



FULL-YEAR RESULTS 2020

9 March 2021

Important information

Presentation

The condensed consolidated unaudited financial statements of JDE Peet's N.V. (the Company) and its consolidated subsidiaries (the Group) are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). In preparing the financial information in these materials, except as otherwise described, the same accounting principles are applied as in the consolidated special purpose financial statements of the Group as of, and for, the year ended 31 December 2019 and the related notes thereto. All figures in these materials are unaudited. In preparing the financial information included in these materials, most numerical figures are presented in millions of euro. Certain figures in these materials, including financial data, have been rounded. In tables, negative amounts are shown in parentheses. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

Non-IFRS Measures

These materials contain non-IFRS financial measures (Non-IFRS Measures), which are not liquidity or performance measures under IFRS. These Non-IFRS Measures are presented in addition to the figures that are prepared in accordance with IFRS. The Group's use of Non-IFRS Measures may vary significantly from the use of other companies in its industry. The measures used should not be considered as an alternative to profit (loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as a measure of liquidity. For further information on Non-IFRS Measures, see the definitions in the press release and adjusted EBIT as described in segment information in the condensed consolidated unaudited financial statements.

Forward-looking Statements

These materials contain forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning the financial condition, results of operations and businesses of the Group. These forward-looking statements and other statements contained in these materials regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

There are a number of factors that could affect the Group's future operations and could cause those results to differ materially from those expressed in the forward-looking statements including (without limitation): (a) competitive pressures and changes in consumer trends and preferences as well as consumer perceptions of its brands; (b) fluctuations in the cost of green coffee, including premium Arabica coffee beans, tea or other commodities, and its ability to secure an adequate supply of quality or sustainable coffee and tea; (c) global and regional economic and financial conditions, as well as political and business conditions or other developments; (d) interruption in the Group's manufacturing and distribution facilities; (e) its ability to successfully innovate, develop and launch new products and product extensions and on effectively marketing its existing products; (f) actual or alleged non-compliance with applicable laws or regulations and any legal claims or government investigations in respect of the Group's businesses; (g) difficulties associated with successfully completing acquisitions and integrating acquired businesses; (h) the loss of senior management and other key personnel; and (i) changes in applicable environmental laws or regulations. The forward-looking statements contained in these materials speak only as of the date of these materials. The Group is not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of these materials or to reflect the occurrence of unanticipated events. The Group cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements. Further details of potential risks and uncertainties affecting the Group are described in the Company's filings with the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten).

Market and Industry Data

All references to industry forecasts, industry statistics, market data and market share in these materials comprise estimates compiled by analysts, competitors, industry professionals and organisations, of publicly available information or of the Group's own assessment of its markets and sales. Rankings are based on revenue, unless otherwise stated.

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INTRODUCTION & BUSINESS PERFORMANCE FABIEN SIMON

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OUTLOOK FABIEN SIMON

QUESTIONS & ANSWERS



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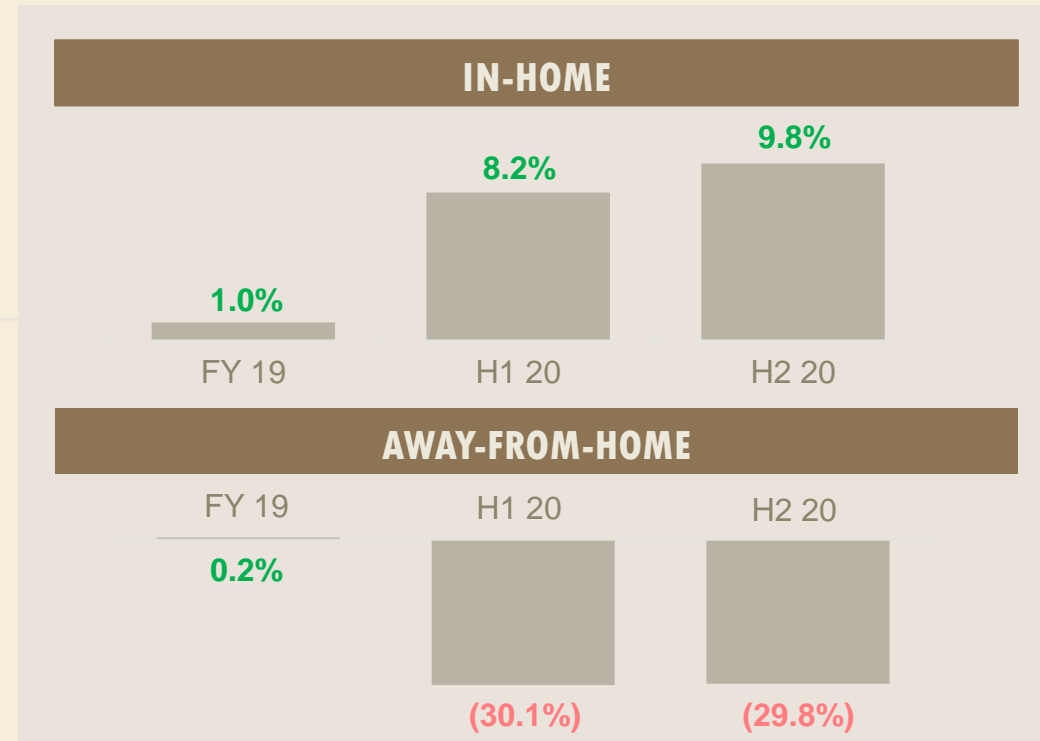
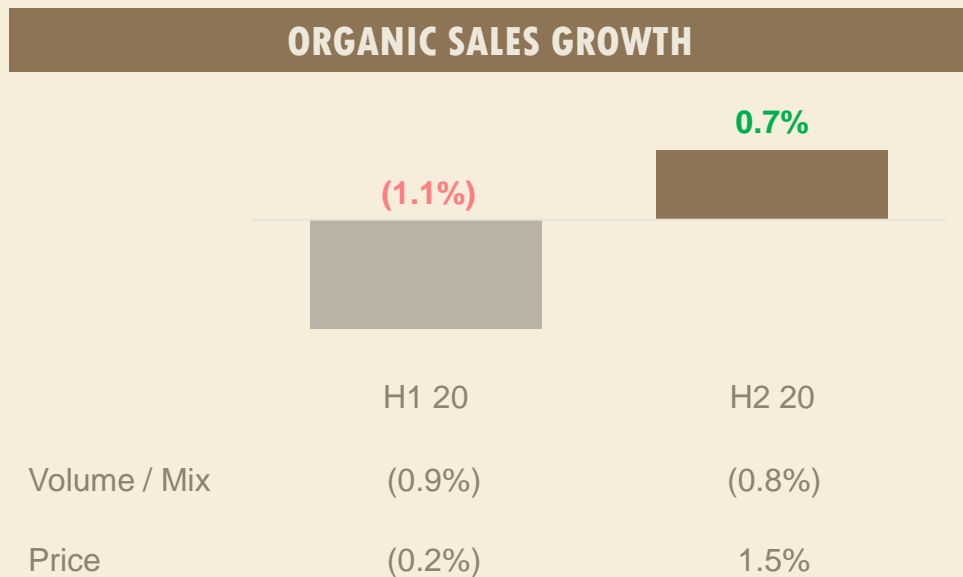


PERFORMANCE HIGHLIGHTS 2020

- **Focus and agility** in managing the global pandemic
- **Global pure-play** and **powerful portfolio** supporting elevated In-Home organic sales growth (+9.1%) and premiumisation (Retail value per cup +4.3%)
- **Strong financial results:**
 - Organic sales growth: (0.2%)
 - Organic adjusted EBIT growth: +6.2%
- **Financial discipline** rewarded by an investment grade rating of Fitch
- **Good progress** made on **Sustainability** agenda
- Board of Directors proposes a **dividend of EUR 0.70** per share

ORGANIC SALES GROWTH

- Back to positive organic sales growth in H2, despite renewed lockdowns in Q4
- Accelerating growth In-Home, to a historically high level
- Returned to pricing discipline in H2 20



IN-HOME HIGHLIGHTS

- Increasing penetration in the most attractive categories
- Leveraging our powerful portfolio of global & local brands, across geographies (developed & emerging markets)
- Accelerating e-commerce

In-Home FY Organic Sales Growth

CATEGORY		BRAND		GEOGRAPHY		CHANNEL	
Single Serve	+18%	Peet's	+27%	Developed markets	+11%	E-commerce	+71%
Beans	+28%	L'OR	+24%	Emerging markets	+5%	Other channels	+7%
Other Coffee	+1%	Illy (NCC TM licensing)	>100%				
Tea	+20%	Other brands	+6%				



IN-HOME MARKET PERFORMANCE

- Gaining value market shares in the most attractive coffee categories
- Leading to further premiumisation of JDE Peet's In-Home value per cup
- Increasing momentum in H2 20

VALUE PER CUP GROWTH

JDE Peet's retail sales price per cup

+4.3%

KEY CATEGORIES FY 20

Value market share vLY in bps

R&G	-33 bps
Beans	+23 bps
Capsules*	+15 bps
Pads	+30 bps
Instant	-26 bps

**Includes aluminium capsules, K-cups & Tassimo discs*

MARKET SHARE DYNAMIC

Value market share

H2 > H1

+50 bps

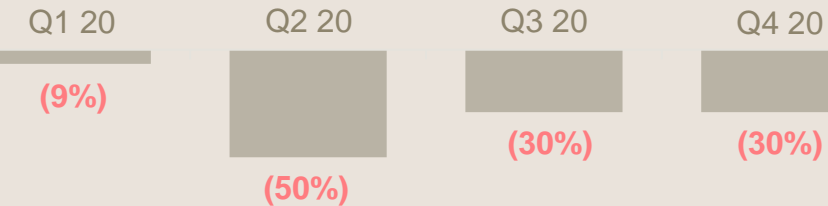
AWAY-FROM-HOME HIGHLIGHTS

- While APAC started its path to recovery in 2020, the U.S. remained affected by non-return to offices & universities
- In the rest of the world (Europe mostly), we saw recovery starting in Q3, but affected by new lockdowns in Q4
- With ~25% of sales pre-pandemic, we will be a beneficiary of progressive reopening going forward

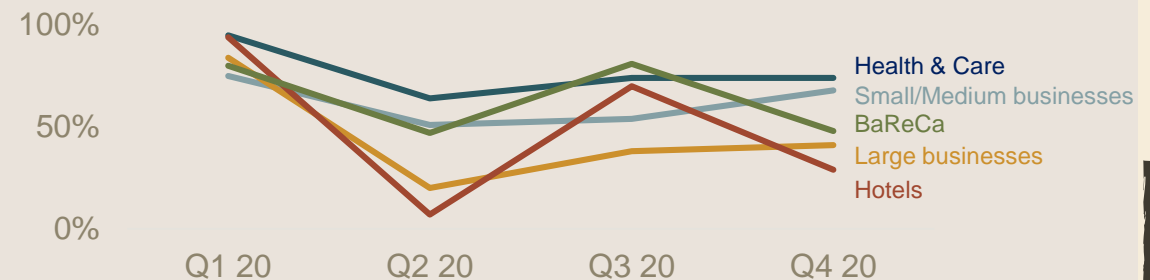
ORGANIC SALES GROWTH

	<u>H1 20</u>	<u>H2 20</u>
US	(34%)	(46%)
APAC	(27%)	(6%)
ROW	(29%)	(27%)
Total	(30%)	(30%)

OSG DEVELOPMENT AWAY-FROM-HOME



KEY CHANNEL EVOLUTION OOH*



* Europe as a proxy

ESG HIGHLIGHTS

- Good progress has been made in 2020 on packaging, recycling programs and farmer initiatives
- Senseo® was fully relaunched with compostable pads, 100% certified coffee and an eco-friendly appliance
- Donated 30 million cups coffee and tea to food banks, hospitals and front-line workers

COMMON GROUNDS	<i>Addressing the priority issues in our supply chain</i>
	

MINIMISED FOOTPRINT	<i>Reducing our environmental impact step-by-step</i>
	

CONNECTED PEOPLE	<i>Engaging our employees and our communities</i>
	

2020 initiatives				
				

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FULL-YEAR RESULTS

ORGANIC SALES GROWTH

Organic sales growth
(0.2%)

In-home
9.1%

Away-from-home
(30.0%)

PROFITABILITY

Adjusted EBIT
EUR 1,278 m

Organic growth
6.2%

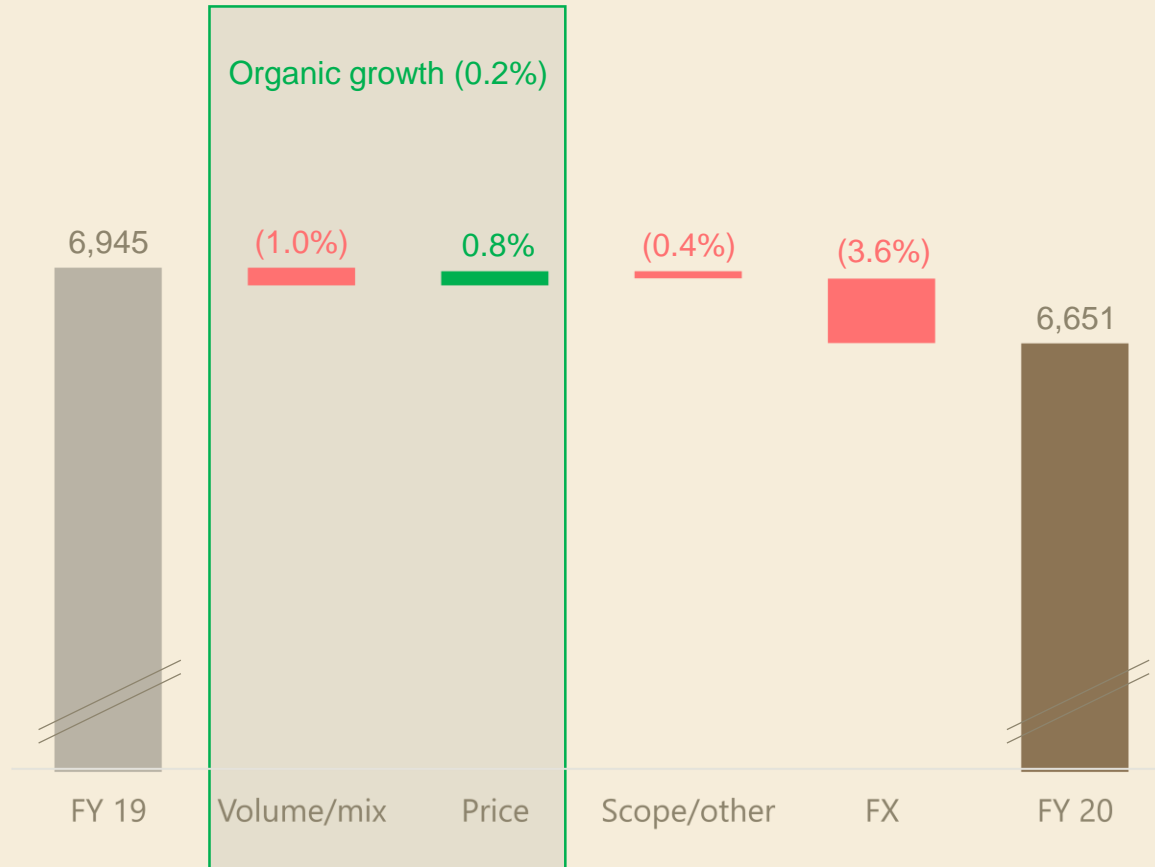
Reported growth
1.9%

CASH & DEBT

Free cash flow
EUR 877 m

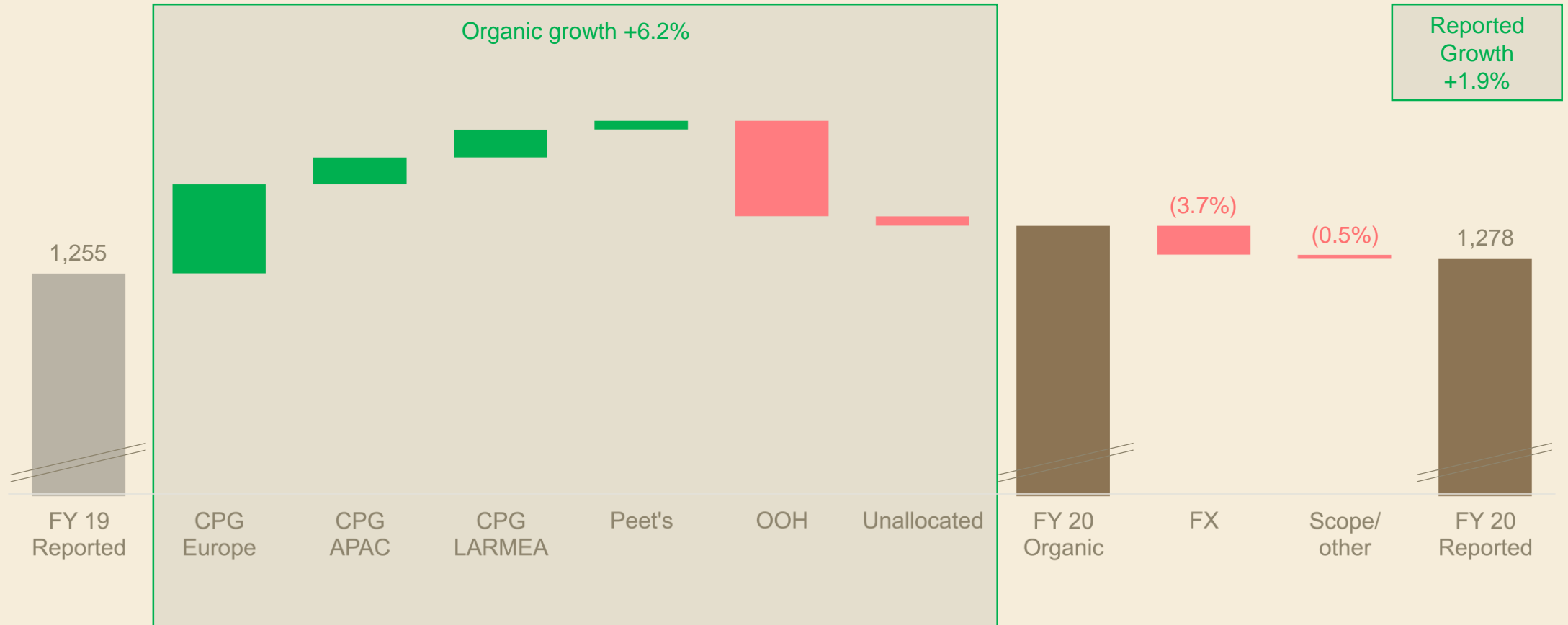
Net leverage
3.2x (-1.0x)

SALES DEVELOPMENT



- Strong In-Home sales during COVID-19 combined with strong premiumisation driving growth and mix
- Positive pricing in challenging environment
- Negative translational FX impact mainly driven by BRL, RUB and TRY

(ADJUSTED) EBIT DEVELOPMENT



*In EUR m, unless otherwise stated

FULL-YEAR PERFORMANCE BY SEGMENT



CPG EUROPE

Organic
Sales
Growth

7.0%

Organic
Adjusted
EBIT Growth

15.0%



CPG LARMEA

5.3%

21.6%



CPG APAC

(0.7%)

36.6%



Peet's

(1.4%)

17.0%

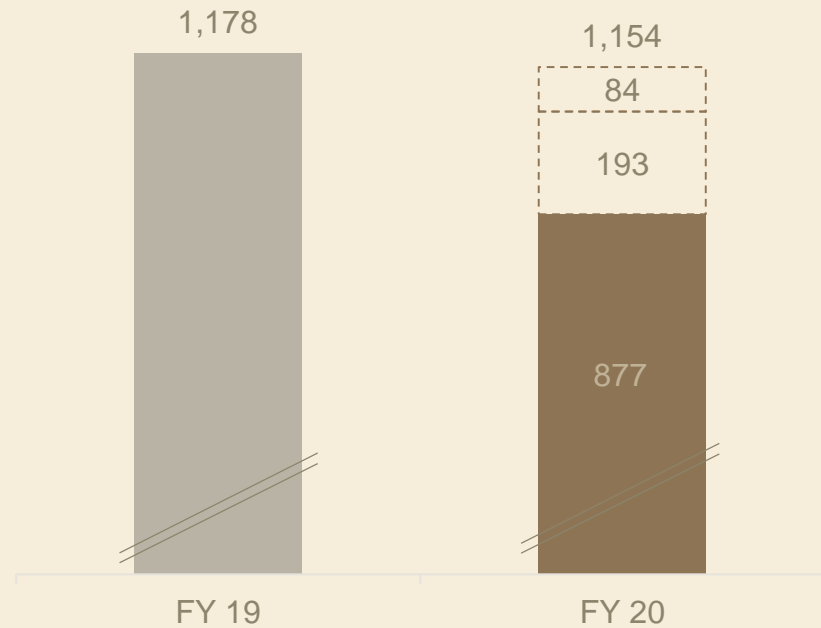


Out-of-Home

(29.3%)

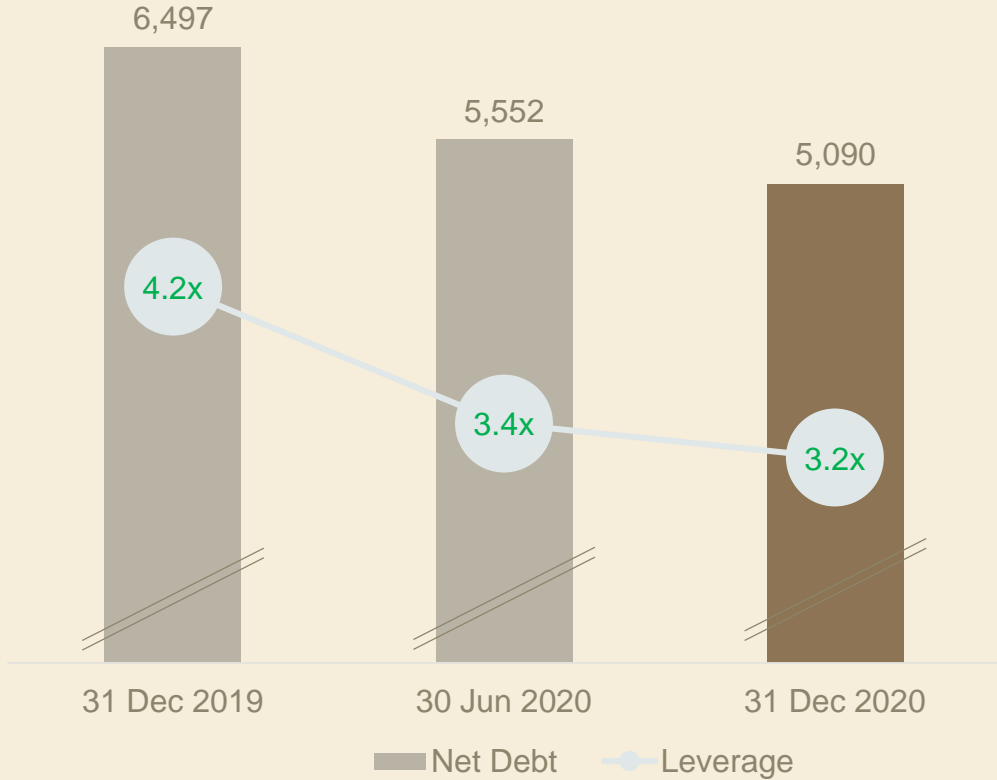
(91.5%)

FREE CASH FLOW DEVELOPMENT



- Strong free cash flow driven by strong operating profit and OWC management
- Free cash flow included two non-recurring events:
 - EUR 84 m related to IPO
 - EUR 193 m of future tax payments brought forward
- OWC improved by 270 bps
- Cash conversion of 73% excluding two one-off items

NET DEBT DEVELOPMENT



Liquidity
EUR 1,064 m
Average cost of debt
2.4%

*In EUR m, unless otherwise stated

DIVIDEND

- Proposal to pay a dividend of EUR 0.70 per share related to FY 20
- To be paid in two instalments of EUR 0.35 each in July 2021 and January 2022
- Subject to shareholder approval at the AGM on 17 June 2021
- Expect future dividends to be stable and growing over time, while the pace will be determined by capital allocation priorities

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MEDIUM- TO LONG-TERM TARGETS

ORGANIC SALES GROWTH

3 to 5%

ORGANIC ADJ. EBIT GROWTH

Mid-single-digit
with quality margins

FREE CASH FLOW CONVERSION

~70%

OUTLOOK 2021

ORGANIC SALES GROWTH

3 to 5%

ORGANIC ADJ. EBIT GROWTH

Low single-digit

LEVERAGE

Below 3x

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APPENDIX



REPORTED EBIT TO UNDERLYING PROFIT

Reported EBIT to Underlying Profit			
	FY 20	FY 19	vLY %
Reported EBIT	933	1043	(10.5%)
Transformation activities and corporate actions	(156)	(57)	
ERP system implementation	(28)	(40)	
Share-based payment expense	(33)	(27)	
Mark-to-market results	1	34	
M&A / Deal costs	(129)	(122)	
Adjusting Items add-back:	(345)	(212)	
Adjusted EBIT	1278	1255	1.9%
Adjusted net financial income/(expenses)	(246)	(201)	
Adjusted income tax expense	(239)	(251)	
Adjustments for NCI shareholders	(6)	(2)	
Underlying profit for the period	787	801	(1.7%)

*In EUR m, unless otherwise stated

REPORTED TO ADJUSTED TAX EXPENSE

Reported income tax expense to adjusted income tax expense		
	FY 20	FY 19
Reported income tax expense	(320)	(256)
Reported ETR	46.6%	30.4%
Tax effect of adjusting items	(56)	(45)
Tax rate change	127	35
Other adjustments	9	16
Adjusted income tax expense	(239)	(251)
Underlying ETR	23.3%	23.8%

**In EUR m, unless otherwise stated*



JDE Peet's

A COFFEE & TEA FOR EVERY CUP

