RICHEMONT

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RICHEMONT ANNOUNCES STRONG UNDERLYING PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2024

Group highlights

- Group sales at all-time high of € 20.6 billion; Q4 sales down by 1% at actual exchange rates, up 2% at constant exchange rates
- Operating profit at € 4.8 billion, notwithstanding significant adverse foreign currency movements and non-recurring charges of € 58 million net
- Increased proposed dividend of CHF 2.75 per 1 'A' share / 10 'B' shares
- Acquisition of a controlling stake in Gianvito Rossi
- Appointments of Karlheinz Baumann, Group Director of Operations, Boet Brinkgreve, CEO of Laboratoire de Haute Parfumerie et Beauté, and Swen Grundmann, Group Company Secretary & Director of Corporate Affairs, to the Senior Executive Committee
- Milestones on ESG commitments included global gender EQUAL-SALARY certification

Financial highlights

- Sales up by 3% at actual exchange rates and 8% at constant exchange rates, driven by Jewellery Maisons and retail, each representing 69% of Group sales
- Sales growth across all regions and business areas, at constant exchange rates
- Sales increase led by Asia Pacific (+4% at actual exchange rates; +10% at constant exchange rates) in value terms and by Japan (+8% at actual exchange rates; +20% at constant exchange rates) in percentage terms; US now largest individual market for the Group
- Strongest channel performance from retail (+5% at actual exchange rates; +11% at constant exchange rates), with growth across all business areas and regions
- Operating profit decreased by 5% (+13% at constant exchange rates) to € 4.8 billion, generating a 23.3% operating margin (26.2% of sales at constant exchange rates), fuelled by:
  - *Jewellery Maisons* delivering a 33.1% operating margin, with sales up 6% at actual exchange rates (+12% at constant exchange rates)
  - *Specialist Watchmakers* posting a 15.2% operating margin, with sales down 3% at actual exchange rates (+2% at constant exchange rates)
  - *'Other'* business area recording a € 43 million operating loss overall (*F&A Maisons* at breakeven) on sales slightly lower than the prior year (-2% at actual exchange rates, +1% at constant exchange rates)
- Solid profit for the year from continuing operations of € 3.8 billion; € 1.5 billion loss from discontinued operations mainly due to write-down of YNAP assets
- Strong net cash position of € 7.4 billion, with solid increase in cash flow generated from operating activities to € 4.7 billion

Key financial data (audited)

	2024	2023	change
Sales	**€ 20 616 m**	€ 19 953 m	+3%
Gross profit	**€ 14 036 m**	€ 13 716 m	+2%
Gross margin	**68.1%**	68.7%	-60 bps
Operating profit	**€ 4 794 m**	€ 5 031 m	-5%
Operating margin	**23.3%**	25.2%	-190 bps
Profit for the year from continuing operations	**€ 3 818 m**	€ 3 911 m	-2%
Loss for the year from discontinued operations	**€ (1 463) m**	€ (3 610) m	
Profit for the year	**€ 2 355 m**	€ 301 m	
Earnings per 'A' share/10 'B' shares, diluted basis	**€ 4.077**	€ 0.543	
Cash flow generated from operating activities	**€ 4 696 m**	€ 4 491 m	+€ 205 m
Net cash position	**€ 7 450 m**	€ 6 549 m	

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Chairman's commentary

Overview of results

Richemont delivered a solid underlying performance for the financial year ended 31 March 2024 whilst successfully facing unfavourable foreign exchange movements, demanding comparatives, and ongoing macroeconomic and geopolitical uncertainty. Group sales increased by 3% at actual exchange rates (+8% at constant exchange rates) to € 20.6 billion, driven by the Jewellery Maisons, while operating profit came in at € 4.8 billion, a 13% improvement at constant exchange rates.

At actual exchange rates, sales grew across all regions and almost all channels excluding the online retail channel. Growth was led by Asia Pacific in absolute terms and by Japan in percentage terms. The Americas came in slightly ahead of Europe in absolute terms, with the US becoming the Group's largest individual market. At +5%, the Group's directly operated stores generated the strongest channel performance (+11% at constant exchange rates), further demonstrating the success of a direct-to-client strategy. With increases across all business areas and regions, retail sales contributed 69% of Group sales.

At actual exchange rates, our *Jewellery Maisons* – Buccellati, Cartier and Van Cleef & Arpels – delivered a solid 33.1% operating margin, with combined sales exceeding the € 14 billion mark. The 6% sales increase (+12% at constant exchange rates) was underpinned by growth across price points and regions and included a sharp double-digit progression at Buccellati. To accompany the three Maisons' dynamic development, we have stepped up investments in manufacturing, distribution and communication.

Our *Specialist Watchmakers* delivered a resilient 15.2% operating margin given a strong Swiss franc, on sales 3% lower year-on-year (+2% at constant exchange rates) to €3.8 billion. A. Lange & Söhne and Vacheron Constantin registered robust performances. Overall, sales in the retail channel also performed strongly and combined with online retail sales accounted for 60% of the *Specialist Watchmakers*' sales.

The '*Other*' business area recorded a € 43 million loss, with our *Fashion & Accessories Maisons* reaching breakeven, driven by a heightened focus on creativity and higher sales at most Maisons, including double-digit growth at Alaïa. Of note are the ongoing solid development at Peter Millar and Delvaux as well as the acclaimed first collections of new creative directors at Chloé and dunhill, and the success of higher priced creations at Montblanc.

At Group level, operating profit came in at € 4.8 billion, impacted by significant adverse foreign exchange movements. At constant exchange rates, operating profit rose by 13% to 26.2% of sales. At € 4.7 billion, our cash flow from operating activities was robust, further strengthening our balance sheet position.

Profit for the year from continuing operations, which incorporated net one-time unallocated charges of € 58 million, was solid at € 3.8 billion. The overall profit for the year amounted to € 2.3 billion after a € 1.5 billion loss for the year from discontinued operations, primarily due to a € 1.3 billion write down of the net assets held for sale to fair value.

The Group's net cash position was further strengthened by a € 0.9 billion increase over the prior year to € 7.4 billion, partly due to the net € 880 million cash inflow, net of acquisition costs, from the exercise of shareholder warrants. It excludes YNAP's net bank position of € 0.3 billion presented as assets and liabilities of disposal group held for sale.

Strengthening our portfolio of Maisons and operations

On 31 January 2024, we completed the acquisition of 70% of Gianvito Rossi, a distinguished Italian high-end shoe Maison, further enhancing our portfolio of Fashion & Accessories Maisons. Gianvito Rossi embodies exceptional 'Made in Italy' craftsmanship, elegance and timelessness, all qualities that the Group is renowned for.

Additionally, on 7 May 2024, we announced the agreement to acquire 100% of Vhernier, the highly distinctive Italian jewellery Maison, whose unique aesthetic perfectly complements our existing collection of renowned jewellery Maisons.

We very much look forward to realising Gianvito Rossi's and Vhernier's full potential over time, benefitting from the Group's infrastructure and backing as well as from the thriving luxury footwear and branded jewellery markets. We always strive to create goodwill rather than buy goodwill and, in this vein, I am pleased to report the four-and-a-half-fold increase in sales at Buccellati since acquisition in 2019.

Our Senior Executive Committee was further strengthened with the appointments of Karlheinz Baumann, Group Director of Operations, Boet Brinkgreve in the newly created role of CEO of Laboratoire de Haute Parfumerie et Beauté and Swen Grundmann, Group Company Secretary & Director of Corporate Affairs. These appointments reflect the growing importance of regulatory and reputational matters as well as the Group's ambition to achieve sustainable growth facilitated by effective operations whilst enabling the Maisons involved in fragrance to reach their full potential in this dynamic market.

I am delighted that the Board of Directors has appointed Nicolas Bos, currently Chief Executive of Van Cleef & Arpels, to the re-established role of Chief Executive Officer of Richemont, effective 1 June, at which time he will join the Senior Executive Committee. With his strong track record, Nicolas will bring a rare combination of creativity, deep industry expertise and entrepreneurship to his new role. Jérôme Lambert will continue in the Group as Chief Operating Officer (COO) reporting to him and remain on the Board.

Building on Richemont's expanded scale combined with its shift to a more retail-driven and jewellery-centric model, Nicolas will steer the Group through the next phase of its evolution. In his new role, he will directly and indirectly oversee all the Maisons, functions and regions, notably the Jewellery Maisons, Finance and Human Resources.

YOOX-NET-A-PORTER ('YNAP') and Luxury New Retail (LNR)

Last December, we informed the market that the agreements for the sale of a majority stake in YNAP to FARFETCH and Symphony Global were terminated.

Having separated with FARFETCH free of any financial commitments, our Maisons and YNAP continue to operate on their own platforms and technology. While we are working on finding a new controlling shareholder for YNAP that can best harness its potential, we are considering alternatives to pursue the realisation of our LNR vision. The work being carried out on the re-platforming planning and solution design are of meaningful value to reach that objective.

Discussions are ongoing with potential buyers. We expect to be in a position to disclose more before the end of the year.

South African depository receipt programme and Equity-based Shareholder Loyalty Scheme

In April 2023, following receipts of required regulatory authorisations and approval from holders of depository receipts, our South African depository receipt programme was terminated in order to improve tradability of the 'A' shares and reduce administrative complexity. The secondary listing of the 'A' shares and 'A' warrants on the JSE became effective on 19 April 2023.

I am truly delighted that our bet on human ingenuity has proven us right and did indeed result in a successful exercise of the warrants with close to 99% of the 1'044'000'000 'A' warrants issued validly exercised and a further exercise of 11'462'330 unexercised 'A' warrants by Richemont Employee Benefits Limited. Further to this transaction, the Group's share capital now consists of 537'582'089 registered 'A' shares having a par value of CHF 1.00 each, and 537'582'089 registered 'B' shares having a par value of CHF 0.10 each.

Dividend

Based upon the strong underlying performance of the year, significant cash flow generation and a solid net cash position of € 7.4 billion at the end of March 2024, the Board proposes to pay an ordinary dividend of 2.75 Swiss francs per 1 A share (and CHF 0.275 per 'B' shares), a 10% increase in the ordinary dividend over the prior year, subject to shareholder approval at the Annual General Meeting ('AGM') on 11 September 2024.

Annual General Meeting and Board changes

At the 2023 AGM in September, two new Non-executive Directors, Fiona Druckenmiller and Bram Schot, were elected to the Board. Fiona brings her combined financial and jewellery expertise, as well as insights into the American clientele and sustainability causes and Bram his premium automotive industry expertise, business acumen and understanding of risk management, supply chain and sustainability issues. Guillaume Pictet and Jean-Blaise Eckert, two long-serving and valued directors stepped down on 31 March 2024.

As a result, on 31 March 2024, the Board comprised 16 members with female representation now at 38%.

Shareholders also elected Wendy Luhabe to the Board as 'A' shareholder representative, with 94% supportive votes and 95% of the 'A' shareholders casting their votes. All directors were elected by a large majority of Class 'A' votes in addition to the Class 'B' votes.

Effective 11 September 2024, Bram Schot will be appointed as Non-executive Deputy Chairman of the Board, following Josua (Dillie) Malherbe's decision to step down. I wish to thank Bram for accepting to take on this important role, and Dillie for his immense contribution during his 11-year tenure and for accepting to remain on the Audit and the Strategic and Security Committees.

At the 2024 AGM, shareholders will be asked to elect two new directors to the Board: Gary Saage as a Non-executive Director and Nicolas Bos as Executive Director to the Board. If elected, Gary will chair the Audit Committee. A certified public accountant, Gary departed Richemont as Group Chief Financial Officer in 2017 after a successful 29-year career across the Group. He stepped down from the Richemont Board as a Non-executive Director in September 2021 and as honorary Chair of Richemont North America and related companies in August 2023. His in-depth understanding of the Group, rigour and strong track record of financial discipline will be key in overseeing this important Board committee, which has been so diligently and effectively led by Josua Malherbe. Nicolas joined Richemont in 1992, initially working with the Fondation Cartier pour l'art contemporain in Paris. In 2000, he joined Van Cleef & Arpels as High Jewellery Creative and Marketing Director. In 2009, while remaining Creative Director, he became Vice President and in 2010 was appointed President of Van Cleef & Arpels, Americas. Nicolas was appointed global President and CEO of Van Cleef & Arpels in January 2013. Since September 2019, he has also been overseeing Buccellati.

ESG, consolidating our approach

Over the year, Richemont has further consolidated its approach to ESG, completing the development of a Group-wide ESG Management System in order to execute the Group's ESG priorities in a consistent and harmonised manner across Maisons, regions and functions. Richemont's Non-Financial Report was developed in accordance with the Global Reporting Initiative's

("GRI") standards, with selected GRI indicators independently assured by PricewaterhouseCoopers, and compliance with Art. 964a-c of the Swiss Code of Obligations. In addition, the Group founded its Richemont Sustainability Online Academy to raise its level of internal expertise.

In 2023, Richemont was awarded an A- score for climate change by the Carbon Disclosure Project, attesting to the Group's continuous endeavours to reduce the environmental impact from its operations and supply chains. In addition, the Group is focused on providing an inclusive work environment across its Maisons and regions. I am pleased to say that this year, Richemont obtained global gender EQUAL-SALARY certification from the EQUAL-SALARY Foundation.

Concluding remarks

We experienced a softening of sales in the fourth quarter in Asia Pacific against challenging comparatives, which was more than offset by higher growth in all the other regions. As we predicted, a sustainable rebound in Chinese demand would take some time. We are encouraged by our increasingly balanced client mix across nationalities, with the emergence of several growth engines for the Group. Our deliberate focus on local clients across geographies, supported by increased direct client interaction, is contributing to improved resilience.

This year, we have further strengthened our Senior Executive Committee and our Board, and improved the capabilities and desirability of our Maisons, along with their approach to sustainability. Maintaining financial discipline despite the inflationary environment has allowed us to make the necessary investments for the Group's future profitable growth, in a discerning, responsible and sustainable manner.

I would like to thank all the teams across Richemont for their contribution to another year of solid financial performance in a volatile environment and ask them to remain alert and responsive amidst the ongoing global uncertainty. I continue to have every confidence that the strong combination of our strategy, unique assets and healthy balance sheet will enable us to achieve our long-term ambitions.

Johann Rupert
Chairman

Compagnie Financière Richemont SA
Geneva, 17 May 2024

Financial review

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

The results of YOOX NET-A-PORTER ('YNAP') for the year ended 31 March 2024 are presented as 'discontinued operations'. Unless otherwise stated, all comments below relate to the results of "continuing operations".

Sales

For the year ended 31 March 2024, sales from continuing operations increased by 3% at actual exchange rates and by 8% at constant exchange rates, to € 20 616 million.

Sales in all regions increased compared to the prior year, at both actual and constant exchange rates. At actual exchange rates, growth of 4% in Asia Pacific included a 7% progression in mainland China, Hong Kong and Macau combined, following the removal of travel and health restrictions at the start of the year and the related resumption of travel in those markets. Sales growth in the Americas reached 1%, with increased momentum in the second half of the year, albeit against less demanding comparatives. In absolute terms, the Americas ended the year slightly ahead of Europe where sales grew by 2% compared to the prior year. Japan reported the strongest regional performance for the year with sales up by 8%, on strength of tourist demand, notably from China. Sales in Middle East & Africa rose by 7%.

The Group's directly-operated stores recorded the strongest channel growth rate, with sales up by 5% at actual exchange rates compared to the prior year, reflecting growth in all regions and business areas. At actual exchange rates, online retail sales, which exclude sales made by YNAP, declined by 6% while wholesale sales were in line with the prior year and represented 25% of Group sales.

At actual exchange rates, sales at the Jewellery Maisons rose by 6%, reflecting growth across all regions, and in both retail and wholesale; growth at constant exchange rates reached 12%. The 3% sales decrease at the Specialist Watchmakers reflects a good performance in Japan and the Middle East & Africa region being more than offset by declines in other regions. Sales in the 'Other' business area declined by 2%, notwithstanding growth seen in the Americas, its largest region. At constant exchange rates, sales by the Specialist Watchmakers and Other business area grew by 2% and 1%, respectively.

Further details on sales by region, distribution channel and business area are given under Review of Operations.

Gross profit

Compared to the prior year, gross profit increased by 2% to € 14 036 million with a corresponding gross margin of 68.1% of sales.

This 60 basis point reduction in gross margin was mainly driven by a combination of unfavourable foreign exchange movements and increased raw materials cost, partially offset by the positive impact of targeted price increases and a favourable geographical mix.

Operating profit

Profitability was significantly impacted by adverse foreign exchange movements during the period, resulting in a 5% reduction in operating profit from continuing operations to € 4 794 million. Operating margin contracted by 190 basis points to 23.3% of sales. At constant exchange rates, operating profit grew by 13% to 26.2% of sales.

Overall, operating expenses grew by 6% over the prior year, outpacing the 3% sales increase.

Selling and distribution expenses increased by 7%, amounting to 24.3% of sales in the current period compared to 23.5% a year ago, reflecting the expansion of the Group's retail network and strength of retail sales in addition to inflation-driven operating cost increases.

Communication expenses rose by 3% compared to the prior year and amounted to 9.7% of sales.

Expenses related to the fulfilment of online retail orders decreased by 5% whilst administrative expenses increased by 11%. Higher salary costs, investments in technology and adverse foreign exchange movements contributed to the increase in administrative expenses, which are primarily incurred in Swiss francs. Other expenses included a € 34 million charge for impairment of intangible assets as well as a € 19 million charge related to the impairment of goodwill at Watchfinder, which has been further negatively impacted by the global reduction of resale values for pre-owned watches. Overall, non-recurring charges, including M&A fees, amounted to € 58 million net.

Profit for the year

Profit for the year from continuing operations was solid at € 3 818 million. The € 93 million decrease compared to the prior year included a € 136 million improvement in net finance costs which amounted to € 178 million. Net finance costs included net foreign exchange losses of € 226 million on monetary items, partially mitigated by a € 187 million net gain on the Group's hedging programme. Net interest expense of € 22 million reflected a favourable € 62 million variance compared to the prior year. This positive variance was offset by a € 269 million charge included in finance costs in relation to the Farfetch convertible note, valued at nil at 31 March 2024.

The loss for the year from discontinued operations amounted to € 1 463 million. This incorporates a further reduction in the fair value of YNAP, reflecting a € 1 263 million write down of the net assets held for sale, considering current levels of net working capital.

As a result, profit for the year amounted to € 2 355 million.

Earnings per share reached € 4.077 on a diluted basis. Excluding YNAP, diluted earnings per share (1 'A' share/10 'B' shares) from continuing operations were € 6.588.

To comply with the South African practice of providing headline earnings per share ('HEPS') data, the relevant figure for the year ended 31 March 2024 was € 3 688 million (2023: € 3 807 million). Basic HEPS for the year were € 6.398 (2023: € 6.691), diluted HEPS for the year were € 6.365 (2023: € 6.601). Further details regarding earnings per share and HEPS, including an itemised reconciliation, can be found in note 28 of the Group's consolidated financial statements.

Cash flow

Cash flow generated from operating activities, including YNAP, amounted to € 4 696 million compared to € 4 491 million in the prior year. The 5% increase reflected lower investments in working capital and higher cash flows from the settlement of currency derivatives.

Net investments in property, plant and equipment amounted to € 865 million, a 3% increase over the prior year. Capital expenditure during the period focused on improvements to the Group Maisons' retail network, as well as investments in manufacturing facilities in Switzerland, France and Italy in support of the Group's three business areas.

During the year, the Group completed a number of acquisitions, resulting in a net cash outflow of € 306 million, the most significant being a controlling stake in Gianvito Rossi, the high-end Italian shoe maker.

The 2023 dividend of CHF 2.50 per share (1 'A' share/10 'B' shares) and the exceptional dividend of CHF 1.00 per share (1 'A' share/10 'B' shares) were paid to shareholders, net of withholding tax, in September 2023. The total dividend cash outflow in the period amounted to € 2 072 million.

Proceeds from the exercise of share options by executives and other hedging activities during the period amounted to a net cash inflow of € 181 million. Additional treasury shares were acquired during the year at a cost of € 54 million.

The exercise of shareholder warrants issued in 2020 resulted in a net cash inflow of € 880 million, net of acquisition costs.

Balance sheet

At 31 March 2024, the assets and liabilities of YNAP were classified as 'Assets of disposal group held for sale' and 'Liabilities of disposal group held for sale', respectively. The remainder of the balance sheet reflected only the assets and liabilities of continuing operations.

Inventories excluding YNAP amounted to € 7 980 million, a 12% increase, and inventory rotation represented 17.7 months of cost of sales (2023: 16.6 months).

The Group's net cash position at 31 March 2024 rose by 14% to € 7 450 million excluding YNAP. Net cash is comprised of cash and cash equivalents, investments in externally managed bond and money market funds as well as external borrowings, including corporate bonds. At 31 March 2024, gross cash amounted to € 13 429 million.

Shareholders' equity represented 48% of total equity and liabilities compared to 47% in the prior year.

YNAP's performance

YNAP's performance is shown under 'Results from discontinued operations'. In a challenging environment for luxury e-commerce, YNAP sales declined by 14% at actual exchange rates.

Acquisition of Gianvito Rossi

On 31 January 2024, Richemont completed the acquisition of 70% of the share capital of Gianvito Rossi srl ('Gianvito Rossi'), for a total net cash consideration of € 265 million. Gianvito Rossi's results are consolidated within the 'Other' business area with effect from 1 February 2024. The acquisition has resulted in the recognition of € 131 million in provisional goodwill and € 216 million of intangible assets.

Proposed dividend

Considering the Group's strong annual performance and robust net cash position, the Board has proposed a dividend of CHF 2.75 per 'A' share/10 'B' shares.

The dividend will be paid as follows:

	Gross dividend per 1'A' share/ 10 'B' shares	Swiss withholding tax @ 35%	Net payable per 1'A' share/ 10 'B' shares
Dividend	CHF 2.750	CHF 0.9625	CHF 1.7875

The dividend will be payable following the Annual General Meeting which is scheduled to take place in Geneva on Wednesday 11 September 2024.

The last day to trade Richemont 'A' shares on Swiss Stock Exchange ('SIX') and the Johannesburg Stock Exchange ('JSE') cum-dividend will be Wednesday 18 September 2024. Both will trade ex-dividend from Thursday 19 September 2024.

The dividend on the Richemont 'A' shares traded on SIX will be paid on Monday 23 September 2024 and is payable in Swiss francs. The dividend in respect of the Richemont 'A' shares traded on the JSE will be payable on Monday 30 September and is payable in rand. Further details regarding the latter dividend payment may be found in a separate announcement dated Friday 17 May 2024 on SENS, the JSE news service.

Review of operations

Sales by region

			Movement at:		
in €m	2024	2023	Constant exchange rates*	Actual exchange rates	2024 % of sales
Europe	**4 442**	4 371	+3%	+2%	22%
Asia Pacific	**8 220**	7 937	+10%	+4%	40%
Americas	**4 530**	4 467	+5%	+1%	22%
Japan	**1 751**	1 616	+20%	+8%	8%
Middle East & Africa	**1 673**	1 562	+11%	+7%	8%
	20 616	19 953	+8%	+3%	100%

* Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current year and the comparative year at the average exchange rates applicable for the financial year ended 31 March 2023.

The following comments on Group sales refer to year-on-year movements at constant exchange rates. Contributions to Group sales relate to sales at actual exchange rates. Unless otherwise stated, all comments below relate to sales of continuing operations.

Europe

Sales in Europe for the year ended 31 March 2024 grew by 3%, sustained by resilient domestic demand and increased spending by Chinese clients. The Jewellery Maisons drove sales growth in the region.

Overall, Europe contributed 22% of Group sales, in line with the prior year.

Asia Pacific

Compared to the prior year, sales in the Group's largest sales region, Asia Pacific, grew by 10%. This positive performance reflects double-digit sales growth in Hong Kong and Macau, with most other main markets reporting growth. Sales in all business areas increased compared to the prior year, led by the Jewellery Maisons.

The region contributed 40% of Group sales.

Americas

The Americas reported sales growth of 5% compared to the prior year. This performance reflects higher sales by the Jewellery Maisons and the Fashion & Accessories Maisons, more than offsetting lower sales at the Specialist Watchmakers.

The contribution of the region to Group sales was 22%, ranking it slightly ahead of Europe as the Group's second largest region. Of note, the US has become the largest market for the Group.

Japan

With a 20% year-on-year sales increase, Japan posted the strongest regional sales growth rate, despite demanding comparatives. The strong performance reflected increased tourist spending, notably from Chinese clients, partly favoured by a weak yen. In terms of business areas, both Jewellery Maisons and Specialist Watchmakers grew sales by double digits.

Japan represented 8% of overall sales, in line with last year.

Middle East & Africa

Sales in the Middle East & Africa region grew by 11% compared to the prior year, driven by strong domestic and tourist spending, primarily in the United Arab Emirates. All business areas increased sales compared to the prior year.

The region contributed 8% of Group sales.

Sales by distribution channel

in €m	2024	2023	Movement at: Constant exchange rates*	Movement at: Actual exchange rates	2024 % of sales
Retail	**14 228**	13 497	+11%	+5%	69%
Online retail	**1 212**	1 294	-2%	-6%	6%
Wholesale and royalty income	**5 176**	5 162	+4%	+0%	25%
	20 616	19 953	+8%	+3%	100%

** Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current year and the comparative year at the average exchange rates applicable for the financial year ended 31 March 2023.

The following comments on Group sales refer to year-on-year movements at constant exchange rates. Contributions to Group sales relate to sales at actual rates. Unless otherwise stated, all comments below relate to sales of continuing operations.

Retail

The Retail distribution channel incorporates sales from the Group's directly-operated stores.

The retail channel again generated the strongest relative performance with growth of 11% compared to the prior year. This increase reflected growth across all business areas and regions.

Retail continued to be the largest contributor to Group sales through 1 367 directly-operated boutiques accounting for 69% of Group sales compared to 68% a year ago.

Online retail

Following the reclassification of YNAP sales to discontinued operations, 'Online retail' now comprises online retail sales directly generated by the Group's Maisons and Watchfinder.

Online retail sales declined by 2% year-on-year, with the Fashion & Accessories Maisons posting muted growth. Overall, the online retail channel contributed 6% of Group sales.

Wholesale

This distribution channel includes sales to mono-brand franchise partners, to third-party multi-brand retail partners, sales to agents as well as royalty income.

Wholesale sales grew by 4% over the prior year. The increase was driven by a solid performance from the Jewellery Maisons, partially offset by softer sales at the Specialist Watchmakers and 'Other' division.

For the year under review, the wholesale channel contributed 25% to Group sales compared to 26% in the prior year.

Sales and operating results by segment

Jewellery Maisons

in €m	2024	2023	Change
Sales	**14 242**	13 427	+6%
Operating result	**4 713**	4 684	+1%
Operating margin	**33.1%**	34.9%	-180 bps

Sales at the Group's three Jewellery Maisons – Buccellati, Cartier and Van Cleef & Arpels – reached a new threshold of € 14.2 billion. The combined 6% year-on-year sales increase at actual rates (+12% at constant rates) was driven by the retail and wholesale channels, across price points, with growth in all regions. Jewellery and watch sales benefitted from the successful launches of high jewellery collections, *Le Voyage Recommencé* (Cartier), *Le Grand Tour* (Van Cleef & Arpels) and *Mosaico* (Buccellati), and continued outperformance of iconic collections, including *Opera Tulle* and *Macri* at Buccellati, *Trinity* (celebrating its 100th Anniversary), *Panthère* and *Baignoire* at Cartier as well as *Alhambra*, *Fauna* and *Perlée* at Van Cleef & Arpels.

Profitability was impacted by negative foreign exchange movements during the year, with the operating margin ending 180 basis points lower at 33.1%. The Jewellery Maisons' operating result increased nonetheless to € 4.7 billion, reflecting higher sales and ongoing cost discipline, albeit tempered by continued investments in distribution and communication and stepped-up investment in jewellery production capacities to meet existing and future demand. At constant currencies, the operating result increased by 14%.

Noteworthy store network developments during the year included the renovation of Buccellati's Montenapoleone and Van Cleef & Arpels' Geneva stores, the relocation of the Van Cleef & Arpels store in South Coast Plaza, California, as well as store openings for Buccellati in Macau and Cartier in Mumbai, to name but a few.

Specialist Watchmakers

in €m	2024	2023	Change
Sales	**3 767**	3 875	-3%
Operating result	**572**	738	-22%
Operating margin	**15.2%**	19.0%	-380 bps

Sales at the Specialist Watchmakers, which comprise A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis and Vacheron Constantin, were 3% lower compared to the prior year (+2% at constant exchange rates), at € 3.8 billion, notwithstanding a robust 6% increase in retail sales (+12% at constant exchange rates).

Performance was varied across Maisons and geographies, with growth in Asia Pacific (excluding mainland China), Japan and Middle East & Africa being more than offset by declines in other locations. Iconic collections demonstrated resilience, including *Lange 1* for A. Lange & Söhne, *Portugieser* for IWC, *Reverso* for Jaeger-LeCoultre, *Luminor* for Panerai, *Polo* for Piaget and *Traditionnelle* for Vacheron Constantin.

Combined retail and online retail sales contributed 60% of the Specialist Watchmakers sales, a 4 percentage point increase compared to the prior year, validating the relevance of the division's direct-to-client strategy to complement the focus on key strategic multibrand retail partners. This strategy continued to be supported by targeted store investments that notably included new openings (amongst others "Casa Panerai" in Paris, Vacheron Constantin in Bangkok), the internalisation of external points of sale, selective relocations (such as Jaeger-LeCoultre on Madison Avenue in New York) and renovations (first new Piaget boutique concept in Taipei 101).

Profitability was significantly impacted by unfavourable foreign exchange movements and a softer sales momentum during the year. Pricing power and reinforced cost discipline, notwithstanding continued investments in 'retailisation' and communication, softened the reduction in operating result to € 572 million, generating a 15.2% operating margin. At constant currencies, the operating result improved by 3% over the prior year.

Other

in €m	2024	2023	Change
Sales	**2 607**	2 651	-2%
Operating result	**(43)**	59	NR
Operating margin	**-1.6%**	2.2%	-380 bps

'Other' includes the Group's Fashion & Accessories Maisons, Watchfinder, the Group's watch component manufacturing and real estate activities, amongst others.

At € 2.6 billion, sales were slightly down over the prior year. The resilience of the Americas, its largest region, mitigated softness in other regions while muted retail sales growth broadly offset lower sales in the other channels.

Watchfinder, whose sales were negatively impacted by a subdued pre-owned watch market, has pursued its expansion and is now present across over 100 Specialist Watchmakers and Cartier boutiques via its "Part Exchange Service".

Most Fashion & Accessories Maisons generated higher sales at actual exchange rates. Worth highlighting is the continued appeal of Alaïa and Peter Millar, success of high value items at Montblanc, strong reception of the latest evolution of *Pin* and *Cool Box* collections at Delvaux and acclaimed first collections of Chemena Kamali at Chloé and Simon Holloway at dunhill.

The Fashion & Accessories Maisons' retail network was further enhanced with selective openings across Maisons and regions (e.g. Alaïa in Riyadh, Delvaux in Kuala Lumpur) and internalisations (Alaïa in London at Harrods). The retail network also benefitted from a number of relocations (Peter Millar on Madison Avenue in New York) and renovations (Montblanc in Shanghai IFC Mall).

The business area recorded a € 43 million loss overall, with the Fashion & Accessories Maisons at breakeven due to strict cost control which limited the impact of unfavourable foreign exchange movements and softer sales. At constant currencies, the operating result for the Fashion & Accessories Maisons amounted to € 30 million.

The year also saw the acquisition of a controlling stake in Gianvito Rossi to internalise proprietary savoir-faire in high-end shoe manufacturing in addition to developing the potential of this unique Maison. Gianvito Rossi's contribution to the business area's sales and profit since its consolidation on 1 February 2024 was immaterial.

Corporate costs

in €m	2024	2023	Change
Corporate costs	**(417)**	(427)	-2%
Central support services	**(289)**	(302)	-4%
Other unallocated expenses, net	**(128)**	(125)	+2%

Corporate costs represent the costs of central management, marketing support and other central functions (collectively central support services), as well as other expenses and income that are not allocated to specific business areas. Most corporate costs are incurred in Switzerland. For the year under review, they represented 2% of Group sales and included € 58 million net one-time unallocated charges comprised of charges related to impairment of intangible assets of € 34 million and goodwill at Watchfinder of € 19 million (2023: € 65 million net one-time unallocated charges).

The Group's consolidated financial statements of income, cash flows and financial position are presented in the Appendix. Richemont's audited consolidated financial statements for the year may be found on the Group's website at https://www.richemont.com/investors/results-reports-presentations.

Jérôme Lambert
Group Chief Executive Officer

Burkhart Grund
Chief Finance Officer

Appendix

(April-June), €m		Q1-24	Q1-23 represented*	Movement at: 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), €m		Q2-24	Q2-23	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), €m		Q3-24	Q3-23	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%

(January-March), €m		Q4-24	Q4-23	constant rates	actual rates
By region	Europe	**963**	913	+7%	+5%
	Asia Pacific	**1 909**	2 281	-12%	-16%
	Americas	**1 057**	944	+12%	+12%
	Japan	**413**	332	+41%	+24%
	Middle East & Africa	**460**	404	+15%	+14%
By distribution channel	Retail	**3 273**	3 334	+2%	-2%
	Online retail	**290**	295	–	-2%
	Wholesale and royalty income	**1 239**	1 245	+2%	–
By business area	Jewellery Maisons	**3 337**	3 361	+3%	-1%
	Specialist Watchmakers	**841**	880	-1%	-4%
	Other	**624**	633	–	-1%
Total		**4 802**	**4 874**	+2%	-1%

* Prior-year period comparatives have been re-presented as YNAP results are presented as 'discontinued operations'

				Movement at:	
(April-September), €m		**H1-24**	H1-23	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%

(October-March), €m		**H2-24**	H2-23	constant rates	actual rates
By region	Europe	**2 189**	2 190	+1%	–
	Asia Pacific	**3 958**	4 182	-1%	-5%
	Americas	**2 412**	2 264	+9%	+7%
	Japan	**927**	809	+28%	+15%
	Middle East & Africa	**909**	832	+13%	+9%
By distribution channel	Retail	**7 215**	7 052	+7%	+2%
	Online retail	**646**	686	-3%	-6%
	Wholesale and royalty income	**2 534**	2 539	+3%	–
By business area	Jewellery Maisons	**7 289**	7 083	+8%	+3%
	Specialist Watchmakers	**1 780**	1 832	+1%	-3%
	Other	**1 326**	1 362	–	-3%
Total		**10 395**	**10 277**	+5%	+1%

(April-March), €m		**FY24**	FY23	constant rates	actual rates
By region	Europe	**4 442**	4 371	+3%	+2%
	Asia Pacific	**8 220**	7 937	+10%	+4%
	Americas	**4 530**	4 467	+5%	+1%
	Japan	**1 751**	1 616	+20%	+8%
	Middle East & Africa	**1 673**	1 562	+11%	+7%
By distribution channel	Retail	**14 228**	13 497	+11%	+5%
	Online retail	**1 212**	1 294	-2%	-6%
	Wholesale and royalty income	**5 176**	5 162	+4%	–
By business area	Jewellery Maisons	**14 242**	13 427	+12%	+6%
	Specialist Watchmakers	**3 767**	3 875	+2%	-3%
	Other	**2 607**	2 651	+1%	-2%
Total		**20 616**	**19 953**	+8%	+3%

Consolidated income statement for the year ended 31 March

	2024 €m	2023 €m
Revenue	**20 616**	19 953
Cost of sales	**(6 580)**	(6 237)
Gross profit	**14 036**	13 716
Selling and distribution expenses	**(5 000)**	(4 683)
Communication expenses	**(2 006)**	(1 940)
Fulfilment expenses	**(244)**	(257)
Administrative expenses	**(1 889)**	(1 702)
Other operating expenses	**(103)**	(103)
Operating profit	**4 794**	5 031
Finance costs	**(787)**	(597)
Finance income	**609**	283
Share of post-tax results of equity-accounted investments	**39**	41
Profit before taxation	**4 655**	4 758
Taxation	**(837)**	(847)
Profit for the year from continuing operations	**3 818**	3 911
Loss for the year from discontinued operations	**(1 463)**	(3 610)
Profit for the year	**2 355**	301
Profit attributable to:		
Owners of the parent company	**2 362**	313
– continuing operations	**3 817**	3 909
– discontinued operations	**(1 455)**	(3 596)
Non-controlling interests	**(7)**	(12)
	2 355	301

Earnings per 'A' share/10 'B' shares attributable to owners of the parent company during the year (expressed in € per share)		
From profit for the year		
Basic	**4.098**	0.550
Diluted	**4.077**	0.543
From continuing operations		
Basic	**6.622**	6.870
Diluted	**6.588**	6.778

Consolidated statement of cash flows for the year ended 31 March

	2024 €m	2023 €m
Cash flows from operating activities		
Operating profit from continuing operations	**4 794**	5 031
Operating loss from discontinued operations	**(1 435)**	(3 639)
Adjustment for non-cash items	**2 859**	5 092
Changes in working capital	**(651)**	(1 167)
Cash flow generated from operations	**5 567**	5 317
Interest received	**413**	210
Interest paid	**(451)**	(304)
Dividends from equity-accounted investments	**1**	2
Taxation paid	**(834)**	(734)
Net cash generated from operating activities	**4 696**	4 491
Cash flows from investing activities		
Acquisition of subsidiary undertakings and other businesses, net of cash acquired	**(306)**	(49)
Proceeds from disposal of subsidiary undertakings, net of cash	**–**	1
Acquisition of equity-accounted investments	**(11)**	–
Contribution to equity-accounted investments	**–**	(330)
Acquisition of property, plant and equipment	**(873)**	(857)
Proceeds from disposal of property, plant and equipment	**8**	19
Payments capitalised as right of use assets	**(11)**	(3)
Acquisition of intangible assets	**(137)**	(124)
Investment in money market and externally managed funds	**(18 718)**	(15 239)
Proceeds from disposal of money market and externally managed funds	**17 537**	14 553
Acquisition of other non-current assets and investments	**(68)**	(57)
Proceeds from disposal of other non-current assets and investments	**23**	13
Net cash used in investing activities	**(2 556)**	(2 073)
Cash flows from financing activities		
Issue of share capital	**891**	–
Costs of issue of share capital	**(11)**	–
Proceeds from borrowings	**12**	4
Repayment of borrowings	**(6)**	(6)
Dividends paid to owners of the parent entity	**(2 072)**	(1 851)
Dividends paid to non-controlling interests in a subsidiary	**(1)**	–
Acquisition of treasury shares	**(54)**	–
Proceeds from sale of treasury shares	**181**	198
Contribution from non-controlling interests in a subsidiary	**–**	25
Lease payments – principal	**(762)**	(688)
Net cash used in financing activities	**(1 822)**	(2 318)
Net change in cash and cash equivalents	**318**	100
Cash and cash equivalents at the beginning of the year	**4 636**	4 568
Exchange gains/(losses) on cash and cash equivalents	**(48)**	(32)
Cash and cash equivalents at the end of the year	**4 906**	4 636

Consolidated balance sheet at 31 March

	2024 €m	2023 €m
Assets		
Non-current assets		
Property, plant and equipment	**3 637**	3 343
Goodwill	**759**	610
Other intangible assets	**680**	497
Right of use assets	**3 932**	3 565
Investment property	**32**	34
Equity-accounted investments	**656**	599
Deferred income tax assets	**888**	752
Financial assets held at fair value through profit or loss	**5**	289
Financial assets held at fair value through other comprehensive income	**284**	301
Other non-current assets	**576**	529
	11 449	10 519
Current assets		
Inventories	**7 980**	7 096
Trade receivables and other current assets	**1 910**	1 708
Derivative financial instruments	**67**	103
Financial assets held at fair value through profit or loss	**8 784**	7 401
Assets of disposal group held for sale	**1 781**	3 124
Cash at bank and on hand	**10 710**	10 936
	31 232	30 368
Total assets	**42 681**	40 887
Equity and liabilities		
Equity attributable to owners of the parent company		
Share capital	**352**	334
Share premium	**1 162**	–
Treasury shares	**(461)**	(305)
Other reserves	**4 689**	4 305
Retained earnings	**14 779**	14 625
	20 521	18 959
Non-controlling interests	**114**	60
Total equity	**20 635**	19 019
Liabilities		
Non-current liabilities		
Borrowings	**5 972**	5 954
Lease liabilities	**3 615**	3 239
Deferred income tax liabilities	**265**	129
Employee benefit obligations	**62**	65
Provisions	**84**	90
Other long-term financial liabilities	**256**	83
	10 254	9 560
Current liabilities		
Trade payables and other current liabilities	**2 964**	2 960
Current income tax liabilities	**923**	861
Borrowings	**7**	1
Lease liabilities	**673**	644
Derivative financial instruments	**107**	7
Provisions	**197**	201
Liabilities of disposal group held for sale	**856**	1 801
Bank overdraft	**6 065**	5 833
	11 792	12 308
Total liabilities	**22 046**	21 868
Total equity and liabilities	**42 681**	40 887

Presentation

The results will be presented via a video webcast on 17 May 2024, starting at 09:30 (CEST). The direct link is available from 07:30 (CEST) at www.richemont.com.

An archive of the video webcast will be available at 15:00 (CEST) the same day and a transcript of the webcast on 18 May 2024: https://www.richemont.com/investors/results-reports-presentations/

Statutory information

The Richemont 2024 Annual Report will be published on 13 June 2024 and will be available for download from the Group's website at https://www.richemont.com/investors/results-reports-presentations/. Copies may be obtained from the Company's registered office or by contacting the Company via the website at https://www.richemont.com/news-media/media-contacts/

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Richemont 'A' shares issued by Compagnie Financière Richemont SA are listed and traded on the SIX Swiss Exchange, Richemont's primary listing (Reuters 'CFR.S' / Bloomberg 'CFR:SW' / ISIN CH0210483332). They are included in the Swiss Market Index ('SMI') of leading stocks and the MSCI Switzerland IMI ESG Leaders Index. The 'A' shares are also traded on the Johannesburg Stock Exchange, Richemont's secondary listing ('CFRJ.J' / Bloomberg 'CFR:SJ' / ISIN CH0210483332).

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, 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/.

Disclaimer

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.