



Third quarter 2021-22

Paris, 25 January 2022

Continued strong growth, ahead of expectations

Sales up 21.0% on an organic basis in Q3

Full-year guidance confirmed

Rémy Cointreau posted sales of **€1,085.8 million** over the first nine months of its fiscal year, equating to **organic growth of +38.1%**¹. Reported sales were up +39.1% after taking into account positive scope effects of +0.3% (acquisitions of Brillet and Telmont) and favourable currency effects (+0.7%). **This strong third-quarter growth (+21.0% on an organic basis)** against a high base reflects continued excellent momentum across all regions.

The **Cognac** division continued to enjoy buoyant demand in the third quarter (up +19.4% on an organic basis), with the division's sales up +38.5% on an organic basis over the first nine months. Sales at the **Liqueurs & Spirits** division also grew strongly, up +39.1% on an organic basis over the first nine months (of which +27.3% in the third quarter).

All regions contributed to Rémy Cointreau's very strong third-quarter performance. The **Americas** region generated strong growth despite a high base. The **APAC**² region posted excellent growth, led by China and northern Asia. Lastly, very strong third-quarter performance by the **EMEA**³ region confirmed the recovery seen in the first half of the year.

Breakdown of sales by division:

€m (April-December)	9 months 2021/22	9 months 2020/21	Change 9m 21/22 vs. 9m 20/21		Change 9m 21/22 vs. 9m 19/20
			Reported	Organic	Organic
Cognac	797.3	572.5	39.3%	38.5%	38.4%
Liqueurs & Spirits	262.8	187.2	40.4%	39.1%	30.6%
Subtotal: Group Brands	1,060.1	759.6	39.6%	38.6%	36.4%
Partner Brands	25.7	21.2	21.3%	20.1%	13.1%
Total	1,085.8	780.9	39.1%	38.1%	35.7%

¹ All references to "organic growth" in this press release correspond to sales growth at constant currency and scope.

² Asia-Pacific.

³ Europe, Middle East and Africa.

Cognac

The **Cognac** division delivered an excellent performance, with sales up +38.5% on an organic basis over the first nine months thanks to demand remaining very strong in the third quarter (up +19.4% on an organic basis against a high base). Consumption trends in the United States remained strong. The Group continued to pursue its value strategy, with its high-end brands (Louis XIII, Rémy Martin XO, 1738 Accord Royal) outperforming. The Group generated remarkable growth in China, buoyed by the success of Club, strong momentum in e-commerce (particularly over the Double 11 and Double 12 events) and favourable calendar effects (Chinese New Year) adding around +2.5pp of growth to the Cognac division in the third quarter.

Rémy Martin unveiled the new advertising campaign for its high-end XO products in China, featuring singer and actor Yifeng Li. With various marketing initiatives set to run throughout the fourth quarter, the campaign will boost brand awareness and brand equity among a new generation of clients, helping grow market share in the high-end segment. Rémy Martin also launched a special edition of Rémy Martin Club with the Scale Collective in Shenzhen last November. Following this initial launch in China, the product will be launched in the rest of Asia (Japan, Taiwan and Hong Kong), Russia and Mexico.

Liqueurs & Spirits

Sales at the **Liqueurs & Spirits** division were up +39.1% on an organic basis over the first nine months, including third-quarter organic growth of +27.3%. **The House of Cointreau** continued to enjoy very strong momentum in the United States, boosted by its partnership with actress Jessica Alba. Sales of **The Botanist** gin continued to grow in the on-trade channel, helped by new listings and marketing initiatives to build increased brand awareness. In China, excellent growth in the **whisky business** highlighted its popularity in the northern and eastern parts of the country, while **The Botanist** gin continued to benefit from growth in the high-end segment of its category. Lastly, the Group posted strong growth in Europe, supported by **Cointreau**, which made market share gains (notably in the United Kingdom), and **The Botanist**, which benefited from a number of marketing initiatives to boost brand visibility.

Partner Brands

Sales of **Partner Brands** were up +20.1% on an organic basis over the first nine months (of which +14.3% in the third quarter), helped by favourable trends in Europe, notably in the United Kingdom and the Benelux countries.

2021-22 outlook: full-year guidance confirmed

For financial year 2021-22, Rémy Cointreau reiterates its confidence in its ability to outperform the exceptional spirits market and anticipates **strong organic growth in sales**, mainly driven by performance in the first half.

Rémy Cointreau is also targeting **very strong organic growth in its Current Operating Profit**, driven solely by outstanding growth in the first half.

In an environment marked by high base of comparison, the Group confirms its intention to meaningfully increase its marketing and communication spend in the second half to support its brands through the recovery and boost their medium-term growth potential. Rémy Cointreau also reaffirms its intention to manage its strategic inventory in the fourth quarter.

Consequently, Rémy Cointreau expects to see an **organic improvement in its current operating margin**.

The Group expects full-year scope effects of -€2.4 million and is now forecasting currency effects to have a neutral impact on its Current Operating Profit.

Contacts

Celia d'Everlange: +33 6 03 65 46 78

Appendices

First quarter 2021-22 sales (April-June 2021)

€m	Reported 21-22 A	Forex 21-22	Scope 21-22	Organic 21-22 B	Reported 20-21 C	Reported change A/C-1	Change Organic B/C-1
Cognac	199.6	-12.1	0.1	211.6	98.7	102.3%	114.4%
Liqueurs & Spirits	85.3	-3.8	1.3	87.8	46.1	84.9%	90.5%
Subtotal: Group Brands	284.9	-15.9	1.4	299.5	144.8	96.8%	106.8%
Partner Brands	8.2	0	0	8.2	5.3	55.6%	55.3%
Total	293.1	-15.9	1.4	307.6	150.1	95.3%	105.0%

Second quarter 2021-22 sales (July-September 2021)

€m	Reported 21-22 A	Forex 21-22	Scope 21-22	Organic 21-22 B	Reported 20-21 C	Reported change A/C-1	Change Organic B/C-1
Cognac	265.0	2.8	-0.1	262.3	206.8	28.2%	26.9%
Liqueurs & Spirits	78.8	1.3	0.7	76.8	66.0	19.5%	16.5%
Subtotal: Group Brands	343.8	4.1	0.6	339.1	272.7	26.1%	24.3%
Partner Brands	8.4	0.1	0	8.3	8.1	4.3%	2.9%
Total	352.2	4.3	0.6	347.4	280.8	25.4%	23.7%

First half 2021-22 sales (April-September 2021)

€m	Reported 21-22 A	Forex 21-22	Scope 21-22	Organic 21-22 B	Reported 20-21 C	Reported change A/C-1	Change Organic B/C-1
Cognac	464.6	-9.3	0	473.9	305.4	52.1%	55.2%
Liqueurs & Spirits	164.1	-2.5	1.9	164.7	112.1	46.4%	46.9%
Subtotal: Group Brands	628.7	-11.8	2.0	638.6	417.5	50.6%	52.9%
Partner Brands	16.6	0.1	0	16.5	13.3	24.6%	23.6%
Total	645.3	-11.7	2.0	655.0	430.8	49.8%	52.0%

Third quarter 2021-22 sales (October-December 2021)

€m	Reported 21-22 A	Forex 21-22	Scope 21-22	Organic 21-22 B	Reported 20-21 C	Reported change A/C-1	Change Organic B/C-1
Cognac	332.7	13.8	-	318.9	267.0	24.6%	19.4%
Liqueurs & Spirits	98.7	3.0	-	95.6	75.1	31.4%	27.3%
Subtotal: Group Brands	431.4	16.9	-	414.5	342.1	26.1%	21.1%
Partner Brands	9.1	0.1	-	9.0	7.9	15.7%	14.3%
Total	440.5	17.0	-	423.5	350.0	25.9%	21.0%

9-month 2021-22 sales (April-December 2021)

€m	Reported 21-22 A	Forex 21-22	Scope 21-22	Organic 21-22 B	Reported 20-21 C	Reported change A/C-1	Change Organic B/C-1
Cognac	797.3	4.5	0.0	792.8	572.5	39.3%	38.5%
Liqueurs & Spirits	262.8	0.6	1.9	260.3	187.2	40.4%	39.1%
Subtotal: Group Brands	1,060.1	5.1	2.0	1053.0	759.6	39.6%	38.6%
Partner Brands	25.7	0.2	0.0	25.5	21.2	21.3%	20.1%
Total	1,085.8	5.3	2.0	1078.5	780.9	39.1%	38.1%

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 the Group's performance. These alternative performance indicators should be considered as supplementing those included in the consolidated financial statements and the resulting movements.

Organic sales growth

Organic growth is calculated excluding the impact of exchange rate fluctuations, acquisitions and disposals.

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

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

For significant disposals, data is post-application of IFRS 5 (under which sales of entities disposed of are systematically reclassified under "Net earnings from discontinued operations" for the current and previous financial year). This indicator serves to focus on Group performance common to both financial years, which local management is more directly capable of measuring.

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