

Company number: 12960219

## **Dr. Martens Limited**

### **Report and Financial Statements**

**For the period 19 October 2020 to 31 December 2020**

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## Contents

Company Information	2
Strategic Report	3
Directors' Report	4
Independent Auditors' Report	6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

# **Dr. Martens Limited**

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## **Company Information**

### **Dr. Martens Limited**

Registered No. 12960219

### **Directors**

P R Armstrong

J W Mortimore (CFO)

E C Reichwald

### **Secretary**

Alter Domus (UK) Limited

18 St Swithin's Lane

London

EC4N 8AD

### **Auditors**

Ernst & Young LLP

1 More Place

London

SE1 2AF

### **Registered Office**

28 Jamestown Road

Camden

London

NW1 7BY

Dr. Martens Limited is a private company registered in England and Wales, limited by shares.

# **Dr. Martens Limited**

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## **Strategic Report For the period ended 31 December 2020**

### **Principal activity**

Dr. Martens Limited (the "Company") was incorporated on 19 October 2020 under the name of Ampholdco Limited. The Company changed its name to Dr. Martens Limited on 22 December 2020.

These financial statements are for the Company, for the period from its incorporation on 19 October 2020 until 31 December 2020. Dr. Martens Limited was incorporated in order to become the holding company for the Dr. Martens Group (the "Group"), comprising Doc Topco Limited and its subsidiaries. The Company acquired Doc Topco Limited by way of share for share exchange on 14 December 2020.

Dr. Martens Limited principally operates as a holding company. The Company did not trade during the period other than in its capacity as a holding company.

These financial statements constitute Initial Accounts, being financial statements prepared before the company's first accounting reference period and have been prepared pursuant to section 839 Companies Act 2006. As such these Initial Accounts are relevant accounts within the meaning of section 836 companies Act 2006 for the purposes of determining dividend distribution and/or redemption of preference shares.

### **Financial KPIs**

As the Company is an investment holding company, the Company's Directors believe that analysis using key performance indicators for the Company is neither necessary nor appropriate for an understanding of the development, performance or position of the business of the Company.

This report was approved by the board and signed on its behalf.

*Jon Mortimore*

Jon Mortimore

Director

5 January 2021

## **Directors' Report**

### **For the period ended 31 December 2020**

The Directors (the "Directors") present their report and financial statements for Dr. Martens Limited (the "Company") for the period from incorporation on 19 October 2020 to 31 December 2020.

#### **Directors**

The following Directors have, unless otherwise stated, held office throughout the period and up to the date of approval of this report:

P R Armstrong	(appointed 9 November 2020)
J W Mortimore (CFO)	(appointed 19 October 2020)
E C Reichwald	(appointed 19 October 2020)

#### **Principal activity**

The Company's principal activity is that of a holding company.

#### **Results for the period**

The results for the period, after taxation is £nil.

#### **Dividends**

The Directors do not propose the payment of a dividend for the period:

#### **Going concern**

The Company has investments in cash generating subsidiaries and the Group as a whole is profitable. As such, the Directors believe that the Company has access to adequate resources either through intercompany loans or dividends to continue meet its liabilities and obligations for at least the next 12 months. Accordingly, the going concern basis has been adopted in preparing the Initial Accounts.

Further details regarding the adoption of the going concern basis can be found in note 2 to the Financial Statements.

#### **Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the Company financial statements with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company, and for the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards (including FRS 102) have been followed, subject to any material departures disclosed and explained in the Company financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in the business; and
- present fairly the financial position and financial performance of the Company.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Directors' Report (continued)**  
**For the period ended 31 December 2020**

**Statement of disclosure to the auditors**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, they have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all the relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditor**

Ernst & Young LLP have been appointed as auditors to the Company.

On behalf of the Board

*Jon Mortimore*

J Mortimore

Director

5 January 2021

## **Report of the Independent Auditor to the Directors of Dr. Martens Limited under section 839(5) of the Companies Act 2006**

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### **Opinion**

We have examined the initial accounts of Dr. Martens Limited for the period from 19 October 2020 to 31 December 2020 which comprise Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity and the related notes 1 to 12. The initial accounts have been prepared under the accounting policies set out therein.

In our opinion the initial accounts for the period from 19 October 2020 to 31 December 2020 have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.

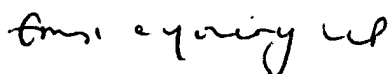
### **Respective responsibilities of directors and auditors**

As described on page 4 the directors are responsible for the preparation of the initial accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to report to you our opinion as to whether the initial accounts have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.

### **Use of our report**

This statement is made solely to the company's members, as a body, in accordance with Sections 839(5) of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this statement, or for the opinions we have formed.



Julie Carlyle (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
1 More London Place,  
London SE1 2AF  
5 January 2021

**Statement of Comprehensive Income**  
**For the period ended 31 December 2020**

	Notes	2020 £000
Finance income	3	1,597.7
Finance expense	4	(1,597.7)
Net finance costs		-
<b>Results before income tax</b>		-
Income tax expense	5	-
<b>Total comprehensive results for the period</b>		-

The total comprehensive result for the period is entirely attributable to the owners of the parent Company.

The notes on pages 10 to 15 form part of these financial statements



## **Dr. Martens Limited**

### **Statement of Financial Position As at 31 December 2020**

Company registration number: 12960219

	Notes	2020 £000
<b>Non-current assets</b>		
Investments	6	1,738,736.8
<b>Total assets</b>		<b>1,738,736.8</b>
<b>Current liabilities</b>		
Trade and other payables	7	(4.5)
<b>Non-current liabilities</b>		
Borrowings – redeemable preference shares	8	(338,732.2)
<b>Total liabilities</b>		<b>(338,736.7)</b>
<b>Net assets</b>		<b>1,400,000.1</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	9	10,000.0
Retained earnings	10	1,390,000.1
<b>Shareholder's funds</b>		<b>1,400,000.1</b>

The note on pages 10 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf by:

*Jon Mortimore*

J Mortimore

Director

5 January 2021

## **Dr. Martens Limited**

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### **Statement of Changes in Equity As at 31 December 2020**

	<b>Share capital £000</b>	<b>Retained earnings £000</b>	<b>Total equity £000</b>
At date of incorporation on 19 October 2020	-	-	-
Results for the period	-	-	-
Issue of shares	0.1	-	0.1
Shares issued on Group restructure	1,400,004.5	-	1,400,004.5
Cancellation of shares	(4.5)	-	(4.5)
Share capital reduction*	(1,390,000.1)	1,390,000.1	-
<b>At 31 December 2020</b>	<b>10,000.0</b>	<b>1,390,000.1</b>	<b>1,400,000.1</b>

\*Included in the share capital reduction is a net £nil impact from a reduction in preference shares capital.  
The note on pages 10 to 15 form part of these financial statements.

## Notes to the Financial Statements For the period ended 31 December 2020

### 1 Corporate information

Dr. Martens Limited (the "Company"), registered number: 12960219 was incorporated on 19 October 2020 under the name of Ampholdco Limited and is a holding company. On 22 December 2020 the Company changed its name to Dr. Martens Limited.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The Company's registered office is: 28 Jamestown Road, Camden, London NW1 7BY. The Company changed its registered address on 18 December 2020.

### 2 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied in the period. The Company's financial statements are presented in GBP and to the nearest thousand pounds (to one decimal place) unless otherwise noted.

#### Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in UK and Republic of Ireland' (FRS 102), the Companies Act 2006, in accordance with and for the purposes of section 839 of Companies Act 2006, and applicable accounting standards.

#### Disclosure exemptions

The Company has taken advantage of the following disclosure exemptions permitted by FRS 102:

- The requirements of Section 7 Statement of Cash Flows and paragraph 3.17(d),
- The requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c),
- The requirement of paragraph 33.7.

#### Going concern

The Company has access to adequate resources either through intercompany loans or dividends to continue meet its liabilities and obligations for at least the next 12 months, through its investments in profitable, cash generating subsidiaries. In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities of the Group as a whole, together with the factors likely to affect its future development, and its financial position, as well as the principal risks and uncertainties and in particular Covid-19. The Directors believe that the Company has adequate resources to continue to operate for the foreseeable future. Accordingly, the financial statements are prepared on a going concern basis.

#### Investments

Investments are stated at cost (also deemed the fair value) less any provision for impairment

#### Finance expenses

Finance expenses consist of interest payable on preference share capital. It is recognized in the Statement of Comprehensive Income using effective interest method.

#### Finance income

Interest income consists of interest receivable on investment in preference shares as part of subsidiary investment. It is recognized in the Statement of Comprehensive Income using the effective interest method.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2020**

**2 Accounting policies (continued)**

**Taxation**

The tax expense would represent the sum of the tax currently payable and deferred tax movement recognised in the period. There is no tax currently payable based on results for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the end of each reporting period.

**Trade and other payables**

Trade and other payables are related party obligations incurred in connection with the reorganisation of the share capital of the Company.

**Significant judgements and estimates**

The preparation of the Company's financial statements in conforming with UK GAAP requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts in the financial statements. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates. Information about such judgements and estimation is contained in the accounting policies and / or notes to the financial statements and the key areas are summarised below:

**Key judgements**

The following judgements have had the most significant effect on amounts recognised in the financial statements:

**Investment**

The Company assesses, at each reporting date, whether there is an indication that any investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the investments' recoverable amount. In assessing an investments' recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2020****3 Finance income**

	2020
	£000
Interest receivable on preference shares included in investment in subsidiaries	1,597.7
	<u>1,597.7</u>

**4 Finance expense**

	2020
	£000
Interest payable on preference share	1,597.7
	<u>1,597.7</u>

**5 Income tax**

	2020
	£'000
<b>Current tax</b>	
Current tax on UK results for the period	-
<b>Total income tax credit in the Statement of Comprehensive Income</b>	<u>-</u>

	2020
	£'000
<b>Factors affecting the tax expense for the year:</b>	
Results on ordinary activities before taxation	-
Results on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19%	-
<i>Effects of:</i>	
Expenses not deductible for tax purposes	303.6
Income not taxable	(303.6)
<b>Total taxation income/expense</b>	<u>-</u>

**6 Investments**

	2020
	£000
Acquisition	1,738,736.8
	<u>1,738,736.8</u>

Investments in subsidiaries are stated at cost (also deemed the fair value) less any provision for impairment and relates to the Company's investment in Doc Topco Limited, a private company, limited by shares and incorporated and domiciled in the UK. Further details of the transaction can be found in note 9.

As the company is reporting under FRS 102, under section 615 CA06 the Company opted to record its investment in the shares acquired at an amount equal to the aggregate share capital only.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2020****7 Trade and other payables**

	<b>2020</b>
<b>Current</b>	<b>£000</b>
Amounts owed to related parties	<b>4.5</b>
	<b>4.5</b>

Other payables comprise amounts due to certain senior management and shareholder in relation to the cancellation of C ordinary shares on 17 December 2020 (refer to note 9 for further details).

**8 Borrowings**

	<b>2020</b>
<b>Non-current</b>	<b>£000</b>
Redeemable preference	
‘A’ shares	<b>56,470.0</b>
‘B’ shares	<b>282,262.2</b>
	<b>338,732.2</b>

As at 31 December 2020 there were 37,626,266 A preference shares of £0.00001 each and 128,171,815 B preference shares of £0.00001 each allotted, called up and fully paid. The preference share interest accrues but is not payable until redemption of the preference shares except as otherwise set out in the articles or if the board so resolves.

For details of allotted, called up and fully paid preference shares and information regarding preference share redemption, refer to note 9.

**9 Share capital**

	<b>2020</b>
	<b>£000</b>
<b>Allotted, called up and fully paid</b>	
1,500,000 A ordinary shares of £1 each	<b>1,500.0</b>
8,500,001 B ordinary shares of £1 each	<b>8,500.0</b>
	<b>10,000.0</b>

- The A ordinary shares do not have any voting rights or any rights of redemption. They have rights to dividends and capital distribution (including on winding up).
- The B ordinary shares have full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 December 2020****9 Share capital (continued)**

	2020 £000
<b>Preference shares</b>	
37,626,266 A preference shares of £0.00001 each	0.4
128,171,815 B preference shares of £0.00001 each	1.3
	1.7

- The A preference shares have no voting rights or any further rights of participation in the profits of the company other than 6% per annum dividends rights (compounding annually on each 31 March).
- The B preference shares have no voting rights or any further rights of participation in the profits of the company other than 12% per annum dividend rights (compounding annually on each 31 March) in priority over the rights of any other class of shares.

*Transactions in the period*

On incorporation on 19 October 2020, the Company issued 1 ordinary share with nominal value of £1 each for a cash consideration of £1.00 to Ingrelux S.a.r.l.

On 14 December 2020, the Company issued a further 139 ordinary shares of £1 each for a total cash consideration of £139 to Ingrelux S.a.r.l. On the same day the entire issued share capital of 140 ordinary shares of £1 each was consolidated into 1 ordinary share of £140 and that 1 ordinary share was converted into 1 B ordinary share of £140.

On 14 December 2020 following the reorganisation of the incorporation share, the Company acquired 100% of the beneficial title to ordinary shares and preference shares of Doc Topco Limited for a total fair value of £1,737,138,987 by way of a share for share exchange by issuing the following shares to the shareholders of Doc Topco Limited:

- 1,500,000 A ordinary shares of £140 each, 8,500,000 B ordinary shares of £140 each and 3 C ordinary shares of £1,500 each for a total fair value of £1,400,004,500;
- 37,626,266 A preference shares of £1.496801 each and 128,171,815 B preference shares of £2.19093 each for a total fair value of £337,134,487.

As the Company issued equity shares to acquire 100% of the shares of Doc Topco Limited (i.e. acquiring both the ordinary and preference shares as part of a single arrangement), the provisions of merger relief set out in section 612 Companies Act 2006 (CA2006) are applied. Where merger relief is applied, the Company is prohibited from recording share premium on the transaction.

The existing 1 B ordinary share formed part of the consideration received by Ingrelux S.a.r.l. in exchange for its shares in Doc Topco Limited and therefore the existing 1 B ordinary share was considered fully paid up following the share for share exchange. Legal title to the shares in Doc Topco Limited was transferred to the Company on 23 December 2020.

On 17 December 2020, the entire 3 C ordinary shares of £1,500.00 each were cancelled, and the Company owed a debt to the shareholders for a total of £4,500 for those shares.

On 17 December 2020, the Company reduced the nominal value of both the ordinary shares and preference shares as follows:

- A and B ordinary shares nominal value were reduced from £140 each to £1 each. This reduced the share capital by £1,390,000,139 and this is transferred to retained earnings;
- A and B preference shares nominal value were reduced from £1.496801 each and £2.19093 each respectively to £0.00001 each. The reduction resulted in £337,132,849 to retained earnings and equivalent debit to equity that has been presented within retained earnings.

**Notes to the Financial Statements (continued)**

**For the period ended 31 December 2020**

**10 Reserves**

The following describes the nature and purpose of each reserve within equity:

<b>Reserve</b>	<b>Description and purpose</b>
Share capital	Nominal value of subscribed shares.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. The debit within retained earnings relates to a non-distributable reserve following the reduction of the nominal value of preference shares.

**11 Related party transactions**

The Company is backed by entities that collectively comprise the Permira V Fund "Permira V" which is ultimately controlled by Permira V GP Limited. Permira V GP Limited is related to the Company due to common control, IngreLux S.a.r.l. is controlled by Permira V which itself is controlled by Permira V GP Limited. Permira V GP Limited is owned by Permira Holdings Limited. During the period, the Company issued shares to IngreLux S.a.r.l. (see note 9).

During the period the company cancelled all its C ordinary shares of £1,500 each and owed a debt to the shareholders, certain of the shareholders are also senior management of the company (see note 7 and 9).

**12 Control**

The Company is backed by entities that collectively comprise the Permira V Fund "Permira V" which is ultimately controlled by Permira V GP Limited. Permira V GP Limited is related to the Company due to common control, IngreLux S.a.r.l. (the Company's ultimate controlling parent party which provided financing in the form of preference shares with capitalised interest, as described in note 8) is controlled by Permira V which itself is controlled by Permira V GP Limited. Permira V GP Limited is owned by Permira Holdings Limited. During the period, the Company issued shares to IngreLux S.a.r.l.



**Company number: 12960219**

**Dr. Martens Limited**

**Report and Financial Statements**

**For the period 19 October 2020 to 31 December 2020**

**Dr. Martens Limited**

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**Contents**

---

Company Information	2
Strategic Report	3
Directors' Report	4
Independent Auditors' Report	6
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## **Dr. Martens Limited**

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### **Company Information**

#### **Dr. Martens Limited**

Registered No. 12960219

#### **Directors**

P R Armstrong

J W Mortimore (CFO)

E C Reichwald

#### **Secretary**

Alter Domus (UK) Limited

18 St Swithin's Lane

London

EC4N 8AD

#### **Auditors**

Ernst & Young LLP

1 More Place

London

SE1 2AF

#### **Registered Office**

28 Jamestown Road

Camden

London

NW1 7BY

Dr. Martens Limited is a private company registered in England and Wales, limited by shares.

## **Dr. Martens Limited**

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### **Strategic Report** **For the period ended 31 December 2020**

#### **Principal activity**

Dr. Martens Limited (the "Company") was incorporated on 19 October 2020 under the name of Ampholdco Limited. The Company changed its name to Dr. Martens Limited on 22 December 2020.

These financial statements are for the Company, for the period from its incorporation on 19 October 2020 until 31 December 2020. Dr. Martens Limited was incorporated in order to become the holding company for the Dr. Martens Group (the "Group"), comprising Doc Topco Limited and its subsidiaries. The Company acquired Doc Topco Limited by way of share for share exchange on 14 December 2020.

Dr. Martens Limited principally operates as a holding company. The Company did not trade during the period other than in its capacity as a holding company.

These financial statements constitute Initial Accounts, being financial statements prepared before the company's first accounting reference period and have been prepared pursuant to section 839 Companies Act 2006. As such these Initial Accounts are relevant accounts within the meaning of section 836 companies Act 2006 for the purposes of determining dividend distribution and/or redemption of preference shares.

#### **Financial KPIs**

As the Company is an investment holding company, the Company's Directors believe that analysis using key performance indicators for the Company is neither necessary nor appropriate for an understanding of the development, performance or position of the business of the Company.

This report was approved by the board and signed on its behalf.

*Jon Mortimore*

Jon Mortimore

Director

5 January 2021

## **Dr. Martens Limited**

---

### **Directors' Report** **For the period ended 31 December 2020**

The Directors (the "Directors") present their report and financial statements for Dr. Martens Limited (the "Company") for the period from incorporation on 19 October 2020 to 31 December 2020.

#### **Directors**

The following Directors have, unless otherwise stated, held office throughout the period and up to the date of approval of this report:

P R Armstrong	(appointed 9 November 2020)
J W Mortimore (CFO)	(appointed 19 October 2020)
E C Reichwald	(appointed 19 October 2020)

#### **Principal activity**

The Company's principal activity is that of a holding company.

#### **Results for the period**

The results for the period, after taxation is £nil.

#### **Dividends**

The Directors do not propose the payment of a dividend for the period.

#### **Going concern**

The Company has investments in cash generating subsidiaries and the Group as a whole is profitable. As such, the Directors believe that the Company has access to adequate resources either through intercompany loans or dividends to continue meet its liabilities and obligations for at least the next 12 months. Accordingly, the going concern basis has been adopted in preparing the Initial Accounts.

Further details regarding the adoption of the going concern basis can be found in note 2 to the Financial Statements.

#### **Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the Company financial statements with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company, and for the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards (including FRS 102) have been followed, subject to any material departures disclosed and explained in the Company financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in the business; and
- present fairly the financial position and financial performance of the Company.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Dr. Martens Limited**

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### **Directors' Report (continued)** **For the period ended 31 December 2020**

#### **Statement of disclosure to the auditors**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, they have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all the relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

Ernst & Young LLP have been appointed as auditors to the Company.

On behalf of the Board

*Jon Mortimore*

J Mortimore

Director

5 January 2021

## **Report of the Independent Auditor to the Directors of Dr. Martens Limited under section 839(5) of the Companies Act 2006**

---

### **Opinion**

We have examined the initial accounts of Dr. Martens Limited for the period from 19 October 2020 to 31 December 2020 which comprise Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity and the related notes 1 to 12. The initial accounts have been prepared under the accounting policies set out therein.

In our opinion the initial accounts for the period from 19 October 2020 to 31 December 2020 have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.

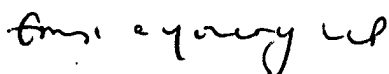
### **Respective responsibilities of directors and auditors**

As described on page 4 the directors are responsible for the preparation of the initial accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to report to you our opinion as to whether the initial accounts have been properly prepared within the meaning of section 839(4) of the Companies Act 2006.

### **Use of our report**

This statement is made solely to the company's members, as a body, in accordance with Sections 839(5) of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this statement, or for the opinions we have formed.



Julie Carlyle (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
1 More London Place,  
London SE1 2AF  
5 January 2021

**Dr. Martens Limited****Statement of Comprehensive Income**  
**For the period ended 31 December 2020**

	Notes	2020 £000
Finance income	3	1,597.7
Finance expense	4	(1,597.7)
Net finance costs		-
<b>Results before income tax</b>		-
Income tax expense	5	-
<b>Total comprehensive results for the period</b>		-

The total comprehensive result for the period is entirely attributable to the owners of the parent Company.

The notes on pages 10 to 15 form part of these financial statements



**Dr. Martens Limited****Statement of Financial Position  
As at 31 December 2020**

Company registration number: 12960219

	Notes	2020 £000
<b>Non-current assets</b>		
Investments	6	1,738,736.8
<b>Total assets</b>		<b>1,738,736.8</b>
<b>Current liabilities</b>		
Trade and other payables	7	(4.5)
<b>Non-current liabilities</b>		
Borrowings – redeemable preference shares	8	(338,732.2)
<b>Total liabilities</b>		<b>(338,736.7)</b>
<b>Net assets</b>		<b>1,400,000.1</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	9	10,000.0
Retained earnings	10	1,390,000.1
<b>Shareholder's funds</b>		<b>1,400,000.1</b>

The note on pages 10 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf by:



J Mortimore

Director

5 January 2021

## **Dr. Martens Limited**

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### **Statement of Changes in Equity** **As at 31 December 2020**

	<b>Share capital £000</b>	<b>Retained earnings £000</b>	<b>Total equity £000</b>
At date of incorporation on 19 October 2020	-	-	-
Results for the period	-	-	-
Issue of shares	0.1	-	0.1
Shares issued on Group restructure	1,400,004.5	-	1,400,004.5
Cancellation of shares	(4.5)	-	(4.5)
Share capital reduction*	(1,390,000.1)	1,390,000.1	-
<b>At 31 December 2020</b>	<b>10,000.0</b>	<b>1,390,000.1</b>	<b>1,400,000.1</b>

\*Included in the share capital reduction is a net £nil impact from a reduction in preference shares capital.  
The note on pages 10 to 15 form part of these financial statements.

## **Dr. Martens Limited**

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### **Notes to the Financial Statements For the period ended 31 December 2020**

#### **1 Corporate information**

Dr. Martens Limited (the "Company"), registered number: 12960219 was incorporated on 19 October 2020 under the name of Ampholdco Limited and is a holding company. On 22 December 2020 the Company changed its name to Dr. Martens Limited.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The Company's registered office is: 28 Jamestown Road, Camden, London NW1 7BY. The Company changed its registered address on 18 December 2020.

#### **2 Accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied in the period. The Company's financial statements are presented in GBP and to the nearest thousand pounds (to one decimal place) unless otherwise noted.

##### **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in UK and Republic of Ireland' (FRS 102), the Companies Act 2006, in accordance with and for the purposes of section 839 of Companies Act 2006, and applicable accounting standards.

##### **Disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions permitted by FRS 102:

- The requirements of Section 7 Statement of Cash Flows and paragraph 3.17(d),
- The requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c),
- The requirement of paragraph 33.7.

##### **Going concern**

The Company has access to adequate resources either through intercompany loans or dividends to continue meet its liabilities and obligations for at least the next 12 months, through its investments in profitable, cash generating subsidiaries. In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities of the Group as a whole, together with the factors likely to affect its future development, and its financial position, as well as the principal risks and uncertainties and in particular Covid-19. The Directors believe that the Company has adequate resources to continue to operate for the foreseeable future. Accordingly, the financial statements are prepared on a going concern basis.

##### **Investments**

Investments are stated at cost (also deemed the fair value) less any provision for impairment

##### **Finance expenses**

Finance expenses consist of interest payable on preference share capital. It is recognized in the Statement of Comprehensive Income using effective interest method.

##### **Finance income**

Interest income consists of interest receivable on investment in preference shares as part of subsidiary investment. It is recognized in the Statement of Comprehensive Income using the effective interest method.

**Dr. Martens Limited**

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**Notes to the Financial Statements (continued)****For the period ended 31 December 2020****2 Accounting policies (continued)****Taxation**

The tax expense would represent the sum of the tax currently payable and deferred tax movement recognised in the period. There is no tax currently payable based on results for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the end of each reporting period.

**Trade and other payables**

Trade and other payables are related party obligations incurred in connection with the reorganisation of the share capital of the Company.

**Significant judgements and estimates**

The preparation of the Company's financial statements in conforming with UK GAAP requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts in the financial statements. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates. Information about such judgements and estimation is contained in the accounting policies and / or notes to the financial statements and the key areas are summarised below:

**Key judgements**

The following judgements have had the most significant effect on amounts recognised in the financial statements:

**Investment**

The Company assesses, at each reporting date, whether there is an indication that any investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the investments' recoverable amount. In assessing an investments' recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

## Dr. Martens Limited

### Notes to the Financial Statements (continued) For the period ended 31 December 2020

#### 3 Finance income

	2020
	£000
Interest receivable on preference shares included in investment in subsidiaries	1,597.7
	<u>1,597.7</u>

#### 4 Finance expense

	2020
	£000
Interest payable on preference share	1,597.7
	<u>1,597.7</u>

#### 5 Income tax

	2020
	£'000
<b>Current tax</b>	
Current tax on UK results for the period	-
<b>Total income tax credit in the Statement of Comprehensive Income</b>	<u>-</u>

	2020
	£'000
<b>Factors affecting the tax expense for the year:</b>	
Results on ordinary activities before taxation	-
Results on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19%	-
<i>Effects of:</i>	
Expenses not deductible for tax purposes	303.6
Income not taxable	(303.6)
<b>Total taxation income/expense</b>	<u>-</u>

#### 6 Investments

	2020
	£000
Acquisition	1,738,736.8
	<u>1,738,736.8</u>

Investments in subsidiaries are stated at cost (also deemed the fair value) less any provision for impairment and relates to the Company's investment in Doc Topco Limited, a private company, limited by shares and incorporated and domiciled in the UK. Further details of the transaction can be found in note 9.

As the company is reporting under FRS 102, under section 615 CA06 the Company opted to record its investment in the shares acquired at an amount equal to the aggregate share capital only.

## Dr. Martens Limited

### Notes to the Financial Statements (continued) For the period ended 31 December 2020

#### 7 Trade and other payables

	2020
Current	£000
Amounts owed to related parties	4.5
	<u>4.5</u>

Other payables comprise amounts due to certain senior management and shareholder in relation to the cancellation of C ordinary shares on 17 December 2020 (refer to note 9 for further details).

#### 8 Borrowings

	2020
Non-current	£000
Redeemable preference	
‘A’ shares	56,470.0
‘B’ shares	282,262.2
	<u>338,732.2</u>

As at 31 December 2020 there were 37,626,266 A preference shares of £0.00001 each and 128,171,815 B preference shares of £0.00001 each allotted, called up and fully paid. The preference share interest accrues but is not payable until redemption of the preference shares except as otherwise set out in the articles or if the board so resolves.

For details of allotted, called up and fully paid preference shares and information regarding preference share redemption, refer to note 9.

#### 9 Share capital

	2020
	£000
Allotted, called up and fully paid	
1,500,000 A ordinary shares of £1 each	1,500.0
8,500,001 B ordinary shares of £1 each	8,500.0
	<u>10,000.0</u>

- The A ordinary shares do not have any voting rights or any rights of redemption. They have rights to dividends and capital distribution (including on winding up).
- The B ordinary shares have full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

## Dr. Martens Limited

### Notes to the Financial Statements (continued) For the period ended 31 December 2020

#### 9 Share capital (continued)

	2020 £000
<b>Preference shares</b>	
37,626,266 A preference shares of £0.00001 each	0.4
128,171,815 B preference shares of £0.00001 each	1.3
	1.7

- The A preference shares have no voting rights or any further rights of participation in the profits of the company other than 6% per annum dividends rights (compounding annually on each 31 March).
- The B preference shares have no voting rights or any further rights of participation in the profits of the company other than 12% per annum dividend rights (compounding annually on each 31 March) in priority over the rights of any other class of shares.

#### *Transactions in the period*

On incorporation on 19 October 2020, the Company issued 1 ordinary share with nominal value of £1 each for a cash consideration of £1.00 to Ingrelux S.a.r.l.

On 14 December 2020, the Company issued a further 139 ordinary shares of £1 each for a total cash consideration of £139 to Ingrelux S.a.r.l. On the same day the entire issued share capital of 140 ordinary shares of £1 each was consolidated into 1 ordinary share of £140 and that 1 ordinary share was converted into 1 B ordinary share of £140.

On 14 December 2020 following the reorganisation of the incorporation share, the Company acquired 100% of the beneficial title to ordinary shares and preference shares of Doc Topco Limited for a total fair value of £1,737,138,987 by way of a share for share exchange by issuing the following shares to the shareholders of Doc Topco Limited:

- 1,500,000 A ordinary shares of £140 each, 8,500,000 B ordinary shares of £140 each and 3 C ordinary shares of £1,500 each for a total fair value of £1,400,004,500;
- 37,626,266 A preference shares of £1.496801 each and 128,171,815 B preference shares of £2.19093 each for a total fair value of £337,134,487.

As the Company issued equity shares to acquire 100% of the shares of Doc Topco Limited (i.e. acquiring both the ordinary and preference shares as part of a single arrangement), the provisions of merger relief set out in section 612 Companies Act 2006 (CA2006) are applied. Where merger relief is applied, the Company is prohibited from recording share premium on the transaction.

The existing 1 B ordinary share formed part of the consideration received by Ingrelux S.a.r.l. in exchange for its shares in Doc Topco Limited and therefore the existing 1 B ordinary share was considered fully paid up following the share for share exchange. Legal title to the shares in Doc Topco Limited was transferred to the Company on 23 December 2020.

On 17 December 2020, the entire 3 C ordinary shares of £1,500.00 each were cancelled, and the Company owed a debt to the shareholders for a total of £4,500 for those shares.

On 17 December 2020, the Company reduced the nominal value of both the ordinary shares and preference shares as follows:

- A and B ordinary shares nominal value were reduced from £140 each to £1 each. This reduced the share capital by £1,390,000,139 and this is transferred to retained earnings;
- A and B preference shares nominal value were reduced from £1.496801 each and £2.19093 each respectively to £0.00001 each. The reduction resulted in £337,132,849 to retained earnings and equivalent debit to equity that has been presented within retained earnings.

## **Dr. Martens Limited**

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### **Notes to the Financial Statements (continued)** **For the period ended 31 December 2020**

#### **10 Reserves**

The following describes the nature and purpose of each reserve within equity:

<b>Reserve</b>	<b>Description and purpose</b>
Share capital	Nominal value of subscribed shares.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. The debit within retained earnings relates to a non-distributable reserve following the reduction of the nominal value of preference shares.

#### **11 Related party transactions**

The Company is backed by entities that collectively comprise the Permira V Fund "Permira V" which is ultimately controlled by Permira V GP Limited. Permira V GP Limited is related to the Company due to common control, IngreLux S.a.r.l. is controlled by Permira V which itself is controlled by Permira V GP Limited. Permira V GP Limited is owned by Permira Holdings Limited. During the period, the Company issued shares to IngreLux S.a.r.l. (see note 9).

During the period the company cancelled all its C ordinary shares of £1,500 each and owed a debt to the shareholders, certain of the shareholders are also senior management of the company (see note 7 and 9).

#### **12 Control**

The Company is backed by entities that collectively comprise the Permira V Fund "Permira V" which is ultimately controlled by Permira V GP Limited. Permira V GP Limited is related to the Company due to common control, IngreLux S.a.r.l. (the Company's ultimate controlling parent party which provided financing in the form of preference shares with capitalised interest, as described in note 8) is controlled by Permira V which itself is controlled by Permira V GP Limited. Permira V GP Limited is owned by Permira Holdings Limited. During the period, the Company issued shares to IngreLux S.a.r.l.