

### Third-quarter sales in line with expectations

- Sales up **+10.1%** on an organic basis<sup>1</sup> in the **first 9 months of the year**
- Sales down **-6.0%** on an organic basis in the **3<sup>rd</sup> quarter**, in line with expectations (**+42.9% versus Q3 19-20**)
- High bases of comparison, and normalization of US cognac consumption (post-Covid)
- Steep rise in shipments to China ahead of the Lunar New Year
- Continued recovery in Travel Retail
- Full-year guidance confirmed

Rémy Cointreau generated **consolidated sales of €1,304.7 million in the first nine months of 2022-2023, up +10.1% on an organic basis** (+50.3% compared to 2019-2020). Sales rose 20.2% on a reported basis, including a robust 10.1% gain from the currency effect. Given the normalization of cognac consumption in the United States and a high basis for comparison on the heels of two years of exceptionally strong growth, third-quarter sales fell back as expected by 6.0% on an organic basis, and by -0.7% as reported. This represents a +42.9% rise compared to the third quarter of 2019-2020.

Against this backdrop, the **Cognac** division saw sales retreat -11.0% in the third quarter, reflecting the combined impact of an unfavorable trend in the United States and a very steep rise in shipments to China. The **Liqueurs & Spirits** division reported +10.1% growth driven by very good showings for Cointreau and for Bruichladdich whiskies.

In the **Americas**, sales recorded a strong decrease in the third quarter, while in **APAC** they rose vigorously, buoyed by developments in China and continued recovery in Travel Retail and the rest of Asia. The **EMEA** region was down slightly, affected by phasing effects in continental Europe. Both the United Kingdom and the Benelux generated strong performances.

#### Breakdown of sales by division:

€m (April-December)	9M 2022-23	9M 2021-22	Change as reported	Organic change	
				vs. 9M 21-22	vs. 9M 19-20
Cognac	952.1	797.3	+19.4%	+8.5%	+50.5%
Liqueurs & Spirits	328.6	262.8	+25.1%	+16.7%	+54.9%
<b>Subtotal: Group Brands</b>	<b>1,280.7</b>	<b>1,060.1</b>	<b>+20.8%</b>	<b>+10.5%</b>	<b>+51.6%</b>
Partner Brands	24.0	25.7	-6.8%	-7.0%	+6.4%
<b>Total</b>	<b>1,304.7</b>	<b>1,085.8</b>	<b>+20.2%</b>	<b>+10.1%</b>	<b>+50.3%</b>

<sup>1</sup> All references to "on an organic basis" in this press release refer to sales growth at constant currency and consolidation scope

## Cognac

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Third-quarter sales at the **Cognac** division were down -11.0%.

In the **United States**, sales were affected by a high basis for comparison and the normalization of consumption, albeit at levels significantly higher than in 2019-2020. Rémy Martin continued its value-driven strategy, holding prices steady and investing to raise brand desirability and awareness. Rémy Martin XO teamed up with actor Lewis Tan, fashion influencer Jessica Wang, Michelin-starred chef Brandon Jew, and cultural entrepreneur and producer Danielle Chang to launch “The Lunar New Year Family Spirit”, a campaign celebrating the Lunar New Year. Rémy Martin also announced plans to advertise at the Superbowl with the upcoming launch of a major TV campaign and a series of off-trade and on-trade activations.

In **APAC**, the **Chinese market** continued to bounce back. Despite disruptions triggered by unprecedented levels of Covid, the Group successfully generated robust sales growth ahead of the Chinese New Year and in anticipation of a full recovery in business. In particular, Rémy Martin saw strong e-commerce sales during the Double-Eleven and Super Brand Day events on the T-Mall platform. Meanwhile, Louis XIII opened a sixth boutique in China at Chengdu’s prestigious SKP Mall and renovated its Beijing store to coincide with the launch of The Drop. Lastly, Louis XIII celebrated The Drop’s official debut in **Singapore** with a new pop-up store.

In the **EMEA** region, sales declined slightly, reflecting phasing effects in continental Europe. The Benelux and AME<sup>2</sup> region rose sharply, while the UK proved resilient.

## Liqueurs & Spirits

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Third-quarter sales at the **Liqueurs & Spirits** division rose +10.1% on an organic basis.

In the **United States**, the division reported a very strong performance, buoyed by Cointreau’s excellent showing and good momentum for Bruichladdich whiskies.

Sales were steady in the **EMEA** region, reflecting robust growth in the United Kingdom and the Benelux, and some phasing effects in continental Europe. During the quarter, the United Kingdom launched a series of activations promoting Cointreau, including a “Maison Cointreau” pop-up in London’s Soho district. In the Benelux, the Group introduced its first Rémy Cointreau pop-up bar in Amsterdam, dedicated to the art of cocktails and spirits. Lastly, The Botanist unveiled “Look further”, a new global campaign promoting the brand’s unique DNA, iconic bottle, exceptional quality, active involvement in the local community, and the untamed beauty of the Isle of Islay.

The **APAC** region reported an excellent showing driven by a steep rally in Travel Retail for all brands, in particular St-Rémy *Signature*, The Botanist *Strength* (sold exclusively in duty free outlets), and Laddie Eight by Buichladdich.

## Partner brands

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Our **Partner brands** reported third-quarter sales growth of +3.9% on an organic basis, buoyed by very strong trends in the Benelux.

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<sup>2</sup> Africa and the Middle East

## 2022-23 outlook: full-year guidance confirmed

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Rémy Cointreau confirms its objective to generate another year of strong organic growth, including normalization of consumption trends in the fourth quarter on the heels of two outstanding years.

More specifically, as life returns to normal in most regions, overall consumption is likely to settle in at “new normal” levels (well above those observed in 2019/20) over the coming quarters, particularly in the United States. 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 a solid 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:** €120/130m (versus €110/120m previously)
- **COP:** €55/60m

## Contacts

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## About Rémy Cointreau

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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.

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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](http://www.remy-cointreau.com)), in the Finance section.

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## 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%
<b>Group Brands</b>	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%
<b>Total</b>	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%
<b>Group Brands</b>	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%
<b>Total</b>	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%
<b>Group Brands</b>	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%
<b>Total</b>	867.1	+85.8	-	781.3	645.3	+34.4%	+21.1%

**Q3 2022-23 sales (October-December 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	314.0	+17.8	-	296.2	332.7	-5.6%	-11.0%
Liqueurs & Spirits	114.1	+5.5	-	108.6	98.7	+15.7%	+10.1%
<b>Group Brands</b>	428.1	+23.3	-	404.8	431.4	-0.8%	-6.2%
Partner Brands	9.5	-	-	9.5	9.1	+3.6%	+3.9%
<b>Total</b>	437.6	+23.3	-	414.3	440.5	-0.7%	-6.0%

**9-month 2022-23 sales (April-December 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	952.1	+87.2	-	864.9	797.3	+19.4%	+8.5%
Liqueurs & Spirits	328.6	+21.9	-	306.7	262.8	+25.1%	+16.7%
<b>Subtotal: Group Brands</b>	1,280.7	+109.1	-	1,171.6	1,060.1	+20.8%	+10.5%
Partner Brands	24.0	+0.1	-	23.9	25.7	-6.8%	-7.0%
<b>Total</b>	1,304.7	+109.2	-	1,195.5	1,085.8	+20.2%	+10.1%

**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 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.