

R I C H E M O N T

Condensed Consolidated Interim Financial Statements
30 September 2024

Unaudited

Condensed consolidated balance sheet

	Notes	30 September 2024 €m	31 March 2024 €m
Assets			
Non-current assets			
Property, plant and equipment		3 678	3 637
Goodwill		843	759
Other intangible assets		744	680
Right of use assets		3 961	3 932
Investment property		223	32
Equity-accounted investments		648	656
Deferred income tax assets		907	888
Financial assets held at fair value through profit or loss	17	5	5
Financial assets held at fair value through other comprehensive income	17	279	284
Other non-current assets		596	576
		11 884	11 449
Current assets			
Inventories		8 971	7 980
Trade receivables and other current assets		1 928	1 910
Derivative financial instruments	17	80	67
Financial assets held at fair value through profit or loss	17	8 997	8 784
Assets of disposal group held for sale	5	317	1 781
Cash at bank and on hand	12	10 173	10 710
		30 466	31 232
Total assets		42 350	42 681
Equity and liabilities			
Equity attributable to owners of the parent company			
Share capital		352	352
Share premium		1 162	1 162
Treasury shares		(354)	(461)
Other reserves		5 229	4 689
Retained earnings		13 528	14 779
		19 917	20 521
Non-controlling interests		67	114
Total equity		19 984	20 635
Liabilities			
Non-current liabilities			
Borrowings		5 987	5 972
Lease liabilities		3 597	3 615
Deferred income tax liabilities		305	265
Employee benefits obligations		62	62
Provisions		89	84
Other long-term financial liabilities		249	256
		10 289	10 254
Current liabilities			
Trade payables and other current liabilities		2 633	2 964
Current income tax liabilities		744	923
Borrowings		12	7
Lease liabilities		728	673
Derivative financial instruments	17	44	107
Provisions		156	197
Liabilities of disposal group held for sale	5	697	856
Bank overdrafts	12	7 063	6 065
		12 077	11 792
Total liabilities		22 366	22 046
Total equity and liabilities		42 350	42 681

Condensed consolidated income statement

		Six months to 30 September 2024	Six months to 30 September 2023 represented*
	Notes	€m	€m
Revenue	6	10 077	10 221
Cost of sales		(3 306)	(3 248)
Gross profit		6 771	6 973
Selling and distribution expenses		(2 657)	(2 511)
Communication expenses		(909)	(877)
Administrative expenses		(958)	(909)
Other operating expenses	7	(41)	(21)
Operating profit		2 206	2 655
Finance costs	8	(672)	(395)
Finance income	8	499	343
Share of post-tax results of equity-accounted investments		58	26
Profit before taxation		2 091	2 629
Taxation	9	(362)	(469)
Profit for the period from continuing operations		1 729	2 160
Loss for the period from discontinued operations	5	(1 272)	(655)
Profit for the period		457	1 505
Profit/(loss) attributable to:			
Owners of the parent company		458	1 509
– continuing operations		1 731	2 161
– discontinued operations		(1 273)	(652)
Non-controlling interests		(1)	(4)
		457	1 505
Earnings per 'A' share/10 'B' shares attributable to owners of the parent company during the period (expressed in € per share)			
From profit/(loss) for the period			
Basic	10	0.782	2.643
Diluted	10	0.779	2.601
From continuing operations			
Basic	10	2.954	3.785
Diluted	10	2.943	3.725

* Refer to Note 2 for details

Consolidated statement of comprehensive income

	Notes	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Profit for the period		457	1 505
Other comprehensive income:			
Items that will never be reclassified to profit or loss			
Fair value changes on financial assets held at fair value through other comprehensive income		(13)	(43)
		(13)	(43)
Items that are or may be reclassified subsequently to profit or loss			
Currency translation adjustments			
– movement in the year		606	453
Cash flow hedging – reclassification to profit or loss		2	2
Share of other comprehensive income of equity-accounted investments		(4)	2
		604	457
Other comprehensive income, net of tax		591	414
Total comprehensive income		1 048	1 919
Total comprehensive income attributable to:			
Owners of the parent company		1 049	1 924
– continuing operations		2 320	2 559
– discontinued operations		(1 271)	(635)
Non-controlling interests		(1)	(5)
		1 048	1 919

Condensed consolidated statement of changes in equity

	Equity attributable to owners of the parent company							Non-controlling interests	Total equity
	Notes	Share capital €m	Share premium €m	Treasury shares €m	Other reserves €m	Retained earnings €m	Total €m		
Balance at 1 April 2023		334	–	(305)	4 305	14 625	18 959	60	19 019
Comprehensive income									
Profit for the period		–	–	–	–	1 509	1 509	(4)	1 505
Other comprehensive income		–	–	–	456	(41)	415	(1)	414
		–	–	–	456	1 468	1 924	(5)	1 919
Transactions with owners of the parent company recognised directly in equity									
Net changes in treasury shares		–	–	83	–	(3)	80	–	80
Employee share-based compensation		–	–	–	53	–	53	–	53
Tax on share-based compensation		–	–	–	(7)	–	(7)	–	(7)
Reclassification to retained earnings		–	–	–	(33)	33	–	–	–
Changes in non-controlling interests		–	–	–	–	–	–	–	–
Dividends paid	13	–	–	–	–	(2 072)	(2 072)	–	(2 072)
		–	–	83	13	(2 042)	(1 946)	–	(1 946)
Balance at 30 September 2023		334	–	(222)	4 774	14 051	18 937	55	18 992
Balance at 1 April 2024		352	1 162	(461)	4 689	14 779	20 521	114	20 635
Comprehensive income									
Profit for the period		–	–	–	–	458	458	(1)	457
Other comprehensive income		–	–	–	608	(17)	591	–	591
		–	–	–	608	441	1 049	(1)	1 048
Transactions with owners of the parent company recognised directly in equity									
Net changes in treasury shares		–	–	107	–	(101)	6	–	6
Employee share-based compensation		–	–	–	61	–	61	–	61
Tax on share-based compensation		–	–	–	(15)	–	(15)	–	(15)
Reclassification to retained earnings		–	–	–	(114)	114	–	–	–
Changes in non-controlling interests		–	–	–	–	5	5	(46)	(41)
Dividends paid	13	–	–	–	–	(1 710)	(1 710)	–	(1 710)
		–	–	107	(68)	(1 692)	(1 653)	(46)	(1 699)
Balance at 30 September 2024		352	1 162	(354)	5 229	13 528	19 917	67	19 984

Condensed consolidated statement of cash flows

	Notes	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Cash flows from operating activities			
Operating profit from continuing operations		2 206	2 655
Operating loss from discontinued operations	5	(1 267)	(603)
Adjustment for non-cash items	11	2 045	1 273
Changes in working capital	11	(1 167)	(1 091)
Cash flow generated from operations		1 817	2 234
Interest received		207	191
Interest paid		(228)	(193)
Dividends from equity-accounted investments		4	1
Income from other investments		5	–
Taxation paid		(556)	(567)
Net cash generated from operating activities		1 249	1 666
Cash flows from investing activities			
Acquisition of subsidiary undertakings and other businesses, net of cash acquired	18	(132)	(29)
Proceeds of capital distributions from equity-accounted investments		51	–
Acquisition of property, plant and equipment		(335)	(309)
Proceeds from disposal of property, plant and equipment		3	1
Acquisition of intangible assets		(54)	(69)
Payments capitalised as right of use assets		–	(11)
Acquisition of investment property		(187)	–
Investment in money market and externally managed funds		(8 960)	(10 066)
Proceeds from disposal of money market and externally managed funds		8 819	9 822
Acquisition of other non-current assets and investments		(19)	(46)
Proceeds from disposal of other non-current assets and investments		17	6
Net cash used in investing activities		(797)	(701)
Cash flows from financing activities			
Proceeds from borrowings		2	7
Repayment of borrowings		(5)	–
Dividends paid to owners of the parent entity	13	(1 710)	(2 072)
Acquisition of treasury shares		(104)	(54)
Proceeds from sale of treasury shares		109	137
Acquisition of non-controlling interests in a subsidiary		(69)	–
Lease payments – principal		(404)	(372)
Net cash used in financing activities		(2 181)	(2 354)
Net change in cash and cash equivalents		(1 729)	(1 389)
Cash and cash equivalents at the beginning of the period		4 906	4 636
Exchange (losses)/gains on cash and cash equivalents		52	(13)
Cash and cash equivalents at the end of the period	12	3 229	3 234

Notes to the condensed consolidated interim financial statements at 30 September 2024

1. General information

Compagnie Financière Richemont SA ('the Company'), its subsidiaries and equity-accounted investments (together 'Richemont' or 'the Group') is one of the world's leading luxury goods groups. The Group's interests encompass several of the most prestigious names in the luxury industry including Cartier, Van Cleef & Arpels, Buccellati, Vhernier, A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis, Vacheron Constantin, Alaïa, Chloé, Delvaux, dunhill, Gianvito Rossi, Montblanc, Peter Millar, Purdey, Serapian, Watchfinder and YOOX NET-A-PORTER ('YNAP').

The Company is incorporated in Switzerland and registered in Bellevue, Geneva, Switzerland. Shares of the Company are listed and traded on the SIX Swiss Exchange and are included in the Swiss Market Index ('SMI') of leading stocks. The Company's 'A' shares are also listed on the Johannesburg Stock Exchange as a secondary listing. Corporate bonds issued by a subsidiary of the Company are listed on the Luxembourg Stock Exchange.

These unaudited condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 7 November 2024.

2. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 September 2024 have been prepared in accordance with International Accounting Standard ('IAS') 34, *Interim Financial Reporting*. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2024, which were prepared in accordance with IFRS Accounting Standards and IFRS Interpretations Committee interpretations (together 'IFRS').

2.1. Discontinued operations

On 7 October 2024, the Group announced that it had entered into a binding agreement for the sale of 100% of the share capital of YNAP to Mytheresa. Closing of the transaction, which is expected to occur in the first half of calendar year 2025, is subject to customary conditions, including the receipt of antitrust approvals. As a result, the Group has concluded that the conditions set out by IFRS 5 continue to be met and so the assets and liabilities of YNAP are classified as held for sale, with its results for the period presented as discontinued operations.

Further details can be found in note 5.

2.2. Critical accounting estimates and judgments

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2024, with the following exception:

Measurement of assets and liabilities of disposal group held for sale

In accordance with IFRS 5, the Group has classified the assets and liabilities of YNAP as held for sale on its balance sheet at

30 September 2024, following the announcement of the sale of YNAP to Mytheresa. Measurement of the net assets of the disposal group is based on the terms of the agreement with Mytheresa, taking into account the cash balances to be left in YNAP upon completion. For further details, refer to note 5.

2.3 Representation of income statement

Fulfilment costs, previously presented separately on the face of the income statement, are now classified as Selling & Distribution expenses. Prior year comparatives have been re-presented accordingly. There is no impact on profit for the period.

3. Accounting policies

The accounting policies adopted are consistent with those described in the consolidated financial statements for the year ended 31 March 2024. Changes to IFRSs effective for the financial year ending 31 March 2025 do not have a material impact on the Group.

New standards and interpretations not yet adopted

Certain new accounting standards and amendments, issued by the IASB, are not yet effective and have not yet been adopted by the Group. Other than as disclosed below, none are expected to have a significant impact on the financial statements of the Group.

IFRS 18 *Presentation and disclosure in financial statements* is applicable for reporting periods beginning on or after 1 January 2027 and introduces new requirements for presentation and disclosure in the financial statements. The initial assessment of the impact on the Group's consolidated financial statements has yet to be finalised.

4. Segment information

(a) Information on reportable segments

Management has determined the operating segments based on the reports regularly reviewed by the chief operating decision maker ('CODM') in making strategic decisions. Each operating segment is managed separately by a dedicated chief executive officer and management team allowing management to maintain and develop the specific identity of each Maison or distributor. These operating segments have been aggregated into the following business areas for reporting purposes:

- **Jewellery Maisons** – businesses whose heritage is in the design, manufacture and distribution of jewellery products; these comprise Buccellati, Cartier and Van Cleef & Arpels. Vhernier is included for the first time following its recent acquisition (note 18). As this Maison is consolidated from 30 September 2024, only the assets of Vhernier are included at the date of this report.
- **Specialist Watchmakers** – businesses whose primary activity includes the design, manufacture and distribution of precision timepieces. The Group's Specialist Watchmakers comprise A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis and Vacheron Constantin.

In order to determine which operating segments share similar economic characteristics and thus meet the criteria for aggregation, management has focused on the distribution network, product mix and gross margin of the Maisons.

Notes to the condensed consolidated interim financial statements at 30 September 2024

4. Segment information continued

(a) Information on reportable segments continued

Other operating segments include Alaïa, AZ Factory, Chloé, Delvaux, dunhill, Gianvito Rossi, Montblanc, Peter Millar, Purdey, Serapian, Watchfinder, investment property companies and other manufacturing entities. None of these segments meets the quantitative thresholds for determining reportable segments.

The entire product range of a particular Maison, which may include jewellery, watches, writing instruments, clothing and leather goods, is reflected in the sales and operating result for that segment.

The non-separable costs of operating multi-brand regional platforms are allocated to individual operating segments using allocation keys most relevant to the nature of the expense being allocated. Unallocated corporate costs represent the costs of the Group's corporate operations which are not attributed to the segments.

Performance measurement is based on segment contribution before corporate costs, valuation adjustments on acquisitions, interest and tax, as management believes that such information is most relevant in evaluating the results of segments relative to other entities that operate within similar markets.

Revenue by business area is as follows:

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Jewellery Maisons	7 092	6 953
Specialist Watchmakers	1 657	1 987
Other	1 328	1 281
	10 077	10 221

The results by business area are as follows:

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Operating result		
Jewellery Maisons	2 333	2 468
Specialist Watchmakers	160	391
Other	(52)	(6)
	2 441	2 853
Impact of valuation adjustments from acquisitions	(30)	(10)
Corporate costs	(205)	(188)
Operating profit	2 206	2 655
Finance costs	(672)	(395)
Finance income	499	343
Share of post-tax results of equity-accounted investments	58	26
Profit before taxation	2 091	2 629
Taxation	(362)	(469)
Profit for the period from continuing operations	1 729	2 160

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Depreciation and amortisation costs included within the segment operating results		
Jewellery Maisons	391	357
Specialist Watchmakers	144	137
Other	119	109
Unallocated	103	89
	757	692

In the six-month period ended 30 September 2024, no impairment charges were recorded (2023: € 6 million included within Jewellery Maisons segment).

4. Segment information continued

(a) Information on reportable segments continued

The segment assets which are reviewed by the CODM comprise inventories and trade debtors.

	At 30 September 2024 €m	At 31 March 2024 €m
Segment assets		
Jewellery Maisons	5 971	5 427
Specialist Watchmakers	2 297	2 166
Other	1 600	1 316
	9 868	8 909
Total segment assets	9 868	8 909
Non-current assets	11 884	11 449
Current financial assets at fair value through profit or loss	8 997	8 784
Other receivables	1 031	981
Derivative financial instruments	80	67
Cash at bank and on hand	10 173	10 710
Assets of disposal groups held for sale	317	1 781
Total assets	42 350	42 681

The CODM also reviews additions to property, plant and equipment, other intangible assets, and investment property as follows:

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Additions to non-current assets:		
Property, plant and equipment, other intangible assets and investment property		
Jewellery Maisons	231	186
Specialist Watchmakers	47	63
Other	54	31
Unallocated	206	22
	538	302

Unallocated additions include two investment properties acquired during the period for a total cash outflow of € 187 million. These properties are located in London, UK.

Notes to the condensed consolidated interim financial statements at 30 September 2024

4. Segment information continued

(b) Information about geographical areas

Each operating segment operates on a worldwide basis. External revenue presented in the four main geographical areas where the Group's operating segments operate are as follows:

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Europe	2 351	2 253
France	530	531
United Kingdom	381	369
Switzerland	321	312
Italy	318	309
Other Europe	801	732
Middle East & Africa	851	764
United Arab Emirates	551	477
Other Middle East & Africa	300	287
Asia	4 535	5 086
China, including Hong Kong SAR and Macau SAR	2 078	2 866
– of which mainland China	1 489	1 975
– of which Hong Kong SAR and Macau SAR	589	891
Japan	1 086	824
South Korea	565	526
Other Asia	806	870
Americas	2 340	2 118
United States	2 001	1 818
Other Americas	339	300
	10 077	10 221

Sales are allocated based on the location of the wholesale customer, the boutique or the shipping address for online transactions.

The total non-current assets other than financial instruments and deferred tax assets located in Switzerland, the Company's domicile, and the rest of the world are as follows:

	At 30 September 2024 €m	At 31 March 2024 €m
Switzerland	2 191	2 097
France	1 731	1 640
United States	1 554	1 609
Italy	1 161	1 480
United Kingdom	614	488
Rest of the world	3 280	2 793
	10 531	10 107

Segment assets are allocated based on the physical location of the asset. In the case of equity-accounted investments, the allocation of the asset is determined by the location of the shareholding.

4. Segment information continued

(c) Information about products

External revenue by product is as follows:

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Jewellery	5 281	5 202
Watches	3 327	3 598
Leather goods and accessories	526	511
Clothing	417	379
Writing instruments	203	212
Other	323	319
	10 077	10 221

5. Assets and disposal group held for sale and discontinued operations

As mentioned in note 2.1, on 7 October 2024, the Group announced that it had entered into a binding agreement for the sale of 100% of the share capital of YNAP to Mytheresa. Closing of the transaction, which is expected to occur in the first half of calendar year 2025, is subject to customary conditions, including the receipt of antitrust approvals. As a result, the Group has concluded that the conditions in IFRS 5 are met and so the assets and liabilities of YNAP are classified as held for sale, with its results for the period presented as discontinued operations.

The results of the discontinued operations included in profit for the period are set out below.

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Revenue	911	1 076
Expenses	(952)	(1 152)
Loss on write-down of net assets to fair value less costs to sell	(1 226)	(527)
Operating loss	(1 267)	(603)
Finance costs	(2)	(18)
Finance income	12	3
Loss before taxation	(1 257)	(618)
Taxation	(15)	(37)
Loss for the period from discontinued operations	(1 272)	(655)

The net assets of the disposal group held for sale have been written down to fair value less cost to sell in accordance with IFRS 5, based on the terms of the agreement with Mytheresa (see note 19), taking into account the cash balances agreed to be left in YNAP upon completion, resulting in a charge of € 1 226 million (2023: € 527 million). The fair value is classified as Level 3 in the fair value hierarchy.

Notes to the condensed consolidated interim financial statements at 30 September 2024

5. Assets and disposal group held for sale and discontinued operations continued

The cumulative income or (expense) recognised in Other Comprehensive Income in relation to the disposal group is as follows:

	Six months to 30 September 2024	Six months to 30 September 2023
	€m	€m
Currency translation adjustments	2	15
Cumulative income recognised in Other Comprehensive Income	2	15

Cash flows from/(used in) discontinued operations are as follows:

	Six months to 30 September 2024	Six months to 30 September 2023
	€m	€m
Net cash used in operating activities	(463)	(181)
Net cash used in investing activities	(25)	(45)
Net cash generated by/(used in) financing activities	347	(20)
	(141)	(246)

The major classes of assets and liabilities of the disposal group are as follows:

	At 30 September 2024	At 31 March 2024
	€m	€m
Property, plant and equipment	–	171
Other intangible assets	–	10
Right of use assets	–	210
Deferred tax assets	–	21
Other non-current assets	–	3
Inventories	41	959
Trade and other receivables	126	143
Cash and cash equivalents	150	264
	317	1 781
Provisions	(61)	(68)
Deferred tax liabilities	(21)	(148)
Current tax liabilities	(14)	(1)
Lease liabilities	(125)	(151)
Trade and other payables	(445)	(485)
Bank overdrafts	(31)	(3)
	(697)	(856)

6. Revenue

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Revenue from contracts with customers	10 040	10 186
Royalty income	37	35
	10 077	10 221

Analysis of revenue by geographical area and by operating segment is as follows:

	Asia €m	Europe €m	Americas €m	Japan €m	Middle East & Africa €m	Total €m
Six months to 30 September 2024						
Jewellery Maisons	2 480	1 531	1 554	867	660	7 092
Specialist Watchmakers	753	378	257	148	121	1 657
Other	216	442	529	71	70	1 328
	3 449	2 351	2 340	1 086	851	10 077

	Asia €m	Europe €m	Americas €m	Japan €m	Middle East & Africa €m	Total €m
Six months to 30 September 2023						
Jewellery Maisons	2 938	1 427	1 391	621	576	6 953
Specialist Watchmakers	1 056	411	258	133	129	1 987
Other	268	415	469	70	59	1 281
	4 262	2 253	2 118	824	764	10 221

7. Other operating (expenses)/income

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Royalty expenses	(4)	(3)
Investment property rental income	2	1
Investment property costs	(2)	–
Amortisation of intangible assets and inventory adjustments recognised on business combinations	(32)	(13)
Other (expenses)/income	(5)	(6)
	(41)	(21)

Notes to the condensed consolidated interim financial statements at 30 September 2024

8. Finance costs and income

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Finance costs:		
Interest expense:		
– bank borrowings	(138)	(108)
– corporate bonds	(47)	(47)
– other financial expenses	(8)	(6)
– lease liabilities	(57)	(46)
Net foreign exchange losses on monetary items	(422)	(161)
Net loss on financial instruments at fair value through profit or loss	–	(27)
Finance costs	(672)	(395)
Finance income:		
Interest income:		
– from financial assets at amortised cost (including bank and other deposits)	193	181
– from financial assets held at fair value through profit or loss	28	24
– other financial income	11	1
Mark-to-market adjustment in respect of hedging activities	135	137
Net gain on financial instruments at fair value through profit or loss	132	–
Finance income	499	343
Net finance (costs)/income	(173)	(52)

9. Taxation

Income tax expense is recognised based on management's best estimate of the annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period, based on circumstances and available information at the reporting date. The effective tax rate for the period ended 30 September 2024 was 17.8% (2023: 18.0%).

The introduction of legislation in certain jurisdictions in connection with the OECD Pillar Two Model has had no material impact on the Group tax charge. For the period ended 30 September 2024, current tax expense included a charge of € 10 million in relation to top-up taxes. This charge reflects legislation in force at the reporting date.

During the period the Group has applied the temporary exception from accounting for deferred taxes arising from legislation enacted to implement Pillar Two rules, in accordance with IAS 12.

10. Earnings per share

10.1. Basic

Basic earnings per 'A' share/10 'B' shares is calculated by dividing the profit attributable to owners of the parent company by the weighted average number of shares in issue during the period, excluding shares purchased by the Group and held in treasury. Holders of 'A' and 'B' shares enjoy the same dividend rights, but due to the differing par values of the two classes of shares, 'B' shareholders receive one tenth of the dividend per share paid to the 'A' shareholders.

	Six months to 30 September 2024	Six months to 30 September 2023
Profit from continuing operations attributable to owners of the parent company (€ millions)	1 731	2 161
Loss from discontinued operations attributable to owners of the parent company (€ millions)	(1 273)	(652)
Total profit attributable to owners of the parent company (€ millions)	458	1 509
Weighted average number of shares in issue (millions)	585.9	570.9
Basic earnings per share from continuing operations	2.954	3.785
Basic earnings per share from discontinued operations	(2.173)	(1.142)
Total basic earnings per 'A' share/10 'B' shares	0.782	2.643

10. Earnings per share continued

10.2. Diluted

Diluted earnings per 'A' share/10 'B' shares is calculated adjusting the weighted average number of shares outstanding, which assumes conversion of all dilutive potential shares. The Group has two categories of dilutive potential shares: share options and restricted share units.

The calculation is performed for all potential shares to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to the outstanding instruments. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the instrument.

For the period ended 30 September 2024, all instruments are dilutive and so none are excluded from the calculation of diluted earnings per share from continuing operations (2023: all instruments were dilutive). For the calculation of loss per share from discontinued operations and total loss per share for the prior period, none of the Group's potential shares are considered dilutive.

	Six months to 30 September 2024	Six months to 30 September 2023
Profit from continuing operations attributable to owners of the parent company (€ millions)	1 731	2 161
Loss from discontinued operations attributable to owners of the parent company (€ millions)	(1 273)	(652)
Total profit attributable to the owners of the parent company (€ millions)	458	1 509
Weighted average number of shares in issue (millions)	585.9	570.9
Adjustment for dilutive potential ordinary shares (millions): shareholder warrants	0.0	5.9
Adjustment for dilutive potential ordinary shares (millions): share options	0.7	1.1
Adjustment for dilutive potential ordinary shares (millions): restricted shares	1.5	2.2
Weighted average number of shares for diluted earnings per 'A' share/10 'B' shares (millions)	588.1	580.1
Diluted earnings per share from continuing operations	2.943	3.725
Diluted earnings per share from discontinued operations	(2.173)	(1.142)
Total diluted earnings per 'A' share/10 'B' shares	0.779	2.601

10.3. Headline earnings per 'A' share/ 10 'B' shares

The presentation of headline earnings per 'A' share/10 'B' shares as an alternative measure to earnings per share is required under the Johannesburg Stock Exchange listing requirements.

	Six months to 30 September 2024 €m	Six months to 30 September 2023 €m
Profit attributable to owners of the parent company	458	1 509
(Gain)/loss on disposal of non-current assets	1	1
Impairment of non-current assets	-	6
Write-down of assets to held for sale	1 226	527
Gain on deemed disposal of equity-accounted investments	(7)	0
Total tax effects of adjustments	(1)	(1)
Headline earnings	1 677	2 042
	2024 millions	2023 millions
Weighted average number of shares:		
– Basic	585.9	570.9
– Diluted	588.1	580.1
	€ per share	€ per share
Headline earnings per 'A' share/10 'B' shares:		
– Basic	2.862	3.577
– Diluted	2.851	3.520

Notes to the condensed consolidated interim financial statements at 30 September 2024

11. Cash flow from operating activities

	Six months to 30 September 2024	Six months to 30 September 2023
	€m	€m
Depreciation of property, plant and equipment	304	279
Depreciation of right of use assets	401	369
Depreciation of investment property	1	–
Amortisation of other intangible assets	51	44
Impairment of right of use assets	–	6
Loss on disposal of property, plant and equipment	1	1
Loss on disposal of intangible assets	1	–
Profit on lease remeasurement	(7)	(6)
Increase in non-current provisions	8	4
Decrease in retirement benefit obligations	(2)	(4)
Loss on write-down of net assets transferred to held for sale	1 226	527
Other non-cash items	61	53
Adjustments for non-cash items	2 045	1 273
Increase in inventories	(791)	(498)
Decrease/(increase) in trade receivables	26	(142)
Increase in other current assets	(32)	(104)
Decrease in current liabilities	(406)	(437)
Increase in assets and liabilities of disposal groups held for sale	(24)	(102)
Decrease in other long-term liabilities	–	(4)
Cash inflow on derivative financial instruments	60	196
Changes in working capital	(1 167)	(1 091)

12. Cash and cash equivalents

	At 30 September 2024	At 30 September 2023
	€m	€m
Cash at bank and on hand	10 173	10 012
Bank overdrafts	(7 063)	(6 066)
Cash at bank and on hand within Assets of disposal groups held for sale (note 5)	150	170
Bank overdrafts within Liabilities of disposal groups held for sale (note 5)	(31)	(882)
	3 229	3 234

13. Dividends

On 11 September 2024 shareholders approved a dividend of CHF 2.75 per 'A' share and CHF 0.275 per 'B' share (2023: CHF 2.50 and CHF 0.25, respectively, as well as an exceptional dividend of CHF 1.00 per 'A' share and CHF 0.10 per 'B' share).

14. Financial commitments and contingent liabilities

At 30 September 2024, the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which no material losses are anticipated.

The Group's commitments for lease agreements which had not yet commenced at the balance sheet date amounted to € 395 million (31 March 2024: € 406 million). Commitments to purchase items of plant, property and equipment amounted to € 418 million (31 March 2024: € 332 million).

15. Related-party transactions

There have been no significant changes in the nature and magnitude of the related-party transactions and relationships during the period.

Full details of related-party transactions will be included in the 2025 annual consolidated financial statements.

16. Share-based payments

Restricted share units ('RSUs')

The Group has a share-based compensation plan under which executives are awarded RSUs. Awards under this plan vest over periods of three to five years from the date of grant. The executive must remain in the Group's employment until vesting. On vesting, the executive will receive an 'A' share in the Company. Awards granted to senior executives are also subject to performance conditions which may reduce the number of shares vesting (Performance Share Units, or 'PSUs'). Executives are not entitled to dividends during the vesting period.

Equity-settled share option plan

Previously, the Group also had a long-term share-based compensation plan whereby executives were awarded options to acquire Richemont 'A' shares at the market price on the date of grant. Awards under the share option plan vest over periods of three to five years and have expiry dates, the date after which unexercised options lapse, of nine years from the date of grant. The executive must remain in the Group's employment until vesting. No awards have been made under this plan since the year ended 31 March 2021.

Awards during the period

Awards of 686 451 RSU and 310 296 PSU were made during the period (2023: 584 600 RSU and 186 906 PSU).

The fair value of PSU awarded to members of the Senior Executive Committee ('SEC') is fixed on the date of approval of SEC remuneration by the shareholders of the Company. Following the AGM in September 2024, the award date values of PSU June 2023 of CHF 134.54 was revalued at CHF 112.98.

Notes to the condensed consolidated interim financial statements at 30 September 2024

17. Financial instruments: Fair values and risk management

The Group's financial risk management objectives and policies are consistent with those described in the consolidated financial statements for the year ended 31 March 2024.

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their level in the IFRS fair value hierarchy.

	Carrying amount				Fair value				
	Fair value through profit or loss €m	Fair value through OCI (equity) €m	Assets at amortised cost €m	Liabilities at amortised cost €m	Total €m	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
30 September 2024									
Financial assets measured at fair value									
Listed investments	–	279	–	–	279	279			279
Unlisted investments	5	–	–	–	5		–	5	5
Non-current assets held at fair value	5	279	–	–	284				
Investments in externally managed funds	7 234	–	–	–	7 234	7 234			7 234
Investments in money market funds	1 763	–	–	–	1 763		1 763		1 763
Derivative financial instruments	80	–	–	–	80		80		80
Current assets held at fair value	9 077	–	–	–	9 077				
	9 082	279	–	–	9 361				
Financial assets not measured at fair value									
Non-current loans and receivables	–	–	23	–	23				
Non-current lease deposits	–	–	139	–	139				
Trade and other receivables	–	–	1 436	–	1 436				
Cash and cash equivalents	–	–	10 173	–	10 173				
	–	–	11 771	–	11 771				
Financial liabilities measured at fair value									
Derivatives	(44)	–	–	–	(44)		(44)		(44)
Financial liabilities not measured at fair value									
Fixed rate borrowings	–	–	–	(5 988)	(5 988)	(5 448)			(5 448)
Floating rate borrowings	–	–	–	(11)	(11)				
Lease liabilities	–	–	–	(4 324)	(4 324)				
Other non-current financial liabilities	–	–	–	(249)	(249)				
Trade and other payables	–	–	–	(2 330)	(2 330)				
Bank overdrafts	–	–	–	(7 063)	(7 063)				
	–	–	–	(19 965)	(19 965)				

17. Financial instruments: Fair values and risk management continued

	Carrying amount				Fair value				
	Fair value through profit or loss €m	Fair value through OCI (equity) €m	Assets at amortised cost €m	Liabilities at amortised cost €m	Total €m	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
31 March 2024									
Financial assets measured at fair value									
Listed investments	–	284	–	–	284	284			284
Unlisted investments	5	–	–	–	5		–	5	5
Non-current assets held at fair value	5	284	–	–	289				
Investments in externally managed funds	7 074	–	–	–	7 074	7 074			7 074
Investments in money market funds	1 710	–	–	–	1 710		1 710		1 710
Derivative financial instruments	67	–	–	–	67		67		67
Current assets held at fair value	8 851	–	–	–	8 851				
	8 856	284	–	–	9 140				
Financial assets not measured at fair value									
Non-current loans and receivables	–	–	25	–	25				
Non-current lease deposits	–	–	140	–	140				
Trade and other receivables	–	–	1 432	–	1 432				
Cash and cash equivalents	–	–	10 710	–	10 710				
	–	–	12 307	–	12 307				
Financial liabilities measured at fair value									
Derivatives	(107)	–	–	–	(107)		(107)		(107)
Financial liabilities not measured at fair value									
Fixed rate borrowings	–	–	–	(5 979)	(5 979)	(5 390)			(5 390)
Lease liabilities	–	–	–	(4 288)	(4 288)				
Other non-current financial liabilities	–	–	–	(256)	(256)				
Trade and other payables	–	–	–	(2 700)	(2 700)				
Bank overdrafts	–	–	–	(6 065)	(6 065)				
	(107)	–	–	(19 288)	(19 288)				

The Group does not disclose the fair value for financial instruments where the carrying value is a reasonable approximation of the fair value.

Valuation techniques

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price for financial assets held by the Group is the current bid price. These instruments are included in Level 1 and comprise listed investments and investments in externally managed funds made up of listed bonds.

The Euro, Swiss franc and US dollar-denominated externally managed funds are mandated to invest in Sovereign, Supranational & Agency ('SSA') bonds. The weighted average rating is AA and the weighted average maturity is 113 days.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, maximising the use of observable market data, where available, and relying as little as possible on entity-specific estimates. If all significant inputs are observable the instrument is included as Level 2; if one or more of the significant inputs is not based on observable market data then the instrument is included as Level 3.

Specific valuation techniques used for Level 2 financial instruments include:

- currency forwards are measured based on observable spot exchange rates, the term interest rates of the respective currencies and the currency basis spread between the respective currencies.

Notes to the condensed consolidated interim financial statements

at 30 September 2024

17. Financial instruments: Fair values and risk management continued

Valuation techniques continued

The nominal value of the investments in money market funds approximates the fair value, as the maximum average life is 120 days and the maximum average maturity is 60 days. These instruments are included in Level 2.

Level 3 financial instruments consist of numerous relatively small investments in unlisted equities.

Hedging activities

Cash flow hedge accounting was applied to a euro-denominated interest rate swap contract, which was used to hedge the Group's corporate bond issue in 2018 and, as a result, the loss realised on this interest rate swap was deferred in equity. This loss is recycled to the income statement over the life of the related bond.

Revolving credit facility

The Group has a € 2 billion syndicated revolving credit facility with its strategic bank partners. This relationship facility has a five-year tenor with two one-year extension options. There have been no draw downs of this facility during the period.

18. Business combinations

Vhernier

In September 2024, the Group completed the acquisition of 100% of the share capital and voting rights of Vhernier SpA ('Vhernier'), the distinctive Italian jewellery Maison headquartered in Milan, Italy, for a total consideration of € 118 million.

Other acquisitions

During the period, the Group completed several other business combinations, including the acquisition of the remaining shareholding in DPS Beaune, previously an associate of the Group, as well as 100% of the share capital of manufacturing entities specialised in Jewellery and based in France. These acquisitions were completed in June 2024 and September 2024.

The impact of these acquisitions on the financial position and performance of the Group is not significant, and as such these acquisitions are presented in aggregate below.

	Vhernier €m	Other €m	Total €m
Property, plant and equipment	4	11	15
Intangible assets	82	–	82
Right of use assets	7	1	8
Other non-current assets	1	–	1
Inventories	35	6	41
Cash and cash equivalents	7	10	17
Trade and other receivables	5	6	11
Trade and other payables	(9)	(6)	(15)
Borrowings	(10)	(10)	(20)
Current and deferred tax	(22)	(1)	(23)
Retirement benefit liability	(2)	–	(2)
Lease liabilities	(7)	(1)	(8)
Net assets acquired	91	16	107
Fair value of net assets acquired	91	16	107
Non-controlling interests	(1)	–	(1)
Fair value of previous shareholding	–	(9)	(9)
Goodwill	28	48	76
Total consideration	118	55	173
Consideration deferred to future periods	(17)	(6)	(23)
Purchase consideration – cash paid	101	49	150
Cash and cash equivalents acquired	(7)	(10)	(17)
Payment of amounts deferred in prior periods	–	(1)	(1)
Cash outflow on acquisitions	94	38	132

18. Business combinations continued

The fair value of both these assets and the total purchase consideration is provisional, pending finalisation of valuation work and any purchase price adjustments. Goodwill, which is fully allocated to the Jewellery Maisons, represents certain intangible assets that do not qualify for separate recognition, including an integrated workforce and technical know-how in terms of design, creation and manufacturing processes. None of the goodwill is expected to be deductible for tax purposes.

In the period since acquisition, the businesses contributed € 8 million to sales and a loss of € 1 million to net profit. Had the acquisitions been made on 1 April 2024, the contribution to sales and net loss for the period would have been € 42 million and € 4 million, respectively.

Acquisition-related transaction costs of € 2 million were expensed in the six-months ended 30 September 2024 as other expenses.

Deferred consideration

During the period, deferred consideration of € 23 million was recognised as a result of the acquisitions described above, which is partly contingent on future performance. The fair value of the contingent consideration is estimated by calculating the present value of future expected cash flows, based on latest forecasts and budgets where relevant, as well as expected performance against pre-defined operational KPIs, and is updated at each reporting date.

At 30 September 2024, the Group has a liability for deferred consideration of € 43 million (31 March 2024: € 20 million).

19. Events after the balance sheet date

Sale of YNAP to Mytheresa

On 7 October 2024, the Group announced that it had entered into a binding agreement for the sale of 100% of the share capital of YNAP to Mytheresa. At transaction closing, Richemont will sell YNAP to Mytheresa with a cash position of € 555 million and no financial debt, subject to customary closing adjustments, in exchange for shares to be issued by Mytheresa, representing 33% of Mytheresa's fully diluted share capital at closing following issuance of the consideration shares. Richemont will make available a 6-year revolving credit facility of € 100 million to finance YNAP's general corporate needs, including working capital.

Closing of the transaction, which is expected to occur in the first half of calendar year 2025, is subject to customary conditions, including the receipt of antitrust approvals.

This transaction will result in a further write-down of YNAP net assets, which is already reflected in these financial statements for the period ended 30 September 2024. This value is subject to change until completion date as it depends on several variables, namely Mytheresa's share price, the USD/EUR foreign exchange rate, as well as the value of net assets and debt-like items of YNAP at completion date. Following completion, the Group's investment in Mytheresa will be classified as an equity-accounted investment.

Exchange rates

The results of the Group's subsidiaries which do not report in euros have been translated at the following average rates of exchange against the euro. The balance sheets of those subsidiaries have been translated into euros at the closing rates set out below.

Exchange rates against the euro

	Six months to 30 September 2024	Six months to 30 September 2023
Average		
United States dollar	1.09	1.09
Chinese renminbi	7.83	7.76
Japanese yen	166	153
Swiss franc	0.96	0.97
	30 September 2024	31 March 2024
Closing		
United States dollar	1.12	1.08
Chinese renminbi	7.83	7.79
Japanese yen	160	163
Swiss franc	0.94	0.97