

**Treasury Wine Estates  
Denmark ApS**

Sundkrogsgade 21  
2100 København Ø  
Business Registration No  
31632250

**Annual report 01.07.2017  
- 30.06.2018**

The Annual General Meeting adopted the annual report on 11.12.2018

**Chairman of the General Meeting**

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Name: Pernille Ohlsen

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## Entity details

### Entity

Treasury Wine Estates Denmark ApS  
Sundkrogsgade 21  
2100 København Ø

Central Business Registration No (CVR): 31632250

Registered in: København

Financial year: 01.07.2017 - 30.06.2018

### Executive Board

Pernille Ohlsen  
Michelle Elizabeth Brampton  
Thomas Edward King

### Auditors

KPMG Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Treasury Wine Estates Denmark ApS for the financial year 01.07.2017 - 30.06.2018.

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 30.06.2018 and of the results of its operations for the financial year 01.07.2017 - 30.06.2018.

We believe that the 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, 11.12.2018

### Executive Board

Pernille Ohlsen

Michelle Elizabeth Brampton

Thomas Edward King

# Independent auditor's report

## To the shareholders of Treasury Wine Estates Denmark ApS

### Opinion

We have audited the financial statements of Treasury Wine Estates Denmark ApS for the financial year 01.07.2017 - 30.06.2018, which comprise the income statement, balance sheet, statement of changes in equity 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 30.06.2018 and of the results of its operations for the financial year 01.07.2017 - 30.06.2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 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 judgement and maintain professional scepticism throughout the audit. We also:

## Independent auditor's report

- 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 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, 11.12.2018

### **KPMG**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 25578198

Henrik Kyhnauv-Andersen  
State Authorised Public Accountant  
Identification No (MNE) mne40028

## Management commentary

### Primary activities

The Company's principal activities are sale, marketing and distribution of wine exported from Treasury Wine Estates EMEA Ltd. to local customers. The Company mainly acts as an agent but may also act as an intermediary in transactions between the parent or affiliated companies in the group.

### Development in activities and finances

The profit for the year amounts to DKK 61.936 against a profit last year of DKK 65.960. The management considers the result satisfying.

### 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.



## Income statement for 2017/18

|   | <u>Notes</u> | <u>2017/18</u><br><u>DKK</u> | <u>2016/17</u><br><u>DKK</u> |
|---|--------------|------------------------------|------------------------------|
| <b>Gross profit</b>                         |              | <b>975.444</b>               | <b>1.156.972</b>             |
| Staff costs                                 | 1            | (909.136)                    | (955.061)                    |
| <b>Operating profit/loss</b>                |              | <b>66.308</b>                | <b>201.911</b>               |
| Other financial income                      |              | 24.430                       | 17.652                       |
| Other financial expenses                    |              | (4.999)                      | (132.915)                    |
| <b>Profit/loss before tax</b>               |              | <b>85.739</b>                | <b>86.648</b>                |
| Tax on profit/loss for the year             | 2            | (23.803)                     | (20.688)                     |
| <b>Profit/loss for the year</b>             |              | <b>61.936</b>                | <b>65.960</b>                |
| <b>Proposed distribution of profit/loss</b> |              |                              |                              |
| Retained earnings                           |              | 61.936                       | 65.960                       |
|   |              | <b>61.936</b>                | <b>65.960</b>                |

**Balance sheet at 30.06.2018**

|                                    | <u>Notes</u> | <u>2017/18</u><br><u>DKK</u> | <u>2016/17</u><br><u>DKK</u> |
|------------------------------------|--------------|------------------------------|------------------------------|
| Receivables from group enterprises |              | 865.242                      | 1.045.478                    |
| Other receivables                  |              | 114.896                      | 105.513                      |
| <b>Receivables</b>                 |              | <b><u>980.138</u></b>        | <b><u>1.150.991</u></b>      |
| <br>                               |              |                              |                              |
| <b>Cash</b>                        |              | <b><u>1.209.577</u></b>      | <b><u>1.181.778</u></b>      |
| <br>                               |              |                              |                              |
| <b>Current assets</b>              |              | <b><u>2.189.715</u></b>      | <b><u>2.332.769</u></b>      |
| <br>                               |              |                              |                              |
| <b>Assets</b>                      |              | <b><u>2.189.715</u></b>      | <b><u>2.332.769</u></b>      |

## Balance sheet at 30.06.2018

| <u>Notes</u>                                     | <u>2017/18</u><br><u>DKK</u> | <u>2016/17</u><br><u>DKK</u> |
|--|------------------------------|------------------------------|
| Contributed capital                              | 125.000                      | 125.000                      |
| Retained earnings                                | <u>1.433.178</u>             | <u>1.371.242</u>             |
| <b>Equity</b>                                    | <b><u>1.558.178</u></b>      | <b><u>1.496.242</u></b>      |
| <br>   |                              |                              |
| Trade payables                                   | 34.916                       | 243.014                      |
| Income tax payable                               | 20.389                       | 19.063                       |
| Other payables                                   | <u>576.232</u>               | <u>574.450</u>               |
| <b>Current liabilities other than provisions</b> | <b><u>631.537</u></b>        | <b><u>836.527</u></b>        |
| <br>   |                              |                              |
| <b>Liabilities other than provisions</b>         | <b><u>631.537</u></b>        | <b><u>836.527</u></b>        |
| <br>   |                              |                              |
| <b>Equity and liabilities</b>                    | <b><u>2.189.715</u></b>      | <b><u>2.332.769</u></b>      |

## Statement of changes in equity for 2017/18

|                           | <b>Contributed<br/>capital<br/>DKK</b> | <b>Retained<br/>earnings<br/>DKK</b> | <b>Total<br/>DKK</b> |
|---------------------------|--|--------------------------------------|----------------------|
| Equity beginning of year  | 125.000                                | 1.371.242                            | 1.496.242            |
| Profit/loss for the year  | 0                                      | 61.936                               | 61.936               |
| <b>Equity end of year</b> | <b>125.000</b>                         | <b>1.433.178</b>                     | <b>1.558.178</b>     |

## Notes

|   | <b>2017/18</b> | <b>2016/17</b> |
|---|----------------|----------------|
|   | <b>DKK</b>     | <b>DKK</b>     |
| <b>1. Staff costs</b>                     |                |                |
| Wages and salaries                        | 804.896        | 857.112        |
| Pension costs                             | 98.759         | 96.200         |
| Other social security costs               | 5.481          | 1.749          |
|   | <b>909.136</b> | <b>955.061</b> |
| <br>                                      |                |                |
| Average number of employees               | <b>1</b>       | <b>1</b>       |
|   |                |                |
|   | <b>2017/18</b> | <b>2016/17</b> |
|   | <b>DKK</b>     | <b>DKK</b>     |
| <b>2. Tax on profit/loss for the year</b> |                |                |
| Current tax                               | 22.158         | 19.063         |
| Adjustment concerning previous years      | 1.645          | 1.625          |
|   | <b>23.803</b>  | <b>20.688</b>  |

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

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

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

#### Revenue

Revenue from goods for resale 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.

#### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

#### 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.

#### Other financial income

Other financial income comprises interest income, transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

#### Other financial expenses

Other financial expenses comprise interest expenses, transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

#### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised 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

#### Receivables

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

## Accounting policies

### Cash

Cash comprises bank deposits.

### Other financial liabilities

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

### Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.