



RÉMY COINTREAU

2022/23 H1 Sales

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October 25, 2022



Executive summary – a very good first half

H1 ORGANIC* SALES GROWTH

+21.1%

- **A very good first half (+21.1%)** on top of a high basis of comparison (+52.0% last year); **+16.2% in Q2**
- Strong volume growth (+9.7%) while continuing to add value to our spirits (**+11.4% of Price-Mix**)
- **Robust demand** led by clients throwing themselves into post-lockdown socializing; growing interest in high-status spirits and mixology; continued up-trading trends
- **Sharp recovery of Travel Retail** from a low basis of comparison, led by European and American tourism (-36.9% vs. 3Y in Q2)

H1 ORGANIC* SALES GROWTH BY REGION

- **AMERICAS: +21.1%**, evenly driven by Cognac and Liqueurs & Spirits with sell-in more weighted in Q1 this year (vs. Q2 LY)
- **APAC: +21.7%**, led by a sharp Q2 recovery in China (strong MAF: double-digit growth in both sell-in and sell-out)
- **EMEA: +19.9%**, supported by a solid post-covid summer season on the back of dynamic tourism flows

H1 22/23 VALUE DEPLETIONS BY REGION

- **US:** mid-teens decline (up HSD% excl. VSOP), impacted by high comps; up circa +45% (circa +80% excl. VSOP) on a 3Y-track
- **China:** double-digit growth led by CLUB, RM XO and the Whisky portfolio
- **EMEA:** low double-digit growth led by Western Europe, Benelux and AMEI

FY GUIDANCE CONFIRMED

- **Strong organic sales growth**, underpinned by sustained investments in A&P
- **Organic COP Margin improvement** driven by **solid GM resilience and strict control of overheads**
- **An uneven year, with H1 outpacing H2 (at sales and COP levels)**

(*) At constant exchange rates & scope
HSD%: High-single digit growth

Q2 22/23 marketing highlights – United States

Rémy Martin 1738/NFT sold out in 2 seconds on Blockbar



A TASTE OF PASSION

- 3bn impressions
- > 42m impressions from selected influencers
- > Secondary sales are booming

Q2 22/23 marketing highlights - United States

Cointreau teams up with Dan Levy

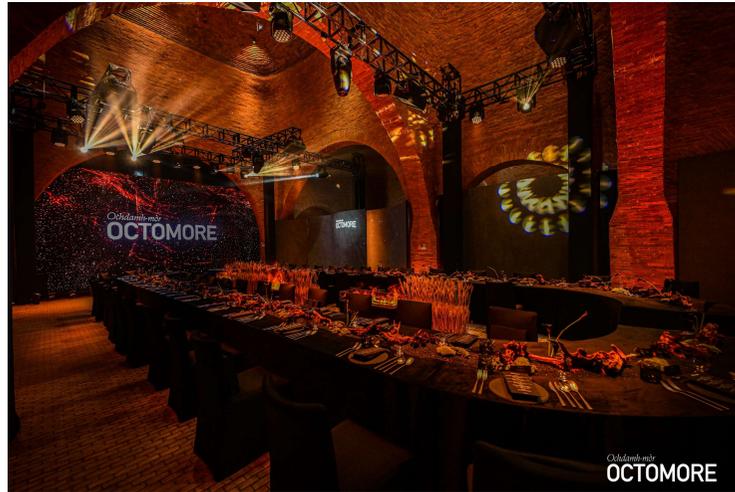


Dan Levy
Award-winning writer, actor, director, and producer

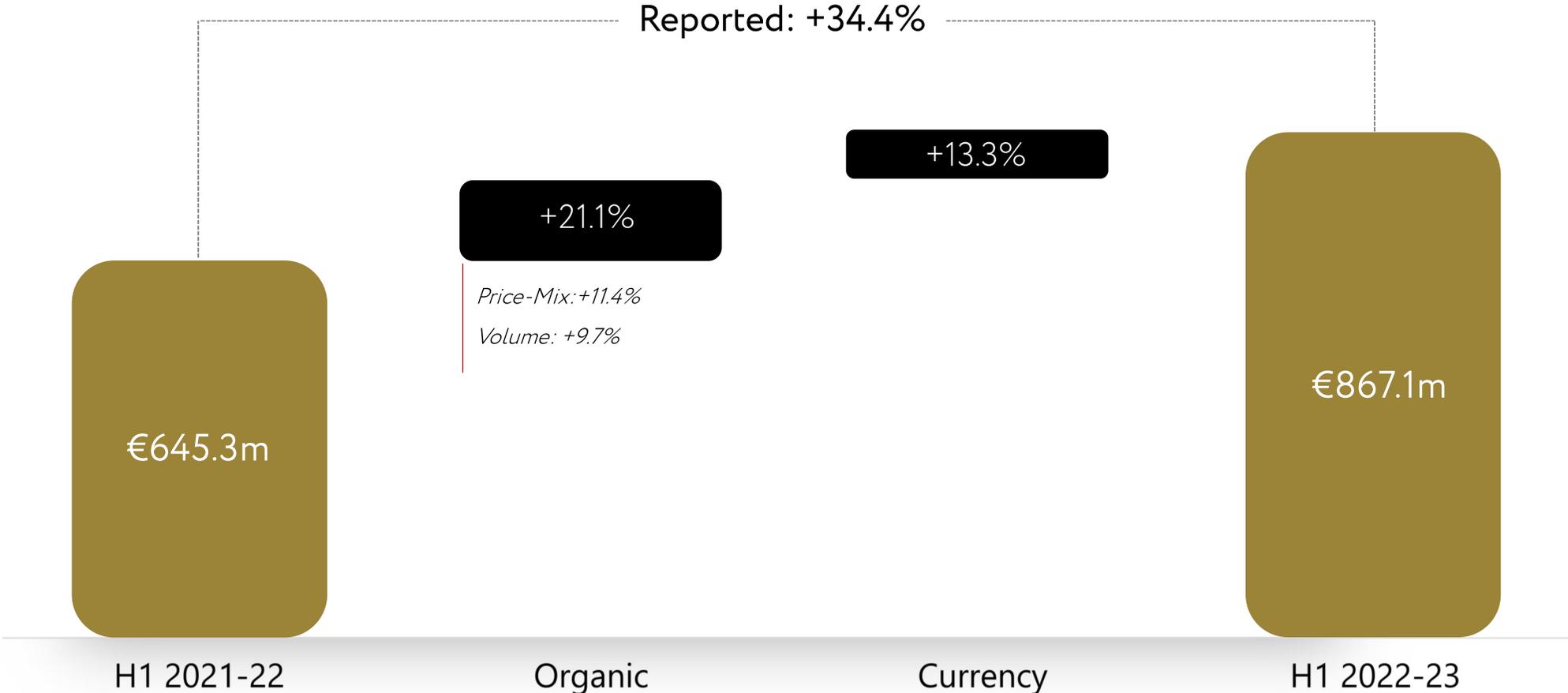
A composite image showing a marketing campaign for Cointreau. On the left, a red background features the text "DAN LEVY-APPROVED MARGARITAS YOUR GUESTS WILL LOVE" and a smaller paragraph: "Whether you're snuggled up for an at-home watch party or enjoying a dinner soiree with friends, there's a Cointreau margarita for you and your guests." Below this is a circular graphic with the text "TO MAKE YOUR DAY. MARGARITAS" surrounding a bottle of Cointreau. On the right, a man (Dan Levy) is sitting in a chair by a pool, holding a margarita. At the top right of the campaign is an American flag icon. Below the campaign is a smartphone displaying an Instagram post from "instadanlevy" titled "THE CUCUMBER JALAPEÑO MARGARITA". The post has 618,749 views and a caption that reads: "instadanlevy Tbh, all I really need in life is @schlae, brunch, and a good @cointreau_us margarita. #ad21 #cointreau".

Q2 22/23 marketing highlights - China

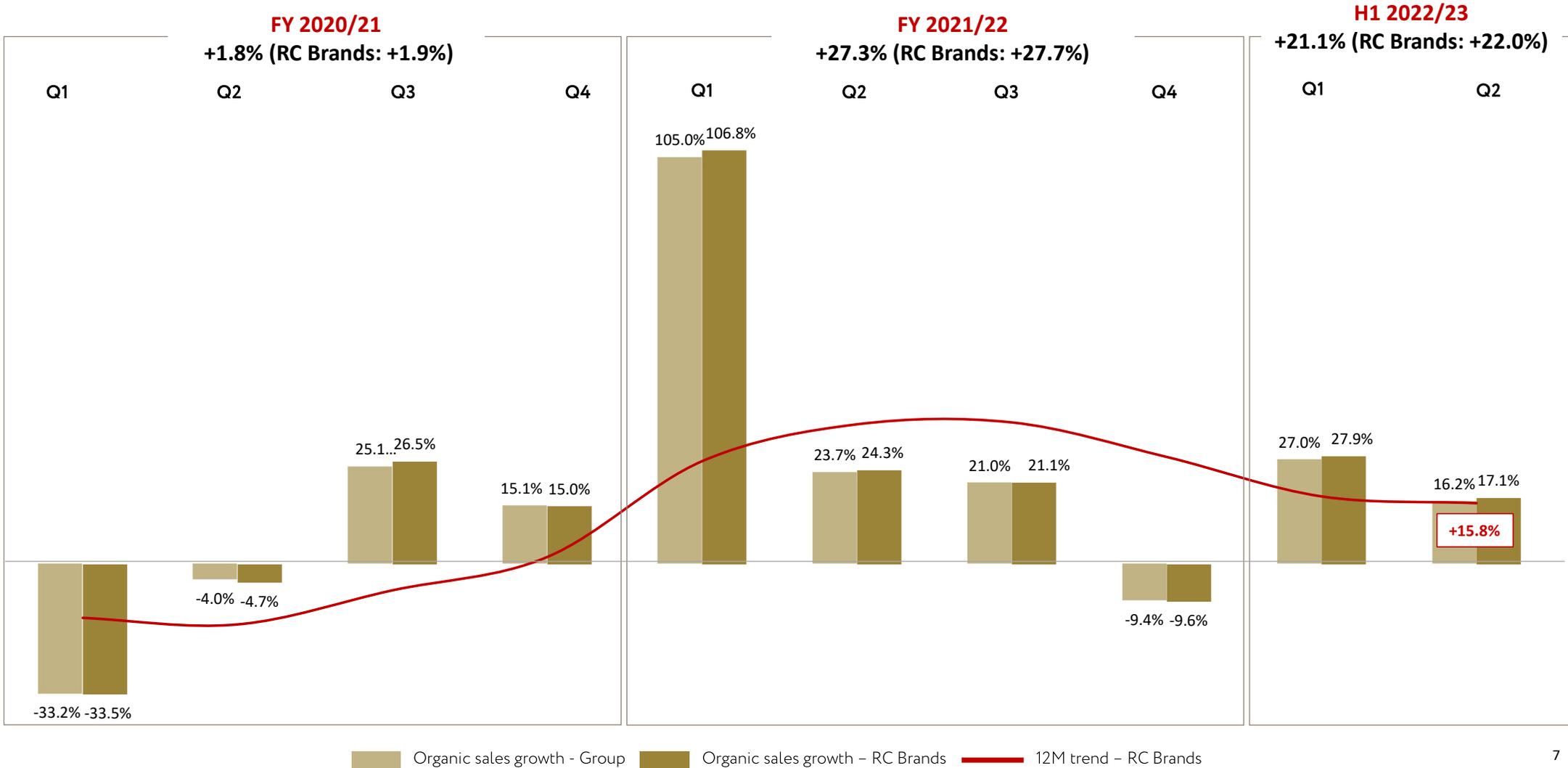
Strong Mid-Autumn Festival, led by CLUB, XO and Bruichladdich



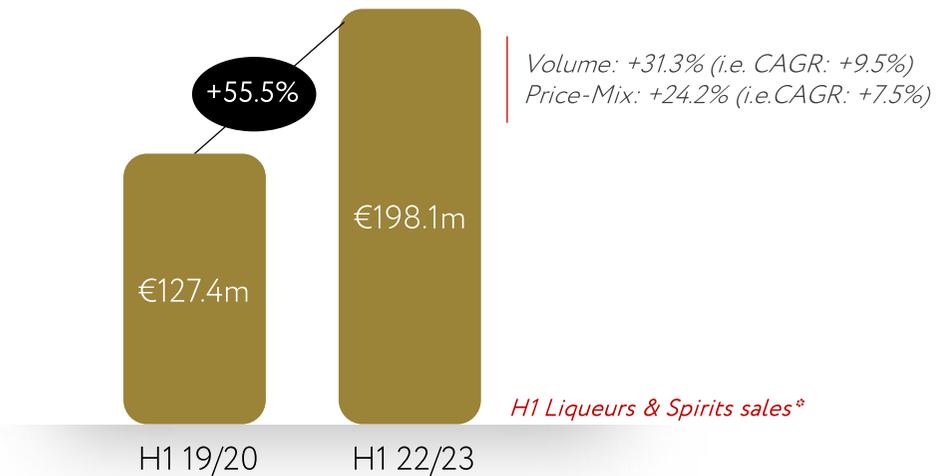
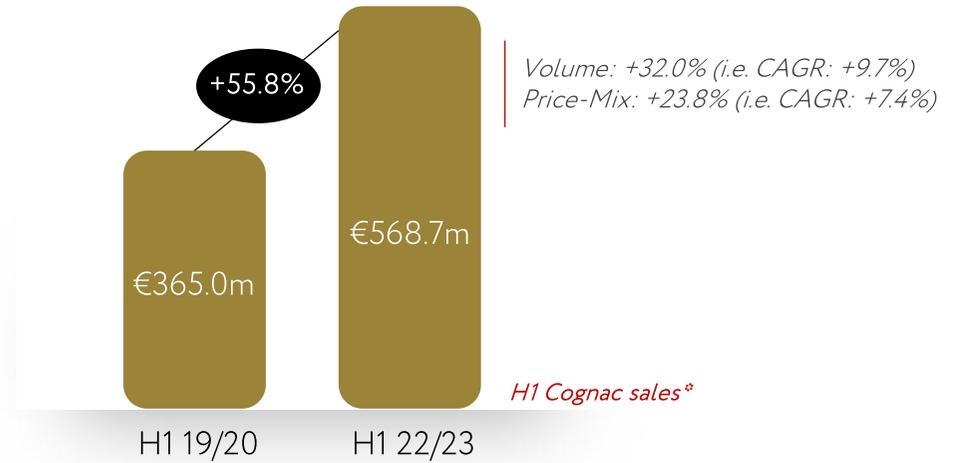
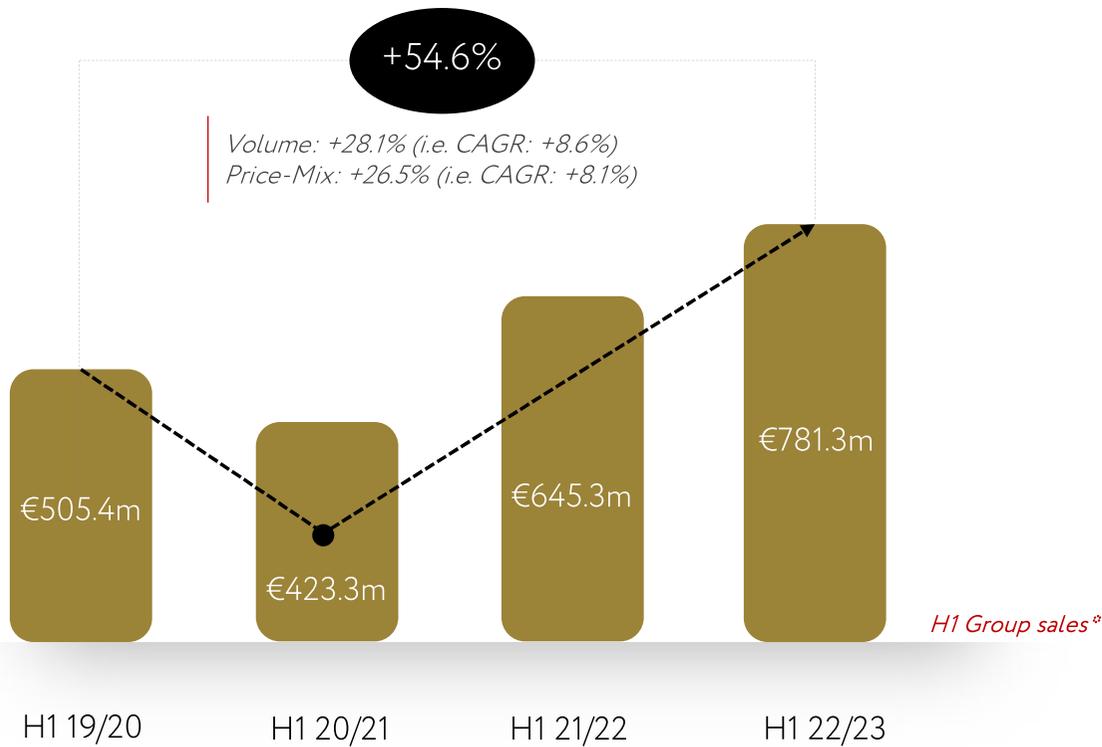
H1 2022/23 - Group sales bridge



H1 2022/23 - Quarterly organic sales growth



H1 2022/23 - Organic sales up +54.6% from 2019/20



(*) At constant exchange rates (2021/2022)

H1 2022/23 - Broad-based organic sales growth

AMERICAS: +21.1%

+93.3% vs. 3Y

US

Strong double-digit rise in sales, led by Q1 due to phasing effects on top of high comps

Robust consumption (up-trading, mixology), starting to normalize at higher level vs. pre-covid

Inventories at end of September

Back to 2m+ considering normalization of future depletions

H1 value depletions

Mid-teens decline (circa +45% vs. 3Y)
up high-single digit excl. VSOP (circa +80% vs. 3Y)

Canada

Very strong double-digit rise in sales: strong sequential acceleration in Q2, led by on-trade recovery (Louis XIII, RM XO and 1738)

Latin America

Very strong double-digit rise in sales (sharp rebound in tourism flows from low basis)

56%
of sales

APAC: +21.7%

+33.7% vs. 3Y

China

Mid-teens sales growth, led by Q2:
Strong MAF season

Sell-in & sell-out up by double-digit during MAF
in tough market still impacted by stop-and-go health restrictions

Strong performance in e-commerce
(c.+25% led by CLUB)

Inventories at end of September
Very low

H1 value depletions

Double-digit growth

Rest of Asia

Very strong double-digit sales growth led by Japan, South Korea, Singapore and Malaysia
Market back to normal (borders & on-trade reopened)
Cognac (RM XO and Louis XIII) outperformed

28%
of sales

EMEA+19.9%

+12.1% vs. 3Y

Western Europe

Very strong double-digit rise in sales for most of brands (RM VSOP, Cointreau, Metaxa and St-Rémy)
Strong summer driven by Southern Europe

UK

Sales down at low-single digit impacted by high comps for Cointreau (> +100% vs. 3Y)
Cognac continued to perform well (strong double-digit growth) led by VSOP and Louis XIII

Rest of EMEA

Strong dynamics in **Benelux** by RC Brands: Cointreau, Louis XIII, XO and VSOP

Eastern Europe impacted by geopolitical context
Very strong dynamics in **AMEI**

Inventories at end of September
Healthy

H1 value depletions:
Low double-digit growth

16%
of sales

Cognac - Organic sales growth of +22.4% (o/w+6.4% in volume)

AMERICAS

Very strong double-digit sales growth in H1 22/23

60%
of sales

North America:

- **Very strong double-digit sales growth in H1**, led by high-end segments (1738, XO, Louis XIII); **down by low-single digit in Q2**, impacted by VSOP
- Robust underlying consumption in the US, understated in Q2 by some phasing effects and by high comps (+50.5% vs. 3Y in Q2)
- **US value depletions:** down strong double-digit, impacted by high comps for VSOP and 1738; up circa +40% vs. 3Y

US	Volume depletion trends to Sept. 2022	vs. Sept. 2022 (vs. LY)			vs. Sept. 2019 (vs. 3Y)		
		3M	6M	12M	3M	6M	12M
	Market Nielsen	-18.9%	-21.3%	-21.5%	7.8%	8.2%	4.2%
	Market NABCA/Discuss	-10.4%	-6.2%	-10.1%	-3.9%	-1.2%	-5.5%
	Rémy Martin*	-39.4%	-32.5%	-21.7%	3.9%	8.9%	19.5%

* Company data

Price-Mix:
> +10 pts vs. LY
c. +30 pts vs. 3Y
 12M (ended Sept.2022)

Latin America generated mid-teens sales growth, supported by continued recovery in tourism

APAC

Very strong double-digit sales growth in H1 22/23

33%
of sales

China:

- **Mainland China: sales up by mid-teens in H1, driven by sharp rebound in Q2 (very strong double-digit growth)** in tough market still impacted by stop-and-go pandemic restrictions ; strong results during MAF led by CLUB and XO; strong performance in e-commerce, boosted by 6/18 and Super Brand Day (+25% of sales growth in H1); very low inventories at the end of Q2
- **Strong performance for Macau and Taiwan** in H1 with the end of covid restrictions; **Hong Kong** was up by triple digits in H1, from a low base as restrictions eased

Rest of Asia: very strong double-digit rise in H1 led by Louis XIII and XO in Japan, Singapore and Malaysia, as borders reopened, and tourism picked up

EMEA

Very strong double-digit sales growth in H1 22/23

7%
of sales

- **Very strong double-digit rise in H1**, led by all regions except Eastern Europe which continues to be impacted by geopolitical tensions
- All segments contributed to growth: outperformance from VSOP and Louis XIII

Liqueurs & Spirits - Organic growth of +20.7% (o/w +16.8% in volume)

AMERICAS

Mid-teens sales growth in H1 22/23

52%
of sales

North America:

- Sales up in mid-teens, driven by Cointreau and the Whisky portfolio in H1
- St-Rémy continued to benefit from St-Rémy Signature and XO; The Botanist performed well despite high comps linked to new listings last year
- Cointreau's value depletions were up in mid-teens, i.e. up circa +70% vs. 3Y

* Company data

US	Volume depletion trends to Sept. 2022	vs. Sept. 2022 (vs. LY)			vs. Sept. 2019 (vs. 3Y)		
		3M	6M	12M	3M	6M	12M
	Market Nielsen	-0.6%	-3.6%	-4.9%	-5.0%	-4.7%	-3.2%
	Market NABCA/Discuss	-0.8%	-1.5%	2.1%	17.4%	20.0%	13.4%
	Cointreau*	6.2%	5.5%	13.6%	39.6%	49.8%	51.4%

Price-Mix:
+Low-single digit pts vs. LY
c.+20 pts vs. 3Y
12M (ended Sept. 2022)

Latin America: very strong double-digit growth driven by Cointreau and Mount Gay; outperforming cognac

EMEA

Very strong double-digit sales growth in H1 22/23

35%
of sales

- Very strong double-digit sales growth in H1, led by remarkable performance of Cointreau and Metaxa in Southern Europe and by St-Rémy
- Western Europe, Benelux and Africa showed the most dynamic trends (very strong double-digit sales growth):
 - Very dynamic trends in on-trade
 - Continued rebound of tourism
- The UK was down low double-digit in H1, impacted by high comps for Cointreau (> +100% vs 3Y)

APAC

Remarkable sales growth in H1 22/23

13%
of sales

China:

- Very strong double-digit sales growth in H1, led by sharp uptick in Q2, driven by Cointreau and the Whisky portfolio
- Strong MAF season, with Octomore continuing to outperform

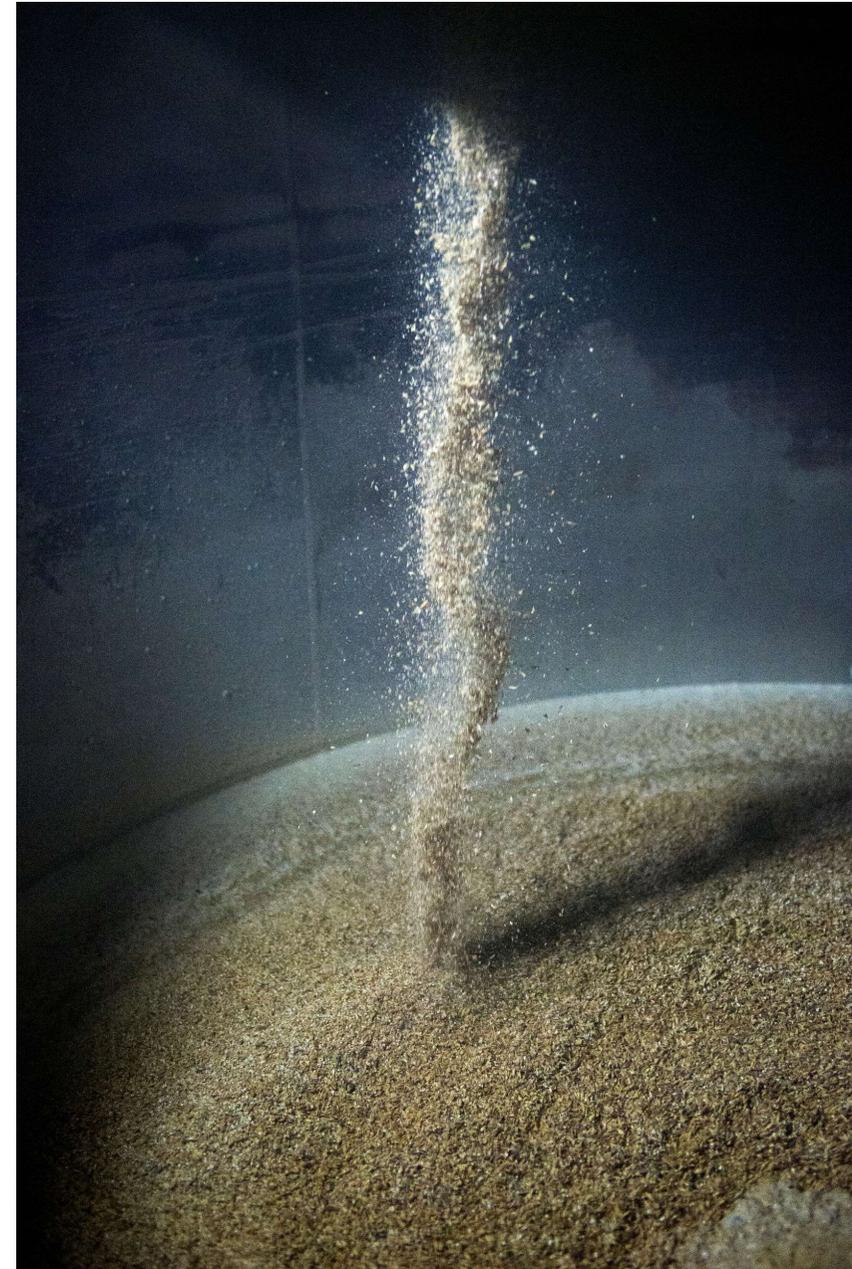
Rest of Asia:

- Mid-single digit growth in H1, showing a sequential slowdown in Q2 linked to high comp on Cointreau in Australia and New Zealand

FY 2022-23 Outlook

Rémy Cointreau outlook for FY 22/23:

- Rise in market share value in the exceptional spirits market
- Strong organic sales growth, incl. normalization of consumption trends in H2
- Increase in A&P investments, notably in H2
- Organic COP margin improvement (mostly in H1) including:
 - Resilience of Gross Margin
 - Good control of OPEX
- An uneven year, both in sales and COP margin, with H1 > H2
- Expected currency effects:
 - On sales: +€110/120m (vs. +€90/100m previously)
 - On COP: +€55/60m (vs. +€50/60m previously)



NATURALLY ENCHANTING



BELLE
DE BRILLET

THE FRENCH PEAR LIQUEUR AND COGNAC

Appendices

Quarterly sales by division

<i>In €m</i>	Q1 22/23	Q1 21/22	Reported %	Organic %
Cognac	292.3	199.6	+46.4%	+31.5%
Liqueurs & Spirits	109.7	85.3	+28.7%	+19.4%
Subtotal: Group Brands	402.0	284.9	+41.1%	+27.9%
Partner Brands	7.9	8.2	-3.1%	-3.8%
Total	409.9	293.1	+39.9%	+27.0%

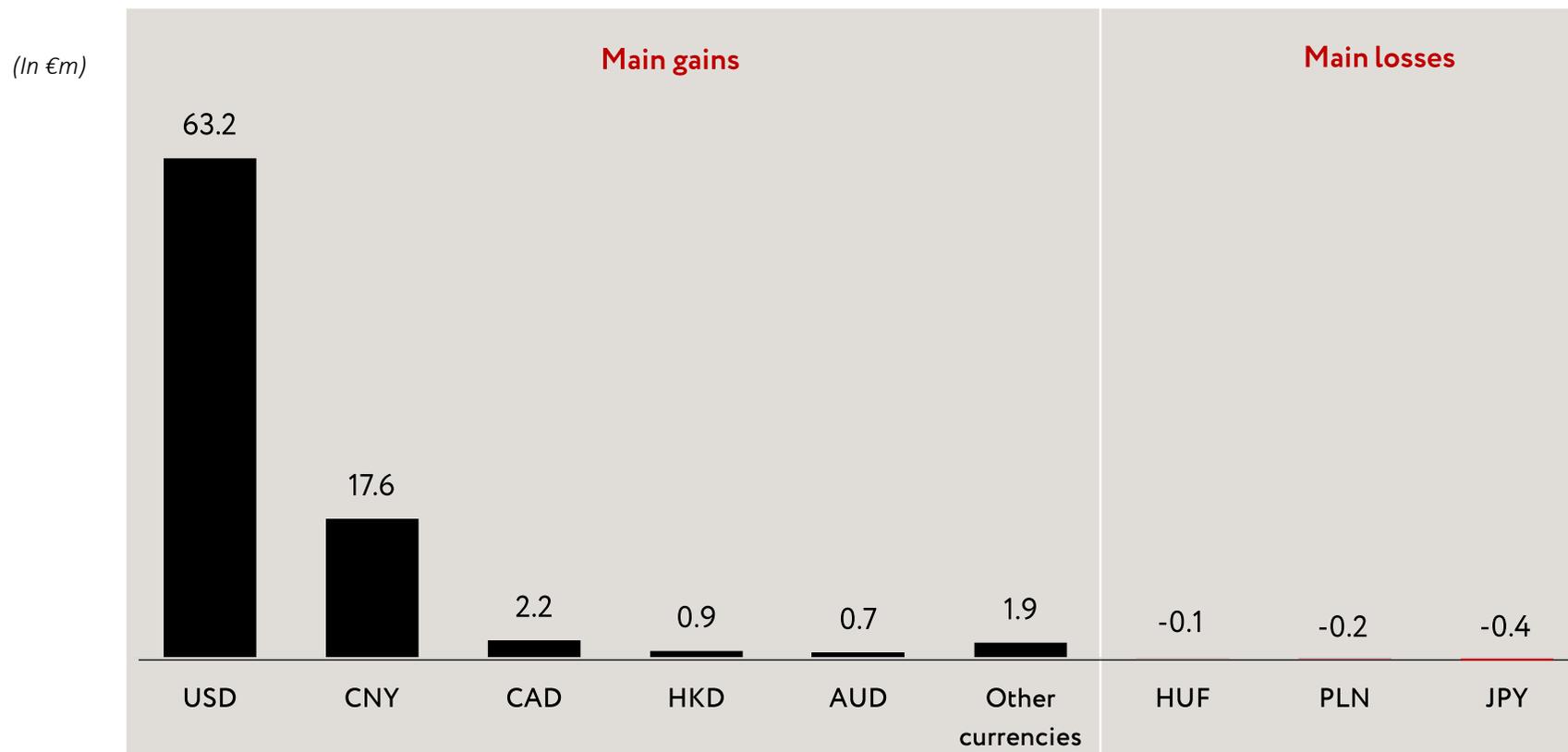
<i>In €m</i>	Q2 22/23	Q2 21/22	Reported %	Organic %
Cognac	345.9	265.0	+30.5%	+15.6%
Liqueurs & Spirits	104.7	78.8	+32.9%	+22.2%
Subtotal: Group Brands	450.6	343.8	+31.1%	+17.1%
Partner Brands	6.6	8.4	-21.6%	-21.9%
Total	457.2	352.2	+29.8%	+16.2%

<i>In €m</i>	H1 22/23	H1 21/22	Reported %	Organic %
Cognac	638.1	464.6	+37.3%	+22.4%
Liqueurs & Spirits	214.5	164.1	+30.7%	+20.7%
Subtotal: Group Brands	852.6	628.7	+35.6%	+22.0%
Partner Brands	14.5	16.6	-12.5%	-13.0%
Total	867.1	645.3	+34.4%	+21.1%

Organic sales growth: at constant exchange rates & scope

Key currency impacts on H1 22/23 sales

H1 22/23 total currency impact: +€85.8m





Q&A