



First-quarter sales 2022-23

Paris, 26 July 2022

Very good start to the year
 Sales: +27.0% in organic growth
 Full-year guidance confirmed

Rémy Cointreau posted sales of 409.9 million euros in the first quarter of 2022-23, up +27.0% in organic terms¹ (compared to an exceptionally high base of comparison of +105.0% in Q1 2021-22). This demonstrates a very positive price/mix effect (+14.5%), in line with the Group's value strategy, and a significant increase in volumes (+12.5%), including a favourable phasing effect for shipments to the United States. Reported sales were up +39.9%, including a very positive currency effect (+12.9%), mainly due to the movement of the US dollar and Chinese renminbi.

During the quarter, the Group has benefited from an excellent dynamic in the United States and the continued recovery in the EMEA region. Activity in China rebounded strongly in June having suffered due to lockdown measures in April-May.

All the brands contributed to the Group's excellent performance. The Cognac division had an excellent start to the year (+31.5% organic growth). The Liqueurs & Spirits division also posted strong growth of +19.4% in organic terms.

Breakdown of sales by division:

€m (April-June 2022)	Q1 2022-23	Q1 2021-22	Reported change	Organic change
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%

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

Cognac

The **Cognac** division had an excellent start to the year. Sales increased by +31.5% in organic growth, buoyed by the Americas and the EMEA region. In the **United States**, Rémy Cointreau has continued to enjoy sustained demand for its high-end and mid-range products (Louis XIII, Rémy Martin XO and 1738 Accord Royal). The performance also reflects the phasing effects of shipments, the fourth quarter of 2021-22 having been marked by the Group's decision to manage its strategic inventories. Most regions in the **EMEA** zone have seen strong growth, boosted by the overperformance of high-end products such as Louis XIII and Rémy Martin XO. Sales in **China** were temporarily affected by strict lockdown measures up until May. However, business was boosted by a strong resumption in sales in June and excellent growth in e-commerce (particularly on T-Mall and JD.com and for the 18th June shopping festival). The pandemic in China has had limited impact on the division's overall performance as sales are traditionally low during this period. Overall, the global inventory level remains extremely healthy.

More recently, building on the success of the *Team Up For Excellence* campaign in 2021, Rémy Martin 1738 Accord Royal and the artist Usher have teamed up once more for a new campaign: *A Taste of Passion*. This will present the limited-edition first-ever bottle/NFT using artificial intelligence to give an immersive multisensory experience. Usher's own musical vocabulary, used to describe his olfactory experience when tasting a 1738 Accord Royal, is transformed into an avant-garde representation (making the invisible visible). This limited edition will be available as an NFT on BlockBar.com from 29 July.

Liqueurs & Spirits

First-quarter sales in the **Liqueurs & Spirits** division saw +19.4% in organic growth. **In the United States**, Maison Cointreau and Bruichladdich Whiskies continue to show good momentum, while The Botanist gin is reaping the benefits of its recent campaign during the Super Bowl as it wins new listings. **In Europe**, Maison Cointreau has seen exceptional growth. The brand has just had a major overhaul of its iconic bottle (*l'Unique*) which has been unveiled in France. It is due to be deployed in Europe this summer and then in the United Kingdom, the United States and Asia. This quarter has also been notable for the very successful launch of the new '*Taste the unexpected*' Metaxa campaign which aimed to increase brand awareness and target a new moment for consumption: the aperitif. Finally, St-Rémy brandy has recorded remarkable growth, buoyed by the success of the new *St-Rémy Signature* which is capitalising on its versatility and perfect suitability for the world of the bar. The brand is also benefiting from the many initiatives undertaken in recent months to initiate consumers to the specific qualities of French brandy.

Partner Brands

First-quarter sales of **Partner Brands** fell by -3.8% in organic terms having been impacted by a high comparative basis in Europe.

2022-23 outlook: full-year guidance confirmed

Ideally positioned to take advantage of new consumption trends and encouraged by progress against its strategic plan, Rémy Cointreau is approaching the financial year 2022-23 with confidence.

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**. The Group reaffirms its desire to continue to win market share in the exceptional spirits sector and anticipates **another year of strong growth**.

Helped by excellent pricing power, **the improvement in the current operating margin** will be driven by the **resilience of the Group's gross margin** despite the inflationary environment and by **strict control over overhead costs**.

This year the Group is forecasting a **positive currency effect** on:

- **Sales:** between €90M and €100M (compared with €70-80M previously)
- **Current Operating Profit:** between €50M and €60M (compared with €30-40M previously)

Contacts

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Appendices

First quarter 2022-23 sales (April-June 2022)

€m	Reported	Forex	Scope	Organic	Reported	Reported	Organic
	22-23	22-23	22-23	22-23	21-22	change	Change
	A			B	C	A/C-1	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%

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.