

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>RUBY WINES, INC. 401K PROFIT SHARING TRUST</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>09/01/1975</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>04-2036447</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>508-588-7007</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>424800</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>09/01/1975</u>		2b Employer Identification Number (EIN) <u>04-2036447</u>		2c Plan Sponsor's telephone number <u>508-588-7007</u>		2d Business code (see instructions) <u>424800</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>09/01/1975</u>											
2b Employer Identification Number (EIN) <u>04-2036447</u>											
2c Plan Sponsor's telephone number <u>508-588-7007</u>											
2d Business code (see instructions) <u>424800</u>											
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>RUBY WINES, INC.</u> <u>625 BODWELL STREET EXT.</u> <u>AVON, MA 02322-1019</u>											

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	ROBERT RUBIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 186
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 169 6a(2) 156 6b 0 6c 21 6d 177 6e 0 6f 177 6g 146 6h 11
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 3D 2A 2H 2J 2F 2T b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan RUBY WINES, INC. 401K PROFIT SHARING TRUST	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 RUBY WINES, INC.	D Employer Identification Number (EIN) 04-2036447	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES, INC.

1000 HARBOR BLVD. - 6TH FLOOR
WEEHAWKEN, NJ 07086

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 65 63 71	NONE	49807	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

JOHN HANCOCK

01-0233346

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 62 64	RETAINED BY EMPLOYER	22682	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	MCCAFFERTY & CO., PC	b EIN:	04-3216934
c Position:	ACCOUNTANT		
d Address:	70 WELLS AVE NEWTON, MA 02459	e Telephone:	617-964-3232

Explanation: SWITCHED PROVIDERS

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan RUBY WINES, INC. 401K PROFIT SHARING TRUST	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 RUBY WINES, INC.	D Employer Identification Number (EIN) 04-2036447	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	140000	150000
(2) Participant contributions.....	1b(2)	0	10414
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	306638	228627
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	18547650	21114164
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	18994288 21503205
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	18994288 21503205

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	150000
	(B) Participants	2a(1)(B)	590612
	(C) Others (including rollovers).....	2a(1)(C)	383654
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	1124266
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	15747
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	15747
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	213658
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	213658
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		2983380
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		4337051
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1734701	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1734701
f Corrective distributions (see instructions).....	2f		20944
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	22682	
(3) Investment advisory and management fees.....	2i(3)	49807	
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		72489
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1828134
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		2508917
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CITRIN COOPERMAN & COMPANY LLP

(2) EIN: 22-2428965

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a	X		66814

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan RUBY WINES, INC. 401K PROFIT SHARING TRUST	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 RUBY WINES, INC.	D Employer Identification Number (EIN) 04-2036447

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 80-0709115		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020

**RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
Ruby Wines, Inc. 401(k) Profit Sharing Trust
Avon, Massachusetts

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section -

- The amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the 2021 financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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- 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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Information Required by ERISA

The supplemental Schedule H - Line 4i - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H - Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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In our opinion-

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter - 2020 Financial Statements

The 2020 financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated September 22, 2021 indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CERTIFIED PUBLIC ACCOUNTANTS

Braintree, Massachusetts
October 14, 2022

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Investments at fair value:		
Mutual funds	\$ 20,163,421	\$ 17,531,011
Money market funds	<u>950,743</u>	<u>1,016,639</u>
	<u>21,114,164</u>	<u>18,547,650</u>
Receivables:		
Participant contributions	10,414	-
Employer profit sharing contributions	150,000	140,000
Notes receivable from participants	<u>228,627</u>	<u>306,638</u>
	<u>389,041</u>	<u>446,638</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 21,503,205</u>	<u>\$ 18,994,288</u>

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2021

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,983,380
Interest and dividend income	<u>213,658</u>

Total investment income	<u>3,197,038</u>
-------------------------	------------------

Interest income on notes receivable from participants	<u>15,747</u>
---	---------------

Contributions:

Participant	590,612
Employer profit sharing	150,000
Employee rollover	<u>383,654</u>

Total contributions	<u>1,124,266</u>
---------------------	------------------

Total additions	<u>4,337,051</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,755,645
Administrative expenses	<u>72,489</u>

Total deductions	<u>1,828,134</u>
------------------	------------------

Net increase in net assets available for benefits	2,508,917
---	-----------

Net assets available for benefits - beginning of year	<u>18,994,288</u>
---	-------------------

NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	<u>\$ 21,503,205</u>
--	-----------------------------

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN

The following description of the Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of Ruby Wines, Inc. and was amended on November 1, 2021 to include the employees of Ruby Wines New Hampshire, Inc. DBA Perfecta Wine Company (collectively referred to as the "Company" or "Plan Sponsor") who have completed at least three months of service and are twenty-one years of age or older. An employee can elect to become a participant in the Plan upon satisfying the service requirement. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. Effective December 28, 2021, the Plan was amended to remove the suspension of participant contributions after hardship withdrawal.

Contributions

Each calendar year, participants may contribute up to 100% of their pretax annual compensation up to the maximum allowed by the Internal Revenue Code ("IRC"), as defined by the Plan. The Plan allows participants to make Roth contributions subject to certain IRC limitations. Participants who are age 50 or older by the end of the taxable year are permitted to make additional, catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans, subject to certain IRC limitations. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company, at its discretion, may elect to contribute a matching contribution on an annual basis. For the year ended December 31, 2021, the Company did not make any discretionary matching contributions.

An additional discretionary profit sharing amount may be contributed at the option of the Company. For the year ended December 31, 2021, the additional discretionary profit sharing contribution was \$150,000, which was funded in 2022.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service in accordance with the following schedule:

<u>Years of Service</u>	<u>Vested Interest</u>
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Notwithstanding the foregoing, a participant shall be 100% vested in and have a non-forfeitable right to his or her account upon death or total and permanent disability while in service.

Notes Receivable from Participants

Participants may borrow against their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of 50 percent of the participant's vested account balance or \$50,000, whichever is less. Loan terms are up to five years, except for loans to fund the purchase of a principal residence, for which the loan may be repaid over a reasonable period that may exceed five years, as determined by the Plan administrator. The notes receivable are secured by the balance in the participant's account and bear interest at the prime rate plus 1.5%. Principal and interest is paid ratably through payroll deductions. A participant may have up to two outstanding loans at any given time.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the life expectancy of the participant. Participants may also elect to make certain in-service withdrawals from the Plan upon reaching age 59½, subject to certain federal and state withholding requirements. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Distribution of vested account balances of at least \$5,000 may be deferred by retired employees until age 72, at which time required minimum distributions under ERISA must begin.

Hardship Withdrawals

A participant may withdraw a portion of his or her account vested account balance to meet specific heavy financial needs, as defined by the IRC, subject to certain limitations outlined by the Plan.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Forfeitures

Forfeitures represent the non-vested portion of the terminated participants' account balances. Forfeited amounts are used to reduce administrative expenses. As of December 31, 2021 and 2020, the Plan had unallocated forfeitures of \$17,804 and \$12,278, respectively. There were forfeitures of \$5,524 recognized in 2021 and no forfeitures utilized for the year ended December 31, 2021.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and changes in net assets available for benefits during the year. Actual results could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year such adjustments are determined.

Investment Valuation and Income Recognition

The Plan's investments are held with John Hancock Trust Company, LLC, the trustee, and are invested in various mutual funds and money market funds at the participant's direction.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisor and the trustee.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurement

The Plan currently records, on a recurring basis, the fair value of its investments. U.S. GAAP defines fair value and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (continued)

- **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as (1) Quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- **Level 3** – Unobservable inputs based on the Plan's assessment of the assumptions that market participants would use in pricing the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for asset investments measured at fair value, on a recurring basis, as well as the general classification pursuant to the valuation hierarchy. There have been no changes in the methodology used at December 31, 2021 and 2020 for the Plan's investments.

Mutual funds and money market funds – The fair value of mutual funds and money market funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds and money market funds held by the Plan are deemed to be actively traded and are classified as level 1 investments.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan administrator believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of the certain financial instruments could result in a different fair value measurement at the reporting date.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and expensed as they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make a loan repayments and the Plan is administrator deems the participant loan to be in default, the participant loan balance is reduced and a distribution is recorded.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payment of Benefits

Benefit payments are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

The Plan has evaluated all subsequent events through October 14, 2022, the date the financial statements were available to be issued, and has determined that there are no subsequent events that require disclosure under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 855 *Subsequent Events*.

NOTE 3. FAIR VALUE MEASUREMENT

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 20,163,421	\$ -	\$ -	\$ 20,163,421
Money market funds	<u>950,743</u>	<u>-</u>	<u>-</u>	<u>950,743</u>
Total	<u>\$ 21,114,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,114,164</u>
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,531,011	\$ -	\$ -	\$ 17,531,011
Money market funds	<u>1,016,639</u>	<u>-</u>	<u>-</u>	<u>1,016,639</u>
Total	<u>\$ 18,547,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,547,650</u>

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, John Hancock Trust Company, LLC ("John Hancock"), the trustee, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020, the Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021, and the related investment activity and interest income from notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2021.

Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the Plan's independent auditors not to perform auditing procedures with respect to this information, except for comparing such information with the related information included in the financial statements and supplementary schedules.

NOTE 5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Affiliates of the Trustee of the plan sponsor certain investments and provide recordkeeping services to the Plan. These investments and the administrative fees associated with the recordkeeping services qualify as party-in-interest transactions. Notes receivable from participants are also considered party-in-interest transactions.

NOTE 6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

NOTE 7. TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Plan by an opinion letter dated May 18, 2015, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax asset or liability if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of an asset or liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8. RISKS AND UNCERTAINTIES

The Plan invests in various mutual funds and money market funds. Investment securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 9. RECONCILIATION WITH FORM 5500

Schedule H, Parts I and II of Form 5500 are in substantial agreement with the Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020 and the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2021, and there are no reconciling items.

NOTE 10. PARTICIPANT CONTRIBUTIONS

During the year ended December 31, 2021 the Company failed to remit participant contributions on a timely basis as prescribed in Section 2510.3-102 by the Department of Labor ("DOL"). Defined contribution plans must remit participant contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets, but no later than the 15th business day of the month following the month in which the participant contributions are withheld or received by the employer. For the year ended December 31, 2021, the Company failed to timely remit approximately \$66,814 of employee contributions. Plan management intends to work with the third-party administrator to calculate lost earnings on late remittances and will make required corrections in 2022.

SUPPLEMENTAL INFORMATION

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H, LINE 4a - DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2021
EIN: 04-2956130
PLAN NO: 001

Participant contributions Transferred late to the plan Check here if late participant Loan repayments are included ☒		Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Year	Amount	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>-</u>

See independent auditor's report

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H - LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021
EIN: 04-2036447
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Fidelity 500 Index Fd	Mutual Fund	**	\$ 3,411,749
	AB Large Cap Growth I	Mutual Fund	**	2,072,513
	American Balanced Fund R6	Mutual Fund	**	1,922,222
	ClearBridge Select I	Mutual Fund	**	1,585,400
	Allspring Spc Mid Cap Value R6	Mutual Fund	**	1,261,557
	American Mutual R-5E	Mutual Fund	**	1,253,746
	Amer Target 2025 Fund R6	Mutual Fund	**	1,237,098
	Fidelity Gov Money Market Fund	Money Market Fund	**	950,733
	Fid Advisor Small Cap Growth I	Mutual Fund	**	859,999
	Hartford Intl Opport Y	Mutual Fund	**	728,628
	PGIM Total Return Bond Z	Mutual Fund	**	713,011
	Amer Target 2030 Fund R6	Mutual Fund	**	708,684
	Amer Target 2040 Fund R6	Mutual Fund	**	649,245
	Amer Target 2045 Fund R6	Mutual Fund	**	622,464
	Amer Target 2035 Fund R6	Mutual Fund	**	527,408
	Undiscovered Mgrs Behav Val R6	Mutual Fund	**	337,344
	Amer Target 2050 Fund R6	Mutual Fund	**	315,970
	American New World Fund R6	Mutual Fund	**	294,112
	Fidelity Ext Market Index Fd	Mutual Fund	**	264,953
	Amer Target 2015 Fund R6	Mutual Fund	**	202,229
	Fidelity US Bond Index Fd	Mutual Fund	**	174,016
	Amer Target 2020 Fund R6	Mutual Fund	**	170,742
	Amer Target 2055 Fund R6	Mutual Fund	**	156,390
	Amer Target 2060 Fund R6	Mutual Fund	**	134,495
	Fidelity International Idx Fd	Mutual Fund	**	124,339
	Federated Hermes Int HiYd Bd I	Mutual Fund	**	114,206
	Vanguard Real Estate Index Adm	Mutual Fund	**	112,566
	Fidelity Sm Cap Index Fund	Mutual Fund	**	107,371
	Amer Target 2010 Fund R6	Mutual Fund	**	70,297
	MassMutual Inf-Prot & Income I	Mutual Fund	**	15,613
	BNY Mellon Natural Resources I	Mutual Fund	**	14,947
	PIMCO Gov Money Market Admin	Money Market Fund	**	117
*	Notes receivable from participants	Interest rates from 4.5% through 7.0% and maturing at various dates through 2026	**	<u>228,627</u>
TOTAL ASSETS HELD				<u>\$ 21,342,791</u>

* - A party-in-interest to the Plan as defined by ERISA.

** - Cost information is not required for participant-directed investments and therefore in it is not included.

See independent auditor's report

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020

**RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
Ruby Wines, Inc. 401(k) Profit Sharing Trust
Avon, Massachusetts

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section -

- The amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the 2021 financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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- 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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Information Required by ERISA

The supplemental Schedule H - Line 4i - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H - Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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In our opinion-

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter - 2020 Financial Statements

The 2020 financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated September 22, 2021 indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CERTIFIED PUBLIC ACCOUNTANTS

Braintree, Massachusetts
October 14, 2022

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Investments at fair value:		
Mutual funds	\$ 20,163,421	\$ 17,531,011
Money market funds	<u>950,743</u>	<u>1,016,639</u>
	<u>21,114,164</u>	<u>18,547,650</u>
Receivables:		
Participant contributions	10,414	-
Employer profit sharing contributions	150,000	140,000
Notes receivable from participants	<u>228,627</u>	<u>306,638</u>
	<u>389,041</u>	<u>446,638</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 21,503,205</u>	<u>\$ 18,994,288</u>

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2021

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,983,380
Interest and dividend income	<u>213,658</u>

Total investment income	<u>3,197,038</u>
-------------------------	------------------

Interest income on notes receivable from participants	<u>15,747</u>
---	---------------

Contributions:

Participant	590,612
Employer profit sharing	150,000
Employee rollover	<u>383,654</u>

Total contributions	<u>1,124,266</u>
---------------------	------------------

Total additions	<u>4,337,051</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,755,645
Administrative expenses	<u>72,489</u>

Total deductions	<u>1,828,134</u>
------------------	------------------

Net increase in net assets available for benefits	2,508,917
---	-----------

Net assets available for benefits - beginning of year	<u>18,994,288</u>
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NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	<u>\$ 21,503,205</u>
--	-----------------------------

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN

The following description of the Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of Ruby Wines, Inc. and was amended on November 1, 2021 to include the employees of Ruby Wines New Hampshire, Inc. DBA Perfecta Wine Company (collectively referred to as the "Company" or "Plan Sponsor") who have completed at least three months of service and are twenty-one years of age or older. An employee can elect to become a participant in the Plan upon satisfying the service requirement. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. Effective December 28, 2021, the Plan was amended to remove the suspension of participant contributions after hardship withdrawal.

Contributions

Each calendar year, participants may contribute up to 100% of their pretax annual compensation up to the maximum allowed by the Internal Revenue Code ("IRC"), as defined by the Plan. The Plan allows participants to make Roth contributions subject to certain IRC limitations. Participants who are age 50 or older by the end of the taxable year are permitted to make additional, catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans, subject to certain IRC limitations. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company, at its discretion, may elect to contribute a matching contribution on an annual basis. For the year ended December 31, 2021, the Company did not make any discretionary matching contributions.

An additional discretionary profit sharing amount may be contributed at the option of the Company. For the year ended December 31, 2021, the additional discretionary profit sharing contribution was \$150,000, which was funded in 2022.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service in accordance with the following schedule:

<u>Years of Service</u>	<u>Vested Interest</u>
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Notwithstanding the foregoing, a participant shall be 100% vested in and have a non-forfeitable right to his or her account upon death or total and permanent disability while in service.

Notes Receivable from Participants

Participants may borrow against their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of 50 percent of the participant's vested account balance or \$50,000, whichever is less. Loan terms are up to five years, except for loans to fund the purchase of a principal residence, for which the loan may be repaid over a reasonable period that may exceed five years, as determined by the Plan administrator. The notes receivable are secured by the balance in the participant's account and bear interest at the prime rate plus 1.5%. Principal and interest is paid ratably through payroll deductions. A participant may have up to two outstanding loans at any given time.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the life expectancy of the participant. Participants may also elect to make certain in-service withdrawals from the Plan upon reaching age 59½, subject to certain federal and state withholding requirements. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Distribution of vested account balances of at least \$5,000 may be deferred by retired employees until age 72, at which time required minimum distributions under ERISA must begin.

Hardship Withdrawals

A participant may withdraw a portion of his or her account vested account balance to meet specific heavy financial needs, as defined by the IRC, subject to certain limitations outlined by the Plan.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Forfeitures

Forfeitures represent the non-vested portion of the terminated participants' account balances. Forfeited amounts are used to reduce administrative expenses. As of December 31, 2021 and 2020, the Plan had unallocated forfeitures of \$17,804 and \$12,278, respectively. There were forfeitures of \$5,524 recognized in 2021 and no forfeitures utilized for the year ended December 31, 2021.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and changes in net assets available for benefits during the year. Actual results could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year such adjustments are determined.

Investment Valuation and Income Recognition

The Plan's investments are held with John Hancock Trust Company, LLC, the trustee, and are invested in various mutual funds and money market funds at the participant's direction.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisor and the trustee.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurement

The Plan currently records, on a recurring basis, the fair value of its investments. U.S. GAAP defines fair value and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (continued)

- **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as (1) Quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- **Level 3** – Unobservable inputs based on the Plan's assessment of the assumptions that market participants would use in pricing the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for asset investments measured at fair value, on a recurring basis, as well as the general classification pursuant to the valuation hierarchy. There have been no changes in the methodology used at December 31, 2021 and 2020 for the Plan's investments.

Mutual funds and money market funds – The fair value of mutual funds and money market funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds and money market funds held by the Plan are deemed to be actively traded and are classified as level 1 investments.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan administrator believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of the certain financial instruments could result in a different fair value measurement at the reporting date.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and expensed as they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make a loan repayments and the Plan is administrator deems the participant loan to be in default, the participant loan balance is reduced and a distribution is recorded.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payment of Benefits

Benefit payments are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

The Plan has evaluated all subsequent events through October 14, 2022, the date the financial statements were available to be issued, and has determined that there are no subsequent events that require disclosure under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 855 *Subsequent Events*.

NOTE 3. FAIR VALUE MEASUREMENT

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 20,163,421	\$ -	\$ -	\$ 20,163,421
Money market funds	<u>950,743</u>	<u>-</u>	<u>-</u>	<u>950,743</u>
Total	<u>\$ 21,114,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,114,164</u>
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,531,011	\$ -	\$ -	\$ 17,531,011
Money market funds	<u>1,016,639</u>	<u>-</u>	<u>-</u>	<u>1,016,639</u>
Total	<u>\$ 18,547,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,547,650</u>

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, John Hancock Trust Company, LLC ("John Hancock"), the trustee, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020, the Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021, and the related investment activity and interest income from notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2021.

Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the Plan's independent auditors not to perform auditing procedures with respect to this information, except for comparing such information with the related information included in the financial statements and supplementary schedules.

NOTE 5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Affiliates of the Trustee of the plan sponsor certain investments and provide recordkeeping services to the Plan. These investments and the administrative fees associated with the recordkeeping services qualify as party-in-interest transactions. Notes receivable from participants are also considered party-in-interest transactions.

NOTE 6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

NOTE 7. TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Plan by an opinion letter dated May 18, 2015, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax asset or liability if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of an asset or liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8. RISKS AND UNCERTAINTIES

The Plan invests in various mutual funds and money market funds. Investment securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 9. RECONCILIATION WITH FORM 5500

Schedule H, Parts I and II of Form 5500 are in substantial agreement with the Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020 and the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2021, and there are no reconciling items.

NOTE 10. PARTICIPANT CONTRIBUTIONS

During the year ended December 31, 2021 the Company failed to remit participant contributions on a timely basis as prescribed in Section 2510.3-102 by the Department of Labor ("DOL"). Defined contribution plans must remit participant contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets, but no later than the 15th business day of the month following the month in which the participant contributions are withheld or received by the employer. For the year ended December 31, 2021, the Company failed to timely remit approximately \$66,814 of employee contributions. Plan management intends to work with the third-party administrator to calculate lost earnings on late remittances and will make required corrections in 2022.

SUPPLEMENTAL INFORMATION

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H, LINE 4a - DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2021
EIN: 04-2956130
PLAN NO: 001

Participant contributions Transferred late to the plan Check here if late participant Loan repayments are included ☒		Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Year	Amount	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>-</u>

See independent auditor's report

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H - LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021
EIN: 04-2036447
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Fidelity 500 Index Fd	Mutual Fund	**	\$ 3,411,749
	AB Large Cap Growth I	Mutual Fund	**	2,072,513
	American Balanced Fund R6	Mutual Fund	**	1,922,222
	ClearBridge Select I	Mutual Fund	**	1,585,400
	Allspring Spc Mid Cap Value R6	Mutual Fund	**	1,261,557
	American Mutual R-5E	Mutual Fund	**	1,253,746
	Amer Target 2025 Fund R6	Mutual Fund	**	1,237,098
	Fidelity Gov Money Market Fund	Money Market Fund	**	950,733
	Fid Advisor Small Cap Growth I	Mutual Fund	**	859,999
	Hartford Intl Opport Y	Mutual Fund	**	728,628
	PGIM Total Return Bond Z	Mutual Fund	**	713,011
	Amer Target 2030 Fund R6	Mutual Fund	**	708,684
	Amer Target 2040 Fund R6	Mutual Fund	**	649,245
	Amer Target 2045 Fund R6	Mutual Fund	**	622,464
	Amer Target 2035 Fund R6	Mutual Fund	**	527,408
	Undiscovered Mgrs Behav Val R6	Mutual Fund	**	337,344
	Amer Target 2050 Fund R6	Mutual Fund	**	315,970
	American New World Fund R6	Mutual Fund	**	294,112
	Fidelity Ext Market Index Fd	Mutual Fund	**	264,953
	Amer Target 2015 Fund R6	Mutual Fund	**	202,229
	Fidelity US Bond Index Fd	Mutual Fund	**	174,016
	Amer Target 2020 Fund R6	Mutual Fund	**	170,742
	Amer Target 2055 Fund R6	Mutual Fund	**	156,390
	Amer Target 2060 Fund R6	Mutual Fund	**	134,495
	Fidelity International Idx Fd	Mutual Fund	**	124,339
	Federated Hermes Int HiYd Bd I	Mutual Fund	**	114,206
	Vanguard Real Estate Index Adm	Mutual Fund	**	112,566
	Fidelity Sm Cap Index Fund	Mutual Fund	**	107,371
	Amer Target 2010 Fund R6	Mutual Fund	**	70,297
	MassMutual Inf-Prot & Income I	Mutual Fund	**	15,613
	BNY Mellon Natural Resources I	Mutual Fund	**	14,947
	PIMCO Gov Money Market Admin	Money Market Fund	**	117
*	Notes receivable from participants	Interest rates from 4.5% through 7.0% and maturing at various dates through 2026	**	<u>228,627</u>
TOTAL ASSETS HELD				\$ <u>21,342,791</u>

* - A party-in-interest to the Plan as defined by ERISA.

** - Cost information is not required for participant-directed investments and therefore in it is not included.

See independent auditor's report

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020

**RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
Ruby Wines, Inc. 401(k) Profit Sharing Trust
Avon, Massachusetts

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section -

- The amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the 2021 financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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- 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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Information Required by ERISA

The supplemental Schedule H - Line 4i - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H - Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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In our opinion-

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter - 2020 Financial Statements

The 2020 financial statements of Ruby Wines, Inc. 401(k) Profit Sharing Trust were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditor not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report dated September 22, 2021 indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and supplemental schedules, and (b) the form and content of the information included in the financial statements and supplemental schedules other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CERTIFIED PUBLIC ACCOUNTANTS

Braintree, Massachusetts
October 14, 2022

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Investments at fair value:		
Mutual funds	\$ 20,163,421	\$ 17,531,011
Money market funds	<u>950,743</u>	<u>1,016,639</u>
	<u>21,114,164</u>	<u>18,547,650</u>
Receivables:		
Participant contributions	10,414	-
Employer profit sharing contributions	150,000	140,000
Notes receivable from participants	<u>228,627</u>	<u>306,638</u>
	<u>389,041</u>	<u>446,638</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 21,503,205</u>	<u>\$ 18,994,288</u>

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2021

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,983,380
Interest and dividend income	<u>213,658</u>

Total investment income	<u>3,197,038</u>
-------------------------	------------------

Interest income on notes receivable from participants	<u>15,747</u>
---	---------------

Contributions:

Participant	590,612
Employer profit sharing	150,000
Employee rollover	<u>383,654</u>

Total contributions	<u>1,124,266</u>
---------------------	------------------

Total additions	<u>4,337,051</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,755,645
Administrative expenses	<u>72,489</u>

Total deductions	<u>1,828,134</u>
------------------	------------------

Net increase in net assets available for benefits	2,508,917
---	-----------

Net assets available for benefits - beginning of year	<u>18,994,288</u>
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NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	<u>\$ 21,503,205</u>
--	-----------------------------

See accompanying notes to financial statements.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN

The following description of the Ruby Wines, Inc. 401(k) Profit Sharing Trust (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of Ruby Wines, Inc. and was amended on November 1, 2021 to include the employees of Ruby Wines New Hampshire, Inc. DBA Perfecta Wine Company (collectively referred to as the "Company" or "Plan Sponsor") who have completed at least three months of service and are twenty-one years of age or older. An employee can elect to become a participant in the Plan upon satisfying the service requirement. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. Effective December 28, 2021, the Plan was amended to remove the suspension of participant contributions after hardship withdrawal.

Contributions

Each calendar year, participants may contribute up to 100% of their pretax annual compensation up to the maximum allowed by the Internal Revenue Code ("IRC"), as defined by the Plan. The Plan allows participants to make Roth contributions subject to certain IRC limitations. Participants who are age 50 or older by the end of the taxable year are permitted to make additional, catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans, subject to certain IRC limitations. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company, at its discretion, may elect to contribute a matching contribution on an annual basis. For the year ended December 31, 2021, the Company did not make any discretionary matching contributions.

An additional discretionary profit sharing amount may be contributed at the option of the Company. For the year ended December 31, 2021, the additional discretionary profit sharing contribution was \$150,000, which was funded in 2022.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service in accordance with the following schedule:

<u>Years of Service</u>	<u>Vested Interest</u>
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Notwithstanding the foregoing, a participant shall be 100% vested in and have a non-forfeitable right to his or her account upon death or total and permanent disability while in service.

Notes Receivable from Participants

Participants may borrow against their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of 50 percent of the participant's vested account balance or \$50,000, whichever is less. Loan terms are up to five years, except for loans to fund the purchase of a principal residence, for which the loan may be repaid over a reasonable period that may exceed five years, as determined by the Plan administrator. The notes receivable are secured by the balance in the participant's account and bear interest at the prime rate plus 1.5%. Principal and interest is paid ratably through payroll deductions. A participant may have up to two outstanding loans at any given time.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the life expectancy of the participant. Participants may also elect to make certain in-service withdrawals from the Plan upon reaching age 59½, subject to certain federal and state withholding requirements. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Distribution of vested account balances of at least \$5,000 may be deferred by retired employees until age 72, at which time required minimum distributions under ERISA must begin.

Hardship Withdrawals

A participant may withdraw a portion of his or her account vested account balance to meet specific heavy financial needs, as defined by the IRC, subject to certain limitations outlined by the Plan.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Forfeitures

Forfeitures represent the non-vested portion of the terminated participants' account balances. Forfeited amounts are used to reduce administrative expenses. As of December 31, 2021 and 2020, the Plan had unallocated forfeitures of \$17,804 and \$12,278, respectively. There were forfeitures of \$5,524 recognized in 2021 and no forfeitures utilized for the year ended December 31, 2021.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and changes in net assets available for benefits during the year. Actual results could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year such adjustments are determined.

Investment Valuation and Income Recognition

The Plan's investments are held with John Hancock Trust Company, LLC, the trustee, and are invested in various mutual funds and money market funds at the participant's direction.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisor and the trustee.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurement

The Plan currently records, on a recurring basis, the fair value of its investments. U.S. GAAP defines fair value and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (continued)

- **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as (1) Quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- **Level 3** – Unobservable inputs based on the Plan's assessment of the assumptions that market participants would use in pricing the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for asset investments measured at fair value, on a recurring basis, as well as the general classification pursuant to the valuation hierarchy. There have been no changes in the methodology used at December 31, 2021 and 2020 for the Plan's investments.

Mutual funds and money market funds – The fair value of mutual funds and money market funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds and money market funds held by the Plan are deemed to be actively traded and are classified as level 1 investments.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan administrator believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of the certain financial instruments could result in a different fair value measurement at the reporting date.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and expensed as they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make a loan repayments and the Plan is administrator deems the participant loan to be in default, the participant loan balance is reduced and a distribution is recorded.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payment of Benefits

Benefit payments are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

The Plan has evaluated all subsequent events through October 14, 2022, the date the financial statements were available to be issued, and has determined that there are no subsequent events that require disclosure under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 855 *Subsequent Events*.

NOTE 3. FAIR VALUE MEASUREMENT

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 20,163,421	\$ -	\$ -	\$ 20,163,421
Money market funds	<u>950,743</u>	<u>-</u>	<u>-</u>	<u>950,743</u>
Total	<u>\$ 21,114,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,114,164</u>
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,531,011	\$ -	\$ -	\$ 17,531,011
Money market funds	<u>1,016,639</u>	<u>-</u>	<u>-</u>	<u>1,016,639</u>
Total	<u>\$ 18,547,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,547,650</u>

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, John Hancock Trust Company, LLC ("John Hancock"), the trustee, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020, the Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021, and the related investment activity and interest income from notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2021.

Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the Plan's independent auditors not to perform auditing procedures with respect to this information, except for comparing such information with the related information included in the financial statements and supplementary schedules.

NOTE 5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Affiliates of the Trustee of the plan sponsor certain investments and provide recordkeeping services to the Plan. These investments and the administrative fees associated with the recordkeeping services qualify as party-in-interest transactions. Notes receivable from participants are also considered party-in-interest transactions.

NOTE 6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

NOTE 7. TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Plan by an opinion letter dated May 18, 2015, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax asset or liability if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of an asset or liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8. RISKS AND UNCERTAINTIES

The Plan invests in various mutual funds and money market funds. Investment securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 9. RECONCILIATION WITH FORM 5500

Schedule H, Parts I and II of Form 5500 are in substantial agreement with the Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020 and the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2021, and there are no reconciling items.

NOTE 10. PARTICIPANT CONTRIBUTIONS

During the year ended December 31, 2021 the Company failed to remit participant contributions on a timely basis as prescribed in Section 2510.3-102 by the Department of Labor ("DOL"). Defined contribution plans must remit participant contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets, but no later than the 15th business day of the month following the month in which the participant contributions are withheld or received by the employer. For the year ended December 31, 2021, the Company failed to timely remit approximately \$66,814 of employee contributions. Plan management intends to work with the third-party administrator to calculate lost earnings on late remittances and will make required corrections in 2022.

SUPPLEMENTAL INFORMATION

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H, LINE 4a - DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2021
EIN: 04-2956130
PLAN NO: 001

Participant contributions Transferred late to the plan Check here if late participant Loan repayments are included ☒		Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Year	Amount	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>66,814</u>	\$ <u>-</u>	\$ <u>-</u>

See independent auditor's report

RUBY WINES, INC. 401(k) PROFIT SHARING TRUST
SCHEDULE H - LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021
EIN: 04-2036447
Plan Number: 001

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
	Fidelity 500 Index Fd	Mutual Fund	**	\$ 3,411,749
	AB Large Cap Growth I	Mutual Fund	**	2,072,513
	American Balanced Fund R6	Mutual Fund	**	1,922,222
	ClearBridge Select I	Mutual Fund	**	1,585,400
	Allspring Spc Mid Cap Value R6	Mutual Fund	**	1,261,557
	American Mutual R-5E	Mutual Fund	**	1,253,746
	Amer Target 2025 Fund R6	Mutual Fund	**	1,237,098
	Fidelity Gov Money Market Fund	Money Market Fund	**	950,733
	Fid Advisor Small Cap Growth I	Mutual Fund	**	859,999
	Hartford Intl Opport Y	Mutual Fund	**	728,628
	PGIM Total Return Bond Z	Mutual Fund	**	713,011
	Amer Target 2030 Fund R6	Mutual Fund	**	708,684
	Amer Target 2040 Fund R6	Mutual Fund	**	649,245
	Amer Target 2045 Fund R6	Mutual Fund	**	622,464
	Amer Target 2035 Fund R6	Mutual Fund	**	527,408
	Undiscovered Mgrs Behav Val R6	Mutual Fund	**	337,344
	Amer Target 2050 Fund R6	Mutual Fund	**	315,970
	American New World Fund R6	Mutual Fund	**	294,112
	Fidelity Ext Market Index Fd	Mutual Fund	**	264,953
	Amer Target 2015 Fund R6	Mutual Fund	**	202,229
	Fidelity US Bond Index Fd	Mutual Fund	**	174,016
	Amer Target 2020 Fund R6	Mutual Fund	**	170,742
	Amer Target 2055 Fund R6	Mutual Fund	**	156,390
	Amer Target 2060 Fund R6	Mutual Fund	**	134,495
	Fidelity International Idx Fd	Mutual Fund	**	124,339
	Federated Hermes Int HiYd Bd I	Mutual Fund	**	114,206
	Vanguard Real Estate Index Adm	Mutual Fund	**	112,566
	Fidelity Sm Cap Index Fund	Mutual Fund	**	107,371
	Amer Target 2010 Fund R6	Mutual Fund	**	70,297
	MassMutual Inf-Prot & Income I	Mutual Fund	**	15,613
	BNY Mellon Natural Resources I	Mutual Fund	**	14,947
	PIMCO Gov Money Market Admin	Money Market Fund	**	117
*	Notes receivable from participants	Interest rates from 4.5% through 7.0% and maturing at various dates through 2026	**	228,627
TOTAL ASSETS HELD				\$ 21,342,791

* - A party-in-interest to the Plan as defined by ERISA.

** - Cost information is not required for participant-directed investments and therefore in it is not included.

See independent auditor's report