Pernod Ricard
Créateurs de convivialité

H1 FY25
Sales and Results and medium-term update

6th February, 2025

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 www.pernod-ricard.com

Disclaimer

Financial data related to H1 FY25 figures published in this presentation is preliminary.

This presentation may contain forward-looking statements based on estimates and forecasts reflecting management's current views and reasonable assumptions.

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Determined to navigate current cyclical headwinds with resilience and agility (1/2)

H1 performance in-line with our expectations, with a sequential improvement in Q2 over Q1, marking four consecutive quarters of volume growth.

Strong H1 Organic Operating Margin expansion with a +65bps increase (following +80bps in full year FY24).

Continuous improvement initiatives, driving c.€900m of efficiencies[1] since FY23, contributing to Organic Operating Margin expansion.

Ongoing challenging macroeconomic environment and intense geopolitical uncertainties continue to impact the Spirits market, particularly the worsening context in China and Travel Retail Asia, strongly impacting Martell.

Anticipating low single digit decline in Organic Net Sales for FY25 and sustaining our Organic Operating Margin.

1. Estimate includes forecast for Full Year 2025. 2. LSD Low Single Digits

Determined to navigate current cyclical headwinds with resilience and agility (2/2)

Conditional on the degree of challenges posed by the global tariff environment, FY26 is expected to be a transition year with improving trends in Organic Net Sales.
Amidst extraordinary trade tensions, we are focused on defending Organic Operating Margin to the fullest extent possible. Cash conversion is to improve.

From FY27 to FY29, projecting stronger Organic Net Sales growth, aiming for a range of +3% to +6% on average with Organic Operating Margin expansion.

Delivering continuing efficiency initiatives to optimize Operations and simplify the organisational structure, expected to deliver c.€1bn in efficiencies from FY26 to FY29.

Focusing on strong cash generation aiming for c.80% and above cash conversion to fund our financial policy priorities with strategic investments[1] normalizing to c. €1bn from FY26.

We are confident in our strategy, in our operating model and in the engagement of our teams, to deliver sustainable value growth. We are determined to continue to navigate with agility these cyclical headwinds.

1. Strategic investments = Capex + Strategic Inventories

H1 FY25
Sales and Results

H1 Organic Operating Margin expansion, despite Sales decline, amidst ongoing challenges in the US and China

H1 volumes in growth +2% with Q2 +4% sequential improvement, resilient underlying consumer demand

Organic Net Sales -4% (Reported Net Sales -6%) Organic PRO[1] -2% (Reported PRO[1] -7%)

H1 Organic Net Sales decline -4%. Sequential improvement in Q2 and with good performances in some mature and emerging markets partially offsetting the declining but improving US and a continuing very weak China.

Volume in growth with price/mix down -6% largely due to market mix.

H1 Organic PRO Margin expansion at +65bps with Revenue Growth Management and Marketing Agility, supported with our KDPs, and Operational Efficiencies and very strong cost discipline.

Investing in long-term sustainable growth with strategic investments in Capex and Inventories, both having peaked in FY24.

Leading to improved **Free Cash Flow at €440m.**

H1 unfavourable foreign currency exchange impact to PRO of €110m, with FX expected to be positive in H2, leading to an improvement over the full year versus H1.

1. PRO: Profit from Recurring Operations

Financial performance demonstrating very strong discipline on costs and focus on cash generation

NET SALES **€6,176m**	Organic	-4%
	Reported	-6%
PRO **€1,985m**	Organic	-2%
	Reported	-7%
PRO Margin **32.1%**	Organic	+65bps
	Reported	-39bps

EPS **€5.06**	-11%
FREE CASH-FLOW **€440m**	+46%
NET DEBT / EBITDA **3.5X**	+0.2X

Broad-based and balanced geographic breadth helps mitigate the impact of declines in the US & China

GROUP
ORGANIC NET SALES GROWTH

-4%

Excl. USA & China Domestic
ORGANIC NET SALES GROWTH

Flat

AMERICAS
ORGANIC NET SALES GROWTH

-4%

WEIGHT IN SALES 28%[1]

Excl. USA
ORGANIC NET SALES GROWTH

+2%

EUROPE
ORGANIC NET SALES GROWTH

-2%

WEIGHT IN SALES 29%

Excl. Russia
ORGANIC NET SALES GROWTH

+1%

ASIA REST OF WORLD
ORGANIC NET SALES GROWTH

-5%

WEIGHT IN SALES 42%

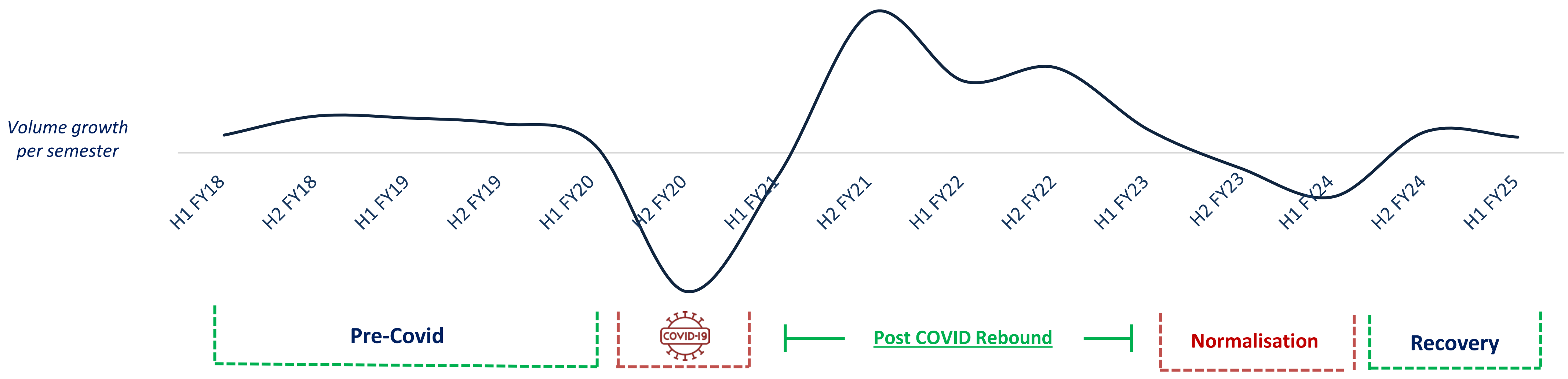
Excl. China[2]
ORGANIC NET SALES GROWTH

+3%

1. H1 25 Net Sales 2. China Domestic and Duty Free

Volume recovery continues, following post COVID normalisation

H1 FY25 volume +2%, Strategic International Brands flat (impacted by US and China), Strategic Local Brands +4% and Specialty Brands +1%



H1 FY18 to H1 FY20
c.+4%

H2 FY20 to H1 FY21
c.-12%

H2 FY21 to H1 FY23
+12%

H2 FY23 to H1 FY24
c.-4%

H2 FY24to H1 FY25
c.+3%

Average volume growth per semester

Leading and gaining shares in the majority of our markets, except US

Leader in the International Premium Plus Spirits sector, excluding the US

(1) Source: internal estimates, latest data available. Value Market Share MAT until December 2024; UK On-Trade and Spain On- & Off-Trade until MAT Nov. China data ended February 2024

FY25 H1 Sales

Top Markets

USA
Weight in Net Sales[1] 18%
Organic Net Sales -7%

- H1 US Spirits market growth c.+1% inc. RTD
- PR Sell-Out c.-6%
- OND sees improving sell-out performance on key brands, notably Jameson
- Expect to see improvement in sell-out through H2

India
Weight in Net Sales[1] 12%
Organic Net Sales +6%

- Strong, broad-based growth reflecting underlying market demand
- Very strong growth of Jameson and good performance on Ballantine's, The Glenlivet and Royal Salute
- Good growth on Seagram's whiskies, notably Royal Stag
- Continued strong momentum expected in H2

China
Weight in Net Sales[1] 9%
Organic Net Sales -25%

- Ongoing challenging macro economic environment, and weak consumer demand
- Sharp declines on Martell and Royal Salute. Good growth on premium brands Absolut, Olmeca, Jameson
- Early signs of a very soft CNY, significant decline in gifting
- Leading to a deeper decline than expected for the full year
- MSD price increase for Martell post CNY

Global Travel Retail
Weight in Net Sales[1] 5%
Organic Net Sales -9%

- Growth in Europe driven by air travel and in Americas by cruises
- Weakness in China further deteriorated by technical suspension of duty-free regime on Cognac due to anti-dumping measures starting early December, expected to heavily impact H2
- Weakness in Korea impacted by political crisis and weak macro environment

1. Weight in Net Sales H1 FY25

Regions

Europe
Weight in Net Sales[2] 29%
Organic Net Sales -2%
Excluding Russia +1%

- Resilient sales in Europe excluding Russia. Growth and share gains in Poland, France and Ireland
- Spain in slight decline, growing share in Off Trade
- Germany in sharper decline with consumer spending pressures, growing share
- Good brand performance on Bumbu, Ballantine's, Kahlua, Absolut, Jameson and Chivas plus strong RTD performance

Americas
Weight in Net Sales 28%
Organic Net Sales -4%

- Canada good growth, particularly RTD, gaining share[1]
- Brazil in growth with favourable comparison basis & consumer demand recovery, gaining share[1]
- Mexico declining though with flat sell-out, gaining share in Off Trade[1]

Asia-ROW
Weight in Net Sales 42%
Organic Net Sales -5%
Excluding China +3%[3]

- Very good growth in Japan and Vietnam, gaining share[1], sales decline in Taiwan market while gaining share, Korea decline in both sales and share[1]
- Very strong organic and reported sales results in Turkey, with strong performance of Chivas and Ballantine's
- South Africa in slight growth and share gains, amidst difficult macro economic conditions

1. Value market shares computed using relevant national sources including USA Nielsen & Nabca, China and India IWSR, Canada ACD, Japan Intage, Korea NTS, Taiwan Nielsen, Australia Circanna, France Nielsen, Spain Nielsen, Germany Nielsen, UK Nielsen and CGA, Turkey Nielsen, South Africa True Data, Mexico Nielsen and ISCAM, Brazil Nielsen Scantrack, Poland, Nielsen
2. Weight in Net Sales H1 FY25. 3. Excluding China Domestics & Duty Free

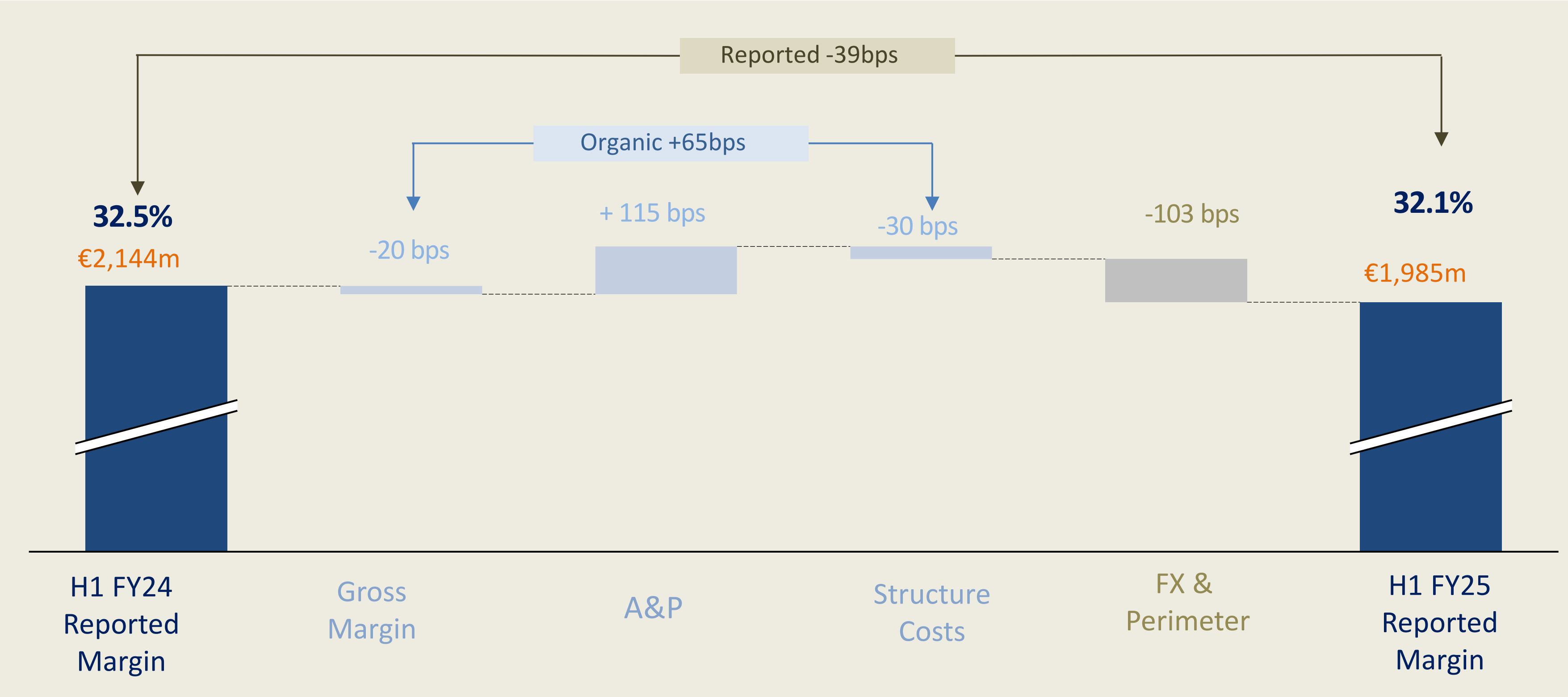
H1 FY25 Financial Update

Activating levers to protect Operating Margin despite top line decline while maintaining strong brand building investments

Boosted by agile A&P allocation and phasing

Organic PRO[1]
-2.2%

Reported PRO
-7.4%



- Gross Margin impacted by negative market mix, increased promotions and despite COGS decrease benefitting from efficiency programs
- A&P c.14% of net sales, adapted to softer market conditions in China
- Strict discipline and continuous improvement on Structure costs, reduced organically by -2%
- Adverse FX impact -€110m, mainly on Turkish Lira, Nigerian Naira and Argentinian Peso; -€2m Perimeter impact with favourable hyper-inflation offset by disposal of Clan Campbell and Becherovka
- H2 FX expected to be favourable

1. Profit from Recurring Operations

Continuous improvement initiatives have contributed c.€900m efficiencies between FY23 to FY25

c.€600m Operational[3] efficiencies, c.€300m structure efficiencies FY24/FY25[1] with a c.9% reduction in headcount since FY23[4]

Cumulative[2] FY23 to FY25[1]

Procure

- ❖ Design to sustainable value
- ❖ Enhanced procurement
- ❖ Marketing firepower

- ✓ Optimising closures, removing giftboxes and reducing bottle weight
- ✓ Dry Goods Tenders
- ✓ Hedging on energy, carbon and cereals
- ✓ Media tenders

c.25%

Make

- ❖ Sustainable Assets
- ❖ Manufacturing footprint optimization
- ❖ Operational Excellence

- ✓ Plant electrification and MVR[5]
- ✓ Agile footprint: near shoring & insourcing
- ✓ Improved distillation yields

c.25%

Supply

- ❖ Integrated end to end supply chain
- ❖ Logistics footprint

- ✓ Logistics Short & Deep-Sea tender
- ✓ Active 3PL tender management
- ✓ Finished Goods Inventory

c.17%

Fit for Purpose

- ❖ Agility, efficiency and continuous improvement
- ❖ Strict cost discipline

- ✓ Regional streamlining and organization simplification
- ✓ PR France reorganisation
- ✓ PR China reorganisation
- ✓ RTM adaptations including impact of portfolio rationalisation

c.33%

Total c.€900m

1. Includes FY25 full year estimate 2. Cumulative efficiencies are the sum of incremental annual efficiencies
3. Operations efficiencies impact the P&L across COGS, A&P and SG&A and also impact Capex and Inventories
4. SG&A FTE Dec FY25 vs June FY23 5. Mechancial Vapor Recompression

EPS down 11% on softer PRO and higher financial expenses

€ millions	H1 FY24	H1 FY25	Reported Δ
Profit from Recurring Operations	**2,144**	**1,985**	**-7%**
Financial Expenses from Recurring Operations	(200)	(240)	
Income tax on Recurring Operations	(475)	(438)	
Minority interests and other	(30)	(34)	
Group share of Net Profit from Recurring Operations	**1,439**	**1,274**	**-11%**
Number of shares for diluted EPS (millions)	253.4	251.9	
Earnings per share [1]	**5.68**	**5.06**	**-11%**

- Increased Recurring Financial Expenses with an average cost of debt at 3.4%
- Reduced Income Tax on Recurring Operations, in line with reduction in Profit from Recurring Operations

1. Diluted Net Earnings per Share from Recurring Operations (€/share)

H1 FY25
Cash Flow and Debt

Improved FCF with working capital improvements offsetting decline in PRO

€ millions	H1 FY24	H1 FY25	Reported Δ	% Δ
Profit from Recurring Operations	**2,144**	**1,985**	-159	-7%
Amortisation, depreciation, provision movements and other	220	202		
Self-financing capacity from recurring operations	**2,364**	**2,178**	-177	-7%
Increase in operating working capital needs	(947)	(635)	312	
Increase in strategic inventories	(221)	(204)	17	
Capital expenditure	(391)	(366)	26	
Recurring Operating Cashflow	**805**	**983**	**178**	**+22%**
Cash Conversion (ROCF/PRO)	*38%*	*50%*		
Financial expenses and taxes	(417)	(449)	-33	
Recurring Free Cash Flow	**389**	**534**	**145**	**+37%**
Non-recurring items	(88)	(94)	-6	
Free Cash Flow	**301**	**440**	**139**	**+46%**

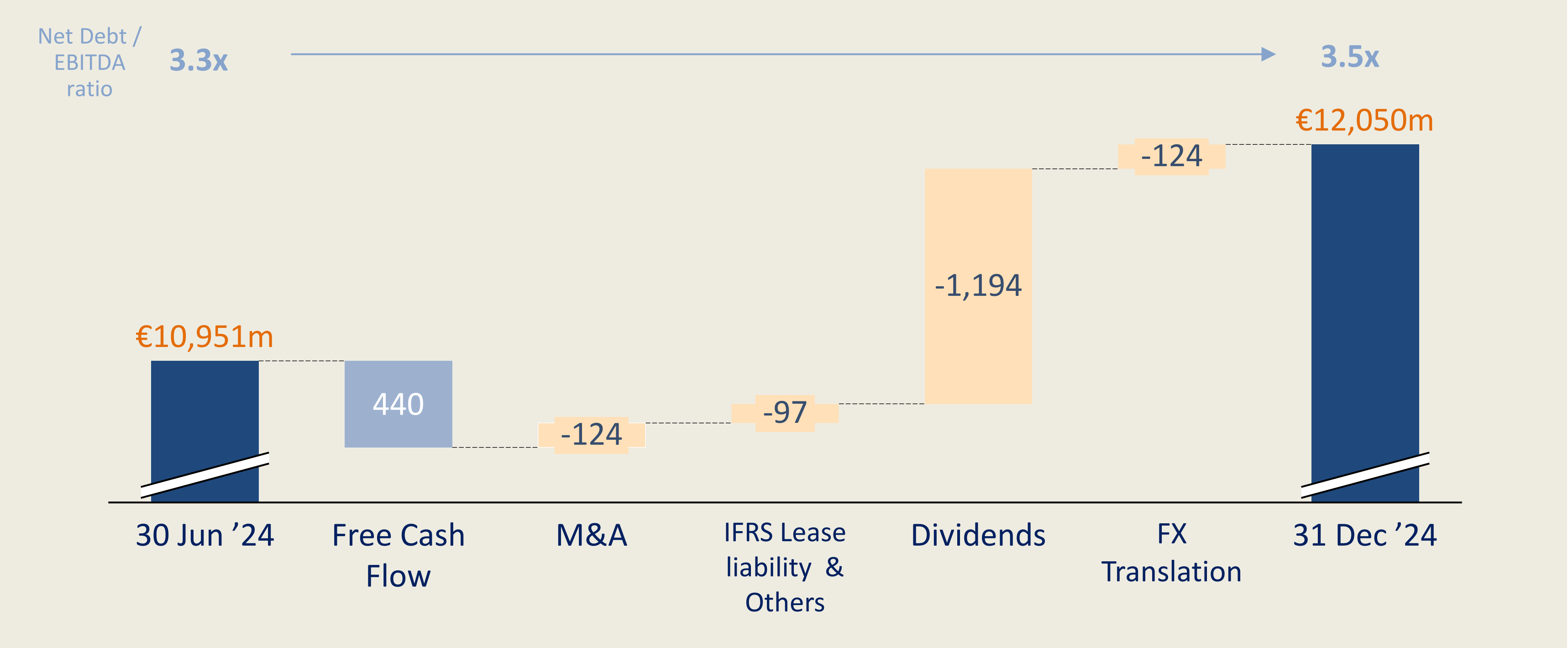
- Improved working capital with lower increase in receivables and continued improvement in finished goods inventory level
- Slight decrease in strategic inventories and Capex spend with investments starting to normalise following last year's peak level. Capex spend is driven notably by capacity expansion in Ireland, US and Scotland and casks and maturation warehouses
- For FY25, expect Capex of €700m for the full year and strategic inventories increase comparable to last year

Deploying capital with discipline

Increase in ratio of Net Debt/ EBITDA driven in part by timing of dividend payment

Net Debt / EBITDA

+3.5x[1]



Leverage ratio expected to improve as:

- Reported PRO growth normalises
- Strategic investments normalise, coming down from its peak last year
- Proceeds from announced M&A disposals

H1 M&A mainly includes

- Ste Marguerite vineyard acquisition
- Exercise of call options on recent M&A

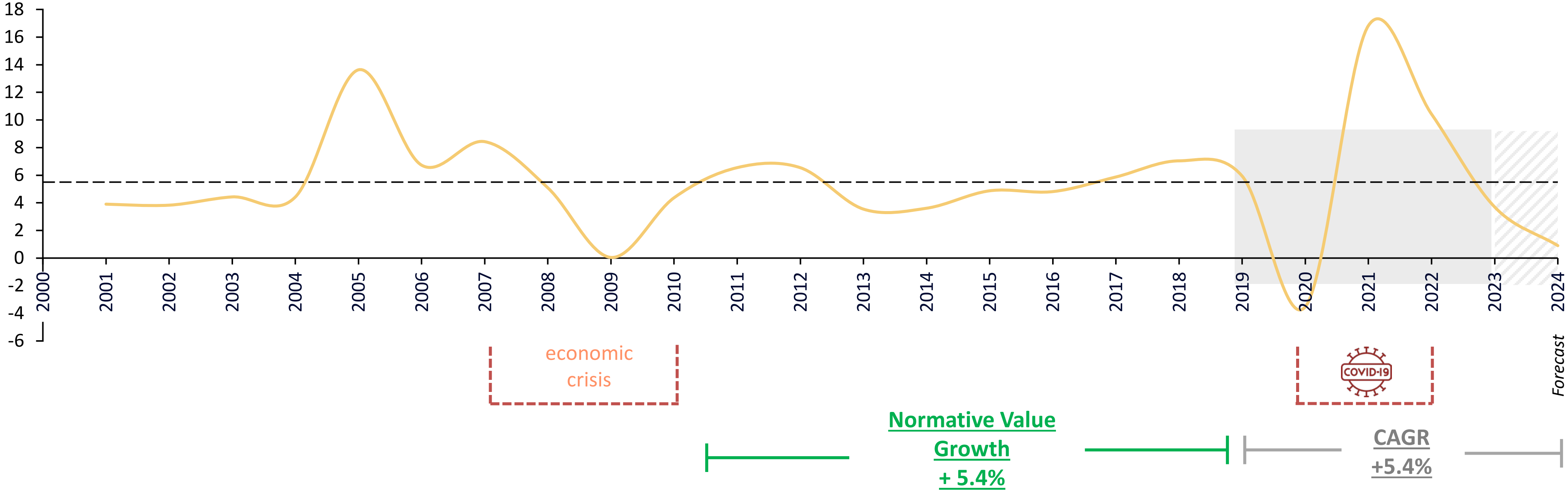
H2 expected to have a positive contribution from announced M&A proceeds

1. Based on average EUR/USD rates: 1.082 CY24

Medium-term update

Exceptional turbulence of the recent years with unprecedented Covid super-cycle and normalization exacerbated by external headwinds

International Spirits Growth in Value (€) YoY

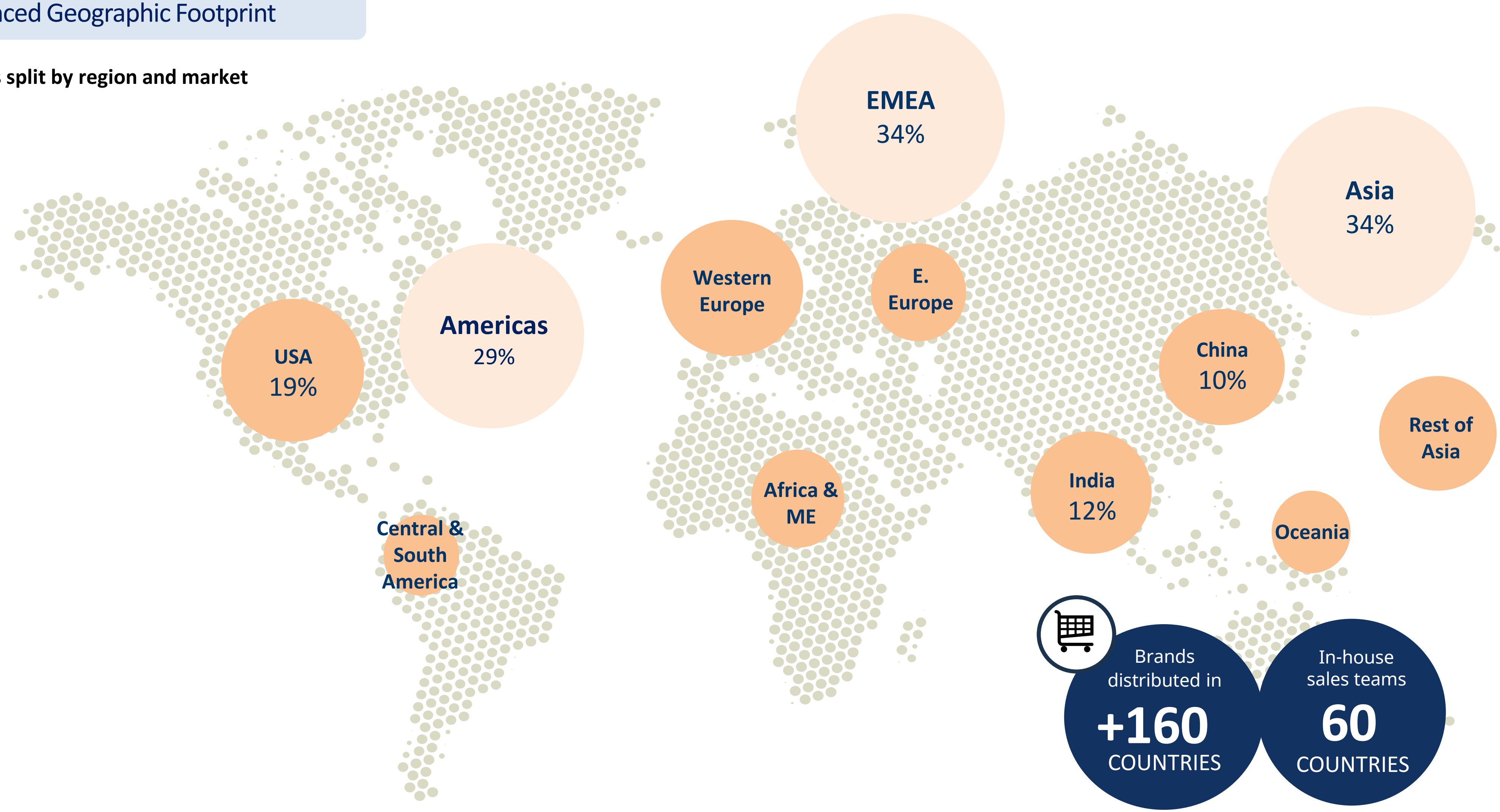


Source: IWSR data ending 2023

Pernod Ricard's geographic footprint is well balanced across regions and between mature and emerging markets

Balanced Geographic Footprint

FY24 Net Sales split by region and market

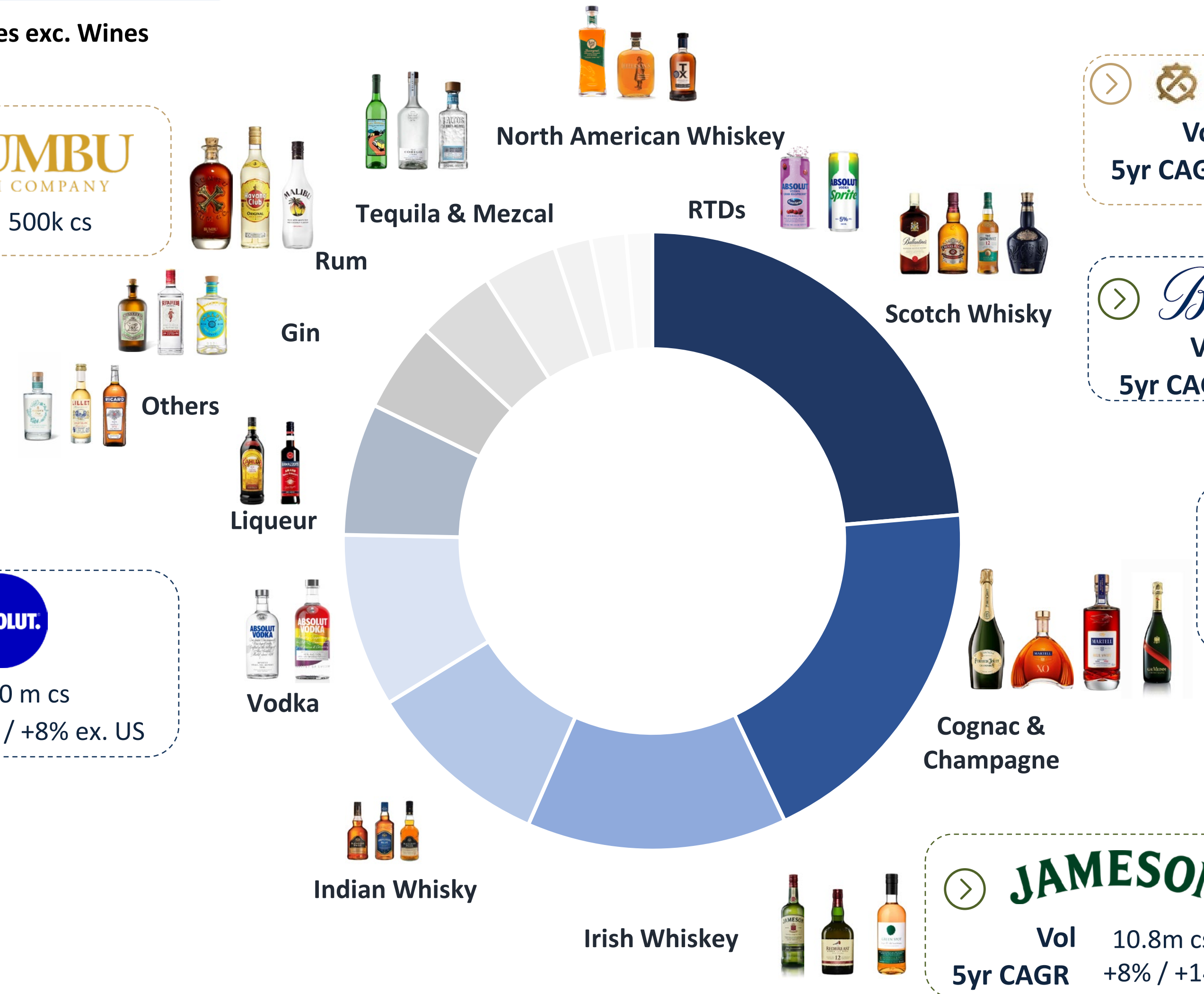


Note: Size of bubbles is illustrative of the weight of Net Sales for FY24

Pernod Ricard's portfolio is concentrated in premium international spirits and is diversified among the different spirits categories

Complete and diversified portfolio

FY24 Net Sales split by categories exc. Wines



BUMBU RUM COMPANY
Vol 500k cs

CHIVAS
Vol 4.8m cs
5yr CAGR +6%

Ballantine's
Vol 9.3m cs
5yr CAGR +6%

MARTELL
Vol 1.9m cs
5yr CAGR -3%

ABSOLUT.
Vol 12.0 m cs
5yr CAGR +4% / +8% ex. US

REDBREAST
Vol 100k cs
5yr CAGR +14%

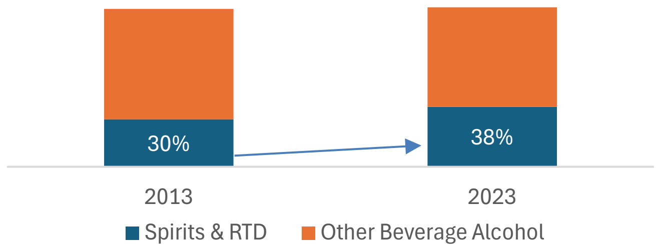
JAMESON
Vol 10.8m cs
5yr CAGR +8% / +14% ex. US

CAGRs are Net Sales calculated to MAT Dec 2024 ; Volumes MAT to Dec 24

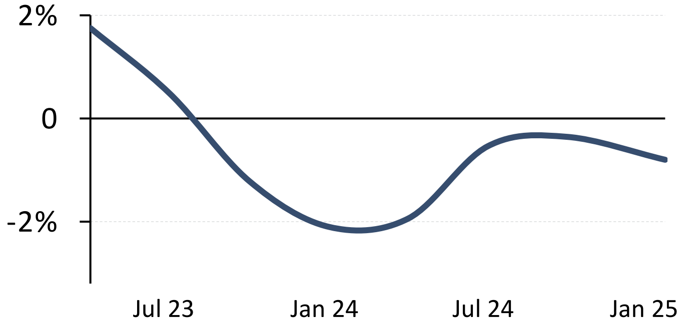
Soft US market shows improving trends and evidence of gradual recovery

TBA market continuing to normalize though Spirits remain resilient, RTD sustaining growth over time

Spirits gaining share within TBA(1)

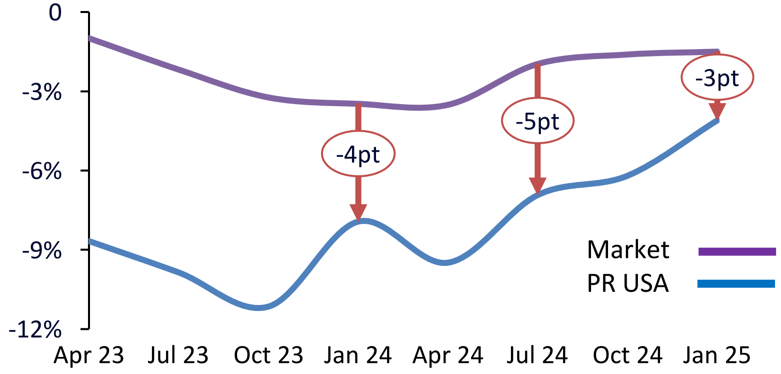


Recovery of bottled Spirits value momentum (2)



PR USA volume trend closing gap with market

Improving volume trend (2)



Sequential improvement on key brands (3)

	L26W	L13W	L4WK
JAMESON*	-2.1%	-1.2%	+4.1%
ABSOLUT.**	-0.6%	-0.5%	+0.4%
KAHLÚA	+0.3%	+1.7%	+12.7%
MALIBU	-9.8%	-7.8%	+0.4%

** Jameson excl Caskmates & CB*

*** Includes RTD*

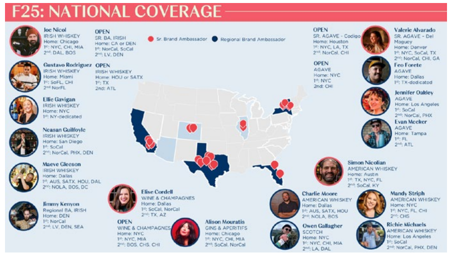
Initiatives to accelerate recovery

Innovative campaigns, partnerships & collaborations

Success in Innovation & RTD's

Organization evolution to enhance "excellence in execution" & "winning in field"

Advocacy team



1. Source: IPSOS ACT, LDA 2. Nielsen xAOC + Open State Liquor + Convenience 01.25.25, Rolling 3M value/volume,
3 Nielsen xAOC + Open State Liquor + Convenience Value as of 01.25.25

India exemplifies Pernod Ricard's leverage of powerful tailwinds of premiumisation and the increasing penetration of International Spirits in emerging markets

Pernod Ricard is the #1 player in the Indian market

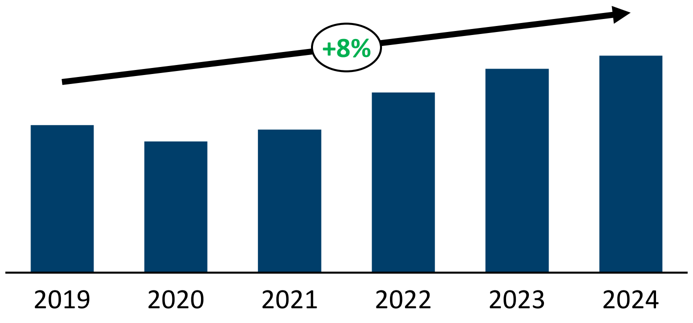
India is the world's #2 volume market for Spirits, and the #1 for whiskey

18% of the world's population, adding 25m LDA each year

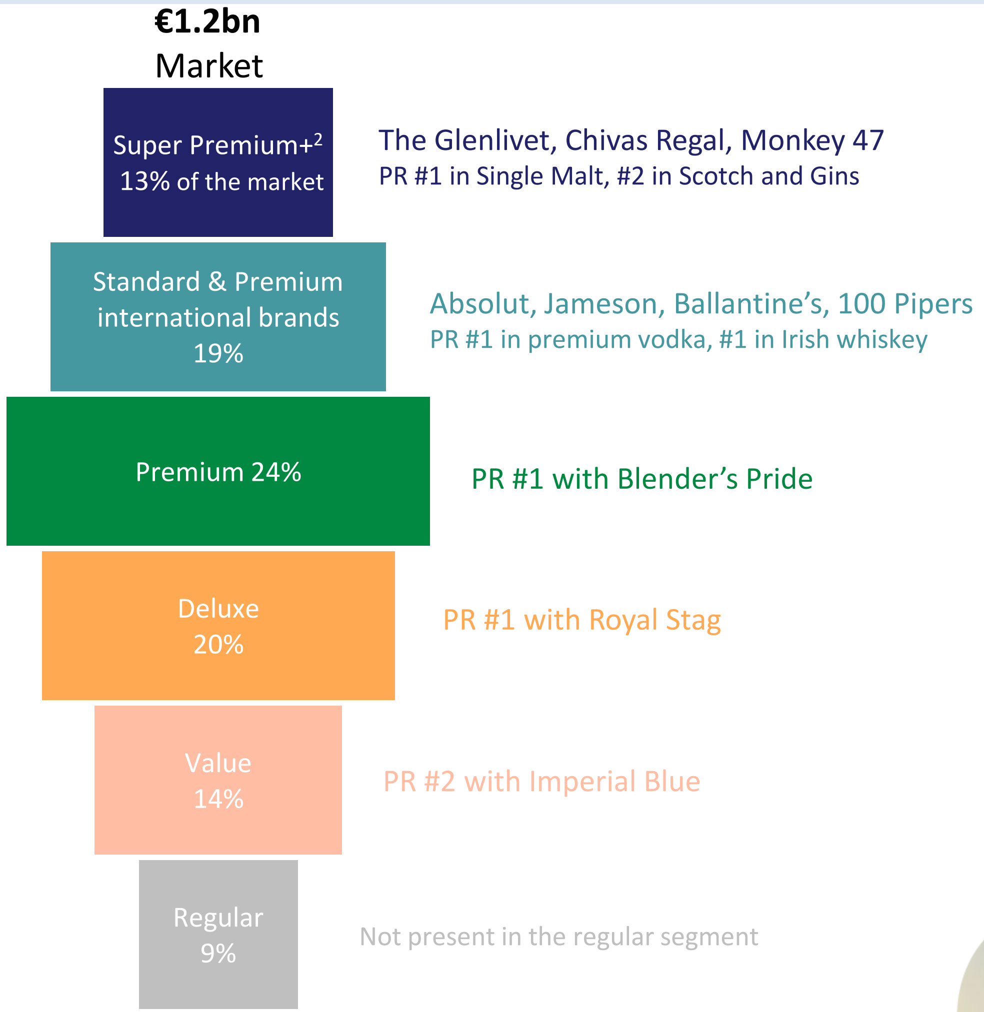
Margin expansion with premiumization trends favouring Imported Spirits brands and higher styles of local spirits

Operating Margin improving towards group average

Strong recovery in Organic Net Sales following COVID with CAGR of +8% FY19 to FY24



Pernod Ricard holds a clear leading position with over 40% revenue share in high value segments[1]



1. Value MS in Pernod Ricard India's operating segments 2. Super Premium+ International Brands

Despite current cyclical short-term headwinds, China opportunity remains strong, and Pernod Ricard is the best positioned international premium spirits' player

PR is the clear #1 in premium imported spirits with leading and growing share

- ✓ Leadership in **all international spirits** with **42% value market share**
- ✓ Unique and dedicated route to market to serve the entire portfolio
- ✓ **The Chuan** distillery, leveraging Chinese pride

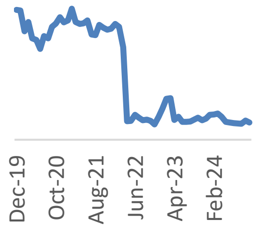
Current situation requires agility with implementation of a drastic mitigation plan

- ✓ **A&P** sharp cut vs A24, skewed to Martell
- ✓ **SG&A** sharp cut vs A24, of which staff reduction (c.-20%)

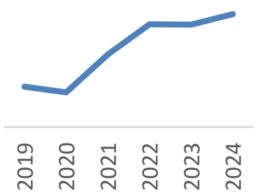
» Protecting **profitability** and **market share positioning**, while keep on building the future

While consumer confidence remains weakened, consumer savings are increasing

Consumer confidence Index (monthly)

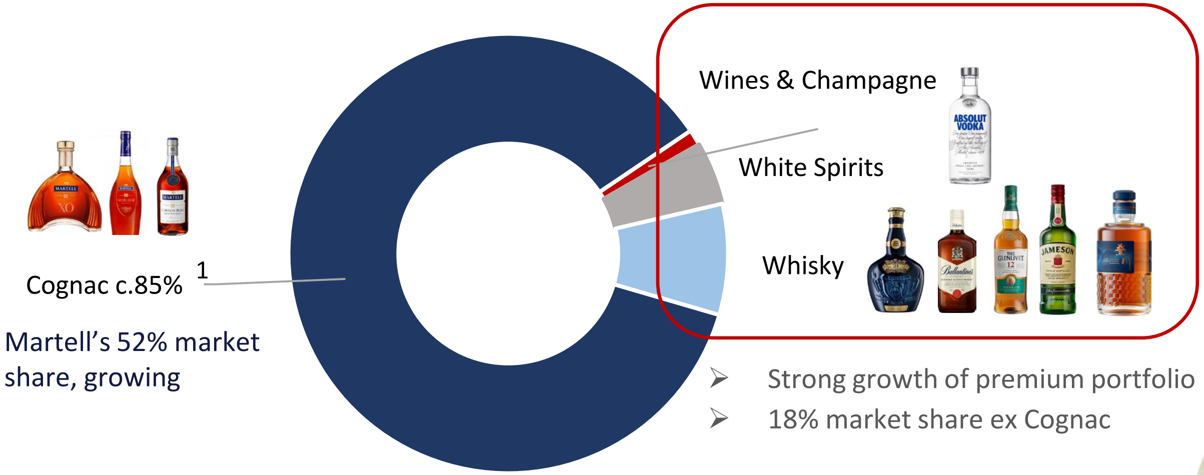


Per capita consumer savings (annual)



Source: National Bureau of Statistics of China, Fitch Solutions

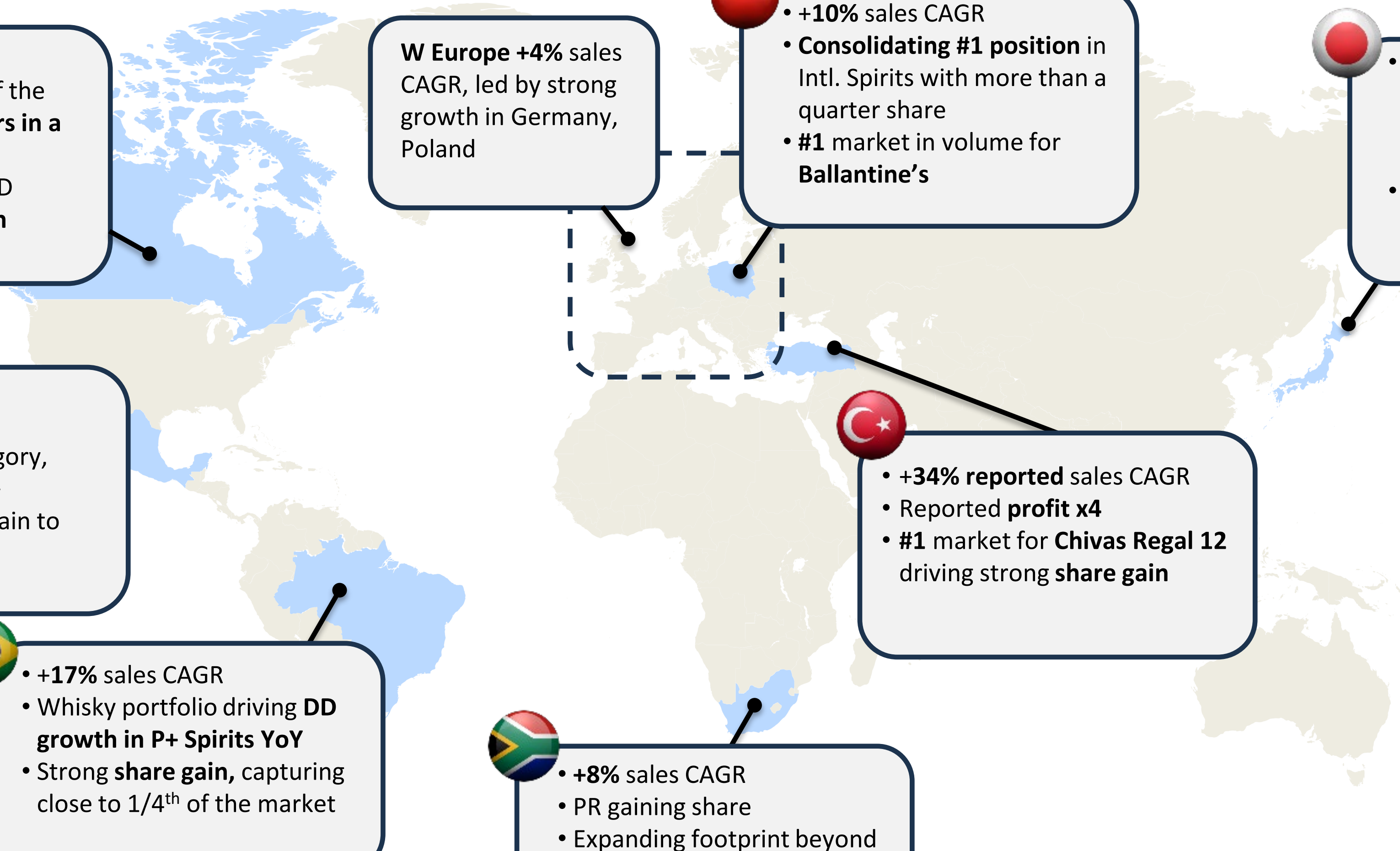
Remaining confident in the strong opportunity with a diversifying portfolio



- ➢ Martell's 52% market share, growing
- ➢ Strong growth of premium portfolio
- ➢ 18% market share ex Cognac

1. China FY24 Net Sales

Beyond our top domestic markets, worldwide we enjoy leading market positions in mature and emerging markets, with many reporting strong performances



- **+7%** sales CAGR
- PR growing ahead of the market for **7 quarters in a row**
- #1 market for PR RTD driven by **DD growth**

W Europe +4% sales CAGR, led by strong growth in Germany, Poland

- +**10%** sales CAGR
- **Consolidating #1 position** in Intl. Spirits with more than a quarter share
- **#1** market in volume for **Ballantine's**

- +**10%** sales CAGR DD sell-out growth in P+ Spirits & Champagne, growing ahead of market
- **Perrier Jouët** leader in Prestige Champagne

- **+8%** sales CAGR
- P+ Whisky portfolio is outperforming the category, driving strong overall P+ Imported Spirits share gain to reach ~1/5 in value

- +**34% reported** sales CAGR
- Reported **profit x4**
- **#1** market for **Chivas Regal 12** driving strong **share gain**

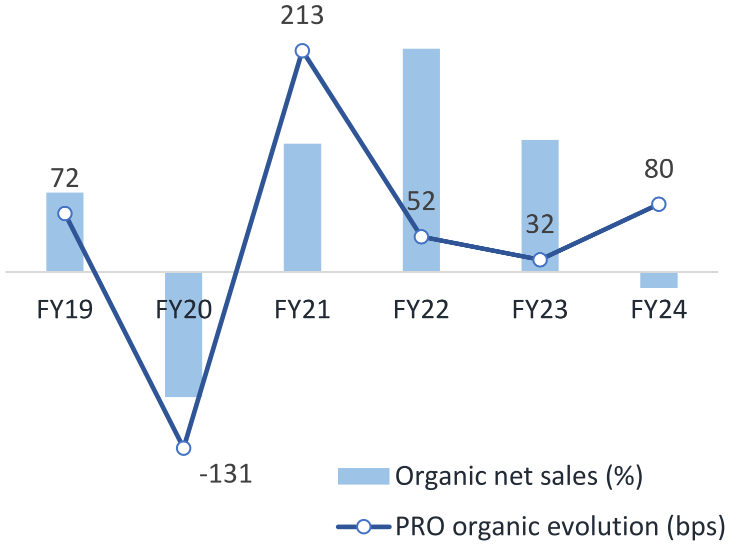
- +**17%** sales CAGR
- Whisky portfolio driving **DD growth in P+ Spirits YoY**
- Strong **share gain,** capturing close to 1/4th of the market

- **+8%** sales CAGR
- PR gaining share
- Expanding footprint beyond Jameson to Scotch and Cognac

Value CAGRs calculated to MAT Dec 2024 vs December 2019

Continuous improvement driving an additional €1bn efficiencies FY26 to FY29 in support of Operating Margin expansion and cash generation

A strong record delivering Organic Operating Margin expansion of c.50bps p.a. . . .



. . . through efficiency initiatives across production operations, logistics, A&P and structure . . .

Continuous Operational efficiencies

"Fit for purpose" organization

. . . delivering c.€900m[1] efficiencies across FY23 to FY25, with strong acceleration in FY25

FY23 - FY25: c.€600m

FY24 - FY25: c.€300m & 9% reduction in headcount[3]

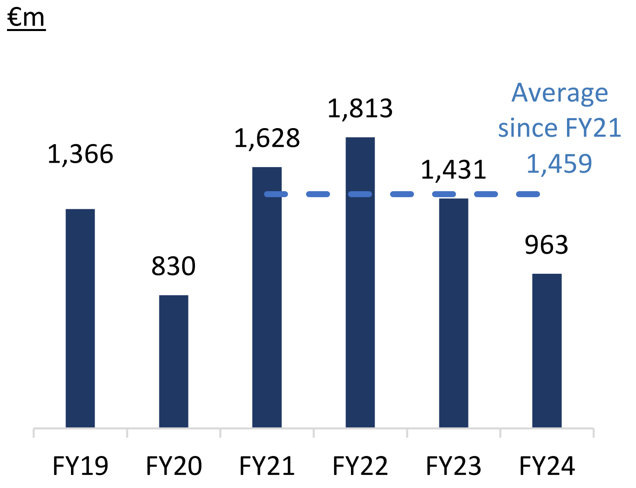
Ongoing efficiency initiatives across Operations and Structure for FY26 to FY29 expected to achieve cumulative[2] efficiencies of c.€1bn

Note: 1. includes FY25 full year estimate 2. Cumulative efficiencies are the sum of incremental annual efficiencies 3. In SGA

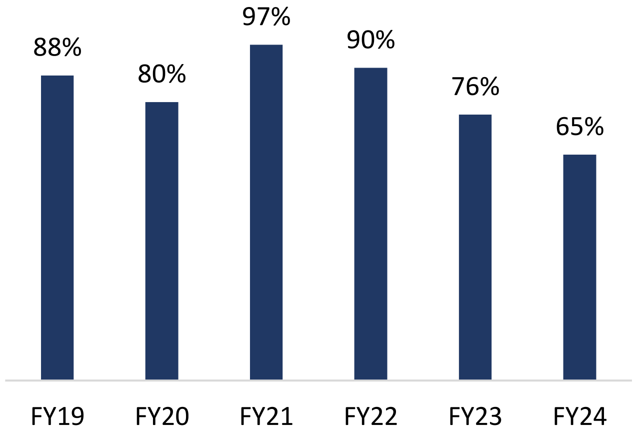
Focus on strong, sustainable cash generation from profitable growth

Cycle of accelerated investments in Capex and strategic inventories to be completed by FY25

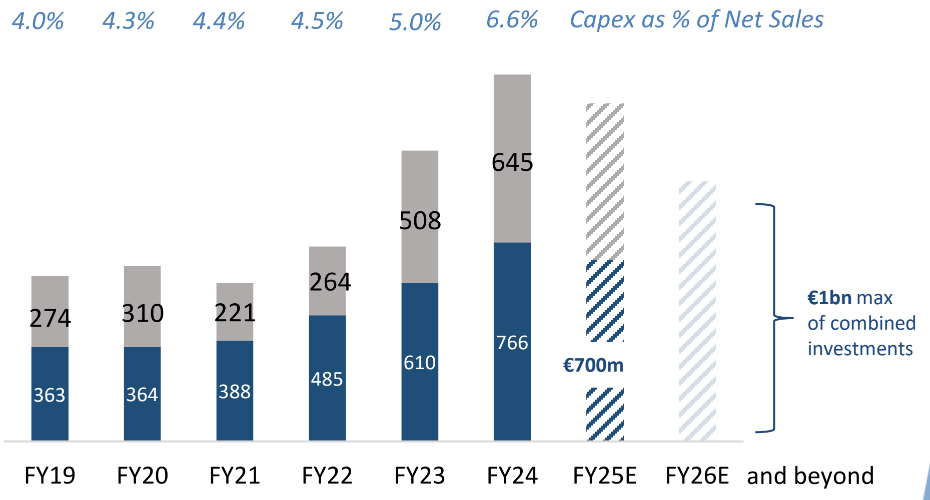
c. €1.5bn Free Cash Flow average FY21-FY24



Historical cash conversion (ROCF[1]/PRO)



Capex and maturing inventories investments have peaked in FY24 (€m)



Cash conversion aiming for c.80% and above cash conversion, as reported PRO improves, strategic investments normalize from their FY24 peak, and thanks to ongoing ordinary working capital optimisation

For FY25, we expect Capex to be at c.€700m and increase in strategic inventory to be at a similar level to FY24
For FY26 and beyond, Strategic investments expected to not exceed €1bn

1. ROCF = Recurring Cash Flow + Change in Working Capital, Change in Maturing inventories and Cash Capex

Active portfolio management with disposal of Wines and non-strategic local brands, focusing on attractive premium international spirit brands

Margin accretive disposals

Becherovka and Clan Campbell

- Disposal of local European spirits brands Clan Campbell and Becherovka
- Closed FY24

Wines

- Disposal of Australian, New Zealand and Spanish wines
- Closing expected H2 FY25[1]
- c.+120bps accretive on Gross Margin
- c.+50bps accretive on PRO margin

Minttu and other Nordic Brands

- Disposal of liqueur Minttu and its whole portfolio of Nordic local brands
- Closing expected H2 FY25[1]

1. Subject to regulatory approvals

Maintaining strong balance sheet and clear financial policy priorities to drive sustainable shareholders returns

Financial policy aims to balance the deployment of capital for profitable growth and returning capital to shareholders

While maintaining investment grade rating:

1. Investment in future organic growth, in particular through Strategic Inventories and Capital Expenditure
2. Continued active portfolio management, including value creating M&A
3. Dividend distribution at c.50% of Net Profit from Recurring Operations, aiming at consistently growing dividends
4. Share buyback, when above priorities are fulfilled

S&P Global Ratings BBB+, stable outlook (since Oct-2019)

Moody's Baa1, stable outlook (since Oct-2019)

FY25 Outlook and medium-term update

Ongoing challenging macroeconomic environment and intense geopolitical uncertainties continue to impact the Spirits market, particularly the worsening context in China and Travel Retail Asia, notably impacting Martell. This leads us to revisit our outlook for FY25 and beyond.

Anticipating low single digit decline in Organic Net Sales for FY25 and sustaining our Organic Operating Margin.

Conditional on the challenges posed by the global tariff environment, FY26 is expected to be a transition year with improving trends in Organic Net Sales.

Amidst extraordinary trade tensions, we are focused on defending Organic Operating Margin to the fullest extent possible. Cash conversion is to improve.

From FY27 to FY29, projecting stronger Organic Net Sales growth, aiming for a range of +3% to +6% on average accompanied with Organic Operating Margin expansion.

Delivering continuing efficiency initiatives that optimize Operations and simplify the organisational structure, expected to deliver c.€1bn in efficiencies from FY26 to FY29.
Throughout these periods we aim to maintain consistent investments behind our brands with c.16% A&P/NS, with agility and responsiveness to maximise opportunity by brand and market.

Focusing on strong cash generation aiming for c.80% and above cash conversion, to fund our financial policy priorities, with strategic investments normalizing to c. €1bn from FY26.

We are confident in our strategy, in our operating model's ability to deliver and in the engagement of our teams. We are determined to navigate with agility these cyclical headwinds.

FY25 H1 Appendix

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

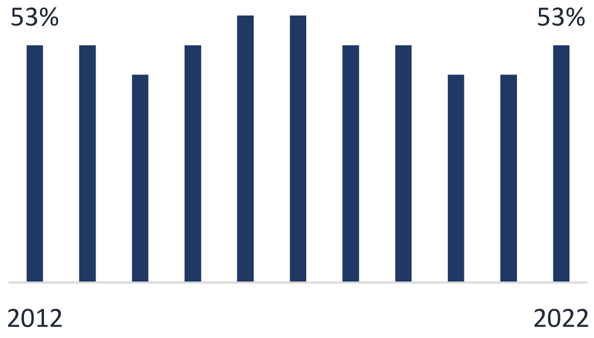
Profit from recurring operations corresponds to the operating profit excluding other non-recurring operating income and expenses.

Upcoming Communication

Date (subject to change)	**Event**
13th February 2025	Publication of H1 FY25 Audited Accounts
17th April 2025	Q3 FY25 Sales call
15th May 2025	US Market Webcast
28th August 2025	FY25 Sales and Results Call

Overall US alcohol consumption remains stable over the years, though with reduced frequency, and amidst economic driven moderation

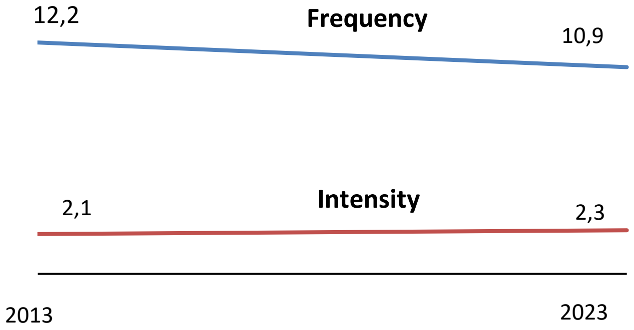
Monthly Alcohol Drinker Incidence[1] (%)



Source: CDC, The Behavioral Risk Factor Surveillance System (BRFSS)

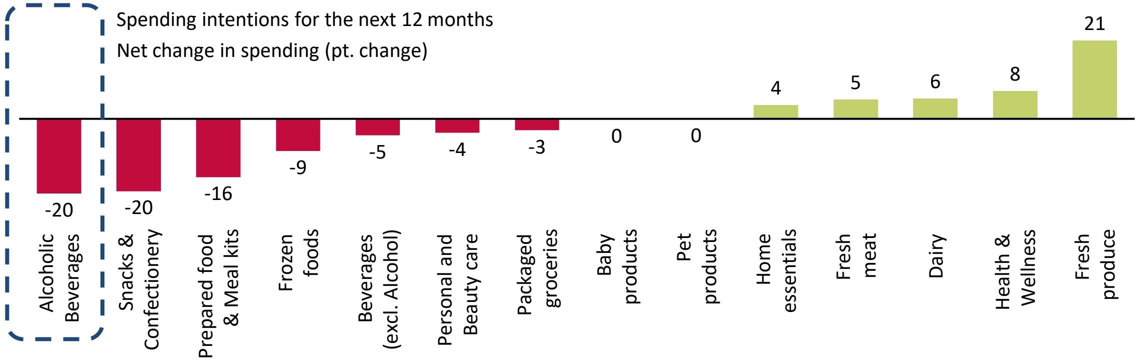
Penetration of alcohol remains stable in the US with LDA incidence consistently circa 53%

Overall alcohol consumption frequency (occasions/per month) vs greater intensity (servings/occasion)[2]



Source: IPSOS Act

People are drinking less frequently, but more servings per occasion



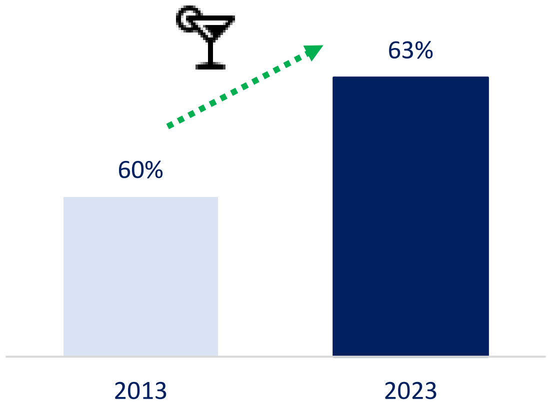
Consumer demand moderation primarily driven by economic necessity[3]

3. Source: NIQ 2024 Mid-Year Consumer Outlook, Global. Based on regional average among 23 surveyed markets, Note: In China, verbiage reflects the following: “Economic environment”

1. US Adults who had at least one drink of alcohol in the past 30 days
2. US LDA

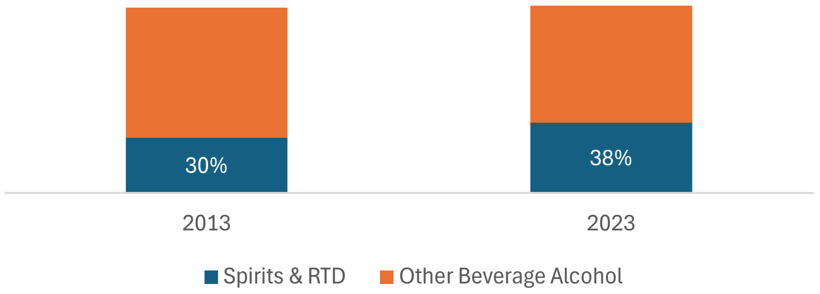
Increasing US consumer preference for spirits, growing its share of total servings within TBA

US Monthly penetration is growing on spirits/spirits-based RTDs, while declining on other categories



Source: IPSOS ACT, LDA

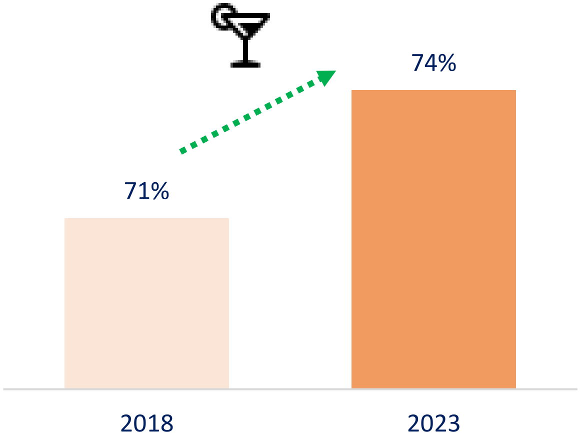
Leading to Spirits and RTD's increasing share in US of total servings



Calculation of Servings = Frequency x Intensity

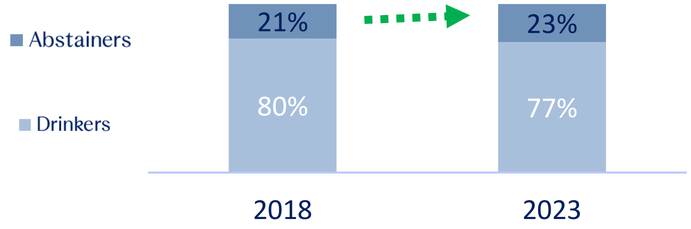
Source: IPSOS ACT LDA

Same trend amongst US GEN Z, with penetration increasing for spirits . . .



Source: GWI US, LDA to 27

. . . Despite a small increase in abstinence by Gen Z within TBA



Source: GWI US, LDA to 27

Emerging Markets

Asia-Rest of World		Americas	Europe
Algeria	Malaysia	Argentina	Albania
Angola	Mongolia	Bolivia	Armenia
Cambodia	Morocco	Brazil	Azerbaijan
Cameroon	Mozambique	Caribbean	Belarus
China	Myanmar	Chile	Bosnia
Congo	Namibia	Colombia	Bulgaria
Egypt	Nepal	Costa Rica	Croatia
Ethiopia	Nigeria	Cuba	Georgia
Gabon	Persian Gulf	Dominican Republic	Hungary
Ghana	Philippines	Ecuador	Kazakhstan
India	Senegal	Guatemala	Kosovo
Indonesia	South Africa	Honduras	Latvia
Iraq	Sri Lanka	Mexico	Lithuania
Ivory Coast	Syria	Panama	Macedonia
Jordan	Tanzania	Paraguay	Moldova
Kenya	Thailand	Peru	Montenegro
Laos	Tunisia	Puerto Rico	Poland
Lebanon	Turkey	Uruguay	Romania
Madagascar	Uganda	Venezuela	Russia
	Vietnam		Serbia
	Zambia		Ukraine

Strategic International Brands' organic Net Sales growth

	Volumes H1 FY25 (in 9Lcs millions)	Organic Net Sales growth H1 FY25	of which Volumes	of which Price/mix
Absolut	6.7	(2)%	(0)%	(2)%
Jameson	6.1	(0)%	+3%	(3)%
Ballantine's	5.2	+8%	+11%	(3)%
Chivas Regal	2.7	+3%	+2%	+1%
Ricard	2.3	(5)%	(4)%	(1)%
Malibu	2.2	(4)%	(2)%	(1)%
Beefeater	1.8	+0%	(1)%	+1%
Havana Club	1.7	+1%	(12)%	+13%
Martell	1.1	(25)%	(19)%	(6)%
The Glenlivet	0.7	(9)%	(5)%	(4)%
Mumm	0.4	(6)%	(5)%	(1)%
Perrier-Jouët	0.2	(1)%	(2)%	+2%
Royal Salute	0.1	(20)%	(17)%	(2)%
Strategic International Brands	31.3	(6)%	(0)%	(6)%

Sales Analysis by Period and Region

Net Sales (€ millions)	Q1 FY24		Q1 FY25		Change		Organic growth		Group Structure		Forex Impact	
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**	***100.0%***	**2,783**	***100.0%***	**(259)**	***(9)%***	**(178)**	***(6)%***	**+22**	***+1%***	**(103)**	***(3)%***

Net Sales (€ millions)	Q2 FY24		Q2 FY25		Change		Organic growth		Group Structure		Forex Impact	
Americas	1,003	*28%*	952	*28%*	(51)	*(5)%*	(34)	*(3)%*	+23	*+2%*	(40)	*(4)%*
Asia / Rest of World	1,520	*43%*	1,438	*42%*	(82)	*(5)%*	(48)	*(3)%*	(0)	*(0)%*	(34)	*(2)%*
Europe	1,025	*29%*	1,003	*30%*	(22)	*(2)%*	(7)	*(1)%*	(16)	*(2)%*	+1	*+0%*
Group	**3,548**	***100.0%***	**3,393**	***100.0%***	**(155)**	***(4)%***	**(89)**	***(3)%***	**+7**	***+0%***	**(73)**	***(2)%***

Net Sales (€ millions)	H1 FY24		H1 FY25		Change		Organic growth		Group Structure		Forex Impact	
Americas	1,860	*28%*	1,738	*28%*	(122)	*(7)%*	(81)	*(4)%*	+57	*+3%*	(98)	*(5)%*
Asia / Rest of World	2,850	*43%*	2,619	*42%*	(231)	*(8)%*	(156)	*(5)%*	+5	*+0%*	(80)	*(3)%*
Europe	1,880	*29%*	1,819	*29%*	(62)	*(3)%*	(30)	*(2)%*	(33)	*(2)%*	+1	*+0%*
Group	**6,590**	***100.0%***	**6,176**	***100.0%***	**(414)**	***(6)%***	**(267)**	***(4)%***	**+29**	***+0%***	**(177)**	***(3)%***

Summary Consolidated Income Statement

(€ millions)	H1 FY24	H1 FY25	Change
Net sales	**6 590**	**6 176**	**(6)%**
Gross Margin	**4 081**	**3 773**	**(8)%**
Advertising and promotions spend	(980)	(857)	(13)%
Contribution after A&P spend	**3 101**	**2 916**	**(6)%**
Structure costs	(958)	(931)	(3)%
Profit from Recurring Operations	**2 144**	**1 985**	**(7)%**
Financial income/(expenses) from recurring operations	(200)	(240)	+20%
Corporate income tax on items from recurring operations	(475)	(438)	(8)%
Net profit from discontinued operations, non-controlling interests and share of net income from associates	(30)	(34)	+11%
Group share of net profit from Recurring Operations	**1 439**	**1 274**	**(11)%**
Profit from non-recurring operations	142	(88)	(162)%
Financial income/(expenses) from non-recurring operations	(18)	(8)	(57)%
Corporate income tax on items from non-recurring operations	9	6	(38)%
Non-controlling interests (non-recurring)	(2)	6	(414)%
Group share of net profit	**1 569**	**1 190**	**(24)%**
Non-controlling interests	30	24	(19)%
Net profit	**1 599**	**1 214**	**(24)%**

Profit from Recurring Operations by Region (1/2)

World

(€ millions)	H1 FY24		H1 FY25		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	6,590	*100.0%*	6,176	*100.0%*	(414)	*(6)%*	(267)	*(4)%*	+29	*+0%*	(177)	*(3)%*
Gross margin	4,081	*61.9%*	3,773	*61.1%*	(309)	*(8)%*	(178)	*(4)%*	+12	*+0%*	(143)	*(3)%*
Advertising & promotional spend	(980)	*14.9%*	(857)	*13.9%*	+123	*(13)%*	+112	*(11)%*	(4)	*+0%*	+16	*(2)%*
Contribution after A&P spend	3,101	*47.1%*	2,916	*47.2%*	(185)	*(6)%*	(66)	*(2)%*	+7	*+0%*	(127)	*(4)%*
Profit from recurring operations	**2,144**	***32.5%***	**1,985**	***32.1%***	**(159)**	***(7)%***	**(46)**	***(2)%***	**(2)**	***(0)%***	**(110)**	***(5)%***

Americas

(€ millions)	H1 FY24		H1 FY25		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	1,860	*100.0%*	1,738	*100.0%*	(122)	*(7)%*	(81)	*(4)%*	+57	*+3%*	(98)	*(5)%*
Gross margin	1,232	*66.2%*	1,155	*66.4%*	(78)	*(6)%*	(50)	*(4)%*	+20	*+2%*	(48)	*(4)%*
Advertising & promotional spend	(374)	*20.1%*	(322)	*18.5%*	+53	*(14)%*	+46	*(12)%*	(4)	*+1%*	+10	*(3)%*
Contribution after A&P spend	858	*46.1%*	833	*47.9%*	(25)	*(3)%*	(3)	*(0)%*	+16	*+2%*	(38)	*(4)%*
Profit from recurring operations	**555**	***29.8%***	**547**	***31.5%***	**(8)**	***(1)%***	**+10**	***+2%***	**+8**	***+1%***	**(25)**	***(5)%***

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

Profit from Recurring Operations by Region (2/2)

Asia / Rest of the World

(€ millions)	H1 FY24		H1 FY25		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	2,850	*100.0%*	2,619	*100.0%*	(231)	*(8)%*	(156)	*(5)%*	+5	*+0%*	(80)	*(3)%*
Gross margin	1,699	*59.6%*	1,523	*58.1%*	(176)	*(10)%*	(98)	*(6)%*	+5	*+0%*	(83)	*(5)%*
Advertising & promotional spend	(357)	*12.5%*	(297)	*11.3%*	+61	*(17)%*	+56	*(16)%*	(2)	*+0%*	+6	*(2)%*
Contribution after A&P spend	1,342	*47.1%*	1,226	*46.8%*	(116)	*(9)%*	(42)	*(3)%*	+3	*+0%*	(77)	*(6)%*
Profit from recurring operations	**997**	***35.0%***	**892**	***34.1%***	**(105)**	***(11)%***	**(33)**	***(3)%***	**+0**	***+0%***	**(73)**	***(7)%***

Europe

(€ millions)	H1 FY24		H1 FY25		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	1,880	*100.0%*	1,819	*100.0%*	(62)	*(3)%*	(30)	*(2)%*	(33)	*(2)%*	+1	*+0%*
Gross margin	1,150	*61.2%*	1,095	*60.2%*	(55)	*(5)%*	(30)	*(3)%*	(14)	*(1)%*	(11)	*(1)%*
Advertising & promotional spend	(248)	*13.2%*	(238)	*13.1%*	+10	*(4)%*	+10	*(4)%*	+1	*(1)%*	(1)	*+0%*
Contribution after A&P spend	902	*48.0%*	857	*47.1%*	(45)	*(5)%*	(20)	*(2)%*	(12)	*(1)%*	(12)	*(1)%*
Profit from recurring operations	**591**	***31.5%***	**546**	***30.0%***	**(46)**	***(8)%***	**(23)**	***(4)%***	**(10)**	***(2)%***	**(12)**	***(2)%***

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

Foreign Exchange Impact

Forex impact H1 FY25 (€ millions)		Average rates evolution H1 FY24	Average rates evolution H1 FY25	Average rates evolution %	On Net Sales	On Profit from Recurring Operations
US Dollar	USD	1,08	1,08	(0,0)%	(1)	(0)
Chinese Yuan	CNY	7,83	7,77	+0,8%	+4	+3
Indian Rupee	INR	89,78	91,07	(1,4)%	(11)	(4)
British Pound	GBP	0,86	0,84	+2,9%	+7	(9)
Canadian Dollar	CAD	1,46	1,50	(2,3)%	(4)	(2)
Brazilian Real	BRL	5,32	6,16	(15,8)%	(17)	(6)
Japanese Yen	JPY	158,12	163,17	(3,2)%	(4)	(3)
Turkish Lira	TRY	29,96	36,88	(23,1)%	(43)	(38)
Singapourian Dollar	SGD	1,46	1,44	+1,7%	+1	+1
Polish Zloty	PLN	4,46	4,29	+3,7%	+4	+2
South Korean Won	KRW	1 425,10	1 490,25	(4,6)%	(2)	(1)
South African Rand	ZAR	20,23	19,42	+4,0%	+3	+1
Taiwan Dollar	TWD	34,35	34,97	(1,8)%	(1)	(1)
Mexican Peso	MXN	18,72	21,13	(12,8)%	(8)	+1
Argentinean Peso	ARS	411,59	1 049,94	(155,1)%	(64)	(18)
Nigerian Naira	NGN	851,18	1 722,30	(102,3)%	(32)	(23)
Kazakhstani Tenge	KZT	497,66	529,58	(6,4)%	(2)	(2)
Swedish Krone	SEK	11,61	11,47	+1,2%	+0	(2)
Chilean Peso	CLP	945,11	1 024,61	(8,4)%	(2)	(2)
Ukrainian Hryvnia	UAH	39,74	44,68	(12,4)%	(5)	(4)
Other Currencies					(0)	+0
Translation impact					**(177)**	**(106)**
Transaction impact						**(5)**
Total FX impact					**(177)**	**(110)**

Sensitivity of profit and debt to EUR/USD exchange rate

Estimated impact of a **1% appreciation of the USD**

Impact on the income statement[(1)]	(€ millions)
Profit from recurring operations	+15
Financial result	(1)
Pre-tax profit from recurring operations	**+14**

Impact on the balance sheet	(€ millions)
Increase/(decrease) in net debt	**+40**

(1) Full-year effect

Balance Sheet: Assets

Assets (€ millions)	30/06/2024	31/12/2024
(Net book value)		
Non-current assets		
Intangible assets and goodwill	19,039	19,330
Tangible assets and other assets	4,972	5,335
Deferred tax assets	1,713	1,684
Total non-current assets	**25,725**	**26,349**
Current assets		
Inventories	8,255	8,423
aged work-in-progress	*6,616*	*6,951*
non-aged work-in-progress	*133*	*135*
other inventories	*1,506*	*1,337*
Receivables (*)	1,581	2,203
Trade receivables	*1,525*	*2,137*
Other trade receivables	*55*	*66*
Other current assets	416	420
Other operating current assets	*404*	*408*
Other current assets related to fixed assets and other	*11*	*11*
Tax receivable	122	97
Cash and cash equivalents and current derivatives	2,691	1,935
Total current assets	**13,065**	**13,079**
Assets held for sale	395	367
Total assets	**39,185**	**39,795**
(*) after disposals of receivables of:	**1,124**	**1,617**

Balance Sheet: Liabilities and Shareholder’s Equity

Liabilities and shareholders’ equity (€ millions)	30/06/2024	31/12/2024
Group Shareholders’ equity	**15,749**	**16,543**
Non-controlling interests	1,048	1,089
of which profit attributable to non-controlling interests	*38*	*24*
Total Shareholders’ equity	**16,797**	**17,632**
Non-current provisions and deferred tax liabilities	3,743	3,809
Bonds - non-current	10,907	11,014
Lease liabilities - non current	352	391
Non current derivatives	11	8
Other non current financial liabilities	133	135
Non-current financial liabilities and derivative instruments	143	143
Total non-current liabilities	**15,146**	**15,358**
Current provisions	158	149
Operating payables	2,930	2,727
Other operating payables	1,607	1,039
of which other operating payables	*889*	*939*
of which tangible/intangible current payables	*717*	*100*
Tax payable	149	280
Bonds - current	1,778	1,110
Lease liabilities - current	96	96
Current financial liabilities and derivatives	373	1,224
Total current liabilities	**7,091**	**6,625**
Liabilities related to assets held for sale	151	180
Total liabilities and shareholders' equity	**39,185**	**39,795**

Analysis of Working Capital Requirement

(€ millions)	June 2023	December 2023	June 2024	December 2024	H1 FY24 WC change*	H1 FY25 WC change*
Aged work in progress	6 267	6 513	6 616	6 951	278	230
Advances to suppliers for wine and ageing spirits	12	19	20	19	7	2
Payables on wine and ageing spirits	(182)	(245)	(163)	(181)	(64)	(32)
Net aged work in progress	**6 098**	**6 287**	**6 474**	**6 790**	**221**	**201**
Trade receivables before factoring/securitization	2 151	3 601	2 649	3 754	1 506	1 100
Advances from customers	(34)	(32)	(33)	(36)	2	(2)
Other receivables & operating current assets	824	453	439	456	(368)	1
Other inventories	1 685	1 587	1 506	1 337	(73)	(166)
Non-aged work in progress	151	151	133	135	3	5
Trade payables and other	(4 106)	(3 723)	(3 624)	(3 450)	338	175
Operating working capital	**671**	**2 037**	**1 070**	**2 196**	**1 409**	**1 113**
Factoring/Securitization impact	(749)	(1 203)	(1 124)	(1 617)	(460)	(478)
Net Operating Working Capital	**(78)**	**834**	**(53)**	**579**	**949**	**636**
Net Working Capital	**6 019**	**7 121**	**6 420**	**7 369**	**1 169**	**836**
Of which recurring variation					**1 167**	**843**
Of which non recurring variation					**2**	**(6)**

* at average rates

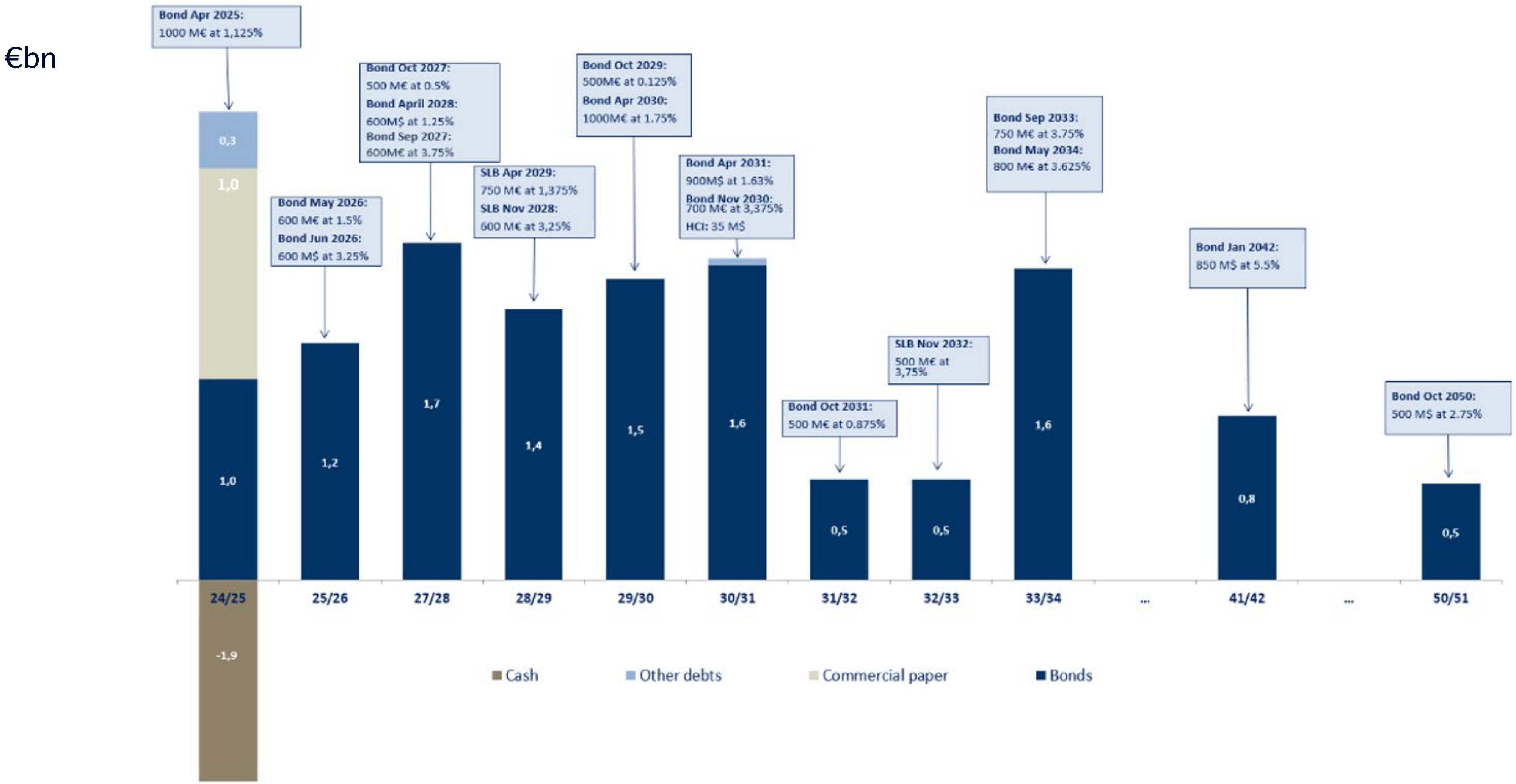
Net Debt

(€ millions)	30/06/2024			31/12/2024		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	**1,778**	**10,907**	**12,685**	**1,110**	**11,014**	**12,124**
Commercial paper	196	-	196	1,043	-	1,043
Other loans and long-term debts	156	133	288	145	135	280
Other financial liabilities	**352**	**133**	**485**	**1,188**	**135**	**1,323**
Gross Financial debt	**2,130**	**11,040**	**13,170**	**2,298**	**11,149**	**13,447**
Fair value hedge derivatives – assets	-	-	-	-	-	-
Fair value hedge derivatives – liabilities	-	10	10	-	8	8
Fair value hedge derivatives	**-**	**10**	**10**	**-**	**8**	**8**
Net investment hedge derivatives – assets	-	-	-	-	-	-
Net investment hedge derivatives – liabilities	6	-	6	24	-	24
Net investment hedge derivatives	**6**	**-**	**6**	**24**	**-**	**24**
FINANCIAL DEBT AFTER HEDGING	**2,136**	**11,050**	**13,186**	**2,323**	**11,157**	**13,479**
Cash and cash equivalents	**(2,683)**	**-**	**(2,683)**	**(1,916)**	**-**	**(1,916)**
NET FINANCIAL DEBT EXCLUDING LEASE DEBT	**(547)**	**11,050**	**10,503**	**407**	**11,157**	**11,563**
Lease Debt	**95**	**352**	**448**	**96**	**391**	**487**
NET FINANCIAL DEBT	**(451)**	**11,402**	**10,951**	**502**	**11,548**	**12,050**

Change in Net Debt

(€ millions)	31/12/2023	31/12/2024
Operating profit	2,286	1,897
Depreciation and amortisation	217	211
Net change in impairment of goodwill, PPE and intangible assets	14	0
Net change in provisions	(42)	(30)
Changes in fair value on commercial derivatives and biological assets	3	1
Net (gain)/loss on disposal of assets	(213)	(7)
Share-based payments	26	22
Dividends received from associates	0	0
Self-financing capacity before interest and tax	**2,291**	**2,094**
Decrease / (increase) in working capital requirements	(1,169)	(836)
Net interest, tax payments and others	(430)	(453)
Net acquisitions of non financial assets and others	(391)	(365)
Free Cash Flow	**301**	**440**
of which recurring Free Cash Flow	***389***	***534***
Net acquisitions of financial assets and activities and others	(18)	(141)
Other changes in shareholders' equity	0	4
Dividends paid	(1,199)	(1,194)
(Acquisition) / Disposal of treasury shares and others	(184)	(11)
Decrease / (increase) in net debt (before currency translation adjustments)	**(1,101)**	**(903)**
Foreign currency translation adjustment & other non cash impact	71	(104)
Non cash impact on lease liabilities	(80)	(92)
Decrease / (increase) in net debt (after currency translation adjustments and IFRS 16 non cash impacts)	**(1,110)**	**(1,098)**
Initial net debt	(10,273)	(10,951)
Final net debt	(11,383)	(12,050)

Net Debt Maturity profile as of 31st December 2024



Bond Details

Currency	Par value	Coupon	Issue date	Maturity date
EUR	€ 600 m	1.500%	5/17/2016	5/18/2026
	€ 1,000 m o/w :		10/24/2019	
	€ 500 m	0.500%		10/24/2027
	€ 500 m	0.875%		10/24/2031
	€ 2,000 m o/w :		4/6/2020	
	€ 1,000 m	1.125%		4/7/2025
	€ 1,000 m	1.750%		4/8/2030
	€ 500 m	0.125%	10/4/2021	10/4/2029
	€ 750 m	1.375%	4/7/2022	4/7/2029
	€ 1,100 m o/w :		11/2/2022	
	€ 600 m	3.250%		11/2/2028
	€500 m	3.750%		11/2/2032
	€ 1,150 m o/w :		9/15/2023	
	€ 600 m	3.750%		9/15/2027
	€ 750 m	3.750%		9/15/2033
	€ 1,500 m o/w :		5/7/2024	
	€ 700 m	3.375%		11/7/2030
	€ 800 m	3.625%		5/7/2034
USD	$ 850 m	5.500%	1/12/2012	1/15/2042
	$ 600 m	3.250%	6/8/2016	6/8/2026
	$ 2,000 m o/w :		10/1/2020	
	$ 600 m	1.250%		4/1/2028
	$ 900 m	1.625%		4/1/2031
	$ 500 m	2.750%		10/1/2050

Net debt / EBITDA evolution

	Closing rate	Average rate[1]
EUR/USD rate Jun FY24 -> Dec FY25	1.07 -> 1.04	1.08 -> 1.08
Ratio at 30/06/2024	**3.1**	**3.1**
EBITDA & cash generation excl. Group structure effect and forex impacts	0.3	0.3
Group structure and forex impacts	0.2	0.2
Ratio at 31/12/2024	**3.6**	**3.5**

Net Diluted EPS

(x 1,000)	H1 FY24	H1 FY25
Number of shares in issue at end of period	255,632	252,269
Weighted average number of shares in issue (pro rata temporis)	255,632	253,243
Weighted average number of treasury shares (pro rata temporis)	-2,839	-1,771
Dilutive impact of stock options and performance shares	597	445
Number of shares used in diluted EPS calculation	**253,390**	**251,918**

(€ millions and €/share)	H1 FY24	H1 FY25	reported △
Group share of net profit from recurring operations	1,439	1,274	-11.5%
Diluted net earnings per share from recurring operations	**5.68**	**5.06**	**-11.0%**