

## Sales growth slows down for Novozymes

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Organically, its sales grew by 8 percent (4 percent DKK, 8 percent LCY). However, sales growth slowed down during the period after a strong first quarter, and due to a higher comparable level in the second quarter.

EBIT grew by 19 percent, and the EBIT margin increased by 3.5 percentage points to 28.1 percent.

The higher EBIT margin was driven by a one-time positive impact of roughly 2 percentage points from The BioAg Alliance and a significant improvement in underlying earnings.

Also, Novozymes had a strong free cash flow at DKK 3,417 million due to the positive one-time impact from The BioAg Alliance and a relatively low level of CAPEX in the period.

The full-year sales growth outlook is maintained said the statement.

Full-year expectations for EBIT and net profit growth are increased to 9-11 percent, up from 8-10 percent. Expectations for ROIC, including goodwill, are adjusted to ~22 percent, up from 21-22 percent.

Lastly, expectations for free cash flow were revised upward by DKK 500 million, mainly as a result of lower expectations for net investments and a higher positive impact from The BioAg Alliance.