

News Release

Ad hoc announcement pursuant to Art. 53 LR

Barry Callebaut Group – 9-Month Key Sales Figures, Fiscal Year 2023/24

Stability in an unprecedented environment

- **Slight increase in sales volume (+0.4%) in the first nine months (-0.3% in Q3), with continued progress on BC Next Level initiatives including social dialogue**
- **Sales revenue of CHF 7.3 billion in the first nine months, up +23.1% in local currencies (+16.3% in CHF), driven by the significant rise in cocoa bean prices**
- **Additional financing secured to mitigate higher cash requirements, capture market opportunities and leverage the business' strong sourcing capabilities**
- **Confirming FY 23/24 guidance of flat volume and flat EBIT¹ growth in a highly challenging supply and demand environment**

Zurich/Switzerland, July 11, 2024 – Peter Vanneste, CFO of the Barry Callebaut Group, commented: "In an unprecedented cocoa environment, we are pleased with achieving a slight increase in volume for the first nine months. Our focus on pricing and our resilient cost-plus model have also enabled us to deliver strong revenue growth. Looking ahead, the market faces further challenges, particularly from supply turbulence and cocoa-related price increases. As we navigate these market uncertainties, we successfully secured long-term financing at attractive rates. The BC Next Level program, launched last September, is also progressing as announced and on schedule. Additionally, we have launched the Future Farming Initiative, to build a high-tech and sustainable cocoa farming business."

Group Key Sales Figures

for the 9-month period ended May 31,		Change in %			2024	2023
		in local currencies	in CHF			
Sales volume	Tonnes		0.4 %		1,710,241	1,704,240
Sales revenue	CHF m	23.1 %	16.3 %		7,319.9	6,292.0

The Barry Callebaut Group reported **sales volume** of 1,710,241 tonnes, up +0.4%, during the first nine months of the fiscal year 2023/24 (ended on May 31, 2024). Sales volume was down -0.3% in the third quarter, in the context of a challenging market environment.

Global Chocolate saw +0.8% volume growth in an overall declining chocolate confectionery market according to Nielsen (-1.5%)². Volume development for Food Manufacturers (-1.1%) remained suppressed as large global customers saw softer demand, partly offset by resilient performance for Private Label customers. Gourmet & Specialties delivered +10.9% volume growth with strong demand across most geographies and market segments. In the third quarter, the Gourmet business saw a positive impact from the phasing of customer purchases in a rising cocoa price environment.

Most Global Chocolate regions saw positive volume growth. Western Europe (+2.1%) was the largest contributor, with positive growth for Food Manufacturers and strong momentum for Gourmet.

¹On a recurring basis in constant currency.

²Source: Nielsen volume growth excluding e-commerce – 26 countries, September 2023 - April/May 2024. Data subject to adjustment to match Barry Callebaut's reporting period. Nielsen data only partially reflects the out-of-home and impulse consumption.

Volume growth in Asia Pacific, Middle East and Africa turned positive (+2.7%), with close to double-digit growth in the third quarter supported by improved performance in Indonesia. Latin America saw solid volume growth of +6.2% in the first nine months, led by Gourmet in Brazil. North America reported a sales volume decrease of -1.4%, as large Food Manufacturers saw lower demand, while regional accounts and Gourmet continued to see resilient growth. Volumes declined slightly in Central and Eastern Europe (-0.2%), with a slowdown in the third quarter impacted by lower volumes for certain large global and regional customers.

Global Cocoa saw a -1.6% decrease in sales volume, in the context of a significant increase in cocoa prices. The supply constrained environment impacted sales for cocoa butter and cocoa liquor, particularly in the third quarter. Demand for cocoa powder remained robust, with particular strength in India and Indonesia. Overall, global customers saw volume pressure, partly offset by solid momentum for regional customers.

Sales revenue amounted to CHF 7,319.9 million, an increase of +23.1% in local currencies (+16.3% in CHF), ahead of volume growth. Growth was driven by the significant increase in cocoa prices, which Barry Callebaut manages through its cost-plus pricing model for the majority of its business.

Refinancing measures

The significant increase in cocoa prices over recent months has heightened working capital requirements for the entire industry. In addition to the financing actions Barry Callebaut has already taken in the first half of the year, the Group took further steps to address this development in the third quarter. In May, the Group successfully re-entered the Swiss bond capital market issuing a CHF 730 million triple-tranche senior bond. The issuance consisted of a two-year tranche of CHF 240 million, a six-year tranche of CHF 270 million and a ten-year tranche of CHF 220 million. The Group also placed a new EUR 700 million bond in June, with a tenor of five years. These additional financing measures will increase flexibility and help to mitigate higher cash requirements in bean sourcing.

BC Next Level update

To unlock its full potential for the future, Barry Callebaut launched its strategic investment program, BC Next Level, in September 2023. The program includes net investments of CHF 500 million in areas most relevant for customers and will in turn unlock cost savings of CHF 250 million or around 15%, which will support margins and cash flow. As part of the program, the company is moving closer to customers and markets while simplifying and digitalizing the front and back ends of its business. The implementation is well under way and all BC Next Level initiatives have already started.

At the end of May 2024, Barry Callebaut has concluded the information and consultation process at the European Works Council level and can proceed with implementation at a local level, in line with original plans and timeline, and in compliance with local laws and regulations. As part of this, Barry Callebaut reached an important step by signing a final framework agreement with the European Works Council on how to treat affected employees that might be impacted during the implementation of BC Next Level.

As part of the Group's digital transformation journey, Barry Callebaut has announced a strategic partnership with Microsoft which lays the foundation to foster simplicity and digitization of the company and to developing an agile, tech-enabled organization that will ensure a seamless integration across the entire value chain - from cocoa farmers all the way to customers.

Steps towards high-tech and sustainable cocoa farming

In April, Barry Callebaut launched the Future Farming Initiative (FFI). This ambitious program aims to revolutionize cocoa farming by creating a sustainable, scalable, and technologically advanced model, highlighting the company's dedication to industry-leading sustainability. The initiative complements the Group's efforts to help reform the current cocoa farming model in all its origin sourcing countries whilst integrating learnings from FFI into its transformative approach. Barry Callebaut envisions FFI to be a catalyst for others to invest in modern farming and create partnerships with farmers to modernize sustainable cocoa farming at scale.

Guidance

Barry Callebaut expects a continued highly volatile environment, with supply turbulence and cocoa-related price increases potentially exacerbating market challenges. Barry Callebaut is cautiously navigating through this uncertain environment and reiterates Full-Year 2023/24 guidance of flat volume growth and flat EBIT growth on a recurring basis in constant currency.

Price developments of key raw materials

During the first nine months of fiscal year 2023/24, terminal market³ prices for **cocoa** beans fluctuated between GBP 2,904 and GBP 9,835 per tonne and closed at GBP 6,910 per tonne on May 31, 2024. On average, cocoa bean prices increased by +131% versus the prior-year period. The period was marked by high volatility, with lower traded volumes leading to a less liquid trading environment and resulting in significant intraday price swings. The underpinnings of the market remain centered around the consensus deficit for crop year 23/24 and concerns regarding cocoa supply prior to the arrival of the first beans from crop year 24/25.

The world market price for **sugar** was on average +12% higher than in the prior-year period given the impact of crop output in El Niño-impacted regions such as India and Thailand. In Europe, sugar prices were on average -28% lower than in the prior-year period mainly due to sugar beet acreage gains in the 2023/24 campaign, the strong pace of Ukrainian exports into the EU, and lower energy prices.

Dairy prices decreased on average by -13% compared to the first nine months of the prior year, given the high inflationary environment last year.

Financial Calendar for Fiscal Year 2023/24 (September 1, 2023 to August 31, 2024):

Full-Year Results 2023/24	November 6, 2024
Annual General Meeting 2023/24	December 4, 2024

³ Source: London terminal market prices for 2nd position, September 2023 to May 2024. Terminal market prices exclude Living Income Differential (LID) and country differentials.

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

With annual sales of about CHF 8.5 billion in fiscal year 2022/23, the Zurich-based Barry Callebaut Group is the world's leading manufacturer of chocolate and cocoa products – from sourcing and processing cocoa beans to producing the finest chocolates, including chocolate fillings, decorations and compounds. The Group runs 66 production facilities worldwide and employs a diverse and dedicated global workforce of more than 13,000 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 global brands catering to the specific needs of these Gourmet customers are [Callebaut®](#) and [Cacao Barry®](#), [Carma®](#) and the decorations specialist [Mona Lisa®](#). The Barry Callebaut Group is committed to make sustainable chocolate the norm 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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Group Key Sales Figures

		Change in %			2024	2023
		in local currencies	in CHF			
for the 9-month period ended May 31,						
Key Figures						
Sales volume	Tonnes		0.4 %	1,710,241	1,704,240	
Sales revenue	CHF m	23.1 %	16.3 %	7,319.9	6,292.0	
By Sales Group						
Sales volume						
Western Europe	Tonnes		2.1 %	551,272	539,727	
Central and Eastern Europe	Tonnes		(0.2)%	227,751	228,148	
North America	Tonnes		(1.4)%	412,209	418,051	
Latin America	Tonnes		6.2 %	44,271	41,689	
Asia Pacific, Middle East and Africa	Tonnes		2.7 %	135,066	131,511	
Global Chocolate	Tonnes		0.8 %	1,370,569	1,359,126	
Global Cocoa	Tonnes		(1.6)%	339,672	345,114	
Sales revenue						
Western Europe	CHF m	17.3 %	14.3 %	2,219.8	1,941.7	
Central and Eastern Europe	CHF m	37.0 %	13.8 %	903.6	793.9	
North America	CHF m	10.0 %	5.8 %	1,618.4	1,530.3	
Latin America	CHF m	11.2 %	6.8 %	153.8	144.0	
Asia Pacific, Middle East and Africa	CHF m	8.3 %	0.8 %	461.4	457.9	
Global Chocolate	CHF m	17.2 %	10.0 %	5,357.0	4,867.8	
Global Cocoa	CHF m	43.2 %	37.8 %	1,962.9	1,424.2	
By Product Group						
Sales volume						
Cocoa Products	Tonnes		(1.6)%	339,672	345,114	
Food Manufacturers Products	Tonnes		(1.1)%	1,130,739	1,142,853	
Gourmet & Specialties Products	Tonnes		10.9 %	239,830	216,273	
Sales revenue	CHF m			7,319.9	6,292.0	
Cocoa Products	CHF m	43.2 %	37.8 %	1,962.9	1,424.2	
Food Manufacturers Products	CHF m	14.8 %	8.2 %	4,097.8	3,787.7	
Gourmet & Specialties Products	CHF m	25.4 %	16.6 %	1,259.2	1,080.1	