



**Roadshow  
Presentation  
Full-Year Results  
2021/22**

**November, 2022**



## 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.

Actual results may vary materially from those targeted, expected or projected due to several factors. The principal risk factors that may negatively affect Barry Callebaut's future financial results are disclosed in more detail in the Annual Report 2020/21 and include, among others, general economic and political conditions, foreign exchange fluctuations, competitive product and pricing pressures, the effect of a pandemic/epidemic, a cyber event or a natural disaster, 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 November 2, 2022. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.

# Barry Callebaut at a **GLANCE**

Barry Callebaut at a glance - Who are we?

# Creating chocolate happiness, one joyous moment at a time

We are the heart and engine of the chocolate and cocoa industry



**FOREVER  
CHOCOLATE**

120 years of  
Chocolate  
experience

Big enough to  
matter, small  
enough to care



**37.4  
million**

premiums  
generated from  
Cocoa Horizons  
products (in CHF)



**1 out of 2**

products sold  
containing 100%  
sustainable cocoa or  
chocolate



**26**

CHOCOLATE  
ACADEMY™  
Centers



More than

**225,000**

chocolate professionals  
trained online and offline  
in 2021/22



**66**

factories  
worldwide



More than

**13,000**

Employees



More than

**175 years**

of chocolate heritage



Selling to

**144**

countries

Sales revenue  
**8.1 billion**

In tonnes

Sales volume  
**2.3 million**

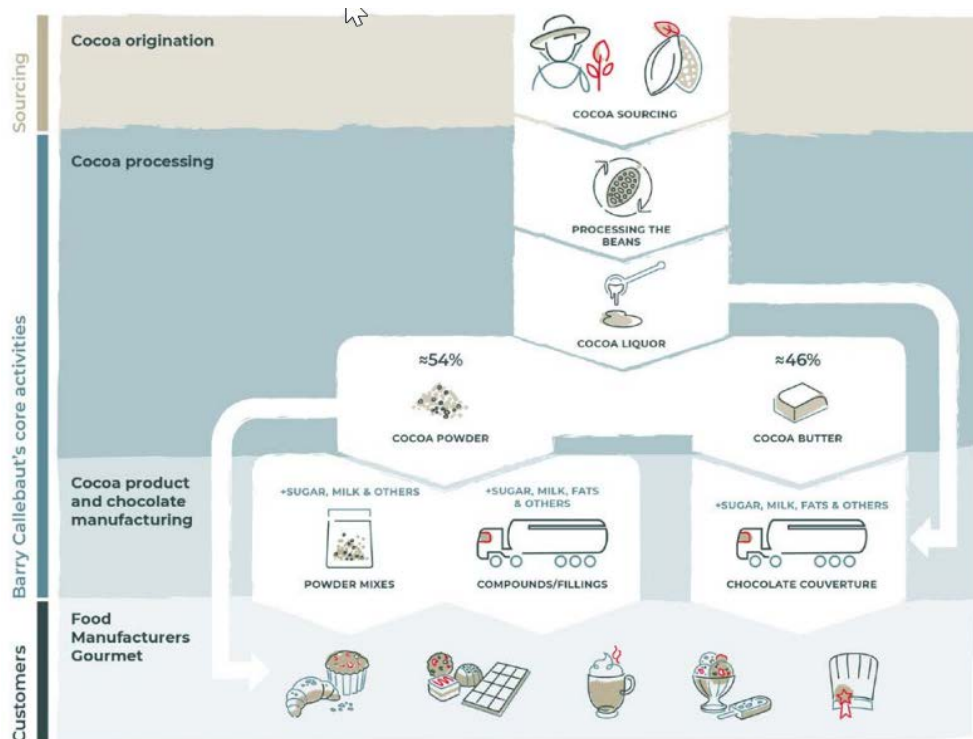
Volume growth  
**+5.3%**

EBIT (recurring)<sub>1</sub>  
**624.7**

In CHF million

BC at a glance - What do we do?

# We are present in the key parts of the cocoa and chocolate value chain

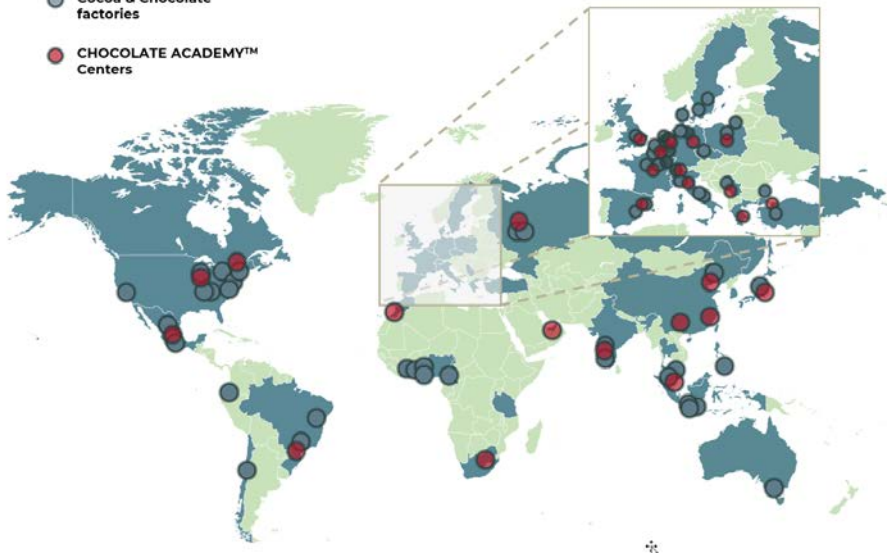


From the cocoa bean to cocoa and chocolate products

Barry Callebaut at a glance - What do we do?

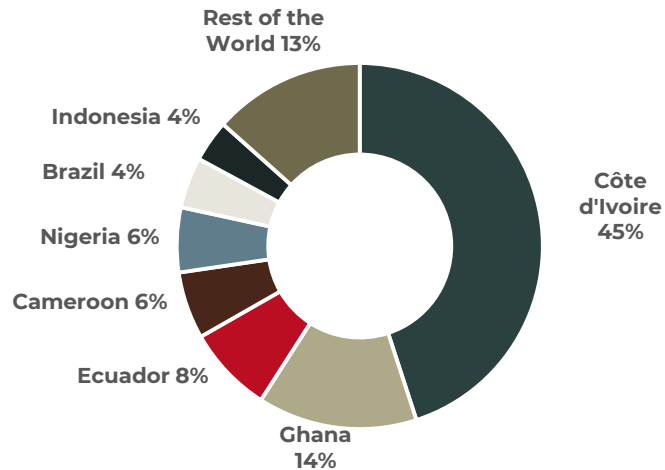
# A global footprint and local service: over 60 factories worldwide and strong roots in origin countries

- Cocoa & Chocolate factories
- CHOCOLATE ACADEMY™ Centers



Cocoa factories in countries of origin and chocolate factories close to our customers. With our 26 CHOCOLATE ACADEMY™ Centers worldwide we are at the pulse of any trends in the industry.

**Total world harvest (2021/22E): 4,890 TMT**






Source: ICCO Quarterly Bulletin of Cocoa Statistics, August 31, 2022

West Africa is the world's largest cocoa producer

Barry Callebaut at a glance – offering and business model

# A broad offering with cost-plus model for majority of business

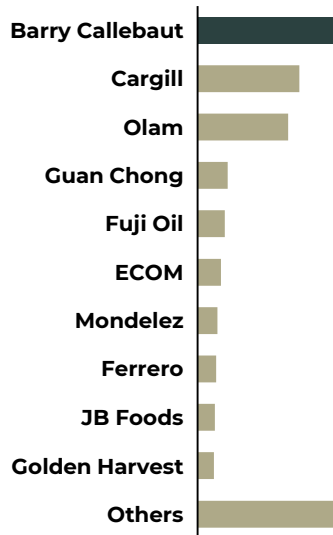
|                       | <b>Cocoa Products</b>   | <b>Food Manufacturers</b>  | <b>Gourmet &amp; Specialties</b>  |
|-----------------------|---|--|---|
| <b>% share:</b>       | <b>20%* of volume</b>   | <b>67%* of volume</b>  | <b>13%* of volume</b>   |
| <b>Customer:</b>      | <b>Small, medium and global Food Manufacturers</b>                                | <b>Small, medium and global Food Manufacturers</b>                                 | <b>Professionals, Food Chains, Distributors, HORECA</b>                             |
| <b>Pricing:</b>       | <b>Market prices, cost-plus (partly)</b>  | <b>cost-plus</b>   | <b>Price List</b>   |
| <b>Profit Levers:</b> | <b>Global set-up, Customer / Product mix, Combined ratio</b>                      | <b>Customer / Product mix, Economies of scale</b>                                  | <b>Expansion global brands, Adjacent products, Innovation / Sustainability</b>      |
| <b>Products:</b>      |  |  |  |

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

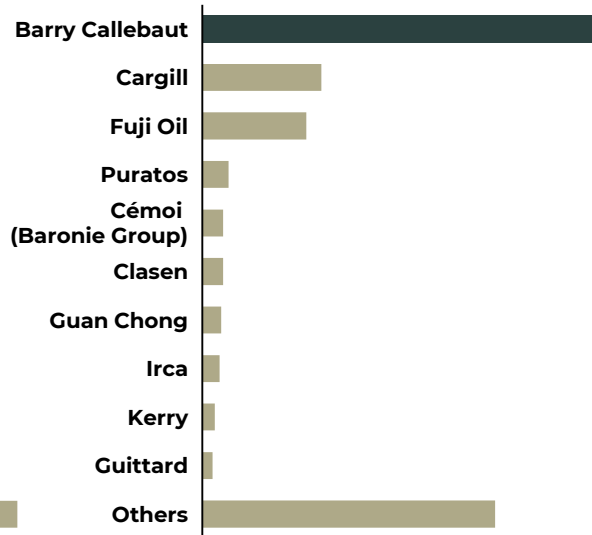
\* Percentage of FY 2021/22 Group sales volume

# A strong global market leader

## Cocoa grinding capacity (kMT)



## Industrial Chocolate (open market – kMT)



Note: Cargill including Aalst, Fuji Oil including Harald and Blommer, Guan Chong including Schokinag

Source: BC proprietary estimates

## Market impact





# HIGHLIGHTS



## Strong results, on track to achieve mid-term guidance

- Sales **volume up +5.3%**, with solid chocolate performance (+5.9%)
- Sales revenue of CHF 8.1 billion, up +14.6% in local currencies (+12.3% in CHF)
- Operating profit **(EBIT) recurring<sup>1</sup> of CHF 624.7 million, up +13.5%** in local currencies (+10.2% in CHF). EBIT reported of CHF 553.5 million, up +0.1% in local currencies (-2.3% in CHF)
- **Net profit recurring<sup>1</sup> of CHF 428.5 million, up +14.1%** in local currencies (+11.4% in CHF). Net profit reported of CHF 360.9 million, down -4.7% in local currencies (-6.1% in CHF)
- **Continued good cash generation** with adjusted Free cash flow<sup>2</sup> of CHF 358.5 million
- **On track to achieve mid-term guidance<sup>3</sup>**
- Proposed **stable dividend of CHF 28.00 per share** 43% payout ratio



<sup>1</sup> Please refer to slide 13 for the detailed recurring results reconciliation.

<sup>2</sup> Free cash flow adjusted for the cash flow impact of cocoa bean inventories regarded by the Group as RMI.

<sup>3</sup> On average for the 3-year period 2020/21 to 2022/23: volume growth 5-7% and EBIT above volume growth in local currencies, barring any major unforeseeable events.

Highlights Full-Year Results 2021/22

## Wieze back on stream!

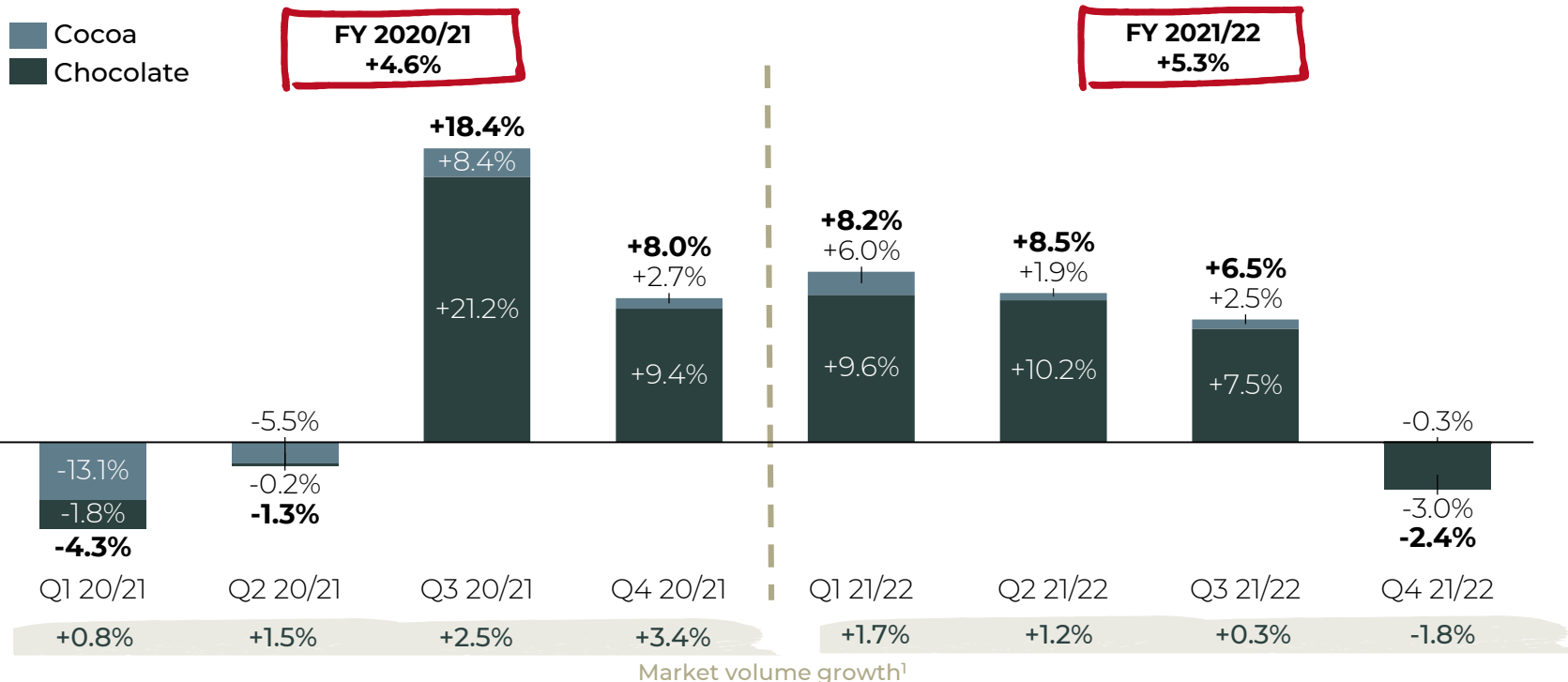
- Since late October 2022 the Wieze factory is back on stream at normal capacity after the Salmonella incident
- The Group expects to still experience an impact in the first quarter 2022/23, linked to the catch-up on delayed volume

**A big 'THANK YOU' to all colleagues involved for their relentless work in the cleaning and all our customers for their loyalty and cooperation!**



Highlights Full-Year Results 2021/22

# Solid chocolate performance



<sup>1</sup> Source: Nielsen volume growth excluding e-commerce, September 2021 to August 2022 - 25 countries, data subject to adjustment to match Barry Callebaut's reporting period. Nielsen data only partially reflects the out-of-home and impulse consumption.

Highlights Full-Year Results 2021/22

# All Key growth drivers contributing

**% of total  
Group volume**

**% volume growth  
vs. prior year**

**38%  
Emerging  
Markets**

**+7.9%**

**34%  
Outsourcing,  
Long-term  
Partnerships**

**+4.8%**

**13%  
Gourmet &  
Specialties**

**+22.5%**



# Key milestones

**October 2021**



Opening of 'The Chocolate Box', the world's largest and most sustainable chocolate warehouse

Inauguration of chocolate factory in Novi Sad, Serbia



Launch of ELIX – the first nutraceutical fruit drink



**December 2021**



CDP scores Barry Callebaut on 'A List', as a global climate leader with a score of 'A-'



Recognized as Supplier Engagement Leader by CDP

**February 2022**

Launch of Callebaut NXT 100% plant-based chocolate



**March 2022**



Expansion of Australian chocolate factory completed

**September 2021**



Extension of strategic supply agreement



Extension of strategic outsourcing agreement with Bimbo

**April 2022**

Barry Callebaut to build new specialty chocolate factory in Brantford, Canada



First cocoa export facility and Farm of the future in Ecuador



New CHOCOLATE ACADEMY™ in Casablanca, Morocco



Business Excellence Center in Asia Pacific opened

**May 2022**



Long-term distribution agreement with Levapan to expand in Latin America

**June 2022**

Restart first production lines in Wizee



Relocate Office and Chocolate ACADEMY™ in Shanghai, China



Sustainalytics ranks Barry Callebaut #1 for management of ESG risks

**August 2022**

# Innovation, another year of highlights

## Driving on-trend innovation

Providing solutions for consumer desires on 'mindful indulgence', 'better-for-you' and 'the planet' with

- **Callebaut NXT** for vegan, plant-based, lactose-free & Dairy-free delights
- Cacao Barry **Evocao™, WholeFruit** Chocolate
- **ELIX** – the first nutraceutical fruit drink
- **2nd Generation Chocolate** – Great taste, less ingredients

## Enable customer segment innovation

- Wide array of **segment led innovation** in Baking solutions, Snack Bar solutions, Ice cream solutions, HoReCa solutions and Healthy food.

## Co-creation with customers

- **Become solution partner**, relevant for all brands and Private Label
- Choco LAB in Banbury, UK with integrated bakery



## Launching the second generation of chocolate

- Breakthrough innovation by **redesigning how chocolate is made**
- Enables brands and artisans to be fit for what consumers desire: food and drinks paying **homage to nature's flavors** while supporting them to live more healthily
- **Great taste, less ingredients** chocolate is only made from cocoa and sugar (Dark) and milk (Milk chocolate)
- The second generation of chocolate contains: **50% less sugar than 80% of the chocolate** consumed across the world.





# FINANCIAL REVIEW

Financial review – Key figures

## Recurring results reconciliation

### Brazil indirect tax recovery

- Recovery of indirect tax credits for prior fiscal periods applicable to all taxpayers
- Positive one-off effect of CHF 13.6 million, mainly in Global Cocoa and Region Americas

### Salmonella incident Wieze factory in Belgium

- Reported results including lost volume and related profits
- Net one-off impact of CHF -76.9 million includes cost for cleaning, destruction and transportation, estimated costs of fulfilling contractual obligations, net of insurance

### Closure chocolate factory Moreton, UK

- Better balance capacity and demand, allow focused investment to modernize footprint in the UK market
- One-off cost of CHF -7.8 million in Region EMEA

| 2021/22  |        |          |              |              | Group (incl. Corporate) |
|--|--------|----------|--------------|--------------|-------------------------|
| in CHF million   | EMEA   | Americas | Asia Pacific | Global Cocoa |                         |
| EBITDA   | 351.4  | 280.6    | 75.6         | 175.7        | 789.4                   |
| Brazilian indirect tax credits   |        | 2.5      |              | 11.0         | 13.5                    |
| Net one-off impact related to salmonella incident at factory in Wieze, Belgium | (76.9) |          |              |              | (76.9)                  |
| Costs related to the closure of the chocolate factory in Moreton, UK           | (7.8)  |          |              |              | (7.8)                   |
| EBITDA (recurring)   | 436.1  | 278.1    | 75.6         | 164.7        | 860.6                   |
| Operating profit (EBIT)  | 267.2  | 223.5    | 59.1         | 102.5        | 553.5                   |
| Brazilian indirect tax credits   |        | 2.5      |              | 11.0         | 13.5                    |
| Net one-off impact related to salmonella incident at factory in Wieze, Belgium | (76.9) |          |              |              | (76.9)                  |
| Costs related to the closure of the chocolate factory in Moreton, UK           | (7.8)  |          |              |              | (7.8)                   |
| Operating profit (EBIT, recurring)   | 351.9  | 221.0    | 59.1         | 91.5         | 624.7                   |
| Net profit for the year  |        |          |              |              | 360.9                   |
| Brazilian indirect tax credits (incl. financial income)                        |        |          |              |              | 14.9                    |
| Net one-off impact related to salmonella incident at factory in Wieze, Belgium |        |          |              |              | (76.9)                  |
| Costs related to the closure of the chocolate factory in Moreton, UK           |        |          |              |              | (7.8)                   |
| Tax effect of non recurring items  |        |          |              |              | 2.2                     |
| <b>Net profit for the year (recurring)</b>                                     |        |          |              |              | <b>428.5</b>            |

## Strong results, notable impact of Wieze in fourth quarter

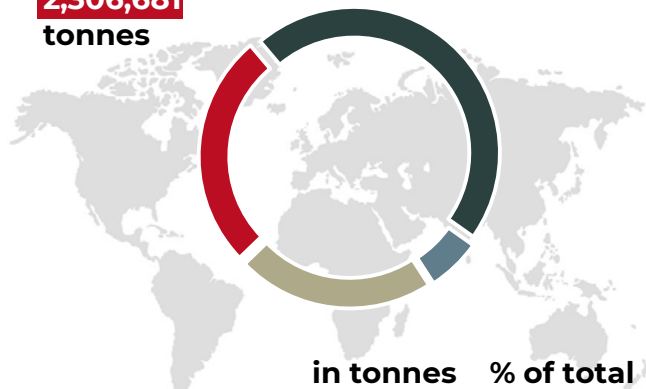
| Group performance (in CHF million)               | FY 2021/22 | Change in %         |        |
|--|------------|---------------------|--------|
|  |            | in local currencies | in CHF |
| Sales volume (in tonnes)                         | 2,306,681  | n/a                 | 5.3%   |
| Sales revenue                                    | 8,091.9    | 14.6%               | 12.3%  |
| Gross profit                                     | 1217.2     | 8.4%                | 6.1%   |
| EBIT reported                                    | 553.5      | 0.1%                | -2.3%  |
| EBIT (recurring) <sup>1</sup>                    | 624.7      | 13.5%               | 10.2%  |
| EBIT per tonne (recurring) <sup>1</sup>          | 270.8      | 7.8%                | 4.7%   |
| Net profit for the year                          | 360.9      | -4.7%               | -6.1%  |
| Net profit for the year (recurring) <sup>1</sup> | 428.5      | 14.1%               | 11.4%  |
| Free cash flow                                   | 266.2      | n/a                 | n/a    |
| Adj. Free cash flow <sup>2</sup>                 | 358.5      | n/a                 | n/a    |

1 Please refer to slide 13 for the detailed recurring results reconciliation.

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

Financial review – Key performance indicators by Region

# All Regions contributed to growth, Global Cocoa rebound in profitability as expected

**Group Sales volume:**
**2,306,681**  
tonnes


|              | in tonnes | % of total |
|--------------|-----------|------------|
| EMEA         | 1,040,019 | 45%        |
| Americas     | 649,389   | 28%        |
| GlobalCocoa  | 456,970   | 20%        |
| Asia Pacific | 160,304   | 7%         |

**Volume growth**
**BC**
**Market<sup>1</sup>**
**EBIT growth in LC**
**reported**
**recurring<sup>2</sup>**
**EMEA**

+4.3%

-1.3%

-15.6%

+10.5%

**Americas**

+6.4%

+0.7%

+16.0%

+14.8%

**Asia Pacific**

+15.8%

+11.0%

+2.9%

+2.9%

**Global Cocoa**

+2.5%

n/a

+19.7%

+7.5%

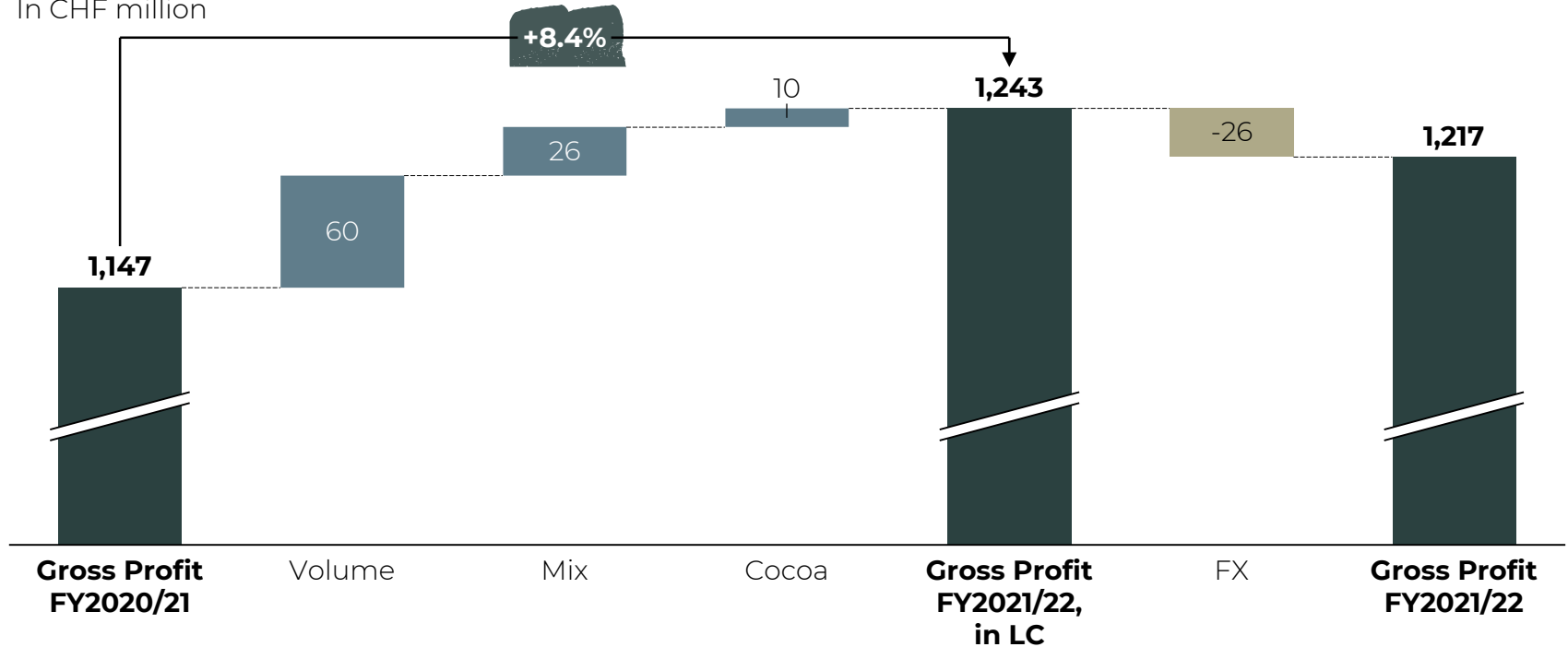
<sup>1</sup> Source: Nielsen, volume growth excluding e-commerce – 25 countries, September 2021 to August 2022, data subject to adjustment to match Barry Callebaut's reporting period.

Nielsen data only partially reflects the out-of-home and impulse consumption. Asia Pacific 5 countries, excluding Australia and Japan.

<sup>2</sup> Please refer to slide 13 for the detailed recurring results reconciliation.

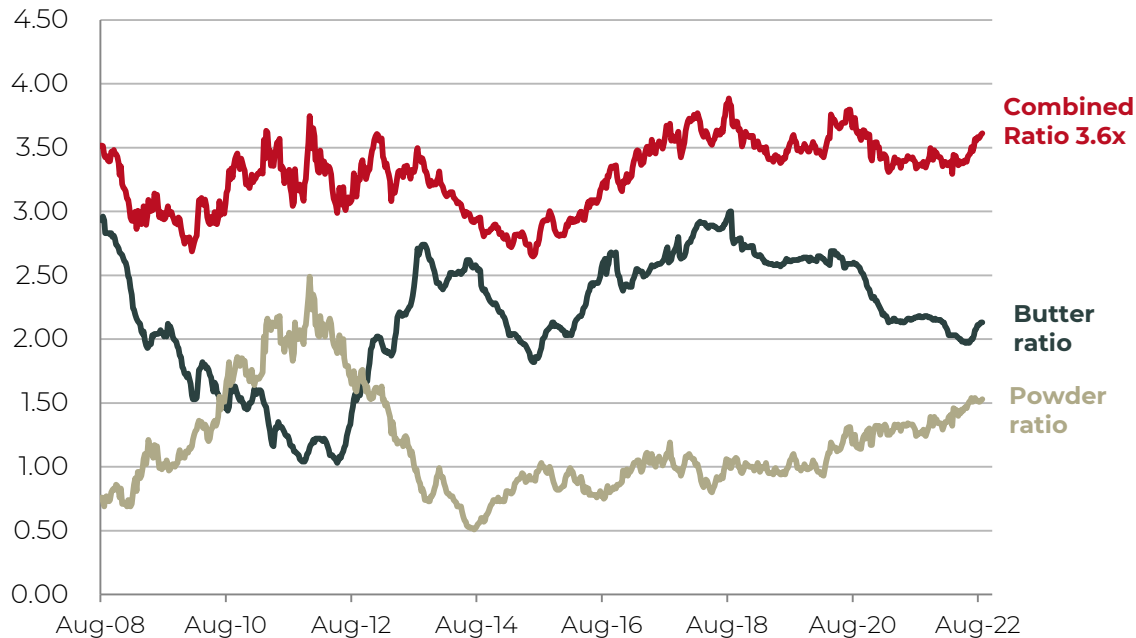
# Strong volume and mix, Cocoa back to positive contribution

In CHF million



# Cocoa Combined Ratio development

## 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).

### Combined Ratio gives broad indication...

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

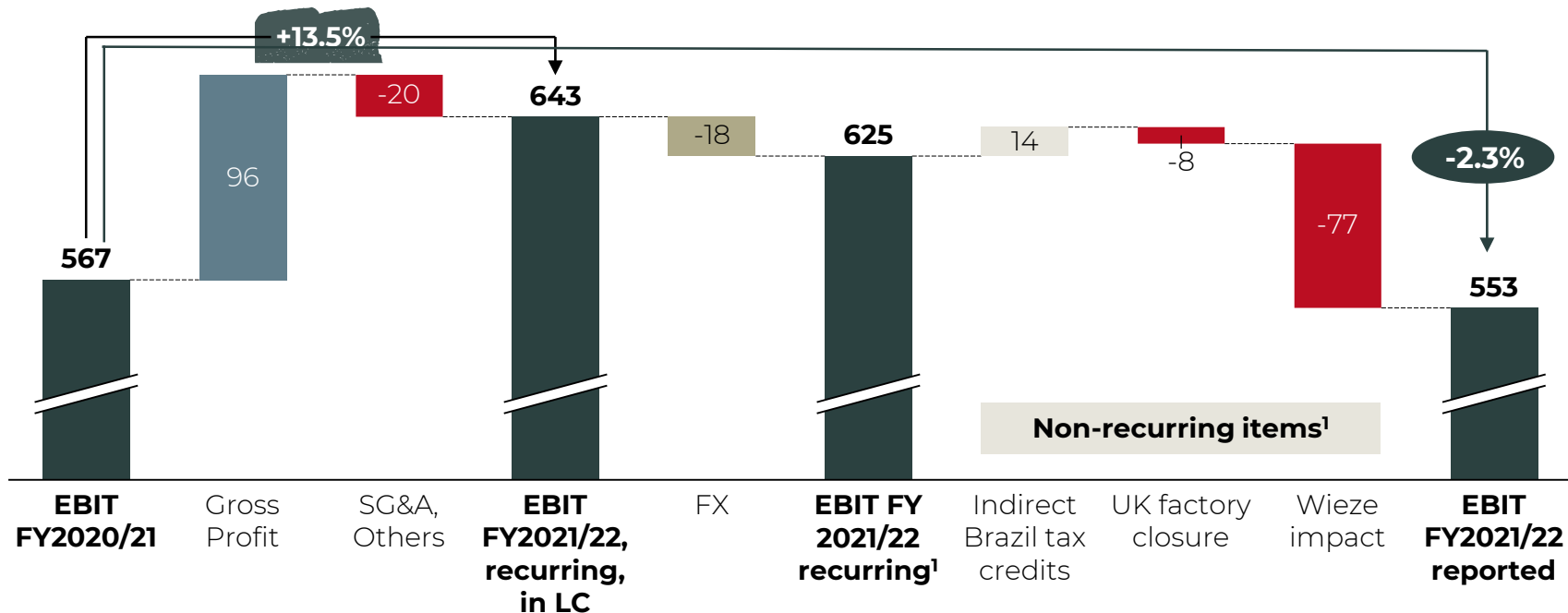
### However...

Many variables are not fixed e.g.

- Terminal market: outright levels, arbitrage (London vs. New York), market structure.
- Differentials: structure and origin differences, Living Income Differential (LID) in Côte d'Ivoire and Ghana.
- Forward pricing structure: butter and powder.
- Customer forward coverage: butter and powder.

# Strong growth in EBIT before non-recurring items

In CHF million

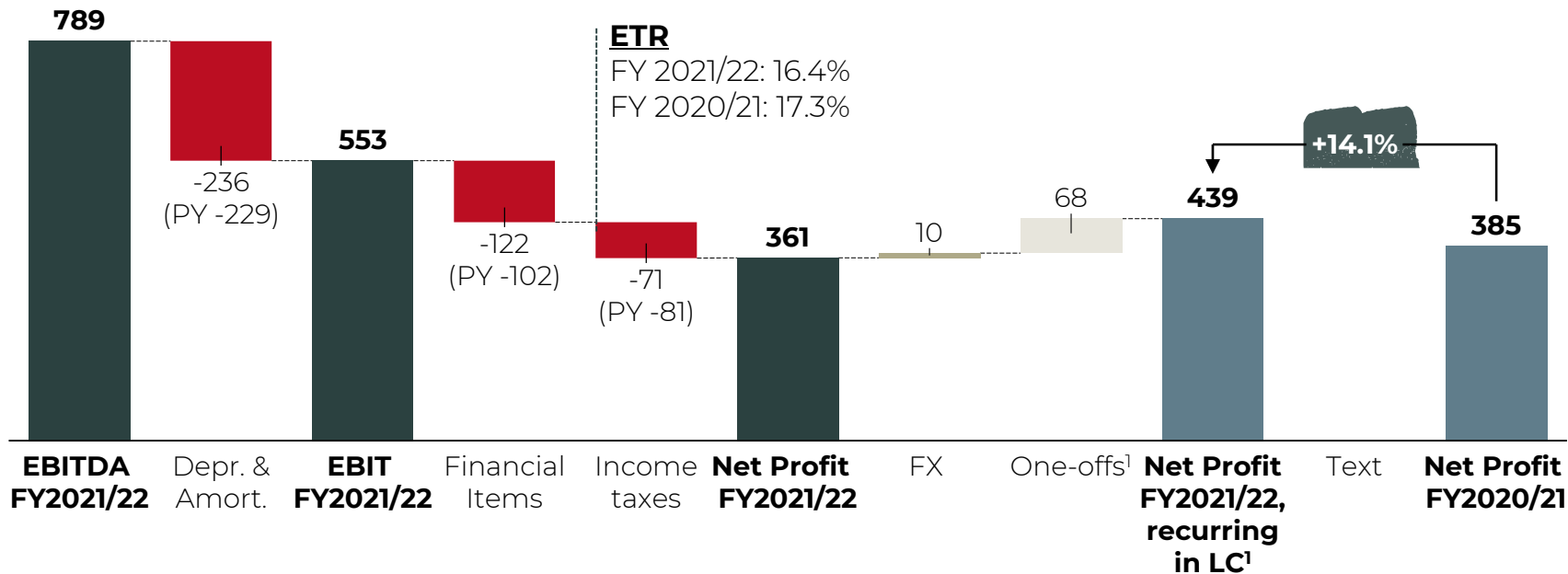


<sup>1</sup> Please refer to slide 13 for the detailed recurring results reconciliation.

Financial review - EBITDA to Net profit bridge

# Net profit recurring up +14.1% thanks to strong volume and sound profitability

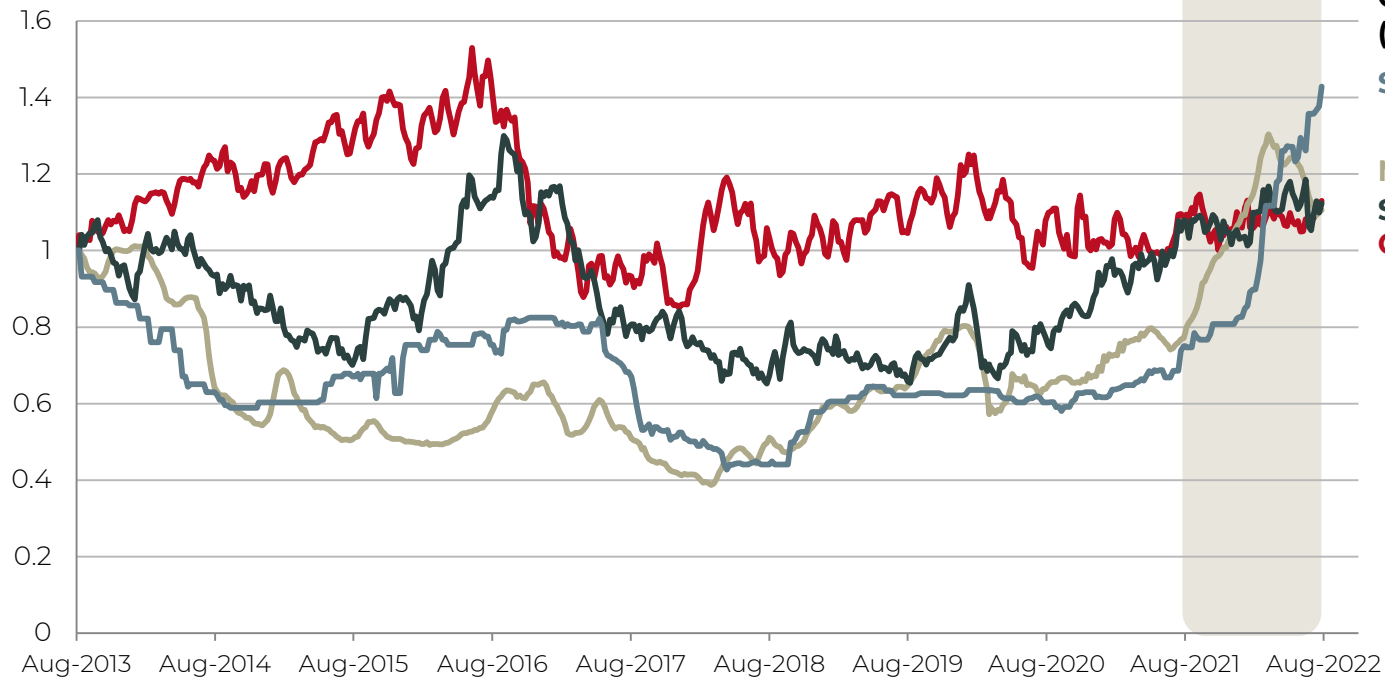
In CHF million



<sup>1</sup> Please refer to slide 13 for the detailed recurring results reconciliation.



# Raw material price development



**Change FY 2021/22  
(average):**

**Sugar EU +56.4%**

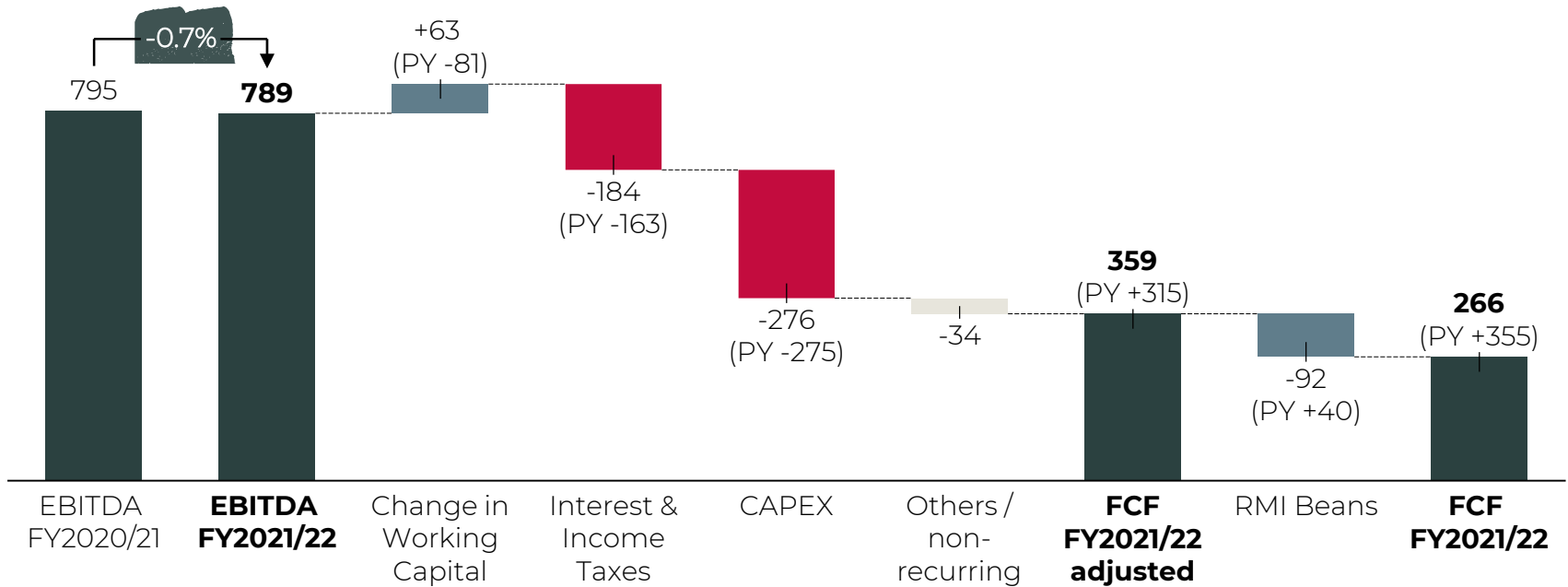
**Milk powder +51.5%**

**Sugar World +18.7%**

**Cocoa beans +4.2%**

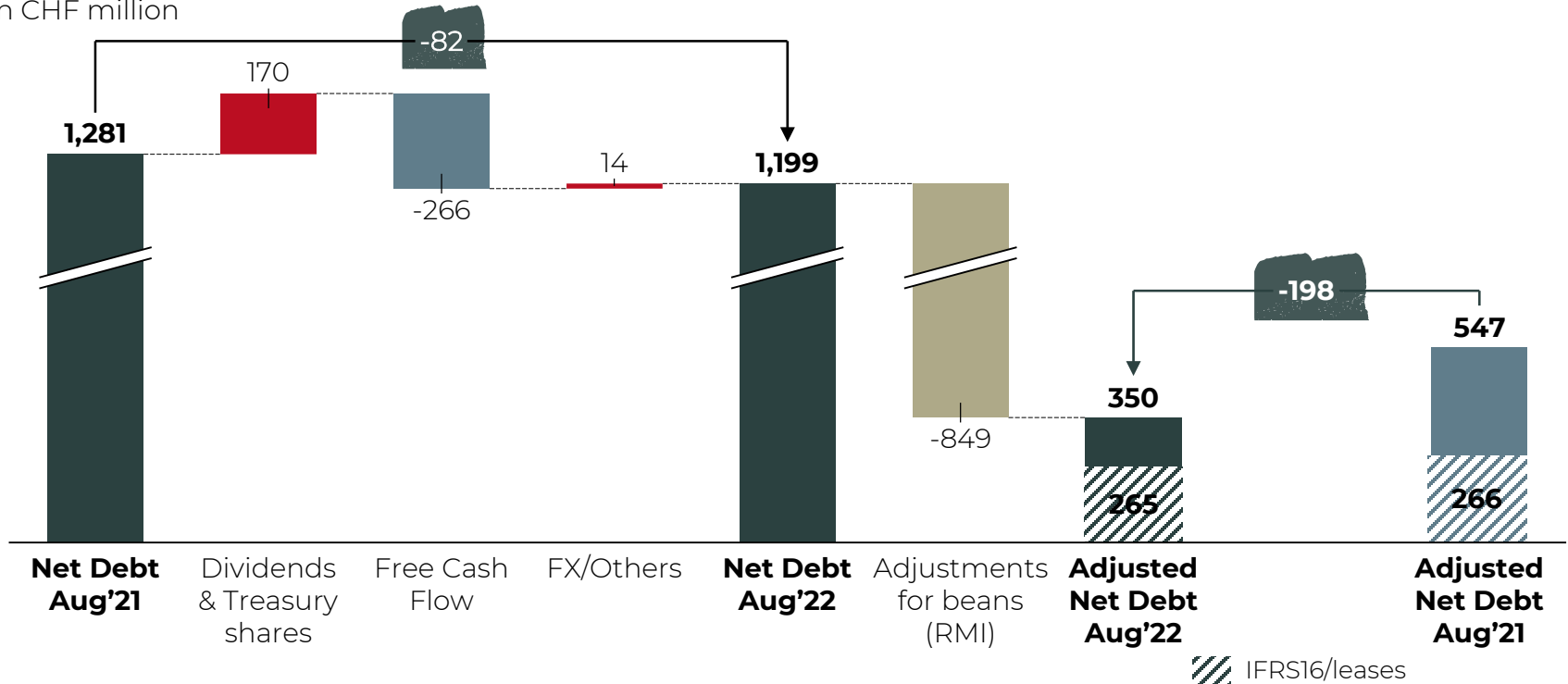
# Free Cash Flow continued solid trajectory

In CHF million



# Net debt further decreased

In CHF million



## Strong Balance sheet

| (in CHF million)                          | Aug'22 | Aug'21 |
|---|--------|--------|
| Net working capital                       | 1,293  | 1,242  |
| Non-current assets                        | 3,002  | 2,978  |
| Total assets                              | 7,761  | 7,244  |
| Net debt                                  | 1,199  | 1,281  |
| Adj. Net debt <sup>1</sup>                | 350    | 547    |
| Shareholders' equity                      | 2,902  | 2,683  |
| ROIC                                      | 11.5%  | 12.2%  |
| ROIC recurring <sup>2</sup>               | 13.2%  | 12.2%  |
| ROE                                       | 12.4%  | 14.3%  |
| ROE recurring <sup>2</sup>                | 14.8%  | 14.3%  |
| Net debt / Equity ratio                   | 41.3%  | 47.8%  |
| Adj. Net debt <sup>1</sup> / Equity ratio | 12.1%  | 20.4%  |
| Net debt / EBITDA                         | 1.6x   | 1.7x   |
| Adj. Net debt <sup>1</sup> / EBITDA       | 0.6x   | 0.7x   |

<sup>1</sup> Net Debt adjusted for cocoa beans considered as RMI.

<sup>2</sup> Please refer to slide 13 for the detailed recurring results reconciliation.

# Proposed stable payout of CHF 28.00

## Proposed stable dividend

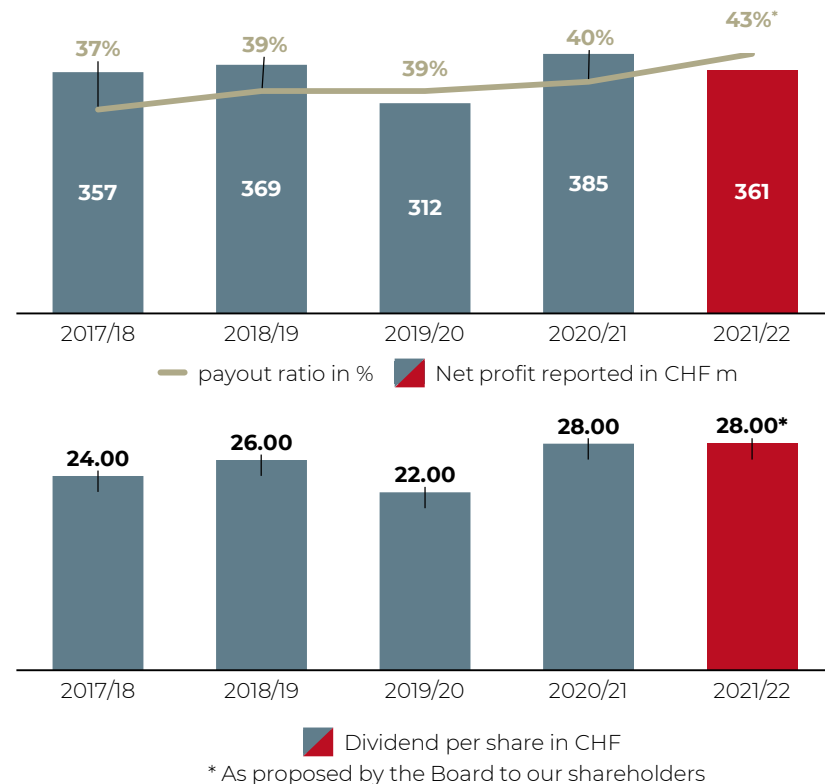
- CHF 28.00 per share
- Payout ratio of 43%\* of Net profit reported, temporary above the payout range of 35-40%, due to the one-off impacts on net profit.

## Timetable for dividend

- Shareholder approval: December 14, 2022
- Ex-date: on or about January 9, 2023
- Payment date: on or about January 11, 2023

## AGM 2022

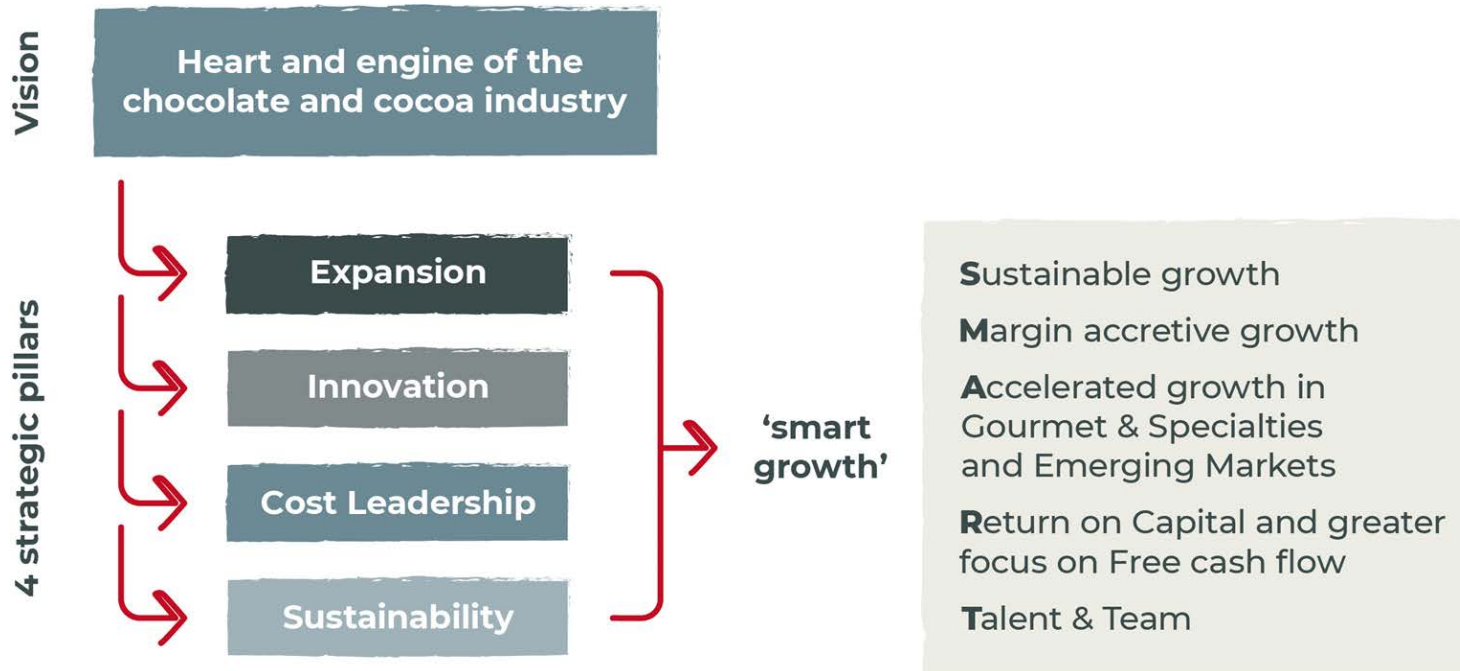
- Scheduled for December 14, 2022.  
This year again with personal attendance of shareholders.



# STRATEGY & OUTLOOK



# Consistent long-term strategy



# Continued drive for long-term success

## Expansion

### Continued footprint and distribution expansion

- Partnership with Attelli establishes first production footprint in Africa
- Distribution agreement with Levapan to grow in Latin America



## Innovation

### Riding on trends

- Groundbreaking of new specialty chocolate factory in Canada

### Creating the trends

- 2<sup>nd</sup> Generation Chocolate – fit to consumer desire: close to nature, better-for-you
- Great taste, less ingredients



## Cost Leadership

### Leverage scale

- Business Excellence Center in Asia Pacific opened

### Strong financial base

- Standard & Poor's upgrades credit rating of Barry Callebaut to 'BBB' with outlook 'stable'





# Sustainability update Forever Chocolate Progress Report

## Forever Chocolate

- Through Forever Chocolate we continue to create tangible impact on the ground
- One out of two products we sell contain 100% sustainable cocoa or chocolate
- Annual Forever Chocolate Progress report to be published December 1, 2022
- Stay tuned for publication of sharpened Forever Chocolate targets in the new Fiscal Year

## Our commitment to reporting on ESG

- Barry Callebaut is dedicated to running all our operations with transparency and integrity, including reporting on ESG policies and risks.
- Disclosure of GRI and CDP reports.

## External recognition of our progress and impact

- Ranked #1 out of 584 companies in 'Food products' category by Sustainalytics
- CDP awarded Barry Callebaut with 'A' for global forest stewardship and Leader for carbon reduction achievements and supplier engagement efforts.



# Change in the Executive Committee

## Olivier Delaunay leaving Barry Callebaut

- Olivier Delaunay decided to leave Barry Callebaut for personal reasons.
- He has successfully accomplished what he set out to as COO, to run a network of factories that offers customers more cost effective solutions, delivered in a reliable way.

## Jo Thys to become Chief Operations Officer

- Jo Thys (born 1972, Belgian national) will take over the role of Chief Operations Officer, as per January 1, 2023.
- Jo is a homegrown talent with many years in our company in a variety of operations roles across three continents, combining strong operational and supply chain experience.



## Solid Governance – new member to the Board of Directors



### All board members stand for re-election

- All nine current board member stand for re-election.

### Proposed as new member of the Board of Directors:

#### Thomas Intrator

- Deep insight into energy, logistics, trading and risk management.
- Thomas led a distinguished career at Cargill, culminating in his last role as President and CEO of Cargill SA.

## Outlook

# On track to achieve mid-term guidance

Supported by the consistency of the growth strategy and the strength of the innovation pipeline, Barry Callebaut is **on track to achieve the mid-term guidance** in Fiscal Year 2022/23. The Wieze factory runs again at normal capacity, though the Group expects to still experience an impact in the first quarter 2022/23, linked to the catch up on delayed volume.

**Mid-term guidance 2020/21 to 2022/23, on average per annum:**

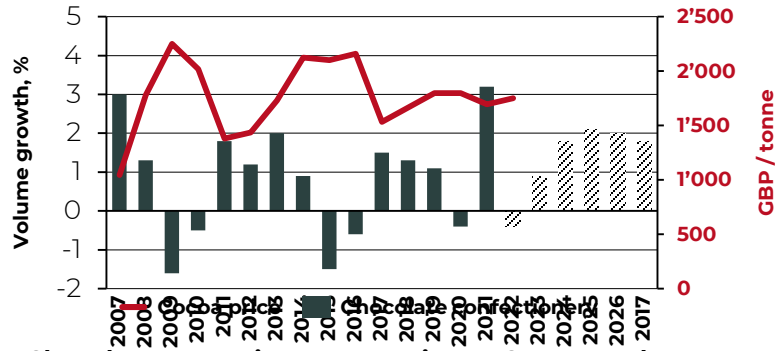
- 5-7% volume growth
  - EBIT above volume growth in local currencies
- barring any major unforeseeable events

**Update on new mid-term guidance with 3-Months Key Sales Figures update (January 18, 2023)**

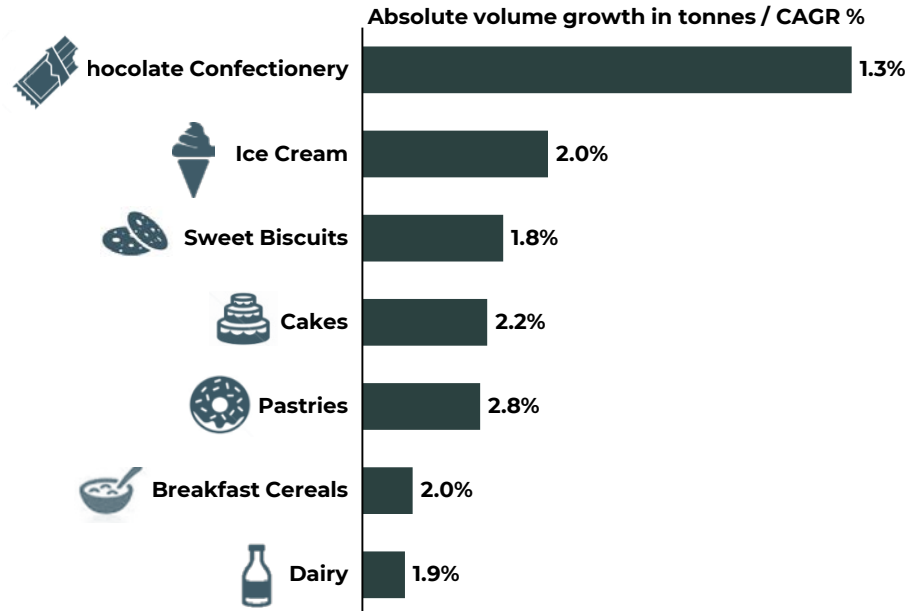
# APPENDIX

# Our market and opportunities ahead

**Global chocolate confectionery volume growth vs cocoa bean price**



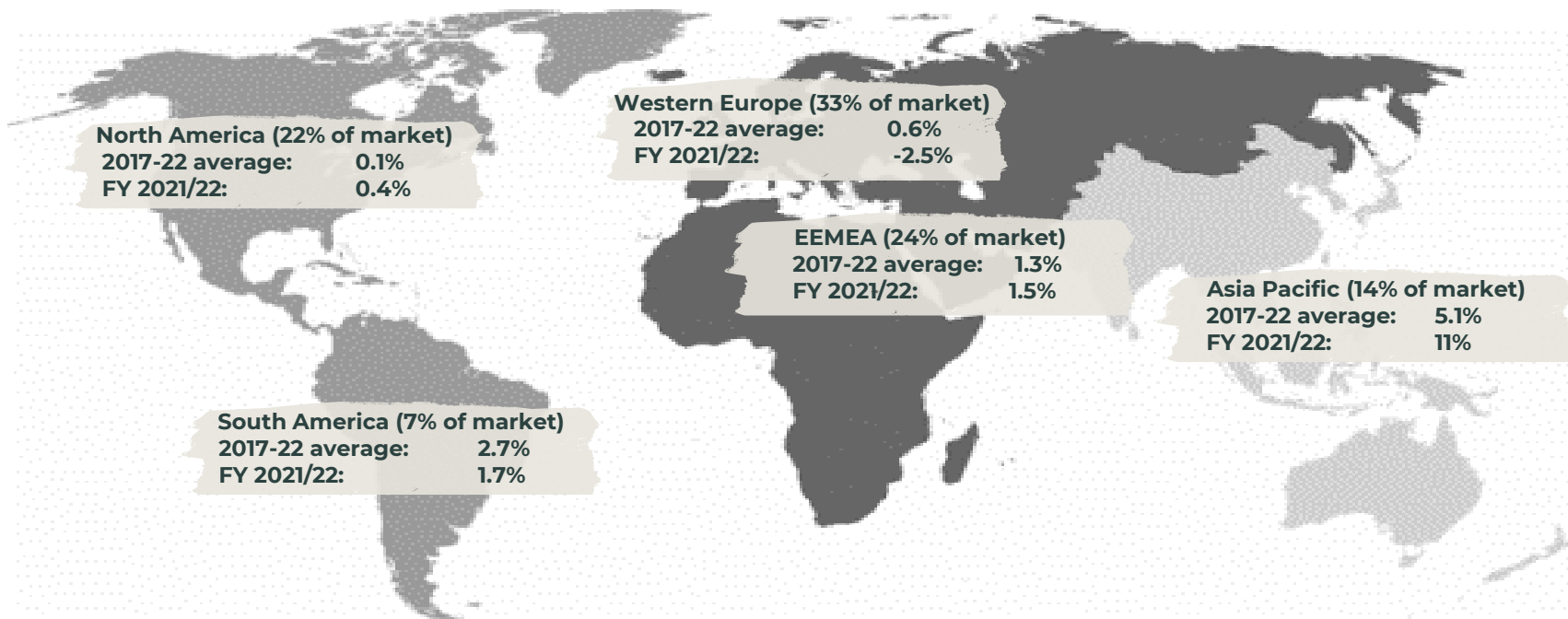
**Forecast volume growth per application 2021-2026 (Pure chocolate/compound volumes)**



**Chocolate per capita consumption vs GDP growth**



# Chocolate confectionery market development – Nielsen data



Source growth: Nielsen chocolate confectionery in volume – Sep 20 to Aug 21 – 25 countries, excluding e-commerce  
Source regional market shares: Euromonitor

# Diverse and robust liquidity profile with no outstanding amounts under the back-stop Revolving Credit Facility as per year end

As of 31 Aug 2022

