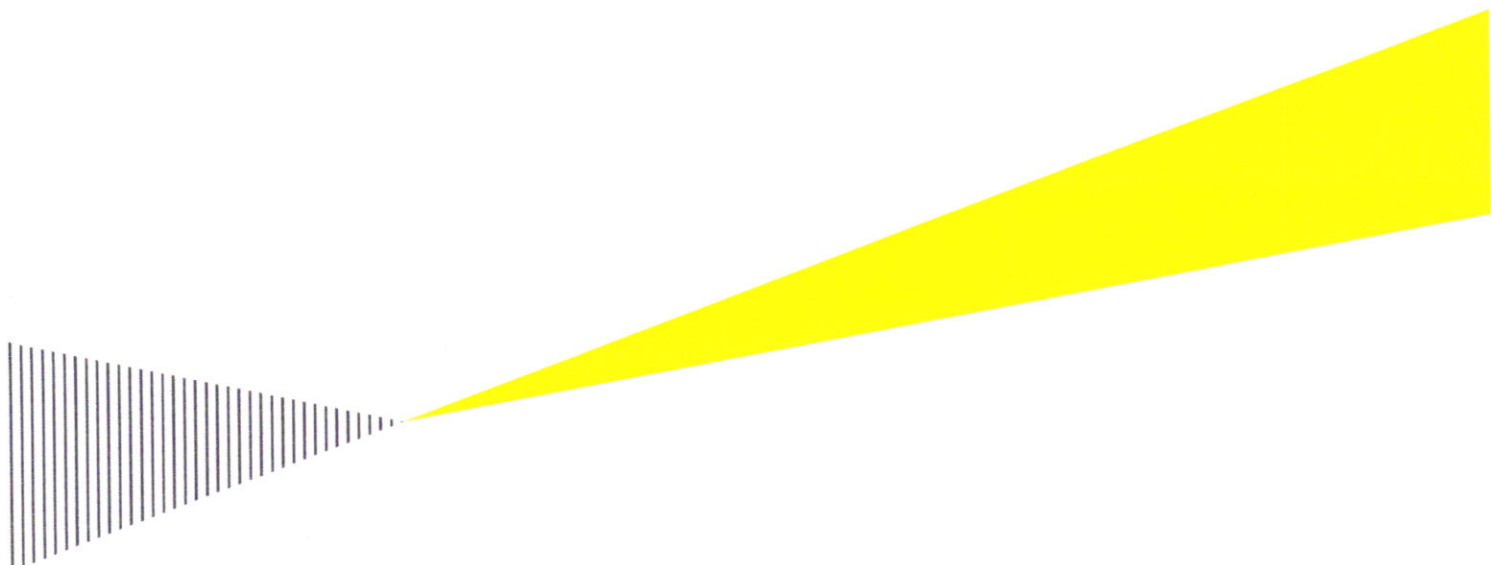


# Eschenbach Optik A/S

Boeskærvej 18, 7100 Vejle

CVR no. 27 44 49 70



## Annual report 2015

Approved at the annual general meeting of shareholders on 20 May 2016

Chairman:

A handwritten signature in blue ink, appearing to be 'K. H. H.', written over a dotted line.



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

The Board of Directors and the Executive Board have today discussed and approved the annual report of Eschenbach Optik A/S for the financial year 1 January - 31 December 2015.

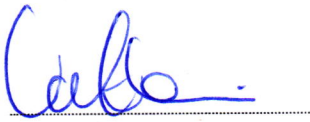
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

Vejle, 20 May 2016

Executive Board:



Walter Kaiser

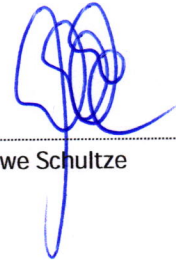
Board of Directors:



Karin Monika Härtl  
Chairman



Walter Kaiser



Uwe Schultze

## Independent auditors' report on the financial statements

To the shareholder of Eschenbach Optik A/S

We have audited the financial statements of Eschenbach Optik A/S for the financial year 1 January - 31 December 2015, which comprise an 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.

### *Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

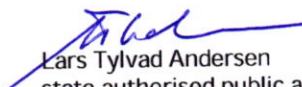
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Vejle, 20 May 2016  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR No. 30 70 02 28



Lars Tylvad Andersen  
state authorised public accountant



Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015	2014
	Gross profit	1,671,289	1,567,030
3	Staff costs	-1,286,862	-1,190,489
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-4,920	-17,500
	Operating profit	379,507	359,041
4	Financial income	132,741	98,860
5	Financial expenses	-8,495	-10,911
	Profit before tax	503,753	446,990
6	Tax for the year	-122,322	-112,025
	Profit for the year	381,431	334,965
	Proposed profit appropriation		
	Retained earnings	381,431	334,965



## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK	<u>2015</u>	<u>2014</u>
	ASSETS		
	Non-current assets		
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	12,260	39,680
		<u>12,260</u>	<u>39,680</u>
	Investments		
	Other receivables	18,436	17,899
		<u>18,436</u>	<u>17,899</u>
	Total non-current assets	<u>30,696</u>	<u>57,579</u>
	Current assets		
	Receivables		
	Trade receivables	951,229	695,539
	Receivables from group entities	2,715,394	2,344,485
	Deferred income	4,270	23,037
		<u>3,670,893</u>	<u>3,063,061</u>
	Cash	372,211	552,516
	Total current assets	<u>4,043,104</u>	<u>3,615,577</u>
	TOTAL ASSETS	<u><u>4,073,800</u></u>	<u><u>3,673,156</u></u>





## Financial statements for the period 1 January - 31 December

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2015	500,000	2,313,139	2,813,139
Profit/loss for the year	0	381,431	381,431
Equity at 31 December 2015	500,000	2,694,570	3,194,570



## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Eschenbach Optik A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the company are consistent with those of last year.

#### Income statement

##### Revenue

Income from the sale of goods for resale and finished goods, comprising sale of optical products 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. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery.

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

##### Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

##### Other operating income

Other operating income comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

##### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

##### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

##### Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Other fixtures and fittings, tools and equipment	5 years
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## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are made up as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating costs.

##### Receivables

Receivables are measured at amortised cost.

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

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs 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 discount rate.

##### Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Corporation tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Other payables

Other payables are measured at net realisable value.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 2 The Company's principal activities

The company's primary activities are wholesale for optical articles.

DKK	2015	2014
3 Staff costs		
Wages/salaries	1,247,294	1,150,313
Other social security costs	20,512	21,818
Other staff costs	19,056	18,358
	<u>1,286,862</u>	<u>1,190,489</u>
4 Financial income		
Interest receivable, group entities	132,741	95,470
Other financial income	0	3,390
	<u>132,741</u>	<u>98,860</u>
5 Financial expenses		
Other financial expenses	8,495	10,911
	<u>8,495</u>	<u>10,911</u>
6 Tax for the year		
Estimated tax charge for the year	117,300	112,800
Deferred tax adjustments in the year	5,000	-1,000
Tax adjustments, prior years	22	225
	<u>122,322</u>	<u>112,025</u>
7 Property, plant and equipment		
DKK		Other fixtures and fittings, tools and equipment
Cost at 1 January 2015		64,680
Disposals in the year		<u>-45,000</u>
Cost at 31 December 2015		19,680
Impairment losses and depreciation at 1 January 2015		25,000
Amortisation/depreciation in the year		4,920
Reversal of amortisation/depreciation and impairment of disposals		<u>-22,500</u>
Impairment losses and depreciation at 31 December 2015		7,420
Carrying amount at 31 December 2015		<u>12,260</u>

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK	2015	2014
8 Share capital		
The share capital consists of the following:		
500 shares of DKK 1,000.00 each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

The Company's share capital has remained DKK 500,000 over the past 5 years.

### 9 Contractual obligations and contingencies, etc.

#### Other financial obligations

Rent and lease liabilities include a rent obligation with a yearly payment of DKK 72 thousand (2014: 72 thousand). The rent contract can be given a notice of 6 months. Furthermore, the company has liabilities under operating leases for cars and IT equipment, with an average remaining contract periods of 3 years, totalling DKK 163 thousand (2014: 8 thousand).

### 10 Related parties

Eschenbach Optik A/S' related parties comprise the following:

#### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Eschenbach Holding GmbH	Schopenhauerstrasse 10 90409 Nürnberg, Germany	Schopenhauerstrasse 10 90409 Nürnberg, Germany