

Chr. Hansen Holding A/S acquires HSO Health Care GmbH

Chr. Hansen Holding A/S and HSO Health Care GmbH today entered into an agreement, under which Chr. Hansen will acquire HSO Health Care. The acquisition of the Austria-based B2B company specializing in probiotics for women's health will strengthen and expand Chr. Hansen's global microbial platform. This acquisition is aligned with the strategy of pursuing bolt-on acquisitions that fit into the microbial platform, as outlined in the Nature's no. 1 strategy. The transaction will be finalized later this week.

Highlights:

- Women's health is one of the fastest growing probiotic segments, with an estimated market CAGR of more than 15% since 2015, which HSO has outperformed substantially
- Good fit to Chr. Hansen with easy integration and strong potential synergies
- Strengthens and expands Chr. Hansen's microbial platform by adding HSO's branded portfolio Astarte™, a global award-winning line of patented probiotic products for women's health
- Clinically documented and using four specific strains, Astarte™ has a powerful selling proposition and a strong brand position and is sold in multiple channels
- Strengthens our women's health offering by combining Astarte™ with Chr. Hansen's UREX™ products, creating a portfolio that can be leveraged globally and expanded into new adjacencies within women's health
- Expected 2020 revenues of approximately EUR 15 million, with an EBITDA margin above 40%. Strong double-digit organic growth expected from 2020-2025
- Chr. Hansen's outlook for 2019/20 is unchanged

Mauricio Graber, CEO of Chr. Hansen, said: *"I am excited that we have reached an agreement with HSO Health Care, which has demonstrated very fast growth through a globally recognized portfolio that complements our own UREX™ products nicely. Women's health is a high-growth segment where innovation is becoming increasingly important, and with the addition of the Astarte™ portfolio we will be able to deliver innovation to a much larger market more quickly."*

Helmut Essl, CEO of HSO Health Care GmbH, said: *"HSO Health Care has been working from a mindset of scientifically documented, natural products since our inception, and we are delighted that with the addition of the Astarte™ products to Chr. Hansen, we can make an even greater impact on a global scale. I am very excited that Chr. Hansen will now bring Astarte™ to the next level."*

Financial implications and outlook

The acquisition is fully aligned with Chr. Hansen's capital allocation principles, and does not impact the ability pay out an ordinary dividend of 40-60% of net profit. The purchase price will be financed from existing available cash and bank facilities, and the acquisition has no impact on the 2019/20 outlook. Under the terms of the agreement the details of the transaction will not be disclosed.

COMPANY ANNOUNCEMENT
NO. 14 / 2020
April 20, 2020

For further information please contact:

Martin Riise, Head of Investor Relations, Tel: +45 5339 2250
Annika Stern, Investor Relations Officer, Tel: +45 2399 2382
Camilla Lercke, Head of Media Relations, Tel: +45 5339 2384

About HSO Health Care GmbH

Founded in 2007, HSO Health Care GmbH is an Austrian company that focuses on the research and development of probiotics targeting women's health. The company developed the patented composition Astarte™, a unique probiotic formulation for women's health supported by science. Since the introduction of the Astarte™ line to the marketplace, demand has experienced explosive growth. In 2019, HSO Health Care's Astarte™ won the "Probiotic of the Year" award at the NutraIngredients Awards in both the US and in the EU. Further information can be found at <https://www.astarte-probiotics.com/astarte-company/>.

About Chr. Hansen

Chr. Hansen is a leading, global bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. We develop and produce cultures, enzymes, probiotics and natural colors for a rich variety of foods, confectionery, beverages, dietary supplements and even animal feed and plant protection. Our product innovation is based on around 40,000 microbial strains – we like to refer to them as 'good bacteria'. Our solutions enable food manufacturers to produce more with less – while also reducing the use of chemicals and other synthetic additives – which make our products highly relevant in today's world. Sustainability is an integral part of Chr. Hansen's vision to improve food and health. In 2019 Chr. Hansen was ranked as the world's most sustainable company by Corporate Knights thanks to our strong sustainability efforts and our many collaborative partnerships with our customers. We have been delivering value to our partners – and, ultimately, end consumers worldwide – for over 140 years. We are proud that more than one billion people consume products containing our natural ingredients every day.