

**CAPITAL**  
**MARKETS**  
**DAY 2022**  
Pernod Ricard

**THE CONVIVIALITY  
PLATFORM  
STRETCHING GROWTH  
IN ASIA, FOCUS ON  
CHINA AND INDIA**



**PHILIPPE GUETTAT**

Chairman & CEO  
Pernod Ricard Asia



**HERMANCE DE LA BASTIDE**

VP Corporate Affairs, S&R  
Pernod Ricard Asia

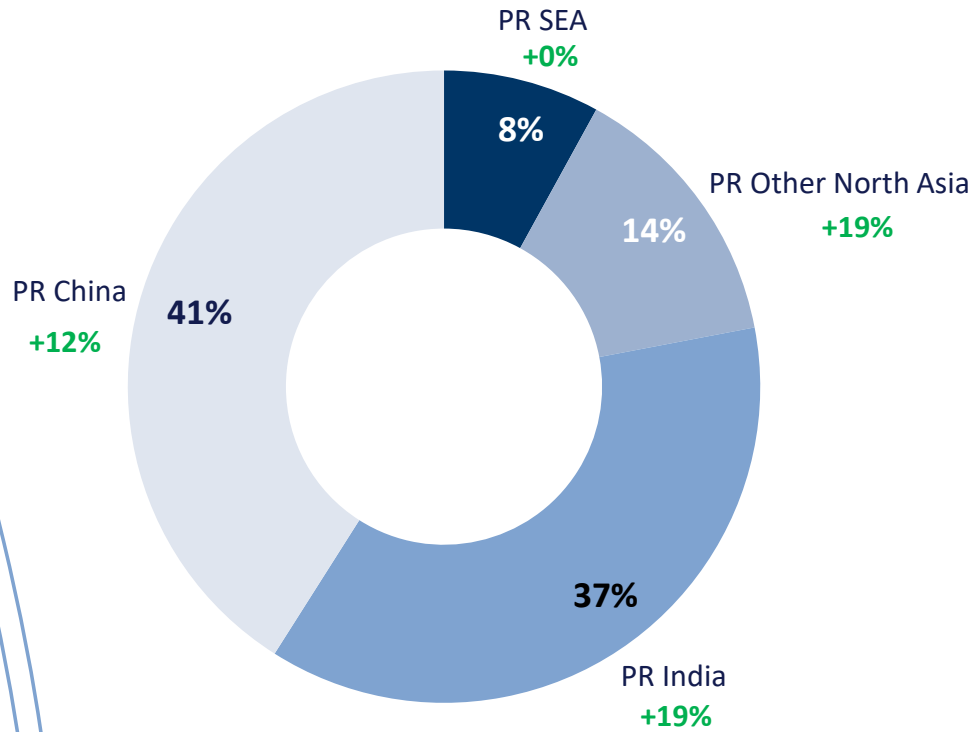


**RAJESH MISHRA**

Chief Operating Officer  
Pernod Ricard India

**Transform & Accelerate winning strategy driving very strong rebound in Asia**  
**The consistency of the Transform & Accelerate strategy to drive profitable and sustainable growth has culminated in PR Asia growing +14% FYTD Mar 2022**

Pernod Ricard India and Pernod Ricard Other North Asia are driving growth, with acceleration in Pernod Ricard Korea



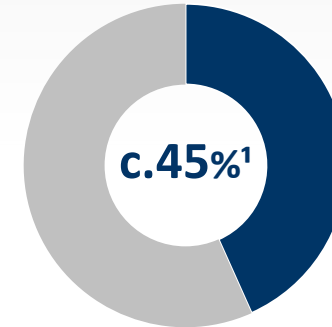
Pernod Ricard Asia Organic Net Sales, 9M FY21vs. 9M FY22 in green

**Zoom on China and India**

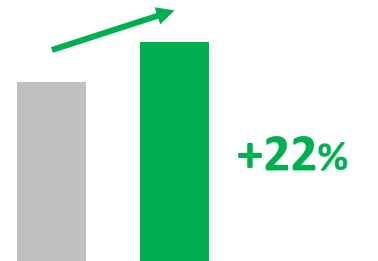
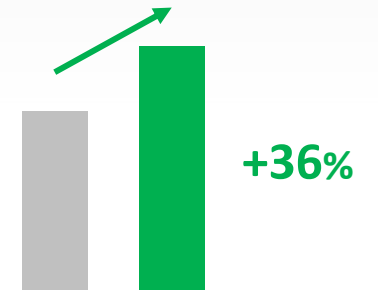
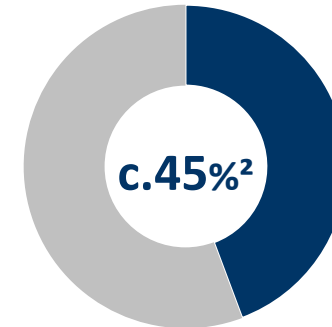
Pernod Ricard is a strong Market Leader in China and India...

... with a strong recovery outperforming pre-Covid peak

**China**



**India**



1. Source: IWSR China (Cognac, Whisky excluding Japanese & American, Vodka)

2. Source: IWSR India (Operating segments)

Net Sales Total Growth, 9MFY22 vs. 9MFY19

# Asia Consumer Growth Trends

## Leveraging Asia consumer trends through



### Rise of the Middle Class....



.... generates massive opportunities for recruitment and premiumization

**+1.5 bn** Asian consumers will enter the Middle Class between 2020 and 2030

Source: Statista

Gen-Z are increasingly free to have individual expression...



... leading to new opportunities in terms of channels, MOCs and products

**60%** of Gen-Z (18-24) in Asia claim they are willing to explore new flavors

Source: Just-Drinks

Aspiration for a healthier lifestyle...



... drives demand for higher quality and more premium products

**65%** consumers in Asia claim they are “always or often influenced by how a product impacts their health”

Source: Just-Drinks

# Asia Consumer Growth Trends

## Leveraging Asia consumer trends through



Post-Pandemic lifestyle transformation...



... opens new opportunities in home consumption and home entertainment

**40%** of Gen-Z consumers in Singapore claim they make Cocktails at home, inspired by Youtube tutorials

Source: Just-Drinks

The Female empowerment trend...



... creates new opportunities in terms of categories and occasions

**+55%** female buyers every year for the past 5 years at Sotheby's wine & spirit auctions in HK & China

Source: Jing Daily

Hyper-connectivity enabled by technology...

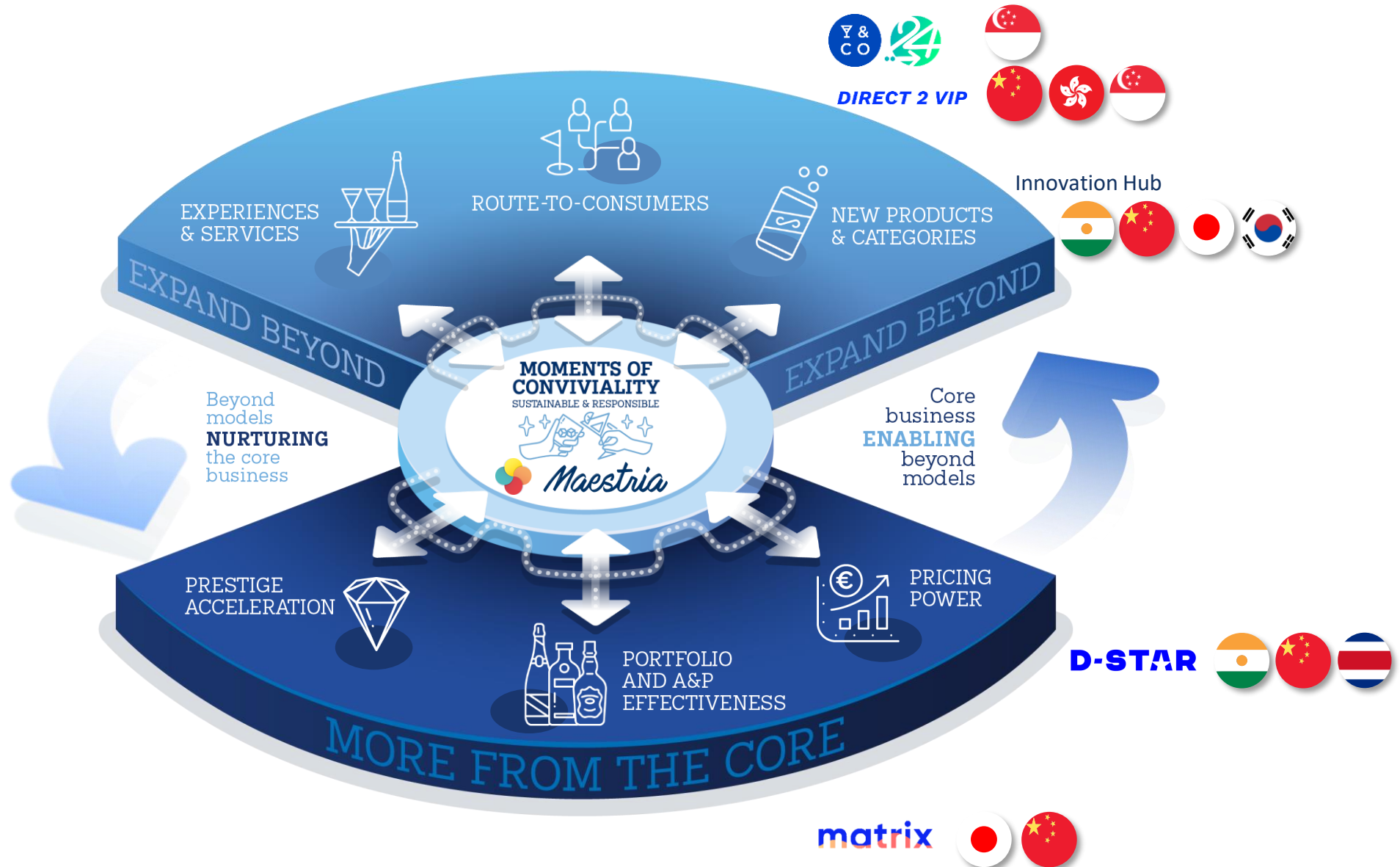


... multiplies the opportunities to engage with our consumers

Asia is expected to account for **50%** of AR/VR revenue worldwide by 2026

Source: Business Standard

# The Conviviality Platform





### D-STAR

Generate Data-Driven recommendations for Perfect Store Execution

Quantify Outlet Potential and Sales Target based on Algorithm

Identify new outlets with potential for Prestige Whisky Portfolio

### More from the Core

#### Martell



#### Prestige Whisky Portfolio



### matrix

Identification of most effective consumer touchpoints by brand, channel and region and link to sales

Resource Allocation recommendation and prioritization per touchpoint

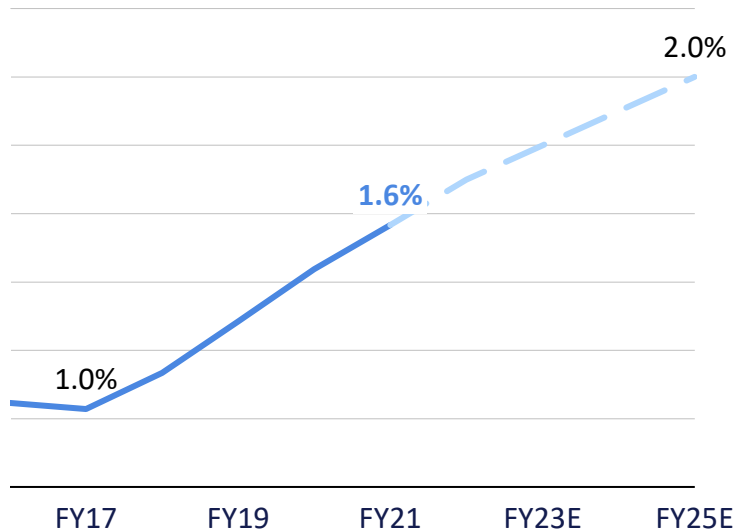
Generate consumer A&P savings based on touchpoint allocation efficiencies

# More from the core for PR China

## Increasing penetration, driving premiumization and prestige acceleration

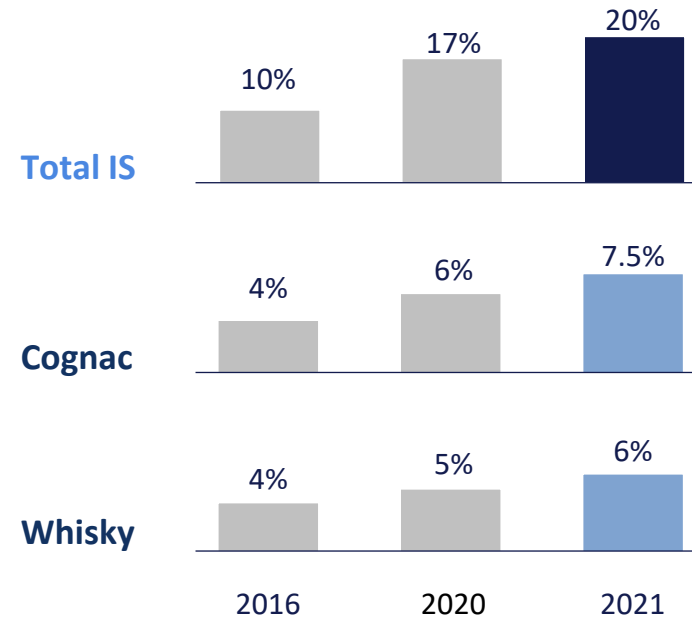


On the way to achieve the vision to grow International Spirits (IS) from 1% to 2% of Premium+ Alcohol vol. by FY25



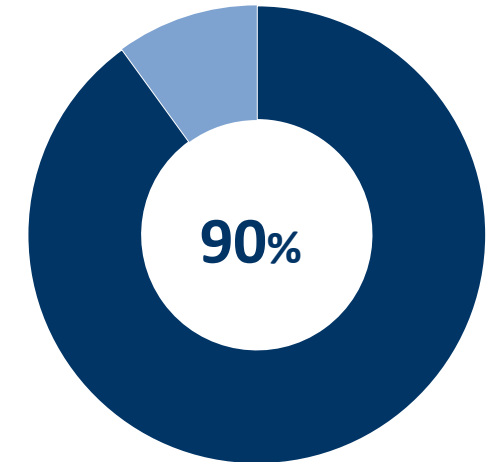
Weight of International Spirits & Champagne in total Premium+ Alcohol Market Volume

IS penetration doubled in 5 years and is growing across all key categories



International Spirits Penetration [P3M, Urban Population 16-64yo – Based on PRC MSS 2022]

Growth is driven by premiumization in Ultra Premium and Prestige segments



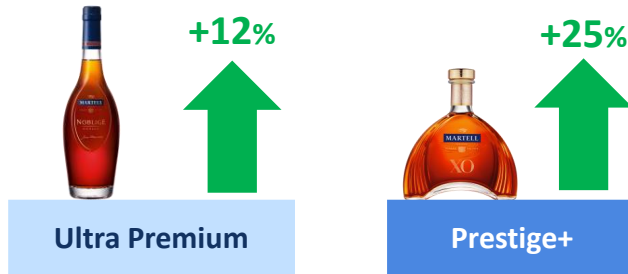
Contribution of Ultra Premium and Prestige segments in Premium+ International Spirits & Champagne incremental retail value [IWSR, 2020-2021]

## More from the core for PR China

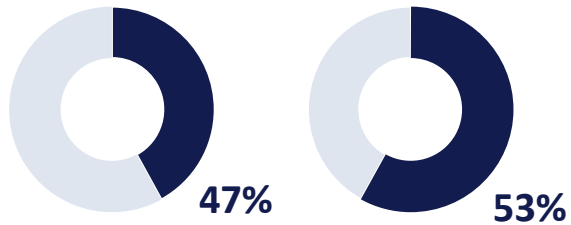
# Martell driving premiumization and continuously unlocking pricing power, enabled by Matrix and D-Star



Martell's Prestige portfolio is growing faster than other segments and reinforcing leadership in Prestige...



Total Segment Value Growth [IWSR, 2019-2021]



PR Value Share [IWSR, 2021]

... benefiting from portfolio expansion with gifting & personalization offerings as well as a richer Rare & Collectibles assortment



...as well as elevating equity with Iconic campaigns feat. celebrities and amplified across multi touchpoints with Matrix





## More from the core for Pernod Ricard China

# Whisky expansion as 2<sup>nd</sup> leg of growth to Martell in China through our unique Malts & Prestige Whisky portfolio, leveraging Matrix and D-Star



Pernod Ricard China  
Single Malt portfolio and Royal Salute  
driving growth  
and out-performing the market...

### Royal Salute



**+19%**  
vs. +8% prestige  
blended market  
growth

### Pernod Ricard China Single Malts



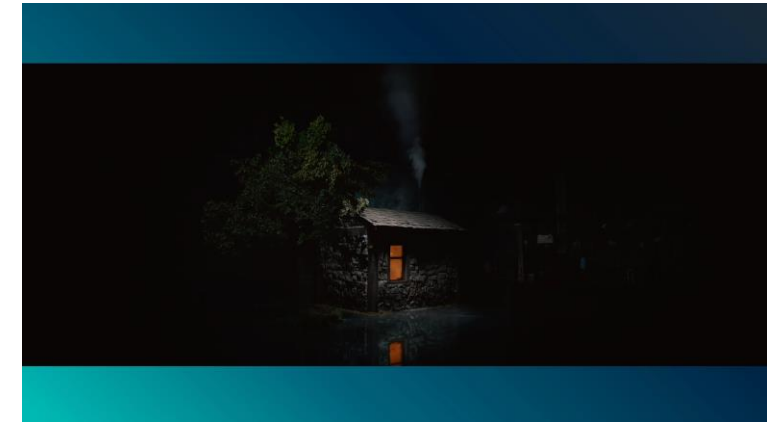
**+81%**  
vs. +43% Single  
Malt market  
growth

Volume growth, IWSR 2019-2021 CAGR

... with strong portfolio  
expansion & premiumization offering  
more consumer choice...



... and building awareness with  
significant investment in new multi-  
touchpoint campaigns



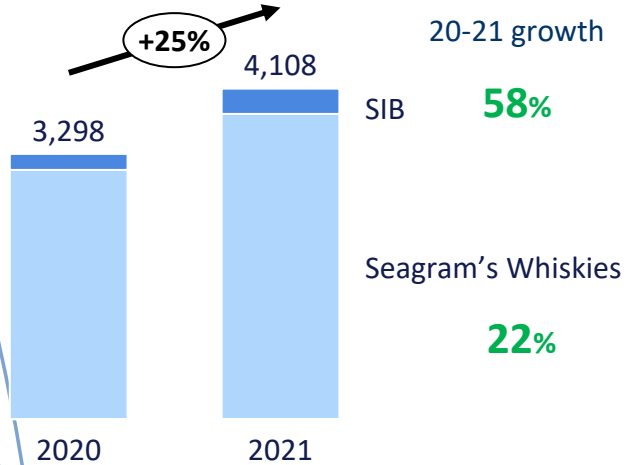
The Glenlivet 'Original by Tradition' Campaign

# More from the core for Pernod Ricard India

## Portfolio effectiveness and expansion supporting strong growth and premiumization



Pernod Ricard India has reached an inflexion point with accelerated growth in both Seagram's Whiskies and Strategic International Brands (SIB)



Pernod Ricard India Retail Value [IWSR; Million EUR]

Seagram's Whiskies growth recovery is driven by premiumization, with faster growth of upper segments



Pernod Ricard India Seagram's Whiskies Retail Value Growth, 2020-2021 [IWSR]

Strengthening brand connection via investment in themed campaigns & high-profile sponsorships



Blenders Pride 'Made of Pride' Theme Campaign

# More from the core for Pernod Ricard India

## Outstanding growth of Pernod Ricard India Strategic International Brands (SIB) inciting recruitment of young, urban middle class



Pernod Ricard India SIB growth booming, driven by growth of young, urban middle class consumption



Pernod Ricard India SIB Retail Value Change, 2020-2021  
[IWSR; Million EUR]

...with strong portfolio expansion & premiumization within the whisky portfolio providing differentiated offers

Through new major launches...



Jameson Black Barrel

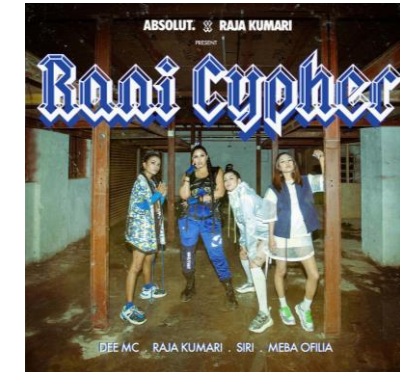
And acceleration of previous year additions



Chivas XV

...and disruptive campaigns and activation to recruit the new generation of premium spirits drinkers

Absolut x Raja Kumari





Unleashing growth potential, improve retail execution and salesforce efficiency

## D-STAR RECO-ENGINE



involves....

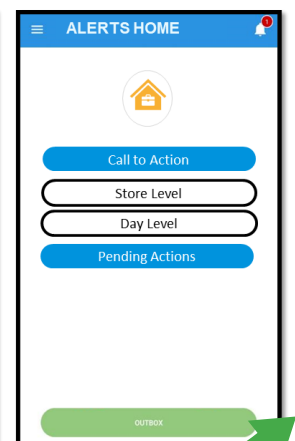
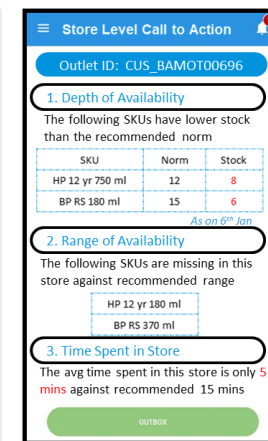
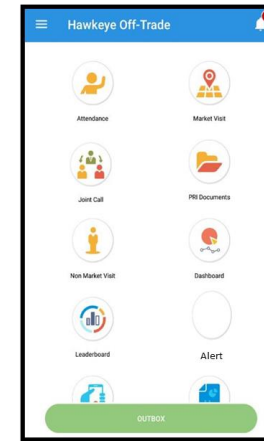
**1K**  
Sales Executives

**3K**  
Execution alerts/day

**5K**  
Stores audited/day

**21K**  
Store alerts/day

Easy tool to understand the Call-To-Action during visits



# Pernod Ricard India expanding beyond with innovation Pernod Ricard India driving premiumization of the whisky category with innovation



## India's first smoky premium whisky



## India's first bottled in India blended malt scotch



**1<sup>st</sup>**

Digital Launch



Edgy youth centric  
positioning



**2.4%**

Shr of P. Whisky segment  
(YTD Mar'22)



**No. 1**

Brand of choice for  
Seagram's Whiskies  
Scotch



100% malt  
Differentiation



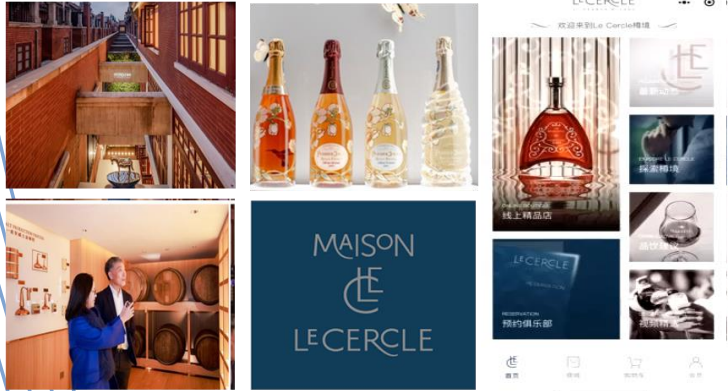
**1.2%**

Shr of Bottled In India  
Scotch  
(YTD Mar'22)

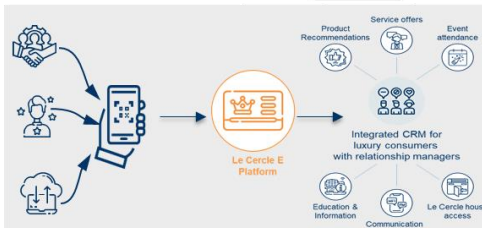
# Pernod Ricard China expanding beyond with Direct to Consumer Leveraging digital and data to recruit, retarget and convert, through multiple direct touchpoints



## Le cercle



**Exclusive portfolio, incl. cask program**



## L'atelier martell



## Secret of speyside



## Drinks & co



1  
Online & Offline store



>420  
Products listed, 53%  
PRC products



1

Online & Offline store



73%

Sales from online



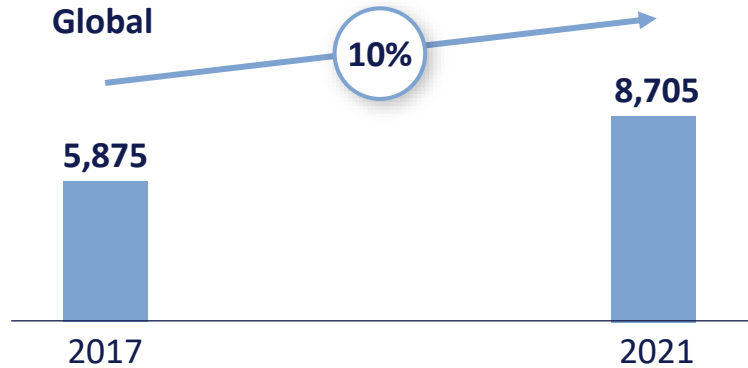
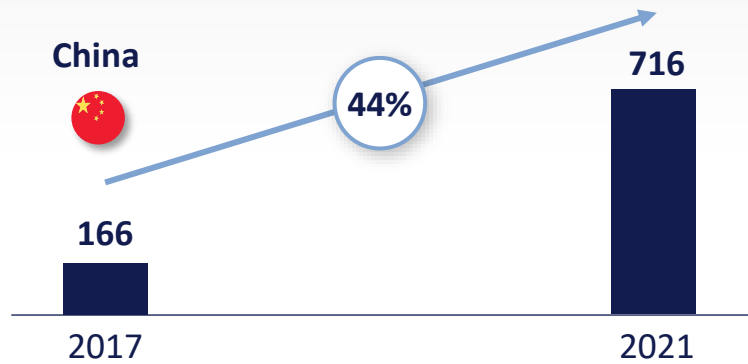
>50K  
CRM Members

# Expand Beyond – For China and the rest of the World

## The Chuan Whisky Distillery in China launched to capitalize on the global burgeoning single malts trend



Single Malt accelerating in growth in China and globally



IWSR Retail Value  
[Scotch & Japanese Malt; Million EUR]

...the Chuan distillery has been operational since August 2021, with a virtual launch in Nov



# Engage each Convivialist with talent acquisition, development, upskilling and digital enablement at the core of our transformation



Acquire Talent

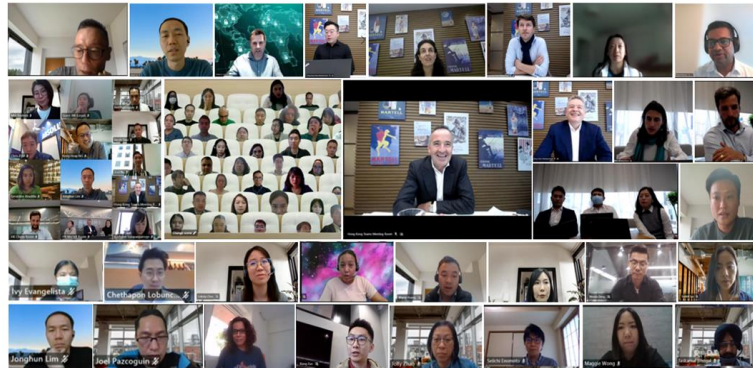


**24% to 34%**

Increasing the ratio of female senior leaders  
over 2 years from FY2021



Talent Development



**>40%**

Of Manager level and above participated in Asia  
or Global Leadership development program



Digital Enabling  
& Upskilling



**10%**

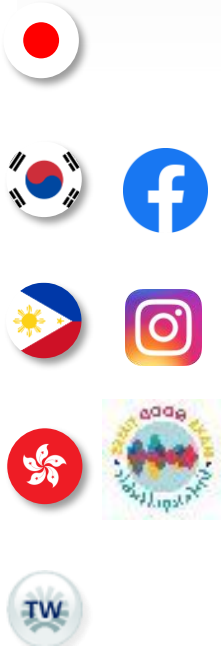
Of total new hires in Asia are dedicated to  
critical capabilities notably digital, data, E-  
commerce, innovation



## S&R at the core in Pernod Ricard Asia

Accelerating responsible drinking initiatives in Asia through dedicated digital campaigns to raise awareness and change behaviors

1st cross-market roll out of responsible drinking campaign in Asia



6.3M

18-29yo reached



61%

Target Audience across 5 markets

Martell sponsored responsible drinking messages featuring celebrity Tony Leung for noticeability



60%

Recall & relevance



53.5M

Social buzz

# S&R at the core in Pernod Ricard Asia

## Driving S&R advocacy with the on-trade across Asia through Bar World of Tomorrow and ecoSPIRITS partnership

Roll-out of Bar World of Tomorrow training in Asia as a platform of reference for bartenders on sustainability



600+

Bartenders trained from 6 markets



1<sup>st</sup> ever

Sustainability award



1<sup>st</sup>

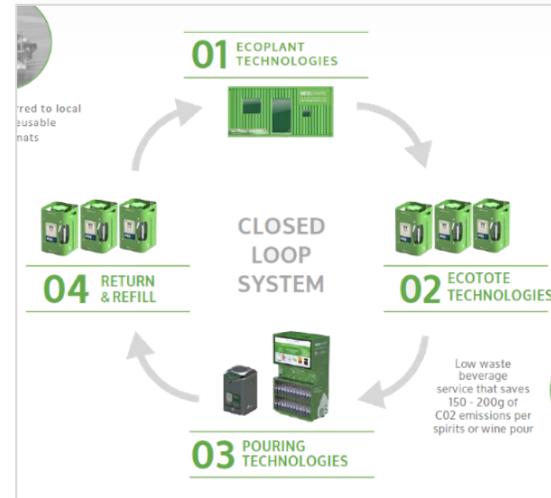
Partnership with ecoSPIRITS



50%-80%

CO<sup>2</sup> reduction

Partnership with circular economy tech start-up to develop innovative closed-loop brand distribution model



ecoSPIRITS



## S&R at the core in Pernod Ricard Asia

Focusing on local development in villages, support to minority groups and packaging efficiency



Promoting water efficiency, sustainable & regenerative agriculture and livelihood



**1.3M**

Community members  
in 1,000 villages

Supporting minorities  
and championing diversity & inclusion



**2,000**

Transgender persons  
received work assistance

Reducing carbon emissions through  
the removal of permanent gift boxes



**500M**

Pieces per year under  
Seagram's Whiskies

As reported by NGO Partners : WWF, Sir Syed Trust, Action for Food Production (AFPRO), SM Sehgal Foundation, Bala Vikasa, Self Reliant Initiative Through Joint Action (SRIJAN), Ashoka University –CMGGA

Based on reporting by Connecting Dreams Foundation as on 31st March 2022

# Long term presence in Asia, coupled with Transform & Accelerate, powered by the Conviviality platform & enabled by data and digital capabilities leads to a winning strategy



Long term leadership  
presence in Asia



Granular understanding of consumers,  
channels & customers



Mindful and mutual partnerships  
& collaborations



Data and digitally, KDP enabled capabilities



## Conviviality Platform

The continuity and amplification of long established and winning strategy