CAPITAL MARKETS DAY 2022
Pernod Ricard

SUSTAINABLE VALUE CREATION

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From profitable growth to stretched growth

Excellent financial delivery with acceleration of topline growth and increased profitability through the execution of the Transform & Accelerate strategy

Sound balance sheet with **clear financial policy** priorities

Translating into **strong shareholder returns**

Updated strategy to maximize long-term value creation with **Conviviality Platform enabling stretching of topline trajectory**

Growth amplified by our advantaged geographical footprint and leveraging our diversified growth profile

Leveraging our 4 must-win markets by building on favorable market trends and competitive advantages

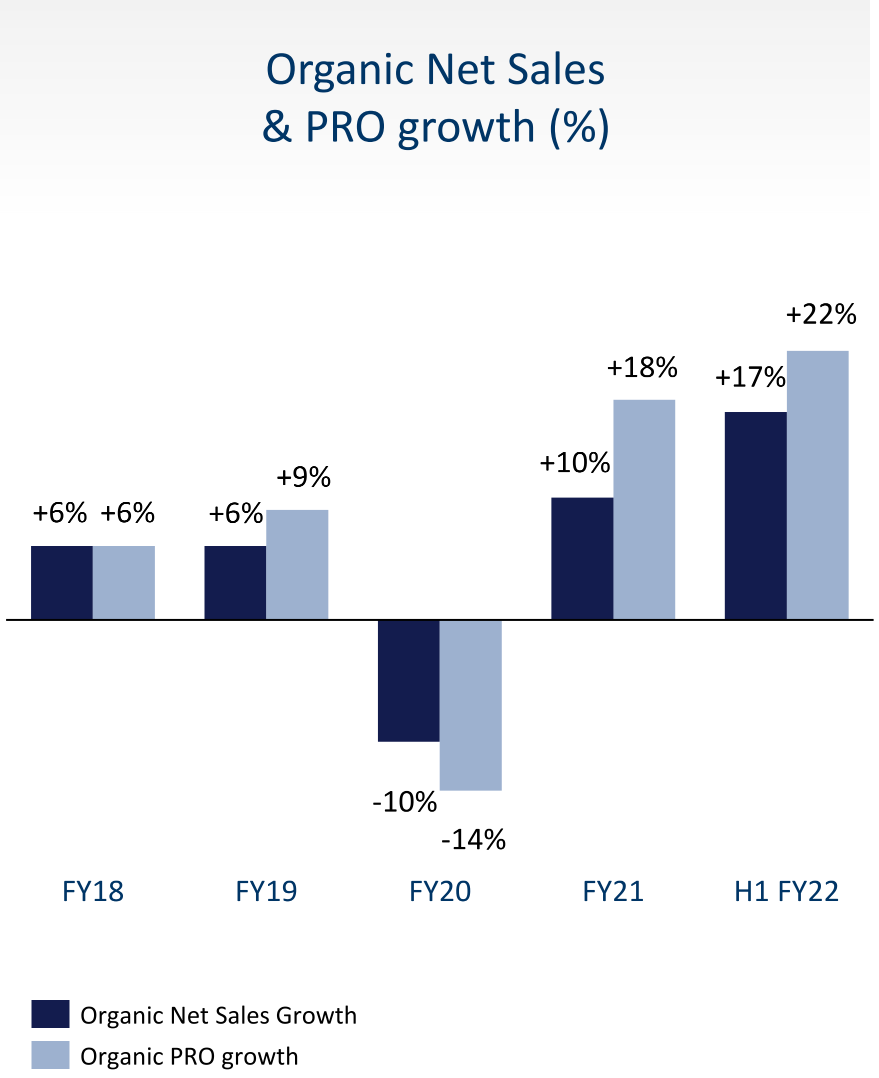
H1 FY22 vs. pre Covid	Reiterating our Ambition
USA +17%	Mid-single digit
China +28%	High-single to low-double digit
India +12%	Low-double digit
Global Travel Retail -41%	Strong Value leadership

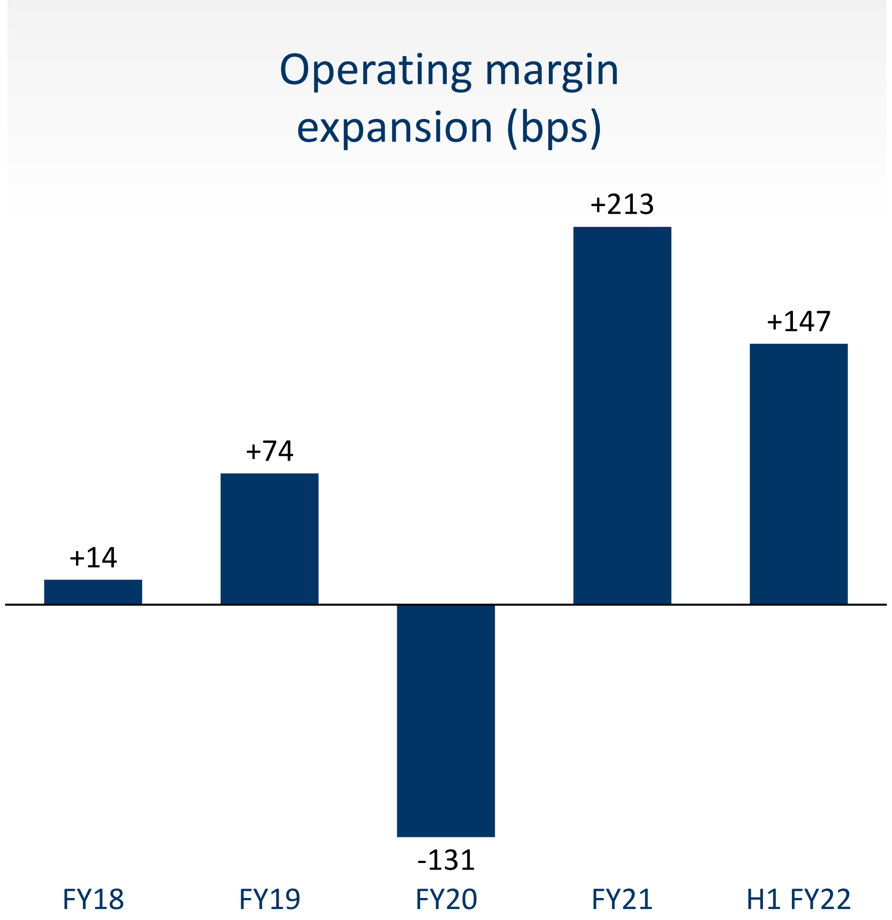
An increasingly balanced geographical growth profile

Contribution to growth H1 FY22 vs. H1 FY21

Europe	36%	With strong topline acceleration & market share gains
Americas	24%	With market dynamism across categories and strong momentum
Asia-RoW	40%	With excellent growth driven by China, India and Turkey

Sales momentum fueling operating leverage expansion while continuing to invest long-term behind our brands





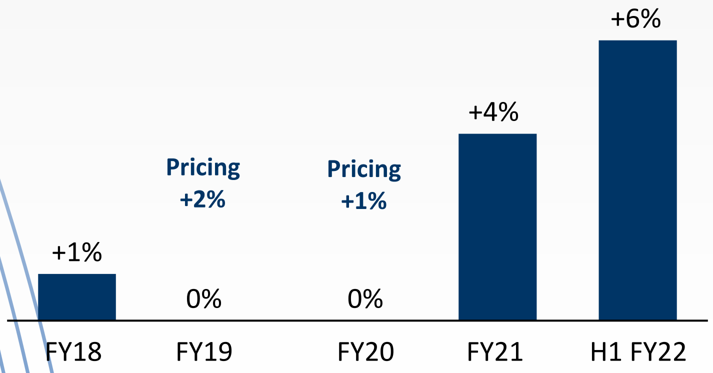
Confirmation of FY22 guidance

Organic Growth in Profit from Recurring Operations at c. +17%

With Dynamic topline growth and increased investments driving some operating margin expansion

Focus on driving price/mix by leveraging our revenue growth management capabilities

Strong price/mix,
with promotional effectiveness and
active price management



Bold pricing actions across
all geographies with
continued momentum

The Conviviality Platform enabling
stronger value
from data-driven pricing
and optimized revenue
from promotions

VISTA REV-UP

Culture of “Excellence in Operation” delivering sustainable operational efficiencies

Annual Incremental Savings FY19 to FY21

c. €100m/yr

A&P Effectivness

Direct & Indirect Purchases

Supply Chain

Local Initiatives

Continuing to drive future efficiencies

Packaging Value Creation

Sustainable pack design: reducing weight, removing gift boxes, optimising closures, enabling recyclability

Manufacturing Footprint Optimisation

Dynamic production site optimisation generating fixed cost reduction

Leveraging Consumer Trends leading to Wet goods optimisations

Enhanced procurement capabilities though “PR Procure”

Agility and resilience to address supply chain tensions, leveraging our strong long-term partnerships

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Fit-for-purpose organization bolstering the Group transformation

Leveraging efficiencies, recruiting new skills and adapting our organization to support/ strengthen the Group transformation

1 **Active and agile resource management with swift cost mitigation when needed, as illustrated during Covid**

2 **Agile yet disciplined reinvestment seizing the growth momentum & accelerating pace of transformation**

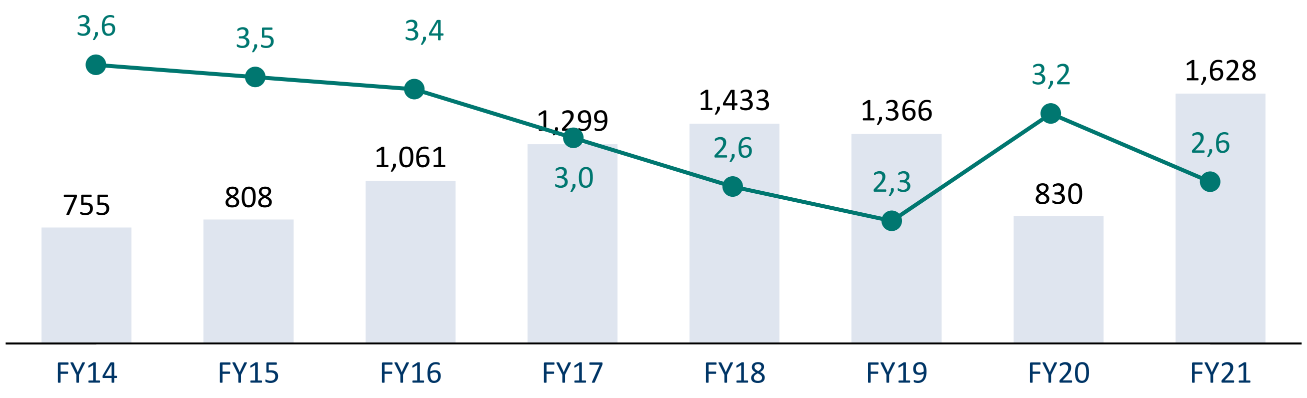
	FY18	FY19	FY20	FY21	H1 FY22
Net Sales growth	**+6%**	**+6%**	**-10%**	**+10%**	**+17%**
Structure Costs growth	+5%	+4%	-5% 1	+1%	+9% 2

H1:-2% H2:-9%

Strong cash flow performance accelerating deleveraging

Accelerated sales growth, improved margin combined with significant deleveraging translating into a sound balance sheet, illustrated by our strong Investment-Grade credit rating at BBB+/Baa[1]

Free Cash flow, M€
Net Debt/ EBITDA ratio (green line)



Strong cash delivery with **historically high Free Cash Flow[2]**

Strong, consistent cash conversion

while increasing **investments in Capex[3]**

and in ageing stocks[4]

to **fuel our future organic growth**

1. Upgraded from BBB/Baa2 to BBB+/Baa1 in October 2019
2. As at H1 FY22
3. From c. 3% in FY14 to c. 5% expected in full year FY22, % of Net Sales
4. c. 300M€/yr

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Strong Balance Sheet driving long term value creation

CONFIRMED FINANCIAL POLICY PRIORITIES

While retaining investment grade rating:

1. Investment in future **organic growth,** in particular through strategic inventories and capex
2. Continued **active portfolio management**, including value-creating M&A
3. **Dividend distribution at c.50%** of Net Profit from Recurring Operations
4. **Share buy-back,** when above priorities are fullfiled

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Investing sustainably in our future organic growth

1

Increasing investments in ageing stocks

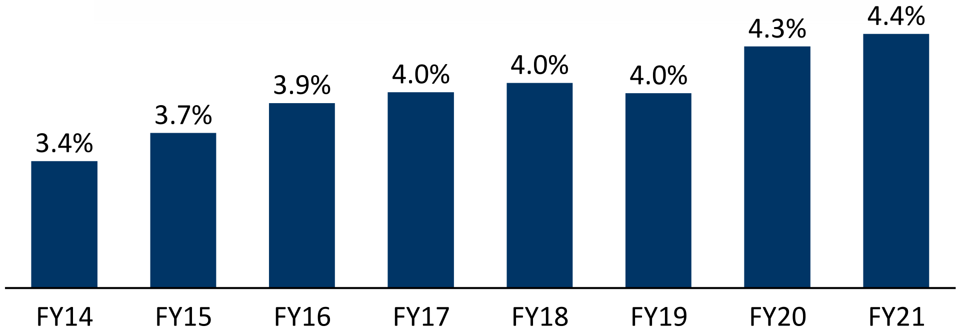
c. €5.4bn ageing stocks on Balance Sheet[1]

FY14-FY18	FY19-FY21
c. 200M€/yr	c. 300M€/yr

Increase in strategic stocks, €m

Accelerating our Capex investments, including digital and technology

c. 5% expected for FY22



Ratio CAPEX to Net Sales

Eaux-de-vie sourcing investment in cognac growth at all levels of premiumness

Investment in facilities to extend **Jameson and Redbreast ageing stock** storage

The CHUAN distillery first ever malt distillery in China by an international player

Investment in our Aberlour and Miltonduff distilleries to upgrade sustainable distillation technologies and increase capacity

1. FY21

Accelerating our dynamic portfolio management over the past 5 years

25 ACQUISITIONS [1]

2016 2017 2018 2019 2020 2021 2022

Château Sainte Marguerite

8 Degrees [1]

ABC/ AMDC [1]

8 DISPOSALS

2016 2017 2018 2019 2021

Spanish Wines

Argentinian Wines

Marquis de Montesquiou

1. Or acquisition of minority stake

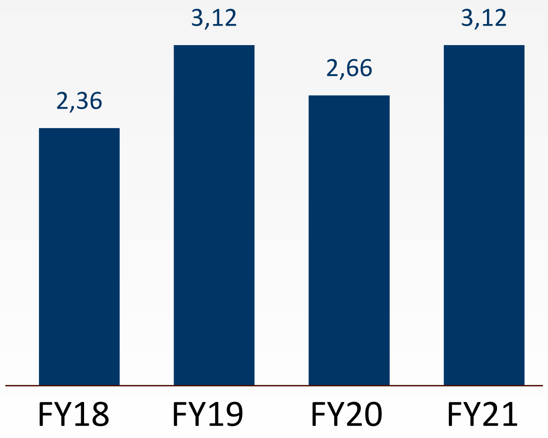
Strong track-record of acquiring and scaling promising brands across categories, pursuant to our M&A strategic roadmap

Strategic goal	Brands	Net Sales growth since acquisition
Build a scalable **US whiskey portfolio**	Jefferson's, TX Whiskey, Smooth Ambler Spirits, Rabbit Hole	x2
Accelerate in **Super Premium+ Gin** category	Monkey 47	x4
	Malfy	x5
Increase our **agave exposure**	Del Maguey Single Village Mezcal	x3
Diversify our **routes-to-market**	The Whisky Exchange, Bodeboca, Uvinum	

x5 *Net Sales growth since acquisition*

Maximising long-term value creation for shareholders

+10% CAGR dividend per share



In €

Strong Total Shareholder Return[1]

3 Year

+22%

5 Year

+64%

Significant reduction in recurring financial expenses thanks to active debt management, resulting in:

Average cost of debt at 2.2% in H1FY22 (from 3.6% in FY20)

Smoother debt profile extended average bond maturity from 5 to 7 yrs

c. 50% of bond debt refinanced since FY19

Share Buy Back

c. €1.25bn

of shares repurchased since FY20

1. TSR calculation method used is a last month method (date to date) with reintegration of dividends with a closing date 2nd June 2022

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Maximising long term value creation with the Conviviality Platform

Mid-term ambition FY23 to FY25

+4 to +7% annual topline growth aiming for the upper end of the range

- Stretching our topline growth with the Conviviality Platform
- Building on our key competitive advantages, leveraging our broad-based portfolio and balanced geographical footprint

Focus on **pricing, further enhanced by our digital proprietary predictive tools**

Continuous improvement in **operational efficiency, building on our culture of excellence**

Significant A&P investment, maintained at c. 16% of Sales, with higher return on investments leveraging Key Digital Programs

Discipline on Structure costs, investing in priorities while maintaining an agile organisation, aiming at increase below topline growth

Operating leverage of c.50-60 bps pa, provided topline within +4 to +7% range

Confirmed financial policy priorities