

**Dyson Denmark ApS**

Annual report 2019

The annual report was presented and adopted at the  
Company's annual general meeting

on \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
chairman

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Dyson Denmark ApS for the financial year 1 January 2019 - 31 December 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report should be approved at the annual general meeting.

København, 2020-

Executive Board:

\_\_\_\_\_  
Richard John Bevan

\_\_\_\_\_  
Robert John Julian Webster

\_\_\_\_\_  
Julian Read

Board of Directors:

\_\_\_\_\_  
Richard John Bevan

\_\_\_\_\_  
Robert John Julian Webster

\_\_\_\_\_  
Julian Read

# **Independent Auditor's Report**

**To the shareholders of Dyson Denmark ApS**

## **Opinion**

We have audited the financial statements of Dyson Denmark ApS for the financial year 1 January – 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Independence***

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

## **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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company 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 as to 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 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 the financial statements.

## **Independent Auditor's Report (continued)**

As part of an audit conducted in accordance with ISAs and 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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.

## **Independent Auditor's Report (continued)**

### **Statement on the Management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review 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's review.

Herning,  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Karsten Mehlsen  
State Authorised  
Public Accountant  
mne18473

## **Management's review**

### **Company details**

Dyson Denmark ApS  
c/o Mazanti-Andersen  
Korsø Jensen  
1256 København K,  
Amaliegade 10

Telephone: +45 80 70 58 43

CVR no.: 38 03 95 47

Established: 23 September 2016

Registered office: Copenhagen

Financial year: 1 January 2019 - 31 December 2019

### **Board of Directors**

Richard John Bevan,  
Robert John Julian Webster,  
Julian Read

### **Executive Board**

Richard John Bevan,  
Robert John Julian Webster,  
Julian Read

### **Auditors**

EY Godkendt Revisionspartnerselskab  
Industrivej Nord 9,  
7400 Herning

## **Management's review (continued)**

### **Operating review**

#### **Principal activities**

The purpose of the Company is the retail sale of Dyson products on direct sales through the Dyson website, to customers throughout Denmark.

#### **Development in activities and finances**

The profit for the year amounts to DKK 219 thousand.

The development of the year is consistent with the expectations. For next year the management expect a similar result.

#### **Events after the balance sheet date**

The Coronavirus Disease (COVID-19) outbreak and the measures taken to contain the spread of the pandemic have created a high level of global uncertainty to economic prospects. This has impacted Dyson's operations subsequent to the financial year end.

As the situation continues to evolve with a level of uncertainty, Dyson is unable to reasonably estimate the full financial impact of the COVID-19 outbreak, however to date, trading has held up strongly and management believe the company has access to sufficient liquidity to be able to continue trading in the foreseeable worst case scenario.

#### **Uncertainty regarding recognition and measurement**

In our opinion there is no uncertainty related to recognition and measurement.

#### **Outlook**

With reference to parent company website: [www.dyson.com](http://www.dyson.com)



## Financial statements 1 January 2019 - 31 December 2019

### Income statement

	Note	<u>2019</u>	<u>2018</u>
		DKK	DKK
<b>Gross profit</b>		7,502,652	6,309,190
Distribution costs		-2,926,984	-2,516,820
Administrative expenses		-4,263,888	-3,562,470
<b>Profit before financial income and expenses</b>		311,780	229,900
Financial income	3	70,486	130,735
Financial expenses	4	-100,837	-152,861
<b>Profit before tax</b>		281,429	207,774
Tax on profit for the year		-61,974	-45,710
<b>Net profit for the year</b>		<u>219,455</u>	<u>162,064</u>
 <b>Proposed profit appropriation</b>			
Retained earnings		<u>219,455</u>	<u>162,064</u>
		<u>219,455</u>	<u>162,064</u>

## Financial statements 1 January 2019 - 31 December 2019 (continued)

### Balance sheet

	Note	2019	2018
		DKK	DKK
<b>ASSETS</b>			
<b>Current assets</b>			
Trade receivables		4,932,694	2,605,714
Receivables from group entities		3,339,644	3,233,476
Tax receivables		426,448	417,870
Prepayments		643,939	0
<b>Receivables</b>		<u>9,342,725</u>	<u>6,257,060</u>
<b>Inventories</b>		<u>600,395</u>	<u>0</u>
<b>Cash at bank and in hand</b>		<u>0</u>	<u>149,212</u>
<b>Total current assets</b>		<u>9,943,120</u>	<u>6,406,272</u>
<b>TOTAL ASSETS</b>		<u>9,943,120</u>	<u>6,406,272</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		50,000	50,000
Retained earnings		511,877	292,422
<b>Total equity</b>		<u>561,877</u>	<u>342,422</u>
<b>Current liabilities other than provisions</b>			
Trade payables		230,166	1,775,554
Debt on affiliated companies		2,535,273	1,436,494
Other payables		3,058,756	2,386,045
Overdraft		442,028	0
Accruals and deferred income		3,115,020	465,757
		<u>9,381,243</u>	<u>6,063,850</u>
<b>Total liabilities other than provisions</b>		<u>9,381,243</u>	<u>6,063,850</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>9,943,120</u>	<u>6,406,272</u>

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Statement of changes in equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Balance at 1 January 2019	50,000	292,422	342,422
Net profit for the year	<u>0</u>	<u>219,455</u>	<u>219,455</u>
<b>Balance at 31 December 2019</b>	<u>50,000</u>	<u>511,877</u>	<u>561,877</u>

The Company's share capital consists of 500 shares of DKK 100 nominal value. All shares rank equally.

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Notes**

#### **1 Accounting policies**

The annual report of Dyson Denmark ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The annual report is presented in DKK.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### **Foreign currency translation**

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### **Income statement**

##### **Gross profit/loss**

In accordance with section 32 of the Danish Financial Statements Act, Management has chosen to summarise the accounting items revenue, cost of sales in the item Gross profit as Management considers the provisions of section 32 fulfilled.

##### **Revenue**

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Notes (continued)**

#### **1 Accounting policies (continued)**

##### **Cost of goods sold**

The Cost of goods sold comprises costs incurred to achieve revenue for the year.

##### **Distribution costs**

Distribution costs comprise costs incurred to distribute goods sold during the year and to conduct sales campaigns, etc., including costs relating to sales staff, advertising and exhibitions as well as depreciation.

##### **Administrative expenses**

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

##### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

##### **Tax on profit for the year**

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit for the year is recognised in the income statement at the amount attributable to the profit for the year and directly in equity at the amount attributable to entries directly in equity.

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Notes (continued)**

#### **1 Accounting policies (continued)**

##### **Balance sheet**

###### **Receivables**

Receivables are measured at amortised cost, which substantially corresponds to nominal value.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

###### **Prepayments**

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

###### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Notes (continued)**

#### **1 Accounting policies (continued)**

##### **Corporation tax and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### **Debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

##### **Prepayments and deferred income**

Deferred income comprises payments received regarding income in subsequent years.

## **Financial statements 1 January 2019 - 31 December 2019 (continued)**

### **Notes (continued)**

	<u>2019</u>	<u>2018</u>
<b>2 Staff</b>		
Average number of full-time employees	<u>1</u>	<u>2</u>
<b>3 Financial income</b>		
Interest income to group entities	1,873	1,354
Foreign exchange gains	68,613	125,646
Other financial income	<u>0</u>	<u>3,735</u>
	<u>70,486</u>	<u>130,735</u>
<b>4 Financial expenses</b>		
Interest expense to group entities	4,121	1,791
Foreign exchange losses	92,913	151,070
Other financial expenses	<u>3,803</u>	<u>0</u>
	<u>100,837</u>	<u>152,861</u>

### **5 Related parties**

Dyson Denmark ApS' related parties comprise the following:

#### **Control**

Dyson Home Technologies Pte. Ltd., 2 Science Park Drive, Singapore.

#### **Consolidation**

Dyson Denmark ApS is included in the December 2019 consolidated financial statements of Dyson Holdings Pte. Ltd., 2 Science Park Drive, Singapore.

The consolidated financial statements of Dyson Holdings Pte. Ltd. are available from the Accounting and Corporate Regulatory Authority (ACRA) in Singapore.