



Pernod Ricard
Créateurs de convivialité

Sales to 31 March 2021



22 April 2021

All growth data specified in this presentation refers to organic growth (constant FX and Group structure), unless otherwise stated.

Data may be subject to rounding.

This presentation can be downloaded from our website: www.pernod-ricard.com

Executive
Summary
9M FY21 Sales

+19.1%

Q3 Organic Sales

+12.6%

Q3 Reported Sales

+1.7%

9M Organic Sales

-3.7%

9M Reported Sales

Excellent Q3 at +19%, marking return to Sales growth in 9M FY21

Markets

Dynamism of Must-win domestic markets, with USA continuing to grow mid-single-digit, China at +34% in 9M and India back to double-digit growth in Q3

Europe¹ continuing to display strong resilience, thanks in particular to Scotch and Specialty brands, despite Covid-related restrictions

Travel Retail starting to lap easier comparison base, but **still very subdued**, with limited passenger traffic

Brands

Strategic International Brands +1% returning to growth driven by Martell, Malibu, Jameson and The Glenlivet. Absolut and blended Scotch still in decline, impacted by Travel Retail exposure

Strategic Local Brands now stable, thanks to double-digit growth of Kahlua, Passport and Ramazzotti

Specialty Brands +22%, with continued strong dynamism of Lillet, Malfy and Aberlour in Western Europe, and Tequila and American whiskey in USA

Strategic Wines +2%, in good growth, particularly thanks to Off-trade dynamism in UK and Canada



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1. Excluding Travel Retail

USA: +6%

Sell-out¹ continuing at robust mid-single-digit growth, thanks to dynamic Off-trade, driven by The Glenlivet, Malibu, Kahlua, Tequila and American whiskey portfolios

Jameson softer in Q3 due to lapping Cold Brew launch in Q3 FY20; **Black Barrel** continuing to grow dynamically

On-trade still in decline but improving thanks to reopening through Q3

Global Travel Retail: -50%

Softer rate of decline in Q3 FY21 driven by lapping low comparison basis, notably in Asia

Continued **positive performance of offshore Duty Free islands (Hainan and Jeju)**

China: +34%

Q3 Sales in triple-digit growth, due to very strong depletions² and lapping low comparison basis

Excellent Chinese New Year with double-digit depletions² on all key brands:

- **Martell in very strong growth**, with **positive mix** driven by Cordon Bleu. **Price increase in April**
- Continued very strong dynamism of **The Glenlivet, Royal Salute, Absolut and Chivas**

India: Stable

All key brands in double-digit growth in Q3, with excellent growth of international brand portfolio, and better mix within Seagram's Indian whiskies

Covid-19 resurgence in March/April leading to new restrictions

☰ **Must-win markets**
9M FY21 Sales



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Other key markets 9M FY21 Sales

Europe: -3%

Germany: outstanding growth thanks notably to Ramazzotti and Lillet

UK: continued excellent growth driven by Wines, Absolut, Jameson and The Glenlivet

Eastern Europe in high-single-digit growth, driven by Russia and Poland

France: good Off-trade Sell-out driven by Ricard, Absolut and Aberlour, but On-trade still closed

Spain: continued weakness due to On-trade restrictions

Americas incl. USA: +4%

Canada: high single-digit growth, primarily driven by Jacob's Creek, The Glenlivet and Absolut

Latin America: Mexico in double-digit growth driven by Scotch and Absolut. Very dynamic growth in Brazil

Asia-RoW incl. China and India: +3%

Japan: decline due to **On-trade restrictions.** Good resilience of **Perrier-Jouët**

Korea: Strategic International Brands driving **very strong Off-Trade growth**

Africa and Middle-East: double-digit growth driven by Turkey



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Conclusion & Outlook

Excellent Q3 at +19%, marking return to Sales growth in 9M FY21, with good resilience throughout and strong dynamism of domestic Must-win markets

For FY21, in a still uncertain and volatile context, with the current information available on the pandemic, Pernod Ricard expects:

- Continued implementation of **clear strategy** with acceleration of **Digital transformation**
- **Sales acceleration**, thanks to continued business recovery, with On-trade gradually reopening but Travel Retail still very subdued
- **Dynamic resource management, with strong reinvestment where efficient** (A&P expected at c. 16% ratio for FY21)
- **Organic operating leverage** thanks to dynamic topline and Structure cost discipline
- **Significant FX impact¹ of c. -250M€** linked to Euro appreciating vs. US Dollar and Emerging market currencies

FY21 Guidance:
Organic Growth in Profit from Recurring Operations of c. +10%

1. Based on average FX rates for full FY21 projected on 14 April 2021, particularly EUR/USD = 1.19





Appendices

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 and acquisitions and disposals.

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.

9M FY21 Sales Analysis by Region

Net Sales (€ millions)	H1 FY20		H1 FY21		Change		Organic Growth		Group Structure		Forex impact	
Americas	1,461	26.7%	1,402	28.1%	(59)	-4%	+22	+2%	+47	+3%	(128)	-9%
Asia/Rest of World	2,415	44.1%	2,127	42.7%	(288)	-12%	(148)	-6%	+1	0%	(140)	-6%
Europe	1,598	29.2%	1,456	29.2%	(142)	-9%	(83)	-5%	(8)	0%	(52)	-3%
World	5,474	100%	4,985	100%	(489)	-8.9%	(209)	-3.8%	+40	+1%	(320)	-6%

Net Sales (€ millions)	Q3 FY20		Q3 FY21		Change		Organic Growth		Group Structure		Forex impact	
Americas	577	33.2%	592	30.3%	+15	+3%	+60	+10%	+21	+4%	(66)	-11%
Asia/Rest of World	684	39.4%	878	44.9%	+194	+28%	+243	+36%	(1)	0%	(48)	-7%
Europe	475	27.4%	486	24.8%	+10	+2%	+25	+5%	(2)	0%	(12)	-3%
World	1,736	100%	1,955	100%	+219	+12.6%	+328	+19.1%	+18	+1%	(127)	-7%

Net Sales (€ millions)	9M FY20		9M FY21		Change		Organic Growth		Group Structure		Forex impact	
Americas	2,038	28.3%	1,994	28.7%	(44)	-2%	+81	+4%	+69	+3%	(194)	-10%
Asia/Rest of World	3,099	43.0%	3,005	43.3%	(94)	-3%	+95	+3%	+0	0%	(189)	-6%
Europe	2,073	28.8%	1,942	28.0%	(132)	-6%	(58)	-3%	(10)	0%	(64)	-3%
World	7,210	100%	6,941	100%	(269)	-3.7%	+118	+1.7%	+59	+1%	(447)	-6%

Note: Bulk Spirits are allocated by Region according to the Regions' weight in the Group

Forex Impact on 9M FY21 Sales

Forex impact 9M FY21		Average rates evolution			On Net Sales
(€ millions)		9M FY20	9M FY21	%	
US dollar	USD	1.11	1.19	7.4%	(130)
Indian rupee	INR	79.01	87.62	10.9%	(84)
Russian Rouble	RUB	72.05	88.98	23.5%	(40)
Bresilian real	BRL	4.63	6.44	39.1%	(34)
Turkish Lira	TRL	6.49	8.93	37.6%	(28)
Other currencies					(131)
Total					(447)

Upcoming communications

Date ¹	Event
Tuesday 25 May 2021, 3pm CET	Sustainability & Responsibility conference call
Tuesday 22 June 2021, 12pm CET	Asia conference call
Wednesday 1 September 2021, 9am CET	FY21 Sales & Results conference call

1. Dates are indicative and liable to change