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CONSOLIDATED FINANCIAL STATEMENTS OF THE RÉMY COINTREAU GROUP AT 31 MARCH 2024

5.1 CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	2024	2023
Sales	**15**	**1,194.1**	**1,548.5**
Cost of sales		(344.0)	(444.7)
Gross margin		**850.2**	**1,103.8**
Distribution and administrative expenses	16	(545.8)	(674.2)
Current operating profit	**15**	**304.4**	**429.6**
Other non-current income/(expense)	18	(12.8)	(3.1)
Operating profit		**291.6**	**426.5**
Net borrowing cost		(31.7)	(11.7)
Other financial income/(expense)		(6.8)	(5.9)
Financial result	**19**	**(38.5)**	**(17.6)**
Profit before tax		**253.2**	**408.9**
Income tax	20	(69.4)	(116.3)
Share of profit of associates	5	0.6	0.9
Net profit		**184.4**	**293.5**
Non-controlling interests		0.4	0.3
Net profit – attributable to owners of the parent		**184.8**	**293.8**
Net earnings per share			
basic		3.64	5.79
diluted		3.62	5.70
Number of shares used for the calculation			
basic	10.2	50,719,758	50,720,336
diluted	10.2	51,119,230	51,601,087

5.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	2024	2023
Net profit for the period	**184.4**	**293.5**
Non-recyclable items		
Actuarial difference on pension commitments	(0.9)	5.5
Securities at fair value through comprehensive income	1.7	(5.9)
Related tax effect	0.2	(1.2)
Recyclable items		
Movement in translation differences	2.9	(2.0)
Movement in the value of hedging instruments	(1.6)	22.4
Related tax effect	0.4	(5.8)
Other comprehensive income	**2.7**	**13.0**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**187.1**	**306.5**
Of which:		
attributable to owners of the parent	187.5	306.8
attributable to non-controlling interests	(0.4)	(0.3)

5.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € millions)	Notes	2024	2023
Goodwill and other intangible assets	2	504.8	506.4
Right-of-use assets (IFRS 16)	3	36.4	36.6
Property, plant and equipment	4	450.6	412.5
Investments in associates	5	1.5	1.5
Other financial assets	6	18.3	16.3
Deferred taxation	20	25.6	31.2
Non-current assets		**1,037.3**	**1,004.4**
Inventories	7	1,962.8	1,815.8
Trade and other receivables	8	238.2	268.7
Income tax receivables	20	29.8	5.3
Derivatives	14	9.6	19.0
Cash and cash equivalents	9	93.0	73.7
Current assets		**2,333.4**	**2,182.5**
TOTAL ASSETS		**3,370.7**	**3,187.0**
Share capital		82.0	81.3
Share premium		823.6	773.6
Treasury shares		(47.0)	(50.9)
Consolidated reserves and net profit for the period		954.0	920.7
Translation differences		32.7	29.8
Equity – attributable to the owners of the parent		**1,845.3**	**1,754.4**
Non-controlling interests		0.3	0.7
Equity	**10**	**1,845.6**	**1,755.1**
Long-term financial debt	11	514.9	325.1
Provision for employee benefits	23	20.2	19.0
Long-term provisions for liabilities and charges	12	0.7	1.1
Deferred taxation	20	54.5	51.3
Non-current liabilities		**590.3**	**396.5**
Short-term financial debt and accrued interest charge	11	227.8	285.3
Trade and other payables	13	676.3	717.5
Income tax payables	20	19.3	23.0
Short-term provisions for liabilities and charges	12	9.8	4.0
Derivatives	14	1.7	5.5
Current liabilities		**934.8**	**1,035.3**
TOTAL EQUITY AND LIABILITIES		**3,370.7**	**3,187.0**

5.4 CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

						Attributable to:		
(in € millions)	**Share capital and premiums**	**Treasury shares**	**Reserves and net profit**	**Translation differences**	**Other comprehensive income**	**owners of the parent company**	**non-controlling interests**	**Total equity**
AT 31 MARCH 2022	**939.3**	**(58.7)**	**774.0**	**31.8**	**(25.6)**	**1,660.7**	**1.0**	**1,661.8**
Net gain or loss	-	-	293.8	-	-	293.8	(0.3)	293.5
Other comprehensive income	-	-	-	(2.0)	15.0	13.0	-	13.0
Expenses related to stock option and similar plans	-	-	10.1	-	-	10.1	-	10.1
Transactions on treasury shares	-	(156.8)	(4.8)	-	-	(161.6)	-	(161.6)
Capital reduction	(164.5)	164.5	-	-	-	-	-	-
Dividends	34.7	-	(145.7)	-	-	(111.0)	-	(111.0)
Capital increase	1.8	-	-	-	-	1.8	-	1.8
OCEANE conversion (note **11**)	43.6	-	(0.7)	-	-	42.9	-	42.9
Other movements	-	-	4.6	-	-	4.6	-	4.6
AT 31 MARCH 2023	**854.9**	**(50.9)**	**931.2**	**29.8**	**(10.5)**	**1,754.4**	**0.7**	**1,755.1**
Net gain or loss	-	-	184.8	-	-	184.8	(0.4)	184.4
Other comprehensive income	-	-	-	2.9	(0.2)	2.7	-	2.7
Expenses related to stock option and similar plans	-	-	6.2	-	-	6.2	-	6.2
Dividends	-	-	(152.7)	-	-	(152.7)	-	(152.7)
OCEANE conversion (note **11**)	50.8	-	-	-	-	50.8	-	50.8
Other movements	-	3.9	(4.9)		-	(0.9)	-	(0.9)
AT 31 MARCH 2024	**905.7**	**(47.0)**	**964.7**	**32.7**	**(10.8)**	**1,845.3**	**0.3**	**1,845.6**

5.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	Notes	2024	2023
Current operating profit		304.4	429.6
Depreciation and amortisation		45.1	41.0
Share-based payments		6.2	10.1
Dividends received from associates	5	0.6	0.9
EBITDA		**356.4**	**481.6**
Change in inventories		(149.1)	(202.8)
Change in trade receivables		4.9	(16.7)
Change in trade payables		(8.3)	37.3
Change in other receivables and payables		8.3	(12.5)
Change in working capital		**(144.1)**	**(194.6)**
Net cash flow from operations		**212.2**	**287.0**
Other non-current income/(expense)		(4.5)	(9.2)
Financial result (*)		(24.7)	(13.3)
Income tax		(88.4)	(140.4)
Other operating cash flows		**(117.6)**	**(162.8)**
Net cash flow from operating activities		**94.6**	**124.1**
Purchase of operating investments	2/4	(80.9)	(75.6)
Cash flow from other financial assets		0.5	16.3
Net cash flow from investment activities		**(80.4)**	**(59.3)**
Capital increase		-	1.8
Treasury shares	10	-	(161.6)
Increase in financial debt		390.2	172.6
Repayment of financial debt		(230.4)	(9.0)
Dividends paid in cash		(152.7)	(111.0)
Net cash flow from financing activities		**7.2**	**(107.2)**
Translation differences on cash and cash equivalents		(2.2)	(0.2)
Change in cash and cash equivalents		**19.2**	**(42.6)**
Cash and cash equivalents at start of period	9	**73.7**	**116.3**
Cash and cash equivalents at end of period	9	**93.0**	**73.7**

(*) Interest paid for the period to 31 March 2024 was €21.7 million (March 2023: €9.1 million)

5.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

Rémy Cointreau is a société anonyme (French public limited company) with a single Board of Directors subject to French legislation and in particular the French Commercial Code. Rémy Cointreau shares are listed on Euronext Paris.

The consolidated financial statements presented below were approved by the Board of Directors on 5 June 2024. They will be submitted for shareholder approval at the Shareholders' Meeting on 18 July 2024.

NOTE 1 Accounting policies

Rémy Cointreau's financial year runs from 1 April to 31 March. The consolidated financial statements are presented in millions of euros.

In accordance with European Regulation (EC) No. 1606/2002 of 19 July 2002, Rémy Cointreau Group's consolidated financial statements are prepared in accordance with the international accounting standards applicable within the European Union as of 31 March 2024.

The accounting policies applied in the preparation of the consolidated financial statements for the period ended 31 March 2024 comply with the International Financial Reporting Standards, as adopted by the European Union. These standards can be consulted on the European Commission website at:

www.eur-lex.europa.eu

Changes to the accounting basis compared with the previous financial year

The accounting policies and principles applied in the preparation of the financial statements are the same as those applied in the consolidated financial statements for the financial year ended 31 March 2023, except for mandatory changes to standards applicable as from 1 April 2023.

The new IFRS standards and amendments to existing standards adopted by the European Union and mandatory from 1 January 2023 are as follows:

- Amendments to IAS 1 concerning disclosures on material accounting policies;
- Amendments to IAS 8 clarifying the distinction between a change in an accounting estimate and a change in accounting policy;
- Amendments to IAS 12 removing the exemption from the initial recognition of deferred tax for transactions giving rise to equal amounts of taxable and deductible temporary differences;
- Amendments to IFRS 17, concerning the principles for the recognition, measurement, presentation and disclosure of insurance contracts.

Application of these new standards and interpretations did not have a material impact on the Group financial statements for the period ended 31 March 2024.

Note 1.1 International tax reform - Pillar 2

The Group has carried out work on applying the safe harbour measures in order to measure its potential exposure when these new rules take effect. The impacts that will recognised as from the 2024/2025 financial year are not material.

Note 1.2 Impact of climate change

The Rémy Cointreau Group's current exposure to the consequences of climate change is limited and the impact on the financial statements for the year is mainly related to expenses incurred to implement the Group's environmental strategy. The Group's activities and results may be impacted in the short, medium and long term by the availability and increase in the price of raw materials, production costs and transport. These potential effects cannot be quantified at this stage but are fully taken into account through a cautious approach to the forecasts used in tests to measure the value of intangible assets.

Note 1.3 Use of estimates

The preparation of the financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions that have a bearing on the amounts reported in the financial statements and whose subsequent revision could affect future results. This is particularly the case in respect of the items described below.

Asset impairment tests

When required by standards or circumstances, the Group regularly uses discounted future cash flow calculations and/or market values of comparable assets for impairment tests performed on the carrying amount of intangible assets with an indefinite useful life. The underlying parameters of such calculations are subject to assumptions, the future evolution of which may lead to significant changes in subsequent values.

Provisions for liabilities and charges

The recognition of provisions, generally intended to cover compensation payable in the event of litigation with third parties, requires the Group's management to estimate the level of probability associated with this risk and also the outcome of negotiations, transactions and legal proceedings that are or may be conducted with the third parties concerned.

Pension commitments and other post-employment benefits

The valuation of these obligations is determined by the use of actuarial methods involving assumptions in respect of the discount rate, expected return on plan assets, salary increases, life expectancy, etc. Given the long-term nature of these obligations, any changes to these assumptions may have a material impact on the valuation. Changes in the retirement age assumptions in France, made in the light of the 2023 reform, did not have a material impact.

Derivatives

Derivatives held by the Group in connection with its ordinary activities, mainly in the form of options, are valued using the methods prevailing in the financial markets. Note that these valuations are based on market data as at the reporting date. These values may fluctuate rapidly due to the constant changes in the financial markets.

Note 1.4 Consolidation methods

Rémy Cointreau is the consolidating company.

The financial statements of the companies under the exclusive control of Rémy Cointreau are fully consolidated. An investor controls an issuing entity when it is exposed, or has rights, to variable returns from its involvement with the issuing entity and it has the ability to affect those returns through its power over the entity. Thus, an investor controls an issuing entity if, and only if, all the conditions below are met:

- it holds power over the issuing entity;
- it is exposed, or has rights, to variable returns from its involvement with the issuing entity (special purpose entities, see also note 1.9);
- it has the ability to use its power over the issuing entity to affect the amount of the investor's returns.

Equity investments in companies over which the Group exercises significant influence (associates) are accounted for using the equity method. Significant influence is presumed to exist when the parent company holds, directly or indirectly, 20% or more of the voting rights in the Company, unless it is clearly shown that this is not the case.

Consolidated companies prepare their financial statements in accordance with generally accepted accounting principles in their country. Where necessary, adjustments are made to these financial statements to bring their accounting policies and principles in line with those used by the Group.

All significant transactions between consolidated companies as well as intra-Group gains and losses are eliminated on consolidation.

Note 1.5 Translation of the financial statements of foreign subsidiaries

The consolidated financial statements of the Rémy Cointreau Group are presented in euros, the functional currency of Rémy Cointreau SA.

The statements of financial position of subsidiaries whose functional currency is not the euro are translated at the closing exchange rate. The income statements and statements of cash flows are translated at the average exchange rate for the financial year. Any translation differences are recognised through other comprehensive income and disclosed in equity under "Translation differences" until the sale or liquidation of the subsidiary concerned.

Note 1.6 Foreign currency transactions

In relation to each entity, transactions denominated in currencies other than the functional currency are recorded in the functional currency using the exchange rate applicable on the date of transaction. At the end of each period, monetary assets and liabilities denominated in foreign currencies are revalued at the closing exchange rate. The resulting differences are recognised in either operating profit or the financial result depending on the nature of the underlying transactions.

By way of exception, revaluation differences relating to transactions classified as net investment hedges are recognised through other comprehensive income and disclosed in equity under "Translation differences".

As a general rule, distribution subsidiaries invoice their customers in the functional currency of the customer and make purchases from production subsidiaries in their own functional currency (not in the functional currency of the production company). The majority of the Group's production subsidiaries are located in the euro zone, while the euro represents less than 15% of its sales. As a result, production subsidiaries and some distribution subsidiaries are significantly exposed to changes in foreign exchange rates.

The Group manages this risk, and other similar risks associated with the financing of its "non euro" subsidiaries, centrally through the use of derivatives which are recognised in accordance with IFRS 9. The hedging instruments are concluded over a rolling 18-month period. At the end of each period, the Group may hold a portfolio of instruments intended to hedge the cash flows of subsequent years. Over the course of the financial year, the instruments held at the start of the year reach maturity.

The effects of remeasuring foreign currency derivatives at the end of each period are mainly recognised through other comprehensive income, in accordance with IFRS 9. Such remeasurements are based on the closing exchange rate for each currency and have no bearing on the gain or loss that will actually be realised when the instruments mature.

The actual gains or losses realised when hedging instruments mature are recorded in either gross profit or the financial result depending on the type of cash flows hedged (trading or financial).

Note 1.7 Business combinations and goodwill

Goodwill represents the difference between the cost of acquisition of the businesses and the fair value of identifiable assets and liabilities at the date of acquisition.

In accordance with IFRS 3 "Business combinations", goodwill is not amortised but is subject to impairment testing at least annually and as soon as there is any indication of a decrease in value. For the purpose of this testing, goodwill is broken down by cash generating unit (CGU).

Costs related to an acquisition are recognised in profit or loss in the period in which the costs are incurred and the services received. They are disclosed in "Other operating income/(expense)" in the consolidated income statement and in "Net cash flow from investment activities" in the consolidated statement of cash flows.

Note 1.8 Definitions of certain indicators

A) Sales

Sales include wholesale and retail trading of finished goods, corresponding mainly to branded wines and spirits marketed by the Group.

These sales are recognised when control has been transferred to the customer, which generally occurs on shipment.

These amounts are stated net of duties and taxes and net of any provisions for discounts, rebates and other forms of trade agreements that result in the customer ultimately paying a lower price for the goods.

B) Current operating profit, operating profit, net profit from discontinued operations

Current operating profit comprises all elements relating to the Group's activities with the exception of:

- the operating profit or loss from operations classified as discontinued operations in accordance with IFRS 5. The corresponding operating profit or loss is reclassified to the item "Net profit from discontinued operations" together with other items of income and expense relating to these activities;
- items that, given their nature, frequency and materiality, cannot be considered as part of the Group's ordinary activities and which affect year-on-year comparisons. They include notably impairment provisions recognised as a result of impairment tests in respect of brands and other non-current assets (see **note 2**), provisions for restructuring and litigation, and significant gains or losses on disposals of assets other than those relating to operations that have been, or are to be, discontinued.

C) Earnings before interest, tax, depreciation and amortisation (EBITDA)

This aggregate, which is used in the calculation of certain ratios, is calculated as follows: current operating profit + depreciation and amortisation expenses on intangible assets and property, plant and equipment for the period + expenses relating to stock option and similar plans + dividends paid by associates during the period.

D) Net debt

This aggregate, which is used in the calculation of certain ratios, is calculated as follows: long-term financial debt + short-term financial debt and accrued interest – cash and cash equivalents. Debt includes IFRS 16 lease liabilities and debt relating to commitments to purchase securities from non-controlling shareholders.

E) A ratio

The availability and cost of certain Group borrowings are linked to a bank covenant referred to as the "A ratio". This figure is calculated every six months. It is the ratio of (a) the arithmetic average of the net debt at the end of the half-year and the end of the previous half-year, to (b) the gross operating income (EBITDA) for the previous 12 months. Calculation of the A ratio excludes the effects of IFRS 16 on net debt and EBITDA.

Note 1.9 Consolidation of inventories of cooperatives

Since 1 April 2003, the Rémy Cointreau Group has fully consolidated the Alliance Fine Champagne (AFC) cooperative as a special purpose entity, in respect of the scope of operations relating to Rémy Cointreau.

This consolidation is reflected by the recognition in the consolidated statement of financial position of the inventories that AFC holds and intends to deliver to Rémy Cointreau. These inventories include inventories held by the distillers in connection with multi-year supply agreements. Corresponding entries are included in financial debt and trade payables. The resulting finance costs are also included in the Rémy Cointreau Group's borrowing cost.

NOTE 2 Goodwill and other intangible assets

With the exception of software licences, "Goodwill and other intangible assets" mainly comprises the value of intangible assets identified when acquisitions are made by the Group, i.e. goodwill and brands.

The values recorded under "Brands" in the Rémy Cointreau Group's statement of financial position are not amortised as they have the benefit of legal protection, generate higher earnings than those of similar unbranded products and have an indefinite useful life.

Intangible assets with an indefinite useful life are tested for impairment at least once a year at the reporting date and whenever there is an indication of a decrease in value. These tests, which are described below, thus apply to goodwill and brands.

Expenditure incurred to create new brands or to develop existing brands and all expenses relating to the registration and legal protection of brands are systematically recognised in the income statement for the period in which they are incurred.

Pursuant to IAS 38 "Intangible assets", advertising and promotional expenses are recorded as expenses in the period in which they are incurred.

The Rémy Cointreau Group does not capitalise any research and development costs.

Other intangible assets are amortised over a period of three to seven years.

Impairment tests on assets with an indefinite useful life

In accordance with IAS 36, assets are allocated to cash generating units (CGUs) for the purposes of these tests. In Rémy Cointreau Group's case, the structure of these CGUs is based on the brand portfolio. A brand or group of brands constitutes a CGU when the brand or brands generate cash inflows that are largely independent of those generated by other brands or groups of brands.

Impairment tests consist of comparing the net carrying amount of the assets or group of assets in the CGU with their recoverable value, which is the higher of the value in use and the fair value less costs to sell. When impairment tests indicate that the recoverable value is less than the net carrying amount, an impairment charge is recognised in the income statement.

Value in use is mainly determined from projections of future cash flows taken from medium-term planning, the period of which is adjusted to the specific features of each business. The standard period is thus 5 years, but this is raised to 12 years for certain brands for which the products must be aged for long periods. Cash flow projections are discounted using the weighted average cost of capital. The calculation includes a terminal value estimated by extrapolating the normative cash flow at the end of the last explicit forecasting period, based on the perpetual growth rate.

Fair value less costs to sell is equal to the market value, which is determined using revenue or EBITDA multiples observed in recent transactions for similar assets.

(in € millions)	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 31 March 2023	**53.1**	**517.1**	**4.0**	**69.6**	**643.8**
Acquisitions	-	0.1	-	3.7	3.8
Disposals, items scrapped	-	-	-	(0.2)	(0.2)
Other movements	-	-	-	0.1	0.1
Translation differences	0.8	0.5	-	(0.2)	1.2
Gross value at 31 March 2024	**53.9**	**517.7**	**4.0**	**73.1**	**648.7**
Accumulated amortisation and impairment at 31 March 2023	**29.1**	**61.4**	**4;0**	**42.9**	**137.4**
Increase	-	0.1	-	6.2	6.3
Disposals, items scrapped	-	-	-	(0.1)	(0.1)
Translation differences	0.2	0.1	-	(0.1)	0.2
Accumulated amortisation and impairment at 31 March 2024	**29.3**	**61.6**	**4.0**	**48.9**	**143.8**
Net carrying amount at 31 March 2023	**24.0**	**455.6**	**-**	**26.7**	**506.4**
Net carrying amount at 31 March 2024	**24.6**	**456.1**	**-**	**24.1**	**504.8**

Impairment of goodwill: Westland €26.7 million, Mount Gay €2.1 million and Le Domaine des Hautes Glaces €0.5 million.
Brand impairment: Metaxa €45.0 million, Mount Gay €8.3 million, other secondary brands €8.3 million.

"Other" mainly includes software acquired and developed internally.

The "Goodwill" item, with a net value of €24.6 million at 31 March 2024, includes the goodwill generated by the acquisitions of Bruichladdich Distillery Company Ltd (September 2012), Brillet (April 2020) and Telmont (October 2020).

The "Brands" item, with a net value of €456.1 million at 31 March 2024, includes:

(in € millions)	Carrying amount	
Historical brands: Rémy Martin and Cointreau	281.8	These values come from the recognition of the buyback of minority interests and do not therefore represent comprehensive assessment of these brands.
Acquired brands of significant importance: Metaxa, Bruichladdich, Westland, Brillet, Telmont.	171.1	Metaxa, a brand acquired in 2000. Bruichladdich (including Port Charlotte and Octomore), brands acquired in 2012. Westland, a brand acquired in 2017. Brillet and Telmont, brands acquired in 2020
Other acquired brands of secondary importance	3.2	
TOTAL	**456.1**	

Impairment tests on intangible assets with an indefinite useful life

The inputs used to calculate value in use in the tests performed at 31 March 2024 are as follows:

CGU	Discount rate after tax	Perpetual growth rate
Rémy Martin	8.6%	1.8%
Cointreau	7.9%	1.8%
Metaxa	8.8%	1.9%
Bruichladdich	10.6%	2.0%
Westland	9.7%	1.9%
Brillet	11.1%	1.8%
Telmont	8.9%	1.8%

Following the performance of the tests, no additional impairment was recognised at 31 March 2024. A 100 basis point change in the discount rate, a 50 basis point change in the perpetual growth rate, or a 50 basis point change in the marginal rate would not lead to any impairment of intangible assets with an indefinite useful life:

NOTE 3 Right-of-use assets – IFRS 16

IFRS 16 "Leases" is mandatory for financial years beginning on or after 1 January 2019. Rémy Cointreau opted for the early application of this standard from 1 April 2018. The chosen transition method was the "simplified retrospective" method, with the implementation of the simplified measures envisaged in the standard (exclusion of leases of less than one year and exclusion of leases for low-value assets).

The discount rate used corresponds to each entity's incremental borrowing rate at 1 April 2018 for all leases outstanding at that date. For new leases, the prevailing rate at the lease commencement date is used. The discount rates range from 1% to 6.5% and are calculated on the basis of the entity's risk profile and the maturity of the restated lease. They include a country risk component.

The restatements mainly concern leases for offices and warehouses. The period used for the valuation of these rental commitments runs until September 2034 and corresponds to the contractual term, including any extension if the Group intends to exercise a renewal option.

Pursuant to IFRS 16, leases are recognised as right-of-use assets representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The rights of use are depreciated while the liability is reduced by the amount of the lease charges paid during the financial year. A financial expense records the effect of the accretion of the liability.

Note 3.1 Analysis of change

(in € millions)	Gross amount	Depreciation	Total
At 31 March 2023	**64.9**	**(28.3)**	**36.6**
New leases and increase of rents	10.2	-	10.2
Expired leases	(16.7)	16.7	-
Depreciation	-	(10.3)	(10.3)
Translation differences	(0.3)	0.2	(0.1)
At 31 March 2024	**58.1**	**(21.7)**	**36.4**

Lease expenses in relation to leases with a term of less than 12 months or leases of low-value assets, and variable lease expenses not included in the lease liability, are not material.

- The increase in right-of-use assets during the period is mainly due to the aiugmentation de loyers, the signing or renewal of leases in France, in Singapore, Japan, China and Switzerland.

Note 3.2 Details by asset class

	Carrying amount		Depreciation expense	
(in € millions)	2024	2023	2024	2023
Offices	33.7	32.2	(8.4)	(7.3)
Warehouses and production sites	0.8	1.0	(0.4)	(0.8)
Other	1.9	3.4	(1.4)	(1.2)
TOTAL	**36.4**	**36.6**	**(10.3)**	**(9.3)**

NOTE 4 Property, plant and equipment

Gross amount

In accordance with IAS 16 "Property, plant and equipment", the gross value of items of property, plant and equipment corresponds to their acquisition or production cost. These assets are not revalued subsequently.

Their value does not include any finance costs.

Capital grants are deducted from the gross amount of the non-current assets to which they relate.

Maintenance and repair costs are recognised in the income statement when incurred, except when intended to increase productivity and/or to extend the useful life of an asset.

The assets concerned are depreciated using the methods and useful lives described below.

Depreciation

Depreciation is calculated using the straight-line method applied to the acquisition cost less any estimated residual value.

The Rémy Cointreau Group's non-current assets are predominantly used in production. Given that they are used until the end of their estimated useful lives, it is deemed that they have no material residual value.

Depreciation is based on the estimated useful lives of the different categories of non-current assets, being the periods during which it is estimated that the Group will derive economic benefits from these assets.

■ Buildings, depending on the components	10 to 75 years
■ Stills, casks, vats	35 to 50 years
■ Technical plant, machinery and equipment	3 to 15 years
■ IT equipment	3 to 5 years
■ Other non-current assets	5 to 10 years

(in € millions)	Land	Buildings	Plant and equipment	Other	In progress	Total
Gross value at 31 March 2023	**29.9**	**224.0**	**181.6**	**200.3**	**67.7**	**703.5**
Acquisitions	0.3	9.5	11.4	22.3	23.1	66.6
Disposals, items scrapped	(0.3)	(0.2)	(1.4)	(4.7)	-	(6.6)
Other movements	0.6	20.1	10.5	13.7	(45.9)	(1.0)
Translation differences	0.1	1.2	0.5	0.4	0.1	2.4
Gross value at 31 March 2024	**30.7**	**254.7**	**202.6**	**231.9**	**45.0**	**764.9**
Accumulated depreciation and impairment at 31 March 2023	**3.8**	**76.5**	**121.7**	**89.1**	**-**	**291.1**
Increase	0.5	7.1	9.0	12.0	-	28.6
Disposals, items scrapped	-	(0.1)	(1.4)	(4.5)	-	(6.0)
Other movements	-	1.5	(1.1)	(0.4)	-	-
Translation differences	-	0.2	0.3	0.1	-	0.6
Accumulated depreciation and impairment at 31 March 2024	**4.2**	**85.3**	**128.5**	**96.3**	**0.0**	**314.3**
Net carrying amount at 31 March 2023	**26.1**	**147.5**	**59.9**	**111.2**	**67.7**	**412.5**
Net carrying amount at 31 March 2024	**26.5**	**169.4**	**74.1**	**135.6**	**45.0**	**450.6**

As of 31 March 2024, none of these assets were subject to provisions for impairment. These non-current assets are unencumbered.

During the financial year ended 31 March 2024, acquisitions mainly concerned major investment programmes at the Cognac, Saint-Barthélemy-d'Anjou, Islay, Barbados, Seattle and St-Jean-d'Hérans production sites.

NOTE 5 Investments in associates

Investments in associates represent equity investments in companies meeting the principle described in note **1.4**.

(in € millions)	Spirits Platform	Total
At 31 March 2023	**1.5**	**1.5**
Dividend paid	(0.6)	(0.6)
Profit for the period	0.6	0.6
AT 31 MARCH 2024	**1.5**	**1.5**

On 31 July 2015, Rémy Cointreau Group acquired a 37% stake in Spirits Platform Pty Ltd for €0.7 million. Spirits Platform Pty Ltd is accounted for using the equity method. The company distributes Rémy Cointreau's brand portfolio in the Australian market.

Its financial year-end is 30 September. Its sales for the Rémy Cointreau financial year ended 31 March 2024 totalled €52.9 million (2023: €56.6 million). Its total assets amounted to €22.4 million at 31 March 2024 (2023: €24.7 million).

In the financial year ended 31 March 2024, the Rémy Cointreau Group generated sales of €9.3 million with Spirits Platform (2023: €12.5 million).

NOTE 6 Other financial assets

(in € millions)	2024	2023
Non-consolidated equity investments (note **6.1**)	11.7	9.9
Sub-leasing assets – IFRS 16 (note **6.2**)	-	0.5
Other (note **6.3**)	6.6	5.9
TOTAL	**18.3**	**16.3**

Note 6.1 Non-consolidated equity investments

(in € millions)	% held	2024	% held	2023
Dynasty Fine Wines Group Ltd (China)	23.9%	11.2	27.0%	9.4
Bacalhôa-Vinhos de Portugal (Portugal)	0.8%	0.5	0.8%	0.5
TOTAL		**11.7**		**9.9**

This item mainly includes the valuation of the investment in the Chinese Dynasty Fine Wines Group, a major wine player in China, listed on the Hong Kong Stock Exchange. Said equity investment is recognised at fair value through other comprehensive income, in accordance with IFRS 9. At a closing share price of HKD 0.28, the valuation of the investment was €11.2 million at 31 March 2024, representing an increase of €1.8 million (€1.7 million before the currency effect) compared to the financial year ended 31 March 2023. The corresponding increase in equity was recognised through OCI.

Note 6.2 Sub-leasing assets – IFRS 16

As of 31 March 2023, a sub-leasing asset was linked to the application of IFRS 16 (note **3**) and related to an office lease in the United States. There were no remaining sub-leasing assets at 31 March 2024.

Note 6.3 Other financial assets

The "Other" item includes loans to non-fully consolidated subsidiaries and security deposits relating to commercial leases or customs procedures.

NOTE 7 Inventories

Inventories are recognised when the risks and rewards of ownership have passed to the Rémy Cointreau Group. The application of this principle, which is part of the IFRS conceptual framework, results in the recognition of inventories that are held physically and legally by third parties. A corresponding entry is generally recorded in trade payables.

Inventories are stated at the lower of cost and net realisable value.

A substantial part of the inventories held by the Rémy Cointreau Group consists of eaux-de-vie (cognac, brandy, rum, malt Scotch whisky) that are undergoing ageing. These inventories may be held for periods ranging from three to more than 70 years. They remain classified within current assets in accordance with industry practice.

Inventories originating from agricultural assets owned or operated directly by the Group are not material.

The inventories undergoing ageing are recognised at cost, excluding any financing costs, which are recorded in financial expenses in the period during which they are incurred. The cost price comprises the purchase price plus incidental costs and is increased each year by including costs directly attributable to the ageing process as well as to reflect evaporation.

The approach used to determine realisable value takes into account the sale price of the finished goods developed using these inventories.

Finished goods inventories are stated at the lower of the cost price calculated using the weighted average cost method and net realisable value.

Note 7.1 Breakdown by category

(in € millions)	2024	2023
Raw materials	60.7	55.4
Ageing wines and eaux-de-vie [(1)]	1,700.2	1,572.1
Goods for resale and finished goods	210.8	192.9
Gross amount	**1,971.7**	**1,820.4**
Provision for impairment	(8.9)	(4.6)
Carrying amount	**1,962.8**	**1,815.8**

(1) Includes Alliance Fine Champagne inventories (March 2024: €385.9 million; March 2023: €357.1 million).

As of 31 March 2024, some eaux-de-vie inventories were subject to agricultural warrants for €55.0 million (2023: €55.0 million).

Note 7.2 Analysis of movement

(in € millions)	Gross amount	Impairment	Carrying amount
Balance at 31 March 2023	**1,820.4**	**(4.6)**	**1,815.8**
Movement	149.1	(3.9)	145.2
Reclassification	0.4	(0.4)	-
Translation differences	1.8	-	1.8
Balance at 31 March 2024	**1,971.7**	**(8.9)**	**1,962.8**

NOTE 8 Trade and other receivables

Trade receivables, which are generally collected within three months, are stated at nominal value.

(in € millions)	2024	2023
Trade receivables	132.5	138.8
Receivables related to taxes and social charges (excl. income tax)	33.4	35.3
Sundry prepaid expenses	15.6	15.7
Advances paid	51.5	73.3
Other receivables	5.2	5.5
TOTAL	**238.2**	**268.7**
of which provision for doubtful debts	(0.3)	(0.4)

At 31 March 2024, the breakdown of trade receivables by maturity was as follows:

			Due	
(in € millions)	Total	Not yet due	Less than 3 months	More than 3 months
Trade receivables gross	**132.8**	**129.7**	**3.1**	**-**

The Group is engaged in factoring programmes in Europe, the United States and Asia-Pacific (excluding China) with specialist companies that are subsidiaries of top-tier banks.

Through these programmes, the Group is able to transfer to the factor all credit and carrying risks related to the accounts receivable of certain customers, up to a certain credit limit. These programmes meet the conditions set forth by IFRS 9 enabling the Group to deconsolidate its receivables once they are transferred to the factor.

Factoring programmes in place at 31 March 2024 have accelerated €57.8 million in customer payments (2023: €81.2 million).

NOTE 9 Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term investments that are considered highly liquid, can be converted into a known amount of cash and involve immaterial risk of loss in value in relation to the criteria specified in IAS 7.

(in € millions)	2024	2023
Short-term deposits	-	1.0
Cash at bank	93.0	72.7
TOTAL	**93.0**	**73.7**

NOTE 10 Equity

Note 10.1 Share capital, share premiums and treasury shares

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premiums	Treasury shares
At 31 March 2023	**50,785,696**	**(347,939)**	**50,437,757**	**81.3**	**773.6**	**(50.9)**
Allocation of the 2020 bonus share plan	-	38,026	38,026	-	-	3.9
OCEANE conversion	467,273	-	467,273	0.7	50.0	-
AT 31 MARCH 2024	**51,252,969**	**(309,913)**	**50,943,056**	**82.0**	**823.6**	**(47.0)**

Share capital and premiums

At 31 March 2024, the share capital consisted of 51,252,969 shares with a par value of €1.60.

OCEANE conversion

During the financial year ended 31 March 2024, 458,841 OCEANEs were converted into Rémy Cointreau shares, bringing the total amount of OCEANEs converted to date to 92.2%. In accordance with the conversion ratio, 467,273 shares were thus created. The transaction resulted in an impact of €50.8 million on consolidated shareholders' equity.

Treasury shares

Treasury shares: Group investments in Rémy Cointreau shares are deducted from consolidated shareholders' equity at their acquisition cost. These shares are generally held with the aim of serving bonus share plans or as part of a liquidity contract.

At 31 March 2024, Rémy Cointreau held 309,913 of its own shares in order to cover current or future bonus share plans.

Note 10.2 Number of shares used to calculate earnings per share

Basic earnings per share are calculated according to the weighted average number of shares in issue during the reporting period, less the average number of treasury shares held over the period.

Diluted earnings per share are calculated based on the weighted average number of shares in issue during the reporting period, less the average number of treasury shares held over the period, plus the weighted average number of shares that would result from the settlement of the bonus share plans outstanding at the reporting date and from the conversion of the convertible bonds (OCEANE). These calculations are in line with IAS 33.

In the event that diluted earnings per share are higher than basic earnings per share, diluted earnings per share are adjusted to the level of basic earnings per share.

	2024	2023
Average number of shares (basic):		
Average number of shares	51,054,398	51,340,129
Average number of treasury shares	(334,640)	(619,793)
TOTAL USED TO CALCULATE BASIC EARNINGS PER SHARE	**50,719,758**	**50,720,336**
Average number of shares (diluted):		
Average number of shares (basic)	50,719,758	50,720,336
Dilution effect of bonus share plans	199,554	215,986
Dilution effect of OCEANE convertible bonds	199,918	664,765
TOTAL USED TO CALCULATE DILUTED EARNINGS PER SHARE	**51,119,230**	**51,601,087**

Note 10.3 Bonus share plans

Date of allocation (1)	Plan no.	Vesting period	Rights initially granted	Value per right at grant date	Lapsed rights	Rights granted at the end of the vesting period	Rights outstanding at 31 March 2024
24 November 2020	2020	3 years	42,479	153.00	9,641	38,026	-
14 January 2021	2021	4 years	39,602	149.20	7,954	-	31,648
31 March 2021	2021 - 2025	4.25 years	72,500	159.40	16,950	-	55,550
31 March 2021	2021 - 2030	9.25 years	72,500	159.40	23,831	-	48,669
13 January 2022	2022	4 years	35,310	199.20	5,200	-	30,110
12 January 2023	2023	4 years	40,913	167.00	2,018	-	38,895
11 January 2024	2024	4 years	65,840	95.60	1,220	-	64,620
TOTAL			**369,144**		**66,814**	**38,026**	**269,492**

(1) The grant date is the date of the Board of Directors' meeting which decided the allocations under each plan.

All plans are indexed plans (AGAI). The shares issued to beneficiaries at the end of the vesting period are subject to their continued employment with the Group. The number of shares will depend on the achievement of external and/or internal criteria.

2020 Plan: this plan expired on 24 November 2023. At that time, 32,838 rights remained outstanding, all of which were granted as well as 5,188 additional shares linked to the exceeding of performance assumptions, i.e. a total of 38,026 shares granted. In accordance with the rules of this plan, 50% of the number of shares actually awarded was based on the level to which the current operating profit targets set for the financial years 2019/2020 to 2022/2023 were achieved, and 50% was based on a CO_2 emissions target for Rémy Cointreau set on the basis of scope 1 and 2 emissions as defined under the Greenhouse Gas Protocol, taking the 1.5°C scenario into account. The level of achievement of these performance criteria was 115.7%. This plan was fully funded by the delivery of shares held by Rémy Cointreau.

2021 Plan: 50% of the maximum number of shares will be granted if the current operating profit has reached the target set (target values defined for financial years 2020/2021 to 2023/2024). 50% of the maximum number of shares will be granted if the target set for Rémy Cointreau's CO_2 emissions, calculated according to scopes 1 and 2 of the GHG (Greenhouse Gas) Protocol and taking into account the 1.5°C scenario, is achieved. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

2021/2025 Plan: 50% of the maximum number of shares will be granted if the current operating profit has reached the target set for the 2024/2025 financial year. 50% of the maximum number of shares will be granted if the gross margin has reached the target set for the 2024/2025 financial year. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

2021/2030 Plan: 33% of the maximum number of shares will be granted if the current operating profit has reached the target set for the 2029/2030 financial year. 33% of the maximum number of shares will be granted if the gross margin has reached the target set for the 2029/2030 financial year. 33% of the maximum number of shares will be granted if Rémy Cointreau's target percentage reduction in intensity of CO2 emissions, calculated according to scopes 1, 2 and 3 of the GHG (Greenhouse Gas) Protocol applying the "WB2C" and "1.5 °C" scenarios, is achieved for the 2029/2030 financial year. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

2022 Plan: 50% of the maximum number of shares will be granted if the current operating profit has reached the target set (target values defined for financial years 2021/2022 to 2024/2025). 50% of the maximum number of shares will be granted if the target set for Rémy Cointreau's CO2 emissions, calculated according to scopes 1 and 2 of the GHG (Greenhouse Gas) Protocol and taking into account the 1.5°C scenario, is achieved for the 2024/2025 financial year. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

2023 Plan: 50% of the maximum number of shares will be granted if the current operating profit has reached the target set (target values defined for financial years 2022/2023 to 2025/2026). 50% of the maximum number of shares will be granted, if the CO2 emission reduction target per standard bottle for the 2025/2026 fiscal year, of between -14% and -16% CO2 equivalent compared to the 2020/2021 financial year, has been achieved. This objective includes the entire carbon footprint of the Group (scopes 1, 2 and 3) according to the GHG Protocol and is measured by an independent firm. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

2024 Plan: 50% of the maximum number of shares will be granted if the current operating profit has reached the target set (target values defined for financial years 2023/2024 to 2026/2027). 50% of the maximum number of shares will be granted if the level of greenhouse gas emissions (in tonnes of CO2 equivalent) in the 2026/2027 financial year is between -5% and +5% of the level in 2020/2021. This target covers the whole of the Group's greenhouse gas emissions (scopes 1, 2 and 3) as defined under the GHG Protocol and is measured by an independent firm. As at the reporting date, the plan was expected to be serviced in full by the delivery of shares held by Rémy Cointreau.

Calculation of the expense for the year

In accordance with IFRS 2, an expense representing the value of the benefit granted to the beneficiaries of these plans is recognised within operating profit, spread over the vesting period.

The fair value of the rights granted was calculated by independent actuaries.

(in € millions)	**Fair value of one right** *(in €)*	**Total value**	**2024 expense**
2020 Plan	147.68	5.6	1.3
2021 Plan	143.87	4.6	0.8
2021-2025 Plan	151.63	5.5	(0.1)
2021-2030 Plan	138.98	6.8	0.7
2022 Plan	191.31	5.8	1.3
2023 Plan	156.35	6.1	1.5
2024 Plan	87.35	5.6	0.3
TOTAL		**39.9**	**5.8**

Note 10.4 Dividends

The Shareholders' Meeting of 20 July 2023 approved the payment of an ordinary dividend in cash of €2 per share in respect of the financial year ended 31 March 2023. It also approved the payment of an exceptional dividend in cash of €1 per share. The total cash dividend of €152.7 million was paid in October 2023.

Note 10.5 Non-controlling interests

Equity related to non-controlling interests amounts to €0.3 million (March 2023: €0.7 million) and mainly corresponds to the non-controlling interests of Mount Gay Distilleries Ltd.

NOTE 11 Financial debt

Financial resources are stated at their nominal value net of arrangement costs. These costs are recognised in the income statement within the financial result on the basis of an actuarial calculation (the effective interest rate method).

Note 11.1 Net financial debt

			2024			2023
(in € millions)	Long term	Short term	Total	Long term	Short term	Total
Gross financial debt	514.9	227.8	742.7	325.1	285.3	610.4
Cash and cash equivalents (note **9**)	-	(93.0)	(93.0)	-	(73.7)	(73.7)
NET FINANCIAL DEBT	**514.9**	**134.8**	**649.7**	**325.1**	**211.6**	**536.6**

The change in net financial debt over the financial year breaks down as follows:

	2023	Change in cash	Change due to exchange rates	Change in IFRS 16 liabilities	Transaction on Telmont minority interests	Amortisati on of issue costs and premium	OCEANE conversion	Amortisatio n of OCEANE equity component	2024
Financial debt at more than 1 year	325.1	237.3	-	1.4	0.9	0.5	(50.4)	0.1	514.9
Financial debt at less than 1 year	285.3	(56.0)	(0.1)	(1.4)	-	-	-	-	227.8
GROSS FINANCIAL DEBT	**610.4**	**181.3**	**(0.1)**	**(0.1)**	**0.9**	**0.5**	**(50.4)**	**0.1**	**742.7**
Cash and cash equivalents	(73.7)	(21.4)	2.2	-	-	-	-	-	(93.0)
NET FINANCIAL DEBT	**536.6**	**159.8**	**2.1**	**(0.1)**	**0.9**	**0.5**	**(50.4)**	**0.1**	**649.7**
of which									
Increase in financial debt		390.2							
Repayment of financial debt		(230.4)							
TOTAL CASH FLOW		**159.8**							

Note 11.2 Gross financial debt by type

	2024			2023		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total
Private bonds (note **11.6**)	378.4	80.0	458.4	79.9	64.9	144.9
Convertible bonds (OCEANE) (note **11.7**)	21.5	-	21.5	71.7	-	71.7
Syndicated loan (note **11.8**)	-	-	-	60.0	-	60.0
Other loans and borrowings	79.2	127.3	206.4	79.9	207.3	287.2
Accrued interest	-	12.3	12.3	-	3.4	3.4
Commitments to purchase securities of non-controlling shareholders	5.9	-	5.9	4.9	-	4.9
Lease liabilities (IFRS 16)	30.0	8.2	38.1	28.6	9.7	38.3
GROSS FINANCIAL DEBT	**514.9**	**227.8**	**742.7**	**325.1**	**285.3**	**610.4**

The total amount of confirmed available resources and their utilisation rate is detailed in the note on liquidity risk (note **14.6**).

Note 11.3 Gross financial debt by maturity

(in € millions)	2024	2023
<1 year	227.8	285.3
1 to 5 years	118.8	228.9
>5 years	396.1	96.2
TOTAL	**742.7**	**610.4**

Note 11.4 Gross financial debt by type of rate

	2024			2023		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total
Fixed interest rate	515.7	145.3	661.0	265.3	129.7	394.9
Variable interest rate	(0.8)	70.2	69.4	59.8	152.3	212.1
Accrued interest	-	12.3	12.3	-	3.4	3.4
GROSS FINANCIAL DEBT	**514.9**	**227.8**	**742.7**	**325.1**	**285.3**	**610.4**

Note 11.5 Gross financial debt by currency

	2024			2023		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total
Euro	495.7	222.2	717.9	305.3	277.9	583.2
US dollar	16.2	2.1	18.3	16.3	3.8	20.0
Chinese yuan	1.3	2.6	3.9	2.1	2.8	4.9
Hong Kong dollar		0.2	0.2	0.2	0.1	0.3
Other	1.7	0.7	2.4	1.3	0.6	2.0
GROSS FINANCIAL DEBT	**514.9**	**227.8**	**742.7**	**325.1**	**285.3**	**610.4**

Note 11.6 Private bonds

On 27 February 2015, Rémy Cointreau issued an €80.0 million bond in the form of a private placement with a leading European insurer. These ten-year bonds bear interest at a nominal annual rate of 2.945%.

The detailed features of these borrowings are as follows:

On 28 September 2023, Rémy Cointreau carried out a €380 million private placement of unlisted, unquoted bonds with 7, 10 and 12-year maturities (average maturity: 10 years) at a weighted average coupon rate of 5.58%.

(in € millions)	Nominal	Issue date	Maturity	Term (years)	Annual coupon	Covenant
Private bond placement 2015	80.0	27 February 2015	27 February 2025	10	2.945%	"A" ratio (<4.00)
Private bond placement 2023	75.0	28 September 2023	28 September 2030	7	5.194%	"A" ratio (<4.00)
Private bond placement 2023	205.0	28 September 2023	28 September 2033	10	5.626%	"A" ratio (<4.00)
Private bond placement 2023	100.0	28 September 2023	28 September 2035	12	5.788%	"A" ratio (<4.00)
Issuance costs	(1.6)					
Gross financial debt	458.4					

The availability of these borrowings is contingent on the A ratio (Average net debt/EBITDA) being less than or equal to 4.0 at 30 September and 31 March of each year until maturity. At 31 March 2024, the A ratio was 1.68 (September 2023: 1.57; March 2023: 0.84).

Note 11.7 Convertible bonds (OCEANE)

On 7 September 2016, by way of a private placement with institutional investors, Rémy Cointreau issued bonds with an option to convert to and/or exchange for new and/or existing shares ("OCEANE" bonds), with a maturity date of 7 September 2026 and a nominal amount of €275.0 million, comprising 2,484,191 OCEANEs with a par value of €110.70 each.

The OCEANE bonds bear interest at a nominal annual rate of 0.125%, payable in arrears on 7 September each year.

At the date of issue, the unit par value of the OCEANE bonds incorporated an issue premium of 40% based on the reference price of the Company's shares on the Euronext Paris regulated market. Pursuant to the split accounting required by IAS 32, the OCEANE was initially recognised in financial debt for €250.1 million and in equity for €24.9 million.

Holders of OCEANEs have a right to the allocation of new and/or existing Rémy Cointreau shares, at an initial conversion ratio of one share for one OCEANE. In accordance with the terms and conditions of the bonds, this ratio was subsequently adjusted. It was 1.018 shares per bond at 31 March 2023 and was raised to 1.030 from 2 October 2023. This right to the allocation of shares is exercisable from 7 September 2023, or in the event of an early conversion condition being met.

During the financial year, 458,841 outstanding bonds were converted into Rémy Cointreau shares, bringing the total amount of OCEANEs converted to date to 92.2%. In accordance with the conversion ratio, 467,273 shares were thus created. The transaction resulted in an impact of €50.8 million on consolidated shareholders' equity.

At 31 March 2024, 194,095 OCEANE bonds remained outstanding, with a nominal value of €21.5 million.

Note 11.8 Syndicated loan

On 2 July 2018, Rémy Cointreau signed a new syndicated loan of €100 million with a pool of banking groups. This loan, which was due to mature on 2 July 2025, was repaid early on 29 March 2024. It was replaced by a new syndicated loan of €180 million, maturing on 29 March 2029 with an optional 2-year extension.

Amounts drawn down bear interest at EURIBOR plus a margin of 75 bps to 130 bps, depending on the Group's debt rating.

The availability of these borrowings is contingent on the A ratio (Average net debt/EBITDA) being less than or equal to 4.0 at 30 September and 31 March of each year until maturity.

At 31 March 2024, the A ratio was 1.68 (September 2023: 1.57; March 2023: 0.84).

No drawings had been made on this facility at 31 March 2024.

Note 11.9 Other loans

Bilateral loan agreement

On 4 November 2021, Rémy Cointreau signed a bilateral loan agreement for €80 million. This seven-year loan, repayable at maturity, bears interest at a nominal annual rate of 0.60%, payable annually in arrears on 10 November each year.

The availability of this loan is contingent on the A ratio (see Syndicated loan) being less than or equal to 4.0 on 30 September and on 31 March of each financial year until maturity.

Bilateral credit line

On 28 January 2022, Financière Rémy Cointreau obtained a €40 million confirmed bilateral credit facility, the maturity date of which is now 31 March 2025.

Drawdowns bear interest at €STR plus a margin of 30 bps.

This facility is unsecured.

Note 11.10 Commitments to purchase securities of non-controlling shareholders

As part of the acquisition of Telmont, followed by a capital increase carried out in February 2023, the Rémy Cointreau Group granted to non-controlling shareholders a promise to purchase their securities under various conditions not exercisable before July 2026. The liability relating to these commitments was valued at €5.9 million at 31 March 2024.

NOTE 12 Provisions for liabilities and charges

The recognition of provisions, generally intended to cover compensation payable in the event of litigation with third parties, requires the Group's management to estimate the level of probability associated with this risk and also the outcome of negotiations, transactions and legal proceedings that are or may be conducted with the third parties concerned.

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recognised when the Group has an obligation towards a third party and it is certain or highly probable that it will result in an outflow of resources for the benefit of the third party, without receipt of an at least equivalent consideration from the said third party. Restructuring provisions are only recognised once the restructuring has been announced and a detailed plan has been drawn up.

When the time value of money is material, the amount of the provision corresponds to the present value of expected expenditure that the Company believes to be necessary to meet the liability. In practice, when the liability is expected to be settled in more than 12 months, the amount of the provision is discounted to its present value, with the effects of discounting being recognised in the financial result.

Note 12.1 Movement

(in € millions)	Restructuring	Litigation	Total
At 31 March 2023	**0.1**	**5.0**	**5.1**
Increase	8.8	0.8	9.6
Reversals – Used	-	(3.3)	(3.3)
Reversals – Unused	-	(0.8)	(0.8)
Translation differences	0.0	(0.1)	(0.0)
At 31 March 2024	**8.9**	**1.6**	**10.5**

"Provisions for liabilities and charges" mainly consist of provisions recognised to cover trade and employee-related litigation, as well as a provision for international customs risks relating to prior periods.

Note 12.2 Term

These provisions are intended to cover probable items of expenditure payable as follows:

(in € millions)	2024	2023
Long-term provisions (or unknown maturity)	0.7	1.1
Short-term provisions	9.8	4.0
TOTAL	**10.5**	**5.1**

NOTE 13 Trade and other payables

Trade payables, which are generally settled within three months, are stated at nominal value.

(in € millions)	2024	2023
Trade payables – eaux-de-vie	308.0	296.6
Other trade payables	278.4	312.6
Advances from customers	6.3	3.3
Payables related to tax and social charges (excl. income tax)	58.0	80.1
Excise duties	2.0	1.4
Miscellaneous deferred revenue	1.5	1.5
Other liabilities	22.1	22.0
TOTAL	**676.3**	**717.5**

NOTE 14 Financial instruments and market risks

Derivatives held by the Group in connection with its ordinary activities, mainly in the form of options, are valued using the methods prevailing in the financial markets. Note that these valuations are based on market data as at the reporting date. These values may fluctuate rapidly due to constant changes in the financial markets.

Financial assets and liabilities are measured in accordance with IFRS 9 “Financial instruments: recognition and measurement”.

The Group makes extensive use of derivatives as part of its policy of hedging exposure to foreign exchange and interest rate risks. The Group has implemented the procedures and maintains the documentation needed to justify the application of hedge accounting as defined by IFRS 9.

Derivatives are recognised in the statement of financial position at market value as at the reporting date. Market values are calculated using an external valuation model, and compared with those obtained from counterparty banks. Changes in the value of currency derivatives are recognised in the manner described in note **1.6**. When used to hedge interest rate risk, changes in the value of exchange rate risk hedging instruments (mainly caps and interest swaps) are recorded in recyclable equity in respect of the change in the intrinsic value of the hedging instruments when these options are active and in financial result for any residual change in fair value of the hedging instruments and the change in fair value of the non-hedging instruments.

Note 14.1 Breakdown of financial instruments by category

The following tables show the financial instruments recorded in the statement of financial position, analysed by the measurement categories defined in IFRS 9.

At 31 March 2024

(in € millions)	Notes	Carrying amount	Loans and receivables at amortised cost	Fair value through profit or loss [(1)]	Fair value through OCI
Non-current financial assets	*6*	18.3	6.6	-	11.7
Derivatives	*14*	9.6	-	0.2	9.4
Cash and cash equivalents	*9*	93.0	-	93.0	-
ASSETS		**120.9**	**6.6**	**93.2**	**21.1**
Long-term financial debt	*11*	594.9	594.9	-	-
Short-term financial debt and accrued interest charge	*11*	147.8	147.8	-	-
Derivatives	*14*	1.7	-	0.6	1.1
LIABILITIES		**744.3**	**742.7**	**0.6**	**1.1**

(1) These financial instruments belong to the "Held for trading" category.

At 31 March 2023

(in € millions)	Notes	Carrying amount	Loans and receivables at amortised cost	Fair value through profit or loss [(1)]	Fair value through OCI
Non-current financial assets	6	16.3	6.3	-	9.9
Derivatives	14	19.0	-	0.3	18.7
Cash and cash equivalents	9	73.7	-	73.7	-
ASSETS		**109.0**	**6.3**	**74.0**	**28.6**
Long-term financial debt	11	325.1	325.1	-	-
Short-term financial debt and accrued interest charge	11	285.3	285.3	-	-
Derivatives	14	5.5	-	0.1	5.4
LIABILITIES		**615.9**	**610.4**	**0.1**	**5.4**

(1) These financial instruments belong to the "Held for trading" category.

Note 14.2 Market risk management policy

The Group uses financial instruments to manage its interest rate and foreign exchange risk exposure. The market risk management policy complies with the prudential rules approved by the Board of Directors. More specifically, the sale of options is limited to tunnel strategies and the resale of previously purchased instruments, which are subject to approval on an individual basis.

All hedging transactions are entered into with top-tier international banks.

With regard to foreign exchange risk, the Group endeavours to hedge its budgeted net commercial exposure over a rolling period of up to 36 months. This is achieved by entering into firm or optional currency hedging agreements in accordance with the guidelines set by the Board of Directors.

The Group does not hedge the foreign exchange risk arising from the translation into euros of the financial statements of companies that use a different currency.

The Group's hedging policy only allows for the hedging of short-term foreign exchange risk. It is not intended to protect the Group against the economic effects of long-term money market trends on the Group's sales and margins.

Note 14.3 Breakdown of financial instruments (interest rate and foreign exchange rates)

(in € millions)	2024	2023
Assets		
Interest rate derivatives	-	-
Exchange rate derivatives	9.6	19.0
TOTAL	**9.6**	**19.0**
Liabilities		
Interest rate derivatives	-	-
Exchange rate derivatives	1.7	5.5
TOTAL	**1.7**	**5.5**

Note 14.4 Interest rate derivatives

At 31 March 2024, the Group had no interest rate derivatives in its portfolio.

Note 14.5 Exchange rate derivatives

The Group uses options and forward contracts to hedge its cash flows from commercial transactions. Commercial transactions for the financial year that are unsettled at the reporting date are hedged by short-term currency swaps.

Furthermore, Rémy Cointreau SA, which centralises the Group's financing needs, and its subsidiary Financière Rémy Cointreau make intra-Group loans and borrowings denominated in the counterparty's currency. The Group uses back-to-back currency swaps to match these loans and borrowings. The maturity of such transactions ranges from 1 month to 1 year.

BREAKDOWN OF ALL FOREIGN EXCHANGE HEDGING INSTRUMENTS IN THE PORTFOLIO AT 31 MARCH 2024

(in € millions)	Notional amount [1]	Market value	Of which CFH [2]	Of which Trading [2]
Put options and tunnel options				
Seller USD (*vs.* EUR)	83.5	0.4	0.4	-
Other currencies (*vs.* EUR)	76.7	1.1	1.1	-
	160.1	**1.4**	**1.4**	**-**
Forward sales				
Seller USD (*vs.* EUR)	120.5	4.6	4.6	-
Other currencies (*vs.* EUR)	72.0	2.3	2.3	-
	192.5	**6.9**	**6.9**	**-**
Purchase/(sale) of currency swaps (operating activities)[3]				
Seller USD (*vs.* EUR)	(7.0)	(0.0)	-	(0.0)
Other currencies (*vs.* EUR)	(19.0)	(0.1)	-	(0.1)
	(26.0)	**(0.1)**	**-**	**(0.1)**
Purchase/(sale) of currency swaps (financing activities) [3]				
Seller USD (*vs.* EUR)	(75.5)	(0.2)	-	(0.2)
Other currencies (*vs.* EUR)	(23.9)	(0.1)	-	(0.1)
	(99.3)	**(0.3)**	**-**	**(0.3)**
TOTAL	**227.3**	**8.0**	**8.4**	**(0.4)**

(1) Notional amount in foreign currency translated at the closing rate.
(2) FVH: fair value hedge; CFH: cash flow hedge; Trading: assets held for trading.
(3) Dfference between closing rate and forward rate

Breakdown of all foreign exchange hedging instruments in the portfolio at 31 March 2023

(in € millions)	Notional amount (1)	Market value	Of which CFH (2)	Of which Trading (2)
Put options and tunnel options				
Seller USD (*vs.* EUR)	211.7	5.0	5.0	-
Other currencies (*vs.* EUR)	99.4	2.2	2.2	-
	311.1	**7.2**	**7.2**	**-**
Forward sales				
Seller USD (*vs.* EUR)	276.1	3.6	3.6	-
Other currencies (*vs.* EUR)	105.5	2.4	2.4	-
	381.6	**6.1**	**6.1**	**-**
Purchase/(sale) of currency swaps (operating activities)(3)				
Seller USD (*vs.* EUR)	(65.2)	0.2	-	0.2
Other currencies (*vs.* EUR)	(4.0)	(0.1)	-	(0.1)
	(69.2)	**0.1**	**-**	**0.1**
Purchase/(sale) of currency swaps (financing activities) (3)				
Seller USD (*vs.* EUR)	(1.7)	0.0	-	0.0
Other currencies (*vs.* EUR)	(65.2)	0.0	-	0.0
	(66.9)	**0.1**	**-**	**0.1**
TOTAL	**556.5**	**13.5**	**13.3**	**0.2**

(1) Notional amount in foreign currency translated at the closing rate.
(2) FVH: fair value hedge; CFH: cash flow hedge; Trading: assets held for trading.
(3) Dfference between closing rate and forward rate

SENSITIVITY TO FOREIGN EXCHANGE RISK

Taking into account the hedges in place, a 10% increase or decrease in the EUR/USD exchange rate would have the following impact, with the impact on net profit arising mainly from the ineffective portion hedging future flows:

	2024		2023	
	EUR/USD sensitivity		EUR/USD sensitivity	
Benchmark value	1.0784		1.0867	
	+10%	-10%	+10%	-10%
EUR/USD rate	1.19	0.97	1.20	0.98
Net gain or loss	(3.5)	4.2	(0.8)	2.7
Equity excluding net profit	12.3	(13.7)	29.1	(27.2)
Change in value of financial instruments	17.1	(19.3)	46.0	(42.7)
Nominal amount at reporting date:				
■ USD instruments in the portfolio	179.1	218.9	364.8	445.9
■ USD receivables potentially exposed	79.3	96.9	78.7	96.2

Note 14.6 Liquidity risk

In accordance with IFRS 7, liabilities are stated at their carrying amount at the reporting date excluding discounting effects. Outstanding drawdowns on credit lines at 31 March 2024 are assumed to be carried forward until the maturity of each of the corresponding facilities. The corresponding interest expense is calculated using the parameters known at the reporting date.

Liquidity risk stems mainly from the availability of financial resources.

The majority of the Group's activities are characterised by high levels of capital employed, particularly inventories undergoing ageing. Rémy Cointreau continuously monitors the balance of its financial structure, prioritises long-term resources and combines fixed-rate and variable-rate resources. Refinancing is systematically prepared for those resources reaching maturity. The Group obtains its financing from leading financial institutions.

The following table shows the contractual maturity profile of disbursements relating to financial liabilities recognised as of 31 March 2024.

(in € millions)	Before 31 March 2025	Before 31 March 2026	Before 31 March 2027	Before 31 March 2028	Beyond	Total
Financial debt and accrued interest	219.6	-	21.5	-	465.9	707.0
Trade and other payables	676.3	-	-	-	-	676.3
Liabilities recognised at 31 March 2024	**895.9**	**-**	**21.5**	**-**	**465.9**	**1,383.3**
Future interest on financial debt	27.1	21.9	21.9	21.9	117.1	209.8
TOTAL DISBURSEMENTS	**923.0**	**21.9**	**43.4**	**21.9**	**583.0**	**1,593.1**

The confirmed resources and their availability are as follows (see also note **11** for the description of financial debt):

(in € millions)	2024	2023
Fixed-rate resources	561.5	297.3
Variable-rate resources	220.0	140.0
TOTAL	**781.5**	**437.3**
Long-term	661.5	332.3
Short-term	120.0	105.0
TOTAL	**781.5**	**437.3**
Availability subject to compliance with the A ratio	720.0	260.0
Available with no ratio restrictions	61.5	177.3
TOTAL	**781.5**	**437.3**
Unused at 31 March	180.0	40.0
Unused at 31 March as % of available resources	23%	9%

The availability of some financing is contingent upon achieving the "A ratio" (average net debt/EBITDA). This is calculated every six months and must be below 4.0 for the syndicated loan and the bilateral loan (notes **11.8** and **11.9**). The A ratio was 1.68 at 31 March 2024. The Group is confident in its ability to maintain this ratio in the short, medium and long term, and in its ability to renew financing that is due to reach maturity in the coming years.

In addition, the Rémy Cointreau Group had €315 million in unconfirmed bilateral lines at 31 March 2024.

The Group's rating is reviewed annually. At 31 March 2024, Moody's had assigned the rating of Baa3, with a stable outlook.

NOTE 15 Segment information

BREAKDOWN BY SEGMENT

As required by IFRS 8, the Rémy Cointreau Group provides an analysis by business segment and geographic area of certain of its consolidated financial statements.

a) Business segment

The segments to be presented are those operating segments for which separate financial information is available internally and which are used by the "main operational decision-maker" to make operational decisions. Rémy Cointreau's main operational decision-maker is the Executive Committee. This committee reviews operational performances and allocates resources based on the financial data analysed for the Rémy Martin, Liqueurs & Spirits and Partner Brands businesses. Consequently, the Group has identified these businesses as the operating segments to be presented. In addition, a holding company segment includes central expenses that are not reallocated to the various segments.

The main brands in the "Liqueurs & Spirits" segment are Cointreau, Metaxa, St-Rémy, Mount Gay, Bruichladdich, The Botanist, Westland, Le Domaine des Hautes Glaces, Belle de Brillet and Telmont.

The "Partner Brands" business includes brands which are not controlled by the Group and those whose production is not carried out wholly by the Group. These brands are distributed using the Group's distribution network in the framework of fixed-term agreements.

Information given by business segment is identical to that presented to the Executive Committee.

b) Geographic segment

Sales by geographic area are analysed based on the destination of the goods sold. Items in the statement of financial position are analysed based on the geographic area of the entities reporting them.

The geographic areas covered are: Europe, Middle East and Africa; Americas; Asia-Pacific. The Asia-Pacific area includes Asia, Australia and New Zealand.

Note 15.1 Business segments

15.1.1 Breakdown of sales and current operating profit

	Sales		Current operating profit	
(in € millions)	2024	2023	2024	2023
Cognac	778.6	1,100.0	265.7	405.2
Liqueurs & Spirits	387.8	418.9	56.7	48.1
GROUP BRANDS SUBTOTAL	**1,166.5**	**1,518.9**	**322.4**	**453.3**
Partner Brands	27.7	29.6	(0.3)	0.1
Holding	-	-	(17.7)	(23.7)
TOTAL	**1,194.1**	**1,548.5**	**304.4**	**429.6**

There are no intra-segment sales.

15.1.2 Breakdown of the statement of financial position

AT 31 MARCH 2024

(in € millions)	Cognac	Liqueurs and Spirits	Partner Brands	Unallocated	Total
Non-current assets	547.9	442.9	1.0	45.5	1,037.3
Current assets	1,857.7	298.9	10.0	64.2	2,230.8
Derivatives	-	-	-	9.6	9.6
Cash and cash equivalents	-	-	-	93.0	93.0
TOTAL ASSETS	**2,405.6**	**741.9**	**11.0**	**212.3**	**3,370.7**
Equity	-	-	-	1,845.6	1,845.6
Financial debt and accrued interest	-	-	-	742.7	742.7
Provisions for liabilities and charges	14.8	6.4	0.7	8.9	30.8
Deferred and current taxation	0.0	0.0	0.0	73.8	73.8
Trade and other payables	562.8	89.3	4.5	19.7	676.3
Derivatives	-	-	-	1.7	1.7
TOTAL EQUITY AND LIABILITIES	**577.6**	**95.6**	**5.2**	**2,692.3**	**3,370.7**
Rights of use, brands and other intangible assets not included in the basis of calculation of "return on capital employed" (ROCE)	259.0	257.5	0.6	-	517.1
ROCE basis of calculation	**1,569.0**	**388.7**	**5.2**	**-**	**1,962.9**

AT 31 MARCH 2023

(in € millions)	Cognac	Liqueurs and Spirits	Partner Brands	Unallocated	Total
Non-current assets	529.2	425.3	1.0	49.0	1,004.4
Current assets	1,770.6	270.4	6.2	42.6	2,089.8
Derivatives	-	-	-	19.0	19.0
Cash and cash equivalents	-	-	-	73.7	73.7
TOTAL ASSETS	**2,299.7**	**695.7**	**7.2**	**184.3**	**3,187.0**
Equity	-	-	-	1,755.1	1,755.1
Financial debt and accrued interest 610.4	-	-	-	610.4	610.4
Provisions for liabilities and charges	18.1	5.6	0.4	-	24.1
Deferred and current taxation	-	-	-	74.3	74.3
Trade and other payables	597.3	98.3	4.9	17.0	717.5
Derivatives	-	-	-	5.5	5.5
TOTAL EQUITY AND LIABILITIES	**615.4**	**103.9**	**5.3**	**2,462.3**	**3,187.0**
Rights of use, brands and other intangible assets not included in the basis of calculation of "return on capital employed" (ROCE)	262.7	252.9	0.6	-	516.3
ROCE basis of calculation	**1,421.6**	**339.0**	**1.3**	**-**	**1,761.8**

15.1.3 Return on capital employed (ROCE)

Return on capital employed is measured using the following indicators:

- current operating profit by activity (note **15.1.1**);
- breakdown of the statement of financial position by activity, excluding certain intangibles (note **15.1.2**).

Current operating profit and capital employed are identified by business on an analytical basis. Profit and capital employed for the distribution network and holding company segment are allocated on a pro-rata basis according to net sales and current inventory.

Return on capital employed is a key indicator for the Group's management. It is one of the key performance indicators for each business.

AT 31 MARCH 2024

(in € millions)	Capital employed	Current operating profit	%
Cognac	1,569.0	265.7	16.9%
Liqueurs & Spirits	388.7	56.7	14.6%
GROUP BRANDS SUBTOTAL	**1,957.7**	**322.4**	**16.5%**
Partner Brands	5.2	(0.3)	(6.6%)
Holding	-	(17.7)	-
TOTAL	**1,962.9**	**304.4**	**15.5%**

AT 31 MARCH 2023

(in € millions)	Capital employed	Current operating profit	%
Cognac	1,421.6	405.2	28.5%
Liqueurs & Spirits	339.0	48.1	14.2%
GROUP BRANDS SUBTOTAL	**1,760.5**	**453.3**	**25.7%**
Partner Brands	1.3	0.1	6.2%
Holding	-	(23.7)	-
TOTAL	**1,761.8**	**429.6**	**24.4%**

15.1.4 Capital expenditure and depreciation and amortisation expense

	Capital expenditure on property, plant and equipment and intangible assets		Depreciation and amortisation of property, plant and equipment and intangible assets	
(in € millions)	2024	2023	2024	2023
Cognac	48.3	55.9	22.2	20.3
Liqueurs & Spirits	22.0	25.7	12.6	11.3
Partner Brands	0.1	0.4	0.1	0.1
TOTAL	**70.4**	**81.9**	**34.9**	**31.7**

Note 15.2 Geographic areas

Sales

(in € millions)	2024	2023
Europe-Middle East-Africa [1]	261.5	259.5
Americas [2]	451.7	780.0
Asia-Pacific [2]	480.9	509.0
TOTAL	**1,194.1**	**1,548.5**

(1) Sales in France totalled €19.9 million for the year ended 31 March 2024 (March 2023: €18.0 million).
(2) The US and China are the main contributors from the Americas and Asia-Pacific regions.

Statement of financial position

AT 31 MARCH 2024

(in € millions)	Europe-Middle East-Africa	Americas	Asia-Pacific	Unallocated	Total
Non-current assets	873.9	111.0	52.5	0.0	1,037.3
Current assets	1,870.9	149.5	210.4	0.0	2,230.8
Derivatives	-	-	-	9.6	9.6
Cash and cash equivalents	-	-	-	93.0	93.0
TOTAL ASSETS	**2,744.8**	**260.4**	**262.9**	**102.6**	**3,370.7**
Equity	-	-	-	1,845.6	1,845.6
Financial debt and accrued interest	-	-	-	742.7	742.7
Provisions for liabilities and charges	25.2	5.1	0.4	-	30.8
Deferred and current taxation	54.9	0.3	18.5	-	73.8
Trade and other payables	439.1	61.7	175.4	-	676.3
Derivatives	-	-	-	1.7	1.7
TOTAL EQUITY AND LIABILITIES	**519.3**	**67.2**	**194.4**	**2,589.9**	**3,370.7**

AT 31 MARCH 2023

(in € millions)	Europe-Middle East-Africa	Americas	Asia-Pacific	Unallocated	Total
Non-current assets	854.1	106.6	43.8	-	1,004.4
Current assets	1,741.0	167.2	181.6	-	2,089.8
Derivatives	-	-	-	19.0	19.0
Cash and cash equivalents	-	-	-	73.7	73.7
TOTAL ASSETS	**2,595.1**	**273.7**	**225.4**	**92.7**	**3,187.0**
Equity	-	-		1,755.1	1,755.1
Financial debt and accrued interest 610.4	-			610.4	610.4
Provisions for liabilities and charges	23.5	-	0.7	-	24.1
Deferred and current taxation	51.8	0.4	22.1	-	74.3
Trade and other payables	467.4	69.3	180.8	-	717.5
Derivatives	-	-	-	5.5	5.5
TOTAL EQUITY AND LIABILITIES	**542.6**	**69.6**	**203.7**	**2,371.0**	**3,187.0**

Capital expenditure and depreciation and amortisation expense

(in € millions)	Capital expenditure on property, plant and equipment and intangible assets		Depreciation and amortisation of property, plant and equipment and intangible assets	
	2024	2023	2024	2023
Europe-Middle East-Africa	53.5	64.5	27.5	24.7
Americas	12.6	10.2	3.8	4.5
Asia-Pacific	4.2	7.3	3.6	2.6
TOTAL	**70.4**	**81.9**	**34.9**	**31.7**

NOTE 16 Distribution and administrative expenses

Distribution costs comprise advertising and promotion expenses, commission income or expenses, ordinary provisions for the impairment of inventories and trade receivables and the overheads of the Group's distribution companies.

Administrative expenses comprise all overheads of the holding companies and production companies.

(in € millions)	2024	2023
Employee benefit expenses	(236.9)	(275.7)
Advertising and promotion expenses	(255.3)	(335.2)
Depreciation, amortisation and impairment of non-current assets	(45.1)	(41.0)
Other expenses	(85.8)	(99.5)
Expenses allocated to inventories and production costs	77.3	77.2
TOTAL	**(545.8)**	**(674.2)**
of which:		
distribution costs	(420.9)	(521.6)
administrative expenses	(124.9)	(152.6)
TOTAL	**(545.8)**	**(674.2)**

Employee benefit expenses included in particular salaries and social charges, pension plan costs, bonus share plan expenses and benefits in kind.

NOTE 17 Employees

The number of employees is stated at the reporting date and covers all fully consolidated companies.

	2024	2023
France	810	815
Europe (outside France) – Africa	285	322
Americas	342	369
Asia-Pacific	506	515
TOTAL	**1,943**	**2,021**

NOTE 18 Other non-current income/(expense)

"Other non-recurring income/(expense)" includes items that, given their nature, frequency and materiality, cannot be considered as part of the Group's ordinary activities and which affect year-on-year comparisons. They notably include impairment provisions in respect of brands and other non-current assets recognised as a result of impairment tests, provisions for restructuring and litigation, and significant gains or losses on disposals of assets other than those relating to operations that have been, or are to be, discontinued (note **1.8**).

(in € millions)	2024	2023
Restructuring costs	(12.4)	-
Loss on ineffective foreign exchange hedges in roubles	-	(4.1)
Provisions for international customs risks relating to prior periods	-	7.7
Tax adjustments excluding income tax	-	1.0
Goodwill impairment	-	(7.5)
Other	(0.4)	(0.1)
TOTAL	**(12.8)**	**(3.1)**

Restructuring costs mainly concern the reorganisation of distribution in the United States and Europe.

NOTE 19 Financial result

Note 19.1 Net borrowing cost by type of financing

(in € millions)	2024	2023
Bonds	(1.0)	(2.8)
OCEANE	(0.6)	(1.2)
Private bond placement	(13.3)	(2.4)
Other loans	(0.5)	(0.5)
Syndicated loan and unconfirmed lines	(9.7)	(3.6)
Bridge loan	(3.5)	-
Finance costs of special purpose entities	(1.7)	(0.7)
Accretion of lease liabilities – IFRS 16	(1.5)	(0.8)
Gross borrowing cost	**(31.8)**	**(12.0)**
Interest income	0.1	0.3
Net borrowing cost	**(31.7)**	**(11.7)**

Financial debt is described in note **11**.

Note 19.2 Other financial income/(expense)

The amount presented in currency gains and losses mainly includes the impact of IFRS 9 on the portfolio of foreign currency derivatives, for the so-called “ineffective” portion, and the currency gains and losses from financing transactions. Currency gains/(losses) from operations are recognised in gross margin (note **1.6**).

(in € millions)	2024	2023
Currency losses	(2.0)	(2.5)
Other financial expenses of special purpose entities	(3.1)	(1.6)
Other	(1.7)	(1.8)
Other financial income/(expense)	**(6.8)**	**(5.9)**

NOTE 20 Income tax

In accordance with IAS 12, deferred taxation is recognised by the Group on all temporary differences between the carrying amounts of the assets and liabilities in the consolidated financial statements and the corresponding values used for taxation purposes in the accounts of the consolidated entities.

The tax rate used is the statutory tax rate in effect on the date on which the timing difference will reverse, which is generally that of the current financial year or that of the following financial year, when it is certain. The effects of changes in tax rates are included in the income tax expense for the financial year in which they become known.

The main source of deferred taxation for the Rémy Cointreau Group arises from the difference in the value of the brands in the consolidated financial statements, which is usually imputed on the first consolidation of an acquisition, and their value for taxation purposes, which is generally nil.

As required by IAS 12, a deferred taxation liability is recognised on the difference between the carrying amount and the tax value of shares in associates. In the case of fully consolidated entities, a deferred taxation liability is recognised only in respect of dividends that are certain at the reporting date.

Tax savings arising from carried-forward tax losses are recognised as deferred tax assets if it is probable that the Group will earn future taxable profits against which these losses can be offset.

Note 20.1 Net income tax expense

(in € millions)	2024	2023
Current tax (expense)/income	(61.2)	(114.8)
Deferred taxation (expense)/income	(8.3)	(1.6)
Income tax	**(69.4)**	**(116.3)**
Effective published tax rate	-27.4%	-28.4%
Effective tax rate excl. non-recurring items	-27.1%	-28.3%

Note 20.2 Tax regime

Rémy Cointreau has opted to use the French group tax regime for certain of its subsidiaries that are at least 95% directly or indirectly controlled. This regime allows the income tax charges of profitable companies to be offset, within certain limits, against losses incurred by other companies in the tax group. The resulting tax saving is recognised in the period of offset.

Note 20.3 Analysis of origin and breakdown of deferred taxation

(in € millions)	2024	2023
Breakdown by type		
Pension provisions	4.3	4.1
Regulated provisions	(26.8)	(25.2)
Other provisions	4.4	6.8
Brands	(75.8)	(75.7)
Non-current assets	(7.0)	(5.7)
Convertible bonds (OCEANE)	(1.2)	(1.3)
Margins on inventories	42.7	41.9
Losses carried forward	2.8	5.6
Financial instruments	(1.4)	(1.8)
Other timing differences	29.3	31.2
NET POSITION – ASSET (LIABILITY)	**(28.9)**	**(20.1)**
Breakdown by tax group		
Tax group France	(38.8)	(36.7)
Tax group United States	4.4	6.0
Other companies	5.5	10.6
NET POSITION – ASSET (LIABILITY)	**(28.9)**	**(20.1)**
Deferred tax assets	25.6	31.2
Deferred tax liabilities	(54.5)	(51.3)
Net position – asset (liability)	**(28.9)**	**(20.1)**

Note 20.4 Tax losses and capital losses carried forward

At 31 March 2024, tax losses carried forward totalled €47.7 million (2023: 63.7 million) and mainly concerned losses incurred in France, Barbados and the United States. The potential tax saving arising from the use of these losses is €10.4 million (2023: €13.3 million). On these losses, the Group recognised a net asset of €2.7 million, which it plans to recover by March 2026.

Note 20.5 Tax reconciliation

The income tax expense for the year ended 31 March 2024 was €69.4 million. The difference compared to the theoretical income tax expense based on the French statutory rate of 25.83% breaks down as follows:

(in € millions)	2024	2023
Theoretical income tax	(65.4)	(105.6)
Actual income tax	(69.4)	(116.3)
DIFFERENCE	**(4.0)**	**(10.7)**
Permanent differences between consolidated profit and taxable profit	(4.2)	(6.9)
Use of tax losses or timing differences not previously recognised	2.5	1.2
Unused losses from subsidiaries that are loss-making from tax point of view	(2.9)	(1.8)
Difference in tax rates applicable to foreign subsidiaries	1.9	(1.7)
Adjustment to the income tax expense for prior years	(1.3)	(1.5)
TOTAL	**(4.0)**	**(10.7)**

NOTE 21 Net profit excluding non-recurring items

Net profit excluding non-recurring items corresponds to the net profit for the period adjusted to reflect the other operating income and expenses described in note **18**, the related tax effects, the profit or loss from discontinued operations and the contribution on the distribution of cash dividends. It is one of the key performance indicators used by management and highlighted in external communications.

Note 21.1 Reconciliation with net profit

Net profit excluding non-recurring items attributable to owners of the parent is reconciled with net profit attributable to owners of the parent as follows:

(in € millions)	2024	2023
Net profit – attributable to owners of the parent	**184.8**	**293.8**
Items recorded under "Other non-current income/(expense)" (note **18**)	12.8	3.1
Tax on "Other non-current income/(expense)"	(2.8)	(0.4)
Net profit excluding non-recurring items – attributable to owners of the parent	**194.8**	**296.6**

Note 21.2 Net profit excluding non-recurring items per share – attributable to owners of the parent

(in € millions)	Notes	2024	2023
Net profit/loss excluding non-recurring items - attributable to owners of the parent		**194.8**	**296.6**
Number of shares			
▪ basic	10.2	50,719,758	50,720,336
▪ diluted	10.2	51,119,230	51,601,087
Per share *(in €)*			
▪ basic		3.84	5.85
▪ diluted		3.81	5.75

NOTE 22 Change in working capital

		Change in working capital on					
(in € millions)	2023	Operating activities	Investing activities	Financing activities	Non-cash changes	Translation differences	2024
Inventories (note **7**)	1,815.8	149.1	-	-	(3.9)	1.8	1,962.8
Trade receivables (note **8**)	138.8	(4.9)	-	-	0.1	(1.6)	132.5
Trade payables (note **13**)	(609.2)	8.3	10.5	(3.1)	0.9	6.3	(586.4)
Other receivables and other payables (notes **8** and **13**)	21.6	(7.2)	-	-	(0.2)	1.5	15.8
SUBTOTAL	**1,367.0**	**145.3**	**10.5**	**(3.1)**	**(3.0)**	**8.0**	**1,524.7**
Add-back of non-cash EBITDA items		(1.2)					
Change in working capital		**144.1**					

NOTE 23 Pensions and other post-employment benefits

The valuation of pension obligations and other post-employment benefits is determined using actuarial methods that involve assumptions in respect of the discount rate, expected rate of return of plan assets, salary increases, life expectancy, etc. Given the long-term nature of these obligations, any changes to these assumptions may have a material impact on the valuation.

In accordance with the laws and practices in each country, Rémy Cointreau offers employee benefit plans providing pensions and other post-employment benefits through defined-contribution or defined-benefit plans. The assets of pre-financed pension plans are managed as separate funds by independent asset managers or insurance companies.

The Group's commitments are determined and recognised in accordance with the requirements of IAS 19 as revised.

Accordingly:

- charges relating to defined-contribution schemes are recognised as expenses when paid;
- obligations in respect of defined-benefit schemes are determined by actuaries using the projected unit credit method. These calculations are based on assumptions regarding life expectancy, staff turnover and future salary increases. They also take into account the economic situation in each country. For Group companies located in the euro zone, the discount rate used is based on the iBoxx index for bonds with a maturity close to that of the corresponding liabilities.

Actuarial gains and losses calculated for the valuation of post-employment defined-benefit plans (experience adjustments and the effects of changes in actuarial assumptions) are recognised through other comprehensive income.

Note 23.1 Defined-benefit pension plans

At 31 March 2024, defined-benefit plans, which are subject to an actuarial valuation, predominantly pertained to:

- retirement indemnities and long-service awards under collective bargaining agreements in France affecting a workforce of 776 people;
- defined-benefit supplementary pension plans sponsored by the Group in France, Germany, Belgium and Switzerland affecting 258 people, of whom 89 are current employees and 169 are retired or have left the Group;
- a post-employment healthcare scheme in France affecting a closed population of 21 retirees.

The breakdown by plan type of the liabilities recorded in the consolidated financial statements is as follows:

(in € millions)	2024	2023
Retirement indemnities	8.3	7.9
Supplementary pension plans	10.9	10.2
Long-service awards	0.7	0.6
Post-employment healthcare benefits	0.3	0.3
TOTAL	**20.2**	**19.0**

The liability related to these plans is in France for €16.6 million, of which €8.3 million relates to retirement indemnities, €7.4 million to supplementary pension plans and €0.9 million to other benefits.

(in € millions)	2024	2023
Present value of obligation at start of year	**28.4**	**36.7**
Service cost	1.6	2.2
Interest cost	0.8	0.4
Impact of changes to schemes	(0.4)	-
Contributions received	0.3	0.3
Benefits paid	(1.9)	(4.5)
Actuarial losses (gains)	1.4	(6.8)
Translation differences/Change in scope	0.1	0.2
Present value of obligation at end of year	**30.3**	**28.4**
not funded	14.9	14.6
partly funded	15.4	13.7
Carrying amount of plan assets at start of year	**10.4**	**11.1**
Expected return	0.3	0.1
Contributions received	1.2	3.3
Impact of changes to schemes	-	-
Benefits paid	(1.8)	(3.4)
Actuarial gains (losses)	0.4	(0.8)
Translation differences	0.1	0.1
Carrying amount of plan assets at end of year	**10.7**	**10.4**
Pension commitments	**19.7**	**18.0**
LIABILITIES	**20.2**	**19.0**
ASSETS	**0.6**	**1.1**

The assets underlying the liabilities are held by insurance companies who invest these assets together with their general assets. They are located in France for €1.4 million.

Note 23.2 Cost for the period

(in € millions)	2024	2023
Service cost	(1.6)	(2.2)
Interest cost	(0.8)	(0.4)
Expected return	0.3	0.1
Impact of changes to scheme	0.4	-
Total income (expense)	(1.8)	(2.5)
Benefits paid	0.1	1.0
Employer's contribution	1.0	3.1
Total net income (expense)	(0.7)	1.7
Assumptions		
Average discount rate	3.06%	3.29%
Average salary increase	2.54%	2.00%
Expected working life	10 years	10 years
Return on assets	2.88%	3.20%
Estimated payments for the next five years:	10.4	11.0
Sensitivity to an increase of 0.50% in the discount rate on the gross actuarial debt	(0.8)	(1.1)
Sensitivity to an increase of 0.50% in the discount rate on the service cost	-	(0.1)

NOTE 24 Off-balance sheet commitments and contingent assets and liabilities

Note 24.1 Commitments relating to operating activities

(in € millions)	2024	2023
Purchase commitments – non-current assets	25.1	52.6
Purchase commitments – eaux-de-vie	414.0	552.6
Purchase commitments – other spirits	61.9	62.7
Other purchase commitments	34.8	70.9

"Purchase commitments – non-current assets" mainly concern the acquisition of ageing casks at the Cognac site, and real estate projects for Rémy Martin and Telmont.

These commitments are valued based on the prices known at the reporting date. Eaux-de-vie purchasing commitments mainly relate to multi-year contracts in place with distillers.

Other purchase commitments comprise purchase commitments for packaging items, advertising and promotion spending commitments and other miscellaneous purchase commitments.

BREAKDOWN OF COMMITMENTS BY MATURITY AT 31 MARCH 2024

(in € millions)	Total	2025	Beyond
Purchase commitments – non-current assets	25.1	19.1	6.1
Purchase commitments – eaux-de-vie	414.0	163.6	250.3
Purchase commitments – other wines and spirits	61.9	33.6	28.3
Other purchase commitments	34.8	19.3	15.4

Note 24.2 Financing commitments, deposits and similar guarantees

(in € millions)	2024	2023
Customs guarantees	39.6	38.9
Environmental guarantees	2.8	2.8
Agricultural warrants on AFC inventories	55.0	55.0
Other guarantees	5.5	7.1

BREAKDOWN OF COMMITMENTS BY MATURITY AT 31 MARCH 2024

(in € millions)	Total	2025	Beyond
Customs deposits	39.6	39.5	0.1
Environmental guarantees	2.8	-	2.8
Agricultural warrants on AFC inventories	55.0	-	55.0
Other guarantees	5.5	0.1	5.4

Note 24.3 Contingent assets liabilities relating to disposal transactions

In connection with disposal transactions, guarantees in respect of liabilities are generally granted to the buyers for defined periods and amounts stipulated in the agreements. Liabilities for tax, excise duties and social security payments that may arise following audits covering periods prior to the sale are generally included until such liabilities lapse under the statute of limitations.

At 31 March 2024, no guarantees were outstanding.

Note 24.4 Other contingent liabilities

On 5 January 2024, industry representative bodies (SpiritsEUROPE and BNIC) and firms operating in the sector (including Rémy Cointreau) were informed that an anti-dumping inquiry had been opened by the Ministry of Commerce of the People's Republic of China (MOFCOM). The inquiry concerns exports of brandy to China from EU Member States in containers of less than 200 litres between 1 October 2022 and 30 September 2023. It can last for up to twelve months and be extended for a further six months. Rémy Cointreau immediately contacted its institutional representatives and is cooperating fully with the Chinese authorities in relation to this inquiry. In accordance with procedure, the Group has thus provided MOFCOM with the detailed information required for each of the companies involved in the production and marketing of the products in the scope of the inquiry in the EU and China. At the reporting date, no basis exists on which to measure the impact that the outcome of this procedure may have. No provision has therefore been made. External costs of €0.4 million incurred in order to respond to the inquiry have been recognised in "Other non-current income and expenses". China is a long-standing trading partner of Rémy Cointreau and the European spirits industry. Relations and the level of cooperation have always been excellent. The Group is certain that its products and its practices comply with Chinese and international regulations, and will approach the upcoming discussions with confidence and diligence.

At the reporting date, various Group companies, in France and abroad, were subject to tax audits relating to previous financial years. No provision has been recognised in this respect given the absence of notifications received to date.

At 31 March 2024, Rémy Cointreau was involved in various other litigation proceedings. Following a review of each case within each subsidiary involved, and based on the advice of the legal counsels, the provisions deemed necessary were recognised to cover the estimated risks.

Rémy Cointreau certifies that it has not omitted to report any significant off-balance sheet items in its consolidated financial statements.

NOTE 25 Related parties

Note 25.1 Transactions with associates

At 31 March 2024, the Rémy Cointreau Group's sole associate was Spirits Platform Pty Ltd.

The transactions with this company are described in note **5**.

Note 25.2 Transactions with Orpar and Andromède

Andromède is Rémy Cointreau's main shareholder, through Orpar. Transactions between Rémy Cointreau and these companies are as follows:

(in € millions)	2024	2023
Service fees charged	2.4	2.6
Trade and other receivables	0.7	0.4

Note 25.3 Transactions with companies with a common shareholder or board member

Andromède, shareholder of Orpar, is also a shareholder of Oeneo Group, which is listed on Euronext Paris and is a market leader in the cooperage and corking business. Various Oeneo Group subsidiaries are suppliers to the Rémy Cointreau Group.

(in € millions)	2024	2023
Purchases of non-current assets	8.4	7.8
Other purchases	-	0.8
Trade payables	1.1	0.3

Note 25.4 Management bodies

The Group's management bodies comprise the members of the Board of Directors and the Executive Committee.

The Executive Committee is made up of the Chief Executive Officer and 10 members.

The data below includes the compensation due to members of the management bodies during their term of office with these bodies.

Short-term benefits include fixed and variable compensation, benefits in kind and all social security charges directly linked to this remuneration.

(in € millions)	2024	2023
Short-term benefits	8.1	9.8
End-of-contract indemnities	-	0.8
Post-employment benefits	1.2	2.3
Expenses related to stock option and similar plans	4.4	6.6
Directors' fees paid to members of the Board of Directors	0.7	0.6
TOTAL	**14.3**	**20.0**

NOTE 26 Statutory Auditors' fees

The fees paid to the Statutory Auditors and the members of their network for the financial year ended 31 March 2024 amounted to €1.6 million for assurance services and €192 thousand for non-assurance services.

	PricewaterhouseCoopers (1)				Mazars (2)			
	Amount		%		Amount		%	
	2024	2023	2024	2023	2024	2023	2024	2023
Assurance services	**974**	**935**	**87%**	**94%**	**645**	**608**	**93%**	**100%**
■ Rémy Cointreau SA	252	223			212	194		
■ Fully consolidated subsidiaries	721	712			433	414		
Non-assurance services (3)	**142**	**61**	**13%**	**6%**	**50**	**2**	**7%**	**0%**
■ Rémy Cointreau SA	110	39			38	-		
■ Fully consolidated subsidiaries	32	21			13	2		
TOTAL	**1 115**	**996**	**100%**	**100%**	**696**	**610**	**100%**	**100%**

(1) Including €479 thousand for assurance services in France.
(2) Including €254 thousand for assurance services in France.
(3) Non-assurance services mainly concern work as the independent third party on environmental and labour-related information and compliance consultations.

NOTE 27 Events after the reporting period

No significant events occurred after the reporting period.

NOTE 28 List of consolidated companies

At 31 March 2024, the scope of consolidation included 45 companies (31 March 2023: 46). 44 companies were fully consolidated, and one was accounted for using the equity method. All companies have a 31 March year-end, except Spirits Platform Pty Ltd, which has a 30 September year-end.

		% holding (in capital and voting rights)	
Company	**Activity**	**2024**	**2023**
EUROPE			
France			
Rémy Cointreau SA [1]	Holding/Finance	100.0	100.0
Rémy Cointreau Services [1]	Holding/Finance	100.0	100.0
CLS Rémy Cointreau [1]	Production/Distribution	100.0	100.0
Domaines Rémy Martin [1]	Agricultural production	100.0	100.0
E. Rémy Martin & C° [1]	Production	100.0	100.0
Cointreau [1]	Production	100.0	100.0
Les Domaine des Hautes Glaces [1]	Production	99.2	99.2
Rémy Cointreau International Marketing Service [1]	Other	100.0	100.0
Rémy Cointreau Libra [1]	Holding/Finance	100.0	100.0
Storeco [1]	Production	100.0	100.0
Maison J.R. Brillet [1]	Production/Distribution	100.0	100.0
SCEA Brillet des Aireaux	Production	100.0	100.0
Champagne de Telmont	Production/Distribution	88.0	88.0
Rémy Cointreau France Distribution [1]	Distribution	100.0	100.0
Maison Psyché [1]	Holding/Finance	95.0	95.0
Other countries			
Rémy Cointreau Nederland Holding NV (Netherlands)	Holding/Finance	100.0	100.0
Cointreau Holding GmbH (Germany)	Holding/Finance	100.0	100.0
S. & E. & A. Metaxa ABE (Greece)	Production	100.0	100.0
Financière Rémy Cointreau SA (Belgium)	Holding/Finance	100.0	100.0
Rémy Cointreau Belgium (Belgium)	Distribution	100.0	100.0
Rémy Cointreau Europe & MEA SA (Switzerland)	Distribution	100.0	100.0
Rémy Cointreau Luxembourg SA (Luxembourg)	Distribution	100.0	100.0
Bruichladdich Distillery Company Ltd (United Kingdom)	Production	100.0	100.0
Rémy Cointreau UK Ltd (United Kingdom)	Holding/Finance	100.0	100.0
Rémy Cointreau UK Distribution Ltd (United Kingdom)	Distribution	100.0	100.0

		% holding (in capital and voting rights)	
Company	**Activity**	**2024**	**2023**
AMERICAS			
United States			
Rémy Cointreau USA Inc	Distribution	100.0	100.0
Rémy Cointreau Amérique Inc	Holding/Finance	100.0	100.0
Rémy Cointreau Travel Retail Americas Inc	Distribution	100.0	100.0
The Westland Distillery Company	Production	100.0	100.0
Barbados			
Mount Gay Distilleries Ltd	Production	95.2	95.2
Mount Gay Holding Ltd	Holding/Finance	100.0	100.0
Other countries			
Cointreau Do Brazil (licores) Ltda (Brazil)	Other	100.0	100.0
ASIA/PACIFIC/AFRICA			
China/Hong Kong			
Rémy Cointreau Shanghai Ltd	Distribution	100.0	100.0
E. Rémy Rentouma Trading Ltd (2)	Distribution	-	100.0
Shanghai RC Trading Ltd	Distribution	100.0	100.0
Rémy Concord Ltd	Distribution	100.0	100.0
Rémy Pacifique Ltd	Holding/Finance	100.0	100.0
Caves de France	Holding/Finance	100.0	100.0
Shanghai Rémy Cointreau I&E Ltd	Distribution	100.0	100.0
Shanghai Rémy Cointreau Trading Ltd	Distribution	100.0	100.0
Other countries			
Rémy Cointreau Taiwan Pte Ltd (Taiwan)	Distribution	100.0	100.0
Rémy Cointreau Japan KK (Japan)	Distribution	100.0	100.0
Rémy Cointreau International Pte Ltd (Singapore)	Distribution	100.0	100.0
Rémy Cointreau South Africa Pty Ltd (South Africa)	Distribution	100.0	100.0
Rémy Cointreau Malaysia (Malaysia)	Distribution	100.0	100.0
Spirits Platform Pty Ltd (Australia) (3)	Distribution	37.0	37.0

(1) Company included in the French tax consolidation group
(2) Company has been liquidated
(3) Equity-accounted company