



Hoya Lens Danmark A/S

Banegårdsvej 1
2600 Glostrup
CVR No. 27267556

Annual report 01.04.2019 - 31.03.2020

The Annual General Meeting adopted the
annual report on 29.05.2020

Robertus Stephanus Josef Rameckers
Chairman of the General Meeting

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Entity details

Entity

Hoya Lens Danmark A/S

Banegårdsvej 1

2600 Glostrup

CVR No.: 27267556

Registered office: Glostrup

Financial year: 01.04.2019 - 31.03.2020

Board of Directors

Robertus Stephanus Josef Rameckers

Jeroen Bornhijm

Oliver Fischbach

Executive Board

Robertus Stephanus Josef Rameckers, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Hoya Lens Danmark A/S for the financial year 01.04.2019 - 31.03.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2020 and of the results of its operations for the financial year 01.04.2019 - 31.03.2020.

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

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

Glostrup, 29.05.2020

Executive Board

Robertus Stephanus Josef Rameckers

Chief Executive Officer

Board of Directors

Robertus Stephanus Josef Rameckers

Jeroen Bornhijm

Oliver Fischbach

Independent auditor's report

To the shareholders of Hoya Lens Danmark A/S

Opinion

We have audited the financial statements of Hoya Lens Danmark A/S for the financial year 01.04.2019 - 31.03.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2020 and of the results of its operations for the financial year 01.04.2019 - 31.03.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 29.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jens Jørgensen Baes

State Authorised Public Accountant
Identification No (MNE) mne14956

Management commentary

Primary activities

The Company's primary activities are trade in optical products and related business.

Development in activities and finances

The income statement for 2019/20 shows a profit of DKK 3,348 thousand.

We are unable to estimate the impact of Covid-19, however we monitor the situation closely.

Events after the balance sheet date

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

Income statement for 2019/20

	Notes	2019/20 DKK	2018/19 DKK
Gross profit/loss		8,104,814	6,998,130
Staff costs	1	(3,592,239)	(3,153,424)
Depreciation, amortisation and impairment losses		(162,492)	0
Operating profit/loss		4,350,083	3,844,706
Other financial income	2	65,405	42,295
Other financial expenses	3	(116,874)	(37,638)
Profit/loss before tax		4,298,614	3,849,363
Tax on profit/loss for the year	4	(950,568)	(887,675)
Profit/loss for the year		3,348,046	2,961,688
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		0	2,961,688
Retained earnings		3,348,046	0
Proposed distribution of profit and loss		3,348,046	2,961,688

Balance sheet at 31.03.2020

Assets

	Notes	2019/20 DKK	2018/19 DKK
Other fixtures and fittings, tools and equipment		174,692	0
Property, plant and equipment	5	174,692	0
Fixed assets		174,692	0
Manufactured goods and goods for resale		526,583	37,717
Inventories		526,583	37,717
Trade receivables		4,153,282	3,564,650
Deferred tax		38,144	50,858
Income tax receivable		186,000	116,000
Prepayments		22,314	25,298
Receivables		4,399,740	3,756,806
Cash		5,222,155	8,037,764
Current assets		10,148,478	11,832,287
Assets		10,323,170	11,832,287

Equity and liabilities

	Notes	2019/20 DKK	2018/19 DKK
Contributed capital		500,000	500,000
Retained earnings		3,348,047	1
Proposed dividend		0	2,961,688
Equity		3,848,047	3,461,689
Finance lease liabilities		26,188	0
Non-current liabilities other than provisions		26,188	0
Current portion of non-current liabilities other than provisions		148,504	0
Trade payables		273,693	111,618
Payables to group enterprises		3,224,190	5,685,561
Income tax payable		61,036	9,162
Other payables	6	2,741,512	2,564,257
Current liabilities other than provisions		6,448,935	8,370,598
Liabilities other than provisions		6,475,123	8,370,598
Equity and liabilities		10,323,170	11,832,287
Group relations	7		

Statement of changes in equity for 2019/20

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	1	2,961,688	3,461,689
Ordinary dividend paid	0	0	(2,961,688)	(2,961,688)
Profit/loss for the year	0	3,348,046	0	3,348,046
Equity end of year	500,000	3,348,047	0	3,848,047

Notes

1 Staff costs

	2019/20 DKK	2018/19 DKK
Wages and salaries	3,482,587	3,044,808
Other social security costs	107,588	101,532
Other staff costs	2,064	7,084
	3,592,239	3,153,424
Average number of full-time employees	2	2

2 Other financial income

	2019/20 DKK	2018/19 DKK
Exchange rate adjustments	65,405	42,295
	65,405	42,295

3 Other financial expenses

	2019/20 DKK	2018/19 DKK
Financial expenses from group enterprises	3,966	0
Exchange rate adjustments	68,470	34,917
Other financial expenses	44,438	2,721
	116,874	37,638

4 Tax on profit/loss for the year

	2019/20 DKK	2018/19 DKK
Current tax	945,695	843,162
Change in deferred tax	10,055	16,953
Adjustment concerning previous years	(5,182)	27,560
	950,568	887,675

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Changes in accounting policies	337,184
Cost end of year	337,184
Depreciation for the year	(162,492)
Depreciation and impairment losses end of year	(162,492)
Carrying amount end of year	174,692

Carrying amount end of year of Right-of-use assets amounts to DKK 174,692 for other fixtures and fittings, tools and equipment.

6 Other payables

	2019/20 DKK	2018/19 DKK
VAT and duties	1,180,344	1,136,537
Wages and salaries, personal income taxes, social security costs, etc payable	330,967	291,056
Other costs payable	1,230,201	1,136,664
	2,741,512	2,564,257

7 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Hoya Corporation, 20F Nittichi Nishi-Shinjuku Building, 6-10-1 Nishishinjuku, Shinjuku-ku, Tokyo 160-8347, Japan

The consolidated financial statement can be obtained at the abovementioned address.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

Changes in accounting policies

The Entity has decided to change its accounting policy on recognition of leases.

To better achieve a fair presentation of the Entity's financial position and results, leases are recognised in accordance with the accounting principles of the International Financial Reporting Standard IFRS 16 Leases, effective 1 April 2019. IFRS 16 does not distinguish between operating leases and finance leases but requires the recognition of a lease asset (right-of-use asset) and a liability when entering into leases, except for leases with a lease term ending within 12 months (short-term leases) and contracts to lease assets of low value.

Recognition and measurement

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

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

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

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

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

Foreign currency translation

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

Monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rate at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other external expenses.

Revenue

Income from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer, provided that the income can be made up reliably. VAT, indirect taxes and discounts are excluded from revenue.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the

lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables for which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Income tax payable or receivable

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Finance lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

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