

Full-year organic sales growth outlook narrowed upwards to 6-8% after 10% growth in both 1H and in Q2

Ester Baiget, President & CEO: “After a strong first half with 10% organic sales growth, and despite the volatile market environment, we narrow our full-year organic sales growth outlook upwards to 6-8%. Our well-diversified portfolio, end-market exposure, and operational excellence are key enablers to deliver value generating biotech-solutions to customers. We continue to invest in the business in line with our strategic direction, and we expect solid margins and returns despite the significant pressure from input and logistic costs”.

Sales and financial performance:

- Sales growth in DKK at 18% (10% organic, 7% currency, 1% M&A). Q2 DKK sales growth at 20% (10% organic, 9% currency, 1% M&A).
- Double-digit organic sales growth in four out of five business areas:
 - Bioenergy 23% (Q2: 19%): Strong growth across regions led by North & South America with high demand for innovation and value-enhancing solutions as well as for biodiesel production.
 - Agriculture, Animal Health & Nutrition 14% (Q2: 17%): Strong performance with double-digit growth in both Animal Health & Nutrition and Agriculture.
 - Grain & Tech Processing 13% (Q2: 19%): Strong performance from innovation and yield solutions.
 - Food, Beverages & Human Health 10% (Q2: 3%): Performance led by double-digit growth in Food and Beverages.
 - Household Care 0% (Q2: 4%): Performance in line with expectations, including a negative impact from the war in Ukraine.
- Developed markets organic sales growth 10% (Q2: 9%); Emerging markets 10% (Q2:12%).
- EBIT margin at 26.0%, with Q2 roughly on par with Q1. Adjusted for provisions, the EBIT margin was closer to 27% both for the first half-year and for Q2. Lower year-on-year gross margin in line with expectations from higher input and logistics costs. Slight positive impact from price increases in 1H expected to become more visible in the second half of the year.
- ROIC incl. goodwill at 17.5%, lower year-on-year and mainly due to acquisitions and growth-investments.
- FCF before acquisitions at DKK 1.0 billion including higher CAPEX for the investment in the Advanced Protein Solutions production line in Blair, Nebraska, as well as higher working capital.
- Solid balance sheet with a net-debt/EBITDA ratio of 1.1x

Key events:

- Six product launches in the first half of 2022, including four in the second quarter.
- New partnerships in Agriculture focusing on biocontrol and the exploration of post-harvest solutions.
- Participation in World Economic Forum annual meeting to discuss the potential of bio-solutions as an enabler for a more sustainable world.
- Stock buyback program of DKK 500 million completed on June 27, 2022.
- As events after the interim period – an agreement was signed to invest intellectual property in 21st.BIO, expected to be completed in the third quarter of 2022. The transaction is expected to generate a non-recurring accounting gain under other operating income of DKK ~200 million and is a non-cash transaction. Additionally, Novozymes’ minority ownership in Albumedix will be divested leading to a financial gain of DKK ~250m, and the transaction is expected to close during the second half of the year.

2022 outlook:

- A strong first half and good momentum across the business leading to a narrowed organic sales growth outlook from 4-8% to now 6-8%. Sales reported in Danish kroner expected to be around 8 percentage points higher than the organic sales growth rate.
- EBIT margin outlook raised to 26-27% following the completion of the non-recurring accounting gain from investing intellectual property in 21st.BIO expected in the third quarter (no cash impact).
- Outlook for ROIC incl. goodwill increased to 17-18% following the accounting gain, while free cash flow before acquisitions is maintained.

		1H 2022	1H 2021	Q2 2022	Q2 2021	2022 outlook August 11	2022 outlook April 26
Sales performance, organic	%	10	6	10	9	6-8	4-8
EBIT margin	%	26.0	28.6	25.9	27.7	26-27	25-26
ROIC, incl goodwill	%	17.5	19.7			17-18	16-17
FCF, before acquisitions	DKKbn	1.0	1.8	0.6	1.1	1.7-2.1	1.7-2.1



1H 2022

10%

Organic sales growth

26.0%

EBIT margin

1.0

FCF before acq. DKKbn

17.5%

ROIC, incl. goodwill

Conference call

 August 11, 2022
 9.00 CEST

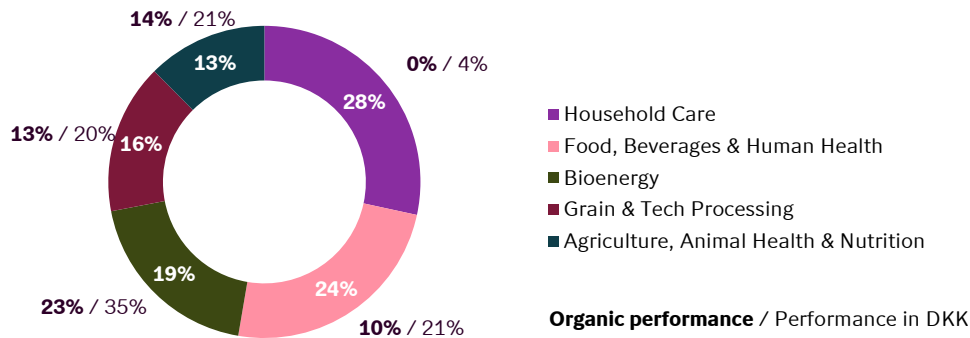
 Please pre-register for the call [here](#)
[Webcast](#)

Selected key data

		1H 2022	1H 2021	Q2 2022	Q2 2021
Sales performance, organic	%	10	6	10	9
Household Care	%	0	-2	4	-6
Food, Beverages & Human Health	%	10	14	3	18
Bioenergy	%	23	16	19	54
Grain & Tech Processing	%	13	17	19	18
Agriculture, Animal Health & Nutrition	%	14	-9	17	-19
Sales	DKKm	8,657	7,356	4,286	3,580
Sales performance, DKK	%	18	3	20	7
Gross margin	%	55.5	58.4	55.5	58.7
EBITDA	DKKm	2,990	2,825	1,487	1,368
EBIT	DKKm	2,252	2,107	1,110	990
EBIT margin	%	26.0	28.6	25.9	27.7
Net profit	DKKm	1,656	1,679	817	794
Net profit performance	%	-1	15	3	23
Net investments excl. acquisitions	DKKm	1,233	411	844	217
Free cash flow before acquisitions	DKKm	969	1,846	583	1,142
NIBD/EBITDA		1.1	1.0		
ROIC, incl. goodwill		17.5	19.7		
EPS		5.92	6.02	2.92	2.85
EPS (diluted)		5.87	5.98	2.90	2.83
Avg. USD/DKK		680	617	699	617

Sales by business area

Distribution of sales by business area, 1H 2022



Total sales 1H y/y

Organic: 10%
DKK: 18%

Household Care

The first half organic sales performance for Household Care was flat while sales in reported DKK grew 4% compared to the same period of 2021. Emerging markets developed well during the period, driven by solid performance in both Latin America and Asia Pacific. In developed markets, enzyme sales for laundry & dishwash declined mainly due to the expected reduction in European market volumes, while cleaning & professional performed well. The Freshness technology performed in line with expectations.

Household Care 1H y/y

Organic: 0%
DKK: 4%

Second-quarter sales were up 4% organically and 9% in reported DKK year-on-year. The performance was in line with expectations and included a negative impact from the war in Ukraine, which began to show in the second quarter. Sales in emerging markets performed well, driven by a strong performance in Latin America and Asia Pacific. Developed markets also grew in the second quarter despite the aforementioned year-on-year weakness in Europe, which eased compared to the first quarter.

Food, Beverages & Human Health

Food, Beverages & Human Health grew 10% organically in the first half of 2022 compared to the same period last year. Sales in reported DKK grew 21% in the first half, supported by the acquisition of Synergia Life Sciences. The performance was strong, driven by Food and Beverages, and included a first-quarter positive timing effect of roughly 2 percentage points of the first-half organic sales growth in the business area. Growth in Food was broad-based across sub-areas and supported by ingredient substitution and raw material optimization. Beverages performed well, especially in the low-calorie brewing segment. Both Food and Beverages benefitted from favorable market conditions and strong consumer demand. Human Health performed well with solid underlying in-market demand, although with a somewhat soft organic performance due to a strong comparator from last year.

Food, Beverages & Human Health 1H y/y

Organic: 10%
DKK: 21%

In the second quarter of 2022, Food, Beverages & Human Health grew 3% organically year-on-year, on top of a high 18% comparator from last year, and sales in reported DKK grew 14%. The performance in the second quarter was in line with expectations and driven by growth in Food and Beverages, while Human Health performed well on top of a strong comparator from last year.

Bioenergy

Sales in Bioenergy grew 23% organically and 35% in reported DKK in the first half of the year compared to the same period last year. The strong performance was supported by recovering U.S. ethanol production and capacity expansion of corn-based ethanol production in Latin America. According to the US EIA, U.S. ethanol production increased by an estimated 6-7% in the first half of 2022 compared to the first half of 2021. Novozymes' performance in the period benefitted from a broad, innovative solution toolbox allowing for higher yields, throughput and by-product value capture for producers experiencing solid crush margins in the current environment. Sales of solutions for Biodiesel

Bioenergy 1H y/y

Organic: 23%
DKK: 35%

production grew by double digits and contributed positively to the strong performance, although from a relatively small base.

Second-quarter sales in Bioenergy grew 19% organically and 34% in reported DKK year-on-year. The broad solution toolbox and innovations were the main drivers of the strong performance that was supported by volume growth in the U.S. ethanol industry, an estimated 1-2% year-on-year according to the US EIA, and sales outside the U.S. also contributed positively led by strong growth in Latin America.

Grain & Tech Processing

Grain & Tech Processing sales grew 13% organically in the first half and 20% in reported DKK year-on-year with strong performance in grain and solid performance in tech. The strong performance in grain was driven by innovation in starch and grain milling as well as increased market penetration in vegetable oil processing. The overall favorable end-market demand for grain-derived products also supported performance. Sales in Tech increased, partly driven by stronger sales of diagnostic enzymes.

**Grain & Tech Processing
1H y/y**
Organic: 13%
DKK: 20%

In the second quarter, Grain & Tech Processing sales grew 19% organically and 28% in reported DKK compared to the same period last year. The strong performance was driven by grain for the same reasons as those explaining the first half-year developments, whereas strong tech performance was driven partly by a more normalized comparator from last year, as well as solid underlying demand across sub-segments, particularly in diagnostic enzymes.

Agriculture, Animal Health & Nutrition

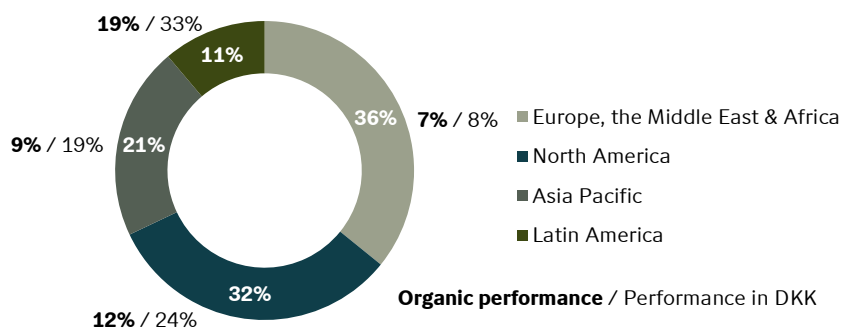
Sales in Agriculture, Animal Health & Nutrition grew 14% organically and 21% in reported DKK in the first half compared to the same period last year. Growth was led by Animal Health & Nutrition and Agriculture also grew double digits during the period. Innovation and favorable market conditions, partly linked to higher soft commodity prices, boosted demand for yield-enhancing solutions across subareas.

**Agriculture, Animal Health &
Nutrition 1H y/y**
Organic: 14%
DKK: 21%

Second-quarter sales grew 17% organically and 26% in reported DKK compared to the same quarter last year. The strong performance was driven by both Agriculture and Animal Health & Nutrition, continuously supported by innovation and the additional customer focus on yield-enhancing solutions.

Sales by geography

Distribution of sales by geography, 1H 2022



Novozymes' organic sales grew 10% year-on-year in the first half of 2022. Sales growth was strong at 10% in both emerging and developed markets. Growth in developed markets was mainly driven by Bioenergy, while Household Care declined slightly. In emerging markets, all five business areas delivered growth, with Food, Beverages & Human Health as the main driver.

In the second quarter, emerging markets grew 12% and developed markets grew 9% organically. As for the first half, growth in emerging markets was broad-based, with all five business areas

contributing. In developed markets, growth was mainly driven by a strong performance in Bioenergy and supported by very solid performance in Grain & Tech Processing as well as in Agriculture, Animal Health & Nutrition.

Europe, the Middle East & Africa

Sales grew 7% organically in the first half of the year compared to the same period last year. Growth was broad-based, with four out of the five business areas growing double digits. Agriculture, Animal Health & Nutrition was the main growth driver for the region, while Household Care declined due to the expected reduction in European market volumes.

Europe, the Middle East & Africa 1H y/y
Organic: 7%
DKK: 8%

Second-quarter sales grew 3% organically compared to the second quarter last year. As for the first half, growth was driven by strong performance in Agriculture, Animal Health & Nutrition while Household Care declined slightly.

North America

In North America, organic sales grew by 12% in the first half compared to the same period last year. Growth was primarily driven by the strong performance in Bioenergy but was also supported by strong growth in Grain & Tech Processing.

North America 1H y/y
Organic: 12%
DKK: 24%

In the second quarter, organic sales in North America grew 14%. As for the first half, growth was led by strong performance in Bioenergy and Grain & Tech Processing.

Asia Pacific

Sales grew 9% organically in the first half of 2022, driven by solid performance across all main business areas. Growth was particularly strong in Food, Beverages & Human Health, with double-digit growth across all three subareas.

Asia Pacific 1H y/y
Organic: 9%
DKK: 19%

Sales in the second quarter grew 13% organically with Food, Beverages & Human Health, Grain & Tech Processing and Household Care growing at or close to double digits.

Latin America

Organic sales grew 19% year-on-year in Latin America in the first half of the year. Growth was broad-based with four out of five business areas growing double digits. Strong performance in Food, Beverages & Human Health and the continued capacity expansion of corn-based ethanol production were the main drivers.

Latin America 1H y/y
Organic: 19%
DKK: 33%

In the second quarter, organic sales grew 23% with strong performance across Food, Beverages & Human Health, Bioenergy and Household Care.

Income statement

Total costs excluding net other operating income, net financials, share of losses in associates and taxes amounted to DKK 6,436 million in the first half and DKK 3,195 million in the second quarter of 2022. This was DKK 1,047 million (19%) and DKK 586 million (22%) higher, respectively, than in the corresponding periods of 2021. The year-on-year increases in the first half and in the second quarter were mainly due to the higher cost of goods sold, which increased as a function of higher sales as well as higher input and logistics costs.

Total costs
DKK 6,436 million

The gross margin was 55.5% both in the first half and in the second quarter of 2022, decreasing by 2.9 and 3.2 percentage points, compared to the respective periods of 2021, where the gross margin was strong both in the first half and the second quarter. The lower year-on-year gross margin was mainly a result of higher input and logistics costs that were partly offset by productivity improvements and operating leverage. Currencies provided a slight tailwind in both the first half and the second quarter, while the effect of changes in sales prices was slightly positive in the first half, driven by developments in the second quarter. In addition, the second quarter gross margin was negatively impacted by around 1 percentage point due to a provision for scrapping of inventory in Agriculture.

Gross margin
55.5%

Operating costs totaled DKK 2,585 million in the first half and DKK 1,288 million in the second quarter of 2022. This marked an increase of DKK 255 million (11%) and DKK 158 million (14%), respectively, compared to the same periods of 2021. The first half increase in operating costs was mainly due to higher sales and distribution costs as well as higher administrative costs and partly offset by somewhat lower research and development costs. M&A-related effects from the recent acquisition of Synergia Life Sciences impacted all three operating cost lines slightly. In addition, the increase in sales and distribution costs was due to higher logistics costs, continued investments in commercial activities and the first quarter provision related to doubtful receivables from customers in Russia. As in the first half, the second quarter increase in operating costs was mainly driven by higher sales and distribution costs as well as higher administrative costs. Year-on-year currency developments added to the higher operating costs in both the first half and the second quarter.

Operating costs
DKK 2,585 million

- Sales and distribution costs increased by 31% to make up 13% of sales during the first half of the year and increased by 28% to make up 13% of sales in the second quarter.
- Research and development costs decreased by 7% to make up 11% of sales in the first half of the year and were flat and made up 12% of sales in the second quarter.
- Administrative costs increased by 15% to make up 5% of sales in the first half of the year and increased by 20% to make up 6% of sales in the second quarter.

Other operating income amounted to DKK 31 million in the first half of 2022. This was a decrease of DKK 109 million compared to the same period of 2021. The decrease is explained by higher other operating income in the first quarter of last year, which included contingent income from the divested pharma-related royalty and proceeds from the sale of a non-core administrative building. Other operating income amounted to DKK 19 million in the second quarter and was on par with the corresponding period of 2021.

Depreciation and amortization amounted to DKK 738 million in the first half, corresponding to an increase of 3% compared to the first half of 2021. In the second quarter, depreciation and amortization amounted to DKK 377 million, which was on par with the second quarter of 2021.

Depreciation and amortization
DKK 738 million

EBIT was DKK 2,252 million in the first half and DKK 1,110 million in the second quarter of 2022, corresponding to an EBIT margin of 26.0% and 25.9%, respectively. This was an increase of DKK 145 million and a decrease of 2.6 percentage points for the first half of 2022 and an increase of DKK 120 million and a decrease of 1.8 percentage points for the second quarter compared to the EBIT and the EBIT margin for the corresponding periods of 2021. The first-half EBIT margin decrease was mainly the result of a reduced gross margin and lower other operating income. The aforementioned provision for uncertain receivables in Q1, included in operating costs, and the provision related to the scrapping of inventory in Agriculture impacting the gross margin in Q2, had a negative effect of close to 1

EBIT
DKK 2,252 million
EBIT margin
26.0%

percentage point on the reported EBIT margin in the first half of 2022. Adjusting for the provisions in both Q1 and Q2, the EBIT margin was ~27% for the first half of 2022. This was around 1 percentage point lower than the underlying EBIT margin in the first half of last year. M&A-related effects had a roughly neutral effect, while currencies provided a tailwind.

The second quarter EBIT margin decrease was mainly due to a lower gross margin, including the provision related to the scrapping of inventory in Agriculture, and somewhat mitigated by an improved operating-cost-to-sales ratio and a tailwind from currencies and M&A. Adjusting for the second quarter provision, the EBIT margin was ~27% and around 1 percentage point lower than the underlying EBIT margin in the second quarter of last year.

Net financial costs and the share of losses in associates amounted to DKK 129 million in the first half and DKK 63 million in the second quarter of 2022. The DKK 121 million and DKK 66 million higher costs compared to the respective corresponding periods of 2021 were mainly due to losses on currency hedges relating to the US dollar.

Net financial costs and share of losses in associates
DKK 129 million

Profit before tax amounted to DKK 2,123 million in the first half and DKK 1,047 million in the second quarter of 2022. This was DKK 24 million (1%) and DKK 54 million (5%) higher, respectively, than in the corresponding periods of 2021. In both the first half and the second quarter, the increase was driven by higher EBIT, despite the increase in net financial costs.

The effective tax rate was 22.0% both in the first half year and in the second quarter of 2022. This was 2 percentage points higher than the respective corresponding periods of last year. The 22% is equal to the corporate tax rate in Denmark and the difference compared to last year is explained by the transfer of intellectual property from Switzerland to Denmark during 2017-2021, which supported the effective tax rate during that period.

Effective tax rate
22.0%

Net profit totaled DKK 1,656 million in the first half and DKK 817 million in the second quarter of 2022. This was DKK 23 million (-1%) lower and DKK 23 million (3%) higher than in the respective corresponding periods of 2021. The lower first-half net profit is explained by the aforementioned increase in effective tax that reduced the slightly higher profit before tax.

Net profit
DKK 1,656 million

Cash flows and balance sheet

Cash flow from operating activities amounted to DKK 2,202 million in the first half and DKK 1,427 million in the second quarter of 2022. This was a decrease of DKK 55 million and an increase of DKK 68 million respectively compared to the corresponding periods of 2021. The first-half developments were mainly due to a change in working capital driven by higher inventories resulting from higher input costs and currencies, and a slightly lower net profit, somewhat offset by reversals of non-cash items. The second-quarter increase was driven by reversals of non-cash items and higher net profit despite the effect from higher inventories due to higher input costs and currencies.

Operating cash flow
DKK 2,202 million

Net investments excluding acquisitions totaled DKK 1,233 million in the first half and DKK 844 million in the second quarter of 2022. This was DKK 822 million and DKK 627 million higher respectively compared to the corresponding periods of 2021. In both the first half and the second quarter, the increase was mainly due to higher CAPEX investments in the new production line for Advanced Protein Solutions in Blair, Nebraska, U.S.

Net investments excluding acquisitions
DKK 1,233 million

Free cash flow before acquisitions was DKK 969 million in the first half and DKK 583 million in the second quarter of 2022. The declines of DKK 877 million and DKK 559 million respectively compared to the corresponding periods of 2021 were mainly due to higher net investments and a reduced cash flow from operating activities due to the increased working capital.

Free cash flow before acquisitions
DKK 969 million

Total equity was DKK 12,493 million at June 30, 2022, corresponding to an equity ratio of 47.2%. This was an increase of DKK 1,579 million and a decrease of 3.3 percentage points respectively compared to the total equity of DKK 10,914 million and the 50.5% equity ratio reported at June 30, 2021.

Equity ratio
47.2%

Net interest-bearing debt (NIBD) and the NIBD-to-EBITDA ratio were DKK 6,298 million and 1.1x respectively at June 30, 2022 and in line with Novozymes' capital structure target. This was an increase of DKK 1,028 million in NIBD and an increase of 0.1x in the NIBD-to-EBITDA ratio compared to June 30, 2021, as the positive cash flow from operating activities was more than offset by cash outflows from dividend payments, stock buybacks, capital expenditures and the acquisition of Synergia Life Sciences.

NIBD/EBITDA
1.1x

Return on invested capital (ROIC) including goodwill was 17.5% in the first half of 2022. This was 2.2 percentage points lower than in the corresponding period of 2021 mainly due to the increase in invested capital, including acquisitions and growth investments.

ROIC incl. goodwill
17.5%

The holding of treasury stock at June 30, 2022 was 4,692,439 B shares, which was equivalent to 1.7% of the common stock.

Treasury stock
1.7%

Sales Outlook

Novozymes has a well-diversified product portfolio and broad industry exposure. Based on the solid first-half year performance of 10% organic sales growth, Novozymes narrows the full-year outlook range from 4-8% to now 6-8%. This includes the previously mentioned negative full-year impact of around 1 percentage point from the Ukraine war, mainly impacting Household Care. Novozymes is experiencing good momentum across a large part of its portfolio with the focus on innovations and market penetration combined with supportive market conditions. Sales in DKK are expected to be around 8% higher than the organic sales growth outlook. Business areas and subsegments where yield and throughput are more relevant are benefitting relatively more from the current market conditions.

While sales prices were roughly neutral in the first quarter, Novozymes is experiencing good traction on the ongoing price initiatives and dialogues in collaboration with customers across business areas. Pricing in the second quarter was slightly positive year-on-year, and the price initiatives are expected to have a stronger impact as the year progresses, leading to a slightly positive impact for the full year as well. The sales growth range includes uncertainties associated with current market conditions, including global supply chain constraints.

Household Care (organic 0% in 1H 2022) organic sales in 2022 are indicated to be 'flat to 2%', including a negative impact of the war in Ukraine. Growth will be driven by enzymatic penetration in emerging markets, primarily within the laundry category, and includes expectations of roughly flat developments in European detergent volumes. The Freshness technology is expected to contribute positively to performance in both emerging and developed markets. Outside of laundry, professional & medical cleaning is expected to perform well.

Food, Beverages & Human Health (organic 10% in 1H 2022) organic sales growth is indicated to be broad-based with the full-year indication maintained in the 'low teens', and with Food and Human Health as the main drivers. Growth in Food is expected to be driven primarily by our health-focused solutions, including strong performance in baking, dairy and plant protein, benefitting from raw material optimization and ingredient substitutions. Beverages is expected to grow, driven by market penetration and supported by commodity price tailwinds. Human Health is expected to grow organically in the solid double-digits, driven by cross-selling in regions and channels.

Bioenergy (organic 23% in 1H 2022) organic sales growth is expected to be supported by the continued recovery of U.S. ethanol production, market penetration enabled by innovation, capacity expansion of corn-based ethanol production in Latin America, and market penetration with enzymatic solutions for biodiesel production. The full-year organic sales growth indication is raised from 'high-single-digit' organic sales growth to now 'mid-teens' as a result of the good start to the year with more favorable market conditions, but it also reflects a more difficult comparator in the second half of last year.

Grain & Tech Processing (organic 13% in 1H 2022) organic sales growth is expected to be broad-based with growth across most subareas of both Grain and Tech. Performance in Grain is expected to be led by market penetration in vegetable oil processing and innovation in starch supported by strong end-market demand. Growth in Tech is expected to be broad-based, including volume recovery in the global textile industry. As a result of the strong first half-year performance with more favorable market conditions, the full-year organic sales growth indication for Grain & Tech Processing is raised from 'low-single to mid-single-digit growth' to now 'high-single digit growth'.

Agriculture, Animal Health & Nutrition (organic 14% in 1H 2022) organic sales growth will be led by solid growth in Animal Health & Nutrition complemented by double-digit growth in Agriculture. Innovation and a more diversified commercial model will be key enablers for increased market penetration for both bio-yield and bio-control solutions in Agriculture. Growth in Animal Health & Nutrition will primarily be driven by innovation as well as end-market-driven volume growth. The full-year organic sales growth indication for Agriculture, Animal Health & Nutrition is maintained at a rate in the 'high-single-digits to low-teens'.

Financial outlook

For 2022, Novozymes expects a solid EBIT margin of 26% to 27% (2021: 26.8%). This is an increase compared to the previous outlook of 25% to 26% reflecting the expected non-cash accounting gain related to the 21st.BIO agreement. Compared to 2021, the EBIT margin will benefit from sales growth and productivity improvements, targeted price increases, as well as a net positive currency effect. Significantly higher input and logistics costs and continued investments in the business are expected to have a negative year-on-year impact. Due to the aforementioned increase in input costs, the gross margin is expected to decline by ~2 percentage points compared to 2021. In addition, the agreement to invest intellectual property in 21st.BIO is expected to be completed in the third quarter of 2022 and the transaction is expected to generate a non-recurring accounting gain under other operating income of DKK ~200 million and is a non-cash transaction.

EBIT margin
26% to 27%

Return on invested capital (ROIC), including goodwill, is now expected at 17% to 18% (2021: 19.3%). This is an increase compared to the previous outlook of 16% to 17% due to the expected non-cash accounting gain related to the 21st.BIO agreement. A higher NOPAT, including the accounting gain relating to 21st.BIO, and higher invested capital, mainly from acquisitions, are the main drivers of the expected year-on-year development in ROIC, including goodwill.

ROIC, incl. goodwill
17% to 18%

Free cash flow (FCF) before acquisitions is expected at from DKK 1.7 to 2.1 billion (2021: DKK 2.9 billion), mainly impacted by higher net investments to support long-term growth ambitions.

FCF before acquisitions
DKK 1.7 to 2.1 billion

For modeling purposes, the following is provided:

The effective tax rate is expected at around 20% for 2022 (2021: 20%) following the 21st.BIO agreement and divestment of minority ownership in Alumedix, which are both tax-exempt.

Effective tax rate
~20%

Net financial costs are expected to be around DKK 200 million (2021: DKK 83 million) as a result of increased hedging costs, primarily related to USD forward contracts, and benefitting from the divestment of the minority-ownership in Alumedix expected in the second-half of the year.

Net financial costs
DKK 200 million

Net investments in 2022 are expected at from DKK 2.6 to 2.9 billion (2021: DKK 1.1 billion). This reflects maintenance, optimization and expansion investments, including in new Food and health-related customer co-creation centers, as well as roughly DKK 1 billion related to the investment in a new state-of-the-art production line for Advanced Protein Solutions at Blair, Nebraska.

Net investments
DKK 2.6 to 2.9 billion

The stock buyback program of up to DKK 500 million was initiated effective February 21, 2022 and completed on June 27, 2022. **Stock buyback program**
DKK 500 million completed

		2022 outlook August 11	2022 outlook April 26	2022 outlook February 1
Sales performance, organic	%	6-8	4-8	3-7
EBIT margin	%	26-27	25-26	25-26
ROIC, incl goodwill	%	17-18	16-17	16-17
FCF, before acquisitions	DKKbn	1.7-2.1	1.7-2.1	1.7-2.1
For modeling purposes				
Effective tax rate	%	~20	~22	~22
Net financial costs	DKKmn	200	350	250
Net investments	DKKbn	2.6-2.9	2.6-2.9	2.5-2.8

Sustainability outlook

With our refreshed strategy, 'Unlocking growth – powered by biotech', we introduced a new set of long-term commitments to a healthy planet. The commitments will help accelerate towards a climate-neutral society, transform food systems, and enable healthier lives. We also recognize the urgent need for action and are raising our commitment to climate change to include all emissions from our supply chain as well, and we will now strive for a 50% reduction in absolute emissions from operations & supply chain across Scopes 1, 2 and 3 by 2030. This is in line with the climate guidance from the Science Based Targets Initiative defined in 2021. We are also committed to continue to ensure that our employees develop in a thriving, diverse and inclusive community. For the post-2022 period, we will communicate new non-financial targets and milestones to further guide our journey towards our long-term commitments. You can find more information about our long-term commitments in our 2021 Annual Report.

In 2022, we will continue to work towards our long-term commitments by investing in the development of solutions that contribute to a healthy planet, improve our climate, water and waste footprints as well as promoting an inclusive and diverse workplace where employees can stay safe, thrive and grow. We will develop our roadmap further towards net zero emissions by 2050 and implement employee programs focused on inclusion. Furthermore, we will continue to work together with partners to drive the global sustainability agenda, such as the U.N. Global Compact, World Wide Fund for Nature, World Economic Forum, The B-team and the Science-Based Targets Initiative.

	Milestones	2022 Targets	Status
Zymers & Society	Nurture diversity ¹	86	On track
	Occupational injury ²	≤1.5	On track
	Zymer spirit index score ³	81	On track
	Enable learning ³	80	On track
	Pledge our time to local outreach activities	1% of time ⁴	On track
Operations	Reduce absolute CO ₂ emissions from operations ⁵	40%	On track
	Develop context-based water management programs	100% of sites ⁶	On track
	Manage biomass in circular systems	100%	On track
	Develop circular management plans for key packaging materials	100%	On track
	Develop programs to reach zero waste by 2030	100% of sites ⁶	On track
World	Save CO ₂ emissions by enabling low-carbon fuels in the transport sector	60 million tonnes of CO ₂	On track
	Reach people by providing laundry solutions that replace chemicals	>4 billion people	On track
	Gain food by improving efficiency from farm to table	500,000 tonnes of food	More to do

¹ Index calculated based on gender and national representation at various professional levels.

² Defined as three-year rolling average of lost time injuries per million working hours.

³ Measured by score to relevant questions in annual survey.

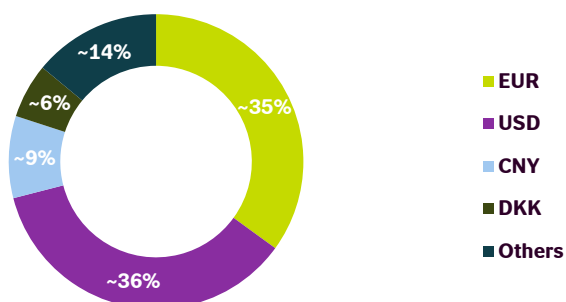
⁴ Qualitative reporting only.

⁵ From a 2018 baseline.

⁶ The targets do not include sites with activities not considered to have a significant environmental impact, e.g. sales offices, R&D labs, etc.

Currency exposure

Sales by currency, 1H 2022



Other things equal, a 5% movement in USD/DKK is expected to have an annual positive/negative impact on EBIT of around DKK 130-160 million, and a 5% movement in EUR/DKK is expected to have an annual positive/negative impact on EBIT of DKK ~200 million.

Hedging of net currency exposure and currency exchange rates

The currency exposure was hedged at 100% at an average of USD/DKK 6.30 in 2022.

The 2022 outlook is based on exchange rates for the company's key currencies remaining at the closing rates on August 10 for the full year.

DKK	EUR	USD	BRL	CNY
Average exchange rate, 1H 2022	744	680	134	105
Average exchange rate, 1H 2021	744	617	115	95
Average exchange rate, 1H 2022 compared to 1H 2021	0%	10%	17%	11%
Estimated average exchange rate 2022*	744	704	138	106
Estimated average exchange rate 2022 compared to 2021	0%	12%	18%	9%

*On August 10, 2022.

Events occurring after the first-half interim period

On August 10, 2022, Novozymes signed an agreement to invest intellectual property in 21st.BIO as a related party transaction with Novo Holding. The agreement is expected to be completed in the third quarter of 2022 and the transaction is expected to generate a non-recurring accounting gain of DKK ~200 million recognized under other operating income. The accounting gain is a non-cash transaction with no cash flow impact, but with a positive impact of around 1% on both the EBIT margin and ROIC incl. goodwill. Additionally, the effective tax rate for the year is expected to be positively affected by around 1 percentage point as the transaction is tax-exempt.

Following the announced sale of Albumedix, Novozymes will as part of the agreement divest its 8% ownership in Albumedix, a company built with Novozymes' technology platform. The acquisition is subject to customary closing conditions and is expected to close during the second half of the year. The sale will lead to a tax-exempt financial gain and upon closing a cash flow of around DKK 250 million. The transaction will not impact Free Cash Flow before acquisitions, divestments and purchase of financial assets but will improve financial items by approximately DKK 250 million and the effective tax rate for 2022 by around 1 percentage point.

Accounting policies

The interim report for the first half of 2022 has been prepared in accordance with IAS 34 and additional Danish regulations for the presentation of quarterly interim reports by listed companies. The accounting policies applied in the interim report for the first half of 2022 are consistent with those applied in the annual report for 2021, except for all new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on January 1, 2022. These IFRSs have not had any impact on the Group's interim report.

Forward-looking statements

This company announcement and its related comments contain forward-looking statements, including statements about future events, future financial performance, plans, strategies and expectations. Forward-looking statements are associated with words such as, but not limited to, "believe," "anticipate," "expect," "estimate," "intend," "plan," "project," "could," "may," "might" and other words of similar meaning. Forward-looking statements are by their very nature associated with risks and uncertainties that may cause actual results to differ materially from expectations, both positively and negatively. The risks and uncertainties may, among other things, include unexpected developments in i) the ability to develop and market new products; ii) the demand for Novozymes' products, market-driven price decreases, industry consolidation, and launches of competing products or disruptive technologies in Novozymes' core business areas; iii) the ability to protect and enforce the company's intellectual property rights; iv) significant litigation or breaches of contract; v) the materialization of the company's market-expanding growth platforms, notably the development of microbial solutions for broad-acre crops; vi) political conditions, such as acceptance of enzymes produced by genetically modified organisms; vii) global economic and capital market conditions, including, but not limited to, currency exchange rates (USD/DKK and EUR/DKK in particular, but not exclusively), interest rates and inflation; viii) significant price decreases for inputs and materials that compete with Novozymes' biological solutions. The company undertakes no obligation to update any forward-looking statements as a result of future developments or new information.

Contact information

Investor Relations

Tobias Bjorklund (U.S.)	+45 3077 8682	tobb@novozymes.com
Carl Ahlgren	+45 3077 2783	cxal@novozymes.com

Media Relations

Lina Danstrup	+45 3077 0552	lind@novozymes.com
---------------	---------------	--------------------

Statement of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have considered and approved the interim report of Novozymes A/S for the first half of 2022. This interim report has not been audited or reviewed by the company's independent auditor.

The interim report for the first half of 2022 has been prepared in accordance with International Financial Reporting Standards and IAS 34 as adopted by the EU, and further requirements of the Danish Financial Statements Act for the presentation of quarterly interim reports by listed companies.

In our opinion, the accounting policies applied are appropriate, the Group's internal controls relevant for the preparation and presentation of this Group financial statement are adequate, and this Group financial statement gives a true and fair view of the development in the Group's activities and business and of the Group's assets, liabilities, net profit and financial position on June 30, 2022, and of the results of the Group's operations and cash flows for the first half of 2022. Other than as disclosed in the interim report for the first half of 2022, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the annual report for 2021.

Bagsværd, August 10, 2022

EXECUTIVE MANAGEMENT

Ester Baiget
President & CEO

Lars Green
CFO

BOARD OF DIRECTORS

Jørgen Buhl Rasmussen
Chair

Cornelis (Cees) de Jong
Vice Chair

Anne Breum

Heine Dalsgaard

Sharon James

Anders Hentze Knudsen

Kasim Kutay

Preben Nielsen

Morten Alexander Sommer

Kim Stratton

Jens Øbro

Appendices

Appendix 1	Main items and key figures	16
	1.1 Key figures	16
	1.2 Income statement	17
	1.3 Statement of comprehensive income	18
Appendix 2	Distribution of sales	19
	2.1 Business areas	19
	2.2 Geography	20
Appendix 3	Statement of cash flows	21
	3.1 Statement of cash flows	21
Appendix 4	Balance sheet and Statement of equity	22
	4.1 Balance sheet, Assets	22
	4.2 Balance sheet, Liabilities	23
	4.3 Statement of equity	24
Appendix 5	Miscellaneous	25
	5.1 Publicly announced product launches in 2022	25
	5.2 Company announcements made in the 2022 financial year	26
	5.3 Subsequent events	26

Appendix 1 Main items and key figures

1.1 Key figures

DKK million	1H 2022	1H 2021	% change	Q2 2022	Q2 2021	% change
Revenue	8.657	7.356	18%	4.286	3.580	20%
Gross profit	4.806	4.297	12%	2.379	2.101	13%
Gross margin	55,5%	58,4%		55,5%	58,7%	
EBITDA	2.990	2.825	6%	1.487	1.368	9%
EBITDA margin	34,5%	38,4%		34,7%	38,2%	
Operating profit / EBIT	2.252	2.107	7%	1.110	990	12%
EBIT margin	26,0%	28,6%		25,9%	27,7%	
Share of result in associates	(3)	(2)		(2)	(1)	
Net financials	(126)	(6)		(61)	4	
Profit before tax	2.123	2.099	1%	1.047	993	5%
Tax	(467)	(420)	11%	(230)	(199)	16%
Net profit	1.656	1.679	(1)%	817	794	3%
Earnings per DKK 2 share	5,92	6,02	(2)%	2,92	2,85	2%
Earnings per DKK 2 share (diluted)	5,87	5,98	(2)%	2,90	2,83	2%
Net investments excl. acq.	1.233	411	200%	844	217	289%
Free cash flow before net acq. and purchase of financial assets	969	1.846	(48)%	583	1.142	(49)%
Return on invested capital (ROIC) incl. goodwill	17,5%	19,7%				
Net interest-bearing debt	6.298	5.270				
Equity ratio	47,2%	50,5%				
Return on equity	27,0%	28,0%				
Debt-to-equity	50,4%	48,3%				
NIBD / EBITDA	1,1	1,0				
Number of employees	6.657	6.290				
Novozymes' stock				Jun. 30, 2022	Jun. 30, 2021	
Common stock (million)				281,0	282,0	
Net worth per share (DKK)				43,06	38,66	
Denomination of share (DKK)				2,00	2,00	
Nominal value of common stock (DKK million)				562,0	564,0	
Treasury stock (million)				4,7	4,5	

1.2 Income statement

DKK million	1H 2022	1H 2021	Q2 2022	Q2 2021
Revenue	8.657	7.356	4.286	3.580
Cost of goods sold	(3.851)	(3.059)	(1.907)	(1.479)
Gross profit	4.806	4.297	2.379	2.101
Sales and distribution costs	(1.137)	(871)	(552)	(432)
Research and development costs	(991)	(1.062)	(498)	(499)
Administrative costs	(457)	(397)	(238)	(199)
Other operating income, net	31	140	19	19
Operating profit / EBIT	2.252	2.107	1.110	990
Share of result in associates	(3)	(2)	(2)	(1)
Net financials	(126)	(6)	(61)	4
Profit before tax	2.123	2.099	1.047	993
Tax	(467)	(420)	(230)	(199)
Net profit	1.656	1.679	817	794
Attributable to				
Shareholders in Novozymes A/S	1.641	1.679	809	794
Non-controlling interests	15	-	8	-
Specification of net financials				
Foreign exchange gain/(loss), net	(128)	61	(82)	34
Interest income/(costs)	(21)	(22)	(11)	(12)
Other financial items	23	(45)	32	(18)
Net financials	(126)	(6)	(61)	4
Earnings per DKK 2 share	5,92	6,02	2,92	2,85
Average no. of A/B shares outstanding (million)	277,1	278,8	277,0	278,3
Earnings per DKK 2 share (diluted)	5,87	5,98	2,90	2,83
Average no. of A/B shares, diluted (million)	279,4	280,8	279,4	280,7

1.3 Statement of comprehensive income

DKK million	1H 2022	1H 2021	Q2 2022	Q2 2021
Net profit	1.656	1.679	817	794
Currency translation of subsidiaries and non-controlling interests	704	295	433	(44)
Currency translation adjustments	704	295	433	(44)
Fair value adjustments	(157)	(79)	(134)	23
Tax on fair value adjustments	35	18	30	(4)
Cash flow hedges reclassified to financial costs	109	(70)	61	(28)
Tax on reclassified fair value adjustments	(24)	15	(13)	6
Cash flow hedges	(37)	(116)	(56)	(3)
Other comprehensive income	667	179	377	(47)
Comprehensive income	2.323	1.858	1.194	747
Attributable to				
Shareholders in Novozymes A/S	2.307	1.857	1.185	747
Non-controlling interests	16	1	9	-

Appendix 2 Distribution of sales

2.1 Business areas

DKK million	2022 1H	2021 1H	% change	% currency impact	% M&A impact	% organic growth
Consumer Biosolutions						
Household Care	2,458	2,366	4	4	0	0
Food, Beverages & Human Health	2,103	1,743	21	6	5	10
Agriculture & Industrial Biosolutions						
Bioenergy	1,671	1,239	35	12	0	23
Grain & Tech Processing	1,347	1,118	20	7	0	13
Agriculture, Animal Health & Nutrition	1,078	890	21	7	0	14
Sales	8,657	7,356	18	7	1	10

DKK million	2022 Q2	2021 Q2	% change	% currency impact	% M&A impact	% organic growth
Consumer Biosolutions						
Household Care	1,228	1,125	9	5	0	4
Food, Beverages & Human Health	1,004	878	14	7	4	3
Agriculture & Industrial Biosolutions						
Bioenergy	874	651	34	15	0	19
Grain & Tech Processing	679	529	28	9	0	19
Agriculture, Animal Health & Nutrition	501	397	26	9	0	17
Sales	4,286	3,580	20	9	1	10

DKK million	2022		2021			% change	
	Q2	Q1	Q4	Q3	Q2	Q1	Q2/Q2
Consumer Biosolutions							
Household Care	1,228	1,230	1,150	1,247	1,125	1,241	9
Food, Beverages & Human Health	1,004	1,099	851	870	878	865	14
Agriculture & Industrial Biosolutions							
Bioenergy	874	797	788	675	651	588	34
Grain & Tech Processing	679	668	579	539	529	589	28
Agriculture, Animal Health & Nutrition	501	577	466	430	397	493	26
Sales	4,286	4,371	3,834	3,761	3,580	3,776	20

2.2 Geography

DKK million	2022 1H	2021 1H	% change	% currency impact	% M&A impact	% organic growth
Europe, Middle East & Africa	3,102	2,866	8	1	0	7
North America	2,781	2,242	24	10	2	12
Asia Pacific	1,807	1,519	19	8	2	9
Latin America	967	729	33	13	1	19
Sales	8,657	7,356	18	7	1	10
Developed markets	5,482	4,706	16	5	1	10
Emerging markets	3,175	2,650	20	9	1	10
Sales	8,657	7,356	18	7	1	10

DKK million	2022 Q2	2021 Q2	% change	% currency impact	% M&A impact	% organic growth
Europe, Middle East & Africa	1,469	1,409	4	1	0	3
North America	1,395	1,076	30	14	2	14
Asia Pacific	913	733	25	10	2	13
Latin America	509	362	41	18	0	23
Sales	4,286	3,580	20	9	1	10
Developed markets	2,688	2,289	17	7	1	9
Emerging markets	1,598	1,291	24	11	1	12
Sales	4,286	3,580	20	9	1	10

DKK million	2022		2021				% change Q2/Q2
	Q2	Q1	Q4	Q3	Q2	Q1	
Europe, Middle East & Africa	1,469	1,633	1,372	1,443	1,409	1,457	4
North America	1,395	1,386	1,310	1,131	1,076	1,166	30
Asia Pacific	913	894	762	728	733	786	25
Latin America	509	458	390	459	362	367	41
Sales	4,286	4,371	3,834	3,761	3,580	3,776	20
Developed markets	2,688	2,794	2,486	2,311	2,289	2,417	17
Emerging markets	1,598	1,577	1,348	1,450	1,291	1,359	24
Sales	4,286	4,371	3,834	3,761	3,580	3,776	20

Appendix 3 Statement of cash flows

3.1 Statement of cash flows

DKK million	1H 2022	1H 2021	Q2 2022	Q2 2021
Net profit	1.656	1.679	817	794
Reversals of non-cash items	1.413	1.149	694	576
Tax paid	(345)	(220)	(60)	(25)
Interest received	5	3	2	2
Interest paid	(25)	(25)	(10)	(12)
Cash flow before change in working capital	2.704	2.586	1.443	1.335
Change in working capital				
(Increase)/decrease in receivables and contract assets	(121)	(157)	155	185
(Increase)/decrease in inventories	(416)	(297)	(357)	(256)
Increase/(decrease) in payables, deferred income and contract liabilities	35	120	194	81
Currency translation adjustments	-	5	(8)	14
Cash flow from operating activities	2.202	2.257	1.427	1.359
Investments				
Purchase of intangible assets	(41)	(73)	(31)	(28)
Sale of property, plant and equipment	1	2	-	1
Purchase of property, plant and equipment	(1.193)	(340)	(813)	(190)
Cash flow from investing activities before acquisitions, divestments and purchase of financial assets	(1.233)	(411)	(844)	(217)
Free cash flow before acquisitions, divestments and purchase of financial assets	969	1.846	583	1.142
Business acquisitions, divestments and purchase of financial assets	(77)	(761)	(22)	(8)
Free cash flow	892	1.085	561	1.134
Financing				
Borrowings	1.890	1.498	800	501
Repayment of borrowings	(846)	(533)	(726)	(467)
Overdraft facilities, net	90	194	(123)	(250)
Repayment of lease liabilities	(58)	(52)	(30)	(29)
Shareholders:				
Purchase of treasury stock	(500)	(1.132)	(360)	(848)
Sale of treasury stock	90	201	40	128
Dividend paid	(1.525)	(1.466)	(1)	(1)
Withheld dividend tax	-	-	(267)	(250)
Cash flow from financing activities	(859)	(1.290)	(667)	(1.216)
Net cash flow	33	(205)	(106)	(82)
Unrealized gain/(loss) on currencies and financial assets, included in cash and cash equivalents	17	(7)	22	(12)
Change in cash and cash equivalents, net	50	(212)	(84)	(94)
Cash and cash equivalents - Beginning of period	963	1.181	1.097	1.063
Cash and cash equivalents at June 30	1.013	969	1.013	969

Appendix 4 Balance sheet and Statement of equity

4.1 Balance sheet, Assets

DKK million	Jun. 30, 2022	Jun. 30, 2021	Dec. 31, 2021
Completed IT development projects	223	185	200
Acquired patents, licenses and know-how	2.541	1.775	2.654
Goodwill	2.081	1.493	2.020
IT development projects in progress	122	120	150
Intangible assets	4.967	3.573	5.024
Land and buildings	4.101	3.846	3.980
Plant and machinery	4.389	4.129	4.290
Other equipment	1.045	969	1.039
Assets under construction and prepayments	1.719	737	876
Property, plant and equipment	11.254	9.681	10.185
Deferred tax assets	1.565	1.198	1.637
Other financial assets (non-interest-bearing)	86	29	30
Investment in associate	26	31	29
Other receivables	37	30	39
Non-current assets	17.935	14.542	16.944
Raw materials and consumables	518	373	433
Goods in progress	1.187	861	979
Finished goods	1.761	1.467	1.580
Inventories	3.466	2.701	2.992
Trade receivables	3.395	2.798	2.948
Contract assets	67	15	40
Tax receivables	263	292	286
Other receivables	292	261	519
Receivables	4.017	3.366	3.793
Other financial assets (non-interest-bearing)	64	28	75
Cash and cash equivalents	1.013	969	963
Assets held for sale	-	11	-
Current assets	8.560	7.075	7.823
Assets	26.495	21.617	24.767

4.2 Balance sheet, Liabilities

DKK million	Jun. 30, 2022	Jun. 30, 2021	Dec. 31, 2021
Common stock	562	564	564
Currency translation adjustments	695	(433)	(8)
Cash flow hedges	(69)	11	(32)
Retained earnings	10.911	10.761	11.303
Equity attributable to shareholders in Novozymes A/S	12.099	10.903	11.827
Non-controlling interests	394	11	379
Total equity	12.493	10.914	12.206
Share purchase liability	775	-	717
Deferred tax liabilities	1.381	857	1.337
Provisions	152	112	153
Contingent consideration	218	567	543
Deferred income	107	-	98
Other financial liabilities (interest-bearing)	3.864	3.832	3.676
Other financial liabilities (non-interest-bearing)	-	12	4
Non-current lease liabilities	343	393	360
Non-current liabilities	6.840	5.773	6.888
Other financial liabilities (interest-bearing)	2.976	1.858	2.030
Other financial liabilities (non-interest-bearing)	197	44	109
Lease liabilities	128	156	122
Provisions	26	23	21
Contingent consideration	377	-	-
Trade payables	1.597	1.144	1.490
Contract liabilities	114	145	129
Deferred income	25	32	34
Tax payables	510	346	486
Other payables	1.212	1.182	1.252
Current liabilities	7.162	4.930	5.673
Liabilities	14.002	10.703	12.561
Liabilities and equity	26.495	21.617	24.767

4.3 Statement of equity

DKK million	Attributable to shareholders in Novozymes A/S				Total	Non-controlling interests	Total
	Common stock	Currency translation adjustments	Cash flow hedges	Retained earnings			
Equity at January 1, 2022	564	(8)	(32)	11.303	11.827	379	12.206
Net profit for the period				1.641	1.641	15	1.656
Other comprehensive income for the period		703	(37)		666	1	667
Total comprehensive income for the period		703	(37)	1.641	2.307	16	2.323
Purchase of treasury stock				(500)	(500)		(500)
Sale of treasury stock				90	90		90
Write-down of common stock	(2)			2	-		-
Dividend				(1.524)	(1.524)	(1)	(1.525)
Stock-based payment				50	50		50
Non-controlling interests and share purchase liability				(58)	(58)	-	(58)
Tax related to equity items				(93)	(93)		(93)
Changes in equity	(2)	703	(37)	(392)	272	15	287
Equity at June 30, 2022	562	695	(69)	10.911	12.099	394	12.493
Equity at January 1, 2021	570	(727)	127	11.263	11.233	11	11.244
Net profit for the period				1.679	1.679	-	1.679
Other comprehensive income for the period		294	(116)		178	1	179
Total comprehensive income for the period		294	(116)	1.679	1.857	1	1.858
Purchase of treasury stock				(1.132)	(1.132)		(1.132)
Sale of treasury stock				201	201		201
Write-down of common stock	(6)			6	-		-
Dividend				(1.465)	(1.465)	(1)	(1.466)
Stock-based payment				35	35		35
Tax related to equity items				174	174		174
Changes in equity	(6)	294	(116)	(502)	(330)	-	(330)
Equity at June 30, 2021	564	(433)	11	10.761	10.903	11	10.914

Appendix 5 Miscellaneous

5.1 Publicly announced product launches in 2022

We have launched the following products in 2022.

Product	Description	Sustainability benefit*
HiPhorius™	HiPhorius™ is a fourth generation phytase resulting from the Feed Alliance with DSM. Phosphorus is essential for animal metabolism but is often inaccessible to swine and poultry in the most common animal feedstocks. Farmers often add inorganic phosphates, but this increases feed costs and leads to environmental pollution through phosphorous emissions.	A phytase is an enzyme that releases natural-bound phosphorus from raw materials in feed. This reduces the need for inorganic phosphorus supplementation. The primary benefit is the saving of rare phosphorus resources and lower phosphorous emissions to water bodies and reduced algae growth.
Valena Pulse G	Valena Pulse G enables better inclusion of pulse ingredients in bread and reduces reliance on emulsifiers. Inclusion of pulses in bread increases the protein and fiber content of breads while reducing carbohydrates and retaining texture and appearance.	Inclusion of pulses in bread addresses the plant-based food segment and may potentially result in a reduction of greenhouse gas emissions. Pulses improve the soil's ability to absorb natural CO ₂ emissions. Because pulses can fix nitrogen, they also need less fertilizer. Fixing nitrogen makes the soil more fertile, which helps other plants flourish. Furthermore, when pulses are sourced locally, the need for transportation of crops is also reduced.
Innova@ Turbo	Innova@ Turbo is a fast and high -yielding advanced yeast solution that enables ethanol producers to make more faster and without any conversion trade-offs.	Innova@ Turbo improves energy efficiency due to shorter fermentation times, reduced need for DGS drying and higher ethanol yield. This in turn results in a lower carbon intensity of the ethanol. Also, reduced emissions of acetaldehyde from the fermentation off-gas may reduce potential photochemical smog.
Innova@ Apex	Innova@ Apex is a robust yeast solution that allows ethanol producers to maneuver through process turns confidently with sustained top performance.	Due to the higher ethanol yield obtained with Innova@ Apex, the carbon intensity of the ethanol is reduced.
Progress Crystal	Progress Crystal is a protease for the soap bar segment with excellent enzyme activity and stability, resulting in strong washing performance even when the soap bar is stored over long periods of time.	Progress Crystal enables the soap bar producers to eliminate the stabilizers that they would need with traditional protease formulations to keep the protease stable in the soap bar.
Foliar LCO	Torque@ IF and Ratchet@ are two new LCO promoters for BioAg that improve yields by stimulating the natural growth process above and below the soil for corn and other key broad-acres crops.	The ability to achieve higher yields with unchanged agricultural inputs results in several environmental benefits including reduced GHG emissions per kg of crop produced and reduced pressure on natural habitats.

* The sustainability benefits are based on quantitative and/or qualitative evaluations. Novozymes does not have quantifiable data or documentation to verify the benefits of all product launches.

5.2 Company announcements made in the 2022 financial year

(Excluding Management's trading in the Novozymes stock, major shareholder announcements and stock buyback status)

February 1, 2022	Group financial statement for 2021
February 21, 2022	Initiation of stock buyback
March 16, 2022	Resolutions from Novozymes A/S' Annual Shareholders' Meeting 2022
April 20, 2022	Reduction of share capital
April 26, 2022	Interim report for Q1 2022
June 29, 2022	Novozymes' financial calendar 2023

5.3 Subsequent events

After the balance sheet date Novozymes has signed an agreement to invest intellectual property in 21st.BIO. For further information reference is made to the management review.

Novozymes has a minority shareholding in AlbuMedix. Following the announced sale of AlbuMedix to Sartorius on August 9, 2022, Novozymes will as part of the agreement sell the minority shares in AlbuMedix. For further information reference is made to the management review.