



SLOW START WITH CHINA AND US DECLINES LEADING TO
Q1 ORGANIC SALES -5.9% AND REPORTED -8.5%

Sales for Q1 FY25 totalled €2,783m, an organic decline of -5.9% and -8.5% reported, with unfavourable Foreign Exchange impact of -€103m mainly linked to Argentinian Peso, Turkish Lira and Nigerian Naira, partly offset by positive perimeter impact of +€22m.

We experienced a slow start to the year, notably with China in sharp decline, in a context of continuing macroeconomic weakness impacting consumer sentiment, and with the US in decline, reflecting underlying sell-out performance amplified by inventory adjustments. The quarterly sales result is softer than previously expected as the weakness in China is also affecting Asia Travel Retail. In addition, in India, where the underlying growth is strong, but we faced technical sales phasing, expected to fully reverse in Q2. Finally, markets in Europe endured adverse weather conditions over the summer.

Our broad geographic base allowed us to deliver strong performances in a number of markets across all the regions, to partially mitigate those declines. Markets of note include Japan, Canada, Poland, Brazil, Turkey, Nigeria and Travel Retail in Americas and Europe.

Overall volumes are stable, with a price/mix effect of -6% in a moderated pricing environment and negative market-mix notably due to the performance in US and China.

By regions, including Must Win markets:

- **Americas -5%,**
 - **USA -10%,**
 - Spirits market continues to normalize
 - Pernod Ricard's sell-out value c.-5%, with Net Sales reflecting inventory adjustments
 - Jameson performance broadly in line with direct competitive set
 - Strong activation plans and protecting marketing investment on our key brands, ahead of the festive season
 - For the full year, we expect to see a gradual improvement in our sell-out
 - **Canada:** strong growth, in particular from newly acquired RTD brands
 - **Brazil:** strong result, lapping favourable comparison basis
 - **Mexico:** decline, notably with weaker tourism impacting On-trade
- **Asia-RoW -8%,**
 - **India +2%,**
 - Solid sales growth, impacted by phasing, expected to fully reverse in Q2
 - Strong underlying sell-out growth, with the market continuing to enjoy dynamic consumer fundamentals
 - Performing ahead of the industry, consolidating leadership position
 - Strong performance of Royal Stag, Blenders Pride, Jameson, all growing double-digits
 - Strong growth expected for the full-year
 - **China -26%,**
 - Sharp sales decline in a challenging macroeconomic environment with weak consumer demand over the summer and into the Mid-Autumn Festival



Pernod Ricard

Créateurs de convivialité

- Net Sales declines on Martell Cognac and Scotch, while premium brands including Jameson, Beefeater, Kahlúa and Olmeca are growing strongly
- Further to the announcement by MOFCOM for the implementation of temporary duty deposits effective from Friday 11th October, actions are being taken to mitigate the impact on the group performance
- Given the current weak environment, we expect to see a more significant full-year decline than last year
- o Gaining share and continued strong growth in Japan, while declining in Korea, as the macro-economic environment remains weak
- o Strong results in Africa and Middle East, notably in Turkey with Chivas Regal and Ballantine's
- **Europe -3% (ex-Russia +1%),**
 - o Robust performance in Europe excluding Russia, though Western European markets in particular were impacted by adverse summer weather
 - o Gaining market share in France, Germany and Poland
 - o Solid performance of Ballantine's, Mumm and RTDs
- **Global Travel Retail +3%,**
 - o Strong growth in all regions except Asia, with good growth for Absolut, Jameson and Ballantine's
 - o Weak consumer sentiment affecting Chinese travelers' spend, which we expect to persist for the full year

By brands:

- **Strategic International Brands -10%**, mainly driven by Martell in China, Royal Salute in Korea and The Glenlivet in the US
- **Strategic Local Brands +1%**, with continued good momentum of Seagram's whiskies portfolio and Kahlua
- **Specialty Brands -9%**, largely driven by the US market performance, though with good results from Bumbu, Redbreast and Spot Range Irish whiskies
- **RTDs:** strong double-digit growth led by Absolut and Ace Beverage

Outlook

Leveraging our diversified portfolio and balanced footprint, we reiterate our confidence in our medium-term financial framework of aiming for the upper end of +4% to +7% organic Net Sales growth and +50bps / +60bps organic Operating Margin expansion.

For FY25, we expect Full-year organic Net Sales back to growth with continuing volume recovery and to sustain organic Operating Margin.



All growth data specified in this press release refers to organic growth (at constant FX and Group structure), unless otherwise stated. Data may be subject to rounding.

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, changes in applicable accounting principles and hyperinflation.
- Exchange rates impact is calculated by translating the current year results at the prior year's exchange rates and adding the year-on-year variance in the reported transaction impact between the current year and the previous year.
- 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 calculations of the current year only from the anniversary date of the acquisition.
- The impact of hyperinflation on Profit from Recurring Operations in Turkey and Argentina is excluded from organic growth calculations by capping local unit price/cost increases to a maximum of +26% per year, equivalent to +100% over three years.
- Where a business, brand, brand distribution right or agency agreement was disposed of or terminated in the prior year, the Group excludes the results for that business from the prior year in the organic movement calculations. 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 users to compare the Group's performance on a like-for-like basis, focusing on areas that local management is most directly able to influence.

Profit from recurring operations

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

About Pernod Ricard

Pernod Ricard is a worldwide leader in the spirits and wine industry, blending traditional craftsmanship, state-of-the-art brand-building, and global distribution technologies. Our prestigious portfolio of premium to luxury brands includes Absolut vodka, Ricard pastis, Ballantine's, Chivas Regal, Royal Salute, and The Glenlivet Scotch whiskies, Jameson Irish whiskey, Martell cognac, Havana Club rum, Beefeater gin, Malibu liqueur and Mumm and Perrier-Jouët champagnes. Our mission is to ensure the long-term development of our brands with full respect for people and the environment, while empowering our employees around the world to be ambassadors of our purposeful, inclusive and responsible culture of authentic conviviality. Pernod Ricard's consolidated sales amounted to €11,598 million in fiscal year FY24.

Pernod Ricard is listed on Euronext (Ticker: RI; ISIN Code:FR0000120693) and is part of the CAC 40 and Eurostoxx 50 indices.

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Appendices

Q1 FY25 Net Sales by Region

Net Sales (€ millions)	Q1 FY24		Q1 FY25		Change		Organic growth		Group Structure		Forex Impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Americas	857	28%	787	28%	(70)	(8)%	(47)	(5)%	+34	+4%	(58)	(7)%
Asia / Rest of World	1,330	44%	1,181	42%	(149)	(11)%	(108)	(8)%	+5	+0%	(46)	(3)%
Europe	855	28%	816	29%	(40)	(5)%	(23)	(3)%	(17)	(2)%	0	+0%
Group	3,042	100%	2,783	100%	(259)	(9)%	(178)	(6)%	+22	+1%	(103)	(3)%

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

Q1 FY25 Foreign exchange impact on Sales

Forex impact Q1 FY25 (€ millions)		Average rates evolution			On Net Sales
		Q1 FY24	Q1 FY25	%	
US Dollar	USD	1.09	1.10	(0.9)%	(6)
Chinese Yuan	CNY	7.88	7.87	+0.2%	+1
Indian Rupee	INR	89.98	92.05	(2.3)%	(8)
British Pound	GBP	0.86	0.85	+1.7%	+2
Canadian Dollar	CAD	1.46	1.50	(2.7)%	(2)
Australian Dollar	AUD	1.66	1.64	+1.3%	+1
Japanese Yen	JPY	157.23	163.77	(4.2)%	(2)
Turkish Lira	TRY	29.19	36.88	(26.3)%	(22)
Singaporean Dollar	SGD	1.47	1.45	+1.3%	+0
Polish Zloty	PLN	4.50	4.28	+4.8%	+2
South Korean Won	KRW	1,428.98	1,488.98	(4.2)%	(1)
South African Rand	ZAR	20.29	19.74	+2.7%	+1
Taiwan Dollar	TWD	34.48	35.46	(2.8)%	(1)
New Zealand Dollar	NZD	1.80	1.80	+0.0%	+0
Mexican Peso	MXN	18.57	20.83	(12.2)%	(3)
Hong Kong Dollar	HKD	8.51	8.57	(0.6)%	(0)
Malaysian Ringgit	MYR	5.04	4.89	+2.9%	+0
Argentinean Peso	ARS	340.36	1,034.35	(203.9)%	(39)
Nigerian Naira	NGN	842.52	1,727.69	(105.1)%	(14)
Swedish Krone	SEK	11.76	11.45	+2.7%	+0
Ukrainian Hryvnia	UAH	40.12	45.17	(12.6)%	(2)
Belarusian Ruble	BYN	2.73	3.59	(31.4)%	(1)
Other Currencies					(9)
Translation impact					(103)
Total FX impact					(103)

Sensitivity of full year profit to main exchange rates against EUR

Currency	Impact on FY Profit from Recurring Operations of a 1% appreciation vs. EUR (in M€)
US Dollar	+16
Chinese Yuan	+6
Indian Rupee	+5
Turkish Lira	+3



Upcoming Communications

Date (subject to change)	Event
8th November 2024	Annual General Meeting
13th February 2025	H1 FY25 Sales and Results
17th April 2025	Q3 FY25 Sales

Login details for the conference-call on October 17, 2024

Available in the media section of the Pernod Ricard website