

# FY23 INTERIM RESULTS

30 SEPTEMBER 2022

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Certain of the matters discussed in this document about our and our subsidiaries' future performance, including, without limitation, store openings and closings, product introductions, sales, sales growth, sales trends, store traffic, Richemont's strategy and initiatives and the pace of execution thereon, Richemont's objectives to compete in the global luxury market and to improve financial performance, retail prices, gross margin, operating margin, expenses, interest expense and financing costs, effective tax rate, net earnings and net earnings per share, share count, inventories, capital expenditures, cash flow, liquidity, currency translation, macroeconomic conditions, growth opportunities, litigation outcomes and recovery related thereto, contributions to Richemont pension plans, certain ongoing or planned real estate, product, marketing, retail, customer experience, manufacturing, supply chain, information systems development, upgrades and replacement, and other operational and strategic initiatives, and all other statements that are not purely historical, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management's beliefs as well as assumptions made by, and information currently available to, management. When used herein, the words "may", "should", "estimate", "project", "plan", "believe", "expect", "anticipate", "intend", "potential", "goal", "strategy", "target", "will", "seek" and variations of such words and similar expressions are intended to identify forward-looking statements.

Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. 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. Other factors that could cause actual results to differ materially from those contemplated in any forward-looking statements may include, but are not limited to: economic, geo-political, capital markets and business conditions, trends and events around the world and in the markets in which Richemont operates; changes in interest and foreign currency exchange rates, and changes in currency control laws; changes in taxation policies and regulations; the possibility of the imposition of new taxes on imports and exports and new tariffs and trade restrictions and changes in tariff rates and trade restrictions; shifting tourism trends; regional instability; violence (including terrorist activities); cybersecurity events affecting Richemont and related costs and impact of any disruption in business; political activities or events; weather conditions that may affect local and tourist consumer spending; consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels, and demand for certain merchandise; trends in consumer shopping habits around the world and in the markets in which Richemont operates; shifts in Richemont's product and geographic sales mix; variations in the cost and availability of diamonds, gemstones and precious metals; adverse publicity regarding Richemont and its products, Richemont's third-party vendors or the diamond or jewellery industry more generally; any non-compliance by third-party vendors and suppliers with Richemont's sourcing and quality standards, codes of conduct, or contractual requirements, as well as applicable laws and regulations; initiatives of competitors, competitors' entry into and expansion in Richemont's markets, and competitive pressures; disruptions impacting Richemont's business and operations; the availability of necessary personnel to staff Richemont's boutiques and other facilities; the availability of skilled labour in areas in which new boutiques and facilities are to be constructed or existing boutiques and facilities are to be relocated, expanded or remodelled; delays in the opening of new, expanded or relocated boutiques and facilities; failure to successfully implement or make changes to Richemont's information systems; and Richemont's ability to successfully control costs and execute on, and achieve the expected benefits from, the operational and strategic initiatives referenced above.

All of the forward-looking statements made in this document are qualified by these cautionary statements and we cannot assure you that the results or developments anticipated by management will be realized or, even if realized, will have the expected consequences to, or effects on, us or our business, prospects, financial condition, results of operations or cash flows. Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. Forward-looking statements made in this document apply only as of the date of this document. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even in light of new information or future events, unless otherwise required by applicable laws.

# DEFINITIONS

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- › yoy means year-on-year change vs six-month period ended 30 September 2021
- › Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current period and the comparative periods at the average exchange rates applicable for the financial year ended 31 March 2022
- › Any long form references to Hong Kong, Macau and Taiwan within this presentation are Hong Kong SAR, China; Macau SAR, China; Taiwan, China respectively

- › Highlights
- › Sales
- › Business areas
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- › Appendix

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## Highlights

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# Van Cleef & Arpels

Haute Joaillerie, place Vendôme since 1906

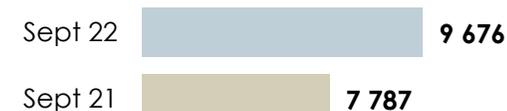


# H1-23 KEY FIGURES (CONTINUING OPERATIONS)

- › **Double-digit increase in sales:** +16% at constant exchange rates; +24% at actual exchange rates
- › **Operating profit up 26%** to €2.7bn translating into a **28.1% operating margin, up 30bps**
- › **Profit for the period from continuing operations reached €2.1bn, up 40%**
- › **Robust cash flow from operating activities** of €1.5bn and **solid net cash position** of €4.8bn

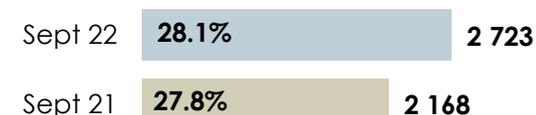
## Sales\*

In € million



## Operating profit\*

In € million



## Profit for the period from continuing operations\*

In € million



## Cash flow from operating activities

In € million



\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 HIGHLIGHTS

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## › **Strong broad-based sales growth**

- Double-digit sales increases across all business areas, channels and regions (excluding Asia Pacific up 3%) at actual rates
- The Americas, Europe and Japan outperforming
- Growth led by retail
- All business areas performing well

## › **Strong operating profit reflecting benefits of past decisions**

- Agile manufacturing
- Sound inventory position
- Investments in retail and digital

## › **Significant step towards ‘Luxury New Retail’; YNAP to become a neutral luxury online platform**

## › **Advancing on our sustainability goals** – renewable electricity, Human Rights strategy, stakeholder management

WHAT MOVES YOU,  
*makes you*



Chen Kun with his Montblanc  
Extreme 3.0 Backpack.



MONTBLANC

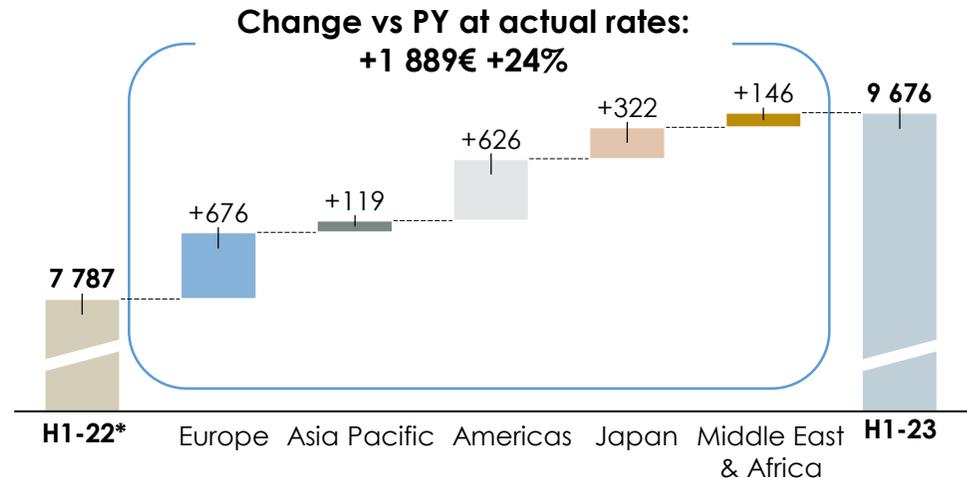
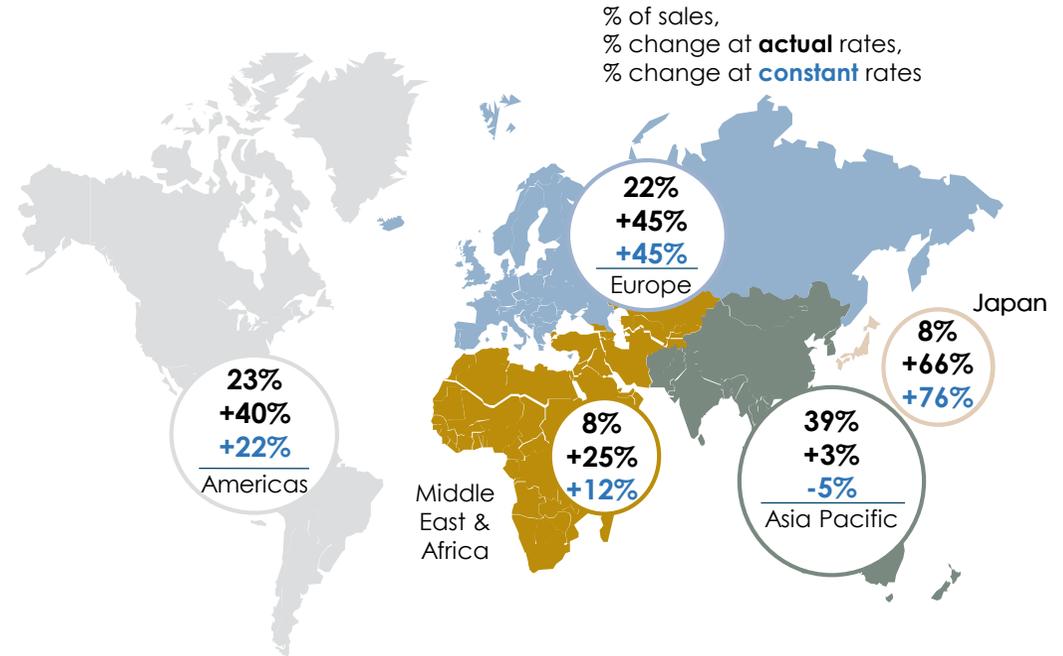
Sales

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# H1-23 SALES BY REGION

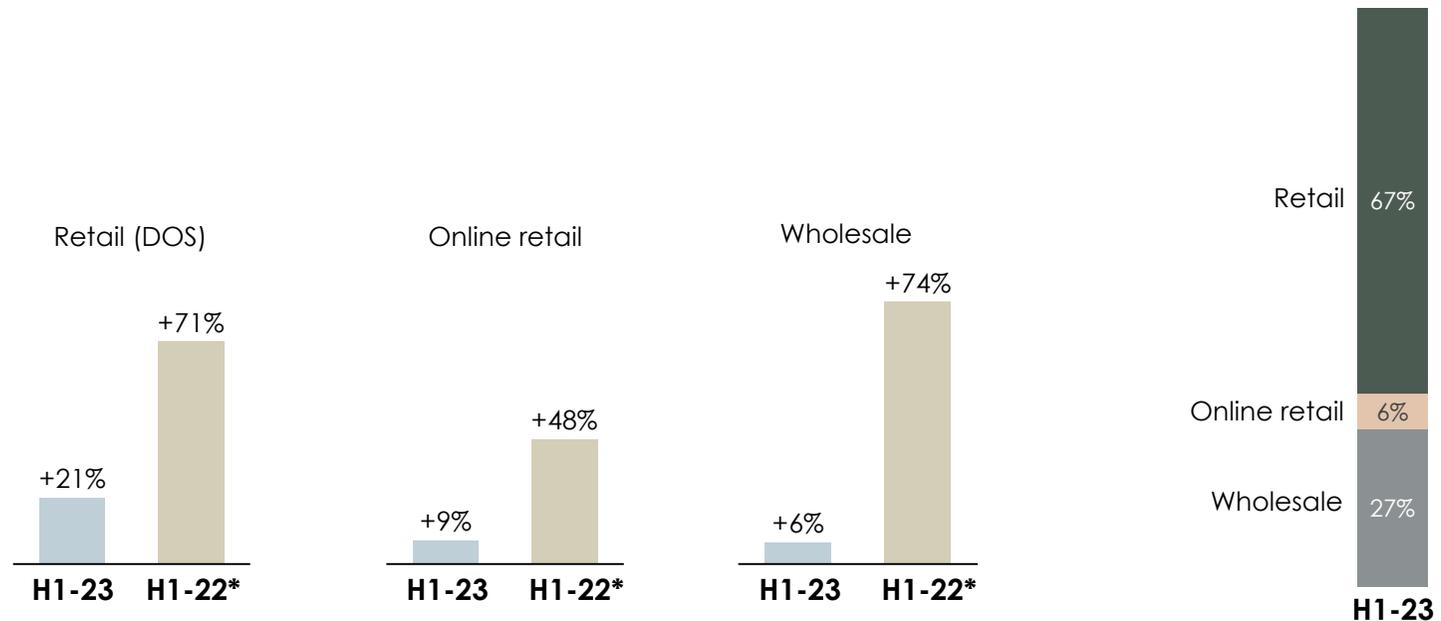
- › **Strong double-digit growth** in almost all regions
- › **Largest contribution to sales increase** from the Americas and Europe
- › **Improvement** in Asia Pacific
- › **Well-balanced geographical mix** provides resilience



\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 SALES BY DISTRIBUTION CHANNEL

- › **Retail:** strongest channel performance, with double-digit increases across all business areas; largest contributor to Group sales
- › **Online retail:** growth across all business areas, led by superior growth at the Specialist Watchmakers
- › **Wholesale:** higher sales driven by the Fashion & Accessories Maisons

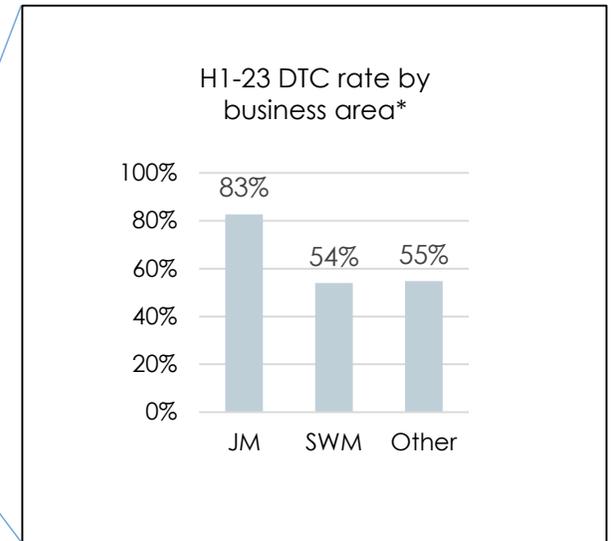
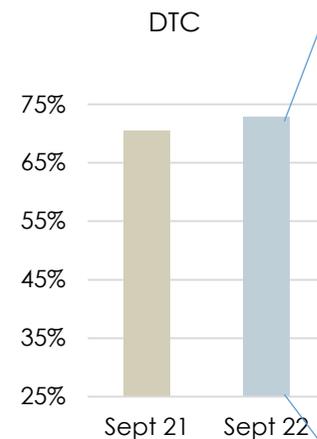
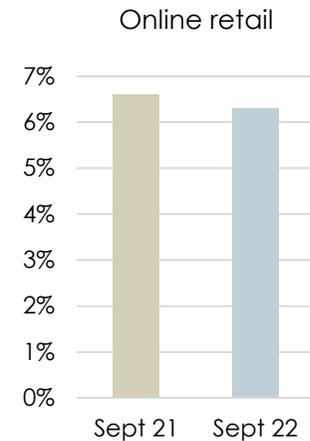
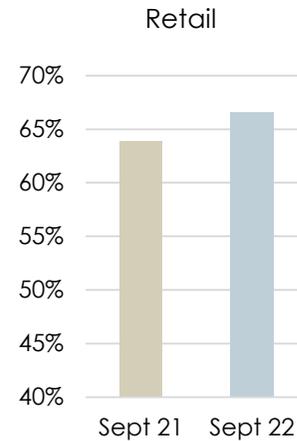


Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current period and the comparative period at the average exchange rates applicable: for the financial year ended 31 March 2022 (for H1-23 change) and 31 March 2021 (for H1-22 change).

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 DIRECT-TO-CLIENT (DTC) SALES

- › **Majority of Group sales** directly with end-clients
- › **DTC rate up +240bps** over prior-year period
- › **Highest penetration rate** for the Jewellery Maisons



\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'



Business areas

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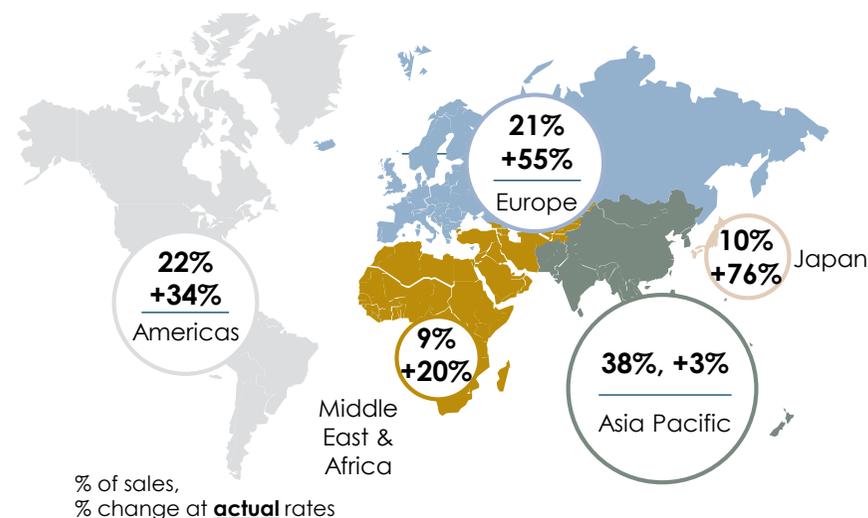
# H1-23 PERFORMANCE – JEWELLERY MAISONS

## › Sales higher by 24%

- Double-digit growth in almost all regions, led by Europe and Japan
- Strong direct-to-client sales

## › Operating result up 22% to €2.35bn

- Strong achievement given exceptionally low opex in H2-22
- 37.1% operating margin



6 months	€m	Sept 22	Sept 21	Change
Sales		6 344	5 097	+24%
Operating result		2 354	1 930	+22%
Operating margin		37.1%	37.9%	-80bps

# H1-23 JEWELLERY MAISONS

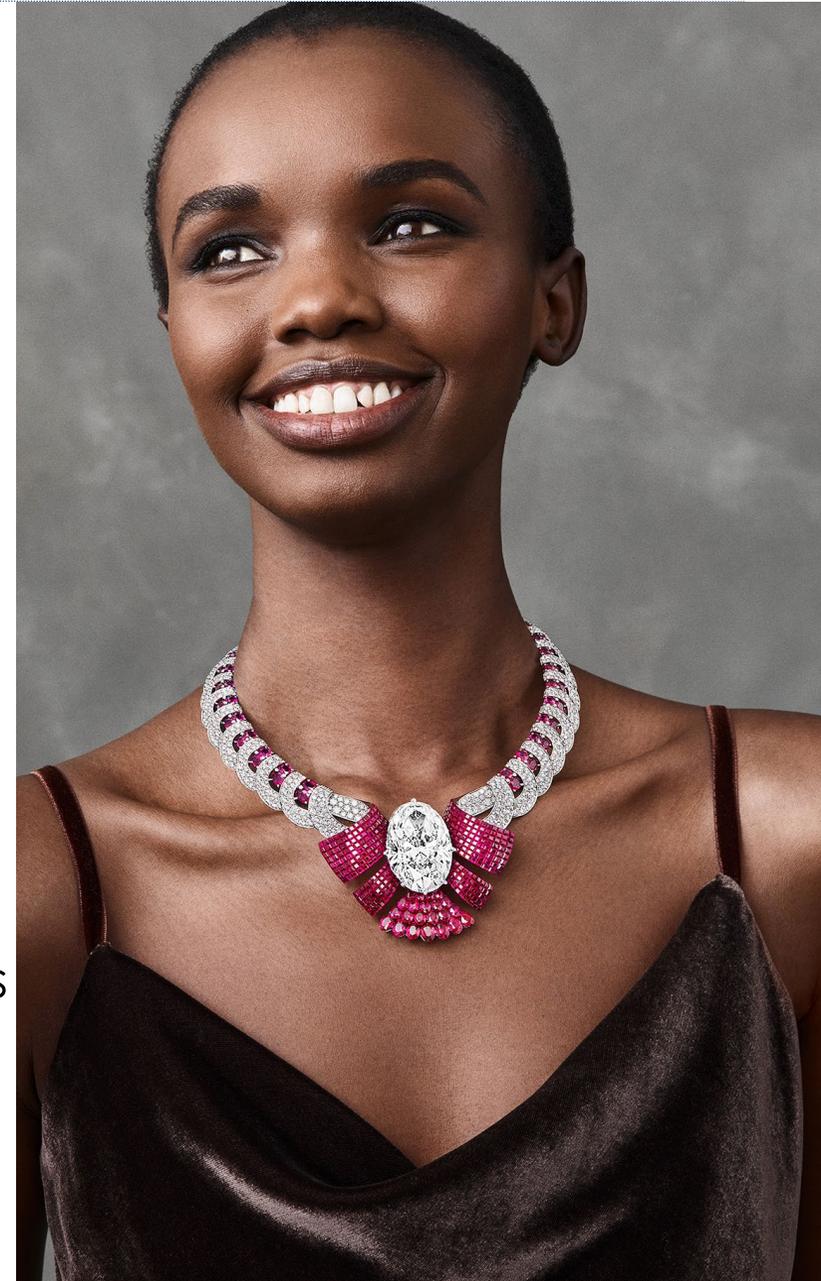
## › **Excellent performance of iconic collections**

- **Jewellery:** *Trinity* and *Clash* (Cartier); *Alhambra* and *Fauna* (Van Cleef & Arpels); *Opera Tulle* and *Macri* (Buccellati)
- **Watches:** *Tank* and *Santos* (Cartier); *Poetic Complications* (Van Cleef & Arpels)

## › **Further retail development** with key openings, major renovations and relocations, focus on web sales activation

## › **Continued sustainability initiatives**

- Cartier's reinforced measures to reduce environmental footprint
- Van Cleef & Arpels progressing towards 100% RJC CoC certification for finished goods
- Buccellati on path to RJC certification



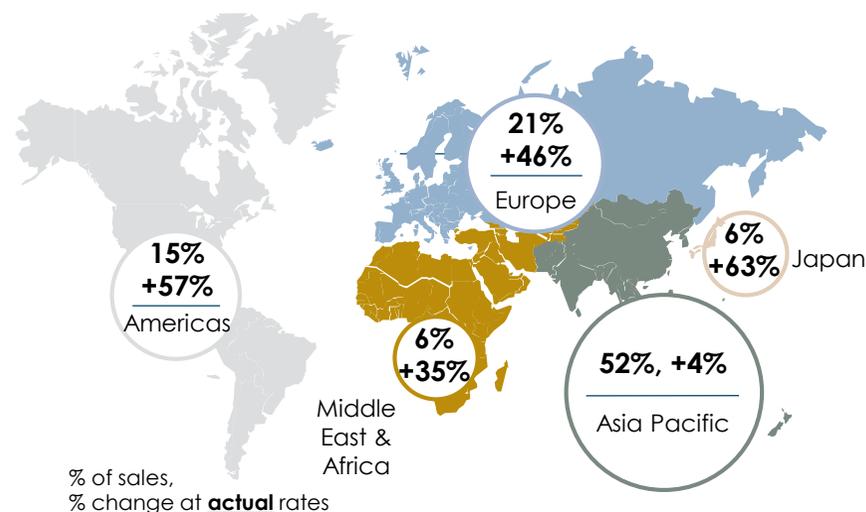
# H1-23 PERFORMANCE – SPECIALIST WATCHMAKERS

## › Sales up by 22%

- Double-digit growth across almost all regions
- Major progression in direct-to-client sales to 54%

## › Operating margin of 24.8%, up 240bps

- Solid sales growth
- Strong cost discipline



6 months	€m	Sept 22	Sept 21	Change
Sales		2 043	1 679	+22%
Operating result		506	376	+35%
Operating margin		24.8%	22.4%	+240bps

# H1-23 SPECIALIST WATCHMAKERS

- › **Ongoing strong performance of iconic collections** including Vacheron Constantin Overseas, Panerai *Submersible*, A. Lange & Söhne *Lange 1*, Baume & Mercier *Riviera*
- › **Direct-to-client sales** share increased to 54% with further retail network development and e-commerce activation
- › **Further rollout of TimeVallée** retail concept
- › **Sustainability initiatives**
  - Specialist Watchmakers Sustainability Committee providing governance & leadership
  - Watches and Culture Sustainability Forum



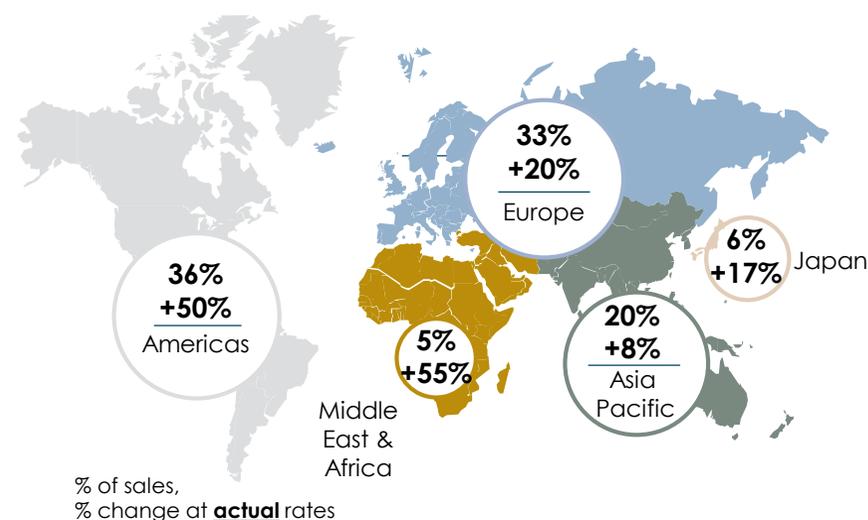
# H1-23 PERFORMANCE – OTHER

## › Sales growth of 27%

- Growth in all regions, led by the Americas and Middle East & Africa
- Notable recognition from wholesale buyers

## › Operating result of €56m

- Good cost control
- Operating margin of 4.3%, yoy up triple-digit versus comparable H1-22

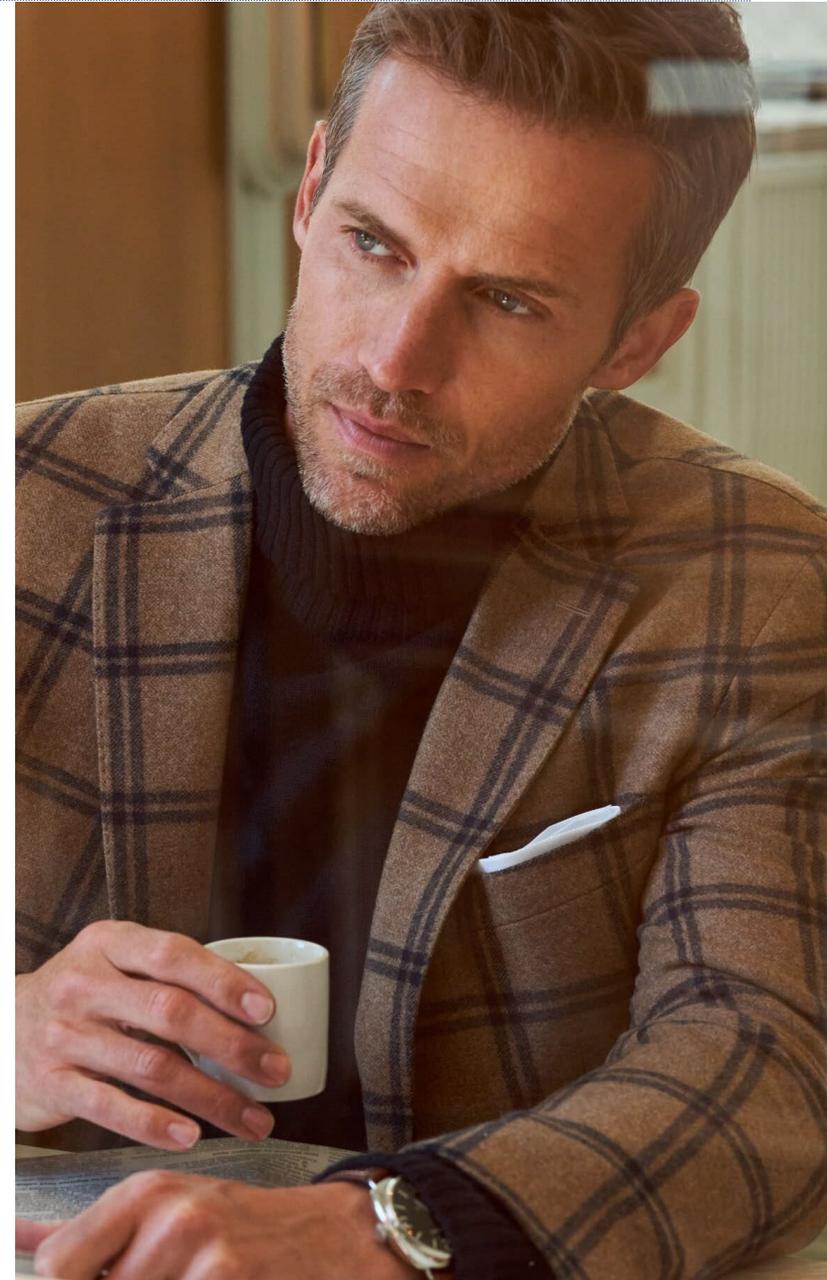


6 months	€m	Sept 22	Sept 21*	Change
Sales		1 289	1 011	+27%
Operating result		56	42	+33%
Operating margin		4.3%	4.2%	+10bps

\* Prior period comparatives represented following the reclassification of Watchfinder & Co. to 'Other' business area

# H1-23 OTHER – FASHION & ACCESSORIES

- › **Strong contribution from:**
  - **New collections:** Alaïa Summer/Fall 22, Chloé Fall 22, Montblanc *Extreme* leather
  - **Clothing:** *G/Fore* (Peter Millar); **Leather goods:** *Nama* (Chloé), *Lingot Small* (Delvaux); **Writing instruments:** *Meisterstück* (Montblanc)
- › **Retail network upgrades** across Maisons and regions
- › **Sustainability efforts** focused on sourcing and traceability across F&A Maisons
- › Strengthening of **Watchfinder's** international operations; roll out of the watch trade-in programme across other business areas



# Financials

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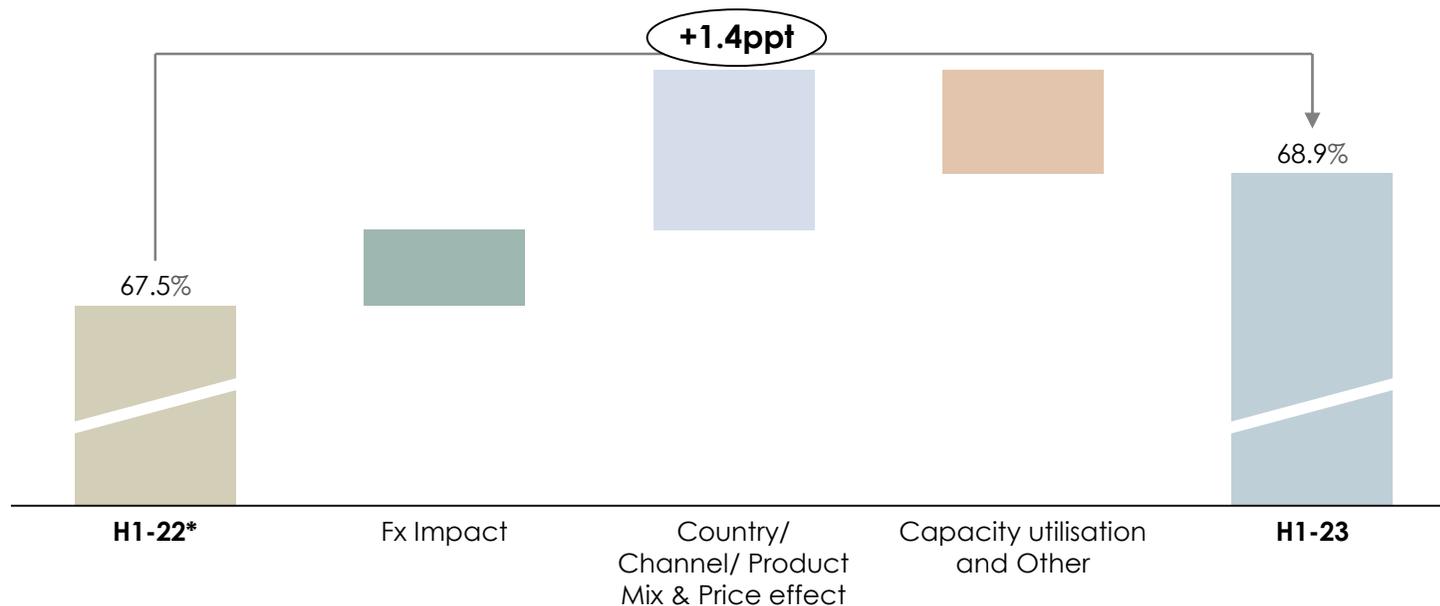


# H1-23 GROSS PROFIT

› **Gross profit up 27%**

› **Gross margin up 140bps to 68.9%**

- Favourable currency movements, geographical and channel mix
- Higher input costs partly offset by price increases



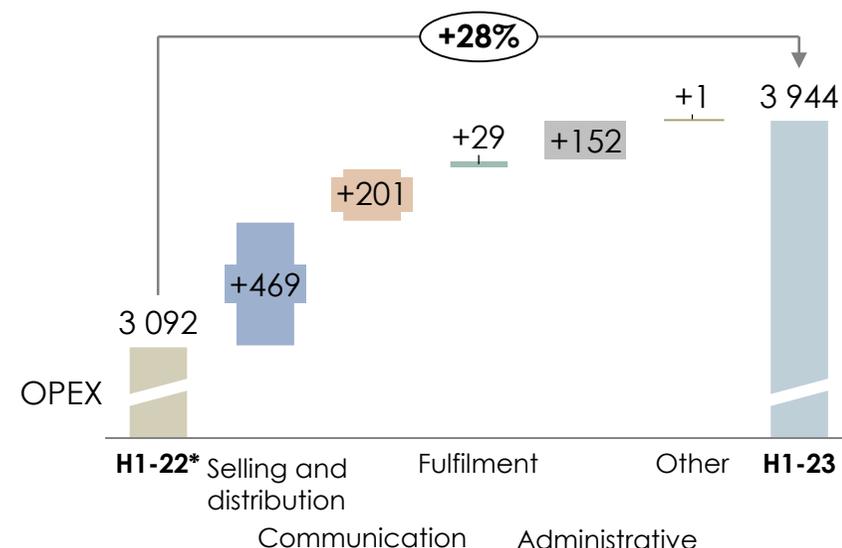
\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 OPERATING EXPENSES

## › Operating expenses, 28% higher

- Higher retail sales and larger retail operations impacting S&D expenses
- Strategic communication investments to support sales
- Increase in administrative expenses aligned with sales

## › Representing 40.8% of sales



6 months	€m	Sept 22	% of sales	Sept 21*	% of sales	Change	Constant rates
Net operating expenses		-3 944	40.8%	-3 092	39.7%	+28%	+19%
Selling and distribution expenses		-2 203	22.8%	-1 734	22.3%	+27%	+19%
Communication expenses		-804	8.3%	-603	7.7%	+33%	+24%
Fulfilment expenses		-117	1.2%	-88	1.1%	+33%	+23%
Administrative expenses		-786	8.1%	-634	8.1%	+24%	+15%
Other expenses		-34	0.4%	-33	0.4%	+3%	-7%

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 OPERATING PROFIT

- › **Operating profit increased 26%**
  - Higher sales and gross profit
  - Controlled operating expenses
  - Operating margin up 30bps to 28.1%

<b>6 months</b>	€m	<b>Sept 22</b>	<b>% of sales</b>	<b>Sept 21*</b>	<b>% of sales</b>	<b>Change</b>	<b>Constant rates</b>
Sales		<b>9 676</b>		7 787		+24%	+16%
Gross profit		<b>6 667</b>	68.9%	5 260	67.5%	+27%	n/a
Net operating expenses		<b>-3 944</b>	40.8%	-3 092	39.7%	+28%	+19%
Operating profit		<b>2 723</b>	28.1%	2 168	27.8%	+26%	n/a

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 NET FINANCE COSTS

## › Improved net finance costs

- €150m reversal in net foreign exchange gain on monetary items
- €88m reduction in non-cash fair value losses on financial instruments
- Partly offset by €60m increased net losses on hedging activities

6 months	€m	Sept 22	Sept 21*	Change
Financial expense, net		-18	-25	+7
Lease liability interest expense		-35	-30	-5
Net foreign exchange gains/(losses) on monetary items		95	-55	+150
Net losses on hedging activities		-81	-21	-60
Fair value adjustments		-163	-251	+88
Net finance costs		-202	-382	+180

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# DISCONTINUED OPERATIONS

## › YNAP now presented under ‘discontinued operations’

- 24 August 2022 announcement of agreement with Farfetch and Alabbar
- Balance sheet items moved to ‘assets held for sale’ and ‘liabilities held for sale’
- Income statement items moved to ‘discontinued operations’

## › €2.9bn loss from discontinued operations

- Discontinued operations sales up by 11%
- Operating result impacted by €2.7bn non-cash write down of YNAP net assets

6 months	€m	Sept 22	Sept 21	Change
Sales		1 241	1 120	+11%
Operating result		-2 863	-219	NR
Operating margin		-230.7%	-19.6%	NR

# H1-23 PROFIT/LOSS

- › **Profit for the period from continuing operations rose 40%** reflecting a higher operating profit
- › **Profit margin from continuing operations up 250bps to 21.8%**
- › **Loss for the period** due to €2.9bn loss from discontinued operations

<b>6 months</b>	€m	<b>Sept 22</b>	<b>Sept 21*</b>	<b>Change</b>
Operating profit		<b>2 723</b>	2 168	+26%
Net finance costs		<b>-202</b>	-382	-47%
Share of equity-accounted investments' results		<b>38</b>	13	+192%
Profit before taxation		<b>2 559</b>	1 799	+42%
Taxation		<b>-454</b>	-296	+53%
Profit for the period from continuing operations		<b>2 105</b>	1 503	+40%
Loss for the period from discontinued operations		<b>-2 871</b>	-254	NR
Profit for the period		<b>-766</b>	1 249	-161%
Profit margin from continuing operations		<b>21.8%</b>	19.3%	+250bps

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 CASH FLOW FROM OPERATING ACTIVITIES

## › Cash flow from operating activities lower by €241m

- Higher operating profit
- Partly offset by additional investments in working capital and higher level of receivables due to strong sales

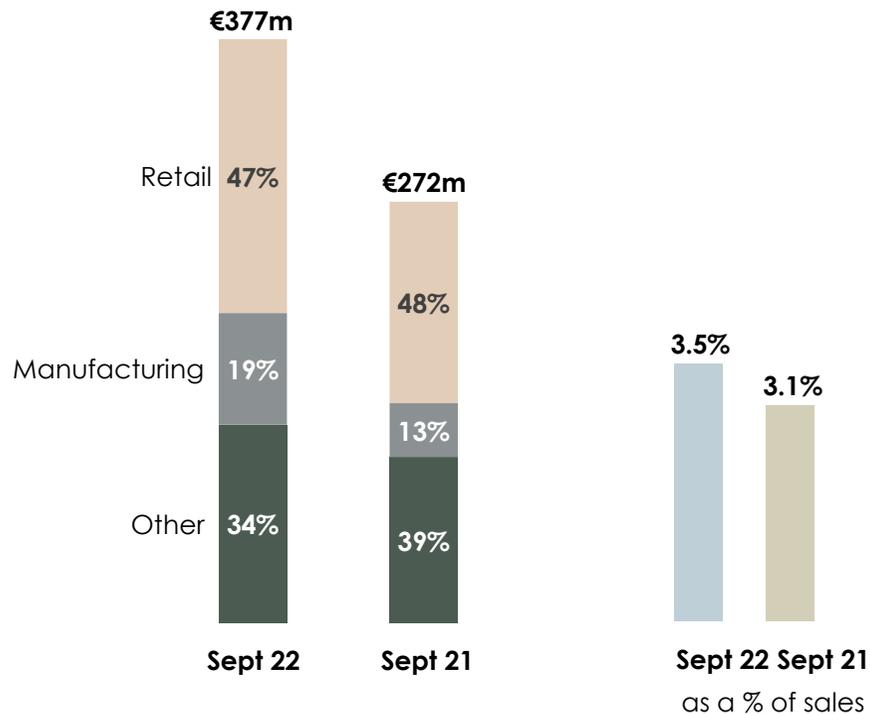
6 months	€m	Sept 22	Sept 21*	Change
Operating profit from continuing operations		2 723	2 168	+555
Operating loss from discontinued operations		-2 863	-219	-2 644
Adjustment for depreciation and amortisation		790	756	+34
Adjustment for other non-cash items		2 728	11	+2 717
Changes in working capital		-1 335	-663	-672
Taxation paid		-465	-241	-224
Net financing payments		-38	-31	-7
Cash flow from operating activities		1 540	1 781	-241

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 CAPITAL EXPENDITURE

## › Capex of €377m, 3.5% of sales

- Investments in store network and technology
- Manufacturing spend at the Jewellery Maisons



Cartier – Fifth Avenue, New York



Van Cleef & Arpels – Cheongdam-dong, Seoul

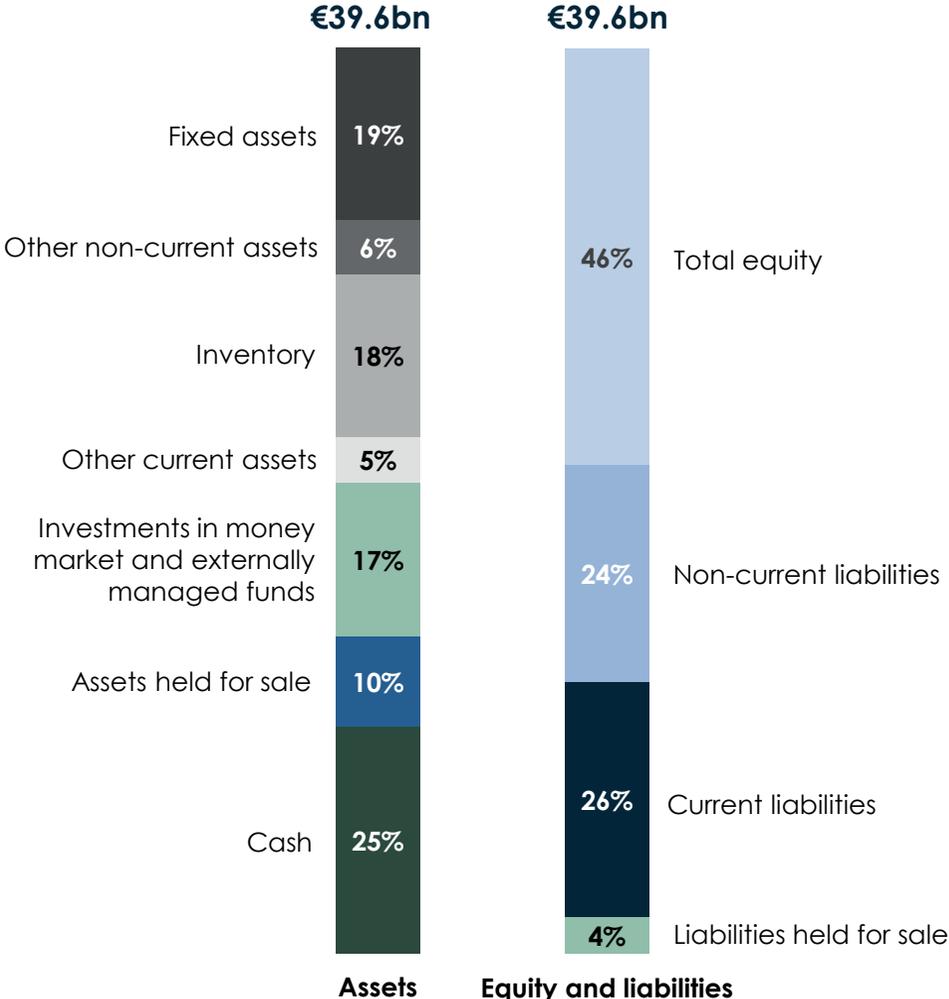
# H1-23 FREE CASH FLOW

## › Free cash flow of €808m

- Lower cash flow from operating activities
- Increase in capex
- Partly offset by lower acquisitions of other non-current assets (prior-year period included Farfetch China investment)

<b>6 months</b>	€m	<b>Sept 22</b>	<b>Sept 21</b>	<b>Change</b>
Cash flow from operating activities		<b>1 540</b>	1 781	-241
Net acquisition of tangible assets		<b>-314</b>	-215	-99
Net acquisition of intangible assets		<b>-53</b>	-56	+3
Proceeds from disposal of investment property		-	86	-86
Net acquisition of other non-current assets		<b>-17</b>	-211	+194
Lease payments - principal		<b>-348</b>	-315	-33
Free cash flow		<b>808</b>	1 070	-262

# BALANCE SHEET STRENGTH



## Conclusion

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# ADVANCING OUR ESG GOALS

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## › **Environment**

- On track to source 100% renewable electricity before the end of 2025
- 10% energy reduction plan implemented in offices and boutiques across Europe
- Biodiversity strategy upgrade to be finalised in 2023

## › **Social**

- Improved supplier code of conduct and standards of business practice
- Human Rights strategy being refined

## › **Governance**

- FY22 Sustainability report redesigned around three key ESG pillars
- Financial and non-financial assurance processes to be aligned for FY23
- Proactive engagement with Swiss stakeholders, including NGOs

# FARFETCH / ALABBAR PARTNERSHIP: MILESTONE IN OUR LNR JOURNEY

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## › **Rationale**

- Accelerate our Maisons' 'Luxury New Retail' ambition
- Turn YNAP into a neutral industry platform, highly attractive to clients and brands

## › **Features**

- Most Richemont Maisons to power their e-commerce operations and "connect" their physical stores, adopting Farfetch Platform Solutions (FPS)
- Most Richemont Maisons to open e-concessions on Farfetch marketplace
- YNAP's re-platforming to FPS to accelerate marketplace offer rollout and shift to hybrid 1P/3P model to support growth and improve financial performance

## › **E-concessions and marketplace**

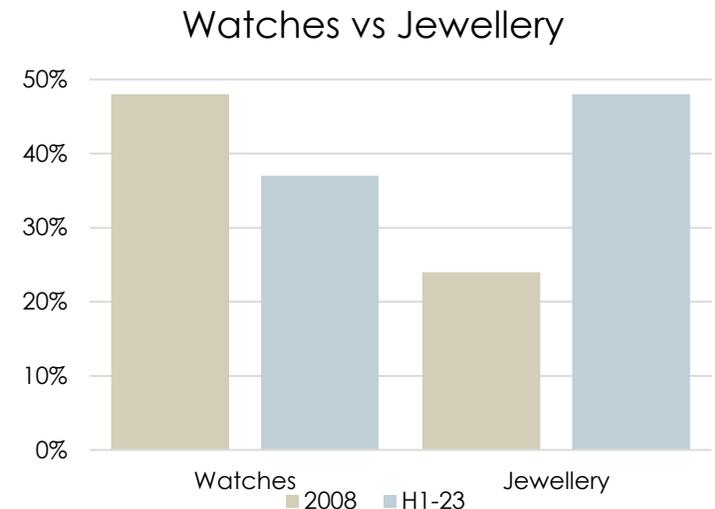
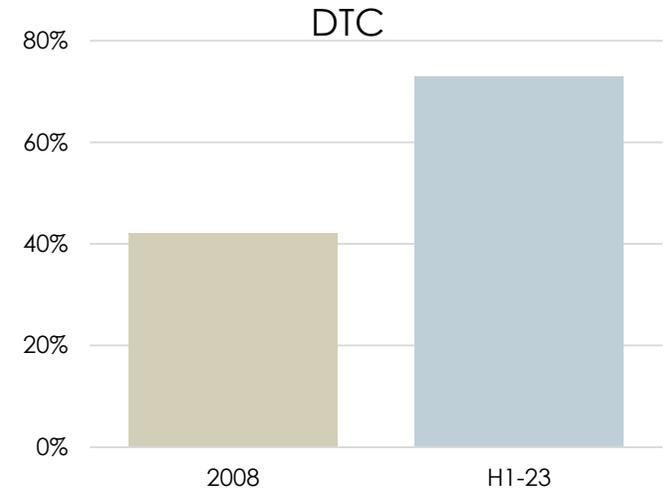
- Wider offering to attract and retain more customers while optimising working capital needs
- Meet Brand partners requirements to establish a direct relationship with end-clients

## › **FPS**

- Technology natively built on 3P with integrations with most of our luxury brand partners
- Economies of scale and benefits from innovations across all stores simultaneously

# SIGNIFICANT TRANSFORMATION SINCE 2008

- › **Step change in sales and profit**
- › **Increased direct-to-client sales** to 73% with online reaching 6% of sales
- › **Growing strength of jewellery, renewed strength of watches**
- › **Enlarged offering** in terms of price points and appeal to generations
- › **Iconic status** reached by many collections
- › **More balanced geographic spread**
- › **Disciplined monitoring of watch inventory**
- › **Greater flexibility in manufacturing and supply chain**



# WELL POSITIONED FOR LONG-TERM AND RESPONSIBLE GROWTH

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## › **Strong operational and financial performance**

- Double-digit sales growth across all business areas and channels led to sales approaching the €10bn mark
- Double-digit increase in operating profit to €2.7bn translated into an improved operating margin of 28.1%
- Unique portfolio of Maisons with differentiated, iconic, world-renowned, timeless creations
- All business areas grew profitably, with continued strength of the *Jewellery Maisons*; ongoing successful transformation of the *Specialist Watchmakers*; improving scale and execution at the *Fashion & Accessories Maisons*

## › **Significant milestone in advancing our ‘Luxury New Retail’ agenda**

## › **Roll-out of heightened sustainability ambition**

› **Solid net cash position** to weather economic cycle and seize opportunities

› **Confidence in long-term prospects; agility and vigilance** required near term

Q&A

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## Appendix

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# H1-23 FINANCIAL HIGHLIGHTS

Sales*				Profit from continuing operations*				Ordinary Dividends			
€ million		CR	HR	€ million		Δ%		CHF 1 A share/10 B shares		Δ%	
Sept 22	9 676	+16%	+24%	Sept 22	2 105	+40%		FY22	2.25	1.00	+13%
Sept 21	7 787	+70%	+68%	Sept 21	1 503	+295%		FY21	2.00		+100%
Sept 20	4 622	-25%	-27%	Sept 20	381	-64%		FY20	1.00	0.34**	-50%
Sept 19	6 316	+3%	+6%	Sept 19	1 048	-55%		FY19	2.00		+5%
<b>Gross profit*</b>				<b>Net cash*</b>				<b>Capex</b>			
€ million		Δ%		€ million		Δ%		€ million		Δ%	
Sept 22	6 667	+27%		Sept 22	4 763	+51%		Sept 22	377	+39%	
Sept 21	5 260	+81%		Sept 21	3 153	+49%		Sept 21	272	+45%	
Sept 20	2 901	-32%		Sept 20	2 111	+19%		Sept 20	188	-33%	
Sept 19	4 234	+7%		Sept 19	1 770	+12%		Sept 19	280	-	
<b>Operating profit *</b>				<b>Cash flow from operating activities</b>				<b>Return on operating assets</b>			
€ million		Δ%		€ million		Δ%					
Sept 22	2 723	+26%		Sept 22	1 540	-14%		FY22		23%	
Sept 21	2 168	+220%		Sept 21	1 781	+92%		FY21	10%		
Sept 20	678	-50%		Sept 20	926	-		FY20	10%		
Sept 19	1 362	+9%		Sept 19	928	+43%		FY19	13%		

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

\*\* CHF 0.34 loyalty scheme

# PRIOR-YEAR FINANCIALS REPRESENTED

- › Unaudited data
- › Audited numbers for FY22 will be disclosed on 20 May 2023

	€m	H1-22*	FY22*
Sales		<b>7 787</b>	16 748
Gross profit		<b>5 260</b>	11 176
Gross margin		<b>67.5%</b>	66.7%
Operating profit		<b>2 168</b>	3 753
Operating margin		<b>27.8%</b>	22.4%
Profit for the period from continuing operations		<b>1 503</b>	2 449
Loss for the period from discontinued operations		<b>-254</b>	-370

\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

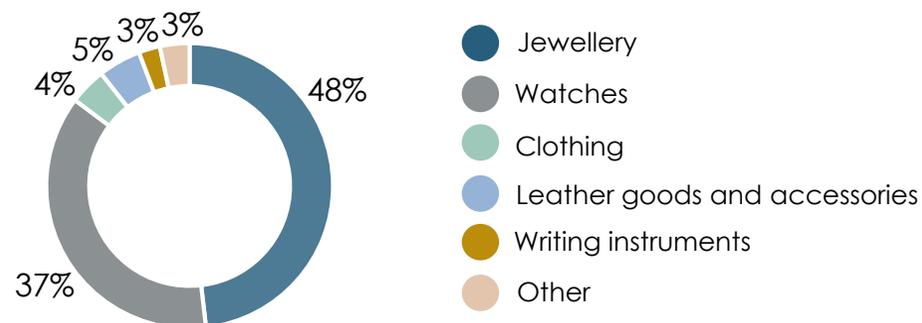
# STRONG GROUP ESG LEADERSHIP

ENVIRONMENT    SOCIAL    GOVERNANCE

 <p><b>MSCI</b> ESG RATINGS</p> <p>CCC B BB BBB A <b>AA</b> AAA</p>	 <p><b>CDP</b> DISCLOSURE INSIGHT ACTION <b>A LIST</b> 2021 <b>CLIMATE</b></p>	<p><b>42M</b> Community Investment spend (+17% vs. 2021)</p>	<p>Sustainalytics <b>10.7 in top 2%</b></p>  
 <p><b>WORLD'S BEST EMPLOYERS</b>   <b>Forbes</b> <b>2022</b> POWERED BY STATISTA</p> <p>3rd consecutive year</p>	<p>First Chief Sustainability Officer in 2022</p> <p>Governance &amp; Sustainability Board Committee established in 2021</p>	 <p><b>FT</b> FINANCIAL TIMES   <b>CLIMATE LEADERS</b> 2022 statista</p>	<p>First Product Social Impact Assessment for small scale gold mining</p>
<p>92% renewable electricity (+28% vs. 2019)</p> <p>Joined RE100</p>  <p><b>RE100</b> CLIMATE GROUP   <b>CDP</b></p>	<p>Activated our Global Diversity Equity &amp; Inclusion Vision</p>	<p>Global Head of Diversity, Equity &amp; Inclusion (DEI) in 2019</p>	 <p><b>SCIENCE BASED TARGETS</b> DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</p> <p>Validated July 2021</p>

# H1-23 SALES BY PRODUCT LINE

6 months	€m	Sept 22	Sept 21*	Constant rates	Actual rates
Jewellery		4 661	3 777	15%	23%
Watches		3 589	2 921	15%	23%
Clothing		403	274	32%	47%
Leather goods and accessories		467	362	23%	29%
Writing instruments		233	191	14%	22%
Other		323	262	16%	23%
<b>Total sales</b>		<b>9 676</b>	<b>7 787</b>	<b>16%</b>	<b>24%</b>



\* Prior-year period comparatives represented as YNAP results are presented as 'discontinued operations'

# H1-23 OPERATING RESULTS BY BUSINESS AREA

<b>6 months</b>	€m	<b>Sept 22</b>	<b>Sept 21*</b>	<b>Change</b>
Jewellery Maisons		<b>2 354</b>	1 930	+22%
Specialist Watchmakers		<b>506</b>	376	+35%
Other		<b>56</b>	42	+33%
Operating result		<b>2 916</b>	2 348	+24%
Valuation adjustments on acquisitions		<b>-12</b>	-15	-20%
Corporate costs		<b>-181</b>	-165	+10%
Central support services		<b>-141</b>	-141	–
Other unallocated expenses, net		<b>-40</b>	-24	+67%
Operating profit		<b>2 723</b>	2 168	+26%
<b>6 months</b>	% of sales	<b>Sept 22</b>	<b>Sept 21*</b>	
Jewellery Maisons		<b>37.1%</b>	37.9%	
Specialist Watchmakers		<b>24.8%</b>	22.4%	
Other		<b>4.3%</b>	4.2%	
Operating profit		<b>28.1%</b>	27.8%	

\* Prior period comparatives represented following the reclassification of Watchfinder & Co. to 'Other' business area

# SUMMARY BALANCE SHEET AND INVENTORY

<b>at 30 September</b>	€m	<b>2022</b>	<b>2021</b>
Non-current assets		<b>10 349</b>	14 291
Current assets		<b>29 283</b>	22 450
Non-current liabilities		<b>9 553</b>	9 435
Current liabilities		<b>11 806</b>	8 962
Equity attributable to owners of the parent company		<b>18 219</b>	18 271
Non-controlling interests		<b>54</b>	73
Equity		<b>18 273</b>	18 344
including			
Net cash		<b>4 763</b>	3 153

<b>at 30 September</b>	€m	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Finished goods		<b>4 386</b>	4 644	- 258	-6%
Raw materials and work in progress		<b>2 641</b>	2 129	+512	+24%
<b>Total</b>		<b>7 027</b>	6 773	+254	+4%
Number of months of COGS	Rotation	<b>15.5</b>	16.0		

# H1-23 RETAIL NETWORK

	Sept 22	Internal	Franchise	March 22	Internal	Franchise	Net change		
							Total	Internal	Franchise
<b>Jewellery Maisons</b>	<b>453</b>	<b>353</b>	<b>100</b>	<b>444</b>	<b>339</b>	<b>105</b>	<b>+9</b>	<b>+14</b>	<b>-5</b>
Cartier	269	203	66	267	199	68	+2	+4	-2
Van Cleef & Arpels	142	114	28	139	108	31	+3	+6	-3
Buccellati	42	36	6	38	32	6	+4	+4	0
<b>Specialist Watchmakers</b>	<b>855</b>	<b>356</b>	<b>499</b>	<b>834</b>	<b>344</b>	<b>490</b>	<b>+21</b>	<b>+12</b>	<b>+9</b>
IWC	202	62	140	201	61	140	+1	+1	0
Panerai	168	60	108	164	59	105	+4	+1	+3
Jaeger-LeCoultre	164	61	103	161	59	102	+3	+2	+1
Piaget	131	68	63	127	68	59	+4	0	+4
Vacheron Constantin	107	53	54	99	51	48	+8	+2	+6
Other SW*	83	52	31	82	46	36	+1	+6	-5
<b>Other</b>	<b>1 018</b>	<b>574</b>	<b>444</b>	<b>1 019</b>	<b>580</b>	<b>439</b>	<b>-1</b>	<b>-6</b>	<b>+5</b>
Montblanc	576	271	305	575	281	294	+1	-10	+11
Chloé	222	111	111	227	113	114	-5	-2	-3
dunhill	94	88	6	93	87	6	+1	+1	0
Delvaux	66	56	10	65	54	11	+1	+2	-1
Peter Millar	20	10	10	21	9	12	-1	+1	-2
Other*	40	38	2	38	36	2	+2	+2	0
<b>Total</b>	<b>2 326</b>	<b>1 283</b>	<b>1 043</b>	<b>2 297</b>	<b>1 263</b>	<b>1 034</b>	<b>+29</b>	<b>+20</b>	<b>+9</b>

\* Other SW - A. Lange & Söhne, Baume & Mercier, Roger Dubuis; Other - Alaïa, Purdey, Serapian, Watchfinder & Co.

\* Prior period comparatives represented following the reclassification of Watchfinder & Co. to 'Other' business area

# HEDGING

- › **70% of our forecasted net foreign currency cash flow exposure** arising primarily in AED, CNY, HKD, JPY, SGD and USD **is hedged vs CHF and EUR**
- › **In the case of USD, the net exposure** takes into account purchases of precious metals and precious stones
- › Realised and unrealised gains/losses on currency derivative contracts are **recognised in net finance costs**

6 months to 30 Sept 2022

versus CHF

	Average rates	
	Actual	Hedge
AED	3.80	3.87
HKD	8.11	8.29
JPY	138.67	138.11
SGD	1.44	1.47
USD	1.03	1.06

versus EUR

	Actual	Hedge
CNY	6.98	7.11

# RICHEMONT

**At Richemont, We Craft the Future**

Buccellati • Cartier • Van Cleef & Arpels •

A. Lange & Söhne • Baume & Mercier • IWC • Jaeger-LeCoultre • Panerai • Piaget • Roger Dubuis • Vacheron Constantin •

Alaïa • AZ Factory • Chloé • Delvaux • dunhill • Montblanc • Peter Millar • Purdey • Serapian • Watchfinder & Co. •

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