

The era of biosolutions. Outlook upgraded for 2024

Novonesis is performing very well and the 2024 outlook for pro forma organic sales growth is now expected at the upper end of the 5-7% range while the pro forma adjusted EBITDA margin is increased to 35-36%.

Novonesis' Capital Markets Day on June 18, 2024 will provide an introduction to Novonesis with insights on how the company intends to capture and accelerate organic sales growth. Also, Novonesis maintains the target for organic sales growth at 6-8% CAGR through 2025 with an adjusted EBITDA margin of ~37% and reconfirms the ambition to further accelerate organic sales growth beyond 2025.

Ester Baiget, President & CEO: *"Demand for sustainable biosolutions will continue to grow stronger as the world needs answers to the increasing need to feed and fuel a growing world sustainably. The seamless integration of our two companies has already created a stronger foundation to capture and accelerate growth in the attractive biosolutions space. We are committed to leading the transformation of societies and economies to secure healthier lives and a healthier planet."*

Novonesis' biosolutions are already present in peoples' everyday lives, reaching more than half the world's population. A growing population, increasing energy needs, evolving nutritional and health trends and climate risks create strong and increasing demand for sustainable biosolutions. Novonesis is uniquely positioned with strong customer relationships and an understanding of customer needs, a broad biosolutions toolbox, as well as the unique ability to up-scale and produce robust and affordable biosolutions. The foundation is in place to leverage our capabilities with clear prioritization and focused execution to deliver on the full potential. This enables the confirmation of targets until 2025 with an ambition to further accelerate profitable organic sales growth thereafter.

- 2024 outlook of pro forma organic sales growth now expected at the upper end of the 5-7% range.
- Cost synergy implementation ahead of plan with a run rate of ~80% by the end of June 2024.
- 2024 pro forma adjusted EBITDA margin increased to 35-36% from previously ~35%.
- Expected organic sales growth at 6-8% CAGR through 2025 maintained, driven by volume, price and synergies.
- Adjusted EBITDA margin maintained at ~37% by 2025.
- Reconfirmation of the sales synergy target of EUR 200m run-rate four years after completion of the combination and the cost synergy target of EUR 80-90m run-rate three years after completion of the combination.
- Margin expansion supported by strong focus on productivity improvements and economies of scale as well as synergies.
- Beyond 2025, ambition to deliver accelerated sustainable organic sales growth from the underlying business coupled with new, and de-risked, innovation and growth opportunities.
- EPS accretion for the combination with Chr. Hansen maintained at mid-single digit percentage in third year after completion.
- A clear capital allocation model with an expected dividend payout ratio of 40-60%.
- Dedication to a sustainable future with clear non-financial targets and commitments.
- As the current long-term financial targets only run to 2025, new long-term financial targets are expected to be communicated in 2H 2025.

Event information

Novonesis will host its Capital Markets Day in London tomorrow, on June 18, 2024. The event will be livestreamed starting at 13.00 BST and ending at 17.30 BST. The presentation material will be made available in the morning on [Investors | Novonesis](#) no later than 10.00 BST on the day of the event. A replay of the presentations will be available afterwards.

**Capital Markets Day
Livestream**
June 18, 2024
13.00-17.30 BST
[Access the livestream here.](#)

Q&A session: Only those attending the event in person will be able to participate in the Q&A sessions.

Contacts

Investor Relations

Tobias Bjorklund	+45 3077 8682	tobb@novonesis.com
Anders Enevoldsen	+45 5350 1453	adev@novonesis.com
Disa Tuominen	+45 6038 5826	ditu@novonesis.com

Media Relations

Lina Danstrup	+45 3077 0552	lind@novonesis.com
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Financial calendar 2024

August 28, 2024: 1H announcement 2024

November 7, 2024: Trading statement 9M 2024

Information regarding forward-looking statements

This announcement includes forward-looking statements. Such forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of the combined group and all of which are based on the combined group's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualized", "anticipate", "assess", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other variations thereon or comparable terminology. The forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and other documents regarding the combination and include statements that reflect the combined group's intentions, beliefs, or current expectations and projections about their respective future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, targets, strategies, and opportunities, as well as the markets in which they respectively operate. The forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the combined group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Forward-looking statements in this announcement speak only as of the date of this announcement. The information contained in this announcement is subject to change without notice, and, except as required by applicable laws and regulations, the combined group expressly disclaims any obligation or undertaking to update or revise the forward-looking statements contained in this announcement to reflect any change in its expectations or any change in events, conditions, or circumstances on which such statements are based, and nor does it intend to. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. As a result of these risks, uncertainties, and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

Novonesis is a global company leading the era of biosolutions.

By leveraging the power of microbiology with science, we transform the way the world produces, consumes and lives. In more than 30 industries, our biosolutions are already creating value for thousands of customers and benefiting the planet. Our 10,000 people worldwide work closely with our partners and customers to transform business with biology.

**Novozymes A/S, part of
Novonesis Group**
Krogshøjvej 36
2880 Bagsvaerd
Denmark