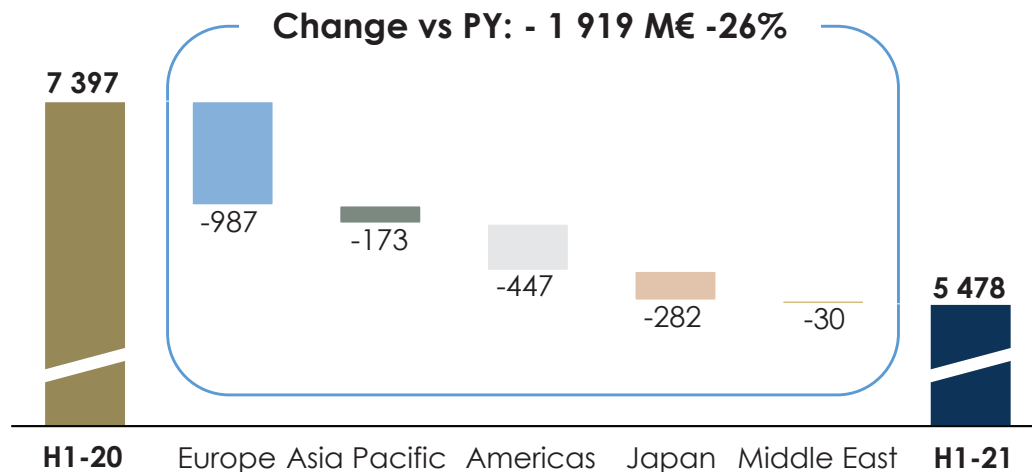


Operations

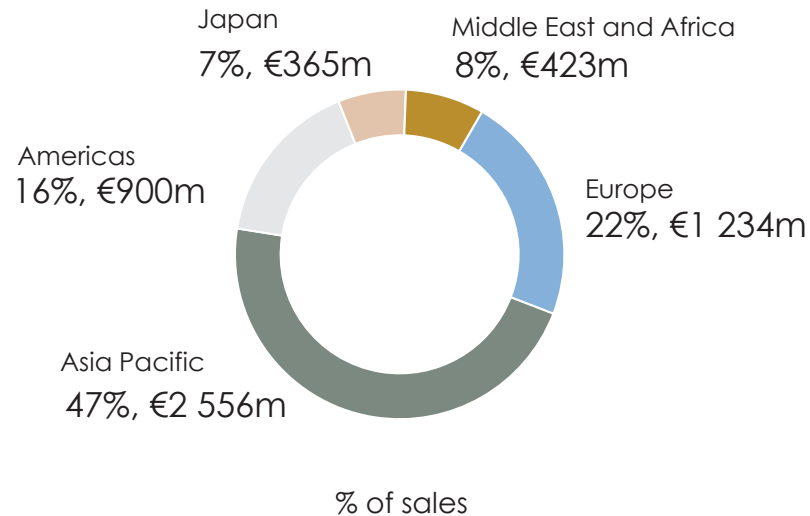
RICHMONT



H1-21 OVERVIEW OF REVENUE BY REGION



› Europe and the Americas most severely impacted, improvement in Q2

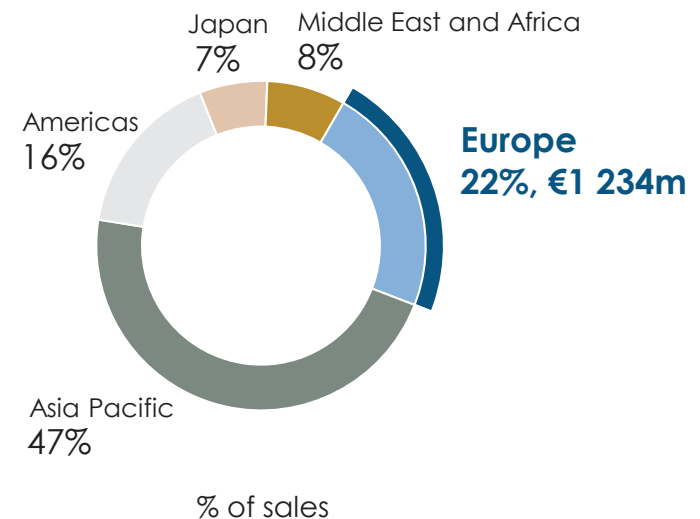
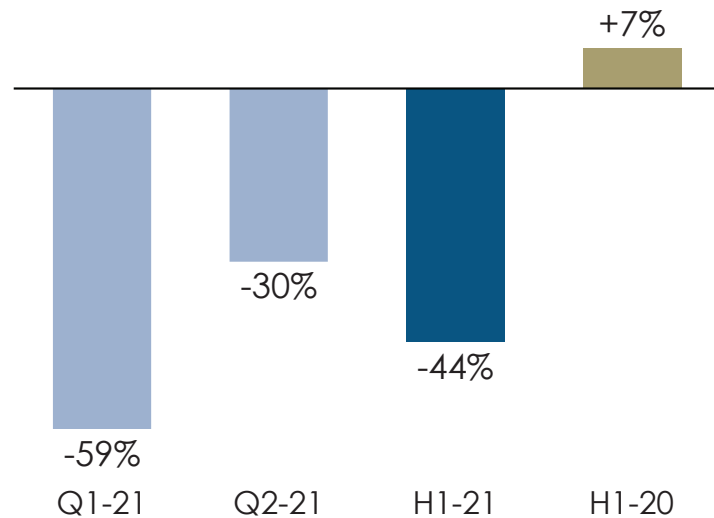


› Relative resilience of Asia Pacific and Middle East and Africa

H1-21 SALES IN EUROPE

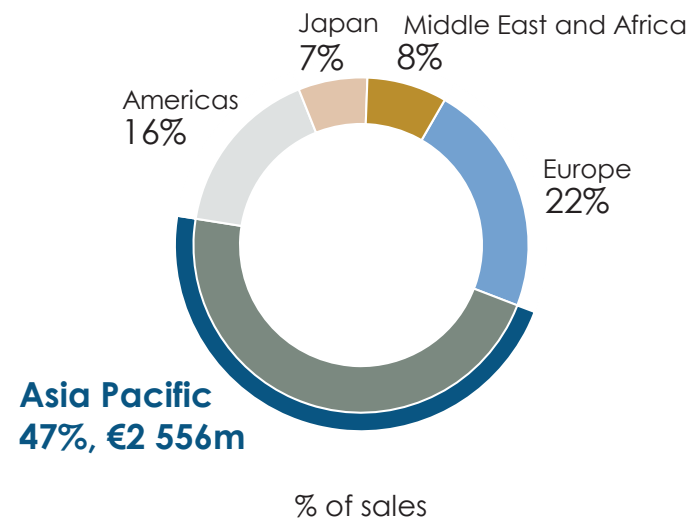
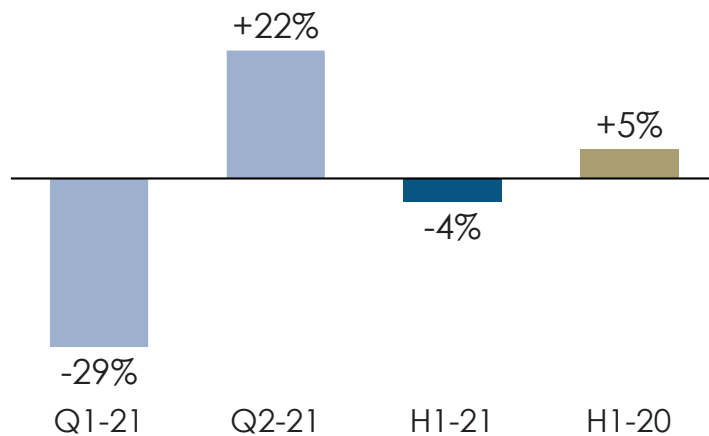
› Sales declined by 44%

- Strong impact from store and fulfilment centre closures in Q1, lack of international tourism and muted local demand
- Resilience at Online Distributors
- Robust performance from our Maisons in online retail



H1-21 SALES IN ASIA PACIFIC

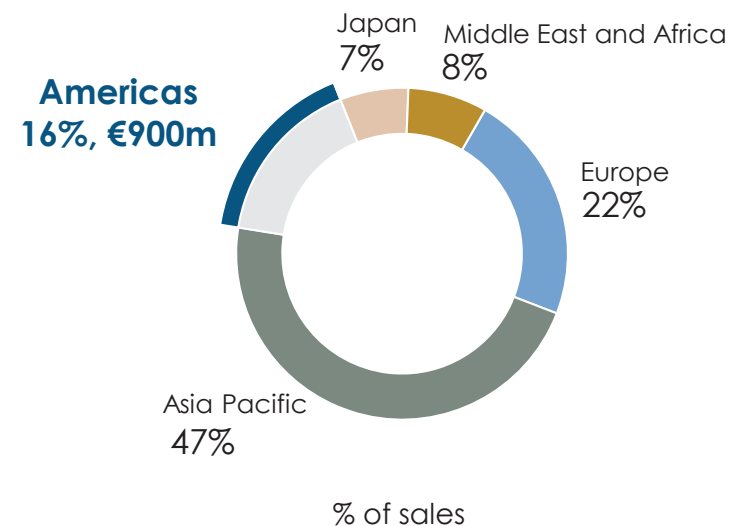
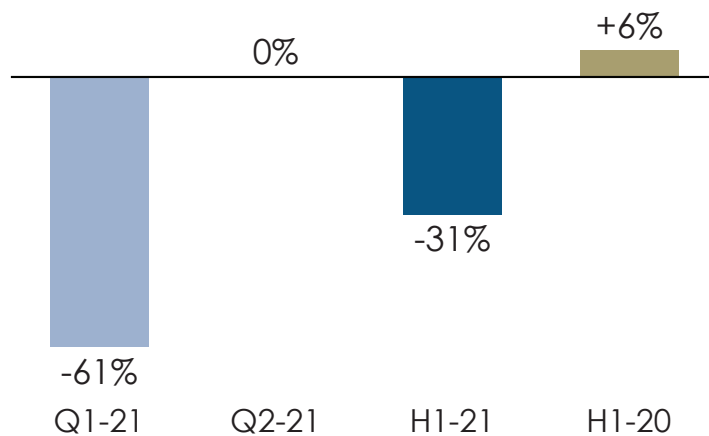
- › **Sales down by 4%, with pronounced double digit growth in Q2**
 - Strong growth in China across channels, declines elsewhere
 - Good performance at Jewellery Maisons



H1-21 SALES IN AMERICAS

› Sales contracted by 31%, resuming growth in September

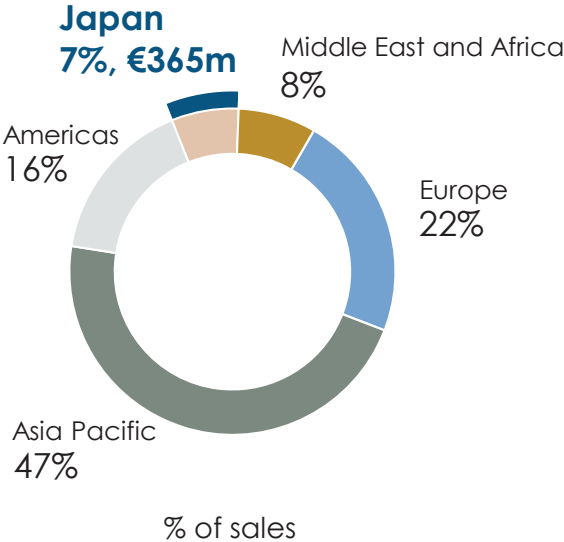
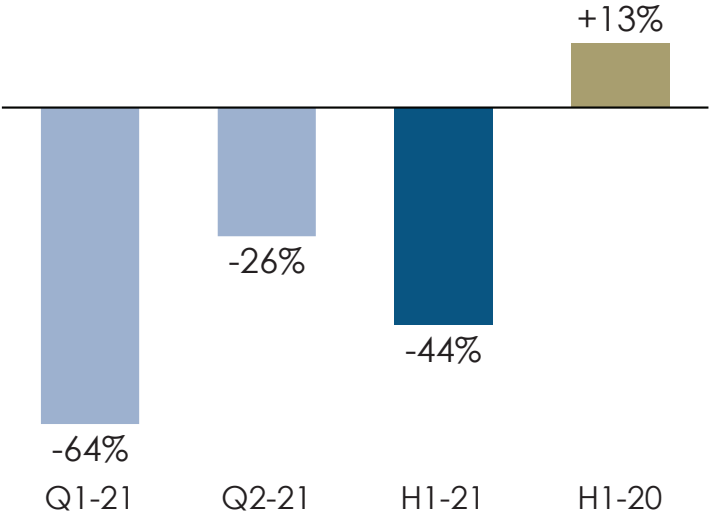
- Declines in all business areas and channels; Jewellery Maisons less affected
- Resilience in online retail - triple digit increase for our Maisons



H1-21 SALES IN JAPAN

› **Sales lower by 44%**

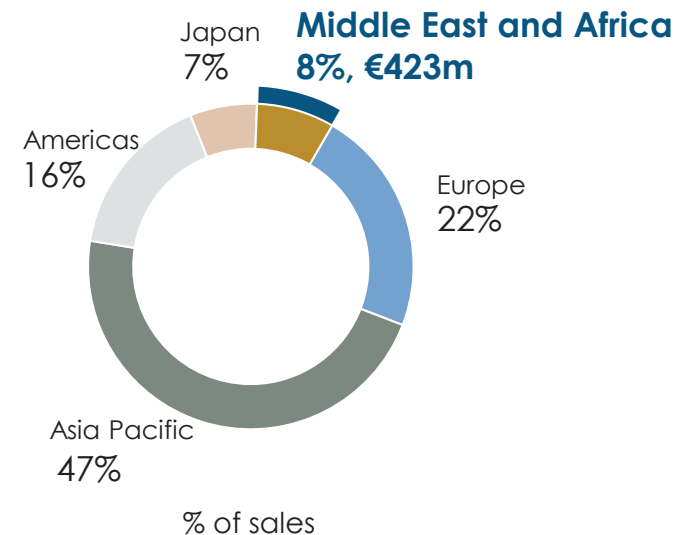
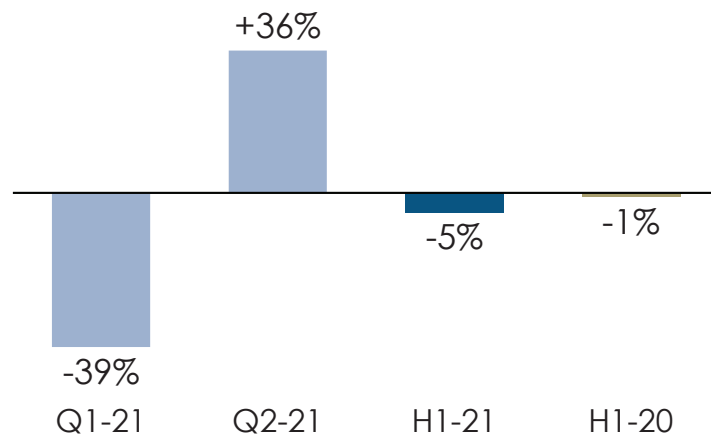
- Impacted by reduced international tourism and challenging comparatives
- Growth in online retail



H1-21 SALES IN THE MIDDLE EAST AND AFRICA

› Sales decreased by 5%

- Strong increase in Jewellery Maisons; stable performance at Online Distributors
- Retail sales growth aided by internalisation of stores at Jewellery Maisons
- Double digit growth in online retail



H1-21 SALES BY DISTRIBUTION CHANNEL

› Retail sales decreased by 22%

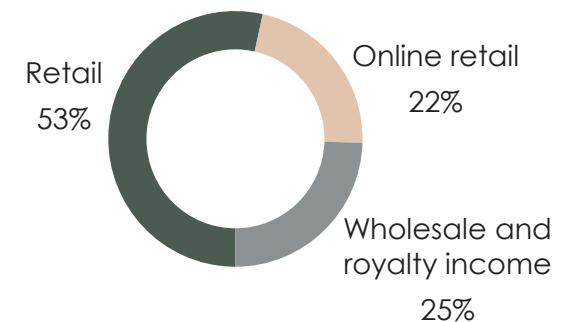
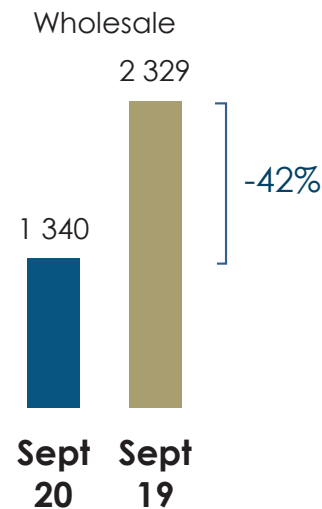
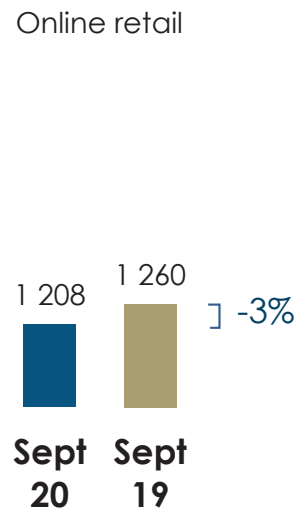
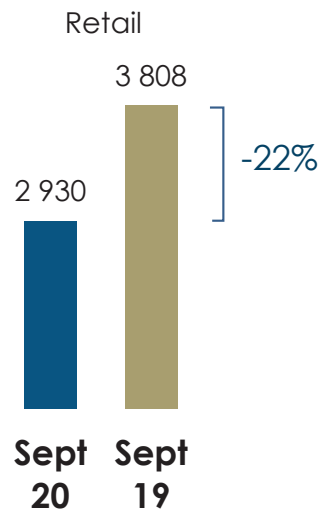
- High single digit increase in Asia Pacific, double digit increase in Middle East and Africa; declines in all business areas with Jewellery Maisons most resilient

› Online retail sales contracted by 3%

- Varied regional performances; triple digit growth in our Maisons (7% of Group sales excluding Online Distributors)

› Wholesale sales declined by 42%; 25% of Group sales

- Largest declines in Europe and Americas

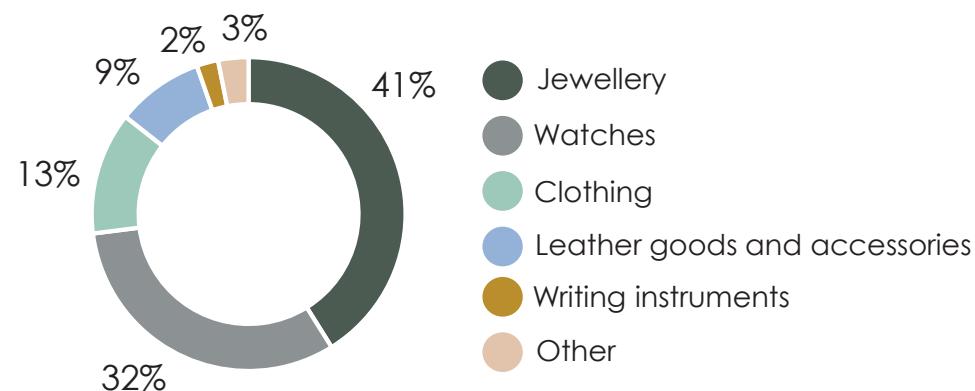


In €m

% change at constant rates

H1-21 SALES BY PRODUCT LINE

- › **Jewellery** the largest and most resilient product category
- › **Watch** sales impacted by exposure to wholesale, declines in all regions
- › **Clothing** and **leather goods** helped by steady improvements at Online Distributors



6 months	€m	Total Group			Excluding Online Distributors		
		H1-21	Constant rates	Actual rates	H1-21	Constant rates	Actual rates
Jewellery		2 253	- 13%	- 15%	2 232	- 13%	- 15%
Watches		1 747	- 33%	- 34%	1 694	- 33%	- 34%
Clothing		692	- 18%	- 19%	171	- 26%	- 27%
Leather goods and accessories		493	- 32%	- 32%	200	-45%	-46%
Writing instruments		122	- 39%	- 41%	122	-39%	-41%
Other		171	- 45%	- 46%	153	-37%	-38%
Total sales		5 478	- 25%	- 26%	4 572	- 25%	- 27%

H1-21 PERFORMANCE – JEWELLERY MAISONS

› Sales decreased by 18% overall in H1, but increased by 4% in Q2

- Higher sales in Asia Pacific and Middle East and Africa; very strong growth in China
- Triple digit increase in online retail; lower sales in both retail and wholesale

› Resilient operational performance

- Reduced manufacturing capacity utilisation, higher gold prices and a stronger Swiss franc
- Solid operating margin, a result of resilient sales, good cost control and focused investments

6 months	€m	Sept 20	Sept 19	Change
Sales		3 061	3 736	-18%
Operating results		922	1 219	-24%
Operating margin		30.1%	32.6%	-250bps

H1-21 JEWELLERY MAISONS

- › **Innovative digital initiatives** adapted to new environment
 - Virtual events for high jewellery and watchmaking (*Watchmaking Encounters*)
 - Distance sales
- › Selective developments in **store network**
 - Renovated store re-openings in Shanghai for Cartier and in Paris for Van Cleef & Arpels
 - Buccellati acquired rights to historic store in Rome
- › **Well received product launches** across Maisons included *Tulle* and *Macri* (Buccellati), *Clash de Cartier* as well as *Frivole* and *Alhambra* (Van Cleef & Arpels) collections in addition to the rejuvenated *Santos* and *Pasha* watch collections at Cartier



H1-21 PERFORMANCE – SPECIALIST WATCHMAKERS

› Sales for the period down by 38%; Q2 sales down by 18%

- Declines in all regions, with relative resilience in Asia Pacific
- Triple digit increase in online retail more than offset by strong declines in other channels

› Small operating loss of €8m

- Lower capacity utilisation in manufacturing, higher gold prices and a stronger Swiss franc
- Partly mitigated by strict cost control and targeted investments

6 months	€m	Sept 20	Sept 19*	Change
Sales		966	1 567	-38%
Operating results		-8	285	-103%
Operating margin		-0.8%	18.2%	-1 900bps

* Prior period comparatives have been restated to exclude valuation adjustments on acquisitions from segment results

H1-21 SPECIALIST WATCHMAKERS

- › **New digital initiatives** enhancing reach and customer experience
 - *Watches & Wonders on the Cloud*
 - Virtual boutique experience at IWC and Piaget
 - Distance sales
- › Targeted **store openings**
 - IWC Zurich, with immersive experience
 - 5 new Tmall Luxury Pavilion flagship stores
- › **Further enrichment** of iconic collections
 - Relaunched *Master Control* (Jaeger LeCoultre)
 - New references for *Portugieser* (IWC), *Possession* and *Limelight Gala* (Piaget), *Overseas* (Vacheron Constantin)



H1-21 PERFORMANCE – ONLINE DISTRIBUTORS

› Sales decrease overall at 21%; 2% increase in Q2 sales

- Steady improvement in all regions since reopening of fulfilment centres
- Relative outperformance in Europe, Middle East and Africa and Japan
- Highly competitive pricing environment for YOOX NET-A-PORTER

› Operating loss of €138m

- Good cost control
- Continued investments in IT at YOOX NET-A-PORTER and in international expansion at Watchfinder

6 months	€m	Sept 20	Sept 19*	Change
Sales		934	1 179	-21%
Operating results		-138	-104	-33%
Operating margin		-14.8%	-8.8%	-600bps

* Prior period comparatives have been restated to exclude valuation adjustments on acquisitions from segment results

H1-21 ONLINE DISTRIBUTORS

› **YOOX NET-A-PORTER GROUP**

- 20th anniversary
- NET-A-PORTER replatforming on track
- 165 exclusive brand capsules introduced
- Partnership with *Watches & Wonders*
- 202 luxury brands now available on NET-A-PORTER Tmall Luxury Pavilion
- Management of Montblanc online flagship store
- Sustainability initiatives included electric delivery vans and fifth season of the Vanguard mentorship programme

› **Watchfinder & Co.**

- Positive customer response to international expansion



NET-A-PORTER

H1-21 PERFORMANCE – OTHER

- › **H1 sales declined by 42%; Q2 sales decreased by 24%**
 - Impacted by closure of fulfilment centres and stores and drop in travel retail
 - Broad based declines across regions; strong performance in China
 - Double digit increase in online retail
- › **Operating loss of €108m**
 - Lower gross margin partly mitigated by good cost control
 - Higher losses at the Group's watch component manufacturers

6 months	€m	Sept 20	Sept 19*	Change
Sales		545	941	-42%
Operating results		-108	5	-2 260%
Operating margin		-19.8%	0.5%	-2 030 bps

* Prior period comparatives have been restated to exclude valuation adjustments on acquisitions from segment results

H1-21 OTHER – FASHION & ACCESSORIES

› Accelerated **digital transformation**

- Fully digitalised showrooms for Spring buying
- Deployment of distance sales tools and live streaming events
- 3 new **Tmall Luxury Pavilion** flagship stores (Chloé, dunhill and Montblanc)

› Montblanc **online store** now hosted by YOOX NET-A-PORTER

› **Notable launches** included the *Mini Daria* bag (Chloé), *Court* sneaker (dunhill), *M_Gram* collection (Montblanc) and *Hyperlite Shield Outwear* (Peter Millar)

