



Full-Year Results 2019/20

Media & Analyst Conference
November 11, 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. In addition to the uncertainties related to the COVID-19 pandemic, the factors that may affect Barry Callebaut's future financial results are stated in the Annual Report 2019/20 and include, 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, November 11, 2020. Barry Callebaut does not undertake to publish any update or revision of any forward-looking statements.



AGENDA

- **Highlights Full-Year 2019/20**
Antoine de Saint-Affrique, CEO
- **Financial Review Full-Year 2019/20**
Remco Steenbergen, CFO
- **Strategy & Outlook**
Antoine de Saint-Affrique, CEO
- **Questions & Answers**
Antoine de Saint-Affrique, CEO
Remco Steenbergen, CFO

HIGHLIGHTS

Full-Year Results 2019/20

Antoine de Saint-Affrique, CEO

Change in the Executive Committee



Remco Steenbergen leaving Barry Callebaut

- Remco Steenbergen will leave Barry Callebaut as of December 31, 2020 to become Chief Financial Officer of the Lufthansa Group.
- He has successfully accomplished his mission to improve processes and systems, the strengthening of the finance function and the balance sheet.



Ben De Schryver to become new Chief Financial Officer

- Ben De Schryver (born 1974, Belgian national) has been President of Region Asia Pacific since September 2016 and member of the Executive Committee since September 2017.
- He is a home grown talent with many years in our company in a variety of roles across different Regions, combining a profound strategic insight with very solid financial background.

Change in the Board of Directors



The following board member will not stand for reelection:

Suja Chandrasekaran

- Board member since 2018
- Member of the Nomination & Compensation Committee

All other Board members will stand for reelection for a term of office of one year.

Proposed as new member of the Board of Directors:

Yen Yen Tan

- Deep insight into the fast pace innovations in the digital and technological sector.
- Her last executive role was President Asia Pacific at Vodafone Group.

Solid results in unprecedented times, confident on mid-term guidance



- Sales volume down -2.0%, progressive recovery in fourth quarter
- Sales revenues of CHF 6.9 billion, down -0.4% in local currencies (-5.7% in CHF)
- Operating profit (EBIT) recurring¹ of CHF 491.0 million, down -13.8%² in local currencies (-18.5%² in CHF)
- Net profit recurring¹ of CHF 319.3 million, down -13.3%² in local currencies (-18.5%² in CHF)
- Strong Free cash flow of CHF 317 million
- Confident on mid-term guidance³
- Proposed dividend: CHF 22.00 per share, stable payout ratio 39%

¹ EBIT recurring and Net profit recurring excl. CHF -7.8 million for closure of Makassar, Indonesia
² Pro-forma adjusted for IFRS 16

³ 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 and based on the assumption of a gradual recovery from COVID-19 without major lockdown resurgence.

COVID-19 management: early adoption of precautionary measures focusing on 3 pillars

Care: Protect the health of employees

- Further strengthened hygiene protocols
- Social distancing on the work floor
- Travel restrictions
- Remote working

Continuity: to keep operations running and service customers

- Support cocoa farming communities
- Virtual customer support
- Safety protocol for external visits

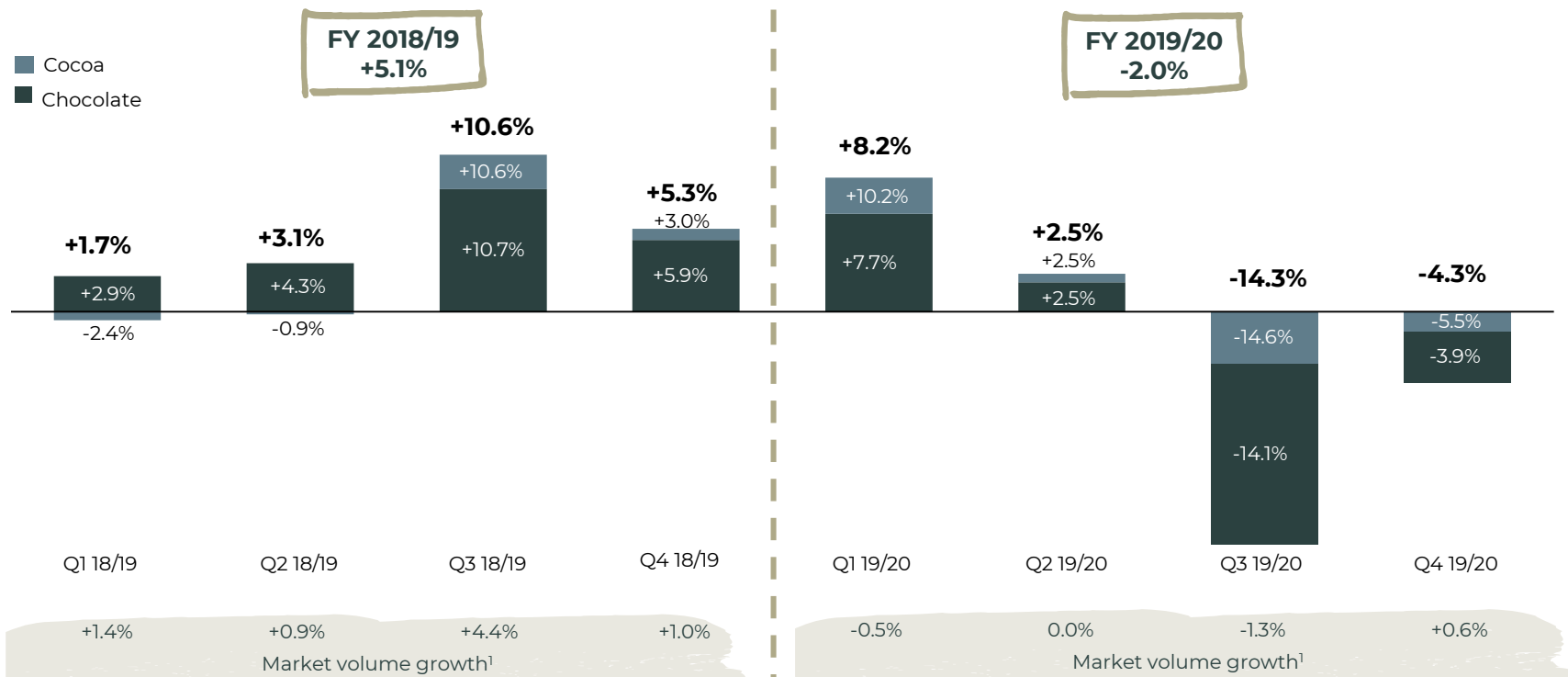
Cash: Ensure access to liquidity, strengthening of balance sheet

- Issuance CHF 450 million equivalent Schuldscheindarlehen
- Increase of Revolving Credit Facility and temporary drawdown

Enormous gratitude to all Barry Callebaut employees for pivoting and rethinking business as usual



Progressive volume recovery in fourth quarter

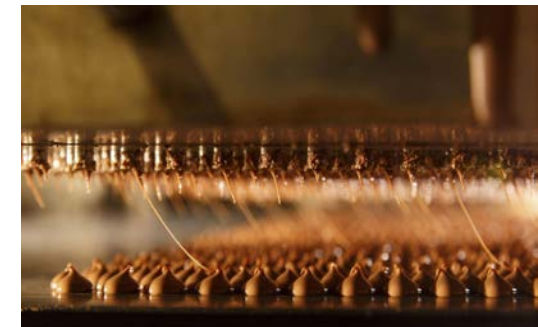
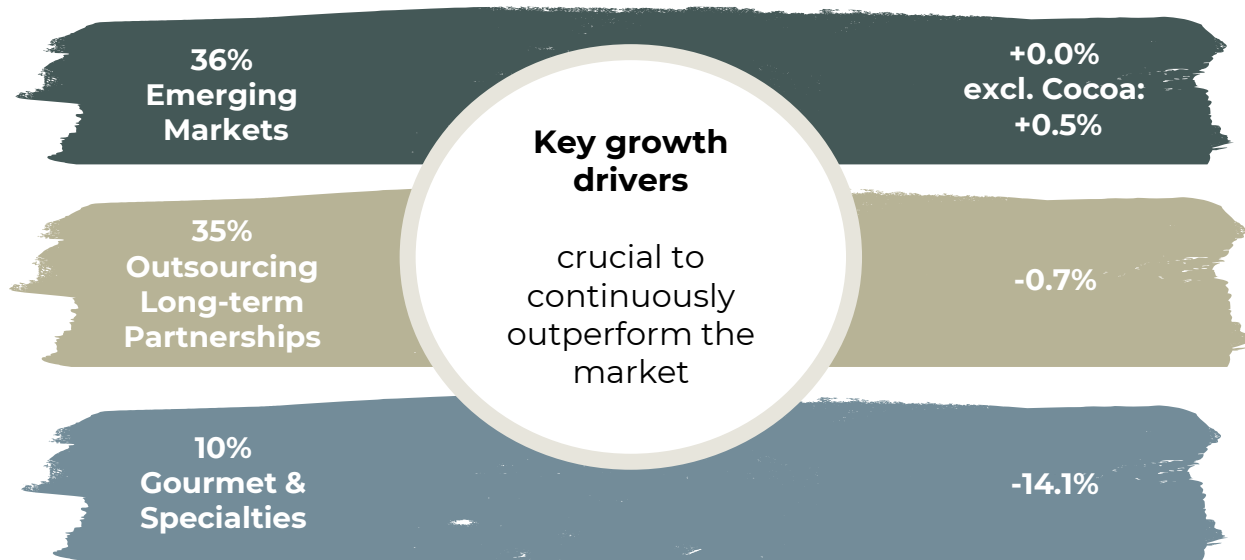


¹Source: Nielsen volume growth excluding e-commerce, September 2019 to August 2020 – 25 countries, Nielsen data only partially reflects the out-of-home and impulse consumption, which was heavily impacted by the lockdowns due to COVID-19.

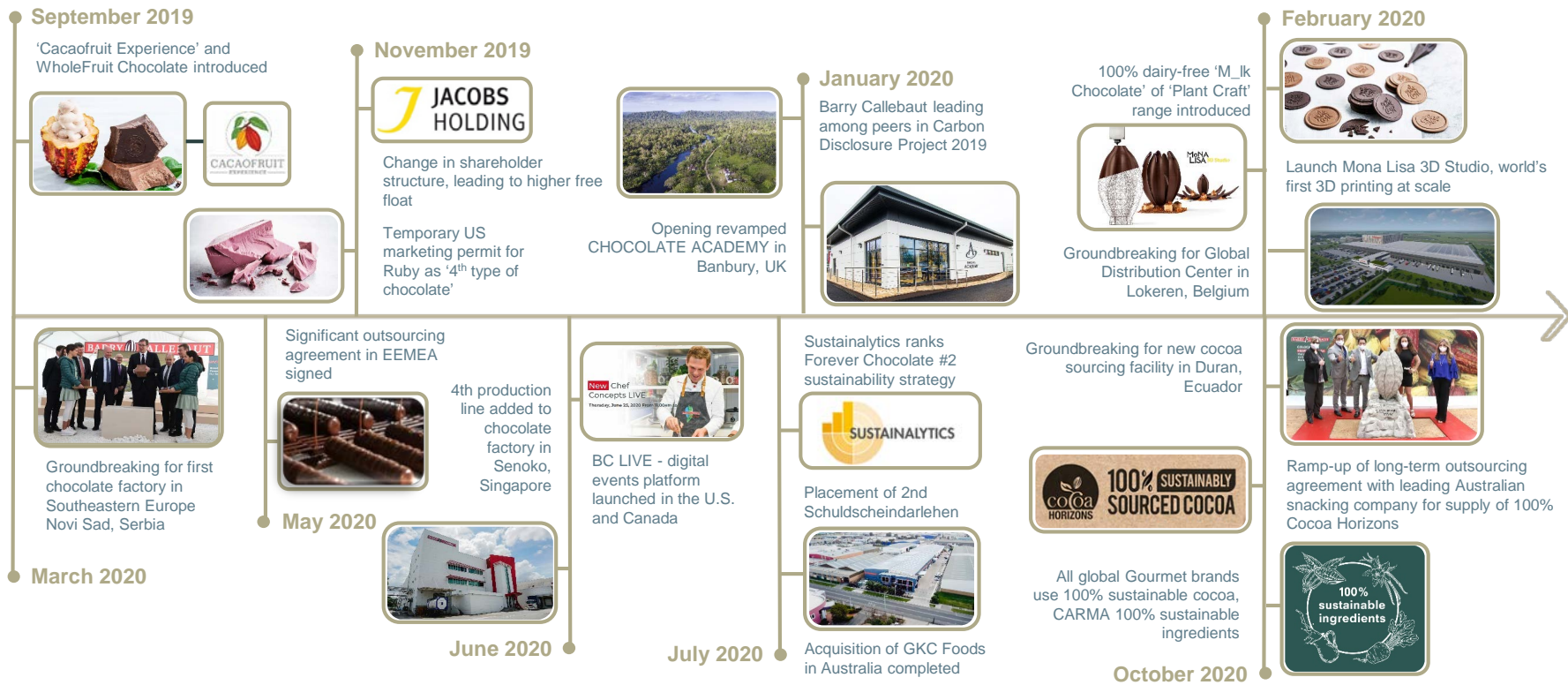
Gradual recovery of Key growth drivers

**% of total
Group volume**

**% volume growth
vs. prior year**



Continued expansion and drive for new opportunities



Strong Innovation

Riding the trends

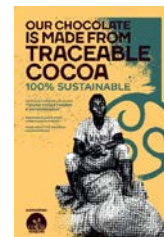
- Ruby continues to establish its presence as 4th type of chocolate
- Plant-based - at the forefront of dairy-free and vegan trends with 100% dairy-free Milk Chocolate and nut-based products
- Further exploit the richness of the Cacaofruit with launch of Cabosse Naturals

Tailor made

- Mona Lisa 3D Studio – the world's first personalized 3D printed chocolate at scale

Innovation on the core

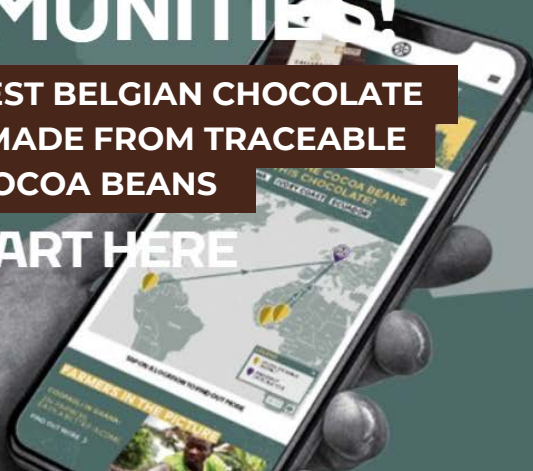
- First bean-to-bar chocolate brand in the world of this scale, Callebaut's cocoa mass is now traceable back to the farmer communities through a QR code on the pack of Callebaut



TRACE BACK EVERY PACK TO THE COCOA FARMING COMMUNITIES!

YOUR FINEST BELGIAN CHOCOLATE
IS NOW MADE FROM TRACEABLE
COCOA BEANS

START HERE



FINANCIAL REVIEW

Full-Year Results 2019/20
Remco Steenbergen, CFO



Resilient volume and strong Free cash flow generation

Group performance (in CHF million)	FY 2019/20	Change % Pro-forma ¹	
		in local currencies	in CHF
Sales volume (in tonnes)	2,095,982	n/a	-2.0%
Sales revenue	6,893.1	-0.4%	-5.7%
Gross profit	1,063.7	-6.8%	-11.3%
EBIT reported	483.2	-15.1%	-19.8%
EBIT Total (recurring) ²	491.0	-13.8%	-18.5%
EBIT per tonne (recurring) ²	234.2	-12.0%	-16.8%
Net profit for the period	311.5	-9.4%	-14.8%
Net profit for the period (recurring) ²	319.3	-13.3%	-18.5%
Free cash flow	317.0	n/a	n/a
Adj. Free cash flow ³	403.8	n/a	n/a

¹ Pro-forma adjusted for IFRS 16

² EBIT recurring and Net profit recurring excluding cost of CHF -7.8 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)

Resilient performance across Regions

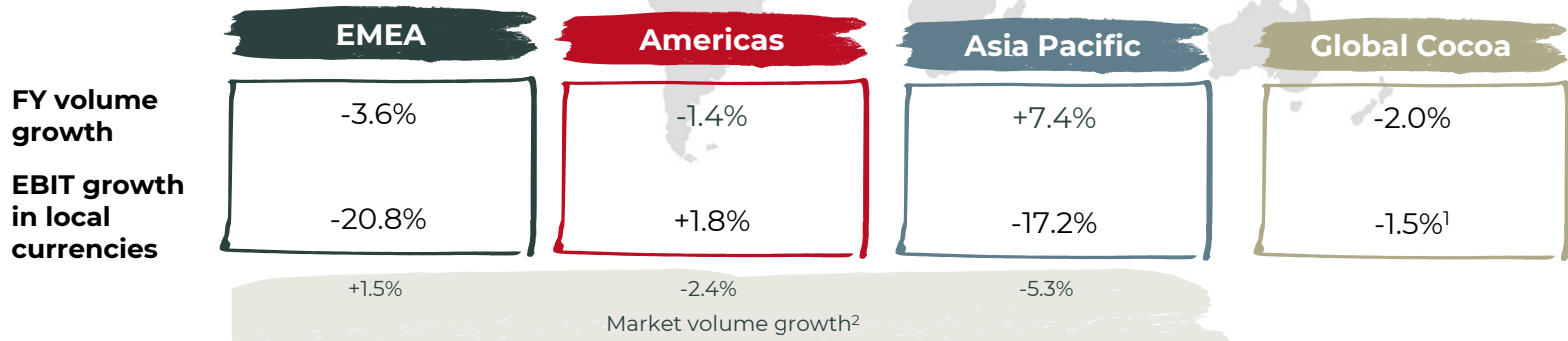
Group Sales volume:
2,095,982
 tonnes

Americas
 565,650
 27%

EMEA
 945,640
 45%

Global Cocoa
 457,386
 22%

APAC
 127,306
 6%



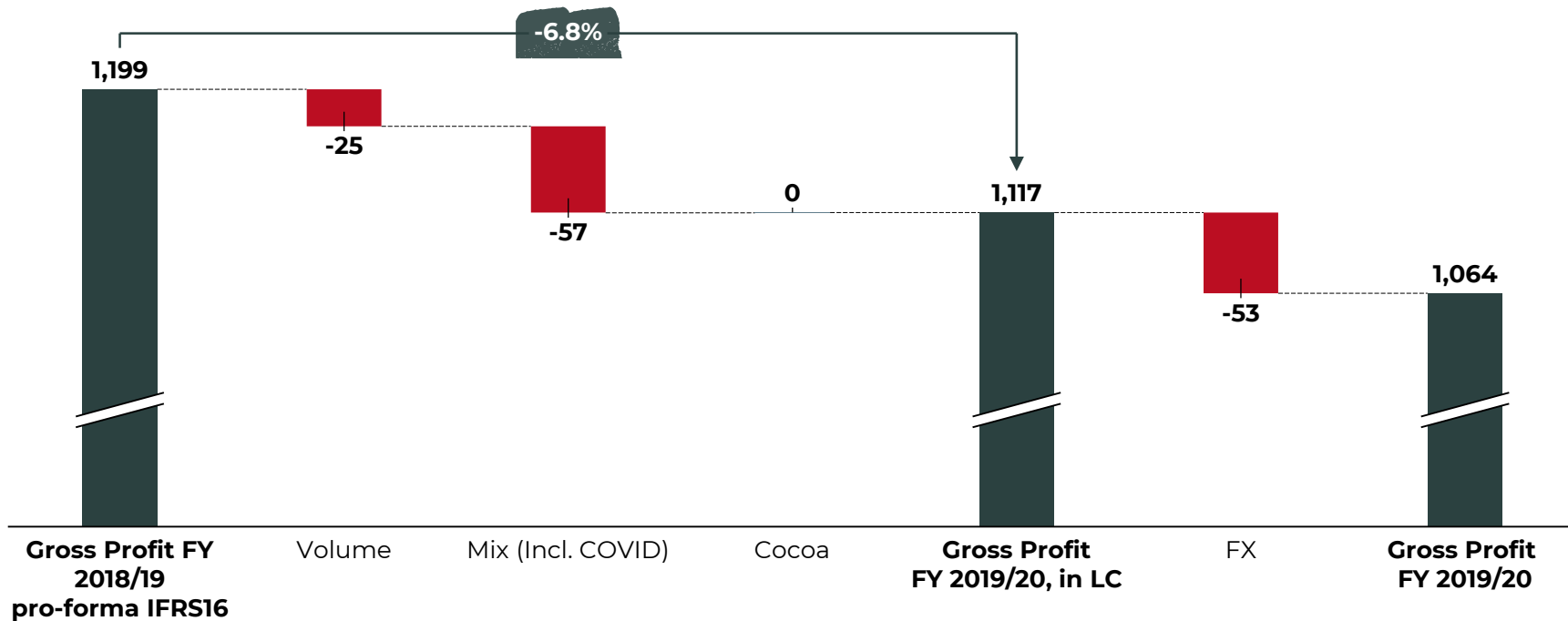
¹ EBIT excluding cost of CHF -7.8 million for the closure of the Cocoa factory in Makassar, Indonesia

² Source: Nielsen, volume growth excluding e-commerce – 25 countries, September 2019 to August 2020. Nielsen data only partially reflects the out-of-home and impulse consumption, which was heavily impacted by the lockdowns due to COVID-19

Gross profit

COVID-19 impact on volume and mix

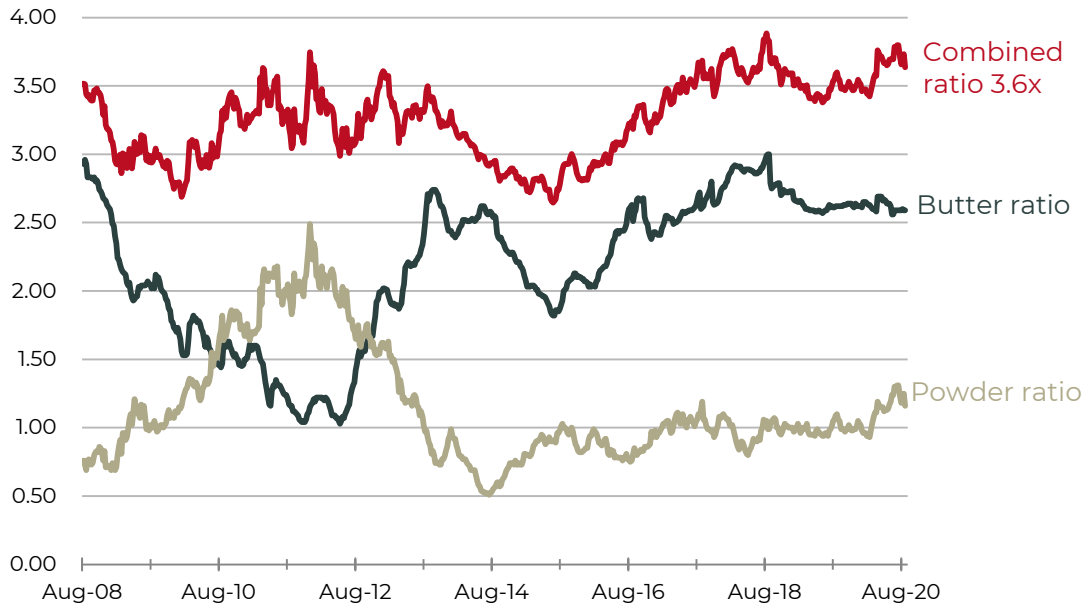
In CHF millions



Cocoa processing profitability

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...

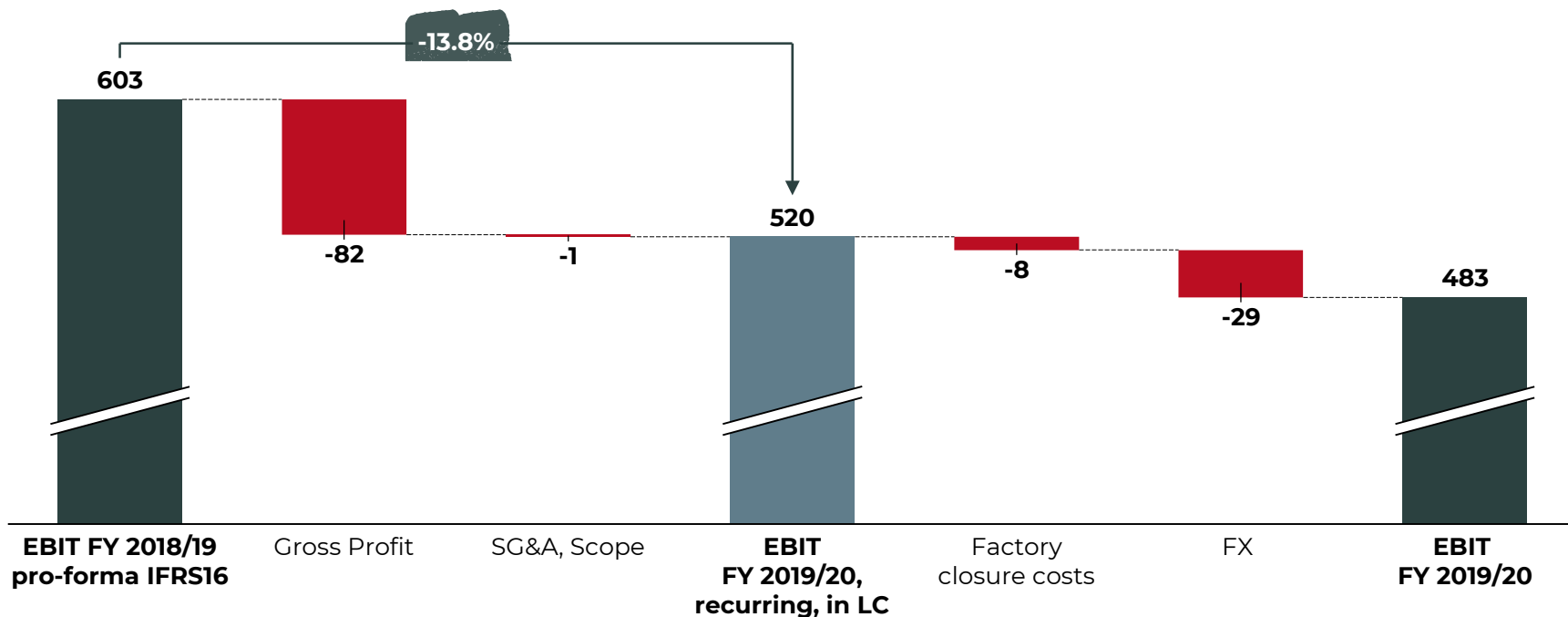
Many variables are not fixed e.g.

- 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).

Operating profit (EBIT) recurring impacted by adverse mix

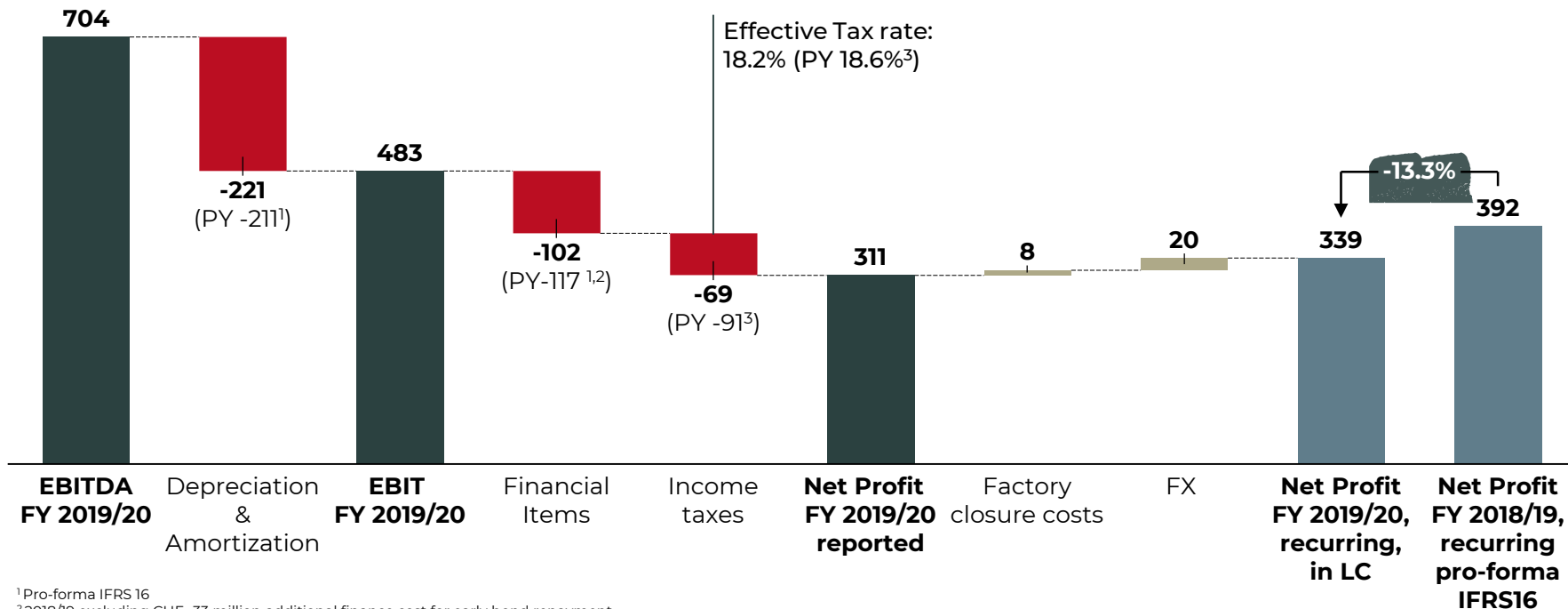
In CHF million



EBITDA to Net profit bridge

Strict management of financing cost support solid Net profit

In CHF million



¹ Pro-forma IFRS 16

² 2018/19 excluding CHF -33 million additional finance cost for early bond repayment

³ 2018/19 excluding CHF +7 million tax effect on early bond repayment

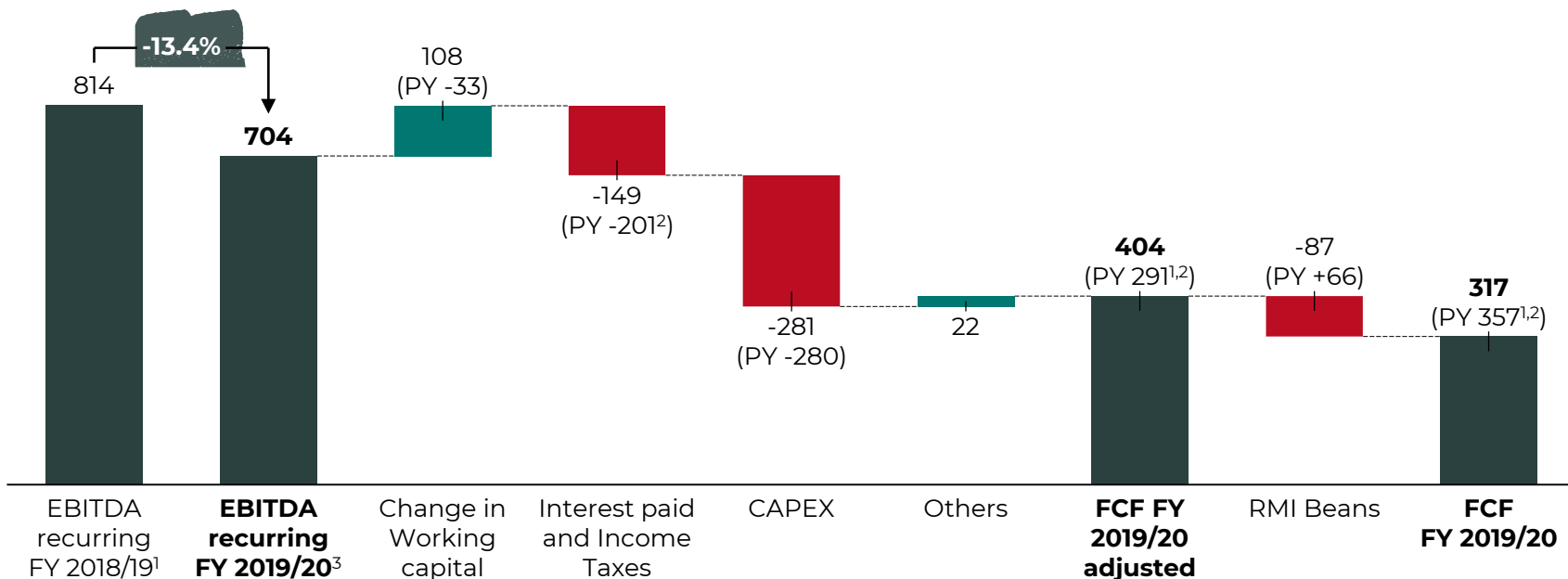
Raw material

Raw material price developments



Strict Working capital management supporting strong Free cash flow generation

In CHF million



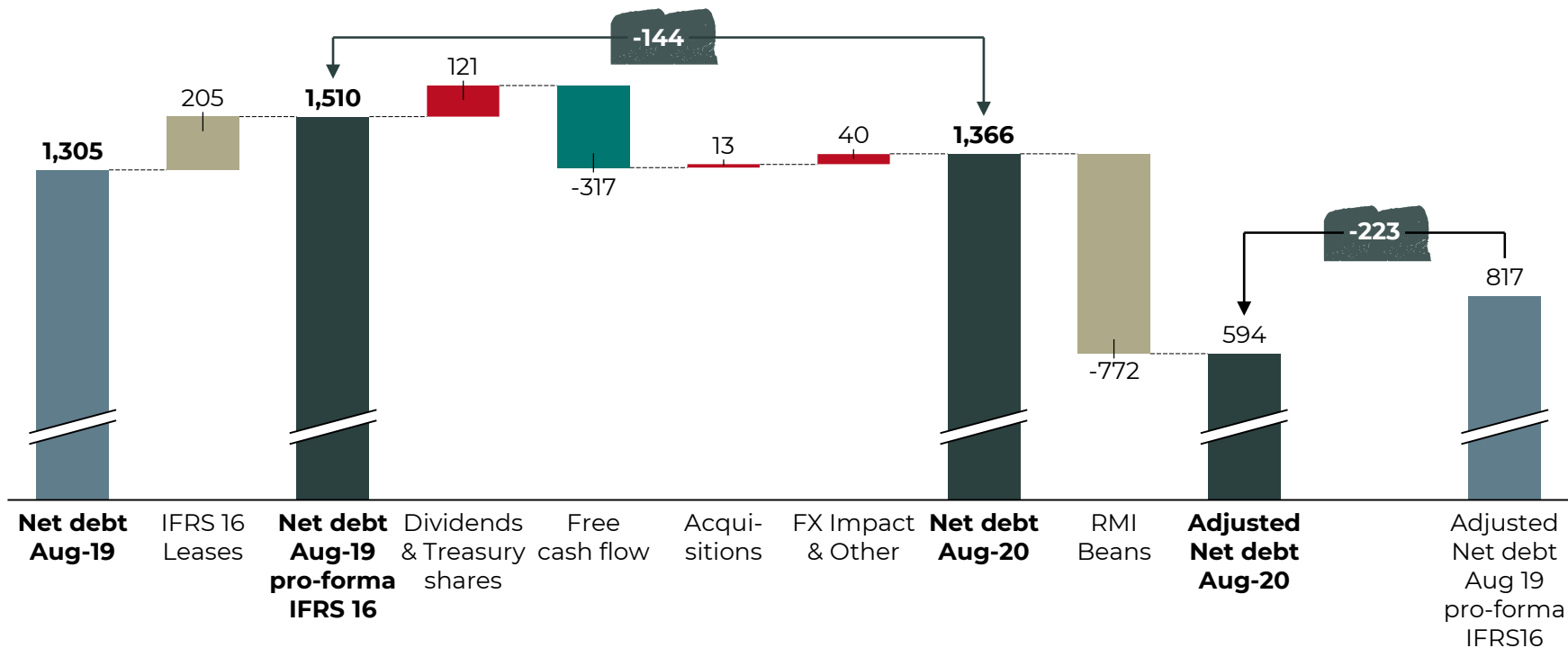
¹ 2018/19 pro-forma IFRS 16 adjusted

² 2018/19 excluding CHF -33 million cost for early bond repayment

³ excluding cost of CHF -7.8 million for the closure of the Cocoa factory in Makassar, Indonesia

Net debt reduced and further strengthened balance sheet

In CHF million



Balance sheet further strengthened

(in CHF million)	Aug 20	Aug 19 Pro-forma IFRS 16	Aug 19 Reported
Net working capital	1,192	1,363	1,363
Non-current assets	2,800	2,857	2,650
Total Assets	7,141	6,712	6,508
Net debt	1,366	1,510	1,305
Adj. Net debt ¹	594	817	612
Shareholders' equity	2,354	2,399	2,399
ROIC	10.3%	12.5%	13.2%
ROE	13.2%	15.2%	15.4%
Debt / Equity ratio	58.0%	62.9%	54.4%
Adj. Debt / Equity ratio	25.2%	34.0%	25.5%
Net debt / EBITDA	1.9x	1.9x	1.5x
Adj. Net debt ¹ / EBITDA	0.9x	1.2x	0.8x

¹ Net Debt adjusted for cocoa beans considered as RMI

Proposed payout of CHF 22.00, a stable payout ratio of 39%

Proposed dividend

- Stable payout ratio of 39% of Net profit
- CHF 22.00 per share

Timetable for dividend

- Shareholder approval: December 9, 2020
- Expected ex-date: January 5, 2021
- Expected payment date: on or about January 7, 2021

AGM 2020 – virtual

To protect the health of its shareholders and employees, the 2019/20 Annual General Meeting of Shareholders will take place without physical presence. Voting rights can be exercised electronically or in writing.



* As proposed by the Board to our shareholders

STRATEGY & OUTLOOK

Full-Year Results 2019/20

Antoine de Saint-Affrique, CEO



COVID-19 management

COVID-19 progression remains volatile, we remain vigilant...

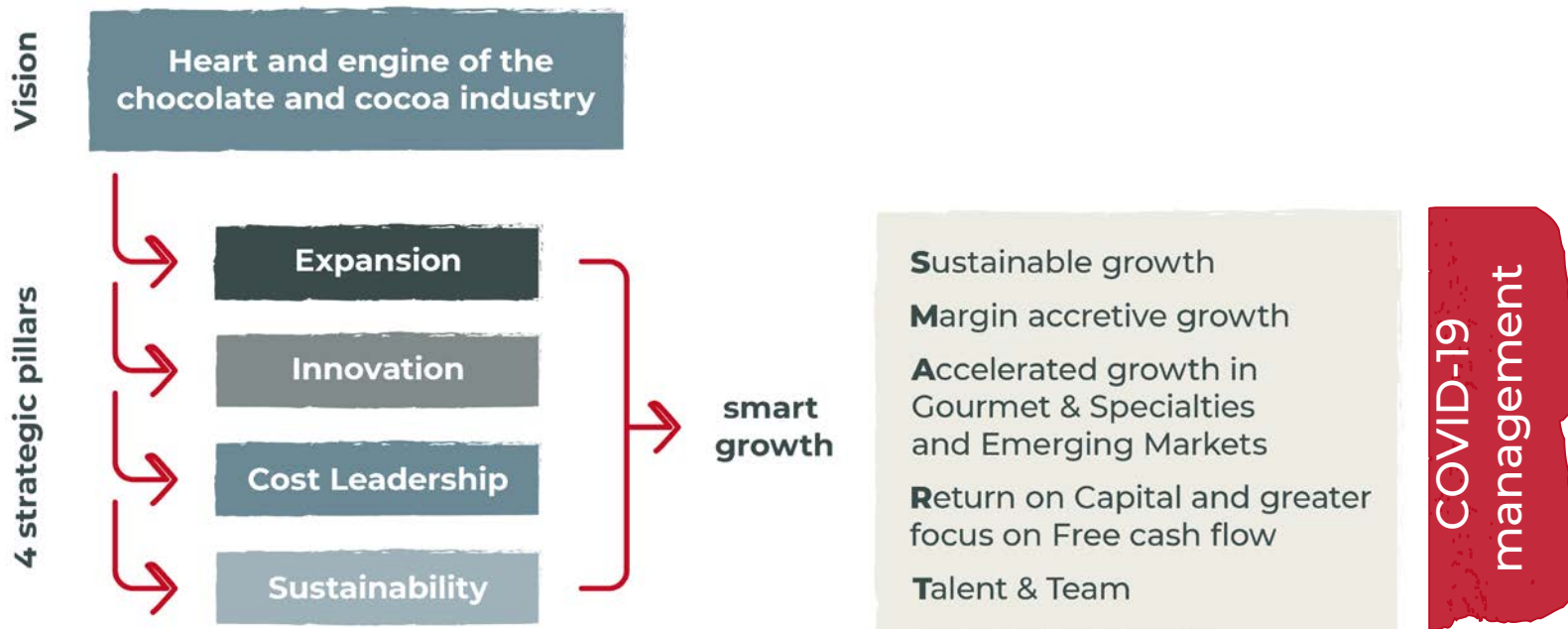
- Continued focus on Care, Continuity & Cash
- Global and regional issue teams daily monitoring developments
- Strict health and safety protocols in place
- Phased approach to reintroducing or lifting precautionary measures based on local requirements

...and we are confident to grasp the opportunities

- Proven reliable chocolate supplier in times of crisis
- Opportunities for continued expansion and outsourcing
- Digital co-creation and virtual Chocolate Academy
- Winning with focused approach in Gourmet
- Increased relevance of sustainable supply chains



Consistent long-term strategy in unprecedented times



Solid basis for growth: Expansion and Innovation

Expansion

Ongoing investment and outsourcing

- Integration and expansion of GKC Foods in Australia
- New outsourcing contracts in EEMEA and Australia started ramp-up
- New Global Distribution Center in Lokeren (Belgium), operational in 2021
- New chocolate factories in Serbia and India, operational in 2021



Innovation

Riding the wave

- Expansion plant-based offerings

Making the wave

- Cacaofruit Experience: Cabosse Naturals, WholeFruit Chocolate
- Mona Lisa 3D printing studio

Constant discovery

- Digital Co-Creation
- Ruby continues to conquer the world of chocolate

Strong financial basis and sustainable supply chain

Cost Leadership

- Benefit from optimized debt structure and strengthened balance sheet
- Shared Service Center 5th anniversary – build on success
- Capitalize on investments in digitalization and simplification



Sustainability

- Forever Chocolate ranked No. 2 sustainable strategy in the Food & Beverage industry by Sustainalytics
- Unique farm mapping database further expanded
- Developed first carbon footprint assessment for the cocoa supply chain
- New milestone in supply chain transparency: disclosure direct cocoa suppliers in Côte d'Ivoire, Ghana and Cameroon
- Global Gourmet brands with 100% sustainable cocoa, Carma with 100% sustainable ingredients

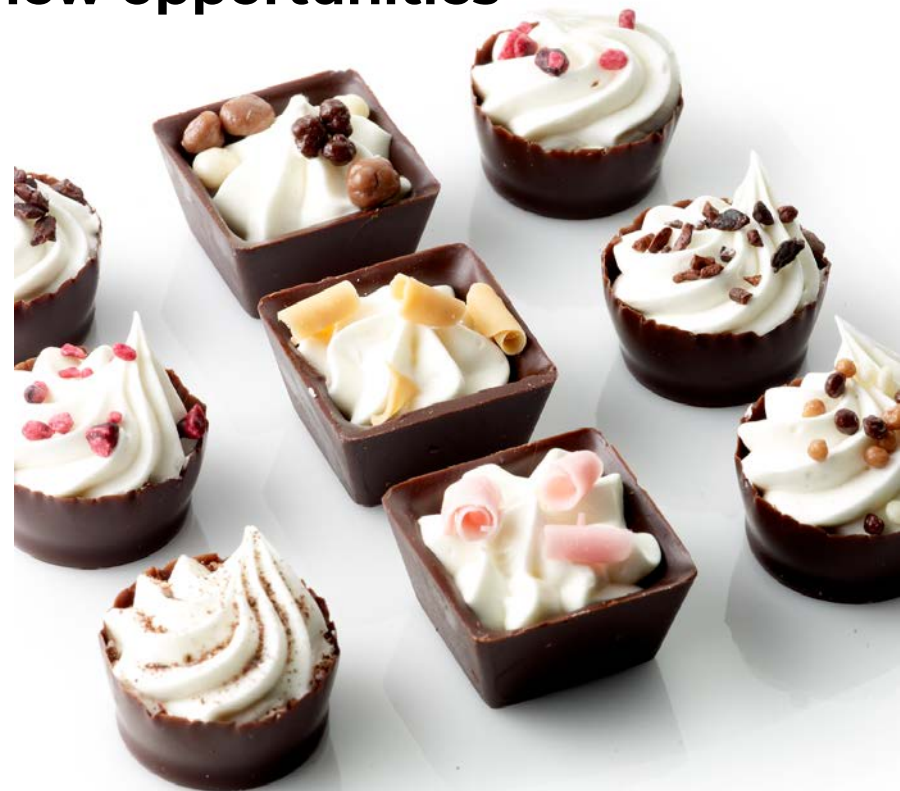


Pursue expansion and drive for new opportunities

Although markets are still volatile, we will further pursue expansion and drive for new opportunities, thanks to our continued focus on customers and our strong innovation pipeline. This together with our solid financial basis, supports the confidence in our mid-term guidance.

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 events¹



¹ Based on the assumption of a gradual recovery from COVID-19 and without major lockdown resurgence.



Thank you



Q&A session

Live video stream