



Procter & Gamble Danmark ApS

Stensmosevej 15, st.
2620 Albertslund
CVR No. 20960531

Annual report 01.07.2021 - 30.06.2022

The Annual General Meeting adopted the
annual report on 29.11.2022

Jacob Hjortshøj
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2021/22	8
Balance sheet at 30.06.2022	9
Statement of changes in equity for 2021/22	11
Notes	12
Accounting policies	15

Entity details

Entity

Procter & Gamble Danmark ApS

Stensmosevej 15, st.

2620 Albertslund

Business Registration No.: 20960531

Registered office: Albertslund

Financial year: 01.07.2021 - 30.06.2022

Board of Directors

Anne Jacqueline Germaine Francais

Jacob Hjortshøj

Nicolai Fisker Kristiansen

Executive Board

Andrew Eric Mill

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Procter & Gamble Danmark ApS for the financial year 01.07.2021 - 30.06.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2022 and of the results of its operations for the financial year 01.07.2021 - 30.06.2022.

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

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

Copenhagen, 29.11.2022

Executive Board

Andrew Eric Mill

Board of Directors

Anne Jacqueline Germaine Francais

Jacob Hjortshøj

Nicolai Fisker Kristiansen

Independent auditor's report

To the shareholder of Procter & Gamble Danmark ApS

Opinion

We have audited the financial statements of Procter & Gamble Danmark ApS for the financial year 01.07.2021 - 30.06.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2022 and of the results of its operations for the financial year 01.07.2021 - 30.06.2022 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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, 29.11.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Flemming Larsen

State Authorised Public Accountant
Identification No (MNE) mne27790

Management commentary

Primary activities

The Company's activity consists of distributing Procter & Gamble products in Denmark. As consideration for this, the Company receives commission.

Development in activities and finances

The company made a profit after tax during the year of DKK 15,969 thousand (2020/21 profit DKK 12,718 thousand), as shown in the income statement on page 8. The increase in profit was driven by a strong performance of Procter & Gamble brands in the region resulting in increased revenue. Shareholder equity reduced by DKK 17,031 thousand versus the prior year, mainly as a result of dividends paid in the year of DKK 33,000 thousand offset by profits for the year.

Events after the balance sheet date

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

Income statement for 2021/22

	Notes	2021/22 DKK'000	2020/21 DKK '000
Revenue	1	64,588	61,886
Other external expenses		(17,036)	(16,940)
Gross profit/loss		47,552	44,946
Staff costs	2	(26,429)	(28,011)
Depreciation, amortisation and impairment losses	3	(400)	(417)
Operating profit/loss		20,723	16,518
Other financial income	4	5	3
Other financial expenses	5	(215)	(207)
Profit/loss before tax		20,513	16,314
Tax on profit/loss for the year	6	(4,544)	(3,596)
Profit/loss for the year		15,969	12,718
Proposed distribution of profit and loss:			
Ordinary dividend for the financial year		0	33,000
Retained earnings		15,969	(20,282)
Proposed distribution of profit and loss		15,969	12,718

Balance sheet at 30.06.2022

Assets

	Notes	2021/22 DKK'000	2020/21 DKK'000
Other fixtures and fittings, tools and equipment		917	1,218
Leasehold improvements		166	239
Property, plant and equipment	7	1,083	1,457
Deposits		144	144
Financial assets	8	144	144
Fixed assets		1,227	1,601
Trade receivables		37,347	30,850
Receivables from group enterprises		73,295	69,074
Other receivables		492	48
Prepayments		352	1,283
Receivables		111,486	101,255
Cash		14,426	12,679
Current assets		125,912	113,934
Assets		127,139	115,535

Equity and liabilities

	Notes	2021/22 DKK'000	2020/21 DKK'000
Contributed capital		20,000	20,000
Retained earnings		17,438	1,469
Proposed dividend		0	33,000
Equity		37,438	54,469
Deferred tax	9	22	39
Provisions		22	39
Bank loans		17	0
Trade payables		23,826	24,642
Payables to group enterprises		42,098	8,676
Income tax payable		2,666	2,001
Other payables	10	21,072	25,708
Current liabilities other than provisions		89,679	61,027
Liabilities other than provisions		89,679	61,027
Equity and liabilities		127,139	115,535
Unrecognised rental and lease commitments	11		
Transactions with related parties	12		
Group relations	13		

Statement of changes in equity for 2021/22

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	20,000	1,469	33,000	54,469
Ordinary dividend paid	0	0	(33,000)	(33,000)
Profit/loss for the year	0	15,969	0	15,969
Equity end of year	20,000	17,438	0	37,438

Notes

1 Revenue

Revenue consists of commission income comprised by commission on the sale of the Procter & Gamble Groups products to Danish customers carried out by Procter & Gamble Danmark ApS.

2 Staff costs

	2021/22	2020/21
	DKK'000	DKK'000
Wages and salaries	23,661	25,203
Pension costs	1,815	1,800
Other social security costs	468	309
Other staff costs	485	699
	26,429	28,011
Average number of full-time employees	26	24

Pursuant to clause 98 (3) no. 2 of the Danish Financial Statements Act, remuneration for the Supervisory and Executive Boards is not disclosed.

3 Depreciation, amortisation and impairment losses

	2021/22	2020/21
	DKK'000	DKK'000
Depreciation of property, plant and equipment	400	417
	400	417

4 Other financial income

	2021/22	2020/21
	DKK'000	DKK'000
Financial income from group enterprises	5	3
	5	3

5 Other financial expenses

	2021/22	2020/21
	DKK'000	DKK'000
Financial expenses from group enterprises	160	182
Other interest expenses	55	25
	215	207

6 Tax on profit/loss for the year

	2021/22	2020/21
	DKK'000	DKK'000
Current tax	4,561	3,606
Change in deferred tax	(17)	(5)
Adjustment concerning previous years	0	(5)
	4,544	3,596

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK'000	DKK'000
Cost beginning of year	2,041	343
Additions	25	0
Cost end of year	2,066	343
Depreciation and impairment losses beginning of year	(822)	(104)
Depreciation for the year	(327)	(73)
Depreciation and impairment losses end of year	(1,149)	(177)
Carrying amount end of year	917	166

8 Financial assets

	Deposits
	DKK'000
Cost beginning of year	144
Cost end of year	144
Carrying amount end of year	144

9 Deferred tax

	2021/22	2020/21
	DKK'000	DKK'000
Property, plant and equipment	22	39
Deferred tax	22	39

10 Other payables

	2021/22	2020/21
	DKK'000	DKK'000
VAT and duties	3,687	3,671
Wages and salaries, personal income taxes, social security costs, etc. payable	2,955	3,698
Holiday pay obligation	1,864	4,384
Other costs payable	12,566	13,955
	21,072	25,708

11 Unrecognised rental and lease commitments

	2021/22	2020/21
	DKK'000	DKK'000
Liabilities under rental or lease agreements until maturity in total	2,936	4,488

12 Transactions with related parties

Only non-arm's length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made on an arm's length basis.

13 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
The Procter & Gamble Company, Cincinnati, Ohio, USA

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
The Procter & Gamble Company, Cincinnati, Ohio, USA

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 a few provisions for reporting class C.

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue consists of commission income comprised by commission on the sale of the Procter & Gamble Groups products to Danish customers carried out by Procter & Gamble Danmark ApS.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

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 comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment, and leasehold improvements.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, 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, 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.

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 the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life Years
Other fixtures and fittings, tools and equipment	3-15 years
Leasehold improvements	7 years

Estimated useful lives and residual values are reassessed annually. All residual values for the company has been estimated at 0 DKK.

Property, plant and equipment is written down to the lower of recoverable amount and carrying amount.

Receivables

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

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. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Tax receivable or payable

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