RICHEMONT

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

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RICHEMONT REPORTS SALES INCREASE OF 8% FOR THE THIRD QUARTER AND 18% FOR THE NINE MONTHS ENDED 31 DECEMBER 2022

Highlights

- Sales up by 5% at constant exchange rates and by 8% at actual exchange rates, on the back of strong comparatives and disruption of trading in mainland China due to Covid
- Sales growth across all regions with the exception of Asia Pacific, significantly impacted by mainland China's underperformance
- Growth across all distribution channels, led by retail and online retail channels
- Double-digit sales growth reported at the *Jewellery Maisons* and *Other* business areas (+8% and +6% at constant exchange rates, respectively) offsettting a 3% sales reduction at the *Specialist Watchmakers* (-5% at constant exchange rates)
- Further increase of the Group's net cash position to € 5.5 billion, up € 0.6 billion, following the quarter's solid trading, notwithstanding increased dividend and stock replenishment during the year

October-December	**2022**	2021*	% change	
	€m	€m	constant rates	actual rates
By region				
Europe	**1 277**	1 089	+19%	+17%
Asia Pacific	**1 901**	2 035	-9%	-7%
Americas	**1 320**	1 137	+3%	+16%
Japan	**477**	366	+43%	+30%
Middle East & Africa	**428**	356	+10%	+20%
By distribution channel				
Retail	**3 718**	3 400	+6%	+9%
Online retail	**391**	350	+6%	+12%
Wholesale & royalty income	**1 294**	1 233	+1%	+5%
By business area				
Jewellery Maisons	**3 722**	3 343	+8%	+11%
Specialist Watchmakers	**952**	977	-5%	-3%
Other	**729**	663	+6%	+10%
Total	**5 403**	**4 983**	**+5%**	**+8%**

* Prior-year period comparatives have been represented as YNAP results are presented as 'discontinued operations' and Watchfinder & Co. reclassified to the 'Other' business area.

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Review of trading in the three-month period ended 31 December 2022 versus the prior-year period, at constant exchange rates

Following the 24 August 2022 announcement of an agreement to sell a controlling stake in YOOX NET-A-PORTER (YNAP) subject to a number of conditions including the receipt of certain anti-trust approvals, YNAP's results are presented as 'discontinued operations'. Watchfinder & Co.'s results are now reported within the *Other* business area. Prior-year comparatives are represented accordingly. 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.

Group sales rose by 5% versus the prior-year period notwithstanding strong comparatives and a significant disruption to retail trading due to the massive Covid resurgence in mainland China. Sales increases were recorded in all channels, and most regions and business areas. Excluding the impact from Russia, Group sales rose by 7% at constant exchange rates.

Japan continued to lead growth with sales up by 43%, followed by *Europe* where sales grew by 19%. *Japan* saw both solid domestic sales and a gradual return of tourism supported by the lifting of Covid restrictions mid-October as well as a comparatively weaker yen. In *Europe*, sales growth was driven by continued strength in local and tourist demand, primarily from the US and the Middle East, underpinned by favourable exchange rates. France, Italy and Switzerland's performances were particularly noteworthy. Sales in the *Middle East & Africa* region rose by 10%, benefitting also from the Qatar World Cup, which added inbound tourist purchases to sustained local demand. In the *Americas*, sales growth moderated to 3%, partly reflecting a greater share of purchases abroad given the strong US dollar. Overall, sales to the American clientele remained solid, growing by high-single digits. In *Asia Pacific,* sales declined by 9% overall as marked sales growth in South Korea and Southeast Asia, notably in Australia and Singapore, only partially mitigated lower sales in mainland China, Hong Kong and Macau. The massive increase of Covid cases negatively impacted customer traffic and, due to staff unavailability, led to a reduction of boutique opening hours or temporary closures of points of sale in mainland China, leading to a sales drop of 24% during the period under review.

Against strong comparatives, all distribution channels recorded sales growth. The *retail* and *online retail* channels drove growth, with sales up by 6% each. *Retail* posted higher sales in all regions with the exception of Asia Pacific. *Online retail* increased its contribution to 7% of Group sales such that direct sales to consumers represented 76% of Group sales. *Wholesale* sales were 1% above the prior-year period, adversely impacted by trading in Asia Pacific.

The Group's *Jewellery Maisons* sales grew by 8%, primarily driven by strong jewellery sales across Buccellati, Cartier and Van Cleef & Arpels. Watch sales increased, albeit at a softer pace. All channels and regions posted growth except for Asia Pacific. *Specialist Watchmakers* sales were 5% lower reflecting double-digit declines in Asia Pacific, which accounted for close to half of the *Specialist Watchmakers*' sales, more than offsetting double-digit increases in Europe and Japan. Performance varied across Maisons, with an ongoing outperformance of A. Lange & Söhne and Vacheron Constantin. The Group's *Other* business area (primarily the Group's Fashion & Accessories Maisons) delivered a 6% sales growth, fuelled by higher sales across most Maisons, and in particular at Alaïa and Peter Millar (including G/FORE). Most channels and regions posted growth.

YNAP, now presented as 'discontinued operations', posted a 6% sales reduction (-1% at actual exchange rates).

Trading in the nine-month period ended 31 December 2022

Sales over the nine-month period to December 2022 increased by 12% at constant exchange rates and by 18% at actual exchange rates, on top of significant growth in the prior-year period (+55% year-on-year 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 2022 amounted to € 5.5 billion (2021: € 4.9 billion), primarily reflecting the quarter's good trading tempered by higher dividends, including a special dividend, and inventory replenishment.

Corporate calendar

The Group's results for the financial year ending 31 March 2023 will be announced on Friday 12 May 2023.

The Group's corporate calendar is available on https://www.richemont.com/en/home/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. Richemont South African Depository Receipts are listed 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)	Q1-23 represented €m	Q1-22 represented €m	% change constant rates	% change actual rates
By region				
Europe	**1 031**	656	+57%	+57%
Asia Pacific	**1 695**	1 856	-16%	-9%
Americas	**1 142**	782	+29%	+46%
Japan	**401**	221	+90%	+81%
Middle East & Africa	**385**	326	+7%	+18%
By distribution channel				
Retail	**3 051**	2 421	+18%	+26%
Online retail	**300**	253	+10%	+19%
Wholesale and royalty income	**1 303**	1 167	+4%	+12%
By business area				
Jewellery Maisons	**3 015**	2 515	+12%	+20%
Specialist Watchmakers	**1 002**	849	+10%	+18%
Other	**637**	477	+25%	+34%
Total	**4 654**	**3 841**	**+13%**	**+21%**

(July-September)	Q2-23 €m	Q2-22 represented €m	% change constant rates	% change actual rates
By region				
Europe	**1 150**	849	+36%	+35%
Asia Pacific	**2 060**	1 780	+6%	+16%
Americas	**1 061**	795	+14%	+33%
Japan	**406**	264	+64%	+54%
Middle East & Africa	**345**	258	+18%	+34%
By distribution channel				
Retail	**3 394**	2 555	+24%	+33%
Online retail	**308**	260	+8%	+18%
Wholesale and royalty income	**1 320**	1 131	+8%	+17%
By business area				
Jewellery Maisons	**3 329**	2 582	+21%	+29%
Specialist Watchmakers	**1 041**	830	+16%	+25%
Other	**652**	534	+13%	+22%
Total	**5 022**	**3 946**	**+19%**	**+27%**

(October-December)	Q3-23 €m	Q3-22 represented €m	% change constant rates	% change actual rates
By region				
Europe	**1 277**	1 089	+19%	+17%
Asia Pacific	**1 901**	2 035	-9%	-7%
Americas	**1 320**	1 137	+3%	+16%
Japan	**477**	366	+43%	+30%
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Other	**729**	663	+6%	+10%
Total	**5 403**	**4 983**	**+5%**	**+8%**

(April-September)	H1-23 €m	H1-22 represented €m	% change constant rates	% change actual rates
By region				
Europe	**2 181**	1 505	+45%	+45%
Asia Pacific	**3 755**	3 636	-5%	+3%
Americas	**2 203**	1 577	+22%	+40%
Japan	**807**	485	+76%	+66%
Middle East & Africa	**730**	584	+12%	+25%
By distribution channel				
Retail	**6 445**	4 976	+21%	+30%
Online retail	**608**	513	+9%	+19%
Wholesale and royalty income	**2 623**	2 298	+6%	+14%
By business area				
Jewellery Maisons	**6 344**	5 097	+16%	+24%
Specialist Watchmakers	**2 043**	1 679	+13%	+22%
Other	**1 289**	1 011	+19%	+27%
Total	**9 676**	**7 787**	**+16%**	**+24%**

YTD (April-December)	2023 €m	2022 €m	% change constant rates	% change actual rates
By region				
Europe	**3 458**	2 594	+34%	+33%
Asia Pacific	**5 656**	5 671	-7%	0%
Americas	**3 523**	2 714	+14%	+30%
Japan	**1 284**	851	+62%	+51%
Middle East & Africa	**1 158**	940	+11%	+23%
By distribution channel				
Retail	**10 163**	8 376	+15%	+21%
Online retail	**999**	863	+8%	+16%
Wholesale & royalty income	**3 917**	3 531	+5%	+11%
By business area				
Jewellery Maisons	**10 066**	8 440	+13%	+19%
Specialist Watchmakers	**2 995**	2 656	+6%	+13%
Other	**2 018**	1 674	+14%	+21%
Total	**15 079**	**12 770**	**+12%**	**+18%**

Appendix 2: Foreign exchange rates

Average exchange rates against the euro	April-December 2022	April-December 2021
United States dollar	**1.03**	1.18
Japanese yen	**141**	131
Swiss franc	**1.00**	1.08
Renminbi	**7.06**	7.57

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 2022 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.