



## New sales reporting structure introduced. 2020 organic sales growth outlook now expected at 0%, from previously -2% to +2%

As announced on September 1, 2020, Novozymes will present its 2020 Annual Report and Group financial statements based on a new sales reporting structure. An overview of the new structure, including historical numbers, is provided in this announcement. Additionally, the 2020 organic sales outlook has been updated and is now expected at 0%, from previously between -2% to +2%. There are no changes to the outlook for our EBIT margin, ROIC or free cash flow before acquisitions.

Novozymes new reporting structure is the result of the organizational changes announced on September 1, 2020. With a simplified organizational set-up and a two-divisional structure, these changes direct the company towards a more value-chain focused and customer-centric model.

Novozymes will continue to report sales across five segments. The new segments are; “Household Care”, “Food, Beverages & Human Health”, “Bioenergy”, “Grain & Tech Processing” and “Agriculture, Animal Health & Nutrition”. Compared to the previous sales reporting structure, the main change is that starch, distilling and vegetable oil processing, previously part of the old “Food & Beverages” segment, is now included in the “Grain & Tech Processing” segment. In addition, there has been minor updates to the regional groupings with changes mainly for the “Europe, Middle East & Africa” and “Asia Pacific” regions.

Novozymes’ organic sales outlook is updated from the previous range of -2% to +2% to now 0% following reduced uncertainty to the market development. This is in line with previous communications that the mid-point of the range was the most likely full-year outcome. At the segment level, indications of full-year organic sales performances are as follows: Household Care at mid-single digit growth; Agriculture, Animal Health & Nutrition at low-single digit growth; and Bioenergy at a double-digit decline. Following the move of starch, distilling and vegetable oil processing, which overall have performed well during the year, Food, Beverages and Human Health is expected at low-single digit growth, whereas Grain & Tech Processing is expected to record a modest decline for the year.

### 2020 financial outlook

		December 11, 2020	October 21, 2020
Sales performance, organic	%	0	-2 to +2
EBIT margin	%	26 to 27	26 to 27
ROIC, incl. goodwill	%	18 to 19	18 to 19
Free cash flow before acquisitions	DKKbn	2.6 to 3.0	2.6 to 3.0

#### About Novozymes

Novozymes is the world leader in biological solutions. Together with customers, partners and the global community, we improve industrial performance while preserving the planet’s resources and helping to build better lives. As the world’s largest provider of enzyme and microbial technologies, our bioinnovation enables higher agricultural yields, low-temperature washing, energy-efficient production, renewable fuel and many other benefits that we rely on today and in the future. We call it Rethink Tomorrow. [www.novozymes.com](http://www.novozymes.com)

Novozymes A/S CVR number: 10 00 71 27 LEI: 529900T6WNXZD2R3JW38

December 11, 2020

Company announcement  
no. 64

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## Sales overview by segment

DKK million		2019	2018	2017	2016	2015		
<b>Consumer Biosolutions</b>								
Household Care	- Revenue	4,758	4,625	4,717	4,702	4,632		
	- Organic growth (YoY)	1%	0%	1%	2%	1%		
	- M&A impact (YoY)	0%	0%	0%	0%	0%		
Food, Beverages & Human Health	- Revenue	2,745	2,630	2,601	2,410	2,445		
	- Organic growth (YoY)	3%	4%	8%	-1%	5%		
	- M&A impact (YoY)	0%	0%	0%	0%	0%		
<b>Agriculture &amp; Industrial Biosolutions</b>								
Bioenergy	- Revenue	2,901	2,807	2,650	2,438	2,543		
	- Organic growth (YoY)	0%	12%	11%	-3%	-5%		
	- M&A impact (YoY)	0%	0%	0%	0%	0%		
Grain & Tech Processing	- Revenue	2,089	2,283	2,455	2,386	2,252		
	- Organic growth (YoY)	-9%	2%	7%	9%	5%		
	- M&A impact (YoY)	-2%	-6%	-2%	0%	0%		
Agriculture, Animal Health & Nutrition	- Revenue	1,881	2,045	2,108	2,206	2,130		
	- Organic growth (YoY)	-5%	3%	-3%	5%	19%		
	- M&A impact (YoY)	0%	0%	0%	1%	-1%		
<b>Novozymes</b>		<b>- Revenue</b>	<b>14,374</b>	<b>14,390</b>	<b>14,531</b>	<b>14,142</b>	<b>14,002</b>	
		<b>- Organic growth (YoY)</b>	<b>-1%</b>	<b>4%</b>	<b>4%</b>	<b>2%</b>	<b>4%</b>	
		<b>- M&amp;A impact (YoY)</b>	<b>0%</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	
<b>DKK million</b>								
DKK million		Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
<b>Consumer Biosolutions</b>								
Household Care	- Revenue	1,211	1,227	1,271	1,224	1,267	1,122	1,145
	- Organic growth (YoY)	-1%	11%	11%	5%	5%	-1%	-3%
	- M&A impact (YoY)	0%	0%	0%	0%	0%	0%	0%
Food, Beverages & Human Health	- Revenue	684	680	737	697	719	670	659
	- Organic growth (YoY)	-5%	3%	11%	7%	4%	-3%	4%
	- M&A impact (YoY)	4%	0%	0%	0%	0%	0%	0%
<b>Agriculture &amp; Industrial Biosolutions</b>								
Bioenergy	- Revenue	647	463	719	792	729	740	640
	- Organic growth (YoY)	-4%	-36%	12%	6%	-3%	3%	-6%
	- M&A impact (YoY)	0%	0%	0%	0%	0%	0%	0%
Grain & Tech Processing	- Revenue	515	467	538	534	494	522	539
	- Organic growth (YoY)	9%	-9%	2%	-10%	-10%	-7%	-8%
	- M&A impact (YoY)	0%	0%	-3%	-3%	-2%	-2%	0%
Agriculture, Animal Health & Nutrition	- Revenue	374	512	521	484	495	404	498
	- Organic growth (YoY)	-19%	27%	8%	-9%	3%	-7%	-6%
	- M&A impact (YoY)	0%	0%	0%	0%	0%	0%	0%
<b>Novozymes</b>		<b>- Revenue</b>	<b>3,431</b>	<b>3,349</b>	<b>3,786</b>	<b>3,731</b>	<b>3,704</b>	<b>3,458</b>
		<b>- Organic growth (YoY)</b>	<b>-3%</b>	<b>-2%</b>	<b>10%</b>	<b>1%</b>	<b>1%</b>	<b>-4%</b>
		<b>- M&amp;A impact (YoY)</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>



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