



Braun Scandinavia A/S

Lejrvej 25
3500 Værløse
CVR No. 16762075

Annual report 2019

The Annual General Meeting adopted the
annual report on 03.09.2020

Reinier van der List

Chairman of the General Meeting

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Entity details

Entity

Braun Scandinavia A/S

Lejrvej 25

3500 Værløse

CVR No.: 16762075

Registered office: Furesø

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Laurent Gerard Ganem, chairman

Dirk de Cuyper

Wouter Pauwels

Reinier van der List

Executive Board

Reinier van der List

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Braun Scandinavia A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Værløse, 03.09.2020

Executive Board

Reinier van der List

Board of Directors

Laurent Gerard Ganem
chairman

Dirk de Cuyper

Wouter Pauwels

Reinier van der List

Independent auditor's report

To the shareholders of Braun Scandinavia A/S

Opinion

We have audited the financial statements of Braun Scandinavia A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 03.09.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jan Larsen

State Authorised Public Accountant
Identification No (MNE) mne16541

Management commentary

Primary activities

Braun Scandinavia A/S imports and distributes high quality products for the Health Care sector in Denmark and Sweden.

Development in activities and finances

The profit for the year amounts to DKK 4.079k, which management view as satisfactory.

The management expects to generate a more positive result in 2020 than 2019 due to Covid-19 which lead to higher sales of the Personal Protection Equipment within the product range.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		14,888,829	26,164,164
Staff costs	1	(9,008,992)	(12,192,165)
Depreciation, amortisation and impairment losses	2	(724,272)	(96,730)
Operating profit/loss		5,155,565	13,875,269
Other financial income	3	429,824	285,195
Other financial expenses	4	(222,636)	(240,804)
Profit/loss before tax		5,362,753	13,919,660
Tax on profit/loss for the year	5	(1,284,134)	(3,162,549)
Profit/loss for the year		4,078,619	10,757,111
Proposed distribution of profit and loss			
Retained earnings		4,078,619	10,757,111
Proposed distribution of profit and loss		4,078,619	10,757,111

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		3,027,420	2,314,380
Leasehold improvements		974,844	451,123
Property, plant and equipment	6	4,002,264	2,765,503
Deposits		157,130	84,711
Other financial assets	7	157,130	84,711
Fixed assets		4,159,394	2,850,214
Manufactured goods and goods for resale		8,270,949	10,070,906
Prepayments for goods		0	915,799
Inventories		8,270,949	10,986,705
Trade receivables		5,866,414	8,909,941
Receivables from group enterprises		24,103,201	20,498,958
Deferred tax		13,000	13,000
Other receivables		37,250	57,528
Prepayments		64,516	133,273
Receivables		30,084,381	29,612,700
Cash		8,212,648	6,738,496
Current assets		46,567,978	47,337,901
Assets		50,727,372	50,188,115

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		500,000	500,000
Retained earnings		11,433,349	37,354,730
Proposed dividend		30,000,000	0
Equity		41,933,349	37,854,730
Other payables		361,000	0
Non-current liabilities other than provisions		361,000	0
Trade payables		2,449,943	3,810,816
Payables to group enterprises		2,836,202	2,783,919
Joint taxation contribution payable		1,150,333	3,072,657
Other payables	8	1,996,545	2,665,993
Current liabilities other than provisions		8,433,023	12,333,385
Liabilities other than provisions		8,794,023	12,333,385
Equity and liabilities		50,727,372	50,188,115
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	37,354,730	0	37,854,730
Profit/loss for the year	0	(25,921,381)	30,000,000	4,078,619
Equity end of year	500,000	11,433,349	30,000,000	41,933,349

Notes

1 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	7,086,319	10,427,003
Pension costs	1,101,636	802,174
Other social security costs	519,572	504,042
Other staff costs	301,465	458,946
	9,008,992	12,192,165
Average number of full-time employees	12	16

2 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Depreciation of property, plant and equipment	724,272	96,730
	724,272	96,730

3 Other financial income

	2019	2018
	DKK	DKK
Financial income from group enterprises	429,824	285,195
	429,824	285,195

4 Other financial expenses

	2019	2018
	DKK	DKK
Other interest expenses	34,263	49,580
Exchange rate adjustments	188,373	191,224
	222,636	240,804

5 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	1,150,333	3,059,894
Change in deferred tax	0	(13,000)
Adjustment concerning previous years	133,801	115,655
	1,284,134	3,162,549

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	2,347,168	515,065
Additions	1,289,031	672,003
Cost end of year	3,636,199	1,187,068
Depreciation and impairment losses beginning of year	(32,788)	(63,942)
Depreciation for the year	(575,991)	(148,282)
Depreciation and impairment losses end of year	(608,779)	(212,224)
Carrying amount end of year	3,027,420	974,844

7 Financial assets

	Deposits DKK
Cost beginning of year	84,711
Additions	72,419
Cost end of year	157,130
Carrying amount end of year	157,130

8 Other payables

	2019 DKK	2018 DKK
VAT and duties	779,381	1,160,195
Wages and salaries, personal income taxes, social security costs, etc payable	346,469	121,494
Holiday pay obligation	870,607	1,384,304
Accrued interest	88	0
	1,996,545	2,665,993

9 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	1,379,487	2,381,608

10 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Duo-Med Scandinavia ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

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

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains from payables and transactions in foreign currencies, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on payables and transactions in foreign currencies, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after end of useful life. Straightline depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.