Sales to 30 September 2022
Executive Summary
Q1 FY23 Sales

Dynamic start of the year with diversified Sales growth +22% reported / +11% organic and strong price effect +7%

Strong broad-based performance across markets

US enjoys strong distributor depletions with shipments impacted by phasing

Strong growth in China and India

Travel Retail continues to rebound despite ongoing softness of Chinese travellers

Continued strong dynamism in Europe\(^1\) enhanced by an excellent tourist season supporting On-trade growth

Strong pricing with effects of FY22 increases along with new increases implemented notably in USA

Volumes growing across our three regions\(^1\)

Diversified double-digit growth across all spirits segments

Strategic International Brands: +12%, very dynamic growth driven mainly by Scotch portfolio, Jameson, Absolut, Beefeater and Martell

Strategic Local Brands: +13%, mainly driven by strong double-digit growth of Seagram’s whiskies

Specialty Brands: +16%, continued excellent development driven by Lillet, Malfy, Redbreast and Jefferson’s

Strategic Wines: -8%, a soft start notably in the US and the UK, with phasing effects. Dynamism in Canada and India

1. Excluding Russia/Ukraine
Continued portfolio momentum in Must-Win markets

**USA**: +2%

*Mid-single-digit growth of underlying depletions with softer shipments due to phasing, and very strong start of [Jameson, The Glenlivet, Malibu and Jefferson's]*

Further *price increases* implemented as planned

*Dynamic, consumer-centric innovation* in particular with Jameson Orange

*Very rapid development of the RTD portfolio*

**Travel Retail**: +24%

*Continued Sales recovery* outside of China and on track to deliver profit back to pre covid levels

*Increased consumer basket size*

*Solid price effect*

**China**: +9%

*Record sales quarter in China, with strong Mid-Autumn Festival lapping a high comparison basis*

*Positive pricing* due to FY22 price increases

*Double-digit growth on Martell* despite on-going Covid related disruptions

*Continued widening of the market footprint with our Scotch portfolio and Absolut*

**India**: +21%

*Very strong growth* continuing with premiumization trends, supported by RGM initiatives

*Continued very dynamic performance* of Royal Stag and Blender's Pride driving favorable mix

*Excellent growth* of Strategic International Brands in particular Jameson, the Scotch portfolio and Absolut

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1. Excluding Travel Retail
Broad-based growth across regions

Europe\(^1\): +4%

**Double-digit growth** excluding Russia/Ukraine

**France**: soft start on high comparison basis but strong growth in the On-trade

**Spain**: double-digit growth notably driven by gin portfolio, Absolut and whisky. On-trade rebounding with strong tourism while Off-trade remains resilient

**Germany**: very strong growth driven notably by Lillet and Ramazzotti

**UK**: soft start notably from wine portfolio, on high comparison basis with staycation in FY22

**Eastern Europe**: sharp decline fully driven by Russia/Ukraine, with good start in Central Europe

Americas\(^2\): +6%

**Brazil**: continued double digit growth, enhanced by good pricing and strong mix with faster growth of Strategic International Brands

**Mexico**: strong start with Absolut and Chivas Regal

**Canada**: high single digit growth on low comparison basis driven by Absolut, The Glenlivet and wines

Asia & RoW\(^3\): +20%

**Japan**: double-digit growth notably driven by Ballantine’s, Chivas Regal and Perrier-Jouët

**Korea**: strong start with full On-trade recovery driven in particular by the whisky portfolio

**South East Asia**: very strong rebound

**Africa and Middle East**: continued excellent growth of Martell and Jameson in Nigeria. **South Africa** in double-digit growth, on a low comparison basis

**Turkey**: in double-digit growth, from volume and price, led by Chivas Regal and Ballantine’s

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1. Including Travel retail
2. Including Travel Retail & USA
3. Including Travel Retail, China & India
4. Hyperinflation accounting applied with yearly price effect in organic growth capped at +26%
Reinforcing our US market footprint

Partnering with industry pioneers in highly attractive categories to complement our existing comprehensive portfolio

**Sovereign Brands**
- Increasing stake\(^2\) in Sovereign Brands’ portfolio
- Accelerating growth of exciting super premium brands
- Portfolio includes sparkling wine Luc Belaire and Bumbu Caribbean Rum

**Código**
- Majority stake in Código 1530 Tequila, a range of Ultra Premium and Prestige Tequilas
- Broadening our Agave portfolio in the US market across price bands and occasions

**Nocheluna**
- Joining forces with Casa Lumbre and Lenny Kravitz to develop an exciting offer in the newly emerging and highly promising Sotol spirits category

Strong track-record of acquiring and scaling promising brands across categories

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1. Net Sales growth since acquisition to June 2022
2. Fully consolidating Sovereign Brands at closing of transaction due to various call options through which Pernod Ricard may further increase its stake in the partnership
Confidence in delivering diversified, balanced growth

Dynamic start of the year with diversified Sales growth +22% reported and +11% organic and strong price effect +7%

Despite a persistently volatile context, Pernod Ricard remains confident in the resilience of its portfolio and continues to expect for the full year:

- Dynamic, broad-based Net Sales growth, albeit moderating on a normalizing comparison basis;
- Intense focus on revenue growth management and operational efficiencies in a high inflationary environment;
- A&P ratio at c. 16% of Net Sales and continuing investments in structure;
- Significant positive currency effect expected for FY23¹

Active investments for sustainable value creation

FY23 financial policy priorities²:

- Fuelling future growth through Strategic Inventories and with Capex at c. 7% of Net Sales;
- Active portfolio management with recent investments reinforcing our US market footprint;
- Dividend with payout at c. 50% of prior year Recurring Net Profit;
- €500m to €750m share buyback to be executed during the fiscal year

1. Assuming USD/EUR at current spot rate (as at 17th Oct of 0.97)
2. While remaining Investment Grade
Definitions and reconciliation of non-IFRS measures to IFRS measures

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

<table>
<thead>
<tr>
<th>Date¹</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 10&lt;sup&gt;th&lt;/sup&gt;, 14.00 CET</td>
<td>Annual General Meeting</td>
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<tr>
<td>November 22&lt;sup&gt;nd&lt;/sup&gt;, 15.00 CET</td>
<td>EMEA LATAM conference call</td>
</tr>
<tr>
<td>February 16&lt;sup&gt;th&lt;/sup&gt;, 09.00 CET</td>
<td>FY23 H1 Sales and Results</td>
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</tbody>
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¹ Dates may change
# Q1 FY23 Sales Analysis by Region

<table>
<thead>
<tr>
<th>Net Sales (€ millions)</th>
<th>Q1 FY22</th>
<th>Q1 FY23</th>
<th>Change</th>
<th>Organic Growth</th>
<th>Group Structure</th>
<th>Forex impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>773</td>
<td>957</td>
<td>+184</td>
<td>+46</td>
<td>+16</td>
<td>+122</td>
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<tr>
<td>Asia / Rest of the World</td>
<td>1,152</td>
<td>1,488</td>
<td>+336</td>
<td>+231</td>
<td>+25</td>
<td>+80</td>
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<tr>
<td>Europe</td>
<td>793</td>
<td>863</td>
<td>+70</td>
<td>+28</td>
<td>+25</td>
<td>+17</td>
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<tr>
<td>World</td>
<td>2,718</td>
<td>3,308</td>
<td>+590</td>
<td>+305</td>
<td>+66</td>
<td>+219</td>
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Note: Bulk Spirits are allocated by region according to the Region's weight in the Group
## Forex Impact on Q1 FY23 Sales

<table>
<thead>
<tr>
<th>Forex impact Q1 FY23 (€ millions)</th>
<th>Average rates evolution</th>
<th>On Net Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1 FY22</td>
<td>Q1 FY23</td>
</tr>
<tr>
<td>US dollar USD</td>
<td>1.18</td>
<td>1.01</td>
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<tr>
<td>Pound sterling GBP</td>
<td>0.86</td>
<td>0.86</td>
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<tr>
<td>Chinese yuan CNY</td>
<td>7.63</td>
<td>6.90</td>
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<tr>
<td>Indian rupee INR</td>
<td>87.33</td>
<td>80.34</td>
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<tr>
<td>Turkish Lira TRL</td>
<td>10.07</td>
<td>18.07</td>
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<tr>
<td>Russian rouble RUB</td>
<td>86.59</td>
<td>59.30</td>
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<tr>
<td>Canadian Dollar CAD</td>
<td>1.48</td>
<td>1.31</td>
</tr>
<tr>
<td>Other</td>
<td>+31</td>
<td></td>
</tr>
<tr>
<td>Total</td>
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