

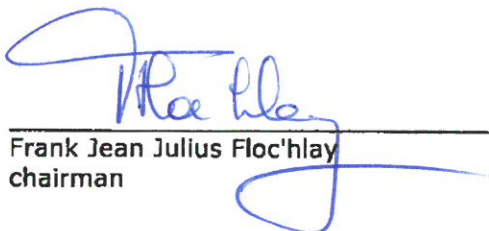
**MOËT HENNESSY DANMARK
A/S**

Langebrogade 6 A, DK-1411 Copenhagen

CVR no. 27 96 01 97

Annual report for 2018

Adopted at the annual general meeting
on 31 May 2019



Frank Jean Julius Floc'hlay
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Financial highlights	6
Management's review	7
Financial statements	
Income statement 1 January - 31 December	8
Balance sheet 31 December	9
Statement of changes in equity	11
Notes to the annual report	12
Accounting policies	16

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of MOËT HENNESSY DANMARK A/S for the financial year 1 January - 31 December 2018.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

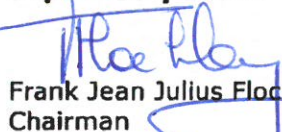
Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 31 May 2019

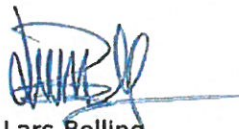
Executive board


Lars Belling
General Manager Nordic

Supervisory board


Frank Jean Julius Floch'lay
Chairman


Maryse Malicet


Lars Belling

Independent auditor's report

To the shareholder of MOËT HENNESSY DANMARK A/S

Opinion

We have audited the financial statements of MOËT HENNESSY DANMARK A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 the 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 exists. 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 judgment and maintain professional skepticism 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 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 company'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 company'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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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 management's review

Management is responsible for management's review.

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

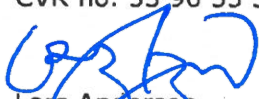
In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially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

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

Based on the work we have performed, we conclude that management's review 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 management's review.

Copenhagen, 31 May 2019

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56



Lars Andersen
state authorised public accountant
MNE no. mne27762

Company details

MOËT HENNESSY DANMARK A/S
Langebrogade 6 A
DK-1411 Copenhagen

CVR-no. 27 96 01 97

Financial year: 1 January - 31 December 2018

Domicile: Copenhagen

Supervisory Board

Frank Jean Julius Floc'hlay, chairman
Maryse Malicet
Lars Belling

Executive Board

Lars Belling

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen

Bank

Nordea
Strandgade 3
DK-0900 Copenhagen

Consolidated financial statements

Name and registered office of the parent preparing consolidated financial statements for the smallest group: LVMH Group S.A., Paris, France

Name and registered office of the parent preparing consolidated financial statements for the biggest group: Group Arnault S.A., Paris, France

The consolidated financial statements may be obtained at:
<https://www.lvmh.com/investors/publications/?publications=29>

Financial highlights

Seen over a 5-year period, the development of the company may be described by means of the following financial highlights:

	2018	2017	2016	2015	2014
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Gross profit/loss	23.785	24.459	22.234	27.796	25.177
Profit/loss before net financials	7.862	9.850	9.675	13.396	9.733
Net financials	14.585	7.674	6.482	13.598	25.395
Profit/loss for the year	20.792	15.369	13.640	24.093	32.720
Balance sheet					
Balance sheet total	94.037	98.369	78.667	73.261	69.368
Investment in property, plant and equipment	39	55	85	61	387
Equity	53.542	62.750	47.382	33.747	34.679
Number of employees	20	17	18	18	21
Financial ratios					
Return on assets	8,2%	11,1%	12,7%	18,8%	15,8%
Solvency ratio	56,9%	63,8%	60,2%	46,1%	50,0%
Return on equity	35,8%	27,9%	33,6%	70,4%	106,1%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Management's review

Business activities

The object of the company is trade in and distribution of, among other things, champagne, cognac and other alcoholic beverages and other related activities, and to act as holding company for sales and distribution companies in Norway, Sweden and Finland.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31 December 2018 and the results of its operations for the financial year ended 31 December 2018 are not affected by any unusual matters.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 20.792.252, and the balance sheet at 31 December 2018 shows equity of DKK 53.542.487.

The result is as expected.

Financial review

Outlook

The company expects a positive development in sales and a profit around DKK 8 million before tax and dividend from sister companies.

Special risks apart from generally occurring risks in industry

Operating risks

There are no particular risks.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Gross profit		23.784.854	24.458.517
Staff expenses	1	-15.845.169	-14.523.441
Depreciation, amortisation and impairment of property, plant and equipment		<u>-78.153</u>	<u>-84.937</u>
Profit/loss before net financials		7.861.532	9.850.139
Income from investments in subsidiaries		14.639.730	7.770.040
Financial income		22.426	19.201
Financial expenses		<u>-77.425</u>	<u>-115.156</u>
Profit/loss before tax		22.446.263	17.524.224
Tax on profit/loss for the year	2	<u>-1.654.011</u>	<u>-2.155.520</u>
Profit/loss for the year		<u>20.792.252</u>	<u>15.368.704</u>
Distribution of profit	3		

Balance sheet 31 December

	Note	2018 DKK	2017 DKK
Assets			
Other fixtures and fittings, tools and equipment		90.662	129.362
Tangible assets	4	90.662	129.362
Investments in subsidiaries	5	239.911	239.911
Fixed asset investments		239.911	239.911
Total non-current assets		330.573	369.273
Finished goods and goods for resale		17.710.416	15.509.714
Stocks		17.710.416	15.509.714
Trade receivables		33.361.887	34.766.364
Receivables from group companies		42.201.137	13.020.350
Other receivables		137.284	70.220
Deferred tax asset		134.298	59.891
Corporation tax		161.163	35.590
Prepayments		0	42.054
Receivables		75.995.769	47.994.469
Cash at bank and in hand		0	34.495.421
Total current assets		93.706.185	97.999.604
Total assets		94.036.758	98.368.877

Balance sheet 31 December

	Note	2018 DKK	2017 DKK
Equity and liabilities			
Share capital		500.000	500.000
Retained earnings		35.042.487	62.250.235
Proposed dividend for the year		18.000.000	0
Equity	6	<u>53.542.487</u>	<u>62.750.235</u>
Banks		1.404.576	0
Trade payables		14.346.542	13.822.821
Payables to group companies		13.914.093	11.592.542
Other payables		10.217.158	10.203.279
Deferred income		611.902	0
Total current liabilities		<u>40.494.271</u>	<u>35.618.642</u>
Total liabilities		<u>40.494.271</u>	<u>35.618.642</u>
Total equity and liabilities		<u>94.036.758</u>	<u>98.368.877</u>
Rent and lease liabilities	7		
Contingent assets, liabilities and other financial obligations	8		
Related parties and ownership structure	9		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Proposed extra-ordinary dividend	Total
Equity at 1 January 2018	500.000	62.250.235	0	0	62.750.235
Extraordinary dividend paid	0	0	0	-30.000.000	-30.000.000
Net profit/loss for the year	0	-27.207.748	18.000.000	30.000.000	20.792.252
Equity at 31 December 2018	500.000	35.042.487	18.000.000	0	53.542.487

Notes

	2018	2017
	DKK	DKK
1 Staff expenses		
Wages and salaries	14.599.815	13.391.040
Pensions	1.115.321	1.025.326
Other social security costs	130.033	107.075
	<u>15.845.169</u>	<u>14.523.441</u>
Average number of employees	<u>20</u>	<u>17</u>

According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.

There is no remuneration to members of the Supervisory Board.

	2018	2017
	DKK	DKK
2 Tax on profit/loss for the year		
Current tax for the year	1.728.418	2.093.441
Change in deferred tax for the year	-74.407	11.078
Adjustment relating to previous years	0	51.001
	<u>1.654.011</u>	<u>2.155.520</u>
3 Distribution of profit		
Proposed dividend for the year	18.000.000	0
Extraordinary dividend for the year	30.000.000	0
Retained earnings	-27.207.748	15.368.704
	<u>20.792.252</u>	<u>15.368.704</u>

Notes

4 Tangible assets

	Other fixtures and fittings, tools and equipment
Cost at 1 January 2018	214.299
Additions for the year	39.453
Disposals for the year	<u>-84.937</u>
Cost at 31 December 2018	<u>168.815</u>
Impairment losses and depreciation at 1 January 2018	84.937
Depreciation for the year	78.153
Reversal for the year of previous years' impairment losses	<u>-84.937</u>
Impairment losses and depreciation at 31 December 2018	<u>78.153</u>
Carrying amount at 31 December 2018	<u>90.662</u>

5 Investments in subsidiaries

Investments in subsidiaries are specified as follows (in DKK):

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
Moët Hennessy Finland OY	Finland	100%	14.705.522	4.002.548
Moët Hennessy Sverige AB	Sweden	100%	22.853.172	9.901.684
Moët Hennessy Norge AS	Norway	100%	9.423.339	4.017.733

Notes

6 Equity

The share capital consists of 500 shares of a nominal value of DKK 1.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

	<u>2018</u>	<u>2017</u>
	DKK	DKK
7 Rent and lease liabilities		
Operating lease liabilities.		
Total future lease payments:		
Commitments under rental agreements or leases until expiry	<u>2.554.634</u>	<u>2.214.269</u>
	<u>2.554.634</u>	<u>2.214.269</u>

8 Contingent assets, liabilities and other financial obligations

Guarantee commitments

Recourse and non-recourse guarantee commitments of 40.000 DKK in 2018 (2017: 510.000 DKK)

Notes

9 Related parties and ownership structure

Controlling interest

Moët Hennessy International SAS
24 Rue Jean Goujon
75382 Paris
France
4430 070 896 R.C.S

Transactions

Sale of services to group companies: TDKK 6.759

Purchase of goods from group companies: TDKK 76.556

Purchase of services from group companies: TDKK 4.863

Receivables from group companies: TDKK 42.201

Payables to group companies: TDKK 13.914

Besides the above listed transaction, no other transactions were carried out with shareholders or other group companies in the year.

Accounting policies

The annual report of MOËT HENNESSY DANMARK A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in DKK.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Accounting policies

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Cost of goods

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff expenses

Staff expenses include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

The item comprises amortisation/depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss from investments in subsidiaries and associates

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Accounting policies

Tax on profit/loss for the year

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed entities to a tax refund are, as a minimum, reimbursed by the administration company accounting to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge accounting to the current rates applicable to interest surcharges to the administration company.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of other and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

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

Investments in subsidiaries

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Accounting policies

Impairment of fixed assets

The carrying amount of property, plant and equipment is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividends

Dividend proposed for the financial year are presented as a separate item under "Equity".

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Accounting policies

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Cash flow statement

In pursuance of section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the company, as the cash flows are included in the consolidated cash flow statement of the parent company.

Accounting policies

Financial highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total assets at year-end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

