LVMH

Annual General Meeting 2023

April 20th, 2023
2022: a new record year, particularly for Fashion & Leather Goods business group

**Revenue**
- 79.2bn€

**Profit from Recurring Operations**
- 21.1bn€

**Operating Free Cash Flow**
- 10.1bn€

**Operating Margin**
- 26.6%

**Gearing**
- 16.2%
2022 Revenue up 23%

2022 evolution of revenue (in million of euros)

2021: 64,215
- Organic growth: +17%
- Structure impact: 0%
- Currency effect: +6%

2022: 79,184
- Total increase: +23%
Q1 2023 organic revenue up 17%
A well balanced geographic revenue mix

2022 revenue breakdown by region (in %)

**UNITED STATES**
27%
vs 26% in 2021

**FRANCE**
8%
vs 6% in 2021

**JAPAN**
7%
vs 7% in 2021

**OTHER MARKETS**
12%
vs 11% in 2021

**EUROPE** (excl. France)
16%
vs 15% in 2021

**ASIA** (excl. Japan)
30%
vs 35% in 2021

79.2 bn€
REVENUE
Only group present in all luxury sectors

2022 revenue breakdown by business group (in % of total revenue)

- **SELECTIVE RETAILING & OTHER ACTIVITIES**: 19% (vs 19% in 2021)
- **WINES & SPIRITS**: 9% (vs 9% in 2021)
- **WATCHES & JEWELRY**: 13% (vs 14% in 2021)
- **FASHION & LEATHER GOODS**: 49% (vs 48% in 2021)
- **PERFUMES & COSMETICS**: 10% (vs 10% in 2021)
Double-digit organic revenue growth in all business groups

2022 revenue by business group (in million of euros)

<table>
<thead>
<tr>
<th>Business Group</th>
<th>2021</th>
<th>2022</th>
<th>Reported</th>
<th>Organic*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wines &amp; Spirits</td>
<td>5,974</td>
<td>7,099</td>
<td>+19%</td>
<td>+11%</td>
</tr>
<tr>
<td>Fashion &amp; Leather Goods</td>
<td>30,896</td>
<td>38,648</td>
<td>+25%</td>
<td>+20%</td>
</tr>
<tr>
<td>Perfumes &amp; Cosmetics</td>
<td>6,608</td>
<td>7,722</td>
<td>+17%</td>
<td>+10%</td>
</tr>
<tr>
<td>Watches &amp; Jewelry</td>
<td>8,964</td>
<td>10,581</td>
<td>+18%</td>
<td>+12%</td>
</tr>
<tr>
<td>Selective Retailing</td>
<td>11,754</td>
<td>14,852</td>
<td>+26%</td>
<td>+17%</td>
</tr>
<tr>
<td>Other activities &amp; eliminations</td>
<td>19</td>
<td>282</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total LVMH</td>
<td>64,215</td>
<td>79,184</td>
<td>+23%</td>
<td>+17%</td>
</tr>
</tbody>
</table>

* with comparable structure and exchange rates. The structural impact for the Group compared to 2021 was flat and the currency effect was +6%.
Group share of net profit exceeded 14 billion euros in 2022

**Summarized income statement (in million of euros)**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>Change vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>64 215</td>
<td>79 184</td>
<td>+ 23%</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>43 860</td>
<td>54 196</td>
<td>+ 24%</td>
</tr>
<tr>
<td><strong>Marketing and selling expenses</strong></td>
<td>(22 308)</td>
<td>(28 151)</td>
<td>+ 26%</td>
</tr>
<tr>
<td><strong>General and administrative expenses</strong></td>
<td>(4 414)</td>
<td>(5 027)</td>
<td>+ 14%</td>
</tr>
<tr>
<td><strong>Equity investment income</strong></td>
<td>13</td>
<td>37</td>
<td>-</td>
</tr>
<tr>
<td><strong>Profit from recurring operations</strong></td>
<td>17 151</td>
<td>21 055</td>
<td>+ 23%</td>
</tr>
<tr>
<td><strong>Other operating income and expenses</strong></td>
<td>4</td>
<td>(54)</td>
<td>ns</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>17 155</td>
<td>21 001</td>
<td>+ 22%</td>
</tr>
<tr>
<td><strong>Net financial income (expenses)</strong></td>
<td>53</td>
<td>(888)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>(4 510)</td>
<td>(5 362)</td>
<td>+ 19%</td>
</tr>
<tr>
<td><strong>Net profit before minority interests</strong></td>
<td>12 698</td>
<td>14 751</td>
<td>+ 16%</td>
</tr>
<tr>
<td><strong>Minority interests</strong></td>
<td>(662)</td>
<td>(667)</td>
<td></td>
</tr>
<tr>
<td><strong>Group share of net profit</strong></td>
<td>12 036</td>
<td>14 084</td>
<td>+ 17%</td>
</tr>
</tbody>
</table>
Profit from recurring operations over 21 billion euros up 23% versus 2021

**Profit from recurring operations by business group** (in million of euros)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>Variation vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wines &amp; Spirits</strong></td>
<td>1 863</td>
<td>2 155</td>
<td>+ 16%</td>
</tr>
<tr>
<td><strong>Fashion &amp; Leather Goods</strong></td>
<td>12 842</td>
<td>15 709</td>
<td>+ 22%</td>
</tr>
<tr>
<td><strong>Perfumes &amp; Cosmetics</strong></td>
<td>684</td>
<td>660</td>
<td>- 3%</td>
</tr>
<tr>
<td><strong>Watches &amp; Jewelry</strong></td>
<td>1 679</td>
<td>2 017</td>
<td>+ 20%</td>
</tr>
<tr>
<td><strong>Selective Retailing</strong></td>
<td>534</td>
<td>788</td>
<td>+ 48%</td>
</tr>
<tr>
<td><strong>Other activities &amp; eliminations</strong></td>
<td>(451)</td>
<td>(274)</td>
<td>ns</td>
</tr>
<tr>
<td><strong>Total LVMH</strong></td>
<td>17 151</td>
<td>21 055</td>
<td>+ 23%</td>
</tr>
<tr>
<td><strong>Operating margin (%)</strong></td>
<td>26.7%</td>
<td>26.6%</td>
<td>-</td>
</tr>
</tbody>
</table>
Strong operational improvement and positive currency impact

Evolution of profit from recurring operations (in million of euros)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td>17,151</td>
<td>2,924 M€</td>
</tr>
<tr>
<td>Structure impact</td>
<td>52 M€</td>
<td></td>
</tr>
<tr>
<td>Currency effect</td>
<td>928 M€</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>21,055</td>
<td></td>
</tr>
</tbody>
</table>

+ 23% vs 2021
Strong financial structure

Changes compared to December 31, 2021

➢ Stable intangible assets, positive currency and structure effects offset impact of revaluation of purchase commitments of minority interests
➢ Increased tangible assets principally linked to investments in store network, production facilities and acquisitions of real estate
➢ Increased inventories to support progress in business activity and inflation expectations
➢ Progress in total equity linked to increased net result and impact of currency change
➢ Share buybacks
### Operating free cash flow exceeded 10 billion euros in 2022

**Analysis of free cash flow operations** (in million of euros)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>Change (Mc)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash from operations before changes in working capital</td>
<td>22 621</td>
<td>26 770</td>
<td>4 149</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>18 648</td>
<td>17 833</td>
<td>(815)</td>
</tr>
<tr>
<td>Operating investments</td>
<td>(2 664)</td>
<td>(4 969)</td>
<td>(2 305)</td>
</tr>
<tr>
<td>Operating free cash flow*</td>
<td>13 531</td>
<td>10 113</td>
<td>(3 418)</td>
</tr>
</tbody>
</table>

*Before available for sale financial assets and investments, transactions relating to equity and financing activities.*
Gearing of 16%

Net financial debt (in million of euros)

<table>
<thead>
<tr>
<th>Date</th>
<th>Gearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2017</td>
<td>24%</td>
</tr>
<tr>
<td>31/12/2018</td>
<td>16%</td>
</tr>
<tr>
<td>31/12/2019</td>
<td>16%</td>
</tr>
<tr>
<td>31/12/2020</td>
<td>11%</td>
</tr>
<tr>
<td>31/12/2021</td>
<td>20%</td>
</tr>
<tr>
<td>31/12/2022</td>
<td>16%</td>
</tr>
</tbody>
</table>
2022 dividend of 12 euros

Gross dividend per share (in euros)

Average annual growth rate over 5 years +19 %

* Will be proposed at the Annual General Meeting of April 20, 2023
Share price evolution since December 31, 2021

Performance between Dec 31, 2021, and April 14, 2023

+ 23%

+ 5%
2022 key highlights
Record performance in 2022

**Revenue**
- 79.2 bn€
- 2022 Revenue
- +23%

**Profit From Recurring Operations**
- 21.1 bn€
- 2022 Profit from Recurring Operations
- +23%

**Significant organic revenue growth in all business groups**

**Continued growth in Europe, Japan and the US; Asia stable due to health situation in China**

**Record performance in a still disrupted environment**

**Outstanding level of operating free cash flow exceeding 10bn€**

**Strong growth of Fashion & Leather Goods business group, especially for Louis Vuitton, Christian Dior, Celine, Fendi, Loro Piana, Loewe and Marc Jacobs, reaching record levels of revenue and earnings**

**Continued creative momentum by all Watches & Jewelry Maisons, particularly Tiffany, Bulgari and TAG Heuer**

**Strong rebound of Sephora, reaffirming its leadership position as beauty products retailer**

**Outstanding growth of Wines & Spirits, reflecting value creation strategy**

**DFS impacted by health situation in China**
A strong social economic footprint in France and around the world

➢ The first private recruiter in the country
  ▪ More than 15,000 people recruited in France in 2022
  ▪ 39,000 young people recruited in the world in 2022

➢ In France, one job created directly by LVMH generates four for the French economy
  ▪ Around 160,000 people working indirectly for the Group

➢ More than 500 stores and 110 manufacturing facilities and workshops located across France
  ▪ Opening of several manufacturing facilities each year in France, notably for Louis Vuitton

➢ More than one billion euros invested in France each year

➢ 5 billion in corporation taxes paid worldwide, almost half of which in France
  ▪ The total fiscal footprint (corporation tax + VAT + social charges) of LVMH in France is more than 4.5 billion euros per year (average over the last few years)
2023 objective: further increase LVMH’s global leadership position

**Creativity and excellence**
Stay true to our values and focus on creativity, quality and distribution of our products

**Commitment**
Continue to execute on Group’s commitments to preserve the environment and corporate responsibility
Support the prestige of France throughout the world

**Entrepreneurial spirit**
Build upon the entrepreneurial spirit and agility of our organization

**Confidence**
Continue growth momentum of our Maisons and build their desirability over the long-term

**Digitalization**
Pursue further digitalization of our Maisons to enrich customers’ experience online and in stores

**Vigilance**
Maintain vigilance within current economic and geopolitical context and a still disrupted health situation, particularly in Asia
Chantal Gaemperle
A long-term Human Resources philosophy with impactful results

2022 – Another record year

More than 196,000 employees in 2022, an unprecedented total workforce

➢ An exceptional level of recruitment
  ▪ Close to 61,000 joiners in 2022
  ▪ 17,500 jobs created

➢ A strong commitment to young people
  ▪ Recruited 39,000 young talents under 30 years old (including 9,500 interns and apprentices)

➢ A culture of development and innovation supported by our talents

➢ A real employer promise on career opportunities within the Group
  ▪ 6,529 internal mobility of Executives and Managers in 2022 – 70% of key positions filled through internal mobility
A long-term Human Resources philosophy with impactful results

2022 – Another record year

➢ Preservation and transmission of savoir-faire in more than 280 Métiers d’Excellence
  ▪ Launch of the first You and ME tour, recruiting event for Métiers d’Excellence in France (2,500 visitors in 5 cities) with Tony Parker as ambassador of the event
  ▪ Training through apprenticeship within the IME: 450 new apprentices welcomed in 7 countries, first program in the US– 2,000 apprentices trained in 30 crafts since 2014
  ▪ Raised awareness of 1,600 middle school students in France and Italy

➢ Diversity and inclusion; everyone’s business
  ▪ 45% of women in key positions (23% in 2007), 18 women at the head of Maisons/Divisions, new global commitment for pay equity by 2025
  ▪ Launch of digital training on unconscious biases available to all talents
  ▪ More than 130 initiatives for gender equity and LGBTI+ inclusion identified by the Inclusion Index within Maisons and regions
  ▪ Signature of L’Autre Cercle’s LGBT+ Engagement Charter by the Group and 21 of its Maisons
A long-term Human Resources philosophy with impactful results

2022 – Another record year

➢ Shared our HR savoir-faire by supporting those who need a second chance: LIVE – l’Institut des Vocations pour l’Emploi

➢ Health, safety and well-being of our employees, our priority
  ▪ After the signature of the Health & Safety Charter, continued improvements of KPIs in this area

➢ Strengthened solidarity actions
  ▪ Almost two years after the launch of the LVMH Heart Fund, more than 4,000 employees in 50 countries benefited from social and psychological support or financial assistance
  ▪ More than 900 partnerships with associations in 2022 – 46,215 employees involved in a CSR action—more than 1 million people helped
**LIFE 360: LVMH environmental strategy for new luxury**

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
</tr>
</thead>
</table>
| **BIODIVERSITY**     | Regenerate biodiversity  
2030 > 5 millions hectares of flora and fauna preserved |
| **CLIMATE**          | Contribute to climate effort  
2026 > 50% reduction in energy-related GHG emissions (baseline: 2019)  
2030 > 55% reduction and/or avoidance of Scope 3 GHG emissions per unit of added value (baseline: 2019) |
| **CREATIVE CIRCULARITY** | Combining sustainability and desirability  
2030 > 100% of new products covered by a sustainable design approach |
| **TRACEABILITY**     | Traceability and transparency, guarantee of excellence  
2030 > 100% of strategic supply chains covered by a dedicated traceability system |
TURKEY

For regenerative cotton agriculture
CHAD

The fight against desertification
A U S T R A L I A

The sustainable Merino wool supply chain
AUSTRALIA

The conservation of 400,000 hectares by Louis Vuitton & People for Wildlife
FRANCE

The regenerative culture of roses in Grasse
FRANCE

The Living Soils of Moët Hennessy
EQUADOR & PERU

The restoration of forest cover
BRAZIL

The reforestation in Amazon region with local populations/Unesco
NOUS N'AVONS PAS LE LUXE D'ATTENDRE

Chaque geste compte dans le combat contre le réchauffement climatique et la crise énergétique. Ainsi d'attendre notre objectif environnemental LEEDA, nous devons réduire de 50% la consommation d'énergie du bâtiment. Les 10 octobre 2023. Même de nous y aider.

1. Éteindre les lumières en quittant la pièce
2. Moduler les températures et choisir les vêtements adéquats
3. Préférer les escaliers
4. Imprimer seulement si nécessaire
5. Éviter les pièces jointes dans les e-mails
6. Supprimer les fichiers obsolètes
7. Réduire la luminosité des écrans
8. Débrancher vos appareils le soir
9. Éviter de brancher des équipements supplémentaires
10. Utiliser l'application Écowatt chez soi

Energy sobriety: everyone’s business
An active partnership with Hang Lung Properties shopping centers
CREATIVE CIRCULARITY

Dior Couture
Dior x Parley
For The Oceans

Ruinart & Veuve Clicquot

Guerlain
Aqua Allegoria

Nonna Source
## Environmental excellence / 2022 results of LIFE 360

<table>
<thead>
<tr>
<th>Category</th>
<th>Metric</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BIODIVERSITY</strong></td>
<td>1.37M</td>
<td>hectares preserved or restored</td>
</tr>
<tr>
<td><strong>CLIMATE</strong></td>
<td>-11%</td>
<td>reduction in energy-related GHG emissions (baseline: 2019)</td>
</tr>
<tr>
<td></td>
<td>-15%</td>
<td>reduction in GHG emissions related to Scope 3 (baseline: 2019)</td>
</tr>
<tr>
<td></td>
<td>47%</td>
<td>renewable energy in the Group’s energy mix (+8)</td>
</tr>
<tr>
<td><strong>CREATIVE CIRCULARITY</strong></td>
<td>39%</td>
<td>Recycled materials in customers packaging</td>
</tr>
<tr>
<td><strong>TRACEABILITY</strong></td>
<td>91%</td>
<td>of leather coming from LWG certified tanneries (+10 versus 2021)</td>
</tr>
<tr>
<td></td>
<td>71%</td>
<td>of certified cotton (+10 versus 2021)</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>of French vineyard certified Sustainable Viticulture</td>
</tr>
</tbody>
</table>
LVMH

Annual General Meeting
2023
Auditors’ reports to the combined shareholders’ meeting
Statutory auditors’ reports

Ordinary Annual Shareholders’ Meeting

➢ Report on the parent company financial statements
➢ Report on the consolidated financial statements
➢ Special report on regulated related party agreements

Extraordinary Annual Shareholders’ Meeting

➢ 4 special reports related to transactions on the share capital
Reports on LVMH parent company

Pages 329 to 333 of the translation of the French “Document d’enregistrement universel”

Key audit matters

➢ Valuation of equity investments,
➢ Provisions for contingencies and losses

In our opinion, the parent company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2022 and of the results of its operations for the fiscal year then ended in accordance with French accounting principles.
Reports on the consolidated financial statements

(2nd resolution)

Pages 297 to 301 of the translation of the French “Document d’enregistrement universel”

Key audit matters

➢ valuation of fixed assets, in particular intangible assets
➢ valuation of inventories and work in progress
➢ provision for contingencies and losses and uncertain tax positions

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2022, and of the results of its operations for the fiscal year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.
Special report on regulated related party agreements

(4th resolution)

Pages 334 and 335 of the translation of the French “Document d’enregistrement universel”

No regulated related party agreement entered into and authorized by your Board of Directors during the year.

The agreements and commitments authorized in prior years and which remained in force in 2022 are also presented in our special report.
Special reports regarding transactions on the capital

Authorizations granted to the Board of Directors

<table>
<thead>
<tr>
<th>Authorization</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization to decrease the share capital</td>
<td>Resolution 20</td>
</tr>
<tr>
<td>Authorization to increase the share capital by issuing new shares/securities</td>
<td>Resolutions 22 to 27</td>
</tr>
<tr>
<td>Authorization to grant stock subscription or stock options to employees and/or corporate officers of the Company and affiliated entities up to a limit of 1% of the Company’s share capital.</td>
<td>Resolution 28</td>
</tr>
<tr>
<td>Authorization to increase the share capital for the benefit of employees who are members of a corporate savings plan of the Group up to a limit of 1% of the Company’s share capital.</td>
<td>Resolution 29</td>
</tr>
</tbody>
</table>

We have nothing to report on these transactions, which comply with the conditions provided by the French Commercial Code.
LVMH

Annual General Meeting 2023

April 20th, 2023