

## 6% organic sales growth in Q4 and 5% for the full year with solid margins and free cash flow generation

As Novozymes just closed the combination with Chr. Hansen on January 29, and the annual report now is expected to be released on February 8, this announcement only contains unaudited numbers. Full audited financial statements as well as non-financial numbers will be released with the annual report on February 8. This result update allows us to provide selected numbers for Novozymes standalone as early as possible.

**Ester Baiget, President & CEO:** *“I am very pleased with our performance in 2023 - a year characterized by changing market demand and inventory adjustments in certain industries. The strength of Novozymes’ diversified portfolio and end-market exposure enables us to capture growth opportunities as they arise, providing a solid overall performance. We delivered organic sales growth of 5% for the year with solid earnings and cash flows. We closed the combination with Chr. Hansen on January 29. Our new company, Novonesis, is better equipped to enable customers further address the ever-increasing needs for healthier lives and a healthier planet supported by our broad portfolio of innovative, value added biosolutions. Thank you to all stakeholders for supporting us in making Novonesis become a reality”.*

### Sales performance (unaudited)

- DKK sales growth at 2% (5% org., -3% FX, 0% M&A), Q4 DKK sales growth at 2% (6% org., -4% FX, 0% M&A).
- 5% organic sales growth driven by broad-based pricing, flat volumes (Q4: ~4% pricing, ~2% volumes):
  - Household Care 5% (Q4: 10%): Growth in developed markets from innovation and increased penetration despite declining in-market detergent volumes. Emerging markets grew from increased penetration of enzymatic solutions. Strong end to the year with high uptake of innovation and penetration.
  - Food, Beverages & Human Health -2% (Q4: -4%): Year characterized by destocking and a one-off in the comparable base (performance flat excluding the one-off). Demanding Q4 year-on-year comparable and timing impact. Human Health soft as well with sequential growth in Q4 over Q3, but with high Q4 comparator from last year.
  - Bioenergy 23% (Q4: 20%): Demand remaining strong across geographies and a broad, differentiated portfolio of solutions for multiple end-markets. ~4% Q4 y/y volume growth in US ethanol production.
  - Grain & Tech Processing -6% (Q4: 2%): Growth in Grain offset by expected softness in tech from reduced sales of solutions for Covid-19 test kits and, additionally, declining demand in textile. Q4 with a less negative textile market and growth in grain.
  - Agriculture, Animal Health & Nutrition 3% (Q4: -7%): Growth driven by performance in Animal Health & Nutrition with strong demand for sustainable yield and health solutions. Performance muted in Q4 following year-end inventory optimization and destocking in value chain.

### Financial performance (unaudited)

- Reported EBIT margin b.s.i. at 25.4% (underlying ~25.5% b.s.i.) for the year and 25.1% in Q4 (underlying ~26% b.s.i.) and negative FX for both periods. Higher input costs partly mitigated by positive pricing taking gross margin to 54.3% with y-o-y and Q4 vs. Q3 improvement.
- Free cash flow bef. acq. at a solid DKK 2.1 billion for the year, 1 billion higher than in 2022, mainly from lower investments.
- Solid balance sheet with NIBD/EBITDA ratio of 1.2x.
- ROIC incl. goodwill b.s.i. solid at 16.5% with higher invested capital year-on-year.
- Interim dividend of DKK 4.20 per share for January 1 – August 31 period paid on October 17.

		Outlook 2023	12M 2023	12M 2022	Q4 2023	Q4 2022
Sales growth, organic	%	4-6	5	9	6	11
EBIT margin, b.s.i.*	%	25-26	25.4	26.4	25.1	23.4
ROIC incl. goodwill, b.s.i.*	%	16-17	16.5	17.9		

\*Special items include costs related to the combination with Chr. Hansen

### Other key events and information

- 18 new products launched in 2023, of which 8 in Q4. Of the 18 products, 7 were public (3 in Q4).
- Site for production of Advanced Protein Solutions in Blair, US, on-line in December. First shipment in January.
- New company name ‘Novonesis’ announced, and level 3 leadership structure formalized.
- Combination with Chr. Hansen completed on January 29, 2024 (announcement 02, 2024) following all regulatory approvals received and registrations completed.
- Novozymes expects to release its 2023 Annual Report on February 8 following the recent approval of the combination with Chr. Hansen.
- Proforma numbers for Novonesis including revenue, organic revenue growth, key financial numbers as well as 2024 outlook will be provided no later than March 31.
- Novonesis will host a Capital Markets Day in London on June 18, 2024.
- Proposed dividend for the period September 1 - December 31, 2023 will be announced by the Board of Directors of Novonesis in connection with the notice to convene at the Annual Shareholders’ Meeting.



12M 2023

5%

Organic sales growth

25.4%

EBIT margin b.s.i.

16.5%

ROIC, incl. goodwill b.s.i.

#### Conference call

February 1, 2024  
9.00 CET

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

[Webcast](#)

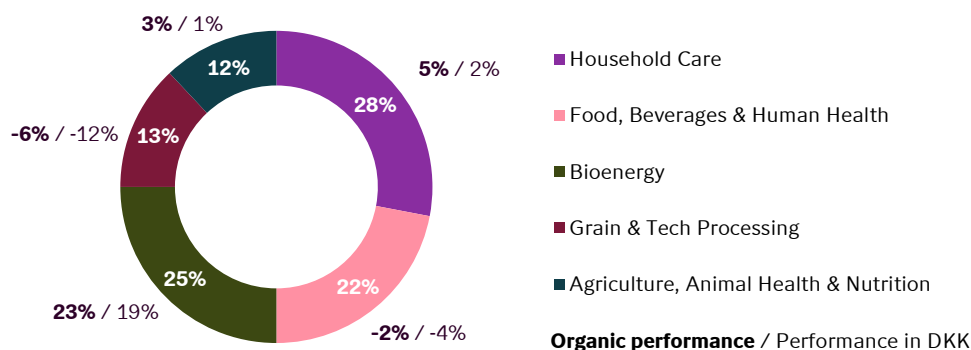
## Selected key data (unaudited)

		12M 2023	12M 2022	Q4 2023	Q4 2022
<b>Sales performance, organic</b>	%	<b>5</b>	<b>9</b>	<b>6</b>	<b>11</b>
Household Care	%	5	1	10	4
Food, Beverages & Human Health	%	(2)	10	(4)	16
Bioenergy	%	23	25	20	22
Grain & Tech Processing	%	(6)	10	2	5
Agriculture, Animal Health & Nutrition	%	3	8	(7)	11
<b>Sales</b>	<b>DKKkm</b>	<b>17,899</b>	<b>17,553</b>	<b>4,603</b>	<b>4,529</b>
Sales performance, DKK	%	2	17	2	18
Gross margin	%	54.3	54.6	54.0	53.5
EBITDA	DKKkm	5,365	6,046	1,320	1,392
EBIT	DKKkm	3,976	4,561	955	1,022
EBIT margin	%	22.2	26.0	20.7	22.6
EBIT before special items*	DKKkm	4,552	4,629	1,157	1,059
EBIT margin before special items*	%	25.4	26.4	25.1	23.4
Net profit	DKKkm	3,039	3,686	695	877
Net investments excl. acquisitions	DKKkm	2,052	2,862	603	898
Free cash flow before acquisitions	DKKkm	2,100	1,144	519	(314)
NIBD/EBITDA	x	1.2	1.0		
ROIC, incl. goodwill	%	14.4	17.6		
ROIC, incl. goodwill, before special items*	%	16.5	17.9		
Special items*	DKKkm	(576)	(68)	(202)	(37)
EPS		10.92	13.29	2.52	3.19
EPS (diluted)		10.88	13.19	2.51	3.18
Avg. USD/DKK		689	708	694	730

\*Special items include costs related to the combination with Chr. Hansen

## Sales by business area (unaudited)

### Distribution of sales by business area, 12M 2023



#### Total sales 12M y/y

Organic: 5%  
DKK: 2%

### Household Care

Household Care grew 5% organically in 2023 and sales in reported DKK were up 2%. Growth in developed markets was driven by innovation in both laundry and dishwasher and was achieved despite industry volume softness and consumer downtrading. Growth in emerging markets was driven by increased penetration of enzyme solutions and innovation across regions. The Freshness platform performed in line with expectations and pricing had a positive impact on growth.

#### Household Care 12M y/y

Organic: 5%  
DKK: 2%

Fourth-quarter sales increased 10% organically and 8% in reported DKK. The better-than-expected performance across developed and emerging markets was driven by innovation and penetration of enzyme solutions and supported by pricing. Developed market volumes stabilized compared to the first half of the year as pressure from industry volume softness and consumer downtrading eased.

### Food, Beverages & Human Health

Sales in Food, Beverages & Human Health declined 2% organically and by 4% in reported DKK in 2023. Organic sales were negatively impacted by roughly 2 percentage points as last year's first-quarter comparator included sales of a specific enzyme solution, which is not sold this year. Underlying growth trends across subareas with the focus on health, clean label and efficiencies remained intact with solid progress on recent launches as well as a solid innovation pipeline in collaboration with customers. The flat underlying sales growth was driven by pricing, offset by the negative impact of destocking across the value chain in Food and Beverages and reduced consumer demand. Food delivered the strongest underlying performance while Beverages and Human Health were soft. Human Health was impacted by supply chain constraints affecting the ability to accommodate demand in the robust healthcare practitioner channel and, additionally, general softness in demand for probiotic solutions in North America.

#### Food, Beverages & Human Health 12M y/y

Organic: -2%  
DKK: -4%

In the fourth quarter, Food, Beverages & Human Health sales declined 4% organically and by 6% in reported DKK compared to the same period of last year. Lower volumes were only partly offset by positive pricing. The softer-than-expected performance on a demanding comparator was driven by the timing of orders from year-end inventory optimization among customers and some impact from a more volatile than expected order pattern. Overall, the destocking trend continued to level off compared to previous quarters. Additionally, while Human Health declined year-on-year, there was sequential growth relative to the third quarter although at a slower pace than anticipated.

### Bioenergy

Sales in Bioenergy grew 23% organically and by 19% in reported DKK in 2023. The strong performance was driven by the continued penetration of the broad and innovative solution toolbox allowing for higher yields, throughput, and byproduct value-capture for producers in a favorable market environment. In particular, the North American market experienced strong developments supported

#### Bioenergy 12M y/y

Organic: 23%  
DKK: 19%

by a favorable market environment and roughly a 2% increase in U.S. ethanol production in 2023, as reported by the EIA. Performance was also strong outside of North America, driven by innovation as well as capacity expansion of corn-based ethanol production in Latin America. Additionally, growth was supported by solutions for biodiesel production and sales of enzymes used in second-generation biofuels, commonly referred to as biomass conversion. Overall, pricing had a positive impact on growth.

Fourth-quarter sales in Bioenergy continued to develop strongly and grew by 20% organically and by 13% in reported DKK year on year. A broad solution toolbox and innovations were the main drivers of the strong performance that continued to be supported by a favorable market environment including higher-than-expected ethanol volume growth of roughly 4% according to the EIA. Sales outside the U.S. also contributed positively, led by strong growth in Latin America, as well as positive pricing across subareas. Additionally, solutions for biodiesel production and a very strong development in second-generation biofuels, although from a small base, supported growth.

## Grain & Tech Processing

In 2023, Grain & Tech Processing sales declined 6% organically and by 12% in reported DKK. The decline was driven by the negative development in Tech with sales of enzymes used for Covid-19 test kits significantly lower, as expected, and reduced sales to a much softer-than-expected textile market. Strong growth in vegetable oil processing and distilling driven by increased penetration was partly offset by somewhat softer sales in the grain processing subarea impacted by destocking in the food-exposed parts of this business. Pricing had a positive impact across subareas.

In the fourth quarter, Grain & Tech Processing sales increased 2% organically and declined 5% in reported DKK compared to the same period last year. Growth was mainly driven by Grain and pricing had a positive impact across subareas.

**Grain & Tech Processing**  
**12M y/y**  
Organic: -6%  
DKK: -12%

## Agriculture, Animal Health & Nutrition

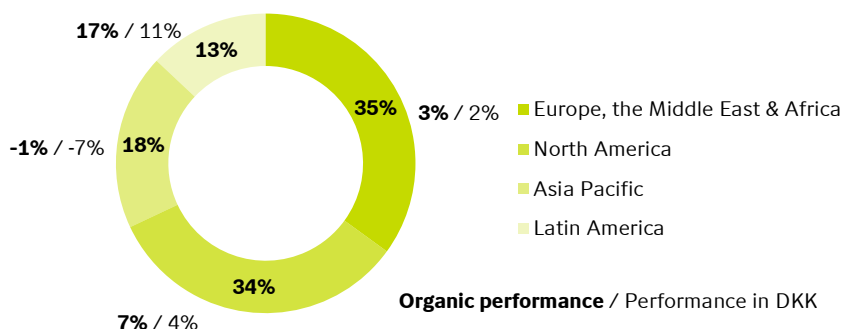
Sales in Agriculture, Animal Health & Nutrition grew 3% organically and by 1% in reported DKK in 2023. Pricing had a positive impact and growth was led by Animal Health & Nutrition and driven by innovation and healthy demand for yield-enhancing solutions. This was partly offset by a soft performance in Agriculture, impacted by general destocking in the value chain and volatile end-market demand.

Fourth-quarter sales declined 7% organically and 11% in reported DKK. Both Animal Health & Nutrition and Agriculture declined during the quarter. Animal Health & Nutrition was impacted by the timing of large orders while Agriculture remained impacted by continued destocking in the value chain and volatile end-market demand.

**Agriculture, Animal Health & Nutrition 12M y/y**  
Organic: 3%  
DKK: 1%

## Sales by geography (unaudited)

### Distribution of sales by geography, 12M 2023



Novozymes grew sales 5% in 2023, with 6% growth in the developed markets and 4% growth in emerging markets. Bioenergy was the main driver of growth in developed markets while Agriculture, Animal Health & Nutrition and Household Care also contributed to growth despite declining industry volumes in developed markets, whereas Food, Beverages & Human Health was flat, and Grain & Tech Processing declined. In emerging markets, growth was driven by Bioenergy with Household Care also contributing positively. These positive developments were partly offset by declining performance in Food, Beverages & Human Health, Agriculture, Animal Health & Nutrition as well as Grain & Tech Processing.

In the fourth quarter, developed markets grew 7% driven by Bioenergy and Household Care while all other areas were flat. Emerging markets grew 5% driven by Bioenergy and Household Care and supported by growth in Grain & Tech Processing. Agriculture, Animal Health & Nutrition and Food, Beverages & Human Health declined.

### Europe, the Middle East & Africa

Sales grew 3% organically in 2023, driven by Agriculture, Animal Health & Nutrition and Household Care, while Food, Beverages & Human Health and Grain & Tech Processing had negative impacts. Fourth quarter sales grew 3% driven by Household Care and were positively impacted by developments in Agriculture, Animal Health & Nutrition, Bioenergy and Grain & Tech Processing, which was partly offset by softness in Food, Beverages & Human Health.

#### Europe, the Middle East & Africa 12M y/y

Organic: 3%  
DKK: 2%

### North America

In North America, organic sales grew 7% in 2023, driven by Bioenergy and supported by Food, Beverages & Human Health while Agriculture, Animal Health & Nutrition and Grain & Tech Processing declined. In the fourth quarter, organic sales in North America grew 9%, driven by Bioenergy and Household Care partly offset by negative developments in Agriculture, Animal Health & Nutrition.

#### North America 12M y/y

Organic: 7%  
DKK: 4%

### Asia Pacific

Sales in Asia Pacific declined by 1% organically in 2023, driven by negative developments in Grain & Tech Processing and Food, Beverages & Human Health that were partly offset by growth in Agriculture, Animal Health & Nutrition and Bioenergy. Organic sales in the fourth quarter declined by 1%, as negative developments in Food, Beverages & Human Health and Agriculture, Animal Health & Nutrition were only partly offset by strong growth in Household Care.

#### Asia Pacific 12M y/y

Organic: -1%  
DKK: -7%

## Latin America

Organic sales in Latin America grew 17% in 2023, driven by Bioenergy and a strong performance in Household Care and Grain & Tech Processing. In the fourth quarter, organic sales grew 19%, with overall strong performance across most business areas, led by Bioenergy.

**Latin America 12M y/y**

Organic: 17%

DKK: 11%

## Income statement (unaudited)

Total costs in 2023 excluding net other operating income, special items, net financials, share of losses in associates, and taxes amounted to DKK 13,518 million, of which DKK 3,484 million in the fourth quarter. This was DKK 318 million (2%) more and DKK 9 million (0%) more than in the corresponding periods of 2022. The year-on-year increases for the year were mainly due to higher cost of goods sold and higher sales and distribution costs. The minor increase in total costs in the fourth quarter was driven by the slightly higher cost of goods sold.

The gross margin was 54.3% for 2023 and 54.0% for the fourth quarter, corresponding to a decline of 0.3 of a percentage point and an increase of 0.5 of a percentage point compared to the respective periods of last year. The decrease in the gross margin compared to last year was driven by higher input and logistics costs, partly offset by a positive pricing impact. In the fourth quarter, the gross margin improved Q4 vs Q3 as well as year-on-year (Q3 2023 at 53.8% and Q4 2022 at 53.5%). The sales mix in the fourth quarter was slightly less favorable than expected as human health and Bioag came in below expectations.

**Gross margin**  
54.3%

Operating costs totaled DKK 5,341 million for the year and DKK 1,366 million for the fourth quarter. This was an increase of DKK 117 million (2%) compared to last year and DKK 3 million (0%) less than for the fourth quarter of 2022. The increase in operating costs was primarily driven by higher sales and distribution costs and strategic investments to support long-term growth.

**Operating costs**  
DKK 5,341 million

From a ratio perspective, total operating costs in 2023 made up 29.8% of sales, similar to last year. In the fourth quarter, total operating costs amounted to 29.7% of sales compared to 30.2% in the same period of last year.

- Sales and distribution costs increased by 4% for the year and by 2% in the fourth quarter to make up 13% of sales in both periods.
- Research and development costs increased by 1% during the year and decreased by 2% in the fourth quarter, making up 11% of sales in both periods.
- Administrative costs increased 1% during the year and was flat in the fourth quarter, making up 5% of sales in both periods.

Other operating income amounted to DKK 171 million for the year, representing a decrease of DKK 105 million compared to the corresponding period of 2022. The difference included a gain from the divestment of selected waste-water treatment solutions announced in the first quarter of 2023, and a one-off in the third quarter of 2022 from the non-cash accounting gain related to the 21<sup>st</sup>.BIO transaction. In the fourth quarter, other operating income was DKK 38 million, DKK 33 million higher than for the same quarter of last year and partly impacted by external R&D project funding.

Depreciation and amortization amounted to DKK 1,389 million in 2023 and DKK 365 million in the fourth quarter, corresponding to decreases of DKK 96 million and DKK 5 million respectively compared to the corresponding periods of 2022. The decreases were mainly driven by fully depreciated intellectual property from prior-year acquisitions.

**Depreciation and amortization**  
DKK 1,389 million

EBIT before special items (b.s.i.) was DKK 4,552 million for 2023 and DKK 1,157 million for the fourth quarter, representing an EBIT margin b.s.i. of 25.4% for the year and 25.1% for the fourth quarter. This was a decrease of DKK 77 million (-2%) for the year and an increase of DKK 98 million (9%) in the fourth quarter compared to the corresponding periods of 2022. During the year, the EBIT margin b.s.i. was adversely impacted by a lower gross margin resulting from higher input prices, somewhat mitigated by higher selling prices. Additionally, currencies had a negative impact for the year.

**EBIT before special items**  
DKK 4,552 million  
**EBIT margin before special items**  
25.4%

The one-offs affecting EBIT and the EBIT margin during 2023 were the gain related to the divestment of selected waste-water treatment solutions and a negative impact related to resource realignment in the commercial organization, both occurring in the first quarter of the year. Additionally, in the fourth quarter, EBIT was negatively impacted mainly by a provision for doubtful receivables relating to

Argentina and certain employee-related expenses. Adjusting for one-off effects for both years, the underlying EBIT margin b.s.i. for 2023 was around 25.5%, and similar to the underlying EBIT margin b.s.i. in 2022.

The underlying EBIT margin b.s.i. for the fourth quarter was roughly 1 percentage point higher than the reported EBIT margin b.s.i. for the fourth quarter. When excluding one-off effects for the fourth quarter in both years, the underlying EBIT margin b.s.i. was roughly 3 percentage points higher in Q4 2023. The positive development was driven by sales leverage, a stronger gross margin and higher other operating income. Currencies had a negative impact on the margin for the quarter.

Special items amounted to DKK 576 million in 2023 and DKK 202 million in the fourth quarter and only included costs related to the proposed combination with Chr. Hansen.

Reported EBIT was DKK 3,976 million for 2023 and DKK 955 million for the fourth quarter, corresponding to a reported EBIT margin of 22.2% for the year and 20.7% for the fourth quarter. This corresponds to year-on-year decreases of DKK 585 million (-13%) for the year and of DKK 67 million (-7%) for the fourth quarter. The decline was driven by special items related to the proposed combination with Chr. Hansen and lower non-recurring income.

**EBIT**  
DKK 3,976 million

**EBIT margin**  
22.2%

Net financials including the share of losses in associates was a cost of DKK 67 million in 2023 and DKK 32 million in the fourth quarter. This represents added costs of DKK 62 million for the year and of DKK 55 million for the fourth quarter compared to the corresponding periods of the previous year. For the full-year period, the amount included fewer currency hedging losses compared to the same period last year, a similar level of interest expenses, and a gain on other financials. Additionally, the year-on-year developments in net financials included the one-off gain from the sale of Novozymes' minority ownership in Albumedix in the third quarter of last year, and a beneficial reduction in the value of the earn-out model for the previous owners of PrecisionBiotics Group, which lifted the Q3 2023 figure by roughly DKK 120 million, and also benefitted Q4 with a smaller amount. Additionally, accumulated interest income from the settlement of a long-standing tax case had a positive effect in the third quarter 2023 of roughly DKK 45 million.

**Net financial cost and share of losses in associates**  
DKK 67 million

Profit before tax amounted to DKK 3,909 million for 2023 and DKK 923 million for the fourth quarter, which was DKK 647 million (-14%) less than in 2022 and DKK 122 million (-12%) less than in the fourth quarter of last year and primarily driven by the lower EBIT for the period impacted by special items.

The effective tax rate was 22.3% for 2023. This was an increase of 3.2 percentage points. In 2023 the effective tax rate was negatively impacted by merger-related costs not deductible for tax purposes, while being positively impacted by the settlement of a long-standing tax case. The effective tax rate for 2022 was positively impacted by various tax-exempt accounting gains that were one-offs. In the fourth quarter, the effective tax rate was additionally impacted by a relatively larger proportion of income in higher tax countries.

**Effective tax rate**  
22.3%

Net profit totaled DKK 3,039 million for 2023 and DKK 695 million for the fourth quarter. This was DKK 647 million (-18%) less than for 2022 and DKK 182 million (-21%) less than for the fourth quarter of last year. The developments were due to the lower profit before tax including higher one-off benefits in 2022 as well as the increase in special items related to costs for the combination with Chr. Hansen in 2023.

**Net profit**  
DKK 3,039 million



## Cash flows and balance sheet (unaudited)

Cash flow from operating activities amounted to DKK 4,152 million in 2023 and DKK 1,122 million in the fourth quarter. This was an increase of DKK 146 million and an increase of DKK 538 million respectively compared to the corresponding periods of 2022. For the year, performance was mainly driven by the development in working capital compared to 2022, whereas net profit was lower. The lower net profit for the fourth quarter was more than offset by the improved change in working capital.

**Operating cashflow**  
DKK 4,152 million

Net investments excluding acquisitions totaled DKK 2,052 million for 2023 and DKK 603 million for the fourth quarter. This was DKK 810 million and DKK 295 million less respectively for the corresponding periods of 2022. The decrease follows the lower investment level for 2023 compared to the year before.

**Net investments excluding acquisitions**  
DKK 2,052 million

Free cash flow before acquisitions was DKK 2,100 million for 2023 and DKK 519 million for the fourth quarter, corresponding to an increase of DKK 956 million and DKK 833 million respectively compared to the corresponding periods of 2022. The improvement was mainly a result of reduced investments. In the fourth quarter, the change in net working capital was positive.

**Free cash flow before acquisitions**  
DKK 2,100 million

Total equity was DKK 14,351 million at December 31, 2023, corresponding to an equity ratio of 50.5% compared to 50.8% last year.

**Equity ratio**  
50.5%

Net interest-bearing debt (NIBD) and the NIBD-to-EBITDA ratio were DKK 6,617 million and 1.2x respectively at December 31, 2023, corresponding to an increase in NIBD of DKK 810 million and a slight increase in the NIBD-to-EBITDA ratio from 1.0x at December 31, 2022.

**NIBD/EBITDA**  
1.2x

Return on invested capital (ROIC) b.s.i. and including goodwill, was 16.5%. This was 1.4 percentage points less than for the corresponding period of 2022. The decrease was mainly driven by the increase in invested capital.

**ROIC incl. goodwill, before special items**  
16.5%

The holding of treasury stock at December 31, 2023 was 3.7 million B shares, which was equivalent to 1.3% of the common stock.

**Treasury stock**  
1.3%

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**Appendices**

<b>Appendix 1</b>	<b>Main items and key figures</b>	<b>12</b>
	1.1 Key figures (unaudited)	12
<b>Appendix 2</b>	<b>Distribution of sales</b>	<b>13</b>
	2.1 Business areas (unaudited)	13
	2.2 Geography (unaudited)	14
<b>Appendix 3</b>	<b>Miscellaneous</b>	<b>15</b>
	3.1 Selected publicly announced product launches in 2023 (unaudited)	15

## Appendix 1 Main items and key figures

### 1.1 Key figures (unaudited)

DKK million	2023	2022	% change	Q4 2023	Q4 2022	% change
Revenue	17,899	17,553	2%	4,603	4,529	2%
Gross profit	9,722	9,577	2%	2,485	2,423	3%
Gross margin	54.3%	54.6%		54.0%	53.5%	
EBITDA	5,365	6,046	(11)%	1,320	1,392	(5)%
EBITDA margin	30.0%	34.4%		28.7%	30.7%	
Operating profit (EBIT) before special items*	4,552	4,629	(2)%	1,157	1,059	9%
EBIT margin before special items*	25.4%	26.4%		25.1%	23.4%	
Operating profit (EBIT)	3,976	4,561	(13)%	955	1,022	(7)%
EBIT margin	22.2%	26.0%		20.7%	22.6%	
Share of result in associates	(18)	(7)		(6)	(3)	
Financial items, net	(49)	2		(26)	26	
<b>Profit before tax</b>	<b>3,909</b>	<b>4,556</b>	<b>(14)%</b>	<b>923</b>	<b>1,045</b>	<b>(12)%</b>
Tax	(870)	(870)	0%	(228)	(168)	36%
<b>Net profit</b>	<b>3,039</b>	<b>3,686</b>	<b>(18)%</b>	<b>695</b>	<b>877</b>	<b>(21)%</b>
Earnings per DKK 2 share	10.92	13.29	(18)%	2.52	3.19	(21)%
Earnings per DKK 2 share (diluted)	10.88	13.19	(17)%	2.51	3.18	(21)%
Net investments excluding acquisitions	2,052	2,862	(28)%	603	898	(33)%
Free cash flow before acquisitions	2,100	1,144	84%	519	(314)	N/A
ROIC** before special items*	16.5%	17.9%				
ROIC**	14.4%	17.6%				
Net interest-bearing debt	6,617	5,807				
Equity ratio	50.5%	50.8%				
Return on equity	21.7%	28.6%				
Debt-to-equity	46.1%	40.8%				
NIBD / EBITDA	1.2	1.0				
Total number of employees	6,756	6,781				

\* Special items include costs related to the combination of Novozymes and Chr. Hansen.

\*\* Including goodwill.

	Dec. 31, 2023	Dec. 31, 2022
<b>Novozymes' stock</b>		
Common stock (million)	281.0	281.0
Net worth per share (DKK)	49.74	49.24
Denomination of share (DKK)	2.00	2.00
Nominal value of common stock (DKK million)	562.0	562.0
Treasury stock (million)	3.7	4.4

## Appendix 2 Distribution of sales

### 2.1 Business areas (unaudited)

#### 2.1 By Business Area

DKK million	2023 12M	2022 12M	% change	% currency impact	% M&A impact	% organic growth
<b>Consumer Biosolutions</b>						
Household Care	5,106	4,988	2	(3)	0	5
Food, Beverages & Human Health	3,950	4,134	(4)	(2)	0	(2)
<b>Agriculture &amp; Industrial Biosolutions</b>						
Bioenergy	4,445	3,748	19	(4)	0	23
Grain & Tech Processing	2,294	2,607	(12)	(5)	(1)	(6)
Agriculture, Animal Health & Nutrition	2,104	2,076	1	(2)	0	3
<b>Sales</b>	<b>17,899</b>	<b>17,553</b>	<b>2</b>	<b>(3)</b>	<b>0</b>	<b>5</b>

DKK million	2023 Q4	2022 Q4	% change	% currency impact	% M&A impact	% organic growth
<b>Consumer Biosolutions</b>						
Household Care	1,323	1,230	8	(2)	0	10
Food, Beverages & Human Health	985	1,051	(6)	(2)	0	(4)
<b>Agriculture &amp; Industrial Biosolutions</b>						
Bioenergy	1,198	1,060	13	(7)	0	20
Grain & Tech Processing	605	634	(5)	(5)	(2)	2
Agriculture, Animal Health & Nutrition	492	554	(11)	(4)	0	(7)
<b>Sales</b>	<b>4,603</b>	<b>4,529</b>	<b>2</b>	<b>(4)</b>	<b>0</b>	<b>6</b>

DKK million	2023				2022				% change Q4/Q4
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>Consumer Biosolutions</b>									
Household Care	1,323	1,326	1,200	1,257	1,230	1,300	1,228	1,230	8
Food, Beverages & Human Health	985	998	951	1,016	1,051	980	1,004	1,099	(6)
<b>Agriculture &amp; Industrial Biosolutions</b>									
Bioenergy	1,198	1,139	1,060	1,048	1,060	1,017	874	797	13
Grain & Tech Processing	605	544	546	599	634	626	679	668	(5)
Agriculture, Animal Health & Nutrition	492	449	460	703	554	444	501	577	(11)
<b>Sales</b>	<b>4,603</b>	<b>4,456</b>	<b>4,217</b>	<b>4,623</b>	<b>4,529</b>	<b>4,367</b>	<b>4,286</b>	<b>4,371</b>	<b>2</b>

## 2.2 Geography (unaudited)

### 2.2 By geography

DKK million	2023 12M	2022 12M	% change	% currency impact	% M&A impact	% organic growth
Europe, Middle East & Africa	6,236	6,095	2	(1)	0	3
North America	6,061	5,829	4	(2)	(1)	7
Asia Pacific	3,306	3,566	(7)	(6)	0	(1)
Latin America	2,296	2,063	11	(6)	0	17
<b>Sales</b>	<b>17,899</b>	<b>17,553</b>	<b>2</b>	<b>(3)</b>	<b>0</b>	<b>5</b>
Developed markets	11,551	11,112	4	(2)	0	6
Emerging markets	6,348	6,441	(1)	(5)	0	4
<b>Sales</b>	<b>17,899</b>	<b>17,553</b>	<b>2</b>	<b>(3)</b>	<b>0</b>	<b>5</b>

DKK million	2023 Q4	2022 Q4	% change	% currency impact	% M&A impact	% organic growth
Europe, Middle East & Africa	1,536	1,504	2	(1)	0	3
North America	1,632	1,583	3	(5)	(1)	9
Asia Pacific	851	916	(7)	(6)	0	(1)
Latin America	584	526	11	(8)	0	19
<b>Sales</b>	<b>4,603</b>	<b>4,529</b>	<b>2</b>	<b>(4)</b>	<b>0</b>	<b>6</b>
Developed markets	2,973	2,882	3	(3)	(1)	7
Emerging markets	1,630	1,647	(1)	(6)	0	5
<b>Sales</b>	<b>4,603</b>	<b>4,529</b>	<b>2</b>	<b>(4)</b>	<b>0</b>	<b>6</b>

DKK million	2023				2022				% change Q4/Q4
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Europe, Middle East & Africa	1,536	1,573	1,462	1,665	1,504	1,489	1,469	1,633	2
North America	1,632	1,465	1,422	1,542	1,583	1,465	1,395	1,386	3
Asia Pacific	851	805	791	859	916	843	913	894	(7)
Latin America	584	613	542	557	526	570	509	458	11
<b>Sales</b>	<b>4,603</b>	<b>4,456</b>	<b>4,217</b>	<b>4,623</b>	<b>4,529</b>	<b>4,367</b>	<b>4,286</b>	<b>4,371</b>	<b>2</b>
Developed markets	2,973	2,818	2,718	3,042	2,882	2,748	2,688	2,794	3
Emerging markets	1,630	1,638	1,499	1,581	1,647	1,619	1,598	1,577	(1)
<b>Sales</b>	<b>4,603</b>	<b>4,456</b>	<b>4,217</b>	<b>4,623</b>	<b>4,529</b>	<b>4,367</b>	<b>4,286</b>	<b>4,371</b>	<b>2</b>

## Appendix 3 Miscellaneous

### 3.1 Selected publicly announced product launches in 2023 (unaudited)

Product	Description	Sustainability benefit*
<b>MenaquinGold™</b>	<p>MenaquinGold™ is a natural, fermentation-based vitamin K2-7 that helps our customers elevate their product health potential. Vitamin K2-7 plays a unique role in transporting calcium from the blood to bones and is for these reasons, recognized as supporting bone and cardiovascular health, amongst other health benefits.</p> <p>MenaquinGold™ can help customers leverage these benefits in various formats, including supplements, food, and beverage products.</p>	<p>In addition to providing several key health benefits, Novozymes' unique plant-based fermentation process uses fewer raw materials, less energy, less water, and fewer solvents than alternative production processes.</p>
<b>Protide® L</b>	<p>Protide® L is a natural solution that helps customers elevate the nutritional value of their feed ingredients as well as save cost during production. With this innovation, it will now be possible to improve protein absorption and therefore increase nutritional value, as well as broaden the choice of feed ingredients through enzymatic hydrolysis.</p>	<p>Protide® L contributes to sustainable development by turning agricultural by-products into feed resources and increasing the nutritional value of feed.</p> <p>Additionally, the enzymatic hydrolysis process allows our customers to use less harsh chemicals in their production process.</p>
<b>ProSilienc™ HU58</b>	<p>ProSilienc™ HU58 is a unique probiotic strain that provides health benefits related to digestion and immunity. Unlike many existing strains which are not sufficiently stable, ProSilienc HU58 offers superior stability, enabling new application areas in food.</p>	<p>ProSilienc™ HU58 health benefits relate to digestion and immunity across a broad range of food products.</p>
<b>Vertera® ProBite</b>	<p>Vertera® ProBite enhances the texture of plant-based meat products while at the same time enabling the removal of methylcellulose and other hydrocolloids, resulting in a simpler label. It elevates the consumer experience as the texture is stable across temperatures, meaning consumers can experience the great texture from unpacking, to cooking and finally eating the product.</p>	<p>Vertera® ProBite aims at transforming food systems by encouraging more consumers to choose plant-based alternatives</p>
<b>Lumista® Gold</b>	<p>Lumista Gold® is a new protease for controlling colloidal stability in brewing that prevents haze formation and secures colloidal stability throughout shelf life of the beer.</p>	<p>Reducing the need for deep cooling of the beer prior to filtration with Lumista Gold® saves energy. Avoiding absorbents for achieving colloidal stability goes along with waste prevention in the brewery and eliminates handling of powder for the process.</p>

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<b>Quara® LowP</b>	Phospholipase for renewable diesel feedstock pre-treatment to remove unwanted phosphorus and metals to reduce operational cost.	Offers feedstock flexibility for producers of feedstock for renewable diesel and sustainable aviation fuel (SAF) while increasing yield and reducing chemical inputs and by-products.
<b>Medley Unido 300L</b>	Enzyme blend for China unit dose detergents delivering better stain removal and whiteness benefits.	Replacing surfactants and polymers in detergents with small amounts of readily biodegradable enzymes reduces the dependency on fossil fuels for synthesizing these chemicals and reduces the impact on the climate as well as on the water environment.

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*\* 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.*



## Information Regarding Forward-Looking Statements

This announcement includes forward-looking statements. These 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. These 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. These 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.

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### About Novonesis

Novonesis is a global leading biosolutions company transforming the way we all produce, consume and live. In more than 30 industries our biosolutions are helping companies meet their business needs and the needs of our planet. Our 10,000 people worldwide work closely with our partners and customers to challenge conventional thinking and transform business with biology.

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