



Half-Year Results 2019/20

Analyst & Media Conference
April 16, 2020



Cautionary note

Certain statements in this presentation regarding the business of Barry Callebaut are of a forward-looking nature and are therefore based on management's current assumptions about future developments. Such forward-looking statements are intended to be identified by words such as 'believe,' 'estimate,' 'intend,' 'may,' 'will,' 'expect,' and 'project' and similar expressions as they relate to the company. Forward-looking statements involve certain risks and uncertainties because they relate to future events. This applies even more in light of the current uncertainties related to the COVID-19 pandemic.

Actual results may vary materially from those targeted, expected or projected due to several factors. The factors that may affect Barry Callebaut's future financial results are discussed in the Half-Year Report 2019/20. Such factors are, among others, general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures as well as changes in tax regimes and regulatory developments. The reader is cautioned to not unduly rely on these forward-looking statements that are accurate only as of today, April 16, 2020. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

AGENDA

COVID-19 update

Antoine de Saint-Affrique, CEO

Highlights Half-Year Results 2019/20

Antoine de Saint-Affrique, CEO

Financial Review Half-Year Results 2019/20

Remco Steenberg, CFO

Strategy & Outlook

Antoine de Saint-Affrique, CEO

Questions & Answers

CEO and CFO

COVID-19 update

- As a leader and **trusted partner in the global food supply chain**, we play a critical role in **contributing to the availability of food products**.
- Early on, we put in place **precautionary measures** to provide **safe working environments** and maintain **business continuity**.
- To date, we have **not experienced any major disruptions to our production operations**.



HIGHLIGHTS

Half-Year Results 2019/20

Antoine de Saint-Affrique, CEO

Strong volume growth and profitability



- Sales volume up +5.4% in a flat chocolate confectionery market¹.
- Sales revenue of CHF 3.8 billion, up +5.8% in local currencies (+2.4% in CHF).
- Operating profit (EBIT) recurring², up +6.7% in local currencies (+3.1% in CHF).
- Net profit for the period recurring², up +11.6% in local currencies (+7.1% in CHF).
- Committed to mid-term guidance³.

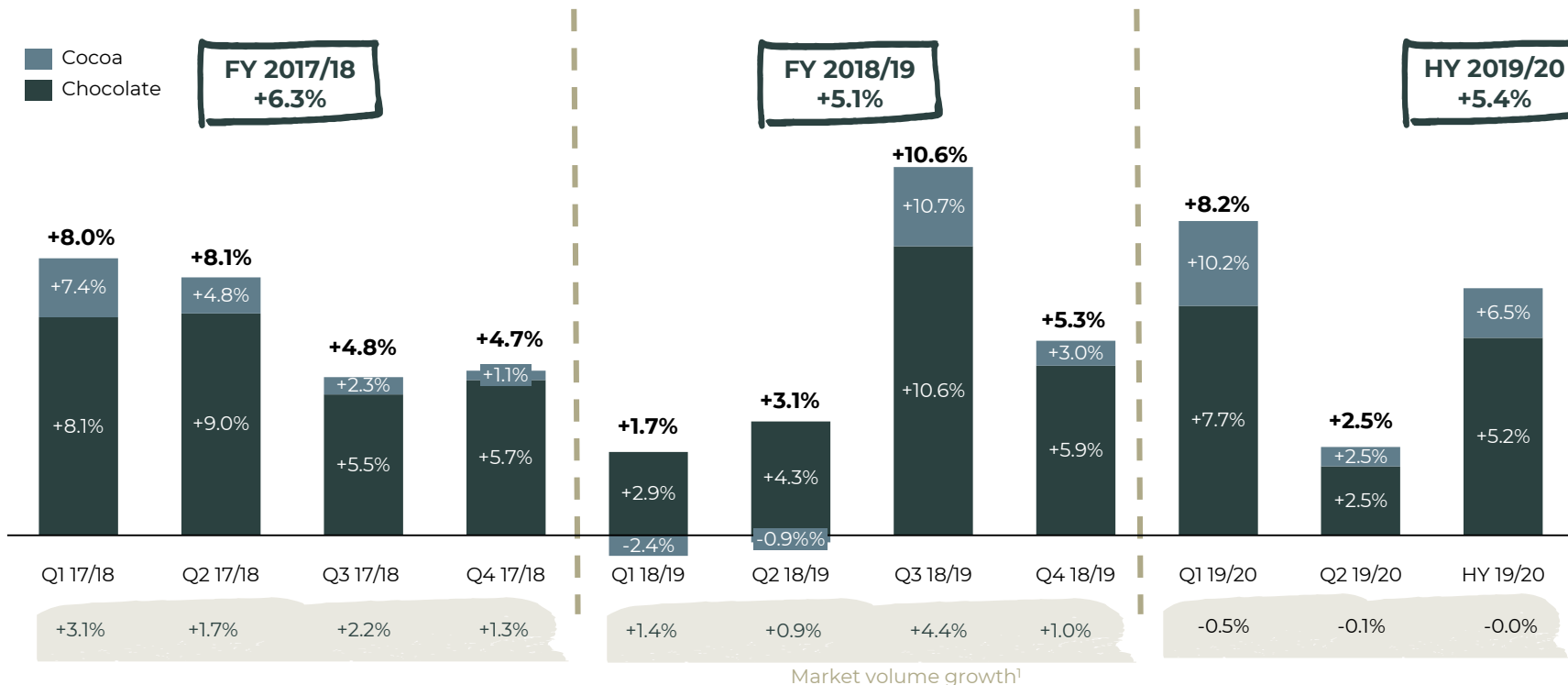
¹ Source: Nielsen, volume growth excluding e-commerce – 23 countries (excluding China/Indonesia), Aug 2019 to Jan / Feb 2020, data subject to adjustment to match Barry Callebaut's reporting period.

² EBIT and Net profit recurring excluding the cost of CHF -8.0 million for the closure of the cocoa factory in Makassar, Indonesia.

³ 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 unforeseen events.

Highlights Half-Year Results 2019/20

Chocolate continues to outperform underlying market



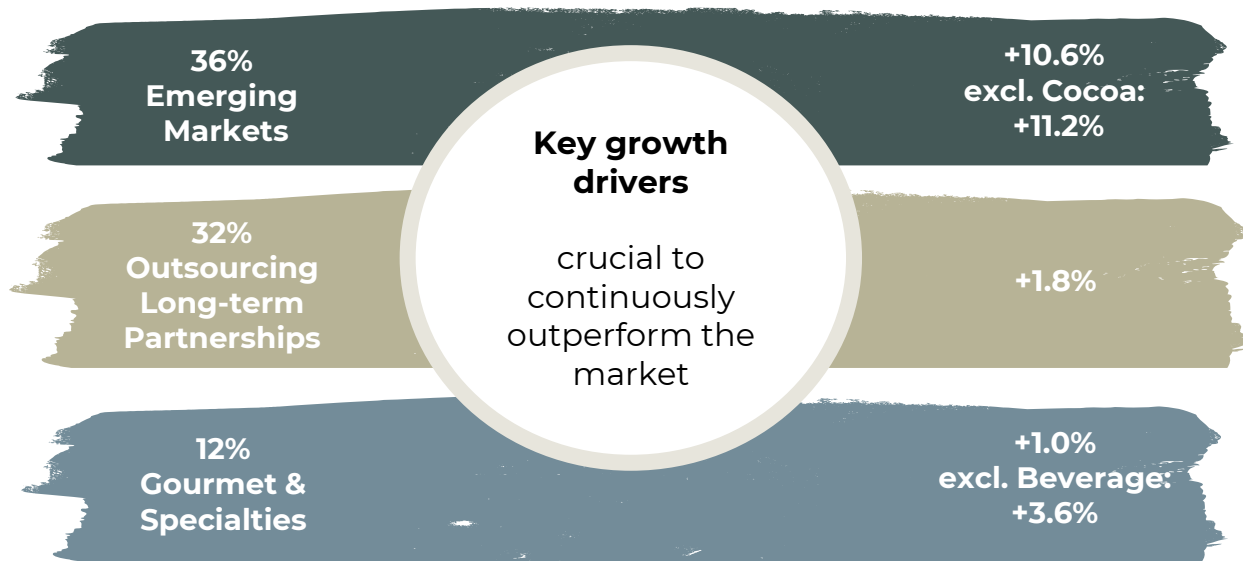
¹ Source: Nielsen, volume growth excluding e-commerce – 23 countries (excluding China/Indonesia), Aug 2019 to Jan/Feb 2020, data subject to adjustment to match Barry Callebaut's reporting period.

Highlights Half-Year Results 2019/20

All Key growth drivers contribute positively

**% of total
Group volume**

**% volume growth
vs. prior year**



Strong innovation pipeline and continued expansion



Introduction 'Cacaofruit Experience' including 'Wholefruit Chocolate'

SEP 2019



Change in Barry Callebaut's shareholder structure leads to higher liquidity and free float

NOV 2019



Ruby receives TMP as '4th Type of Chocolate' from FDA



3rd Forever Chocolate Progress Report

DEC 2019



Opening revamped CHOCOLATE ACADEMY in Banbury, UK

JAN 2020



New leadership in Region EMEA

FEB 2020



Introduction 100% dairy-free 'Milk Chocolate'



Mona Lisa introducing first Chocolate 3D-Printing at scale



2 'edie' Sustainability Awards for 'Business of the Year' and 'Leading Employee Engagement Program'

MAR 2020



Groundbreaking ceremony for new factory in Novi Sad, Serbia



Cocoa & Forest Initiative: >1.2m seedlings and >750k shade trees distributed in Côte d'Ivoire and Ghana

A hand is shown holding a chocolate mold. To the right, a 3D printer nozzle is printing a chocolate shell over a wireframe model of a vase or container. The background is a dark, textured surface with some chocolate shavings.

The power of **Innovation**

Mona Lisa 3D Studio – the world's first 3D Printing Studio to craft unseen chocolate experiences

Strong Innovation

Riding the trends

- Ruby enters the product category of ice cream with launches of 'Magnum Ruby' and 'Häagen-Dazs Ruby'.
- Introduction 100% dairy-free 'Milk Chocolate' as part of the growing indulgent 'Plant Craft' range.

Innovation on the core

- As first bean-to-bar chocolate brand in the world of this scale, Callebaut's cocoa mass is now traceable back to the farmer communities through a QR code on each pack of Callebaut Finest Belgian Chocolate.

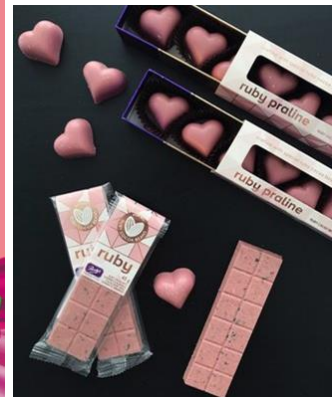
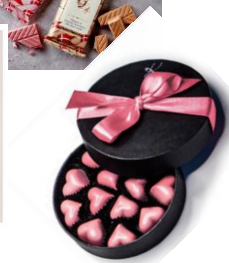
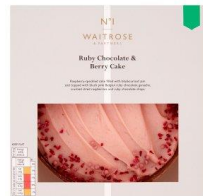
Tailor made

- Mona Lisa 3D Studio - The world's first 3D Printing Studio to craft unseen chocolate experiences.



Highlights Half-Year Results 2019/20

Valentine's Day was dressed in Ruby



FINANCIAL REVIEW

Half-Year Results 2019/20

Remco Steenberg, CFO

Strong volume growth and profitability

Group performance (in CHF million)	HY 2019/20	Change % Pro-forma ¹	
		in CHF	in local currencies
Sales volume (in tonnes)	1,103,728	+5.4%	n/a
Sales revenue	3,761.8	+2.4%	+5.8%
Gross profit	607.4	+3.2%	+6.1%
EBIT reported	303.5	+0.5%	+4.0%
EBIT (recurring) ²	311.5	+3.1%	+6.7%
EBIT per tonne (recurring) ²	282.2	-2.2%	+1.2%
Net profit for the period	203.7	+3.1%	+7.5%
Net profit for the period (recurring) ²	211.7	+7.1%	+11.6%
Free cash flow	-359.2	n/a	n/a
Adj. Free cash flow ³	-17.9	n/a	n/a

¹ Pro-forma adjusted for IFRS 16

² EBIT recurring and Net profit recurring excluding cost of CHF -8.0 million for the closure of the cocoa factory in Makassar, Indonesia

³ Adjusted for cocoa beans regarded by the Group as readily marketable inventories (RMI)

Growth supported by all Regions

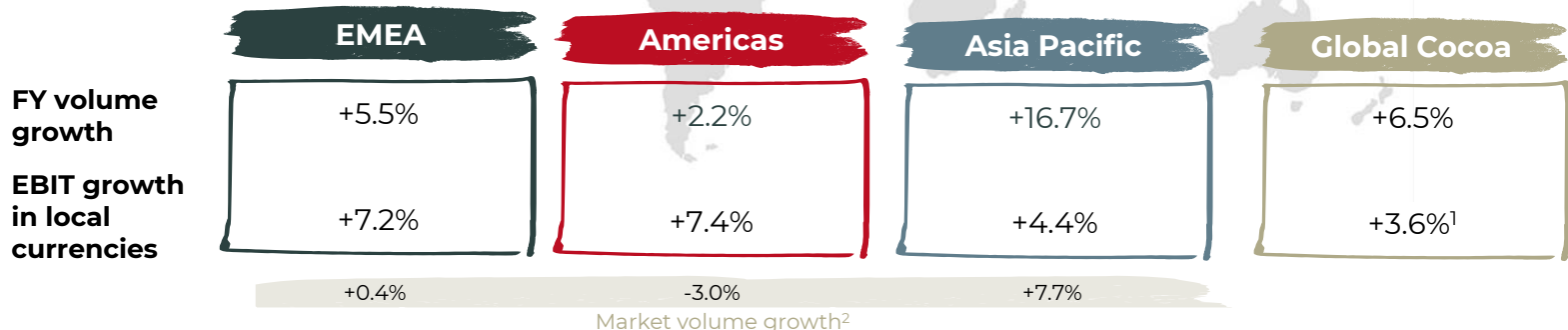
Group Sales volume:
1,103,728
tonnes

Americas
 287,482
 26%

EMEA
 507,177
 46%

Global Cocoa
 242,315
 22%

APAC
 66,754
 6%



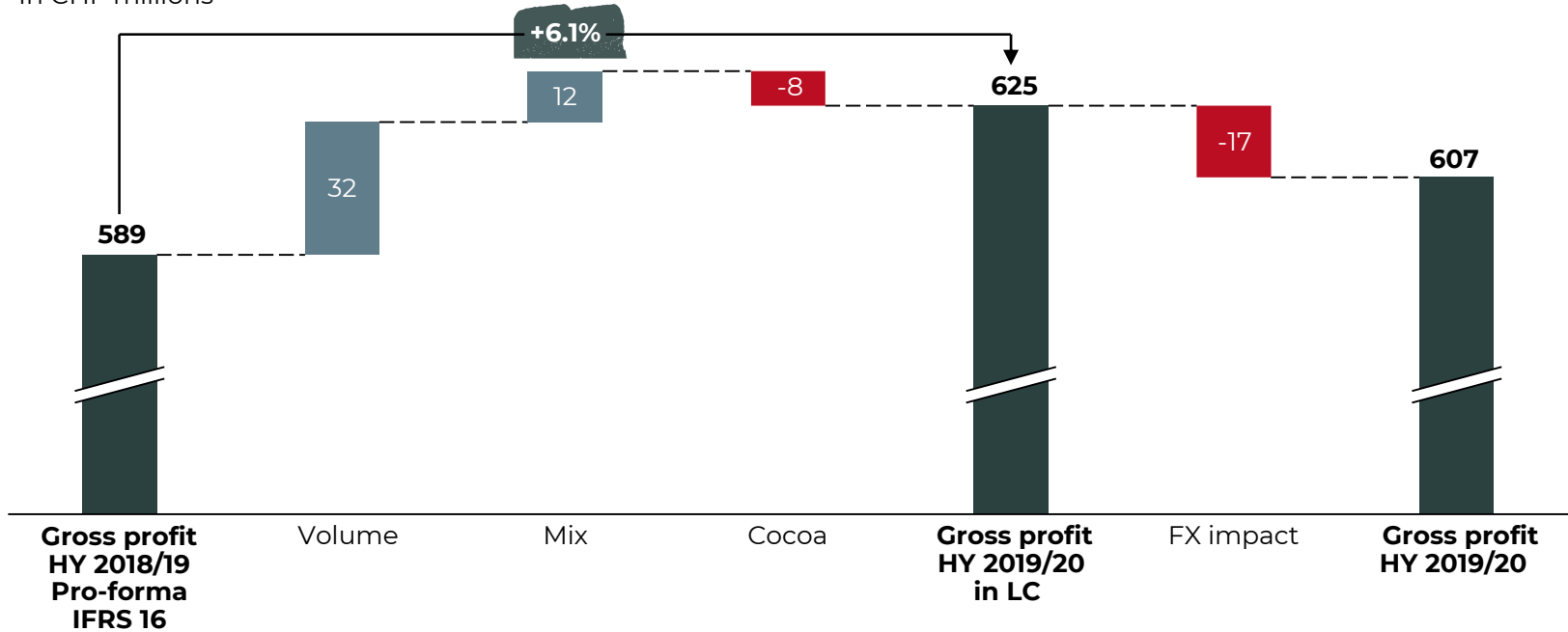
¹ EBIT excluding cost of CHF -8 million for the closure of the Cocoa factory in Makassar, Indonesia

² Source: Nielsen, volume growth excluding e-commerce – 23 countries (excluding China/Indonesia), August 2019 to January/February 2020, data subject to adjustment to match Barry Callebaut's reporting period.

Gross profit bridge

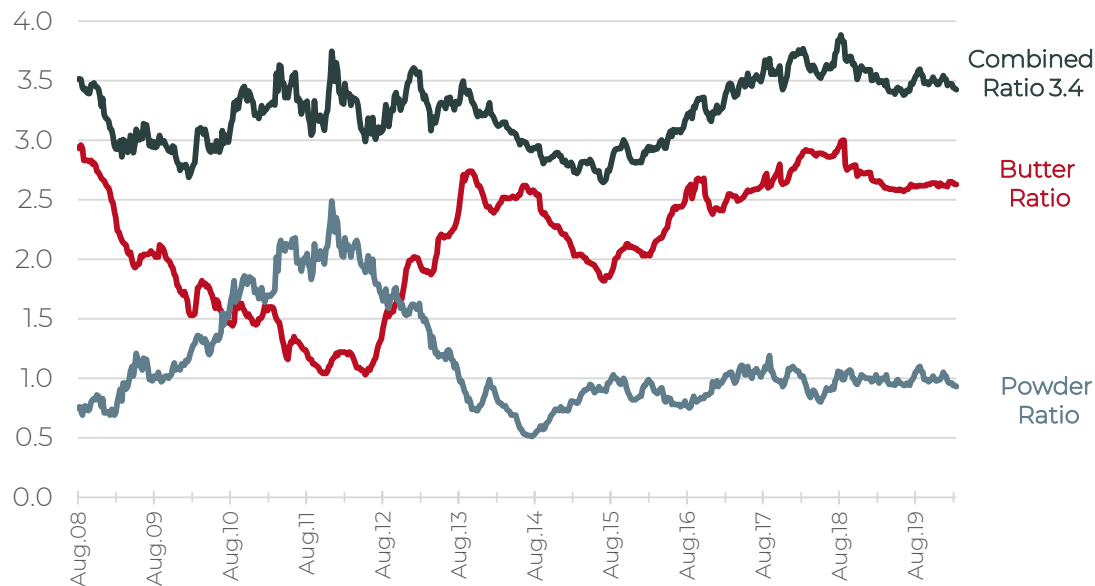
Gross profit up +6.1% in local currencies, mainly supported by good volume growth and positive mix

In CHF millions



Cocoa Combined Ratio development

European combined ratio – 6-month forward ratio



Directionally right...

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

However...

Many variables are not fixed e.g.

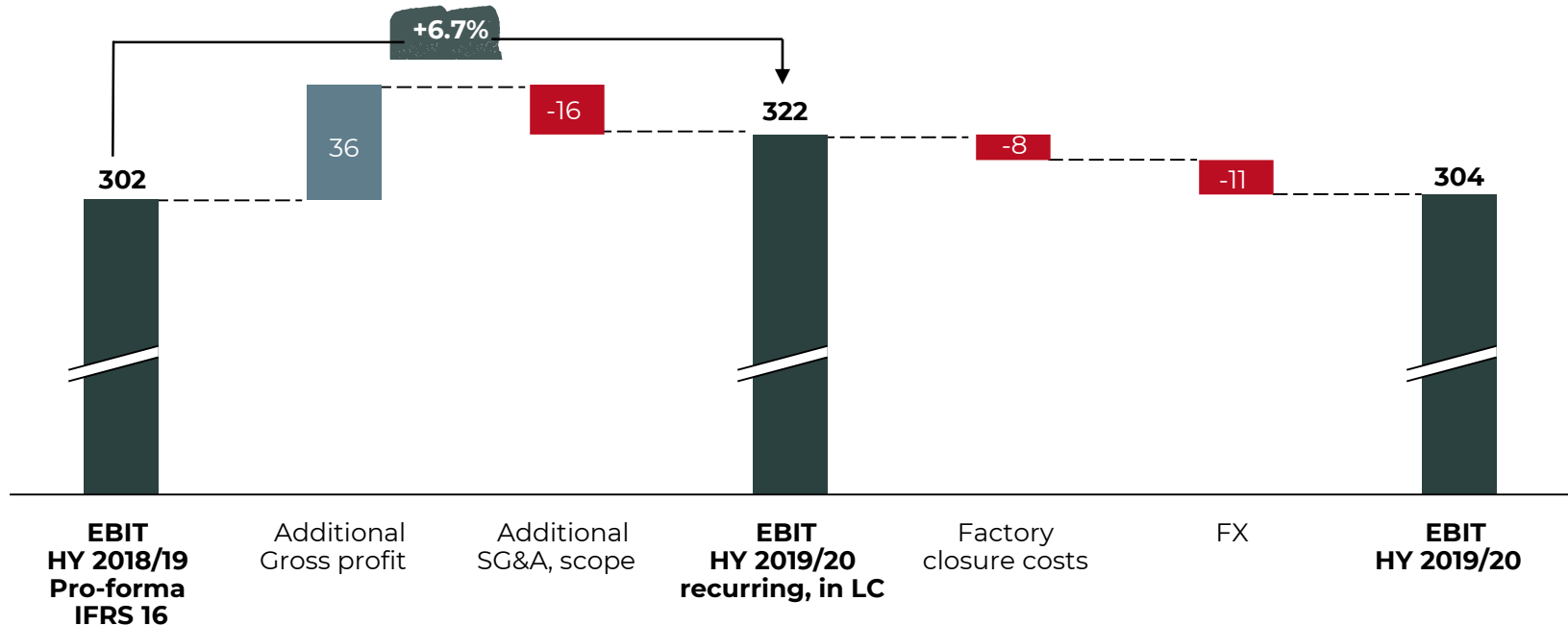
- Terminal market: outright levels, arbitrage (London vs. New York), market structure.
- Differentials: structure and origin differences.
- Forward pricing structure: butter and powder.
- Customer forward coverage: butter and powder.

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).

EBIT bridge

Operating profit (EBIT) recurring up by +6.7% in local currencies

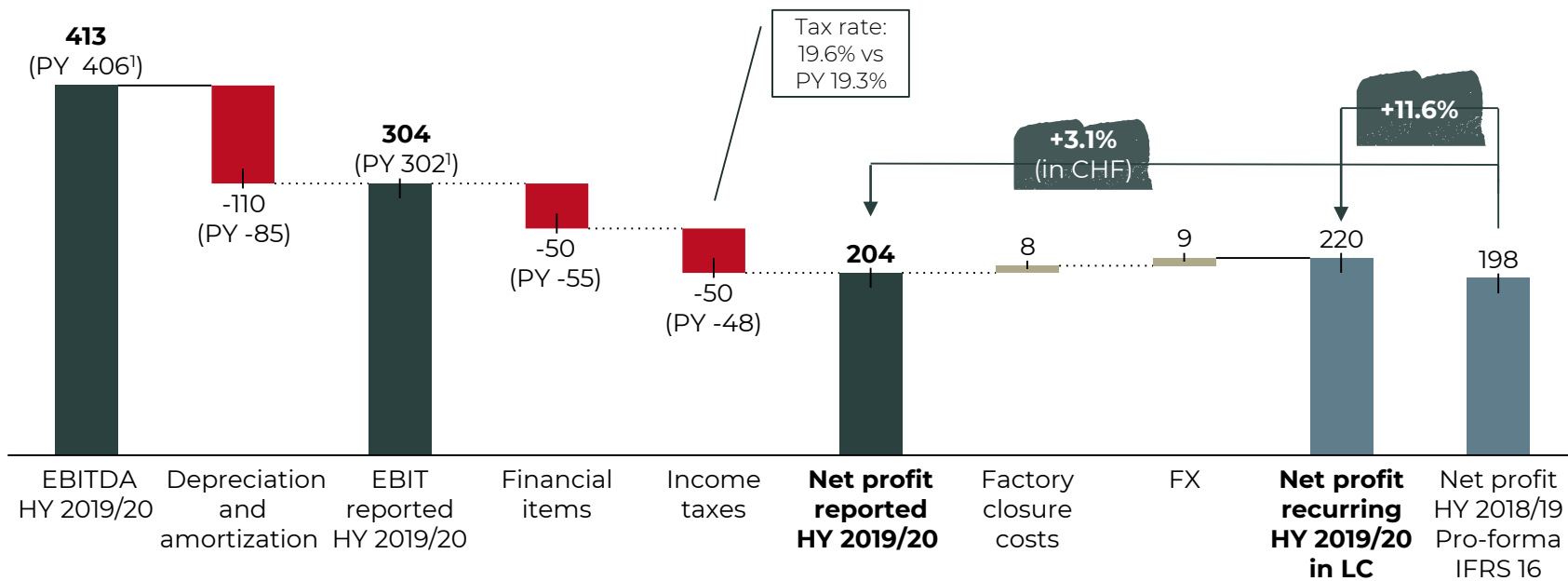
In CHF million



EBITDA to Net profit bridge

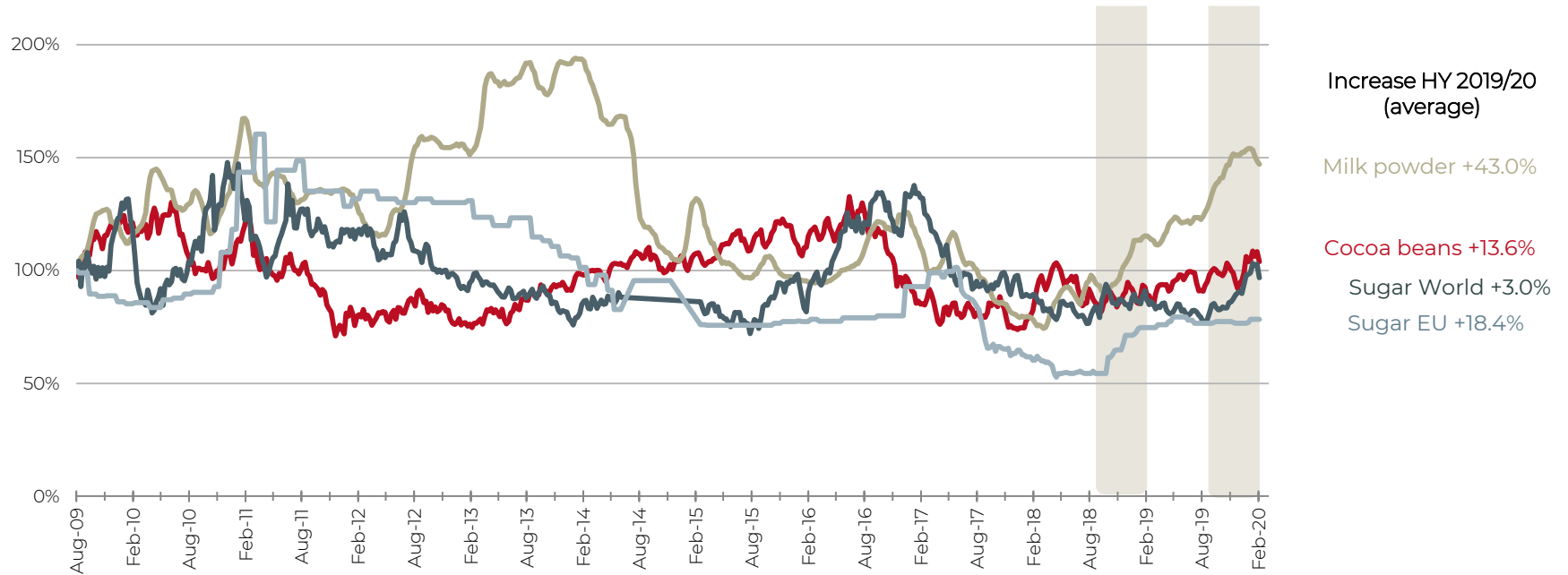
Net profit recurring up +11.6% in local currencies, as a result of improved profitability and lower financial items

In CHF million



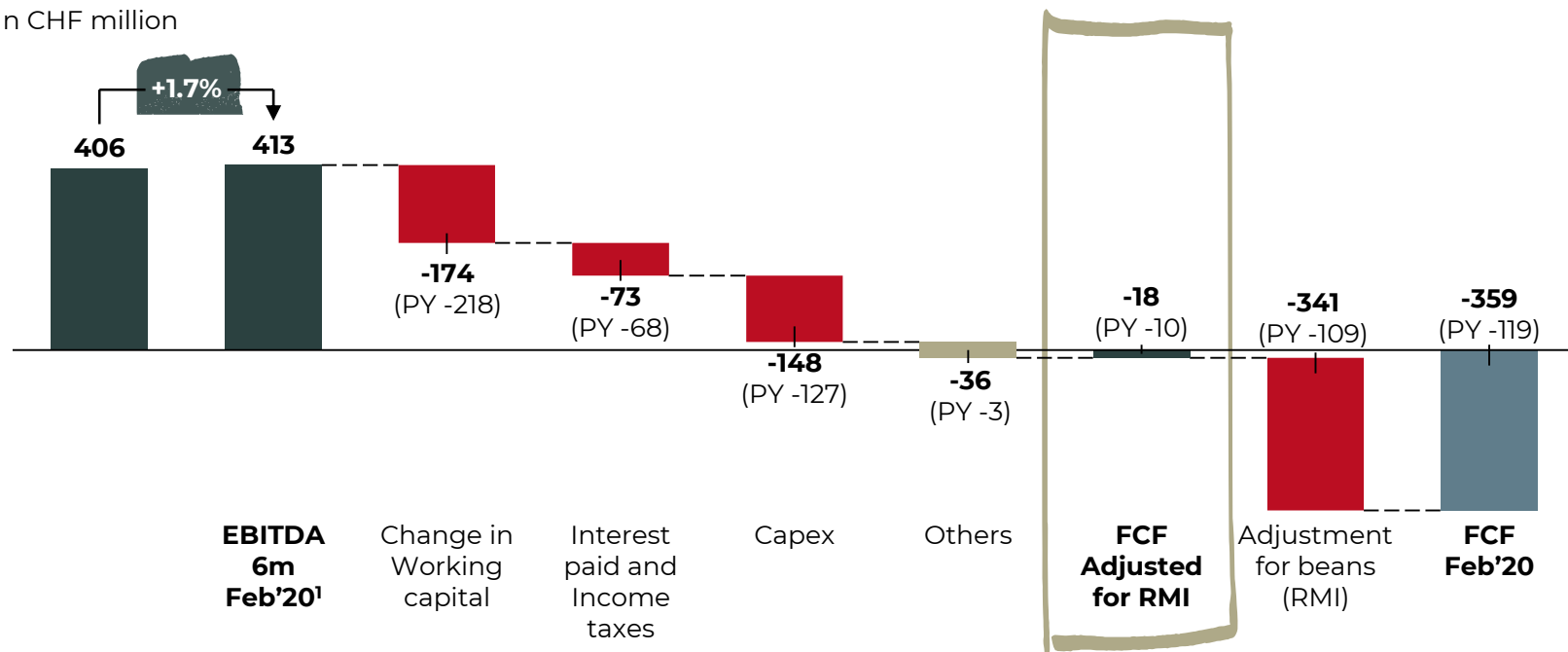
¹Prior-year pro-forma IFRS 16

Raw material price development



Adjusted Free cash flow similar as prior-year on the back of improved working capital management

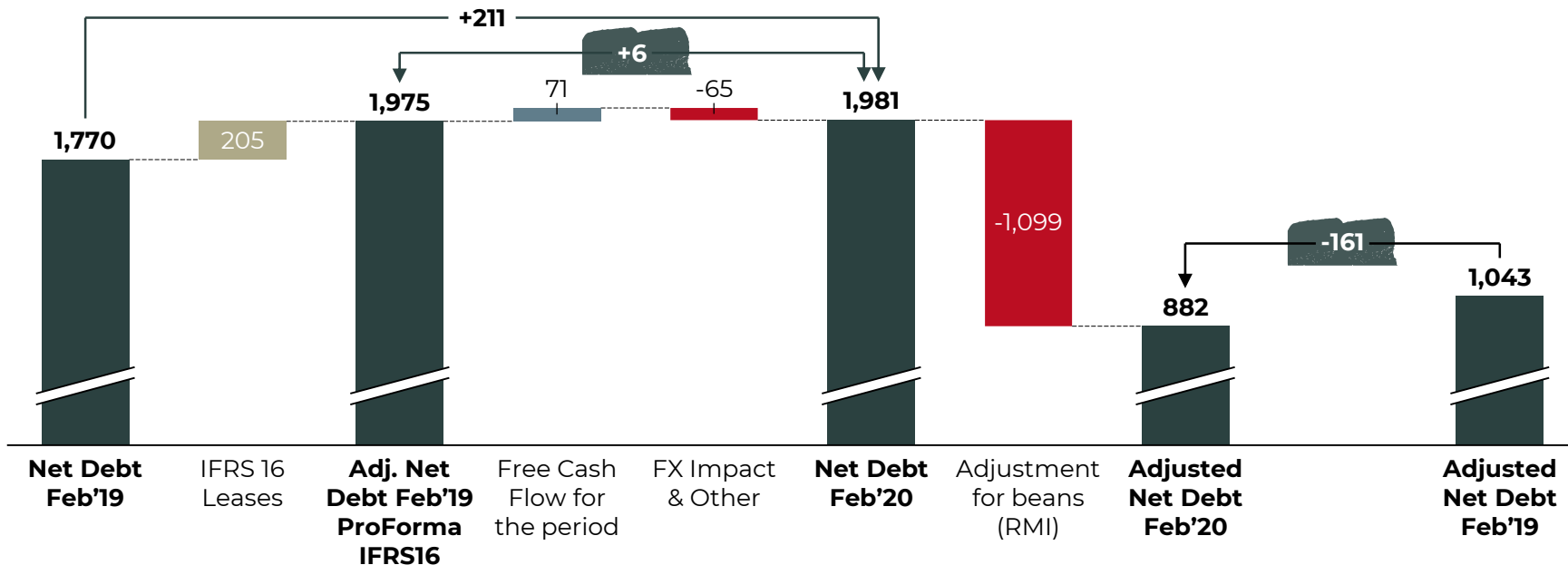
In CHF million



¹ EBITDA 6m Feb'20 excluding factory closure costs is 421m, +8.8% vs. Feb'19.
 PY – prior-year pro-forma IFRS 16 adjusted

Net debt flat versus prior year excluding IFRS 16 adoption. Adjusted for RMI, Net debt decreased

In CHF million



Balance sheet

(in CHF million)	Feb 20	Aug 19 Pro-forma ¹	Feb 19 Pro-forma ¹
Total assets	7,550	6,712	7,024
Net working capital	1,838	1,363	1,762
Non-current assets	2,854	2,857	2,846
Net debt	1,981	1,510	1,975
<i>Adj. Net debt²</i>	<i>882</i>	<i>817</i>	<i>1,043</i>
Shareholders' equity	2,403	2,399	2,384
Debt / Equity ratio	0.8x	0.6x	0.8x
<i>Adj. Debt / Equity ratio²</i>	<i>0.4x</i>	<i>0.3x</i>	<i>0.4x</i>
Solvency ratio	31.8%	35.7%	33.9%
Net debt / EBITDA	2.3x	1.9x	2.3x
<i>Adj. Net debt / EBITDA²</i>	<i>1.1x</i>	<i>1.2x</i>	<i>1.5x</i>
ROIC³	11.4%	12.5%	11.4%
ROE³	17.0%	16.3%	16.9%

¹ Pro forma adjusted for IFRS 16 effect

² Net Debt adjusted for cocoa beans considered as RMI

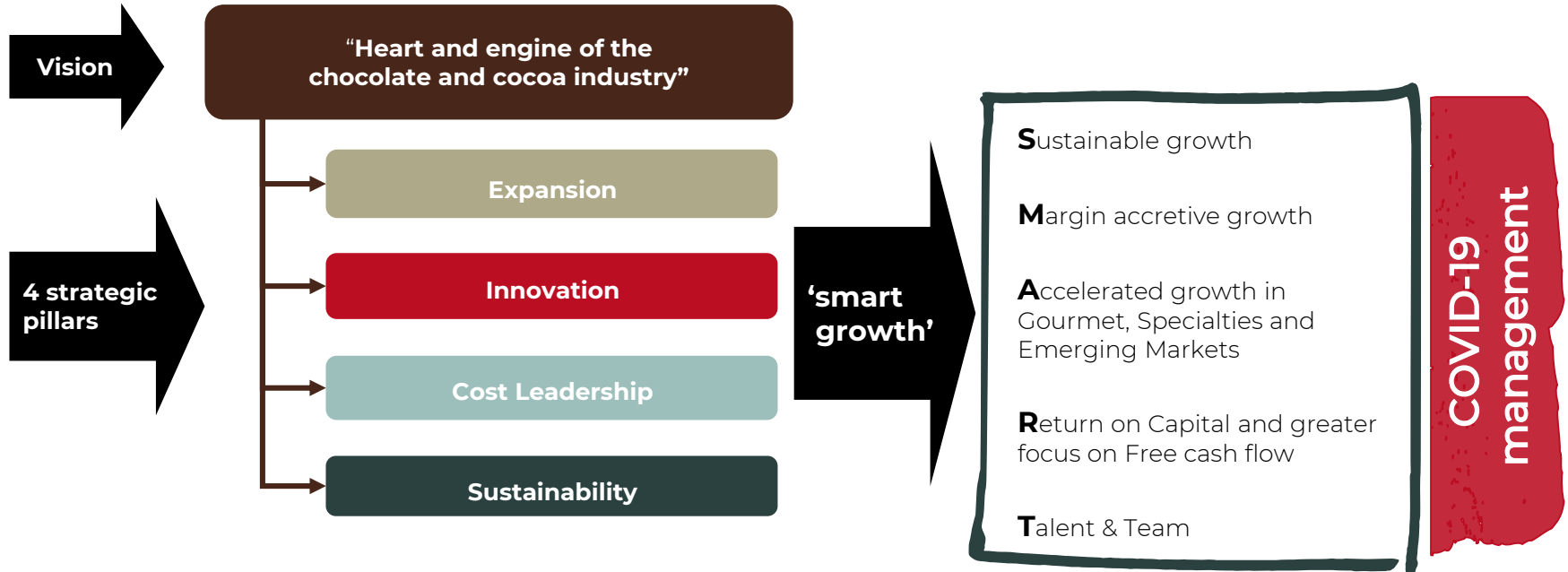
³ ROIC and ROE on a recurring basis, excluding the one-off cost for the closure of the cocoa factory in Makassar (Indonesia) and IFRS 16 pro-forma effect

STRATEGY & OUTLOOK

Half-Year Results 2019/20

Antoine de Saint-Affrique, CEO

Consistent long-term strategy – strong execution



COVID-19 – Care and serve

Put in place precautionary measures to provide **safe working environment** and maintain **business continuity**:

- Set up of dedicated teams at global and regional levels.
- Initial team segregation in offices and factories.
- Early strong sanitary measures on:
 - Personal/Social distancing
 - Self isolation
 - Sanitation and disinfection
- IT capabilities upgrade: VPN.
- Tight and fast paced governance.

THANK YOU to all our people in the factories, warehouses and offices, as well as our suppliers and customers, who are as committed, engaged and passionate as ever to produce and distribute food at this challenging time. Your hard work in producing the chocolate and cocoa for essential food products across the world is **truly inspiring**.

Thank you for your continuous support. And together, we will get through this as **ONE Barry Callebaut family!**

COVID-19 – how we are impacted

Impact on our network

To date, we have not experienced any major disruption to our operations.

- **APAC:** No major disruptions, despite some temporary factory closures mandated by governmental lockdowns.
- **EMEA and Americas:** No major disruptions.
- **Global Cocoa:** No major disruptions.

Impact on our supply chain

- To date, no major disruption to our operations.
- Contingency plans are in place, which we will continue to review and adapt in line with the changing situation.

Impact on our businesses

As the COVID-19 pandemic progresses, it's too early to establish the full business impact.

- **Food Manufacturers** and **Global Cocoa** are less affected.
- **Gourmet & Specialties** volumes are impacted due to governments' restrictions on the access to shops and restaurants.

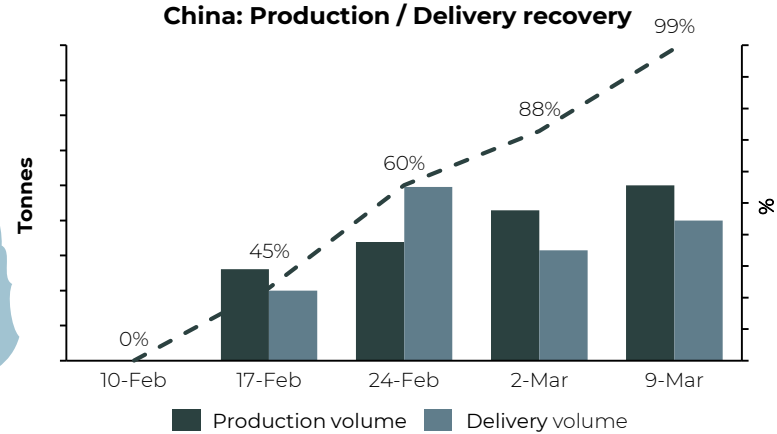
Impact on our financing

- We remain to have a **sound financing** of the company / Balance sheet, with no maturities until 2023.
- As a precautionary measure and to **increase access to liquidity**, we have drawn 100% of our EUR 1 billion Revolving Credit Facility for the period of six months.

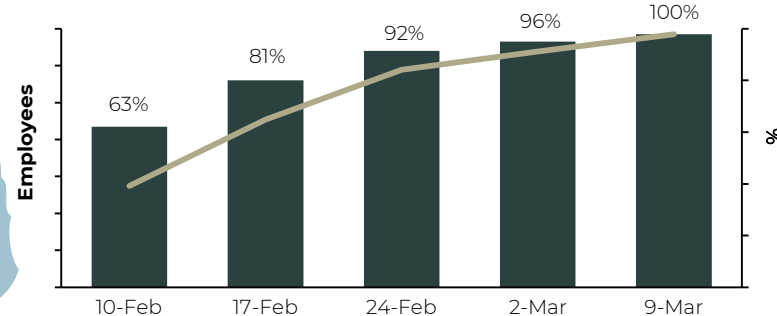
Post COVID-19 learnings from China

- China was the first country to be impacted by the COVID-19 pandemic.
- Sharp slowdown in the Gourmet business in February 2020, particularly in the high-end segment.
- Factory in China restarted production on February 20, 2020. Production and delivery recovered rapidly.
- Accelerating digital channels in China.
- It's important to be prepared and present in distribution channels when demand picks up.

China: Production / Delivery recovery



China: Employee 'back to work' status



Outlook – adapt to and overcome the pandemic



COVID-19 is a major unforeseen event. While we have put in place precautionary measures to support the continuation of our operations, its **impact on business growth and profitability cannot be quantified at this stage** as it depends on the duration and severity of the pandemic. In the meantime, we **remain committed to our mid-term guidance** for the period ending with fiscal year 2021/22.

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

Volume growth of +4-6% and EBIT growth above volume growth in local currencies, barring any major unforeseen events.



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STORIES

THANK YOU



Q&A session



Antoine de Saint-Affrique, CEO



Remco Steenberg, CFO