

This Offer and this draft offer document remain subject to examination by the AMF

TENDER OFFER IN CASH FOR THE SHARES OF



Grand Marnier®

SOCIETE DES PRODUITS MARNIER LAPOSTOLLE

PRESENTED BY:

Bank of America 
Merrill Lynch

INITIATED BY

DAVIDE CAMPARI MILANO S.P.A.



ADVISED BY

Bank of America 
Merrill Lynch

 **CRÉDIT AGRICOLE**
CORPORATE & INVESTMENT BANK

OFFER PRICE: € 8,050 PER SHARE (CUM 2015 FINAL DIVIDEND)

PRICE SUPPLEMENT: SHAREHOLDERS HAVING TENDERED THEIR SHARES TO THE OFFER WILL BE GIVEN ENTITLEMENT TO A PRICE SUPPLEMENT FOR EACH SHARE TENDERED UNDER THE CONDITIONS DESCRIBED IN PARAGRAPH 2.2 OF THIS DRAFT OFFER DOCUMENT

DURATION OF THE OFFER: 25 TRADING DAYS

DRAFT OFFER DOCUMENT DRAWN UP BY DAVIDE CAMPARI MILANO

Important Notice

Pursuant to Article L. 433-4 III of the French Monetary and Financial Code and Articles 237-14 to 237-19 of the general regulations of the Autorité des Marchés Financiers, in the event that the minority shareholders of Société des Produits Marnier Lapostolle do not represent, at the end of the initial public offering, more than 5% of the share capital or voting rights of Société des Produits Marnier Lapostolle, Davide Campari Milano S.p.A. intends to implement, upon closure of this initial public offering or within a period of three months after its closure, a squeeze-out procedure to allow transfer of the shares of Société des Produits Marnier Lapostolle not tendered to the initial public offering in exchange for a consideration equal to the price of the public offering (Cum 2015 Final Dividend) together with the Price Supplement paid under the terms and conditions set out in paragraph 2.2 of this draft offer document.

This document is an unofficial English-language translation of the draft offer document (*projet de note d'information*) prepared and filed with the *Autorité des Marchés Financiers* (the "**AMF**") on 15 March 2016, in accordance with the provisions of its general regulations. It was drawn up pursuant to Articles 231-13, 231-16, 231-18, 232-1 and 234-2 of the general regulations of the AMF.

The offer and this draft offer document remain subject to examination by the AMF.

In the event of any differences between this unofficial English-language translation and the official French document, the official French document shall prevail.

This draft offer document is available on the websites of the AMF (www.amf-france.org) and Davide Campari Milano S.p.A. (www.camparigroup.com), and may be obtained free of charge from:

- Davide Campari Milano S.p.A. via Franco Sacchetti 20, 20099 Sesto San Giovanni, Milan, Italy; and
- Bank of America Merrill Lynch International Limited, branch in France, 112 avenue Kléber - 75773 Paris Cedex 16.

In accordance with the provisions of Article 231-28 of the general regulations of the AMF, information relating in particular to the legal, financial and accounting aspects of Davide Campari Milano S.p.A. will be made available to the public in the same manner as mentioned above no later than the day preceding opening of the Offer.

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1. PRESENTATION OF THE OFFER

Pursuant to Section II of Book II, and more specifically pursuant to the provisions of Articles 231-1 and subsequent and 232-1 and subsequent of the general regulations of the AMF, together with the provisions of Article 234-2 of the general regulations of the AMF, Davide Campari Milano S.p.A., a company registered under Italian law¹ with a share capital of € 58,080,000, having with its registered office at via Franco Sacchetti 20, 20099 Sesto San Giovanni, Milan, Italy and registered with the Company Registry of Milan under number 1112227 (“DCM” or the “Offeror”), irrevocably offers to the shareholders of Société des Produits Marnier Lapostolle, *société anonyme* registered under French law with a share capital of 27,157,500 euros, with its registered office at 91, Boulevard Haussmann, 75008 Paris, France, and registered with the Company Registry of Paris under number 552 073 371 (“SPML” or the “Company”), the to acquire all SPML shares not held by DCM and the persons acting in concert with it (as set out in paragraph 1.1.1.4 of this draft offer document)², i.e. on 15 March 2016 44,968 SPML shares at the price of € 8,050 per SPML share, payable exclusively in cash (the “Offer Price”), accompanied by a price supplement, if applicable, under the terms and conditions described in paragraph 2.2 of this draft offer document (the “Offer”). The Offer Price of € 8,050 per SPML share includes entitlement to the final dividend that may be paid by SPML for the financial year having ended on 31 December 2015 (the “2015 Final Dividend”).

The shares of the Company are admitted for trading on the regulated Euronext Paris market (*Compartiment B*) under ISIN Code FR0000038036.

The Offer will be carried out in accordance with the standard procedure (*procedure normale*) in accordance with Articles 232-1 *et seq.* of the general regulations of the AMF.

This Offer is presented by Bank of America Merrill Lynch International Limited (“BofA Merrill Lynch”), which warrants, as presenting bank the Offer, the content and the irrevocable nature of the undertakings made by the Offeror in connection with the Offer pursuant to the provisions of Article 231-13 of the general regulations of the AMF. It is specified that this guarantee does not apply to any Price Supplement payable under the conditions described in paragraph 2.2 of this draft Offer document.

The Offer will be open for an initial duration of 25 trading days.

1.1 Reasons for the Offer and intentions of the Offeror

1.1.1 Context of the Offer

1.1.1.1 Offer letter

In November 2014, SPML and DCM started discussions relating to a plan to enter into an exclusive contract for distribution of the Grand Marnier products by DCM, which would replace the distribution contracts for Grand Marnier products which have been terminated by SPML or its subsidiaries in December 2015. These discussions initially led DCM to offer SPML the chance to enter into an exclusive worldwide distribution contract, with the conclusion of this contract able to be accompanied by a minority stake in the share capital of SPML.

¹ The DCM shares are admitted for trading on Borsa Italiana (CPR - IT0003849244).

² The Shares Under Promises (as set out in paragraph 1.1.1.4 of this draft Offer document) have been placed under escrow, for the whole duration of the offer period.

After analysis, DCM ultimately indicated that it wished to take a majority stake in SPML, in addition to entering into the exclusive worldwide distribution contract set out above. In this way, it offered the family shareholders of SPML to acquire all their SPML shares, on the understanding moreover that the exclusive worldwide distribution contract between DCM and SPML ("**Distribution Contract**") will take effect on 1st July 2016.

After discussion between DCM and SPML, the principal terms and conditions of this equity tie-up, as described in paragraphs 1.1.1.2 to 1.1.1.6 of this draft Offer document, were definitively fixed in a final offer letter (the "**Offer Letter**"), sent on 11 March 2016 by DCM to the Chairman of the Management Board of SPML, to the Chairman of the Supervisory Board of SPML, and to the family shareholders of SPML.

After deliberation, on 14 March 2016 the Supervisory Board of SPML authorised the alliance with DCM, signing of the Offer Letter and of the Distribution Contract on a unanimous basis. On the same day, the Management Board of SPML also authorised alliance with DCM, signing of the Offer Letter and of the Distribution Contract on a unanimous basis.

Each member of the Jacques Marnier-Lapostolle family, the Sylvia de Gasperis family and the Antoinette Coury family (jointly the "**Family Shareholders**"), representing 47.10% of the share capital and 65.05% of the voting rights in the extraordinary general meeting ("**EGM**") and 62.61% of the voting rights in the ordinary general meeting ("**OGM**") of the Company³, accepted, each for their own part, the terms and conditions of the Offer Letter between 11 and 14 March 2016.

In addition to the conclusion of agreements enabling DCM to take control of SPML and described hereunder in paragraphs 1.1.1.3 to 1.1.1.6, and the conclusion of the Distribution Contract, the Offer Letter provides an exclusivity undertaking through which SPML and the Promising Shareholders (as this term is defined in paragraph 1.1.1.4 of the present draft Offer document) committed to DCM, for a duration of nine months, not to directly or indirectly seek, instigate, pursue or participate in any discussion, debate or negotiation, or to enter into any agreement with any person other than DCM, or to approach or encourage any third party for the purposes of conducting a similar operation (wholly or partly) to the equity tie-up envisaged, or any operation that could immediately or in the future lead to the direct or indirect takeover of control (with the concept of control being assessed within the meaning of Article L. 233-3 of the French Commercial Code) of SPML by a third party or the acquisition of a significant stake in SPML by a third party.

1.1.1.2 Conclusion of the Distribution Contract

The Distribution Contract was entered into on 14 March 2016 between DCM and SPML. It confers on DCM an exclusive worldwide right over the distribution of the Grand Marnier products for a duration of 5 years and 6 months, ending on 31 December 2021 and subject to tacit renewal in successive periods of 5 years. It may be terminated at the end of a notice 12 month-period, in the event of (i) a breach of a substantial provision of the Distribution Contract by one of the parties, (ii) a transfer of trademarks or intellectual property by SPML without the prior agreement of DCM, (iii) an opening of bankruptcy, insolvency, reorganisation or relief of debtors proceedings or any other similar proceedings against one of the parties, or (iv) a substantial underperformance of DCM.

The Distribution Contract relates to the products (i) Grand Marnier Cordon Rouge, (ii) Grand Marnier Cordon Jaune, (iii) Grand Marnier Cuvée du Centenaire, (iv) Grand Marnier Cuvée du Cent Cinquantenaire, (v) Grand Marnier Quintessence, (vi) Grand Marnier Natural Cherry, (vii) Grand Marnier Raspberry Peach, (viii) GM Titanium, (ix) Grand Marnier 1880, (x) Cherry Marnier, (xi) Louis Alex Bourbon Barrel, (xii) Louis Alexandre, (xiii) Kappa Pisco, (xiv) Jean-Baptiste Lapostolle Pisco, (xv) Cognac VSOP, (xvi) Cognac XO and (xvii) Pineau des Charentes Marnier, (xviii) VS Cognac, (xix) Extract Rhum and (xx) Extract Café, including any industrial product, extract, or derivative product

³ On the basis of a number of voting rights calculated in accordance with the terms of Article 223-11 of the general regulations of the AMF and taking into account the loss of double voting rights attached to the Shares Transferred.

thereof, and more generally all the Cognac products derived from Grand Marnier, in all formulations, product lines, versions and packaging configurations, sold in the name of SPML under the Grand Marnier brand, except certain gastronomic products.

1.1.1.3 Acquisition of blocks by DCM from certain Family Shareholders

Pursuant to the provisions of the Offer Letter, certain Family Shareholders have sold to DCM full ownership of 14 610 and bare ownership of 905 SPML shares and 1,310 SPML shares in usufruct, corresponding to a total of 18,25% of the share capital (jointly the **"Shares Transferred"**). It has been agreed that the transfer of ownership of the Shares Transferred will occur as soon as possible and at the latest 3 business days after the filing of the Offer, in compliance with the terms and conditions of several contracts of assignment dated 14 March 2016 (the **"Contracts of Assignment"**) entered into on the one part between DCM, and on the other part certain members of the Marnier-Lapostolle family (to the level of 7,163 SPML shares in full ownership and 905 SPML shares in bare ownership and 1,310 in usufruct) and certain members of the Coury family (to the level of 7,447 SPML shares) (the **"Sellers"**), at a price per share of € 8,050⁴ increased by any Price Supplement as described in paragraph 2.2 of this draft Offer document.

The Sellers benefit from a tail right (*droit de suite*) (the **"Tail Right"**) which is applicable (i) in the case of increase in the Offer Price (Cum 2015 Final Dividend) under Articles 231-39 or 232-9 of the general regulations of the AMF or an improved offer within the meaning of Article 232-5 of the general regulations of the AMF (jointly the **"Improved Offer"**), if the Improved Offer is successful, (ii) in the event of transfer to a third party at a price higher than the acquisition price of the Shares Transferred, or (iii) in the event of contribution by DCM of all or some of the shares of the Company it holds to a public offering and/or exchange targeting the shares of the Company, filed by a third party at least 5 days before the closing date of the Offer and receiving a positive response (the **"Competing Offer"**). This Tail Right shall only be due if one of the events set out in points (i) to (iii) of the present paragraph occurs during the period between 14 March 2016 and the later of the following three dates:

- closing of the Offer;
- in the event of transfer to a third party, on the last day (inclusive) of the 12th month after 14 March 2016;
- closing of a Competing Offer as defined in point (iii) above.

The sum payable under the Tail Right shall be equal to (A) the positive difference between (x) the price per share set out under the terms of the Improved Offer, the sale to a third party or the Competing Offer (depending on the case), and (y) the unit price of the Shares Transferred, multiplied by (B) the number of Shares Transferred.

Following signing of these Contracts of Assignment, it has been agreed that Mrs Alexandra Marnier Lapostolle and Mr Gilles Coury shall resign from their offices as members of the Management Board of SPML. In compliance with the provisions of the Offer Letter, a representative designated by DCM will be appointed in the capacity of member of the Management Board during the next meeting of the Supervisory Board of SPML.

1.1.1.4 Reciprocal promises (puts and calls)

Pursuant to the provisions of the Offer Letter, on 14 March 2016 DCM entered into puts and calls promises (respectively the **"Puts"** and the **"Calls"**, and jointly the **"Promises"**) with the other Family Shareholders with the exception of the Sellers (the **"Promising Shareholders"**), relating to all SPML shares held on this date by the said Promising Shareholders, *i.e.* 22,612 shares in full ownership, 1,905 shares in bare ownership, *i.e.* 28.84% of the share

⁴ Or for the shares transferred in bare ownership € 6,400 per share increased by the potential Price Supplement as described in paragraph 2.2 of the present draft Offer document, in accordance with the table set out in Article 669 I of the French General Tax Code.

capital, 42.20% of the voting rights in the OGM and 45.76% in the EGM (the “**Shares Under Promise**”).

Save in the stipulated cases of dispensation to the said Promises, the exercising of the Puts and Calls could take place on the specific dates that have been stipulated for each of them (beginning on 14 March 2016 and ending no later, for the last of them, on 28 February 2023). The Promises will be exercised at a price per share of € 8,050 corresponding to the Offer Price (Cum 2015 Final Dividend), increased by any Price Supplement as described in paragraph 2.2 of the draft Offer document.

Furthermore, in order to enable DCM to individually hold at least 50.01% of the share capital and voting rights of SPML at the end of the Offer:

- (i) the Promising Shareholders have irrevocably undertaken to convert to bearer shares, if necessary, a sufficient number of Shares under Promise to enable DCM to hold more than 50.01% of the voting rights of SPML, on the day of publication by the AMF of the provisory results of the Offer, and no later than the date of the publication by the AMF of the final results of the Offer;
- (ii) the Offeror could exercise the Sale Promises early, within the limit of the number of Shares under Promise held respectively by each of the Promising Shareholders and strictly necessary to:
 - enable it to reach the threshold of 50.01% of the share capital of SPML;
 - enable it to reach the threshold of 50.01% of the voting rights of SPML, in the event where the number of Shares under Promise to be converted to bearer shares set out in point (i) above does not prove sufficient.

It is specified that any dividend distributed to a Promising Shareholder by SPML after the date of this act shall be deducted from the amount of the Offer Price (Cum 2015 Final Dividend) having to be paid to it on the date of completion of the transfer of ownership of the SPML shares in question.

Subject to the anticipated exercising the Promises, of the cases of free transfers in accordance with the “respiratory” clause set out in the Shareholders’ Agreement as described in paragraph 1.1.1.6 of this draft Offer document, the Promising Shareholders have irrevocably undertaken not to transfer the Shares under Promise until a period starting the 14 March 2016 ending no later, for the last of them, on 28 February 2023). It is stated in this respect that certain Shares Under Promise are the subject of a collective lock-up agreement, in compliance with the provisions of Article 885 I bis of the French General Tax Code.

In this respect, the Shares Under Promise, which are the subject of these lock-up agreements, have been placed under escrow, which will be maintained throughout the Offer period (subject to any lifting necessary to the early exercising of the Promises set out in points (i) and (ii) above), and the Reopened Offer where applicable.

1.1.1.5 Tender offer in cash

The Promises constitute one of the agreements set out in Article L. 233-9, I 4 of the French Commercial Code, has entailed, owing to the assimilation set out in these provisions, the exceeding by DCM notably of the threshold of 30% of the share capital and voting rights of SPML. Owing to exceeding this threshold, DCM is bound to file an initial public offering targeting the shares of the Company, in compliance with Articles 234-1 and 234-2 of the general regulations of the AMF. DCM has thus undertaken, under the terms of the Offer Letter, to file a draft tender offer on the SPML shares, with the exception of the Shares Under Promise and some Shares Transferred, which are not targeted by the Offer.

The Offer, which was filed by BofA Merrill Lynch, will be undertaken in accordance with the standard procedure (*procédure normale*) and will consequently fall within the provisions of Articles 232-1 and subsequent of the general regulations of the AMF.

Upon closure of the Offer, DCM intends to implement a squeeze-out of the shares not presented for the Offer (except for the Shares Under Promises held by the Promising Sif these represent no more than 5% of the share capital or voting rights of the Company, in compliance with what is indicated in paragraph 1.1.3 of this draft Offer document (the “**Squeeze-Out**”).

1.1.1.6 Shareholders' Agreement

On 14 March 2016, DCM, SPML and the Promising Shareholders entered into a shareholders' agreement applicable in the event of success of the Offer, governing the new governance of the Company and the transfers of SPML shares (the “**Shareholders' Agreement**”). The Shareholders' Agreement constitutes a concerted action between its parties, within the meaning of Article L. 233-10 I of the French Commercial Code.

(i) Stipulations relative to the governance of the Company

So as to ensure the best possible transition linked to the takeover of SPML by DCM, some of the Family Shareholders, present in the share capital for over 150 years, will keep posts within the management of SPML. Thus, in the event of success of the Offer, the composition of the Supervisory Board and that of the Management Board of SPML will be modified in compliance with the provisions set out in the Shareholders' Agreement. This new composition of the Supervisory Board and the Management Board of the Company will be put in place from the date of the publication of results by the AMF indicating that the Offer is successful, and for a period ending in principle on 30 June 2021 (the “**Transitional Period**”).

The Shareholders' Agreement principally sets out the following stipulations in respect of the governance of SPML, applicable during the Transitional Period:

- the Supervisory Board shall be composed of 6 to 18 members, of which at least a majority of two thirds of members will be chosen from among the candidates proposed by DCM. Furthermore, during the Transitional Period, and while the Promising Shareholders jointly hold more than 5% of the share capital of the Company, a representative chosen from among the Promising Shareholders shall be a member of the Supervisory Board (under identical conditions of remuneration to those in force for the financial year having ended on 31 December 2014);
- the Management Board of the Company shall be composed of 5 members, including Mr François de Gasperis, Mr Stéphane Marnier Lapostolle, and 3 members appointed from among the candidates proposed by DCM, Mr François de Gasperis or Mr Stéphane Marnier Lapostolle undertaking to resign from their offices as members of the Management Board on the date on which they jointly hold less than 5% of the shares in the Company⁵. Furthermore, during the Transitional Period and while he has the capacity of member of the Management Board, Mr François de Gasperis, current Chairman of the Management Board of the Company, shall keep his office (without prevailing vote). Certain important decisions of the Management Board⁶, and the regulated agreements

⁵ In the event where Mr François de Gasperis or Mr Stéphane Marnier Lapostolle resigns or ceases his office for any reason, the number of members of the Management Board may be reduced accordingly by the Supervisory Board.

⁶ The decisions submitted for the prior approval of the Supervisory Board are approval of the business plan and the consolidated annual budget of SPML, and any significant operation not presented in the budget; any acquisition, assignment or contribution of assets (or tie-in or partnership of equivalent effect), by SPML or one of its subsidiaries, of a unit value of over € 500,000; any decision relative to the conclusion, renewal, termination or modification of the contracts for distribution of the SPML products; any planned investment by SPML or one of its subsidiaries (or acquisition or creation of subsidiaries by SPML or one of its subsidiaries constituting an investment), of a unit amount of over € 500,000 (in company value); any financing or refinancing operation by SPML or one of its subsidiaries of a unit amount of over € 500,000; any proposed operation on the capital without preferential subscription rights of SPML or one of its subsidiaries; any proposed modification to the articles of association of SPML or one of its principal subsidiaries; any proposed merger, demerger, contribution of all or most of the assets of SPML or one of its subsidiaries; development or acquisition of a company present in a business sector different to those in which SPML participates; the SPML dividend policy; conclusion by SPML of agreements with affiliated parties (shareholders and directors); any conclusion of an agreement entailing or that could entail a conflict of interest between a member of the Management Board or the Supervisory Board on

set out in Article L. 225-86 of the French Commercial Code⁷, must be submitted for the prior approval of the Supervisory Board;

Mr Stéphane Marnier Lapostolle will keep his office of Managing Director of the Company. Furthermore, a member of the Management Board chosen from among the candidates proposed by DCM shall be appointed in the capacity of Managing Director from the start of the Transitional Period, with the mission of managing the application of the Distribution Contract and identifying and implementing the decisions necessary to create synergies between DCM and SPML;

- Mr François de Gasperis and Mr Stéphane Marnier Lapostolle will continue to receive from the Company the same remunerations as those received for the financial year ended the 31 December 2014 (presented in the report on remunerations for the shareholders general meeting of the 23 June 2015);
- each of the Promising Shareholders has undertaken to vote at the General Meetings of Shareholders of the Company in favour of the draft resolutions approved by the Management Board (or, where applicable, by the Supervisory Board), and against any draft resolution that has not been approved by the Management Board (or, where applicable, the Supervisory Board)⁸, except with the express prior agreement of DCM;

The parties to the Shareholders' Agreement have also agreed to withdraw the obligation to deduct an initial dividend equal to 6% of the distributable earnings, currently set out in Article 22 of the articles of association of SPML.

(ii) Stipulations relative to transfers of SPML shares

Each of the Promising Shareholders irrevocably undertakes to DCM not to transfer any of its SPML shares until 1st October 2021 (the "**Lock-up Period**"), with the exception of cases of early exercising of the Promises, certain free transfers (transfers to the benefit of DCM, notably in connection with the exercising of the Promises, transfer within the framework of any asset operation to the benefit of any company controlled either by the said Promising Shareholder or by his ascendants and/or descendants and/or his spouse, transfer by a Promising Shareholder to his spouse or his direct line descendants or ascendants, by inheritance or gift, or exercising by a Promising Shareholder of a "relief clause" pursuant to which the Promising Shareholders may partially exercise the Purchase Promises early to the level of 6% of the share capital of the Company.

(iii) Other specific stipulations

The Promising Shareholders have undertaken, if they are present or represented, to vote, and to ensure that their representatives are present and vote, in favour of all resolutions necessary to implement the Shareholders' Agreement, in all organs of the Company and/or its subsidiaries in which they are authorised to directly or indirectly participate.

the one hand, and the company on the other hand, within the meaning of Articles L. 225-86 and subsequent of the French Commercial Code; any significant modification in the governance and/or organisational structure of the group, including the distribution of tasks within the Management Board; any general remuneration policy within the group and any remuneration of the members of the Management Board; any off-balance sheet commitment of the company exceeding the amounts fixed by the Supervisory Board.

⁷ The Promising Shareholders members of the Supervisory Board undertake to approve the agreements submitted to them in compliance with the procedure set out in Article L. 225-86 of the French Commercial Code, where applicable after opinion of the statutory auditors on the agreements proposed, providing their terms and conditions comply with the corporate interest of SPML.

⁸ Each of the Promising Shareholders undertakes not to request the recording of a point or a draft resolution on the agenda of a General Meeting of Shareholders of the Company without the prior agreement of DCM.

The Shareholders' Agreement also provides specific sanctions in the event of breach of its provisions by one of the parties:

- (i) in the event of breach by one of the Promising Shareholders of any of its essential obligations under the Shareholders' Agreement or the articles of association of SPML, which has not been remedied within a period of 30 days from sending formal document, DCM may exercise early the Sales Promise granted to it by the Promising Shareholder at fault. The following are considered as breaches of an essential obligation:
 - any transfer of SPML shares in breach of the stipulations of the Shareholders' Agreement or the articles of association of SPML;
 - any breach by a Promising Shareholder of any of its commitments to vote in the General Meeting under the Shareholders' Agreement; or
 - any breach by a Promising Shareholder of its obligations with regard to governance of the Company set out in the Shareholders' Agreement.
- (ii) in the event of breach by DCM of any of its essential obligations under the Shareholders' Agreement or the articles of association of SPML which has not been remedied within a period of 30 days from sending formal document, all Promising Shareholders may exercise early the Purchase Promise granted to them by DCM. Any breach by DCM of any of its obligations with regard to the governance of the Company set out by the Shareholders' Agreement is notably considered as a breach of an essential obligation.

The Shareholders' Agreement furthermore stipulates keeping a policy of distribution of dividends of the Company in compliance with that practised over the last 7 years.

1.1.2 Intentions of the Offeror for the next 12 months

1.1.2.1 Continuation of the activity of the Company – expected synergies

The transaction should generate significant cost synergies, principally linked to the use by SPML of the DCM distribution network, and to the geographical proximity of the two companies (present in the United States and Europe), and to the complementary product portfolios. These synergies should mainly derive from savings in supply costs, and a pooling of communication, promotion and marketing costs. These synergies are presumed to be in line with the recent transactions made in the spirits sector.

The management of DCM is perfectly capable of successfully conducting the integration of SPML and the effective implementation of the synergies owing to its experience and its competencies, recently demonstrated within the framework of the acquisition of Appleton Rum.

1.1.2.2 Orientation with regard to employment

The Offer falls within a policy for development of the activities of SPML, in France and the world over. Consequently, DCM intends to protect the working tool of SPML and all companies of its group. Based on the information currently available to DCM, no major restructuring, no major change in operational organisation, and no closure of site operated by SPML or one of its subsidiaries is planned by DCM on the date of filing the draft Offer document.

DCM constructively and continuously dialogues with all its employees and intends to continue this dialogue with the employees of SPML. The representatives of DCM will be available to the central works council of SPML which may wish to talk to them within the framework of the study and analysis of this Offer. The draft Offer document was sent to the central works council of SPML on the date of its filing with the AMF. Furthermore, a copy of the offer document

approved by the AMF will be sent to the central works council of SPML no later than the third day following publication of the Offer document approved by the AMF.

1.1.2.3 Interests for the Company

DCM has demonstrated a long experience in the acquisition and integration of independent brands specialised in top-of-the-range spirits (e.g. Aperol and Wild Turkey) by successfully contributing to their development, without ever compromising their prestigious tradition. DCM is perfectly placed to defend the heritage of the SPML spirits and contribute to the growth in the United States and Europe of its iconic brands, which ideally complete its product portfolio and will benefit from all the support of DCM and its distribution platform.

1.1.2.4 Interests for the Shareholders of the Company

The Offer gives the possibility for the minority shareholders of SPML to benefit from immediate liquidity of their shares at the Offer Price of € 8,050 (Cum 2015 Final Dividend), increased by any Price Supplement as described in paragraph 2.2 of this draft Offer document. It constitutes a real opportunity given the low level of liquidity of the share.

In addition, the Offer Price of € 8,050 (Cum 2015 Final Dividend) shows a premium of 60.4% in comparison to the price of the SPML share at the closure of the last stock market session of 11 March 2016, before suspension of the price on 14 March 2016 before opening of the stock market, on the understanding that the Offer Price (Cum 2015 Final Dividend) and a premium of 126.4% in relation to the lowest price achieved by the SPML share during the last 24 months and 52.9% in relation to the highest price achieved over the last 24 months.

1.1.2.5 Merger – Legal reorganisation

On the date of this draft Offer document, no merger was planned between the Company and the Offeror. DCM has no specific plan for legal reorganisation of SPML.

1.1.2.6 Dividend distribution policy

Notwithstanding the planned modification to Article 22 of the articles of association relative to the first dividend, as mentioned in paragraph 1.1.1.6 of the present draft Offer document, the Shareholders' Agreement stipulates keeping a policy of distribution of dividends of the Company in compliance with that practised over the last 7 years.

1.1.3 Squeeze-Out and delisting from Euronext Paris

1.1.3.1 Squeeze-Out

In accordance with Articles 237-14 *et seq.* of the general regulations of the AMF, in the event where the minority shareholders do not hold, upon closure of the Offer (where applicable the Reopened Offer in compliance with Article 232-4 of the general regulations of the AMF), more than 5% of the share capital or voting rights, the Offeror intends to implement the Squeeze-Out at the end of the Offer within a period of three months from the closing of the Reopened Offer. The shares not tendered to the Offer, except for the Shares Under Promises held by the Promising Shareholders acting in concert with DCM, will be transferred to the Offeror in exchange for payment of compensation equal to the Offer Price (Cum 2015 Final Dividend), increased by any Price Supplement under the terms and conditions set out in paragraph 2.2 of this draft Offer document.

Pursuant to the provisions of Article 261-1 I 1, 2, 4 and II of the general regulations of the AMF, the Supervisory Board of the Company, in a decision adopted the 14 March 2016, on an unanimous basis, appointed the firm Finexsi, represented by Messieurs Olivier Peronnet and Christophe Lambert, as independent financial expert in charge of certifying the fairness of the Offer Price (Cum 2015 Final Dividend) and its acceptability with regard to the Squeeze-

Out. The report of the independent expert will be presented in its entirety in the draft response document of the Company.

A document informing the public of the Squeeze-Out will be published by the Offeror in a journal of legal announcements ("*journal d'annonces légales*", department 75). The amount of the compensation will be paid to a frozen account opened for this purpose with a custody account holder designated in the capacity of centralising agent of the Squeeze-Out compensation operations.

Euroclear France will close the trading code of the SPML shares and the accounts of the affiliates. Euroclear France will issue these affiliates with the statements of balance of their account in SPML shares. The custody account holder, after delivery of the statements of Euroclear France, will credit the depository account holding establishments with the amount of the compensation, which must in turn credit the accounts of the holders of the SPML shares.

The SPML shares will be withdrawn from the regulated Euronext Paris market on the date, fixed by the AMF, on which the Squeeze-Out will be implemented.

In compliance with Article 237-6 of the general regulations of the AMF, the unallocated funds corresponding to the compensation whereby the beneficial owners have remained unknown, will be kept by the custody account holder for a 10 year-period from the date of implementation of the Squeeze-Out, and then, at the end of this period, paid to the *Caisse des Dépôts et Consignations*. The *Caisse des Dépôts et Consignations* will keep the said funds available to their beneficial owners, subject to the thirty-year time limitation period to the benefit of the State.

The additional compensation corresponding to any Price Supplement will be paid to the shareholders of SPML in accordance with the terms set out in paragraph 2.2 of this draft Offer document.

1.1.3.2 Buyout tender offer (offre publique de retrait)

In the event where the Squeeze-Out cannot be implemented under the conditions set out above, the Offeror reserves the right, if it later comes to hold, directly or indirectly, in concert, at least 95% of the voting rights of the Company, to file with the AMF a draft buyout tender offer (*projet d'offre publique de retrait*) followed, in the event where the minority shareholders do not hold more than 5% of the share capital or voting rights at the end of this, by a squeeze-out procedure targeting the shares of the Company, under the conditions of Articles 236-1 and subsequent and 237-1 and subsequent of the general regulations of the AMF.

1.1.3.3 Delisting of the shares of the Company from Euronext Paris

In the event where the Squeeze-Out is not implemented, the Offeror reserves the right to request, on behalf of the Company, the delisting of SPML shares from the regulated market should the conditions set out in the stock market rules adopted by Euronext Paris (Article P 1.4.2 of the non-harmonised rules of Euronext Paris) be met.

1.2 Agreements that may have a significant impact on the assessment of the Offer or its outcome

On the date of this draft Offer document, and with the exception of the agreements mentioned in paragraph 1.1.1 of this draft Offer document, DCM is not party to any agreement that may have a significant impact on the assessment of the Offer or on its outcome, and has no knowledge of any agreement of this type.

2. TERMS AND CHARACTERISTICS OF THE OFFER

2.1 Terms of the Offer

Pursuant to the provisions of Article 231-13 of the general regulations of the AMF, and under the terms of a letter of filing dated 15 March 2016, BofA Merrill Lynch, acting on behalf of DCM, filed this Offer with the AMF in accordance with the standard procedure (*procedure normale*). This Offer targets all SPML shares other than the Shares Transferred to the Offeror pursuant to the Contracts of Assignment or held by the persons acting in concert with it, as indicated in paragraph 2.3 of this draft Offer document, *i.e.* 44,968 SPML shares.

Consequently, the Offeror irrevocably undertakes to the SPML shareholders that it will acquire all SPML shares that are presented to it in connection with the Offer for a period of 25 trading days, at the Offer Price fixed at € 8,050 (Cum 2015 Final Dividend), payable exclusively in cash, together with any Price Supplement.

In the event where SPML undertakes, between the date of filing the Offer firstly and settlement-delivery of the Offer, the Reopened Offer, or the completion of the Squeeze-Out secondly, the detachment or payment of a dividend, an interim dividend, the payment of a final dividend or any other distribution of assets (which is not planned), the Offer Price (Cum 2015 Final Dividend) and the compensation due, where applicable, in connection with the Squeeze-Out shall be reduced by the amount distributed and/or paid for each SPML share. In this respect, in the event of distribution of the 2015 Final Dividend before settlement-delivery of the Offer, the Reopened Offer or completion of the Squeeze-Out, the amount paid for the 2015 Final Dividend will reduce the Offer Price and the compensation due, where applicable, in connection with the Squeeze-Out, depending on the case. It is however specified, if necessary, that the interim dividend of € 50 for the 2015 financial year, submitted for payment on 25 January 2016 by SPML, being prior to filing of the Offer, will not modify the Offer Price and the compensation due, where applicable, within the framework of the Squeeze-Out. It is also specified that the detachment or payment of a dividend, an interim dividend, the balance of a dividend or any other distribution of assets by the Company shall not affect the amount due by DCM under the Price Supplement.

BofA Merrill Lynch, as presenting bank the Offer, guarantees, in compliance with Article 231-13 of the general regulations of the AMF, the content and the irrevocable nature of the undertakings made by DCM in connection with the Offer. This guarantee does not apply to any Price Supplement, payable under the conditions described in paragraph 2.2 of this draft Offer document.

2.2 Price Supplement

2.2.1 Conditions of the Price Supplement

The Offeror undertakes to pay, within the framework of the Offer, a price supplement due in the scenario of the conclusion of the sale of the property asset, the villa "Les Cèdres", located in Saint Jean Cap Ferrat (France), or the assignment of all the share capital in a company whereby the property asset is the only asset (the "**Property Asset**"), no later than 30 June 2021 (the "**Price Supplement**").

The Price Supplement, if any, shall be paid to the Assignors, the Promising Shareholders, and the shareholders contributing their SPML shares within the framework of the Offer or transferring them within the framework of the Squeeze-Out. The amount of the Price Supplement, if any, due to the shareholders of the Company having contributed their SPML shares to the Offer shall thus be equal to the amount of the Price Supplement due to the Assignors and the Promising Shareholders.

In this respect, under the terms of a protocol concluded on 14th march, 2016, a steering committee (the "**Steering Committee**") has been conferred with the mission of initiating and conducting the operation for the disposal of the Property Asset, in close collaboration with the Management Board of SPML. It will be composed at any time of five

voting members, one of whom shall be appointed chairman and of a representative of DCM in an advisory role. The first voting members will be Mr François de Gasperis, Mr Stéphane Marnier Lapostolle, Mrs Alexandra Marnier Lapostolle, Mrs Antoinette Coury and Mr Gilles Coury. The first chairman of the Steering Committee will be appointed at its first meeting. The Steering Committee will have the mission, acting in the best interests of the Company and in the best interest of the shareholders of the Company and of the beneficiaries of the Price Supplement, of initiating and conducting the operation for the disposal of the Property Asset by SPML, with the objective of selling at the highest price and at the earliest possible time as long as it is compatible with the request of the highest possible price (and in any case no later than 30th June, 2021), and of giving its prior agreement to any decision to accept or refuse an offer relative to the Property Asset. As part of its mission, the Steering Committee will be entitled to select one or two professionals of international reputation in order to undertake the disposal of the Property Asset.

In this regard, SPML has committed to enter into an irrevocable mandate to dispose the Property Asset approved by the Steering Committee. More generally, SPML and DCM have committed to accomplish any act needed and DCM has committed in advance for any resolution of the corporate bodies of SPML needed and to accomplish any act by SPML, approved by the Steering Committee in order to carry out the disposal of the Property on the basis of a Net Price, at least equal to the Floor Value (as such terms are defined in the paragraph 2.2.2 of this draft Offer document) which will have been accepted by the Steering Committee.

The Net Price (as such term is defined in the paragraph 2.2.2. of this draft Offer document) will be placed under escrow between the date of receipt of the funds by SPML and the transfer to the account of Credit Agricole Corporate and Investment Bank (or any other entity of its group) (the “**Centralising Agent**”) responsible for making payment of the Price Supplement in accordance with the terms mentioned in paragraph 2.2.3 of this draft Offer document.

2.2.2 Determination of the amount of the Price Supplement

The Price Supplement shall be equal to the difference between (A) the price, net of all intermediary costs (real estate agency or auction company) and of the amount of the corporate tax calculated on the basis of the selling price excluding all the intermediary costs of the Property Asset (the “**Net Price**” and (B) € 80 million (the “**Floor Value**”), with the difference between the values A and B being divided by the total number of shares composing the share capital of SPML on the date of filing the draft Offer (*i.e.* being 85,000 shares).

In the event of a disagreement on the calculation of the Net Price, the Net Price will be calculated by any independent recognized expert which shall be chosen by mutual agreement between DCM, SPML and the Family Shareholders or, failing that, by the President of the Paris Commercial Court ruling in summary proceedings and without any possible recourse upon request of the most diligent party, as a common representative acting under article 1592 of the French civil Code (or his substitute designed in the same conditions in the event of a failure), based on the sale price contained in the deeds of transfer of the Property Asset, without the possibility for the expert to evaluate or modify the selling price of the Property Asset.

The amount of the Price Supplement will consequently be determined in accordance with the following formula:

$$\text{Price Supplement} = (P_{net} - V_p) / n$$

where

“*P_{net}*” refers to the Net Price

“*V_p*” refers to the Floor Value

“*n*” refers to the total number of shares composing the share capital of SPML on the date of filing the draft Offer

2.2.3 **Payment of the Price Supplement**

The Price Supplement shall be paid, for the shareholders having tendered their SPML shares to the Offer or to the Reopened Offer (as defined in paragraph 2.4.4 of the present Offer document), or for the shareholders whose SPML shares have been transferred in connection with the Squeeze-Out, following receipt of the funds resulting from the transfer of the Property Asset. Only the shareholders of the Company having tendered their shares to the Offer or the Reopened Offer (and, where applicable, the shareholders compensated within the framework of the Squeeze-Out) will be entitled to any Price Supplement (the “**Price Supplement Right**”). Conversely, shareholders not having tendered their shares to the Offer or the Reopened Offer will not be entitled to any Price Supplement (save in the case of implementation of the Squeeze-Out). Each Price Supplement Entitlement will make it possible to obtain payment of the Price Supplement calculated in accordance with the formula presented in paragraph 2.2.2 of this draft Offer document. The Price Supplement Right, which shall not be transferable, will be materialised by a financial security (the “**Financial Security**”) which will be admitted for transactions on Euroclear France.

In view of the results of the Offer, the Centralising Agent will create as many Financial Securities as SPML shares tendered to the Offer, will have them admitted for transactions on Euroclear France, and will deliver them to Euronext Paris which, in turn, will deliver them to the financial brokers having tendered SPML shares to the Offer on behalf of their clients. The financial brokers will record the Financial Securities in the share accounts of their clients at the same time as they pay them the Offer Price for each SPML share tendered.

Where applicable, in view of the results of the Reopened Offer, the same process shall apply.

In the event of implementation of the Squeeze-Out, the Centralising Agent, acting as custody account keeper responsible for the compensation procedure, shall create as many Financial Securities as SPML shares to be compensated, shall have them admitted for transactions on Euroclear France, and shall deliver them to the financial brokers in question. The financial brokers will record the Financial Securities in the share accounts of their clients at the same time as they pay them the Offer Price for each SPML share tendered.

Within 30 business days from the date of receipt of the funds resulting from the transfer of the Property Asset, the Offeror shall inform the beneficiaries of the Financial Securities (i.e. (i) the shareholders of the Company having tendered their SPML shares to the Offer or the Reopened Offer, and, where applicable, those whose SPML shares have been transferred within the framework of the Squeeze-Out, or (ii) their legal beneficiaries) thereof by means of a financial document.

The Centralising Agent, acting on behalf of the Offeror, shall pay, on the payment date mentioned in the financial document, the amount of the Price Supplement to the custody account keepers of the beneficiaries of the Financial Securities, in compliance with the terms to be described in a circular sent by the Centralising Agent to the financial brokers via Euroclear France.

The Centralising Agent shall keep the unallocated funds and shall keep them available to the beneficiaries of the Financial Securities and their legal beneficiaries for a period of ten years following the payment date mentioned in the financial document, then will pay them to the *Caisse des Dépôts et Consignations*, which will keep them for a period of twenty years. These funds will not accrue interest.

2.3 Number and nature of the shares targeted by the Offer

DCM:

- has acquired pursuant to the Contracts of Assignment individually 14,610 SPML shares in full ownership, 905 SPML shares in bare ownership and 1,310 SPML shares in usufruct, representing 15,515 voting rights in the EGM, 15,920 voting rights in the OGM, *i.e.* 18.25% of the share capital⁹, 14.48% of the voting rights in the EGM and 14.86% of the voting rights in the OGM of the Company¹⁰;
- holds in accordance with the assimilation set forth in Article L.233-9-I 4 of the French Commercial Code (Shares Under Promises which could be acquired by the Offeror), 22,612 SPML shares in full ownership, 1,905 SPML shares in bare ownership, representing 49,034 voting rights in the EGM and 45,224 voting rights in the OGM, *i.e.* 28.84% of the share capital, 45.76% of the voting rights in the EGM and 42.20% of the voting rights in the OGM of the Company¹¹;

which correspond to, including the assimilated Shares Under Promises and the Shares Transferred, 37,222 SPML shares in full ownership, 2,810 SPML shares in bare ownership and 1,310 in usufruct, representing 64,549 voting rights in the EGM and 61,144 voting rights in the OGM, *i.e.* 47.10% of the share capital, 60.23% of the voting rights in the EGM and 57.06% of the voting rights in the OGM of the Company. DCM does not hold any other SPML shares than the ones above mentioned.

It is specified that DCM acts in concert with the Promising Shareholders within the meaning of Article L.233-10 I of the French Commercial Code. DCM holds in concert with the Promising Shareholders 37,222 SPML shares in full ownership, 2,810 SPML shares in bare ownership and 1,310 in usufruct, representing 64,549 voting rights in the EGM and 61,144 voting rights in the OGM, *i.e.* 47.10% of the share capital, 60.23% of the voting rights in the EGM and 57.06% of the voting rights in the OGM of the Company.

Pursuant to the provisions of the Offer Letter accepted by the Family Shareholders, the Shares under Promise, representing 22,612 SPML shares in full ownership and 1,905 SPML shares in bare ownership, which are the subject of a lock-up agreement under the conditions described in paragraph 1.1.1.4 of this draft Offer document and are placed under escrow throughout the period of the Offer and the Reopened Offer, are not targeted by the Offer and therefore cannot be tendered to the Offer.

Pursuant to the provisions of Article 231-6 of the general regulations of the AMF, the Offer relates to all SPML shares issued by the Company other than the Shares Transferred to the Offeror pursuant to the Contracts of Assignment and those held by the people acting in concert with it, with the exception of the Shares under Promise, being a maximum number of 44,968 SPML shares in full ownership.

To the knowledge of the Offeror, there is no right, capital security or financial instrument that could give access, immediately or in the future, to the share capital or voting rights of the Company.

⁹ Including the bare ownership of 905 SPML shares and excluding the 1,310 SPML shares held in usufruct.

¹⁰ On the basis of a number of voting rights calculated in accordance with the provisions of Article 223-11 of the general regulations of the AMF and taking into account the loss of the double voting rights attached to the Transferred Shares (Art. L. 225-124 of the French Commercial Code).

¹¹ On the basis of a number of voting rights calculated in accordance with the provisions of Article 223-11 of the general regulations of the AMF and taking into account the loss of the double voting rights attached to the Transferred Shares (Art. L. 225-124 of the French Commercial Code).

2.4 Terms of the Offer

The draft Offer document was filed with the AMF on 15 March 2016 by BofA Merrill Lynch, as presenting bank. It was published on the websites of the AMF (www.amf-france.org) and DCM (www.camparigroup.com) and can be obtained free of charge from BofA Merrill Lynch and DCM pursuant to Article 231-16 of the general regulations of the AMF. A press release relative to the terms of the draft Offer was published by the Offeror on 15 March 2016.

The Offer and this draft Offer document remain subject to an examination by the AMF. After its examination, the AMF will publish on its website a conformity decision (*décision de conformité*) on this draft Offer, after having ensured the conformity of this draft Offer with the applicable legal and regulations.

This conformity decision may only be made after filing by DCM of a draft response document, notably including the report of the independent financial expert in compliance with the provisions of Article 261-1 I 1, 2, 4 and II of the general regulations of the AMF, and the opinion of the central works council of SPML, consulted about the draft Offer in compliance with Articles L. 2323-35 and subsequent of the French Labour Code.

Pursuant to the provisions of Article 231-23 of the general regulations of the AMF, the declaration of conformity of the AMF will entail approval of the Offeror's offer document and the response document of SPML.

The offer document thus targeted by the AMF, and the other information relative to the legal, financial and accounting characteristics of the Offeror, will be available on the DCM and AMF websites, and will be available to the public no later than the day preceding opening of the Offer. These documents will also be available free of charge at the registered office of Davide Campari Milano S.p.A and in the premises of the Parisian branch of BofA Merrill Lynch in its capacity of establishment presenting the Offer, and representing DCM for the purposes of providing these documents in France in compliance with Article 231-16 of the general regulations of the AMF. In compliance with the provisions of Articles 231-27 and 231-28 of the general regulations of the AMF, a press release specifying the terms of provision of these documents will be published by the Offeror.

Before opening the Offer, the AMF will publish a document of opening and timeline, and Euronext Paris will publish a document announcing the terms and the timeline of the Offer.

It is planned that the Offer will remain open for an initial period of 25 trading days.

2.4.1 Terms of response to the Offer

The Offer shall be open for a minimum period of 25 trading days. After setting the closing date of the Offer, the AMF may decide to postpone it.

The SPML shares tendered to the Offer must be in full ownership, free of any pledge or lien, and generally must not be the subject of any restriction concerning their transfer of ownership. The Offeror reserves the right to reject all SPML shares tendered to the Offer which do not respect these conditions.

In compliance with the terms of Article 232-2 of the general regulations of the AMF, orders tendering of the SPML shares to the Offer may be revoked at any time, up to and including the closing date of the Offer, date beyond which they will be irrevocable.

The SPML shareholders registered in account in the pure registered form (*nominatif pur*), and who wish to tender their shares to the Offer, must send their instructions to SPML, until the closing date of the Offer at the very latest.

The SPML shareholders willing to tender their shares under the conditions proposed within the framework of the Offer must provide their financial intermediary with an instruction to tender to the Offer, in accordance with the terms specific to their financial intermediary, no later than the closing date of the Offer. The financial intermediary, no later than the

date indicated in the notice published by Euronext Paris, must transfer to Euronext Paris the SPML shares for which they have received an instruction to tender to the Offer. Euronext Paris will centralise all instructions to tender to the Offer and determine its results.

2.4.2 Coverage of the costs of the shareholders tendering their shares to the Offer

No costs shall be reimbursed and no commission shall be paid by DCM to any broker of the SPML shareholders or to any person tendering SPML shares to the Offer.

2.4.3 Publication of the Offer results and settlement-delivery

The AMF shall be responsible for publishing the results of the Offer. This publication will be made no later than 9 trading days after closure of the Offer. A notice published by Euronext Paris will indicate the date of settlement-delivery of the Offer.

It is specified that no interest shall be due to people having tendered their SPML shares to the Offer for the period between contribution of the said SPML shares to the Offer and the date of settlement-delivery of the Offer.

Settlement-delivery of the operations will take place after centralisation by Euronext Paris of the SPML shares tendered to the Offer.

2.4.4 Reopening of the Offer

Except in the case where the Offeror implements the Squeeze-Out within 10 trading days of publication of the results of the Offer, the Offer will be automatically re-opened during 10 trading days following the publication of the final result of the Offer, if the Offer is successful (the “**Reopened Offer**”). The terms of the Reopened Offer will be identical to those of the initial Offer.

The AMF will publish a timetable for the Reopened Offer. The Reopened Offer will have a minimum duration of 10 trading days.

The orders for contribution of SPML shares to the Reopened Offer may be revoked at any time up to and including the closing date of the Reopened Offer, date beyond which they will be irrevocable.

2.4.5 Transactions of the Offeror on the shares of the Company during the Offer period

The Offeror reserves its right to acquire SPML shares, in accordance with and within the limits of Article 231-38 V of the general regulations of the AMF, between the publication by the AMF of the principal characteristics of the draft Offer and the opening of the Offer. Pursuant to the applicable legislation, these acquisitions, which must be implemented at the Offer Price, may not account for a number of shares greater in excess of 850, insofar as these acquisitions must not lead the Offeror to exceed, alone or in concert, the thresholds set out in Articles 234-2 and 234-5 of the general regulations of the AMF.

It is also stated that between the closing date of the Offer and the date of publication of the results of the Offer, the Offeror is authorised to acquire shares of the Company at a price that may not be higher than the Offer Price.

2.5 Conditions of the Offer

Pursuant to the provisions of Article 231-9 I of the general regulations of the AMF, the Offer will be invalid if, on the date of its closure, the Offeror does not hold a number of SPML shares representing at least 50% of the share capital or voting rights, calculated in accordance with Article 234-1 of the general regulations of the AMF (the “**Caducity Threshold**”).

For the purposes of calculating the Caducity Threshold, all shares tendered to the Offer will be included, even when they have not yet been delivered to Euronext Paris.

The Caducity Threshold corresponds on the date of filing the draft Offer, and on the basis of the information available as of 15 March 2016, to 42,500 shares or 53,582 voting rights of SPML. Taking into account the Shares Transferred and the Shares Under Promise assimilated to the shares held by DCM, DCM shall hold, prior to the opening of the Offer, a total of 37,222 SPML shares in full ownership, 2,810 SPML shares in bare ownership and 1,310 in usufruct representing 64,549 of voting rights in the EGM, 61,144 of the voting rights in the OGM of the Company, and consequently shall already have reached the Caducity Threshold prior to the opening of the Offer.

2.6 Indicative timeline of the Offer

15 March 2016	Publication of the 2015 SPML results
15 March 2016	Filing of the draft Offer with the AMF and publication of the draft Offer document of DCM
5 April 2016	Filing with the AMF of the draft response document of the Company including the report of the independent expert, and making the draft reply document available to the public
12 April 2016	AMF's conformity decision (<i>décision de conformité</i>) on the Offer with approval (<i>visa</i>) of the offer document of DCM and approval of the reply document of SPML
13 April 2016	Making available to the public and publishing it on the AMF website (www.amf-france.org) (i) of the offer document of DCM and the reply document of SPML specified by the AMF, and (ii) of the "Other Information" documents relative to the legal, accounting and financial characteristics of DCM and SPML
13 April 2016	Press releases on the terms of provision of the documents of DCM and SPML and the "Other Information" documents
14 April 2016	Opening of the Offer
18 May 2016 (inclusive)	Closing of the Offer
24 May 2016	Publication by the AMF of the Offer results
June 2016	In case of success of the Offer, opening of the Reopened Offer

The dates of opening, closing and publication of the results of the Offer shall be published by the AMF. During the Offer period, the AMF may postpone the closing date of the Offer.

2.7 Restrictions concerning the Offer overseas

The Offer is made exclusively in **France**.

This draft Offer document is not intended to be distributed in countries other than France. The Offer is not the subject of any registration or approval outside of France. Holders of SPML shares outside of France cannot participate in the Offer, save where the local law to which they are subject allows them to do so.

The publication and distribution of this draft Offer document, the Offer, the acceptance of the Offer, and the delivery of the SPML shares can, in some countries, be the subject of specific legislation or restrictions. The Offer will not be sent to the people subject to such restrictions, whether directly or indirectly, and cannot be accepted from a country where the Offer would be subject to such restrictions. People in possession of this draft Offer document are bound to research any applicable local restrictions and to comply therewith. The Offeror cannot be held liable for any breach of these restrictions by anybody.

This draft Offer document and the other documents relative to the Offer will not constitute an offer of sale or canvassing or an offer of purchase of securities in any other country in which such offer or canvassing is illegal.

Notably concerning the **United States**, it is specified that the Offer is not made, directly or indirectly, in the United States or to people having residence in the United States or “US persons” (within the meaning of Regulation S pursuant to the US Securities Act 1993 as amended), and no acceptance of this Offer may originate from the United States. Consequently, no example or copy of this draft Offer document, and no other document relative to this draft Offer document or the Offer, may be sent by post or communicated or distributed by any intermediary or any other person in the United States in any way whatsoever. Any shareholder of the Company contributing his shares to the Offer will be considered to have declared that he is not a person having residence in the United States or a “US person”, or an agent or a representative acting on instruction of its principal other than a principal having communicated his instructions outside the United States, (ii) that he has not received in the United States a copy of the present draft Offer document, or any other document related to the Offer and that he has not sent these documents to the United States and (iii) that he has neither accepted the Offer nor delivered an instruction to tender shares from the United States. Any acceptance of the Offer that may be assumed as breaching these restrictions and declarations above will be null and void. For the purposes of this paragraph, “United States” shall mean the United States of America, their territories and possessions, or any one of these States, and the District of Columbia.

2.8 Tax regime of the Offer

The following provisions summarise the tax consequences applicable to the shareholders of the Company. This presentation is founded on the French legal provisions and the legislation currently in force, and therefore may be affected by any changes made to the applicable French legislative tax provisions and their interpretation by the French tax authorities, which may be accompanied by a retroactive effect or apply to the year or financial year underway.

Shareholders are reminded that this information only constitutes a simple summary of the applicable tax regime, and that their particular situation must be analysed with their usual tax advisor (particularly with regard to the consequences that a contribution to the Offer could have with regard to wealth solidarity tax or free of charge transfer duties).

People not having their tax residence in France must comply with the tax legislation in force in their State of residence, and where applicable the provisions of the tax agreement signed between France and this State.

2.8.1 Private individual shareholders having their residence in France acting in the context of the management of their private assets and not usually undertaking stock market operations

The following provisions summarise the French tax consequences that may apply to private individuals not undertaking stock market operations under conditions similar to those characterising an activity exercised by a person undertaking this type of operation on a professional basis, and not holding shares acquired within the framework of a company or group savings plan or under a stock option or share subscription plan or awarding of free shares. Private individuals conducting such operations or who hold shares derived from a staff incentive or salary savings plan are asked to check the taxation applying to their particular case with their usual tax advisor.

2.8.1.1 General case

In compliance with Articles 150 0-A and subsequent and 200 A of the French General Tax Code (“**GTC**”), the net capital gains from assignment of shares of the Company generated by private individuals within the framework of the contribution of shares to the Offer, equal to the difference between the Offer Price and the price or value of acquisition of the shares of the Company tendered to the Offer, are taxable at the progressive income tax scale, after an allowance for duration of holding (Article 150-0 D of the GTC) counted, save in the case of exceptions, from the date of subscription or acquisition of the shares and equal to:

- 50% of their amount when the shares have been held for at least two years and less than eight years on the date of assignment;

- 65% of their amount when the shares have been held for at least eight years on the date of assignment.

The private individuals holding carried forward net capital losses or making a net capital loss when contributing their shares to the Offer are asked to contact their usual tax advisor in order to determine the tax regime applicable to their specific situation.

Where applicable, the contribution of Shares to the Offer shall have the effect of terminating any deferral or suspension of taxation that may have benefited the shareholders within the framework of prior operations owing to the same shares tendered to the Offer.

The Price Supplement referred to in paragraph 2.2.1 of the draft Offer document which does not result from an indexation in connection with the business of the Company is taxable according to the capital gains regime above mentioned for the year of contribution to the Offer for the estimated amount and according to general law (i.e. with the benefit of the deduction for the duration of holding) for the year of payment as regard the supplement. The private individual who are willing to tender their shares to the Offer are asked to contact their usual tax advisor in order to determine the tax regime applicable to this Supplement Price.

The net capital gains from assignment of shares undertaken by private individuals within the framework of the contribution of shares to the Offer also give rise to the social deductions listed hereunder, calculated on the capital gain generated before application of the allowances mentioned above, at the total rate of 15.5%:

- the general social contribution (“**CSG**”) at the rate of 8.2%;
- the contribution for reimbursement of the social debt (“**CRDS**”) at the rate of 0.5%;
- the social deduction and its additional contribution of 4.8%; and
- the solidarity deduction to the level of 2%.

Apart from the CSG, deductible to the level of 5.1% from the total taxable income for the year of its payment, these social deductions are not deductible from the taxable income.

2.8.1.2 Exceptional contribution on high income

Article 223 sexies of the GTC institutes an exceptional contribution payable by taxpayers liable to income tax whose reference tax income exceeds certain limits. This contribution is calculated on the basis of the following rates:

- 3% on the fraction of reference tax income greater than € 250,000 and less than or equal to € 500,000 for taxpayers who are single, widowed, separated or divorced, and the fraction of the reference tax income greater than € 500,000 and less than or equal to € 1,000,000 for taxpayers subject to joint taxation; and
- 4% on the fraction of reference tax income greater than € 500,000 for taxpayers who are single, widowed, separated or divorced, and the fraction of reference tax income greater than € 1,000,000 for taxpayers subject to joint taxation.

The reference tax income of the tax household mentioned above is defined in compliance with the provisions of point 1 of IV of Article 1417 of the GTC, without applying the rules of quotient defined in Article 163-0 A of the GTC. The reference income targeted notably comprises the gains net of assignment of securities made by the taxpayers in question, before application of the allowance for duration of holding.

2.8.1.3 Share Saving Plan (SSP)

The shares of the Company constitute assets eligible for the SSP.

Under certain conditions, the SSP gives entitlement:

- (i) throughout the duration of the SSP, to exemption from income tax and social deductions for the income and net capital gains generated by the investments made in the SSP, providing notably this income and these capital gains are kept in the SSP, and
- (ii) at the time of closure of the SSP (if this happens more than five years after opening of the SSP, including at the time of a partial withdrawal taking place after five years and before eight years), or at the time of a partial withdrawal (if this takes place more than eight years after the date of opening of the SSP), to an exemption from income tax at the rate of the net gain generated since opening of the plan. However, the said net capital gain remains subject to the social deductions described above, at a total rate that may vary depending on the date on which this gain was acquired or recorded.

Special provisions, not described within the framework of this draft Offer document, apply in the event of generating capital losses, closure of the plan before expiry of the fifth year after opening of the SSP, or in the event of exit from the SSP in the form of annuity. The people concerned are asked to contact their tax advisor on this matter.

Concerning the Supplement Price, it is to be noted that the tax administration has only considered (distinguishing whether the SSP is opened at the date of transfer of the Supplement Price) the tax treatment of supplement prices resulting from an indexation in connection with the business of the company, which is not the case of the Supplement Price. The private individuals holding their shares in a SSP and willing to contribute their shares to the Offer are asked to contact their usual tax advisor in order to evaluate the consequences of a contribution to the Offer on their SSP and the tax regime applicable to the contribution to the Offer and of this Supplement Price.

2.8.2 Corporate entity shareholders resident in France for tax purposes and liable to pay corporate income tax, and for which the shares of the Company do not have the nature of equity securities (or similar securities)

The net capital gains generated at the time of assignment of the shares of the Company within the framework of the Offer, equal to the difference between the Offer Price and the price or the value of acquisition of the shares of the Company tendered to the Offer, are generally included in the earnings for this financial year subject to corporate income tax at the common law rate of 33 1/3%, increased, where applicable, by a social contribution equal to 3.3% of the amount of the corporate income tax reduced by an allowance that may not exceed 763,000 euros per twelve-month period (Article 235 ter ZC of the French General Tax Code). Furthermore, people liable to pay corporate income tax generating a turnover exceeding 250,000,000 euros are subject to an exceptional contribution of 10.7% of the corporate income tax due (determined before imputation of reductions and tax credits and the tax claims of any nature) for the financial years from 31 December 2011 and up to 30 December 2015 (Article 235 ter ZAA of the GTC).

It should be noted that certain corporate entities may, under the conditions set out in Articles 219-I b and 235 ter ZC of the GTC (tax-exclusive turnover less than 7,630,000 euros and share capital, fully paid-up, held continuously at the level of at least 75% during the tax year in question by private individuals or by companies themselves fulfilling these conditions), benefit from a reduction in the corporate income tax rate fixed at 15% within the limit of 38,120 euros taxable earnings per twelve-month period. These companies are furthermore exempt from the additional contributions of 3.3% and 10.7% mentioned above.

It is furthermore specified that the contribution of shares to the Offer may have the effect of putting an end to any deferral or suspension of taxation from which the corporate entity shareholders may have benefited within the framework of prior operations.

The capital losses generated upon assignment of shares of the Company within the framework of the Offer shall in principle be deducted from the earnings subject to corporate income tax of the corporate entity.

The Supplement Price referred to in paragraph 2.2.1 of the draft Offer document which does not result from an indexation in connection with the business of the Company is taxable according to the capital gains regime above mentioned for the year of contribution to the Offer for the estimated amount and according to general law for the year of payment as regard the supplement. The private individuals willing to tender their shares to the Offer are asked to contact their usual tax advisor in order to determine the tax regime applicable to this Supplement Price.

Corporate entities whose shares of the Company have the nature of equity securities (or similar securities registered in a special sub-account “securities pertaining to the long-term capital gains scheme”) are asked to contact their usual tax advisor in order to determine the tax regime applicable to their specific situation.

2.8.3 Shareholders whose tax residence is outside of France

Generally, and subject to the provisions of any applicable international tax conventions, capital gains generated at the time of assignments for a valuable consideration of shares undertaken by people not domiciled in France for tax purposes within the meaning of Article 4B of the GTC, or whose registered office is based outside of France, benefit from exemption from taxes in France, providing:

- the said capital gains cannot be attached to company activity exercised in a stable establishment or fixed base subject to tax in France; and
- the assigning person has not at any time held, directly or indirectly, alone or with his spouse, his ascendants or his descendants, or the ascendants or descendants of his spouse, a stake representing more than 25% of the rights in the corporate earnings of the Company at any time during the five years preceding the assignment.

When capital gains are generated by people or organisations domiciled, established or constituted outside of France, in a non-cooperative State or territory within the meaning of Article 238-0 A of the GTC. In this latter case, irrespective of the percentage of rights held in the profits of the Company, the capital gains are taxed at the fixed rate of 75%. The list of non-cooperative States or territories is published by ministerial ruling and may be updated annually.

Generally, shareholders not resident in France for tax purposes must contact their usual tax advisor notably in order to take into consideration the taxation regime applicable in their country of tax residence. The transfer of shares in connection with the Offer will have the effect of putting an end to any suspension of payment from which private individuals subject to the “exit tax” system provided by the provisions of Article 1678 bis of the GTC may benefit, upon transfer of their tax residence outside of France. The people in question are asked to contact their usual tax advisor.

2.8.4 Other shareholders

The shareholders of the Company subject to a tax regime other than those set out above, and who participate in the Offer, notably taxpayers whose operations relating to securities exceed simple portfolio management or who have recorded their securities on the assets of their commercial balance sheet, private individuals having acquired their shares in the context of a staff incentive or salary savings scheme, or corporate entities subject to corporate income tax for which the shares of the Company have the nature of equity securities or similar securities, must contact their usual tax advisor to find out the tax regime applicable to their specific case.

2.8.5 Registration fees or tax on financial transactions

In compliance with Article 726 of the GTC, no registration duty is payable in France for the assignment of shares of a listed company with its registered office in France, unless the assignment is recorded by an act signed in France or overseas. In this latter case, the assignment of the shares is subject to a transfer duty at the proportional rate of 0.1% based on the highest of the price of assignment or the true value of the securities, subject to certain exceptions set out in point II of Article 726 of the GTC. Pursuant to Article 1712 of the GTC, the registration duties that may be due in the event where the assignment is recorded by an act will be payable by the assignee (unless contractually stipulated otherwise). However, pursuant to Articles 1705 and subsequent of the GTC, all parties to the act will be jointly and severally bound to pay the duties to the tax authorities.

The operations on the shares of the Company undertaken in 2016 will not be subject to the tax on financial transactions set out in Article 235 ter ZD of the GTC when the stock market capitalisation of the Company does not exceed one billion euros as of 1st December 2015. Any applicability of the tax on financial transactions to assignments of shares which are undertaken in later years will depend on the stock market capitalisation of the Company as of 1st December of the year preceding the year of taxation.

2.9 Financing of the Offer

2.9.1 Costs linked to the Offer

The total amount of all external costs, fees and expenses incurred by the Offeror in connection with the transaction and this Offer, including the fees and costs of its financial, legal and accounts advisors, and the costs of publication, is estimated at a maximum amount of € 7 million (including all taxes).

2.9.2 Method of financing the Offer

On the basis of an Offer Price of € 8,050 per share (Cum 2015 Final Dividend), excluding the Price Supplement in the event where all shares targeted by the Offer were tendered to the Offer, the acquisition of all SPML shares would represent a maximum amount of around € 362 million (excluding various costs and commissions).

The Offer is financed out of the equity of the Offeror.

3. ELEMENTS OF APPRAISAL OF THE OFFER PRICE

The appraisal of the Offer price was performed by Bank of America Merrill Lynch, sponsoring institution, on behalf of the Initiator. The Offer price has been appraised using a multi-criteria valuation of the company, which is supported by the customary valuation methods in regards to SPML's characteristics, notably the size of the company and the industry it operates in. The appraisal below has been established based on SPML's publicly available information and DCM's assumptions, which have not been subject to any independent audit from the presenting institution.

3.1. Financial data used as basis for the appraisal

3.1.1. *Financial data and forecasts*

The financial data and forecasts used as basis for the offer price appraisal are sourced from (i) SPML publicly available accounts, in particular SPML's consolidated audited accounts for the financial year ended 31 December 2014 and the half-year ended 30 June 2015, (ii) the financial press release on 2015 annual accounts published by SPML on 15 March 2016, and (iii) the financial projections prepared by the Initiator for 2016-2020.

To be noted that for the purpose of this exercise and in the absence of a business plan provided by SPML or any available equity research financial forecasts, DCM has prepared the financial projections of SPML on a standalone basis. Such estimates are supported by a review of SPML historical financial performance and DCM strong business knowledge with respect to the outlook of the Spirits and Wine industry:

- The financial forecasts assume a continuity in current operations, notably in terms of products, cost structure, marketing expenses and distribution policy;
- The financial forecasts exclude the impact of the foreseen sale of the Real Estate Asset located in Saint-Jean-Cap-Ferrat, which is subject to a separate earn-out, as defined in section 2.2 of the present Offer document. As such the financial forecasts only account for the Spirits & Wine business and all related assets and liabilities necessary for such business.

DCM favoured a "top-down" approach to the business plan which was underpinned by the following key assumptions:

- SPML revenues assumed to grow at 4% p.a. between 2016 and 2020 at constant FX rates. This is based on DCM's professional judgement applied to the business divisions of SPML, underpinned by the following data points:
 - SPML revenue growth has been flat since 2007 and negative by 2% p.a on average on a constant FX basis¹²;
 - However, the market outlook is largely positive for the Liquor segment which accounts for the majority of SPML revenues¹³;
 - Such Liquor segment is expected to grow on average by 5.4% p.a by 2019 as per Euromonitor 2015 forecast data (at current price, weighted by SPML geographic 2015 revenue breakdown).
- EBIT margin for SPML assumed to remain flat at 17.0% between 2016 and 2020 on a consolidated basis, in line with 2015 level;
- Depreciation and amortisation ("D&A") assumed flat as percentage of sales at 2015 level (3.0%) over 2016-2020;

¹² Excluding revenue from Services.

¹³ 87% of SPML revenues excluding Services in 2015.

- Capex assumed to trend towards 2020 D&A as % of Sales level (3.0%) over 2016-2020;
- Net Working Capital assumed flat as percentage of sales at 2014 level (54.7%) over 2015-2020;
- Tax rate of 34.43% based on 33.33% rate as applicable under French common law incremented by the social contribution of 3.3% on corporate tax.

3.1.2. Enterprise value to equity value bridge as of 31 December 2015

The enterprise value to equity value bridge is based on the financial press release on 2015 annual accounts published by SPML on 15 March 2016¹⁴:

- Net Financial debt: (28.1) million euros, pro forma for the SPML 2015 interim dividend paid on 25 January 2016¹⁵;
- Minority interests: 0.6 million euros;
- Pensions and other employees benefits liabilities: 18.0 million euros (net of the associated deferred tax assets);
- **Total adjustments: (9.5) millions euros.**

The Offer price of €8,050 per share (cum 2015 final dividend) embeds a Floor Value of 80 million euros for the Real Estate Asset, equivalent to €974 per share. However the financial forecasts which support the appraisal only account for the Spirits & Wine business of SPML and do not reflect the value of the Real Estate Asset. Such value is therefore accounted for as an incremental 80 million euros asset value when appraising the Equity Value of SPML. This value is however illustrative, representing the floor agreed between the Family Shareholders and DCM. The disposal of the Real Estate Asset at this net price remains nevertheless uncertain. A value of the Real Estate Asset lower than the floor would result in a lower valuation of SPML's equity and therefore higher implied premia offered by DCM (when the valuation methodology requires an adjustment for the Real Estate Asset). In the case of net disposal price higher than the floor, the excess would be full distributed to the selling shareholders through the Earn-Out mechanism.

3.1.3. Number of shares

The number of shares retained for the purpose of the valuation is 82,125, based on the total number of shares issued of 85,000, less 2,875 treasury shares¹⁶, as of 31 December 2015, and in absence of any dilutive instruments.

3.2. Valuation methods and references retained

To support the multi-criteria valuation of the company, the following key methods have been retained:

- Reference to the acquisition by DCM of a block of shares representing 18.25% of SPML's share capital from Family Shareholders as mentioned in section 1.1.1.3;

¹⁴ Except pension and other employee benefits liabilities as per SPML consolidated accounts as of 31 December 2014

¹⁵ Interim dividend for year ending 31 December 2015 paid on 25 January 2016 of 50 euros per share, implying a total amount of 4.2 million euros including 3% tax withholding on dividends paid.

¹⁶ Of which 2,475 directly owned and 400 held through SPML's subsidiary, Marnier Lapostolle Inc.

- Trading multiples of comparable companies;
- Comparable Mergers and Acquisitions (“M&A”) transactions;
- Discounted cash flows (“DCF”).

3.2.1. Valuation based on trading multiples of comparable companies

This analogical method consists in applying to SPML’s financials the multiples observed for public companies which are comparable in terms of activity, markets and size.

Comparable companies chosen are listed spirits companies producing western-style spirits brands sold predominantly in Western Europe and the US, where the majority of SPML product volumes are sold. The first five listed below are international players with a diversified portfolio across spirits categories as well as geographies, while the last two are regional players with a multi-category portfolio but less geographic diversification.

Although none of the retained sample is directly similar to SPML, the companies included were chosen because they are publicly traded companies with financial and operating characteristics that, for the purposes of analysis, may be considered similar to those of SPML. Also, it is noticeable that SPML is a smaller size player in an industry where comparable players benefit from a broader geographical footprint and a larger portfolio of brands.

- Brown Forman: American group headquartered in Kentucky and listed in the NYSE. Generates most of its revenues from the Jack Daniels whiskey brand and also produces other whiskeys (Early Times, Slane Castle), vodka, tequila and liqueurs, under brand names such as Finlandia, Canadian Mist, Chambord and Herradura;
- Rémy Cointreau: French group listed in Paris, involved in the production of premium cognac, liqueurs and spirits with brands such as Rémy Martin, Cointreau, Metaxa, St. Remy, Passoa, Mount Gay and Bruichladdich;
- Diageo: British group, listed in the NYSE, London and Dublin. World’s largest producer of spirits and a major producer of beer and wine with brands as diversified as Guinness, Smirnoff, Johnnie Walker, Baileys, Captain Morgan, Crown Royal, Tanqueray, J&B and Buchanan’s;
- Pernod Ricard: French group, listed in Paris. Second world’s largest producer of alcoholic beverages and spirits with brands such as Absolut, G.H.Mumm, Ricard, Jameson, Martell, Ballantine’s, Royal Stag and Chivas Regal;
- Campari¹⁷: Italian group, listed in Milan and involved in manufacturing and distributing spirits, wine and non-alcoholic beverages. Brand portfolio notably includes Aperol, Appleton, Campari, SKYY Vodka, Wild Turkey, Dreher, Frangelico and Carolans;
- Stock Spirits Group: UK-based group listed on the LSE. Engages in the distillation of Spirits and liqueurs with major end-markets in Central and Eastern Europe. Brand portfolio includes Zoladkova de Luxe, Zoladkova Gorzka, Lubelska, 1906 vodka, Stock 84 brandy, Fernet Stock bitter, Keglevich vodka;
- Lucas Bols: Dutch manufacturer of Spirits and Wine, listed in Amsterdam. Main brands include Bols liqueurs, Bols Genever, Damrak, Galliano, Vacarri, and Pisang Ambon.

The retained multiples are enterprise value (“EV”) over Sales (“EV/Sales”) and over EBITDA (“EV/EBITDA”). These multiples are commonly used for valuation purpose by investors and research analysts in this sector. It is however to

¹⁷ Initiator of the present Offer.

be noted that EV/Sales multiples are highly correlated to EBITDA margins, hence explaining the wide range of multiples for the selected comparable companies.

The below table displays the median of the selected trading multiples based on:

- Market data as of 11 March 2016 for the selected sample of comparable companies;
- 2016E forecasts of Sales and EBITDA sourced from Factset consensus, calendarized to reflect a fiscal year ending 31 December for comparison purposes.

Company	Equity Value (€m)	Enterprise Value (€m)	EV/Sales 2016E	EV/EBITDA 2016E
Brown-Forman	18,338	19,278	7.05x	19.5x
Rémy Cointreau	3,131	3,605	3.36x	17.0x
Diageo	61,051	75,878	5.47x	15.7x
Pernod Ricard	26,762	36,393	4.08x	14.1x
Campari	4,674	5,504	3.31x	14.1x
Stock Spirits Group Plc	375	591	2.16x	11.3x
Lucas Bols	253	307	3.73x	13.1x
Median			3.73x	14.1x
Implied SPML EV			589	444
Less: EV to Equity Value adjustments			9	9
Plus: €80m adjustment for real estate earn-out floor			80	80
Implied SPML Equity Value			679	533
Implied Share Price			8,265	6,490
Offer price premium / (discount) vs. implied valuation			(2.6%)	+24.0%

Source: Company information, Factset as of 11 March 2016

The Offer price per share of €8,050 (*cum 2015 final dividend*) represents a premium/(discount) between (2.6%) and +24.0% depending on the reference metric observed.

3.2.2. Valuation based on comparable M&A transactions

This method based on comparable M&A transactions consists in applying to SPML's financial metrics the multiples observed in a sample of recent transactions that occurred in the same business sector. Such transactions can reflect a control premium for a majority stake acquisition in the target.

The difficulty of this method lies in the selection of transactions to use as reference for valuation while a few considerations could undermine their relevance:

- Quality and reliability of the financial metrics vary considerably from one transaction to another, depending on the status of company bought-out (listed, private or group's subsidiary) and on the level of confidentiality of the transaction;
- The acquired company cannot be perfectly comparable to SPML due to differences in size, positioning, geographic footprint, profitability and growth perspectives;

- The strategic rationale of a transaction could differ, and the price paid might include a premium which is more or less important as a consequence.

For the purpose of the Offer price appraisal, the selected sample includes 8 transactions carried-out between 2009 and 2014:

- Whyte & MacKay: Distiller and blender of Scotch whiskey and other spirits, previously held by the Diageo-controlled spirits group United Spirits. Main brands include Whyte & Mackay, The Dalmore premium single malt, Jura single malt.
 - *Most recent aged spirits transaction with publicly disclosed EV/Sales and EV/EBITDA metrics in the \$250m-\$1bn Enterprise Value range.*
- Forty Creek Distillery: Privately held Canadian distiller of whiskey and other spirits. Main brands include Forty Creek and Canada Gold (whiskey and liqueurs) and Prince Igor (vodka).
 - *Most recent acquisition undertaken by Campari for privately-controlled premium aged spirits producer.*
- Beam: American manufacturer of distilled spirits listed on the NYSE. Its brands include Jim Beam, Maker's Mark, Laphroaig (whiskey), Courvoisier (cognac) and Sauza (tequila).
 - *Recent sizeable spirits deal with significant focus on premium aged spirits, including premium French cognac (Courvoisier) and liqueurs (De Kuyper).*
- Thomas Hine: French distiller of cognac and other spirits, and owner of the 296 acre Domaine Hine in Cognac, owned by Trinidad & Tobago-based CL Financial.
 - *Recent aged spirits transaction in France in the cognac segment.*
- Burn Stewart Distillers: distiller and blender of Scotch whiskey owned by Angostura Ltd and Trinidad & Tobago-based CL Financial. Main brands include Tobermory and Black Bottle.
 - *Recent mid-size aged spirits transaction.*
- United Spirits: Indian spirits group controlled by United Breweries, with interests in Indian whiskey, Scotch Whiskey and other spirits. Main brands include Baggpiper, Royal Challenge and McDowell No.1 (Indian whiskey), Whyte & Mackay, The Dalmore premium single malt, Jura single malt (Scotch whiskey), Romanov, Celebration, Honey Bee (Other).
 - *Recent sizeable spirits transaction with significant focus on aged spirits, including premium Whiskey (The Dalmore).*
- Appleton Rum: Manufacturer of Jamaican Rum, part of the Lascelles de Mercado holding company listed in Jamaica. Main brands include Appleton Estate premium rum, Wray & Nephew and Coruba and are mainly sold in the US and Europe.
 - *Recent sizeable premium aged spirits transaction undertaken by Campari in the \$250m-\$1bn Enterprise Value range.*
- Bruichladdich: independent premium Scotch Whiskey distillery marketing its products under the Bruichladdich brand.
 - *Recent acquisition of privately-controlled premium aged spirit producer.*
- C&C Spirits & Liqueurs: Division of C&C Group, Irish alcoholic beverage group with interests in cider, beer, spirits and liqueurs. Main brands include Tullamore Dew, Frangelico, Carolans and Irish Mist.
 - *Recent transaction in the liqueurs segment in the \$250m-\$1bn Enterprise Value range.*

- Wild Turkey: premium Kentucky bourbon whiskey distiller owned by Pernod Ricard. Main brands include Wild Turkey (whiskey), American Honey (liqueur) and are mainly sold in the US and Europe.
 - *Sizeable acquisition undertaken by Campari for premium aged spirits producer in the \$250m-\$1bn Enterprise Value range.*

The below table displays the median of the selected transaction multiples which in those instances have been calculated based on the financials of the last twelve months preceding the transaction (here after “LTM”) or the latest disclosed estimate.

Date of Announcement	Acquiror	Target	Enterprise Value (\$m)	Segment	LTM EV/Sales	LTM EV/EBITDA
May-14	Emperador	Whyte & MacKay	729	Whisky	2.6x	19.3x
Mar-14	Campari	Forty Creek	167	Whiskey	4.7x	14.5x
Jan-14	Suntory	Beam	16,000	Whiskey/Liqueur	6.3x	20.3x
Sep-13	EDV	Thomas Hine	68	Cognac	3.4x	17.7x
Apr-13	Distell Group	Burn Stewart Distillers	246	Whisky	2.7x	19.8x
Nov-12	Diageo	United Spirits	5,322	Whisky/Other	3.2x	20.0x
Sep-12	Campari	Appleton Rum	415	Premium Rum	1.5x	15.0x
Jun-12	Remy Cointreau	Bruichladdich	90	Whisky	6.6x	n.a.
Apr-10	William Grant & Sons	C&C Spirits & Liqueur	397	Whisky/Liqueur	3.5x	10.0x
Apr-09	Campari	Wild Turkey	575	Bourbon	3.0x	12.0x
Median					3.3x	17.7x
Implied SPML EV					501	545
Less: EV to Equity Value adjustments					9	9
Plus: €80m adjustment for real estate earn-out floor					80	80
Implied SPML Equity Value					590	634
Implied Share Price					7,188	7,721
Offer price premium / (discount) vs. implied valuation					+12.0%	+4.3%

Source: Company information

The Offer price per share of €8,050 (*cum 2015 final dividend*) represents a premium of between +4.3% and +12.0% on the comparable transactions method implied valuation depending on the reference metric observed.

3.2.3. Discounted cash flows valuation analysis

The DCF valuation method aims at computing the enterprise value of a company based on the sum of its future unlevered free cash flows (“FCF”) discounted by its weighted average cost of capital (“WACC”). The equity value of the company is therefore equal to the enterprise value of the company less the items accounted for in the enterprise value to equity bridge, as previously detailed in the section, plus a €80m adjustment for the floor value retained in the earn-out calculation.

Based on the financial forecasts prepared by DCM, the enterprise value was built up as the sum of (i) the present value of SPML 2016-2020 unlevered FCF and (ii) its estimated terminal value by 2020:

- (i) The present value of the 2016-2020 unlevered FCF was discounted as of 1/1/2016, using the mid-year convention and the WACC as the discount rate;

- (ii) The terminal value of SPML was computed as per the Gordon Shapiro method and discounted back to 1/1/2016:
- Normative FCF of €21m estimated by the Initiator based on the following normative assumptions:
 - Normative EBITDA margin of 20.0% (flat at 2020 level);
 - Normative Capex of 3.0% of sales, in line with D&A (flat at 2020 level);
 - Normative Tax rate of 34.43%;
 - Normative change of WC assumed to be nil in perpetuity.
 - Perpetual growth rate of 2.0%, in line with equity research analysts estimates for the Spirits industry;
 - Estimated WACC of 7.0%.

The applicable WACC of 7.0% was derived from the following assumptions:

- Cost of equity of 8.1%;
 - Net debt / total capital ratio of 14%, as per average of selected comparable companies (as identified earlier in the section)¹⁸;
 - Unlevered beta of 0.73, as per average of selected comparable companies, and implied levered beta of 0.80 based on target capital structure in line with average of selected comparable companies;
 - Equity risk premium of 6.3% (BofAML Capital Markets estimation as of February 2016);
 - Size premium of 2.15% as per 2015 Ibbotson Yearbook, assuming an SPML Equity value in the 8th size decile (c.\$500m-c.\$1000m);
 - Risk free rate of 0.9% based on the 1-year average yield on 10-year French government bond.
- Estimated pre-tax cost of debt of 1.9%, assuming 100bps spread over risk free rate.

Based on a WACC range of 6.5% - 7.5% and on a perpetual growth rate range of 1.5% - 2.5%, the discounted cash flow method results in an equity value per share ranging from €4,847 to €6,600. The Offer Price would represent a premium of +66.1% and +22.0% compared to these values, respectively.

		Implied Share Price (€)					Implied Offer Premium vs. valuation Method				
		Terminal Growth Rate					Terminal Growth Rate				
		1.5%	1.8%	2.0%	2.3%	2.5%	1.5%	1.8%	2.0%	2.3%	2.5%
WACC	7.5%	4,847	4,983	5,131	5,294	5,473	+66.1%	+61.5%	+56.9%	+52.1%	+47.1%
	7.0%	5,201	5,366	5,548	5,750	5,973	+54.8%	+50.0%	+45.1%	+40.0%	+34.8%
	6.5%	5,626	5,831	6,059	6,313	6,600	+43.1%	+38.1%	+32.9%	+27.5%	+22.0%

The Offer price of €8,050 (*cum 2015 final dividend*) per share represents a premium of +45.1% when compared to the DCF central value of €5,548 per share.

3.3. Secondary valuation methods presented for illustrative purposes

3.3.1. *Share price analysis*

¹⁸ Includes Brown-Forman, Pernod Ricard, Campari, Remy Cointreau, Diageo, Stock Spirits Group and Lucas Bols.

SPML's shares are admitted to trading in the B compartment of Euronext Paris. Volumes traded on a daily basis over the 12 months preceding the offer amounted on average to 4 shares. Cumulated volumes traded over the year preceding the offer accounted for 2.6% of the free float.

The historical stock price approach was therefore considered less relevant to assess the Offer price in regards to the low liquidity of SPML's shares.

The table below presents the premia as calculated on the volume-weighted average price ("VWAP") across various timeframes, and as of the latest day of trading before the announcement of the Offer, i.e. 11 March 2016.

Period	Euros Per Share	Average Daily Traded Volume over Period (# of Shares)	Offer price premium / (discount) vs. implied valuation
As of 11/03/16	5,020	-	+60.4%
Last 1 Month VWAP	4,859	2.91	+65.7%
Last 6 Months VWAP	4,919	2.84	+63.7%
Last 12 Months VWAP	4,904	4.34	+64.2%
Last 24 Months VWAP	4,439	3.37	+81.4%
Last 24-Month High	5,265	3.37	+52.9%
Last 24-Month Low	3,555	3.37	+126.4%

Source: Factset as of 11 March 2016

3.3.2. Share buyback program

The company has been granted, in its last Shareholders' General Meeting, the authorization to buy back up to 10% of its own share capital at a maximum price of €6,500 per share.

These buybacks have been performed on the market, and outside of the liquidity contract that SPML has with Kepler Cheuvreux. They can hence be considered as an illustrative reference point.

Over the last two years, SPML acquired 2 blocks of its own shares on the market:

- On 19 May 2015, SPML bought back 289 shares at a price of €5,240 per share, as per the authorization granted by the General Shareholders Meeting of June 2014;
 - o The Offer price per share of €8,050 (*cum 2015 final dividend*) represents a premium of +53.6%.
- On 1 October 2015, 39 additional shares were acquired at a price of €4,902, following the renewal of the buyback authorizations at the General Shareholders Meeting of June 2015.
 - o The Offer price per share of €8,050 (*cum 2015 final dividend*) represents a premium of +64.2%.

3.4. Excluded methods

The following methods have not been used for the valuation of SPML as they were considered not relevant / applicable in the context of the present offer:

- Target share price from research analysts
- Reference transaction on the share capital of SPML
- Equity book value
- Net asset value
- Dividend discount model

3.4.1. Target share price from research analysts

SPML is not actively covered by any research analyst.

This method, which consists in averaging the price targets published by analysts for the share, was therefore not applicable in this case.

3.4.2. Equity book value

The book value of equity provides an assessment of the amounts contributed, in kind and in cash, by the shareholders, as well as the historical accumulation of the company's profits. This value is hence unaffected by the company's future perspectives.

Such reference is therefore not relevant to appraise the intrinsic value of SPML since it does not account for future profits.

3.4.3. Net asset value

This approach defines the value of a company's equity as the difference between its assets and liabilities, after reassessing the main assets and liabilities at their market value.

The net asset value has not been retained considering its incompatibility with a company dedicated to a single activity in the long run. This method is indeed mainly used for diversified holdings or companies composed of diversified assets, which may see their book value significantly lower than their liquidation value.

3.4.4. Dividend discount model

Under this method, the company's equity is valued on the back of its dividend distribution capacity, by discounting the future flows of dividends received by shareholders at the cost of equity.

Such method is not applicable as it assumes a dividend payout ratio, which is decided by majority shareholders and is not representative of the company's ability to generate cash flow.

3.5. Summary appraisal of the Offer Price

Transaction Comparables

LTM EV/Sales	7,188	+12.0%
LTM EV/EBITDA	7,721	+4.3%

Discounted Cash Flows

7.00 WACC and 2.0% TGR	5,548	+45.1%
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Secondary valuation methods presented for illustrative purposes**Share Price Analysis**

As of 11/03/16	5,020	+60.4%
Last 1 Month VWAP	4,859	+65.7%
Last 6 Months VWAP	4,919	+63.7%
Last 12 Months VWAP	4,904	+64.2%
Last 24 Months VWAP	4,439	+81.4%
Last 24-Month High	5,265	+52.9%
Last 24-Month Low	3,555	+126.4%

Share Buybacks

Oct-15 average price per share (€)	4,902	+64.2%
May-15 average price per share (€)	5,240	+53.6%

Source: Factset as of 11 March 2016

4. TERMS OF PROVISION OF INFORMATION ABOUT DCM

In compliance with the provisions of Article 231-28 of the general regulations of the AMF, the information relative to the characteristics, notably legal, financial and accounting, of the Offeror will be filed with the AMF and made available to the public no later than the day preceding opening of the Offer. This information, which will be the subject of a specific information document drawn up by the Offeror, will be available on the websites of the AMF (www.amf-france.org) and Davide Campari Milano S.p.A. (www.camparigroup.com). These documents may be obtained without cost from:

- Davide Campari Milano S.p.A. via Franco Sacchetti 20, 20099 Sesto San Giovanni, Milan, Italy; and
- Bank of America Merrill Lynch International Limited, branch in France, 112 avenue Kléber - 75773 Paris Cedex 16.

5. PERSONS ASSUMING LIABILITY FOR THE DRAFT OFFER DOCUMENT**5.1 For the Offeror**

"To our knowledge, the information in this offer document is truthful and does not comprise any omission that may alter its scope."

Mr Luca Garavoglia
Chairman of the Board of Directors
Bob Kunze-Concewitz
Chief Executive Officer
Davide Campari Milano S.p.A.

5.2 For Bank of America Merrill Lynch International Limited, presenting bank and guarantor of the Offer

“In compliance with Article 231-18 of the general regulations of the AMF, Bank of America Merrill Lynch International Limited, establishment presenting the Offer, certifies that, to its knowledge, the presentation of the Offer that it has examined on the basis of the information communicated by the Offeror, and the elements of assessment of the price proposed, are truthful and do not comprise any omission that could alter its scope.”

Bank of America Merrill Lynch International Limited