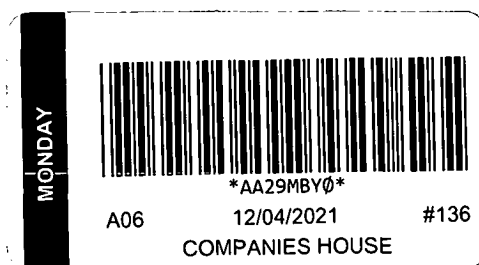


Registration number: 02430641

Cellarmaster Wines (UK) Limited

Annual report and unaudited financial statements

for the year ended 30 June 2020



Cellarmaster Wines (UK) Limited

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Cellarmaster Wines (UK) Limited

Company information

| | |
|--------------------------|--|
| Directors | M E Brampton |
| | T J Hannah-Rogers |
| Registered office | 9th Floor, Regal House 70 London Road Twickenham Middlesex TW1 3QS |

Cellarmaster Wines (UK) Limited

Directors' report

For the year ended 30 June 2020

The directors present their annual report on the affairs of Cellarmaster Wines (UK) Limited (the "company"), together with the financial statements, for the year ended 30 June 2020.

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in accordance with section 415A of the Companies Act 2006; accordingly no Strategic report is presented.

Business review

The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the period. The company is planned to be liquidated in the near future.

Profit and loss account

No profit and loss account is presented within these financial statements because the company has not received income, incurred expenditure or recognised any other items of comprehensive income during the accounting period under review. There have been no movements in shareholders' funds during the current or prior year and therefore no statement of changes in equity has been included.

Directors

The directors, who held office throughout the year and up to the date of signing of the financial statements, unless otherwise stated were as follows:

M E Brampton

D W Nicol (resigned 30 November 2020)

R J Renwick (resigned 1 September 2019)

The following director was appointed after the year end:

T J Hannah-Rogers (appointed 1 October 2020)

Going concern

Due to the ongoing intention to liquidate the company, the directors continue to determine that the going concern basis of preparation is still no longer appropriate.

Accordingly, the financial statements are not prepared on a going concern basis. The directors have applied the requirement of paragraph 25 of IAS 1 Presentation of Financial Statements which states that: "When the financial report is not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial report is prepared and the reason why the entity is not regarded as a going concern".

The directors are aware that in last year's financial statements, disclosure had been made of management's intention not to progress with any activity through this company, and to progress with a liquidation in the following 12 months. Even though this liquidation has not yet occurred, the intention to liquidate this company remains, and it is expected that the liquidation will take place within the following financial year (FY21).

As part of the liquidation process, intercompany loan balances will be written off to bring the company's overall net balance sheet position to nil, before an application is made to Companies House to strike the company off.

Events after the balance sheet date

Details of events after the reporting date can be found in note 8.

Cellarmaster Wines (UK) Limited

Directors' report (continued) For the year ended 30 June 2020

Brexit

Following the recent decision by the UK population to exit, in due course, from the European Union ("Brexit"), the directors have considered whether or not this will manifest itself as an additional risk to the company. While it is difficult to predict the impact of an exit, there may be an impact on the way the company does business. The directors do not consider this to constitute a principal risk to the business however they will continue to monitor and assess it.

COVID-19

The ongoing COVID-19 pandemic has increased the estimation uncertainty in the preparation of financial statements, generally, due to the impact of the following factors:

- The extent and duration of actions by United Kingdom (UK) Government, businesses and consumers to contain the spread of the virus;
- The extent and duration of the expected economic downturn. This includes the disruption to capital markets, deteriorating credit, higher unemployment, and changes in consumer discretionary spending behaviours; and
- The effectiveness of government measures that have and may put in place to support businesses and consumers through this disruption and economic downturn.

During F20, the company experienced the following impacts on its operations and financial statements as a result of these factors:

- The UK Government committed to an elimination strategy in response to COVID-19, thereby imposing lockdowns. This approach impacted retail channels and required the closure of restaurants, bars and travel retail.
- In-home consumption increased during periods of lockdown, primarily through retail and e-commerce channels.
- Consumers generally turned to well-known and trusted brands, which drove volumes of Commercial, Masstige and lower Luxury wines.
- The UK Government introduced the Employment Subsidy Scheme, supporting both residents and the local economy; a measure which remains in place at the date of this report.

In respect of these financial statements, the impact of COVID-19 has not been significant.

Directors' indemnities

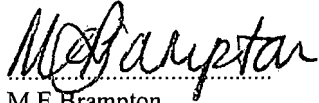
As permitted by the articles of association, the directors have the benefit of an indemnity (provided on a group wide basis via Treasury Wine Estates Limited) which is a qualifying third party indemnity provision as defined by section 236 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Treasury Wine Estates Limited also purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its directors.

Cellarmaster Wines (UK) Limited

**Directors' report (continued)
For the year ended 30 June 2020**

Approved by the Board on 8 April 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M E Brampton', written over a dotted line.

M E Brampton
Director

9th Floor, Regal House
70 London Road
Twickenham
Middlesex
TW1 3QS

Cellarmaster Wines (UK) Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report including the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 2 'Going concern', the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Cellarmaster Wines (UK) Limited

Balance sheet As at 30 June 2020

| | Note | 2020 £ 000 | 2019 £ 000 |
|------------------------------------|------|---------------------|---------------------|
| Current liabilities | | | |
| Trade and other payables | 5 | <u>(528)</u> | <u>(528)</u> |
| Net current liabilities | | <u><u>(528)</u></u> | <u><u>(528)</u></u> |
| Capital and reserves | | | |
| Called-up share capital | 6 | 12,357 | 12,357 |
| Share premium | 7 | 197 | 197 |
| Retained earnings | 7 | <u>(13,082)</u> | <u>(13,082)</u> |
| Total shareholders' deficit | | <u><u>(528)</u></u> | <u><u>(528)</u></u> |

The company did not trade during the current and prior years and has made neither profit nor loss, nor any other comprehensive income. The company is a dormant company, as defined by the Companies Act 2006.

For the financial year ending 30 June 2020 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

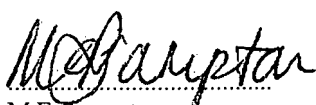
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements of Cellarmaster Wines (UK) Limited (registration number: 02430641) were approved by the Board of directors and authorised for issue on 8 April 2021.

They were signed on its behalf by:


M E Brampton
Director

Cellarmaster Wines (UK) Limited

**Statement of changes in equity
For the year ended 30 June 2020**

| | Called-up share capital £ 000 | Share premium £ 000 | Retained earnings £ 000 | Total £ 000 |
|--|--|------------------------------------|--|------------------------|
| Balance at 1 July 2018 | <u>12,357</u> | <u>197</u> | <u>(13,082)</u> | <u>(528)</u> |
| Total comprehensive income for the financial year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance at 30 June 2019 | <u>12,357</u> | <u>197</u> | <u>(13,082)</u> | <u>(528)</u> |
| | Called-up share capital £ 000 | Share premium £ 000 | Retained earnings £ 000 | Total £ 000 |
| Balance at 1 July 2019 | <u>12,357</u> | <u>197</u> | <u>(13,082)</u> | <u>(528)</u> |
| Total comprehensive income for the financial year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance at 30 June 2020 | <u>12,357</u> | <u>197</u> | <u>(13,082)</u> | <u>(528)</u> |

Cellarmaster Wines (UK) Limited

Notes to the financial statements For the year ended 30 June 2020

1 General information

Cellarmaster Wines (UK) Limited (the "company") is a private company limited by share capital incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered office is:

9th Floor, Regal House
70 London Road
Twickenham
Middlesex
TW1 3QS

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates. Amounts have been rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company is dormant and intended to be liquidated in the near future.

2 Accounting policies

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Going concern

Due to the ongoing intention to liquidate the company, the directors continue to determine that the going concern basis of preparation is still no longer appropriate.

Accordingly, the financial statements are not prepared on a going concern basis. The directors have applied the requirement of paragraph 25 of IAS 1 Presentation of Financial Statements which states that: "When the financial report is not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial report is prepared and the reason why the entity is not regarded as a going concern."

The directors are aware that in last year's financial statements, disclosure had been made of management's intention not to progress with any activity through this company, and to progress with a liquidation in the following 12 months. Even though this liquidation has not yet occurred, the intention to liquidate this company remains, and it is expected that the liquidation will take place within the following financial year (FY21).

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the end of the reporting period.

Cellarmaster Wines (UK) Limited

Notes to the financial statements (continued) For the year ended 30 June 2020

2 Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial liabilities

Financial liabilities are measured at fair value on initial recognition. For all financial liabilities not subsequently measured at fair value through the profit and loss account, the transaction costs directly attributable to the acquisition of the financial liabilities are also recognised.

Trade and other payables

and other creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial assets

The company classifies its financial assets in the following categories: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The company has no financial assets classified as at fair value through profit or loss, or available for sale.

Expected loss model

Expected credit losses are calculated by utilising a provision matrix where loss rates are calculated based on days past due for groupings of various customer segments that have similar loss patterns (for example geography, product type and rating). The provision matrix is initially determined by the companies historical observed loss rates and will be calibrated for forward looking information. Loss rates will be updated at each reporting date based on changes in observed default rates and changes in forward looking information.

De-recognition of a financial asset

The derecognition of a financial asset takes place when the company no longer controls the contractual rights that comprise the financial instrument. This is normally the case when the instrument is sold or all the cash flows attributable to the instrument are passed through to an independent third party.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Cellarmaster Wines (UK) Limited

Notes to the financial statements (continued) For the year ended 30 June 2020

3 Profit and loss account

No profit and loss account is presented within these financial statements because the company has not received income, incurred expenditure or recognised any other items of comprehensive income during the accounting period under review. There have been no movements in shareholders' funds during the current or prior year and therefore no statement of changes of equity has been included.

4 Directors' remuneration

The directors of the company are also directors of fellow subsidiaries within the group. The directors are remunerated by Treasury Wine Estates EMEA Limited and do not receive any emoluments from this company (2019: £nil). The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of fellow subsidiary companies.

There were no staff costs during the year (2019: £nil).

The monthly average number of persons (including directors) employed by the company during the year was 2 (2019: 2).

5 Trade and other payables

| | 2020 | 2019 |
|-----------------------------------|-------|-------|
| | £ 000 | £ 000 |
| Amounts due to group undertakings | 528 | 528 |

Amounts due to group undertakings are unsecured, interest free and payable on demand.

6 Called-up share capital

Authorised, allotted, called up and fully paid shares

| | 2020 | 2020 | 2019 | 2019 |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | No. 000 | £ 000 | No. 000 | £ 000 |
| 10,000 ordinary shares of £1 each | 10 | 10 | 10 | 10 |
| 12,347,031 ordinary shares of £1 each | 12,347 | 12,347 | 12,347 | 12,347 |
| | <u>12,357</u> | <u>12,357</u> | <u>12,357</u> | <u>12,357</u> |

Cellarmaster Wines (UK) Limited

Notes to the financial statements (continued) For the year ended 30 June 2020

7 Reserves

The company's reserves are as follows:

Share capital

The balance classified as share capital includes the total proceeds on issue of the company's equity share capital, minus the share premium, comprising £1 ordinary shares.

Share premium

The share premium consists of proceeds received in excess of the nominal value of the shares on the issue of the company's equity share capital.

Retained earnings

The retained earnings represents cumulative profits or losses, and any distributions to shareholders.

8 Events after the reporting date

There were no significant events after the balance sheet date.

9 Parent and ultimate parent undertaking

The company's ultimate parent company and controlling party, which is the parent undertaking of the smallest and largest group to consolidate the financial statements of the company, is Treasury Wine Estates Limited, a company incorporated in Australia, with its registered address at Level 8, 161 Collins Street, Melbourne, Victoria 3000, Australia.

Copies of the Treasury Wine Estates Limited financial statements can be obtained from its website: <http://tweglobal.com>.

The company's immediate controlling party is Cellarmaster Wines Holdings (UK) Limited. Copies of the Cellarmaster Wines Holdings (UK) Limited may be obtained from the Company Secretary, Regal House, 70 London Road, Twickenham, Middlesex, TW1 3QS.