

Completion of the combination between Novozymes and Chr. Hansen

All approvals received and registrations completed

In reference to Novozymes' company announcement of December 12, 2022, when Novozymes A/S ("Novozymes") and Chr. Hansen Holding A/S ("Chr. Hansen") proposed to combine by way of a statutory merger, the final registration with the Danish Business Authority was successfully completed earlier today. As a result, the share capital of the combined company has been increased by nominally DKK 374,597,292 from DKK 562,000,000 to DKK 936,597,292 through the issuance of a total of 187,298,646 new B-shares in the denomination of DKK 2 each.

As previously announced, the name of the combined company will be Novonesis. The name reflects a new era of biosolutions where innovation in biological sciences and technology will offer solutions to solve some of the biggest challenges humanity is facing. It represents the potential of biosolutions and the vision of the Combination. Novonesis means 'a new beginning' and is derived from the word 'genesis', which is Greek for 'origin'.

Ester Baiget, CEO of Novozymes, said: *We have successfully combined Novozymes and Chr. Hansen and today we come together as one leading global biosolutions partner. Novonesis combines our joint strengths and the wonders of biology, and we are set to lead a new era of biosolutions. We will innovate and develop transformative biosolutions that improve the way we all produce, consume and live. And we have gathered the brightest minds and together with my 10,000 colleagues, we will unlock the limitless potential of biosolutions. Novonesis will unlock significant value for shareholders, customers, and society at large.*

Cees de Jong, Chair of Novozymes, added: *I am pleased to witness the realization of the Novozymes and Chr. Hansen combination, creating a true global biosolutions leader. We will continue to create value for our customers and partners based on our more than 100 years of innovation and application expertise. Together, we will serve as a growth partner to our customers; a value creator to our shareholders; and a company that has a significant, positive impact on society and the planet. Novonesis builds on a shared heritage of sustainability leadership and will keep leading the way.*

The combination of Novozymes and Chr. Hansen will create a leading global biosolutions partner with a broad biological toolbox and a diversified portfolio in attractive markets. The combined group will have annual revenue of approximately EUR 3.7 billion¹ with solid profitability and cash generation. Half of the portfolio will focus on enabling healthier lives and producing better foods. The other half will address reducing chemical use and targeting climate neutral practices. The combined group will operate a global network of R&D and application centers as well as manufacturing sites and will employ around 10,000 talented and purpose-driven employees who are inspired by the power of biosolutions.

¹ Combined financials are based on Chr. Hansen's unaudited Q4 Interim report 2022/23 and Novozymes' unaudited interim reports for 9M 2023 and Q4 2022. Novozymes figures have been converted from DKK to EUR using a single FX rate of 7.44 for purposes of translation only.

Financial ambitions as communicated on December 12, 2022

- An expected organic revenue growth of 6-8% (CAGR) through 2025.²
- An expected EBIT margin of 29% by 2025 excluding integration costs and PPA amortization.³
- Annual revenue synergies are estimated at EUR 200 million with an EUR 80-90 million EBIT impact achievable within four years of completion and an estimated EUR 80-90 million in cost synergies achievable within three years of completion.
- Beyond 2025, the ambition is to continue to deliver accelerated sustainable growth from the underlying business coupled with new, and de-risked, innovation and growth opportunities.
- EPS, excluding integration costs and PPA amortization, is expected to be mid-single digit percentage accretive in the third year of completion.
- No additional debt is expected to be issued because of the transaction, and leverage (NIBD/EBITDA) at completion is expected to be 1.3-1.7x, which is also the expected future net debt level.
- A continuation of historic shareholder dividend payout ratio of ~50% is expected.

ESG ambitions as communicated on December 12, 2022

- Emissions⁴: Carbon neutrality by 2050; 75% reduction in absolute CO2 emissions from operations (scopes 1+2) and 35% reduction in absolute CO2 emissions from supply chain (scope 3) by 2030.
- People⁵: Minimum 45% women and 45% men across all professionals and senior management by 2030.

Reporting for 2023, proforma numbers and communication of 2024 outlook

- Novozymes' results update for 2023 will be published on February 1, 2024.
- Novozymes' annual report for 2023 will now be released on February 8, 2024 following the recently approved combination with Chr. Hansen.
- Proforma financials for Novonesis including revenue, organic revenue growth, selected consolidated key financial numbers, as well as 2024 outlook will be provided no later than March 31.

Reporting structure and currency

- The reporting currency for Novonesis will be EUR.
- For the first and third quarters, trading statements providing revenue and organic revenue growth will be released along with any potential updates to the financial outlook.
- A full consolidated financial statement including operating profitability for the two divisions will be provided for the first half and the full-year.

Revenue will be reported for two divisions. For each division, additional revenue performance will be provided for the following sales areas:

² Using 2023 as the base year. Expectation reflects each individual company's previously communicated targets adding synergies from the combination. Note that all expectations assume constant currencies, no additional acquisitions, no divestments, no special items, a gradual normalization of the global economy.

³ Estimated integration costs of EUR 250 million, of which approximately EUR 50 million would be capitalized, are expected through 2026. PPA is defined as Purchase Price Allocation. The estimate reflects each individual company's previously communicated targets adding synergies from the combination. Note that all targets assume constant currencies, no additional acquisitions, no divestments, no special items or other extraordinary effects, a gradual normalization of the global economy.

⁴ Non-financial ambition based on Novozymes' targets. Base year for CO2 emissions: Novozymes 2018, Chr. Hansen 2019/2020

⁵ Non-financial ambition based on Novozymes' targets.

Food & Health Biosolutions:

- 'Food & Beverages' (Novozymes' Food & Beverage and Chr. Hansen's Food Cultures & Enzymes)
- 'Human Health' (Novozymes' Human Health and Chr. Hansen's Human Health)

Planetary Health Biosolutions:

- 'Agriculture, Energy & Tech' (Novozymes' Bioenergy, Agriculture & Animal Health/ Nutrition, Grain & Tech Processing and Chr. Hansen's Animal & Plant Health)
- 'Household Care' (Novozymes' Household Care)

Dividend for September 1 – December 31, 2023

- As outlined in the exemption document, the combined company is committed to paying out a dividend in respect of the Combined Group's adjusted earnings at an amount reflecting a continuation of Novozymes' shareholder dividend pay-out ratio. Proposed dividend for the period September 1 - December 31, 2023 will be announced by the board of directors in connection with the notice to convene the Annual Shareholders' Meeting.

Board of Directors and the Executive Leadership Team

Novozymes expects to convene an extraordinary general meeting for the purpose of electing new members to the board of directors and to seek approval of Novonesis as a new secondary company name.

The board of directors will initially, in addition to the employee-elected board members, consist of nine shareholder-elected board members to ensure a strong integration of the two companies. It is anticipated that the following individuals will be nominated for election to the board of directors of the combined company at the extraordinary general meeting:

Proposed Board of Directors (excluding employee elected)

- Cornelis (Cees) de Jong, as Chair (independent)
- Jesper Brandgaard, as Vice Chair (independent)
- Heine Dalsgaard (non-independent)
- Sharon James (independent)
- Kasim Kutay (non-independent)
- Lise Kaae (independent)
- Kevin Lane (independent)
- Morten Otto Alexander Sommer (independent)
- Kim Stratton (independent)

As announced on October 10, 2023, the following nine executives have been appointed to the future Executive Leadership Team:

Executive Leadership Team

- Ester Baiget, CEO
- Rainer Lehmann, CFO
- Jacob Paulsen, EVP, Food & Beverage Biosolutions
- Amy Byrick, EVP, Human Health Biosolutions
- Tina Sejersgaard Fanoë, EVP, Planetary Health Biosolutions
- Claus Crone Fuglsang, Chief Scientific Officer
- Anders Lund, Chief Operating Officer
- Henrik Joerck Nielsen, EVP, Strategy & Integration
- Morten Enggaard Rasmussen, EVP, People & Stakeholder Relations
- Winnie Bügel, General Counsel – Legal (temporary role)

Capital Markets Day

Novonesis will host a Capital Markets Day in London on June 18, 2024. Focus will be on the integration, synergies, financials and the power of the combined technology platform. Further details will be shared at a later stage.

Expected timetable for the Combination

<i>Event</i>	<i>Date</i>
Last day of trading of the Chr. Hansen Shares on Nasdaq Copenhagen	January 30, 2024
First day of trading of Merger Consideration Shares on Nasdaq Copenhagen	January 31, 2024
Settlement of the Combination by the exchange of Chr. Hansen Shares for the new Merger Consideration Shares	February 1, 2024

Settlement of the Combination

Settlement of the Combination is expected to take place on February 1, 2024 (the "Settlement Date"). As a result of the final registration with the Danish Business Authority of the statutory merger, the share capital has been increased by nominally DKK 374,597,292 from DKK 562,000,000 to DKK 936,597,292 through the issuance of 374,597,292 new B-shares of nominally DKK 1 each. As the B-shares are traded on Nasdaq Copenhagen A/S ("Nasdaq Copenhagen") in nominal values of DKK 2 each, a total of 187,298,646 new B-shares in the denomination of DKK 2 each (the "Merger Consideration Shares") will be issued in the systems of Euronext Securities Copenhagen and delivered to the shareholders of Chr. Hansen (the "Chr. Hansen Shareholders") as merger consideration upon settlement of the Combination.

On the Settlement Date, all shares of Chr. Hansen ("Chr. Hansen Shares") will automatically be exchanged for a total of 187,298,646 Merger Consideration Shares via Euronext Securities Copenhagen at the exchange ratio of 1.5326 for Chr. Hansen Shareholders, excluding Novo Holdings A/S ("Novo Holdings") and at the exchange ratio of 1.0227 for Novo Holdings with respect to Novo Holdings' holding of 28,983,112 Chr. Hansen Shares (and at the exchange ratio of 1.5326 for any Chr. Hansen Shares held by Novo Holdings in excess of 28,983,112) in accordance with the terms and conditions of the Merger Plan. No fractional Merger Consideration Shares will be issued to Chr. Hansen Shareholders, and each Chr. Hansen Shareholder who would otherwise be entitled to receive a fraction of a Merger Consideration Share pursuant to the Combination will receive cash in lieu thereof to be calculated as set out in the Merger Plan.

Chr. Hansen Shares held in each respective Chr. Hansen Shareholder's securities account at 5:59 p.m. CET on the Settlement Date will participate in the Combination and will be exchanged for Merger Consideration Shares.

Admission to trading and official listing of the new shares

On January 29, 2024, Nasdaq Copenhagen provided its approval for the admission to trading and official listing of the Merger Consideration Shares on Nasdaq Copenhagen under the symbol "NZYM B" and the permanent ISIN code DK0060336014. The first day of trading of the Merger Consideration Shares on Nasdaq Copenhagen will be January 31, 2024.

Chr. Hansen Shareholders and prospective investors should be aware that Chr. Hansen Shares will be tradable for a short period following completion of the Combination. The last day of trading of Chr. Hansen Shares on Nasdaq Copenhagen in the ISIN code DK0060227585 and under the symbol "CHR" will be January 30, 2024.

Chr. Hansen Shareholders restricted from receiving shares in the Combination

As further described in the exemption document, for certain Chr. Hansen Shareholders with a registered address in, or who are resident or otherwise located in, or who are organized under the laws of, certain jurisdictions, the ability to participate in the Combination and receive Novozymes B-shares is restricted by the laws of such other jurisdictions (each a "**Restricted Shareholder**").

For such Restricted Shareholders only, the combined company will, following the Settlement Date, procure that the new B-shares that would otherwise be attributable to such Restricted Shareholders will be sold by Nordea Danmark, Filial af Nordea Bank Abp, Finland acting on behalf of the combined company, in a vendor placement (via Nasdaq Copenhagen or other trading venues in one or more tranches and outside the U.S. and other restricted jurisdictions) (the "Vendor Placement") and the cash proceeds from the Vendor Placement will be distributed in DKK to the Restricted Shareholders via a corporate action in Euronext as soon as practicably possible following completion of the Vendor Placement. Other shareholders in the combined company cannot participate in the Vendor Placement.

For further information on the Vendor Placement, reference is made to the exemption document available at www.power-with-biology.com.

Transaction website

For additional information, visit www.power-with-biology.com.

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Additional information for US holders

The securities referred to herein and to be issued pursuant to the Combination have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under any laws or with any securities regulatory authority of any state, district or other jurisdiction of the United States, and unless so registered may not be offered, pledged, sold, delivered or otherwise transferred (directly or indirectly), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state and other securities laws. There will not be any public offer of any securities in the United States. The information contained herein does not constitute an offer to sell or solicitation of an offer to buy any securities in the United States.

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.

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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