

Synsam Nordic A/S

Hovedgaden 451 b, 2640 Hedehusene

Company reg. no. 31 05 84 81

Annual report

1 January - 31 December 2015

The annual report have been submitted and approved by the general meeting on the 21 June 2016.



Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Synsam Nordic A/S for the financial year 1 January to 31 December 2015.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Hedehusene, *21 June 2016*

Managing Director

Björn Einar Håkan Lundstedt

Board of directors

Peter Georg Edvard Törnquist

Gustaf Carl Sverker Martin-Löf

Christoffer Helsengreen Sjøqvist

The independent auditor's reports

To the shareholder of Synsam Nordic A/S

Report on the annual accounts

We have audited the annual accounts of Synsam Nordic A/S for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.


Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the performed audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 21 June 2016

KPMG

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 57 81 98



Jacob Lehman
State Authorised Public Accountant



Joakim Juul Larsen
State Authorised Public Accountant

Company data

The company

Synsam Nordic A/S
Hovedgaden 451 b
2640 Hedehusene

Company reg. no. 31 05 84 81

Financial year: 1 January - 31 December

Board of directors

Peter Georg Edvard Törnquist
Gustaf Carl Sverker Martin-Löf
Christoffer Helsingreen Sjøqvist

Managing Director

Björn Einar Håkan Lundstedt

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark

Parent company

Synsam AB

Subsidiaries

Synsam Danmark A/S, Denmark
Synsam Norge Holding AS, Norway
Synsam Sverige AB, Sweden

Management's review

The principal activities of the company

The Company's principal activity is to conduct business and development in the optics industry. In addition, the Company's activity also includes through subsidiaries to operate and finance indirectly through investments in other companies operating in the optical industry or in any ancillary activities thereafter the Board of Directors decision is related here to.

Development in activities and financial matters

The gross loss for the year is DKK -116 thousand against DKK -705 thousand last year. The results from ordinary activities after tax are DKK 35.539 thousand against DKK -1.050 thousand last year. In the year the write down of DKK 36.200 thousand on equity investments in subsidiaries has been reversed as there is no longer indications of impairment. The management consider the results satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Synsam Nordic A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Synsam Nordic A/S and its group enterprises are included in the consolidated annual accounts for Synsam AB, Stockholm, reg. nr. 556964-0930.

The profit and loss account

Gross loss

The company uses the regulations in the Danish Financial Statements Act §32, after which the revenue is not stated. The gross loss comprises the net turnover and other external costs.

The revenue comprises the fair value of the considerations received or receivable for services sold in the company's operating activities. Revenue is recognised excluding VAT, returns and discounts.

Other external costs comprise costs for administration etc.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Dividend from equity investments in group enterprises is recognised in the financial year where the dividend is declared.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Debtors

Debtors are measured at amortised cost.

Writedown is made for bad debt losses where there is an objective indication that a debtor has been impaired.

Available funds

Available funds comprise cash at bank and in hand.

Equity - dividend

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year (declaration date) is disclosed as a separate item under equity.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or "Payable corporate tax".

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

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

Liabilities

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

Profit and loss account 1 January - 31 December

DKK in thousands.

Note	<u>2015</u>	<u>2014</u>
Gross loss	-116	-705
Operating profit	-116	-705
1 Other financial income	38.802	12.247
Reversal of write down on equity investments	36.200	0
2 Other financial expenses	<u>-39.770</u>	<u>-12.834</u>
Results before tax	35.116	-1.292
3 Tax on ordinary results	<u>423</u>	<u>242</u>
Results for the year	<u>35.539</u>	<u>-1.050</u>
Proposed distribution of the results:		
Allocated to results brought forward	35.539	0
Allocated from results brought forward	<u>0</u>	<u>-1.050</u>
Distribution in total	<u>35.539</u>	<u>-1.050</u>

Balance sheet 31 December

DKK in thousands.

Assets			
Note		<u>2015</u>	<u>2014</u>
Fixed assets			
4	Equity investments in group enterprises	1.125.563	1.089.363
	Amounts owed by group enterprises	<u>148.177</u>	<u>142.503</u>
	Financial fixed assets in total	<u>1.273.740</u>	<u>1.231.866</u>
	Fixed assets in total	<u>1.273.740</u>	<u>1.231.866</u>
Current assets			
	Amounts owed by group enterprises	33.559	54.214
	Deferred tax assets	211	403
	Receivable corporate tax	4.777	2.808
	Other debtors	<u>1</u>	<u>5</u>
	Debtors in total	<u>38.548</u>	<u>57.430</u>
	Cash funds	<u>160.553</u>	<u>46.529</u>
	Current assets in total	<u>199.101</u>	<u>103.959</u>
	Assets in total	<u>1.472.841</u>	<u>1.335.825</u>

Balance sheet 31 December

DKK in thousands.

Equity and liabilities		2015	2014
Note		<u> </u>	<u> </u>
	Equity		
5	Share capital	28.582	28.582
6	Retained earnings	1.106.778	1.071.239
	Equity in total	<u>1.135.360</u>	<u>1.099.821</u>
	Liabilities		
7	Payables to group enterprises	153.566	141.876
	Long-term liabilities in total	<u>153.566</u>	<u>141.876</u>
	Payables to group enterprises	183.915	94.128
	Short-term liabilities in total	<u>183.915</u>	<u>94.128</u>
	Liabilities in total	<u>337.481</u>	<u>236.004</u>
	Equity and liabilities in total	<u>1.472.841</u>	<u>1.335.825</u>
8	Mortgage and securities		
9	Contingencies		
10	Related parties		

Statement of changes in equity

DKK in thousands.

	Contributed capital	Retained earnings	In total
Equity 1 January 2014	28.582	975.862	1.004.444
Profit or loss for the year brought forward	0	-1.050	-1.050
Contribution from group enterprises	0	96.427	96.427
Equity 1 January 2015	28.582	1.071.239	1.099.821
Profit or loss for the year brought forward	0	35.539	35.539
	28.582	1.106.778	1.135.360

Notes

DKK in thousands.

	<u>2015</u>	<u>2014</u>
1. Other financial income		
Interest received from group enterprises	7.187	8.686
Other financial income	<u>31.615</u>	<u>3.561</u>
	<u>38.802</u>	<u>12.247</u>
2. Other financial expenses		
Interest paid to group enterprises	5.813	6.685
Other financial expenses	<u>33.957</u>	<u>6.149</u>
	<u>39.770</u>	<u>12.834</u>
3. Tax on ordinary results		
Tax of the results for the year, joint taxation	-615	-325
Adjustment for the year of deferred tax	<u>192</u>	<u>83</u>
	<u>-423</u>	<u>-242</u>

Notes

DKK in thousands.

	31/12 2015	31/12 2014
4. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2015	1.125.563	1.029.136
Additions during the year	0	96.427
Cost 31 December 2015	1.125.563	1.125.563
Revaluations, opening balance 1 January 2015	-36.200	-36.200
Reversal of prior revaluations	36.200	0
Writedown 31 December 2015	0	-36.200
Book value 31 December 2015	1.125.563	1.089.363

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity	Results for the year	Book value at Synsam Nordic A/S
Synsam Danmark A/S, Denmark	100 %	408.426	53.375	425.610
Synsam Norge Holding AS, Norway	100 %	162.162	-1.922	200.826
Synsam Sverige AB, Sweden	100 %	288.071	-101	499.127
		858.659	51.352	1.125.563

5. Share capital

Share capital 1 January 2015	28.582	28.582
	28.582	28.582

The share capital consists of 28,582,200 shares, each with a nominal value of DKK 1. No shares hold particular rights.

Within the latest 5 years, the following changes in the share capital have taken place:

2011: Addition of DKK 466 thousand

2012: Addition of DKK 111 thousand

Notes

DKK in thousands.

	<u>31/12 2015</u>	<u>31/12 2014</u>
6. Retained earnings		
Retained earnings 1 January 2015	1.071.239	975.862
Profit or loss for the year brought forward	35.539	-1.050
Contribution from group enterprises	<u>0</u>	<u>96.427</u>
	<u>1.106.778</u>	<u>1.071.239</u>
7. Payables to group enterprises		
Payables to group enterprises in total	153.566	141.876
Share of amount due within 1 year	<u>0</u>	<u>0</u>
Payables to group enterprises in total	<u>153.566</u>	<u>141.876</u>
Share of liabilities due after 5 years	<u>153.566</u>	<u>141.876</u>

8. Mortgage and securities

The Company has provided its shares in subsidiaries as collateral as security for Svenska S Holding 3 AB's loan in Nordea. The Company is jointly and severally liable for the loan for an amount equal to the equity of the Company.

9. Contingencies

Contingent liabilities

The Company is jointly registered with the group entities Synsam Danmark A/S, Profil Optik Butikker A/S, Profil Optik Butikker II A/S, Profil Optik A/S, Treiner Syn ApS, Profil Optik Grindsted ApS and Optical Fashion Group ApS for VAT and payroll tax and is jointly severally liable in this respect.

Joint taxation

The Company is jointly taxed with other Danish companies in the Synsam Nordic A/S group. Together with the other companies in the joint taxation, the Company has unlimited jointly and severally liability for Danish corporation taxes and withholding taxes on dividends and interest within the joint taxation.

Notes

DKK in thousands.

10. Related parties

The company is included in the consolidated financial statements of:

Synsam AB, org. no. 556964-0930

Box 30153

104 25 Stockholm

Sweden