

Compagnie Financiere Richemont SA
("Richemont" or "the Company" or "the Group")
(Incorporated in Switzerland)
Share code: CFR
ISIN: CH0210483332

RICHEMONT

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

16 JULY 2024

RICHEMONT REPORTS RESILIENT SALES FOR ITS FIRST QUARTER ENDED 30 JUNE 2024

Highlights

- Sales up 1% at constant exchange rates, down 1% at actual exchange rates, against demanding comparatives in the prior-year period (+19% and +14%, respectively) and despite persistent macroeconomic and geopolitical uncertainties
- Growth across all regions, except for Asia Pacific, driven by Japan and the Americas, both at actual and constant exchange rates
- Further progression in direct-to-client sales, most notably at the Jewellery Maisons
- Mid-single digit growth at the Jewellery Maisons and the Group's 'Other' business area (which includes the Group's Fashion & Accessories Maisons) offsetting lower sales at the Specialist Watchmakers impacted by strong exposure to Asia Pacific

| April-June €m | 2024 | 2023 | % change 2024 vs 2023 | |
|--------------------------------|--------------|--------------|-----------------------|--------------|
| | | | constant rates | actual rates |
| By region | | | | |
| Europe | 1 171 | 1 131 | +5% | +4% |
| Asia Pacific | 1 809 | 2 239 | -18% | -19% |
| Americas | 1 215 | 1 096 | +10% | +11% |
| Japan | 603 | 424 | +59% | +42% |
| Middle East & Africa | 470 | 432 | +8% | +9% |
| By distribution channel | | | | |
| Retail | 3 631 | 3 618 | +2% | +0% |
| Online retail | 315 | 298 | +6% | +6% |
| Wholesale and royalty income | 1 322 | 1 406 | -5% | -6% |
| By business area | | | | |
| Jewellery Maisons | 3 656 | 3 599 | +4% | +2% |
| Specialist Watchmakers | 911 | 1 061 | -13% | -14% |
| Other | 701 | 662 | +6% | +6% |
| Total | 5 268 | 5 322 | +1% | -1% |

Review of trading in the three-month period ended 30 June 2024 versus the prior- year period, at constant exchange rates

Any references to Hong Kong, Macau and Taiwan within this company announcement are Hong Kong SAR, China; Macau SAR, China; and Taiwan, China respectively.

At constant exchange rates, sales in the quarter ended 30 June 2024 rose by 1% to € 5.3bn, after growing by 19% in the prior-year period, demonstrating the Group's resilience in a continuing uncertain macroeconomic and geopolitical environment.

All regions delivered growth except for **Asia Pacific** where sales contracted by 18%, as higher sales in South Korea and Malaysia only partially mitigated a 27% decline in China, Hong Kong and Macau combined. The decline reflected both the low level of consumer confidence and the strong comparatives ranging from double-digit growth in the mainland to triple digits in Hong Kong and Macau over the prior-year period. In **Europe**, sales increased by 5%, driven by resilient local demand and stronger tourist purchases. In the **Americas**, the 10% sales progression reflected sustained domestic demand across all distribution channels. The strongest regional sales growth was once again generated in **Japan**, at +59%, on top of strong comparatives (+14% in the prior-year period). Growth was fuelled by domestic demand and thriving tourist spending from Chinese, South Korean, South-East Asian and American clients, favoured by a weakened yen. Sales in the **Middle East & Africa** rose by 8%, benefitting from growing domestic and tourist spending in the UAE and Saudi Arabia.

Sales growth in the retail and online retail channels offset a sales decline in the wholesale channel. **Retail** sales, which accounted for 69% of Group sales, increased by 2%, driven largely by mid-single digit growth at the Jewellery Maisons. **Online retail** sales rose by 6%, sustained by growth at Watchfinder as well as the Jewellery and Fashion & Accessories Maisons. The 5% sales decline in the **wholesale** channel primarily reflected weaker performance in Asia Pacific.

The Group's three **Jewellery Maisons** – Buccellati, Cartier and Van Cleef & Arpels – delivered a 4% sales growth against demanding comparatives (+24% in the prior-year period). Growth was supported by both jewellery and watches. All channels and regions posted higher sales except for wholesale and Asia Pacific. Sales at the **Specialist Watchmakers** declined by 13% as Japan's noteworthy performance only partially offset lower sales in Europe and Asia Pacific, particularly in China, Hong Kong and Macau combined. Of note was the resilience of Vacheron Constantin and A. Lange & Söhne. The Group's **Other** business area generated a 6% sales increase, underpinned by a double-digit progression at Watchfinder and a 4% growth at the Group's Fashion & Accessories Maisons, which included Gianvito Rossi, consolidated since 1 February 2024. The ongoing momentum of Alaïa and Peter Millar broadly compensated for softer sales at most of the other Maisons, including at Chloé where the debut collection under the new creative director only reached stores at the end of the quarter under review.

YOOX NET-A-PORTER (YNAP), presented as 'discontinued operations', posted a 15% sales reduction, both at constant and actual exchange rates.

The Group's net cash position at 30 June 2024 stood at € 7.3 billion (2023: € 6.6 billion). It excludes YOOX NET-A-PORTER (YNAP)'s net cash position of € 0.2 billion (2023: net bank overdraft position of € 0.5 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.

Corporate calendar

The annual general meeting will be held on Wednesday 11 September 2024 in Geneva. The interim results for the current financial year will be announced on Friday 8 November 2024.

About Richemont

At Richemont, we craft the future. Our unique portfolio includes prestigious Maisons distinguished by their craftsmanship and creativity. 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, Gianvito Rossi, 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 and traded 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 consumer 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.

Appendix 1: Foreign exchange rates

| Average exchange rates against the euro | April-June 2024 | April-June 2023 |
|--|----------------------------|--------------------|
| United States dollar | 1.08 | 1.09 |
| Japanese yen | 168 | 150 |
| Swiss franc | 0.97 | 0.98 |
| Renminbi | 7.79 | 7.63 |

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

In terms of sales at constant exchange rates, average exchange rates for the year ended 31 March 2024 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.

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. Richemont A shares are listed on the Johannesburg Stock Exchange, Richemont's secondary listing.

16 July 2024

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