

# Statement of results 2021/22

**September 1, 2021 - August 31, 2022**

**October 12, 2022 - Company announcement no. 7**

Statement by CEO Mauricio Graber: *"We have delivered a solid financial performance despite a volatile macroeconomic and geopolitical environment. Organic growth reached 9%, EBIT margin b.s.i. 26.8%, and the free cash flow b.a.s.i. ended at EUR 172 million in line with our latest guidance. Looking into 2022/23 we will continue to adapt to a changing business environment for both us and our customers and aim to deliver solid organic revenue and EBIT growth in 2022/23 as we progress on our strategic ambition to differentiate as a bioscience company focused on microbial and fermentation technology platforms."*

## 2021/22 highlights

- Revenue amounted to EUR 1,218 million, up 13% from EUR 1,077 million in 2020/21. Organic growth was 9% in 2021/22, mainly driven by volume growth. The Lighthouses (Bioprotection, Fermented Plant Bases, Plant Health and HMO) delivered 14% organic growth combined, while the remaining core businesses delivered 9% organic growth. Food Cultures & Enzymes organic growth was 7% and mainly driven by volume, but with a positive impact from pricing. Health & Nutrition organic growth was 14%, driven by volume.
- EBIT before special items (b.s.i.) amounted to EUR 326 million, up 9% from EUR 298 million in 2020/21, while the EBIT margin b.s.i. was 26.8%, down from 27.7% in 2020/21. The decrease was mainly driven by a negative impact from higher input costs and increased cost levels to mitigate challenges in the supply chain, which was partly offset by the strong sales performance, pricing initiatives and efficiency improvements.
- Free cash flow b.a.s.i. amounted to EUR 172 million, down from EUR 196 million last year, as the cash flow from operating activities b.a.s.i. was impacted by higher taxes paid.

## Q4 2021/22 highlights

- Revenue amounted to EUR 328 million, up 12% from EUR 293 million in Q4 2020/21. Organic growth was 6%, driven by both price and volume growth. The Lighthouses showed 9% negative organic growth due to order timing, while the remaining core businesses delivered 7% organic growth. Food Cultures & Enzymes organic growth was 5%, mainly driven by pricing. Health & Nutrition organic growth was 6%, driven by volume.
- EBIT before special items (b.s.i.) amounted to EUR 91 million, up 9% from EUR 84 million in Q4 2020/21, while the EBIT margin b.s.i. was 27.9%, down from 28.8% in Q4 2020/21. The decrease was mainly driven by a negative impact from higher input costs and increased cost levels to mitigate challenges in the supply chain, which was partly offset by pricing initiatives and a positive impact from currencies.

## Dividend

Based on a 13% increase in earnings per share to EUR 1.71, the Board of Directors proposes an ordinary dividend for 2021/22 of EUR 0.95 (DKK 7.04) per share, for a total of EUR 125 million. The proposed ordinary dividend is equivalent to 55% of the profit for the year. Furthermore, the Board of Directors will evaluate the capacity to distribute excess cash through a safe harbour share repurchase programme or alternatively through an extraordinary dividend during 2022/23 in line with the company's capital allocation principles. Such an initiative intends to keep Chr. Hansen at a financial leverage consistent with a solid investment-grade credit profile.

## Outlook 2022/23

- Organic revenue growth is expected to be in the range of 7-10%. Revenue is expected to be positively impacted by approx. 5% from exchange rates
- EBIT b.s.i. is expected to grow faster than revenue, and EBIT margin before special items is expected to be in the range of 27.0%-28.0%
- Free cash flow before special items is expected to be in the range of EUR 190-230 million

*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. For further details on the outlook for 2022/23 and the long-term ambition until 2024/25, please refer to page 10.*

# Financial highlights and key figures

	Q4 2021/22	Q4 2020/21	YTD 2021/22	YTD 2020/21		Q4 2021/22	Q4 2020/21	YTD 2021/22	YTD 2020/21
<b>Income statement, EUR million, continuing operations</b>					<b>Group revenue growth drivers, %</b>				
Revenue	327.9	293.3	1,218.0	1,077.4	Organic growth <sup>2)</sup>	6%	6%	9%	7%
Gross profit	183.9	169.4	676.5	613.4	Volume/mix	4%	4%	7%	3%
EBITDA b.s.i.	121.2	111.8	432.9	399.3	Price	2%	2%	2%	4%
EBITA b.s.i.	104.1	98.5	373.1	345.4	Currencies	6%	(3%)	4%	(7%)
EBIT b.s.i.	91.4	84.2	325.8	298.1	M&A	0%	12%	0%	11%
Special items	(3.9)	(0.1)	(4.9)	(21.9)	EUR growth	12%	15%	13%	11%
EBIT	87.5	84.1	320.9	276.2	<b>Organic growth by region, %</b>				
Net financial expenses	(6.1)	(6.4)	(20.0)	(22.5)	EMEA	6%	11%	10%	6%
Profit for the period	62.1	67.0	225.1	198.7	NA	1%	4%	8%	6%
<b>Cash flow and investments, EUR million, continuing operations</b>					APAC	17%	(10%)	12%	(3%)
Operating cash flow	116.9	135.0	308.8	328.0	LATAM	3%	15%	7%	26%
Investing cash flow	(70.5)	(58.6)	(152.4)	(486.6)	<b>Food Cultures &amp; Enzymes, EUR million / %</b>				
Investments in PPE	(58.4)	(51.4)	(119.3)	(135.7)	Revenue	205.3	185.9	762.5	700.5
Free cash flow b.a.s.i.	56.4	76.5	172.1	196.4	Organic growth <sup>2)</sup>	5%	10%	7%	8%
<b>Balance sheet, EUR million, Group<sup>1)</sup></b>					Volume/mix	1%	8%	5%	3%
Total assets			3,316.8	3,114.2	Currencies	5%	(3%)	2%	(7%)
Invested capital			2,934.7	2,793.1	EUR growth	10%	7%	9%	1%
Equity			1,823.9	1,626.1	EBITDA b.s.i.	82.1	76.3	282.1	277.7
Net interest-bearing debt			880.6	898.2	EBITDA margin b.s.i.	40.0%	41.0%	37.0%	39.6%
<b>Key ratios, continuing operations</b>					EBIT b.s.i.	66.7	61.4	228.3	224.0
Gross margin	56.1%	57.8%	55.5%	56.9%	EBIT margin b.s.i.	32.5%	33.0%	29.9%	32.0%
EBITDA margin b.s.i.	37.0%	38.1%	35.5%	37.1%	ROIC excl. goodwill	37.7%	37.5%	33.4%	35.8%
EBITA margin b.s.i.	31.7%	33.6%	30.6%	32.1%	<b>Health &amp; Nutrition, EUR million / %</b>				
EBIT margin b.s.i.	27.9%	28.8%	26.8%	27.7%	Revenue	122.6	107.4	455.5	376.9
EBIT margin	26.7%	28.7%	26.3%	25.6%	Organic growth <sup>2)</sup>	6%	(4%)	14%	5%
Operational expenses	28.2%	29.0%	28.8%	29.3%	Volume/mix	7%	(7%)	14%	3%
R&D expenditure	7.5%	8.6%	8.1%	8.5%	Currencies	8%	(2%)	7%	(6%)
Capital expenditures	19.6%	20.0%	11.6%	14.5%	M&A	0%	39%	0%	37%
EPS diluted, EUR	0.47	0.51	1.71	1.51	EUR growth	14%	33%	21%	36%
Net working capital	228.6	190.1	228.6	190.1	EBITDA b.s.i.	39.1	35.9	150.8	122.0
Cash conversion	60.1%	81.1%	58.4%	55.0%	EBITDA margin b.s.i.	31.9%	33.4%	33.1%	32.4%
ROIC excl. goodwill	26.1%	25.8%	24.0%	24.8%	EBIT b.s.i.	24.7	23.2	97.5	74.5
ROIC	12.6%	12.0%	11.4%	11.6%	EBIT margin b.s.i.	20.1%	21.6%	21.4%	19.8%
Net debt to EBITDA before special items, Group	2.0x	2.3x	2.0x	2.3x	ROIC excl. goodwill	14.3%	14.4%	14.5%	13.0%

1) The Natural Colors business was sold March 31, 2021.

2) Organic growth: Increase in revenue adjusted for sales reduction, acquisitions and divestments, and measured in local currency.

# Chr. Hansen Holding A/S full-year report

## 2021/22 full-year results

### Market developments

#### Food Cultures & Enzymes

According to the Company's own estimates, the global production of cheese grew slightly in 2021/22, driven by North America, while end markets for fermented milk remained impacted by weakened demand in China and Latin America compared to last year.

#### Health & Nutrition

According to the Company's own estimates, the probiotic supplements market experienced a slow down in the second half of the year. This followed strong growth in the first six months of the year as traditional retail channels opened up after COVID-19 lock-down and consumer demand for supplements supporting immune and gastrointestinal health increased.

The market for infant formula in 2021/22 was negatively impacted by reduced production volumes and lower birth rates, especially in China, as well as supply disruptions in North America. Customer interest in HMOs remained high throughout the year.

The market for microbial-based solutions for plant protection developed favorably supported by strong commodity prices, while high feed prices had an adverse impact on the selling environment for animal feed probiotics.

### Sales performance

2021/22 revenue amounted to EUR 1,218 million, up 13% from EUR 1,077 million in 2020/21. Revenue was positively impacted by 4% from currency effects.

Organic growth was 9% in 2021/22 mainly driven by volume growth, while the implementation of price adjustments to reflect the current inflationary pressure had a favorable impact in the second half of the year.

The Lighthouses (Bioprotection, Fermented Plant Bases, Plant Health and HMO) accounted for approximately 10% of revenue and delivered 14% organic growth combined, while the remaining core businesses delivered 9% organic growth.

### Sales performance by segment

#### Food Cultures & Enzymes

2021/22 revenue amounted to EUR 762 million, up 9% from EUR 700 million in 2020/21. Revenue was positively impacted by 2% from currency effects. Organic growth was 7% driven by volume, while the impact from pricing was approximately 2%.

Dairy delivered solid growth supported by a solid momentum in cheese, pricing initiatives, and projects supporting production efficiencies, while bioprotective solutions showed modest growth.

Food & Beverages delivered strong growth driven by meat and beverage applications, including a strong momentum in bioprotective solutions.

#### Health & Nutrition

2021/22 revenue amounted to EUR 455 million, up 21% from EUR 377 million in 2020/21. Revenue was positively impacted by 7% from currency effects. Organic growth was 14% driven by volume, while the impact from pricing was flat.

Combined, Human Health and HMO delivered very strong growth in 2021/22 supported by all product areas and regions, as a rebound in the traditional sales channels, high customer launch activities, and customer wins in among other women's health impacted growth positively.

Combined, Animal and Plant Health delivered solid growth despite a more challenging selling environment for feed probiotics. Growth was mainly supported by strong growth in Plant Health.

# Chr. Hansen Holding A/S full-year report

## Sales performance by region

### Europe, Middle East and Africa (EMEA), 37% of revenue in 2021/22

2021/22 organic growth was 10%, while revenue increased by 8%. Revenue was impacted negatively by around 2% from currency effects. Organic growth was supported by all product areas. Growth in Health & Nutrition was mainly driven by volume growth, while growth in Food Cultures & Enzymes was balanced between volume and pricing initiatives including a positive impact from EUR-based pricing. Organic growth was negatively impacted by Russia, as Chr. Hansen reduced its activities in the country to basic food ingredients following the Russian invasion of Ukraine.

### North America (NA), 33% of revenue in 2021/22

2021/22 organic growth was 8%, while revenue increased by 20%. Revenue was impacted positively by 12% from currency effects. Organic growth was driven by solid growth in both Health & Nutrition and Food Cultures & Enzymes. Growth in Health & Nutrition was supported by the introduction of HMOs in the US infant market, among other factors. Growth in Food Cultures & Enzymes was mainly driven by a strong momentum in the cheese and fermented beverage segments and pricing initiatives, while the fresh dairy segments were in line with last year.

### Asia-Pacific (APAC), 19% of revenue in 2021/22

2021/22 organic growth was 12%, while revenue increased by 17%. Revenue was impacted positively by 5% from currency effects. Organic growth was driven by volume growth in Health & Nutrition. Food Cultures & Enzymes delivered good growth driven by a strong momentum in India, while China declined compared to last year.

### Latin America (LATAM), 11% of revenue in 2021/22

2021/22 organic growth was 7%, while revenue increased by 8%. Revenue was impacted positively by 1% due to currency effects. Organic growth was mainly driven by volume growth in Animal and Plant Health. Volume growth in Food Cultures & Enzymes was modest, while pricing initiatives were partly offset by a negative impact from EUR-based pricing.

## Financial review

### Gross margin

The 2021/22 gross margin declined by 1.4 percentage points to 55.5%, mainly due to increased raw material and freight costs, combined with higher cost levels resulting from efforts to mitigate challenges in the supply chain. This was partly offset by efficiency improvements, pricing initiatives, and a positive impact from currencies.

### Operating expenses

2021/22 operating expenses totaled EUR 351 million, up 11% from EUR 315 million in 2020/21. Expenses were impacted by a general ramp-up of activities following the lifting of COVID-19 restrictions and inflationary pressure.

Total amortization including impairment losses on intangible assets amounted to EUR 47 million in 2021/22, of which EUR 19 million was amortization related to the acquisitions of HSO, UAS and Jennewein.

### EBIT b.s.i. and EBIT margin b.s.i.

EBIT before special items (b.s.i.) amounted to EUR 326 million, up 9% from EUR 298 million in 2020/21, while the EBIT margin b.s.i. was 26.8%, down from 27.7% in 2020/21. The decrease was mainly due to increased raw material and freight costs, combined with higher cost levels resulting from efforts to mitigate challenges in the supply chain. This was partly offset by scale effects from volume growth, efficiency improvements, pricing initiatives, and a positive impact from currencies.

Food Cultures & Enzymes 2021/22 EBIT b.s.i. amounted to EUR 228 million, up 2% from EUR 224 million in 2020/21. The EBIT margin b.s.i. was 29.9%, a drop from 32.0% last year due to higher raw material and freight costs, increased cost levels to mitigate challenges in the supply chain, and a general ramp-up of activities. This was partly offset by a positive contribution from currencies and pricing initiatives.

Health & Nutrition 2021/22 EBIT b.s.i. amounted to EUR 98 million, up 31% from EUR 75 million in 2020/21. The EBIT margin b.s.i. was 21.4%, compared to 19.8% last year, as scalability effects from the strong sales performance, acquisition synergies, and currencies more than offset higher input costs, a general ramp-up of activities and a continued negative margin impact from investments in the HMO business opportunity.

# Chr. Hansen Holding A/S full-year report

## Special items and EBIT

Special items amounted to an expense of EUR 5 million in 2021/22, compared to an expense of EUR 22 million last year, which was impacted by the divestment of Natural Colors and the acquisition of Jennewein. EBIT amounted to EUR 321 million, up 16% from EUR 276 million in 2020/21. The EBIT margin ended at 26.3%, compared to 25.6% in 2020/21.

## Net financials, share of JV and tax

Net financial expenses amounted to EUR 20 million, down from EUR 23 million in 2020/21 due to lower interest expenses resulting from the lower debt level.

The Bacthera JV produced an EUR 8 million loss to Chr. Hansen, compared to a EUR 7 million loss in 2020/21.

Income taxes amounted to EUR 68 million, up from EUR 48 million in 2020/21. The effective tax rate was 23.2%, up from 19.6% last year. The increased effective tax rate was due to changes to the geographical balance and a non-recurring impact from acquisitions in 2020/21.

## Profit for the year

Profit for the year amounted to EUR 225 million, up 13% from EUR 199 million in 2020/21 (EUR 845 million including profit from discontinued operations).

Earnings per share, diluted, amounted to EUR 1.71, an increase of 13% compared to EUR 1.51 in 2020/21 (EUR 6.41 including earnings from discontinued operations).

## Cash flows

Cash flow from operating activities b.s.i. was EUR 314 million, down 10% from EUR 350 million last year (EUR 343 million including discontinued operations). The decrease was driven by a significant increase in taxes paid as 2020/21 was impacted by acquisitions. Adjusted for the change in taxes paid, the cash flow from operating activities b.a.s.i. improved over last year.

Cash flow used for operational investing activities was EUR 142 million, down 8% from EUR 154 million last year (EUR 159 million including discontinued operations). The decrease in spending was driven in part by the acquisition of the Kalundborg facility last year.

Free cash flow b.a.s.i. was EUR 172 million, down EUR 24 million from EUR 196 million last year (EUR 184 million including discontinued operations) as the cash flow from operating activities b.a.s.i. was impacted by higher taxes paid.

## Equity, Group

Total equity amounted to EUR 1,824 million, compared to EUR 1,626 million at August 31, 2021. The increase was due to retained earnings. An ordinary dividend for the 2020/21 financial year totaling EUR 116 million was paid out on November 29, 2021.

## Net debt, Group

Net interest-bearing debt amounted to EUR 881 million, or 2.0x EBITDA, compared to EUR 898 million, or 2.3x EBITDA, at August 31, 2021.

## Return on invested capital

Invested capital excluding goodwill amounted to EUR 1,417 million, up 9% from EUR 1,303 million at August 31, 2021. The increase was driven by property, plant and equipment.

Return on invested capital excluding goodwill was 24.0%, compared to 24.8% last year. The decrease was driven by Food Cultures & Enzymes which was down compared to last year due to the negative impact from higher input costs and a general ramp-up of activities.

Goodwill amounted to EUR 1,518 million, compared to EUR 1,490 million at August 31, 2021. Return on invested capital including goodwill was 11.4%, compared to 11.6% last year.

# Q4 2021/22 results

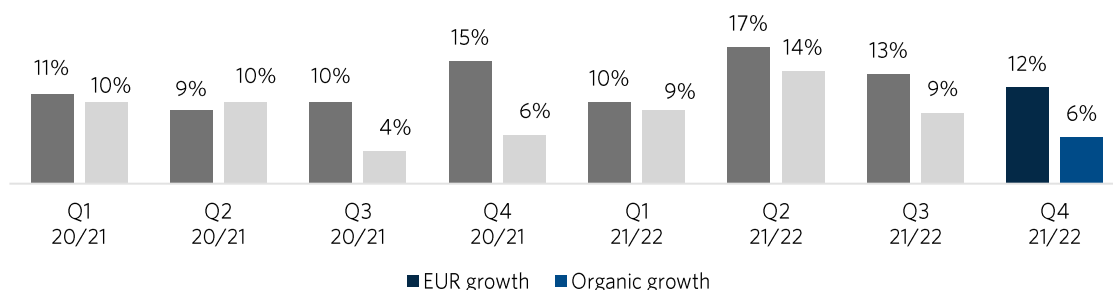
## Sales performance

Q4 2021/22 revenue amounted to EUR 328 million, up 12% from EUR 293 million in Q4 2020/21. Revenue was positively impacted by 6% from currency effects.

Organic growth was 6% driven by both volume growth and a growing impact from the implementation of price adjustments in Food Cultures & Enzymes to reflect the current inflationary pressure.

The Lighthouses (Bioprotection, Fermented Plant Bases, Plant Health and HMO) accounted for approx. 8% of revenue and showed 9% negative organic growth due to order timing, while the remaining core businesses delivered 7% organic growth.

### Revenue growth, Group



## Sales performance by segment

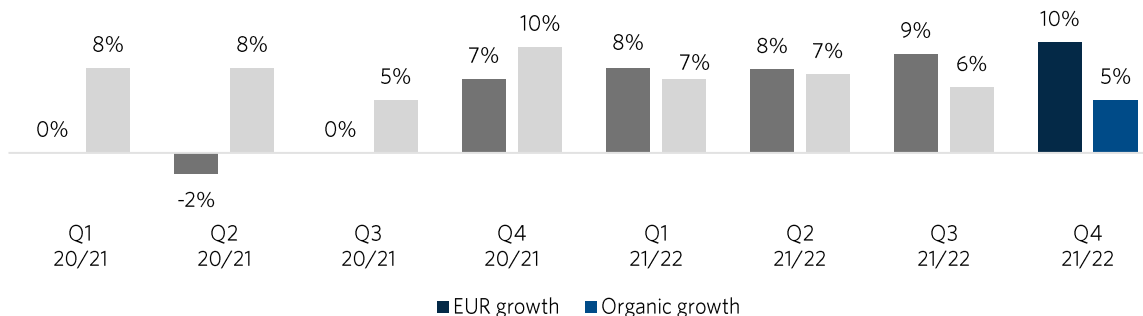
### Food Cultures & Enzymes

Q4 2021/22 revenue amounted to EUR 205 million, up 10% from EUR 186 million in Q4 2020/21. Revenue was positively impacted by 5% from currency effects. Organic growth was 5% driven by pricing initiatives and a modest impact from volume as growth in North America and EU was partly offset by declining volumes in Russia and China.

Dairy delivered solid growth supported by a solid momentum in cheese, pricing initiatives and projects supporting production efficiencies, while bioprotective solutions showed modest growth.

Food & Beverages delivered strong growth driven by fermented beverages and meat cultures.

### Revenue growth, Food Cultures & Enzymes



# Chr. Hansen Holding A/S full-year report

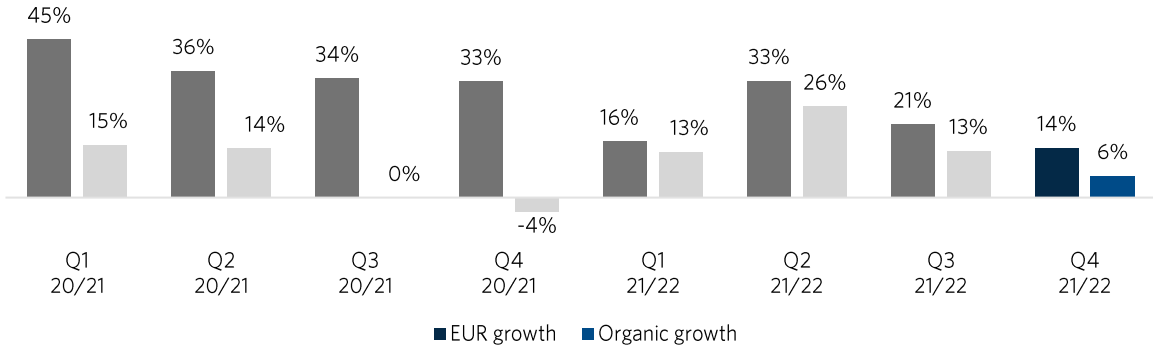
## Health & Nutrition

Q4 2021/22 revenue amounted to EUR 123 million, up 14% from EUR 107 million in Q4 2020/21. Revenue was positively impacted by 8% from currency effects. Q4 organic growth was 6% driven by volume, while the impact from EUR-based pricing was negative.

Combined, Human Health and HMO delivered good growth, supported by strong performance in the infant and children segment in APAC, while the other regions had a negative impact from customer order patterns including HMOs for the US market.

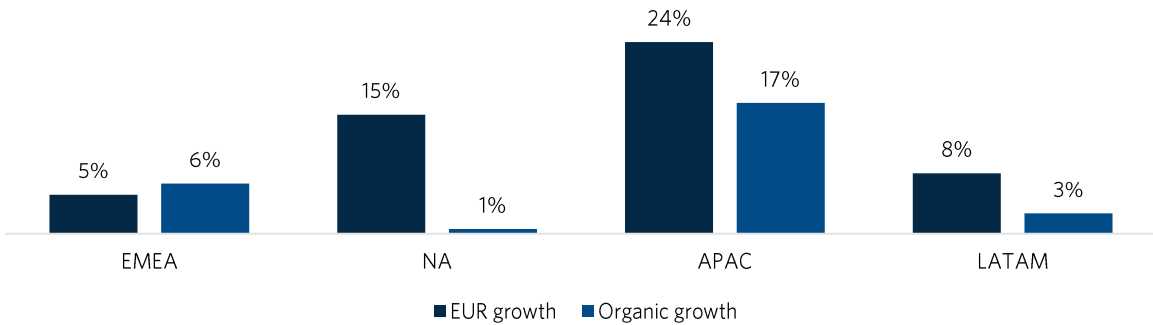
Combined, Animal and Plant Health delivered strong growth despite a more challenging selling environment for feed probiotics. Plant Health was negatively impacted by the phasing of orders.

### Revenue growth, Health & Nutrition



## Sales performance by region

### Revenue growth by region



### Europe, Middle East and Africa (EMEA), 37% of revenue in Q4 2021/22

Q4 2021/22 organic growth was 6%, while revenue increased by 5%. Revenue was impacted negatively by around 1% from currency effects. Organic growth was supported by all product areas with the exception of Human Health, which was negatively impacted by customer order patterns. Growth was driven by pricing initiatives including a positive impact from EUR-based pricing. Organic growth was negatively impacted by Russia as Chr. Hansen reduced its activities in the country to basic food ingredients following the Russian invasion of Ukraine.

# Chr. Hansen Holding A/S full-year report

## North America (NA), 34% of revenue in Q4 2021/22

Q4 2021/22 organic growth was 1%, while revenue increased by 15%. Revenue was impacted positively by 14% from currency effects. Growth in Food Cultures and Enzymes was supported by a continued solid momentum in the cheese and fermented beverage segments and pricing initiatives, while the fresh dairy segments were down relative to last year. Health & Nutrition declined compared to last year due to customer order patterns in HMO and Human Health. Animal and Plant Health delivered solid growth, despite a negative impact from the phasing of orders.

## Asia-Pacific (APAC), 18% of revenue in Q4 2021/22

Q4 2021/22 organic growth was 17%, while revenue increased by 24%. Revenue was impacted positively by 7% from currency effects. Organic growth was driven by volume growth and supported by all product areas apart from dairy, which was negatively impacted by declining volumes in China. A positive impact from pricing initiatives was more than offset by a negative impact from EUR-based pricing.

## Latin America (LATAM), 11% of revenue in Q4 2021/22

2021/22 organic growth was 3%, while revenue increased by 8%. Revenue was impacted positively by 5% due to currency effects. The performance in Health & Nutrition was adversely impacted by the timing of orders in Plant Health, while pricing initiatives in Food Cultures & Enzymes were partly offset by a negative impact from EUR-based pricing and lower volumes.

## Financial review

### Gross margin

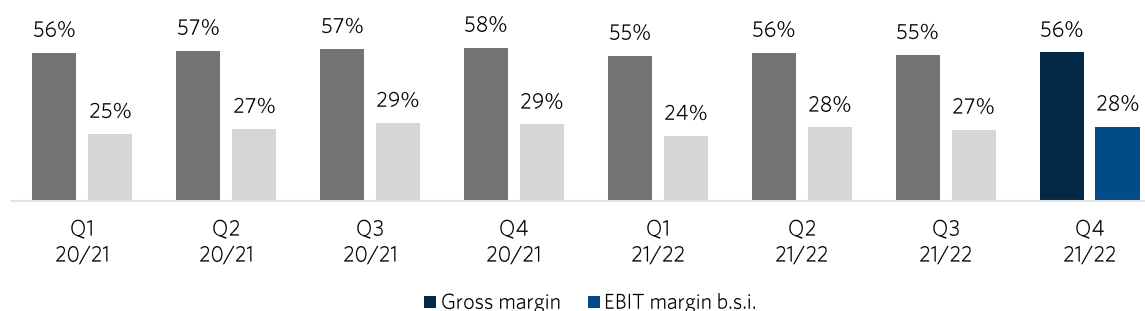
The Q4 2021/22 gross margin declined by 1.7 percentage points to 56.1%, mainly due to increased raw material and freight costs, combined with higher cost levels resulting from efforts to mitigate challenges in the supply chain. This was partly offset by efficiency improvements, pricing initiatives, and a positive impact from currencies.

### Operating expenses

Q4 2021/22 operating expenses totaled EUR 93 million, up 9% from EUR 85 million in Q4 2020/21. Expenses were impacted by a general ramp-up of activities, inflationary pressure, and the donation of an amount equal to profit from Chr. Hansen LLC, Russia.

Total amortization including impairment losses on intangible assets amounted to EUR 13 million in Q4 2021/22, of which EUR 4 million was amortization related to the acquisitions of HSO, UAS and Jennewein.

### Margins, Group



### EBIT b.s.i. and EBIT margin before special items

Q4 EBIT b.s.i. amounted to EUR 91 million, up 9% from EUR 84 million in Q4 2020/21, while the EBIT margin b.s.i. was 27.9%, down from 28.8% in Q4 2020/21. The decrease was driven by a negative impact from higher input costs, increased cost levels to mitigate challenges in the supply chain, and the donation of an amount equal to the profit from Chr. Hansen LLC, Russia. This was partly offset by a positive contribution from pricing initiatives and currencies.



# Chr. Hansen Holding A/S full-year report

Food Cultures & Enzymes's Q4 2021/22 EBIT b.s.i. amounted to EUR 67 million, up 9% from EUR 61 million in Q4 2020/21. The EBIT margin b.s.i. was 32.5%, down from 33.0% last year due to higher raw material and freight costs, increased cost levels to mitigate challenges in the supply chain, a general ramp-up of activities, and the donation of an amount equal to the profit from Chr. Hansen LLC, Russia. This was partly offset by a positive contribution from currencies and pricing initiatives.

Health & Nutrition's Q4 2021/22 EBIT b.s.i. amounted to EUR 25 million, up 6% from EUR 23 million in Q4 2020/21. The EBIT margin b.s.i. was 20.1%, compared to 21.6% last year, due to as higher raw material and freight costs, increased cost levels to mitigate challenges in the supply chain, and a general ramp-up of activities, This was partly offset by a positive contribution from currencies.

## **Special items and EBIT**

Special items amounted to an expense of EUR 4 million in Q4 2021/22, compared to nil last year. The expenses mainly related to the divestment and carve-out of the Natural Colors business and adjustments related to previous acquisitions. EBIT amounted to EUR 88 million, up 4% from EUR 84 million in Q4 2020/21. The EBIT margin ended at 26.7%, compared to 28.7% in Q4 2020/21.

## **Net financials, share of JV and tax**

Net financial expenses amounted to EUR 6 million, unchanged from Q4 2020/21.

The Bacthera JV produced a EUR 3 million loss to Chr. Hansen, compared to a loss of EUR 2 million in Q4 2020/21.

Income taxes amounted to EUR 16 million, up from EUR 9 million in Q4 2020/21, as income taxes in Q4 last year was impacted by a non-recurring impact from acquisitions in 2020/21.

## **Profit for the period**

Profit for the period amounted to EUR 62 million, compared to EUR 67 million in Q4 2020/21 (EUR 69 million including profit from discontinued operations) due to the increase in income taxes.

Earnings per share, diluted, amounted to EUR 0.47 compared to EUR 0.51 in Q4 2020/21 (EUR 0.53 including earnings from discontinued operations).

# Outlook for 2022/23 & long term ambitions

## Outlook for 2022/23

### Revenue and organic growth

Following the portfolio changes announced in 2020, Chr. Hansen has in 2020/21 and 2021/22 delivered organic growth in the range of 7-9% vs. a long-term ambition of mid-to-high single-digit organic growth. While the expectation to underlying market growth is modest for 2022/23 given the current uncertain geopolitical and macroeconomic environment, Chr. Hansen expects to deliver organic growth in the range of 7-10%. The expected growth is composed of a positive impact from ongoing price adjustments, growth in lighthouses, and successful execution of the project pipeline in the core businesses including expansion of the market for bacterial solutions which provides customers the opportunity for production improvements.

Based on current exchange rates revenue is expected to be positively impacted by approx. 5%.

### EBIT b.s.i. and EBIT margin b.s.i.

Based on the outlook for revenue and organic growth, absolute EBIT b.s.i. is expected to grow faster than revenue, and the EBIT margin b.s.i. is expected to be in the range of 27.0%-28.0%. A positive impact from operational efficiencies, pricing initiatives, and current exchange rate levels, is expected to be partly offset by continued pressure from the inflationary environment and continued actions to protect against supply chain disruptions.

### Free cash flow before special items

Free cash flow before special items is expected to be in the range of EUR 190-230 million.

### Sensitivity to the outlook for 2022/23

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 most significant currency exposure relates to USD, while exposure to other currencies is relatively modest. A 5% increase/decrease in the EUR/USD exchange rate would have a positive/negative annualized impact on revenue measured in EUR of around EUR 25 million, while the impact on EBIT and cash flow is approximately two thirds of the impact on revenue. 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.

Organic revenue growth is sensitive to exchange rate fluctuations in currencies for which Chr. Hansen applies an EUR-based pricing model, while protecting the impact on EBIT and cash flow.

## Long-term financial ambitions until 2024/25 (unchanged)

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

- Mid-to-high single-digit organic revenue growth, averaged over the period.
- An increase of the EBIT margin before special items over the period to more than 30% driven by efficiency gains, scalability benefits and acquisition synergies that will be partly reinvested in the business.
- Average growth in free cash flow before special items exceeding the average growth in EBIT before special items.

### Sensitivity to the long-term financial ambitions

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.

## Additional information

### Long-term incentive program

Pursuant to the Company's Remuneration Policy, the Board of Directors has approved the annual grant of matching share rights to the Company's Executive Board and other members of the Corporate Leadership Team.

Under the program, the participants are required to acquire a number of existing shares in Chr. Hansen Holding A/S (investment shares) and retain ownership of such shares for a predefined holding period of three (3) years (the holding period). Upon expiration of the holding period and subject to fulfillment of certain predefined performance targets, the participants will be entitled to receive up to seven and a half (7.5) additional shares in Chr. Hansen Holding A/S (matching shares) per investment share against no consideration.

The defined performance targets are related to developments in organic growth, EBIT and ROIC.

The total maximum number of matching shares which the participants will be eligible to receive based on the grants made is 67,900. The theoretical market value of the grants amounts to EUR 2.2 million based on the likely degree of achievement of the performance targets, i.e. 5.0 matching shares per investment share with three (3) years of estimated dividends of 1.5% per year deducted.

### Short-term incentive program

The Board of Directors has approved the annual short-term incentive program comprising of up to 252,000 restricted share units (RSUs) for around 180 key employees. Receipt of the RSUs is subject to specified KPIs and criteria supporting performance and retention, including financial performance indicators (organic growth, EBIT before special items, and free cash flow before acquisitions and special items). Upon grant, the RSUs will vest after a period of two (2) years after which participants may receive one (1) share in the Company per RSU.

The Board of Directors has authorized a pool of 19,000 RSUs to be applied for retention and/or performance-based incentives to selected employees in managerial positions and other key employees. RSUs granted under this pool are subject to two or three years' performance/retention vesting periods. The aggregate theoretical market value of the above grants is EUR 13.2 million, applying the principles described in the Group's annual report in note 5.1.

More information about management and Board of Directors' remuneration can be found in the Remuneration Report 2021/22.

### Conference call

Chr. Hansen will host a conference call on October 12, 2022 at 10:00 am CEST. The conference call can be accessed via the Company's website, [www.chr-hansen.com](http://www.chr-hansen.com)

### Contact details

Anders Mohr Christensen, VP Group Strategy & Investor Relations, +45 25 15 23 64  
Cristina Rønde Hefting, Senior Investor Relations Manager, +45 40 72 12 24

### Financial calendar

#### 2021/22

November 23, 2022                      Annual General Meeting 2022

#### 2022/23

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

### Company information

Chr. Hansen Holding A/S  
Bøge Allé 10-12  
2970 Hørsholm  
Denmark  
Tel. +45 45 74 74 74  
[www.chr-hansen.com](http://www.chr-hansen.com)  
Company reg. no.: 28318677

# Chr. Hansen Holding A/S full-year report

## **Forward-looking statements**

This company announcement 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.

## **About Chr. Hansen**

Chr. Hansen is a global, differentiated bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. At Chr. Hansen, we are uniquely positioned to drive positive change through microbial solutions. We have worked for over 145 years to enable sustainable agriculture, better food and healthier living for more people around the world. Our microbial and fermentation technology platforms, including our broad and relevant collection of around 40,000 microbial strains, have game-changing potential. Matching customer needs and global trends, we continue to unlock the power of good bacteria to respond to global challenges such as food waste, global health and the overuse of antibiotics and pesticides. As the world's most sustainable food ingredients company, we touch the lives of more than 1 billion people every day. Driven by our legacy of innovation and curiosity to pioneer science, our purpose - To grow a better world. Naturally. - is at the heart of everything we do.

# Statement of the Board of Directors and Executive Board

Today, the Board of Directors and Executive Board considered and approved the audited Consolidated Financial Statements in the Annual Report of Chr. Hansen Holding A/S for the financial year ended August 31, 2022.

The Board of Directors and Executive Board also approved this unaudited Statement of Results containing financial information for Q4 21/22 and condensed financial information for the financial year ended August 31, 2022.

The Consolidated Financial Statements in the Annual Report have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We consider the accounting policies applied to be appropriate and the accounting estimates reasonable, and in our opinion the Consolidated Financial Statements included in the Annual Report give a true and fair view of the Group's assets, liabilities and financial position at August 31, 2022 and of the results of the Group's operations and cash flows.

This Statement of Results has been prepared in accordance with the accounting policies applied in the Consolidated Financial Statements for the financial year ended August 31, 2022 and further requirements in the Danish Financial Statements Act, and in our opinion the overall report of this Statement of Results is adequate.

We further consider that Management's Review in the preceding pages includes a true and fair account of the development and performance of the Group, the results for the year and the financial position, together with the description in the Annual Report of the principal risks and uncertainties that the Group faces in accordance with requirements in the Danish Financial Statements Act.

Hørsholm, October 12, 2022

## Executive Board

Mauricio Graber  
President and CEO

Lise Mortensen  
CFO

## Board of Directors

Dominique Reiniche  
Chair

Jesper Brandgaard  
Vice Chair

Luis Cantarell

Casper Lynghøj Giedo

Charlotte Hemmingsen

Lise Kaae

Heidi Kleinbach-Sauter

Kevin Lane

Karen Lauesen

Kim Ib Sørensen

# Income statement

EUR million	Q4 2021/22	Q4 2020/21	YTD 2021/22	YTD 2020/21
Revenue	327.9	293.3	1,218.0	1,077.4
Cost of sales	(144.0)	(123.9)	(541.5)	(464.0)
<b>Gross profit</b>	<b>183.9</b>	<b>169.4</b>	<b>676.5</b>	<b>613.4</b>
Research and development expenses	(24.9)	(25.2)	(96.8)	(90.1)
Sales and marketing expenses	(46.5)	(42.6)	(173.9)	(154.8)
Administrative expenses	(22.6)	(18.4)	(82.0)	(73.1)
Other operating income	2.6	(0.6)	6.9	3.1
Other operating expenses	(1.1)	1.6	(4.9)	(0.4)
<b>Operating profit before special items (EBIT b.s.i.)</b>	<b>91.4</b>	<b>84.2</b>	<b>325.8</b>	<b>298.1</b>
Special items	(3.9)	(0.1)	(4.9)	(21.9)
<b>Operating profit (EBIT)</b>	<b>87.5</b>	<b>84.1</b>	<b>320.9</b>	<b>276.2</b>
Net financial expenses	(6.1)	(6.4)	(20.0)	(22.5)
Share of loss in joint ventures	(2.9)	(1.7)	(8.0)	(6.6)
<b>Profit before tax</b>	<b>78.5</b>	<b>76.0</b>	<b>292.9</b>	<b>247.1</b>
Income tax	(16.4)	(9.0)	(67.8)	(48.4)
<b>Profit from continuing operations</b>	<b>62.1</b>	<b>67.0</b>	<b>225.1</b>	<b>198.7</b>
Profit from discontinued operations	-	2.2	-	646.5
<b>Profit for the period</b>	<b>62.1</b>	<b>69.2</b>	<b>225.1</b>	<b>845.2</b>
<b>Earnings per share, EUR</b>				
Earnings per share	0.47	0.53	1.71	6.42
Earnings per share, diluted	0.47	0.53	1.71	6.41
Earnings per share from continuing operations	0.47	0.51	1.71	1.51
Earnings per share from continuing operations, diluted	0.47	0.51	1.71	1.51

# Statement of comprehensive income

EUR million	Q4 2021/22	Q4 2020/21	YTD 2021/22	YTD 2020/21
Profit for the period	62.1	69.2	225.1	845.2
<b>Items that will not be reclassified subsequently to the income statement</b>				
Remeasurements of defined benefits plans	1.9	-	1.8	0.6
<b>Items that will be reclassified subsequently to the income statement when specific conditions are met</b>				
Exchange rate adjustments of foreign Group companies	22.1	8.6	58.6	2.1
Reclassification of exchange rate adjustment of foreign Group companies	(0.5)	-	(0.5)	1.0
Fair value adjustments of interest rate hedges	7.5	(0.5)	30.8	3.1
Tax related to interest rate hedges	(1.6)	0.2	(6.7)	(0.6)
<b>Other comprehensive income for the period</b>	<b>29.4</b>	<b>8.3</b>	<b>84.0</b>	<b>6.2</b>
<b>Total comprehensive income for the period</b>	<b>91.5</b>	<b>77.5</b>	<b>309.1</b>	<b>851.4</b>
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	91.5	77.5	309.1	851.4

# Cash flow statement

EUR million	Q4 2021/22	Q4 2020/21	YTD 2021/22	YTD 2020/21
Operating profit from continuing operations	87.5	84.1	320.9	276.2
Non-cash adjustments	20.1	28.6	100.7	105.0
Change in working capital	17.6	41.2	(32.5)	(5.0)
Interest paid, net	(6.3)	(4.7)	(16.3)	(20.3)
Taxes paid	(2.0)	(14.2)	(64.0)	(27.9)
Cash flows from operating activities - continuing operations	116.9	135.0	308.8	328.0
Cash flows from operating activities - discontinued operations	-	-	-	(17.2)
<b>Cash flows from operating activities</b>	<b>116.9</b>	<b>135.0</b>	<b>308.8</b>	<b>310.8</b>
Investments in intangible assets	(6.0)	(7.2)	(22.3)	(20.2)
Investments in property, plant and equipment	(58.4)	(51.4)	(119.3)	(135.7)
Sale and lease back proceeds	-	-	-	2.4
Cash flows from operational investing activities - continuing operations	(64.4)	(58.6)	(141.6)	(153.5)
Cash flows from operational investing activities - discontinued operations	-	-	-	(5.1)
Cash flows from operational investing activities	(64.4)	(58.6)	(141.6)	(158.6)
Acquisition of entities, net of cash acquired	-	-	-	(318.2)
Investments in joint ventures	-	-	-	(7.4)
Loans to joint ventures	(6.1)	-	(10.8)	(7.5)
Cash flows from investing activities - continuing operations	(70.5)	(58.6)	(152.4)	(486.6)
Cash flows from investing activities - discontinued operations	-	-	-	771.1
<b>Cash flows from investing activities</b>	<b>(70.5)</b>	<b>(58.6)</b>	<b>(152.4)</b>	<b>284.5</b>
<b>Free cash flow</b>	<b>46.4</b>	<b>76.4</b>	<b>156.4</b>	<b>595.3</b>
Borrowings	-	35.1	150.0	680.2
Repayment of borrowings	(15.4)	(134.3)	(167.1)	(1,212.6)
Purchase of treasury shares	(9.2)	(3.9)	(9.2)	(10.4)
Dividends paid, net	-	-	(115.9)	(115.8)
Cash flows from financing activities - continuing operations	(24.6)	(103.1)	(142.2)	(658.6)
Cash flows from financing activities - discontinued operations	-	-	-	21.4
<b>Cash flows from financing activities</b>	<b>(24.6)</b>	<b>(103.1)</b>	<b>(142.2)</b>	<b>(637.2)</b>
<b>Net cash flow for the period</b>	<b>21.8</b>	<b>(26.7)</b>	<b>14.2</b>	<b>(41.9)</b>
Cash and cash equivalents, beginning of period	56.2	80.0	55.1	96.2
Unrealized exchange gains/(losses) included in cash and cash equivalents	4.8	1.8	13.5	0.8
Net cash flow for the period	21.8	(26.7)	14.2	(41.9)
<b>Cash and cash equivalents, end of period</b>	<b>82.8</b>	<b>55.1</b>	<b>82.8</b>	<b>55.1</b>



# Balance sheet

EUR million	Aug 31, 2022	Aug 31, 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	1,517.6	1,489.8
Other intangible assets	357.6	379.5
Property, plant and equipment	877.4	782.1
Investments in joint ventures	1.7	9.7
Receivables from joint ventures	25.8	12.9
Other receivables	25.6	-
Deferred tax	12.7	10.9
<b>Total non-current assets</b>	<b>2,818.4</b>	<b>2,684.9</b>
<b>Current assets</b>		
Inventories	180.6	133.9
Trade receivables	180.5	188.3
Tax receivables	12.7	9.1
Other receivables	28.9	29.8
Prepayments	12.9	13.1
Cash and cash equivalents	82.8	55.1
<b>Total current assets</b>	<b>498.4</b>	<b>429.3</b>
<b>Total assets</b>	<b>3,316.8</b>	<b>3,114.2</b>

**Balance sheet**

(continued)

<b>EUR million</b>	<b>Aug 31, 2022</b>	<b>Aug 31, 2021</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	177.3	177.3
Currency translation reserve	(15.6)	(73.7)
Interest rate hedging reserve	19.2	(4.9)
Retained earnings	1,643.0	1,527.4
<b>Total equity</b>	<b>1,823.9</b>	<b>1,626.1</b>
<b>Non-current liabilities</b>		
Employee benefit obligations	5.5	7.2
Deferred tax	197.0	169.6
Provisions	5.1	4.3
Borrowings	853.4	790.5
Deferred gain, sale and lease back	44.7	46.6
Other payables	-	6.1
<b>Total non-current liabilities</b>	<b>1,105.7</b>	<b>1,024.3</b>
<b>Current liabilities</b>		
Borrowings	110.0	162.8
Trade payables	132.5	132.1
Tax payables	50.4	61.8
Deferred gain, sale and lease back	1.8	1.8
Other payables	92.5	105.3
<b>Total current liabilities</b>	<b>387.2</b>	<b>463.8</b>
<b>Total liabilities</b>	<b>1,492.9</b>	<b>1,488.1</b>
<b>Total equity and liabilities</b>	<b>3,316.8</b>	<b>3,114.2</b>

# Statement of changes in equity

EUR million	Share capital	Currency translation reserve	Interest rate hedging reserve	Retained earnings	Total
<b>2021/22</b>					
Equity at September 1	177.3	(73.7)	(4.9)	1,527.4	1,626.1
Total comprehensive income for the period	-	58.1	24.1	226.9	309.1
<b>Transactions with owners</b>					
Purchase of treasury shares	-	-	-	(9.2)	(9.2)
Share-based payments	-	-	-	12.9	12.9
Tax related to share-based payments	-	-	-	0.9	0.9
Dividends, net	-	-	-	(115.9)	(115.9)
<b>Equity at August 31</b>	<b>177.3</b>	<b>(15.6)</b>	<b>19.2</b>	<b>1,643.0</b>	<b>1,823.9</b>

EUR million	Share capital	Currency translation reserve	Interest rate hedging reserve	Retained earnings	Total
<b>2020/21</b>					
Equity at September 1	177.1	(76.6)	(7.4)	799.9	893.0
Total comprehensive income for the period	0.2	2.9	2.5	845.8	851.4
<b>Transactions with owners</b>					
Purchase of treasury shares	-	-	-	(10.4)	(10.4)
Share-based payments	-	-	-	6.8	6.8
Tax related to share-based payments	-	-	-	1.1	1.1
Dividends, net	-	-	-	(115.8)	(115.8)
<b>Equity at August 31</b>	<b>177.3</b>	<b>(73.7)</b>	<b>(4.9)</b>	<b>1,527.4</b>	<b>1,626.1</b>

## **Note 1 Accounting policies**

### **Accounting policies and significant accounting estimates and judgments**

Refer to the Annual Report 2021/22 for Accounting policies and significant accounting estimates and judgments.

## Note 2 Segment information

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Q4 2021/22</b>				
<b>Income statement</b>				
Revenue	205.3	122.6	-	327.9
EUR growth	10%	14%	-	12%
Organic growth	5%	6%	-	6%
EBITDA before special items	82.1	39.1	-	121.2
EBITDA margin before special items	40.0%	31.9%	-	37.0%
Amortization, depreciation and impairment losses	(15.4)	(14.4)	-	(29.8)
EBIT before special items	66.7	24.7	-	91.4
EBIT margin before special items	32.5%	20.1%	-	27.9%
Share of loss of joint ventures	-	-	(2.9)	(2.9)
Special items and net financial expenses	-	-	(10.0)	(10.0)
<b>Profit before tax</b>	<b>66.7</b>	<b>24.7</b>	<b>(12.9)</b>	<b>78.5</b>

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>YTD 2021/22</b>				
<b>Income statement</b>				
Revenue	762.5	455.5	-	1,218.0
EUR growth	9%	21%	-	13%
Organic growth	7%	14%	-	9%
EBITDA before special items	282.1	150.8	-	432.9
EBITDA margin before special items	37.0%	33.1%	-	35.5%
Amortization, depreciation and impairment losses	(53.8)	(53.3)	-	(107.1)
EBIT before special items	228.3	97.5	-	325.8
EBIT margin before special items	29.9%	21.4%	-	26.8%
Share of loss of joint ventures	-	-	(8.0)	(8.0)
Special items and net financial expenses	-	-	(24.9)	(24.9)
<b>Profit before tax</b>	<b>228.3</b>	<b>97.5</b>	<b>(32.9)</b>	<b>292.9</b>

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Q4 2020/21</b>				
<b>Income statement</b>				
Revenue	185.9	107.4	-	293.3
EUR growth	7%	33%	-	15%
Organic growth	10%	(4%)	-	6%
EBITDA before special items	76.3	35.9	(0.4)	111.8
EBITDA margin before special items	41.0%	33.4%	-	38.1%
Amortization, depreciation and impairment losses	(14.9)	(12.7)	-	(27.6)
EBIT before special items	61.4	23.2	(0.4)	84.2
EBIT margin before special items	33.0%	21.6%	-	28.8%
Share of loss of joint ventures	-	-	(1.7)	(1.7)
Special items and net financial expenses	-	-	(6.5)	(6.5)
<b>Profit before tax</b>	<b>61.4</b>	<b>23.2</b>	<b>(8.6)</b>	<b>76.0</b>

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>YTD 2020/21</b>				
<b>Income statement</b>				
Revenue	700.5	376.9	-	1,077.4
EUR growth	1%	36%	-	11%
Organic growth	8%	5%	-	7%
EBITDA before special items	277.7	122.0	(0.4)	399.3
EBITDA margin before special items	39.6%	32.4%	-	37.1%
Amortization, depreciation and impairment losses	(53.7)	(47.5)	-	(101.2)
EBIT before special items	224.0	74.5	(0.4)	298.1
EBIT margin before special items	32.0%	19.8%	-	27.7%
Share of loss of joint ventures	-	-	(6.6)	(6.6)
Special items and net financial expenses	-	-	(44.4)	(44.4)
<b>Profit before tax</b>	<b>224.0</b>	<b>74.5</b>	<b>(51.4)</b>	<b>247.1</b>

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Aug 31, 2022</b>				
<b>Assets</b>				
Goodwill	543.8	973.8	-	1,517.6
Other intangible assets	89.9	267.7	-	357.6
Property, plant and equipment	518.5	358.9	-	877.4
Other non-current assets	-	-	65.8	65.8
<b>Total non-current assets</b>	<b>1,152.2</b>	<b>1,600.4</b>	<b>65.8</b>	<b>2,818.4</b>
Inventories	106.3	74.3	-	180.6
Trade receivables	107.9	72.6	-	180.5
Other assets	-	-	137.3	137.3
<b>Total current assets</b>	<b>214.2</b>	<b>146.9</b>	<b>137.3</b>	<b>498.4</b>
<b>Total assets</b>	<b>1,366.4</b>	<b>1,747.3</b>	<b>203.1</b>	<b>3,316.8</b>
<b>Liabilities</b>				
Trade payables	74.2	58.3	-	132.5
Deferred gain, sale and lease back	32.4	14.1	-	46.5
Other liabilities	-	-	1,313.9	1,313.9
<b>Total liabilities</b>	<b>106.6</b>	<b>72.4</b>	<b>1,313.9</b>	<b>1,492.9</b>
<b>Net working capital</b>	<b>140.0</b>	<b>88.6</b>	<b>-</b>	<b>228.6</b>
<b>Invested capital excluding goodwill</b>	<b>716.0</b>	<b>701.1</b>	<b>-</b>	<b>1,417.1</b>
<b>ROIC excluding goodwill</b>	<b>33.4%</b>	<b>14.5%</b>	<b>-</b>	<b>24.0%</b>
Additions to non-current assets excluding joint ventures, other receivables and deferred tax	75.2	66.4	-	141.6

# Segment information

(continued)

EUR million	Food Cultures & Enzymes	Health & Nutrition	Not allocated	Group
<b>Aug 31, 2021</b>				
<b>Assets</b>				
Goodwill	522.9	966.9	-	1,489.8
Other intangible assets	92.1	287.4	-	379.5
Property, plant and equipment	470.0	312.1	-	782.1
Other non-current assets	-	-	33.5	33.5
<b>Total non-current assets</b>	<b>1,085.0</b>	<b>1,566.4</b>	<b>33.5</b>	<b>2,684.9</b>
Inventories	83.2	50.7	-	133.9
Trade receivables	110.9	72.7	4.7	188.3
Other assets	-	-	107.1	107.1
<b>Total current assets</b>	<b>194.1</b>	<b>123.4</b>	<b>111.8</b>	<b>429.3</b>
<b>Total assets</b>	<b>1,279.1</b>	<b>1,689.8</b>	<b>145.3</b>	<b>3,114.2</b>
<b>Liabilities</b>				
Trade payables	75.3	56.8	-	132.1
Deferred gain, sale and lease back	27.6	20.8	-	48.4
Other liabilities	-	-	1,307.6	1,307.6
<b>Total liabilities</b>	<b>102.9</b>	<b>77.6</b>	<b>1,307.6</b>	<b>1,488.1</b>
<b>Net working capital</b>	<b>118.8</b>	<b>66.6</b>	<b>4.7</b>	<b>190.1</b>
<b>Invested capital excluding goodwill</b>	<b>653.3</b>	<b>645.3</b>	<b>4.7</b>	<b>1,303.3</b>
<b>ROIC excluding goodwill</b>	<b>35.8%</b>	<b>13.0%</b>	<b>-</b>	<b>24.8%</b>
Additions to non-current assets excluding joint ventures, other receivables and deferred tax	85.6	420.0	-	505.6



## Segment information

(continued)

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>Q4 2021/22</b>					
Revenue	122.3	109.8	59.5	36.3	327.9
EUR growth	5%	15%	24%	8%	12%
Organic growth	6%	1%	17%	3%	6%

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>YTD 2021/22</b>					
Revenue	452.9	398.0	227.6	139.5	1,218.0
EUR growth	8%	20%	17%	8%	13%
Organic growth	10%	8%	12%	7%	9%

Non-current assets excluding joint ventures, other receivables and deferred tax	2,352.3	350.7	21.2	28.4	2,752.6
---	---------	-------	------	------	---------

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>Q4 2020/21</b>					
Revenue	116.5	95.3	47.8	33.7	293.3
EUR growth	12%	26%	9%	10%	15%
Organic growth	11%	4%	(10%)	15%	6%

<b>EUR million</b>	<b>EMEA</b>	<b>North America</b>	<b>APAC</b>	<b>LATAM</b>	<b>Group</b>
<b>YTD 2020/21</b>					
Revenue	420.2	332.9	195.0	129.3	1,077.4
EUR growth	5%	16%	19%	8%	11%
Organic growth	6%	6%	(3%)	26%	7%

Non-current assets excluding joint ventures, other receivables and deferred tax	2,322.1	289.9	17.9	21.5	2,651.4
---	---------	-------	------	------	---------

## Note 3 R&D expenditures

<b>EUR million</b>	<b>Q4 2021/22</b>	<b>Q4 2020/21</b>	<b>YTD 2021/22</b>	<b>YTD 2020/21</b>
R&D expenses (P&L)	24.9	25.2	96.8	90.1
- Amortization	2.9	1.9	11.8	7.6
- Impairment	1.7	2.0	2.4	2.0
+ Capitalization	4.4	4.0	16.6	10.8
<b>R&amp;D expenditures incurred</b>	<b>24.7</b>	<b>25.3</b>	<b>99.2</b>	<b>91.3</b>

## Note 4 EBIT b.s.i. to EBITDA b.s.i.

<b>EUR million</b>	<b>Q4 2021/22</b>	<b>Q4 2020/21</b>	<b>YTD 2021/22</b>	<b>YTD 2020/21</b>
EBIT b.s.i	91.4	84.2	325.8	298.1
Amortization and impairment losses	12.7	14.3	47.3	47.3
<b>EBITA b.s.i.</b>	<b>104.1</b>	<b>98.5</b>	<b>373.1</b>	<b>345.4</b>
Depreciation and impairment losses	17.1	13.3	59.8	53.9
<b>EBITDA b.s.i.</b>	<b>121.2</b>	<b>111.8</b>	<b>432.9</b>	<b>399.3</b>