



Procter & Gamble Danmark ApS

Stensmosevej 15, st.
2620 Albertslund
CVR No. 20960531

**Annual report 01.07.2020 -
30.06.2021**

The Annual General Meeting adopted the
annual report on 25.11.2021

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 2020/21	8
Balance sheet at 30.06.2021	9
Statement of changes in equity for 2020/21	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: 01.07.2020 - 30.06.2021

Board of Directors

Jacob Hjortshøj, formand

Nicolai Fisker Kristiansen

Matthew John Tipple

Executive Board

Andrew Eric Mill, adm. dir.

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 01.07.2020 - 30.06.2021.

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 30.06.2021 and of the results of its operations for the financial year 01.07.2020 - 30.06.2021.

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, 25.11.2021

Executive Board

Andrew Eric Mill

adm. dir.

Board of Directors

Jacob Hjortshøj

formand

Nicolai Fisker Kristiansen

Matthew John Tipple

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 01.07.2020 - 30.06.2021, 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 30.06.2021 and of the results of its operations for the financial year 01.07.2020 - 30.06.2021 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, 25.11.2021

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 profit realised by the Company in the financial year amounts to DKK 12,718 thousand (2019/20 profit DKK 10,911) which Management considers satisfactory.

The Procter & Gamble Group is exposed to the supply, demand, and other operational challenges associated with the novel coronavirus (COVID-19) outbreak, including increased volatility and uncertainty. The company's business could be negatively impacted by significant volatility in demand, as well as the inability to fully staff its operations and produce, sell, and distribute products in certain regions. The Company has endeavoured to follow recommended actions of government and health authorities to protect our employees with particular measures in place for those working in our plants and distribution facilities. We have also worked closely with local and national officials to keep our manufacturing facilities open due to the essential nature of our products. We intend to continue to work with government authorities and implement our employee safety measures to ensure that we are able to continue manufacturing and distributing our products during the pandemic. Procter & Gamble Denmark continues to monitor this risk and to work to manage its impact to the company's operations.

The directors have reviewed the above key risk and concluded that the company does not expect that it will have a significant impact on the company's ability to continue to operate under the current business model. The directors have considered the company's future trading, and available liquidity, taking into account possible changes in trading performance. At 30 June 2021 the company had cash of DKK 12,679 thousand, a receivable with the intragroup cash pool of DKK 63,473 thousand, net current assets of 52,907 and net assets of 54,469. In addition, the company generated a profit for the financial year. Because the pandemic has not materially impacted our operations or demand for our products, it has also not negatively impacted the Company's liquidity position. Thus, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Outlook

Management expects a similar profit in the financial year 2021/22.

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 2020/21

	Notes	2020/21 DKK'000	2019/20 DKK '000
Revenue	1	61,886	58,159
Other external expenses		(16,940)	(23,236)
Gross profit/loss		44,946	34,923
Staff costs	2	(28,011)	(19,946)
Depreciation, amortisation and impairment losses	3	(417)	(503)
Operating profit/loss		16,518	14,474
Other financial income	4	3	1
Other financial expenses	5	(207)	(417)
Profit/loss before tax		16,314	14,058
Tax on profit/loss for the year	6	(3,596)	(3,147)
Profit/loss for the year		12,718	10,911
Proposed distribution of profit and loss:			
Ordinary dividend for the financial year		33,000	0
Retained earnings		(20,282)	10,911
Proposed distribution of profit and loss		12,718	10,911

Balance sheet at 30.06.2021

Assets

	Notes	2020/21 DKK'000	2019/20 DKK'000
Other fixtures and fittings, tools and equipment		1,218	1,225
Leasehold improvements		239	312
Property, plant and equipment	7	1,457	1,537
Deposits		144	144
Financial assets	8	144	144
Fixed assets		1,601	1,681
Trade receivables		30,850	47,492
Receivables from group enterprises		69,074	47,563
Other receivables		48	85
Prepayments		1,283	142
Receivables		101,255	95,282
Cash		12,679	6,712
Current assets		113,934	101,994
Assets		115,535	103,675

Equity and liabilities

	Notes	2020/21 DKK'000	2019/20 DKK'000
Contributed capital		20,000	20,000
Retained earnings		1,469	21,751
Proposed dividend		33,000	0
Equity		54,469	41,751
Deferred tax	9	39	44
Provisions		39	44
Bank loans		0	17
Trade payables		24,642	18,445
Payables to group enterprises		8,676	22,818
Income tax payable		2,001	2,135
Other payables	10	25,708	18,465
Current liabilities other than provisions		61,027	61,880
Liabilities other than provisions		61,027	61,880
Equity and liabilities		115,535	103,675
Unrecognised rental and lease commitments	11		
Transactions with related parties	12		
Group relations	13		

Statement of changes in equity for 2020/21

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	20,000	21,751	0	41,751
Profit/loss for the year	0	(20,282)	33,000	12,718
Equity end of year	20,000	1,469	33,000	54,469

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

	2020/21	2019/20
	DKK'000	DKK'000
Wages and salaries	25,203	17,489
Pension costs	1,800	1,653
Other social security costs	309	546
Other staff costs	699	258
	28,011	19,946
Average number of full-time employees	24	22

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

	2020/21	2019/20
	DKK'000	DKK'000
Depreciation of property, plant and equipment	417	377
Profit/loss from sale of intangible assets and property, plant and equipment	0	126
	417	503

4 Other financial income

	2020/21	2019/20
	DKK'000	DKK'000
Financial income from group enterprises	3	0
Other interest income	0	1
	3	1

5 Other financial expenses

	2020/21	2019/20
	DKK'000	DKK'000
Financial expenses from group enterprises	182	272
Other interest expenses	25	145
	207	417

6 Tax on profit/loss for the year

	2020/21 DKK'000	2019/20 DKK'000
Current tax	3,606	3,010
Change in deferred tax	(5)	137
Adjustment concerning previous years	(5)	0
	3,596	3,147

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	1,703	343
Additions	338	0
Cost end of year	2,041	343
Depreciation and impairment losses beginning of year	(479)	(31)
Depreciation for the year	(344)	(73)
Depreciation and impairment losses end of year	(823)	(104)
Carrying amount end of year	1,218	239

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

	2020/21 DKK'000	2019/20 DKK'000
Property, plant and equipment	39	44
Deferred tax	39	44

10 Other payables

	2020/21 DKK'000	2019/20 DKK'000
VAT and duties	3,671	3,362
Wages and salaries, personal income taxes, social security costs, etc payable	0	117
Holiday pay obligation	4,384	3,214
Other costs payable	17,653	11,772
	25,708	18,465

11 Unrecognised rental and lease commitments

	2020/21	2019/20
	DKK'000	DKK'000
Liabilities under rental or lease agreements until maturity in total	4,488	3,829

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:

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.