

RICHEMONT

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

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RICHEMONT REPORTS SALES GROWTH OF 8% FOR ITS THIRD QUARTER AND 11% FOR ITS NINE MONTHS ENDED 31 DECEMBER 2023 AT CONSTANT EXCHANGE RATES

Highlights for the quarter ended 31 December 2023

- Sales up by 8% at constant exchange rates and by 4% at actual exchange rates to € 5.6 billion, notwithstanding a continued uncertain macro-economic and geopolitical environment
- Growth across almost all regions, primarily driven by Japan, Asia Pacific and the Americas
- Channel performance led by retail, up 11% and 6% at constant and actual exchange rates, respectively, with increases across all business areas
- Growth across most business areas with Jewellery Maisons continuing to generate the strongest performance (+12% and +6% at constant and actual exchange rates, respectively)
- The Group’s net cash position further improved to € 6.8 billion, reflecting solid trading performance and proceeds from exercise of warrants under the 2020 shareholder loyalty programme

October-December		2023	2022	Movement at:	
		€m	€m	constant rates	actual rates
By region	Europe	1 226	1 277	-3%	-4%
	Asia Pacific	2 049	1 901	+13%	+8%
	Americas	1 355	1 320	+8%	+3%
	Japan	514	477	+18%	+8%
	Middle East & Africa	449	428	+10%	+5%
By distribution channel	Retail	3 942	3 718	+11%	+6%
	Online retail	356	391	-5%	-9%
	Wholesale and royalty income	1 295	1 294	+4%	-
By business area	Jewellery Maisons	3 952	3 722	+12%	+6%
	Specialist Watchmakers	939	952	+3%	-1%
	Other	702	729	-1%	-4%
Total		5 593	5 403	+8%	+4%

Review of trading in the three-month period ended 31 December 2023 versus the prior-year period, at constant exchange rates

Any long form references to Hong Kong, Macau and Taiwan within this company announcement are Hong Kong SAR, China; Macau SAR, China; and Taiwan, China respectively. Unless otherwise stated, all sales comments below relate to continuing operations.

At constant exchange rates, Group sales rose by 8% versus the prior-year period, with increases recorded in almost all regions, channels and business areas.

In **Asia Pacific**, sales growth of 13% was fuelled by a 25% sales increase in mainland China, Hong Kong and Macau combined, on favourable comparatives against the prior-year period, more than offsetting softer performance in several other Asian markets. In **Europe**, sales were 3% lower as higher sales to Chinese and domestic clienteles did not compensate for an overall reduction in tourist spending, notably from Americas-resident clients. In the **Americas**, sales rose by 8% driven by a resilient economy and lower purchases abroad by domestic clientele, notably in Europe, as previously highlighted. The sharpest sales growth was generated in **Japan**, at +18%, notwithstanding demanding comparatives (+43% in the prior-year period). Japan benefitted from growing domestic sales and strong tourist spending, notably from Chinese clients, somewhat favoured by a weakened yen. Sales in the **Middle East & Africa** region rose by 10%, supported by both robust local and tourist demand in the UAE and Saudi Arabia.

All distribution channels recorded sales growth except for the **online retail** channel where sales decreased by 5%. **Retail** sales increased by 11%, with growth in all regions – with the exception of Europe - and notable strength in mainland China, Hong Kong and Macau combined as well as in the US. Retail recorded the strongest relative channel performance, led by the Jewellery Maisons and Specialist Watchmakers, and further raised its contribution to 71% of Group sales. **Wholesale** sales were 4% above the prior-year period, sustained by strong sales at the Jewellery Maisons which more than offset a softer performance across the rest of the Group, partly due to further targeted closures of external points of sale.

The Group's three **Jewellery Maisons** - Buccellati, Cartier and Van Cleef & Arpels - generated the strongest sales increase (+12%), underpinned by solid jewellery and watch sales. Sales progressed in almost all channels and regions. **Specialist Watchmakers** sales rose by 3% reflecting a retail outperformance, notably at A. Lange & Söhne, IWC, Jaeger-LeCoultre and Vacheron Constantin, which more than offset the double-digit decline in wholesale sales. The Group's **Other** business area, which is predominantly composed of the Group's Fashion & Accessories Maisons, saw sales decline by 1% compared to the prior-year period. Lower wholesale and online retail sales were largely mitigated by mid-single digit growth in retail sales, markedly driven by the performance at Alaïa, Delvaux, dunhill and Peter Millar.

Trading in the nine-month period ended 31 December 2023

Sales over the nine-month period to December 2023 increased by 11% at constant exchange rates and by 5% at actual exchange rates, following double-digit growth experienced in the prior-year period at constant and actual exchange rates. A quarter-by-quarter sales overview is presented in Appendix 1.

The Group's net cash position at 31 December 2023 rose to € 6.8 billion (2022: € 5.5 billion) primarily driven by solid operational performance and the proceeds from the exercise of warrants issued in 2020 under the equity-based shareholder loyalty scheme. It excludes YOOX NET-A-PORTER (YNAP)'s net cash position of € 0.3 billion since the assets and liabilities of YNAP are classified as 'Assets of disposal group held for sale' and 'Liabilities of disposal group held for sale', respectively.

YNAP, which is presented as ‘discontinued operations’, recorded a sales reduction of 11% at constant exchange rates (-14% at actual exchange rates) for both the three and nine months’ periods ended December 2023, in a continued challenging environment for pure play online distributors.

Corporate calendar

The Group’s results for the financial year ending 31 March 2024 will be announced on Friday 17 May 2024. The Group’s corporate calendar is available on <https://www.richemont.com/investors/corporate-calendar/>

About Richemont

At Richemont, we craft the future. Our unique portfolio includes prestigious Maisons distinguished by their craftsmanship and creativity, alongside online distributors that cultivate expert curation and technological innovation to deliver the highest standards of service. Richemont’s ambition is to nurture its Maisons and businesses and enable them to grow and prosper in a responsible, sustainable manner over the long term.

Richemont operates in three business areas: **Jewellery Maisons** with Buccellati, Cartier and Van Cleef & Arpels; **Specialist Watchmakers** with A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis and Vacheron Constantin; and **Other**, primarily Fashion & Accessories Maisons with Alaïa, AZ Factory, Chloé, Delvaux, dunhill, Montblanc, Peter Millar including G/FORE, Purdey, Serapian as well as Watchfinder & Co. In addition, Richemont operates NET-A-PORTER, MR PORTER, THE OUTNET, YOOX and the OFS division. Find out more at <https://www.richemont.com/>.

Richemont ‘A’ shares are listed on the SIX Swiss Exchange, Richemont’s primary listing, and are included in the Swiss Market Index (‘SMI’) of leading stocks. The ‘A’ shares are also traded on the Johannesburg Stock Exchange, Richemont’s secondary listing.

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Disclaimer

The financial information contained in this announcement is unaudited.

This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not guarantees of future performance. Richemont’s forward-looking statements are based on management’s current expectations and assumptions regarding the Company’s business and performance, the economy and other future conditions and forecasts of future events, circumstances and results. Our retail stores are heavily dependent on the ability and desire of consumers to travel and shop and a decline in consumers traffic could have a negative effect on our comparable store sales and/or average sales per square foot and store profitability resulting in impairment charges, which could have a material adverse effect on our business, results of operations and financial condition. Reduced travel resulting from economic conditions, retail store closure orders of civil authorities, travel restrictions, travel concerns and other circumstances, including disease epidemics and other health-related concerns, could have a material adverse effect on us, particularly if such events impact our customers’ desire to travel to our retail stores. International conflicts or wars, including resulting sanctions and restrictions on importation and exportation of finished products and/or raw materials, whether self-imposed or imposed by international countries, non-state entities or others, may also impact these forward-looking statements.

As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside the Group's control. Richemont does not undertake to update, nor does it have any obligation to provide updates of, or to revise, any forward-looking statements.

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Appendix 1:

(April-June)		Q1-24	Q1-23	Movement at:	
€m			re-presented*	constant rates	actual rates
By region	Europe	1 131	1 031	+11%	+10%
	Asia Pacific	2 239	1 695	+40%	+32%
	Americas	1 096	1 142	-2%	-4%
	Japan	424	401	+14%	+6%
	Middle East & Africa	432	385	+15%	+12%
By distribution channel	Retail	3 618	3 051	+24%	+19%
	Online retail	298	300	+2%	-1%
	Wholesale and royalty income	1 406	1 303	+11%	+8%
By business area	Jewellery Maisons	3 599	3 015	+24%	+19%
	Specialist Watchmakers	1 061	1 002	+10%	+6%
	Other	662	637	+6%	+4%
Total		5 322	4 654	+19%	+14%

(July-September)		Q2-24	Q2-23	Movement at:	
€m				constant rates	actual rates
By region	Europe	1 122	1 150	-1%	-2%
	Asia Pacific	2 023	2 060	+8%	-2%
	Americas	1 022	1 061	+4%	-4%
	Japan	400	406	+12%	-1%
	Middle East & Africa	332	345	+3%	-4%
By distribution channel	Retail	3 395	3 394	+8%	-
	Online retail	268	308	-6%	-13%
	Wholesale and royalty income	1 236	1 320	-	-6%
By business area	Jewellery Maisons	3 354	3 329	+9%	+1%
	Specialist Watchmakers	926	1 041	-4%	-11%
	Other	619	652	-	-5%
Total		4 899	5 022	+5%	-2%

(October-December)		Q3-24	Q3-23	Movement at:	
€m				constant rates	actual rates
By region	Europe	1 226	1 277	-3%	-4%
	Asia Pacific	2 049	1 901	+13%	+8%
	Americas	1 355	1 320	+8%	+3%
	Japan	514	477	+18%	+8%
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	Other	702	729	-1%	-4%
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* Prior-year period comparatives have been represented as YNAP results are presented as 'discontinued operations'

(April-September)		H1-24	H1-23	Movement at :	
€m				constant rates	actual rates
By region	Europe	2 253	2 181	+5%	+3%
	Asia Pacific	4 262	3 755	+23%	+14%
	Americas	2 118	2 203	+1%	-4%
	Japan	824	807	+13%	+2%
	Middle East & Africa	764	730	+9%	+5%
By distribution channel	Retail	7 013	6 445	+16%	+9%
	Online retail	566	608	-2%	-7%
	Wholesale and royalty income	2 642	2 623	+5%	+1%
By business area	Jewellery Maisons	6 953	6 344	+16%	+10%
	Specialist Watchmakers	1 987	2 043	+3%	-3%
	Other	1 281	1 289	+3%	-1%
Total		10 221	9 676	+12%	+6%

YTD (April-December)		2024	2023	Movement at :	
€m				constant rates	actual rates
By region	Europe	3 479	3 458	+2%	+1%
	Asia Pacific	6 311	5 656	+20%	+12%
	Americas	3 473	3 523	+3%	-1%
	Japan	1 338	1 284	+15%	+4%
	Middle East & Africa	1 213	1 158	+10%	+5%
By distribution channel	Retail	10 955	10 163	+14%	+8%
	Online retail	922	999	-3%	-8%
	Wholesale and royalty income	3 937	3 917	+5%	+1%
By business area	Jewellery Maisons	10 905	10 066	+15%	+8%
	Specialist Watchmakers	2 926	2 995	+3%	-2%
	Other	1 983	2 018	+2%	-2%
Total		15 814	15 079	+11%	+5%

Appendix 2: Foreign exchange rates

Average exchange rates against the euro	April-December 2023	April-December 2022
United States dollar	1.08	1.03
Japanese yen	155	141
Swiss franc	0.96	1.00
Renminbi	7.76	7.06

Actual exchange rates for the period are calculated using the average daily closing rates against the euro.

For sales at constant exchange rates, average exchange rates for the year ended 31 March 2023 are used to convert local currency sales into euros for all presented periods. Exchange rate translation effects are thereby eliminated from the reported sales performance.

Sponsor: RAND MERCHANT BANK (A division of FirstRand Bank Limited)