Roadshow presentation

3-Month Key Sales Figures 2019/20

January 2020
AGENDA

- BC at a glance
- Highlights 3-Month Key Sales 2019/20
- Strategy & Outlook
- Appendix
BC at a glance - Who are we?

Strong values & a strong team

- A merger between Cacao Barry, the very first French chocolate connaisseur since 1842 and Callebaut a Belgian chocolate couverture manufacturer expert since 1911
- Listed on the SIX Swiss Exchange since 1998
- Jacobs Holding long-term reference shareholder with 40.1% of outstanding shares
- Strong and diverse management team with 120 years of chocolate experience
- Barry Callebaut is present in one out of 4 of all chocolate and cocoa products consumed around the world
BC at a glance – This is Barry Callebaut

‘Shaping the world of chocolate and cocoa’

**Full-Year 2018/19**

- 2.1 million Sales volume in tonnes
- 601.2 EBIT in CHF million
- 7,309.0 Sales revenue in CHF million
- +5.1% Volume growth
- **New Mid-term guidance** for the period 2019/20 to 2021/22
  - +4-6% volume growth and EBIT growth above volume in local currencies, barring any major unforeseeable events
- Sustainably sourced cocoa beans 47%

- 62 factories worldwide
- Selling to 140 countries

**More than**

- 175 years of chocolate heritage
- 12,000 employees

**23 CHOCOLATE ACADEMY™ Centers**

**More than 60,000 chocolate aficionados trained in 2018/19**
We are present in the key parts of the cocoa and chocolate value chain

From the cocoa bean to the chocolate and cocoa products
A strong global market leader

### Cocoa grinding capacity (kMT)

<table>
<thead>
<tr>
<th>Company</th>
<th>Capacity (kMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td></td>
</tr>
<tr>
<td>Cargill</td>
<td></td>
</tr>
<tr>
<td>Olam</td>
<td></td>
</tr>
<tr>
<td>ECOM</td>
<td></td>
</tr>
<tr>
<td>Fuji Oil</td>
<td></td>
</tr>
<tr>
<td>Guan Chong</td>
<td></td>
</tr>
<tr>
<td>Mondelez</td>
<td></td>
</tr>
<tr>
<td>Nestlé</td>
<td></td>
</tr>
<tr>
<td>Ferrero</td>
<td></td>
</tr>
<tr>
<td>BT Cocoa</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
</tbody>
</table>

### Industrial Chocolate (open market – kMT)

<table>
<thead>
<tr>
<th>Company</th>
<th>Capacity (kMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td></td>
</tr>
<tr>
<td>Cargill</td>
<td></td>
</tr>
<tr>
<td>Fuji Oil</td>
<td></td>
</tr>
<tr>
<td>Puratos</td>
<td></td>
</tr>
<tr>
<td>Cémoi</td>
<td></td>
</tr>
<tr>
<td>Clasen</td>
<td></td>
</tr>
<tr>
<td>Guan Chong</td>
<td></td>
</tr>
<tr>
<td>Ircsa</td>
<td></td>
</tr>
<tr>
<td>Kerry Group</td>
<td></td>
</tr>
<tr>
<td>Guittard</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
</tbody>
</table>

### Market impact

Note: Olam incl. ADM, Cargill incl. ADM chocolate business and SMET, Fuji Oil incl. Harald and Blommer, Ircsa incl. Dobla, Guan Chong incl. Schokinag

Source: BC proprietary estimates
### BC at a glance – offering and business model

**A broad offering with cost plus model on majority of business**

**Cocoa Products**
- **% share:** 22%* of volume
- **Customer:** Small, medium and Global Food Manufacturers
- **Pricing:** Market prices, Cost Plus (partly)
- **Profit Levers:** Global set-up, Customer / product mix, Combined ratio
- **Products:**
  - [Image](#)

**Food Manufacturers**
- **% share:** 66%* of volume
- **Customer:** Small, medium and Global Food Manufacturers
- **Pricing:** Cost Plus
- **Profit Levers:** Customer / Product mix, Economies of scale
- **Products:**
  - [Image](#)

**Gourmet & Specialties**
- **% share:** 12%* of volume
- **Customer:** Professionals, Food Chains, Distributors, HORECA
- **Pricing:** Price List
- **Profit Levers:** Expansion global brands, Adjacent products, Innovation / Sustainability
- **Products:**
  - [Image](#)

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

* Percentage of FY2018/19 Group sales volume
BC at a glance - where are we present?

A global footprint and local service: 62 factories worldwide

Cocoa factories in countries of origin and chocolate factories close to our customers. With our 23 Chocolate Academies worldwide we are at the pulse of any trends in the industry.
HIGHLIGHTS

3-Month Key Sales Figures 2019/20
Highlights 3-Month Key Sales Figures 2019/20

Strong start to the year

- Sales volume up +8.2%, well above the flat global underlying chocolate confectionery market\(^1\)
- Sales revenue of CHF 2,000.8 million, up +8.7% in local currencies (+6.3% in CHF)
- On track to deliver on mid-term guidance\(^2\)

\(^1\) Source: Nielsen, volume growth excluding e-commerce – 25 countries, September to November 2019, data subject to adjustment to match Barry Callebaut’s reporting period.

\(^2\) On average for the 3-year period 2019/20 to 2021/22: +4-6% volume growth and EBIT above volume growth in local currencies, barring any major unforeseeable events.
Quarterly sales volume growth

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Market volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 17/18</td>
<td>+8.0%</td>
</tr>
<tr>
<td>Q2 17/18</td>
<td>+8.1%</td>
</tr>
<tr>
<td>Q3 17/18</td>
<td>+4.8%</td>
</tr>
<tr>
<td>Q4 17/18</td>
<td>+2.9%</td>
</tr>
<tr>
<td>Q1 18/19</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Q2 18/19</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Q3 18/19</td>
<td>+4.3%</td>
</tr>
<tr>
<td>Q4 18/19</td>
<td>+10.7%</td>
</tr>
<tr>
<td>Q1 19/20</td>
<td>+5.9%</td>
</tr>
<tr>
<td>FY 2017/18</td>
<td>+8.0%</td>
</tr>
<tr>
<td>FY 2018/19</td>
<td>+8.1%</td>
</tr>
</tbody>
</table>

1 Source: Nielsen, volume growth excluding e-commerce – 25 countries, September to November 2019, Q1 19/20 data subject to adjustment to match Barry Callebaut’s reporting period.
Highlights 3-Month Key Sales Figures 2019/20

Broad based growth in all Regions

Group Sales Volume: 585,620 tonnes

- Americas: 152,843 tonnes
- EMEA: 269,636 tonnes
- Asia-Pacific: 33,486 tonnes
- Global Cocoa: 129,655 tonnes

3-month volume growth:
- EMEA: +8.7%
- Americas: +3.3%
- Asia Pacific: +21.8%
- Global Cocoa: +10.2%
- Global volume growth: +3.3%

Source: Nielsen, volume growth excluding e-commerce, September to November 2019, data subject to adjustment to match Barry Callebaut’s reporting period.
Highlights 3-Month Key Sales Figures 2019/20

All key growth drivers contributing

% of total Group volume

35% Emerging Markets

32% Outsourcing Long-term Partnerships

12% Gourmet & Specialties

% volume growth vs prior year

+16.7% excl. cocoa

+15.9%

+2.7%

Key growth drivers

crucial to continuously outperform the market

+2.4% excl. Beverage

+4.4%
Cocoa processing profitability

Combined cocoa ratio stable, but other variables changing

European combined ratio – 6-month forward ratio

For cocoa processors, profitability depends on the ratio between input costs (price of cocoa beans) and combined output prices (price of cocoa butter and powder).

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 price development

- Milk powder: +48%
- Sugar World: -4.1%
- Sugar EU: +31.6%
- Cocoa beans: +14.8%

Increase 1Q 2019/20 (average)


0% 50% 100% 150% 200% 250%
STRATEGY
& OUTLOOK
Consistent long-term strategy – evolving execution

**Vision**

"Heart and engine of the chocolate and cocoa industry"

### 4 strategic pillars

- **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

Innovation

‘Cacaofruit Experience’ – building excitement

- Concept introduced to the market in September 2019
- Currently 30 top chefs experimenting with ‘Wholefruit chocolate’
- First ‘Cacaofruit Experience’ products already being piloted in California, USA

Ruby making further waves

- In November 2019 the FDA granted a Temporary Marketing Permit to market Ruby as chocolate in the USA
- Important regulatory milestone to establish Ruby chocolate as the fourth type of chocolate
- Mona Lisa launched Ruby chocolate decorations
- Magnum Ruby – first launch of Ruby in ice cream
- Costa Coffee launched Ruby hot chocolate in UK
Drive momentum, drive value creation

**Cost Leadership**

Streamlining and further improving processes
- Ongoing roll-out of SAP
- Process streamlining in Finance and Planning

Optimizing of cost structure
- Closure of cocoa factory in Makassar, Indonesia announced in January 2020, in light of declining Indonesian cocoa crop

**Expansion**

Expanding in Emerging Markets
- Integration of Inforum on track – moved to new joint offices in January 2020
- Building of new chocolate factories in Serbia and India
Sustainability

Forever Chocolate Progress Report – increasing our impact

176,984 farms with geographical mapping and farmer census

Over 16,000 farmers with Farm Business Plans

Over 135,000 farmers in Cocoa Horizons programs

49,909 farmers receiving farm services

420 hectares of cocoa replanted

184,623 farmers in our supply chain lifted out of poverty

26% farmer groups we directly source from have systems in place to prevent, monitor and remediate child labor

80,847 farmers trained on child labor awareness

3,867 number of child labor cases identified

2,333 cases of child labor cases in the process of being remediated

37% cocoa and non-cocoa volume sourced covered by equivalent monitoring systems
Sustainability

Forever Chocolate Progress Report – increasing our impact

- 51% of agricultural raw materials sourced
- 47% sustainable cocoa beans sourced
- 54% sustainable non-cocoa raw materials sourced

Sustainable Chocolate

Sustainable Chocolate

By 2035, we will have 100% sustainable ingredients in all of our products.

47,182 farmers mapped in our direct supply chain within 25 kilometers of a protected forest area

-6.7% reduction in our carbon footprint

Thriving Nature

Thriving Nature

Over 750,000 shade trees distributed
Over 3,800 hectares of forest regenerated
Over 1.8 million cocoa seedlings distributed

BARRY CALLEBAUT

3-Month Key Sales Figures 2019/20
A transformation journey

Adding value at every step
Outlook

Mid-term guidance

Confident to deliver on renewed guidance

- Committed to pursuing successful ‘smart growth’ strategy
- Good growth momentum
- Strong innovation portfolio
- Discipline in execution
- Strong team

Mid-term guidance 2019/20 to 2021/22, on average:

- Volume growth of +4-6%
- EBIT growth above volume growth in local currencies, barring any major unforeseeable events.
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
Significant headroom for further growth and raw material price fluctuations

As of 31 August 2019

CHF 4,523 M

ABS

CHF 936 M
Various uncommitted facilities

EUR 750 M
Domestic Commercial Paper Programme

EUR 750 M
Syndicated Bank Loan
(13 banks)

Maturity 2024*

EUR 450 M
2.375% Senior Notes

Maturity 2024

USD 400 M
5.5% Senior Notes

Maturity 2023

EUR 600 M
equivalent Schuldverschreibungen

Maturity 2026-29

CHF 1,670 M

ABS

Short-term debt

Long-term debt

Cash & cash equivalents

Available funding sources

Note: Revolving Credit Facility extended to 2024 in October 2019

Committed lines

-63%
Appendix

Chocolate confectionery market development – Nielsen data

North America (22% of market)
2014-19 CAGR: -0.5%
1Q 2019/20: -3.1%

Western Europe (33% of market)
2014-19 CAGR: -0.3%
1Q 2019/20: -1.1%

EEMEA (24% of market)
2014-19 CAGR: -0.3%
1Q 2019/20: +3.4%

Asia Pacific (14% of market)
2014-19 CAGR: +3.0%
1Q 2019/20: +6.3%

Source: Nielsen, volume growth excluding e-commerce – 25 countries, Q1 19/20 data subject to adjustment to match Barry Callebaut’s reporting period.
Our market and opportunities ahead

Global Chocolate confectionery volume growth vs cocoa bean price

Forecast volume growth per application 2018-2023

- Chocolate confectionery: 1.3%
- Ice cream: 2.2%
- Sweet biscuits: 1.9%
- Pastries: 3.3%
- Cakes: 2.1%
- Breakfast cereals: 1.5%
- Dairy: 2.0%

Absolute volume growth in tonnes

Appendix
All Regions contributed to volume growth and profitability

Group Sales Volume: 2,139,758 tonnes

Americas: 573,413 (27%)  
EMEA: 981,231 (46%)  
Asia Pacific: 118,548 (5%)  
Global Cocoa: 466,566 (22%)  

volume growth / Market volume growth  
EMEA: +6.1% / +1.1%  
Americas: +4.4% / +1.4%  
Asia Pacific: +12.1% / +7.7%  
Global Cocoa: +2.4%  

EBIT growth in local currencies  
EMEA: +5.9%  
Americas: +9.0%  
Asia Pacific: +13.8%  
Global Cocoa: +25.0%  

1 Source: Nielsen, chocolate confectionery in volume Aug 2018 to Aug 2019 – 25 countries, excluding e-commerce channels
Gross profit up +5.1% in local currencies, driven by good volume growth and mix effects

In CHF millions

<table>
<thead>
<tr>
<th>Gross Profit FY 2017/18</th>
<th>Volume effects</th>
<th>Mix effects</th>
<th>Cocoa business improvements</th>
<th>Additional costs supporting growth</th>
<th>Gross Profit FY 2018/19 before FX</th>
<th>FX impact</th>
<th>Gross Profit FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,157</td>
<td>+59</td>
<td>+33</td>
<td>+10</td>
<td>-43</td>
<td>1,216</td>
<td>-28</td>
<td>1,188</td>
</tr>
</tbody>
</table>
Strong increase in Operating profit by +11.9% in local currencies

In CHF millions

- EBIT FY 2017/18: 554
- Additional Gross Profit: +59
- Additional SG&A, Other: +7
- EBIT FY 2018/19 before FX: 620
- FX impact: -19
- EBIT FY 2018/19: 601
Increase in EBIT thanks to enhanced product and customer mix and continued improvement in Cocoa business

In CHF millions

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT per tonne in CHF (at constant currencies)</th>
<th>EBIT per tonne in CHF (as reported)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009/10</td>
<td>282</td>
<td>286</td>
</tr>
<tr>
<td>2010/11</td>
<td>312</td>
<td>286</td>
</tr>
<tr>
<td>2011/12</td>
<td>290</td>
<td>256</td>
</tr>
<tr>
<td>2012/13</td>
<td>251</td>
<td>223</td>
</tr>
<tr>
<td>2013/14</td>
<td>274</td>
<td>242</td>
</tr>
<tr>
<td>2014/15</td>
<td>279</td>
<td>231</td>
</tr>
<tr>
<td>2015/16</td>
<td>271</td>
<td>219</td>
</tr>
<tr>
<td>2016/17</td>
<td>283</td>
<td>231</td>
</tr>
<tr>
<td>2017/18</td>
<td>312</td>
<td>272</td>
</tr>
<tr>
<td>2018/19</td>
<td>327</td>
<td>281</td>
</tr>
</tbody>
</table>
Net Profit up +14.2% in local currencies, based on good profitability

In CHF millions

EBITDA FY 2018/19 775
Depreciation and amortization -174
EBIT FY 2018/19 601
Financial items -148
Income taxes -84
Net profit FY 2018/19 369
Net effect of early bond repayment +26
FX Impact +13
Net profit recurring FY 2018/19 @PY FX 408
Net profit FY 2017/18 357
Good Free cash flow generation, while investing in structural improvements for future growth

In CHF millions

- EBITDA Aug 18
- EBITDA Aug 19
- Change in working capital / Others
- Interest paid and income taxes
- CAPEX
- Others
- FCF Aug 19
- Effect of early bond repayment
- FCF Aug 19
- RMI Beans
- FCF Aug 19 adjusted

+6.4%
## Full-Year 2018/19 Financial key figures

### Strong Balance sheet with further improvement in key ratios

<table>
<thead>
<tr>
<th>(in CHF millions)</th>
<th>Aug 19</th>
<th>Aug 18 Pro forma</th>
<th>Aug 18 Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>6,508.1</td>
<td>6,169.0</td>
<td>5,832.0</td>
</tr>
<tr>
<td>Net working capital</td>
<td>1,363.2</td>
<td>1,403.4</td>
<td>1,074.4</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,650.0</td>
<td>2,506.5</td>
<td>2,505.5</td>
</tr>
<tr>
<td>Net debt</td>
<td>1,304.7</td>
<td>1,409.3</td>
<td>1,074.3</td>
</tr>
<tr>
<td>Adj. Net debt&lt;sup&gt;2&lt;/sup&gt;</td>
<td>611.7</td>
<td>616.0</td>
<td>616.0</td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td>2,399.3</td>
<td>2,265.8</td>
<td>2,269.8</td>
</tr>
<tr>
<td>Debt / Equity ratio</td>
<td>54.4%</td>
<td>62.2%</td>
<td>47.3%</td>
</tr>
<tr>
<td>Adj. Debt / Equity ratio</td>
<td>25.5%</td>
<td>27.2%</td>
<td>27.1%</td>
</tr>
<tr>
<td>Solvency ratio</td>
<td>36.9%</td>
<td>36.7%</td>
<td>38.9%</td>
</tr>
<tr>
<td>Net debt / EBITDA&lt;sup&gt;2&lt;/sup&gt;</td>
<td>1.5x</td>
<td>1.9x</td>
<td>1.5x</td>
</tr>
<tr>
<td>Adj. Net debt / EBITDA&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.8x</td>
<td>0.8x</td>
<td>0.8x</td>
</tr>
<tr>
<td>ROIC</td>
<td>13.2%</td>
<td>12.2%</td>
<td>13.3%</td>
</tr>
<tr>
<td>ROE</td>
<td>15.4% / 16.5%&lt;sup&gt;3&lt;/sup&gt;</td>
<td>15.7%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

<sup>1</sup> IFRS 15 adjustment required the recognition of cocoa beans at an earlier stage in the value chain. This led to an adjustment in the opening balance sheet as of September 1, 2018. This adjustment is reflected in pro forma (IFRS 15) numbers. For further details refer to page 50 in the Annual Report 2018/19.

<sup>2</sup> Net Debt adjusted for cocoa beans considered by the Group as RMI.

<sup>3</sup> Net profit excluding one-off costs for early bond repayment of CHF 33 million, partly offset by the tax effect of CHF 7 million.