



Moët Hennessy Danmark A/S

Gammel Kongevej 60, 13.,
DK-1850 Copenhagen
CVR no. 27 96 01 97

Annual report for 2021

Adopted at the annual general meeting
on 24 June 2022

DocuSigned by:
Frank Floc'hlay
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Frank Jean Julius Floc'hlay
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Moët Hennessy Danmark A/S for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 24 June 2022

Executive board

Thibault Testot-Ferry
General Manager Nordic

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Supervisory board

Frank Jean Julius Floc'hlay
chairman

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Thibault Testot-Ferry

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Christophe Guinier

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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 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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 and IESBA Code. 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.

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.

Independent auditor's report

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 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.

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.

Independent auditor's report

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, 24 June 2022

Mazars
Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41



Nicklas Rasmussen
State Authorised Public Accountant
MNE no. mne43474

Moët Hennessy Danmark A/S
2021



Company details

Moët Hennessy Danmark A/S
Gammel Kongevej 60, 13.
DK-1850 Copenhagen

CVR-no. 27 96 01 97

Financial year: 1 January - 31 December 2021

Domicile: Copenhagen

Supervisory Board

Frank Jean Julius Floc'hlay, chairman
Thibault Testot-Ferry
Christophe Guinier

Executive Board

Thibault Testot-Ferry

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Midtermolen 1,2 left
DK-2100 Copenhagen

Bankers

BNP Paribas S.A. Denmark, Filial af BNP Paribas S.A, Frankrig
Adelgade 12, 3rd floor
DK-1304 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: LVMH Group S.A., Paris, France

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

Financial highlights

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

	2021	2020	2019	2018	2017
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Gross profit/loss	24.458	20.824	24.110	23.785	24.459
Profit/loss before net financials	7.474	1.288	6.100	7.862	9.850
Net financials	34.215	-64	10.834	14.585	7.674
Profit/loss for the year	39.888	696	15.646	20.792	15.369
Balance sheet					
Balance sheet total	109.370	79.170	91.455	94.037	98.369
Investment in property, plant and equipment	299	323	54	39	55
Equity	53.972	36.884	51.188	53.542	62.750
Number of employees	17	21	23	20	17
Financial ratios					
Return on assets	7,9%	1,5%	6,6%	8,2%	11,1%
Solvency ratio	49,3%	46,6%	56,0%	56,9%	63,8%
Return on equity	87,8%	1,6%	29,9%	35,8%	27,9%

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 review

The objective 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 annual report is not associated with any uncertainty.

Unusual matters

The company's financial position at 31 December 2021 and the results of its operations for the financial year ended 31 December 2021 are not affected by any unusual matters except from dividend received DKK 34.320.691.

Financial review

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 39.887.712, and the balance sheet at 31 December 2021 shows equity of DKK 53.972.012.

Expected development of the company, including specific prerequisites and uncertainties

The company expects a profit around DKK 10.478 before tax and dividend from subsidiaries in 2022.

Profit/(loss) for the year relative to the expectations most recently expressed

The result in 2021 is as expected (adjusted for dividend received).

Description of significant changes in the company's business and financial conditions

There are no particular risks.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Gross profit		24.457.915	20.824.091
Staff expenses	1	-16.838.125	-19.460.441
Depreciation, amortisation and impairment of property, plant and equipment		-145.337	-75.566
Profit/loss before net financials		7.474.453	1.288.084
Income from investments in subsidiaries		34.320.691	0
Financial income		16.908	3.998
Financial expenses	2	-122.990	-68.343
Profit/loss before tax		41.689.062	1.223.739
Tax on profit/loss for the year	3	-1.801.350	-527.793
Profit/loss for the year		<u>39.887.712</u>	<u>695.946</u>
Distribution of profit	4		

Balance sheet 31 December

	Note	2021 DKK	2020 DKK
Assets			
Other fixtures and fittings, tools and equipment		492.035	338.710
Tangible assets	5	492.035	338.710
Investments in subsidiaries	6	239.911	239.911
Deposits		81.250	0
Fixed asset investments		321.161	239.911
Total non-current assets		813.196	578.621
Finished goods and goods for resale		15.919.173	13.397.432
Stocks		15.919.173	13.397.432
Trade receivables		25.999.579	15.926.591
Receivables from group companies		65.449.885	47.995.903
Other receivables		40.122	16.563
Deferred tax asset	8	56.823	245.021
Corporation tax		0	679.161
Prepayments		1.091.080	330.801
Receivables		92.637.489	65.194.040
Total current assets		108.556.662	78.591.472
Total assets		109.369.858	79.170.093

Balance sheet 31 December

	Note	2021 DKK	2020 DKK
Equity and liabilities			
Share capital		500.000	500.000
Retained earnings		18.472.012	13.584.300
Proposed dividend for the year		35.000.000	22.800.000
Equity	7	53.972.012	36.884.300
Other provisions		23.977.300	14.283.497
Total provisions		23.977.300	14.283.497
Trade payables		1.932.664	983.567
Payables to group companies		20.975.477	15.357.886
Corporation tax		828.952	0
Other payables		7.683.453	11.660.843
Total current liabilities		31.420.546	28.002.296
Total liabilities		31.420.546	28.002.296
Total equity and liabilities		109.369.858	79.170.093
Staff expenses	1		
Rent and lease liabilities	9		
Contingent assets, liabilities and other financial obligations	10		
Related parties and ownership structure	11		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2021	500.000	13.584.300	22.800.000	36.884.300
Ordinary dividend paid	0	0	-22.800.000	-22.800.000
Net profit/loss for the year	0	4.887.712	35.000.000	39.887.712
Equity at 31 December 2021	500.000	18.472.012	35.000.000	53.972.012

Notes

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1 Staff expenses		
Wages and salaries	15.732.679	18.091.337
Pensions	1.004.552	1.229.406
Other social security costs	100.894	139.698
	<u>16.838.125</u>	<u>19.460.441</u>
Average number of employees	<u>18</u>	<u>21</u>

During 2021 the company has had one general manager.

There is no remuneration to members of the supervisory board

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2 Financial expenses		
Financial expenses, group companies	6.089	0
Other financial costs	26.588	29.270
Exchange adjustments costs	90.313	39.073
	<u>122.990</u>	<u>68.343</u>
3 Tax on profit/loss for the year		
Current tax for the year	1.678.952	527.793
Change in deferred tax for the year	14.451	0
Adjustment relating to previous years	-65.800	0
Adjustment of deferred tax concerning previous years	173.747	0
	<u>1.801.350</u>	<u>527.793</u>

Notes

	2021	2020
	DKK	DKK
4 Distribution of profit		
Proposed dividend for the year	35.000.000	22.800.000
Retained earnings	4.887.712	-22.104.054
	39.887.712	695.946
5 Tangible assets		
		Other fixtures and fittings, tools and equipment
Cost at 1 January 2021		545.403
Additions for the year		298.662
Cost at 31 December 2021		844.065
Impairment losses and depreciation at 1 January 2021		206.693
Depreciation for the year		145.337
Impairment losses and depreciation at 31 December 2021		352.030
Carrying amount at 31 December 2021		492.035
	2021	2020
	DKK	DKK
6 Investments in subsidiaries		
Cost at 1 January	239.911	239.911
Cost at 31 December	239.911	239.911
Revaluations at 1 January	0	0
Revaluations at 31 December	0	0
Carrying amount at 31 December	239.911	239.911

Notes

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
Moët Hennessy Finland OY	Finland	100%	18.152.275	2.819.244
Moët Hennessy Sverige AB	Sweden	100%	30.101.514	9.906.128
Moët Hennessy Norge AS	Norway	100%	21.650.564	7.465.672

7 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.

	2021	2020
	DKK	DKK
8 Provision for deferred tax		
Provision for deferred tax at 1 January 2021	245.021	245.021
Deferred tax adjustment for the year	-188.198	0
Provision for deferred tax at 31 December 2021	56.823	245.021

Deferred tax asset is mainly due to higher net tax value of fixed assets than net booked value of fixed assets. Management expect to use the deferred tax asset within the next 3-5 years.

	2021	2020
	DKK	DKK
9 Rent and lease liabilities		
Operating lease liabilities.		
Total future lease payments:		
Commitments under rental agreements or leases until expiry	984.000	1.589.701
	984.000	1.589.701

Notes

10 Contingent assets, liabilities and other financial obligations

Recourse and non-recourse guarantee commitments

Recourse and non-recourse guarantee commitments of 40.000 DKK in 2022 (2021: 40.000 DKK)

The company is jointly taxed with its group companies. The company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties in the joint taxation unit.

11 Related parties and ownership structure

Controlling interest

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

LVMH SAS
22 Avenue Montaigne
France
75008 Paris
775670417 R.C.S

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: LVMH Group S.A., Paris, France

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

Notes

11 Related parties and ownership structure (continued)**Transactions**

	2021	2020
	TDKK	TDKK
Sale of services to group companies	11.586	9.402
Purchase of goods from Group companies	71.631	56.471
Purchase of services from group companies	575	4.375
Financial expenses group companies	6	0
Receivables from group Companies	65.450	47.996
Payables to group companies	20.975	15.398

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 2021 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 2021 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 installments 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 that relate 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, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Income from investments in subsidiaries

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 according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according 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
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Gains or losses from the disposal of equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

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.

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 expected selling price less direct 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' comprise prepaid expenses regarding rent, insurance premiums and subscriptions as well as prepaid FTT.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

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.

Accounting policies

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. Deferred tax is measured at net realisable value.

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.

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 instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under '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.

Financial highlights

Definitions of financial ratios.

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