# Pernod Ricard Denmark A/S

**CVR no. 19902447**

**Vesterbrogade 149**

**1620 Copenhagen V**

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# Annual report 2016/17

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**Approved by the company´s general meeting on 27.11.2017**

*Hans Christian Pape*

***Chairman of the General Meeting***

# TABLE OF CONTENTS

# ENTITY DETAILS

**Entity:**
Pernod Ricard Denmark A/S
Vesterbrogade 149
1620 Copenhagen V
CVR No: 19902447
Registered in: Copenhagen
Financial year: 01.07.2016 - 30.06.2017
Phone: +4532329090
Internet: www.pernod-ricard-denmark.com
E-mail: info@pernod-ricard-denmark.com

**Board of Directors**
Fabrice Philippe Marcel Marie Audan, Chairman
Benjamin Granger
Carsten Suhrke
Jan Hviid Skovgaard

**Executive Board**
Carsten Suhrke, Chief Executive Officer

**Auditors**
Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

# STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive Board have today considered and approved the annual report of Pernod Ricard Denmark A/S for the financial year 2016/2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.17 and of the results of its operations for the financial year 01.07.2016 -30.06.17.

We believe that die management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen 27.11.2017

**Executive Board**

Carsten Suhrke

**Board of Directors**

Fabrice Philippe Marcel Marie Audan, Chairman

Benjamin Granger

Carsten Suhrke

Jan Hvid Skovgaard

# INDEPENDENT AUDITOR´S REPORT

**To the shareholders of Pernod Ricard Denmark A/S**

**Opinion**
We have audited the financial statements of Pernod Ricard Denmark A/S for the financial year 01.07.2016 - 30.06.2017, which comprise the income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2017 and of the results of its operations for the financial year 01.07.2016 – 30.06.17 in accordance with the Danish Financial Statements Act.

**Basis for opinion**
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's responsibilities for the audit of the financial statements* section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's responsibilities for the financial statements**
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exits. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

# INDEPENDENT AUDITOR´S REPORT

- sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Statement on the management commentary**
Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

# INDEPENDENT AUDITOR´S REPORT

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen 27.11 2017

**Deloitte**
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Jan Larsen
State-Authorised Public Accountant

# MANAGEMENT COMMENTARY

## Financial Highlights DKK'000

| Key figures: | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|---|---|---|---|---|---|
| Revenue | 114.929 | 101.977 | 95.573 | 108.576 | 57.317 |
| Gross profit/loss | 24.665 | 37.880 | 28.508 | 7.526 | (10.150) |
| Operating profit/loss | (979) | 10.227 | 184 | (21.350) | (26.018) |
| Net financials | (86) | (84) | 39 | 307 | 294.506 |
| Profit/loss for the year | (1.600) | 7.785 | (25) | (16.261) | 278.663 |
| Total assets | 68.422 | 71.442 | 113.656 | 120.059 | 530.241 |
| Investments in property, plant and equipment | 0 | 0 | 190 | 206 | 1.267 |
| Equity | 16.976 | 18.575 | 55.790 | 55.815 | 445.055 |
| **Ratios:** | | | | | |
| Return on equity (%) | (9,0) | 20,9 | 0,0 | 6,59 | 91,1 |
| Equity ratio (%) | 24,8 | 26,0 | 49,1 | 46,5 | 83,9 |
| Gross margin (%) | 21,5 | 37,1 | 29,8 | 6,9 | (17,7) |
| Net margin (%) | (1,4) | 7,6 | 0,0 | (15,0) | 486,2 |

# MANAGEMENT COMMENTARY

**Primary activities**
The primary activities of Pernod Ricard Denmark A/S are:

Marketing and sale of spirits and wine from the Pernod Ricard Group in Denmark and at the Danish/German border.

**Development in activities and finances**
Loss for the year amounts to DKK 1,600 thousand which is in line with Management's expectations for the year. Equity amounts to DKK 17 million at the end of the financial year.

Uncertainty relating to recognition and measurement
Management assesses that there are no material uncertainties relating to the Company's annual report.

**Unusual circumstances affecting recognition and measurement**
The Company's annual report is not affected by any unusual circumstances of major significance.

**Outlook**
The Company will continue to focus on the development of the international strategic brands both on the Danish market and at the Danish/German border

Management anticipates a positive development in the next financial year.

**Particular risks**
Besides the ordinary sales risks, the Company is exposed to currency risks, as wide exchange rate fluctuations may affect the Company given that it operates on a market using several currencies.

**Intellectual capital resources**
Through internal continuing professional development programs, the Company works on ensuring its readiness to face future challenges.

**Environmental performance**
The Company complies with current rules and regulations. Please also refer to the Group's reporting on CSR at www.pernod-ricard.com.

**Research and development activities**
Research and development activities are mostly carried out by the different brand owners of the Group.

**Events after the balance sheet date**
No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

# ACCOUTING POLICIES APPLIED

**Reporting class**
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Some items in the income statement have been reclassified. However, the reclassification has no profit impact.

**Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities aremeasured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by theamounts attributable to this financial year.

**Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates

# ACCOUTING POLICIES APPLIED

## Income statement

### Revenue

Revenue from the sale of goods for resale and manufactured goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes ordinary writedowns of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

### Cost of sales

Cost of sales comprises cost of sales for the financial year measured at cost, adjusted for ordinary inventory writedowns

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

# ACCOUTING POLICIES APPLIED

**Other financial income**
Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and foreign currency ransactions, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and foreign currency transactions, amortization of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

**Income taxes**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

## Balance sheet

**Goodwill**
Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually 5 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Goodwill is written down to the lower of recoverable amount and carrying amount

**Property, plant and equipment**
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

| | |
|---|---|
| Other fixtures and fittings, tools and equipment | 3 years |

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

# ACCOUTING POLICIES APPLIED

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the taxbased value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials and consumables.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Operating leases**

Lease payments on operating leases are recognized on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

## Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.
Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

# ACCOUTING POLICIES APPLIED

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and shortterm securities with an insignificant price risk less short-term bank loans.

## Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

| Ratios | Calculation formula |
|---|---|
| Gross margin (%) | Profit/loss x 100 / Revenue |
| Net margin (%) | Profit/loss for the year x 100 / Revenue |
| Return on equity (%) | Profit/loss for the year x 100 / Average equity |
| Equity ratio (%) | Equity x 100 / Total assets |

**Ratios reflect**

**Gross margin**
The entity's operating gearing.

**Net margin**
The entity's operating profitability.

**Return on equity**
The entity's return on capital invested in the entity by the owners.

**Equity ratio**
The financial strength of the entity.

## INCOME STATEMENT FOR 2016/2017

| Note | | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|---|
| | Revenue | 114.929 | 101.977 |
| | Changes in inventories of finished goods and work in progress | -806 | 5.178 |
| | Other operating income | 24 | 12.206 |
| | Cost of sales | -50.375 | -42.589 |
| | Other external expenses | -39.107 | -38.892 |
| | Gross profit | 24.665 | 37.880 |
| 1 | Staff costs | -25.570 | -26.462 |
| 2 | Amortisation, depreciation and impairment losses | -74 | -1.191 |
| | Operating profit | -979 | 10.227 |
| 3 | Other financial income | 3 | 34 |
| 4 | Other financial expenses | -89 | -118 |
| | Profit/loss from ordinary activities before tax | -1.065 | 10.143 |
| 5 | Tax on profit/loss from ordinary activities | -535 | -2.358 |
| 6 | **Profit/loss for the year** | **-1.600** | **7.785** |

## BALANCE SHEET AT 30. JUNE 2017

### ASSETS

| Note | | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|---|
| | Other fixtures and fittings, tools and equipment | 114 | 188 |
| 7 | PROPERTY, PLANT AND EQUIPMENT | 114 | 188 |
| | Other receivables | 648 | 721 |
| 8 | Deferred tax | 4.416 | 4.946 |
| 9 | FIXED ASSETS INVESTMENTS | 5.064 | 5.667 |
| | **FIXED ASSETS** | **5.178** | **5.855** |
| | Manufactured goods and goods for resale | 12.124 | 12.930 |
| | INVENTORIES | 12.124 | 12.930 |
| | Trade receivables | 19.545 | 15.400 |
| | Receivables from group enterprises | 26.807 | 30.222 |
| | Other receivables | 878 | 1.569 |
| | Prepayments | 1.222 | 992 |
| | RECEIVABLES | 48.452 | 48.183 |
| | CASH | 2.668 | 4.474 |
| | **TOTAL CURRENT ASSETS** | **63.244** | **65.587** |
| | **TOTAL ASSETS** | **68.422** | **71.442** |

## BALANCE SHEET AT 30. JUNE 2017

### EQUITY AND LAIBILITIES

| Note | | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|---|
| 10 | Contributed capital | 746 | 746 |
| | Retained earnings | 16.230 | 17.830 |
| | **EQUITY** | **16.976** | **18.576** |
| | Trade payables | 2.800 | 1.834 |
| | Debt to group enterprises | 14.714 | 14.021 |
| | Other payables | 33.932 | 37.011 |
| | SHORT-TERM LIABILITIES OTHER THAN PROVISIONS | 51.446 | 52.866 |
| | **LIABILITIES OTHER THAN PROVISIONS** | **51.446** | **52.866** |
| | **LIABILITIES AND EQUITY** | **68.422** | **71.442** |

13 Unrecognised rental and lease commitments

14 Contingent liabilities

15 Related parties with control

16 Ownership

17 Consolidation

## STATMENT OF CHANGES IN EQUITY FOR 2016/2017

| | Contributed capital DKK '000 | Retained earnings DKK '000 | Proposed dividend DKK '000 | Total DKK '000 |
|---|---|---|---|---|
| Equity beginning of year | 746 | 17.830 | 0 | 18.576 |
| Ordinary dividend paid | 0 | 0 | 0 | 0 |
| Profit/loss for the year | 0 | -1.600 | 0 | -1.600 |
| **Equity end of year** | **746** | **16.230** | **0** | **16.976** |

## CASH FLOW STATEMENT 2016/2017

| Note | | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|---|
| | Operating profit/loss | -979 | 10.227 |
| | Amortisation, depreciation and impairment losses | 74 | 1.191 |
| 11 | Working capital changes | -811 | 33.650 |
| | Other adjustments | -4 | -12.178 |
| | **Cash flows from ordinary primary activities** | **-1.720** | **32.890** |
| | Financial income received | 3 | 34 |
| | Financial income paid | -89 | -118 |
| | **Cash flows from operating activities** | **-1.806** | **32.806** |
| | Sale of intangible assets | 0 | 12.178 |
| | **Cash flows from investing activities** | **0** | **12.178** |
| | Dividend paid | 0 | -45.000 |
| | **Cash flows from financing activities** | **0** | **-45.000** |
| | **Increase/decrease in cash and cash equivalents** | **-1.806** | **-16** |
| | Cash and cash equivalents beginning of year | 4.474 | 4.490 |
| 12 | **Cash and cash equivalents end of year** | **2.668** | **4.474** |

## NOTES

| | | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|---|
| 1 | **Staff costs** | | |
| | Wages and salaries | 19.219 | 19.181 |
| | Pension costs | 1.694 | 1.733 |
| | Other social security costs | 275 | 248 |
| | Other staff costs | 4.382 | 5.300 |
| | | 25.570 | 26.462 |
| | Number of employees at balance sheet date | 35 | 36 |
| 2 | **Amortisation, depreciation and impairment losses** | | |
| | Amortisation of intangible assets | 0 | 1.050 |
| | Depreciation on property, plant and equipment | 74 | 141 |
| | | 74 | 1.191 |
| 3 | **Other financial income** | | |
| | Other financial income | 3 | 34 |
| | | 3 | 34 |
| 4 | **Other financial expenses** | | |
| | Other financial expenses | 89 | 118 |
| | | 89 | 118 |
| 5 | **Tax on profit/loss from ordinary activities** | | |
| | Change in deferred tax | 531 | 2.358 |
| | Adjustments concerning deferred tax | 4 | 0 |
| | | 535 | 2.358 |
| 6 | **Proposed distribution for profit/loss** | | |
| | Retained earnings | -1.600 | 7.785 |
| | | -1.600 | 7.785 |

## NOTES

| | 2016/17 DKK´000 |
|---|---|
| | Other fixtures and fittings, tools and equipment |
| **7 Property, plant and equipment** | |
| Cost beginning of year | 1.273 |
| Cost end of year | 1.273 |
| Depreciation and impairment losses beginning of the year | -1.085 |
| Depreciation for the year | -74 |
| Depreciation and impairment losses end of the year | -1.159 |
| Carrying amount end of year | 114 |

**8 Deferred tax**

Deferred tax assets primarily comprise tax loss carryforwards. Based on budgets approved by Management the Company is expected to realise a tax profit and is thereby able to utilize the tax asset within a reasonable time. Temporary differences also occur related to depreciation.

| **9 Fixed asset investments** | Other receivables | Deferred tax |
|---|---|---|
| Cost beginning of year | 721 | 4.946 |
| Additions | 17 | 0 |
| Disposals | -90 | -530 |
| Cost end of year | 648 | 4.416 |

| **10 Contributed capital** | Number | Par value DKK | Nom value DKK'000 |
|---|---|---|---|
| Ordinary shares | 100 | 7.456,1 | 746 |
| | 100 | | 746 |

The share capital has not been changed for the last 5 years.

## NOTES

| 11 Working capital changes | 2016/17 DKK´000 | 2015/16 DKK´000 |
|---|---|---|
| Increase/decrease in inventories | 806 | -5.177 |
| Increase/decrease in receivables | -196 | 43.868 |
| Increase/decrease in trade payables etc. | -1.421 | -5.041 |
| | -811 | 33.650 |

### 12 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash less short-term bank debt.

### 13 Unrecognised rental and lease commitments

| | | |
|---|---|---|
| Commitments under rental agreements or leases until expiry | 5.321 | 7.684 |

### 14 Contingent liabilities

In connection with the sale of subsidiary in the financial year 2012/13, the Company provided guarantees which are not expected to affect the Company's financial position.

### 15 Related parties with control

Pernod Ricard Europe, Middle East and Africa S.A.S., France, wholly owns the shares of the Entity and thus has control over the Entity.

### 16 Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Pernod Ricard Europe, Middle East and Africa S.A.S., 23 Rue de l'Amiral d'Estaing, 75116, Paris, France.

### 17 Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Pernod Ricard S.A.S., Paris, France