

# Louis Nielsen A/S

Indkildevej 2a

9210 Aalborg SØ

CVR No. 13613575



## Annual Report 2018/19

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31 July 2019

  
Pernille Genckel Schmidt  
Chairman

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## Management's Statement

Today, the Board of Directors and the Executive Board have considered and adopted the Annual Report of Louis Nielsen A/S for the financial year 1 March 2018 - 28 February 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Company's financial position at 28 February 2019 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 March 2018 - 28 February 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, 3 July 2019

### Executive Board

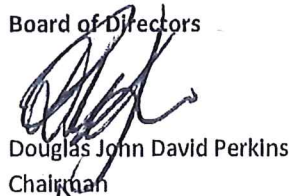


Mads Nygaard



X John Douglas Perkins

### Board of Directors



Douglas John David Perkins  
Chairman

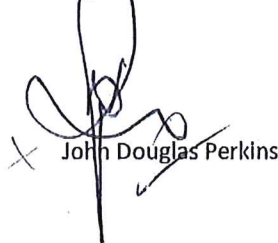


Nigel David Parker

Juliette Mary Perkins



Mary Lesley Perkins



X John Douglas Perkins



Mads Nygaard



Susanne Ditlev Severinsen

## Independent Auditor's Report

To the shareholders of Louis Nielsen A/S

### Opinion

We have audited the consolidated financial statements and the Parent Company financial statements of Louis Nielsen A/S for the financial year 1 March 2018 - 28 February 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 28 February 2019 and of the results of the Group and Parent Company operations as well as the consolidated cash flows of the Group for the financial year 1 March 2018 - 28 February 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 the 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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for 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 Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

## Independent Auditor's Report

### **The Auditor's responsibility for the audit of the Consolidated Financial Statements and the Parent Company Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and Parent Company Financial Statements.

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

- \* Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group and the Company to cease to continue as a going concern.
- \* Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- \* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

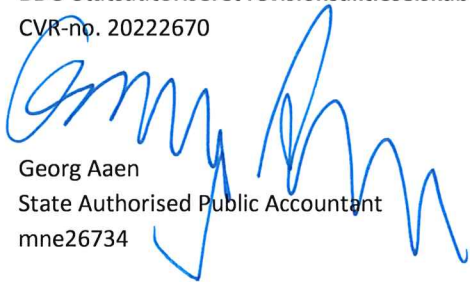
Based on the work we have performed, we conclude that Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management's Review.

Aalborg, 3. JULY 2019

**BDO Statsautoriseret revisionsaktieselskab**

CVR-no. 20222670

Georg Aen  
State Authorised Public Accountant  
mne26734



## Company details

<b>Company</b>	Louis Nielsen A/S Indkildevej 2a 9210 Aalborg SØ
Telephone	96 32 50 00
Website	<a href="http://www.louisnielsen.dk">www.louisnielsen.dk</a>
CVR No.	13613575
Date of formation	1 November 1989
Registered office	Aalborg
Financial year	1 March 2018 - 28 February 2019
<b>Board of Directors</b>	Douglas John David Perkins Nigel David Parker Juliette Mary Perkins Mary Lesley Perkins John Douglas Perkins Mads Nygaard Susanne Ditlev Severinsen
<b>Executive Board</b>	Mads Nygaard John Douglas Perkins
<b>Auditors</b>	BDO Statsautoriseret revisionsaktieselskab Visionsvej 51 9000 Aalborg CVR-no.: 20222670

## Management's Review

### The Group's principal activities

The Group's principal activities consist in trade with spectacles, contact lenses and other accessories from its 77 stores.

### Development in activities and financial matters

The Group's Income Statement of the financial year 1 March 2018 - 28 February 2019 shows a result of DKK 63.772k and the Balance Sheet of the Group at 28 February 2019 a balance sheet total of DKK 596.258k and an equity of DKK 360.221k.

### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the Group substantially.

### Expectations for the future

The Group expects its operations to develop positively next year.

### Knowledge resources

It is important for the Group to be able to attract and retain the suitable well-educated labour, not least authorized opticians, representing the professional foundation in all shops.

### Risks

The Group has no key business risks besides the ones that are characteristic of the industry.

### Net profit/loss for the year compared with expected developments in the most recently published annual report

The Group's operations have developed positively during the year in line with expectations.

### Statement on Corporate Social Responsibility

For the Statutory Statement on Corporate Social Responsibility, cf. section 99a of the Danish Financial Statements Act, please refer to the annual CSR report of the parent company for this and previous years:

<https://www.louisnielsen.dk/om-louis-nielsen/en-del-af-specsavers>

Risks are however not included in the CSR report but are instead disclosed as part of the management review with reference to the section "risks".

### Target figures and policies for the underrepresented gender

The Company's Board of Directors is presently made up of four men and three women, which is considered as an equal split of gender.

The rest of the Management team is represented by 55% women and 45% men



## Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

	2018/19	2017/18	2016/17	2015/16	2014/15
<b>Group</b>					
Net turnover	1.006.798	990.642	937.223	868.878	780.276
Operating profit/loss	87.470	80.550	84.832	66.903	65.118
Net financial income and expenses	-811	-331	-191	9	25
Profit/loss for the year	63.772	59.379	63.116	48.279	45.396
Investment in tangible assets	19.476	19.954	20.929	31.405	27.676
Total assets	596.258	534.208	529.156	507.299	480.554
Total equity	360.221	355.045	359.695	342.052	332.240
Profit margin (%)	9	8	9	8	8
Solvency ratio (%)	60	66	68	67	69
<b>Parent</b>					
Net turnover	554.265	555.794	521.384	490.250	440.582
Operating profit/loss	21.698	18.418	15.672	14.756	13.415
Net financial income and expenses	-333	105	253	368	-79
Profit/loss for the year	2.248	1.408	348	1.146	738
Investment in tangible assets	2.444	519	1.327	11.017	6.570
Total assets	456.049	397.370	378.536	382.646	357.160
Total equity	304.547	303.151	299.172	295.619	285.674
Profit margin (%)	4	3	3	3	3
Solvency ratio (%)	67	76	79	77	80

## Accounting Policies

### Reporting Class

The Annual Report of Louis Nielsen A/S for 2018/19 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The Annual Report is presented in Danish kroner.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

### Consolidated Financial Statements

The Consolidated Financial Statements comprise the parent company Louis Nielsen A/S and subsidiaries in which Louis Nielsen A/S directly or indirectly holds more than 50% of the voting rights or in other ways has controlling influence.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Newly acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for newly acquired, sold or wound up enterprises.

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor's opinion, built on an overall assessment of the production equipment.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities are recognised in intangible fixed assets as goodwill and amortised systematically in the Income Statement under an individual assessment of the useful life. Negative differences are recognised in the Income Statement upon acquisition. Differences from acquired enterprises in previous years amounts to DKK ('000) 289,615. Goodwill regarding minority interests are recognised under equity.

### Minority Interests

The accounting items of the subsidiaries are recognised in full in the consolidated financial statements. The minority interests' proportional share of the results and equity of the subsidiaries is stated as separate items in the allocation of profit/loss and in individual main items under equity.

## Accounting Policies

### Income Statement

#### Revenue

Revenue is generated by sale of spectacles and contact lenses, etc. and services of administration and corporate functions.

Income from the sale of goods for resale is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue from sales of services comprising administration and corporate functions are recognised in revenue as the services are provided.

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

#### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets.

#### Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Payments related to operating lease expenses are recognised in the income statement during the continuance of the contract. The company's total liability concerning operating lease agreements are stated under contingencies.

#### Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs. Refunds received from public authorities are deducted from staff costs.

Other staff expenses are recognised in other external expenses.

#### Other operating expenses

Other operating expenses comprise items of a secondary nature to the activities of the enterprises, including loss on sale of intangible and tangible assets.

#### Income from equity investments in subsidiaries

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses from payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

#### Tax on net profit/loss for the year

The parent company is subjected to the Danish rules on compulsory joint taxation of the group's Danish subsidiaries. Subsidiaries are included in the joint taxation from the time when they are included in the consolidation in the Consolidated Financial Statement until they leave the consolidation.

The parent company is the administration company of the joint taxation and therefore settles all corporation tax payments with the tax authorities.

## Accounting Policies

The current Danish corporation tax is distributed by settling the joint taxation contributions between the jointly taxed enterprises in proportion to their taxable income. In this connection, enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use these losses to reduce their own tax profit.

Tax for the year which comprises the current corporation tax for the year and any changes in deferred tax, including as a consequence of a change to the tax rate, is recognised by the part attributable to the profit/loss for the year and directly in equity by the part attributable to items directly in equity.

## Balance Sheet

### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised on a straight line basis over its estimated useful life of 5-20 years determined on the basis of Management's experience of the specific business areas. Goodwill allocated to subsidiaries is amortised on a straight-line basis over an amortisation period of 20 years, due to that the enterprises are acquired strategically with strong market positions and long-term earnings profiles.

An impairment test of goodwill is performed in the event of indications of a decrease in value. The impairment test is performed for the activity or the business area to which the goodwill relates. Goodwill is written down to the higher of the value in use and the net selling price for the activity or business area to which the goodwill relates (recoverable amount) in the event that this one is lower than the carrying amount.

Other intangible assets, including licences and acquired rights etc., are measured at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised on a straight-line basis over an amortisation period of 3 years.

An impairment test of acquired intangible assets is performed in the event of indications of a decrease in value. Furthermore, annual impairment tests are performed for ongoing and activated development projects, if any. The impairment test is performed for each individual asset and group of assets, respectively. The assets are written down to the higher of the asset's or asset group's value in use and the net selling price (recoverable amount) in the event that this one is lower than the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

### Tangible assets

Tangible assets are measured at cost plus revaluations, if any, and less accumulated depreciation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful life of the assets and their residual values. The expected useful lives are as follows:

	Useful life	Residual value
Buildings	20 years	0%
Fixtures, fittings, tools and equipment	3-5 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

## Accounting Policies

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the amortisation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of land and buildings, equipment and leasehold improvements are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

An impairment test of tangible assets is performed in the event of indications of a decrease in value. The impairment test is performed for each individual asset and group of assets, respectively. The assets are written down to the higher of the asset's or asset group's value in use and the net selling price (recoverable amount) in the event that this one is lower than the carrying amount.

### Equity investments in group enterprises

Equity investments in subsidiaries are measured by the equity method.

Equity investments in subsidiaries are measured at the proportionate share of the enterprises' equity value determined according to the Parent Company's accounting policies with deduction or addition of unrealised intercompany profit or loss and with the addition or deduction of the residual value of positive or negative goodwill determined according to the acquisition method.

Equity investments in subsidiaries with a negative equity value are measured at DKK 0, and any receivable from these enterprises are written down in so far as the receivable is uncollectible. In so far as the parent company has a legal or actual obligation to cover a negative balance that exceeds the receivable, the residual amount is recognised in provisions.

Net revaluation of equity investments in subsidiaries is tied up as reserve for net revaluation by the equity method in equity, in so far as the carrying amount exceeds the cost. Dividends from subsidiaries that are expected to be adopted before the annual report for Louis Nielsen A/S is approved are not tied up in the revaluation reserve.

### Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Gains or losses on disposal of subsidiaries are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. The fair value is calculated based on acquisitions made in an active market alternatively calculated using generally accepted valuation methods. The date of acquisition is the date when the group obtains control of the acquired enterprise. The tax effect of the restatement of assets and liabilities is taken into account.

### Intra-group business combinations

In connection with business combinations such as acquisition and disposal of equity investments, mergers, demergers, addition of assets and exchange of shares, etc., involving enterprises controlled by the parent company, the book value method is used. Differences between the agreed consideration and the carrying amount

## Accounting Policies

of the acquired enterprise are recognised in equity. Comparative figures are not restated.

### Inventories

Inventories are measured at cost on the basis of the FIFO principle or at the net realisable value if the latter is lower.

Merchandise are measured at cost comprising purchase price plus delivery costs.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

### Prepayments

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

### Liabilities

Other liabilities, which include debt to suppliers, subsidiaries and associates and other debt, are measured at amortised cost which usually corresponds to the nominal value.

### Accruals and deferred income, equity and liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Accounting Policies

### Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### Explanation of financial ratios

Key figures and financial ratios are determined based on recommendations issued by the Danish Finance Society.

Profit margin	=	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Revenue}}$
Solvency ratio	=	$\frac{\text{Equity}}{\text{Total assets}}$

## Income Statement

	Note	Group 2018/19 tkr.	2017/18 tkr.	Parent 2018/19 tkr.	2017/18 tkr.
Revenue	1	1.006.798	990.642	554.265	555.794
Cost of sales		-360.856	-358.105	-359.932	-357.361
Other operating income		221.956	150.759	289.374	217.503
Other external expenses		-349.995	-311.740	-320.378	-285.052
<b>Gross result</b>		<b>517.903</b>	<b>471.556</b>	<b>163.329</b>	<b>130.884</b>
Employee benefits expense	2	-392.453	-353.944	-138.023	-108.016
Depreciation, amortisation expense and impairment losses		-37.134	-36.799	-3.608	-4.450
Other operating expenses		-846	-263	0	0
<b>Profit from ordinary operating activities</b>		<b>87.470</b>	<b>80.550</b>	<b>21.698</b>	<b>18.418</b>
Income from investments in group enterprises and associates		0	0	-14.407	-13.057
Other finance income from group enterprises		0	0	55	46
Other finance income		194	558	179	496
Finance expenses		-1.005	-889	-567	-391
<b>Profit from ordinary activities before tax</b>		<b>86.659</b>	<b>80.219</b>	<b>6.958</b>	<b>5.512</b>
Tax expense on ordinary activities	3	-22.887	-20.840	-4.710	-4.104
<b>Profit</b>		<b>63.772</b>	<b>59.379</b>	<b>2.248</b>	<b>1.408</b>



## Balance Sheet as of 28 February

	Note	Group 2019 tkr.	2018 tkr.	Parent 2019 tkr.	2018 tkr.
<b>Assets</b>					
Acquired intangible assets	5	819	127	819	127
Goodwill	6	83.134	97.739	70	111
<b>Intangible assets</b>		<b>83.953</b>	<b>97.866</b>	<b>889</b>	<b>238</b>
Land and buildings	7	10.807	11.804	10.807	11.804
Fixtures, fittings, tools and equipment	8	23.504	27.598	3.035	4.359
Leasehold improvements	9	28.211	26.824	1.822	426
<b>Property, plant and equipment</b>		<b>62.522</b>	<b>66.226</b>	<b>15.664</b>	<b>16.589</b>
Long-term investments in group enterprises	10, 11	0	0	89.331	103.444
Long-term receivables from group enterprises	12	0	0	2.167	764
Other long-term receivables	13	16.694	18.546	16.687	18.537
<b>Investments</b>		<b>16.694</b>	<b>18.546</b>	<b>108.185</b>	<b>122.745</b>
<b>Fixed assets</b>		<b>163.169</b>	<b>182.638</b>	<b>124.738</b>	<b>139.572</b>
Manufactured goods and goods for resale		18.488	17.720	732	697
<b>Inventories</b>		<b>18.488</b>	<b>17.720</b>	<b>732</b>	<b>697</b>
Short-term trade receivables		9.004	8.790	7.428	6.908
Short-term receivables from group enterprises		234.203	164.840	286.077	218.432
Short-term tax receivables from group enterprises		0	0	2.700	1.269
Other short-term receivables		2.688	2.201	744	398
Prepayments	14	30.012	29.203	5.733	6.049
<b>Receivables</b>		<b>275.907</b>	<b>205.034</b>	<b>302.682</b>	<b>233.056</b>
<b>Cash and cash equivalents</b>		<b>138.694</b>	<b>128.816</b>	<b>27.897</b>	<b>24.045</b>
<b>Current assets</b>		<b>433.089</b>	<b>351.570</b>	<b>331.311</b>	<b>257.798</b>
<b>Assets</b>		<b>596.258</b>	<b>534.208</b>	<b>456.049</b>	<b>397.370</b>

## Balance Sheet as of 28 February

	Note	Group 2019 tkr.	2018 tkr.	Parent 2019 tkr.	2018 tkr.
<b>Liabilities and equity</b>					
Contributed capital		20.100	20.100	20.100	20.100
Retained earnings		284.447	283.051	284.447	283.051
Minority interests		55.674	51.894	0	0
<b>Equity</b>		<b>360.221</b>	<b>355.045</b>	<b>304.547</b>	<b>303.151</b>
Provisions for deferred tax	16	3.383	3.228	624	467
<b>Provisions</b>		<b>3.383</b>	<b>3.228</b>	<b>624</b>	<b>467</b>
Other payables		631	0	0	0
<b>Long-term liabilities other than provisions</b>	17	<b>631</b>	<b>0</b>	<b>0</b>	<b>0</b>
Trade payables		26.504	28.801	25.140	26.791
Payables to group enterprises		77.304	29.464	77.304	29.464
Tax payables		1.767	89	1.767	89
Tax payables to group enterprises		0	0	689	1.129
Other payables		104.451	91.201	45.869	36.131
Deferred income, liabilities	18	21.997	26.380	109	148
<b>Short-term liabilities other than provisions</b>		<b>232.023</b>	<b>175.935</b>	<b>150.878</b>	<b>93.752</b>
<b>Liabilities other than provisions within the business</b>		<b>232.654</b>	<b>175.935</b>	<b>150.878</b>	<b>93.752</b>
<b>Liabilities and equity</b>		<b>596.258</b>	<b>534.208</b>	<b>456.049</b>	<b>397.370</b>
Contingent liabilities	19				
Liabilities under off-balance sheet leases	20				
Related parties	21				
Fees for auditors elected on the general meeting	22				

## Statement of changes in Equity

### Parent

	Share capital	Retained earnings	Total
Equity 1 March 2018	20.100	283.051	303.151
Sale of minority shares		-852	-852
Profit (loss)		2.248	2.248
<b>Equity 28 February 2019</b>	<b>20.100</b>	<b>284.447</b>	<b>304.547</b>

### Group

	Share capital	Retained earnings	Minority interests	Total
Equity 1 March 2018	20.100	283.051	51.894	355.045
Sale of minority shares		-852	133	-719
Dividend paid			-57.877	-57.877
Profit (loss)		2.248	61.524	63.772
<b>Equity 28 February 2019</b>	<b>20.100</b>	<b>284.447</b>	<b>55.674</b>	<b>360.221</b>

## Cash Flow Statement

	2018/19 tkr.	2017/18 tkr.
Profit	87.470	80.550
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	37.134	36.799
Adjustments of profit/loss on realisations of fixed assets	521	100
Other adjustments	3	217
Decrease (increase) in inventories	-768	-1.988
Decrease (increase) in receivables	-70.873	-29.546
Decrease (increase) in trade payables	54.410	10.964
<b>Cash flow from operating activities before financial items</b>	<b>107.897</b>	<b>97.096</b>
Interest received	194	558
Interest paid	-1.005	-889
<b>Cash flow from ordinary operating activities</b>	<b>107.086</b>	<b>96.765</b>
Income taxes paid	-21.054	-22.101
<b>Cash flows from operating activities</b>	<b>86.032</b>	<b>74.664</b>
Purchase of intangible assets	-1.202	
Purchase of property, plant and equipment	-19.476	-19.954
Sales of property, plant and equipment	638	170
Purchase of investments	-1.999	-1.513
Sale of investments	1.279	4.127
Other components of cash flows from investing activities	1.852	3.635
<b>Cash flows from investing activities</b>	<b>-18.908</b>	<b>-13.535</b>
Proceeds from long-term liabilities	631	20
Dividend paid	-57.877	-66.658
<b>Cash flows from financing activities</b>	<b>-57.246</b>	<b>-66.638</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9.878</b>	<b>-5.509</b>
Cash and cash equivalents, beginning balance	128.816	134.325
<b>Cash and cash equivalents, ending balance</b>	<b>138.694</b>	<b>128.816</b>
<b>Cash and cash equivalents specified:</b>		
Cash and cash equivalents	138.694	128.816
<b>Cash and cash equivalents in total</b>	<b>138.694</b>	<b>128.816</b>

With reference to section 86 part 4 of the Danish Financial Statements Act there is only prepared a cash flow statement for the group.

## Notes

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
<b>1. Revenue</b>				
Sale of spectacles and contact lenses	1.006.798	990.642	379.967	376.872
Administration fee	0	0	174.298	178.922
	<b>1.006.798</b>	<b>990.642</b>	<b>554.265</b>	<b>555.794</b>
<b>2. Staff costs</b>				
Wages and salaries	358.950	323.189	128.023	99.452
Post-employment benefit expense	25.470	23.938	8.672	7.454
Social security contributions	8.033	8.033	1.328	1.110
	<b>392.453</b>	<b>353.944</b>	<b>138.023</b>	<b>108.016</b>
Average number of employees	833	803	159	136
Group and parent company: Remuneration of the Executive Board for amounts to DKK 3.505k (2017/18 DKK 3.372k).				
The board of Directors does not receive directors' fees.				
<b>3. Tax expense</b>				
Current tax for the year	22.732	20.374	4.554	3.726
Adjustment of deferred tax	155	466	156	378
	<b>22.887</b>	<b>20.840</b>	<b>4.710</b>	<b>4.104</b>
<b>4. Distribution of profit</b>				
Minority interests	61.524	57.971	0	0
Retained earnings	2.248	1.408	2.248	1.408
	<b>63.772</b>	<b>59.379</b>	<b>2.248</b>	<b>1.408</b>
<b>5. Acquired intangible assets</b>				
Cost at the beginning of the year	2.275	2.275	2.275	2.275
Addition during the year, incl. improvements	1.135	0	1.135	0
<b>Cost at the end of the year</b>	<b>3.410</b>	<b>2.275</b>	<b>3.410</b>	<b>2.275</b>
Amortisation at the beginning of the year	-2.149	-1.390	-2.149	-1.390
Amortisation for the year	-442	-758	-442	-758
<b>Amortisation at the end of the year</b>	<b>-2.591</b>	<b>-2.148</b>	<b>-2.591</b>	<b>-2.148</b>
<b>Carrying amount at the end of the year</b>	<b>819</b>	<b>127</b>	<b>819</b>	<b>127</b>

## Notes

	Group		Parent	
	2019	2018	2019	2018
<b>6. Goodwill</b>				
Cost at the beginning of the year	296.546	296.546	1.585	1.585
Addition during the year, incl. improvements	66	0	0	0
Disposal during the year	-112	0	0	0
<b>Cost at the end of the year</b>	<b>296.500</b>	<b>296.546</b>	<b>1.585</b>	<b>1.585</b>
Amortisation at the beginning of the year	-198.807	-184.119	-1.473	-1.432
Amortisation for the year	-14.671	-14.688	-42	-42
Reversal of amortisation of disposed assets	112	0	0	0
<b>Amortisation at the end of the year</b>	<b>-213.366</b>	<b>-198.807</b>	<b>-1.515</b>	<b>-1.474</b>
<b>Carrying amount at the end of the year</b>	<b>83.134</b>	<b>97.739</b>	<b>70</b>	<b>111</b>
<b>7. Land and buildings</b>				
Cost at the beginning of the year	20.821	20.611	20.821	20.611
Addition during the year	0	210	0	210
Disposal during the year	-208	0	-208	0
<b>Cost at the end of the year</b>	<b>20.613</b>	<b>20.821</b>	<b>20.613</b>	<b>20.821</b>
Depreciation at the beginning of the year	-9.017	-7.977	-9.017	-7.977
Depreciation for the year	-997	-1.040	-997	-1.040
Reversal of impairment losses and amortisation of disposed assets	208	0	208	0
<b>Depreciation at the end of the year</b>	<b>-9.806</b>	<b>-9.017</b>	<b>-9.806</b>	<b>-9.017</b>
<b>Carrying amount at the end of the year</b>	<b>10.807</b>	<b>11.804</b>	<b>10.807</b>	<b>11.804</b>

## Notes

	Group		Parent	
	2019	2018	2019	2018
<b>8. Fixtures, fittings, tools and equipment</b>				
Cost at the beginning of the year	87.938	77.547	16.254	16.261
Addition during the year	6.561	11.436	786	398
Disposal during the year	-3.156	-1.045	-1.923	-405
<b>Cost at the end of the year</b>	<b>91.343</b>	<b>87.938</b>	<b>15.117</b>	<b>16.254</b>
Depreciation at the beginning of the year	-60.339	-51.534	-11.895	-9.945
Depreciation for the year	-10.293	-9.775	-1.865	-2.348
Reversal of depreciation of disposed assets	2.793	969	1.678	398
<b>Depreciation at the end of the year</b>	<b>-67.839</b>	<b>-60.340</b>	<b>-12.082</b>	<b>-11.895</b>
<b>Carrying amount at the end of the year</b>	<b>23.504</b>	<b>27.598</b>	<b>3.035</b>	<b>4.359</b>
<b>9. Leasehold improvements</b>				
Cost at the beginning of the year	70.164	71.440	2.039	2.039
Addition during the year	12.915	8.308	1.658	0
Disposal during the year	-9.893	-9.583	0	0
<b>Cost at the end of the year</b>	<b>73.186</b>	<b>70.165</b>	<b>3.697</b>	<b>2.039</b>
Depreciation at the beginning of the year	-43.341	-41.966	-1.613	-1.351
Depreciation for the year	-10.731	-10.538	-262	-262
Reversal of depreciation of disposed assets	9.097	9.163	0	0
<b>Depreciation at the end of the year</b>	<b>-44.975</b>	<b>-43.341</b>	<b>-1.875</b>	<b>-1.613</b>
<b>Carrying amount at the end of the year</b>	<b>28.211</b>	<b>26.824</b>	<b>1.822</b>	<b>426</b>

## Notes

	Parent	
	2019	2018
<b>10. Long-term investments in group enterprises</b>		
Cost at the beginning of the year	364.207	364.255
Addition during the year	280	60
Disposal during the year	-163	-108
<b>Cost at the end of the year</b>	<b>364.324</b>	<b>364.207</b>
Revaluations at the beginning of the year	-67.711	-67.809
Adjustments, eliminations etc.	1.681	1.365
Profit for the year	74	1.005
Distributed profit	-1.505	-2.273
<b>Revaluations at the end of the year</b>	<b>-67.461</b>	<b>-67.712</b>
Amortisation at the beginning of the year	-193.051	-178.570
Amortisation for the year	-14.481	-14.481
<b>Amortisation at the end of the year</b>	<b>-207.532</b>	<b>-193.051</b>
<b>Carrying amount at the end of the year</b>	<b>89.331</b>	<b>103.444</b>

## 11. Disclosure in long-term investments in group enterprises

Name	Registered office	Share held in %
Louis Nielsen Amager ApS	Aalborg	52,00
Louis Nielsen Ballerup ApS	Aalborg	52,00
Louis Nielsen Brønderslev ApS	Aalborg	62,00
Louis Nielsen Brønshøj ApS	Aalborg	76,00
Louis Nielsen City Vest ApS	Aalborg	52,00
Louis Nielsen Esbjerg ApS	Aalborg	52,00
Louis Nielsen Farum ApS	Aalborg	52,00
Louis Nielsen Fisketorvet ApS	Aalborg	52,00
Louis Nielsen Fredericia ApS	Aalborg	52,00
Louis Nielsen Frederiksberg ApS	Aalborg	52,00
Louis Nielsen Frederikshavn ApS	Aalborg	52,00
Louis Nielsen Frederikssund ApS	Aalborg	52,00
Louis Nielsen Faaborg ApS	Aalborg	52,00
Louis Nielsen Glostrup Aps	Aalborg	76,00
Louis Nielsen Grenå ApS	Aalborg	52,00
Louis Nielsen Grindsted ApS	Aalborg	52,00
Louis Nielsen Haderslev Aps	Aalborg	51,00



## Notes

Louis Nielsen Helsinge ApS	Aalborg	52,00
Louis Nielsen Helsingør ApS	Aalborg	76,00
Louis Nielsen Herlev ApS	Aalborg	76,00
Louis Nielsen Herning ApS	Aalborg	52,00
Louis Nielsen Hillerød ApS	Aalborg	52,00
Louis Nielsen Hjørring ApS	Aalborg	52,00
Louis Nielsen Hobro ApS	Aalborg	52,00
Louis Nielsen Holbæk ApS	Aalborg	52,00
Louis Nielsen Holstebro ApS	Aalborg	52,00
Louis Nielsen Horsens ApS	Aalborg	52,00
Louis Nielsen Hundige ApS	Aalborg	52,00
Louis Nielsen Hvidovre ApS	Aalborg	52,00
Louis Nielsen Hørsholm ApS	Aalborg	52,00
Louis Nielsen Ikast ApS	Aalborg	52,00
Louis Nielsen Kalundborg ApS	Aalborg	76,00
Louis Nielsen Kolding ApS	Aalborg	52,00
Louis Nielsen Kolding City ApS	Aalborg	52,00
Louis Nielsen Korsør ApS	Aalborg	68,00
Louis Nielsen Købmagergade ApS	Aalborg	52,00
Louis Nielsen Køge ApS	Aalborg	52,00
Louis Nielsen Lyngby ApS	Aalborg	52,00
Louis Nielsen Middelfart ApS	Aalborg	76,00
Louis Nielsen Nakskov ApS	Aalborg	52,00
Louis Nielsen Nykøbing ApS	Aalborg	52,00
Louis Nielsen Næstved ApS	Aalborg	52,00
Louis Nielsen Odder ApS	Aalborg	76,00
Louis Nielsen Odense ApS	Aalborg	52,00
Louis Nielsen Randers ApS	Aalborg	52,00
Louis Nielsen Ribe ApS	Aalborg	51,00
Louis Nielsen Ringkøbing ApS	Aalborg	76,00
Louis Nielsen Ringsted ApS	Aalborg	52,00
Louis Nielsen Rosengårdcentret ApS	Aalborg	52,00
Louis Nielsen Roskilde ApS	Aalborg	52,00
Louis Nielsen Ryesgade ApS	Aalborg	52,00
Louis Nielsen Rønne ApS	Aalborg	76,00
Louis Nielsen Silkeborg ApS	Aalborg	52,00
Louis Nielsen Skalborg ApS	Aalborg	52,00
Louis Nielsen Skanderborg ApS	Aalborg	52,00
Louis Nielsen Skive ApS	Aalborg	52,00
Louis Nielsen Slagelse ApS	Aalborg	52,00
Louis Nielsen Slagelse DS ApS	Aalborg	100,00
Louis Nielsen Stenløse ApS	Aalborg	76,00
Louis Nielsen Svendborg ApS	Aalborg	52,00
Louis Nielsen Sønderborg ApS	Aalborg	52,00
Louis Nielsen Thisted ApS	Aalborg	52,00
Louis Nielsen Tilst ApS	Aalborg	52,00
Louis Nielsen Taastrup ApS	Aalborg	52,00

## Notes

Louis Nielsen Valby ApS	Aalborg	52,00
Louis Nielsen Varde ApS	Aalborg	76,00
Louis Nielsen Vejen ApS	Aalborg	52,00
Louis Nielsen Vejle ApS	Aalborg	52,00
Louis Nielsen Veri ApS	Aalborg	52,00
Louis Nielsen Viborg ApS	Aalborg	52,00
Louis Nielsen Vordingborg ApS	Aalborg	52,00
Louis Nielsen Østerbrogade ApS	Aalborg	52,00
Louis Nielsen Aabenraa ApS	Aalborg	52,00
Louis Nielsen Aalborg ApS	Aalborg	52,00

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
<b>12. Long-term receivables from group enterprises</b>				
Cost at the beginning of the year	0	0	764	1.306
Additions during the year	0	0	1.770	43
Disposals during the year	0	0	-367	-585
<b>Cost at the end of the year</b>	<b>0</b>	<b>0</b>	<b>2.167</b>	<b>764</b>
<b>Carrying amount at the end of the year</b>	<b>0</b>	<b>0</b>	<b>2.167</b>	<b>764</b>

Of long-term receivables from group enterprises 564k (2017/18: 215k) is due within one year

## 13. Other long-term receivables

Cost at the beginning of the year	18.546	22.181	18.537	22.174
Additions during the year	3.588	2.407	3.588	2.405
Disposals during the year	-5.440	-6.042	-5.438	-6.042
<b>Cost at the end of the year</b>	<b>16.694</b>	<b>18.546</b>	<b>16.687</b>	<b>18.537</b>
<b>Carrying amount at the end of the year</b>	<b>16.694</b>	<b>18.546</b>	<b>16.687</b>	<b>18.537</b>

Of other receivables 0k (2017/18: 210k) is due within one year

## 14. Prepayments

Prepayments comprise of marketing, license, insurance costs etc. incurred concerning subsequent financial years.

Of the total amount 134k (2017/18: 284k) will be expensed after more than year.

## 15. Share capital

The share capital comprises 2.010 shares at DKK 10.000 each. All shares rank equally.

## Notes

	Group		Parent	
	2019	2018	2019	2018
<b>16. Provisions for deferred tax</b>				
Balance at the beginning of the year	3.228	2.762	467	89
Adjustment of the deferred tax charge for the year	155	466	157	378
<b>Balance at the end of the year</b>	<b>3.383</b>	<b>3.228</b>	<b>624</b>	<b>467</b>

## 17. Long-term liabilities

### Group

	Due after 1 year	Due within 1 year	Due after 5 years
Other payables	631	0	0
	<b>631</b>	<b>0</b>	<b>0</b>

## 18. Deferred income

Deferred income, recognised under liabilities, consists of payments received in the financial year, which cannot be recognised as revenue until the subsequent financial year.

## 19. Contingent liabilities

The Company has issued guarantees regarding tenancy agreements of 2.883k (2017/18: 3.215k) to certain subsidiaries and other companies.

The Company has issued a general letter of support to subsidiaries.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

Tax payable on the Group's joint taxable income amount to 1.767k (2017/18: 89k)

## 20. Liabilities under leases

The Company and Group has assumed a total rental liability in respect of property of 90.631k (2017/18: 82.236k) and lease obligations (operating leases) totalling 8.578k (2017/18: 9.740k).

## Notes

### 21. Related parties

#### Parties exercising control

Specsavers Holding B.V, Huizermaatweg 320-322, 1276 LJ Huizen, the Netherlands which holds all of the shares in the Company

Specsavers Nordic Region Limited, La Villiaze, St. Andrews, Guernsey which holds all of the shares in Specsavers Holding B.V

Specsavers International Healthcare Limited, La Villiaze, St. Andrews, Guernsey which holds all of the shares in Specsavers Nordic Region Limited

Douglas John David and Mary Lesley Perkins, Hautes Falaises, Fort George, St Peter Port, Guernsey who holds all of the shares in Specsavers International Healthcare Limited

The Company is included in the consolidated financial statements of the parent company Specsavers Holding B.V. and also in the consolidated financial statements of the ultimate parent company Specsavers International Healthcare Limited.

The consolidated financial statements of Specsavers Holding B.V. are available at the Company's adress.

The consolidated financial statements of Specsavers International Healthcare Limited are not published.

#### Group

Sale of goods and other current assets to group entities	1.735
Income from services including management fee and cost sharing from group enterprises	221.631
Purchase of goods and other current assets from group entities	345.858
Expenses for services including management fee and cost sharing to group enterprises	49.532
Receivable from group entities	234.203
Payables to group entities	77.304

#### Parent

Sale of goods and other current assets to group subsidiaries	395.879
Sale of goods and other current assets to group entities	1.735
Income from services including management fee and cost sharing from subsidiaries	205.727
Income from services including management fee and cost sharing from group enterprises	221.631
Rental and lease income from subsidiaries	35.561
Financing income from subsidiaries	55
Purchase of goods and other current assets from group entities	345.858
Expenses for services including management fee and cost sharing to group enterprises	49.532
Subsidies to subsidiaries	1.681
Dividend received from subsidiaries	1.505
Receivable from group subsidiaries	54.041
Receivable from group entities	234.203
Payables to group entities	77.304

**Notes**

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
<b>22. Fees for auditors elected on the general meeting</b>				
Statutory audit	1.771	1.840	872	938
Other assurance reports	0	0	0	0
Tax consultancy	84	82	11	11
Other services	0	25	0	25
	<u>1.855</u>	<u>1.947</u>	<u>883</u>	<u>974</u>