



December 12, 2022  
Company announcement No. 28

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY (IN WHOLE OR IN PART), IN OR INTO THE UNITED STATES, CANADA, SOUTH AFRICA, JAPAN OR AUSTRALIA OR ANY OTHER JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL.

## **Novozymes and Chr. Hansen to combine and create a leading global biosolutions partner**

**Novozymes and Chr. Hansen have entered into an agreement to create a leading global biosolutions partner through a statutory merger of the two companies. The combination is expected to unleash the full potential of biological solutions and generate significant value for all stakeholders and society at large.**

- The combination will leverage Novozymes A/S ("Novozymes") and Chr. Hansen Holding A/S ("Chr. Hansen") complementary expertise, powerful capabilities, and innovation and commercial excellence to develop biological solutions that will enable healthier lives, transform food systems and accelerate towards a climate neutral society.
- The combined group would have annual revenue of approximately EUR 3.5 billion.<sup>1</sup>
- Annual revenue synergies are estimated at EUR 200 million with EUR 80-90 million EBIT impact achievable within four years after completion and estimated EUR 80-90 million in cost synergies achievable within three years after completion.
- Expected organic revenue growth CAGR of 6-8% until 2025.<sup>2</sup>
- Expected 29% EBIT margin by 2025 excluding integration costs and PPA amortization.<sup>3</sup>
- Beyond 2025, ambition is to continue to deliver accelerated sustainable growth from the underlying business coupled with new, and derisked, innovation and growth opportunities.
- EPS, excluding integration costs and PPA amortization, expected to be mid-single digit percentage accretive in third year after completion.<sup>4</sup>
- No additional debt is expected to be issued as a result of the transaction, and the leverage (NIBD/EBITDA) at completion is expected at 1.3-1.7x, which is also the expected future net debt level. Following completion of the transaction, a continuation of historic shareholder dividend payout ratio of ~50% is expected.
- The contemplated combination will be effectuated through a statutory merger in accordance with the Danish Companies Act, with Novozymes as the continuing company and Chr. Hansen as the dissolving company (the "Merger").
- Chr. Hansen free float shareholders<sup>5</sup> will as consideration receive 1.5326 new B-shares in Novozymes (each with a nominal value of DKK 2) for each individual Chr. Hansen share upon completion of the Merger (the "Merger Consideration"), reflecting an implied premium of 49% to the Chr. Hansen share price<sup>6</sup>, valuing each Chr. Hansen share at DKK 660.55 per share.
- Novo Holdings A/S ("Novo Holdings"), the largest shareholder in both Novozymes and Chr. Hansen, has provided irrevocable undertakings in support of the proposed Merger, including to:
  - Vote in favor of the Merger at the extraordinary general meetings of Novozymes and Chr. Hansen, respectively; and
  - Exchange its approximately 22% stake in Chr. Hansen at an exchange ratio of 1.0227 new B-shares in Novozymes (each with a nominal value of DKK 2) for each individual Chr. Hansen share (the "Novo Holdings Consideration").

- Total value of the Merger Consideration, on a fully blended basis inclusive of the Novo Holdings Consideration, reflects a blended premium of 38%.<sup>7</sup>
- After completion of the Merger, Novozymes free float shareholders<sup>8</sup> to own in aggregate 44%, Chr. Hansen free float shareholders to own in aggregate 34% and Novo Holdings to own in aggregate 22% of the total share capital of the combined group.<sup>9</sup>
- Novo Holdings firmly intends to maintain approximately 25.5% ownership of the total share capital of the combined group through incremental cash investments, contemplated via purchases of existing shares.
- The Boards of Directors of Novozymes and Chr. Hansen are in support of the Merger and unanimously recommend their respective shareholders to approve the Merger at their respective extraordinary general meetings, which are currently expected to be held in H1 calendar year 2023.
- The completion of the Merger, which is currently expected to be in Q4 calendar year 2023/Q1 calendar year 2024, is subject to, *inter alia*, approval by the extraordinary general meetings of Novozymes and Chr. Hansen, respectively, as well as customary merger control and other regulatory approvals from relevant authorities.

## THE COMBINATION

The proposed combination of Novozymes and Chr. Hansen will create a strong biosolutions group with a broad biological toolbox and a diversified portfolio across markets. Uniting two strategically complementary companies will accelerate their already best-in-class performance.

Novozymes and Chr. Hansen together will meet customers' growing demands for efficient, scalable, and sustainable biosolutions. The combined group will have a global talent pool of diverse and passionate employees who will benefit from a strong purpose-driven culture, expanded global presence and a shared ambition to provide answers to the biggest challenges facing society.

Together, the combined group will be equipped to stand stronger in addressing global challenges including enabling healthier lives, transforming food systems and accelerating towards a climate neutral society.

### **Ester Baiget, President and CEO of Novozymes, said:**

*"The combination of two strategically complementary companies with a shared purpose and advanced capabilities will show the world the true power of biosolutions. Today's announcement is fully aligned with Novozymes' strategy and is another step towards unlocking additional growth opportunities. Novozymes and Chr. Hansen share the strong conviction that our combined scale, know-how, commercial strengths, and innovation excellence will drive value for our shareholders, customers and society at large by providing the sustainable solutions the world so urgently needs."*

### **Jørgen Buhl Rasmussen, Chairman of Novozymes, added:**

*"We are excited by the immense, additional potential we see in joining Novozymes and Chr. Hansen to create a true global biosolutions leader underpinned by our shared Danish heritage. We are grateful to have such a supportive shareholder in Novo Holdings, one that shares our belief that the two companies will be even better together and enable significant shareholder value accretion."*

### **Mauricio Graber, President and CEO of Chr. Hansen, said:**

*"I'm proud to share that Novozymes and Chr. Hansen are proposing to join forces to create a Danish-based global biosolutions partner based on our strong complementary technology platforms, highly dedicated employees and customer-centric approaches. Building on shared purpose-driven values and cultures, as well as an unquestionable business rationale, the proposed combination of these two iconic Danish companies represents a natural next step towards addressing the needs of tomorrow."*

**Dominique Reiniche, Chair of the Chr. Hansen Board of Directors, added:**

*“With this proposed combination, we are jointly creating a leading biosolutions partner dedicated to securing a healthy planet and a more sustainable future. The combined business offers a great opportunity to pursue attractive synergies by creating new solutions for the benefit of our customers and consumers, and will create value for all our shareholders as well as for society.”*

Novo Holdings, the largest shareholder in both Novozymes and Chr. Hansen, is in full support of the proposed Merger.

**Lars Rebien Sørensen, Chairman of Novo Holdings and Novo Nordisk Foundation, said:**

*“The two companies are a perfect match. Chr. Hansen with its expertise in microbials and Novozymes with its background in enzymes. Combining the two companies will create a global leader in biosolutions.”*

**Kasim Kutay, CEO of Novo Holdings, added:**

*“As long-term shareholders in both Novozymes and Chr. Hansen, we are in full support of the plans to combine the two companies. Due to our strong belief in the commercial, strategic, and long-term financial merits of this transaction, we are willing to accept a less favorable exchange ratio for our shares in Chr. Hansen than what is offered to other shareholders.”*

<sup>1</sup> Combined financials are based on Chr. Hansen’s audited Annual Report 2021/22 and Novozymes’ unaudited interim reports for 9M 2022 and Q4 2021. Novozymes figures converted from DKK to EUR using a single FX rate of 7.4394 (average rate October 2021 – September 2022) for purposes of translation only.

<sup>2</sup> Reflecting a base year of 2023. Expectation reflects each individual company’s previously communicated targets adding synergies from the combination. Note all expectations assume constant currencies, no additional acquisitions, no divestments, no special items, a gradual normalization of the global economy.

<sup>3</sup> 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. Expectation reflects each individual company’s previously communicated targets adding synergies from the combination. Note all expectations assume constant currencies, no additional acquisitions, no divestments, no special items, a gradual normalization of the global economy.

<sup>4</sup> EPS refers to Earnings Per Share measured in EUR.

<sup>5</sup> The free float refers to Chr. Hansen shares that are not as of the date hereof owned by Novo Holdings. As of the date hereof, Novo Holdings owns approximately 22% of the total share capital of Chr. Hansen. If Novo Holdings after the date hereof should acquire further shares in Chr. Hansen, it will for the purpose of the Merger be considered a “Chr. Hansen free float shareholder” in respect of such shares. Restricted Chr. Hansen shareholders in certain jurisdictions will receive a cash payment in lieu of their Merger Consideration as set out in more detail below.

<sup>6</sup> Based on closing share prices of Novozymes B-shares of DKK 431.00 and Chr. Hansen shares of DKK 444.20, as of December 9, 2022.

<sup>7</sup> Blended premium based on weighted average of 78% ownership for Chr. Hansen free float and 22% ownership for Novo Holdings and premiums of 49% and (1%) respectively based on the announced exchange ratios and Novozymes and Chr. Hansen’s closing prices as of December 9, 2022.

<sup>8</sup> The free float refers to Novozymes shares that are not owned by Novo Holdings.

<sup>9</sup> Excludes impact of any potential future share purchases made by Novo Holdings. Inclusive of Novozymes treasury shares.

## STRATEGIC RATIONALE

- Complementary strengths of each business leveraged to create a leading global biosolutions partner with a broad biological toolbox.
- Global megatrends and industry tailwinds support ‘stronger together’ rationale.
- Strong innovation capabilities unlock significant growth opportunities and strengthen the combined group.
- Purpose-driven culture and complementary values with clear ESG commitments and shared Danish heritage.

### **Estimated EUR 15 billion market for biological solutions with potential for significant future economic impact**

Novozymes estimates the current addressable market for biological solutions to be around EUR 15 billion and growing.<sup>10</sup> According to the World Economic Forum, the economic impact from biological solutions is expected to grow three times by 2040, driven by growing needs and demands from growing populations around the world.<sup>11</sup> This has increased pressure on natural resources, resulting in a need to produce more with less and an urgency to enable healthier lives, transform food systems and accelerate towards a climate neutral society. These challenges have also affected customers, who are simultaneously seeking to enhance profitability, win consumers, comply with increasingly demanding regulations and be good corporate citizens. The combination of Novozymes and Chr. Hansen will capitalize on this pivotal moment for society by providing the biological solutions and biotech necessary to address these global megatrends and meet customer demands to produce more, sustainably, and efficiently.

### **Customer-centric global reach aligned with strong innovation capabilities**

The customer-centric global reach of a combined group, aligned with the advanced discovery and applied research capabilities from a network of 38 research & development (R&D) and application centers and 23 manufacturing sites, will provide customers with a partner with both global scale and local presence.<sup>12</sup> The broad biological toolbox, strong patent positions, enhanced operations, innovation and commercial excellence, and expanded customer base would also allow the combined group to enjoy strong long-term organic revenue growth. Uniting and optimizing the combined innovation platforms of both Novozymes and Chr. Hansen will bring together approximately 2,000 employees globally focused on R&D with over EUR 350 million reinvested into R&D annually, representing an estimated 10-11% of combined sales.<sup>13</sup> Integrated capabilities, cutting-edge technology, and agnostic biological problem solving, will put the combined group at the forefront of finding real solutions to real problems, faster and with higher accuracy.

### **Attracting, retaining and developing world-class talent**

Together, Novozymes and Chr. Hansen will comprise a global talent pool of 10,000 diverse and passionate employees around the world, with the expertise to innovate and create value for its customers.<sup>14</sup> A combined group will also have a strong purpose-driven culture, based on complementary values and inspired by the power of biosolutions. Novozymes and Chr. Hansen believe that the combined group’s shared ambition and reputation for excellence, as well as its expanded global presence, would reinforce its ability to attract and retain the best talent in the sector. The power of these two talented teams would, together, allow the combined group to effectively service the fast-growing market for biological solutions.

### **Dedication to a healthy planet and sustainable future**

Sustainability is fundamental to both Novozymes and Chr. Hansen and the combined group would be driven by clear ESG commitments that represent a dedication to a healthy planet and

<sup>10</sup> Novozymes internal estimates (CMD 2021 market analysis adjusted).

<sup>11</sup> WEF 2018; WEF 2022; Novozymes internal estimates.

<sup>12</sup> Figures include Novozymes’ acquisition of Synergia. Novozymes Annual Report 2021; Chr. Hansen Annual Report 2021/22; Chr. Hansen investor presentation 2022.

<sup>13</sup> Novozymes internal estimates; Novozymes Annual Report 2021; Chr. Hansen Annual Report 2021/22.

<sup>14</sup> Novozymes Annual Report 2021; Chr. Hansen Annual Report 2021/22.

sustainable future. The combined group is expected to commit to carbon neutrality by 2050, 75% reduction in absolute CO2 emissions from its operations (Scopes 1+2) and 35% reduction in absolute CO2 emissions from its supply chain (Scope 3) by 2030. The combined group will also maintain Novozymes and Chr. Hansen's shared commitments to diversity and seek to achieve, at a minimum, 45% women and 45% men across all professionals and senior management by 2030.<sup>15</sup>

### **TRANSACTION SYNERGIES**

The combination is expected to drive growing revenue synergies and significant cost synergies.

#### **Near-term expected synergies**

The proposed combination is expected to realize the following near-term synergies:

- EUR 200 million in estimated annual revenue synergies achievable within four years after completion, leading to a EUR 80-90 million EBIT impact; and
- EUR 80-90 million in estimated cost synergies achievable within three years after completion.

The near-term revenue synergies are expected to be driven by cross-selling opportunities and expanding the customer base, through the broader market access offered by the combination of Novozymes' multi-industry market access and Chr. Hansen's deep expertise in dairy, health and food.

The near-term cost synergies are expected to be 40-50% derived from cost of goods sold synergies, including production optimization, portfolio efficiencies, and procurement savings, and 50-60% from selling, general, and administrative expenses, including selling and administrative overhead savings and rationalization of third-party contractors. The total cost of integration is estimated at ~EUR 250 million through 2026, of which approximately EUR 50 million would be capitalized following system integration and expected alignment of the combined group's sustainability footprint.<sup>16</sup>

#### **Long-term accelerated performance**

The world's need for sustainable biosolutions is ever increasing, as populations and their demands continue to grow. The combined group will be well positioned to develop transformational solutions to address the world's emerging needs through broadened and synergetic innovation and production capabilities beyond what each company is set to deliver on a standalone basis, such as microbes and enzymes that can be applied across multiple applications. Ongoing projects where the combined group expects higher commercial success include the further functionalization of health, next-generation probiotics, food engineering, fertilizer replacement, nutrition, bio-control, plant health, carbon capture, as well as renewable plastics.

The combined group is thus expected to continue accelerated and sustainable organic revenue growth beyond 2025 through the continuation of the above near-term initiatives and the development of new opportunities from broader market access, innovation breakthroughs and scale up capacity.

### **NOVO HOLDINGS SUPPORTS THE COMBINATION OF NOVOZYMES AND CHR. HANSEN**

Novo Holdings, the largest shareholder in both Novozymes<sup>17</sup> and Chr. Hansen, has affirmed its confidence in the two companies being a perfect match, and that a transaction would create a global leader in biosolutions that would capitalize on attractive growth opportunities while serving societal needs. Novo Holdings' confidence in the success of the combination is evidenced by its irrevocable undertaking in support of the transaction, including Novo

---

<sup>15</sup> Non-financial ambitions based on Novozymes' targets. Base year for CO2 emissions: Novozymes 2018; Chr. Hansen 2019/2020.

<sup>16</sup> Based on Novozymes estimate.

<sup>17</sup> Kasim Kutay has not participated as a board member of Novozymes in the negotiations and agreement between Novozymes and Novo Holdings concerning the combination as Kasim Kutay is also the CEO of Novo Holdings.

Holdings' undertaking to exchange its current approximately 22% stake in Chr. Hansen at an exchange ratio of 1.0227 new B-shares in Novozymes (each with a nominal value of DKK 2) for each individual Chr. Hansen share, i.e., at a less favorable exchange ratio than the one offered to Chr. Hansen's eligible free float shareholders. Furthermore, Novo Holdings firmly intends to maintain approximately 25.5% ownership of the total share capital of the combined group through incremental cash investments, contemplated via purchases of existing shares.

Through the irrevocable undertakings, Novo Holdings has committed not to sell any shares in Chr. Hansen except as a part of a transaction aimed at combining Novozymes and Chr. Hansen, and Novo Holdings remains the controlling long-term shareholder of the combined group.

## **THE MERGER**

On December 12, 2022, Novozymes and Chr. Hansen entered into a merger agreement and agreed on a joint merger plan (respectively the "Merger Agreement" and the "Merger Plan"), pursuant to which Novozymes and Chr. Hansen agreed to combine their business operations through the Merger. Subject to completion of the Merger, Chr. Hansen will be dissolved, and its shares will be removed from admission to trading and official listing on Nasdaq Copenhagen.

The Merger Plan was signed by the Boards of Directors of Novozymes and Chr. Hansen simultaneously with the signing of the Merger Agreement.

### **Merger Consideration**

Chr. Hansen free float shareholders will receive as Merger Consideration 1.5326 new B-shares in Novozymes (of nominally DKK 2 each) for each share in Chr. Hansen (of nominally DKK 10 each).

Based on Novozymes' closing share price of its B-shares as of December 9, 2022, the Merger Consideration to be received by Chr. Hansen's eligible free float shareholders represents a premium of approximately:

- 49 per cent to Chr. Hansen's closing price of DKK 444.20 on December 9, 2022; and
- 38 per cent on a fully blended basis inclusive of the consideration for Novo Holdings' current Chr. Hansen shares.<sup>18</sup>

No fractional Novozymes B-shares will be issued and only whole new Novozymes B-shares (in the denomination of DKK 2 nominal value) will be paid and delivered as Merger Consideration. To the extent that the exchange of shares of Chr. Hansen for new Novozymes B-shares would otherwise entitle a shareholder of Chr. Hansen to receive a fraction of a new Novozymes B-share, i.e. a holding of new Novozymes B-shares that is not a whole number of new Novozymes B-shares (in the following referred to as "Share Fractions"), the number of Novozymes B-shares to be received by such shareholders of Chr. Hansen (per each individual account kept by Euronext Securities Copenhagen) shall be rounded down to the nearest whole new Novozymes B-share. The Share Fractions will be settled in cash based on a price per share equal to the closing price of the Novozymes B-shares on Nasdaq Copenhagen on the first trading day after the registration of the Merger with the Danish Business Authority (or such other date during the period of settlement determined by Novozymes and communicated in a company announcement). Share Fractions will not be admitted to trading on Nasdaq Copenhagen.

Novo Holdings has, (acting also on behalf of Novo Nordisk Foundation (in Danish: "Novo Nordisk Fonden"), which owns 100% of the shares of Novo Holdings) subject to the terms and conditions set out in an irrevocable undertaking, accepted to exchange its Chr. Hansen shares held as of today (i.e. 28,983,112 Chr. Hansen shares of nominally DKK 10 each, in aggregate representing approximately 22% of the Chr. Hansen shares, the "Novo Holdings Chr. Hansen Shares") in the Merger in exchange for a consideration of new Novozymes B-shares on the basis of an exchange ratio where each issued and outstanding Novo Holdings Chr. Hansen

---

<sup>18</sup> Calculated as the total value of Novozymes shares delivered to Chr. Hansen's shareholders, including Novo Holdings, divided by the trading value of those Chr. Hansen shares as of December 9, 2022.

Share shall be exchanged for 1.0227 new Novozymes B-shares (each with a nominal value of DKK 2), which reflects that Novo Holdings, subject to the terms and conditions of its irrevocable undertaking, has accepted to exchange its Novo Holdings Chr. Hansen Shares to Novozymes at a lower valuation than implicitly reflected in the Merger Consideration offered to the Chr. Hansen free float shareholders.

In accepting this lower exchange ratio, Novo Holdings and Novo Nordisk Foundation have considered that the Merger (i) is in the best long-term interest of Novozymes, Novo Nordisk Foundation and Novo Holdings and (ii) is consistent with and supports the objectives of Novo Nordisk Foundation being, *inter alia*, a stable basis for the commercial and research activities of Novozymes. Furthermore, and taking into account Novo Nordisk Foundation's (and, by implication, Novo Holdings') investment horizon in respect of Novozymes and the commercial benefits derived from the Merger, it is recognized that (a) the success of the Merger would benefit from and requires the support of Novo Holdings, including Novo Holdings accepting, acting on a commercial basis, to receive consideration for its existing shareholding in Chr. Hansen based on an exchange ratio that is lower than the exchange ratio to be received by the free float Chr. Hansen shareholders in the Merger and (b) the benefits for Novo Nordisk Foundation, Novo Holdings and Novozymes derived from the Merger outweigh the disadvantages thereof.

The aggregate number of the new Novozymes B-shares of nominally DKK 2 each to be issued as consideration in the Merger to the shareholders of Chr. Hansen will be 187,298,646. This is based on the total number of Chr. Hansen shares issued as of the date hereof and assumes that the total number of Chr. Hansen shares issued is the same as at completion of the Merger and that Chr. Hansen will not hold any treasury shares as at completion of the Merger.

Novozyymes will apply for the new Novozymes B-shares being admitted to trading and official listing on Nasdaq Copenhagen at completion of the Merger.

At completion of the Merger, Novozymes free float shareholders to own in aggregate 44% of the total share capital and 21% of the total voting rights of the combined group, Chr. Hansen free float shareholders to own in aggregate 34% of the total share capital and 17% of the total voting rights of the combined group, and Novo Holdings to own in aggregate 22% of the total share capital and 61% of the total voting rights of the combined group.<sup>19</sup>

#### **Number of shares in Novozymes following the statutory Merger**

The total share capital of Novozymes as of the date hereof is nominally DKK 562,000,000, consisting of 53,743,600 A-shares of nominally DKK 2 each owned by Novo Holdings and 227,256,400 B-shares of nominally DKK 2 each (including 4,489,116 Novozymes treasury shares). The aggregate number of new B-shares in Novozymes to be issued as consideration in the Merger to the shareholders of Chr. Hansen will be 187,298,646 B-shares of nominally DKK 2 each. On this basis, and under the assumption that the number of Novozymes shares outstanding as of December 12, 2022, is the same immediately before the issue of new Novozymes B-shares as consideration in the Merger, the total share capital in Novozymes (including Novozymes treasury shares) following completion of the Merger would be nominally DKK 936,597,292, consisting of 53,743,600 A-shares of nominally DKK 2 each and 414,555,046 B-shares of nominally DKK 2 each.

#### **Restricted shareholders in certain jurisdictions**

The Novozymes shares (including the Novozymes B-shares) are not, and the Merger Consideration will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and the rules and regulations promulgated thereunder, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the U.S. Securities Act. Chr. Hansen shareholders in the United States will therefore be requested, through their respective custody banks, to confirm

---

<sup>19</sup> Excludes impact of any potential future share purchases made by Novo Holdings. Inclusive of Novozymes treasury shares. Restricted Chr. Hansen shareholders in certain jurisdictions will receive a cash payment in lieu of their Merger Consideration as set out in more detail below.

that they are eligible U.S. Chr. Hansen shareholders and otherwise deliver their Chr. Hansen shares to a settlement agent appointed by Novozymes against certificates in a temporary ISIN, which such settlement agent will exchange for cash proceeds from the settlement agent's sale of the new Novozymes B-shares attributable to such non-eligible shareholder. It is Novozymes' and Chr. Hansen's intention that the procedure shall apply to Chr. Hansen shareholders who are located in any other jurisdictions (together with the United States, the "Restricted Jurisdictions") where the receipt of the Merger Consideration is subject to specific procedures in order to ensure, or would not be in, compliance with the securities laws or regulations of such Restricted Jurisdiction or would require any registration, approval or filing with any regulatory authority, including non-eligible U.S. shareholders.

The sale process for the cash payment for Restricted Shareholders would occur outside of the United States pursuant to a centralized sale process and would be subject to applicable fees and expenses.

## **THE COMBINED GROUP**

### **Business overview**

Novozymes is the world leader in biological solutions and the world's largest provider of enzyme and microbial technologies. For around 100 years, Novozymes has worked alongside customers, partners, and the global community to improve industrial biosolutions performance, whilst preserving the planet's resources and helping to build better lives. Chr. Hansen is a global, differentiated bioscience company with over 145 years' experience developing natural ingredient solutions for the food, nutritional, pharmaceutical, and agricultural industries to enable sustainable agriculture, better food and healthier living for more people around the world.

The proposed combination of Novozymes and Chr. Hansen will create a leading global biosolutions partner with a broad biological toolbox and a diversified portfolio. 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 38 R&D and application centers and 23 manufacturing sites and employ around 10,000 talented and purpose-driven employees who are inspired by the power of biosolutions.

### **Leadership**

Upon completion of the statutory Merger, Ester Baiget, the current Chief Executive Officer (CEO) of Novozymes, would assume leadership of the combined group as CEO. The Chief Financial Officer (CFO) would be Lars Green, the current CFO of Novozymes. Both roles would be part of the future Executive Leadership Team.

It is proposed that the Chair of the Board of Directors, shall be nominated by Novozymes, and the Vice Chair shall be nominated by Chr. Hansen. In addition, it is proposed that Novozymes will be responsible for nominating two (2) other board members of the combined group's Board of Directors, Chr. Hansen will also nominate two (2) other board members, and Novo Holdings will, as the largest shareholder, also nominate two (2) other board members.

Shortly after completion of the Merger, Novozymes' Board of Directors will convene a general meeting for the purpose of electing any nominated members to the Novozymes Board of Directors, if such persons are not already an incumbent member of the Novozymes Board of Directors.

Until the employees of Novozymes have conducted the next election of employee representatives to Novozymes' Board of Directors (planned to occur by the end of calendar year 2024 with the new employee representatives joining Novozymes' Board of Directors following the Novozymes annual shareholders' meeting in 2025), the current four (4) employee representatives shall continue as board members, unless they are replaced by the currently elected alternates. Chr. Hansen will appoint two of its employee representatives to



serve as board observers to the Board of Directors of Novozymes until new employee representatives join the Novozymes Board of Directors after the next election.

### Corporate governance

Following completion of the statutory Merger, the combined company will continue to be admitted to trading and official listing on Nasdaq Copenhagen, and will continue to be domiciled and headquartered in Denmark, with the exact location to be determined between Hoersholm or Lyngby. The combined company will also continue to follow those rules and regulations for corporate governance being applicable for a company listed on Nasdaq Copenhagen.

At completion of the Merger, the combined company will initially operate under the name Novozymes A/S with Chr. Hansen registered as a secondary name. Novozymes and Chr. Hansen will jointly develop a new name and brand of the combined company.

### PRELIMINARY COMBINED FINANCIAL INFORMATION

The preliminary combined financial information presented in this announcement, is unaudited and is not necessarily indicative of what the financial position, results of operations or performance of the combined group would have been had the contemplated Merger occurred earlier, nor is it meant to be indicative of any anticipated future results of operations that the combined group will experience going forward. The figures are derived from Chr. Hansen's audited Annual Report 2021/22 and Novozymes' unaudited interim reports for 9M 2022 and Q4 2021. The preliminary combined financial information has not been adjusted to convert Chr. Hansen's financial information to conform to Novozymes' accounting policies. The preliminary combined financial information may materially differ from the combination's actual impact on the results of operations of the combined group and from any other combined or pro forma financial information published in connection with the Merger.

### Preliminary Combined Financials (Trailing 12M Reported Financials)<sup>20,21</sup>

<b>EUR billion</b>	<b><i>Novozymes Oct 2021 – Sept 2022</i></b>	<b><i>Chr. Hansen Sept 2021 – Aug 2022</i></b>	<b><i>The Combined Group (excl. PPA amortization)</i></b>	<b><i>Synergies<sup>22</sup></i></b>	<b><i>The Combined Group incl. synergies (excl. PPA amortization)</i></b>
<b>Revenue</b>	2.3	1.2	3.5	0.20	3.7
<b>EBITDA</b>	0.8	0.4	1.2	0.16-0.18	1.4
<b>EBITDA margin %</b>	34%	35%	35%	-	37%
<b>EBIT</b>	0.6	0.3	0.9	0.16-0.18	1.1
<b>EBIT margin %</b>	26%	26%	26%	-	29%

### Combined key figures and expectations

The combined group would have annual revenue of approximately EUR 3.5 billion, EBIT margin of 26% and free cash flow before acquisitions of approximately EUR 0.4 billion.<sup>21</sup> The combined group is expected to have organic revenue growth CAGR of 6-8% until 2025.<sup>23</sup> Estimated annual revenue synergies of EUR 200 million are expected with a EUR 80-90 million EBIT impact, achievable within four years from completion of the Merger. The combined group is also expected to achieve an estimated EUR 80-90 million in cost synergies within three years

<sup>20</sup> Combined financials are without adjustments of accounting principles and eliminations. The compiled financial have not been audited or reviewed by an external auditor.

<sup>21</sup> Combined financials are based on Chr. Hansen's audited Annual Report 2021/22 and Novozymes' unaudited interim reports for 9M 2022 and Q4 2021. Novozymes figures converted from DKK to EUR using a single FX rate of 7.4394 (average rate October 2021 – September 2022) for purposes of translation only.

<sup>22</sup> Figures represent run-rate synergies in 2027 provided completion of merger within expected time frame.

<sup>23</sup> Reflecting a base year of 2023.

following completion of the Merger. Excluding integration costs and PPA amortization, a 29% EBIT margin by 2025 is also expected to be achieved by the combined business.

EPS, excluding integration costs and PPA amortization from the Merger, is expected to be mid-single digit percentage accretive in third year after completion.<sup>24</sup> The total cost of integration is estimated at ~EUR 250 million through 2026, of which approximately EUR 50 million would be capitalized following system integration and expected alignment of the combined group's sustainability footprint.<sup>25</sup>

No additional debt is expected to be issued as a result of the transaction, and the leverage (NIBD/EBITDA) at completion of the Merger is expected at 1.3-1.7x, which is also the expected future net debt level. Following completion of the transaction, a continuation of the historic shareholder dividend payout ratio of ~50% is expected.

Beyond 2025, ambition is to continue to deliver accelerated sustainable growth from the underlying business coupled with new, and derisked, innovation and growth opportunities.

## **DIVIDENDS**

Each of Novozymes and Chr. Hansen intends, subject to applicable law and certain agreed limitation in the Merger Agreement to distribute dividends in the ordinary course and may effect certain extraordinary dividends prior to completion, in each case in line with the principles of each of Novozymes' and Chr. Hansen's existing dividend policy.

## **RECOMMENDATION FROM THE BOARD OF DIRECTORS OF NOVOZYMES**

The Board of Directors of Novozymes unanimously supports the Merger and recommends the Novozymes shareholders to vote in favor of and adopt the Merger and the other proposals to be put forward by the Board of Directors of Novozymes in relation to the Merger at the extraordinary general meeting to be held.

## **RECOMMENDATION FROM THE BOARD OF DIRECTORS OF CHR. HANSEN**

The Board of Directors of Chr. Hansen unanimously supports the Merger and recommends the Chr. Hansen shareholders to vote in favor of and adopt the Merger and the other proposals to be put forward by the Board of Directors of Chr. Hansen in relation to the Merger at the extraordinary general meeting to be held.

## **EXTRAORDINARY GENERAL MEETINGS**

Each of Novozymes and Chr. Hansen will separately convene an extraordinary general meeting to resolve upon the proposed Merger. The extraordinary general meetings are expected to be held in H1 of calendar year 2023. Final decisions regarding the Merger will be made by a qualified majority (2/3 of the cast votes and shares represented at the meeting) at the respective extraordinary general meetings of the two companies. The companies will publish notices to their respective extraordinary general meetings through separate stock exchange announcements, and additional information materials will be available for the companies' shareholders well in time before the date of the meetings.

## **EXEMPTION DOCUMENT**

Pursuant to the exemptions referred to in Article 1(4), point (g) and Article 1(5), point (f) of the Prospectus Regulation (EU) No 2017/1129, Novozymes is not required to publish a prospectus on the Merger and on the offering and admission to trading and official listing of the new Novozymes B-shares to be issued as Merger Consideration if Novozymes publishes an exemption document pursuant to the Commission Delegated Regulation (EU) 2021/528, which describes the Merger between Novozymes and Chr. Hansen and its impact on Novozymes. The exemption document will be published before the respective extraordinary general meetings of Novozymes and Chr. Hansen resolving on the Merger.

## **VOTING COMMITMENTS**

---

<sup>24</sup> EPS refers to Earnings Per Share measured in EUR.

<sup>25</sup> Based on Novozymes estimate.

Novozymes' and Chr. Hansen's largest shareholder, Novo Holdings, holding approximately 25.5% of the total share capital and approximately 72.7% of the total number voting rights in Novozymes and approximately 22% of the total share capital and the total number of voting rights in Chr. Hansen has undertaken (subject to certain conditions) to vote in favor of the Merger at the respective extraordinary general meetings resolving on the Merger.

Each of the members of the Novozymes Board and the Chr. Hansen Board and each of the members of the Novozymes Executive Leadership Team and Chr. Hansen Corporate Leadership Team has undertaken to vote in favor of the Merger at the respective extraordinary general meetings resolving on the Merger on all the shares held on record by such persons in Novozymes and/or Chr. Hansen (as applicable).

### **CONDITIONS FOR THE MERGER**

Completion of the Merger is conditional upon, among other things, the Merger being approved at the extraordinary general meetings of Novozymes and Chr. Hansen, respectively, and the receipt of customary merger control and other regulatory approvals from relevant authorities by 30 April 2024 (may in certain circumstances be extended by up to 6 months).

### **MERGER AGREEMENT**

Novozymes and Chr. Hansen have today 2022 entered into a Merger Agreement, pursuant to which Novozymes and Chr. Hansen have agreed to combine the two businesses through the Merger.

The Merger Agreement contains the commercial terms of the Merger and the conditions for the completion of the Merger, in addition to the statutory terms of the Merger set out in the Merger Plan.

The Merger Agreement contains, inter alia certain mutual customary undertakings, such as i) each party shall continue conducting its business in the ordinary course of business, subject to certain additional undertakings, until the completion of the Merger, ii) the agreed process for making the necessary regulatory filings and notifications, iii) actions in relation to the financing of the future combined group, and iv) terms for board representation, including employee representation, in the future combined group.

Moreover, Novozymes and Chr. Hansen have in the Merger Agreement given each other certain customary representations and warranties.

Novozymes and Chr. Hansen have agreed to bear their own fees, costs and expenses incurred in connection with the Merger.

The Merger Agreement may be terminated by Novozymes' and Chr. Hansen's mutual written consent and if any of the conditions of the Merger are not satisfied. In addition, each of Novozymes and Chr. Hansen may terminate the Merger Agreement in certain specific circumstances, including if there is a material adverse change or in certain defined instances of material breach of the Merger Agreement.

Under the Merger Agreement, Novozymes and Chr. Hansen have agreed on certain termination fees payable to the other party under certain circumstances, including that Novozymes shall, subject to certain terms and conditions, pay to Chr. Hansen a termination fee of EUR 315 million if regulatory approvals have not been obtained.

If the Merger Agreement is terminated, the Merger will not be completed. If the Merger is not completed the combined group will not be formed and the Chr. Hansen shareholders would not receive the Merger Consideration.

### **FINANCING**

The Merger Consideration to the Chr. Hansen shareholders will be in the form of new B-shares issued to Chr. Hansen shareholders at completion of the Merger. Novozymes has obtained a

commitment to refinance Novozymes' and Chr. Hansen's existing debt following completion of the Merger.

#### **INDICATIVE TIMETABLE**

- December 2022 - filing of the Merger Plan and publication in the Danish Business Authority's IT-systems
- H1 calendar year 2023 – publication of the exemption document
- H1 calendar year 2023 – extraordinary general meetings - Novozymes and Chr. Hansen Shareholders vote on Merger
- Q4 calendar year 2023/Q1 calendar year 2024 – expected closing

All dates are preliminary and may be subject to change. The proposed Merger is subject to customary merger control and other regulatory approvals in a number of jurisdictions and the preliminary timetable is therefore dependent on this process. Novozymes and Chr. Hansen will seek to obtain all the necessary approvals and competition clearances as soon as is practicable. Novozymes will revert with more information on the regulatory timeline and process when it is available.

#### **TAX CONSIDERATIONS**

It is the intention to implement the Merger as a tax-exempt merger according to the Danish Merger Tax Act (in Danish "*Fusionsskatteloven*"). Chr. Hansen and Novozymes have made a joint application with the Danish tax authorities for a binding ruling confirming that the relevant requirements are met for a tax-exempt merger.

If a confirmatory binding ruling is not obtained, the Merger will be carried out as a taxable merger outside the rules in the Danish Merger Tax Act.

The exemption document will contain further information on taxation in relation to the Merger, including confirmation of whether the Merger is carried out according to the Danish Merger Tax Act.

#### **ADVISERS**

Novozymes is advised by Gordon Dyal & Co., LLC as its lead financial adviser; Danske Bank A/S and Nordea Danmark, Filial af Nordea Bank Abp, Finland as joint financial advisers; Plesner Advokatpartnerselskab, Linklaters (with respect to regulatory approvals) and Davis Polk & Wardwell as legal advisers; FGS Global and Point Communications as communications advisers; and Oxera with respect to economics and finance aspects of the regulatory filings.

Chr. Hansen is advised by Goldman Sachs International as its exclusive financial adviser. Chr. Hansen's legal advisers are Gorrissen Federspiel Advokatpartnerselskab and Baker & McKenzie LLP (with respect to regulatory approvals), and Impact Partners acted as communications advisers.

#### **TRANSACTION WEBSITE**

For additional information, visit [www.power-with-biology.com](http://www.power-with-biology.com) or [www.information-about-business-combination.com](http://www.information-about-business-combination.com).

#### **INVESTOR & ANALYST CONFERENCE CALL**

Novozymes and Chr. Hansen will host a joint conference call on December 12, 2022 at 9:00am CET to discuss this announcement. Supplemental materials that may be referenced during the teleconference will be available at Novozymes and Chr. Hansen's websites, available at [www.power-with-biology.com](http://www.power-with-biology.com) and [www.information-about-business-combination.com](http://www.information-about-business-combination.com) respectively.

#### **ABOUT CHR. HANSEN**

Chr. Hansen is a global, differentiated bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical, and agricultural industries. At Chr. Hansen, we are well positioned to drive positive change through microbial solutions. We have worked

for over 145 years to enable sustainable agriculture, better food and healthier living for more people around the world. Our microbial and fermentation technology platforms, including our broad and relevant collection of around 40,000 microbial strains, have game-changing potential. Matching customer needs and global trends, we continue to unlock the power of good bacteria to respond to global challenges such as food waste, global health and the overuse of antibiotics and pesticides. As the world's most sustainable food ingredients company, we touch the lives of more than 1 billion people every day. Driven by our legacy of innovation and curiosity to pioneer science, our purpose – To grow a better world. Naturally. – is at the heart of everything we do.

#### **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 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.

#### **CONTACT INFORMATION**

##### Novozymes:

##### **Investor Relations**

Tobias Cornelius Björklund  
+45 3077 8682  
[tobb@novozymes.com](mailto:tobb@novozymes.com)

##### **Press Relations**

Lina Danstrup  
+45 3077 0552  
[lind@novozymes.com](mailto:lind@novozymes.com)

##### Chr. Hansen:

##### **Investor Relations**

Anders Mohr Christensen  
+45 2515 2364  
[dkamc@chr-hansen.com](mailto:dkamc@chr-hansen.com)

##### **Press Relations**

Sanne Seyer-Hansen  
+45 6038 6207  
[dksash@chr-hansen.com](mailto:dksash@chr-hansen.com)

**DISCLAIMERS**

This announcement is not for release, publication or distribution, directly or indirectly (in whole or in part) in or into the United States, Canada, South Africa, Australia and Japan or any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction or where such action would require additional prospectuses, filings or other measures in addition to those required under Danish law.

This announcement is for informational purposes only and does not constitute a notice to an extraordinary general meeting resolving on the Merger, an exemption document or a merger prospectus and as such, does not constitute or form part of and should not be construed as, an offer to sell, or the solicitation or invitation of any offer to buy, acquire or subscribe for, any securities or any other financial instruments in Novozymes or Chr. Hansen or an inducement to enter into investment activity. Any decision with respect to the proposed statutory merger of Chr. Hansen into Novozymes should be made solely on the basis of information to be contained in the actual notices to the extraordinary general meetings of Novozymes and Chr. Hansen, as applicable, and the exemption document or merger prospectus, as applicable, related to the Merger as well as on an independent analysis of the information contained therein. Investors should consult the exemption document, when published, for more complete information about Novozymes, Chr. Hansen, their respective subsidiaries, their respective securities and the Merger.

NO OFFERING IS BEING MADE TO ANY PERSON IN ANY JURISDICTION. THIS ANNOUNCEMENT MAY NOT BE USED FOR, OR IN CONNECTION WITH, AND DOES NOT CONSTITUTE, OR FORM PART OF, AN OFFER BY, OR INVITATION BY OR ON BEHALF OF, NOVOZYMES, CHR. HANSEN, OR ANY REPRESENTATIVE OF NOVOZYMES, OR CHR. HANSEN, TO PURCHASE ANY SECURITIES OR AN OFFER TO SELL OR ISSUE, OR THE SOLICITATION TO BUY SECURITIES BY ANY PERSON IN ANY JURISDICTION. NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION BY NOVOZYMES OR CHR. HANSEN THAT WOULD PERMIT AN OFFERING OF THE ORDINARY SHARES OR POSSESSION OR DISTRIBUTION OF A PROSPECTUS IN ANY JURISDICTION, EXCEPT TO THE EXTENT EXPLICITLY DISCLOSED BY NOVOZYMES OR CHR. HANSEN.

This announcement is for information purposes only it is not a recommendation to engage in investment activities and is provided "as is", without representation or warranty of any kind. While all reasonable care has been taken to ensure the accuracy of the content, Novozymes and Chr. Hansen do not guarantee its accuracy or completeness and Novozymes and Chr. Hansen will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. No information set out or referred to in this announcement may be regarded as creating any right or obligation and Novozymes and Chr. Hansen expressly disclaim liability for any errors or omissions. The price and value of securities and any income from them can go down as well as up and investors could lose their entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.

This announcement is not intended to be, and shall not constitute in any way, a binding or legal agreement, or impose any legal obligation on the Novozymes Group or the Chr. Hansen Group. All proprietary rights and interest in or connected with this announcement shall vest in the Novozymes Group or the Chr. Hansen Group, as the case may be. No part of it may be redistributed or reproduced without the prior written permission of the Novozymes Group and Chr. Hansen Group. All proprietary rights and interest in or connected with this publication shall vest in

Novozymes or Chr. Hansen, as the case may be. This announcement speaks only as of this date.

**Additional information for US holders**

This announcement relates to the proposed Merger of two Danish public companies. This announcement, the exemption document and other documents relating to the proposed Merger would be prepared in accordance with European and Danish law and European and Danish disclosure requirements, format and style, all of which differ from those in the United States. The proposed Merger referred to herein and the information to be distributed in connection therewith, including the proposed Merger and related shareholder vote and any related corporate transactions, are subject to disclosure, timing and procedural requirements and practices applicable in Europe and Denmark, which differ from the disclosure requirements of the United States.

The securities referred to herein and to be issued pursuant to the proposed Merger 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. Further details of which US holders are eligible to receive the securities referred to herein, and the procedural steps required to be taken by such persons to so receive such securities, as well as the procedures for those US holders who do not so qualify to receive such securities (if any), will be set forth in the exemption document.

Neither the U.S. Securities and Exchange Commission (SEC) nor any US state securities commission has approved or disapproved of the securities referred to herein to be issued in connection with the proposed Merger or any related corporate transaction, or determined if the information contained herein or in the exemption document to be prepared in connection with the proposed Merger is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

The securities referred to herein have not been and are not presently expected to be listed on any US securities exchange or quoted on any inter-dealer quotation system in the United States. None of Novozymes or Chr. Hansen presently intends to take any action to facilitate a market in such securities in the United States.

Financial statements, and all financial information that is included in the information contained herein or that may be included in the exemption document and any other documents relating to the securities referred to herein, have been or will be prepared in accordance with International Financial Reporting Standards (IFRS) or other reporting standards or accounting practice which may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States (US GAAP).

It may be difficult for US holders to enforce their rights and claims arising out of the US federal securities laws, since Novozymes and Chr. Hansen are incorporated under the laws of Denmark and the majority or all of their respective officers and directors are residents of non-US jurisdictions. Judgments of US courts are generally not enforceable in Denmark. US holders may not be able to sue a non-US

company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment. In addition, original actions, or actions for the enforcement of judgments of US courts, based on the civil liability provisions of the US federal securities laws, may not be enforceable in Denmark.

Each shareholder is advised to read the exemption document and is urged to consult his or her independent professional adviser regarding the tax consequences of the Merger.

### **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 Novozymes Group's, Chr. Hansen Group's and the combined group's control and all of which are based on the Novozymes Group's, Chr. Hansen Group's or 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 include statements that reflect the Novozymes Group's, Chr. Hansen Group's or 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 and the markets in which they respectively operate, and the anticipated timing of the proposed merger. 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 Novozymes Group, Chr. Hansen Group or 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, Novozymes, and Chr. Hansen expressly disclaim 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.

### **Financial Information**

Financial objectives are internal objectives of Novozymes, Chr. Hansen and the combined group to measure its operational performance and should not be read as indicating that Novozymes, Chr. Hansen or the combined group is targeting such metrics for any particular financial year. The ability of Novozymes, Chr. Hansen and the combined group to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Novozymes, Chr. Hansen and the combined group, and upon assumptions with respect to future business decisions that are subject to change. As a result, the actual results of Novozymes, Chr. Hansen



and the combined group may vary from these financial objectives, and those variations may be material.

**Transaction conditions**

Completion of the Merger is subject to the satisfaction of a number of conditions as more fully described in this announcement. Consequently, there can be no certainty that completion of the Merger will be forthcoming.

Novozymes refers to Novozymes A/S and the Novozymes Group refers to Novozymes and its subsidiaries. Chr. Hansen refers to Chr. Hansen Holding A/S and the Chr. Hansen Group refers to Chr. Hansen and its subsidiaries. The combined group refers to Novozymes and its subsidiaries following completion of the Merger (including the Novozymes Group and Chr. Hansen Group).