

# **Profil Optik A/S**

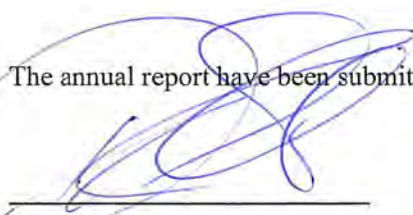
Hovedgaden 451 b, 2640 Hedehusene

Company reg. no. 43 48 91 19

## **Annual report**

**1 January - 31 December 2015**

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



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Chairman of the meeting

## Contents

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|   | <b>Page</b> |
|---|-------------|
| <b>Reports</b>                                      |             |
| Management's report                                 | 1           |
| The independent auditor's reports                   | 2           |
| <b>Management's review</b>                          |             |
| Company data  | 4           |
| Management's review                                 | 5           |
| <b>Annual accounts 1 January - 31 December 2015</b> |             |
| Accounting policies used                            | 6           |
| Profit and loss account                             | 10          |
| Balance sheet                                       | 11          |
| Notes   | 13          |

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

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The board of directors and the managing director have today presented the annual report of Profil Optik 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**



Pia Huusfelt

**Board of directors**



Björn Einar Håkan Lundstedt



Mikael Rahm



Pia Huusfelt

## **The independent auditor's reports**

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### **To the shareholder of Profil Optik A/S**

#### **Report on the annual accounts**

We have audited the annual accounts of Profil Optik A/S for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet 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

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### 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**

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### **The company**

Profil Optik A/S  
Hovedgaden 451 b  
2640 Hedehusene

Company reg. no. 43 48 91 19  
Financial year: 1 January - 31 December

### **Board of directors**

Björn Einar Håkan Lundstedt  
Mikael Rahm  
Pia Huusfelt

### **Managing Director**

Pia Huusfelt

### **Auditors**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø  
Denmark

### **Subsidiary**

Optical Fashion Group A/S, Høje Taastrup

## **Management's review**

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### **The principal activities of the company**

The objective of the Company is to promote the stakes of the Company and the franchisees of the Profil Optik chain by means of joint purchase and sales activities as well as marketing, training and business activities.

### **Development in activities and financial matters**

The gross profit for the year is DKK 9.145 thousand against DKK 4.772 thousand last year. The results from ordinary activities after tax are DKK 6.048 thousand against DKK 1.938 thousand last year. 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**

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The annual report for Profil Optik 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 Profil Optik A/S and its group enterprises are included in the consolidated annual accounts for Synsam AB, Stockholm, reg. nr. 556964-0930.

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to loose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### **Translation of foreign currency**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Receivable, payables and other monetary items dominated in foreign currencies are translated at the exchange rates the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the recievable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.



## **Accounting policies used**

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### The profit and loss account

#### **Gross profit**

The company uses the regulations in the Danish Financial Statements Act §32, after which the company's revenue is not stated. The gross profit comprises the net turnover, cost of goods sold and other external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs etc.

#### **Staff costs**

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

#### **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 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 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**

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### The balance sheet

#### **Financial fixed assets**

##### **Equity investments in group enterprises and associated enterprises**

Equity investments in group enterprises and associated 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.

#### **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.

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 the 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 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 as financial income or financial expenses.

#### **Other provisions**

Provisions are recognized when as a result of a past event the Company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

## **Accounting policies used**

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### **Liabilities**

Trade payables and amounts owed to group enterprises are recognised at amortised cost.

Other liabilities are measured at net realisable value.

## **Profit and loss account 1 January - 31 December**

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DKK in thousands.

| Note  | <u>2015</u>  | <u>2014</u>  |
|---|--------------|--------------|
| <b>Gross profit</b>                                 | <b>9.145</b> | <b>4.772</b> |
| 1 Staff costs                                       | -1.177       | -2.301       |
| <b>Operating profit</b>                             | <b>7.968</b> | <b>2.471</b> |
| Income from equity investments in group enterprises | -101         | 81           |
| Other financial costs                               | 0            | -3           |
| <b>Results before tax</b>                           | <b>7.867</b> | <b>2.549</b> |
| 2 Tax on ordinary results                           | -1.819       | -611         |
| <b>Results for the year</b>                         | <b>6.048</b> | <b>1.938</b> |
| <b>Proposed distribution of the results:</b>        |              |              |
| Allocated to results brought forward                | 6.048        | 1.938        |
| <b>Distribution in total</b>                        | <b>6.048</b> | <b>1.938</b> |

## Balance sheet 31 December

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DKK in thousands.

| <b>Assets</b>         |   |                      |                       |
|-----------------------|---|----------------------|-----------------------|
| Note                  |   | <u>2015</u>          | <u>2014</u>           |
| <b>Fixed assets</b>   |   |                      |                       |
| 3                     | Equity investments in group enterprises | <u>0</u>             | <u>0</u>              |
|                       | Financial fixed assets in total         | <u>0</u>             | <u>0</u>              |
|                       | <b>Fixed assets in total</b>            | <u><b>0</b></u>      | <u><b>0</b></u>       |
| <b>Current assets</b> |   |                      |                       |
|                       | Trade debtors                           | 2.323                | 1.816                 |
|                       | Amounts owed by group enterprises       | 55.375               | 139.842               |
|                       | Deferred tax assets                     | 52                   | 92                    |
|                       | Receivable corporate tax                | 189                  | 1.969                 |
|                       | Other debtors                           | <u>199</u>           | <u>201</u>            |
|                       | Debtors in total                        | <u>58.138</u>        | <u>143.920</u>        |
|                       | <b>Current assets in total</b>          | <u><b>58.138</b></u> | <u><b>143.920</b></u> |
|                       | <b>Assets in total</b>                  | <u><b>58.138</b></u> | <u><b>143.920</b></u> |

## Balance sheet 31 December

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DKK in thousands.

| <b>Equity and liabilities</b> |   |                      |                       |
|-------------------------------|---|----------------------|-----------------------|
| Note                          |   | <u>2015</u>          | <u>2014</u>           |
| <b>Equity</b>                 |   |                      |                       |
| 4                             | Contributed capital   | 9.842                | 9.842                 |
| 5                             | Retained earnings   | <u>10.555</u>        | <u>4.507</u>          |
|                               | <b>Equity in total</b>  | <u><b>20.397</b></u> | <u><b>14.349</b></u>  |
| <b>Provisions</b>             |   |                      |                       |
|                               | Provisions concerning equity investments in group enterprises | <u>2.957</u>         | <u>2.856</u>          |
|                               | <b>Provisions in total</b>                                    | <u><b>2.957</b></u>  | <u><b>2.856</b></u>   |
| <b>Liabilities</b>            |   |                      |                       |
|                               | Debt to group enterprises                                     | 34.407               | 126.251               |
|                               | Other debts   | <u>377</u>           | <u>464</u>            |
|                               | Short-term liabilities in total                               | <u>34.784</u>        | <u>126.715</u>        |
|                               | <b>Liabilities in total</b>                                   | <u><b>34.784</b></u> | <u><b>126.715</b></u> |
|                               | <b>Equity and liabilities in total</b>                        | <u><b>58.138</b></u> | <u><b>143.920</b></u> |
| 6                             | <b>Mortgage and securities</b>                                |                      |                       |
| 7                             | <b>Contingencies</b>  |                      |                       |
| 8                             | <b>Related parties</b>  |                      |                       |

## Notes

DKK in thousands.

|   | 2015         | 2014         |
|---|--------------|--------------|
| <b>1. Staff costs</b>                             |              |              |
| Salaries and wages                                | 969          | 1.908        |
| Pension costs                                     | 129          | 244          |
| Other costs for social security                   | 33           | 15           |
| Other staff costs                                 | 46           | 134          |
|   | <u>1.177</u> | <u>2.301</u> |
| <b>2. Tax on ordinary results</b>                 |              |              |
| Tax of the results for the year                   | 1.779        | 26           |
| Adjustment for the year of deferred tax           | 40           | 585          |
|   | <u>1.819</u> | <u>611</u>   |
| <b>3. Equity investments in group enterprises</b> |              |              |
| Acquisition sum, opening balance 1 January 2015   | 648          | 648          |
| <b>Cost 31 December 2015</b>                      | <u>648</u>   | <u>648</u>   |
| Revaluations, opening balance 1 January 2015      | -648         | -648         |
| <b>Writedown 31 December 2015</b>                 | <u>-648</u>  | <u>-648</u>  |
| <b>Book value 31 December 2015</b>                | <u>0</u>     | <u>0</u>     |

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

|   | Share of<br>ownership | Equity | Results for the<br>year | Book value at<br>Profil Optik<br>A/S |
|---|-----------------------|--------|-------------------------|--------------------------------------|
| Optical Fashion Group A/S, Høje<br>Taastrup | 100 %                 | -2.957 | -101                    | 0                                    |

The provision relating to investments in subsidiaries of DKK 2,957 thousand (2014: DKK 2,856 thousand) corresponds to the negative equity in the Optical Fashion Group A/S, since Profil Optik A/S has issued a letter of support to the subsidiary.

## Notes

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DKK in thousands.

|                                    | <u>31/12 2015</u>   | <u>31/12 2014</u>   |
|------------------------------------|---------------------|---------------------|
| <b>4. Contributed capital</b>      |                     |                     |
| Contributed capital 1 January 2015 | <u>9.842</u>        | <u>9.842</u>        |
|                                    | <u><b>9.842</b></u> | <u><b>9.842</b></u> |

The share capital consists of 98,422 shares, each with a nominal value of DKK 1 thousand. No shares hold particular rights. There have been no changes in the share capital during the last 5 years.

|   |                      |                     |
|---|----------------------|---------------------|
| <b>5. Retained earnings</b>                 |                      |                     |
| Retained earnings 1 January 2015            | 4.507                | 2.569               |
| Profit or loss for the year brought forward | <u>6.048</u>         | <u>1.938</u>        |
|   | <u><b>10.555</b></u> | <u><b>4.507</b></u> |

### 6. Mortgage and securities

The Company is jointly and severally liable for a loan in Synsam AB for an amount equal to the equity of the Company.

### 7. Contingencies

#### Joint taxation

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

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 withing the joint taxation.

The Company was previously subject to cooperation tax until the Company was converted into a public limited company effective from 2001. Upon conversion, a tax liability arose that is triggered when the Comapny distributes dividends. Tax amounts to 50 % of dividend distributions until a balance of DKK 11.6 million has been settled.



## Notes

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DKK in thousands.

### 7. Contingencies (continued)

#### Joint taxation (continued)

No provision has been made in respect of the tax liability as there are no plans to distribute dividends that will trigger such tax.

### 8. Related parties

#### Controlling interest

The company is included in the consolidated financial statements of:

Synsam AB, org. no. 556964-0930

Box 30153

104 25 Stockholm

Sweden