



RÉMY COINTREAU

2022-23 9M Sales  
Luca Marotta, CFO

January 27, 2023

# Executive summary – Q3 2022-23 sales in line with expectations

## 9M ORGANIC\* SALES GROWTH

+10.1%

- **Very good performance over the first 9M (+10.1%)** on top of a high base of comparison (+38.1% over 9M 2021-22)
- Sales down **-6.0% in Q3, as expected**, reflecting high base of comparison and normalization of consumption in the US (+42.9% vs. Q3 19-20)
- Strong sell-in in **China** before CNY and continued recovery of **Travel Retail** (approx. -9% vs. Q3 19-20)
- Strong focus on value (**Price-Mix: +11.2%**) in Q3; Volume down -17.2%, impacted by US sales (Cognac) and some phasing effects in L&S

## 9M 22-23 ORGANIC SALES GROWTH BY REGION

- **AMERICAS:** up MSD over 9M, o/w down very strong DD in Q3, due to high comps. and normalization of consumption (approx. +45% vs. Q3 19-20)
- **APAC:** up very strong DD over 9M and Q3, led by strong sell-in before CNY and recovery of GTR and Rest of Asia (approx. +65% vs. Q3 19-20)
- **EMEA:** up DD over 9M o/w LSD decline in Q3, due to phasing effects in W. Europe following an amazing summer (approx. +8% vs. Q3 19-20)

## 9M 22-23 VALUE DEPLETIONS BY REGION

- **US:** mid-teens decline YoY over 9M (i.e. up LSD excl. VSOP); approx. +35% vs. 9M 19/20 (i.e. approx. +70% excl. VSOP)
- **China:** double-digit growth over 9M, led by CLUB, RM XO and the Whisky portfolio; up double-digit in Q3 but below expectations
- **EMEA:** MSD growth over 9M, led by all sub-regions excluding Eastern Europe

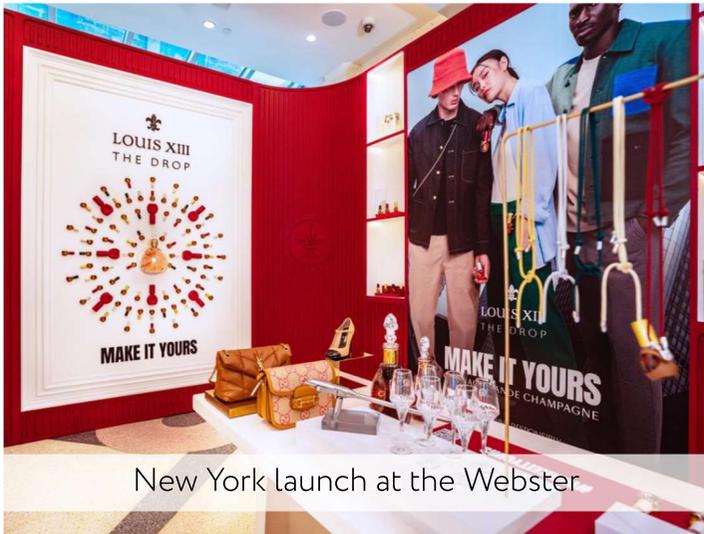
## FY GUIDANCE CONFIRMED

- **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)**

(\*) All references to organic growth in this presentation correspond to sales growth at constant exchange rates and scope  
MSD: Mid-single digit / DD: double-digit / LSD: low-single digit

## Q3 2022-23 marketing highlights

The Drop Louis XIII launch around the globe – “Make it yours” campaign



New York launch at the Webster



Shanghai launch with William Chan

80% of The Drop sales are to new customers  
4 media awards in China: “Most liked pioneering Cognac brand”

Enhance LOUIS XIII identity as a luxury icon and an attitude towards luxury lifestyles  
Recruit new consumers, break the codes and set new trends in the younger generation

Increase traffic in boutiques and e-boutiques

## Q3 2022-23 marketing highlights New Louis XIII boutiques in China



New Louis XIII boutique – Chengdu



New concept store for Louis XIII - SKP Beijing

## Q3 2022-23 marketing highlights

### LOOK FURTHER – The Botanist new global campaign



Launch of a new global campaign



Now in store in Heinemann airports

Build The Botanist into a lifestyle brand that reaches beyond its category

From wild foraged niche to exceptional lifestyle

Grow awareness of The Botanist in premium channels by encouraging consumers to look further with purpose

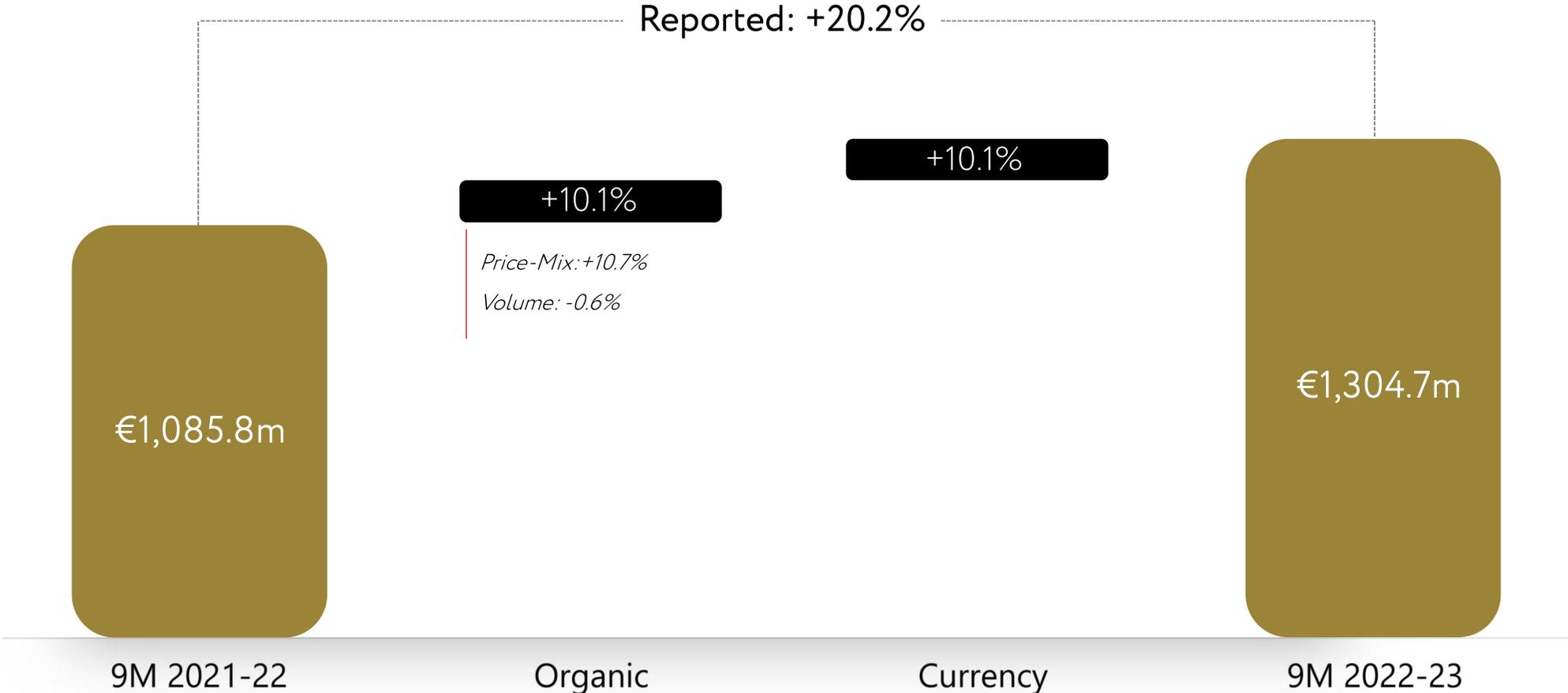
# Q3 2022-23 marketing highlights

WE ALSO MAKE WHISKY - Roll-out of Bruichladdich's new campaign

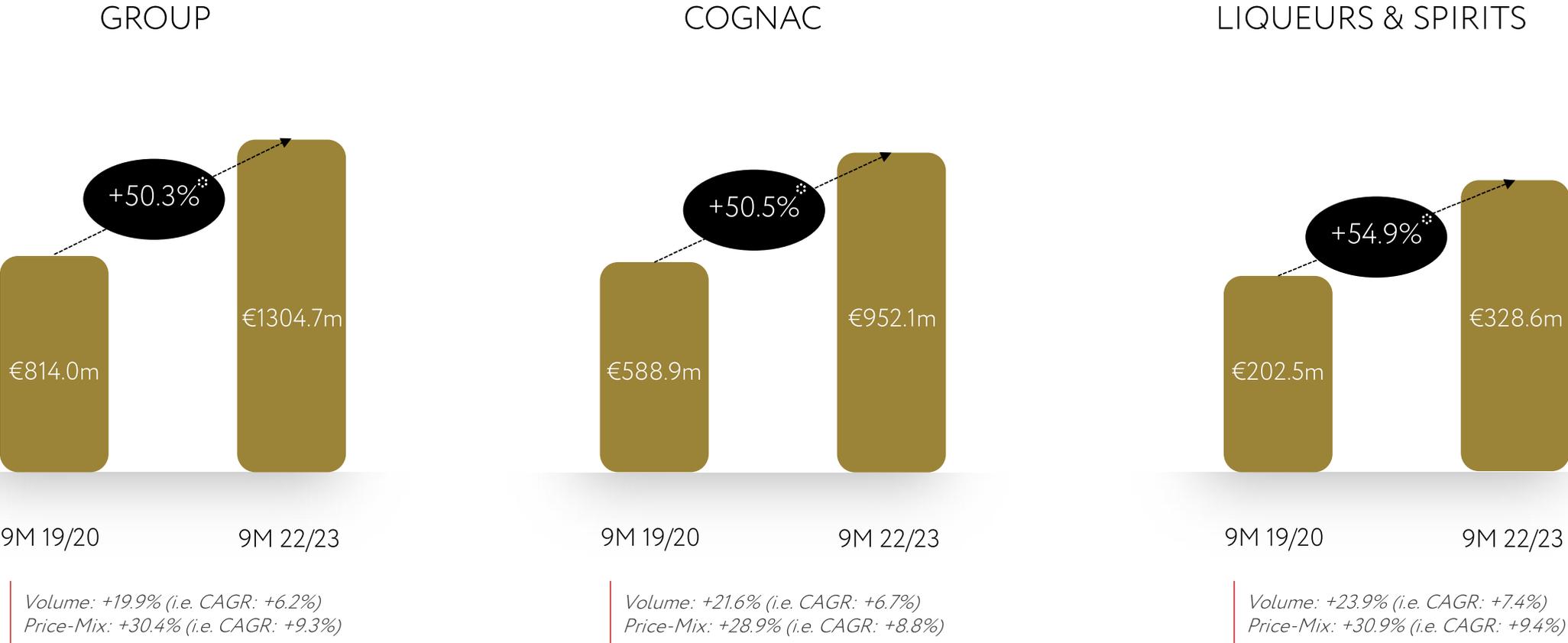


AWARDS: DOUBLE GOLD ACROSS RANGE

# 9M 2022/23 - Group sales bridge



# 9M 2022/23 - Organic sales up +50.3%\* vs. 9M 2019-20



(\* Organic sales growth at constant exchange rates (2021-22 rates)

# 9M 2022/23 – Organic sales trends by region

**AMERICAS: up MSD YoY**  
*Approx. +80% vs. 9M 19-20*

## US

Very strong double-digit decline in Q3, as expected  
High comps and normalization of consumption  
(++above pre-covid level)

Continued up-trading trends

Inventories at end of December

3-5 months depending on states

9M value depletions

Mid-teens decline YoY (up LSD excl. VSOP)  
approx. +35% vs. 9M 19-20 (approx. +70% excl. VSOP)

## Canada

Up LSD in sales in Q3  
led by Louis XIII, XO and the whiskies

## Latin America

Double-digit decline in Q3,  
impacted by some phasing effects  
Strong underlying trends in the wake  
of tourism recovery

50%  
of sales

**APAC: up very strong DD YoY**  
*Approx. +45% vs. 9M 19-20*

## China

Mid-teens sales growth in Q3 supported  
by strong sell-in before CNY

Short term volatility on depletions due to  
unprecedented wave of covid cases

Upbeat outlook beyond CNY following the opening of  
China and the end of pandemic restrictions

Strong performance in e-commerce,  
boosted by 11/11 and Super Brand Day in Dec.  
(> +35% of sales growth led by CLUB)

Inventories at end of December

Increased & back to normal: ready to seize  
opportunities

9M value depletions

Double-digit growth YoY

## Rest of Asia

Very strong double-digit growth in Q3 led by Japan,  
Malaysia, Singapore and South Korea as borders reopen

33%  
of sales

**EMEA: up DD YoY**  
*Approx. +10% vs. 9M 19-20*

## Western Europe

Mid-single digit decline in Q3

In line with expectations

Phasing effects (strong sell-in in Q2) and high comps

## UK

Solid resilience in Q3: HSD growth  
driven by Louis XIII, RM XO, Cointreau and the whiskies

## Rest of EMEA

Strong dynamics in Q3 in **Benelux** and **AME**  
**Eastern Europe** affected by geopolitical context  
(Q3: usually a key quarter before Orthodox New Year)

Inventories at end of December

Very healthy

9M value depletions:

MSD growth YoY

17%  
of sales

# Cognac

Organic sales growth of +8.5% in 9M (o/w -8.8% in volume and +17.3% of Price-Mix)

| <p style="text-align: center;"><b>AMERICAS</b></p> <p style="text-align: center;">LSD organic growth in<br/>9M 22/23 (+80% vs. 19-20)</p> <div style="text-align: center; border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> <p>52%<br/>of sales</p> </div>   | <p><b>North America:</b></p> <ul style="list-style-type: none"> <li>9M 22-23: sales up LSD YoY (approx. +85% vs. 9M 19-20)</li> <li>Q3: sales down very strong double-digit YoY, impacted by high comps and normalization of consumption (vs. Q3 19-20: +40% and &gt;+100% excl. VSOP); continued up-trading trends and strong outperformance of Louis XIII and XO</li> <li>Q3 US value depletions: down very strong double-digit YoY (approx. +10% vs. Q3 19-20); value depletions were up +45% vs. Q3 19-20 excl. VSOP</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Volume depletion trends to Dec. 2022</th> <th colspan="3">vs. Dec. 2022 (vs. LY)</th> <th colspan="3">vs. Dec. 2019 (vs. 3Y)</th> </tr> <tr> <th>3M</th> <th>6M</th> <th>12M</th> <th>3M</th> <th>6M</th> <th>12M</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center; vertical-align: middle;"><b>US</b></td> <td>Market (source Nielsen)</td> <td>-13.6%</td> <td>-16.1%</td> <td>-20.6%</td> <td>-10.8%</td> <td>-8.0%</td> <td>-4.2%</td> </tr> <tr> <td>Market (source NABCA/Discuss)</td> <td>-32.0%</td> <td>-20.9%</td> <td>-12.9%</td> <td>-25.6%</td> <td>-14.4%</td> <td>-9.1%</td> </tr> <tr> <td><b>Rémy Martin (source Company)</b></td> <td><b>-40.6%</b></td> <td><b>-40.0%</b></td> <td><b>-28.7%</b></td> <td><b>-12.8%</b></td> <td><b>-4.9%</b></td> <td><b>3.3%</b></td> </tr> </tbody> </table> <p><small>* Company data</small></p> <p style="text-align: right;"><b>Price-Mix:</b><br/>&gt; +10 pts YoY<br/><b>+25 pts vs. 12M 2019-20</b><br/>12M (ended Dec. 2022)</p> <p><b>Latin America:</b> sales up MSD over 9M o/w a very strong double-digit decline in Q3, impacted by some phasing effects</p> |               | Volume depletion trends to Dec. 2022 | vs. Dec. 2022 (vs. LY) |               |              | vs. Dec. 2019 (vs. 3Y) |  |  | 3M | 6M | 12M | 3M | 6M | 12M | <b>US</b> | Market (source Nielsen) | -13.6% | -16.1% | -20.6% | -10.8% | -8.0% | -4.2% | Market (source NABCA/Discuss) | -32.0% | -20.9% | -12.9% | -25.6% | -14.4% | -9.1% | <b>Rémy Martin (source Company)</b> | <b>-40.6%</b> | <b>-40.0%</b> | <b>-28.7%</b> | <b>-12.8%</b> | <b>-4.9%</b> | <b>3.3%</b> |
|---|--|---------------|--------------------------------------|------------------------|---------------|--------------|------------------------|--|--|----|----|-----|----|----|-----|-----------|-------------------------|--------|--------|--------|--------|-------|-------|-------------------------------|--------|--------|--------|--------|--------|-------|-------------------------------------|---------------|---------------|---------------|---------------|--------------|-------------|
|   | Volume depletion trends to Dec. 2022   |               |                                      | vs. Dec. 2022 (vs. LY) |               |              | vs. Dec. 2019 (vs. 3Y) |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
|   |  | 3M            | 6M                                   | 12M                    | 3M            | 6M           | 12M                    |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
| <b>US</b>   | Market (source Nielsen)  | -13.6%        | -16.1%                               | -20.6%                 | -10.8%        | -8.0%        | -4.2%                  |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
|   | Market (source NABCA/Discuss)  | -32.0%        | -20.9%                               | -12.9%                 | -25.6%        | -14.4%       | -9.1%                  |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
|   | <b>Rémy Martin (source Company)</b>  | <b>-40.6%</b> | <b>-40.0%</b>                        | <b>-28.7%</b>          | <b>-12.8%</b> | <b>-4.9%</b> | <b>3.3%</b>            |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
| <p style="text-align: center;"><b>APAC</b></p> <p style="text-align: center;">Mid-teens organic growth in<br/>9M 22/23 (+45% vs. 19-20)</p> <div style="text-align: center; border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> <p>40%<br/>of sales</p> </div> | <p><b>China:</b></p> <ul style="list-style-type: none"> <li><b>Mainland China:</b> sales up by mid-teens over 9M and Q3 YoY (approx. +80% vs. 9M 19-20 ); tough market in Q3, hit hard by unprecedented wave of Covid cases; strong performance in e-commerce, boosted by 11/11 and Super Brand Day (&gt; +35% of sales growth in Q3); limited visibility in the very short-term due to Covid context and increasingly confident beyond the CNY</li> <li>Very strong performance in <b>Taiwan</b> in Q3 YoY; weak activity in <b>Macau</b> which is just emerging from health restrictions; <b>Hong Kong</b> was down slightly and should recover with the recent reopening of borders</li> </ul> <p><b>Rest of Asia:</b> strong double-digit rise in Q3 YoY, led by Louis XIII and RM XO in Malaysia, Singapore and South Korea</p>   |               |                                      |                        |               |              |                        |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |
| <p style="text-align: center;"><b>EMEA</b></p> <p style="text-align: center;">Mid-teens organic growth in<br/>9M 22/23 (-15% vs. 19-20)</p> <div style="text-align: center; border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> <p>8%<br/>of sales</p> </div>  | <ul style="list-style-type: none"> <li>Sales up by mid-teens over 9M and down Mid- to HSD in Q3, affected by some phasing effects in <b>Western Europe</b> and by geopolitical tensions in <b>Eastern Europe; Benelux</b> and <b>the UK</b> remain solid in Q3.</li> <li>Strong outperformance of Louis XIII and RM XO</li> </ul>  |               |                                      |                        |               |              |                        |  |  |    |    |     |    |    |     |           |                         |        |        |        |        |       |       |                               |        |        |        |        |        |       |                                     |               |               |               |               |              |             |

# Liqueurs & Spirits

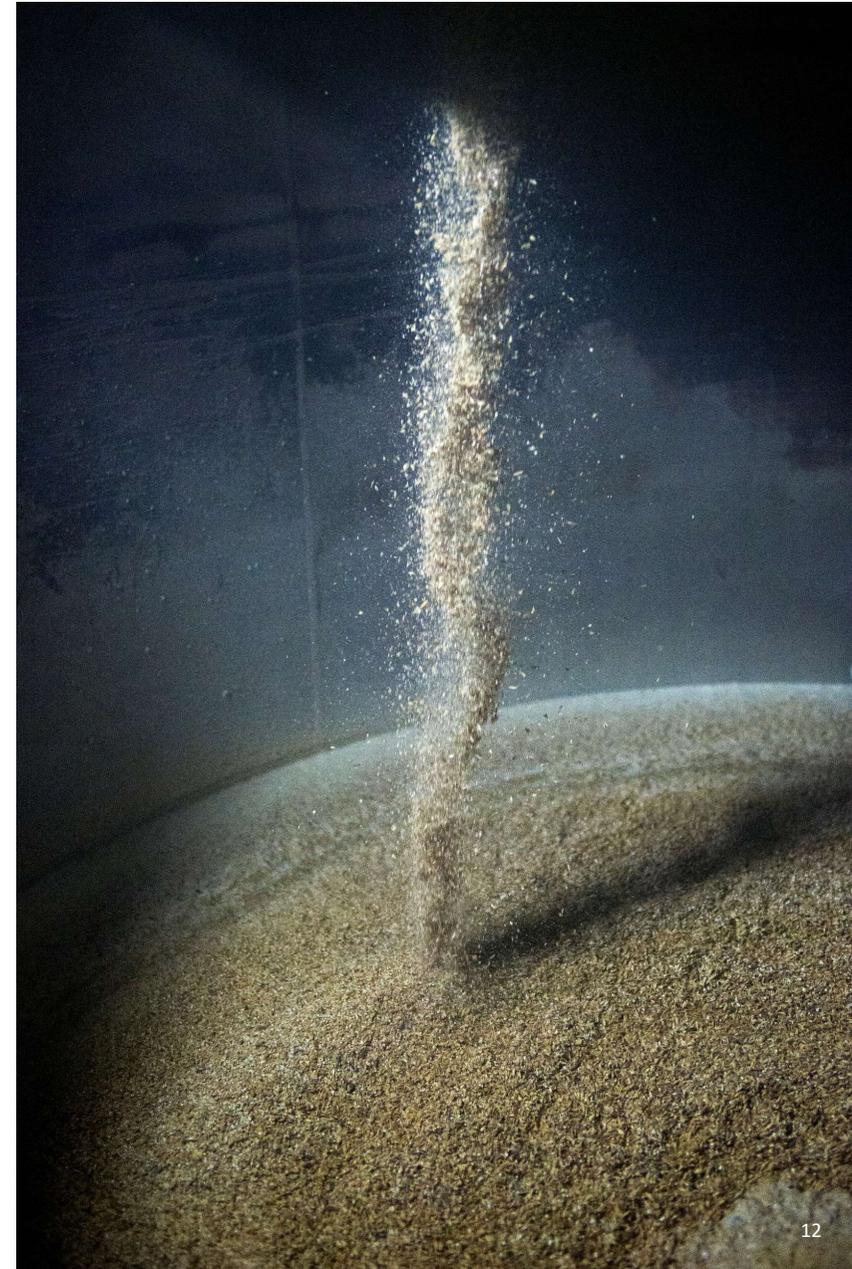
Organic sales growth of +16.7% in 9M (o/w +7.7% in volume and +9.0% of Price-Mix)

| <p><b>AMERICAS</b></p> <p>Mid-teens organic growth in 9M 22/23 (c.+75% vs. 19-20)</p> <p>50% of sales</p>            | <p><b>North America:</b></p> <ul style="list-style-type: none"> <li>Sales up in mid-teens YoY over 9M and in Q3 (approx. +80% vs. 9M 19-20 o/w +90% vs. Q3 19-20), driven by Cointreau and the Whisky portfolio: continued rise in mixology, good momentum in Tequila and robust demand for Classic Laddie</li> <li>Cointreau's Q3 US value depletions were up in mid-teens YoY (approx. +70% vs. Q3 19-20)</li> </ul> <table border="1" data-bbox="698 571 1704 722"> <thead> <tr> <th rowspan="2">US</th> <th rowspan="2">Volume depletion trends to Dec. 2022</th> <th colspan="3">vs. Dec. 2022 (vs. LY)</th> <th colspan="3">vs. Dec. 2019 (vs. 3Y)</th> </tr> <tr> <th>3M</th> <th>6M</th> <th>12M</th> <th>3M</th> <th>6M</th> <th>12M</th> </tr> </thead> <tbody> <tr> <td></td> <td>Market (source Nielsen)</td> <td>3.6%</td> <td>2.2%</td> <td>-2.1%</td> <td>16.0%</td> <td>16.5%</td> <td>16.3%</td> </tr> <tr> <td></td> <td>Market (source NABCA/Discuss)</td> <td>-7.7%</td> <td>-4.4%</td> <td>-1.2%</td> <td>-3.1%</td> <td>6.0%</td> <td>12.2%</td> </tr> <tr> <td></td> <td><b>Cointreau (Source Company)</b></td> <td><b>5.6%</b></td> <td><b>6.8%</b></td> <td><b>9.1%</b></td> <td><b>55.3%</b></td> <td><b>48.5%</b></td> <td><b>52.6%</b></td> </tr> </tbody> </table> <p>* Company data</p> <p><b>Price-Mix:</b><br/>+5 pts YoY<br/>+20 pts vs. 12M 2019-20<br/>12M (ended Dec. 2022)</p> <p><b>Latin America:</b> very strong double-digit growth over 9M YoY (o/w Mid-Single digit decline in Q3 YoY, hit by some phasing effects)</p> | US          | Volume depletion trends to Dec. 2022 | vs. Dec. 2022 (vs. LY) |              |              | vs. Dec. 2019 (vs. 3Y) |  |  | 3M | 6M | 12M | 3M | 6M | 12M |  | Market (source Nielsen) | 3.6% | 2.2% | -2.1% | 16.0% | 16.5% | 16.3% |  | Market (source NABCA/Discuss) | -7.7% | -4.4% | -1.2% | -3.1% | 6.0% | 12.2% |  | <b>Cointreau (Source Company)</b> | <b>5.6%</b> | <b>6.8%</b> | <b>9.1%</b> | <b>55.3%</b> | <b>48.5%</b> | <b>52.6%</b> |
|--|--|-------------|--------------------------------------|------------------------|--------------|--------------|------------------------|--|--|----|----|-----|----|----|-----|--|-------------------------|------|------|-------|-------|-------|-------|--|-------------------------------|-------|-------|-------|-------|------|-------|--|-----------------------------------|-------------|-------------|-------------|--------------|--------------|--------------|
| US   | Volume depletion trends to Dec. 2022   |             |                                      | vs. Dec. 2022 (vs. LY) |              |              | vs. Dec. 2019 (vs. 3Y) |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
|  |  | 3M          | 6M                                   | 12M                    | 3M           | 6M           | 12M                    |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
|  | Market (source Nielsen)  | 3.6%        | 2.2%                                 | -2.1%                  | 16.0%        | 16.5%        | 16.3%                  |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
|  | Market (source NABCA/Discuss)  | -7.7%       | -4.4%                                | -1.2%                  | -3.1%        | 6.0%         | 12.2%                  |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
|  | <b>Cointreau (Source Company)</b>  | <b>5.6%</b> | <b>6.8%</b>                          | <b>9.1%</b>            | <b>55.3%</b> | <b>48.5%</b> | <b>52.6%</b>           |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
| <p><b>EMEA</b></p> <p>Low DD organic growth in 9M 22/23 (c.+35% vs. 19-20)</p> <p>36% of sales</p>                   | <ul style="list-style-type: none"> <li>Low double-digit sales growth over 9M and flat in Q3 YoY, reflecting some phasing effects on Cointreau and solid momentum on whiskies             <ul style="list-style-type: none"> <li>Benelux and AME showed strong dynamics led by Cointreau</li> <li>The UK remained resilient while Western Europe was impacted by some phasing effects on Cointreau</li> <li>Eastern Europe continues to be impacted by the geopolitical context</li> </ul> </li> </ul>  |             |                                      |                        |              |              |                        |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |
| <p><b>APAC</b></p> <p>Very strong double-digit organic growth in 9M 22/23 (c.+70% vs. 19-20)</p> <p>14% of sales</p> | <p><b>China:</b></p> <ul style="list-style-type: none"> <li>Very strong double-digit sales growth over 9M YoY (&gt; +100% vs. 9M 19-20); up double-digit in Q3 YoY, led by the Whisky portfolio</li> <li>Tough market in Q3, impacted by weak traffic in on-trade</li> </ul> <p><b>Rest of Asia:</b></p> <ul style="list-style-type: none"> <li>Very strong Double-Digit growth over 9M and Q3 YoY, led by whiskies and a strong ramp-up of Telmont in on-trade</li> </ul>   |             |                                      |                        |              |              |                        |  |  |    |    |     |    |    |     |  |                         |      |      |       |       |       |       |  |                               |       |       |       |       |      |       |  |                                   |             |             |             |              |              |              |

# FY 2022-23 Outlook

Rémy Cointreau outlook for FY 22/23:

- 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:
  - Solid 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: +€120/130m (vs. +€110/120m previously)
  - On COP: +€55/60m





# 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%         |
| <b>Total</b>           | <b>409.9</b> | <b>293.1</b> | <b>+39.9%</b> | <b>+27.0%</b> |

| <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%        |
| <b>Total</b>           | <b>457.2</b> | <b>352.2</b> | <b>+29.8%</b> | <b>+16.2%</b> |

| <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%        |
| <b>Total</b>           | <b>867.1</b> | <b>645.3</b> | <b>+34.4%</b> | <b>+21.1%</b> |

*Organic sales growth: at constant exchange rates & scope*

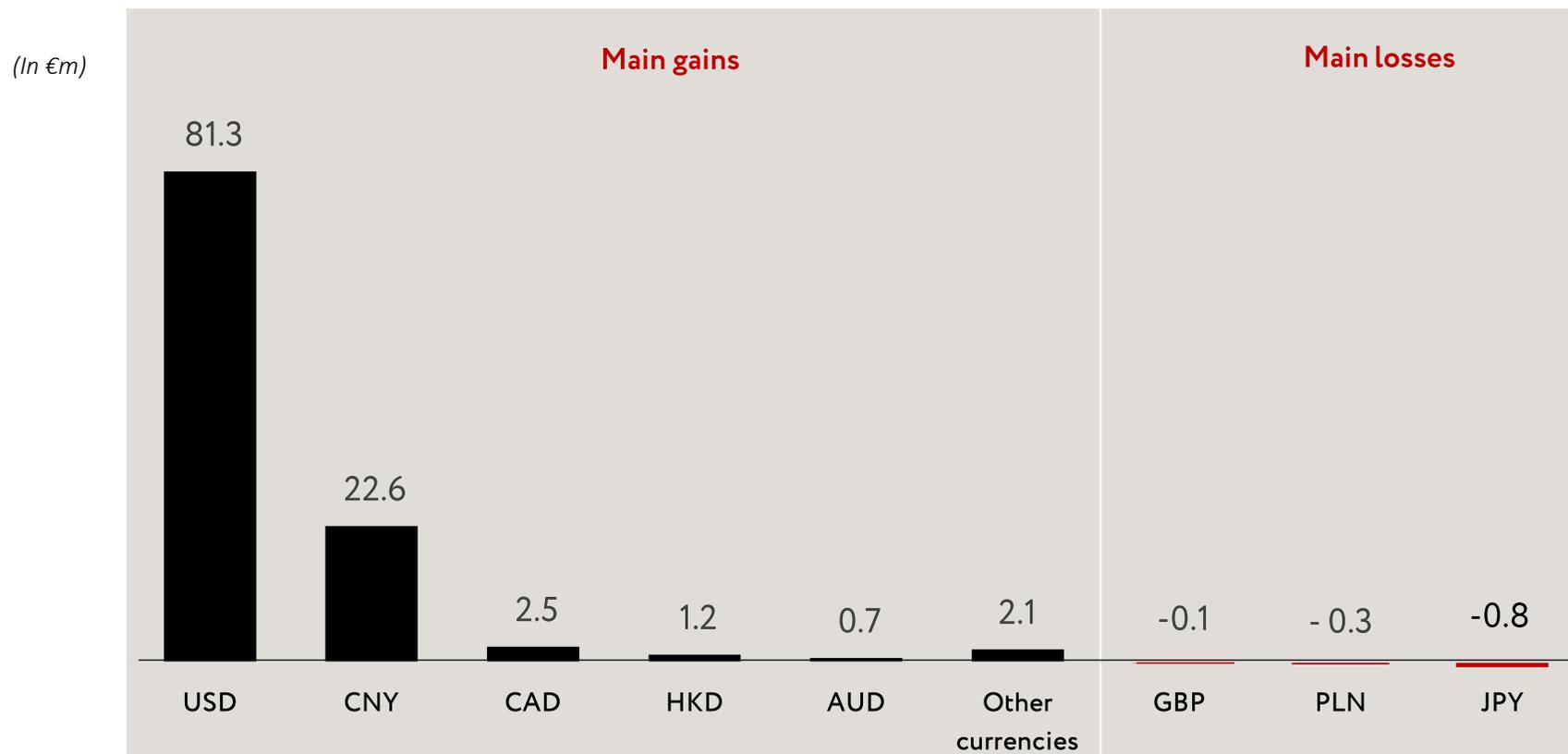
## Quarterly sales by division

| <i>In €m</i>           | Q3 22/23     | Q3 21/22     | Reported %   | Organic %    |
|------------------------|--------------|--------------|--------------|--------------|
| Cognac                 | 314.0        | 332.7        | -5.6%        | -11.0%       |
| Liqueurs & Spirits     | 114.1        | 98.7         | +15.7%       | +10.1%       |
| Subtotal: Group Brands | 428.1        | 431.4        | -0.8%        | -6.2%        |
| Partner Brands         | 9.5          | 9.1          | +3.6%        | +3.9%        |
| <b>Total</b>           | <b>437.6</b> | <b>440.5</b> | <b>-0.7%</b> | <b>-6.0%</b> |

| <i>In €m</i>           | 9M 22/23       | 9M 21/22       | Reported %    | Organic %     |
|------------------------|----------------|----------------|---------------|---------------|
| Cognac                 | 952.1          | 797.3          | +19.4%        | +8.5%         |
| Liqueurs & Spirits     | 328.6          | 262.8          | +25.1%        | +16.7%        |
| Subtotal: Group Brands | 1 280.7        | 1 060.1        | +20.8%        | +10.5%        |
| Partner Brands         | 24.0           | 25.7           | -6.8%         | -7.0%         |
| <b>Total</b>           | <b>1 304.7</b> | <b>1 085.8</b> | <b>+20.2%</b> | <b>+10.1%</b> |

# Key currency impacts on 9M 22/23 sales

9M 22/23 total currency impact: +€109.2m





Q&A