

Synsam Group Denmark A/S

Oldenburg Alle 1, 2

2630 Høje Taastrup

Company reg.no. 31058724

Annual Report

1 January-31 December 2023

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 28 June 2024

Per Hedblom
Chairman of the meeting

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Management's Statement

The Board of Directors and the Managing Director have today discussed and approved the annual report of Synsam Group Denmark A/S for the financial year 1 January 2023 - 31 December 2023.

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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's activities for the financial year 1 January 2023 - 31 December 2023.

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 be adopted at the Annual General Meeting.

Taastrup, 28 June 2024

Managing Director

Tina Høyer Gaardsholt
Man. Director

Board of directors

Per Erik Hedblom
Chairman

Nils André Florestedt
Member

Anna Katarina Kjellin
Member

Linda Janita Ingela Jansson
Member

Moa Cecilia Rodger
Member

Independent Auditors' Report

To the shareholder of Synsam Group Denmark A/S

Opinion

We have audited the financial statements of Synsam Group Denmark A/S for the financial year 1 January 2023 - 31 December 2023, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 responsibility 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.

Independent Auditors' Report

- * 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 Management's Review

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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 28 June 2024

Deloitte

Statsautoriseret Revisionspartnerselskab

Company reg. no. 33963556

Henrik Hartmann Olesen
State Authorised Public Accountant
mne34143

Company details

Company	Synsam Group Denmark A/S Oldenburg Alle 1, 2 2630 Høje Taastrup
Company reg. no.	31058724
Financial year	1 January 2023 - 31 December 2023
Board of directors	Per Erik Hedblom Nils André Florestedt Anna Katarina Kjellin Linda Janita Ingela Jansson Moa Cecilia Rodger
Managing director	Tina Høyer Gaardsholt
Parent Company	Synsam Nordic A/S
Subsidiary	Profil Optik A/S, Høje Taastrup
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S Company reg. no.: 33963556

Management's Review

The Company's principal activities

Synsam Group Denmark A/S's activities is to provide eye examinations, sale of spectacles, contact lenses, sunglasses and other optic accessories from 114 stores as well as a franchise partnership with stores in Denmark, the Faroe Islands and Iceland.

Development in activities and financial matters

The revenue for the year is TDKK 762.260 compared to TDKK 764.928 last year, a decrease of 2,63% compared to last year. The net profit for the year is TDKK -14.591 compared to TDKK 55.904 last year. The balance sheet total is TDKK 1. 183. 521, and the equity is TDKK 109.499.

Events subsequent to the financial year

No significant events have occurred after the balance sheet date.

Expected future development as well as significant risks and uncertainty factors

The company has no intention of changing its operations, however, global events may affect growth in short or long term. In 2024 the goal is to strenghten the position on the market.

Risks regarding the current geopolitical situation

Synsam Group Denmark A/S has no direct or indirect exposure to Russia and Ukraine. In addition to how the war affects the global situation in general, it has not had any significant financial impact on the company. Synsam Group Denmark A/S monitors the geopolitical and security policy situation.

Inflation

The inflation that has increased in the outside world affects the company in the form of higher costs. Synsam Group Denmark A/S acts to secure profitability.

Knowledge resources

Synsam Group Denmark's authorized opticians are important for the operations. It is important to preserve and attract this profession. In cooperation with the other staff in the stores, their profession is fundamental to the business.

Particular risks

Synsam Group Denmark A/S has no additional risks than the risks that exists in the market, for instance financial risks, business risk and IT-system.

Financial risks

Synsam Group Denmark A/S is exposed to various types of financial risks through its business activities. Financial risks relate to fluctuations in earnings and cash flow due, for example, to change exchange rates and interest rates, as well as the customers ability to pay and the possibility of refinancing the business. Known financial risks are managed in the finance policy, which consists of guidelines and rules describing the risk management mandate for financial business.

Business risk

The Company's most significant business risk is linked to a strong position in the market. A strong market position

Management's Review

is attributed to "Brand Awareness", optimal customer service and competitive prices. Business risk is also influenced by the economic climate in the market. The state of the economy has an impact on customer's purchasing power and propensity to purchase. Macroeconomic exposure is managed by actively addressing the market. The ambition is to understand the customers wishes as well as possible in order to actively develop and adapt the customer ordering to meet the customer's needs and expectations.

IT-system

Synsam Group Denmark A/S is dependent on IT systems that works smoothly to collect, process, and communicate information securely and efficiently. A prolonged interruption or serious failure of IT systems could lead to difficulties and limitations in the delivery of goods, invoicing of customers or the ability to present financial information.

Corporate social responsibility report

Corporate Social Responsibility is disclosed in the group financial statements for Synsam AB (publ). (Org.nr: 556946-3358) In accordance with § 99a of the Danish Financial Statement Act, we refer to the description in the group financial statements, which can be obtained:

<https://www.synsamgroup.com/wp-content/uploads/2024/03/Synsam-Group-ars-och-hallbarhetsredovisning-2023.pdf>

Target figures and policies for the underrepresented gender

The Board of Directors in Synsam Group Denmark A/S consists of five members. The underrepresented gender represents 40% of the members of the Board of Directors elected by the annual general meeting. In relation to the board Synsam Group Denmark A/S has set a target at min. 29% female representation in the Board of Directors latest at 2022, which has been fulfilled in March 2022.

Management has adopted a policy to maintain even gender distribution at all other management levels, including the Company's heads of department and team managers. This is obtained through strategic competency development and by prioritizing even gender distribution when recruiting. The current gender distribution is 63% female, and the underrepresented gender represents 37% of the management level. The goal is that the distribution should be no lower than 40-60; i.e. no gender representation should be lower 40% in the total management team.

Board	2023
Members	5
Underrepresented gender	40%
Target	29%
Year to reach target	2022

Other management levels	2023
Managers	113
Underrepresented gender	37%
Target	40%
Year to reach target	2030

Data ethics statement

Management's Review

This data ethics statement sets out Synsam Group Denmark A/S' ("Synsam" or "Company") position on data ethics pursuant to section 99 d of the Danish Financial Statements Act and is part of the management report in Synsam Group Denmark A/S' annual report for 2023 covering the period 1 January to 31 December 2023.

Synsam has in 2023 supplemented the existing data protection efforts with a policy on data ethics, which reflects Synsam's commitment to manage data responsibly based on principles of transparency, data quality, fairness and non-discrimination bias, autonomy, ethics by design, responsible data sharing and accountability.

Synsam adheres to these principles in addition to applicable legislation to ensure that job applicants, employees, customers, patients, and business relations feel safe when entrusting Synsam with their data. Synsam primarily processes personal data about job applicants, employees, customers, patients, and business relations and non-personal data about operating assets and other operations. Furthermore, Synsam enters into data processor agreements with third parties and does not sell data.

Synsam controls that data is collected for explicit and legitimate purposes and processed legally and fairly, including that data processing only comprises the data necessary to realise the purpose of the processing. Synsam will not retain personal data beyond what is necessary to fulfil the purposes for which it was collected, or to comply with applicable laws or regulations. Retention of personal data ceases by effective deletion or by aggregation and full anonymization.

The policy on data ethics is approved by the board of directors of Synsam Group Denmark A/S annually and revised on an ongoing basis.

Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

Numbers appear in thousands

	2023	2022	2021	2020	2019
Income statement:					
Revenue	762.260	764.928	740.176	653.464	718.202
Gross profit	406.060	426.685	404.231	376.819	383.211
EBITDA	128.040	156.289	152.211	139.636	146.970
Profit from operating activities	51.418	80.247	78.353	62.212	62.626
Net financials	-54.840	3.495	-52.299	-47.228	-48.253
Net profit or loss for the year	-14.591	55.904	5.777	1.285	658
Statement of financial position:					
Total assets	1.183.521	1.151.279	1.111.257	1.019.009	962.623
Investments in tangible assets	17.911	45.509	19.758	8.977	12.211
Equity	109.499	124.090	68.186	62.409	61.123
Employees					
Average number of full-time employees	572	584	552	506	522
Key figures in %					
Gross margin ratio	53,27	55,78	54,61	57,70	53,40
Profit margin (EBIT-margin)	7,00	10,49	10,59	10,60	9,50
Solvency ratio	9,25	10,78	6,23	6,10	6,30
Return on equity	-12,49	58,15	8,85	2,08	1,08

Gross margin ratio = $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$

Revenue

Profit margin (EBIT margin) = $\frac{\text{Operating profit or loss (EBIT)} \times 100}{\text{Revenue}}$

Revenue

Return on equity = $\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$

Average equity

Solvency ratio = $\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$

Total assets, closing balance

Key Figures and Financial Ratios

EBITDA = Earnings before interest, taxes, depreciation and amortization

Accounting Policies

Reporting Class

The annual report of Synsam Group Denmark A/S for 2023 has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies applied remain unchanged from last year, the annual report is presented in DKK.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of Synsam Group Denmark A/S and its group enterprises are included in the consolidated financial statements for Synsam AB (publ), Stockholm, Sverige, reg. no. 556964-3358.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Synsam AB (publ).

Foreign currency translation

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Business combinations

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the acquisition, comparative figures are restated. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity.

Income statement

Revenue

Income from the sale of goods, comprising the sale of glasses, lenses and other related products or services, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Profiloptik Lifestyle

The presentation of Profiloptik Lifestyle means that a present value calculated income for the entire contract period is reported when the customer receives their glasses, which happens at one point. The economic meaning that lies The basis of the report is that several pairs of glasses sold in installments when the agreement was entered into. The agreement with the customer is one lease agreement or an installment purchase of glasses for 24 months or longer, which is reported as leasing. The ownership remains with Profiloptik until the customer decides to terminate the agreement.

Accounting Policies

From the middle of 2017, Profiloptik entered into agreements with external credit companies to sell the receivables from the customer that arise as a result of the agreement. Contracts sold to external credit companies are not listed in their own books, after payment happened. Until payment is made, the receivables are there included in own books as accounts receivable. Receivables not sold to an external credit company are found as accrued income.

In Denmark, there is also an older subscription model where Profil Optik is still the owner of the glasse and these reported in tangible fixed assets. These assets are depreciated over 24 months.

Lens subscription

Revenue from lens subscriptions, with partly different lock-in periods in the different countries, are handled as one normal sales of goods. Profiloptik reports the income at delivery of the goods.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue

Cost of goods sold

Costs of goods sold includes costs for the purchase of goods for resale and consumables less discounts and changes in inventories.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets and income from insurance arrangements.

Government grants

Government grants are recognized when there is reasonable assurance that the firm complies with the conditions associated with the grants and contributions with reasonable certainty will be received.

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

The parent company, Synsam AB (publ), has an option program for some of the company's employees. Valuation of future commitments for Synsam Group Denmark A/S is valued at fair value by Synsam AB (publ). Estimated outcome is adjusted annually within the group with final settlement to actual outcome at future awarding time.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Accounting Policies

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investment in subsidiaries

Dividend from investment in subsidiaries is recognised in the financial year in which the dividend is declared.

Tax on net profit for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

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

Balance sheet

Intangible assets

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. The amortisation period of 20 years is based on a strong market position and an expected earnings profile.

Rights is amortised over 7-9 years.
Goodwill is amortised over 20 years.

Property, plant and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Accounting Policies

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Leasehold Improvements	5-10 years	0%
Other fixtures and fittings, tools and equipment	3-5 years	0%

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Property, plant, and equipment under construction

Property, plant, and equipment under construction are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5-10 years.

Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments in subsidiaries

Investments in subsidiaries is recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Accounting Policies

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investment in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

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

Cash funds

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed

Accounting Policies

between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, Synsam Group Denmark A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Income Statement

	Note	2023 t kr.	2022 t kr.
Revenue	1	762.260	764.928
Other operating income	2	3.379	6.709
Cost of goods sold		-189.016	-190.225
Other external expenses		-170.563	-154.727
Gross profit		406.060	426.685
Staff costs	4	-278.020	-270.395
Depreciation, amortisation and impairment	5	-76.622	-76.042
Operating profit		51.418	80.248
Other financial income		40.996	64.027
Other financial expenses	6	-95.836	-60.532
Pre-tax net profit and loss		-3.422	83.743
Tax on net profit or loss for the year	7	-11.169	-27.839
Net profit or loss for the year	8	-14.591	55.904
Proposed distribution of results			
Retained earnings		-14.591	55.904
Distribution of profit		-14.591	55.904

Balance Sheet as of 31 December

	Note	2023 t kr.	2022 t kr.
Assets			
Goodwill	9	292.104	344.791
Total intangible assets		292.104	344.791
Other fixtures and fittings, tools and equipment	10	29.604	30.631
Leasehold improvements	11	38.605	36.544
Property, plant and equipment in progress and prepayments for property, plant and equipment	12	2.238	6.755
Total property, plant and equipment		70.447	73.930
Investment in subsidiary	13	25.063	25.063
Deposits	14	11.698	11.595
Total investments		36.761	36.658
Total non-current assets		399.312	455.379
Manufactured goods and goods for resale		104.801	93.670
Total inventories		104.801	93.670
Trade receivables		37.553	28.452
Receivables from subsidiaries	15	627.817	559.912
Other receivables		1.920	1.357
Prepayments	16	11.198	11.572
Total receivables		678.488	601.293
Cash and cash equivalents		920	937
Total current assets		784.209	695.900
Total assets		1.183.521	1.151.279

Balance Sheet as of 31 December

	Note	2023 t kr.	2022 t kr.
Equity and liabilities			
Contributed capital	17	10.000	10.000
Retained earnings		99.499	114.090
Total equity		109.499	124.090
Provisions for deferred tax	18	18.421	19.046
Total provisions		18.421	19.046
Payables to subsidiaries	19	857.687	826.253
Other payables	20	22.448	21.282
Lease liabilities	21	0	52
Long-term liabilities other than provisions		880.134	847.587
Short-term part of long-term liabilities other than provisions		92	865
Prepayments received from customers		13.548	7.106
Trade payables		80.016	70.795
Payables to subsidiaries		5.220	1.797
Income tax payable to subsidiaries		11.793	28.327
Other payables		60.884	47.723
Deferred income	22	3.913	3.943
Short-term liabilities other than provisions		175.466	160.556
Liabilities other than provisions within the business		1.055.601	1.008.143
Liabilities and equity		1.183.521	1.151.279
Fees to auditors	3		
Contingent liabilities	23		
Collaterals and assets pledged as security	24		
Related parties	25		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	10.000	114.090	124.090
Profit (loss)		-14.591	-14.591
Equity 31 December 2023	10.000	99.499	109.499

Notes

1. Revenue

The Company has one geographic and one business segment, and segment information is therefore not disclosed in the financial statements.

2. Other operating income

	2023	2022
	t kr.	t kr.
Other operating income	3.064	6.176
Government grants	315	533
	<u>3.379</u>	<u>6.709</u>

3. Fees auditor

Fees to the auditor are not disclosed pursuant to section 96 (3) of the Danish Financial Statements Act. The fees are specified in the consolidated financial statements of Synsam AB (publ).

4. Staff costs

Wages and salaries	248.563	243.749
Pension cost	23.424	20.553
Other costs for social security	6.033	6.093
	<u>278.020</u>	<u>270.395</u>
Average number of employees	<u>527</u>	<u>584</u>

According to section 98B (3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.

No remuneration or bonus has been paid to the Board of Directors.

5. Depreciation, amortisation, and impairment

Amortization of goodwill	52.761	52.759
Depreciation on plants, operating assets, fixtures and furniture	12.757	12.537
Depreciation on decoration of rented premises	10.654	10.165
Depreciation on leased assets	450	582
	<u>76.622</u>	<u>76.043</u>

6. Other financial expenses

Financial costs, group enterprises	-49.097	-33.627
Other financial costs	-46.739	-26.905
	<u>-95.836</u>	<u>-60.532</u>

7. Tax expense

Tax of the results for the year, joint taxation	11.793	28.327
Adjustment of tax for previous years	0	-958
Adjustment for the year of deferred tax	-624	470
	<u>11.169</u>	<u>27.839</u>

Notes

8. Distribution of profit

Retained earnings	-14.591	55.904
	-14.591	55.904

9. Goodwill

	2023	2022
	t kr.	t kr.
Cost at the beginning of the year	1.108.048	1.108.048
Addition during the year, incl. improvements	72	
Cost at the end of the year	1.108.120	1.108.048
Depreciation and amortisation at the beginning of the year	-763.257	-710.499
Amortisation for the year	-52.761	-52.758
Impairment losses and amortisation at the end of the year	-816.018	-763.257
Carrying amount at the end of the year	292.102	344.791

Management has prepared an impairment test of the carrying amount of goodwill that shows that there is no need for impairment. The test is based on an expectation of an improvement of the Company's future revenues and earnings, and the measurement of goodwill is therefor associated with uncertainty.

10. Other fixtures and fittings, tools and equipment

Cost at the beginning of the year	278.515	258.680
Addition during the year, incl. improvements	20.000	19.951
Disposal during the year	-7	-116
Cost at the end of the year	298.508	278.515
Depreciation and amortisation at the beginning of the year	-247.884	-234.881
Amortisation for the year	-21.027	-13.119
Depreciation, amortisation and writedown for the year, assets disposed of	7	116
Amortisation and writedown	-268.904	-247.884
Carrying amount at the end of the year	29.604	30.631

11. Leasehold improvements

Cost at the beginning of the year	141.379	120.182
Addition during the year, incl. improvements	12.715	21.197
Cost at the end of the year	154.094	141.379
Depreciation and amortisation at the beginning of the year	-104.835	-94.670
Amortisation for the year	-10.654	-10.165
Impairment losses and amortisation at the end of the year	-115.489	-104.835
Carrying amount at the end of the year	38.605	36.544

Notes

12. Property, plant and equipment under construction and prepayments for property, plant and equipment

Cost at the beginning of the year	6.755	2.393
Addition during the year, incl. improvements	-4.516	4.362
Cost at the end of the year	2.239	6.755
Carrying amount at the end of the year	2.239	6.755

13. Investment in subsidiary

Acquisition sum, opening balance 1 January 2023	25.063	25.063
Carrying amount, 31 December 2023	25.063	25.063

Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity	Results for the year	Carrying amount, Synsam Group Denmark A/S
Profil Optik A/S, Høje Taastrup	100%	20.657	4.050	25.063

14. Deposits

Cost at the beginning of the year	11.595	9.217
Addition during the year, incl. improvements	103	2.378
Cost at the end of the year	11.698	11.595
Carrying amount at the end of the year	11.698	11.595

15. Receivables from subsidiaries

Cash comprises a group cash pool arrangement between the Group's main bank connections and Synsam AB. The cash is available for daily operations according to the Group's instructions.

16. Prepayments

Prepaid rent	4.610	3.740
Prepaid IT-costs	3.664	5.504
Deferred income	1.932	1.759
Other prepayments	994	569
	11.200	11.572

17. Contributed capital

The share capital consists of 100.001 shares, each with a nominal value of DKK 100. No shares hold particular rights.

Notes

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

18. Provisions for deferred tax

Provisions deferred tax 1 January 2023	19.045	18.576
Deferred tax of the results for the year	-624	470
Balance at the end of the year	18.421	19.046

19. Payables to subsidiaries

Total payables to subsidiaries	857.687	826.253
Share of amount due within 1 year	0	0
Balance at the end of the year	857.687	826.253

Share of liabilities due after 5 years	857.687	0
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20. Other payables

Total other payables	22.487	21.697
Share of amount due within 1 year	-40	-415
Share of liabilities due after 5 years	0	0
Balance at the end of the year	22.447	21.282

21. Lease liabilities

Total lease liabilities	52	502
Share of amount due within 1 year	-52	-450
Share of liabilities due after 5 years	0	0
Balance at the end of the year	0	52

22. Deferred income

Prepayments/deferred income	3.913	3.943
Balance at the end of the year	3.913	3.943

23. Contingent liabilities

Contingent liabilities

The company is jointly registered with the group entities Synsam Nordic A/S, Profil Optik A/S and Optical Fashion Group ApS for VAT and payroll tax and is jointly and severally liable in this respect.

Joint taxation

With Synsam Nordic A/S as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Notes

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

24. Charges and security

The Company has provided its shares in subsidiaries as security for Synsam AB (publ)'s loan in Nordea. The company is jointly and severally liable for the loan for an amount equal to the equity of the Company.

25. Related parties

Synsam Group Denmark A/S' related parties comprise the following:
Synsam Nordic A/S, Oldenburg Alle 1, 2, 2630 Taastrup, Denmark
Synsam Nordic A/S holds the majority of the share capital in the Company

Transactions

The company has the following related party transactions:

	2023	2022
Intercompany sales of services	23.796	34.987
Intercompany purchase of goods	62.713	77.980
Intercompany purchase of services	61.026	53.845

Payables to associates and subsidiaries are disclosed in the balance sheet/note 18, and expensed interest is disclosed in note 6.

Consolidated financial statements

Synsam Group Denmark A/S is part of the consolidated financial statements of Synsam AB (publ), reg. no. 556964-3358, Box 30153, 104 25 Stockholm, Sweden, which is the smallest and largest group in which the Company is included as a subsidiary.

The consolidated financial statements of Synsam AB (publ) can be obtained by contacting the Company.

26. Rental agreements and leases

Rent and lease payments within 1 year	26.133	31.901
Rent and lease payments between 1-5 years	21.832	32.602
Rent and lease payments after 5 years	0	0
	<u>47.965</u>	<u>64.503</u>