LINDT & SPRÜNGLI

Semi-Annual Report
January – June
2021

MAÎTRE CHOCOLATIER SUISSE DEPUIS 1845

Letter to Shareholders 2021

High double-digit organic sales growth across the Group

+17.4% to CHF 1.8 billion (in Swiss francs +17.2%)

Operating profit (EBIT) on target

CHF 138.8 million (EBIT margin 7.7%)

Significant recovery in important Easter business, positive development of online sales and market share gains in all regions

Dear Shareholders

After a challenging previous financial year, we are reporting again positive results. In the first half of 2021, Lindt & Sprüngli responded with speed, innovative strength, and flexibility to the unchanged demanding environment during the Covid-19 pandemic. Thanks to the great commitment of our employees, continuously high advertising investments in 2020 and 2021, new product launches, and continued customer focus, Lindt & Sprüngli was able to report a positive organic sales increase of +17.4% to CHF 1.8 billion (previous year: CHF 1.5 billion) in the first six months of the financial year 2021. Due to the renewed appreciation of the Swiss franc against the major currencies, growth in Swiss franc amounts to +17.2%.

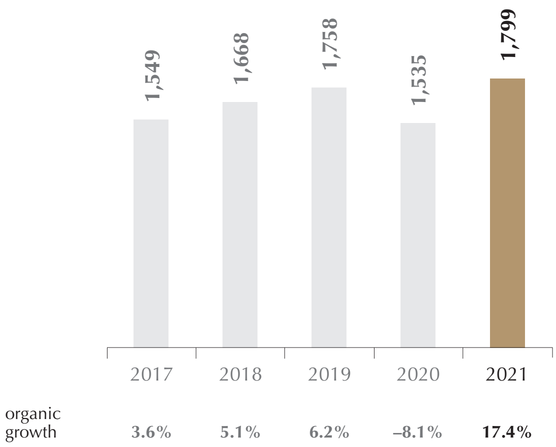
Since the beginning of the year, the global chocolate markets have recorded growth compared to the weak previous year. Furthermore, Lindt & Sprüngli benefited from an above-average development of the premium segment in which the company holds a global leading position in. However, the worldwide measures to fight against the pandemic continued to adversely affect business performance in various markets and business segments in the first half of the year. At Lindt & Sprüngli, this primarily impacted the business segments of our own shop network Global Retail as well as Duty Free. Global Retail recovered with double-digit growth compared to a very weak previous year. However, due to the ongoing temporary local lockdowns and thus lower consumer frequency, sales were lower compared to 2019. The Duty Free business was still unable to match the results of the pre-pandemic years due to the ongoing restrictions in global air travel.

We were able to meet the increased global demand for high-quality chocolate products with our key franchises Lindor and Excellence. Both product lines were again main sales drivers in the first half of the year and recorded solid growth. It is also particularly pleasing that the important Easter business, recovered significantly and even exceeded our expectations. In addition, our online business doubled its sales. The reasons for this are the unbroken trend in consumer shopping behavior from brick-to-mortar to online retail and our strategic focus on further developing the omni-channel approach. This comprises and coordinates our sales activities via our own e-shops, the online channels of our retail partners, and our own shop network. Lindt & Sprüngli is thus well positioned and was able to further expand its market share in the online business in the first half of 2021. Despite the still difficult market environment, the company gained market shares in all strategically important markets and recorded double-digit sales growth in all three regions: "Europe", "North America", and "Rest of World".

In the "Europe" segment, Lindt & Sprüngli achieved organic sales increase of +16.4% to CHF 941.3 million (previous year: CHF 785.6 million). Despite the persisting

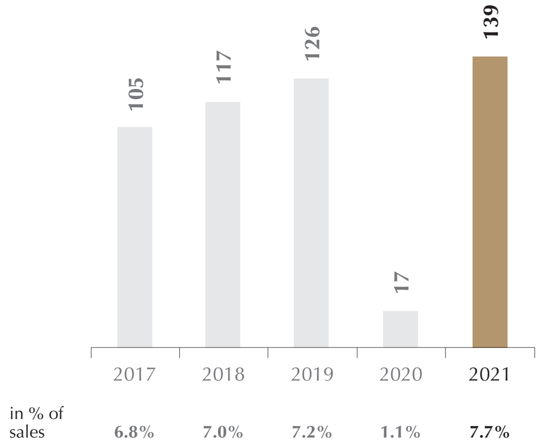
Group Sales

1. Half-Year 2021, in CHF million



Operating Profit (EBIT)

1. Half-Year 2021, in CHF million



numerous constraints and their effect on the economy, the sales contributions of the important chocolate markets Germany, France, UK, and Italy are particularly noteworthy. For home consumption, the popular leader products Lindor and Excellence contributed again to positive retail sales. Another highlight is the very pleasing Easter business, which also developed positively compared with the pre-crisis year 2019. Furthermore, Lindt & Sprüngli Italy was able to acquire and integrate the long-standing partner for Lindt retail shops at the beginning of the year. The acquired prime locations are strategically situated and will strengthen the own retail business as well as the brand presence in Italy. In the Swiss home market, the strong presence of the Lindt brand was expanded in the spring through a new retail partnership with Migros, one of the country's largest retailers. Since the end of April, Lindt products have been available in all stores throughout Switzerland, complementing the existing chocolate range in the premium segment.

The "North America" region achieved a very good organic sales development of +18.8% to CHF 620.9 million (previous year: CHF 551.5 million). Once again, market shares were gained in the USA, the world's largest chocolate market, in the first half of the year. All three brands, Lindt, Ghirardelli and Russell Stover, thus strengthened Lindt & Sprüngli's leading position in the premium chocolate segment and as no. 3 in the overall market. In particular, Lindt in the US, made a significant double-digit contribution to sales growth in the region, benefiting from high demand for the permanent product range in the retail trade and from good sales in the important seasonal business. Ghirardelli performed again positively across all sales channels and the food service business also recovered. In addition, the growth trend in the booming baking segment continued. The Russell Stover subsidiary benefited from good demand for its sugar-free product line and stabilization in the important seasonal Valentine's Day and Easter business.

The "Rest of the World" segment increased sales organically by +18.0% to CHF 237.0 million (previous year: CHF 197.8 million), with the Japanese, Russian, and Chinese markets performing particularly well. The strong growth of the online business of the previous year continued in the first half of 2021, especially in China. In Brazil, Lindt & Sprüngli was able to take over the shares of the joint venture partner in the local retail business at the beginning of the year and will continue to expand the shop network according to an unchanged plan. The Duty Free segment is still significantly below the sales level of 2019.

The regulatory measures to protect the population since the beginning of 2020 have had a major impact on global supply chains and the economy in particular. During this period, Lindt & Sprüngli has succeeded in securing supplies to our production sites as well as to our trade partners at all times. Thanks to a forward-looking purchasing strategy, costs for cocoa products were kept stable despite continued high price volatility in the first half of the year. In contrast, prices for the raw materials sugar and milk powder as well as for packaging materials recorded demand-related price increases.

To ensure sales growth, Lindt & Sprüngli continued to maintain a high level of investments in all production sites also in the first half of 2021. Worth mentioning is the decision to further expand the cocoa liquor plant in Olten, Switzerland, to ensure the long-term supply of cocoa liquor to the European plants. Further major investments were made for capacity expansion at the production sites in Germany and at the US site in Stratham for pralines production lines.

Lindt & Sprüngli achieved a significantly improved operating profit (EBIT) of CHF 138.8 million in the first six months of 2021 (previous year: CHF 17.1 million), corresponding to an EBIT margin of 7.7%. Net profit reached CHF 101.6 million (previous year: CHF 19.7 million), resulting in a return on sales of 5.6%. The free cash flow amounted to CHF 227.9 million (previous year: CHF 188.7 million) resulting in a cash flow margin of 12.7%. Total assets as of June 30, 2021, amount to CHF 8.08 billion (December 31, 2020: CHF 8.05 billion) and the equity ratio increased slightly to 58.0% (December 31, 2020: 57.2%).

"During the long and successful history of Lindt & Sprüngli, we have mastered many crises and once again we have proven that our company is up to the global challenges."

Ernst Tanner, Executive Chairman

Given the high liquidity, the solid balance sheet, and the continuously high cash flow, Lindt & Sprüngli has launched a buyback program for registered shares and participation certificates in the amount of up to CHF 750 million. The buyback started on June 1, 2021, and will last until December 30, 2022, at the latest. The buyback program is progressing as planned and as of June 30, 2021, shares and participation certificates in the amount of CHF 57.1 million have already been repurchased. This corresponds to 0.26% of the registered shares and participation certificates outstanding at the beginning of the buyback program.

"Over the past decades, we have already achieved a great deal in terms of sustainability. I am proud that in 2020 we have reached our major milestone and our cocoa beans are 100% traceable and externally verified. But there is more to come. We are committed to defining a 'Science-Based Target Climate Goal' until 2023, with the long-term goal of achieving net zero emissions."

Dr Dieter Weisskopf, CEO of the Lindt & Sprüngli Group

Sustainable and socially responsible business principles are at the heart of the business activities of Lindt & Sprüngli. In the field of sustainability, we are proud to present our new, important goals in the areas of packaging and environment. Lindt & Sprüngli is committed to minimizing its environmental footprint along the entire value chain. This starts with the packaging we use as well as its procurement. With our "Sustainable Packaging Initiative", we have set ourselves the goal, to make all packaging 100% recyclable by 2025 and to no longer use non-recyclable plastics. Furthermore, 100% of our pulp and paper-based packaging will be sourced from a certified sustainable supply chain. In addition, we will continuously and proactively challenge our entire packaging portfolio and further reduce material use.

Having achieved the targets set five years ago for the reduction of greenhouse gases in production, we are making new commitments. Lindt & Sprüngli is setting itself new, clearly measurable, and ambitious climate targets based on the "science-based targets" approach. In addition to the short-term reduction targets for a zero-emission production, we are defining "net-zero emission" of our comprehensive activities in the medium-term. Detailed information on our sustainability strategy and new commitments can be found in the Sustainability Report 2020 at:

https://www.lindt-spruengli.com/amfile/file/download/id/5028/file/Lindt%20&%20Spr%C3%BCngli-Sustainability-Report-2020-EN.pdf.

Outlook

Assuming that the growth of the global chocolate markets slows down in the second half of the year, we expect organic sales growth in the lower double-digit range for the full year 2021. Furthermore, we confirm the unchanged medium/long-term target of organic sales growth of 5–7% p.a. for the following years. For 2021, Lindt & Sprüngli expects an increased operating margin at the upper end of 13–14% and aims to return to a level of 15% from 2022 onwards. For the following years, the company confirms its medium/long-term target of a continuous improvement in the operating margin of 20–40 basis points p.a. These estimates assume that the global pandemic situation will continuously improve.

Ernst Tanner
Executive Chairman of the Board of Directors

Dr Dieter Weisskopf
CEO Lindt & Sprüngli Group

Consolidated Balance Sheet
(unaudited)

CHF million	Note	June 30, 2021		December 31, 2020	
Assets					
Property, plant and equipment		1,393.3		1,327.2	
Right-of-use assets		448.2		408.8	
Intangible assets		1,333.0		1,300.9	
Financial assets		2,090.7		1,898.2	
Deferred tax assets		168.9		162.0	
Total non-current assets		**5,434.1**	**67.2%**	**5,097.1**	**63.3%**
Inventories		858.8		701.5	
Accounts receivable		388.1		825.0	
Other receivables		133.1		123.9	
Accrued income and prepayments		44.1		29.9	
Derivative assets		25.8		23.5	
Marketable securities and short-term financial assets		250.3		401.7	
Cash and cash equivalents		946.3		848.4	
Total current assets		**2,646.5**	**32.8%**	**2,953.9**	**36.7%**
Total assets		**8,080.6**	**100.0%**	**8,051.0**	**100.0%**
Liabilities					
Share and participation capital	6	24.1		24.0	
Treasury stock	6	–72.9		–26.7	
Retained earnings and other reserves		4,736.2		4,603.5	
Equity attributable to shareholders		**4,687.4**		**4,600.8**	
Non-controlling interests	1	–		5.5	
Total equity		**4,687.4**	**58.0%**	**4,606.3**	**57.2%**
Bonds		997.6		997.4	
Lease liabilities		423.3		390.1	
Deferred tax liabilities		628.4		579.7	
Pension liabilities		144.9		153.5	
Other liabilities		5.9		6.6	
Provisions		38.5		37.1	
Total non-current liabilities		**2,238.6**	**27.7%**	**2,164.4**	**26.9%**
Accounts payable to suppliers		170.7		187.4	
Other accounts payable		76.7		115.6	
Lease liabilities		72.7		68.1	
Current tax liabilities		82.0		90.4	
Accrued liabilities and deferred income		686.7		745.4	
Derivative liabilities		12.4		9.6	
Provisions		24.8		59.9	
Bank and other borrowings		28.6		3.9	
Total current liabilities		**1,154.6**	**14.3%**	**1,280.3**	**15.9%**
Total liabilities		**3,393.2**	**42.0%**	**3,444.7**	**42.8%**
Total liabilities and equity		**8,080.6**	**100.0%**	**8,051.0**	**100.0%**

The accompanying notes form an integral part of the consolidated semi-annual statements.

Consolidated Income Statement
(unaudited)

CHF million	Note	January–June 2021		January–June 2020	
Income					
Sales		1,799.2	100.0%	1,534.9	100.0%
Other income		15.3		10.8	
Total income		**1,814.5**	**100.9%**	**1,545.7**	**100.7%**
Expenses					
Material expenses		–667.2	–37.1%	–617.2	–40.2%
Changes in inventories		72.8	4.0%	74.9	4.9%
Personnel expenses		–458.2	–25.5%	–422.4	–27.5%
Operating expenses		–495.1	–27.5%	–439.2	–28.6%
Depreciation, amortization and impairment		–128.0	–7.1%	–124.7	–8.2%
Total expenses		**–1,675.7**	**–93.2%**	**–1,528.6**	**–99.6%**
Operating profit (EBIT)		**138.8**	**7.7%**	**17.1**	**1.1%**
Financial income		3.4		2.1	
Financial expense		–11.9		–15.5	
Income before taxes		**130.3**	**7.2%**	**3.7**	**0.2%**
Taxes		–28.7		16.0	
Net income		**101.6**	**5.6%**	**19.7**	**1.3%**
of which attributable to non-controlling interests	1	–		–2.1	
of which attributable to shareholders of the parent		101.6		21.8	
Non-diluted earnings per share / 10 PC (in CHF)		423.4		91.5	
Diluted earnings per share / 10 PC (in CHF)		419.2		90.7	

The accompanying notes form an integral part of the consolidated semi-annual statements.

Statement of Comprehensive Income
(unaudited)

CHF million	Note	January–June 2021	January–June 2020
Net income		101.6	19.7
Other comprehensive income after taxes			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		143.3	−41.8
Items that may be reclassified subsequently to profit or loss			
Hedge accounting		3.6	−32.9
Currency translation		82.5	−62.5
Total comprehensive (loss) / income		**331.0**	**−117.5**
of which attributable to non-controlling interests	1	−0.3	−4.7
of which attributable to shareholders of the parent		331.3	−112.8

Consolidated Statement of Changes in Equity
(unaudited)

CHF million	Note	Share-/ PC-capital	Treasury stock	Share premium	Hedge accounting	Retained earnings	Currency translation	Equity attributable to share-holders	Non-controlling interest [1]	Total equity
Balance as at January 1, 2020		**24.3**	**−399.2**	**325.4**	**21.2**	**4,982.2**	**−294.1**	**4,659.8**	**10.4**	**4,670.2**
Net income		–	–	–	–	21.8	–	21.8	−2.1	19.7
Other comprehensive income		–	–	–	−32.9	−41.8	−59.9	−134.6	−2.6	−137.2
Capital increase	6	0.2	–	66.5	–	–	–	66.7	–	66.7
Purchase of treasury stock	6	–	−6.7	–	–	–	–	−6.7	–	−6.7
Sale of treasury stock	6	–	41.1	–	–	19.6	–	60.7	–	60.7
Share-based payment		–	–	–	–	8.4	–	8.4	–	8.4
Reclass into retained earnings		–	–	−78.7	–	78.7	–	–	–	–
Distribution of profit		–	–	–	–	−417.6	–	−417.6	−0.4	−418.0
Balance as at June 30, 2020		**24.5**	**−364.8**	**313.2**	**−11.7**	**4,651.3**	**−354.0**	**4,258.5**	**5.3**	**4,263.8**
Balance as at January 1, 2021		**24.0**	**−26.8**	**334.4**	**12.0**	**4,696.1**	**−438.9**	**4,600.8**	**5.5**	**4,606.3**
Net income		–	–	–	–	101.6	–	101.6	–	101.6
Other comprehensive income		–	–	–	3.6	143.3	82.8	229.7	−0.3	229.4
Capital increase	6	0.1	–	49.1	–	–	–	49.2	–	49.2
Purchase of treasury stock	6	–	−57.1	–	–	–	–	−57.1	–	−57.1
Sale of treasury stock	6	–	11.0	–	–	2.9	–	13.9	–	13.9
Share-based payment		–	–	–	–	8.2	–	8.2	–	8.2
Transactions with minorities	1	–	–	–	–	5.2	–	5.2	−5.2	–
Reclass into retained earnings		–	–	−88.6	–	88.6	–	–	–	–
Distribution of profit		–	–	–	–	−264.1	–	−264.1	–	−264.1
Balance as at June 30, 2021		**24.1**	**−72.9**	**294.9**	**15.6**	**4,781.8**	**−356.1**	**4,687.4**	**–**	**4,687.4**

The accompanying notes form an integral part of the consolidated semi-annual statements.

1 See note 1 for the changes in non-controlling interests.

Consolidated Cash Flow Statement (unaudited)

CHF million	Note	January–June 2021		January–June 2020	
Net income		101.6		19.7	
Taxes		28.7		–16.0	
Interest expense		11.9		14.3	
Interest income		–1.0		–0.9	
Depreciation, amortization and impairment		128.0		124.7	
Decrease (–) / Increase (+) of provisions		–36.0		–5.6	
Decrease (–) / Increase (+) of allowances		–2.4		7.9	
Decrease (+) / Increase (–) of pension plans		2.4		–0.6	
Loss (+) / Profit (–) from disposals of fixed asset		–5.5		–3.5	
Decrease (+) / Increase (–) of accounts receivables		465.7		530.0	
Decrease (+) / Increase (–) of inventories		–137.6		–134.3	
Decrease (+) / Increase (–) of other receivables		–3.5		18.6	
Decrease (+) / Increase (–) of accrued income, prepayments, derivative assets and liabilities		–9.2		–1.4	
Decrease (–) / Increase (+) of accounts payable		–21.1		–53.8	
Decrease (–) / Increase (+) of other payables and accrued liabilities		–85.1		–137.8	
Interest received from third parties [2]		1.0		0.9	
Interest paid to third parties [2]		–9.1		–9.7	
Taxes paid [2]		–59.0		–71.8	
Non-cash effective items [1]		–8.2		24.8	
Cash flow from operating activities (operating cash flow)			**361.6**		**305.5**
Investments in property, plant and equipment		–128.6		–104.4	
Disposals of property, plant and equipment		6.1		4.5	
Investments in intangible assets		–5.1		–12.4	
Disposals (+) / Investments (–) in financial assets (excluding pension assets)		–0.3		–	
Disposals (+) / Investments (–) in marketable securities and short-term financial assets		151.4		0.6	
Cash flow from investment activities			**23.5**		**–111.7**
Proceeds from borrowings		24.1		20.1	
Proceeds from loans		–		4.0	
Repayments of lease liabilities		–33.3		–32.3	
Capital increase (including premium)		49.2		66.7	
Purchase of treasury stock		–57.1		–6.7	
Sale of treasury stock		14.5		60.7	
Distribution of profits		–264.1		–417.6	
Cash flow with non-controlling interests	1	–30.4		–0.4	
Cash flow from financing activities			**–297.1**		**–305.5**
Net increase (+) / decrease (–) in cash and cash equivalents			**88.0**		**–111.7**
Cash and cash equivalents as at January 1		848.4		654.8	
Exchange gains (+) / losses (–) on cash and cash equivalents		**9.9**	**858.3**	**–12.5**	**642.3**
Cash and cash equivalents as at June 30			**946.3**		**530.6**

The accompanying notes form an integral part of the consolidated statements.

1 As of June 30, 2021 movements of CHF –8.8 million result from translation of foreign exchange balances (CHF 16.7 million in 2020) and CHF 8.2 million from share based compensation (8.4 million in 2020).
2 To increase transparency, paid and received interest as well as paid taxes are newly included directly in the cash flow from operating activities. This results in reclassifications within the cash flow from operating activities in prior year.

Notes to the Semi-Annual Report
(unaudited)

1. Changes in the Consolidation Scope and Non-Controlling Interests

As disclosed in note 2 of the annual report 2020, the non-controlling interests in Lindt & Sprüngli (Brazil) Comércio de Alimentos S.A have been acquired in January 2021. Therefore, non-controlling interests do no apply as of June 30, 2021. Since the Lindt & Sprüngli Group already possessed the majority share before the purchase and Lindt & Sprüngli (Brazil) Comércio de Alimentos S.A. thus was accounted for using the purchase method, the transaction has been accounted for as a pure capital transaction.

2. Accounting Principles

The unaudited consolidated semi-annual report as at June 30, 2021 has been prepared in accordance with the requirements of IAS 34 – "Interim Financial Reporting". Except for the changes described hereafter, the accounting principles outlined in the annual financial statements for the year ended December 31, 2020 have been applied consistently. The condensed form of the financial statements has been applied to this report.

New IFRS and interpretations

The new or amended IFRS and interpretations, which must be applied for the reporting period starting on January 1, 2021 had no significant impact on this semi-annual report, except for the below mentioned change in IFRS 16.

Extension of practical expedient under IFRS 16 –"Leases"

The Lindt & Sprüngli Group uses the extension of the new practical expedient of IFRS 16 – "Leases" and continues to apply the expedient for the reporting year 2021. For rent concessions fulfilling the conditions listed in the amended standard, no assessment is made whether these represent lease modifications. These concessions are rather accounted for as a reduction to expenses.

Foreign exchange rates

The Lindt & Sprüngli Group applied the following exchange rates:

		Balance sheet as-of rates		Income statement average rates	
CHF		**June 30, 2021**	December 31, 2020	**January–June 2021**	January–June 2020
Euro zone	1 EUR	1.10	1.08	1.09	1.07
USA	1 USD	0.92	0.88	0.91	0.93
United Kingdom	1 GBP	1.28	1.20	1.26	1.20
Canada	1 CAD	0.75	0.69	0.72	0.70
Australia	1 AUD	0.69	0.68	0.70	0.65
Poland	100 PLN	24.29	23.59	24.08	24.13
Mexico	100 MXN	4.65	4.43	4.50	4.30
Sweden	100 SEK	10.85	10.76	10.80	10.27
Czech Republic	100 CZK	4.31	4.12	4.22	4.06
Japan	100 JPY	0.83	0.85	0.85	0.88
South Africa	100 ZAR	6.45	6.01	6.23	5.81
Hong Kong	100 HKD	11.88	11.36	11.69	12.11
China	100 CNY	14.29	13.46	13.89	13.59
Russia	100 RUB	1.27	1.17	1.21	1.29
Brazil	100 BRL	18.61	16.95	16.91	18.24

Estimates and assumptions

When preparing the semi-annual report, Management makes estimates and assumptions that have an impact on the disclosed assets and liabilities at the balance sheet date, as well as the disclosed expenses and income in the reporting period. The actual results may differ from these estimates.

3. Impact of Covid-19

The Lindt & Sprüngli Group's business has recovered largely from the impacts of the pandemic. Especially the segments Global Retail and Duty Free are only recovering slowly from the impacts of the pandemic due to the ongoing temporary local lockdowns as well as the ongoing travel restrictions. There are still no material risks of impairment. The obtained grants as for example short-time work compensation or rent concessions are at the same level as in prior year and not material.

4. Seasonality

When analyzing the Lindt & Sprüngli Group's results in the first half of the year, it is important to bear in mind the seasonal and gift-oriented nature of the premium chocolate business. Experience shows that the Lindt & Sprüngli Group makes less than 40% of its annual sales during the first half of each year, but at the end of June, these sales are confronted with approximately half of the fixed costs of production, administration, and marketing. Therefore, for the first half-year, the profitability in relation to sales of the Lindt & Sprüngli Group cannot be equated with its profitability over the year as a whole. Likewise, the balance of accounts receivable is substantially lower at the end of the first half of the year than at the end of the year (declining orders during the summer season compared to the Christmas business).

5. Segment Information

The Lindt & Sprüngli Group is organized and managed by means of individual countries. For the definition of business segments to be disclosed, the Lindt & Sprüngli Group has aggregated subsidiaries of individual countries on the basis of similar economic structures (foreign exchange risks, growth perspectives, members of same economic area), products and trading environment, as well as economic attributes (gross profit margins).

The Lindt & Sprüngli Group's business segments to be disclosed are:

- "Europe", consisting of the European companies and business units including Russia
- "North America", consisting of the companies in the USA, Canada, and Mexico
- "Rest of the World", consisting of the companies in Australia, Japan, South Africa, Hong Kong, China, and Brazil as well as the business units Distributors and Duty Free.

The Lindt & Sprüngli Group considers the operating result as the segment result. Transactions between segments are valued and recorded at arm's length ("Cost Plus" – Method).

Segment result

	Segment Europe		Segment North America		Rest of the World		**Total**	
CHF million	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
Sales	1,052.4	890.9	624.5	554.2	237.0	197.8	1,913.9	1,642.9
Whereof sales between segments	–111.1	–105.3	–3.6	–2.7	–	–	–114.7	–108.0
Third party sales	**941.3**	**785.6**	**620.9**	**551.5**	**237.0**	**197.8**	**1,799.2**	**1,534.9**
Operating profit	106.5	40.2	–0.4	–29.5	32.7	6.4	138.8	17.1
Net financial result							–8.5	–13.4
Income before taxes							**130.3**	**3.7**
Taxes							–28.7	16.0
Net income							**101.6**	**19.7**

6. Share and Participation Capital

	Number of registered shares [1]	Number of participation certificates [2]	Registered shares (CHF million)	Participation certificates (CHF million)	**Total** (CHF million)
At January 1, 2020	**135,988**	**1,072,641**	**13.6**	**10.7**	**24.3**
Capital increase	–	13,629	–	0.2	0.2
At June 30, 2020	**135,988**	**1,086,270**	**13.6**	**10.9**	**24.5**
At January 1, 2021	**135,552**	**1,044,146**	**13.6**	**10.4**	**24.0**
Capital increase	–	9,443	–	0.1	0.1
At June 30, 2021	**135,552**	**1,053,589**	**13.6**	**10.5**	**24.1**

1 At par value of CHF 100.–
2 At par value of CHF 10.–

The conditional capital as at June 30, 2021 has a total of 353,882 (367,816 as at June 30, 2020) participation certificates with a par value of CHF 10. Of this total, 199,432 (213,366 as at June 30, 2020) are reserved for employee stock option programs; the remaining 154,450 (154,450 as at June 30, 2020) participation certificates are reserved for capital market transactions. In the six-month period ended June 30, 2021, a total of 9,443 employee options were exercised at an average exercise price of CHF 5,316 (for the six-month period ended June 30, 2020, 13,629 employee options were exercised at an average exercise price of CHF 4,927).

	2021		2020	
Inventory of treasury stock	Registered shares	Participation certificates	Registered shares	Participation certificates
Inventory as at January 1	**377**	**–**	**1,475**	**46,615**
Additions	–	–	100	–
Retirements	–163	–	–734	–
Buy-back program	52	5,720	–	–
Inventory as at June 30	**266**	**5,720**	**841**	**46,615**
Average cost of additions (in CHF)	–	–	67,318	–
Average sales price of retirements (in CHF)	89,054	–	82,728	–
Average cost of buy-back program (in CHF)	96,348	8,976	–	–

Since the buy-back program started on June 1, 2021, the Lindt & Sprüngli Group acquired registered shares and participation certificates worth CHF 57.1 million. The program amounting up to CHF 750 million will last until December 30, 2022 at the latest.

7. Dividends

The proposed dividend of CHF 1,100 (CHF 1,750 in 2020 including a special dividend of CHF 700) per registered share, and CHF 110 (CHF 175 in 2020 including a special dividend of CHF 70) per participation certificate, was approved at the annual shareholders' meeting held on May 4, 2021. The dividends were paid out starting May 10, 2021.

8. Financial Instruments, Fair Value and Hierarchy Levels

The following table shows the carrying amounts and fair values of financial instruments recognized in the consolidated balance sheet, analyzed by categories and hierarchy levels:

		June 30, 2021		December 31, 2020	
CHF million	Level[1]	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Financial assets					
Fair value through profit or loss					
Derivative assets[2]	2	–	–	1.5	1.5
Marketable securities and short-term financial assets	2	150.0	150.0	150.0	150.0
Investments third parties	3	0.3	0.3	–	–
Total		**150.3**		**151.5**	
Derivatives used for hedging					
Derivative assets[2]	1	4.5	4.5	7.6	7.6
Derivative assets[2]	2	21.3	21.3	14.4	14.4
Total		**25.8**		**22.0**	
Other financial assets at amortized cost[3]					
Cash and cash equivalents		946.3	–[1]	848.4	–[1]
Accounts receivable		388.1	–[1]	825.0	–[1]
Other receivables[4]		94.6	–[1]	89.9	–[1]
Marketable securities		100.3	–[1]	251.7	–[1]
Total		**1,529.3**		**2,015.0**	
Total financial assets		**1,705.4**		**2,188.5**	
Financial liabilities					
Fair value through profit or loss					
Derivative liabilities[2]	2	0.7	0.7	1.1	1.1
Total		**0.7**		**1.1**	
Derivatives used for hedging					
Derivative liabilities[2]	1	–	–	1.2	1.2
Derivative liabilities[2]	2	11.7	11.7	7.3	7.3
Total		**11.7**		**8.5**	
Other financial liabilities at amortized costs					
Bonds	1	997.6	1,022.3	997.4	1,029.9
Other non-current liabilities		5.9	–[1]	6.6	–[1]
Accounts payable		170.7	–[1]	187.4	–[1]
Other accounts payable		76.7	–[1]	115.6	–[1]
Bank and other borrowings		28.6	–[1]	3.9	–[1]
Total		**1,279.5**		**1,310.9**	
Total financial liabilities		**1,291.9**		**1,320.5**	

1 Level 1 – The fair value measurement of same financial instruments is based on quoted prices in active markets.
Level 2 – The fair value measurement of same financial instruments is based on observable market data, other than quoted prices in Level 1.
Level 3 – Valuation technique using non-observable data.
For the categories at amortized costs it is expected that the carrying amounts are a reasonable approximation of the respective fair values, except for the position bonds.
2 To increase transparency derivatives used for hedging are newly disclosed as separate position.
3 To increase transparency this position is now split in its components.
4 Excluding prepayments and current tax assets.

9. Events after the Balance Sheet Date

The unaudited consolidated semi-annual financial statements were approved for publication by the Audit Committee of the Board of Directors on July 26, 2021. No other events have occurred up to July 26, 2021, which would necessitate adjustments to the carrying values of the Lindt & Sprüngli Group's assets or liabilities, or which require additional disclosure.

Information

Agenda

July 27, 2021	Half-year Results 2021
January 18, 2022	Net-sales 2021
March 8, 2022	Full-Year Results 2021
April 28, 2022	124th Shareholders' Meeting

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Forward-looking statements

Some of the statements expressed in the semi-annual report are based on forward-looking assumptions. The actual results may vary from these for a variety of reasons, including among others factors such as general economic conditions, fluctuations within the currency and raw materials sector, and changes to the regulatory landscape. Forward-looking statements made in this report are neither updated nor revised. The semi-annual report is published in German and English, with the German version being binding.

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