

Europe  
North America  
Rest of the World

# Markets

Lindt & Sprüngli Group  
**CHF 4.02** billion  
Sales 2020

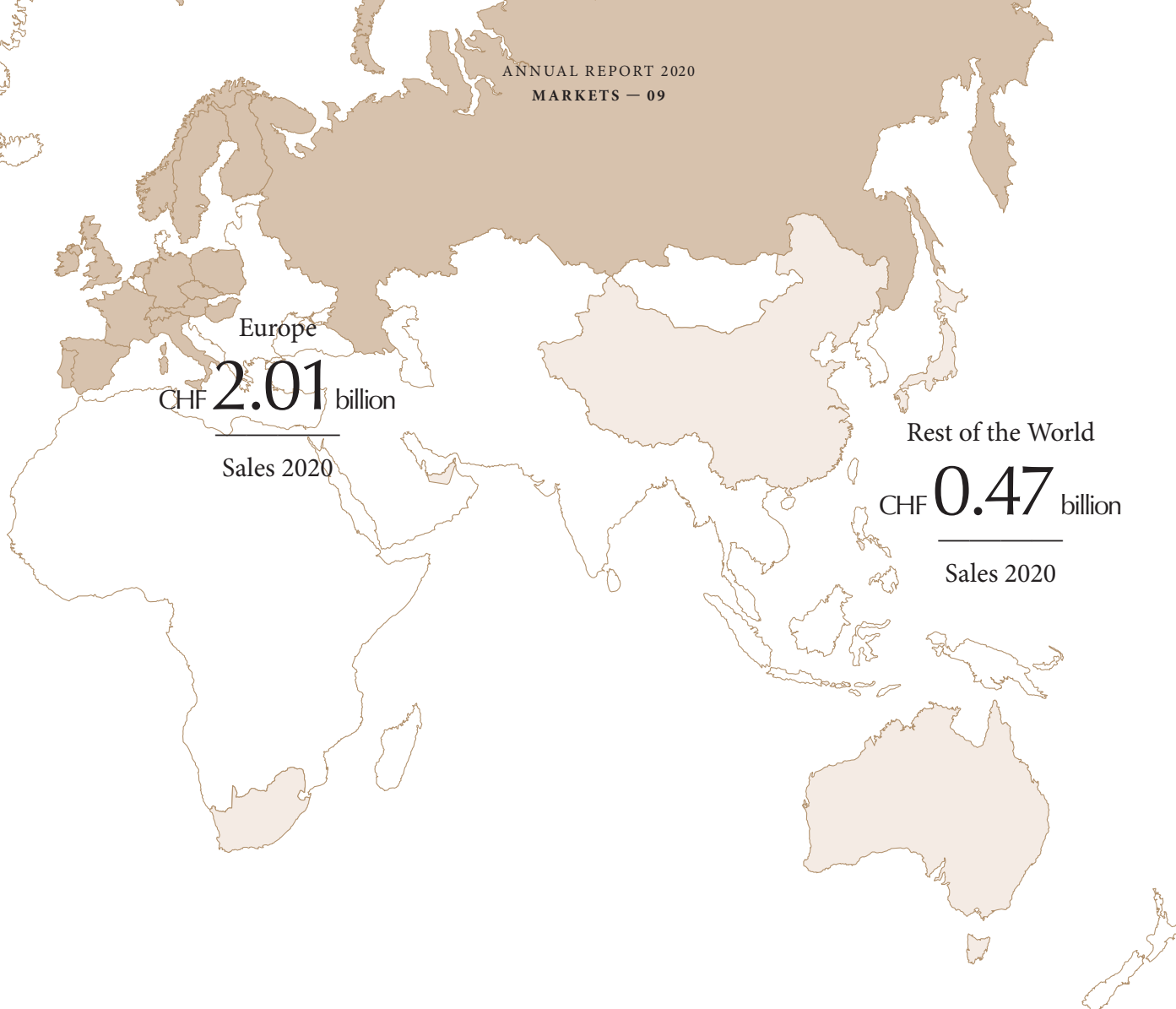
North America  
**CHF 1.54** billion  
Sales 2020

Despite the challenging conditions, created by the global Covid-19 pandemic, Lindt & Sprüngli was able to achieve a solid result and increased its market share in nearly all its key markets in 2020. Group sales amounted to CHF 4.02 billion, equivalent to a decline of –6.1% of organic growth.

Chocoladefabriken Lindt & Sprüngli AG had a very dynamic start into the financial year 2020. The Group achieved a solid increase in both, sales and profit until March. However, the stringent measures subsequently introduced worldwide to contain the Covid-19 pandemic had a negative impact on the Group's full-year result. Lindt & Sprüngli immediately took comprehensive measures in all areas of business to protect the health of employees, consumers, business partners, and suppliers and managed to preserve business continuity.

The global restrictions and regulations for combating the pandemic unfortunately had a negative impact on key areas of the business of Lindt & Sprüngli. The global network of own shops suffered from temporary closures and lower frequency. Especially Easter, but also Christmas as important seasonal gifting occasions were affected across all sales channels. The restrictions had a particularly negative impact on sales in North America's food-service business and Italy's traditional trade. Tight restrictions on air travel triggered a sharp decline in sales in the Travel Retail segment.

Fortunately, sales growth in the premium segment, where Lindt & Sprüngli is market leader, was above average, particularly in the second half of the year. Lindt & Sprüngli benefited from this trend as well. With the diverse portfolio of high-quality products, the company was able to meet increased demand for products destined for self-consumption at home. This helped to drive retail sales of the leader products Excellence and Lindor. The Excellence range even posted double-digit growth. Lindt & Sprüngli responded quickly and innovatively to the changes in consumer behavior caused by the pandemic with numerous entrepreneurial initiatives such as home deliveries, pick-up services, click&collect services, and the expansion of e-commerce. Online sales doubled to around 5% of Group sales.



As a result of the Covid-19 pandemic, sales declined in all three market regions “Europe”, “North America” and “Rest of the World”. Group sales declined organically by –6.1% to CHF 4.02 billion. Despite the exceptional global market environment, Lindt & Sprüngli succeeded in gaining market share in nearly all markets and growing faster than the overall chocolate market. As a leading global manufacturer of quality chocolate products, Lindt & Sprüngli benefited from the growth of premium chocolate markets and the strong contribution to Group sales made by the leader products Lindor and Excellence. Despite this challenging environment, the Group still managed to present many innovations and product launches that were very popular with consumers.

Over the past financial year, the Swiss franc again strengthened substantially compared to all major currencies. The resulting negative currency effect on the consolidated result led to a decrease in sales of –10.9% in domestic currency.

Lindt & Sprüngli was able to secure a continuous supply of raw materials to all its production facilities, despite the huge pressures placed on global supply chains by the Covid-19 pandemic. In addition, a successful procurement strategy allowed Lindt & Sprüngli to compensate for the fluctuation in raw material prices and keep costs stable. Prices for the most important raw materials, including hazelnuts, milk powder products and various oils, rose sharply. Almond prices, on the other hand, were considerably lower thanks to a plentiful harvest. Cocoa butter prices declined from a high level toward the end of the financial year in response to a weaker global demand.

The prices of all other key raw materials – including the most important, cocoa beans – remained stable. The Living Income Differential (LID), a levy jointly introduced in July 2019 by the Ivory Coast and Ghana to improve cocoa farmers’ living income, takes effect in the harvest season 2020/21. The introduction of the LID will inevitably increase the prices of cocoa beans from Western Africa’s two leading producers in the future.



CHF **2.01** billion  
Sales 2020



## Europe

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Despite the problems caused by the Covid-19 pandemic, Lindt & Sprüngli had a comparatively solid performance in the region of “Europe”, reporting a modest decline in sales of –2.9% to CHF 2.01 billion. Sales increased in Germany, the United Kingdom and Spain as well as in the markets in Eastern Europe, Nordic, and the Netherlands.



## Switzerland

Chocoladefabriken  
Lindt & Sprüngli (Schweiz) AG

**298** million CHF  
Sales incl. export  
(Duty-Free & Distributors)

–24.1% organic sales development

- Market share gains despite difficult market situation.
- Own shop network: Sharp decline in frequency at top tourist destinations due to Covid-19 restrictions.
- Strong performance in the chocolate bar segment for self-consumption: Excellence range reported double-digit sales growth across the entire product line in the retail trade. Excellence is the No. 1 in the overall chocolate bar segment. Excellence Passion was particularly popular.
- Strong sales development in e-commerce, accompanied by innovative online-campaigns.
- Lindor: Clear No. 1 in the pralines segment with gain in market shares.
- Opening of the world's biggest Lindt Shop in the Lindt Home of Chocolate, with an exclusive counter of fresh chocolates produced by Master Chocolatiers, and the biggest Lindor Pick & Mix selection. Chocolate gifts can now be personalized directly in the shop.
- Details regarding to the Duty-Free business and distributors can be found on page 24.



## Germany

Chocoladefabriken  
Lindt & Sprüngli GmbH (Deutschland)

**624** million EUR  
Sales

+2.0% organic growth

- Lindt in Germany achieved positive organic sales growth and increased its market shares, despite challenging circumstances.
- Retail trade: Particularly pleasing positive growth.
- Seasonal business: The important Easter business remained on previous years' level, while Christmas sales grew.
- Lindt Shops: Sales of own shops suffered during the lockdowns.
- E-commerce: Doubling of sales compared to previous year and successful launch of the Lindt e-shop, which turns online shopping into a new experience.
- Lindor: The Christmas range of the best-selling truffle has been complemented with an elegant gifting line.
- Excellence launch: The year started with 100% indulgence and the most intense Excellence bar with 100% cocoa content. The campaign was supported by campaigns on all social media channels. This reinforced Excellence's position as strong No. 2 in the dark chocolate bar segment, reporting double-digit growth.
- Lindt & Sprüngli was voted best employer in an independent study carried out by "stern" and "Statista" among more than 47,500 employees in Germany (January 2021).



## France

Lindt & Sprüngli SAS  
(France)

**375** million EUR  
Sales

–0.9% organic sales development

- France achieved a solid result in a challenging environment and was able to increase market shares.
- Own shops were particularly affected by the pandemic restrictions.
- Also the Easter business and the pralines segment were affected by the pandemic.
- Retail trade: Sales still relatively solid year on year, with all chocolate bar ranges performing especially well.
- Excellence launch: A new flavor of the Excellence chocolate bar, 100% cocoa with orange, strengthens the Excellence line's leading market position in France.
- New Lindt e-shop: Online sales doubled compared to last year. The new e-shop gives consumers plenty of options for personalizing chocolate gifts.
- New Lindor edition: Lindor line with a high cocoa content was successfully launched on the market.
- Supporting gesture: 13,000 gold bunnies were donated to hospital staff in France to spread a little joy in difficult times.



## Italy

Lindt & Sprüngli S.p.A.  
(Italy)  
and Caffarel S.p.A.

**184** million EUR  
Sales

–24.3% organic sales development

- Pandemic restrictions had a strong impact on sales in the traditional trade and own shops. The Easter business was also severely affected.
- Market shares: Lindt & Sprüngli Italy reported the biggest increase in market shares of the Group.
- By contrast, retail trade reported modest growth with double-digit increase in sales of chocolate bars.
- Online business: Very dynamic sales growth on all online-channels. The new Lindt e-shop, as well as other shops on online platforms, increased sales.
- Opening: New office building was inaugurated in Italy to provide employees not only with modern office spaces and meeting rooms, but also a Master Chocolatier counter.
- New factory shop: The new building also has a factory shop with the highest sales volume in Italy.
- Investments: Lindor production lines were expanded by one additional line.
- Bringing joy: 20,000 traditional Lindt Easter eggs were gifted to medical staff at Red Cross Italy (Croce Rossa Italiana).
- Caffarel launched its new brand relaunch, accentuating its long tradition as a manufacturer of high-quality chocolate with hazelnuts.









NEU

Lindt  
LINDOR

CARAMEL  
& SALZ

UNENDLICH ZARTSCHMELZEND  
CARAMEL  
mit einem Hauch von Fleur de Sel

Lindt

Lindt

Lindt

Lindt

Lindt  
LINDOR





## United Kingdom & Ireland

Lindt & Sprüngli Ltd. (UK)

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**215** million GBP  
Sales  
+2.1% organic growth

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- Despite the major challenges, Lindt & Sprüngli achieved positive organic sales growth and increased its market shares, mainly thanks to a strong business in retail trade.
- The strict lockdowns mostly affected the own shops and the Easter business.
- Excellence: The chocolate bar segment reported strong sales growth. The launch of Excellence Honeycomb and the Excellence editions Caramel & Sea Salt, Orange & Almond and Raspberry & Hazelnut available exclusively at Lindt Shops consolidated the strong position as market leader in the dark chocolate bar segment.
- Biggest product launch: Lindor Salted Caramel was launched in numerous product categories in England and Ireland.
- Trade partnership: Lindor Pick & Mix is now permanently available in over 100 stores at one of the largest retailers in England.
- Online sales tripled in the new Lindt e-shop. Strong growth in the online-shops of our retail trade partners.
- Lindt & Sprüngli thanked employees of the NHS (National Health Service) with an Easter surprise for their tireless effort.
- Ireland reported double-digit growth during the financial year.



## Spain & Portugal

Lindt & Sprüngli (España)  
S.A. & Portugal

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**+3.2%**  
organic growth

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- Positive organic sales development and market share gains, despite difficult market environment.
- Good sales development in the retail trade.
- Lindt Shops: Decline in sales of own shops due to restrictions under the pandemic.
- E-commerce: Very strong sales development on all online sales channels.
- Limited Edition: Lindor delights with the new limited Dulce de Leche flavor just in time for Christmas.
- New hazelnut highlight: Nuxor launched with two flavors.
- 175 years Lindt & Sprüngli: the anniversary was celebrated with a “Golden Ticket” PR-campaign at points of sale and on social media channels.
- Product of the year: Excellence Passion line voted product of the year by consumers.
- Lindt & Sprüngli thanked medical staff, retail trade employees, and other sectors most affected by the lockdown with 1 million Lindor truffles.
- Portugal reported double-digit sales growth.



## Rest of Europe

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### Austria

Sales reported by the subsidiary Lindt & Sprüngli (Austria) Gesellschaft m.b.H. decreased in the financial year in the face of pandemic restrictions and the lack of tourism, with a decline in organic sales of -9.7%. Despite the difficult market environment market shares were gained. The own shops – especially those located at top tourist destinations – were negatively affected, as was the seasonal business. In contrast, e-commerce reported a new record performance. The launch of the Lindt e-shop supported the positive trend in e-commerce, which was supplemented by the cooperation with three new online retail partners. The launch of a consumer-friendly Click&Collect system was well received. The famous Easter bunny hunt in the Botanical Gardens of Vienna's Schönbrunn Palace was innovatively realized as a "Gold Bunny Hunt@home campaign". During the past financial year, the second shop-in-shop opened at one of Austria's biggest retail partners. The "Gold Bunny helps"-campaign delighted medical staff across the country with 60,000 Gold Bunnies.

### Nordic

The subsidiary Lindt & Sprüngli (Nordic) AB, which comprises Denmark, Sweden, Norway and Finland, achieved a very good organic growth of +10.6%. All markets performed well, with Norway even doubling its sales compared to previous year. Sales of the best-seller product Lindor saw double-digit growth in Scandinavia. A new edition, Lindor Salted Caramel, was added to the product line and its double-digit growth reinforced the brand's strong market position. Also, the own network of shops slightly increased. Finland has already opened its third Lindt shop, while the first own shop has opened its doors in Oslo, Norway.

### The Netherlands

The Dutch subsidiary Lindt & Sprüngli (Netherlands) B.V. started impressively by reporting organic growth of +56.5% and market share gains. One highlight was the relaunch of Lindor in partnership with the biggest retailer in the Netherlands. Lindt donated over 60,000 Gold Bunnies to hospital staff in the Netherlands to express gratitude for their tireless work.

### Eastern Europe

The Eastern Europe subsidiary Lindt & Sprüngli CEE s.r.o. includes the Czech Republic, Slovakia and Hungary. The entire region registered market share gains and achieved organic sales growth of +12.0%. The bestseller Lindor was complemented with the launch of Lindor 70% and grew at a double-digit rate. The leader product Excellence also reported solid growth.

### Poland

The subsidiary in Poland, Lindt & Sprüngli (Poland) Sp. z o.o., reported an organic sales development of -2.9%, mainly due to the pandemic related sales declines in its own shops and in retail trade.

### Russia

Lindt & Sprüngli (Russia) LLC achieved an organic sales development of -3.1% in the reporting year. In Russia, the pandemic related lockdowns mainly impacted the retail trade. However, the product categories chocolate bars and pralines developed well. New shop-in-shops on Russia's largest e-commerce platform strengthened online sales. The company's own shops recorded double-digit sales growth and the expansion of the network was continued with the opening of the fifth shop in the Belaya Dacha Outlet Village.





# North America

CHF **1.54** billion  
Sales 2020

During the reporting period, performance in the “North America” region was heavily influenced by the Covid-19 pandemic. Annual sales amounted to CHF 1.54 billion, equivalent to a decline of –6.8% in organic sales growth. The performance of the own shops was severely impacted by repeated lockdowns. Despite this, Lindt & Sprüngli still managed to increase its market shares across the entire region. In the USA, Canada, and Mexico, the bestsellers Lindor and Excellence once again proved to be the key growth drivers. Wholesale had a strong year thanks to increased self-consumption of chocolate bars and the performance of the baking segment. Online sales doubled compared to previous year. However, this dynamic performance could only partially compensate for the decline in sales at the own shops. Improved efficiency in the supply chain helped increase the profitability of the region.



No. **1**

IN THE PREMIUM SEGMENT  
IN THE USA



## USA

Lindt & Sprüngli  
(USA) Inc.

**500** million USD  
Sales

–1.4% organic growth development

- Despite the Covid-19 pandemic, Lindt reported solid growth in the USA and increased its market shares.
- The decline in sales caused by the pandemic mainly affected own shops during the lockdowns.
- By contrast, wholesale reported modest sales growth.
- Online business: Strong sales growth in all online channels, supported by targeted social media campaigns.
- Lindor novelty: Lindor Dulce de Leche complemented the best-selling product line.
- Strong sales of Excellence for self-consumption. A new intense edition of the chocolate bar was introduced, with 100% cocoa content.
- Award: Lindt & Sprüngli USA won the prestigious TPM Excellence Award presented by the Japanese Institute of Plant Maintenance (JIPM) for manufacturing excellence.
- Sponsoring: for the fifth time, Lindt USA was the official sponsoring partner of the Golden Globes. The many celebrities attending the 77th award ceremony were spoiled with over 30,000 Lindor chocolate truffles.
- “Saying thank you”: Lindt thanked 70 medical institutions and support organizations in the USA with chocolate gifts in recognition of their hard work during the pandemic.



## Ghirardelli Chocolate Company

**552** million USD  
Sales

–5.1% organic sales development

- The food-service business was strongly affected by the restrictions in gastronomy.
- Ghirardelli shops also suffered a decline in sales, particularly those at top tourist destinations such as Disney World due to closures.
- Baking boom: the lockdown measures triggered a boom in baking that led to double-digit sales growth in baking products, which was already a highly successful segment.
- Innovation: Chocolate baking chips with 72% cocoa content were added to the bestseller brownie mix in the strongly selling baking segment.
- Covid-19 gifts: Half a million Ghirardelli Squares were donated to over 40 hospitals and charitable organizations.





## Russell Stover Chocolates LLC

**360** million USD  
Sales

–12.9% organic sales development

- Russell Stover, mainly active in the gifting segment, suffered from restrictions imposed by the pandemic, especially in the seasonal business at Easter and Christmas, as well as the closures of own shops during lockdowns.
- Online sales grew due to strong focus on digital initiatives and new distribution possibilities.
- New additions to the sugar-free range: Chocolate bars and baking products were added to the product line, increasing sales and strengthening the company's No. 1 position in sugar-free products in the US market.
- New TV advertising campaign: The "Virtual Hug" campaign brought consumers closer together even in times of social distancing.
- Traditions reinterpreted: Russell Stover launched its first social-first media campaign "The Great Bunny Hunt", as a virtual celebration of Easter traditions which was a big success on social media.
- TV appearance: Russell Stover appeared on the most popular US morning TV show "Good Morning America" with its "Make happy" mobile. Its popular red Valentine heart strengthened Russell Stover's reputation as traditional gifting expert.
- Russell Stover gifted more than 25,000 boxes of pralines at different hospitals across the USA.



## Canada

Lindt & Sprüngli (Canada) Inc.

**295** million CAD  
Sales

–13.0% organic sales development

- The extensive network of own shops suffered from closures during lockdowns. Nevertheless, the Canadian subsidiary steadily expanded its market shares during the reporting period adding a third brand, Swiss Classic.
- Lindor Limited Edition: Dulce de Leche and pistachio were added to the flavors available in the bestseller's product line as seasonal editions.
- New Excellence edition: The collection was complemented by a dark chocolate bar with 100% cocoa. The marketing campaign "Sense the Excellence" supported the launch at all touchpoints and enhanced this line's strong performance.
- New TV spot: The Lindor advertising spot created for the Canadian market highlights the personal enjoyment of tasting Lindor.
- Award: For the seventh year in a row, Lindt was voted the "Most trusted brand" (Brand Spark Study).



## Mexico

Lindt & Sprüngli de México,  
S.A. de C.V.

+23.0% organic growth

- Strong performance in retail trade and double-digit growth of online business.
- Sales growth was particularly strong in the Excellence product line which was the biggest growth driver and leading in the chocolate bar segment in Mexico.


*Lindt* 

MINI PRALINÉS



KLEINE, FEINE 36 KOSTBARKEITEN





Rest of the World

CHF **0.47** billion  
Sales 2020



The markets in the “Rest of the World” segment were strongly influenced by the Covid-19 pandemic. The region recorded a decline in sales to CHF 0.47 billion mainly due to the strong decline of the Travel Retail business and the temporary shop closures as a result of the lockdowns. Organic sales development was at –16.1%. Positive highlights were the markets in China and Japan, which still achieved good sales growth. Holistic e-commerce concepts and the expansion of digital sales and marketing channels made it possible to serve consumers even in exceptional times. The expansion of the own retail business was continued and complemented with innovative shop-in-shop concepts.

### Australia

The Australian subsidiary Lindt & Sprüngli (Australia) Pty Ltd. reported a –6.7% decrease in organic sales. The shop closures during the lockdowns had a negative impact on own shops, especially at the country’s top tourist attractions. The retail trade achieved modest sales growth in Australia. The TV campaign “Made to melt you” accompanied the Lindor Dulce de Leche product launch. During the reporting period, the first shop-in-shop concepts were introduced at two of Australia’s biggest retail chains.

### South Africa

In South Africa, the subsidiary Lindt & Sprüngli (South Africa) (Pty.) Ltd. was confronted with temporary shop closures, which led to a decline in sales of its own shops and in the retail trade. Organic sales decreased by –13.8%. The strong performance of the e-commerce was supported by the launch of the new e-shop. Also, the launch of online courses with Master Chocolatiers was a major success and reinforced the strategy “Lindt goes digital”. The launch of Excellence Honeycomb strengthened the line’s position as No. 2 in the South African market and contributed to the strong performance in the financial year 2020. Four new

Master Chocolatier counters were set up in own shops offering freshly made chocolate bars, drinks, and ice cream. Consumers can watch first-hand as exciting new chocolate creations come to life.

### China

Lindt & Sprüngli (China) Ltd. achieved strong organic sales growth of +10.1%, in the reporting period thanks to a solid contribution from the retail trade and e-commerce. Lindt cooperated with numerous social media platforms and with an international coffee house chain. The new Lindor concept was launched in the chain’s biggest café in Shanghai. In addition, the first Lindt pop-up shop opened in the Superbrand Shopping Center L+Mall Lujiazui in Shanghai. During the reporting period, the hazelnut praline Nuxor was first presented on social media channels as a perfect partner for afternoon tea. Lindor’s premium gifting and wedding collection proved extremely popular at the Shanghai Wedding Fair. Although the wedding segment, which is a particularly important business, improved steadily over the course of the year, despite the decrease of wedding celebrations.

### Brazil

The subsidiary Lindt & Sprüngli (Brazil) Holding Ltda. reported a decline in organic sales by –16.0% due to the effects of the pandemic. The own shops recorded a decline in sales due to temporary shop closures during the important Easter business. However, the expansion of the shop network continued with the opening of five new shops. The Group’s 175th anniversary was celebrated in the own shops with large 3D window displays and numerous campaigns. Sales in the retail business performed well over the reporting period and the online sales expanded. For the expansion of omnichannel retail, a new e-shop was launched and the presence on the most important online platforms was strengthened.

### Japan

Despite the pandemic, the subsidiary Lindt & Sprüngli Japan Co., Ltd. reported organic sales growth of +7.4%. The strong sales performance of the Lindt e-shop was reinforced by a greater presence on other online channels and online marketing campaigns, partly compensating for the sales decline in own shops. The network of own shops was expanded by 11 new shops. Lindt & Sprüngli Japan celebrated its 10th anniversary during the reporting period.



# Duty Free & Distributors

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## DUTY FREE

Travel Retail started the financial year 2020 with double-digit sales growth. But the effects of travel restrictions imposed by the Covid-19 pandemic led to a sharp decline in sales in Duty Free. The new Lindor edition, Dulce de Leche, won the DFNI Americas Award for the “Best Confectionery Product”, and “Travel the World with Lindt Naps” for Lindt Napolitains was voted the best advertising campaign. The 175th anniversary was celebrated at the beginning of the year with sampling campaigns on interactive displays and promotions at the POS. Travel Retail is still an important business segment for Lindt & Sprüngli and is expected to recover over the coming years as travel reverts to normal.

## DISTRIBUTORS

The regional representative office “Greater Europe” reported good sales growth, mainly thanks to the strong performance of Lindor and Excellence, and increased its market shares. Despite the restrictions imposed by the pandemic, the regional representative office “Asia-Pacific” posted good single-digit growth. The regional office in Dubai also achieved important market share gains and grew faster than most competitors. The distribution network in the key markets of Chile, Argentina and Peru was expanded, laying an important foundation for the future market development.

