

News Release

Expansion of the North American Specialties & Decorations business Barry Callebaut to acquire Ingredients Division of Gertrude Hawk Chocolates

- **Strategic expansion of Barry Callebaut's North American Specialties & Decorations business, expanding product portfolio to new product areas**
- **Gertrude Hawk Ingredients is part of family-owned U.S. company Gertrude Hawk Chocolates providing specialized product know-how and product capabilities**
- **Acquisition complementary to recent addition of D'Orsogna Dolciaria in Europe and in line with Barry Callebaut's "smart growth" strategy to accelerate growth in Specialties & Decorations**

Zurich/Switzerland, September 7, 2017 - Barry Callebaut, the world's leading manufacturer of high-quality chocolate and cocoa products, signed an agreement to acquire the ingredients division of Gertrude Hawk Chocolates. This acquisition will strategically expand Barry Callebaut's Specialties & Decorations business, in particular in North America.

Gertrude Hawk Ingredients has grown to become the largest division of Gertrude Hawk Chocolates, a family-owned U.S. company. By creating new and innovative technology and processes to make ice cream and baking inclusions, Gertrude Hawk Ingredients has become a leader in the ingredients market with specialized capabilities and has created lasting partnerships with customers. Many of its ingredients and contract manufacturing products can be found in U.S. brands and stores across the country. With the acquisition of Gertrude Hawk Ingredients, Barry Callebaut will further extend its leading role in decoration and inclusion products for Food Manufacturers, particularly in the North American market. It will allow Barry Callebaut to expand its portfolio with new technologies for shell molding, panning, and enrobing, and also with solutions for shaped inclusions and peanut butter chips, a very popular product in North America. Together with the recently announced acquisition of D'Orsogna Dolciaria in Europe, this acquisition underlines Barry Callebaut's strategic efforts to grow in the value-added Specialties & Decorations business, which serves both Food Manufacturers and Gourmet customers seeking differentiation, premiumization and personalization.

The sales volume of Gertrude Hawk Ingredients in 2016/17 was around 13,000 tonnes, with sales revenues of approx. EUR 70 million (USD 83 million). Gertrude Hawk Chocolates was founded by Gertrude Hawk in 1936 in Scranton, Pennsylvania. The Ingredients division has a state-of-the-art facility in Scranton, Pennsylvania and employs around 370 people.

Antoine de Saint-Affrique, CEO of Barry Callebaut, said: "We continue to consistently execute our 'smart growth' strategy by growing our value-added Specialties & Decorations business. Gertrude Hawk Ingredients adds new capabilities, technologies and skilled employees who we are happy to welcome to the Barry Callebaut family. The acquisition allows us to expand our product portfolio into new markets, and offer an even wider range of products and services than before. Gertrude Hawk Ingredients will play a cornerstone role in our Specialty & Decorations business and we intend to further build on their team and their capabilities."

Dave Hawk, Chairman of Gertrude Hawk Chocolates, said: "Barry Callebaut has at its fingertips everything needed to continue the growth of the business, including a seasoned, highly respected

sales force that calls on virtually every baker and ice cream maker of any size around the world. Also from a community perspective, this is a dream come true. We have the opportunity to bring a world renowned, state-of-the-art chocolate manufacturer to the Scranton area. How often does that happen?”

The transaction is subject to regulatory approval. Closing of the transaction is expected to occur in October 2017.

The parties have agreed not to disclose any financial details of the transaction.

About Barry Callebaut Group (www.barry-callebaut.com):

With annual sales of about CHF 6.7 billion (EUR 6.1 billion / USD 6.8 billion) in fiscal year 2015/16, the Zurich-based Barry Callebaut Group is the world's leading manufacturer of high-quality chocolate and cocoa products – from sourcing and processing cocoa beans to producing the finest chocolates, including chocolate fillings, decorations and compounds. The Group runs more than 50 production facilities worldwide and employs a diverse and dedicated global workforce of close to 10,000 people.

The Barry Callebaut Group serves the entire food industry, from industrial food manufacturers to artisanal and professional users of chocolate, such as chocolatiers, pastry chefs, bakers, hotels, restaurants or caterers. The two global brands catering to the specific needs of these Gourmet customers are Callebaut® and Cacao Barry®.

The Barry Callebaut Group is committed to making sustainable chocolate the norm by 2025 to help ensure future supplies of cocoa and improve farmer livelihoods. It supports the Cocoa Horizons Foundation in its goal to shape a sustainable cocoa and chocolate future.

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About Gertrude Hawk Ingredients (www.gertrudehawkchocolates.com/ingredients):

Gertrude Hawk Chocolates is a family owned and locally operated chocolate manufacturer based in Dunmore, Pennsylvania. Gertrude Jones Hawk founded the company from her Scranton home in 1936 as a fund-raising business. Today it continues in fund raising and has grown to operate over 50 retail store locations in Pennsylvania, New York, and New Jersey.

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