Pernod Ricard
Créateurs de convivialité

Q3 FY26 Sales
Press Release – Paris, 16 April 2026

IMPROVING MOMENTUM WITH STABLE ORGANIC NET SALES IN Q3 IN A VOLATILE CONTEXT

Q3 FY26 ORGANIC NET SALES +0.1% (-14.6% REPORTED)
YTD ORGANIC NET SALES -4.4% (-14.8% REPORTED)

We report as expected, a sequential improvement in Organic Net Sales in Q3 compared to H1, with total group volumes in Q3 back to growth at +4%, and with Strategic International Brands' volumes growing +3%. When excluding the US and China markets which contracted in Q3 -12% and -7% respectively, Q3 Organic Net Sales in the rest of the world are growing strongly at +5%. Sales have improved in markets across all regions in Q3, with strong momentum in Emerging Markets and continued growth in several Mature Markets.

We are exploiting evolving consumer trends to capture growth with actions that address consumer trends and needs including:

- Addressing affordability with RGM, smaller formats and standard and premium brands,
- Consumer experiences, with music festival activations,
- Convenience, including through RTD, and through targeted stores activations
- Broadening the consumption occasions, with the launch of no and low alcohol products.

We are actively managing what is within our control, adapting our resources with agility, deploying our efficiency program, steering the organisation to fuel our future growth and optimise our cash generation.

FY26 Q3 Net Sales totalled €1,945m, an organic growth of +0.1%, and -14.6% reported.

FY26 9M Net Sales totalled €7,199m, an organic decline of -4.4% and -14.8% reported, with unfavourable Foreign Exchange impact of -€515m mainly linked to USD, INR and TRY[1], and Group Structure of -€393m mainly linked to the disposal of Wines & Imperial Blue business.

By regions, (Organic Net Sales Q3/YTD):

- **Americas -8% / -10%,**
  - **USA -12% / -14%,**
    - Our Sell-out value gap-to-market[2] sustained at c.2pts
    - After a soft OND holiday season, Q3 market[2] performance improved to -4%, slightly ahead of the YTD trend, with the On-trade channel performing better than the Off-trade,
    - Active innovation pipeline, recruiting new consumers and maintaining brand desirability, with notable recent examples including Jameson Triple Triple, Absolut Tabasco and Malibu Pink.
  - **Canada:** solid growth YTD, double digits in Q3 with strong growth from RTDs, Canadian Whisky and Jameson,
  - **Brazil:** back to growth in Q3, following the easing of the impacts from the methanol crisis.

[1] US Dollar, Indian Rupee and Turkish Lira
[2] Bottled Spirits market

- **Asia-RoW +6% / -2%,**
  - **India +11% / +6%,**
    - The Spirits market continues to enjoy dynamic consumer fundamentals,
    - Q3 benefit from strong underlying demand and continuing premiumisation, along with the disposal of the Imperial Blue business,
    - Broad-based growth across the portfolio with imported spirits in strong double-digits growth, including Jameson, Absolut and Scotch brands,
    - Strong growth from local brands, especially Blenders Pride, and with the launch of the new “Xclamat!on” range of Spirits.

  - **China -7% / -24%,**
    - Macro context remains challenging, with weak consumer confidence and tightened regulatory environment,
    - Sales in Q3 benefitted from the phasing of CNY, though underlying performance was soft, in line with the cautious sentiment of the trade ahead of CNY
    - YTD Sales of Martell and Scotch Whiskies are in decline, while premium brands enjoy positive sales momentum

  - **Korea** back to growth in Q3
  - **Japan** continues its strong momentum YTD, with Perrier-Jouët in double digits growth
  - **Africa and Middle East**, double-digits growth YTD, driven by Türkiye, Nigeria and South Africa. We are carefully monitoring the evolving conflict in the Middle East, and we expect full year net sales to be impacted.

- **Europe +1% / -2%,**
  - Back to growth in Q3, with strong performance from Bumbu, Perrier-Jouëtt and Jameson,
  - **France** decline YTD, though easing in Q3,
  - **Spain** solid growth in Q3, benefitting from the earlier Easter,
  - **Germany** declining YTD in a subdued though improving market,
  - **Poland** broadly stable YTD, with Q3 impacted by phasing.

- **Global Travel Retail +11% / +2%,**
  - Traveller numbers remain strong, ahead of pre-COVID in all regions
  - Sales rebound following the resumption of Cognac sales in China DF
  - Asia DF benefitted from an active festive marketing program celebrating CNY, with strong double-digits sell-out growth for Martell
  - Europe and the Americas continue to see positive momentum in sell-out, notably cruises in the Americas
  - GTR now expected to be in slight decline for FY26, as a result of travel disruption from the Middle East conflict

By brands, (Organic Net Sales Q3/YTD):

- **Strategic International Brands +2%/ -5%,** with strong growth of Ballantine's, Royal Salute and Malibu in Q3, while Perrier-Jouët continues its stellar performance YTD
- **Strategic Local Brands +1% / -1%,** solid growth for Royal Stag, Blenders Pride and 100 Pipers YTD
- **Specialty Brands -9% / -8%,** double-digits growth of Bumbu and Código YTD, offset by weak performance for Lillet
- **RTDs +26%/+16%,** strong and broad-based growth across the portfolio

<u>FY26 Outlook</u>

In a context that remains volatile and uncertain, we continue to see FY26 as a transition year with improving trends in H2. In line with our expectations, Net Sales strongly improved in Q3.
Given the ongoing conflict in the Middle East, we now expect organic net sales to decline by -3% to -4% for the full year.

We continue to invest to increase our brands' desirability with sharp allocation, efficiency, innovation and experiences with A&P investment ratio expected to remain at c.16%.

We will continue to defend our Organic Operating Margin to the fullest extent possible, supported by strict cost control and the implementation of our FY26 to FY29 €1bn Operational Efficiencies program, including the adaptation of our "fit for future" organisation. We expect to deliver one third by the end of the fiscal year.

Focus on cash generation to continue, with strategic investments now expected to be below €700m and strong operating working capital management.

Aiming for c.80% and above cash conversion from FY26.

FX impact expected to be significantly negative[1]

<u>Medium Term FY27-29</u>

Leveraging our unique broad-based and balanced geographic breadth and diversified portfolio of premium international spirits

Projecting Organic Net Sales growth, aiming for the range of +3% to +6% p.a[2] on average, with annual Organic Operating Margin expansion

Anticipating organic margin expansion to be supported by efficiencies of €1bn from FY26 to FY29, with program to optimize Operations and implement a Fit For Future organisational structure

Maintaining consistent investments behind our brands with c.16% A&P/Net Sales, with agility and responsiveness to maximise opportunity by brand and market

[1] Based on current Spot rates
[2] Per annum

Strong cash generation aiming for c.80% and above cash conversion to fund our financial policy priorities, with strategic investments[1] normalizing to no more than c.€800m p.a.
Our intention is to delever and to bring our net debt / EBITDA ratio below 3x by FY29

We are confident in our strategy, in our operating model and in the engagement of our teams, to deliver sustainable value growth over time

Dividend

An interim dividend of €2.35 per share will be detached on July 22nd and paid on July 24th. The final dividend will be subject to the AGM decision on November 20th.

[1] Strategic Investments = Capex + Strategic Inventories

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 Türkiye 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.

Cash Conversion

Cash conversion is calculated by dividing the Recurring Operating Cash Flow by the Profit from recurring operations. The Recurring Operating Cash Flow is calculated as the Self-financing capacity from Recurring Operations + Change in Recurring Operating Working Capital needs, Change in Strategic inventories and Cash Capex.

Net Debt / EBITDA

Net debt corresponds to gross financial debt, including IFRS 16 lease liabilities, less cash and cash equivalents. EBITDA corresponds to Profit from recurring operations excluding depreciation, and amortisation on fixed assets.

The net debt / EBITDA ratio is calculated using EBITDA on a last-twelve-months basis and using Net Debt translated at last-twelve-months average exchange rates.

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 €10,959 million in fiscal year FY25.
Pernod Ricard is listed on Euronext (Ticker: RI; ISIN Code:FR0000120693) and is part of the CAC 40 index.

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Appendices

Financial Tables can be consulted on www.pernod-ricard.com

Upcoming Communications

Date (subject to change)	Event
28^{th} May 2026	US Webcast
27^{th} August 2026	FY26 Sales and Results

Login details for the conference-call on April 16 2026

Available in the media section of the Pernod Ricard website