**First quarter 2023-24**
Paris, 25 July 2023

**First-quarter sales in line with expectations**

---

- Sales down -35.0% on an organic basis[1], in line with expectations
- Significant fall in sales in the Americas linked to an exceptionally high basis of comparison, major destocking, and continued normalization of consumption post-Covid
- Very strong growth in the rest of the world, particularly China, Southeast Asia and the EMEA region
- Full-year guidance confirmed

---

Rémy Cointreau generated **consolidated sales of €257.5 million in the first quarter of 2023-2024, down -35.0% on an organic basis** (+14.3% compared to Q1 2019-20). On a reported basis, the decline was -37.2%, including a negative currency effect of -2.2%.

This performance reflects an exceptionally high basis of comparison (Q1 2022-23 was up +74.0% compared to Q1 2019-20), the Group's focus on significantly reducing its Cognac inventories in the United States, and continued normalization of consumption in the US.

Against this backdrop, the **Cognac** division saw sales retreat -44.7% on an organic basis. The **Liqueurs & Spirits** division reported a decline, with sales down -11.4% on an organic basis. The latter is affected by a phasing effect and a high basis of comparison, while underlying trends remained solid, allowing a return to growth from the 2nd quarter.

In the **Americas**, sales suffered a marked decline, while in **APAC** they rose very steeply, boosted by trends in China and Southeast Asia, along with the continued recovery in Travel Retail. Lastly, **EMEA** reported double-digit growth, driven by all of its regional markets.

**Breakdown of sales by division:**

| *€m* *(April - June)* | **Q1 2023-24** | **Q1 2022-23** | *Change as reported* | *Organic change* | |
|---|---|---|---|---|---|
| | | | | ***vs. Q1 22-23*** | ***vs. Q1 19-20*** |
| Cognac | 155.1 | 292.3 | *-46.9%* | *-44.7%* | *-4.4%* |
| Liqueurs & Spirits | 95.0 | 109.7 | *-13.5%* | *-11.4%* | *+69.7%* |
| **Subtotal: Group Brands** | **250.0** | **402.0** | ***-37.8%*** | ***-35.6%*** | ***+14.3%*** |
| Partner Brands | 7.5 | 7.9 | *-5.4%* | *-4.6%* | *+13.9%* |
| **Total** | **257.5** | **409.9** | ***-37.2%*** | ***-35.0%*** | ***+14.3%*** |

[1] *All references to "on an organic basis" in this press release refer to sales growth at constant currency and consolidation scope*

## Cognac

First-quarter sales at the **Cognac** division were down -44.7% on an organic basis, as expected. This was primarily due to a significant drop in sales in **the Americas**, hit by the combined impact of an exceptionally high basis of comparison (Q1 2022-23 sales were +175.8% compared to Q1 2019-20), the Group's focus on significantly reducing inventories, and continued normalization of consumption. In an increasingly promotional environment, the Group maintained its value-driven strategy, holding prices steady.

In **APAC**, the **Chinese market** registered another quarter of very strong growth driven by the recovery in on-trade business and a particularly strong performance from Rémy Martin CLUB. It was also driven by robust growth in e-commerce (T-Mall platform and JD.com during the 6.18 Festival), where sales outperformed expectations. In the rest of Asia, particularly Southeast Asian markets, the Cognac division did very well.

In the **EMEA** region, business was very good in all regional markets, particularly in AME[2] and in Western Europe.

## Liqueurs & Spirits

First-quarter sales at the **Liqueurs & Spirits** division were down -11.4% on an organic basis, reflecting phasing effects (distributors built up US inventories at the end of the fourth quarter ahead of price increases on 1 April 2023), as well as a very high basis of comparison in the Americas (Q1 2022-23 sales up +127.2% compared to Q1 2019-20).

The underlying trend in the **Americas** region is solid and points to very good momentum for the Cointreau brand, which has just launched its new *Margarita Right* campaign featuring actress Aubrey Plaza. The Group expects to return to growth in the second quarter of 2023-24.

In the **EMEA** region, sales were very good, reflecting robust trends throughout the region, particularly in Western Europe (Germany, France, and Greece) and the United Kingdom. Lastly, **in APAC,** the year got off to a good start in the North and Southeast Asia as well as in Travel Retail business.

## Partner Brands

First-quarter sales of **Partner Brands** were down -4.6% on an organic basis.

[2] *Africa and the Middle East*

## 2023-24 outlook confirmed

In 2023-24, Rémy Cointreau anticipates continued strong normalization of consumption in the United States, although trends will nonetheless remain significantly higher than in 2019-20.

At the same time, the Group expects strong growth in the rest of the world, led by major gains in China, a very good showing in EMEA and the Rest of Asia, and business similar to levels observed in 2019-20 in Travel Retail.

Against this backdrop, the Group expects **sales to remain stable on an organic basis in 2023-24**, with:

- A strong **decline in sales** in the **first half**, reflecting a very strong fall in the United States and high bases for comparison
- A **strong recovery** in the **second half,** driven by a sharp rebound in the US starting in the third quarter

Rémy Cointreau intends to **confirm its level of organic profitability** based on:

- Continued roll-out of a value-driven strategy built on a firm pricing policy and improved price mix
- Resilient gross margin in a persistently inflationary context
- Stabilization of the ratio of marketing and communication spend/sales
- Tight control of overhead costs

The Group estimates that currency will have **an unfavorable impact** on:

- Sales: between -€50m and -€60m
- COP: between -€10M€ and -€15m

## 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 2,021 employees and on its distribution subsidiaries established in the Group's strategic markets. Rémy Cointreau is listed on Euronext Paris.

## Contacts

**Investor relations**: Célia d'Everlange / investor-relations@remy-cointreau.com
**Media relations**: Mélissa Lévine / press@remy-cointreau.com

A conference call with investors and analysts will be held today by CFO Luca Marotta, from 9:00am (Paris time). Related slides will also be available on the website (www.remy-cointreau.com) in the Finance section.

## Appendices

*Q1 2023-24 sales (April-June 2023)*

| *€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 | 155.1 | -6.6 | - | 161.6 | 292.3 | *-46.9%* | *-44.7%* |
| Liqueurs & Spirits | 95.0 | -2.2 | - | 97.2 | 109.7 | *-13.5%* | *-11.4%* |
| **Subtotal: Group Brands** | **250.0** | **-8.8** | - | **258.8** | **402.0** | ***-37.8%*** | ***-35.6%*** |
| Partner Brands | 7.5 | -0.1 | - | 7.6 | 7.9 | *-5.4%* | *-4.6%* |
| Total | **257.5** | **-8.9** | - | **266.4** | **409.9** | ***-37.2%*** | ***-35.0%*** |

*Regulated information in connection with this press release can be found at www.remy-cointreau.com*

## Definitions of alternative performance indicators

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.