

# Sales to 31<sup>st</sup> March 2022



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28 April 2022

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Growth data specified in this presentation refers to organic growth, unless otherwise stated.

Data may be subject to rounding.

This presentation can be downloaded from our website: [www.pernod-ricard.com](http://www.pernod-ricard.com)

## Executive Summary 9M FY22 Sales

+21%

9M Reported  
Sales

+18%

9M Organic  
Sales

# Very strong 9M Sales at +18% (Q3 at +20%) with strong price/mix

## Markets

**Very dynamic Must-win domestic markets**, with USA at +13%, enhanced by phasing ; India maintaining strong growth +19% and China +12% following softer CNY impacted by Covid

**Excellent growth in Europe** with some deceleration in March notably due to impacts of conflict in Ukraine

**Rest of World** sees very strong growth in LATAM, Africa-Middle East and Asia, notably Korea and Japan

**Travel Retail at +33%** with increasing passenger traffic outside of China

## Brands

**Strategic International Brands:** excellent performance +20% (Q3 +22%), driven by Jameson, Martell, Chivas Regal, Absolut, Ballantine's and The Glenlivet

**Strategic Local Brands:** +14% (Q3 +15%), delivering notably strong growth in Q3 of Blender's Pride, Royal Stag and Passport

**Specialty Brands:** +28% (Q3 +45%), with very dynamic performance across portfolio notably US Whiskeys, Malfy, Monkey 47, Avion, Lillet, Redbreast and Del Maguey

**Strategic Wines:** -3% (Q3 +3%), overall soft in particular due to New Zealand lower harvest

## Must-Win markets 9M FY22 Sales

### USA<sup>1</sup>: 9M +13% | Q3 +23%

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Very strong Net Sales YTD, **enhanced by phasing<sup>2</sup> in Q3**, expected to reverse in Q4

Very solid underlying performance on key brands **Jameson, Malibu, Kahlua, Jefferson's, Martell, and agave portfolio**

**Broad-based price increase** early February

Successful start of **Jameson Orange**

### Travel Retail: 9M +33% | Q3 +24%

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**Recovery of international passenger traffic accelerating** outside of China

**Return to growth in all regions** on very favourable comparison basis, but activity still below pre-covid levels

### China<sup>1</sup>: 9M +12% | Q3 +8%

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**Softer Chinese New Year performance**, lapping an exceptional FY21 CNY, **impacted by COVID disruptions**

**Dynamic Martell Sales**

**Continued very strong** development of The Glenlivet, Royal Salute and Absolut

Covid-related restrictions impacting Q4 performance

### India<sup>1</sup>: 9M +19% | Q3 +19%

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**Strong growth** continuing with solid premiumization trends

**Very dynamic performance** of Royal Stag, Blender's Pride and 100 Pipers

**Outstanding growth** of Strategic International Brands in particular Jameson, Ballantine's and Absolut

1. Excluding Travel Retail
2. c. 3% of USA YTD Net Sales growth impact



## Other key markets 9M FY22 Sales



### Europe<sup>1</sup>: 9M +20% (Q3 +20%)

**France:** good performance driven by Champagnes, Ballantine's, Absolut and Havana Club

**Spain:** continued strong rebound fuelled by On-trade recovery driven by Gin, Ballantine's and Absolut. Broad-based price increase in March

**Germany:** strong growth thanks notably to Absolut, Lillet and Jameson

**UK:** good growth, benefiting from strength in On-trade, in particular Absolut, Jameson and Havana Club

**Eastern Europe:** performance impacted by conflict since mid-February. Continued strength in Poland

### Asia & RoW<sup>3</sup>: 9M +16% (Q3 +17%)

**Japan:** rebound on low comparison basis. Price increase on Perrier-Jouët in February

**Korea:** continued strong development in Strategic International Brands in Off-trade and On-trade rebound. Price increase on Whiskies and Perrier-Jouët in March

**Africa and Middle East:** strong double-digit growth driven by Turkey, South Africa and Nigeria, enhanced by strong pricing

1. Including Travel retail
2. Including Travel Retail & USA
3. Including Travel Retail, China & India

### Americas<sup>2</sup>: 9M +17% (Q3 +24%)

**Central & South America: exceptional result +43%**

**Brazil:** outstanding growth notably on Absolut, Chivas Regal, Ballantine's and Beefeater, enhanced by pricing

**Mexico:** very strong growth led by Chivas Regal, Absolut and Martell as On-Trade recovers along with Off-trade resilience

**Canada:** low single digit growth with Strategic International Brands dynamism partially offset by decline on wines. Price increase being implemented from March

## Conclusion & Outlook 9M FY22 Sales



**Very strong 9M Sales at +18%**, enhanced by phasing and with strong price/mix, confirming overall business rebound and consumer resilience

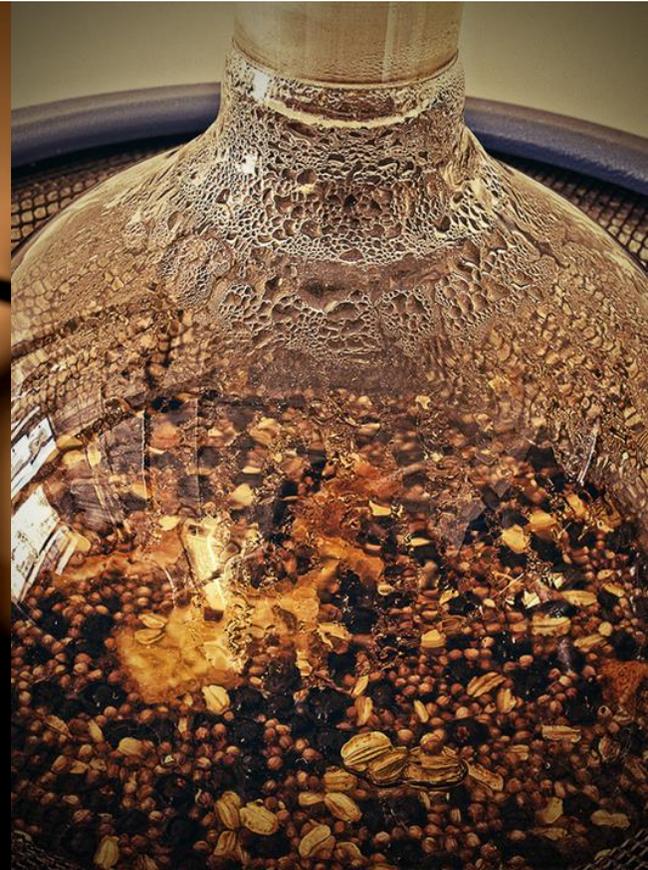
**Despite an increasingly challenging and inflationary context**, Pernod Ricard expects for the full year:

- **Strong diversified Sales momentum across the Regions** due to On-trade rebound, Off-trade resilience and a continuing recovery in Travel Retail
- **Softer Q4 Sales**, driven by Covid disruptions in China, phasing normalization in the US and conflict in Ukraine
- **Dynamic topline growth** and increased investments driving some **operating margin expansion**
- Continuing implementation of **Transform & Accelerate**, including **digital transformation**
- **Positive FX impact<sup>1</sup> of c. + €110m on PRO**

**FY22 Guidance:**  
**Organic Growth in Profit from Recurring  
Operations at c.+17%**

1. Based on YTD average rates & projected spot rates on April 15th 2022, particularly EUR/USD = 1.13

# APPENDIX



## Definitions and reconciliation of non-IFRS measures to IFRS measures

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Pernod Ricard's management process is based on the following non-IFRS measures which are chosen for planning and reporting. The Group's management believes these measures provide valuable additional information for users of the financial statements in understanding the Group's performance. These non-IFRS measures should be considered as complementary to the comparable IFRS measures and reported movements therein.

### Organic growth

- Organic growth is calculated after excluding the impacts of exchange rate movements, acquisitions and disposals and changes in applicable accounting principles.
- Exchange rates impact is calculated by translating the current year results at the prior year's exchange rates.
- For acquisitions in the current year, the post-acquisition results are excluded from the organic movement calculations. For acquisitions in the prior year, post-acquisition results are included in the prior year but are included in the organic movement calculation from the anniversary of the acquisition date in the current year.
- Where a business, brand, brand distribution right or agency agreement was disposed of, or terminated, in the prior year, the Group, in the organic movement calculations, excludes the results for that business from the prior year. For disposals or terminations in the current year, the Group excludes the results for that business from the prior year from the date of the disposal or termination.
- This measure enables to focus on the performance of the business which is common to both years and which represents those measures that local managers are most directly able to influence.

### Profit from recurring operations

- Profit from recurring operations corresponds to the operating profit excluding other non-current operating income and expenses.

# Upcoming communications

<b>Date<sup>1</sup></b>	<b>Event</b>
10 May 2022	North America conference call
8 June 2022	Capital Market Day in Paris
1 September 2022	FY22 Sales and Results

1. Dates may change

# 9M FY22 Sales Analysis by Region

Net Sales (€ millions)	H1 FY21		H1 FY22		Change		Organic Growth		Group Structure		Forex impact	
Americas	1,402	28.1%	1,638	27.5%	+235	+17%	+196	+14%	+17	+1%	+22	+2%
Asia / Rest of the World	2,127	42.7%	2,524	42.4%	+397	+19%	+338	+16%	+0	+0%	+60	+3%
Europe	1,456	29.2%	1,797	30.2%	+341	+23%	+300	+21%	+19	+1%	+22	+2%
<b>World</b>	<b>4,985</b>	<b>100.0%</b>	<b>5,959</b>	<b>100.0%</b>	<b>+974</b>	<b>+20%</b>	<b>+834</b>	<b>+17%</b>	<b>+36</b>	<b>+1%</b>	<b>+104</b>	<b>+2%</b>

Net Sales (€ millions)	Q3 FY21		Q3 FY22		Change		Organic Growth		Group Structure		Forex impact	
Americas	592	30.3%	787	32.2%	+195	+33%	+140	+24%	+4	+1%	+52	+9%
Asia / Rest of World	878	44.9%	1,057	43.2%	+179	+20%	+148	+17%	+0	+0%	+31	+4%
Europe	486	24.8%	603	24.7%	+118	+24%	+96	+20%	+18	+4%	+4	+1%
<b>World</b>	<b>1,955</b>	<b>100.0%</b>	<b>2,447</b>	<b>100.0%</b>	<b>+492</b>	<b>+25%</b>	<b>+384</b>	<b>+20%</b>	<b>+22</b>	<b>+1%</b>	<b>+86</b>	<b>+4%</b>

Net Sales (€ millions)	9M FY21		9M FY22		Change		Organic Growth		Group Structure		Forex impact	
Americas	1,994	28.7%	2,425	28.8%	+431	+22%	+336	+17%	+21	+1%	+74	+4%
Asia / Rest of the World	3,005	43.3%	3,581	42.6%	+576	+19%	+485	+16%	+0	+0%	+91	+3%
Europe	1,942	28.0%	2,401	28.6%	+459	+24%	+396	+20%	+37	+2%	+26	+1%
<b>World</b>	<b>6,941</b>	<b>100.0%</b>	<b>8,407</b>	<b>100.0%</b>	<b>+1,466</b>	<b>+21%</b>	<b>+1,217</b>	<b>+18%</b>	<b>+58</b>	<b>+1%</b>	<b>+191</b>	<b>+3%</b>

# Forex Impact on 9M FY22 Sales

Forex impact 9M FY22 (€ millions)		Average rates evolution			On Net Sales
		9M FY21	9M FY22	%	
US dollar	USD	1.19	1.15	(3.4)%	+72
Pound sterling	GBP	0.89	0.85	(5.3)%	+18
Chinese yuan	CNY	7.93	7.36	(7.3)%	+85
Indian rupee	INR	87.62	85.82	(2.1)%	+19
Turkish Lira	TRL	8.93	12.83	+43.8%	(42)
Russian rouble	RUB	88.98	86.10	(3.2)%	+7
Canadian Dollar	CAD	1.55	1.45	(6.3)%	+13
Other					+19
<b>Total</b>					<b>+191</b>