



First-half sales, 2022-23
Paris, October 25, 2022

Very good first half
Strong growth in sales: +21.1% organic rise
(vs. a very high basis for comparison in first-half 2021-22: +52.0%)
Annual targets confirmed

Rémy Cointreau recorded sales of €867.1 million in the first half of 2022-23, an organic¹ rise of +21.1% (including +16.2% in the second quarter) that came on top of an exceptionally high basis for comparison following (+52.0% increase in H1 2021-22). This performance includes a robust +11.4% increase due to the price-mix effect, in line with the Group's value-driven strategy, and a +9.7% rise in sales volume. Reported data puts sales up by +34.4%, including a very strong +13.3% contribution from currency translation linked primarily to the strength of the US dollar and the renminbi.

All regions contributed to Rémy Cointreau's very strong first-half organic performance. The Americas generated growth of +21.1% despite an exceptionally high basis for comparison. APAC was up +21.7%, driven by a sharp marked rally in China in the second quarter. And EMEA saw robust momentum over the summer, gaining +19.9%.

Sales by division:

€m (April-September 2022)	H1 2022-23	H1 2021-22	Change as reported	Organic change
Cognac	638.1	464.6	+37.3%	+22.4%
Liqueurs & Spirits	214.5	164.1	+30.7%	+20.7%
Sub-total: 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%

¹ All references to organic growth in this press release correspond to sales growth at constant exchange rates and scope

Cognac

The **Cognac** division had a very good first half despite a high basis for comparison. Organic growth in sales came to +22.4%, with all regions contributing. The **US** saw double-digit growth, driven primarily by sales in Q1. By contrast, **China's** contribution rallied sharply in Q2, with a strong performance from the Mid-Autumn Festival in a market still unsettled by on-again/off-again pandemic restrictions. Rémy Martin CLUB turned in a particularly remarkable performance. Lastly, in the **EMEA**, Group sales maintained strong momentum in most key regions in Q2.

Rémy Cointreau continued to deploy a robust investment policy within the Cognac division. In the US, we teamed up with Usher for a multitude of marketing activations centered on a *Taste of Passion*, with the entire limited-edition bottle and NFT selling out in two seconds on BlockBar.com.

In China, the Mid-Autumn Festival was a successful springboard for a range of initiatives promoting Group brands and brand recognition. Banquets featured prominently, notably for Rémy Martin XO, the official partner of Michelin.

Liqueurs & Spirits

First-half organic sales at our **Liqueurs & Spirits** division were up +20.7%. A very strong performance in the United States reflected robust trends at Bruichladdich distillery and Cointreau, the latter once again teaming up with American actor Dan Levy on social media. The **EMEA region** had a very good summer season, including a strong showing by Cointreau, now rolling out its new bottle; Metaxa, underpinned by a new cocktails campaign; and St-Rémy, pursuing an up-trading strategy with *St-Rémy Signature* and *XO*. In **China**, single-malt whiskies remain very popular and did particularly well at the Mid-Autumn Festival.

Partner Brands

Organic sales of **Partner Brands** decreased by -13.0% in the first half, affected by a high basis of comparison in Europe, particularly in the Benelux.

2022-23 outlook: FY targets confirmed

Ideally positioned to take advantage of new consumption trends and buoyed by its advance on roll-out of its strategic plan, Rémy Cointreau is looking to 2022-2023 with confidence.

The Group intends to continue to gain market share value in the exceptional spirits sector. It expects another **year of strong organic growth**, including normalization of consumption trends in the second half on the heels of two outstanding years.

More specifically, as life “returns to normal” in most regions, overall consumption from H2 on is likely to settle in at “new normal” levels that are well above those observed in 2019/20. At the same time, growth should be tempered by high bases of comparison.

The Group intends to continue implementing its strategy focused on medium-term brand development and underpinned by a **policy of sustained investment in marketing and communications, particularly in the second half of the year.**

As a result, **organic COP margin improvement** will be driven by **gross margin resilience** despite the inflationary environment and by **tight control of overhead costs.**

Taking into account the impact of phasing effects on sales trends and marketing/communication spends, organic COP margin improvement will be primarily driven by H1.

The **full-year impact of currency** should be positive for:

- **sales:** +€ 110/120m (vs +€90/100m previously)
- **COP:** +€55/60m (vs +€50/60m previously)

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About Rémy Cointreau

All around the world, there are clients seeking exceptional experiences; clients for whom a wide range of terroirs means a variety of flavors. Their exacting standards are proportional to our expertise – the finely-honed skills that we pass down from generation to generation. The time these clients devote to drinking our products is a tribute to all those who have worked to develop them. It is for these men and women that Rémy Cointreau, a family-owned French Group, protects its terroirs, cultivates exceptional multi-centenary spirits and undertakes to preserve their eternal modernity. The Group's portfolio includes 14 singular brands, such as the Rémy Martin and Louis XIII cognacs, and Cointreau liqueur. Rémy Cointreau has a single ambition: becoming the world leader in exceptional spirits. To this end, it relies on the commitment and creativity of its 1,924 employees and on its distribution subsidiaries established in the Group's strategic markets. Rémy Cointreau is listed on Euronext Paris.

Appendices

Q1 2022-23 sales (April-June 2022)

€m	Reported 22-23 A	Forex 22-23	Scope 22-23	Organic 22-23 B	Reported 21-22 C	Reported change A/C-1	Organic change B/C-1
Cognac	292.3	+29.8	-	262.5	199.6	+46.4%	+31.5%
Liqueurs & Spirits	109.7	+7.9	-	101.8	85.3	+28.7%	+19.4%
Group Brands	402.0	+37.7	-	364.3	284.9	+41.1%	+27.9%
Partner Brands	7.9	+0.1	-	7.9	8.2	-3.1%	-3.8%
Total	409.9	+37.8	-	372.2	293.1	+39.9%	+27.0%

Q2 2022-23 sales (July-September 2022)

€m	Reported 22-23 A	Forex 22-23	Scope 22-23	Organic 22-23 B	Reported 21-22 C	Reported change A/C-1	Organic change B/C-1
Cognac	345.9	+39.6	-	306.3	265.0	+30.5%	+15.6%
Liqueurs & Spirits	104.7	+8.4	-	96.3	78.8	+32.9%	+22.2%
Group Brands	450.6	+48.1	-	402.6	343.8	+31.1%	+17.1%
Partner Brands	6.6	+0.0	-	6.6	8.4	-21.6%	-21.9%
Total	457.2	+48.1	-	409.1	352.2	+29.8%	+16.2%

First-half 2022-23 sales (April-September 2022)

€m	Reported 22-23 A	Forex 22-23	Scope 22-23	Organic 22-23 B	Reported 21-22 C	Reported change A/C-1	Organic change B/C-1
Cognac	638.1	+69.4	-	568.7	464.6	+37.3%	+22.4%
Liqueurs & Spirits	214.5	+16.4	-	198.1	164.1	+30.7%	+20.7%
Group Brands	852.6	+85.8	-	766.8	628.7	+35.6%	+22.0%
Partner Brands	14.5	+0.1	-	14.5	16.6	-12.5%	-13.0%
Total	867.1	+85.8	-	781.3	645.3	+34.4%	+21.1%

Alternative performance indicators – Definitions

Rémy Cointreau’s management process is based on the following alternative performance indicators, selected for planning and reporting purposes. The Group’s management considers that these indicators provide users of the financial statements with useful additional information to help them understand its performance. These indicators should be considered as supplementing those including in the consolidated financial statements and resulting movements.

Organic sales growth:

Organic growth excludes the impact of exchange rate fluctuations, acquisitions and disposals.

The impact of exchange rate fluctuations is calculated by converting sales for the current financial year using average exchange rates from the prior financial year.

For current-year acquisitions, sales of acquired entities are not included in organic growth calculations. For prior-year acquisitions, sales of acquired entities are included in the previous financial year, but are only included in current-year organic growth with effect from the actual date of acquisition.

For significant disposals, data is post-application of IFRS 5 (which reclassifies entities disposed of under “Net earnings from discontinued operations” for the current and prior financial year). It thus focuses on Group performance common to both financial years, over which local management has more direct influence.

Regulated information related to this press release can be found at www.remy-cointreau.com