



*(a société anonyme established with limited liability in the Republic of France)*

**€500,000,000 0.000 per cent. Notes due October 2023**

**Issue Price: 99.912 per cent.**

**€500,000,000 0.500 per cent. Notes due October 2027**

**Issue Price: 99.711 per cent.**

**€500,000,000 0.875 per cent. Notes due October 2031**

**Issue Price: 98.750 per cent.**

The €500,000,000 aggregate principal amount of 0.000 per cent. Notes due October 2023 (the “**2023 Notes**”) of Pernod Ricard S.A. (the “**Issuer**”) will be issued on 24 October 2019 (the “**2023 Notes Issue Date**”) in the denomination of €100,000 each.

Each 2023 Note will bear interest on its principal amount from (and including) the Issue Date to (but excluding) 24 October 2023 (the “**2023 Notes Maturity Date**”) at a fixed rate of 0.000 per cent. *per annum* payable annually in arrears on 24 October in each year and commencing on 24 October 2020, as further described in “Terms and Conditions of the 2023 Notes – Interest”.

The €500,000,000 aggregate principal amount of 0.500 per cent. Notes due October 2027 (the “**2027 Notes**”) of the Issuer will be issued on 24 October 2019 (the “**2027 Notes Issue Date**”) in the denomination of €100,000 each.

Each 2027 Note will bear interest on its principal amount from (and including) the Issue Date to (but excluding) 24 October 2027 (the “**2027 Notes Maturity Date**”) at a fixed rate of 0.500 per cent. *per annum* payable annually in arrears on 24 October in each year and commencing on 24 October 2020, as further described in “Terms and Conditions of the 2027 Notes – Interest”.

The €500,000,000 aggregate principal amount of 0.875 per cent. Notes due October 2031 (the “**2031 Notes**”) of the Issuer will be issued on 24 October 2019 (the “**2031 Notes Issue Date**”) and together with the 2023 Notes Issue Date and the 2027 Notes Issue Date, the “**Issue Date**”) in the denomination of €100,000 each.

Each 2031 Note will bear interest on its principal amount from (and including) the Issue Date to (but excluding) 24 October 2031 (the “**2031 Notes Maturity Date**”) at a fixed rate of 0.875 per cent. *per annum* payable annually in arrears on 24 October in each year and commencing on 24 October 2020, as further described in “Terms and Conditions of the 2031 Notes – Interest”.

References to “Terms and Conditions of the Notes” are either references to “Terms and Conditions of the 2023 Notes” or to “Terms and Conditions of the 2027 Notes” or to “Terms and Conditions of the 2031 Notes”, references to “Maturity Date” are either to “2023 Notes Maturity Date” or to “2027 Notes Maturity Date” or to “2031 Notes Maturity Date”, and references to “Notes” are either to “2023 Notes” or “2027 Notes” or “2031 Notes”.

The Issuer may, at its option, (i) (a) from and including 24 September 2023 to but excluding the 2023 Notes Maturity Date (as defined below), redeem the 2023 Notes outstanding on any such date, in whole (but not in part), at par plus accrued interest, as described under “Terms and Conditions of the 2023 Notes – Redemption and Purchase – Redemption at the Option of the Issuer – Pre-Maturity Call Option”, (b) from and including 24 July 2027 to but excluding the 2027 Notes Maturity Date (as defined below), redeem the 2027 Notes outstanding on any such date, in whole (but not in part), at par plus accrued interest, as described under “Terms and Conditions of the 2027 Notes – Redemption and Purchase – Redemption at the Option of the Issuer – Pre-Maturity Call Option” and (c) from and including 24 July 2031 to but excluding the 2031 Notes Maturity Date (as defined below), redeem the 2031 Notes outstanding on any such date, in whole (but not in part), at par plus accrued interest, as described under “Terms and Conditions of the 2031 Notes – Redemption and Purchase – Redemption at the Option of the Issuer – Pre-Maturity Call Option”, (ii) at any time and from time to time redeem all or any of the Notes prior to the Maturity Date and in accordance with the provisions set out in “Terms and Conditions of the Notes – Redemption and Purchase – Redemption at the Option of the Issuer – Make Whole Redemption by the Issuer” and (iii) at any time prior to the Maturity Date, redeem the Notes, in whole (but not in part), at par plus accrued interest, if 80 per cent. of the Notes have been redeemed or purchased and cancelled, in accordance with the provisions set out in “Terms and Conditions of the Notes – Redemption at the Option of the Issuer – Clean-Up Call Option”.

The Issuer may also, at its option, and in certain circumstances must, redeem all (but not some only) of the Notes at any time at par plus accrued interest in the event of certain tax changes, as further described in “Terms and Conditions of the Notes – Redemption for Taxation Reasons”. In addition, each Noteholder may, at its option, in the event of a Change of Control, request from the Issuer the redemption of some or all of the Notes held by it at their principal amount plus accrued interest, as further described in “Terms and Conditions of the Notes – Redemption following a Change of Control”.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their principal amount on their respective Maturity Dates.

This document (including the documents incorporated by reference) constitutes a prospectus (the “**Prospectus**”) for the purposes of the Regulation (EU) No. 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading, as amended (the “**Prospectus Regulation**”).

Application has been made to the *Autorité des marchés financiers* in France (the “**AMF**”) in its capacity as competent authority pursuant to the Prospectus Regulation and pursuant to the French *Code monétaire et financier* for the approval of this Prospectus for the purposes of the Prospectus

Regulation. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

The Notes will be issued in dematerialised bearer form (*au porteur*). Title to the Notes will be evidenced in accordance with Articles L. 211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders, as set out in “Terms and Conditions of the Notes - Form, Denomination and Title”.

**The Notes have not been and will not be registered under the U.S. Securities Act of 1933. They may not be offered, sold or delivered in or within the United States or to, or for the account or benefit of, U.S. person, unless the Notes are registered under the Securities Act of 1933 or an exemption from the registration requirements of the U.S. Securities Act of 1933 is available.**

The Notes are expected to be assigned a rating of BBB+ by Standard & Poor’s Ratings Services and Baa1 by Moody’s Investors Service. The long-term debt of the Issuer has been assigned a rating of BBB+ (with stable outlook) by Standard & Poor’s Ratings Services and Baa1 (with stable outlook) by Moody’s Investors Service. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency. A revision, suspension, reduction or withdrawal of a rating may adversely affect the market price of the Notes.

The credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No. 1060/2009 on credit rating agencies, as amended (the “**CRA Regulation**”), as having been issued by Standard & Poor’s Ratings Services and Moody’s Investors Service. Standard & Poor’s Ratings Services and Moody’s Investors Service. are established in the European Union and included in the list of credit rating agencies registered under the CRA Regulation, published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) as of the date of this Prospectus.

**An investment in the Notes involves certain risks. Potential investors should review all the information contained or incorporated by reference in this document and, in particular, the information set out in the section entitled “Risk Factors” before making a decision to invest in the Notes.**

**Copies of this Prospectus and the documents incorporated by reference will be published on the website of the Issuer ([www.pernod-ricard.com](http://www.pernod-ricard.com)).**

**Copies of this Prospectus will be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).**



This Prospectus has been approved on 22 October 2019 under the approval no. 19-501 by the AMF, in its capacity as competent authority under Regulation (EU) No. 2017/1129.

The AMF has approved this Prospectus after having verified that the information it contains is complete, coherent and comprehensible.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in this Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

It is valid until the date of admission of the Notes to trading on Euronext Paris and shall be completed by a supplement to the Prospectus in the event of new material facts or substantial errors or inaccuracies.

**JOINT LEAD MANAGERS AND GLOBAL COORDINATORS**

**BNP PARIBAS  
CRÉDIT AGRICOLE CIB**

**JOINT LEAD MANAGERS  
COMMERZBANK  
DEUTSCHE BANK AG  
ING**

**MIZUHO SECURITIES  
MORGAN STANLEY  
MUFG**

**NATWEST MARKETS  
SANTANDER CORPORATE & INVESTMENT BANKING**

**SMBC NIKKO  
STANDARD CHARTERED BANK  
UNICREDIT BANK**

**This Prospectus comprises a prospectus for the purposes of Regulation (EU) No. 2017/1129 (the “Prospectus Regulation”) and for the purpose of giving information with regard to the Issuer, the Issuer and its consolidated subsidiaries taken as a whole (the “Group”) and the Notes which according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, the rights attaching to the Notes and the reasons of the issuance and its impact on the Issuer.**

**Certain information contained in this Prospectus and/or documents incorporated by reference herein has been extracted from sources specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading.**

**This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see section “Documents Incorporated by Reference”). This Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Prospectus.**

**The Joint Lead Managers (as defined under the section “Subscription and Sale”) have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers or any of their affiliates as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the issue and sale of the Notes.**

**In connection with the issue and sale of the Notes, no person is or has been authorised by the Issuer or the Joint Lead Managers or any of their affiliates to give any information or to make any representation other than those contained in this Prospectus and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Lead Managers or any of their affiliates.**

**Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein is correct at any time subsequent to the date hereof. The Joint Lead Managers do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention. Investors should review, inter alia, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or to purchase any Notes.**

**Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Joint Lead Managers that any recipient of this Prospectus should purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to any person to subscribe for or to purchase any Notes.**

**In making an investment decision regarding the Notes, prospective investors should rely on their own independent investigation and appraisal of (a) the Issuer, its business, its financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. Potential investors should, in particular, read carefully the section entitled “Risk Factors” set out below before making a decision to invest in the Notes.**

**This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction where, or to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Joint Lead Managers do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers which would permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the United Kingdom and France (see section “Subscription and Sale”).**

**The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)), unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.**

**PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive No. 2014/65 (as amended, MiFID II); or (ii) a customer within the meaning of Directive No. 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “Distributor”) should take into consideration the manufacturers’ target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

#### **Suitability of investment in the Notes**

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risk inherent in investing in or holding the Notes.

Each prospective investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its own financial situation, an investment in the Notes and the impact that any such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including any currency exchange risk due to the fact that the prospective investor’s currency is not Euro;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of the financial markets and any relevant indices;
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the risks of such investment; and
- (vi) consult its own advisers as to legal, tax and related aspects of an investment in the Notes.

#### **Considerations for investors relating to the credit rating of the Notes**

The rating assigned to the Notes by the rating agency is based on the Issuer’s financial situation, but takes into account other relevant structural features of the transaction, including, *inter alia*, the terms of the Notes, and reflects only the views of the rating agency. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this paragraph, and other factors that may affect the value of the Notes. The rating addresses the likelihood of full and timely payment to the Noteholders of all payments of interest on each interest payment date and repayment of principal on the final payment date. There is no assurance that any such rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the rating agency as a result of changes in or unavailability of information or if, in the rating agency’s judgement, circumstances so warrant. A credit rating and/or a corporate rating are not a recommendation to buy, sell or hold securities. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes.

### **Considerations on taxation**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions (including as a result of change in law). Potential investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes.

A number of Member States of the European Union are currently negotiating to introduce a financial transactions tax ("FTT") in the scope of which transactions in the Notes may fall. The scope of any such tax is still uncertain as well as any potential timing of implementation. If an FTT applying to debt instruments is adopted transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

### **Consideration on potential conflict of interest with the Joint Lead Managers**

Certain of the Joint Lead Managers (as defined in section "Subscription and Sale" below) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

# TABLE OF CONTENTS

Title	Page
<b>RISK FACTORS .....</b>	<b>1</b>
<b>DOCUMENTS INCORPORATED BY REFERENCE.....</b>	<b>6</b>
<b>TERMS AND CONDITIONS OF THE 2023 NOTES.....</b>	<b>10</b>
<b>TERMS AND CONDITIONS OF THE 2027 NOTES.....</b>	<b>22</b>
<b>TERMS AND CONDITIONS OF THE 2031 NOTES.....</b>	<b>34</b>
<b>DESCRIPTION OF THE ISSUER .....</b>	<b>47</b>
<b>RECENT DEVELOPMENTS.....</b>	<b>48</b>
<b>SUBSCRIPTION AND SALE .....</b>	<b>52</b>
<b>GENERAL INFORMATION .....</b>	<b>54</b>
<b>PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS.....</b>	<b>57</b>



# RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.*

*The terms defined in “Terms and Conditions of the 2023 Notes” or in “Terms and Conditions of the 2027 Notes” or in “Terms and Conditions of the 2031 Notes” shall have the same meaning when used below.*

*References to “Terms and Conditions of the Notes” are either references to “Terms and Conditions of the 2023 Notes” or to “Terms and Conditions of the 2027 Notes” or to “Terms and Conditions of the 2031 Notes”, references to “Maturity Date” are either to “2023 Notes Maturity Date” or to “2027 Notes Maturity Date” or to “2031 Notes Maturity Date” and references to “Notes” are either to “2023 Notes” or “2027 Notes” or “2031 Notes”.*

## 1. RISK FACTORS RELATING TO THE ISSUER

The risks relating to the Issuer are set out on pages 114 to 115, 123 to 142, 192 and 201 to 202 of the 2019 Universal Registration Document (as defined in section “Documents Incorporated by Reference”) and include the following:

- Risks relating to business activities (including risks relating to pressure on prices, geopolitical and macroeconomic instability, negative media/social media campaign, brand portfolio challenges and non-adaptation to new trends, product quality issue, supply disruption, talent management and fraud);
- Industrial and environmental risks (including climate change and environmental damage, loss of major site/strategic inventory, toxic contamination and human safety risk)
- Legal and regulatory risks (including regulatory changes, major litigation and counterfeiting/IP rights); and
- Financial risks (including FX, interest rates and credit and pensions).

## 2. RISK FACTORS RELATING TO THE NOTES

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest not being paid on time or at all by the Issuer and/or a material impairment of the market price of the Notes or Noteholders losing all or some of their investment should the Issuer become insolvent. The following is a description of risk factors in relation to the Notes which set out the most material risks, taking into account the negative impact of such risks on the Issuer and the probability of their occurrence in each category below.

### 2.1 Economic and Legal Risks relating to the Notes

#### *French insolvency law*

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a preservation procedure (*procédure de sauvegarde*), an accelerated preservation procedure (*procédure de sauvegarde accélérée*), an accelerated financial preservation procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes) regardless of their governing law. The Assembly deliberates on

the proposed preservation plan (*projet de plan de sauvegarde*), proposed accelerated preservation plan (*projet de plan de sauvegarde accélérée*), proposed accelerated financial preservation plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may notably agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) if the differences in situation so justify; and/or
- convert debt securities (including the Notes) into securities that give or may give right to share capital.

Stipulations relating to the representation of holders of the Notes provided in Condition 9 (*Representation of the Noteholders*) of the Terms and Conditions of the Notes will not be applicable if they depart from any imperative provisions of French insolvency law that may be applicable.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders expressing a vote). No quorum is required to convoke the Assembly.

The procedures, as described above or as they will or may be amended, could have a material and adverse impact on holders of the Notes seeking repayment in the event that the Issuer or its subsidiaries were to be subject to French insolvency proceedings.

It should be noted that a directive "on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) No. 2017/1132" has been adopted by the European Union on 20 June 2019. Once transposed into French law (which should happen by 17 July 2021 at the latest), such directive should have a material impact on French insolvency law, especially with regard to the process of adoption of restructuring plans under insolvency proceedings.

According to this directive, "affected parties" (including notably creditors and therefore the Noteholders) shall be treated in separate classes which reflect certain class formation criteria for the purpose of adopting a restructuring plan. Classes shall be formed in such a way that each class comprises claims or interests with rights which reflects sufficient commonality of interest based on verifiable criteria. As a minimum, secured and unsecured claims shall be treated in separate classes for the purpose of adopting a restructuring plan. A restructuring plan shall be deemed to be adopted by affected parties, provided that a majority in the amount of their claims or interests is obtained in each and every class (the required majorities shall be laid down by Member States at not higher than 75% in the amount of claims or interests in each class, it being noted that Member States may require that in addition a majority in number of affected parties be obtained in each class). If the restructuring plan is not approved by each and every class of affected parties, the plan may however be confirmed by a judicial or administrative authority by applying a cross-class cram-down, provided notably that:

- the plan has been notified to all affected parties;
- the plan complies with the best interest of creditors test (i.e., no dissenting creditor would be worse off under the restructuring plan than they would be in the event of liquidation, whether piecemeal or sale as a going concern or in the event of the next-best-alternative scenario if the restructuring plan were not to be confirmed);
- where applicable, any new financing is necessary to implement the restructuring plan and does not unfairly prejudice the interest of creditors;
- the plan has been approved by a majority of the voting classes of affected parties, provided that at least one of those classes is a secured creditors class or is senior to the ordinary unsecured creditors class; or, failing that, by at least one of the voting classes of affected parties or where so provided under national law, impaired parties, other than an equity-holders class or any other class which, upon a valuation of the debtor as a going-concern, would not receive any payment or keep any interest, or, where so provided under national law, which could be reasonably presumed not to receive any payment or keep any interest, if the normal ranking of liquidation priorities were applied under national law;



- the plan complies with the relative priority rule (i.e. dissenting voting classes of affected creditors are treated at least as favourably as any other class of the same rank and more favourably than any junior class). By way of derogation, Member States may instead provide that the plan shall comply with the absolute priority rule (i.e., a dissenting voting class of creditors must be satisfied in full before a more junior class may receive any distribution or keep any interest under the restructuring plan); and
- no class of affected parties can, under the restructuring, plan receive or keep more than the full amount of its claims or interests.

Therefore, in case of insolvency proceedings opened in respect of the Issuer and governed by French law, as amended further to the transposition of the said directive by the French authorities, it cannot be excluded that the Noteholders will no longer deliberate on the proposed restructuring plan in a separate assembly, meaning that they will no longer benefit from a specific veto power on this plan. Instead, as any other affected parties, the Noteholders may be grouped into one or several classes (with potentially other types of creditors) and their dissenting vote may possibly be overridden by a cross-class cram down, where applicable.

The commencement of insolvency proceedings against the Issuer could have a material adverse effect on the market value of Notes issued by the Issuer. Any decisions taken by the Assembly or a class of affected parties, as the case may be, could negatively and significantly impact the Noteholders and cause them to lose all or part of their investment, should they not be able to recover all or part of the amounts due to them from the Issuer.

#### *Credit risk of the Issuer*

As contemplated in Condition 2 (*Status*) of the Terms and Conditions of the Notes, the principal and interest of the Notes constitute direct, unsubordinated and (subject to Condition 3 (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured obligations of the Issuer. However, an investment in the Notes involves taking credit risk on the Issuer. If the financial situation of the Issuer deteriorates and, notwithstanding Condition 8 (*Events of Default*) of the Terms and Conditions of the Notes which enable Noteholders to request through the Representative of the *Masse* the redemption of the Notes, the Issuer may not be able to fulfil all or part of its payment obligations under the Notes, which could materially and negatively impact the Noteholders and investors may lose all or part of their investment.

#### *No direct access to subsidiaries' cash flows or assets*

The Issuer is a holding company. Investors will not have any direct claims on the cash flows or the assets of the Issuer's subsidiaries, and such subsidiaries have no obligation, contingent or otherwise, to pay amounts due under the Notes or to make funds available to the Issuer for these payments. As a result Noteholders will only rely on the Issuer's cash flows or assets to obtain payment under the Notes and, should the Issuer become insolvent, lose a substantial part of their investment in the Notes.

#### *Market value of the Notes*

Application has been made for the Notes to be admitted to trading on Euronext Paris as from the Issue Date. The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors.

The value of the Notes on Euronext Paris depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which such Notes are traded. The price at which a Noteholder will be able to sell such Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. For example, the Issuer is rated BBB+ (with stable outlook) by Standard & Poor's Ratings Services and Baa1 (with stable outlook) by Moody's Investors Service and any negative change in such credit ratings of the Issuer could negatively affect the trading price for the Notes and hence investors may lose part of their investment.

#### *The secondary market for the Notes*

The secondary market for debt securities is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect.

Although the Notes are expected to be admitted to trading on Euronext Paris as from the Issue Date, there is no assurance that the Notes will be so admitted or that an active market will develop.

The yields are 0.022 per cent. *per annum* in respect of the 2023 Notes, 0.537 per cent. *per annum* in respect of the 2027 Notes and 0.986 per cent. *per annum* in respect of the 2031 Notes and are calculated on the basis of the issue price of the respective Notes. However, investors may not be able to sell their Notes in the secondary market (in which case the market or trading price and liquidity may be adversely affected) or may not be able to sell their Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Hence, Noteholders may receive a lower yield than anticipated at the time of the issue.

#### *Interest rate risks*

Each 2023 Note bears interest on its principal amount, from (and including) the Issue Date, at the rate of 0.000 per cent. *per annum* payable annually in arrear on 24 October in each year in accordance with Condition 4 (*Interest*) of the Terms and Conditions of the 2023 Notes. Each 2027 Note bears interest on its principal amount, from (and including) the Issue Date, at the rate of 0.500 per cent. *per annum* payable annually in arrear on 24 October in each year in accordance with Condition 4 (*Interest*) of the Terms and Conditions of the 2027 Notes. Each 2031 Note bears interest on its principal amount, from (and including) the Issue Date, at the rate of 0.875 per cent. *per annum* payable annually in arrear on 24 October in each year in accordance with Condition 4 (*Interest*) of the Terms and Conditions of the 2031 Notes.

Investment in the Notes involves the risk that subsequent changes in market interest rates may affect the value and the yield of the Notes and Noteholders may receive lower return on the Notes than anticipated at the time of the issue.

## **2.2 Risks relating to the particular structure of the Notes affecting the rights of the Noteholders**

#### *No limitation on issuing debt and limited restrictive covenants*

There is no restriction in the Notes on the amount of debt which the Issuer or its Subsidiaries may incur. Any such further debt may reduce the amount recoverable by the Noteholders upon liquidation or insolvency of the Issuer. As contemplated in Condition 3 (*Negative Pledge*), the Terms and Conditions of the Notes contain a negative pledge that prohibits the Issuer and its Principal Subsidiaries in certain circumstances from creating security over assets, but only to the extent that such is used to secure other bonds or similar listed (or capable of being listed) debt securities on a regulated market or another assimilated market and there are certain exceptions to the negative pledge. The Terms and Conditions of the Notes do not contain any other covenants restricting the operations of the Issuer, or its ability to distribute dividends or buy back shares. The Issuer's Subsidiaries are not bound by obligations of the Issuer under the Notes and are not guarantors of the Notes. These limited restricted covenants and the absence of limitation of issuing further debt may not provide sufficient protection for Noteholders which could materially and negatively impact the Noteholders and increase the risk of losing all or part of their investment in the Notes.

#### *The Notes are subject to early redemption by the Issuer*

The Issuer reserves the right to purchase the 2023 Notes, the 2027 Notes or the 2031 Notes in the open market or otherwise at any price in accordance with applicable regulations. Such transactions shall have no impact on the normal repayment schedule of outstanding 2023 Notes, 2027 Notes or 2031 Notes, but they decrease the respective yield of such Notes so purchased and then redeemed by the Issuer prior to their stated maturity and potentially reduce the liquidity of the respective Notes.

An early redemption feature of Notes is likely to affect their market value. During any period when the Issuer may elect or be obliged to redeem the 2023 Notes, the 2027 Notes or the 2031 Notes in accordance with Condition 6(b) (*Redemption for Taxation Reasons*) of the respective Terms and Conditions of the Notes or Condition 6(c) (*Redemption at the Option of the Issuer*) of the respective Terms and Conditions of the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. As a consequence, the yields received upon redemption may be lower than expected. This may also be true prior to any redemption period.

In respect of Condition 6(c)(i) (*Pre-Maturity Call*) of the Terms and Conditions of the Notes, the Issuer has the option to redeem the outstanding 2023 Notes, 2027 Notes or 2031 Notes, in whole (but not in part), at their outstanding principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

During a period when the Issuer may elect to redeem Notes, the Notes may feature a market value not above the price at which they can be redeemed. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of early redemption increases. As a consequence, the yields received upon such early redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price paid for such Notes by the Noteholder where the purchase price was above par. As a consequence,

part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. However, the redeemed face amount of the Notes may not be below par. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than such redeemed Notes.

In respect of Condition 6(c)(iii) (*Clean-Up Call Option*) of the Terms and Conditions of the Notes, if 80 per cent. or more in initial aggregate nominal amount of the 2023 Notes, the 2027 Notes or of the 2031 Notes have been redeemed or purchased and cancelled, the Issuer will have the option to redeem all of the outstanding Notes at their principal amount plus accrued interest. In particular, there is no obligation for the Issuer to inform investors if and when this percentage has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of this option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

In addition, a partial redemption of the Notes may also adversely affect liquidity for the remaining outstanding Notes.

All of the above may reduce the profits Noteholders may have expected in subscribing the Notes and could have a materially adverse impact on the Noteholders.

#### *Modification and waivers*

Condition 11 (*Representation of Noteholders*) of the respective Terms and Conditions of the Notes contains provisions for calling meetings of Noteholders or consulting them by way of written resolutions to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Assemblies or Written Resolutions and Noteholders who voted in a manner contrary to a two-third majority. General Assemblies or Written Resolutions may deliberate on proposals relating to the modification of the Conditions of the Notes subject to the limitation provided by French law. If a decision is adopted by a majority of Noteholders and such modifications were to impair or limit the rights of the Noteholders, this may have an impact on the market value of the Notes and hence Noteholders may lose part of their investment.

#### *The exercise of the Change of Control Put Option in respect of a significant number of Notes may affect the liquidity of the Notes in respect of which such Put Option is not exercised*

Following the occurrence of a Put Event and depending on the number of 2023 Notes, 2027 Notes or 2031 Notes in respect of which the Put Option pursuant to Condition 6(d) (*Redemption or Purchase following a Change of Control*) of the respective Terms and Conditions of the Notes is exercised in conjunction, if applicable, with any Notes purchased by the Issuer and cancelled, any trading market of the Notes in respect of which such Put Option is not exercised may become less liquid or illiquid. Therefore, Noteholders not having exercised their put options may not be able to sell their Notes on the market and may have to wait until the Maturity Date to obtain redemption of their investments in the Notes, which may have an adverse impact on the Noteholders and reduce the profits anticipated by the Noteholders at the time of the issue.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following sections identified in the cross-reference table below which are incorporated by reference in, and shall form part of, this Prospectus and which are extracted from the following documents (the “**Documents Incorporated by Reference**”):

- the French language 2018/2019 *Document Universel d’Enregistrement* dated 25 September 2019 which received reference no. D.19-0839 from the AMF (“**2019 Universal Registration Document**”) and which includes the audited annual consolidated financial statements of the Issuer as at 30 June 2019 prepared in accordance with International Accounting Standards Board as adopted by the European Union and the auditors’ report on such audited annual consolidated financial statements; and  
<https://www.pernod-ricard.com/fr/download/file/fid/10386/>
- the French language 2017/2018 *Document de Référence* dated 26 September 2018 which received reference no. D.18-0842 from the AMF (“**2018 Registration Document**”) and which includes the audited annual consolidated financial statements of the Issuer as at 30 June 2018 prepared in accordance with IFRS and the auditors’ report on such audited annual consolidated financial statements; except for the third paragraph of the section “Declaration of the person responsible for the reference document and the annual financial report” on page 258 of the 2018 Registration Document.  
<https://www.pernod-ricard.com/fr/download/file/fid/9880/>

Such documents shall be incorporated in and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

The Documents Incorporated by Reference will be available on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)) and on the website of the Issuer ([www.pernod-ricard.com/fr](http://www.pernod-ricard.com/fr)). They will also be available free of charge at the premises of the Paying Agent in Paris.

Free translations in the English language of the Documents Incorporated by Reference are available on the Issuer’s website ([www.pernod-ricard.com](http://www.pernod-ricard.com)). These documents are available for information purposes only and are not incorporated by reference in this Prospectus. The only binding versions are French language versions.

For the purposes of the Prospectus Regulation, information can be found in such documents incorporated by reference or this Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex 7 of the Commission Delegated Regulation No. 2019/980 supplementing the Prospectus Regulation). Any information not listed in the cross-reference list but included in the documents incorporated by reference is given for information purposes only.

<b>Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019</b>	<b>2019 Universal Registration Document (page number)</b>	<b>2018 Registration Document (page number)</b>
1. PERSONS RESPONSIBLE		
2. STATUTORY AUDITORS		
2.1 Names and addresses of the Issuer’s auditors for the period covered by the historical financial information (together with their membership in a professional body).	267	

<b>Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019</b>	<b>2019 Universal Registration Document (page number)</b>	<b>2018 Registration Document (page number)</b>
<b>3. RISK FACTORS</b>		
3.1. A description of the material risks that are specific to the Issuer and that may affect the Issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'. In each category the most material risks, in the assessment of the Issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the Issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.	114-115; 123-142; 192; 201-202	
<b>4. INFORMATION ABOUT THE ISSUER</b>		
4.1. <u>History and development of the Issuer</u>		
4.1.1 The legal and commercial name of the Issuer.	266	
4.1.2 The place of registration of the Issuer, its registration number and legal entity identifier ('LEI').	266	
4.1.3 The date of incorporation and the length of life of the Issuer, except where the period is indefinite.	266	
4.1.4 The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	266	
4.1.6 Credit ratings assigned to the Issuer at the request or with the cooperation of the Issuer in the rating process.	192	
<b>5. BUSINESS OVERVIEW</b>		
5.1. <u>Principal activities</u>		
5.1.1 A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed;	2-3; 10-11; 14-15; 28	
5.1.2 The basis for any statements made by the Issuer on its competitive position.	2-3; 10-11; 14-15; 28	

<b>Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019</b>	<b>2019 Universal Registration Document (page number)</b>	<b>2018 Registration Document (page number)</b>
<b>6. ORGANISATIONAL STRUCTURE</b>		
6.1. If the Issuer is part of a group, a brief description of the group and the Issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	8-29	
<b>7. TREND INFORMATION</b>		
7.1 A description of: (a) any material adverse change in the prospects of the Issuer since the date of its last published audited financial statements; and (b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document. If neither of the above are applicable then the Issuer should include (an) appropriate negative statement(s).	151; 202	
<b>9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES</b>		
9.1 Names, business addresses and functions within the Issuer of the following persons and an indication of the principal activities performed by them outside of that Issuer where these are significant with respect to that Issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	32-53; 82	
9.2 Administrative, management, and supervisory bodies conflicts of interests Potential conflicts of interests between any duties to the Issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.	51	
<b>10. MAJOR SHAREHOLDERS</b>		
10.1 To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	78-80; 268-271	



<b>Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019</b>	<b>2019 Universal Registration Document (page number)</b>	<b>2018 Registration Document (page number)</b>
10.2 A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	51; 76-77; 80; 268-271	
<b>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES</b>		
11.1 <u>Historical financial information</u>		
- Consolidated balance sheet	158-159	154-155
- Consolidated income statement	156	152
- Consolidated statement of cash flows	161	157
- Consolidated statement of changes in equity	160	156
- Accounting policies and explanatory notes	162-206	158-199
11.2. <u>Auditing of historical financial statements</u>	207-210	200-203
11.3. <u>Legal and arbitration proceedings</u>	135-138; 142; 200-202; 222	142-144; 146; 194-195; 216-217
<b>12. MATERIAL CONTRACTS</b>	152-154	

# TERMS AND CONDITIONS OF THE 2023 NOTES

*The terms and conditions of the 2023 Notes will be as follows:*

The issue of the €500,000,000 aggregate principal amount of 0.000 per cent. Notes due October 2023 (the “**Notes**”) of Pernod Ricard S.A. (the “**Issuer**”) has been authorised pursuant to a resolution of the *Conseil d’administration* of the Issuer, adopted on 28 August 2019, and decisions of Mr. Alexandre Ricard, *Président du Conseil d’administration et Directeur Général* of the Issuer, made on 21 October 2019. An agency agreement (the “**Agency Agreement**”) to be dated 22 October 2019 will be entered into in relation to the Notes between the Issuer and Société Générale, as fiscal agent, calculation agent and principal paying agent (the “**Fiscal Agent**”, the “**Calculation Agent**” and the “**Paying Agent**”). References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

## 1 Form, Denomination and Title

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders (as defined below). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders.

**Account Holder** shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream Banking S.A. (“**Clearstream**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

In these Conditions, **Noteholder** means the person whose name appears in the account of the relevant Account Holder as being entitled to any Note.

## 2 Status of the Notes

The principal and interest of the Notes constitute direct, unsubordinated and (subject to the Negative Pledge provisions as provided in Condition 3 below) unsecured obligations of the Issuer and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

## 3 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not, and will procure that none of its Principal Subsidiaries will, create or permit to subsist any mortgage, charge, pledge or other security interest (*sûreté réelle*) upon any of its or their assets or revenues, present or future, to secure (1) any Relevant Indebtedness or (2) any guarantee in respect of any Relevant Indebtedness unless, in either case, the Issuer’s obligations under the Notes (i) are secured equally and rateably with such Relevant Indebtedness or such guarantee in respect thereof, or (ii) are given the benefit of such other security, guarantee or arrangement as shall be approved by the *Masse* of the Noteholders.

For the purposes of this Condition:

**Principal Subsidiary** means at any relevant time a Subsidiary of the Issuer:

- (i) whose total gross assets as reflected in its statutory non-consolidated accounts represent no less than 10 per cent. of the total consolidated gross assets of the Issuer, as calculated by reference to the then latest audited accounts of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries; or
- (ii) to which are transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, in which case the transferring entity will no longer be considered as a Principal Subsidiary as of the day of such transfer. For the avoidance of doubt, any Subsidiary which becomes a Principal Subsidiary under this sub-paragraph (ii) will continue to be a Principal Subsidiary following the next audited accounts of such Subsidiary only if it satisfies the requirement set forth in sub-paragraph (i).

**Relevant Indebtedness** means any present or future indebtedness for borrowed money represented by bonds (*obligations*) or other securities (including *titres de créances négociables*) which are for the time being or capable of being, quoted, listed or ordinarily traded on any stock exchange, over-the-counter market or other securities market.

**Subsidiary** means any person or entity at any time which is a subsidiary within the meaning of Articles L.233-1 and L.233-3 of the French *Code de commerce*.

#### 4 Interest

##### (a) Interest Payment Dates

Each Note bears interest on its principal amount, from (and including) 24 October 2019 (the “**Issue Date**”), at the rate of 0.000 per cent. *per annum* (the “**Rate of Interest**”) payable annually in arrear on 24 October in each year (an “**Interest Payment Date**”) commencing on 24 October 2020.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated by applying the Rate of Interest to the principal amount of each Note, multiplying the product by the Day-Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The Day-Count Fraction will be Actual/Actual - ICMA basis which will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it becomes due, divided by the number of days in the Interest Period in which the relevant period falls (including the first but excluding the last day of such period). The period from and including the Issue Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next Interest Payment Date is called an **Interest Period**.

##### (b) Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment.

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5.

#### 5 Payments

##### (a) Method of Payment

Payments of principal and interest in respect of the Notes will be made in Euro by transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by

the payee with a bank in a country within the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders.

None of the Issuer, the Fiscal Agent, the Calculation Agent or the Paying Agent shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes, but without prejudice to the provisions of Condition 7.

**(b) Payments on Business Days**

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purposes of these Conditions:

A **Business Day** means any day (not being a Saturday or a Sunday) on which (i) the TARGET System is operating and (ii) on which Euroclear France is open for general business; and

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

**(c) Fiscal Agent, Calculation Agent and Paying Agent**

The name of the initial Fiscal Agent, Calculation Agent and Paying Agent and their specified offices is set forth below:

Fiscal Agent, Calculation Agent, Principal Paying Agent and Paying Agent

**Société Générale**

32, rue du Champ de Tir

44308 Nantes Cedex 3

France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or the Calculation Agent and/or Paying Agent and/or appoint additional or other Paying Agents or Calculation Agent or approve any change in the office through which any such Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city and (ii) so long as the Notes are admitted to trading on the regulated market of Euronext in Paris and the rules of that exchange so require, a Paying Agent having a specified office in Paris (which may be the Fiscal and principal Paying Agent) and (iii) so long as any Note is outstanding, there shall at all time be a Calculation Agent.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by, or on behalf of, the Issuer in accordance with Condition 10.

In the absence of wilful default, bad faith or manifest error, no liability to the Noteholders shall attach to any of the Paying Agents or the Calculation Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions under these Conditions.

## **6 Redemption and Purchase**

The Notes may not be redeemed other than in accordance with this Condition 6 or Condition 8.

### **(a) Redemption at Maturity**

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed in full at their principal amount (i.e. €100,000 per Note) on the Interest Payment Date falling on 24 October 2023 the (“**Maturity Date**”).

### **(b) Redemption for Taxation Reasons**

- (i) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or in a treaty applicable to France, or any change in the application or official interpretation of such laws or regulations or treaty (including a judgment by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 7(b) below, the Issuer may, on any date, subject to having given not more than 60 nor less than 30 calendar days’ prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days’ prior notice to the Noteholders in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

### **(c) Redemption at the Option of the Issuer**

#### **(i) Pre-Maturity Call Option**

The Issuer may, at its option, from (and including) 24 September 2023 to (but excluding) the Maturity Date, subject to having given not more than 30 nor less than 15 calendar days’ prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(ii) **Make Whole Redemption by the Issuer**

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and subject to having given not more than 30 nor less than 15 calendar days' notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), have the option to redeem the Notes, in whole or in part, at any time prior to 24 September 2023 (the "**Optional Make Whole Redemption Date**") at their Optional Redemption Amount (as defined below).

The Optional Redemption Amount will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) 100 per cent. of the principal amount of the Notes so redeemed and (y) the sum of the then present values on the relevant Optional Make Whole Redemption Date of (i) the principal amount of each Note and (ii) the remaining scheduled payments of interest on such Note to (and including) 24 September 2023 (assuming for this purpose that accrued interest to (but excluding) such date would be payable on such date) (determined on the basis of the interest rate applicable to such Note (excluding any interest accruing on such Note to, but excluding, such Optional Make Whole Redemption Date)), discounted to such Optional Make Whole Redemption Date on an annual basis at the Early Redemption Rate plus an Early Redemption Margin, plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding the Optional Make Whole Redemption Date.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

**Early Redemption Margin** means 0.100 per cent. *per annum*.

**Early Redemption Rate** means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth business day in Paris preceding the relevant Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth business day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

**Reference Benchmark Security** means the German federal government bond (bearing interest at a rate of 0 per cent. *per annum* and maturing on 13 October 2023 with ISIN DE0001141786).

**Reference Dealers** means each of the four banks (that may include some of the Joint Lead Managers), selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

**Similar Security** means a reference bond or reference bonds issued by the German federal government having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.



In the case of a partial redemption, the redemption may be effected by reducing the nominal amount of all such Notes in proportion to the aggregate nominal amount redeemed, subject to compliance with applicable laws and regulated market or other stock exchange requirements.

So long as the Notes are admitted to trading on Euronext Paris and the rules of that stock exchange so require, the Issuer shall, each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers*, a notice specifying the aggregate nominal amount of Notes outstanding.

(iii) Clean-Up Call Option

In the event that 80 per cent. or more in initial aggregate nominal amount of the Notes (including any further notes to be assimilated with the Notes pursuant to Condition 12) have been redeemed or purchased and cancelled, the Issuer may, at its option, subject to having given not more than 30 nor less than 15 calendar days' prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(d) **Redemption or Purchase following a Change of Control Event**

If at any time while any of the Notes remains outstanding, (i) a Change of Control occurs and (ii) within the Change of Control Period a Negative Rating Event in respect of that Change of Control occurs and is not cured prior to the last calendar day of the Change of Control Period (a **"Change of Control Event"**), then each Noteholder shall have the option (the **"Put Option"**) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, part or all of its Notes at their principal amount together with accrued interest to (but excluding) the Optional Redemption Date (as defined below).

Promptly upon the Issuer becoming aware of the occurrence of a Change of Control Event, the Issuer shall give notice to the Noteholders in accordance with Condition 10, specifying the nature of the Change of Control Event, the circumstances giving rise to it and the procedure for exercising the Put Option (the **"Put Event Notice"**).

Each Noteholder will have the right to require the redemption (or, at the Issuer's option, the purchase) of all or part of the Notes held by it within a 45-calendar day period (the **"Put Period"**) after the Put Event Notice is given. To exercise the Put Option, each Noteholder must transfer or cause to be transferred by its Account Holder its Notes to be so redeemed (or purchased) to the account of the Paying Agent specified in the Put Option Notice for the account of the Issuer within the Put Period, together with a duly signed and completed notice of exercise in the form obtainable from the specified office of the Paying Agent (a **"Put Option Notice"**) and in which the relevant Noteholder will specify a bank account to which payment is to be made under this Condition 6(d).

The Issuer shall, subject to the transfer of such Notes to the account of the Paying Agent for the account of the Issuer as described above, redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which the Put Option has been validly exercised as provided above on the tenth Business Day following the expiration of the Put Period (the **"Optional Redemption Date"**). Payment in respect of any Note so transferred will be made in Euro to the holder to the specified Euro-denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant Account Holders.

For the purposes of this Condition:

A **Change of Control** will be deemed to have occurred each time (whether or not approved by the *Conseil d'administration* of the Issuer) that any person or group of persons acting in concert (*personnes agissant de concert*, as defined in Article L.233-10 of the French *Code de commerce*) at any time directly or indirectly gains control (as defined in Article L.233-3 I of the French *Code de commerce*) of the Issuer.

**Change of Control Period** means, in relation to (and following) the occurrence of a Change of Control, the period commencing on the date of the first formal public announcement of the relevant Change of Control and ending on the date which is 90 calendar days (inclusive) after the date of such public announcement.

A **Negative Rating Event** shall occur in respect of a Change of Control if any of the Rating Agencies publicly announces, during the Change of Control Period, its decision to withdraw or reduce the rating of the Issuer by at least one full rating notch, expressly publicly stating that such withdrawal or reduction is directly linked to such Change of Control, provided however that no Negative Rating Event will occur as long as the rating assigned to the Issuer by any Rating Agency (including the Rating Agency having made such rating reduction) remains during the Change of Control Period equal or above to Ba1 by Moody's or BB+ by S&P (or their equivalent at the relevant time).

**Rating Agency** means Moody's Investors Service, Inc. ("**Moody's**") or Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc. ("**S&P**"), in each case any of their respective successors and, in each case, solicited by the Issuer to grant a corporate credit rating to the Issuer\*.

While any of the Notes remains outstanding, the Issuer undertakes to maintain a corporate credit rating assigned to the Issuer by at least one Rating Agency.

**(e) Purchases**

The Issuer may, in accordance with all applicable laws and regulations, at any time purchase Notes in the open market or otherwise without any limitation as to price or quantity including connection with a tender offer. All Notes so purchased by the Issuer may be held and resold in accordance with French laws and regulations.

**(f) Cancellation**

All Notes which are redeemed (including upon exchange) or purchased for cancellation by the Issuer will be promptly cancelled and accordingly may not be reissued or resold.

## **7 Taxation**

- (a)** All payments under or with respect to the Notes will be made without withholding or deduction for any taxes or duties of whatever nature imposed, levied or collected by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b)** If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by the Noteholders had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Notes to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental

---

\* As at the date of this Prospectus, the rating agencies solicited by the Issuer are Moody's and S&P.

charges in respect of such Note by reason of his having some present or future connection with France other than the mere holding of the Note.

- (c) Notwithstanding anything to the contrary contained herein, the applicable payor of any payment hereunder shall be entitled to withhold and deduct the amounts required under FATCA (“**FATCA Withholding**”), and none of the Issuer, the Fiscal Agent, the Calculations Agent, the Paying Agent or any other payor shall be required to pay any additional amounts (including, for the avoidance of doubt, pursuant to Condition 7(b)) on account of FATCA Withholding. For purposes of the preceding sentence, “FATCA” shall mean Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (or any successor provisions), any current or future regulations or official interpretations thereof, any agreements (including any intergovernmental agreements) thereunder or any law, regulation, or official interpretation implementing any of the foregoing.

## 8 Events of Default

If any of the following events (each an Event of Default) occurs and is continuing, the Representative (as defined below) of the *Masse* (as defined below), acting upon request of one or several Noteholders together representing no less than 10 per cent. of the outstanding aggregate principal amount of the Notes, may give written notice to the Issuer and the Fiscal Agent (at its specified office) declaring all the Notes to be due and payable, whereupon all Notes will become due and payable at their principal amount plus accrued interest unless such event(s) shall have been remedied prior to the receipt of such notice by the Issuer and the Fiscal Agent:

- (i) the Issuer is in default for more than 15 calendar days for the payment of any amount on the Notes, after the same shall become due and payable;
- (ii) the Issuer is in default in the performance of, or compliance with, any of its other obligations under the Notes and such default has not been cured within 30 Business Days after the receipt by the Fiscal Agent of a written notice identifying such default by the Representative of the *Masse*;
- (iii) (a) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for borrowed money becomes due and payable prior to its stated maturity as a result of a default thereunder, or (b) any such indebtedness is not paid when due, or (c) any guarantee or indemnity given by the Issuer or any of its Principal Subsidiaries for, or in respect of, any such indebtedness of others is not honoured when due and called upon, subject, in each case, to a grace period equal to the greater of any applicable grace period and 10 calendar days,

provided, in each case, that the relevant aggregate amount of the defaulted indebtedness, payment obligations, guarantee or indemnity in respect of which an event mentioned above has occurred exceeds €100,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, and unless, in each case, the Issuer or its relevant Principal Subsidiary challenges in good faith the relevant event before a court of competent jurisdiction, in which case none of the relevant events will constitute an event of default until a final judgment has been rendered by such relevant court;

- (iv) the Issuer sells or otherwise disposes of all or substantially all of its assets or ceases to carry on all or substantially all of its business or an order is made or an effective resolution is passed for its winding-up, dissolution or liquidation, unless (a) such disposal, winding-up, dissolution, liquidation or cessation is made or takes place in connection with a merger, consolidation, amalgamation or other form of reorganisation with or to any other corporation and the Issuer’s liabilities under the Notes are transferred to and assumed by such other corporation (including, without limitation, pursuant to a *fusion*, *scission* or *apport partiel d’actifs*) and (b) the long term rating assigned by S&P or Moody’s to such other corporation immediately following such merger, consolidation, amalgamation or other form

of reorganisation is not lower than the long-term credit rating assigned by such agency to the Issuer immediately prior to such merger, consolidation, amalgamation or other form of reorganisation; or

- (v) to the extent permitted by applicable laws, any Principal Subsidiaries enters into a composition with its creditors or a judgement is rendered for the judicial liquidation (*liquidation judiciaire*) of the Issuer or of any of its Principal Subsidiaries or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or the Issuer or any of its Principal Subsidiaries makes any conveyance for the benefit of, or enters into any agreement with, its creditors as a result of actual financial difficulties.

## 9 Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

## 10 Notices

Any notice to the Noteholders will be valid if delivered through Euroclear France, Euroclear, Clearstream and/or any other clearing system through which the Notes are for the time being cleared and published on the website of the Issuer ([www.pernod-ricard.com](http://www.pernod-ricard.com)). Any notice to the relevant clearing system shall be deemed to have been given on the first Business Day following delivery of the notice to the relevant clearing system or, where relevant and if later, the date of such publication on the website of the Issuer or, if published more than once or on different dates, on the first date on which such delivery is made.

## 11 Representation of the Noteholders

### (a) The *Masse*

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the *Masse*).

The *Masse* will be governed by those provisions of the French *Code de commerce* with the exception of the provisions of Articles L.228-48, L.228-59, R.228-67 and R.228-69 of such *Code* and subject to the following provisions:

### (b) Legal Personality

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, and will act in part through one (1) representative (the “**Representative**”) and in part through collective decisions of the Noteholders (the “**Collective Decisions**”).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

### (c) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), its statutory auditors, and its employees as well as their ascendants, descendants and spouses;
- (ii) companies holding at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer holds at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors

(*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or their employees as well as their ascendants, descendants and spouses; and

- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

Association de représentation des masses de titulaires de valeurs mobilières

Centre Jacques Ferronnière

32, rue du Champ de Tir

CS 30812

44308 Nantes cedex 3

France

Internet : [www.asso-masse.com](http://www.asso-masse.com)

Email : [service@asso-masse.com](mailto:service@asso-masse.com)

The Representative will be entitled to a remuneration of €1,600 (VAT excluded) upfront payable at the Issue Date.

The Representative will exercise its duty until its dissolution, resignation or termination of its duty by a General Assembly (as defined below) or until it becomes unable to act. Its appointment shall automatically cease on the Maturity Date, or total redemption prior to the Maturity Date.

In the event of dissolution, resignation or revocation of the Representative, a replacement Representative will be elected by a Collective Decision.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of the Fiscal Agent.

#### **(d) Powers of the Representative**

The Representative shall, in the absence of any Collective Decision to the contrary of the General Assembly, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them in order to be admissible, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

#### **(e) Collective Decisions**

Collective Decisions are adopted either in a general assembly (a “**General Assembly**”) or by consent following a written consultation (the “**Written Resolution**”, as defined in Condition 11(g)).

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the second business day in Paris preceding the date set for the meeting of the relevant Collective Decision at 0:00, Paris time.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

**(f) General Assemblies**

General Assemblies of the Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one thirtieth (1/30) of outstanding Notes may address to the Issuer and the Representative a demand for convocation of the General Assembly; if such General Assembly has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a General Assembly will be published as provided under Condition 10 not less than fifteen (15) calendar days prior to the date of the General Assembly on first convocation and six (6) calendar days on second convocation.

Each Noteholder has the right to participate in meetings of the *Masse* in person, by proxy, correspondence, or videoconference or any other means of telecommunications allowing the identification of the participating Noteholders as provided mutatis mutandis by Article R.223-20-1 of the French *Code de commerce*. Each Note carries the right to one vote.

**(g) Powers of General Assemblies**

A General Assembly is empowered to deliberate on the fixing of the remuneration of the Representative and on its dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

Meetings of a General Assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third (2/3) majority of votes cast by the Noteholders attending such meeting or represented thereat.

**(h) Written Resolutions**

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders ("**Electronic Consent**").

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a "**Written Resolution**" means a resolution in writing signed by the Noteholders of not less than 80 per cent. in nominal amount of the Notes outstanding.



**(i) Notice of Decisions**

Decisions of General Assemblies and Written Resolutions must be published in accordance with the provisions set out in Condition 10 not more than ninety (90) calendar days from the date thereof.

**(j) Information to the Noteholders**

Each Noteholder or representative thereof will have the right, during the fifteen (15) calendar day period preceding the holding of each meeting of a General Assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

**(k) Expenses**

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of General Assemblies, the seeking of a Written Resolution, the expenses which arise by virtue of the remuneration of the Representative, and, more generally, all administrative expenses resolved upon by a General Assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

**(l) Sole Noteholder**

If and for so long as the Notes are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights and obligations entrusted with the Representative and the Collective Decisions by the provisions of this Condition 11, as appropriate. The Issuer shall hold a register of the decisions the sole Noteholder will have taken in such capacity and shall make them available, upon request, to any subsequent holder of all or part of the Notes.

**12 Further Issues**

The Issuer may from time to time without the consent of the Noteholders issue further notes to be assimilated and form a single series (*assimilées*) with the Notes, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated (*assimilées*) notes will for the defence of their common interests be grouped in a single *Masse* having legal personality.

**13 Governing Law and Submission to Jurisdiction**

The Notes are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the competent courts in Paris.

# TERMS AND CONDITIONS OF THE 2027 NOTES

*The terms and conditions of the 2027 Notes will be as follows:*

The issue of the €500,000,000 aggregate principal amount of 0.500 per cent. Notes due October 2027 (the “**Notes**”) of Pernod Ricard S.A. (the “**Issuer**”) has been authorised pursuant to a resolution of the *Conseil d’administration* of the Issuer, adopted on 28 August 2019, and decisions of Mr. Alexandre Ricard, *Président du Conseil d’administration et Directeur Général* of the Issuer, made on 21 October 2019. An agency agreement (the “**Agency Agreement**”) to be dated 22 October 2019 will be entered into in relation to the Notes between the Issuer and Société Générale, as fiscal agent, calculation agent and principal paying agent (the “**Fiscal Agent**”, the “**Calculation Agent**” and the “**Paying Agent**”). References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

## 1 Form, Denomination and Title

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders (as defined below). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders.

**Account Holder** shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream Banking S.A. (“**Clearstream**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

In these Conditions, **Noteholder** means the person whose name appears in the account of the relevant Account Holder as being entitled to any Note.

## 2 Status of the Notes

The principal and interest of the Notes constitute direct, unsubordinated and (subject to the Negative Pledge provisions as provided in Condition 3 below) unsecured obligations of the Issuer and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

## 3 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not, and will procure that none of its Principal Subsidiaries will, create or permit to subsist any mortgage, charge, pledge or other security interest (*sûreté réelle*) upon any of its or their assets or revenues, present or future, to secure (1) any Relevant Indebtedness or (2) any guarantee in respect of any Relevant Indebtedness unless, in either case, the Issuer’s obligations under the Notes (i) are secured equally and rateably with such Relevant Indebtedness or such guarantee in respect thereof, or (ii) are given the benefit of such other security, guarantee or arrangement as shall be approved by the *Masse* of the Noteholders.

For the purposes of this Condition:

**Principal Subsidiary** means at any relevant time a Subsidiary of the Issuer:

- (i) whose total gross assets as reflected in its statutory non-consolidated accounts represent no less than 10 per cent. of the total consolidated gross assets of the Issuer, as calculated by reference to the then latest audited accounts of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries; or
- (ii) to which are transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, in which case the transferring entity will no longer be considered as a Principal Subsidiary as of the day of such transfer. For the avoidance of doubt, any Subsidiary which becomes a Principal Subsidiary under this sub-paragraph (ii) will continue to be a Principal Subsidiary following the next audited accounts of such Subsidiary only if it satisfies the requirement set forth in sub-paragraph (i).

**Relevant Indebtedness** means any present or future indebtedness for borrowed money represented by bonds (*obligations*) or other securities (including *titres de créances négociables*) which are for the time being or capable of being, quoted, listed or ordinarily traded on any stock exchange, over-the-counter market or other securities market.

**Subsidiary** means any person or entity at any time which is a subsidiary within the meaning of Articles L.233-1 and L.233-3 of the French *Code de commerce*.

#### 4 Interest

##### (a) Interest Payment Dates

Each Note bears interest on its principal amount, from (and including) 24 October 2019 (the “**Issue Date**”), at the rate of 0.500 per cent. *per annum* (the “**Rate of Interest**”) payable annually in arrear on 24 October in each year (an “**Interest Payment Date**”) commencing on 24 October 2020.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated by applying the Rate of Interest to the principal amount of each Note, multiplying the product by the Day-Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The Day-Count Fraction will be Actual/Actual - ICMA basis which will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it becomes due, divided by the number of days in the Interest Period in which the relevant period falls (including the first but excluding the last day of such period). The period from and including the Issue Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next Interest Payment Date is called an **Interest Period**.

##### (b) Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment.

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5.

#### 5 Payments

##### (a) Method of Payment

Payments of principal and interest in respect of the Notes will be made in Euro by transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by

the payee with a bank in a country within the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders.

None of the Issuer, the Fiscal Agent, the Calculation Agent or the Paying Agent shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes, but without prejudice to the provisions of Condition 7.

**(b) Payments on Business Days**

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purposes of these Conditions:

A **Business Day** means any day (not being a Saturday or a Sunday) on which (i) the TARGET System is operating and (ii) on which Euroclear France is open for general business; and

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

**(c) Fiscal Agent, Calculation Agent and Paying Agent**

The name of the initial Fiscal Agent, Calculation Agent and Paying Agent and their specified offices is set forth below:

Fiscal Agent, Calculation Agent, Principal Paying Agent and Paying Agent

**Société Générale**  
32, rue du Champ de Tir  
44308 Nantes Cedex 3  
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or the Calculation Agent and/or Paying Agent and/or appoint additional or other Paying Agents or Calculation Agent or approve any change in the office through which any such Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city and (ii) so long as the Notes are admitted to trading on the regulated market of Euronext in Paris and the rules of that exchange so require, a Paying Agent having a specified office in Paris (which may be the Fiscal and principal Paying Agent) and (iii) so long as any Note is outstanding, there shall at all time be a Calculation Agent.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by, or on behalf of, the Issuer in accordance with Condition 10.

In the absence of wilful default, bad faith or manifest error, no liability to the Noteholders shall attach to any of the Paying Agents or the Calculation Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions under these Conditions.

## **6 Redemption and Purchase**

The Notes may not be redeemed other than in accordance with this Condition 6 or Condition 8.

### **(a) Redemption at Maturity**

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed in full at their principal amount (i.e. €100,000 per Note) on the Interest Payment Date falling on 24 October 2027 the (“**Maturity Date**”).

### **(b) Redemption for Taxation Reasons**

- (i) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or in a treaty applicable to France, or any change in the application or official interpretation of such laws or regulations or treaty (including a judgment by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 7(b) below, the Issuer may, on any date, subject to having given not more than 60 nor less than 30 calendar days’ prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days’ prior notice to the Noteholders in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

### **(c) Redemption at the Option of the Issuer**

#### **(i) Pre-Maturity Call Option**

The Issuer may, at its option, from (and including) 24 July 2027 to (but excluding) the Maturity Date, subject to having given not more than 30 nor less than 15 calendar days’ prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(ii) **Make Whole Redemption by the Issuer**

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and subject to having given not more than 30 nor less than 15 calendar days' notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), have the option to redeem the Notes, in whole or in part, at any time prior to 24 July 2027 (the "**Optional Make Whole Redemption Date**") at their Optional Redemption Amount (as defined below).

The Optional Redemption Amount will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) 100 per cent. of the principal amount of the Notes so redeemed and (y) the sum of the then present values on the relevant Optional Make Whole Redemption Date of (i) the principal amount of each Note and (ii) the remaining scheduled payments of interest on such Note to (and including) 24 July 2027 (assuming for this purpose that accrued interest to (but excluding) such date would be payable on such date) (determined on the basis of the interest rate applicable to such Note (excluding any interest accruing on such Note to, but excluding, such Optional Make Whole Redemption Date)), discounted to such Optional Make Whole Redemption Date on an annual basis at the Early Redemption Rate plus an Early Redemption Margin, plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding the Optional Make Whole Redemption Date.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

**Early Redemption Margin** means 0.150 per cent. *per annum*.

**Early Redemption Rate** means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth business day in Paris preceding the relevant Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth business day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

**Reference Benchmark Security** means the German federal government bond (bearing interest at a rate of 0.5 per cent. *per annum* and maturing on 15 August 2027 with ISIN DE0001102424).

**Reference Dealers** means each of the four banks (that may include some of the Joint Lead Managers), selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

**Similar Security** means a reference bond or reference bonds issued by the German federal government having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.



In the case of a partial redemption, the redemption may be effected by reducing the nominal amount of all such Notes in proportion to the aggregate nominal amount redeemed, subject to compliance with applicable laws and regulated market or other stock exchange requirements.

So long as the Notes are admitted to trading on Euronext Paris and the rules of that stock exchange so require, the Issuer shall, each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers*, a notice specifying the aggregate nominal amount of Notes outstanding.

(iii) Clean-Up Call Option

In the event that 80 per cent. or more in initial aggregate nominal amount of the Notes (including any further notes to be assimilated with the Notes pursuant to Condition 12) have been redeemed or purchased and cancelled, the Issuer may, at its option, subject to having given not more than 30 nor less than 15 calendar days' prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(d) **Redemption or Purchase following a Change of Control Event**

If at any time while any of the Notes remains outstanding, (i) a Change of Control occurs and (ii) within the Change of Control Period a Negative Rating Event in respect of that Change of Control occurs and is not cured prior to the last calendar day of the Change of Control Period (a **"Change of Control Event"**), then each Noteholder shall have the option (the **"Put Option"**) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, part or all of its Notes at their principal amount together with accrued interest to (but excluding) the Optional Redemption Date (as defined below).

Promptly upon the Issuer becoming aware of the occurrence of a Change of Control Event, the Issuer shall give notice to the Noteholders in accordance with Condition 10, specifying the nature of the Change of Control Event, the circumstances giving rise to it and the procedure for exercising the Put Option (the **"Put Event Notice"**).

Each Noteholder will have the right to require the redemption (or, at the Issuer's option, the purchase) of all or part of the Notes held by it within a 45-calendar day period (the **"Put Period"**) after the Put Event Notice is given. To exercise the Put Option, each Noteholder must transfer or cause to be transferred by its Account Holder its Notes to be so redeemed (or purchased) to the account of the Paying Agent specified in the Put Option Notice for the account of the Issuer within the Put Period, together with a duly signed and completed notice of exercise in the form obtainable from the specified office of the Paying Agent (a **"Put Option Notice"**) and in which the relevant Noteholder will specify a bank account to which payment is to be made under this Condition 6(d).

The Issuer shall, subject to the transfer of such Notes to the account of the Paying Agent for the account of the Issuer as described above, redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which the Put Option has been validly exercised as provided above on the tenth Business Day following the expiration of the Put Period (the **"Optional Redemption Date"**). Payment in respect of any Note so transferred will be made in Euro to the holder to the specified Euro-denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant Account Holders.

For the purposes of this Condition:

A **Change of Control** will be deemed to have occurred each time (whether or not approved by the *Conseil d'administration* of the Issuer) that any person or group of persons acting in concert (*personnes agissant de concert*, as defined in Article L.233-10 of the French *Code de commerce*) at any time directly or indirectly gains control (as defined in Article L.233-3 I of the French *Code de commerce*) of the Issuer.

**Change of Control Period** means, in relation to (and following) the occurrence of a Change of Control, the period commencing on the date of the first formal public announcement of the relevant Change of Control and ending on the date which is 90 calendar days (inclusive) after the date of such public announcement.

A **Negative Rating Event** shall occur in respect of a Change of Control if any of the Rating Agencies publicly announces, during the Change of Control Period, its decision to withdraw or reduce the rating of the Issuer by at least one full rating notch, expressly publicly stating that such withdrawal or reduction is directly linked to such Change of Control, provided however that no Negative Rating Event will occur as long as the rating assigned to the Issuer by any Rating Agency (including the Rating Agency having made such rating reduction) remains during the Change of Control Period equal or above to Ba1 by Moody's or BB+ by S&P (or their equivalent at the relevant time).

**Rating Agency** means Moody's Investors Service, Inc. ("**Moody's**") or Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc. ("**S&P**"), in each case any of their respective successors and, in each case, solicited by the Issuer to grant a corporate credit rating to the Issuer<sup>†</sup>.

While any of the Notes remains outstanding, the Issuer undertakes to maintain a corporate credit rating assigned to the Issuer by at least one Rating Agency.

**(e) Purchases**

The Issuer may, in accordance with all applicable laws and regulations, at any time purchase Notes in the open market or otherwise without any limitation as to price or quantity including connection with a tender offer. All Notes so purchased by the Issuer may be held and resold in accordance with French laws and regulations.

**(f) Cancellation**

All Notes which are redeemed (including upon exchange) or purchased for cancellation by the Issuer will be promptly cancelled and accordingly may not be reissued or resold.

## **7 Taxation**

- (a)** All payments under or with respect to the Notes will be made without withholding or deduction for any taxes or duties of whatever nature imposed, levied or collected by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b)** If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by the Noteholders had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Notes to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental

---

<sup>†</sup> As at the date of this Prospectus, the rating agencies solicited by the Issuer are Moody's and S&P.

charges in respect of such Note by reason of his having some present or future connection with France other than the mere holding of the Note.

- (c) Notwithstanding anything to the contrary contained herein, the applicable payor of any payment hereunder shall be entitled to withhold and deduct the amounts required under FATCA (“**FATCA Withholding**”), and none of the Issuer, the Fiscal Agent, the Calculations Agent, the Paying Agent or any other payor shall be required to pay any additional amounts (including, for the avoidance of doubt, pursuant to Condition 7(b)) on account of FATCA Withholding. For purposes of the preceding sentence, “FATCA” shall mean Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (or any successor provisions), any current or future regulations or official interpretations thereof, any agreements (including any intergovernmental agreements) thereunder or any law, regulation, or official interpretation implementing any of the foregoing.

## 8 Events of Default

If any of the following events (each an Event of Default) occurs and is continuing, the Representative (as defined below) of the *Masse* (as defined below), acting upon request of one or several Noteholders together representing no less than 10 per cent. of the outstanding aggregate principal amount of the Notes, may give written notice to the Issuer and the Fiscal Agent (at its specified office) declaring all the Notes to be due and payable, whereupon all Notes will become due and payable at their principal amount plus accrued interest unless such event(s) shall have been remedied prior to the receipt of such notice by the Issuer and the Fiscal Agent:

- (i) the Issuer is in default for more than 15 calendar days for the payment of any amount on the Notes, after the same shall become due and payable;
- (ii) the Issuer is in default in the performance of, or compliance with, any of its other obligations under the Notes and such default has not been cured within 30 Business Days after the receipt by the Fiscal Agent of a written notice identifying such default by the Representative of the *Masse*;
- (iii) (a) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for borrowed money becomes due and payable prior to its stated maturity as a result of a default thereunder, or (b) any such indebtedness is not paid when due, or (c) any guarantee or indemnity given by the Issuer or any of its Principal Subsidiaries for, or in respect of, any such indebtedness of others is not honoured when due and called upon, subject, in each case, to a grace period equal to the greater of any applicable grace period and 10 calendar days,

provided, in each case, that the relevant aggregate amount of the defaulted indebtedness, payment obligations, guarantee or indemnity in respect of which an event mentioned above has occurred exceeds €100,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, and unless, in each case, the Issuer or its relevant Principal Subsidiary challenges in good faith the relevant event before a court of competent jurisdiction, in which case none of the relevant events will constitute an event of default until a final judgment has been rendered by such relevant court;

- (iv) the Issuer sells or otherwise disposes of all or substantially all of its assets or ceases to carry on all or substantially all of its business or an order is made or an effective resolution is passed for its winding-up, dissolution or liquidation, unless (a) such disposal, winding-up, dissolution, liquidation or cessation is made or takes place in connection with a merger, consolidation, amalgamation or other form of reorganisation with or to any other corporation and the Issuer’s liabilities under the Notes are transferred to and assumed by such other corporation (including, without limitation, pursuant to a *fusion*, *scission* or *apport partiel d’actifs*) and (b) the long term rating assigned by S&P or Moody’s to such other corporation immediately following such merger, consolidation, amalgamation or other form

of reorganisation is not lower than the long-term credit rating assigned by such agency to the Issuer immediately prior to such merger, consolidation, amalgamation or other form of reorganisation; or

- (v) to the extent permitted by applicable laws, any Principal Subsidiaries enters into a composition with its creditors or a judgement is rendered for the judicial liquidation (*liquidation judiciaire*) of the Issuer or of any of its Principal Subsidiaries or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or the Issuer or any of its Principal Subsidiaries makes any conveyance for the benefit of, or enters into any agreement with, its creditors as a result of actual financial difficulties.

## 9 Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

## 10 Notices

Any notice to the Noteholders will be valid if delivered through Euroclear France, Euroclear, Clearstream and/or any other clearing system through which the Notes are for the time being cleared and published on the website of the Issuer ([www.pernod-ricard.com](http://www.pernod-ricard.com)). Any notice to the relevant clearing system shall be deemed to have been given on the first Business Day following delivery of the notice to the relevant clearing system or, where relevant and if later, the date of such publication on the website of the Issuer or, if published more than once or on different dates, on the first date on which such delivery is made.

## 11 Representation of the Noteholders

### (a) The *Masse*

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the *Masse*).

The *Masse* will be governed by those provisions of the French *Code de commerce* with the exception of the provisions of Articles L.228-48, L.228-59, R.228-67 and R.228-69 of such *Code* and subject to the following provisions:

### (b) Legal Personality

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, and will act in part through one (1) representative (the “**Representative**”) and in part through collective decisions of the Noteholders (the “**Collective Decisions**”).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

### (c) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), its statutory auditors, and its employees as well as their ascendants, descendants and spouses;
- (ii) companies holding at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer holds at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors

(*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or their employees as well as their ascendants, descendants and spouses; and

- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

Association de représentation des masses de titulaires de valeurs mobilières

Centre Jacques Ferronnière

32, rue du Champ de Tir

CS 30812

44308 Nantes cedex 3

France

Internet : [www.asso-masse.com](http://www.asso-masse.com)

Email : [service@asso-masse.com](mailto:service@asso-masse.com)

The Representative will be entitled to a remuneration of €3,200 (VAT excluded) upfront payable at the Issue Date.

The Representative will exercise its duty until its dissolution, resignation or termination of its duty by a General Assembly (as defined below) or until it becomes unable to act. Its appointment shall automatically cease on the Maturity Date, or total redemption prior to the Maturity Date.

In the event of dissolution, resignation or revocation of the Representative, a replacement Representative will be elected by a Collective Decision.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of the Fiscal Agent.

**(d) Powers of the Representative**

The Representative shall, in the absence of any Collective Decision to the contrary of the General Assembly, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them in order to be admissible, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

**(e) Collective Decisions**

Collective Decisions are adopted either in a general assembly (a “**General Assembly**”) or by consent following a written consultation (the “**Written Resolution**”, as defined in Condition 11(g)).

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the second business day in Paris preceding the date set for the meeting of the relevant Collective Decision at 0:00, Paris time.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

**(f) General Assemblies**

General Assemblies of the Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one thirtieth (1/30) of outstanding Notes may address to the Issuer and the Representative a demand for convocation of the General Assembly; if such General Assembly has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a General Assembly will be published as provided under Condition 10 not less than fifteen (15) calendar days prior to the date of the General Assembly on first convocation and six (6) calendar days on second convocation.

Each Noteholder has the right to participate in meetings of the *Masse* in person, by proxy, correspondence, or videoconference or any other means of telecommunications allowing the identification of the participating Noteholders as provided *mutatis mutandis* by Article R.223-20-1 of the French *Code de commerce*. Each Note carries the right to one vote.

**(g) Powers of General Assemblies**

A General Assembly is empowered to deliberate on the fixing of the remuneration of the Representative and on its dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

Meetings of a General Assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third (2/3) majority of votes cast by the Noteholders attending such meeting or represented thereat.

**(h) Written Resolutions**

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders ("**Electronic Consent**").

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a "**Written Resolution**" means a resolution in writing signed by the Noteholders of not less than 80 per cent. in nominal amount of the Notes outstanding.

**(i) Notice of Decisions**

Decisions of General Assemblies and Written Resolutions must be published in accordance with the provisions set out in Condition 10 not more than ninety (90) calendar days from the date thereof.

**(j) Information to the Noteholders**

Each Noteholder or representative thereof will have the right, during the fifteen (15) calendar day period preceding the holding of each meeting of a General Assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

**(k) Expenses**

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of General Assemblies, the seeking of a Written Resolution, the expenses which arise by virtue of the remuneration of the Representative, and, more generally, all administrative expenses resolved upon by a General Assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

**(l) Sole Noteholder**

If and for so long as the Notes are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights and obligations entrusted with the Representative and the Collective Decisions by the provisions of this Condition 11, as appropriate. The Issuer shall hold a register of the decisions the sole Noteholder will have taken in such capacity and shall make them available, upon request, to any subsequent holder of all or part of the Notes.

**12 Further Issues**

The Issuer may from time to time without the consent of the Noteholders issue further notes to be assimilated and form a single series (*assimilées*) with the Notes, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated (*assimilées*) notes will for the defence of their common interests be grouped in a single *Masse* having legal personality.

**13 Governing Law and Submission to Jurisdiction**

The Notes are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the competent courts in Paris.



# TERMS AND CONDITIONS OF THE 2031 NOTES

*The terms and conditions of the 2031 Notes will be as follows:*

The issue of the €500,000,000 aggregate principal amount of 0.875 per cent. Notes due October 2031 (the “**Notes**”) of Pernod Ricard S.A. (the “**Issuer**”) has been authorised pursuant to a resolution of the *Conseil d’administration* of the Issuer, adopted on 28 August 2019, and decisions of Mr. Alexandre Ricard, *Président du Conseil d’administration et Directeur Général* of the Issuer, made on 21 October 2019. An agency agreement (the “**Agency Agreement**”) to be dated 22 October 2019 will be entered into in relation to the Notes between the Issuer and Société Générale, as fiscal agent, calculation agent and principal paying agent (the “**Fiscal Agent**”, the “**Calculation Agent**” and the “**Paying Agent**”). References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

## 1 Form, Denomination and Title

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders (as defined below). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders.

**Account Holder** shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream Banking S.A. (“**Clearstream**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

In these Conditions, **Noteholder** means the person whose name appears in the account of the relevant Account Holder as being entitled to any Note.

## 2 Status of the Notes

The principal and interest of the Notes constitute direct, unsubordinated and (subject to the Negative Pledge provisions as provided in Condition 3 below) unsecured obligations of the Issuer and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

## 3 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not, and will procure that none of its Principal Subsidiaries will, create or permit to subsist any mortgage, charge, pledge or other security interest (*sûreté réelle*) upon any of its or their assets or revenues, present or future, to secure (1) any Relevant Indebtedness or (2) any guarantee in respect of any Relevant Indebtedness unless, in either case, the Issuer’s obligations under the Notes (i) are secured equally and rateably with such Relevant Indebtedness or such guarantee in respect thereof, or (ii) are given the benefit of such other security, guarantee or arrangement as shall be approved by the *Masse* of the Noteholders.

For the purposes of this Condition:

**Principal Subsidiary** means at any relevant time a Subsidiary of the Issuer:

- (i) whose total gross assets as reflected in its statutory non-consolidated accounts represent no less than 10 per cent. of the total consolidated gross assets of the Issuer, as calculated by reference to the then latest audited accounts of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries; or
- (ii) to which are transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, in which case the transferring entity will no longer be considered as a Principal Subsidiary as of the day of such transfer. For the avoidance of doubt, any Subsidiary which becomes a Principal Subsidiary under this sub-paragraph (ii) will continue to be a Principal Subsidiary following the next audited accounts of such Subsidiary only if it satisfies the requirement set forth in sub-paragraph (i).

**Relevant Indebtedness** means any present or future indebtedness for borrowed money represented by bonds (*obligations*) or other securities (including *titres de créances négociables*) which are for the time being or capable of being, quoted, listed or ordinarily traded on any stock exchange, over-the-counter market or other securities market.

**Subsidiary** means any person or entity at any time which is a subsidiary within the meaning of Articles L.233-1 and L.233-3 of the French *Code de commerce*.

#### 4 Interest

##### (a) Interest Payment Dates

Each Note bears interest on its principal amount, from (and including) 24 October 2019 (the “**Issue Date**”), at the rate of 0.875 per cent. *per annum* (the “**Rate of Interest**”) payable annually in arrear on 24 October in each year (an “**Interest Payment Date**”) commencing on 24 October 2020.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated by applying the Rate of Interest to the principal amount of each Note, multiplying the product by the Day-Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The Day-Count Fraction will be Actual/Actual - ICMA basis which will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it becomes due, divided by the number of days in the Interest Period in which the relevant period falls (including the first but excluding the last day of such period). The period from and including the Issue Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next Interest Payment Date is called an **Interest Period**.

##### (b) Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment.

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5.

#### 5 Payments

##### (a) Method of Payment

Payments of principal and interest in respect of the Notes will be made in Euro by transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by

the payee with a bank in a country within the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders.

None of the Issuer, the Fiscal Agent, the Calculation Agent or the Paying Agent shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes, but without prejudice to the provisions of Condition 7.

**(b) Payments on Business Days**

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purposes of these Conditions:

A **Business Day** means any day (not being a Saturday or a Sunday) on which (i) the TARGET System is operating and (ii) on which Euroclear France is open for general business; and

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

**(c) Fiscal Agent, Calculation Agent and Paying Agent**

The name of the initial Fiscal Agent, Calculation Agent and Paying Agent and their specified offices is set forth below:

Fiscal Agent, Calculation Agent, Principal Paying Agent and Paying Agent

**Société Générale**  
32, rue du Champ de Tir  
44308 Nantes Cedex 3  
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or the Calculation Agent and/or Paying Agent and/or appoint additional or other Paying Agents or Calculation Agent or approve any change in the office through which any such Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city and (ii) so long as the Notes are admitted to trading on the regulated market of Euronext in Paris and the rules of that exchange so require, a Paying Agent having a specified office in Paris (which may be the Fiscal and principal Paying Agent) and (iii) so long as any Note is outstanding, there shall at all time be a Calculation Agent.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by, or on behalf of, the Issuer in accordance with Condition 10.

In the absence of wilful default, bad faith or manifest error, no liability to the Noteholders shall attach to any of the Paying Agents or the Calculation Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions under these Conditions.

## **6 Redemption and Purchase**

The Notes may not be redeemed other than in accordance with this Condition 6 or Condition 8.

### **(a) Redemption at Maturity**

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed in full at their principal amount (i.e. €100,000 per Note) on the Interest Payment Date falling on 24 October 2031 the (“**Maturity Date**”).

### **(b) Redemption for Taxation Reasons**

- (i) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to tax, or in a treaty applicable to France, or any change in the application or official interpretation of such laws or regulations or treaty (including a judgment by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 7(b) below, the Issuer may, on any date, subject to having given not more than 60 nor less than 30 calendar days’ prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days’ prior notice to the Noteholders in accordance with Condition 10, redeem the Notes (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

### **(c) Redemption at the Option of the Issuer**

#### **(i) Pre-Maturity Call Option**

The Issuer may, at its option, from (and including) 24 July 2031 to (but excluding) the Maturity Date, subject to having given not more than 30 nor less than 15 calendar days’ prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(ii) **Make Whole Redemption by the Issuer**

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and subject to having given not more than 30 nor less than 15 calendar days' notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), have the option to redeem the Notes, in whole or in part, at any time prior to 24 July 2031 (the "**Optional Make Whole Redemption Date**") at their Optional Redemption Amount (as defined below).

The Optional Redemption Amount will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) 100 per cent. of the principal amount of the Notes so redeemed and (y) the sum of the then present values on the relevant Optional Make Whole Redemption Date of (i) the principal amount of each Note and (ii) the remaining scheduled payments of interest on such Note to (and including) 24 July 2031 (assuming for this purpose that accrued interest to (but excluding) such date would be payable on such date) (determined on the basis of the interest rate applicable to such Note (excluding any interest accruing on such Note to, but excluding, such Optional Make Whole Redemption Date)), discounted to such Optional Make Whole Redemption Date on an annual basis at the Early Redemption Rate plus an Early Redemption Margin, plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding the Optional Make Whole Redemption Date.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

**Early Redemption Margin** means 0.200 per cent. *per annum*.

**Early Redemption Rate** means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth business day in Paris preceding the relevant Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth business day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

**Reference Benchmark Security** means the German federal government bond (bearing interest at a rate of 0 per cent. *per annum* and maturing on 15 August 2029 with ISIN DE0001102473).

**Reference Dealers** means each of the four banks (that may include some of the Joint Lead Managers), selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

**Similar Security** means a reference bond or reference bonds issued by the German federal government having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

In the case of a partial redemption, the redemption may be effected by reducing the nominal amount of all such Notes in proportion to the aggregate nominal amount redeemed, subject to compliance with applicable laws and regulated market or other stock exchange requirements.

So long as the Notes are admitted to trading on Euronext Paris and the rules of that stock exchange so require, the Issuer shall, each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers*, a notice specifying the aggregate nominal amount of Notes outstanding.

(iii) Clean-Up Call Option

In the event that 80 per cent. or more in initial aggregate nominal amount of the Notes (including any further notes to be assimilated with the Notes pursuant to Condition 12) have been redeemed or purchased and cancelled, the Issuer may, at its option, subject to having given not more than 30 nor less than 15 calendar days' prior notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(d) **Redemption or Purchase following a Change of Control Event**

If at any time while any of the Notes remains outstanding, (i) a Change of Control occurs and (ii) within the Change of Control Period a Negative Rating Event in respect of that Change of Control occurs and is not cured prior to the last calendar day of the Change of Control Period (a **"Change of Control Event"**), then each Noteholder shall have the option (the **"Put Option"**) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, part or all of its Notes at their principal amount together with accrued interest to (but excluding) the Optional Redemption Date (as defined below).

Promptly upon the Issuer becoming aware of the occurrence of a Change of Control Event, the Issuer shall give notice to the Noteholders in accordance with Condition 10, specifying the nature of the Change of Control Event, the circumstances giving rise to it and the procedure for exercising the Put Option (the **"Put Event Notice"**).

Each Noteholder will have the right to require the redemption (or, at the Issuer's option, the purchase) of all or part of the Notes held by it within a 45-calendar day period (the **"Put Period"**) after the Put Event Notice is given. To exercise the Put Option, each Noteholder must transfer or cause to be transferred by its Account Holder its Notes to be so redeemed (or purchased) to the account of the Paying Agent specified in the Put Option Notice for the account of the Issuer within the Put Period, together with a duly signed and completed notice of exercise in the form obtainable from the specified office of the Paying Agent (a **"Put Option Notice"**) and in which the relevant Noteholder will specify a bank account to which payment is to be made under this Condition 6(d).

The Issuer shall, subject to the transfer of such Notes to the account of the Paying Agent for the account of the Issuer as described above, redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which the Put Option has been validly exercised as provided above on the tenth Business Day following the expiration of the Put Period (the **"Optional Redemption Date"**). Payment in respect of any Note so transferred will be made in Euro to the holder to the specified Euro-denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant Account Holders.

For the purposes of this Condition:

A **Change of Control** will be deemed to have occurred each time (whether or not approved by the *Conseil d'administration* of the Issuer) that any person or group of persons acting in concert (*personnes agissant de concert*, as defined in Article L.233-10 of the French *Code de commerce*) at any time directly or indirectly gains control (as defined in Article L.233-3 I of the French *Code de commerce*) of the Issuer.

**Change of Control Period** means, in relation to (and following) the occurrence of a Change of Control, the period commencing on the date of the first formal public announcement of the relevant Change of Control and ending on the date which is 90 calendar days (inclusive) after the date of such public announcement.

A **Negative Rating Event** shall occur in respect of a Change of Control if any of the Rating Agencies publicly announces, during the Change of Control Period, its decision to withdraw or reduce the rating of the Issuer by at least one full rating notch, expressly publicly stating that such withdrawal or reduction is directly linked to such Change of Control, provided however that no Negative Rating Event will occur as long as the rating assigned to the Issuer by any Rating Agency (including the Rating Agency having made such rating reduction) remains during the Change of Control Period equal or above to Ba1 by Moody's or BB+ by S&P (or their equivalent at the relevant time).

**Rating Agency** means Moody's Investors Service, Inc. ("**Moody's**") or Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc. ("**S&P**"), in each case any of their respective successors and, in each case, solicited by the Issuer to grant a corporate credit rating to the Issuer<sup>‡</sup>.

While any of the Notes remains outstanding, the Issuer undertakes to maintain a corporate credit rating assigned to the Issuer by at least one Rating Agency.

**(e) Purchases**

The Issuer may, in accordance with all applicable laws and regulations, at any time purchase Notes in the open market or otherwise without any limitation as to price or quantity including connection with a tender offer. All Notes so purchased by the Issuer may be held and resold in accordance with French laws and regulations.

**(f) Cancellation**

All Notes which are redeemed (including upon exchange) or purchased for cancellation by the Issuer will be promptly cancelled and accordingly may not be reissued or resold.

## **7 Taxation**

- (a)** All payments under or with respect to the Notes will be made without withholding or deduction for any taxes or duties of whatever nature imposed, levied or collected by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b)** If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by the Noteholders had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Notes to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental

---

<sup>‡</sup> As at the date of this Prospectus, the rating agencies solicited by the Issuer are Moody's and S&P.



charges in respect of such Note by reason of his having some present or future connection with France other than the mere holding of the Note.

- (c) Notwithstanding anything to the contrary contained herein, the applicable payor of any payment hereunder shall be entitled to withhold and deduct the amounts required under FATCA (“**FATCA Withholding**”), and none of the Issuer, the Fiscal Agent, the Calculations Agent, the Paying Agent or any other payor shall be required to pay any additional amounts (including, for the avoidance of doubt, pursuant to Condition 7(b)) on account of FATCA Withholding. For purposes of the preceding sentence, “FATCA” shall mean Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (or any successor provisions), any current or future regulations or official interpretations thereof, any agreements (including any intergovernmental agreements) thereunder or any law, regulation, or official interpretation implementing any of the foregoing.

## 8 Events of Default

If any of the following events (each an Event of Default) occurs and is continuing, the Representative (as defined below) of the *Masse* (as defined below), acting upon request of one or several Noteholders together representing no less than 10 per cent. of the outstanding aggregate principal amount of the Notes, may give written notice to the Issuer and the Fiscal Agent (at its specified office) declaring all the Notes to be due and payable, whereupon all Notes will become due and payable at their principal amount plus accrued interest unless such event(s) shall have been remedied prior to the receipt of such notice by the Issuer and the Fiscal Agent:

- (i) the Issuer is in default for more than 15 calendar days for the payment of any amount on the Notes, after the same shall become due and payable;
- (ii) the Issuer is in default in the performance of, or compliance with, any of its other obligations under the Notes and such default has not been cured within 30 Business Days after the receipt by the Fiscal Agent of a written notice identifying such default by the Representative of the *Masse*;
- (iii) (a) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for borrowed money becomes due and payable prior to its stated maturity as a result of a default thereunder, or (b) any such indebtedness is not paid when due, or (c) any guarantee or indemnity given by the Issuer or any of its Principal Subsidiaries for, or in respect of, any such indebtedness of others is not honoured when due and called upon, subject, in each case, to a grace period equal to the greater of any applicable grace period and 10 calendar days,

provided, in each case, that the relevant aggregate amount of the defaulted indebtedness, payment obligations, guarantee or indemnity in respect of which an event mentioned above has occurred exceeds €100,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, and unless, in each case, the Issuer or its relevant Principal Subsidiary challenges in good faith the relevant event before a court of competent jurisdiction, in which case none of the relevant events will constitute an event of default until a final judgment has been rendered by such relevant court;

- (iv) the Issuer sells or otherwise disposes of all or substantially all of its assets or ceases to carry on all or substantially all of its business or an order is made or an effective resolution is passed for its winding-up, dissolution or liquidation, unless (a) such disposal, winding-up, dissolution, liquidation or cessation is made or takes place in connection with a merger, consolidation, amalgamation or other form of reorganisation with or to any other corporation and the Issuer’s liabilities under the Notes are transferred to and assumed by such other corporation (including, without limitation, pursuant to a *fusion*, *scission* or *apport partiel d’actifs*) and (b) the long term rating assigned by S&P or Moody’s to such other corporation immediately following such merger, consolidation, amalgamation or other form

of reorganisation is not lower than the long-term credit rating assigned by such agency to the Issuer immediately prior to such merger, consolidation, amalgamation or other form of reorganisation; or

- (v) to the extent permitted by applicable laws, any Principal Subsidiaries enters into a composition with its creditors or a judgement is rendered for the judicial liquidation (*liquidation judiciaire*) of the Issuer or of any of its Principal Subsidiaries or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or the Issuer or any of its Principal Subsidiaries makes any conveyance for the benefit of, or enters into any agreement with, its creditors as a result of actual financial difficulties.

## 9 Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

## 10 Notices

Any notice to the Noteholders will be valid if delivered through Euroclear France, Euroclear, Clearstream and/or any other clearing system through which the Notes are for the time being cleared and published on the website of the Issuer ([www.pernod-ricard.com](http://www.pernod-ricard.com)). Any notice to the relevant clearing system shall be deemed to have been given on the first Business Day following delivery of the notice to the relevant clearing system or, where relevant and if later, the date of such publication on the website of the Issuer or, if published more than once or on different dates, on the first date on which such delivery is made.

## 11 Representation of the Noteholders

### (a) The *Masse*

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the *Masse*).

The *Masse* will be governed by those provisions of the French *Code de commerce* with the exception of the provisions of Articles L.228-48, L.228-59, R.228-67 and R.228-69 of such *Code* and subject to the following provisions:

### (b) Legal Personality

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, and will act in part through one (1) representative (the “**Representative**”) and in part through collective decisions of the Noteholders (the “**Collective Decisions**”).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

### (c) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), its statutory auditors, and its employees as well as their ascendants, descendants and spouses;
- (ii) companies holding at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer holds at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors

(*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or their employees as well as their ascendants, descendants and spouses; and

- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

Association de représentation des masses de titulaires de valeurs mobilières

Centre Jacques Ferronnière

32, rue du Champ de Tir

CS 30812

44308 Nantes cedex 3

France

Internet : [www.asso-masse.com](http://www.asso-masse.com)

Email : [service@asso-masse.com](mailto:service@asso-masse.com)

The Representative will be entitled to a remuneration of €3,600 (VAT excluded) upfront payable at the Issue Date.

The Representative will exercise its duty until its dissolution, resignation or termination of its duty by a General Assembly (as defined below) or until it becomes unable to act. Its appointment shall automatically cease on the Maturity Date, or total redemption prior to the Maturity Date.

In the event of dissolution, resignation or revocation of the Representative, a replacement Representative will be elected by a Collective Decision.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of the Fiscal Agent.

#### **(d) Powers of the Representative**

The Representative shall, in the absence of any Collective Decision to the contrary of the General Assembly, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them in order to be admissible, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

#### **(e) Collective Decisions**

Collective Decisions are adopted either in a general assembly (a “**General Assembly**”) or by consent following a written consultation (the “**Written Resolution**”, as defined in Condition 11(g)).

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the second business day in Paris preceding the date set for the meeting of the relevant Collective Decision at 0:00, Paris time.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

**(f) General Assemblies**

General Assemblies of the Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one thirtieth (1/30) of outstanding Notes may address to the Issuer and the Representative a demand for convocation of the General Assembly; if such General Assembly has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a General Assembly will be published as provided under Condition 10 not less than fifteen (15) calendar days prior to the date of the General Assembly on first convocation and six (6) calendar days on second convocation.

Each Noteholder has the right to participate in meetings of the *Masse* in person, by proxy, correspondence, or videoconference or any other means of telecommunications allowing the identification of the participating Noteholders as provided *mutatis mutandis* by Article R.223-20-1 of the French *Code de commerce*. Each Note carries the right to one vote.

**(g) Powers of General Assemblies**

A General Assembly is empowered to deliberate on the fixing of the remuneration of the Representative and on its dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

Meetings of a General Assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third (2/3) majority of votes cast by the Noteholders attending such meeting or represented thereat.

**(h) Written Resolutions**

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders (“**Electronic Consent**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by the Noteholders of not less than 80 per cent. in nominal amount of the Notes outstanding.

**(i) Notice of Decisions**

Decisions of General Assemblies and Written Resolutions must be published in accordance with the provisions set out in Condition 10 not more than ninety (90) calendar days from the date thereof.

**(j) Information to the Noteholders**

Each Noteholder or representative thereof will have the right, during the fifteen (15) calendar day period preceding the holding of each meeting of a General Assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

**(k) Expenses**

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of General Assemblies, the seeking of a Written Resolution, the expenses which arise by virtue of the remuneration of the Representative, and, more generally, all administrative expenses resolved upon by a General Assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

**(l) Sole Noteholder**

If and for so long as the Notes are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights and obligations entrusted with the Representative and the Collective Decisions by the provisions of this Condition 11, as appropriate. The Issuer shall hold a register of the decisions the sole Noteholder will have taken in such capacity and shall make them available, upon request, to any subsequent holder of all or part of the Notes.

**12 Further Issues**

The Issuer may from time to time without the consent of the Noteholders issue further notes to be assimilated and form a single series (*assimilées*) with the Notes, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated (*assimilées*) notes will for the defence of their common interests be grouped in a single *Masse* having legal personality.

**13 Governing Law and Submission to Jurisdiction**

The Notes are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the competent courts in Paris.

## **USE OF PROCEEDS AND ESTIMATED NET AMOUNT**

The estimated net proceeds of the issue of the Notes will amount to approximately €1,486,790,000 and will be used by the Issuer for its general corporate purposes, including but not limited to the refinancing of outstanding bonds of the Issuer.

## **DESCRIPTION OF THE ISSUER**

For a general description of the Issuer, its activities and its financial conditions, please refer to the cross-reference lists appearing under “Documents Incorporated by Reference” (pages 6 to 9 of this Prospectus) above.



## RECENT DEVELOPMENTS

### 1 Press release – Paris, 27 September 2019

“The trustee of Pernod Ricard’s largest pension plan in the UK has signed an agreement to insure the majority of the pension plan’s pension liabilities through the purchase of a bulk purchase annuity contract.

The agreement of the bulk purchase annuity contract which is expected to be completed shortly would imply a reduction of Group equity, estimated at circa €0.9bn.

This transaction is in line with a history of de-risking and long-term strategic objectives of both the Group and the trustee of the pension plan. It is a further step in providing long-term security for payment of the pension plan liabilities. The agreement reduces the Group’s exposure to funding deficits arising from market risks, including inflation and interest rate risks, and longevity risks.

The bulk purchase annuity contract is a policy in the name of the trustee, commonly known as a “buy-in,” which will cover the trustee’s obligations in respect of the relevant pension liabilities. The trustee will remain responsible for the payment and administration of all pension liabilities.”

### 2 Press release – Marseille/Paris, 1 October 2019

“The Ricard and Pernod companies have today presented the “Reconquer!” project to their Employee Representative Bodies and their entire staff. This initiative is in line with the three-year strategic plan “Transform & Accelerate,” implemented by the Group across all its markets worldwide. It echoes the successful restructuring of key markets that has already been implemented in the United States, China and Global Travel Retail.

The goal of this project is to win back the French market and its consumers, in other words, to recreate conditions for value growth in an increasingly competitive market undergoing accelerated change. In two years, Group sales in France have declined €60 million – equivalent to the sales of a European affiliate. In addition to deflationary pressure and the recent impact of the Egalim Law, which are in part the cause of these results, the Ricard and Pernod companies must also address the emergence of a “new” type of consumer who is reinventing the meaning of *convivialité*.

The French model, based on two companies and two distribution networks, has become overly complex and lacks agility. This requires a structural response and therefore the total reshaping of the organisation of the two French distribution subsidiaries, Ricard and Pernod. This involves implementing a structure that will allow the Group to be the first to seize all growth opportunities across all distribution channels. It is within this context that the companies Ricard and Pernod have proposed to their Employee Representative Bodies the creation of a single company, Pernod Ricard France, with effect from 1 July 2020. The head office of this new entity would be located in Marseille, in the new Docks business district.

This combination is focused on one ambition –winning back moments of *convivialité* and getting back on track to grow in the French market.

The “Reconquer!” project is structured around three major pillars: consumers, customers and employees.

- 1) **Winning back consumers** thanks to a unified and optimised portfolio and a bold innovation plan
- 2) **Reinventing our business model** to better serve our customers thanks to a single network structured by distribution channel
- 3) **Bringing together our employees** within a single, more streamlined and more agile organisation

The proposed merger of the two companies would lead to approximately 280 roles being open to voluntary redundancy. These would involve the sales and marketing departments affected by the new business combination. This organisation would also create new career development opportunities for employees with the planned creation of around 90 new roles to support this new strategy.

The introduction of this structure would rely on a voluntary approach. A voluntary redundancy scheme including support measures, in line with best practices in our sector, would then be proposed to the employees concerned. The success of this project will therefore be the result of ongoing labour negotiations initiated as of today with the Ricard and Pernod trade unions.

Furthermore, as part of the Group's strategy of actively managing its brand portfolio, today the Group is also announcing the proposed disposal of the brand Café de Paris and the Cubzac production site to InVivo Wine, the wine division of the leading French agricultural cooperative. This project would be completed with a guarantee to safeguard the jobs of the site's 29 employees. The two parties are in talks to establish a sub-contracting agreement for the brands not sold to InVivo.

The "Reconquer!" project does not concern Pernod Ricard's other operations in France. It does offer the Group the opportunity to recreate conditions for sustainable and profitable growth in its historical market.

Today Philippe Coutin, Chairman of both Ricard and Pernod, told a gathering of all employees of both companies, *"This project will be the product of several months of teamwork. We are entering into a phase of collaboration with management and unions – we hope this phase will be as responsible and interactive as possible. Throughout our history, the companies Ricard and Pernod have managed to evolve and reinvent themselves to continue the entrepreneurial adventure embarked upon by our founders. We have always succeeded together and together we will rise to this challenge."*

### **3 Press release – Paris/New York, 9 October 2019**

"Pernod Ricard (Euronext ticker RI; ISIN Code: FR0000120693) and Castle Brands Inc. (NYSE American: ROX) announced today the successful completion of the acquisition of Castle Brands by a subsidiary of Pernod Ricard S.A., through a cash tender offer followed by a short-form merger.

On this occasion Alexandre Ricard, Chairman & Chief Executive Officer of Pernod Ricard, stated: *"We're thrilled about the closing of the Castle Brands acquisition and the opportunity it offers us in the world's largest spirits market, the US, a priority market for the Group"*.

As previously announced, Pernod Ricard, through one of its subsidiaries, offered to acquire all of the outstanding common stock of Castle Brands for \$1.27 per share in cash, net of applicable withholding taxes and without interest. The tender offer expired at Midnight, New York time, on October 8, 2019. A total of 150,335,952 shares of common stock of Castle Brands, representing approximately 89.52% of the outstanding Castle Brands shares, were validly tendered into (and not validly withdrawn from) the tender offer. As of such expiration, all conditions to the tender offer have been satisfied. As a result, all such Castle Brands shares have been irrevocably accepted by Pernod Ricard's subsidiary for payment, which will be made on October 9, 2019.

Currently with the payment for the tendered shares, on October 9, 2019 the offeror merged with and into Castle Brands via a short-form merger. As a result of the tender offer and the merger, Castle Brands became an indirect wholly owned subsidiary of Pernod Ricard and Castle Brands' common stock will cease trading on the NYSE American.

At the effective time of the merger, Castle Brands common stock held by the remaining Castle Brands shareholders who did not tender their shares in the tender offer (other than those who properly exercise appraisal rights) were cancelled and converted into the right to receive the same \$1.27 per share price, net of applicable withholding taxes and without interest, that was paid in the tender offer. Castle Brands shareholders

who did not tender their shares in the tender offer will receive relevant information in the mail on how to receive payment for their shares in connection with the merger.”

**4 Press release – Paris, 17 October 2019**

**“Q1: MODERATE GROWTH IN LINE WITH EXPECTATIONS, ON A VERY HIGH BASIS OF COMPARISON (+10.4% IN Q1 FY19)**

**ORGANIC SALES GROWTH: +1.3% (REPORTED: +4.0%)**

**FY20 GUIDANCE<sup>4</sup> CONFIRMED: ORGANIC GROWTH IN PRO<sup>5</sup> BETWEEN +5% AND +7%**

**Sales for the first quarter of FY20 totalled € 2,483 million, with organic growth of +1.3%:**

- **Good start in USA: +6%**
  - thanks in particular to innovation, enhanced by advance shipments
- **China: +6% and India: +3%**
  - good growth on a very high comparison basis
- **Global Travel Retail: -6%**
  - following very strong Q1 FY19
- **Good growth in Europe: +3%**
  - thanks to strong Sales in Eastern Europe and return to growth in Western Europe

**Reported growth was +4.0%** due to a favourable FX impact, mainly from US Dollar. **For full-year FY20, a significantly positive FX impact on PRO is expected<sup>6</sup>.**

By category, growth was driven by:

- **Strategic International Brands: +3%**, with growth moderation due to high comparison basis on Martell and Scotch but acceleration of Jameson, Beefeater, Malibu and Havana Club
- **Strategic Local Brands: +2%**, with softer growth due to very high Q1 FY19 for Seagram’s Indian whiskies
- **Specialty Brands: +15%**, continued very dynamic performance, particularly for Lillet, Monkey 47, Del Maguey and Altos
- **Strategic Wines: -2%**, modest decline linked to continued implementation of value strategy on Jacob’s Creek
- **Pricing: +2%** on Strategic brands

As part of this communication, **Alexandre Ricard**, Chairman and Chief Executive Officer, stated,

*“Q1 growth was moderate, as expected. In an environment that remains particularly uncertain, we confirm our FY20 guidance of organic growth in Profit from Recurring Operations of between +5% and +7%.”*

---

<sup>4</sup> Guidance communicated 29 August 2019

<sup>5</sup> PRO = Profit from Recurring Operations

<sup>6</sup> Based on average FX rates projected at 1 October 2019, particularly a EUR/USD rate of 1.09

Pernod Ricard also clarified it intends to sign an agreement with an investment services provider, to implement a first tranche of the share buy-back programme announced on 29 August 2019 (of up to €1bn in total), according to which:

- Pernod Ricard will undertake to acquire its own shares for a maximum amount of €150m.
- The purchase period shall start on October 18, 2019 and end on December 18, 2019 latest.
- The price shall not exceed the maximum price as set by the 12th resolution of the Ordinary Shareholders' Meeting of November 21, 2018.
- Repurchased shares will be cancelled.

*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.*

*A detailed presentation of Sales for the first quarter of FY20 can be downloaded from our website: [www.pernod-ricard.com](http://www.pernod-ricard.com)*

## **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."*

## **5 Press release – Paris, 18 October 2019**

"In press releases published today, S&P Global Ratings and Moody's both upgraded Pernod Ricard SA's long-term rating by one notch to BBB+, stable outlook for S&P and Baa1, stable outlook for Moody's. Until today, the Group long-term rating was BBB on positive outlook by S&P Global Ratings since November 2017 and Baa2 on stable outlook by Moody's since May 2016."

## SUBSCRIPTION AND SALE

BNP Paribas and Cr dit Agricole Corporate and Investment Bank (the “**Global Coordinators**” and “**Joint Lead Managers**”), Banco Santander, S.A., Commerzbank Aktiengesellschaft, Deutsche Bank Aktiengesellschaft, ING Bank N.V., Belgian Branch, Mizuho Securities Europe GmbH, Morgan Stanley & Co. International plc, MUFG Securities (Europe) N.V., NatWest Markets Plc, SMBC Nikko Capital Markets Europe GmbH, Standard Chartered Bank and UniCredit Bank AG (together with the Global Coordinators and Joint Lead Managers, the “**Joint Lead Managers**”) have, pursuant to a subscription agreement (the “**Subscription Agreement**”) dated 22 October 2019, jointly and severally agreed with the Issuer, subject to satisfaction of certain conditions, to subscribe or procure subscribers for the Notes at (i) the issue price of 99.912 per cent. of the principal amount of the 2023 Notes, (ii) the issue price of 99.711 per cent. of the principal amount of the 2027 Notes and (iii) the issue price of 98.750 per cent. of the principal amount of the 2031 Notes, less, in each case, any applicable commissions. The Subscription Agreement may be terminated in certain circumstances prior to payment being made to the Issuer.

### **General**

Neither the Issuer nor any Joint Lead Manager has made taken or will take any action in any jurisdiction that would, or is intended to, permit a public offering of the Notes, or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Joint Lead Manager has agreed that it will comply to the best of its knowledge and belief with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer or any other Joint Lead Manager in any such jurisdiction as a result of any of the foregoing actions.

### **Prohibition of Sales to EEA Retail Investors**

Each of the Joint Lead Managers has represented and agreed, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the European Economic Area. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive (EU) No. 2014/65 (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) No. 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### **United States of America**

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Notes may not be offered, sold or delivered in or within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) except in certain transactions exempt from the registration requirements of the Securities Act. The Notes are being offered and sold outside of the United States in “offshore transactions” to non-U.S. persons in reliance on and in accordance with Regulation S

Accordingly, the offer is not being made in the United States and this document does not constitute an offer, or an invitation to apply for, or an offer or invitation to purchase, any Notes in the United States or to U.S. persons (as defined in Regulation S).

Each Joint Lead Manager has agreed that it will not offer, sell or deliver the Notes (i) as part of their distribution at any time or (ii) otherwise, until 40 calendar days after the later of the commencement of the offering and the closing date of the offering, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), and it will have sent to each dealer to which it sells Notes during the 40-day restricted period a confirmation of or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S).

In addition, until 40 calendar days after the commencement of the offering, an offer or sale of the Notes within the United States by a dealer, whether or not it is participating in the offering, may violate the registration requirements of the Securities Act.

### **United Kingdom**

Each Joint Lead Manager has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### **France**

Each of the Joint Lead Managers and the Issuer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes in the Republic of France, and has not distributed and will not distribute or cause to be distributed in the Republic of France this Prospectus or any other offering material relating to the Notes, except to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Article 2(e) of the Prospectus Regulation and Articles L.411-1 and L.411-2 of the French *Code monétaire et financier*.

## GENERAL INFORMATION

### 1 Approval and Admission to trading

This Prospectus has been approved by to the AMF in France in its capacity as competent authority pursuant to the Prospectus Regulation and received the approval number no. 19-501 dated 22 October 2019. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

This Prospectus will be valid until the date of admission of the Notes to trading on Euronext Paris. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid.

Application has been made for the Notes to be admitted to trading on Euronext Paris as from the Issue Date.

The estimate of the total expenses related to the admission to trading of the Notes is in aggregate (i) €11,000 in respect of the 2023 Notes, (ii) €13,400 in respect of the 2027 Notes and (iii) €15,800 in respect of the 2031 Notes.

### 2 Clearing Systems

The Notes have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear.

The International Securities Identification Number (ISIN) for the 2023 Notes is FR0013456423.

The Common Code for the 2023 Notes is 207030341.

The International Securities Identification Number (ISIN) for the 2027 Notes is FR0013456431.

The Common Code for the 2027 Notes is 207030953.

The International Securities Identification Number (ISIN) for the 2031 Notes is FR0013456449.

The Common Code for the 2031 Notes is 207031038.

The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg.

### 3 No significant or material change

Except as disclosed in this Prospectus (including the relevant sections of the documents incorporated by reference on pages 6 to 9 and 48 to 51), there has been (i) no significant change in the financial position or financial performance of the Issuer or the Group since 30 June 2019 and (ii) no material adverse change in the prospects of the Issuer or the Group since 30 June 2019.

### 4 Litigation

Except as disclosed in this Prospectus (including the relevant sections of the documents incorporated by reference on pages 6 to 9 and 48 to 51), the Issuer is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Group.



## 5 Authorisation

The issue of the Notes was authorised pursuant to a resolution of the *Conseil d'administration* of the Issuer dated 28 August 2019 and decisions of Mr. Alexandre Ricard, *Président du Conseil d'administration et Directeur Général* of the Issuer, dated 21 October 2019.

## 6 Material contracts

Except as disclosed in this Prospectus (including the relevant sections of the documents incorporated by reference on pages 6 to 9 and 48 to 51), there are, at the date of this Prospectus, no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

## 7 Conflict of interest

At the date of this Prospectus, there are no conflicts of interest which are material to the issue of the Notes between the duties of the members of the *Conseil d'administration* to the Issuer and their private interests and/or their other duties.

Save as disclosed in section "Subscription and Sale" on page 52 of this Prospectus, to the knowledge of the Issuer, no person involved in the issue of the Notes has an interest material to the issue.

## 8 Availability of documents

Copies of the latest annual report of the Issuer, including its consolidated accounts may be obtained without charge from the specified offices for the time being of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

For as long as any Notes are outstanding the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the office of the Issuer, the Fiscal Agent or the Paying Agent:

- (i) this Prospectus;
- (ii) the Agency Agreement;
- (iii) the *statuts* of the Issuer; and
- (iv) the Documents Incorporated by Reference.

This Prospectus will be published on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and on the website of the Issuer ([www.pernod-ricard.com](http://www.pernod-ricard.com)).

## 9 Auditors

The statutory auditors of the Issuer are KPMG S.A. (2, avenue Gambetta, Tour Eqho – CS 60055, 92066 Paris-La Défense Cedex, France) and Deloitte & Associés (6, place de la Pyramide, Tour Majunga, 92908 Paris-La Défense Cedex, France) (both entities are members of the *Compagnie régionale des Commissaires aux Comptes de Versailles* and are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux Comptes*). KPMG S.A. and Deloitte & Associés have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for each of the fiscal years ended 30 June 2018 and 30 June 2019.

## 10 Yield

The yield of the 2023 Notes is 0.022 per cent. *per annum* and is calculated on the basis of the issue price of the 2023 Notes. It is not an indication of future yield.

The yield of the 2027 Notes is 0.537 per cent. *per annum* and is calculated on the basis of the issue price of the 2027 Notes. It is not an indication of future yield.

The yield of the 2031 Notes is 0.986 per cent. *per annum* and is calculated on the basis of the issue price of the 2031 Notes. It is not an indication of future yield.

## 11 Stabilisation

In connection with the issue of the Notes, BNP Paribas (the “**Stabilising Manager**”) (or any person acting on behalf of any Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any persons acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 calendar days after the Issue Date of the Notes and 60 calendar days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or any person acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.

## 12 Rating

The Notes are expected to be assigned a rating of BBB+ by Standard & Poor’s Ratings Services and Baa1 by Moody’s Investors Service. The long-term debt of the Issuer has been assigned a rating of BBB+ (with stable outlook) by Standard & Poor’s Ratings Services and Baa1 (with stable outlook) by Moody’s Investors Service. Standard & Poor’s Ratings Services and Moody’s Investors Service. are established in the European Union and included in the list of credit rating agencies registered under the CRA Regulation, published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) as of the date of this Prospectus. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency. A revision, suspension, reduction or withdrawal of a rating may adversely affect the market price of the Notes.

## 13 LEI

The Legal Entity Identifier (“**LEI**”) of the Issuer is 52990097YFPX9J0H5D87.

## 14 Issuer’s website

The website of the Issuer is "[www.pernod-ricard.com](http://www.pernod-ricard.com)". The information on such website does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.

## 15 Currency

In this Prospectus, references to “euro”, “EURO”, “Euro”, “EUR” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union and as amended by the Treaty of Amsterdam.

## **PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS**

I hereby certify that the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

PERNOD RICARD  
12, place des Etats-Unis  
75116 Paris – France

Duly represented by Alexandre Ricard, *Président du Conseil d'administration et Directeur Général* of the Issuer

Dated 22 October 2019

## REGISTERED OFFICE OF THE ISSUER

**Pernod Ricard**  
12, place des Etats-Unis  
75116 Paris  
France

## JOINT LEAD MANAGERS AND GLOBAL COORDINATORS

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**  
12, place des Etats-Unis CS 70052  
92547 Montrouge Cedex  
France

## JOINT LEAD MANAGERS

**Banco Santander, S.A.**  
Ciudad Grupo Santander  
Avenida de Cantabria s/n  
28660, Boadilla del Monte, Madrid  
Spain

**Commerzbank Aktiengesellschaft**  
Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Germany

**Deutsche Bank Aktiengesellschaft**  
Mainzer Landstr. 11-17  
60329 Frankfurt am Main  
Germany

**ING Bank, N.V., Belgian Branch**  
Avenue Marnix 24  
1000 Brussels  
Belgium

**Mizuho Securities Europe GmbH**  
Taunustor 1  
60310 Frankfurt am Main  
Germany

**Morgan Stanley & Co. International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**MUFG Securities (Europe) N.V.**  
World Trade Center, Tower H, 11th Floor  
Zuidplein 98  
1077 XV Amsterdam  
The Netherlands

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

**SMBC Nikko Capital Markets Europe GmbH**  
Neue Mainzer Straße 52-58  
60311 Frankfurt  
Germany

**Standard Chartered Bank**  
One Basinghall Avenue  
London EC2V 5DD  
United Kingdom

**UniCredit Bank AG**  
Arabellastr. 12  
81925 Munich  
Germany

**FISCAL AGENT, CALCULATION AGENT, PRINCIPAL PAYING AGENT AND  
PAYING AGENT**

**Société Générale**  
32, rue du Champ de Tir  
44308 Nantes Cedex 3  
France

**AUDITORS OF THE ISSUER**

**KPMG S.A.**  
2 avenue Gambetta  
Tour Eqho  
92066 Paris-La Défense Cedex  
France

**Deloitte & Associés**  
6, place de la Pyramide  
Tour Majunga  
92908 Paris-La Défense Cedex  
France

**LEGAL ADVISERS**

*To the Issuer as to French law*

**Debevoise & Plimpton LLP**  
4, place de l'Opéra  
75002 Paris  
France

*To the Joint Lead Managers as to French law*

**Linklaters LLP**  
25, rue de Marignan  
75008 Paris  
France