Agenda

1. Welcome  
   Konrad Graber, Chairman of the Board of Directors

2. Overview of financial year 2019  
   Urs Riedener, CEO

3. Annual results 2019  
   Ricarda Demarmels, CFO

4. Success factors  
   Urs Riedener, CEO

5. Outlook  
   Urs Riedener, CEO
Konrad Graber, Chairman of the Board of Directors
“Hands reflect our life”
STRATEGY IMPLEMENTATION

Systematic implementation of the strategy

Strategic progress
• Strengthening of growth markets, brand business, speciality cheeses and strategic niches
• Targeted acquisitions support the strategy

Solid result in line with expectations
• Pleasing organic sales growth
• Solid result in line with own expectations
• Resilient product and company portfolio

Adjustment of dividend policy
• The dividend will be increased thanks to Emmi’s successful development and solid capital base.
OVERVIEW OF FINANCIAL YEAR 2019

Urs Riedener, CEO
The year in review 1/2

HIGHLIGHTS 2019

Acquisition of Seymour (USA)
Sale of Emmi Frisch-Service AG
Launch of Emmi Moments
Launch of Emmi Caffé Latte Colombia Edition, Emmi Caffé Latte Cold Brew
Launch of the brand Toni’s (Swiss alternative to imported cream cheese)
Increased stake in Laticanios Porto Alegre (40 % to 70 %)
HIGHLIGHTS 2019

The year in review 2/2

Acquisition of Pasticceria Quadrifoglio

Main sponsor of three-time world champion and Olympic champion Wendy Holdener

Merger of Surlat and Quillayes (Chile)

Launch of further protein products (Switzerland, Austria)

World Cheese Awards: 26 awards for Emmi cheese specialities

Record milk volume at Land-quart cheese dairy (raclette, large-holed cheese)
Strategic pillars...

1. Strong domestic market
2. International growth
3. Cost management
...and strategic niches

Goat’s milk

Organic

Desserts
ANNUAL RESULTS 2019

Organic sales growth of 2.2 %

Net sales
Growth: +1.1 %
Organic: +2.2 %

CHF mio. 3,494

Dividend

CHF 12.00

EBIT
Increase: 0.5 %
EBIT margin: 6.2 % (2018: 6.3 %)

CHF mio. 217.8

Net profit
Decrease: 5.3 %
Net profit margin: 4.8 %
(2018 adjusted: 5.1 %)

CHF mio. 166.2
Successful internationalisation

SALES GROWTH FROM 2008 TO 2019

International: 52.1%
Switzerland: 47.9%

Results presentation, 2 March 2020, Emmi Group
SALES BY BUSINESS DIVISION

Sales by business division

Top five:
- Switzerland
- USA
- Spain
- Germany
- Italy

Switzerland 47.9%
CHF 1,675 million
(previous year: CHF 1,713 million)

Americas 31.9%
CHF 1,115 million
(previous year: CHF 1,044 million)

Global Trade 3.2%
CHF 111 million
(previous year: CHF 107 million)

Europe 17.0%
CHF 593 million
(previous year: CHF 593 million)
Sales split by business division

Switzerland
Sales CHF 1,675 million
organic: +1.0 %

Americas
Sales CHF 1,115 million
organic: +4.1 %

Europe
Sales CHF 593 million
organic: +1.6 %

Global Trade
Sales CHF 111 million
organic: +5.8 %
ANNUAL RESULTS 2019

Sales by product group

Cheese 31.3 %
CHF 1,093 million
(previous year: CHF 1,074 million)

Dairy products 30.5 %
CHF 1,066 million
(previous year: CHF 1,072 million)

Other products/services 5.1 %
CHF 177 million
(previous year: CHF 179 million)

Fresh products 24.3 %
CHF 849 million
(previous year: CHF 851 million)

Fresh cheese 5.2 %
CHF 182 million
(previous year: CHF 172 million)

Powder/concentrates 3.6 %
CHF 127 million
(previous year: CHF 109 million)
**FACTS AND FIGURES 2014 TO 2019**

**More than 2 % organic growth for over two years**

<table>
<thead>
<tr>
<th>in CHF million</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>3,494</td>
<td>3,457</td>
<td>3,364</td>
<td>3,259</td>
<td>3,214</td>
<td>3,404</td>
</tr>
<tr>
<td>organic growth</td>
<td>2.2 %</td>
<td>2.3 %</td>
<td>0.5 %</td>
<td>-1.0 %</td>
<td>-3.0 %</td>
<td>3.0 %</td>
</tr>
<tr>
<td>Earnings before interest and taxes (EBIT)</td>
<td>217.8</td>
<td>216.7</td>
<td>205.8</td>
<td>202.7</td>
<td>188.9</td>
<td>170.7</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>6.2</td>
<td>6.3</td>
<td>6.1</td>
<td>6.2</td>
<td>5.9</td>
<td>5.0</td>
</tr>
<tr>
<td>Headcount (full-time equivalents) as at year-end</td>
<td>7,826</td>
<td>6,151</td>
<td>6,147</td>
<td>5,779</td>
<td>5,405</td>
<td>5,305</td>
</tr>
</tbody>
</table>

*adjusted for non-recurring effects in the respective financial year
Pleasing organic growth

- Strategic niche markets such as Italian speciality desserts and goat’s milk products as growth drivers
- Pleasing growth of Emmi Caffè Latte in various European markets
- Growth markets of Latin America and North Africa making a significant contribution to organic growth
Domestic market with good organic growth

Sales business division Switzerland in CHF million

Dairy products
Sales CHF 686.6 million, +1.5 % (org. +2.7 %)
- Higher milk prices effective 1 October 2019
- Higher sales volumes of milk and cream despite ongoing significant price pressure

Fresh products
Sales CHF 336.0 million, -1.7 % (org. -0.1 %)
- Growth drivers: Emmi Caffè Latte and Emmi Energy Milk
- Unsatisfactory or strong previous year: yogurt and ice cream

Cheese
Sales CHF 427.1 million, -5.2 % (org. -0.1 %)
- Positive development: brand concepts such as Luzerner Rahmkäse, Der Scharfe Maxx or Le Petit Chevrier
- Negative development: various AOP cheeses
Challenges in emerging markets

SALES DEVELOPMENT BUSINESS DIVISION AMERICAS

Cheese
Sales CHF 493.7 million, +11.0 % (org. +5.1 %)
- Growth at Emmi Roth in the USA and Chile with locally produced cow's milk cheese
- Positive development of the goat's cheese business in the USA

Dairy products
Sales CHF 283.3 million, 0.0 % (org. +1.4 %)
- Inhibiting: social unrest in Chile, milk shortage in Tunisia
- Lactose-free products under strong competitive pressure in Spain

Fresh products
Sales CHF 202.9 million, -1.6 % (org. +3.0 %)
- Growth with Italian speciality desserts in France and locally produced desserts in Tunisia
- Emmi Caffè Latte with strong growth in Spain
Strategic niches and strong brands as driving forces

Sales business division Europe in CHF million

Fresh products
Sales CHF 271.5 million, +2.6 % (org. +3.5 %)
- Pleasing growth for Emmi Caffè Latte in all European markets (strongest in the UK)
- Positive development of Italian speciality desserts

Cheese
Sales CHF 121.0 million, -5.3 % (org. -2.7 %)
- Positive development of speciality cheeses (e.g. Kaltbach in Germany)
- Declining cheese exports to Italy (especially Emmentaler AOP)

Dairy products
Sales CHF 92.9 million, -14.8 % (org. -12.3 %)
- Sharp decline in sales at Gläserne Molkerei
OVERVIEW OF FINANCIAL YEAR 2019

Acquisitions
We are working on our portfolio

100 % acquisition
Factory in Seymour (USA)
Closing 28.02.2019

- Increase in blue cheese production know-how
- Extension of the value chain
- Access to new customers (retail and food service)

70 % majority stake
Laticinios Porto Alegre (BRA)
Closing 24.10.2019

- Strengthening of presence in large growth market
- Geographic expansion
- Expansion of product range

66 % majority interest
Leeb and Hale (AUT)
Closing 08.10.2019

- Strengthening of the product portfolio with organic goat’s and sheep’s milk
- Access to new customers (especially Eastern Europe)
- Increase in know-how and range of vegan dairy alternatives (Hale)

100 % acquisition
Pasticceria Quadrifoglio (ITA)
Closing 31.10.2019

- Expansion of the speciality desserts product portfolio
- Efforts to exploit synergies in international sales
- Access to new customers in food service thanks to broad artisanal manufacturing expertise

37.8 % merger
Surlat and Quillayes (CHL)
Closing 15.01.2020

- Strengthening of growth markets
- Strengthening of brands
OVERVIEW OF FINANCIAL YEAR 2019

Sustainability
Reducing greenhouse gases
“We are committed to reducing our global CO₂-emissions by 25% by 2020.”

Sustainable milk
“By 2020 all suppliers of Swiss cow’s milk will meet a catalogue of sustainability criteria.”

Employee development
“By 2020, all employees will be integrated in our development planning.”

Waste reduction
“By 2020, we will reduce food and packaging waste by 20 percent worldwide.”
SUSTAINABILITY

Sustainability targets 2021 - 2027

Sustainable milk
Further development of the Swiss industry standard
100 % of Emmi's milk suppliers worldwide produce to a standard with above-average local requirements

Reducing water consumption
Reducing our own water consumption in risk areas by 50 % (other sites -15 %)
Reducing water consumption in the value chain

Reducing greenhouse gases
60 % reduction in scope 1 & 2
25 % reduction in scope 3
Vision "Net zero 2050"

Reducing waste
Reduce own rubbish and food waste by 50 %
No general waste in landfill sites
100 % recyclable packaging

Developing employees
100 % of employees making an active contribution to their own continuous development
50 % of all vacancies filled by internal candidates

Results presentation, 2 March 2020, Emmi Group
SUSTAINABILITY

Packaging

Avoid
Omit resealable lid

Reduce
Biedermann Organic Lassi thin foil instead of massive lid

Right plastics
Switch Emmi Caffè Latte sleeve from PS to PET

Circular economy
Use of recyclable packaging & recycled materials
Innovation platform PRISMA
OVERVIEW OF FINANCIAL YEAR 2019

Translating current trends into concepts
Consistent innovation in line with seven megatrends

THE NEW COFFEE EXPERIENCE
CASUAL FOOD
NEW FUNCTIONAL
FOOD AS IT SHOULD BE
INDULGENT ME TIME
PLANT BASED
PERSONALISED FOOD SOLUTIONS
Three of seven megatrends
The new coffee experience

No. 1 in Europe
- Further expansion into new markets

Expansion of product portfolio
- Emmi Caffè Drink
  Almond Macchiato 230 mL
- Emmi Caffè Latte
  High Protein Mr. Big 370 mL

Product optimisations
- Reduced packaging weight
- Optimisation of materials
Dessert Italia

Innovations

• Relaunch of the Bontà Divina brand
• "Barista" coffee dessert

Growth

• Strengthening strategic markets
• Entry into food service (acquisition of Quadrifoglio)

Supply chain

• Increasing efficiency of logistics
• Strengthening sustainability aspects (optimising packaging, CO₂)
Developing the market for vegan dairy alternatives

Almond based
- Begetal from Kaiku
- beleaf from Emmi

Coconut based
- My love my life from Hale

Oat based
- beleaf drink
NET SALES TO EBIT (EXTRACT)

**Solid result**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>3,494.0</td>
<td>3,457.4</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>1,266.6</td>
<td>1,252.9</td>
<td>1.1</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>36.3</td>
<td>36.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>-920.6</td>
<td>-905.4</td>
<td>1.7</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>26.4</td>
<td>26.2</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>352.9</td>
<td>352.8</td>
<td>0.2</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>10.1</td>
<td>10.2</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation and amortisation</strong></td>
<td>-135.4</td>
<td>-136.4</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>217.8</td>
<td>216.7</td>
<td>0.5</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>6.2</td>
<td>6.3</td>
<td></td>
</tr>
</tbody>
</table>

- Solid gross margin of +0.1 percentage points despite high price pressure and negative currency effect thanks to consistent work on the portfolio:
  - Strong brand concepts
  - Attractive niches
  - Consistent rationalisation and productivity measures
- Solid EBIT in line with expectations; EBITDA and EBIT margin of -0.1 percentage points primarily due to higher expenses for logistics, energy and operating materials
Higher logistics costs and expenditure for energy and operating materials

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2018</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel expenses</td>
<td>462.4</td>
<td>458.5</td>
<td>0.8</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>13.3</td>
<td>13.3</td>
<td></td>
</tr>
<tr>
<td>Marketing and sales-related expenses</td>
<td>129.9</td>
<td>127.9</td>
<td>1.5</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>3.7</td>
<td>3.7</td>
<td></td>
</tr>
<tr>
<td>Occupancy expense, maintenance &amp; repair, leasing</td>
<td>68.2</td>
<td>69.5</td>
<td>-1.9</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>2.0</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Energy, operating material and supplies</td>
<td>71.9</td>
<td>66.2</td>
<td>8.6</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>2.1</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>Logistics expenses</td>
<td>112.8</td>
<td>108.0</td>
<td>4.5</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>3.2</td>
<td>3.1</td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>75.4</td>
<td>75.3</td>
<td>0.2</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>2.2</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>920.6</td>
<td>905.4</td>
<td>1.7</td>
</tr>
<tr>
<td>as % of net sales</td>
<td>26.4</td>
<td>26.2</td>
<td></td>
</tr>
</tbody>
</table>

- Energy, operating material and supplies (+8.6 %) and logistics expenses (+4.5 %) are mainly responsible for the disproportionately high increase in operating expenses in relation to sales.
- Acquisitions as well as higher procurement volumes and energy prices
- Rising production volumes and transport costs in individual countries
## Lower (adjusted) net profit margin

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018 reported</th>
<th>2018 adjusted*</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>217.8</td>
<td>216.7</td>
<td>216.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Gains from associated companies</td>
<td>-1.1</td>
<td>78.3</td>
<td>-1.1</td>
<td>-</td>
</tr>
<tr>
<td>Financial result</td>
<td>-6.8</td>
<td>-6.5</td>
<td>-6.5</td>
<td>-0.3</td>
</tr>
<tr>
<td>Earnings before taxes (EBT)</td>
<td>210.0</td>
<td>288.6</td>
<td>209.1</td>
<td>0.9</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-34.8</td>
<td>-50.2</td>
<td>-28.6</td>
<td>-6.2</td>
</tr>
<tr>
<td>Average tax rate in %</td>
<td>16.6</td>
<td>17.4</td>
<td>13.7</td>
<td></td>
</tr>
<tr>
<td>Minority interests</td>
<td>-9.0</td>
<td>-5.0</td>
<td>-5.0</td>
<td>-4.0</td>
</tr>
<tr>
<td>Net profit</td>
<td>166.2</td>
<td>233.3</td>
<td>175.5</td>
<td>-9.3</td>
</tr>
</tbody>
</table>

### As % of net sales

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>as % of net sales</td>
<td>4.8</td>
<td>6.7</td>
<td>5.1</td>
</tr>
</tbody>
</table>

- Net profit decreased by CHF 9.3 million or -0.3 percentage points compared to the adjusted previous year
- Slightly higher net financial expenses (foreign currency result)
- Tax rate of 16.6 % above the adjusted previous year (13.7 %)
- Higher share of minority interests

*Adjusted for the one-off effect from the sale of the minority interest in “siggi’s”.*
## CASH FLOW

### Strong cash conversion

<table>
<thead>
<tr>
<th>in CHF million</th>
<th>2019</th>
<th>2018</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>303.3</td>
<td>291.9</td>
<td>11.4</td>
</tr>
<tr>
<td>Investments in property, plant and equipment</td>
<td>-104.0</td>
<td>-80.3</td>
<td>-23.7</td>
</tr>
<tr>
<td>Investments in intangible assets</td>
<td>-3.3</td>
<td>-4.5</td>
<td>1.2</td>
</tr>
<tr>
<td>Other investing activities</td>
<td>13.8</td>
<td>16.5</td>
<td>-2.7</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>209.8</td>
<td>223.6</td>
<td>-13.8</td>
</tr>
<tr>
<td>Cash flow from acquisition activities</td>
<td>-132.8</td>
<td>62.6</td>
<td>-195.4</td>
</tr>
<tr>
<td>Cash flow from financing activities and impact of currency translation</td>
<td>-150.3</td>
<td>-47.4</td>
<td>-102.9</td>
</tr>
<tr>
<td><strong>Net change in cash and cash equivalents</strong></td>
<td>-73.3</td>
<td>238.8</td>
<td>-312.1</td>
</tr>
</tbody>
</table>
Investments 2019

Rationalisation investments (PY 19 %)
- 12" cheese format (Emmi Roth, USA)
- Aktifit line (Emmen, CH)
- Palletisation centre (Langnau, CH)
- Optimisation of freight forwarding (Emmen, CH)

Expansion investments (PY 36 %)
- New warehouse (Mexideli, Mexico)
- Modernisation of the production of Emmi Caffè Latte (Ostermundigen, CH)
- New warehouse (Surlat, Chile)
- Yogurt production expansion (Redwood Hill, USA)

Replacement investments (PY 45 %)
- Modernisation of refrigeration system (Kirchberg, CH)
- Renovation/expansion of tank facility (Dagmersellen, CH)
- Replacement of UHT processing plant (Suhr, CH)
- Quark filling line (Emmen, CH)

Total investments 2019: CHF 106.0 million
NET DEBT TREND

Strong balance sheet

- Further reduction of debt to 0.25x net debt/EBITDA
- Financing potential for further growth
Swiss GAAP FER offers two alternatives for goodwill accounting:
- capitalisation and amortisation over the useful life
- direct offsetting against equity at the time of acquisition

Emmi previously capitalised goodwill and amortised it over its useful life via the income statement.

However, the vast majority of listed companies that apply Swiss GAAP FER offset goodwill against equity at the time of acquisition. This trend has clearly intensified in recent years. Offsetting against equity has thus become the “usual standard” in practice.

In order to facilitate comparability with other companies, Emmi has decided to change its goodwill accounting policy to “offsetting against equity” with retroactive effect from 1 January 2020 and thus for the 2020 financial year.

This will require a restatement of the previous year’s figures in financial year 2020.
## Income statement - goodwill restatement (unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Financial year 2019 published</th>
<th>Financial year 2019 restated</th>
<th>Δ</th>
<th>First half 2019 published</th>
<th>First half 2019 restated</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>3,494.0</td>
<td>3,494.0</td>
<td>-</td>
<td>1,663.3</td>
<td>1,663.3</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>352.9</td>
<td>352.9</td>
<td>-</td>
<td>159.6</td>
<td>159.6</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>10.1 %</td>
<td>10.1 %</td>
<td>-</td>
<td>9.6 %</td>
<td>9.6 %</td>
<td>-</td>
</tr>
<tr>
<td><strong>Depreciation on property, plant and equipment</strong></td>
<td>-96.6</td>
<td>-96.6</td>
<td>-</td>
<td>-47.1</td>
<td>-47.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Amortisation on intangible assets</strong></td>
<td>-38.8</td>
<td>-13.4</td>
<td>25.4</td>
<td>-19.1</td>
<td>-7.3</td>
<td>11.8</td>
</tr>
<tr>
<td><strong>Write-back of negative goodwill</strong></td>
<td>0.3</td>
<td>0.3</td>
<td>-</td>
<td>0.1</td>
<td>0.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>217.9</td>
<td>243.3</td>
<td>25.4</td>
<td>93.5</td>
<td>105.3</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>6.2 %</td>
<td>7.0 %</td>
<td>0.8 pp</td>
<td>5.6 %</td>
<td>6.3 %</td>
<td>0.7 pp</td>
</tr>
<tr>
<td><strong>Income from associates and joint ventures</strong></td>
<td>-1.1</td>
<td>2.3</td>
<td>3.4</td>
<td>-</td>
<td>2.2</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>-6.7</td>
<td>-6.7</td>
<td>-</td>
<td>-3.1</td>
<td>-3.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>210.2</td>
<td>239.0</td>
<td>28.8</td>
<td>90.5</td>
<td>104.5</td>
<td>14.0</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>-34.8</td>
<td>-35.5</td>
<td>-0.7</td>
<td>-14.5</td>
<td>-14.8</td>
<td>-0.3</td>
</tr>
<tr>
<td><strong>Tax rate</strong></td>
<td>16.6 %</td>
<td>14.9 %</td>
<td>-1.7 pp</td>
<td>16.0 %</td>
<td>14.2 %</td>
<td>-1.8 pp</td>
</tr>
<tr>
<td><strong>Profit including minority interests</strong></td>
<td>175.4</td>
<td>203.5</td>
<td>28.1</td>
<td>76.0</td>
<td>89.7</td>
<td>13.7</td>
</tr>
<tr>
<td><strong>Minority interests</strong></td>
<td>-9.0</td>
<td>-9.0</td>
<td>-</td>
<td>-3.1</td>
<td>-3.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>166.4</td>
<td>194.5</td>
<td>28.1</td>
<td>72.9</td>
<td>86.6</td>
<td>13.7</td>
</tr>
<tr>
<td><strong>Net profit margin</strong></td>
<td>4.8 %</td>
<td>5.6 %</td>
<td>0.8 pp</td>
<td>4.4 %</td>
<td>5.2 %</td>
<td>0.8 pp</td>
</tr>
<tr>
<td><strong>Earnings per share</strong></td>
<td>31.10</td>
<td>36.35</td>
<td>5.25</td>
<td>13.63</td>
<td>16.19</td>
<td>2.56</td>
</tr>
</tbody>
</table>

**GOODWILL ACCOUNTING POLICY**

Results presentation, 2 March 2020, Emmi Group
## Balance sheet - goodwill restatement (unaudited)

<table>
<thead>
<tr>
<th>in CHF million</th>
<th>Financial year 2019 published</th>
<th>Financial year 2019 restated</th>
<th>Δ</th>
<th>First half 2019 published</th>
<th>First half 2019 restated</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,293.2</td>
<td>1,293.2</td>
<td>-</td>
<td>1,257.9</td>
<td>1,257.9</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>10.6</td>
<td>10.6</td>
<td>-</td>
<td>10.3</td>
<td>10.7</td>
<td>0.4</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>34.5</td>
<td>34.5</td>
<td>-</td>
<td>88.5</td>
<td>88.5</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>6.7</td>
<td>6.7</td>
<td>-</td>
<td>3.1</td>
<td>3.1</td>
<td>-</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>976.5</td>
<td>976.5</td>
<td>-</td>
<td>884.9</td>
<td>884.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>Intangible assets</strong></td>
<td>543.8</td>
<td>60.8</td>
<td>-483.0</td>
<td>466.4</td>
<td>64.7</td>
<td>-401.7</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>1,572.1</td>
<td>1,089.1</td>
<td>-483.0</td>
<td>1,453.2</td>
<td>1,051.9</td>
<td>-401.3</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>2,865.3</td>
<td>2,382.3</td>
<td>-483.0</td>
<td>2,711.1</td>
<td>2,309.8</td>
<td>-401.3</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>560.1</td>
<td>560.1</td>
<td>-</td>
<td>524.0</td>
<td>524.0</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td>76.8</td>
<td>69.2</td>
<td>-7.6</td>
<td>72.1</td>
<td>64.5</td>
<td>-7.6</td>
</tr>
<tr>
<td><strong>Other non-current liabilities</strong></td>
<td>444.7</td>
<td>444.7</td>
<td>-</td>
<td>436.6</td>
<td>436.6</td>
<td>-</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>521.5</td>
<td>513.9</td>
<td>-7.6</td>
<td>508.7</td>
<td>501.1</td>
<td>-7.6</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td>1,081.6</td>
<td>1,074.0</td>
<td>-7.6</td>
<td>1,032.7</td>
<td>1,025.1</td>
<td>-7.6</td>
</tr>
<tr>
<td>Share capital</td>
<td>53.5</td>
<td>53.5</td>
<td>-</td>
<td>53.5</td>
<td>53.5</td>
<td>-</td>
</tr>
<tr>
<td>Capital reserves</td>
<td>2.1</td>
<td>2.1</td>
<td>-</td>
<td>2.1</td>
<td>2.1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Retained earnings</strong></td>
<td>1,634.3</td>
<td>1,158.9</td>
<td>-475.4</td>
<td>1,562.1</td>
<td>1,168.4</td>
<td>-393.7</td>
</tr>
<tr>
<td>Minority interests</td>
<td>93.8</td>
<td>93.8</td>
<td>-</td>
<td>60.7</td>
<td>60.7</td>
<td>-</td>
</tr>
<tr>
<td><strong>Shareholders’ equity</strong></td>
<td>1,783.7</td>
<td>1,308.3</td>
<td>-475.4</td>
<td>1,678.4</td>
<td>1,284.7</td>
<td>-393.7</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>62.3 %</td>
<td>54.9 %</td>
<td>-7.4 pp</td>
<td>61.9 %</td>
<td>55.6 %</td>
<td>-6.3 pp</td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders’ equity</strong></td>
<td>2,865.3</td>
<td>2,382.3</td>
<td>-483.0</td>
<td>2,711.1</td>
<td>2,309.8</td>
<td>-401.3</td>
</tr>
</tbody>
</table>
Emmi stands for a reliable dividend policy

- **Steady increase** in ordinary dividend per share since 2014
- **New increase in payout ratio** to 40% - 50% (previously 25% - 30%); or 35% - 45% under new goodwill policy

*The 2017 dividend of CHF 10.00 included a regular dividend of CHF 7.00 and an anniversary dividend of CHF 3.00.*
DIVIDEND POLICY

Dividend / dividend payout

Dividend proposal FY 2019
Proposal submitted to the General Meeting:
dividend of CHF 12.00
(previous year: CHF 9.00)

Since 2009, the dividend has increased from
CHF 3.00 to CHF 12.00.

The 2017 dividend of CHF 10.00 included a regular dividend
of CHF 7.00 and an anniversary dividend of CHF 3.00.
Robust thanks to well diversified portfolio with strong market positions

PRODUCTS AND COUNTRY PORTFOLIO

- **Netherlands**
  - Emmi Benelux, Bettinehoeve, Goat Milk Powder, AVH Dairy

- **USA / Wisconsin**
  - Emmi Roth
  - Cowgirl Creamery, Cypress Grove Chèvre, Redwood Hill, Meyenberg

- **USA / California**
  - Cowgirl Creamery, Cypress Grove Chèvre, Redwood Hill, Meyenberg

- **Brazil**
  - Lacticinios Porto Alegre
  - Quillayes and Surlat

- **Chile**
  - Lácteos de Navarra Kaiku
  - Lácteos Caprinos

- **Canada / Quebec**
  - Emmi Canada

- **UK**
  - Emmi UK

- **Austria**
  - Emmi Austria
  - Leeb Biomilch

- **Germany**
  - Gläserne Molkerei Emmi Germany

- **France**
  - Ets Schoepfer

- **Mexico**
  - Mexideli

- **Spain**
  - Lácteos de Navarra Kaiku
  - Lácteos Caprinos

- **Tunisia**
  - Vitalait

- **Italy**
  - Emmi Dessert Italia
Strong implementation thanks to market-oriented organisation and expertise within the Group
Proven concepts

INNOVATIONS

Expansion of the product range

Focus on niches

Acquisitions with growth and profit potential

Establishment of premium specialities
Key initiatives

- Digital marketing
- Cost efficiency
- Sustainability
- Talent and succession management / Leadership
## THE MARKET ENVIRONMENT IN 2020

### Influential factors

<table>
<thead>
<tr>
<th>Switzerland</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive</strong></td>
<td><strong>Limiting</strong></td>
</tr>
<tr>
<td>- Innovation successes</td>
<td>- Organic milk situation in Germany with major influence on Gläserne Molkerei</td>
</tr>
<tr>
<td>- Brand development</td>
<td>- Cost development of raw materials, energy, logistics, personnel</td>
</tr>
<tr>
<td>- Trend-oriented product concepts</td>
<td>- Milk shortage in Tunisia</td>
</tr>
<tr>
<td>- Emmi Operational Excellence</td>
<td>- Macroeconomic upheaval</td>
</tr>
<tr>
<td>- Strong customer focus</td>
<td>- Political risks in Chile</td>
</tr>
<tr>
<td><strong>Limiting</strong></td>
<td><strong>Positive</strong></td>
</tr>
<tr>
<td>- Significant price pressure</td>
<td>- Organic growth via trend concepts e.g. Roth, Kaltbach, Emmi Caffè Latte</td>
</tr>
<tr>
<td>- Capacity utilisation and profitability problems with customers and competitors</td>
<td>- Markets: USA, Tunisia, Chile, Mexico, Brazil</td>
</tr>
<tr>
<td>- New production capacities are constantly being created</td>
<td>- Growth in niches</td>
</tr>
<tr>
<td>- Strong franc is advantageous for imports</td>
<td>- Emmi Operational Excellence (Tunisia, Spain, USA, Chile, Italy)</td>
</tr>
<tr>
<td></td>
<td>- Management of synergy potential</td>
</tr>
</tbody>
</table>
Urs Riedener, CEO
EXPECTATIONS FOR 2020 AS A WHOLE

Slight increase in operating result at EBIT level

Organic growth, earnings targets

<table>
<thead>
<tr>
<th>Growth Group</th>
<th>2 % to 3 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Switzerland</td>
<td>0 % to 1 %</td>
</tr>
<tr>
<td>Growth Americas</td>
<td>4 % to 6 %</td>
</tr>
<tr>
<td>Growth Europe</td>
<td>1 % to 3 %</td>
</tr>
<tr>
<td>EBIT in CHF million</td>
<td>255 to 265</td>
</tr>
<tr>
<td>Net profit margin</td>
<td>4.8 % to 5.3 %</td>
</tr>
</tbody>
</table>

(Figures assume constant exchange rates and raw milk prices)

Under the previous goodwill policy, the EBIT forecast would have been CHF 225 to 235 million and the net profit margin would have been forecast at 4.0 % to 4.5 %.
Realistic organic growth

(Figures assume constant exchange rates and raw milk prices)

Under the previous goodwill policy, the medium-term forecast for the net profit margin would have been maintained at 4.7 % to 5.2 %.
Thank you for your attention.