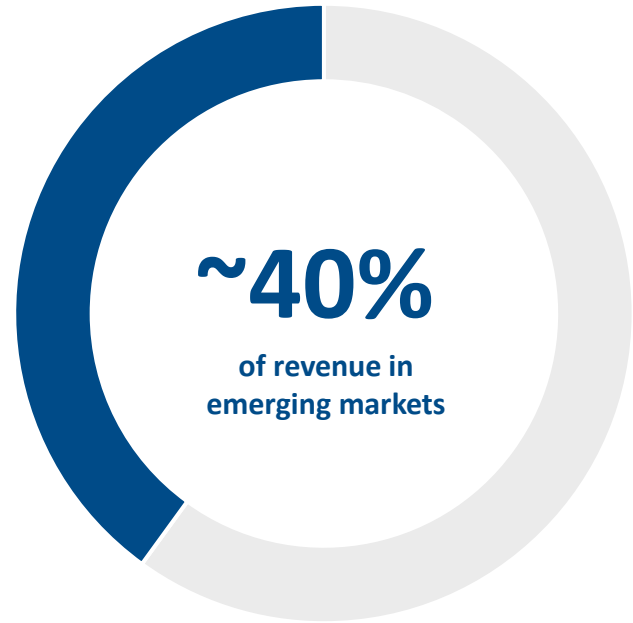
HEALTH & NUTRITION



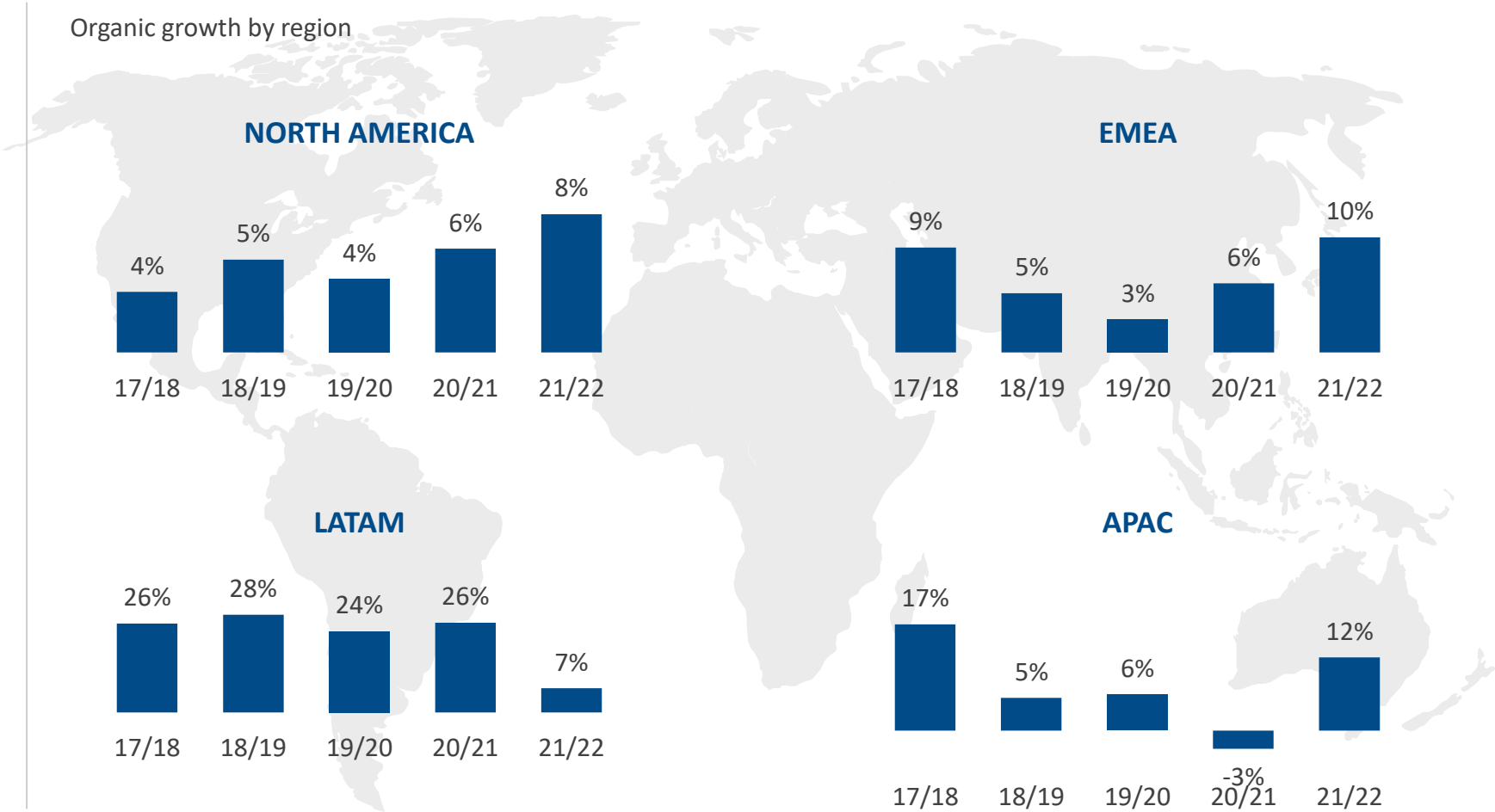
We will further drive growth in developed and emerging markets

by expanding our customer base and global reach

Revenue split

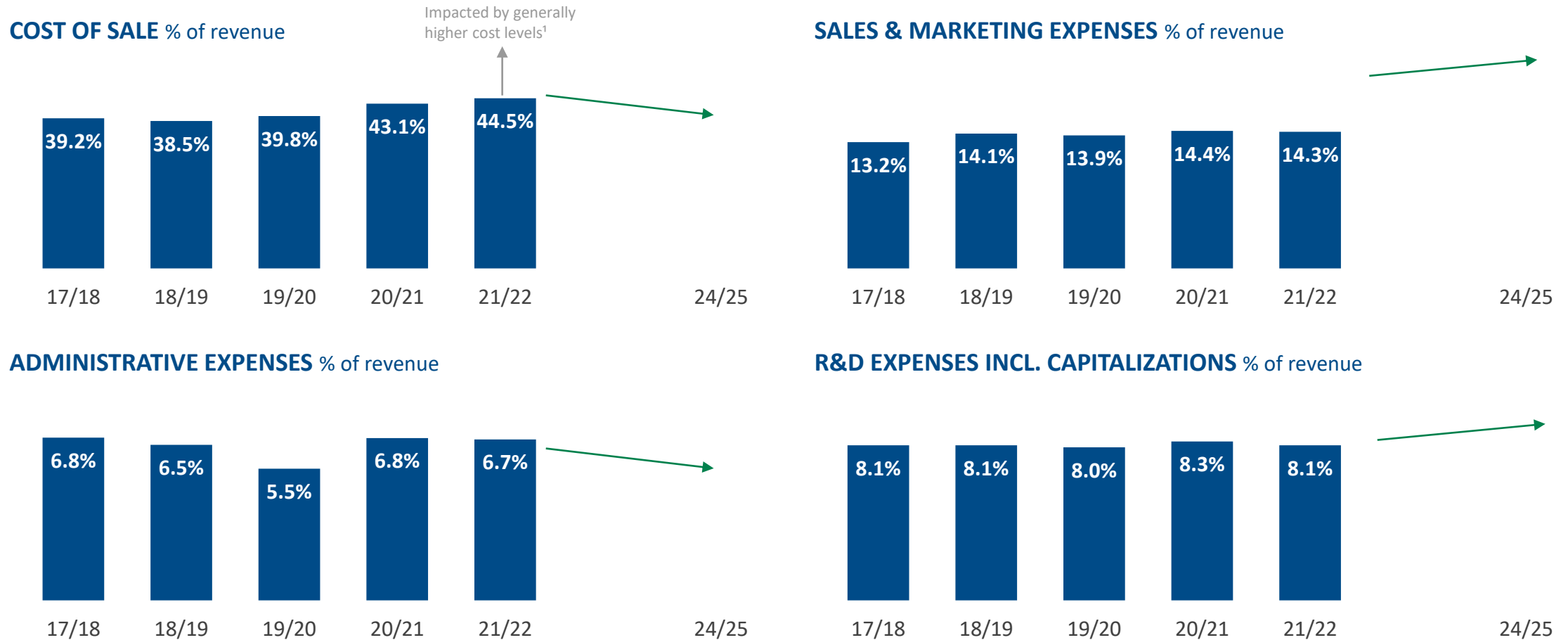


Organic growth by region



We remain committed to driving gross margin expansion

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



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

¹ Impacted by increased raw material and freight costs, combined with higher cost levels resulting from efforts to mitigate challenges in the supply chain.

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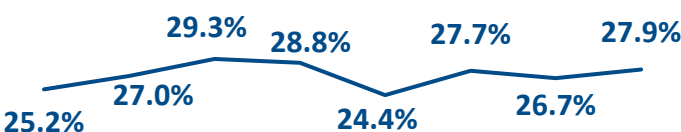
Improving food & health

EBIT margin b.s.i. by segment

Quarterly development



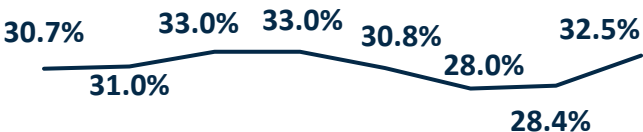
GROUP



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



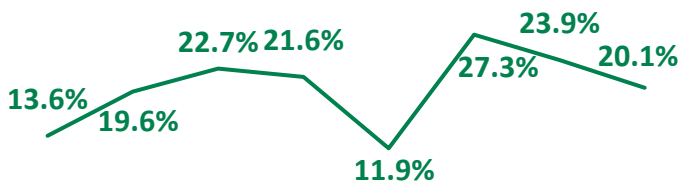
FOOD CULTURES & ENZYMES



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



HEALTH & NUTRITION



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

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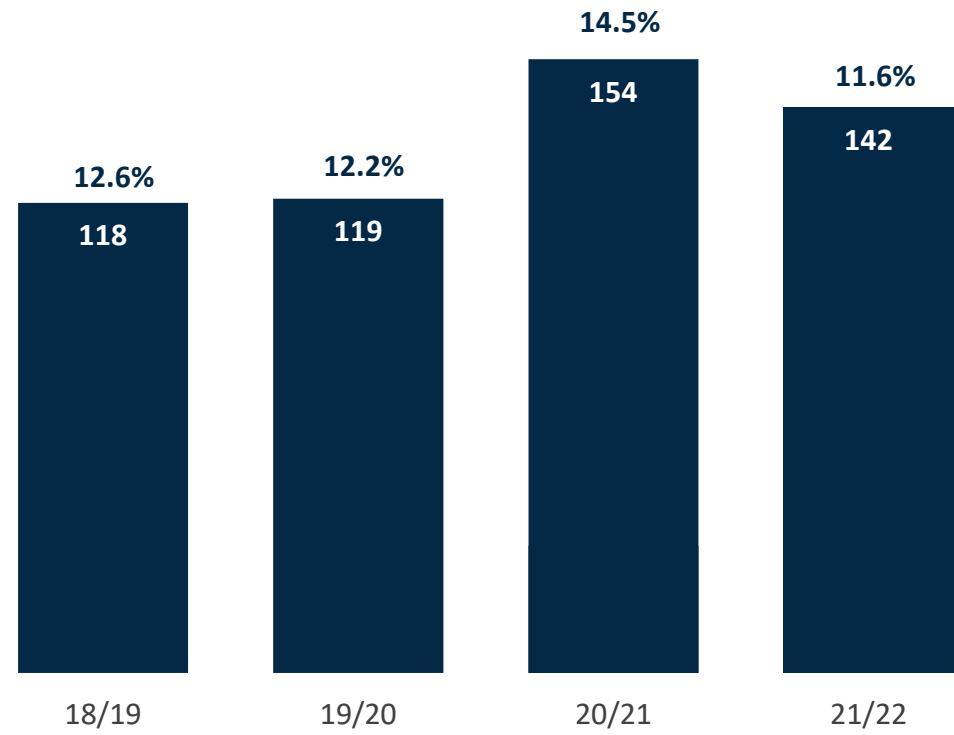
Improving food & health

We will realize scalability benefits and operational efficiencies

across our global production footprint

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

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

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Improving food & health

Executive compensation closely aligned with shareholder interests

– strong incentive component

SHORT TERM: ANNUAL INCENTIVE PROGRAM FOR CEO AND CFO

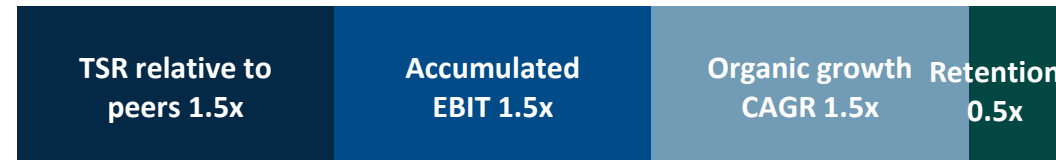
- Based on group financial and non-financial targets
 - 20% of annual bonus linked to ESG (KPIs related to customer service, quality, diversity, safety and sustainability)
- Bonus is paid as a minimum 1/3 in Restricted Stock Units and 2/3 in cash; normally accounts for 20-25% of total remuneration package



In % of fixed pay ¹	Target	Max
CEO	70%	100%
CFO	50%	71%

LONG TERM: PROGRESSIVE THREE-YEAR INCENTIVE PROGRAM

- Requires personal investment in Chr. Hansen shares to participate
- Grant value estimated at 25-30% of the remuneration package
- Vest in full after three years



Target matching shares per investment of one share

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

¹ Base plus pension.

Financial calendar

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

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