

**Rodenstock Danmark A/S**

Annual report 2015

The annual report was presented and adopted at the  
Company's annual general meeting

on 27<sup>th</sup> April 20    

  
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chairman

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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 Rodenstock Danmark A/S for the financial year 1 January – 31 December 2015.

The annual report has been 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 assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

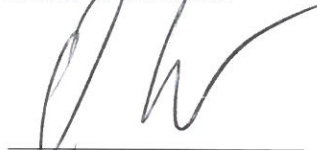

We recommend that the annual report should be approved at the annual general meeting.

Aarhus, 30 March 2016

Executive Board:

  
Thomas Grouleff  
Jørgen Greve

Board of Directors:

  
Robert Eric Oliver  
Kastalio  
Chairman  
Thomas Grouleff  
Peter Michael Andreas  
Dr. Kleer



**KPMG**  
**Statsautoriseret Revisionspartnerselskab**  
Bredskifte Allé 13  
8210 Aarhus V  
Denmark

Telephone +45 70 70 77 60  
www.kpmg.dk  
CVR no. 25 57 81 98

## **Independent auditor's report**

### **To the shareholders of Rodenstock Danmark A/S**

#### **Independent auditor's report on the financial statements**

We have audited the financial statements of Rodenstock Danmark A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. 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.

#### ***Auditor's 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 regulation. 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 auditor's 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 auditor considers 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***

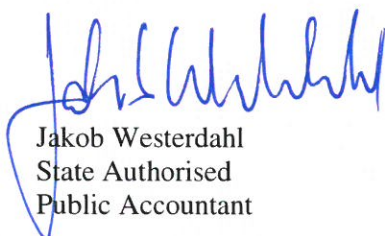
In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

#### **Statement on the Management's review**

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

Aarhus, 30 March 2016

**KPMG**  
Statsautoriseret Revisionspartnerselskab



Jakob Westerdahl  
State Authorised  
Public Accountant

## **Management's review**

### **Company details**

Rodenstock Danmark A/S  
Sletvej 2C  
DK-8310 Tranbjerg J

Telephone: +45 86 26 33 11  
Website: [www.rodenstock.dk](http://www.rodenstock.dk)  
CVR no.: 57 77 70 12  
Established: 27 May 1920  
Registered office: Aarhus  
Financial year: 1 January – 31 December

### **Board of Directors**

Robert Eric Oliver Kastalio  
Thomas Grouleff  
Peter Michael Andreas Dr. Kleer

### **Executive Board**

Thomas Grouleff  
Jørgen Greve

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
DK-8210 Aarhus V

## **Management's review**

### **Operating review**

#### **Principal activities**

Rodenstock Danmark A/S' business activity is to purchase and sell ophthalmic optics to the Danish market.

#### **Development in the year**

The income statement for 2015 shows a profit of DKK 2,741,222 as against DKK 2,357,929 last year. The balance sheet shows equity of DKK 9,141,222. In line with last year, 2015 was characterised by a declining market in which the Company maintained its share. The number of customers remained the same as in 2014. The cost structure was consistent with the structure in 2014. The Company performed satisfactorily in 2015. Also in 2016, positive earnings are expected.

#### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

The annual report of Rodenstock Danmark A/S for 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### **Foreign currency translation**

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

### **Income statement**

#### **Gross profit**

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

#### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in revenue at the date of delivery and when the risk is transferred to the buyer provided that the income can be measured reliably and is expected to be received.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT.

#### **Other external costs**

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

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **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 losses**

The item comprises depreciation on, amortisation of and impairment losses on property, plant and equipment and intangible assets.

The estimated useful lives and the residual lives for intangible assets are as follows:

Completed development projects 5 years.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of each individual asset. The depreciation basis is the cost.

The expected useful lives of the assets are as follows:

Leasehold improvements 5 years

Fixtures and fittings, tools and equipment 3-8 years

Assets held for sale are not depreciated.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and interest expense, costs relating to finance leases, realised and unrealised gains and losses on securities, payables and transactions in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.



## **Financial statements 1 January – 31 December**

### **Accounting policies**

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

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**

##### **Intangible assets**

Development projects are measured at cost less accumulated amortisation and impairment losses.

##### **Property, plant and equipment**

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

##### **Impairment of assets**

Every year, intangible assets and property, plant and equipment are tested for indications of impairment. Where there is evidence of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows.

The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must initially be allocated to goodwill and then to the other assets on a pro rata basis.

##### **Inventories**

Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realisable value.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

The net realisable value of inventories is calculated as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to nominal value.

Write-downs are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Write-downs are made to the lower of net realisable value and the carrying amount.

### **Prepayments**

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

### **Corporation tax and deferred 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 measured on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax 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 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.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Liabilities other than provisions**

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2015	2014
<b>Gross profit</b>		16,323,080	15,953,494
Staff costs	1	-12,309,401	-12,242,286
Depreciation on, amortisation of and impairment losses on property, plant and equipment and of intangible assets	2	-362,660	-530,527
<b>Operating profit</b>		3,651,019	3,180,681
Financial income		21,052	17,580
Financial expenses	3	-106,347	--68,140
<b>Profit before tax</b>		3,565,724	3,130,121
Tax on profit for the year		-824,502	-772,192
<b>Profit for the year</b>		2,741,222	2,357,929
<b>Proposed profit appropriation</b>			
Proposed dividends for the year		0	8,620,099
Retained earnings		2,741,222	-6,262,170
		2,741,222	2,357,929

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	2015	2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Completed development projects	5	48,500	343,024
		48,500	343,024
<b>Property, plant and equipment</b>			
Fixtures and fittings, tools and equipment	6	937	40,179
Leasehold improvements		115,233	144,126
		116,170	184,305
<b>Investments</b>			
Deposits		498,775	498,775
<b>Total non-current assets</b>		663,445	1,026,104
<b>Current assets</b>			
<b>Inventories</b>			
	7	1,653,291	1,107,961
<b>Receivables</b>			
Trade receivables		13,218,577	13,941,074
Receivables subsidiaries		103,538	2,400,712
Other receivables		5,171	8,572
Deferred tax assets		1,143,390	1,967,892
Corporation tax		0	81,000
Prepayments		247,499	77,916
		14,718,175	18,477,166
<b>Cash at bank and in hand</b>		2,659,568	2,799,403
<b>Total current assets</b>		19,031,034	22,384,530
<b>TOTAL ASSETS</b>		19,694,479	23,410,634

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	2015	2014
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	8		
Share capital		6,400,000	6,400,000
Retained earnings		2,741,222	0
Proposed dividends for the financial year		0	8,620,099
<b>Total equity</b>		<u>9,141,222</u>	<u>15,020,099</u>
<b>Provisions</b>			
Other provisions		396,371	341,424
<b>Total provisions</b>		<u>396,371</u>	<u>341,424</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		227,621	255,983
Payables to subsidiaries		5,559,916	3,187,552
Other payables		4,369,349	4,605,576
		<u>10,156,886</u>	<u>8,049,111</u>
<b>Total liabilities other than provisions</b>		<u>10,156,886</u>	<u>8,049,111</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>19,694,479</u></u>	<u><u>23,410,634</u></u>
<b>Contingent assets, liabilities and other financial obligations</b>			
	9		
<b>Mortgages and collateral</b>	10		
<b>Related parties and ownership</b>	11		

## Financial statements 1 January – 31 December

### Notes

	DKK	2015	2014
<b>1 Staff costs</b>			
Wages and salaries		10,981,215	10,906,105
Pensions		971,569	949,377
Other social security costs		177,866	190,900
		178,751	195,904
		<u>12,309,401</u>	<u>12,242,286</u>
<b>2 Depreciation on, amortisation of and impairment losses on property, plant and equipment and intangible assets</b>			
Amortisation of intangible assets		294,524	314,686
Depreciation of property, plant and equipment		68,136	115,841
Impairment losses on property, plant and equipment		0	100,000
		<u>362,660</u>	<u>530,527</u>
Which breaks down as follows:			
Completed development projects		294,524	314,686
Fixtures and fittings, tools and equipment		68,136	115,841
Buildings		0	100,000
		<u>362,660</u>	<u>530,527</u>

## Financial statements 1 January – 31 December

### Notes

DKK	2015	2014
<b>3 Financial expenses</b>		
Interest expense to affiliates	79,207	52,697
Other financial expense	27,140	15,443
	<u>106,347</u>	<u>68,140</u>
<b>4 Tax on profit for the year</b>		
Deferred tax for the year	824,502	706,014
Adjustment of tax concerning previous years	0	66,178
	<u>824,502</u>	<u>772,192</u>
<b>5 Intangible assets</b>		
DKK		Com- pleted develop- ment projects
Cost at 1 January 2015		1,659,292
Disposals		-34,620
Cost at 31 December 2015		<u>1,624,672</u>
Amortisation and impairment losses at 1 January 2015		1,316,268
Amortisation		294,524
Reversed amortisation and impairment losses		-34,620
Amortisation and impairment losses at 31 December 2015		<u>1,576,172</u>
<b>Carrying amount at 31 December 2015</b>		<u>48,500</u>



## Financial statements 1 January – 31 December

### Notes

#### 6 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2015	5,181,189	314,052	5,495,241
Disposals	-3,927,452	0	-3,927,452
Cost at 31 December 2015	1,253,737	314,052	1,567,789
Depreciation and impairment losses at 1 January 2015	5,141,009	169,926	5,310,935
Impairment losses for the year	39,243	28,893	68,136
Reversed depreciation and impairment losses	-3,927,452	0	-3,927,452
Depreciation and impairment losses at 31 December 2015	1,252,800	198,819	1,451,619
<b>Carrying amount at 31 December 2015</b>	<b>937</b>	<b>115,233</b>	<b>116,170</b>

#### 7 Inventories

DKK	2015	2014
Finished goods and goods for resale	1,653,291	1,107,961

#### 8 Equity

DKK	Share capital	Retained earnings	Proposed dividends	Total
Balance at 1 January 2015	6,400,000	0	8,620,099	15,020,099
Distributed dividends	0	0	-8,620,099	-8,620,099
Transferred; see the profit appropriation	0	2,741,222	0	2,741,222
<b>Balance at 31 December 2015</b>	<b>6,400,000</b>	<b>2,741,222</b>	<b>0</b>	<b>9,141,222</b>

## Financial statements 1 January – 31 December

### Notes

#### 8 Equity (continued)

DKK	2015	2014
The share capital consists of:		
A shares, 6,400,000 shares of nom. DKK 1 each	6,400,000	6,400,000

There have been no changes in the share capital during the last 5 years.

#### 9 Contingent assets, liabilities and other financial obligations

##### Lease and rent obligations

Rent and lease liabilities amounted to DKK 2,050 thousand for 2015 (2014: DKK 3,100 thousand). The remaining term of the lease and rent is between 1-35 months.

##### Contingent assets

In 2014, the Company sold a property. As part of the transaction, it was agreed with the buyer that the purchase price is to be adjusted if the buyer is granted permission by the local authorities to carry out a planned construction project. No information has been provided on local development plans, etc. rendering possible a reliable purchase price allocation since last year.

#### 10 Mortgages and collateral

No collateral was provided for loans at 31 December 2015.

## **Financial statements 1 January – 31 December**

### **11 Related parties and ownership**

Rodenstock Danmark A/S' related parties comprise the following:

#### **Ownership**

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

European Optical Manufacturing S.a.r.l.  
174, Route de longwy,  
L-1940 Luxembourg

The consolidated financial statements of European Optical Manufacturing S.a.r.l. can be obtained at the address above or on the Parent Company's website.