Roadshow presentation

9-Month Key Sales Figures 2018/19

July 2019
AGENDA

• BC at a glance
• Highlights 9M 2018/19
• Strategy & Outlook
• Appendix
BC at a glance
BC at a glance - Who are we?

The heart and engine of the chocolate and cocoa industry

- A merger between **Cacao Barry**, the very first French chocolate connoisseur since 1842 and **Callebaut** a Belgian chocolate couverture manufacturer expert since 1911

- Listed on the **SIX Swiss Exchange** since 1998

- **Jacobs Holding long-term** major shareholder with **50.1%** of the outstanding shares.

- Today, the **world's leading manufacturer** of high-quality **chocolate** and **cocoa** products

- Barry Callebaut is in every 4th of all consumer product containing cocoa or chocolate
BC at a glance - What do we do?

We are present in the key parts of the cocoa and chocolate value chain
BC at a glance - This is Barry Callebaut
“Shaping the world of chocolate and cocoa”

FY 2017/18

- First time over 2 million sales volume in tonnes
- 554.0 EBIT in CHF million
- CAGR +4.4% volume growth over 5 years
- 6,948.4 sales revenue in CHF million
- 20 years listed on the SIX Swiss Exchange
- 140 countries
- 59 factories worldwide
- 21 CHOCOLATE ACADEMY™ Centers
- More than 40,000 chocolate aficionados trained in 2017/18

More than 175 years of chocolate heritage
More than 11,500 employees
New type of chocolate created: Ruby chocolate
Sustainably sourced cocoa beans: 44%
BC at a glance - What do we offer?

A broad offering from standard to the most premium products

Cocoa Products

Food Manufacturers

Gourmet & Specialties
Our Regional and Product split

Sales Volume by Region

- Americas: 27%
- EMEA: 46%
- Asia Pacific: 5%
- Global Cocoa: 22%

Sales volume by Product Group

- Gourmet & Specialties: 12%
- Cocoa Products: 22%
- Food Manufacturers: 66%

Full-Year 2017/18:
- Sales Volume: 2.0 million tonnes
- Sales Revenue: CHF 6,948.4 m
- EBITDA: CHF 728.3 m
- EBIT: CHF 554.0 m
We apply a cost plus approach to the majority of our business

<table>
<thead>
<tr>
<th>Customers</th>
<th>Pricing model</th>
<th>Profit levers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food manufacturers 66%*</td>
<td>Small, medium Global Food Manufacturers</td>
<td>Cost Plus</td>
</tr>
<tr>
<td>Global Cocoa 22%*</td>
<td>Small, medium Global Food Manufacturers</td>
<td>Market prices Cost Plus (partly)</td>
</tr>
<tr>
<td>Gourmet &amp; Specialties 12%*</td>
<td>Professional users, Food Chains, Distributors, HORECA</td>
<td>Price List</td>
</tr>
</tbody>
</table>

Passing on the cost of raw materials to customers underpins profit stability by mitigating volatility impact of main raw materials

* Percentage of FY2017/18 Group sales volume
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A global footprint and local service: 60 factories worldwide

Cocoa factories in countries of origin and chocolate factories close to our customers. With our 22 Chocolate Academies worldwide we are at the pulse of any trends in the industry.
Highlights

9-MONTH KEY SALES FIGURES 2018/19
Highlights 9-Month Key Sales Figures 2018/19

**Good growth momentum continues**

- 9 months sales volume up +5.0%, supported by all Regions
- Sales revenue of CHF 5.5 bn, +8.2% in local currencies (+5.7% in CHF)
- Early repayment of outstanding 5.375% Senior Note due 2021 in August 2019
- Mid-term guidance confirmed

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1 2015/16-2018/19 on average: +4-6% volume growth and EBIT growth above volume barring any major unforeseen events
Highlights 9-Month Key Sales Figures 2018/19

Growth momentum accelerating as anticipated both in Chocolate and Cocoa

9M 2018/19 volume growth vs prior year (in tonnes)

FY 2016/17
+4.4%

FY 2017/18
+6.3%

FY 2018/19
+5.0%

9M 2018/19
+10.6%

+10.6%

+3.1%

+10.7%

Chocolate (FM and Gourmet & Spec.)

Global Cocoa

Q1 17
Q2 17
Q3 17
Q4 17
Q1 18
Q2 18
Q3 18
Q4 18
Q1 19
Q2 19
Q3 19

Market Volume growth*

-2.3%

-1.4%

+2.3%

+2.2%

+3.1%

+1.7%

+2.2%

+1.3%

+1.4%

+1.6%

+0.0%

* Source: Nielsen chocolate confectionery in volume Aug 2018 to Apr 2019 – 25 countries

Roadshow presentation HY2018/19
Highlights 9-Month Key Sales Figures 2018/19

All regions contributing to volume growth

Group Sales Volume: 1,589,181 tonnes

Americas: 424,216
Global Cocoa: 345,144
Asia-Pacific: 87,543
EMEA: 732,278

9M volume growth:
- EMEA: +5.3%
- Americas: +6.0%
- Asia Pacific: +10.1%
- Global Cocoa: +2.2%

Market Volume growth*:
- +0.2%
- +0.2%
- +8.0%

*Source: Nielsen chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

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Highlights 9-Month Key Sales Figures 2018/19

Key growth drivers gaining momentum

<table>
<thead>
<tr>
<th>% of total Group volume</th>
<th>Volume growth vs prior year</th>
</tr>
</thead>
<tbody>
<tr>
<td>35% Emerging Markets</td>
<td>+8.8% Ex cocoa +11.6%</td>
</tr>
<tr>
<td>34% Outsourcing Long-term Partnerships</td>
<td>+6.0%</td>
</tr>
<tr>
<td>12% Gourmet &amp; Specialties</td>
<td>+3.3% Ex Beverages +7.1%</td>
</tr>
</tbody>
</table>

Key growth drivers crucial to continuously outperform the market.
Cocoa processing profitability

Cocoa Combined Ratio – a macro indicator

**European combined ratio**
6 to 9 months forward ratio

**Directionally right...**
Shows general high level industry direction, assuming many variables are fixed

**However...**
Many variables are not fixed e.g.
- Terminal market: outright levels, arbitrage (London vs. New York), market structure
- Differentials: structure and origin differences
- Forward pricing structure: butter and powder
- Customer forward coverage: butter and powder
Raw material prices

Raw material price developments

Increase 9M 2018/19

Milk powder +25.2%
Cocoa beans +4.0%
Sugar world +3.9%
Sugar EU +46.0%
Strategy & Outlook
Strategy

Consistent long-term strategy – evolving execution

Vision

4 strategic pillars

“Heart and engine of the chocolate and cocoa industry”

Expansion

Innovation

Cost Leadership

Sustainability

‘smart growth’

Sustainable growth

Margin accretive growth

Accelerated growth in Gourmet, Specialties and emerging markets

Return on Capital and greater focus on Free cash flow

Talent & Team
Strategy

Good momentum continues

**Innovation**

- Drive **premium range** in cocoa powders
- **Leverage Innovation** across segments:
  - Callebaut Ruby RB1
  - Sugar-reduced solutions
- **Leverage portfolio** of Gertrude Hawk and d’Orsogna

**Expansion**

- **Integration of Inforum** in Russia, complementary product and customer base in 2nd largest chocolate confectionery market worldwide
- **Garudafoods** additional **outsourcing** contract coming on stream in H2 2018/19
- Africa **SACO capacity expansion**, Africa with untapped chocolate market potential
- New **green-field plant in Serbia** to serve Southeastern Europe. Initial capacity >50,000 tonnes to be **operational in 2021**
- **Accelerating capacity expansion** in Region Americas
Strategy

Good momentum continues

Cost leadership

- Successful placement of EUR 600 million equivalent Schuldscheindarlehen with average tenor of 7.8 years and attractive interest rate of 1.65%

- Early repayment of outstanding 5.375% Senior Bond over EUR 250 million (due 2021) at beginning of August 2019

- One-off impact on net financial cost of app. CHF 33 million in fiscal 2018/19. As of 2019/20, net financial cost will improve by app. CHF 10 million

Sustainability

- Established traceability for 1/3 of global cocoa volume

- By end of 2019 BC will have mapped all farms it directly sources in Ivory Coast and Ghana

- Signed letter of intend with Cameroon to intensify cooperation on sustainable cocoa farming

- Ongoing discussion between Government of Ivory Coast and Ghana and multi-stakeholder about implementation of a “living income differential” to achieve a floor price
Outlook

Guidance

Confident of delivering midterm guidance

- Good visibility in portfolio and acceleration in sales momentum as expected make us confident of delivering on our current mid-term guidance.

New mid-term guidance 2019/20-2021/22

- Average volume growth +4-6%
- EBIT growth on average above volume growth\(^1\)

\(^1\)in local currencies and barring any major unforeseen events
Appendix
Appendix

What makes Barry Callebaut unique?

- Global **number one player** in chocolate and cocoa
- Deep chocolate and cocoa **expertise**
- Consistent growth above the underlying market
- Global leader in Gourmet & Specialties
- Proven and **long-term oriented** strategy
- Unparalleled global footprint, present in all key markets
- Preferred **outsourcing** and strategic partner
- Leader in **Innovation**
- Cost leadership along the value chain
- Pioneer in **sustainability**
- Entrepreneurial spirit
Appendix

Chocolate confectionery market development – Nielsen data

**Western Europe** (33% of market)
- 2013-18 average: -0.5%
- 9M 2018/19: -1.1%

**North America** (22% of market)
- 2013-18 average: -0.4%
- 9M 2018/19: +1.8%

**EEMEA** (24% of market)
- 2013-18 average: +0.3%
- 9M 2018/19: +3.2%

**Asia Pacific** (14% of market)
- 2013-18 average: +3.2%
- 9M 2018/19: +8.0%

Source growth: Nielsen chocolate confectionery in volume – Aug 18 to Apr 19 – 25 countries
Source regional market shares: Euromonitor
Appendix

Our market and opportunities ahead

Global Chocolate confectionery volume growth vs cocoa bean price

Growing economies with still low chocolate consumption per capita

Forecast volume growth per application 2017-2022

Source: Euromonitor
Appendix

Strong global market leader in industrial chocolate and cocoa

Cocoa grinding capacity (kMT)

| Company      | BC | Cargill | Olam | ECOM | Fuji Oil | Guan Chong | Mondelez | Nestlé | Ferrero | BT Cocoa | Others |

Industrial Chocolate (open market – kMT)

| Company      | BC | Cargill | Fuji Oil | Puratos | Cémoi | Clasen | Schokinag | Iroca | Kerry Group | Guittard | Others |

Note: Olam incl. ADM, Cargill incl. ADM chocolate business and SMET, Fuji oil incl. Harald and Bloomer, Iroca incl. Doblar
Source: BC proprietary estimates
West Africa is the world’s largest cocoa producer

Total world harvest (17/18): 4,645 tsd MT

- About 70% of total cocoa beans are of West African Origin
- Barry Callebaut processed around 925,000 tonnes or approximately 20% of the world crop
- Barry Callebaut has various cocoa processing facilities in origin countries*, in Europe and USA

Source: ICCO Forecast
Appendix

Increase in EBIT per MT thanks to improved product mix and supportive cocoa processing market

EBIT per tonne in constant currencies
EBIT per tonne in CHF

Volume in kMT

2009/10  1,210
2010/11  1,269
2011/12  1,371
2012/13  1,536
2013/14  1,717
2014/15  1,795
2015/16  1,834
2016/17  1,914
2017/18  2,036
## Appendix – HY 2018/19 Financial Key Figures

### Profit growing above volume growth

<table>
<thead>
<tr>
<th>Group performance (in CHF mio)</th>
<th>HY 2018/19</th>
<th>% vs prior year in CHF</th>
<th>% vs prior year in local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales volume Total (in tonnes)</td>
<td>1,046,695</td>
<td>+2.4%</td>
<td>n/a</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>3,672.7</td>
<td>+3.5%</td>
<td>+6.0%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>584.8</td>
<td>+5.7%</td>
<td>+8.5%</td>
</tr>
<tr>
<td>EBIT Total</td>
<td>301.4</td>
<td>+8.9%</td>
<td>+12.4%</td>
</tr>
<tr>
<td>EBIT per tonne</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit for the period</td>
<td>199.1</td>
<td>+15.1%</td>
<td>+18.8%</td>
</tr>
<tr>
<td>Adj. Net profit for the period&lt;sup&gt;1&lt;/sup&gt;</td>
<td>199.1</td>
<td>+8.7%</td>
<td>+12.3%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>-140.6</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Adj. Free Cash Flow&lt;sup&gt;2&lt;/sup&gt;</td>
<td>-31.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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<sup>1</sup> PY Net profit for the period included a CHF 10.1m impact from the tax reforms in Belgium and the US

<sup>2</sup> Adjusted for cash flow effect of cocoa beans regarded as readily marketable inventories (RMI), by the Group
Appendix – HY 2018/19 Regions Key Performance Indicators

All Regions contributed to volume growth and profitability

Group Sales Volume: 1,046,695 tonnes

Americas 281,204

EMEA 480,721

Global Cocoa 227,578

APAC 57,192

<table>
<thead>
<tr>
<th>Region</th>
<th>HY Volume Growth</th>
<th>EBIT Growth in Local Currencies</th>
<th>Market Volume Growth*</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>+2.0%</td>
<td>+6.1%</td>
<td>+0.7%</td>
</tr>
<tr>
<td>Americas</td>
<td>+5.8%</td>
<td>+8.5%</td>
<td>+1.0%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>+5.7%</td>
<td>+10.8%</td>
<td>+8.6%</td>
</tr>
<tr>
<td>Global Cocoa</td>
<td>-1.7%</td>
<td>+22.5%</td>
<td></td>
</tr>
</tbody>
</table>

* Source: Nielsen chocolate confectionery in volume Aug 2018 to Jan 2019 – 25 countries

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Appendix – HY 2018/19 Gross Profit

Gross profit up +8.5% in local currencies, driven by good product mix and a supportive market environment

In CHF millions

<table>
<thead>
<tr>
<th>Gross Profit HY 2017/18</th>
<th>Volume effects</th>
<th>Mix effects</th>
<th>Cocoa processing</th>
<th>Additional costs due to growth and other</th>
<th>Gross Profit HY 2018/19 before FX</th>
<th>FX impact</th>
<th>Gross Profit HY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>553</td>
<td>9</td>
<td>26</td>
<td>21</td>
<td>-9</td>
<td>600</td>
<td>-15</td>
<td>585</td>
</tr>
</tbody>
</table>
Appendix – HY 2018/19 EBIT

Strong increase in operating profit by +12.4% in local currencies

In CHF millions

<table>
<thead>
<tr>
<th></th>
<th>277</th>
<th>+47</th>
<th>-13</th>
<th>311</th>
<th>-10</th>
<th>301</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT HY 2017/18</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Gross Profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional SG&amp;A, Scope and non-rec/other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT HY 2018/19 before FX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FX impact</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT HY 2018/19</td>
<td></td>
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</tbody>
</table>
Appendix – HY 2018/19 EBITDA to Net Profit

Net Profit up +15.1% in CHF, as a result of good profitability

In CHF millions

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>387 (+7.6%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depr. and Amort.</td>
<td>-85 (-3.4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT HY 2018/19</td>
<td>301 (+8.9%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial items</td>
<td>-55 (-11.2%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>-48 (+12.9%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit HY 2018/19</td>
<td>199</td>
<td>183</td>
<td>10</td>
<td>173</td>
<td></td>
</tr>
</tbody>
</table>

Tax rate: 19.3% vs PY 19.5% (excl. non-recurring tax impact)

+8.7% (+12.3% in LC)
Appendix – HY 2018/19 Free Cash Flow

Adjusted Free Cash Flow CHF -31 million on back of higher inventory catering for future volume growth

In CHF millions (6 month rolling)
# Appendix – HY 2018/19 Financial Key Figures

## Balance sheet

<table>
<thead>
<tr>
<th>(in CHF millions)</th>
<th>Feb 2019</th>
<th>Aug 18 Pro forma¹</th>
<th>Feb 18 Pro forma¹</th>
<th>Aug 18</th>
<th>Feb 18²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>6,820.4</td>
<td>6,169.0</td>
<td>6,444.3</td>
<td>5,832.0</td>
<td>6,105.9</td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>1,762.1</td>
<td>1,403.4</td>
<td>1,426.1</td>
<td>1,074.4</td>
<td>1,087.7</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td>2,639.9</td>
<td>2,506.5</td>
<td>2,566.5</td>
<td>2,505.5</td>
<td>2,566.5</td>
</tr>
<tr>
<td>Net Debt</td>
<td>1,769.6</td>
<td>1,409.3</td>
<td>1,546.8</td>
<td>1,074.3</td>
<td>1,208.4</td>
</tr>
<tr>
<td>Adj. Net Debt</td>
<td>837.7</td>
<td>616.0</td>
<td>743.3</td>
<td>616.0</td>
<td>743.3</td>
</tr>
<tr>
<td>Shareholders’ Equity</td>
<td>2,383.9</td>
<td>2,265.8</td>
<td>2,150.0</td>
<td>2,269.8</td>
<td>2,150.0</td>
</tr>
<tr>
<td>Debt / Equity ratio</td>
<td>74.2%</td>
<td>62.2%</td>
<td>71.9%</td>
<td>47.3%</td>
<td>56.2%</td>
</tr>
<tr>
<td>Adj. Debt / Equity ratio</td>
<td>35.1%</td>
<td>27.2%</td>
<td>34.6%</td>
<td>27.2%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Solvency ratio</td>
<td>35.0%</td>
<td>36.7%</td>
<td>33.4%</td>
<td>38.9%</td>
<td>35.2%</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>2.0x</td>
<td>1.9x</td>
<td>2.4x</td>
<td>1.5x</td>
<td>1.9x</td>
</tr>
<tr>
<td>Adj. Net Debt / EBITDA³</td>
<td>1.0x</td>
<td>0.8x</td>
<td>1.3x</td>
<td>0.8x</td>
<td>1.3x</td>
</tr>
<tr>
<td>ROIC</td>
<td>12.5%</td>
<td>12.2%</td>
<td>11.2%</td>
<td>13.3%</td>
<td>12.3%</td>
</tr>
<tr>
<td>ROE</td>
<td>16.9%</td>
<td>15.7%</td>
<td>16.0%</td>
<td>15.7%</td>
<td>16.0%</td>
</tr>
</tbody>
</table>

¹ Pro forma adjusted for IFRS 15 effect
² See Half-Year Report 2018/19, Summary of Accounting policies – restatement and reclassification
³ Net Debt adjusted for cocoa beans considered as RMI
Thank you.