50 YEARS OF FIELMANN

fielmann

ANNUAL REPORT 2021

The Fielmann Group is a stock-listed family business based in Hamburg, Germany. As the most customer-centric provider of eyewear, contact lenses and hearing aids, we serve our 27 million active customers through an omnichannel platform comprised of digital sales channels as well as 900 retail stores across 16 countries.

Key figures

		2021	2020	2019[2]	2018	2017
Sales	in € m					
External sales[1]	incl. VAT	1,938.9	1,630.1	1,764.6	1,650.7	1,606.2
Change	%	18.9	–7.6	6.9	2.8	3.6
Consolidated sales	excl. VAT	1,678.2	1,428.9	1,520.7	1,428.0	1,386.0
Change	%	17.4	–6.0	6.5	3.0	3.6
Unit sales (glasses)	in 000s	8,291	7,264	8,277	8,154	8,113
Change	%	14.1	–12.2	1.5	0.5	1.5
EBITDA	in € m	396.1	336.7	384.7	295.9	291.3
Change	%	17.6	–12.5	30.0	1.6	3.4
Pre-tax profit (EBT)	in € m	209.7	175.5	253.8	250.9	248.6
Change	%	19.5	–30.9	1.2	0.9	3.0
Net income	in € m	144.6	120.8	177.3	173.6	172.9
Change	%	19.7	–31.9	2.1	0.4	1.0
Cash flow from current business activity	in € m	346.7	278.5	301.8	193.0	287.1
Change	%	24.5	–7.7	56.4	–32.8	31.0
Financial assets	in € m	277.9	241.4	267.6	312.3	350.1
Change	%	15.1	–9.8	–4.3	–0.8	–4.9
Equity ratio	%	50.3	50.1	53.2	75.1	75.1
Investments	in € m	89.2	350.6	116.6	82.1	68.8
Change	%	–74.6	200.7	42.0	19.3	38.7
Number of stores		913	870	776	736	723
Employees	as at 31.12.	22,028	21,853	20,397	19,379	18,522
of which apprentices		4,374	4,516	4,268	3,853	3,417
Key data per share						
Earnings	€	1.63	1.39	2.05	2.01	2.00
Cash flow	€	4.13	3.32	3.59	2.30	3.42
Dividend per share	€	1.50	1.20	–	1.90	1.85

[1] Sales including VAT and inventory changes
[2] First-time application of IFRS 16

Financial calendar

Q1 report	28 April 2022
Annual General Meeting	14 July 2022
Half-year report	25 August 2022
Analyst conference	26 August 2022
Q3 report	10 November 2022
Preliminary figures for 2022	February 2023
Bloomberg code	FIE
Reuters code	FIEG.DE
Securities ID number/ISIN	DE0005772206

This report is published in both English and German. In case of doubt, the German version is binding. The Annual Accounts for Fielmann Aktiengesellschaft are also available on request.

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Foreword

Dear Shareholders,
dear Friends of the Company,

The Fielmann Group has experienced a strong growth in 2021 across all major markets thanks to the loyalty of our 27 million active customers and the dedication of our employees during these trying times.

External sales (including VAT) increased by 18.9% to € 1.94 billion and consolidated sales rose by 17.4% to € 1.68 billion. Pre-tax profits amounted to € 209.7 million, a 19.5% increase over 2020.

Marc Fielmann, Chief Executive Officer

This positive development, amidst an ongoing global pandemic, confirms our Vision 2025. It sets out the path to carry our customer-centric philosophy into a future increasingly shaped by digitalisation and globalisation. Beginning in 2019, we started the transformation of our family business, with € 100 million annually earmarked to digitalise and internationalise the Fielmann Group.

By 2025, we aim to grow our customer base from 27 million to 35 million active customers. We strive to do so by maintaining retention and customer satisfaction levels at more than 90% across all major markets. In 2025, we plan to sell more than 12 million pairs of glasses, to generate external sales of € 2.3 billion and to achieve a pre-tax profit margin of 16%.

In the financial year 2021, the Fielmann Group not only recorded a strong rebound but also a sales level well above pre-crisis levels of 2019 and very much in line with our Vision 2025 growth forecast – despite an ongoing pandemic.

> "In the financial year 2021, the Fielmann Group not only recorded a strong rebound but also a sales level well above pre-crisis levels of 2019."

In our core markets of Germany, Austria and Switzerland, our sales grew by 10.2% to € 1.73 billion in 2021. Our organic growth was supported by the development of our digital sales channels as well as 38 store renovations and extensions. In 2021, we celebrated the re-opening of our flagship store in Vienna's Mariahilfer Strasse, which is poised to generate € 10 million in omnichannel sales in the long term. Building measures in our core markets often lead to double-digit sales increases. Additionally, we benefit from increasing levels of ametropia and the demographic change – more young people need glasses and the number of people who require reading glasses is rising as well. This demographic change is also the underlying factor for the continuous growth of our hearing aid business.

In the past, Fielmann re-defined price, quality and service levels in the industry chiefly by perfecting the retail process at a scale. This way we attained productivity levels unheard of in the markets we operate in. In the past few years we have been working on transforming the excellent customer experience in our retail stores into an unmatched omnichannel experience. This challenge is not the same across all product categories: contact lenses, for example, can be easily sold at a distance without impairing quality. As early as 2016, we built an omnichannel business model that puts us well ahead of the competition. In 2021, we shipped more than 1 million parcels to our customers, many of which contained contact lenses.

Prescription eyewear, however, is still a product category that is very much bought in stores: in all our major markets, the market sales share of pure e-commerce is in the single digits. In Germany it stands at less than 1%. To provide customers with the same quality at a distance as they can expect from us in our stores, we are investing millions into the development of ophthalmic measurement technology for consumer smartphones. To date, we have dedicated more than € 15 million and hold more than 25 patents directly and indirectly. In April 2021, we launched our iOS app that combines two of our key technologies: our 3D try-on and our proprietary lens fitting. Our app allows an increasing number of customers to try on their glasses virtually, have them individually fitted and delivered directly to their homes free of charge. We are continuously testing and developing this app to improve the lens-fitting data, which is required to manufacture and assemble individual prescription glasses. We are also working on making our online eye test available for all our customers. While we work on this cutting-edge technology that will enable Fielmann quality for all customers online, we are already able to provide a solution to all our customers today – thanks to our omnichannel business model.

> "22 million Fielmann Group customers used our digital services in 2021."

An omnichannel business model seamlessly connects personal service with digital convenience. While few customers buy their glasses online today, the vast majority relies on digital services: 22 million customers used our digital services in 2021, we managed around 11 million appointments digitally. As we continue to invest in the development and rollout of our omnichannel platform, we are re-defining the service levels in our industry.

The Fielmann Group is driving its internationalisation. In 2021, our international markets continued to outperform, reaching net sales of € 455 million, a 53% increase over the previous year (€ 297 million) and 41% over the pre-crisis level of 2019 (€ 323 million). Markets in Eastern, Southern and Western Europe with low levels of consolidation provide significant growth opportunities for our Group. In 2021, we launched new digital sales channels in Poland and the Czech Republic and opened a total of 45 stores across Europe. We exceeded our expansion goals with 12 new openings in Poland and 11 new stores in Italy. We also extended our store network in Spain (8 new stores), Slovenia (4 new stores), Czech Republic (3 new stores) and in our core markets (7 new stores).

Across Europe, many people are still paying too much for their glasses and they do not receive the quality and service they deserve. Fielmann is changing that. Since 2019, we have entered one new market every year. After acquisitions in Slovenia (2019) and Spain (2020), we brought the unique Fielmann experience to the Czech Republic. In the second half of 2021, we opened digital sales channels as well as three stores in the country's capital, Prague.

At the Fielmann Group, we owe our success to our customers and to our people – that is, our employees who embody our customer-centric philosophy. During the second year of the coronavirus pandemic, they displayed dedication and flexibility that was truly inspiring. Our customers were able to enjoy a superb product and service quality, even in times of crisis.

As a family business, we also care for one another internally. When devastating floods hit parts of Central Europe in the summer of 2021, it affected not only our stores in the region but also some of our employees personally. Within days, Fielmann staff raised almost € 200,000 and the company subsequently tripled the amount to help their affected colleagues. We made the first transfers within 24 hours when help was needed most. This solidarity and genuine care of our people for one another has deeply impressed me. And it makes me optimistic that together we will master our challenges that lie ahead.

> "The year 2022 will be a major milestone for our Group, as we will be celebrating our 50th anniversary."

Contingent on a swift easing of coronavirus-related restrictions, we anticipate double-digit growth rates for both external and net sales in 2022. The Fielmann Group will continue to invest in its distribution network and roll out its omnichannel platform internationally. And we will expand to at least one new country. Looking at the product categories, we expect strong growth in all major products with an anticipated outperformance of our hearing aid business.

The year 2022 will be a major milestone for our Group, as we celebrate our 50th anniversary. We have truly come a long way from the first store my father opened in 1972, to the Fielmann Group today that serves 27 million customers across 16 countries. And while turning 50 makes us proud, we are far from being done – Fielmann has always been at the forefront of customer-centricity, and our philosophy will continue to guide us into the decades to come.

We perceive today's success as an incentive for us to develop new, pioneering services to ensure our future success. For this, we need to become even faster and more flexible across the Group, we will promote a new culture of collaboration and transparency. And above all, we will remain true to our customer-centric philosophy and the dedication with which we implement it. We are going to delight our customers on their way towards great vision and hearing by redefining the product assortment, price, quality, and service levels.

In the first two months of 2022 the Fielmann Group has resiliently navigated through the ongoing coronavirus pandemic and the significant surge in infections nationwide. Just as it seemed that an end to this trying time was in sight, we received devastating news from Ukraine. At the time of writing, a war has just broken out after Russian troops invaded the country. Fielmann has been operating in Ukraine since 1999, generated sales of about € 4 million (UAH 125 million) in 2021 and employs 269 people as of February 2022. Upon the outbreak of hostilities, we have closed our stores, prepaid salaries and are providing help from our head offices in Hamburg as well as our local office in Kyiv. All employees who have fled abroad received a job guarantee including language courses and further support by the respective country organisations. Fielmann Group employees from across Europe are collecting donations and sending care packages to Ukraine while our family business supports these endeavours with financial and logistical means. We sincerely hope for a swift end to this war.

At the end of 2021 we projected double-digit growth rates for both external and net sales in 2022. Despite recording double-digit growth in the first two months of 2022, our outlook is contingent on the assumption that neither restrictions resulting from the coronavirus pandemic nor protracted consequences of the war will significantly affect our business outside Ukraine. To help investors interpret the potential impact of these contingencies, we have provided different scenarios with associated sales and profit expectations and attributed confidence intervals correspondingly.

It is with a feeling of gratitude – towards our customers, employees, partners, friends, and you, the shareholders, for your loyalty to our company – and thoughts about all people affected by the situation in Ukraine that I close this foreword.

Hamburg, 11 March 2022

Marc Fielmann

Management Board

Marc Fielmann (CEO)

Strategy, Marketing, IT, Human Resources[1], Category Management & Purchasing[2]

Katja Groß (CHRO)

Human Resources[3], Organisation[3]

Dr Bastian Körber (CSO)

Sales, Controlling, Expansion, Category Management[4]

Georg Alexander Zeiss (CFO)

Finance, Real Estate, Legal, Compliance, Materials Management[5], Manufacturing & Logistics[6]

[1] Until 28 February 2021
[2] Since 1 February 2022
[3] Since 1 March 2021
[4] From 1 April 2021 to 31 January 2022
[5] On 1 April 2021, Georg Alexander Zeiss assumed responsibility for "Materials Management", previously held by Michael Ferley, who left the Management Board on 31 March 2021. Since 1 February 2022, "Materials Management" has been integrated into "Category Management & Purchasing".
[6] On 1 April 2021, Georg Alexander Zeiss assumed responsibility for "Manufacturing & Logistics" from Michael Ferley, who left the Management Board on 31 March 2021.

Supervisory Board

Shareholder representatives

Prof Dr Mark K. Binz [1, 2, 3, 4] (Chairman)	Lawyer Binz & Partner	Stuttgart
Hans-Georg Frey [1, 4]	Chairman of the Supervisory Board Jungheinrich AG	Hamburg
Carolina Müller-Möhl [2]	President of the Board of Directors Müller-Möhl Group	Zürich (CH)
Hans Joachim Oltersdorf [1, 3]	Chief Representative MPA Pharma GmbH	Rellingen
Marie-Christine Ostermann	Managing Partner Rullko Großeinkauf GmbH & Co. KG	Hamm
Pier Paolo Righi [4]	CEO & President Karl Lagerfeld International B.V.	Amsterdam (NL)
Sarna Marie Elisabeth Röser	Member of the Management Board Röser FAM GmbH & Co. KG	Mundelsheim
Hans-Otto Schrader	Chairman of the Supervisory Board Otto AG für Beteiligungen	Hamburg

Employee representatives

Ralf Greve [1, 2, 3] (Deputy Chairman)	Spokesperson for Professional Development, Fielmann AG	Hamburg
Heiko Diekhöner	Regional Manager Fielmann AG	Hamburg
Jana Furcht [1]	Master Optician Fielmann AG & Co. OHG	Munich
Nathalie Hintz [1]	Regional Manager Fielmann AG	Munich
Eva Schleifenbaum	Trade Union Secretary ver.di	Kiel
Frank Schmiedecke	Master Optician Fielmann AG & Co. OHG	Hamburg
Frank Schreckenberg	Trade Union Secretary ver.di	Berlin
Mathias Thürnau [2]	Head of Sales Support Fielmann AG	Hamburg

[1] Member of the HR Committee
[2] Member of the Mediation Committee
[3] Member of the Audit Committee
[4] Member of the Nomination Committee

Supervisory Board Report

In the 2021 financial year, the Supervisory Board once again conscientiously discharged the duties incumbent on it under the law and the Articles of Association. Throughout the financial year, the Supervisory Board kept itself informed of all key business developments and supervised the work of the Management Board, advising where necessary. Outside of meetings, the Chairman of the Supervisory Board also remained in direct contact with the Management Board with regard to important matters.

Based on written and oral reports from the Management Board and as part of its discussions, the Supervisory Board dealt comprehensively with Fielmann Aktiengesellschaft's business and financial position, corporate strategy, human resources policy, planning, risk assessment and Compliance organisation.

The Supervisory Board met four times in the 2021 financial year. The meetings were held virtually via video-conferencing software. The Supervisory Board members were in full attendance at each of these virtual meetings.

The first meeting took place on 4 March 2021. In addition to general developments within the Fielmann Group, Mr Marc Fielmann reported on the positive experiences with the Spanish retail chain Óptica & Audiologia Universitaria, in which Fielmann acquired an 80% share at the end of 2020 and which continues to operate under this brand.

One of Fielmann's key objectives is to increase the productivity of stores by means of efficient time management with regard to customers and employees, taking all relevant key variables into consideration. Dr Bastian Körber reported in detail on these developments. We also discussed the developments in the growth and expansion markets. Finally, the process regarding the selection of the auditor at the 2021 Annual General Meeting was considered.

The meeting to discuss the financial statements took place on 15 April 2021. Dr Michael Ahrens reported in detail on the current situation of prescription eyewear e-commerce and informed attendees in particular of developments relating to the development of optical measurement technology. Following questions from the Supervisory Board members in relation to this important topic, Mr Georg Alexander Zeiss explained the Annual Financial Statements and the Consolidated Financial Statements for 2020 and outlined key figures. Then, Mr Patrick Wendlandt and Ms Christina Marquardt, auditors from Deloitte GmbH, comprehensively reported on the audit for the 2020 financial year and answered questions from the Supervisory Board members. Following a discussion, the Supervisory Board approved the Annual and Consolidated Financial Statements for 2020, as well as the corresponding Management Report and the Corporate Social

Professor Dr Mark K. Binz

Chairman of the Supervisory Board

Responsibility Report for 2020. Discussions were then held regarding the remuneration system for the Supervisory Board, which is to be approved by the Annual General Meeting. In addition, further suggested resolutions for the Annual General Meeting were adopted. Finally, the decision was made to also hold the 2021 Annual General Meeting without any shareholders being physically present, pursuant to coronavirus legislation.

The third Supervisory Board meeting was held following the Annual General Meeting on 8 July 2021. After a brief review of the Annual General Meeting, the Management Board reported on the business development for the first half-year. Mr Marc Fielmann provided a forecast for the full year of 2021 that was contingent on the absence of significant coronavirus restrictions in the second half of the year. In this context, he also reported on Fielmann's testing policy and vaccination strategy. Following a discussion, the Supervisory Board then unanimously approved an option agreement that entitles Fielmann AG to acquire shares in a retail group in Latin America, currently held indirectly by the Fielmann family.

At the Supervisory Board meeting on 25 November 2021, the Fielmann Group's system to measure active customers, customer satisfaction and customer retention was presented and discussed. Further topics of discussion included, in particular, measures to ensure price leadership, to strengthen the brand attractiveness and to accelerate online sales. The transformation of the administrative management areas into a dedicated service organisation was also discussed, as was the current situation in the Production and Logistics division. Dr Georg Rau, who has led the division since April 2021, reported on the matter in great detail and answered questions from Supervisory Board members.

At this final meeting of 2021, the Management Board also set out its plans for 2022 and its framework plans for 2023–2024. After answering questions from the members, the Supervisory Board approved the plans unanimously. Furthermore, after discussion, the Supervisory Board approved a revised declaration of conformity with the current German Corporate Governance Code. The current status of the risk management system was also reviewed. Finally, discussion turned to the new version of the framework agreement with the Fielmann family. This agreement ensures that any exchange of services between the Fielmann family and the Fielmann Group are carried out "at arm's length". The signing of the agreement on behalf of Fielmann AG was delegated to the Chairman of the Supervisory Board. In the 2021 financial year, the Supervisory Board, and before it the HR Committee, dealt with the following Management Board matters:

At the meeting on 4 March 2021, the Supervisory Board decided to appoint Ms Katja Groß, who has led the Human Resources and Organisation division since 1 March 2021, to the additional role of Works Director pursuant to Section 33 of the German Codetermination Act (Mitbestimmungsgesetz). Furthermore, the Supervisory Board unanimously concurred with the recommendation of the HR Committee to conclude a termination agreement with Mr Michael Ferley, after he – as was reported in the previous year – informed the HR Committee that, for personal reasons, he would like to step down from his position on the Management Board on 31 March 2021 and depart from the company in the medium term. The Supervisory Board then unanimously agreed to the new version of the Rules of Procedure for the Management Board, which was required as a result of the changes to the Management Board.

On the recommendation of the HR Committee, at the meeting on 25 November 2021, the Supervisory Board decided to extend the appointment of Mr Georg Alexander Zeiss to the Management Board by a further three years to 30 June 2025 and to continue his employment contract under the current terms.

The Nomination Committee and the Mediation Committee, as defined under Section 27 Para. 3 of the German Codetermination Act, had no reason to convene in the financial year.

Until recently, the Supervisory Board of Fielmann AG had consciously opted to not form an Audit Committee. In addition to the in-depth discussions as part of the yearly financial statements meeting, all Supervisory Board members had the opportunity before the meeting to obtain a detailed briefing on the content and results of the audit, to ask questions and to make suggestions in a discussion forum attended by the Chief Financial Officer and the auditor. The German Act to Strengthen Financial Market Integrity (FISG) now stipulates that companies such as Fielmann are obliged to form an Audit Committee with effect from 1 January 2022. In order to comply with this obligation, at its meeting on 8 July 2021, the Supervisory Board formed an Audit Committee made up of the following members: Hans Joachim Oltersdorf, Ralf Greve and Prof. Mark K. Binz. The Audit Committee was constituted immediately and elected Mr Oltersdorf as Chairman. At a meeting on 24 November 2021, the Audit Committee dealt with the key points from the audit carried out by the auditor Deloitte on the Annual Financial Statements and the Consolidated Financial Statements for 2021. At the Supervisory Board meeting on 25 November 2021, the Audit Committee recommended that, for the financial year 2022, a tender process not be carried out to select the auditor and Deloitte be selected as the auditor once again.

Potential conflicts of interest of the members of the Supervisory Board are assessed by the Supervisory Board on an ongoing basis and as part of an additional annual assessment by means of a detailed questionnaire. Members of the Supervisory Board are also required to disclose any potential conflicts of interest. There were no conflicts of interest in the 2021 financial year. The Supervisory Board carried out an efficiency assessment on 14 April 2021, the day before the financial statements meeting.

The Annual Financial Statements of Fielmann AG and the Consolidated Financial Statements for the 2021 financial year, prepared in accordance with Section 315a of the German Commercial Code (HGB) on the basis of the International Financial Reporting Standards (IFRS), as well as the Management Report for Fielmann AG and the Group, were audited by Deloitte GmbH, Hamburg, and passed without qualification. These documents, including the Management Board's proposal for the appropriation of net profits, which were duly submitted to each member of the Supervisory Board, were verified by the Supervisory Board and discussed in detail in the financial statements meeting on 21 April 2022 in the presence of the auditors Mr Patrick Wendlandt and Ms Christina Marquardt, who reported on the method and key results of the audit and answered related questions from the members of the Supervisory Board. Following the final results of its examination, the Supervisory Board found no cause for objection. The Supervisory Board approved the Annual Financial Statements and the Consolidated Financial Statements, which are therefore adopted. It also seconded the Management Board's proposed appropriation of net profits. In addition, the Supervisory Board approved the 2021 Corporate Social Responsibility Report presented.

The auditor also examined the report of the Management Board on transactions with affiliated companies in the 2021 financial year (Dependency Report) and passed it with the unqualified confirmation that the details in the report are correct and that the consideration of the company for the legal transactions outlined in the report was not inappropriately high. The Supervisory Board has examined the Dependency Report of the Management Board and, at its meeting on 21 April 2022, the auditor reported on its findings from the audit. The Supervisory Board raises no objection to the report of the Management Board and the relevant examination conducted by the auditor.

The Supervisory Board would like to thank the Management Board and all staff for their very successful and outstanding work during the past financial year.

Hamburg, 4 April 2022

Professor Dr Mark K. Binz
Chairman of the Supervisory Board

Strategy

Vision 2025

With our Vision 2025, we are shaping the optical industry for the benefit of customers. First communicated in 2019, the vision marked the start of the transformation of our family business. It aims to internationalise our organisation and to carry the company's customer-centric philosophy into the digital future. By 2025, we are going to serve 35 million active customers, sell every fourth pair of glasses on the European continent and generate external sales of more than € 2.3 billion.

International expansion

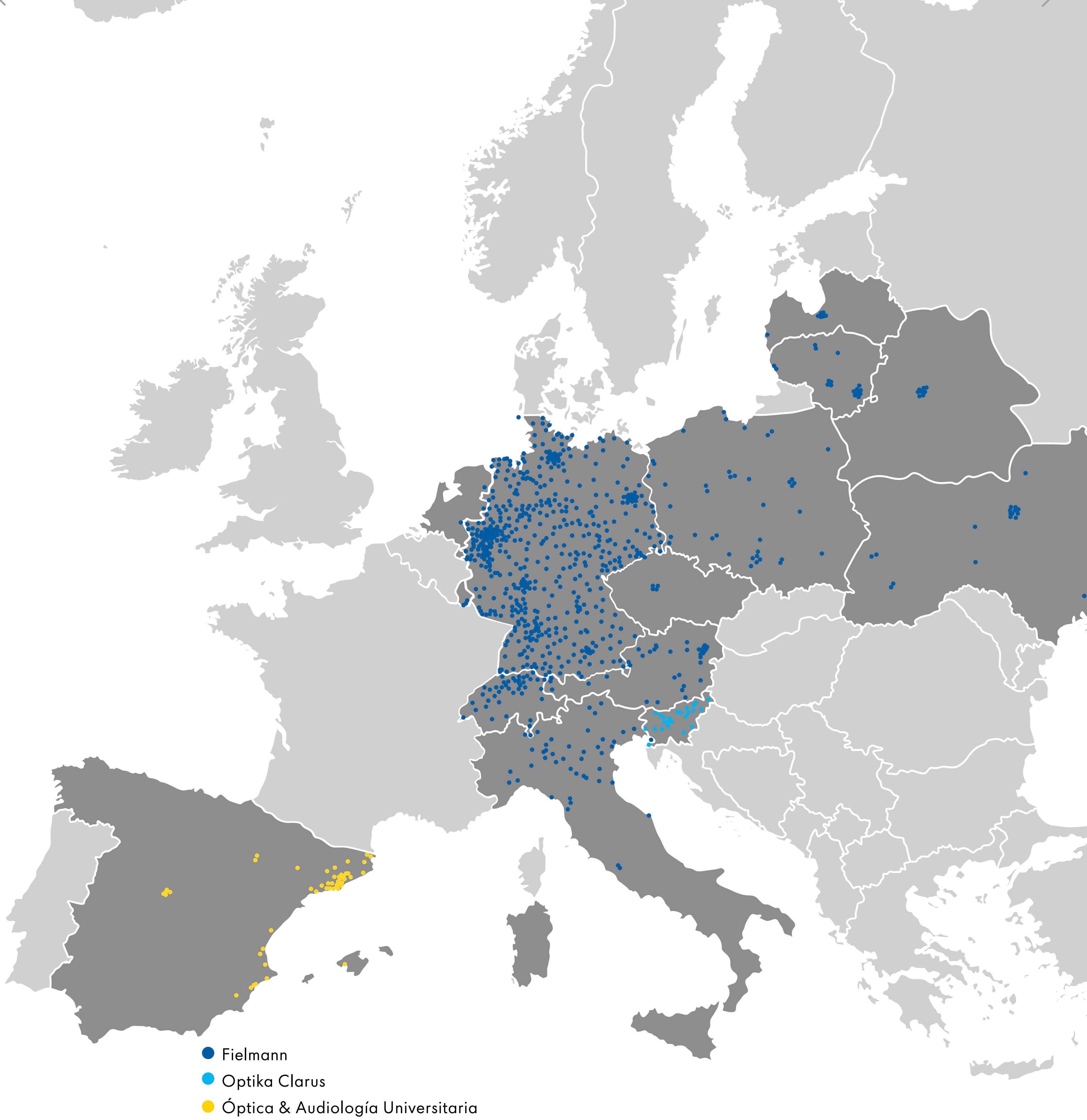
Fielmann is driving its international expansion by opening new retail stores and rolling out its omnichannel platform across Europe. As at 31 December 2021, we operated various digital sales channels and 693 stores in our core markets: 610 in Germany, 45 in Switzerland and 38 in Austria.

Our growth drivers remain intact in these markets. Besides the development of our digital sales channels, organic growth and opening new stores, renovations, relocations and extensions provide considerable growth potential. In addition, we also see opportunities arising from increasing levels of ametropia: more and more young people need glasses every year and the number of people who require reading glasses or progressive lenses is rising as a consequence of demographic change. The demographic change is also the underlying factor for the continuous growth of our hearing aid business. In the long term, we plan to operate more than 700 stores, sell 10 million pairs of glasses and generate external sales of € 2.1 billion in our core markets of Germany, Switzerland and Austria.

The past financial year saw another milestone in the internationalisation of our Group. Fielmann entered its 16th European market by launching a digital sales channel and opening three retail stores in the Czech Republic. Furthermore, we drove our expansion in our existing growth markets of Italy, where we are currently the third largest provider of eyewear, and Poland, where we are second largest. We opened a total of 23 new stores in these two countries alone. At the end of the reporting year, we served our customers via digital sales channels and in 43 stores in Italy, 37 in Poland, and 3 in the Czech Republic. In the long term, we intend to operate more than 170 stores in our growth markets of Italy, Poland and the Czech Republic, sell more than 1 million pairs of glasses and generate external sales of more than € 170 million.

In our expansion markets, our distribution network consisted of digital sales channels as well as 87 stores in Spain, 32 in Slovenia and 18 in the rest of Europe at the end of 2021. In addition, we offered our products at 78 smaller locations in Eastern Europe.

By 2025, Fielmann will have entered two additional markets either by means of organic growth or by acquiring leading optical chains.



The Fielmann Group in Europe

Core markets

610 Stores in Germany
45 Stores in Switzerland
38 Stores in Austria

Growth markets

43 Stores in Italy
37 Stores in Poland
3 Stores in the Czech Republic

Expansion markets

87 Stores in Spain
32 Stores in Slovenia
3 Stores in Luxembourg
15 Stores in the rest of Europe
78 Smaller locations in Eastern Europe

As at 31 December 2021

Digital transformation

We continue to invest in the digital transformation of our business model with the clear goal of providing excellent service quality for a variety of customer journeys across our various sales channels. That means that we are not simply digitalizing our processes but re-inventing our business model for the benefit of our customers. We are building a new customer experience – the perfect combination of personal service and digital technologies. Currently, we are already serving 27 million customers through our omnichannel business model. In the reporting year, our digital services were used 22 million times.

In our retail stores one of our biggest challenges is matching hundreds of thousands of customers with thousands of qualified staff every day. To do so during a global pandemic has been especially challenging. Yet, thanks to new digital solutions such as our online appointment tool or our digital waiting list, we are able to effectively manage the flow of customers in the stores, give walk-in customers precise waiting times, and to considerably improve productivity at the same time.

We are also continuously adding digital sales channels to our omnichannel platform. In 2021, we launched new online shops for sunglasses and contact lenses in Poland and the Czech Republic. Overall, our e-commerce sales grew by more than 30% year-on-year and we shipped more than 1,000,000 parcels to our customers.

While sunglasses and contact lenses are easily sold online, prescription eyewear is purchased almost exclusively in retail stores. Across all major European markets, prescription eyewear e-commerce has never grown beyond single digits. In Germany, online sales of prescription eyewear remained at 1% of total sales – despite the ongoing coronavirus pandemic. This clearly shows that for our major product category, a qualitative e-commerce solution still requires major advances in online measurement technology before we can offer all customers a pure e-commerce experience in Fielmann quality. The Fielmann Group is a leading developer of ophthalmic measurement technology for smartphones. To provide customers with the same quality online as they can expect from us in our stores, we have invested more than € 15 million and hold 25 patents directly or indirectly.

A milestone was the launch of our iOS app featuring our key technologies 3D try-on and our precise digital lens fitting technology in April 2021. With this application, our customers can try on their glasses virtually, have them individually fitted, and delivered directly to their homes free of charge. While the number of users is currently limited due to hardware and dioptre requirements, we are continuing to develop the technology to improve the optometric lens fitting and to add a reliable online re-fraction. Precise measurement data is the basis for the e-commerce of high-quality prescription eyewear.

Even considering our visible advances in measurement technology, we anticipate, in the short term, a share of just a few percent for the pure e-commerce of prescription glasses. In the long term, when our technology will be accessible to nearly every customer, many of them will still prefer a personal service, which is why our omnichannel business model is the perfect solution for the ever-changing needs of our customers.

With the roll-out of our omnichannel platform and additional digital sales channels, we anticipate considerable growth in e-commerce sales over the coming years, especially in the contact lens and sunglasses categories. We are aiming for e-commerce sales of € 400 million in the long term, which corresponds to a total sales share of around 17%.

About Fielmann

Who we are

The Fielmann Group is a stock-listed family business based in Hamburg, Germany. Offering the most attractive product assortment, an outstanding service and the best value for money in the market is the key cornerstone of our company. We serve our 27 million active customers across Europe with glasses, sunglasses, contact lenses, and hearing aids through an omnichannel platform comprised of digital sales channels as well as more than 900 retail stores across 16 European countries. As the market leader in Central Europe and one of the largest providers of eyewear worldwide, we operate stores under the Fielmann brand as well as Optika Clarus in Slovenia and Óptica & Audiología Universitaria in Spain. Deeply rooted in the optical industry, Fielmann is active at every level of the value chain.

We owe our success to our customers and our committed and highly skilled employees, who embody our customer-friendly philosophy "You are the customer". Our teams offer customers the best possible solution, irrespective of their budget. This is because we assume a long-term view; customer satisfaction and retention is more important to us than our short-term profit. This is why we are dedicating millions every year to measuring and incentivising customer centricity. Bonuses, from store managers through to the Management Board, are based in large part on customer satisfaction. And we are continuously changing the market in favour of our customers by means of innovation. Fielmann has time and time again introduced services that were not previously available.

As a family business, we understand that a company can only thrive in an intact environment. This is why we hold true to our Environmental Pledge (1986) and give back to the communities we operate in. We contribute to society, sponsor thousands of youth teams across Europe, commit ourselves to preserving historical monuments, and are a leading force in protecting our environment and nature. We plant a tree for every one of our employees every year. To date, this adds up to over 1.6 million trees and bushes.

Our supply chain

As a designer, manufacturer, wholesaler and optician, the Fielmann Group covers the entire value chain in the optical industry. With our international supply chain and production capacities across Europe, we effectively control quality and costs.

Rathenow an der Havel, Germany, is the birthplace of German eyewear. Here, at our largest manufacturing site, more than 1,000 employees manufacture millions of lenses and fit these into the ordered frames before delivering the goods to our stores overnight – more than 16 million items per year.

Because we cut out any intermediaries, customers buy fashionable Fielmann glasses at what can be considered the wholesale price of traditional opticians. Our prices in this segment are around 70% lower than the prices for branded products. Fielmann also procures millions of branded frames and sunglasses every year, passing on the volume discounts to our customers. We underline our value-for-money offering with our Best Price Guarantee: if a customer sees a product being sold for less elsewhere after buying it from Fielmann, we will undercut the price or take the product back and fully reimburse them.

As part of our 3-year plan, we are going to invest more than € 100 million in the expansion of our manufacturing and logistics capacities across Europe. Our customers will benefit from a significantly improved product availability and accelerated delivery times both in our digital sales channels and our stores. By 2025, we will be sending more than three million parcels to our customers in Europe from our fulfilment centres.

Fashionable eyewear: Fielmann

Glasses are no longer just a medical device. They have long established themselves as an accessory that represents individual style and fashion sense. Fielmann answers the call of the fast-changing fashion world. While the lead time for a pair of glasses from design to delivery is usually more than a year, we can complete the entire process for selected models in just a few months. Our international team of more than 20 employees designs and develops hundreds of new styles for glasses and sunglasses that sell by the millions. Fielmann presents the latest eyewear trends in its own trend collections that go on sale in our retail stores and online shops every spring and autumn. In addition, we offer our customers the whole world of fashionable eyewear at guaranteed best prices – from zero-cost frames all the way to the big brands and international designers, available in our 900 stores across Europe and our digital channels.

Our employees

Fielmann is the largest employer and training provider in Central Europe's optical industry. As at 31 December 2021, our family business consisted of 22,028 employees, an increase of 175 people compared to last year. During the coronavirus pandemic, Fielmann ensured the health and well-being of both its customers and employees. The conscientious application of our science-based hygiene standards led to significantly lower infection levels among Fielmann staff than in the general population. During times of crisis, the Fielmann Group guaranteed all jobs, continued to pay all salaries and supplemented the net earnings of those in short-time work agreements to 100%. And thanks to digital tools, the majority of our head office employees continues to be able to work from home, thus reducing the risk of infection.

As a family-run company, we offer compelling values, while our flexible working times ensure a family-friendly atmosphere. Nearly 30% of our employees work in part-time positions. The Fielmann Group cares about diversity in its leadership teams: As an example, the proportion of women in our Supervisory Board stands at 38%, has reached 25% in our Executive Board and more than 30% in the top three management levels below the Executive Board.

Best training

Fielmann is the industry's leading training provider in Central Europe. In Germany, we train more than 40% of all optical apprentices while operating only 5% of the industry's optical stores. Every year, more than 17,000 young people apply for a vocational programme at our family business. National awards attest to the high standard of our training In the competition of the optical industry in Germany, we have accounted for an average of 94% of the national winners and 77% of the regional winners over the last ten years.

The Fielmann Academy at Plön Castle is the institution educating the future of the optical industry. Every year, we qualify 7,000 opticians at the industry's biggest training and research centre. In addition to the full-time Master Optician course, the Fielmann Academy also offers a part-time Master Optician course, which gives those who are tied to a certain location or restricted due to family commitments the opportunity to obtain further qualifications and the chance to advance in their careers. Our future leaders are prepared by means of individually tailored trainee programmes.

The Fielmann Academy at Plön Castle also contributes to the industry as a whole: we offer Master programmes for any applicant. And we advance the exchange between science and practitioners by organising scientific conferences that have already attracted more than 6,000 participants to date.

Fielmann is also transferring its high training standards to the hearing aid business. Every year, 150 apprentices start their careers with us. We actively support our young talents in their career planning by offering them the opportunity to pursue Master Acoustician degrees and to attend our continued professional development programme in our specialised competence centre at the Fielmann Academy. In July 2021, we opened our first 500 square-metre training facility in Vienna. This state-of-the-art establishment is home to our Austrian apprenticeship programme as well as the continued professional development of our hearing acoustic specialists.

Careers at the Fielmann Group

Whether in one of our stores across Europe, in the Fielmann Academy at Plön Castle, in our design studios, our manufacturing facilities or our head offices across Europe, whether as an apprentice, in a dual study programme, as a specialist or a manager – the Fielmann Group offers a wide range of career opportunities.

Right after completing their education, our certified opticians have the opportunity to grow their knowledge by becoming, for example, lens specialists, training managers or contact lens experts. Another career opportunity is to take over a leadership position. At Fielmann, young master opticians manage 12 to 15 employees from the very beginning of their careers and quickly assume even more responsibilities.

We know that we can only extend our lead in the market and succeed in the transformation of our Group if each and every one of our employees is the best in their field. Consequently, we invest tens of millions in the continued professional development of our employees every year. In 2021, for example, we launched our new Leadership Excellence Program to assess and promote the leadership competence of our managers. We expect our managers to be role models in our transformation process.

Corporate social responsibility

The Fielmann Group is a family business. We are convinced that our enterprise can only thrive in an intact society and environment. Therefore, we assume responsibility for our customers, our people, our stakeholders and the environment. We have been active in environmental protection, the preservation of historical monuments and the support of youth sports for decades. As part of our Environmental Pledge (1986), we plant a tree for every employee every year. So far, this amounts to more than 1.6 million trees and bushes.

In Germany, Fielmann co-founded the "Einheitsbuddeln" initiative with the federal state of Schleswig-Holstein in 2019. It invites citizens , companies and public institutions to plant trees for German Unity Day. After making donations in 2019 and 2020 to the respective organising federal states at the time, Fielmann presented the first 5,000 out of a total of 30,000 trees to the federal state of Saxony-Anhalt in December 2021.

Please refer to our CSR report for a comprehensive overview of our extensive, non-financial activities at www.fielmann-group.com.

2021 review

Q1

March Katja Groß is appointed Executive Director of Fielmann AG. In her new position, she leads all HR functions of the Fielmann Group, a position previously held by CEO Marc Fielmann. This appointment marks the end of a two-year succession process.

March The new trend collection Spring/Summer 2021 hits the shelves across Europe and is available in Fielmann's online shops. Consisting of prescription eyewear and sunglasses, the bi-annual trend collections present Fielmann's take on the latest trends.

March 700 guests from academia, the media and the optical industry participate in the 50th anniversary colloquium of the Fielmann Academy at Plön Castle, held in a digital format. Marc Fielmann (CEO) provides exclusive insights into the Fielmann Group's progress in the field of ophthalmic measurement technology and calls for more research and cooperation in the interest of customers.

Q2

April With 3D try-on and precise digital lens fitting technology, Fielmann integrates two key technologies into its customer-facing applications. Throughout the financial year, the Fielmann app is made available to more and more customers. So far, Fielmann has invested more than € 15 million in the development of measurement technologies and protects its research directly and indirectly with 25 patents.

May With Atrea, Fielmann launches its own contact lens brand in Germany. Available as daily and monthly lenses in two different quality levels, Atrea offers Fielmann quality at very competitive prices.

June Fielmann re-opens its renovated flagship store on Vienna's prominent shopping street Mariahilfer Strasse. One of Central Europe's largest stores for eyewear and hearing systems strechtes across 600 square metres.

June After launching digital sales channels for contact lenses and sunglasses in Poland, Fielmann opens its first Prague store and an online shop in the Czech Republic. This marks Fielmann's entry into its 16th European market.

Q3

July Extreme floods hit parts of Central Europe and affect not only our stores but also our employees in the region. In an exemplary display of solidarity, Fielmann Group staff raise € 200,000 to help their colleagues. Our family business triples this amount and makes the first transfers within 24 hours when help is needed most. We also support the affected communities with a donation of 4,500 pairs of protective glasses.

July Fielmann expands its hearing aid training programme by opening its 500 square-metre training facility in Vienna. This state-of-the-art establishment is home to our Austrian apprenticeship programme as well as the continued professional development of our hearing acoustic specialists.

August More than 1,500 trainees start their apprenticeships with Fielmann, either at one of our stores or at the head offices. As Germany's leading optical training provider, we train more than 40% of all optical apprentices with only 5% of the industry's stores.

August With the slogan #DankEuchFuerEuch ("Thanks to you, for you"), Fielmann celebrates its 25th anniversary in Switzerland by donating CHF 25,000 to five local, non-profit organisations each. The twist: a jury picked the five winners based on nominations by the Swiss public.

Q4

October Fielmann presents its new (and very cute) mascot: Benni Brillenschaf accompanies our youngest customers on their exciting journey to their first pair of glasses, be it as the main character in his own children's book, as a STEIFF® stuffed animal, a puzzle or a colouring book – and, obviously, the little sheep also has its own eyewear collection. Benni's real-life inspiration is a special breed of domestic sheep that was saved from extinction by Günther Fielmann. Today, the world's largest herd lives with the Fielmann family in Northern Germany.

November As one of Fielmann's many CSR initiatives, the receipts turn blue: German stores now hand out eco-friendly thermal paper, thereby making an important contribution to the environment. The rollout to other countries is planned.

November Fielmann lives up to its reputation as the best training provider in the optical industry: At the national final of the German Crafts Performance Competition (PLW) in Karlsruhe, Fielmann trainees came in first, second and third place. Over the last ten years, Fielmann has accounted for an average of 94% of national winners and 77% of regional winners.

December Fielmann presents the first 5,000 out of a total of 30,000 trees to the German federal state of Saxony-Anhalt as part of the "Einheitsbuddeln" initiative. Co-founded by Fielmann in 2019, the initiative invites citizens as well as public institutions to plant trees for German Unity Day.

50th anniversary

The idea.
When Günther Fielmann opened his first store in Cuxhaven in 1972, he was driven by one simple idea: to put the customer first. The idea was revolutionary at a time when customers could not simply go into a store and choose their favourite glasses. Back then, the traditional optician, dressed in a white coat, stored the products in drawers and pre-selected the frames for customers to try on. Prices were uniformly high, meaning that those who did not have a lot of disposable income were limited to only eight pairs of – unfashionable – spectacles that could be bought for the statutory insurance premium.

YEARS OF FIELMANN

The historical achievement.
In the 1960s, Günther Fielmann was working at renowned companies in optical retail, wholesale and production and was baffled by the lack of customer centricity, the significant margins along the value chain and, most importantly, the extent of discrimination towards those who could not afford to spend extensive amounts on eyewear. When he founded his first store in 1972, he began to democratise eyewear by offering affordable prices and extensive services. From one day to the next, in 1981 Fielmann replaced the eight health insurance frames with 90 fashionable and high-quality metal and plastic frames in 640 varieties for free. This made a huge difference to those who were unable to afford an expensive pair of glasses and had to display the proof of their low income on the end of their noses. The democratisation of fashionable eyewear is the historical achievement of our company founder, Günther Fielmann.

Fielmann today.
In 50 years, we have grown from one store in Northern Germany to a multi-brand, omnichannel Group serving 27 million customers through more than 900 retail stores and various online channels across 16 European countries. We have democratised eyewear fashion, pioneered products, guarantees and services, grown our product range with contact lenses and hearing aids, and have become the market leader in Central Europe as well as one of the largest optical groups worldwide. In short, we have shaped the optical industry for the benefit of customers.

And at the centre of it all: Günther Fielmann's idea to focus everything we do on the customer. It is this idea that saw us successfully navigate industry and market crises and even a global pandemic. Our customer-centric philosophy and our highly skilled employees who embody it have made the difference for the past 50 years – and will continue to do so in the decades to come.

Our milestones

1972

The first store

Günther Fielmann opens his first optical store in Cuxhaven. He formulates the guiding principle "You are the customer" and applies it to all aspects of the business. Fielmann is the first optical retailer to openly display the products, provide free services and offer extensive warranties. All of this at significantly lower prices.

1977

Three-year warranty

Up until 1977, there were no significant warranties for glasses. Repairs or replacements were at the discretion of the optician. Fielmann introduced a Three-year warranty on all glasses, including children's glasses. We not only work with the best suppliers but also test all frames in the Fielmann collection according to EN ISO 12870 standards in our laboratory. This ensures that they are rust-proof, non-fade and release much less nickel than is stipulated by the German Commodities Ordinance. This applies to all price ranges without exception.

1981

Fashionable eyewear at zero cost

Fielmann signs what becomes known as the seminal agreement with the local AOK health insurance fund in the small town of Esens (East Frisia). Under this agreement, Fielmann replaces the eight health insurance frames with 90 fashionable and high-quality metal and plastic frames in 640 varieties at zero cost ("Nulltarif") for the insurance fund's members. In the subsequent years, all major insurance funds in Germany sign up to this scheme. Thanks to Fielmann, looking great is something everyone can afford today.

1981

Satisfaction guarantee

Until 1981, customer satisfaction was an interpretation mostly at the discretion of the healthcare provider. At Fielmann, customers receive a guarantee – they never have to take risks. Every complaint is taken seriously. If people are not satisfied with their choice of glasses, Fielmann will exchange the pair or reimburse the full purchase price. For us, complaints are an opportunity to improve our service. Returns are an investment in the future because only satisfied customers will recommend us to others.

1972


1981

1982 **Best price guarantee**

Fielmann not only promises the best price, Fielmann guarantees it. If our customers see a product being sold for less elsewhere, they can return it and we will fully reimburse them. We monitor the competition constantly and track millions of prices of competitors every year. We can offer such attractive prices because of our productivity, our scale and our vertical integration.

1985 **TV advertising**

Fielmann becomes known throughout Germany thanks to its TV commercial featuring little Julia and her legendary saying "And my daddy didn't pay a penny for it." ("Und mein Vater hat keinen Pfennig dazu bezahlt.") The slogan "Glasses: Fielmann." ("Brille: Fielmann.") quickly becomes a consistent part of German parlance indicating a polite suggestion to improve one's vision.

1986 **Environmental Pledge**

Fielmann publishes its Environmental Pledge and commits to planting a tree for every employee every year. Thus far, the Fielmann Group has planted more than 1.6 million trees and bushes.

1991 **Expansion to Eastern Germany**

Fielmann opens its first stores in Eastern Germany. In the former GDR, qualitative glasses were highly sought after, yet hard to come by and only available after a long wait. Even months after the first store openings, there are still long queues in front of the new Fielmann stores every day.

1994 **IPO**

In 1994, Fielmann becomes a stock-listed company to finance its rapid growth. It is the most successful new issue that year. The Fielmann family retains more than 70% of the shares.

1996 **International Expansion**

Fielmann opens its first stores outside Germany in Switzerland. Only three years later, Fielmann also expands to Austria, Poland and Ukraine.

2002

Vertical integration, manufacturing site in Rathenow

Building on the existing expertise, Fielmann bundles and extends its capacities in manufacturing and logistics in Rathenow an der Havel, the birthplace of German eyewear. To date, the Fielmann Group employs about 1,000 employees in Rathenow. About an hour from Berlin, we manufacture millions of individual prescription lenses and glasses in what constitutes one of the world's largest optical facilities. By cutting out any intermediaries, the Fielmann Group is able to offer significantly lower prices than its competitors.

2004

Zero-cost insurance

While the statutory health insurance funds have almost completely stopped paying for glasses since 2004, Fielmann offers the Zero-cost insurance (Nulltarifversicherung) in collaboration with the HanseMerkur insurance company. For a small out-of-pocket expense (10 euros for single vision glasses per year) Fielmann customers can choose from hundreds of glasses, receive free services and are insured against changes in prescription, breakage and damage. More than 9 million insurance customers have signed up already.

2006

The Fielmann Academy at Plön Castle

The Fielmann Group acquires the 16th century castle that once served as the summer residence of the Danish king. After a four-year construction period, the Fielmann Academy opens at Plön castle in 2006. Today, it is the industry's largest training and research centre. More than 7,000 opticians and acousticians benefit from training and continued professional development at the Academy every year.

2007

Brand hearing aids at zero cost

Fielmann fulfills a long-held request of customers by offering an extensive selection of branded hearing aids at zero cost (Nulltarif). Since then, the Fielmann Group has grown tremendously in this new product category: By 2021 we reached 300,000 active customers with satisfaction levels well beyond 95% and external sales of € 100 million. Today, more than 1,000 hearing care professionals form a vital part of our family business.

2009

1,000,000 trees

To commemorate the Fielmann Group's Environmental Pledge, Günther Fielmann plants the one millionth tree together with then German Chancellor Angela Merkel in the sculpture park in Büdelsdorf. To date, Fielmann has donated more than 1.6 million trees and bushes.

2016 **Contact lens service**

Personal service, easy delivery: With its contact lens service, Fielmann unveils its omni-channel business model: Fielmann customers can take their contact lenses along after the fitting, have them delivered to their home for free, or conveniently order them online – using our app or via kontaktlinsen.fielmann.de.

2018 **Fielmann invests in augmented reality provider FittingBox S.A.**

Fielmann Ventures GmbH, a wholly owned subsidiary of the Fielmann Group, acquires around 20% of the shares in augmented reality specialist FittingBox S.A. The strategic investment in the French technology leader is a decisive step in the Fielmann Group's digitalisation strategy.

2019 **Generational succession**

Günther Fielmann planned, communicated and prepared his succession for nearly a decade: After working with his son Marc Fielmann for eight years, the company founder retires from his position on the Management Board in November 2019. Marc Fielmann becomes the sole Chief Executive Officer of the Fielmann Group and leads the family business into the second generation. The same year, Marc formulates the Vision 2025 to take the company's customer centricity into the future.

2019 **Expansion to Slovenia**

Fielmann drives its international expansion and enters its 14th European market. In September 2019, the Fielmann Group acquires 70% of shares in the Slovenian optical chain Optika Clarus, making it the largest takeover in two decades.

2020 **Expansion to Spain**

In late 2020, 80% of the shares in Spain's third biggest optical chain Óptica & Audiología Universitaria, are acquired by the Fielmann Group which thereby enters its 15th European market.

2021 **Online sales of glasses in Fielmann quality**

With the 3D try-on and its proprietory lens fitting technology, Fielmann integrates two key technologies for online sales of glasses into its customer systems. Throughout the financial year, the Fielmann app is made available to more and more customers.

Our founder: Günther Fielmann

Born in the small village of Stafstedt (Schleswig-Holstein, Northern Germany) on 17 September 1939, Günther Fielmann originally wanted to become a photographer. But since his father suggested pursuing a more stable career, Günther trained to become a master optician and began his career working for renowned companies in optical retail, wholesale and production. He opened his first own store in 1972 and led the company for 47 years until his son Marc took over as sole CEO in 2019. The former CEO and majority shareholder is an enthusiastic organic farmer who runs several estates in Schleswig-Holstein, Germany.

Shares: Fielmann

The financial market

In a stock market environment supposedly unfazed by the coronavirus pandemic, international indices rose significantly in the 2021 financial year.

In spite of far-reaching measures to limit the spread of coronavirus, as well as a nationwide lockdown in Germany at the start of the year coupled with increasing supply bottlenecks around the world, the German stock index (DAX) saw considerable gains between January and April. The DAX then suffered a major fall of 1,500 points in September but proceeded to recover from October onwards and achieved a record high of 16,290 points in November. However, the significant spread of the Omicron variant of coronavirus led to increasing levels of uncertainty among investors towards the end of the year. Notwithstanding the temporary setback, the DAX recorded an annual increase of 15.8%.

In an economically fluctuating market with steeply rising inflation, the US Federal Reserve increased its interest rates, while the European Central Bank (ECB) maintained its loose monetary policy. The US economy recovered quickly from the impacts of the pandemic. The euro exchange rate fell during the year, with its value against the US dollar falling from € 1.23 to € 1.13 by the end of the year. The Swiss franc recorded an all-time low of € 1.03 at the end of the year after standing at € 1.08 at the start of the year.

Fielmann shares

On 31 December 2021, Fielmann shares closed the year at a value of € 59.15 per share (previous year: € 66.45). At the reporting date and taking into account all 84 million issued ordinary shares and no-par shares, the market capitalisation of Fielmann AG amounted to € 5.0 billion.

Dividend

The coronavirus pandemic continues to impact the economy, bringing significant uncertainty to politics and business. Fielmann continued to accelerate its recovery in the financial year and is proceeding with its shareholder-friendly dividend policy. As a result of the company's continued positive performance and available liquidity, the Management Board and Supervisory Board will recommend to the Annual General Meeting on 14 July 2022 that a dividend of € 1.50 per share be paid for the 2021 financial year (previous year: € 1.20). With regard to the closing price for the year, the dividend yield is 2.5% (previous year: 1.8%). A total of € 126.0 million will be paid out in dividends (previous year: € 100.8 million).

Key figures of Fielmann shares		**2021**	**2020**
Number of shares as at 31.12.	millions	84.00	84.00
Highest price	€	72.05	75.50
Lowest price	€	55.55	42.94
Year-end price	€	59.15	66.45
Price/earnings (P/E) ratio		36.29	47.81
Price/cash flow ratio		14.32	20.02
Sales of Fielmann shares	in € m	1,001.16	1,458.56
Total dividend payout	in € m	126.00	100.80

Key figures per share		**2021**	**2020**
Net income for the year	€	1.72	1.44
Earnings	€	1.63	1.39
Cash flow	€	4.13	3.32
Equity capital as per balance sheet	€	10.39	9.96
Dividend	€	1.50	1.20

Market review

Glasses

European optical market[1]

80,000

stores

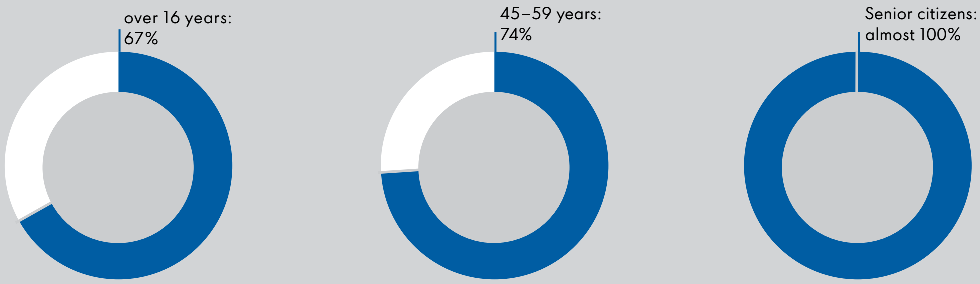
37

€ billion in sales

60

million glasses

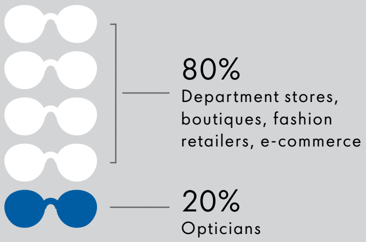
Share of glasses wearers by age group[2]



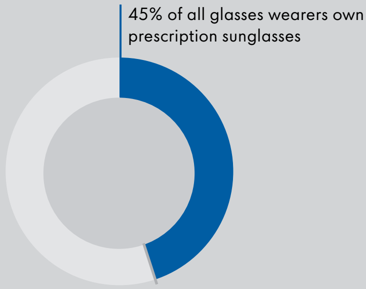
[1] Fielmann estimate, 2021
[2] Allensbach, Spectaris, Emnid

Sunglasses

Unit sales share[1]



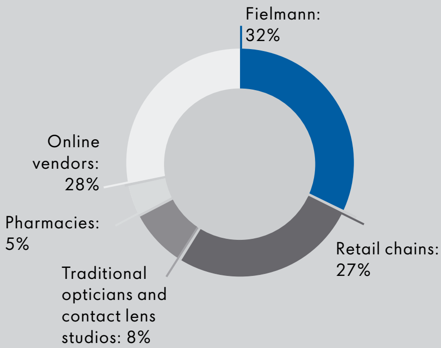
Customers with prescription sunglasses[1]



Contact lenses

Where customers most recently purchased contact lenses[2]

in Germany



Hearing aids

European hearing aid market[3]

50 million people with hearing problems

6 € billion in sales

7 million hearing systems sold

[1] Fielmann estimate, 2021
[2] Long-term study carried out by the market research institute Kantar TNS on behalf of Fielmann (n=1,000), 2020
[3] AEA-EFHOH-Report, bpb

Market review

Customers

Being able to see well is a fundamental aspect of a good quality of life. The optical industry provides crucial services to more than 60% of the European population. This is why optical stores were allowed to remain open in almost all countries during the coronavirus pandemic, allowing the provision of system-critical services.

Of the 500 million people living in Europe, more than 300 million wear glasses. The proportion of glasses wearers varies across the different age groups. Less than 50% of those under 45 years of age wear glasses. However, even those without vision problems need to use reading glasses past middle age. Some 75% of those aged 45 to 59 wear glasses, with the figure increasing to almost 100% in older age groups. The primary reasons for buying a new pair of glasses include a change in eyesight, wear and tear or loss, as well as changes in fashion trends. Glasses are no longer just a way of improving a person's sight. They communicate an image and set fashion and lifestyle trends. What's more, the younger the customer, the more they see glasses as a fashionable product that they can use to accentuate their own personality. The replacement cycle is between three and four years. (Eurostat, Allensbach, Spectaris, Emnid)

The optical market

Varied legal conditions and market compositions across Europe mean that the optical market can be extremely diverse from one country to the next. There are no official figures for the exact size of the European optical market, however Fielmann estimates unit sales of glasses to total more than 60 million pairs, with sales reaching approximately € 37 billion. These figures take into account purchases made both online and in-store. Customers no longer distinguish between shopping online and in-store, but instead look for an offering that combines personal service with digital convenience. It is increasingly common for customers to research products or services online, book appointments via their smartphones and track their orders in real-time. The proportion of activities carried out online has been continually increasing across all product groups for a number of years. However, e-commerce in the optical market remains largely constrained to contact lenses and non-prescription sunglasses sales. Buying prescription glasses online has not yet become commonplace in Europe. A study of the German market with more than 1,000 participants shows that 98% of all customers indicate that they have visited a retail store for at least one part of their customer journey. This applies, in particular to the optical measurements, such as eye tests, lens fittings or adjustments to the frame. With regard to industry sales, the e-commerce share accounts for less than 1% of the total prescription eyewear market in Germany.

In the future, a clear separation of e-commerce and retail sales will be almost impossible. Customers desire an omnichannel model that allows them to freely choose between different channels. This omnichannel approach enables customers to access up-to-date information across all channels. The result is a comprehensive, omnichannel customer experience.

We estimate that there are more than 80,000 optical stores in Europe. The European market is increasingly shaped by retail chains and omnichannel providers like Fielmann. We estimate that these operate approximately 25% of these stores. Consolidation levels, defined as the share of total sales generated by optical groups, vary widely, from about 90% in several Scandinavian countries to less than 20% in Italy. Germany stands at a relatively high concentration level of about 70%. (Statista, ZVA)

Lenses

In nearly all optical markets across Europe, the most important product group are the optical lenses that make up a key part of prescription glasses; they correct poor vision and give customers optimal eyesight. Today, more than 90% of all lenses are produced from organic plastics, with mineral lenses continuously losing significance. In the case of plastic lenses, the lightweight and largely shatterproof material CR 39 is often the material of choice. High-index plastic materials are increasingly used to produce thinner and lighter lenses. To prevent scratching, the surface of organic lenses is often furnished with a hard coating. The demand for coatings that prevent glare is also increasing. Virtually everyone over the age of 45 needs a pair of reading glasses. Those who have worn glasses from a young age usually need glasses for near and distance vision as they become older. Progressive lenses are the most convenient choice. The gradual change in the progressive lenses is imperceptible to onlookers, and wearers do not notice any difference from the single-vision lenses they would have worn when they were younger. Fielmann is outperforming the industry with regard to the growth of its progressive lens offering. The reason for this is that Fielmann's customer base is made up of customers who are generally younger than those of our traditional competitors, and they remain loyal to us over a period of many years. (GfK, Spectaris, ZVA, Allensbach, KGS)

Contact lenses

Contact lenses are complementary to glasses that correct poor vision. They do not sit directly on the cornea, but rather float on a fine tear film. Contact lenses are made of special plastic composites that are oxygen-permeable, since the eye requires oxygen, just like any other organ. Generally speaking, there are two types of contact lenses: hard and soft. Hard contact lenses retain their shape when removed from the eye, whereas soft contact lenses are flexible and must be stored in liquid. Contact lenses give customers excellent freedom of movement, a natural appearance and a wide field of vision. We estimate the European contact lens market to be worth more than € 4 billion. Approximately 7% of the European population uses contact lenses. At 30%, Sweden has the highest proportion of contact lens users, with the Netherlands coming in second at 25%. At the other end of the spectrum there are markets like Germany where only 5% of people needing vision correction use contact lenses.

Such low levels are the result of the professional structure and missing incentives for lens fittings. The contact lens market has been in a state of flux for decades. When contact lenses were established as a complementary visual aid in the 80s and 90s, many opticians offered free fittings and trials. The costs for staff, measuring equipment and rent were included in the product price. In the 2000s, the share of online sales increased steadily. Factoring the costs of services into the product price became increasingly difficult. A study by the market research institute Kantar TNS, commissioned by Fielmann, found that 90% of all contact lenses in Germany in 2019 were fitted by opticians. More than 25% of the fittings were undertaken by traditional opticians. For a number of years, however, subsequent purchases have been made online, with e-commerce providers reaching a 28% share in 2019. While omnichannel providers like Fielmann and large retail chains are faring increasingly well with regard to retaining their customers, traditional opticians and contact lens studios statistically lost around 3 out of 4 customers to online offerings in 2019. Due to the high, double-digit churn rate, fitting contact lenses is becoming increasingly unprofitable for traditional opticians and consequently the number of new fittings is stagnating. Over the long term, only providers who combine personal customer service and optical expertise with digital technologies will succeed. The market will only grow if fittings become profitable again for opticians. Until that time, the market penetration of contact lenses will persist at the same low level. (ECCO, Statista, Spectaris, ZVA, Kantar TNS)

Sunglasses

Sunglasses not only protect our eyes from brightness and harmful UV radiation, but are also fashion accessories. They are also worn by those who have excellent vision. Some 200 million pairs of sunglasses are sold in Europe every year, and we estimate sunglasses sales to amount to approximately € 6 billion, with department stores, fashion retailers, boutiques, perfumeries, sports shops, specialist retailers, petrol stations and e-commerce vendors accounting for the majority of unit sales. Opticians sell only a small proportion of all sunglasses (around 20%) but make up a much larger fraction with regards to sales driven by higher qualities and brand sunglasses. A trend towards more expensive glasses with a fashion label and guaranteed UV protection can be observed. This development is being bolstered by the debate on the harmful effects of UV rays. Just 45% of all glasses wearers currently use prescription sunglasses. Fielmann sees significant growth opportunities in the rising share of high-quality, fashionable prescription sunglasses. (Statista, Allensbach, KGS, Spectaris)

Hearing aids

The hearing aid market is a growth market. In Europe, more than 50 million people are living with hearing problems. Approximately 40% of these people wear a hearing aid. We estimate unit sales in Europe to total approximately 7 million, with sales reaching some € 6 billion. As with the optical industry, the audiology industry is very fragmented, and prices are high. It is similar in structure to the optical industry 30 years ago. In our industrialised society, people are living longer. The proportion of the population aged 65 and over is steadily increasing year-on-year. The proportion is currently at 20% but this will increase to more than 25% in the coming years. Technological advances towards smaller and smarter hearing aids will generate additional growth. Customers have ever greater demands – not only when it comes to seeing well, but also when it comes to hearing well. Our regular customers in the core catchment areas alone require more than 150,000 hearing aids per year. At the end of the reporting year, the Fielmann Group operated 312 hearing aid studios, and this number is expected to increase to more than 400 in the long term. (AEA-EFHOH-Report, bpb)

Fielmann Group Annual Report
for the financial year 2021

Management Report

Management Report for the Fielmann Group for the Financial Year 2021

Preliminary note

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS including International Accounting Standards) valid for the reporting period, taking into account the pronouncements of the IFRS Interpretations Committee (IFRS IC) and the former Standard Interpretations Committee (SIC) where they apply in the EU and were mandatory in the financial year. Furthermore, the provisions under commercial law pursuant to Section 315e Para 1 of the German Commercial Code (HGB) were also observed.

Company profile of the Fielmann Group

Company profile Fielmann stands for fashionable eyewear, contact lenses and hearing aids at fair prices. The Fielmann Group has a customer base of 27 million people in 16 European countries. Fielmann is the market leader in Central Europe and has a sales market share of more than 50% in Germany. At the end of the year, the Fielmann Group employed 22,028 people.

By staying true to its guiding principle of "You are the customer", the Fielmann Group pursues a customer-focused philosophy that is expressed in the guaranteed best prices for optical and hearing aid products, as well as in the high level of product and service quality. As a designer, manufacturer, wholesaler and optician, Fielmann's operations span the entire length of the optical industry's value chain. Fielmann's strategy is derived from Vision 2025 and aims to make the price, quality and service benefits available to even more customers in Europe by entering new European markets. We will also integrate online services with the bricks-and-mortar stores and thereby expand the customer-oriented philosophy to a tailored omnichannel approach.

Organisational structure Fielmann Aktiengesellschaft has its headquarters in Hamburg, Germany, and is the Fielmann Group's parent company.

It operates stores under the Fielmann brand and also has holdings in regionally successful businesses in the optical and hearing aid sectors operating under their own brand names. These include the Slovenian optical chain Okulistika Clarus, which was acquired in 2019, and the Spanish optical chain Óptica & Audiologia Universitaria, which was acquired at the end of 2020 and is held as a result of the investment in Óptica del Penedés, S.L. In total, the Fielmann Group operated over 913 stores at the end of 2021 (previous year: 870 stores) in Germany and internationally. Fielmann Aktiengesellschaft's business activities also include the production of optical products and logistics.

Fielmann Aktiengesellschaft is listed in the Prime Standard on the Frankfurt Stock Exchange and belongs to the SDAX stock market index. Via the holding company Korva SE, the Fielmann Familienstiftung and direct equity, the Fielmann family controls

71.64% of the shares in Fielmann Aktiengesellschaft, while the free float amounts to 28.36%.

The segment reporting is carried out in line with the Fielmann Group's internal management, based on the sales markets of Germany, Switzerland, Austria, Spain and Others.

Management Board and Supervisory Board The Fielmann Group aligns itself to the standards of responsible corporate governance listed in the German Corporate Governance Code (GCGC) when shaping the leadership and control of the company.

Fielmann Aktiengesellschaft's four-person Management Board is responsible for the leadership of the Fielmann Group. The company is represented by two members of the Management Board, or by one Management Board member and an authorised signatory. The Management Board works closely with the Supervisory Board and is monitored by it.

Marc Fielmann is the Chairman of the Management Board and is responsible for Strategy, Marketing, IT, Category Management & Purchasing. Katja Groß was appointed to the Management Board of Fielmann Aktiengesellschaft with effect from 1 March 2021 and assumed responsibility for Human Resources and Organisation, which had temporarily been the remit of the Chief Executive Office (CEO) Marc Fielmann since 2018. This brought a two-year succession process to an end.

Michael Ferley vacated his position as Board Member for Materials Management and Production for personal reasons as of 31 March 2021. Georg Alexander Zeiss assumed responsibility for these two departments as of 1 April 2021, in addition to his existing duties as Board Member for Finance. Dr. Bastian Körber will relieve Mr Zeiss in the field of Expansion as well as by consolidating additional duties under Category Management in addition to being in charge of Sales and Controlling. As of 1 February 2022, Category Management, the purchasing of the core products for the optical and hearing aid departments, and Product Development fall under the remit of the CEO.

Formed in accordance with the provisions of the Codetermination Act (MitbestG), the Supervisory Board of Fielmann Aktiengesellschaft has 16 members (six women and ten men). In addition to its monitoring function, it advises the Management Board on key business activities and operations. The members of the Supervisory Board are elected for a term of office of five years.

To increase the efficiency of its activities in the reporting period, the Supervisory Board has created four permanent committees. In addition to the HR, Mediation and Nomination Committees, an Audit Committee was formed in the reporting year. By taking this step, the Supervisory Board followed the recommendations made by the German Corporate Governance Code Government Commission and the legal requirements.

Group declaration of corporate governance The standards of corporate governance are shown in the corporate governance declaration, in accordance with Section 315d of the German Commercial Code (HGB). It contains the declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG), which was issued by the Management Board and Supervisory Board of Fielmann Aktiengesellschaft in December 2021. The declaration of corporate governance was made publicly available on a permanent basis and can be accessed on the internet at www.fielmann.com. It is also part of the Annual Report and the Group Management Report.

Business model The Fielmann Group covers the entire optical value chain from design to retail. An international team with approx. 20 employees work on the design of our own brand collections. Furthermore, Fielmann works closely with all major manufacturers in order to be able to offer customers a wide selection of lenses and frames from the basic to the luxury segment at the guaranteed best prices.

Our biggest production and logistics centre is located in Rathenow, Brandenburg. Under one roof, Fielmann produces mineral and plastic lenses, fits them into the customers' individual frames and then delivers them overnight to the stores. International production and logistics centres operated by Fielmann itself, in joint ventures or by third parties serve to supply customers faster through our foreign subsidiaries and e-commerce.

In the reporting year, a daily average of more than 18,000 lenses (previous year: 17,700) were delivered and over 52,000 orders (previous year: 50,300) processed. In total, Fielmann produced 4.5 million lenses in a range of coatings and finishes, and shipped 8.3 million frames to the stores (previous year: 4.4 million lenses / 7.3 million frames). The optical product range also includes sunglasses, contact lenses, safety eyewear, related articles, accessories and all kinds of merchandise. The lenses make up around two thirds of the sales revenue.

The Fielmann Group's stores in 16 European countries are by far the most important sales channel. Together with the product range and the price benefits, the high level of expertise and service quality including free eye and hearing tests ensure excellent customer satisfaction and a high percentage of repeat business as well as a significant level of recommendations.

The perfect combination of personal service in the stores and digital technologies has enabled Fielmann to become the first company in the industry to create an omnichannel world that is optimally tailored to customers' needs. The roll-out of the omnichannel platform should lead to a significant growth in online sales over the coming years to around 20% of the consolidated sales.

The Fielmann Group already offers its customers branded hearing systems and hearing aid services at guaranteed best prices from 312 locations in Germany, Switzerland, Austria and Spain (as at the end of 2021).

Some 9 million customers in Germany and Austria have opted for the zero-cost insurance from Fielmann and HanseMerkur. In the event of a change of prescription (of more than 0.5 dioptres), they receive new zero-cost lenses and they also get a free replacement in the event of breakage or damage. In addition, they are entitled to new glasses from the zero-cost collection after two years.

Market and influencing factors The Fielmann Group operates in attractive growth markets both in the optical and in the hearing aid sector. According to estimates by Statista, the market volume in Europe of € 34.3 billion in 2021 will rise to € 40.0 billion in 2025, with the average annual growth rate amounting to around 3% (2022–2025). A key growth driver here is demographic change. The number of people wearing glasses increases with age. From middle age onwards, virtually everyone requires some form of visual aid. Normal-sighted people need reading glasses when they pass their 40s, while those who already wore glasses at a younger age generally go on to need two pairs, one for near vision and the other for distance vision. Fielmann has also noticed that this leads to an increase in the percentage of progressive lenses, which have a higher value. Fielmann also anticipates an above-average increase in demand for tinted lenses, particularly as just 45% (source: SPECTARIS Industry Report 2020/2021) of all glasses wearers currently have prescription sunglasses.

At the same time, studies have found that frequently using near vision for reading, working on computers and looking at smartphones, as well as a shortage of natural light are reasons for the strong longitudinal growth of the eyeball between the ages of 6 and 18, and for a corresponding impairment of vision. More and more children and young people will therefore need glasses or contact lenses. Today, a greater number of young people are affected than was the case just a few decades ago. Already in Germany, around one in ten primary-school children wears glasses. According to a study carried out by Kuratorium Gutes Sehen e.V., the number of glasses wearers in the 20 to 29 age group has more than doubled since 1952. In the 30 to 44 age group, the rise is in excess of 55%.

Market growth is a foregone conclusion in the hearing aid sector, too. According to the WHO, around 5% of the world's population, or 430 million people, suffer from a hearing impairment that requires treatment, and this figure is forecast to rise to 700 million people by 2050. In the EU, 34.4 million people have a hearing impairment, although some two thirds of them do not have a hearing aid. An untreated hearing loss and the subsequent reduced cognitive performance come with the risk of the onset of dementia or depression. Studies estimate that around 15 million people in Germany suffer from hearing impairments, and this number is increasing. This phenomenon does not just affect people over the age of 60. Increasing numbers of children, teenagers and young adults also suffer from hearing impairments. Various studies have documented a growing number of young people suffering from hearing loss and tinnitus.

Consumer behaviour is increasingly influenced by digital technologies. Accelerated by the coronavirus pandemic, consumer behaviour has shifted even further towards e-commerce. Fielmann anticipates that omnichannel business models will succeed in the optical and hearing aid sectors, particularly because measuring technologies cannot yet produce the required quality online. Fielmann is therefore focusing on the close link-up between bricks-and-mortar stores and digital services, with the aim of creating a consistent customer experience across all sales channels.

The optical and hearing aid markets are also increasingly undergoing consolidation, which the Fielmann Group also encourages. In the hearing aid market, there is both vertical concentration as well as an increase in providers that sell basic hearing aid systems via the internet.

Regulatory environment In the optical sector, almost all services are fully paid for by customers privately. Statutory health insurance benefits for glasses are also not common in the foreign markets in which Fielmann operates. Private health insurance does provide coverage in our markets based on the individual policy status. In Germany, the reimbursable services were greatly restricted by the 2004 health reform. Besides children and young people up to the age of 18, insured adults are only entitled to prescription lenses under statutory health insurance if they have significant visual impairment in both eyes and if the vision in their better eye, with the best possible correction, is no more than 30%. In addition, policyholders who require near-vision or distance-vision lenses with a refractive power of at least 6 dioptres, or of at least 4 dioptres due to astigmatism, have been entitled since 2017 to have their costs covered up to the amount set by the National Association of Statutory Health Insurance Funds or the contract price agreed by their health insurance company.

Applicable since 2019, the assistive devices directive for eyewear enables opticians to provide people with extremely poor eyesight who have statutory insurance with eyewear that improves their eyesight – without the involvement of an ophthalmologist – with the costs covered by health insurance companies. The follow-up service via certificates of eligibility, which has been in place for years, for the provision of eyewear is explicitly included in the directive.

In the hearing aid sector, people with statutory health insurance in Central Europe are entitled to treatment that brings about as close to normal hearing as is possible using the latest medical technology. To be able to guarantee a comprehensive service to policyholders in future too, the fixed amounts will be set at € 749 per hearing aid in Germany, incl. ear mould, as of 1 April 2022. Based on the framework agreements with statutory health insurance providers, hearing aid providers in Germany are obliged to offer the service at no charge for customers and with discounts for health insurance companies, which can be of benefit to providers offering competitive services like Fielmann. In Austria, additional payments of between € 792 and € 2,100 are made, while this figure stands at CHF 840 in Switzerland depending on the insurance. In Spain, these services are not covered by statutory health insurance companies.

Market and technology position As the market leader in Central Europe with a high level of in-house production and an end-to-end value chain in the optical industry, the Fielmann Group has complete control of quality and costs and can use its competitive advantages in the market for the benefit of the customers.

Fielmann's high level of productivity can be seen in the strength of the stores' sales and revenues. According to Fielmann estimates, the number of glasses sold in a normal store is, at around 35 pairs a day, around four times higher than at other optical chains. The Fielmann megastores even manage daily sales of over 180 glasses. In Germany, the annual turnover per Fielmann store amounted to an average of € 2.2 million (2021; previous year: € 2.2 million), compared with € 0.3 million for traditional optical stores. Our stores in Austria generate an average annual turnover of € 2.4 million, and € 5.0 million in Switzerland.

As a designer, manufacturer, wholesaler and optician, the Fielmann Group covers the entire value chain in the optical industry. Our own production capacities in Rathenow and our international supply chain ensure that we can control the quality and costs. Fielmann can offer glasses at lower prices than its competitors because we buy large quantities direct from the manufacturers that produce for the major brands, as well as producing our own. We save money by cutting out the middleman and pass the savings on to our customers.

At the same time, Fielmann has an advantageous customer structure. Our continuous analysis of customer satisfaction with millions of data points not only reveals a high level of overall satisfaction, but also a particularly high intention to repeat-buy and recommend us to others. The age structure is also a plus point: Fielmann customers are generally younger than those of its traditional competitors. For this reason, the percentage that require progressive lenses should increase disproportionately in the next few years. The expansion of the hearing aid business can, for the most part, be driven forward within the group of existing customers.

When it comes to technology, Fielmann is in an advantageous position thanks to the early investment in an omnichannel business model. Whether customers just want to find some inspiration, try out different styles or try on their new favourite glasses digitally: the virtual try-on possibilities from Fielmann enable people to select many models of glasses on the go via their smartphone or from the comfort of their home. They can also access a wide range of sunglasses and place their orders online and have them delivered to their home. The technologies developed in-house via Fielmann Aktiengesellschaft as well as via affiliated companies have been protected from imitation by 15 patents so far. At the end of 2021, another five patents were granted and four patents were registered.

Strategy of the Fielmann Group The customer-oriented philosophy of the Fielmann Group – "You are the customer" – is the guiding principle of the company's strategic development. Our employees offer our customers the kind of service that we would like to receive ourselves: always fair, friendly and competent – irrespective of their budget. At the same time, Fielmann is committed to the society in which we live and work because we understand that a company can only enjoy long-term success in an intact, well-balanced social environment.

With the arrival of Vision 2025, challenging goals were formulated for the Fielmann Group's growth on the basis of this customer-oriented philosophy. The number of customers is expected to rise to 35 million by 2025. Fielmann then aims to sell one in four glasses in Europe and achieve external sales (sales incl. VAT and inventory changes) of more than € 2.3 billion.

Building on the already advantageous market and technology position, Fielmann is driving the implementation of Vision 2025 forward. Organic growth is specifically supported by strategic partnerships and focused acquisitions of companies that represent a logical strategic expansion either from a regional perspective or due to their particular expertise. In the reporting year, more than € 46.5 million was spent on digitalising the business model and international expansion.

Expansion of the store network Fielmann is expanding its network by way of new store openings, extending existing stores or relocating to more attractive locations. In the core markets of Germany and Switzerland, the mid-term goal is to operate over 700 stores and generate external sales of € 2.1 billion. For the growth markets of Italy – with a focus on Northern Italy – and Poland, Fielmann plans a rapid increase in the number of stores to a total of 150 with external sales of € 160 million. After the market launch in Spain resulting from the majority acquisition of Óptica & Audiologica Universitaria at the end of 2020, Fielmann sees potential for a total of 200 stores. The plan is to exploit further opportunities for organic and inorganic growth. For example, Fielmann expanded in the summer of 2021 with its online shop and its first stores in the Czech Republic, now the 16th sales market in Continental Europe, and plans to operate 20 stores there in the medium term with external sales of € 15 million. In total, the new markets are expected to contribute external sales of approx. € 400 million over the long term.

Audiology Fielmann continuously checks and adds to its product range in line with customer needs. A key focus in this respect lies in adding audiology services to the stores. At the end of 2021, 312 stores already had an integrated audiology service, which is 32 more than at the end of 2020. This high-margin business offers great potential for growth, particularly among the over-50s.

Expansion of the omnichannel platform The focus of the digital strategy is an omnichannel platform which will enable us to offer all customers the online sale of glasses

in Fielmann quality. Fielmann pushed ahead with the international roll-out during the reporting year. With the integration of the 3D glasses try-on ("Fielmann Fit") and the 3D lens fitting ("Fielmann Focus") services into the customers' omnichannel systems, two key technologies were made ready for the market thanks to, among other things, our partnership with the augmented reality specialist FittingBox S.A., in which Fielmann has had an approx. 20% share since 2018.
Preparations are already underway to adapt the technology to a wide range of devices. The internally developed and now patented online eye test ("Fielmann Vision"), which will also enable new customers to order a pair of glasses online, is currently undergoing advanced testing among users. Including contact lenses and sunglasses, the long-term target is an e-commerce share of around 20% of consolidated sales. The majority of this business, however, will be achieved by connecting the bricks-and-mortar stores with digital services – including over the long term. This particularly applies to complex products like progressive lenses, which require additional measurements and a personal service.

Consistent implementation of the CSR strategy Fielmann continuously develops its corporate social responsibility objectives in areas important to the stakeholders and publishes a separate transparent Corporate Social Responsibility report every year (see "Corporate Social Responsibility" section). Fielmann has invested in green power throughout Germany since 2020: all our stores, production facilities and the headquarters are powered 100% from renewable sources. Harmful greenhouse gas emissions will continue to be reduced at our international locations too. As far as the products are concerned, Fielmann has pressed ahead with the development of a sustainable glasses collection.
In addition, we have developed a sustainable collection of glasses for the German market made of recycled acetate and certified to ISO 14040. This collection has been available in stores since the spring of 2022. At the same time, we continuously test new materials and production methods to make our collection even more sustainable. The efforts undertaken to implement the CSR strategy are reflected positively in an improved ESG rating of B- in the Carbon Disclosure Project (CDP) and a higher ISS ESG score of C+.

Controlling

Key performance indicators The Fielmann Group's strategy under the mantle of Vision 2025 is reflected in the corporate management. The target achievement of the Group as a whole and of the individual Group companies or regional segments is generally measured based on uniform financial performance indicators. Using the three key performance indicators of unit sales, sales revenues and earnings before taxes, Fielmann measures its growth and earnings performance directly from the sales statistics and – without any further adjustments – from the profit and loss statement. The financial performance indicators are calculated monthly and reported internally.

The non-financial performance indicator "customer satisfaction" is regularly determined via customer surveys both in Germany and internationally. The key performance indicators are defined as follows:

Unit sales: the number of glasses sold including sunglasses with prescription lenses, excluding contact lenses (standard lenses) and hearing aids as well as other merchandise.

Sales revenues: consolidated sales of Fielmann Aktiengesellschaft and its Group companies without taking internal supply relationships into account, as disclosed in the consolidated statement of profit or loss and segment reporting.

Earnings before taxes: earnings before taxes on income, as disclosed in the consolidated statement of profit or loss and segment reporting

Customer satisfaction: percentage of "very satisfied" and "satisfied" customers determined in surveys conducted by independent market research institutes engaged by Fielmann. The results have an influence on the level of remuneration for store managers and the Management Board.

Further indicators are determined regularly or optionally and are included, as needed, in controlling. This also means that performance indicators have their sustainability checked and may be replaced. A different sales structure, new products, or a modification of the sales mix may lead to an amended assessment.

The key financial performance indicators are reported externally on a quarterly basis at Group and segment level. Customer satisfaction is reported once a year at Group level.

Additional performance indicators In addition to the key performance indicators, Fielmann also considers other performance indicators that provide information on operational performance and achievement of strategic targets. In particular, these include

- The number of stores with and without an audiology service
- The average unit sales and sales revenue per store
- Unit sales for audiology products and contact lenses
- The level of investment in expansion, modernisation and maintenance of the store network, as well as in production and infrastructure.

Definition of relative indicators In the economic report, Fielmann also provides details on the following relative indicators:

- Tax rate for the Fielmann Group: taxes on income / earnings before taxes (EBT) x 100
- Group EBT margin: earnings before taxes / consolidated sales x 100
- Segment pre-tax profit margin on sales: pre-tax segment earnings / external segment sales revenues x 100
- Net margin: net income for the year / consolidated sales x 100
- Return on equity after tax: profits to be allocated to parent company shareholders / equity of the parent company's shareholders x 100

Economic report

Macroeconomic and industry-related conditions The key figures listed below and the comments on the macroeconomic developments are based on publications and available information up to 15 February 2022.

Effects of the coronavirus pandemic The coronavirus pandemic continued to have an impact on our private and business lives in Europe in the financial year 2021. Measures of varying severity and durations were taken to limit the spread of infection in the 16 European countries where the Fielmann Group has stores. As the percentage of the population vaccinated increased, the measures in force eased as the year progressed, before the rapid spread of the Omicron variant led to fresh restrictions. As important healthcare providers, opticians, optometrists and audiologists remained open and could be accessed almost as normal in compliance with the guidelines. This also applied to all the stores belonging to the Fielmann Group. We consistently applied our science-based hygiene standards during the reporting year in order to reliably protect the health of both customers and employees.

However, footfall in many Central European cities and shopping centres has not yet returned to pre-crisis levels. The negative trend of falling footfall in city centres was worsened by the greater use of local providers and e-commerce during the coronavirus pandemic. The Fielmann Group was just moderately affected by this because its strong customer base means it only depends to a limited extent on walk-in customers. What's more, the customer shift towards local providers was largely offset by our extensive network of stores. By enabling appointments to be made and integrating an in-house digital time management system, it was possible to compensate for decreases related to lower footfall, reduce store waiting times for customers, control the footfall in stores and increase productivity.

The Fielmann Group has extensive supplies of stocks for its core products and was therefore practically unaffected by shortages of supplier products. Transport and energy costs increased noticeably, while the coronavirus-related hygiene costs for customers and employees remained at the high level of the previous year.

Macroeconomic situation The global economy was clearly on a path to recovery in 2021 after the recession caused by the coronavirus pandemic in 2020, although growth slowed down over the course of the year. Regional coronavirus outbreaks, which sometimes led to restrictions, affected both production and world trade. Initially confined to the semiconductor market, the supply shortages spread to many raw materials and supplier products, thereby slowing down global industrial production which had been performing so strongly at the beginning of the year. According to estimates by the International Monetary Fund (IMF), global economic growth amounted to 5.9% in 2021, while the eurozone recorded an increase of 5.2%. The value of global trade in goods and services increased by a total of 9.7%, despite the supply chain problems.

Together with a rise in overall economic demand and a shortage of raw materials, the supply shortages contributed to a considerable increase in inflation to 3.1% in developed economies. Nevertheless, the European Central Bank (ECB) maintained its expansionary policy of recent years. Due to the renewed economic risks caused by growing infection rates at the end of the year, the rigid target of a 2% inflation rate was softened by the introduction of a symmetric inflation target of 2%.

Economic development in the core markets The economies in the Fielmann Group's core markets (Germany and Switzerland) were strongly affected by the coronavirus pandemic in 2021 too.

After the steep fall in economic output in Germany in the first quarter, a solid recovery began in the spring and summer. Economic activity in the industrial sector was slowed down due to shortages, especially in semiconductors. Despite continuously high global demand for German goods, the manufacturing sector was not able to meet this level of demand. However, the performance of domestic economy and the service sector in particular was positive.

In a year-on-year comparison, the German economy regained the pre-crisis level of 2019, despite the slowdown during the course of the year. Unemployment and underemployment fell noticeably compared with the previous year. The effects of the coronavirus-related restrictions on the labour market were largely whittled away, yet they continue to manifest particularly in the increase in long-term unemployment. Consumer confidence dropped significantly in Germany towards the end of the year. The reasons for this were mainly the increase in coronavirus cases and distinct price rises, especially for energy.

After a large-scale lockdown was imposed in Switzerland too at the beginning of 2021 and the economy went into decline for a short time, it recovered very strongly in the second and third quarters. In a year-on-year comparison, the Swiss economy was therefore able to surpass pre-crisis levels by a clear margin, despite a slight slowdown in growth during the fourth quarter. The main reason for this is not least the strength of Switzerland's pharmaceuticals industry. The labour market in Switzerland made a full recovery from the pandemic in the course of 2021, with the result that the shortage of skilled workers is significant again in certain sectors.

The Austrian economy recovered last year from pandemic-related losses during the previous year, but was not able to catch up to the pre-crisis level. The strong economic recovery beginning in the spring led to a rapid improvement on the labour market. However, the weakening of the economic upturn due to supply shortages and additional difficulties caused by a lockdown at the end of November led to a significant slowdown in the fourth quarter.

Economic development in the growth markets Italy's economy recovered strongly, supported by measures introduced by the new government and EU funding.

The fall in coronavirus cases thanks to the high level of vaccinations led, among other things, to a marked upturn in tourism. Exports and, to an even greater extent, imports recovered strongly. Consumer confidence increased sharply and even exceeded the pre-crisis level for a while. Overall, however, Italy's economic development remained below the pre-crisis year of 2019.

Poland's economic output grew despite disruptions to supply chains and high energy prices, and GDP had regained pre-crisis level by the second quarter. As part of this economic recovery, unemployment dropped below the 2019 level again. The consumer confidence index fell in the autumn in the face of high inflation. In response, the government announced tax breaks for fuels.

Economic development in the expansion markets Spain recovered more slowly than expected in 2021 from the decline in the previous year's economic output while foreign trade and equipment investment rose sharply. The unemployment rate fell slowly, but many workers were able to come off the wage subsidy scheme. Growing demand and the trend in energy prices caused the inflation rate to soar.

In other regions too (Slovenia, the Netherlands, Luxembourg, Ukraine, France, China), with the exception of Belarus, regional measures to contain the coronavirus pandemic led to severe restrictions on people's social lives and thus to economic impacts.

Industry-specific situation

The optical market Despite the ongoing difficulties posed by the coronavirus pandemic, the number of glasses sold and the sales revenue in the optical industry increased by a clear margin year-on-year, with the sales revenue exceeding the pre-crisis level of 2019. The German Central Association of Opticians (ZVA) calculated that unit sales for the optical industry in Germany for 2021 amounted to 12.8 million pairs of glasses (previous year: 11.8 million), an increase of 8.1%. The ZVA estimates that overall sales amount to € 6.6 billion (previous year: € 6.0 billion). According to the ZVA, the number of optical stores including all stores and operating units was 11,300 at the end of the reporting period (previous year: 11,400).

At the same time, the process of concentration through vertical and horizontal integration in the international optical industry continued. Although the number of optical stores as a whole fell, the share of chain stores increased again in Europe and also in Germany. We estimate the percentage of chains in Europe to be around 25%. The level of consolidation, defined as the share of total sales generated by optical chains, ranges from around 90% in some Scandinavian countries to less than 20% in Italy. In Germany, the level of consolidation is approx. 70%. In 2021, around 2,500 stores were owned by the ten top-selling chains in the optical industry. With a total of around 11,300 stores, this represents a share of 22% (previous year: 21%).

No valid figures are available for the other core markets of Switzerland and Austria. According to Fielmann estimates, unit sales in Switzerland increased by 12% to 1.0

million glasses and sales revenue climbed to CHF 1.3 billion (previous year: CHF 1.2 billion). As in the previous year, the number of optical stores in Switzerland amounted to around 1,100. In Austria, the number of glasses sold increased by around 6.0% to 1.2 million (previous year: 1.1 million), while sales revenue increased by approx. 9.0% to € 0.4 billion (previous year: € 0.4 billion). The number of optical stores remained unchanged at 1,200.
No official industry data is available for the growth markets of Italy and Poland. According to our estimates, for Italy, Fielmann expects unit sales of 6.3 million glasses from over 9,500 stores and sector sales revenue of approx. € 2.7 billion. In Poland, Fielmann puts unit sales for 2021 at around 3.4 million glasses from approx. 2,300 stores. In the expansion market of Spain, 9,720 optical stores sold approx. 6.0 million glasses in the reporting year and generated sector sales revenue of an estimated € 2.0 billion.

The hearing aid market The hearing aid sector was also largely spared any serious impacts from the coronavirus pandemic. In the past year, there were 7,100 hearing centres across Germany (previous year: 6,800) which fitted around 1.5 million aids (previous year: 1.3 million), according to estimates from the German Federal Guild for Hearing Healthcare Professionals (BIHA). Domestic sales revenues for the hearing aid sector were almost unchanged at around €1.5 billion (previous year: €1.6 billion). Figures for the other European markets are not available.

Financial market situation In the reporting year, Fielmann transacted approx. 86% of the sales revenue in euros. Around 10% was accounted for by the Swiss franc (CHF), which gained moderately on the euro in the course of the year. Other currencies make up an insignificant proportion. The effects of change in exchange rates therefore only had a minimal impact on the Fielmann Group's financial performance.

Overall statement on the economic conditions In Fielmann's sales markets, the economy has largely recovered from the coronavirus-related collapse of the previous year, even though the very high expectations for the economic upturn were in many respects not fulfilled. The main reason for this was further waves of the pandemic. By being categorised as essential healthcare providers, optical retailers and audiologists were mostly unaffected by governmental restrictions and sectoral performance was positive, which also benefited the Fielmann Group.

Fielmann Group's financial performance, financial position and cash flows

Financial performance

Business performance in the Group Fielmann resolutely continued its pursuit of Vision 2025 in the reporting year and strengthened its position in the optical and hearing aid markets in Europe. This brings Fielmann another major step closer to the

targets set for 2025. Both in the core markets of Germany, Switzerland and Austria as well as in the growth and expansion markets, the number of stores was increased by 43 to a total of 913 by the end of 2021 thanks to new openings and acquisitions. Organic growth centred on 30 new stores in the second half of the year. Fielmann also entered its 16th market in Continental Europe with its online shop and first stores in the Czech Republic. At the same time, a further 27 stores now have hearing aid studios, increasing their overall number to 312. Acquired at the turn of the year 2020/21, the Óptica & Audiologia Universitaria stores in Spain were integrated in the reporting year, while further integration into the Fielmann Group's Europe-wide production and logistics concept is underway. Organic growth was supported by investments in modernisation and expansion at, among other places, the production and logistics centre in Rathenow.
Fielmann also significantly developed its omnichannel platform further in the reporting year. The soft launch of the new app for 3D fitting in Germany marks Fielmann's integration of the patented online measuring technology for prescription glasses on the platform for the first time in April 2021. Fielmann now offers many more regular customers the chance to buy glasses online in Fielmann quality.

Overall assessment of the business situation Fielmann moved into a phase of sustained business recovery in the financial year 2021. The company more than made up for the previous year's fall in unit sales and sales revenue caused by the coronavirus crisis. It surpassed the figures from the pre-crisis year of 2019 by approx. 10% with record external sales of € 1.9 billion and consolidated sales of € 1.7 billion. International markets' share of sales increased from 21.2% in 2019 to 27.1% in 2021. Even without the contributions made by the Spanish Óptica & Audiologia Universitaria, acquired at the end of 2020, Fielmann's growth was appreciable compared with the previous year. This positive performance is the result of continued investments in the digitalisation and internationalisation of the Group as part of Vision 2025. Significant investment in the omnichannel strategy, continued international expansion and growing product categories, such as hearing aids, will also create a strong basis for organic growth over the coming years. At the same time, Fielmann demonstrated its resilience in the face of difficult market conditions. Thanks to the loyalty shown by its 27 million customers, the Group was only moderately affected by the footfall decline in city centres. Disruptions to the supply chain also had little impact on the production and logistics processes.
Earnings before taxes exceeded the previous year's level by 19.5% to reach € 209.7 million. As expected, Fielmann did not regain the pre-crisis level due to the increased up-front costs resulting from an accelerated organic growth strategy, higher transport costs and one-off write-downs for software applications.
With an equity ratio of 50.3% at the reporting date 2021, Fielmann still enjoys a solid financial base. All investments were fully financed from the current cash flow and available liquidity.

		2021	2020
Net income for the year	in € m	144.6	120.8
Income attributable to minority interests	in € m	–7.7	–4.4
Profits to be allocated to parent company shareholders	in € m	**136.9**	**116.4**
Number of shares	in m	84.0	84.0
Earnings per share	€	**1.63**	**1.39**

Comparison of planned/actual data 2021

The high level of uncertainty, due to the coronavirus pandemic, when compiling the 2020 Management Report led the Management Board of Fielmann Aktiengesellschaft to draw up three scenarios in the forecast report for the Fielmann Group's possible economic development in the financial year 2021. In the first half of 2021, the second scenario emerged as the most likely one and it was firmed up around the middle of the year. In the reporting year, Fielmann succeeded in reaching or exceeding the key performance indicators. The external sales target of more than € 1.9 billion was achieved with the actual figure of € 1.94 billion. The same applies to consolidated sales, which amounted to € 1.68 billion, with the target figure being around € 1.7 billion. The expected growth rate (scenario 2) in the 2020 forecast report was between 17% and 19% while actual growth was 18.9% in external sales and 17.4% in consolidated sales. The planned market share increases were achieved as expected, particularly in the regional expansion markets, in the 2021 financial year.

Earnings before taxes of € 209.7 million were above the minimum target level of € 200 million. A pre-tax margin on consolidated sales of 12.5% was achieved – with an expected margin of 12% in scenario 2. Customer satisfaction was above 90% in the reporting year too, as expected.

The Fielmann Group also reached or exceeded its targets for additionally considered indicators, which were included in the forecast. The bricks-and-mortar sales network was expanded by 43 stores thanks to new store openings or acquisitions (plan for 2021: more than 40) to reach 913 stores. Of the additional stores, 10 are in Italy, 12 in Poland, 7 in Spain, 5 in Germany, 4 in Slovenia, 3 in the Czech Republic and 2 in Switzerland. There were relocations and renovations at 39 locations in 2021 (plan for 2021: more than 40 relocations and renovations). In 2021, a total of € 89.2 million was invested in expanding, modernising and maintaining the store network, as well as in production, infrastructure and expansion (plan for 2021: more than € 100 million). As research, development and operating costs can no longer be separated with certainty, the expenses relating to software developed in-house are no longer capitalised. The deviation from plan is based on this procedure. As of the financial year, all expenses must be taken into account directly and in their full extent as costs, and therefore no longer come under investments. Investments of € 56.6 million were made in Germany (plan for 2021: € 82 million), € 8.9 million in Italy (plan for 2021: € 5 million), € 6.9 million in Switzerland (plan for 2021: € 6 million), € 5.5 million in Austria (plan for 2021: € 6 million) and € 4.4 million in Poland (plan for 2021: € 4 million).

In the financial year 2021, the Fielmann Group spent € 60.6 million on the renovation of existing stores and opening of new ones (plan for 2021: € 58 million). Around € 6.4 million was invested in increasing our production capacity (plan for 2021: € 12 million) and a further € 22.2 million was invested in the Group's infrastructure and sales channels (plan for 2021: € 36 million).

Last year, Fielmann spent around € 20 million in training and continued professional development (plan for 2021: approx. € 20 million).

Fielmann Group business situation and financial performance

Performance of unit sales, sales revenue and earnings In the financial year 2021, the Fielmann Group increased unit sales and sales revenue by a clear margin, surpassing the pre-crisis levels of 2019. In all its relevant markets, it maintained or increased the market shares. The main reason for this was the further expansion of the store network both last year and in the reporting year. Organic growth by way of new openings, modernisations and extensions was boosted by the investment at the end of 2020 in the Spanish company Óptica del Penedès, S.L., the operator of the optical chain Óptica & Audiología Universitaria, with 79 stores at the time of the acquisition. Fielmann gained additional momentum from the continuous roll-out of the omnichannel platform.

Fielmann recorded an increase in sales in all regional markets of 14.1% to reach 8.3 million glasses (previous year: 7.3 million). The number of standard lenses sold increased to around 389 million (previous year: 318 million), with e-commerce accounting for more than 50%. The number of hearing aids sold amounted to over 100,400 (previous year: 90,800), representing an increase of 10.5%.

The Fielmann Group's external sales incl. VAT and changes in inventories increased by 18.9% to € 1,938.9 million (previous year: € 1,630.1 million). The sales increase was largely volume-driven. In Germany, the external sales increase was also influenced by the technical effect of the reduction in the VAT rate from 19.0% to 16.0% in the second half of 2020.

Consolidated sales rose by 17.4% to € 1,678.2 million (previous year: € 1,428.9 million). Bricks-and-mortar sales account for the vast majority. Including changes in inventories, consolidated sales amount to € 1,680.8 million (previous year: € 1,426.2 million).

EBITDA, earnings before interest, taxes, depreciation and amortisation, increased by 17.6% to € 396.1 million (previous year: € 336.7 million). The Fielmann Group's earnings before taxes (EBT) exceeded the previous year's level (€ 175.5 million) by 19.5% to reach € 209.7 million. This corresponds to a pre-tax margin on consolidated sales of an almost unchanged 12.5% (previous year: 12.3%). The tax rate for the Fielmann Group relative to the EBT stood at 31.1%, after 31.2% the previous year.

Consolidated net income for the year totalled € 144.6 million (previous year: € 120.8 million) giving a net margin on consolidated sales of 8.6% (previous year: 8.5%). After deducting minority interests, the Fielmann Aktiengesellschaft shareholders are left with a profit of € 136.9 million (previous year: € 116.4 million). The return on equity after tax thus increased to 16.7% (previous year: 14.9%). Earnings per share rose to € 1.63 (previous year: € 1.39).

Main influencing factors in earnings performance There was a decrease of 29.7% in other operating income to € 18.3 million (previous year: € 26.0 million). This item mainly includes income from the reversal of value adjustments and accruals, valuation gains on financial instruments, and bonuses received. Due to currency differences, particularly between the euro and the US dollar and between the euro and the Swiss franc, the Fielmann Group generated an income in the reporting year of approx. € 2.2 million, compared with € 1.1 million in the previous year. The previous year's level of € 26.0 million was positively influenced by the sale of a minority stake.

The cost of materials increased disproportionately to consolidated sales by 22.8% to € 343.3 million (previous year: € 279.5 million). Besides the volume-driven increase due to the higher unit sales performance, there was also a perceptible rise in procurement costs in all product groups. Only in the hearing aid sector was there a below-average increase in the cost of materials. The cost ratio increased overall to 20.4% (previous year: 19.6%).

Personnel expenses rose disproportionately by 13.7% to € 703.8 million (previous year: € 618.8 million). In relation to consolidated sales, the personnel cost ratio dropped to 41.9%, having been 43.4% in 2020. The main reason for the higher personnel expenses was the 0.8% increase in the number of employees to 22,028 (previous year: 21,853). 1,128 of these workers were employed in hearing aid studios (previous year: 982).

As a family-run company, Fielmann supports its employees in times of crisis. In the reporting year, we again topped up the wage subsidy applied for to 100% so that everyone received their full net pay. In the financial year 2021, salary and social insurance reimbursements totalling € 11.8 million received from benefits like the wage subsidy scheme and comparable measures abroad were used for personnel expenses (previous year: € 30.0 million).

There was an increase of 17.8% in other operating expenses to € 255.8 million (previous year: € 217.3 million). This development is mainly due to the inclusion of the Spanish subsidiary Óptica del Penedès for the first time. In addition, the pandemic meant there was again considerable expenditure on hygiene measures to protect both customers and employees in the stores. While the costs of delivery related to the rise in online retail remained stable at a high level, the costs of IT and services required for implementing Vision 2025 and pursuing the digitalisation strategy increased significantly. There was also a marked rise in advertising costs again after a distinct decrease in the previous year.

The write-downs on rights of usufruct from leases as per IFRS 16 increased by 4.6% to € 87.3 million (previous year: € 83.4 million). They are mainly in relation to the renting of business premises, while car leasing only plays a minor role. The cost increase is due to the new rental of additional business premises as well as the consolidation of Spanish optical chain Óptica & Audiología Universitaria for the first time.

The 20.2% increase in "Other write-downs" to € 90.0 million (previous year: € 74.9 million) is mainly a result of the high investment volume in the reporting year and in the previous years. The investments made so far in the omnichannel sales platform had the biggest effect on the volume of write-downs in the reporting year. Due to a change in the treatment of research, development and operating costs, the expenses of € 15 million relating to software developed in-house are no longer capitalised.

When viewed on a net basis, the financial result stood at €–9.1 million (previous year: €–2.9 million). It contains non-cash effects (in connection with compounded and discounted interest based on the IFRS/IAS valuation of balance sheet items) and operating net interest income (resulting from the investment of financial assets). The result on financial and capital investments broke even, as in the previous year. The reason for this is the continued negative interest on investments due to the European Central Bank's expansionary monetary policy.

Appropriation of profits Fielmann Aktiengesellschaft's net income for the financial year 2021 amounts to € 144.6 million (previous year: € 120.8 million). The Management and Supervisory Boards will propose a dividend payout totalling € 126.0 million, or € 1.50 per share, to the Annual General Meeting on 14 July 2022. The proposed payout rate based on the consolidated income, which is attributed to the shareholders of Fielmann Aktiengesellschaft, therefore amounts to approx. 92.0%.

Business situation and financial performance of the segments In Germany, Fielmann increased unit sales in the reporting year to 6.5 million glasses (previous year: 6.0 million). External sales rose by 8.0% to € 1,223.5 million (previous year: € 1,132.4 million). The number of stores at the end of the year amounted was 610 (previous year: 605). Fielmann operates 5% of all stores in Germany (previous year: 5%). In terms of sales revenues, the market share stands at 22% (previous year: 22%) and, in terms of unit sales, 51% (previous year: 51%). Earnings before taxes increased to € 172.8 million (previous year: € 164.2 million). The pre-tax profit margin on sales amounted to 14.1%, having been 14.5% the previous year.

In Switzerland, the 45 Fielmann stores (previous year: 43 stores) generated unit sales of 471,000 glasses (previous year: 418,000 glasses). External segment sales rose by 11.8% to € 186.0 million (previous year: € 166.3 million). With 4% of all optical stores (previous year: 4%), Fielmann holds a sales market share of 17% (previous year: 17%) and a unit sales market share of an unchanged 46% (previous year: 46%). Without taking into account the negative currency effects of the Swiss franc's moderate gain on the euro, the sales increase amounted to 12.9%. This therefore more than made up for the previous year's 10.7% decline in sales. Earnings before taxes improved to € 29.5 million (previous year: € 19.9 million). In this case, movements in the Swiss franc detracted around € 0.3 million. The segment's profit margin was 15.9%, having been 12.0% in the financial year 2020.

In the reporting year, unit sales in Austria increased to 387,000 glasses (previous year: 363,000). External sales in the segment rose by 9.5% to € 82.0 million (previous year: € 74.9 million). With an unchanged number of 38 stores, Fielmann operates 3% of all optical stores in Austria (previous year: 3%) and recorded a sales market share of an unchanged 23% (previous year: 23%) and a unit sales market share amounting to 32%, also unchanged (previous year: 32%). Earnings before taxes increased by € 1.2 million to € 13.7 million, having been € 12.5 million the previous year. The pre-tax profit margin on sales stood at an unchanged 16.7%.

After the successful market launch at the end of 2020, Spain is listed as a segment for the first time in the reporting year so there are obviously no comparable figures from the previous year. Óptica & Audiología Universitaria increased the number of stores in the course of the year from 80 to 87 and sold 407,000 glasses. With around 1% of all optical stores, the segment achieved a sales market share of approx. 6% and a unit sales market share of 7%. With external sales for the segment of € 111.8 million, earnings before taxes amounted to € 10.6 million and the pre-tax profit margin on sales 9.5%.

In the EU member states of Italy, Poland, Slovenia, the Netherlands, Luxembourg, the Czech Republic and France, Fielmann operated a total of 133 stores at the end of 2021 (previous year: 104), which are grouped together with our 51 smaller locations (previous year: 51) in Belarus and Ukraine in the "Others" segment. Fielmann opened 10 stores last year in Italy and 12 in Poland. In the new Czech market, Fielmann operated 3 stores by the end of the year. External sales in the "Others" segment amounted to a total of € 74.9 million (previous year: € 55.3 million). Earnings before taxes totalled €−16.5 million (previous year: €−21.3 million). This particularly reflects the start-up costs for newly opened stores as well as a cost structure impacted by the coronavirus pandemic.

Financial position and cash flows

Financial position In the reporting year, the Fielmann Group's total assets rose by 4.0% to € 1,735.9 million (previous year: € 1,669.2 million).

The intangible assets decreased due to scheduled amortisation particularly on the reported trademark rights and customer bases, which largely result from the acquisition of the Spanish optical chain Óptica & Audiologia Universitaria as of 31 December 2020. As research, development and operating costs can no longer be separated with certainty, the expenses of € 15 million relating to software developed in-house are no longer capitalised. Overall, there were additions of intangible assets worth € 11.6 million and corresponding disposals of € 10.7 million. When viewed on a net basis, amortisation on intangible assets increased by € 31.7 million.

A slight increase of € 2.9 million in goodwill to € 176.4 million (previous year: € 173.5 million) was recorded, which is related to the acquisition of optical stores.

Investments made in the reporting year in tangible assets, such as new stores, the expansion of hearing aid studios, the conversion of existing stores and the upgrade of the logistical capabilities in Rathenow, led to on-balance-sheet additions of € 74.9 million and exceeded depreciation on tangible assets by 41.1%. Compared with the previous year, tangible assets increased to € 334.8 million at the reporting date 2021 (previous year: € 313.1 million), which corresponded to 19.3% (previous year: 18.8%) of the total Group assets. The equity cover for tangible assets amounted to 260.7% (previous year: 267.1%) as at the reporting date 2021.

Rights of usufruct from leases arose from renting stores and, to a limited extent, from car leases. The 7.2% increase to € 448.2 million (previous year: € 418.1 million) is attributed to the new rental of business premises in Germany and abroad, as well as the first-time consolidation of Optica del Penedes, S.L in Spain.

The distinct increase in non-current other financial assets by € 22.3 million to € 40.4 million (previous year: € 18.1 million) is in connection with the use of liquid funds for capital investments with a remaining maturity of over one year at the time of acquisition.

Current assets amounted to € 538.3 million (previous year: € 518.2 million). After a decrease in the previous year, inventories increased as the volume of business grew by 4.1% to € 153.1 million (previous year: € 147.1 million) as at the reporting date 2021. This mainly involved finished products and merchandise for the optical and audiology business.

At the reporting date, trade receivables were up slightly by € 0.5 million to € 39.0 million (previous year: € 38.5 million), but should not be considered significant on account of the business model.

Corresponding to the significant increase in non-current capital investments, current financial assets fell to € 60.6 million compared with the situation at the end of 2020 (€ 117.5 million). At the end of the reporting year, financial resources (liquid funds and assets with a remaining maturity of up to three months on the acquisition date) amounted to € 174.9 million (previous year: € 103.7 million).

Cash flows The Fielmann Group's cash flows remained solid at the reporting date 2021. At the reporting date, financial assets (other non-current financial assets, current financial assets, as well as cash and cash equivalents) amounted to € 277.9 million (previous year: € 241.4 million), a rise of € 36.5 million. The main reason for this was that cash flow from operating activities was strongly positive, which is a result of the marked recovery of the sales revenues with improved profitability. Including financial liabilities, Fielmann had a positive net position at the end of 2021 of € 215.1 million (previous year: € 182.5 million).

The Fielmann Group's investment policy is defensive and focused on safeguarding the assets of the company. Investment guidelines provide caps for individual issuers as well as asset classes. The investment decisions are made centrally. Non-current assets mainly consist of bonds with a good credit rating that are held by Fielmann Aktiengesellschaft. For further information, particularly with regard to the changed maturity of assets, please refer to Note 28 in the Notes to the Consolidated Accounts. The Fielmann Group only enters into non-current liabilities with financial institutions to a negligible extent. In addition, existing short-term credit lines were used solely for sureties in the reporting year too. To counter uncertainties resulting from the coronavirus pandemic, Fielmann Aktiengesellschaft has secured fixed credit lines of € 300 million from several banks for short-term liquidity protection. As at the reporting date, these lines of credit were not drawn down.

Consolidated equity attributable to the owners of the parent company grew by 5.2%, or € 40.6 million, at the end of 2021 and amounted to € 819.8 million (previous year: € 779.2 million). The equity ratio remained at a consistently high level of 50.3% (previous year: 50.1%).

By the end of 2021, non-current liabilities totalled € 496.8 million (previous year: € 476.6 million). The main reason for the increase was the rise in liabilities from leases, which for the most part result from lease obligations for the new stores. Non-current liabilities to banks amounted to € 0.5 million (previous year: € 0.7 million). The increase in non-current financial liabilities mainly comes from the valuation of a put option for the shares retained by the previous owners of the Spanish company Óptica del Penedès, S.L. The exercise window is from 2024 to 2026.

Non-current accruals only increased slightly to € 28.9 million (previous year: € 28.0 million). They contain pension provisions worth € 9.0 million (previous year: € 8.4 million), which are exclusively attributable to the Germany segment and mostly concern non-forfeitable pension commitments.

Current liabilities increased minimally to € 366.3 million (previous year: € 356.3 million). Current accruals amounted to € 70.5 million (previous year: € 58.4 million) and are mainly related to performance-based staff remuneration and guarantees. At the reporting date, trade liabilities had increased by 5.7% to € 79.6 million (previous year: € 75.3 million). There were no major changes to the terms of payment.

The decrease in other financial liabilities is related to a security retainer for the purchase price payment of the investment in the Spanish company Óptica del Penedés, S.L., which went towards payment in 2021. The non-financial liabilities include, among others, contractual obligations under zero-cost insurance and hearing aid repair sums, and increased as the volume of business grew.

Cash flow trend and investments Year on year, cash flow from operating activities increased by 24.5% to € 346.7 million in comparison with the previous year (€ 278.5 million). The marked increase is mainly due to the much improved earnings before taxes, which also contained higher non-cash write-downs. At the same time, the increase in inventories was contained compared with the previous year by targeted working capital management. The cash-lowering effect of higher income tax payments, on the other hand, was of no consequence. Operating cash flow per share rose to € 4.13 (previous year: € 3.32).

Negative cash flow from investing activities decreased by 65.9% to €−74.9 million (previous year: €−219.7 million). The strongly negative cash flow in the previous year was heavily influenced by the acquisition of the majority stake in Óptica del Penedès, S.L. In the reporting year, investments focused on the expansion and modernisation of the store network. In addition, Fielmann invested particularly in lens production and in-house materials handling at the Rathenow production and logistics centre. A variety of digitalisation projects in the context of Vision 2025 were also significant: Fielmann pressed ahead with the networking of online shops and the stores, and with investment in customer-oriented digital services. Payments for tangible assets amounted to a total of € 74.9 million (previous year: € 65.7 million).

Free cash flow – the sum of cash flow from operating activities and investing activities – climbed to € 271.8 million (previous year: € 58.8 million).

The negative cash flow from financing activities increased by 135.6% to €−201.2 million (previous year: €−85.4 million). This marked increase is largely due to the resumption of the dividend payment. The dividend distribution of Fielmann Aktiengesellschaft for the financial year 2020 in July 2021 amounted to € 100.8 million (previous year: € 0.0 million). Higher payments for liabilities from leases are also included.

In total, cash and cash equivalents rose by € 71.2 million to € 174.9 million at the reporting date 2021 (previous year: € 103.7 million).

Non-financial performance indicators

The Fielmann Group is a family business and it takes responsibility for its customers, employees and the society we live in. Despite the difficult challenges presented by the coronavirus pandemic, the company succeeded in maintaining customer satisfaction at a very high level and striking a balance between customer focus in the stores with extensive measures to protect from infection. The deep loyalty demonstrated by our approx. 27 million customers was the key to being able to grow business in times when city centres were emptying out.

The basis for success is our qualified and motivated employees who embody Fielmann's customer-friendly philosophy. As the optical industry's largest employer and training provider in Central Europe, Fielmann stayed true to its employees unconditionally throughout the coronavirus crisis, announced job security early on, and also topped up the wage subsidy in 2021 to 100% of the previous net salary. Fielmann regards this proactive control of non-financial performance indicators with regard to employees, customers and sustainability as essential to success in business in the future.

Employees

Number of employees and structure Fielmann is the optical industry's biggest employer in Central Europe. In the reporting year, an average of 21,822 staff were employed in the Group (previous year: 20,753 employees). On average for the year, the number of people working full-time increased from 14,996 to 15,808. Personnel expenses increased correspondingly to € 703.8 million (previous year: € 618.8 million).

As far as possible, Fielmann accommodates individual requests for a better work-life balance and implements flexible working times to ensure a family-friendly atmosphere. Almost 30% of the Group's employees worked on a part-time basis in 2021 (previous year: over 29%).

The percentage of female employees in the total staff remained at a high level of 70.6% in Germany (previous year: 69.8%). The percentage of highly qualified women with professional experience continued to rise. The proportion of women in the top three management levels below the Management Board stood at over 30% (previous year: over 30%), while this figure was 25% in the Management Board of Fielmann Aktiengesellschaft and 37.5% in the Supervisory Board.

The extremely percentage of employees who are shareholders must also be highlighted. At the end of 2021, more than 76% (previous year: 85%) of the employees held Fielmann shares, meaning they usually receive dividends in addition to their salaries. The percentage decline is due to the first-time consolidation of Optica del Penedes, S.L. in Spain.

Training and professional development The demographic trend will have a profound effect on society in Europe over the coming decades. While the population is shrinking, the baby boomer generation is starting to retire from the labour market. The resulting shortage of skilled workers can already be clearly seen in certain professions, industries and regions. At the same time, the digitalisation of the working world is changing job profiles and the required qualifications.

To overcome the challenges of both demographic and technological change, Fielmann is investing in its own training services and offering its employees a wide range of further training opportunities. In addition, Fielmann goes to schools, job fairs and digital media to secure skilled staff for the future, and also runs campaigns with www.optiker-werden.de and www.akustiker-werden.de. Fielmann offers a broad spectrum of career options with attractive remuneration packages and financial development prospects.

The Fielmann Group is the optical industry's biggest training provider in Central Europe and the only one that doesn't just introduce its apprentices to the optical trade in general, but can also include its own design studios and industrial production facilities in the internal training programme. Besides apprenticeships at the stores, Fielmann boasts eight training workshops in Germany and other locations in Austria and Switzerland so that the apprentices can improve their theoretical and practical skills even further. Not least due to the coronavirus pandemic, Fielmann is investing even further in online training, virtual workshops and online remote learning for exam preparation. Every year, approx. 17,000 young people apply for training at Fielmann, of whom around 1,500 are given an apprenticeship position after passing an aptitude test. All Fielmann stores in Germany and abroad are run by master opticians and optometrists, and are therefore eligible to provide apprenticeships. Training in the optical field is based nationwide on the high standards of Germany's optical apprenticeships which have won national awards several times over. In the German optical industry competition for apprentices in 2021, the winners of the top three places all came from Fielmann. In the financial year 2021, the number of apprentices at the end of the year stood at 4,374 (previous year: 4,516). Fielmann employed 3,988 apprentices in Germany (previous year: 4.131), 187 in Switzerland (previous year: 195) and 187 in Austria (previous year: 175). What's more, we offer vocational training courses in forwarding, warehouse logistics, IT and industrial mechanics at the production and logistics centre in Rathenow for people wishing to enter the optical industry. Fielmann Aktiengesellschaft offers apprenticeships in different commercial fields as well as the chance to complete various dual study programmes.

What's more, our work and study master course offers opticians with families who are tied to a particular area the opportunity to gain further qualifications and the chance to advance their careers with us.

At the Fielmann Academy at Plön Castle, we run the optical industry's biggest apprenticeship, training and research centre. Since 2012,

the Academy also provides training and professional development in audiology. Having had to suspend training repeatedly between March 2020 and March 2021, it resumed to a reduced extent later in 2021 in compliance with strict hygiene standards. The Fielmann Academy is also available to external opticians for master craftsman's courses and colloquia. These colloquia have become a permanent fixture for the exchange between academics and practitioners. In total, more than 7,250 visitors have attended 52 events since 2007 to discuss the latest developments in the optical industry.

Health and occupational safety Protecting the health of all employees and ensuring the highest hygiene standards are core components of the personnel strategy. In the reporting year, the inability-to-work rate rose to 5.7% in Germany (previous year: 4.7%), thereby exceeding the set maximum rate of 5%. This increase is a consequence of the coronavirus pandemic. We are confident of re-attaining the target rate of less than 5% in the future.

First developed in the previous year, a science-based hygiene concept for the sales areas was refined further in the financial year 2021. Fielmann organises flu and Coronavirus jabs, and works with an external partner to guarantee support to employees in challenging life circumstances. Details on the concepts and measures for health protection are contained in the Fielmann Group's Corporate Social Responsibility report, which will be published in April 2022.

Customers

Customer satisfaction remained unchanged at a very high level of 91% (previous year: 91%). Besides the guaranteed best prices, this high figure is a result of Fielmann's customer-oriented philosophy which focuses on fair, friendly and competent service. The philosophy is also reflected in the remuneration system. A considerable proportion of the bonuses paid to store managers and the Management Board is dependent on the satisfaction of the customers.

The Fielmann Group's omnichannel platform was not only a sales channel in the financial year 2021, but also grew in importance as a customer loyalty and service platform. Fielmann's digital services were used by customers 22 million times in 2021, while one in two contact lenses were sold via the digital sales channels. The digital sales channels are not a substitute for the stores, however, but are a core component of an omnichannel business model. Even if Fielmann's own research and development take optical measuring technologies to a market-ready standard, the stores will continue to play a key role. Many customers will still prefer a personal service, even in the long term. This particularly applies to complex products like progressive lenses, which require additional measurements and a personal service.

Since 2018, Fielmann has offered customers a service for making online appointments for eye tests and receiving personal advice – a service which was previously introduced for contact lenses and hearing aids with great success. This technology enabled Fielmann to complete approx. 11 million appointments online in 2021. To improve the footfall situation in the stores, a digital time management system was developed which optimises the available resources and gives customers precise information on their waiting times. This also makes the staff's work in the stores more productive and easier to plan. With the help of these tools, Fielmann was able to make best use of the capacities while maintaining the hygiene standards, thereby considerably limiting the negative effects of the coronavirus pandemic.

Corporate social responsibility

Areas of focus and initiatives Fielmann takes responsibility wherever the Group operates. Social and environmental standards are ensured along the entire value chain in dialogue with suppliers and partners. For the suppliers, a Code of Conduct is binding and it is based on the recognised principles of the UN Global Compact. Fielmann also supports the implementation of the UN Sustainable Development Goals (SDGs).

By making its production and use of energy as environmentally friendly as possible, Fielmann makes a direct contribution to limiting climate change. Since 2020, Fielmann has only used power from renewable sources at its production facilities, stores and headquarters. Where possible, this concept will be rolled out step by step in other European countries too. Modernisation investments in production and logistics contribute to the improvement of the carbon footprint. In addition, we have

developed a sustainable collection of glasses for the German market made of recycled acetate and certified to ISO 14040. This collection has been available in stores since the spring of 2022. At the same time, we continuously test new materials and production methods to make our collection even more sustainable.
Furthermore, Fielmann yet again planted a tree for every single employee in 2021 – a total of 24,724 trees (previous year: 26,159) and 4,608 shrubs (previous year: 4,051). The company's social commitment encompasses, in particular, protecting the environment and nature, education and research, as well as the preservation of historical monuments and culture. This commitment is also expressed by way of investments in infrastructure and services, as well as partnerships with regional non-profit organisations.
The efforts undertaken to implement the CSR strategy are reflected positively in an improved ESG rating of B- in the Carbon Disclosure Project (CDP) and a higher ISS ESG score of C+.

Disclosures pursuant to Sections 289b ff. and 315b ff. of the German Commercial Code (HGB) on the non-financial declaration (Corporate Social Responsibility Report) Fielmann Aktiengesellschaft has published its activities in the field of Corporate Social Responsibility (CSR) for the financial year 2021 on the website www.fielmann.com. The report was compiled based on the GRI standards of the Global Reporting Initiative (GRI). This procedure complies with the provisions of Sections 289b ff. and 315b ff. of the HGB and represents the non-financial declaration of Fielmann Aktiengesellschaft pursuant to Section 289b Para. 3 of the HGB and of the Fielmann Group pursuant to Section 315b Para. 3 of the HGB.

Forecast, risk and opportunities report

Forecast

Forward-looking statements The following forward-looking statements and information are based on today's expectations and assessments of Fielmann Aktiengesellschaft's Management Board. A high degree of uncertainty surrounds them, not least due to the ongoing coronavirus pandemic and current developments in Eastern Europe which are creating large numbers of refugees. Numerous factors over which Fielmann has no control may lead to the business situation turning out different to what is anticipated in the forecast. A worsening of the pandemic or sanctions, for example, could lead to the government imposing further restrictions, impact the economic situation in the industry, and result in a corresponding fall in sales.
Fielmann Aktiengesellschaft does not pledge to update the forward-looking statements or adapt them to future developments. What's more, Fielmann Aktiengesellschaft does not guarantee that future developments and the actual results achieved in the future will tally with the stated assumptions and assessments.

Expected economic conditions In its World Economic Outlook, updated in January 2022, the International Monetary Fund anticipates a global growth rate of just 4.4%. That is 1.5% less than the IMF estimate for the reporting year. Setbacks are expected due to rising energy prices and supply shortages, as well as some of the strict measures for containing the coronavirus pandemic – including the zero-tolerance policy in China. The IMF has named the possible emergence of dangerous mutations as the main risk factor for future economic development as a result of the ongoing lack of vaccine supply guarantee in several countries. Similarly, the Ukraine conflict is expected to have considerable effects on the global economy. In addition, a less expansionary monetary and fiscal policy due to the growing price and wage pressure may impact the forces of growth. The IMF anticipates 3.9% growth for the eurozone and 3.8% for Germany. The German government expects GDP to grow by 3.6% in 2022 with an inflation rate of 3.3%. Private consumption is expected to grow by 9.1%.
According to the IMF forecasts, Italy (+4.9%) and Spain (+6.2%) will exhibit stronger dynamism in terms of GDP. In its January country report, the OECD projected a growth rate of 3.0% for the economy in Switzerland.
Fielmann will focus on the core, growth and expansion markets as well as the adjacent European countries. The growth drivers are still considered to be intact in the core markets (Germany, Switzerland and Austria). According to a market study, sales revenues for the optical industry will amount to approx. € 36.7 billion in 2022, corresponding to a 7% increase on the reporting year. Lenses for glasses represent the biggest market segment with a market volume of € 17.9 billion. Around 18.6% of total sales are expected to be generated online, mainly through the sale of contact lenses and non-prescription sunglasses. Glasses with personalised prescriptions are still mainly purchased in bricks-and-mortar stores.

Overall statement by the Management Board on the expected business situation At the time of preparing this Report, the Fielmann Aktiengesellschaft Management Board's assessment of the long-term business performance remains positive. From today's perspective, the Management Board expects that Fielmann will continue to gain unit sales and sales market shares, particularly in the growth and expansion markets. At most, pandemic-related restrictions lead only to a delay in the purchase of optical or audiological products, rather than to a decision not to buy them at all.

Fielmann Group's expected business situation and financial performance Fielmann will continue to implement Vision 2025 and remain on its expansion course. The main drivers of organic growth include opening new stores, extending existing ones and moving to even more attractive locations. Modernisation and increasing floor space generally lead to double-digit improvements in sales for an existing store.

To accelerate organic growth in the financial year 2022, Fielmann plans to invest more than € 95 million from its own funds in the expansion, modernisation and maintenance of the store network, as well as in production and infrastructure. More than 40 new stores will be opened or acquired across all markets in 2022. For over 40 other stores, Fielmann is planning renovations or extensions.

The company also plans to invest approx. € 64 million in Germany, around € 7 million in both Switzerland and Italy, around € 6 million in Austria and € 3 million in Poland. Of the total figure, € 62 million will be used to renovate existing stores and for new openings, € 11 million to expand production capacities, and a further € 23 million for the Groups infrastructure and sales channels. From 2023, the investment volume will once more be significantly increased in view of the long-term objectives.

Depending on what course the pandemic takes and the effects on the stores throughout the financial year 2022, the investments will be reprioritised on a case-by-case basis and, where necessary, brought forward, delayed or cancelled. If the opportunity arises, Fielmann will supplement organic growth with strategic acquisitions in the growth and expansion markets, which also includes entering at least one more new market. The investment programme will be accompanied by providing continued training and professional development to employees as well as by more spending on digitalisation and further development of the omnichannel platform.

Fielmann uses these measures to create an even broader basis for sustainable growth. Customer satisfaction is expected to reach over 90% in the financial year 2022 too. Together with the consistent customer orientation, the planned spending of around € 20 million for training and professional development, as well as the investments already made in previous years, the plan is to gain even more market shares particularly in other European countries. In addition, this will be backed up by the expected increase in unit sales of progressive lenses, contact lenses and hearing aids.

The long-term growth targets as part of Vision 2025 therefore remain unchanged. The aim is to sell 10 million glasses and generate external sales of € 2.1 billion from more than 700 stores in the core markets – 630 of which are in Germany, 50 in Switzerland and 45 in Austria.

The long-term plan in the growth markets is to have 80 stores in Northern Italy and 70 in Poland, which will sell over 1.1 million glasses and achieve external sales of € 160 million. In Spain, Fielmann believes there is potential for a total of 200 stores with annual sales of around 900,000 glasses. Long-term plans for the growth market of the Czech Republic envisage 20 stores in operation and a sales revenue of € 15 million. In total, Fielmann plans sales of 2.1 million glasses outside the core markets with external sales reaching € 400 million.

Expected development in the key performance indicators The continuing problems in the international supply chains, the war in Ukraine and, in particular, the wave of coronavirus infections at the beginning of this year are impacting the economy more strongly than initially expected. The shortage of natural gas and the sharp increase in energy prices will cause inflation, which was already climbing, to rise even further.

Against the background of possible further restrictions on daily and business life in Europe due to the coronavirus pandemic, the Management Board of Fielmann Aktiengesellschaft has drawn up various scenarios for the Fielmann Group's economic development.

Scenario 1) (optimistic) With sales to increase by around 10% on the previous year to €1.85 billion, we anticipate glasses sales of 9.2 million and an earnings before taxes (EBT) margin of 13%.

Scenario 2) (conservative) With sales to increase by around 7% to €1.80 billion and glasses sales of 8.9 million, the EBT margin will be around 12%.

Scenario 3) (pessimistic) With sales to increase by around 4% to €1.75 billion on the previous year, glasses sales are estimated to reach 8.6 million with an EBT margin of 10%.

Over the past few decades, Fielmann has emerged stronger from all kinds of structural reforms and crises. In difficult times, customers buy products where they know they can get guaranteed quality at the best prices – in the optical industry and hearing aid market, that means Fielmann.

Risk report

Risk management system Fielmann's comprehensive opportunity and risk management system enables the company to identify and take opportunities in good time, while also keeping in mind the potential risks.

The aims of the Fielmann Group's risk management system are the early identification, evaluation, control and monitoring of risks that may have a considerable influence on the business situation and the stakeholders' and shareholders' public perception of the Fielmann Group. A risk-bearing capacity concept applied across the Group serves to determine the Fielmann Group's appropriate risk tolerance in the respective risk areas.

To achieve the targets, a risk management system was implemented which guarantees a clear organisational structure as well as systematic risk identification, evaluation, control, communication and monitoring, and is based on IDW AS 340. The financial year also saw further development in line with the requirements of the new version of the IDW (Institute of Public Auditors in Germany) auditing standard 340. It is based on a detailed reporting system, which includes all planning and control systems. This ensures transparency when it comes to informing the Management Board of the risk situation.

Using previously identified and defined thresholds, the company regularly analyses whether concentrations of risk exist within the Group or within Fielmann Aktiengesellschaft. Monitoring is integrated into everyday processes, with monthly and annual reporting completing the early warning system. Potential risks are identified and evaluated with regard to their significance for the business situation of Fielmann Aktiengesellschaft or the Group. Standardised procedures for dealing with any risks that occur as well as the expected risk development within the next 12 months (short term) or the next 36 months (long term) are also recorded. In addition to monthly and annual reporting, there is also mandatory ad hoc reporting.

The results of the risk assessment are recorded with a traffic light system for the potential severity of the risk. The risks are categorised as follows:

Green:	minimal risk (expected damage less than € 3.0 million)
Green-yellow:	medium risk (expected damage from € 3.0 million to € 8.0 million)
Yellow:	high risk (expected damage from € 8.0 million to € 14.0 million)
Yellow-red:	critical risk (expected damage from € 14.0 million to € 27.0 million)
Red:	highly critical risk (expected damage of more than € 27.0 million)

The process of risk identification, evaluation and assessment is carried out in a decentralised way by the individual departments. Employees in the risk units (risk identifiers) identify potential risks based on their area of responsibility and report them to their risk owners so that they may be taken into account in risk management. The risk officer coordinates the risk identification, evaluation and assessment, and then forwards the risk reports from the individual departments to the Management Board. This covers a wide range of separate risks, which can in turn be grouped into the following categories:

— Business environment risks, industry and Group key figures
— Sales
— Personnel
— Finance
— Production and Logistics
— Materials Management
— Information Technology
— Governance
— Digital and Marketing
— Legal requirements as per Section 289c of the HGB

Fielmann's risk management system is applied to the company's entire scope of consolidation. All subsidiaries and participations are included in line with the Fielmann Group's functional organisation. Application of the risk guideline and its risk management system is binding on all employees.

The system takes into account the likelihood of risks arising and their severity by way of a 5×5 risk matrix. For each risk, the type of risk impact on the earnings, liquidity, assets and image is also stated. How the risk is handled is divided into self-supporting, reduction, transfer or avoidance, and this is also reported. The anticipated risk development over the coming 12 or 36 months is documented using a system of arrows.

The risk-bearing capacity is the maximum risk exposure that the Fielmann Group can tolerate without jeopardising the going concern assumption. This is a comparison of the total risk and the financial resources available for risk coverage, the so-called coverage pool. The latter refers to economic indicators as to the financial position, cash flows and financial performance, which can be used to soften the impacts in the event of risk situations.

To determine the total risk, all the individual risks are compiled in a total risk portfolio. Besides consolidating the individual risks, the total risk position also considers and evaluates the concentration of non-substantial, going concern-threatening risks and tail events (extreme risks). Furthermore, a gross-net calculation for important indicators is included in the assessment. The calculated total risk is compared with the indicators for financial performance (mainly EBT = earnings before taxes), cash flows (cash, quick and current ratios) and financial position (mainly equity).
Fielmann creates a systematic risk-bearing capacity analysis. The main elements of risk-bearing capacity analysis are the process sequence, responsibility, methods used, calculation of the risk coverage pool and the risk parameters, as well as monitoring and controlling the risk-bearing capacity.
The effectiveness of the information system is regularly monitored by Internal Audit and, as of 2022, by the Audit Committee, and assessed by an external audit. The Fielmann Group and Fielmann Aktiengesellschaft face potential risks as detailed below. Any additional general risks are not specifically defined as, by their very nature, they cannot be avoided.

Main features of the internal control and risk management system in terms of the accounting process The Management Board of Fielmann Aktiengesellschaft is responsible for the preparation and accuracy of the consolidated accounts and the Group management report as well as of the annual accounts and management report of Fielmann Aktiengesellschaft. The processes are established by training and regular exchanges, standardised documentation as well as a IT-supported information system for accounting issues and a standard, group-wide accounting system. This also ensures the proper and timely preparation of the accounts. Through a standard, group-wide accounting system, we control both the flow of goods as well as their valuation. To utilise the high level of integration of the deployed SAP systems and the standardisation of many processes, the end-of-year accounting operations have been centralised in the respective departments. With the exception of eight small companies, all the individual accounts are prepared in SAP and merged for the Group centrally (previous year: eight companies).
The basis for checking each document is the control system that monitors process and data quality which has been installed for accounting at the individual and Group statement level. This control system includes information flow charts, a control system for daily cash accounting, inspection and check lists as well as an IT system for monitoring transactions for monthly, annual and Group statements. Compliance with regulations is subject to a regular review by Internal Audit. The accounting requirements for a central financial information system apply to the individual accounts of

the included companies, in accordance with local commercial law, with any special features applying to individual units being noted. Insofar as included companies prepare individual financial statements in accordance with other accounting standards, the accounting principles for single-entity financial statements restated for uniform group account policies Handelsbilanz II, which are processed centrally in group accounting, apply.
The accounting principles are also applied to interim accounts and ensure continuity of facts and in terms of time. In the last financial year, the Supervisory Board satisfied itself of the effectiveness of the internal control system and the risk management system as well as the internal audit system.

Opportunities and risks inherent in future development The information below on risks inherent in future development relates to the risks included in Fielmann's risk management system. To improve the quality of the information provided, the reporting of credit risks, exchange rate risks, interest rate risks, market risks and liquidity risks under IFRS 7 is included in the Group Management Report under "Financial Risks". The statements concerning the opportunities inherent in future development mainly relate to operating areas.

Summary of the risk situation Based on the Group's market position, its financial strength and a business model that allows the consistent and fast exploitation of growth opportunities with limited risks, there are no identifiable risks to future development with any substantial effect on the financial position, cash flows and financial performance.

Business environment risks, industry and Group key figures Economic fluctuations in the international marketplace and increasingly intense competition constitute fundamental risks for optical and audiology companies including the Fielmann Group. The business environment risks give rise to risks relating to prices and sales, which could be reflected in the Fielmann Group's business situation. In the past two financial years of 2020 and 2021, the business environment risks and their effects on the Group key figures were heightened by the exceptional difficulties in relation to the coronavirus pandemic.
Continuous centralised and decentralised monitoring of the competition helps Fielmann to identify these developments early on. The range of optical products offered by online vendors was observed and analysed through various automated and manual means. The Management Board and other decision-makers are informed promptly about any developments concerning the market and the competition. In this way, risks are identified in good time so that measures can be implemented quickly.
The coronavirus pandemic continued to affect the business development of Fielmann Aktiengesellschaft and the Fielmann Group in 2021. Nevertheless, the Fiel-

mann Group managed to recover strongly after the pandemic-related setbacks of the previous year and achieve sales revenues above pre-crisis levels. The combination of increasing vaccination rates and the continued roll-out of the omnichannel platform contributed to positive performances in all the relevant markets.
The business environment risks are classified overall as "moderate" (green-yellow) partly due to the continuing risks posed by the coronavirus pandemic. In the previous year, the business environment risks were classified as green without taking the coronavirus pandemic into account, and the risk of possible impacts from the coronavirus pandemic as red.

Sales risks The main sales risks are a fall in demand for Fielmann products and services and may be rooted in a decrease in customer satisfaction, in disruptions to bricks-and-mortar retail possibly due to governmental restrictions to customer footfall as a result of the coronavirus pandemic, or in relation to online activities. The significant sales risks are therefore rated with regard to their effects on customer satisfaction and unit sales development. Both of these key figures are essential factors in the success of Fielmann's customer-oriented philosophy.
Fielmann maintained a customer satisfaction level of over 90% in the reporting year thanks to the high product and service quality at guaranteed best prices. The stores were open throughout the entire year in strict compliance with the necessary hygiene measures. A high level of footfall and use of the stores' capacities was ensured partly due to appointments being issued online. These measures will help to reduce sales risks in the future too – also in consideration of the further expansion given the planned number of new openings, as well as renovations and relocations. Online services, which were extensively user-tested before the launch, only contributed a small percentage to external sales in 2021, as expected, despite growing user numbers.
The risk assessment for sales is "low" (green-yellow). In the previous year, the risks were assessed as "moderate" (yellow to yellow-red).

Demand for skilled staff (personnel risks) The Fielmann Group's growth strategy goes hand in hand with a rising need for skilled workers, both in the stores and in production, logistics and administration. This is the only way to keep our promise of ensuring a high level of product and service quality. The main personnel risks are that the demand for skilled staff may not be sufficiently covered over the mid to long term due to demographic and technological changes.
Fielmann deals with these risks by positioning its modern employer brand actively and highly successfully in the market for young talent. As the optical industry's leading training provider with the highest craftsmanship and industrial standards, Fielmann has so far always been able to fill the apprenticeship vacancies with suitable young people. The high number of prospective opticians and audiologists in the Fielmann Group as well as the innovative further training concepts will cover the needs in the

stores well into the future. Additional stability is provided by the employees' high level of job satisfaction. Staff turnover is effectively limited by offering part-time work models, the roll-out of new work concepts, attractive remuneration and, not least, a high proportion of employees shareholders.
Given the current situation and the measures that have been implemented accordingly, the assessment of personnel risk is almost unchanged at "low" (green-yellow) compared with the previous year (green).

Financial risks Credit risks, liquidity risks, market risks, interest rate and currency risks as well as fluctuations in interest rates may have a significant impact on the Fielmann Group's financial performance, financial position and cash flows. For this reason, Fielmann approaches these risks on a centralised basis and manages them with foresight. Consequently, the assessment of financial risks is unchanged at "low" (green). The specific financial risks are as follows:

Credit risks (finance) The Fielmann Group has a high level of financial assets of which current and non-current financial investments account for the majority. Credit risks include impaired performance or defaults by the counterparties, particularly in an environment of growing uncertainty and instability in financial markets. The European Central Bank's expansionary monetary policy, with low or even negative interest rates, affects the financial performance of financial institutions. Further risks result from the high level of debt in some of the eurozone countries' public and private sectors.
The investment policy of the Fielmann Group and Fielmann Aktiengesellschaft is defensive and focused on safeguarding the assets of the company by securing purchasing power on a sustained basis in alignment with the current inflation rate. The latter was 3.1% in the reporting year (previous year: 0.5%). An investment guideline stipulates the maximum amounts of all classes of financial instruments used for investment purposes. Investment options are essentially limited to assets that have been given an investment grade rating by rating agencies. In light of the continuing great uncertainty in financial markets in 2021, Fielmann Aktiengesellschaft decided to invest, in particular, in assets with a high credit rating or to leave liquid funds on call accounts or current accounts.
The maximum default risk within the Group and Fielmann Aktiengesellschaft corresponds to the book value of the financial assets. Default (non-payment) risks are taken into consideration through value adjustments. Business partners' credit ratings are always checked and recorded before any major investment decision is made. Setting a cap on investments for every counterparty limits the default risk, as does the investment horizon's current focus maturities of 6 months on average (previous year: maturities of 6 months on average). Non-rated securities are subject to internal assessments. Among other aspects, this takes into account the existing rating of the

issuer or comparable obligor and the features of the security. Investments with a maturity of up to three months do not require a rating. These investments are subject to the specific exemption limits defined in the investment guideline.
Consequently, the assessment of credit risks is unchanged at "low" (green). There is no concentration of default risks relating to trade receivables, as retail activities do not result in a focus on individual obligors. In view of this, the assessment of default risk is still "low" (green).

Liquidity risks (finance) Liquidity risks mainly involve companies not being able to meet their payment obligations. Fielmann Aktiengesellschaft's liquidity management is centralised for all Group subsidiaries. Our financial controlling seeks to ensure that the Management Board has the necessary flexibility to make entrepreneurial decisions and to guarantee the timely fulfilment of the Group's and Fielmann Aktiengesellschaft's existing payment obligations.
The high level of liquidity in the Fielmann Group provides sufficient leeway for further expansion. As at 31 December 2021, the financial assets of the Group totalled € 277.9 million (previous year: € 241.4 million). In addition, Fielmann Aktiengesellschaft has secured fixed credit lines of € 300 million from several banks for short-term liquidity protection. These lines of credit were not drawn down.
Currently, there are once again no liquidity risks (green).

Market risks (finance) The market risks that are relevant to the Fielmann Group are primarily interest rate and currency risks. These are mainly limited by the fact that the main purchasing contracts are in euros and Fielmann finances the majority of its activities from its own funds. At the end of 2021, the Group equity ratio stood at 50.3% (previous year: 50.1%). Fielmann uses a sensitivity analysis to regularly check the historical effects of various developments on the Group's market risk situation.

Interest rate risks (finance) Interest rate changes impact on the level of balance sheet provisions, non-current liabilities and, consequently, on the financial results. In addition, interest rate changes have an impact on the available liquidity and therefore also on the financial result. The sensitivity analysis of interest rate risks is based on the following premises: Primary financial instruments are only subject to interest rate risks if they are valued at fair value. Financial instruments with floating rates are generally subject to market interest rate risks, as are liquid funds on current accounts.
The ECB's main refinancing rate was unchanged at 0.0% in the financial year 2021. Against this background, operating net interest income of the Fielmann Group amounted to € 0.0 million (previous year: € 0.0 million).
Consequently, the risk assessment for interest rates is unchanged at "low" (green).

Currency risks (finance) Given its international nature, the Fielmann Group is exposed to currency risks in connection with payment flows outside its own functional currency in its ordinary course of business. Approx. 86% (previous year: 85%) of the Groups payment flows were in euros in the financial year 2021, and approx. 10% (previous year: 12%) in Swiss francs (CHF). The rest was divided between US dollars (USD), Polish zloty (PLN), Czech crowns (CZK), Ukrainian hryvnia (UAH), Japanese yen (YEN) and Belarusian roubles (BYN).
In order to limit currency risks on incoming and outgoing payments in foreign currencies, currency forwards with maturities of up to 12 months are used for hedging purposes, depending on the market situation. Fielmann uses marketable currency forwards solely in the operating currencies CHF and USD. These currency forwards are used solely to secure the regular cash flow of the Group in foreign currencies, not for speculative purposes. Simulation modelling is used as the basis for assessment of any risks identified, taking into account a variety of different scenarios. The fair value of the financial instruments used is generally assessed on the basis of available market information.
Foreign exchange risks arising from the translation of financial assets and liabilities relating to foreign subsidiaries into the Group's reporting currency are not generally hedged. The currencies PLN, CZK, UAH and BYN are not hedged as the relatively small total sum involved does not warrant the high cost of hedging them.
At the reporting date of 31 December 2021, there were no currency forwards as in the previous year in the two operating currencies CHF and USD. Consequently, the currency risk assessment is unchanged at "low" (green).

Production and logistics risks Production and logistics risks exist in the form of possible, yet unlikely operational disruptions, lengthy production stoppages or supply chain disruptions.
By manufacturing the frames and prescription lenses ourselves, we are able to control the complete flow of goods, from checking the raw materials through to assembling the finished glasses. A quality management system certified to DIN ISO 9001 ensures standardised organisation with highly automated manufacturing and testing processes. This ensures consistently high quality.
In the event of operational disruptions, Fielmann has taken comprehensive precautionary measures. These take the form of systematic training and qualification programs for our employees, permanent further development of production techniques and technologies, extensive safeguards in stores, keeping adjusted stock levels, and physically separate production capacities for lens production, grinding and glasses assembly thanks to a joint venture in Danyang (China).
In the event of any loss that may nevertheless occur, the company has a reasonable level of insurance cover. Consequently, the risk assessment for production and logistics is unchanged at "low" (green).

Materials management risks Risks with regard to delivery capacity, quality and price for the lens, frame, contact lens and hearing aid product groups are deemed significant and are incorporated into materials management as key indicators. Compared with the previous year, industry-wide there were reports of more raw material shortages and supply chain disruptions which were largely related to measures resulting from the coronavirus pandemic. In addition, prices of raw materials and energy increased due to growing demand and limited availability.

However, the Fielmann Group was not significantly affected by the shortages because sufficient stocks had already been built up for core products. As a designer, manufacturer, wholesaler and optician, Fielmann covers the entire value chain. Our purchasing power and global business relationships allow Fielmann to quickly offset any supply bottlenecks. Fielmann can also respond to developments in purchasing prices in a flexible way, but was not able to fully evade price increases in the reporting year.

Consequently, the risk assessment for materials management is "low" (green-yellow) (previous year: green).

IT risks The operational and strategic management of the Group is integrated in a complex information technology system. IT risks mainly involve system failures, insufficient security standards and unauthorised access to or misuse of data.

Fielmann's IT systems are regularly maintained and are equipped with a series of safeguards. At the same time, the increased use of software services and a shift towards cloud services lead to improvements in availability and security standards. The maintenance and optimisation of the systems is continually secured by means of constant dialogue between internal and external IT specialists. The current partnerships with external service providers and auditors enable modern safety standards to be guaranteed. The Fielmann Group and Fielmann Aktiengesellschaft also address the risks of unauthorised data access, data misuse and data loss by taking appropriate measures. Technological innovations and developments are continuously monitored and deployed where suitable. Consequently, the overall assessment of IT risks is "low" (green).

Governance risks The main governance risks are potential infringements against privacy rules when dealing with personal data. As a result of growing connectivity and the complexity of IT systems due to digitalisation, the handling of personal data and protection of internal information have become much more important, both nationally as well as internationally. With the General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG), legislators have responded to this situation and regulated personal data protection, privacy and the transparent processing of personal data.

Governance carefully monitors the IT architecture, the business processes, information security and data protection. It further develops the technical and organisational measures on data protection, oversees all projects relevant to data protection and offers concrete support when it comes to implementing internal guidelines and legal requirements. As well as a project-based data protection team, which is responsible for the implementation and further development of the data protection standards, customer service has a "subject rights" process with staff who were specially trained in-house. Governance is responsible to the Management Board for the documentation, evaluation and security of sensitive data. In this role, Governance plays a central role in the continuous further development of the data protection system, and is supported by the expertise of internal and external lawyers.

In line with the risk reporting requirements, a consolidated assessment of the above-mentioned risks is categorised as a slight improvement (green-yellow, having been yellow in the previous year).

Digital and Marketing Digital and Marketing monitors and reports technological developments, digital services, the stability of the stores' IT systems, as well as the impact on the brand image and footfall.

Fielmann is committed to investing in digitalisation, and is systematically pressing ahead with the digital transformation of the business model. In the last financial year, our digital services were used 22 million times. The future of the business model is the omnichannel – the combination of digital technologies and personal service. As the market leader in German-speaking countries and one of the biggest optical companies worldwide, Fielmann is able to invest disproportionately larger sums in its omnichannel platform than smaller competitors. Overall, the Fielmann Group uses its omnichannel business model to serve 27 million customers.

Consequently, the overall assessment of Digital and Marketing risks is "low" (green-yellow).

Legal requirements as per Section 289c of the HGB Fielmann compiles a Corporate Social Responsibility Report which will also be published in April 2022. Overall, the risks allocated in this context are categorised as "moderate" (yellow-green).

Opportunities report

Opportunities Opportunities refer to possible positive deviations from the expectations listed in the forecast regarding the economic conditions and the Fielmann Group's business situation. Fielmann distinguishes here between market-related opportunities and strategic or operating ones.

Market-related opportunities could arise as a result of overcoming the coronavirus pandemic sooner, leading to positive economic effects in the Fielmann Group's relevant markets. This kind of positive scenario could see private spending going beyond expectations and triggering more purchases in the optical sector too. Other market-related opportunities could arise as a result of an easing of supply chain issues and re-

sulting price reductions for supplier products and energy resources. As far as the competition is concerned, opportunities may emerge from continued market consolidation. There are strategic and operating opportunities to be had in the strict implementation of Vision 2025. In this area, Fielmann hopes for further growth from the increasing share of fashion sunglasses, while daily disposable lenses made from wearable materials as well as personalised products may also contribute to sales increases.
However, a key growth driver here is demographic change. The number of people wearing glasses increases with age. From middle age onwards, virtually everyone requires some form of visual aid. Fielmann customers are generally younger than those of its traditional competitors. For this reason, the percentage that require progressive lenses should increase disproportionately in the next few years. Even today, more and more young people need glasses or contact lenses.
In addition to sales increases in the optical sector, Fielmann expects further growth from opening more hearing aid studios, in light of insufficient supply in the market. Fielmann can drive growth in the audiology sector by offering hearing aid products and services to its large customer base in the optical sector. In the core catchment areas, Fielmann's existing customers alone require more than 150,000 hearing aids per year. As the practically invisible high-performance hearing aids become ever smaller, their acceptance increases, substantially increasing the number of users. There is also considerable potential in the audiology sector in Spain.
The smart combination of digital services and personal service in our stores presents significant opportunities. As the technologies for 3D try-ons and 3D lens fitting are already well advanced and have been launched on the omnichannel platform, the online sales channel's share of external sales will rise further in all product groups. Full patent protection for the technologies developed internally represents yet another competitive advantage.
What's more, large-scale investments in the expansion of the store network and production capacities will enable Fielmann to take even further advantage of its size and efficiency in the future. This will help to further strengthen the company's service commitment to customers over the long term. Finally, Fielmann's appeal as a training provider and employer is also of great benefit in the market for skilled employees.

Relevant information

Information pursuant to Section 315 Para. 4 of the German Commercial Code (HGB) as well as the shareholder structure

Composition of the subscribed capital The subscribed capital of Fielmann Aktiengesellschaft amounted to € 84 million, divided into 84 million ordinary (bearer shares) shares of no par value. There is only one class of shares. All shares carry the same rights and obligations. Each share grants one vote in the Annual General Meeting (AGM) of Fielmann Aktiengesellschaft (Article 14 Para. 6 of the Articles of Association).

Limitations affecting voting rights or the transfer of shares By agreement dated 4 April 2013, Marc Fielmann and Sophie Luise Fielmann joined a pool agreement (pool contract) between Günther Fielmann and KORVA SE, Berlin, that in turn was formed on 3 April 2013. The pool contract comprises 60,180,844 shares in Fielmann Aktiengesellschaft (pool shares). According to the pool contract, the transfer of pool shares to third parties requires approval by all other members of the pool. In addition, every pool member wishing to sell their pool shares must first offer these to the other members of the pool (preferential purchase right). The pool contract stipulates that the voting rights of pool shares must be exercised at the Annual General Meeting of Fielmann Aktiengesellschaft in accordance with the resolutions passed by pool members in the pool meeting, and that this must occur regardless of whether and in which way the respective pool member voted at the pool meeting. The voting right of a pool member in the pool meeting is based on their voting right at the Annual General Meeting of Fielmann Aktiengesellschaft. Each pool share grants one vote.

Holdings that exceed 10% of voting rights At the time of preparing these consolidated accounts, the following direct and indirect interests in the share capital of Fielmann Aktiengesellschaft exceeded the 10% threshold: Günther Fielmann, Lütjensee (direct and indirect shareholdings), Marc Fielmann, Hamburg (direct and indirect shareholdings), Sophie Luise Fielmann, Hamburg (direct and indirect shareholdings), KORVA SE, Berlin (direct and indirect shareholdings), fielmann INTER-OPTIK GmbH & Co., Hamburg (indirect shareholding), Fielmann Familienstiftung, Hamburg (indirect shareholding). The free float amounts to 28.36%. For further information on voting rights, please refer to the Notes to the Consolidated Accounts for 2021 of Fielmann Aktiengesellschaft.

Shares with special rights conferring powers of control No shares have been issued with special rights conferring powers of control.

Control of voting rights in the case of employee shareholders who do not directly exercise their control rights There is no such constellation within the company.

Statutory regulations and provisions in the Articles of Association governing the appointment and dismissal of Management Board members and amendments to the Articles of Association The statutory provisions on appointment and dismissal of Management Board members are laid down in Section 84 of the German Stock Corporation Act (AktG). Article 7 Para. 1 of the Articles of Association of Fielmann Aktiengesellschaft provides for the following composition of the Management Board: "(1) The company's Management Board shall consist of at least three persons. The Supervisory Board shall determine the number of Management Board members and the person who is to be the Chairperson of the Management Board, as well as the latter's deputy, if applicable." The statutory provisions for amending the Articles of Association are stipulated in Section 119 of the German Stock Corporation Act (AktG) in conjunction with Section 179 of the AktG. Article 14 Para. 4 of the Articles of Association of Fielmann Aktiengesellschaft provides for amendments to the Articles of Association as follows: "(4) Unless otherwise required by law, a simple majority of votes cast is required and sufficient to pass resolutions at the Annual General Meeting."

Powers of the Management Board to issue or redeem shares The Management Board is authorised, with the consent of all its members and with the approval of the Supervisory Board, to carry out new rights issues of ordinary bearer shares for cash and/or contributions in kind totalling up to €10 million, in one or more stages, up to 7 July 2026 (authorised capital 2021).

The new shares are to be offered to shareholders for subscription. The new shares can also be acquired by a credit institution or a company chosen by the Management Board and operating in accordance with Section 53 Para. 1 sentence 1 or Section 53b Para. 1 sentence 1 or Para. 7 of the German Banking Act (KWG) or a consortium of such credit institutions or companies with the obligation to offer the shares to the company's shareholders for subscription. However, the Management Board is authorised, with the unanimous consent of all its members and approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

– to make use of any residual amounts by excluding shareholders' subscription rights;

– when increasing the share capital in return for cash contributions pursuant to Sections 203 Paras 1 and 2, 186 Para. 3 sentence 4 of the AktG, if the pro rata amount of the share capital attributable to the new issued shares, subject to the exclusion of the right of subscription, does not exceed a total of 10% of the existing share capital when this authorisation came into effect or

– if this amount is lower – the share capital available at the time of issue of the shares, and the issue amount of the new shares does not fall significantly short of the market price for shares that are already listed at the time the issue amount is finally determined as per Sections 203 Paras 1 and 2, 186 Para. 3 sentence 4 of the AktG; when calculating the 10% limit, shares must be taken into account which were issued or sold with the direct or corresponding application of Section 186 Para. 3 sentence 4 of the AktG during the term of this authorisation up until the date of exercise;

– for a capital increase for contributions in kind to grant shares for the purpose of acquiring companies, parts of companies or investments in companies. Moreover, the

Management Board is authorised, with the unanimous consent of all its members and approval of the Supervisory Board, to stipulate all the remaining details concerning implementation of share capital increases in the context of the 2021 authorised capital.

Significant agreements which take effect upon a change of control of the company following a takeover bid Such significant agreements do not exist.

Compensation agreements concluded by the company with the members of the Management Board or employees in the event of a takeover bid Such compensation agreements with the members of the Management Board or employees do not exist.

Disclosures pursuant to Sections 289b ff. and 315b ff. of the German Commercial Code (HGB) on the non-financial declaration (Corporate Social Responsibility Report) Fielmann Aktiengesellschaft has published its activities in the field of Corporate Social Responsibility (CSR) for the financial year 2021 on the website www.fielmann.com. The report was compiled based on the GRI standards of the Global Reporting Initiative (GRI). This procedure complies with the provisions of Sections 289b ff. and 315b ff. of the HGB and represents the non-financial declaration of Fielmann Aktiengesellschaft pursuant to Section 289b Para. 3 of the HGB and of the Fielmann Group pursuant to Section 315b Para. 3 of the HGB.

Disclosures pursuant to Section 160 Para. 1 No. 2 of the German Stock Corporation Act (AktG) The Notes to the Consolidated Accounts of Fielmann Aktiengesellschaft contain details about the number of the company's own shares and changes therein in the financial year 2021.

Dependency report In accordance with Section 312 of the German Stock Corporation Act (AktG), the Management Board of Fielmann Aktiengesellschaft has prepared a dependency report detailing the company's relationships with Günther Fielmann as well as with other companies affiliated to him and with companies which are part of the Fielmann Group. The Management Board has released the following closing statement in this report: "In accordance with Section 312 Para. 3 of the German Stock Corporation Act (AktG), the Management Board declares that our company received an appropriate service or compensation in return for each transaction indicated in the report on relationships with affiliated companies, on the basis of the circumstances of which we were aware at the time when the transactions were carried out. No measures that are subject to mandatory reporting requirements occurred in the 2021 financial year."

Fielmann Aktiengesellschaft, Hamburg
Consolidated balance sheet as at 31 December 2021

Assets	Text number in Notes	Position as at 31.12.2021 €000s	Position as at 31.12.2020 €000s
A. Non-current fixed assets			
I. Intangible assets	(1)	164,224	195,255
II. Goodwill	(2)	176,410	173,459
III. Tangible assets	(3)	334,800	313,146
IV. Investment property	(3)	12,051	11,961
V. Rights of usufruct from leases	(4)	448,213	418,076
VI. Shares in associates	(5)	5,023	4,912
VII. Other financial assets	(5)	2,046	2,095
VIII. Deferred tax assets	(6)	14,418	13,595
IX. Other financial assets	(7)	40,363	18,070
X. Receivables from leases	(8)	12	465
		1,197,560	**1,151,034**
B. Current assets			
I. Inventories	(9)	153,063	147,076
II. Trade receivables	(10)	39,014	38,523
III. Other financial assets	(10)	60,595	60,759
IV. Non-financial assets	(11)	39,076	34,241
V. Tax assets	(12)	11,033	16,345
VI. Financial assets	(13)	60,648	117,517
VII. Cash and cash equivalents	(14)	174,889	103,722
		538,318	**518,183**
		1,735,878	**1,669,217**

Liabilities	Text number in Notes	Position as at 31.12.2021 €000s	Position as at 31.12.2020 €000s
A. Equity			
I. Subscribed capital	(15)	84,000	84,000
II. Capital reserves	(16)	92,652	92,652
III. Revenue reserves	(17)	620,003	583,902
IV. Other reserves	(18)	23,174	18,648
Consolidated equity of the parent company's shareholders		**819,829**	**779,202**
V. Non-controlling interests	(19)	52,962	57,156
		872,791	**836,358**
B. Non-current liabilities			
I. Accruals	(20)	28,923	28,038
II. Financial liabilities	(21)	62,741	58,755
III. Deferred tax liabilities	(22)	37,648	48,084
IV. Liabilities from leases	(23)	367,487	341,683
		496,799	**476,560**
C. Current liabilities			
I. Accruals	(24)	70,451	58,406
II. Financial liabilities	(25)	135	129
III. Liabilities from leases	(23)	89,864	82,852
IV. Trade creditors	(25)	79,615	75,319
V. Other financial liabilities	(25)	34,838	50,092
VI. Non-financial liabilities	(26)	69,460	74,735
VII. Income tax liabilities	(27)	21,925	14,766
		366,288	**356,299**
		1,735,878	**1,669,217**

Fielmann Aktiengesellschaft, Hamburg
Consolidated statement of profit and loss and other income

for the period from 1 January to 31 December 2021

	Text number in Notes	2021 €000s	2020 €000s	Change from previous year
1. Consolidated sales	(30)	1,678,153	1,428,933	17.4%
2. Changes in inventories	(30)	2,640	–2,723	–197.0%
3. Total consolidated sales		**1,680,793**	**1,426,210**	**17.9%**
4. Other operating income	(31)	18,281	26,002	–29.7%
5. Cost of materials	(32)	–343,289	–279,463	22.8%
6. Personnel costs	(33)	–703,832	–618,766	13.7%
7. Other operating expenses	(34)	–255,819	–217,255	17.8%
8. Result before interest, taxes and write-downs		**396,134**	**336,728**	**17.6%**
9. Write-downs on rights of usufruct from leases	(35)	–87,250	–83,424	4.6%
10. Other write-downs	(35)	–90,041	–74,930	20.2%
11. Interest expenditure from leases	(36)	–4,057	–2,110	92.3%
12. Other expenses in the financial result	(36)	–6,122	–1,677	265.1%
13. Income in the financial result	(36)	1,072	890	20.4%
14. Result before taxes		**209,736**	**175,477**	**19.5%**
15. Taxes on income and earnings	(37)	–65,159	–54,672	19.2%
16. Net income for the year	(38)	**144,577**	**120,805**	**19.7%**
17. Income attributable to minority interests	(39)	–7,722	–4,397	75.6%
18. Profits to be allocated to parent company shareholders		**136,855**	**116,408**	**17.6%**
Earnings per share in € (diluted/basic)[1]	(38)	**1.63**	**1.39**	

[1] No events occurred in the reporting year or the previous year which would result in a dilution of earnings per share.

Statement of the overall result

Note (41)

	2021 €000s	2020 €000s
Net income for the year	**144,577**	**120,805**
Items which are reclassified under certain conditions and reported in the profit and loss statement		
Earnings from foreign exchange conversion, reported under equity	3,909	–604
Items which will not be reclassified and reported in the profit and loss statement in future		
Valuation of employee benefits in accordance with IAS 19	312	–288
Other profit/loss after tax	**4,221**	**–892**
Overall result	**148,798**	**119,913**
of which attributable to minority interests	7,722	4,397
of which attributable to parent company shareholders	141,076	115,516

Movement in Group equity

Note (42)

	Subscribed capital	Capital reserves	Revenue reserves	Currency translation reserves	Valuation reserves IAS 19
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Position as at 1 January 2021	**84,000**	**92,652**	**583,902**	**20,092**	**–3,236**
Net income for the year			136,855		
Other comprehensive income				3,909	312
Overall result			**136,855**	**3,909**	**312**
Dividends/profit shares[1]			–100,754		
Share-based remuneration					
Own shares					
Other changes					
Position as at 31 December 2021	84,000	92,652	620,003	24,001	–2,924

	Subscribed capital	Capital reserves	Revenue reserves	Currency translation reserves	Valuation reserves IAS 19
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Position as at 1 January 2020	**84,000**	**92,652**	**526,444**	**20,696**	**–2,948**
Net income for the year			116,408		
Other comprehensive income				–604	–288
Overall result			**116,408**	**–604**	**–288**
Dividends/profit shares[1]					
Share-based remuneration					
Own shares					
Acquisition of new subsidiaries			–57,553		
Acquisition of non-controlling interests			–1,397		
Position as at 31 December 2020	84,000	92,652	583,902	20,092	–3,236

[1] Dividends paid and share of profit allocated to other shareholders

Reserves for own shares €000s	Reserves for share-based remuneration €000s	Other reserves €000s	Consolidated equity of the parent company's shareholders €000s	Non-controlling interests €000s	Equity €000s
–429	**2,221**	**18,648**	**779,202**	**57,156**	**836,358**
			136,855	7,722	144,577
		4,221	4,221		4,221
		4,221	**141,076**	**7,722**	**148,798**
			–100,754	–12,040	–112,794
	–124	–124	–124		–124
429		429	429		429
				124	124
0	**2,097**	**23,174**	**819,829**	**52,962**	**872,791**

Reserves for own shares €000s	Reserves for share-based remuneration €000s	Other reserves €000s	Consolidated equity of the parent company's shareholders €000s	Non-controlling interests €000s	Equity €000s
–765	**2,534**	**19,517**	**722,613**	**4,037**	**726,650**
			116,408	4,397	120,805
		–892	–892		–892
		–892	**115,516**	**4,397**	**119,913**
				–4,292	–4,292
	–313	–313	–313		–313
336		336	336		336
			–57,553	53,014	–4,539
			–1,397		–1,397
–429	**2,221**	**18,648**	**779,202**	**57,156**	**836,358**

Cash flow statement for the Fielmann Group

Note (43)

	Cash flow statement according to IAS 7 for the period from 1 January to 31 December	**2021 €000s**	**2020 €000s**	**Change €000s**
	Earnings before taxes (EBT)	209,736	175,477	34,259
–/+	Profit shares of associates	–111	33	–144
+	Statement-related interest expenditure from leases	4,057	2,110	1,947
+	Statement-related other expenditure in the final result	6,122	1,644	4,478
–	Statement-related income in the final result	–961	–890	–71
+	Write-downs on tangible assets and intangible assets	90,041	74,930	15,111
+	Write-downs on rights of usufruct from leases	87,250	83,424	3,826
–	Taxes on income paid	–62,361	–59,738	–2,623
+/–	Other non-cash income/expenditure	–17,383	–2,810	–14,573
+/–	Increase/decrease in accruals	12,930	9,139	3,791
–/+	Profit/loss on disposal of tangible assets and intangible assets	5,285	–148	5,433
–/+	Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations	–8,883	–40,610	31,727
+/–	Increase/decrease in trade creditors and other liabilities not attributable to investment or financial operations	22,097	36,977	–14,880
–	Interest paid	–1,203	–1,259	56
+	Interest received	72	192	–120
=	**Cash flow from operating activities**	**346,688**	**278,471**	**68,217**
	Receipts from the disposal of tangible assets	544	473	71
–	Payments for tangible assets	–74,917	–65,652	–9,265
–	Payments for intangible assets	–11,617	–24,418	12,801
+	Receipts from the disposal of financial assets	49	135	–86
–	Payments for financial assets		–197	197
–	Payments for the acquisition of subsidiaries	–22,591	–167,457	144,866
+	Receipts from the disposal of securities and other investments	85,402	126,818	–41,416
–	Payments for the acquisition of securities and other investments	–51,720	–89,376	37,656
=	**Cash flow from investment activities**	**–74,850**	**–219,674**	**144,824**
	Dividends paid to shareholders of the parent company	–100,754		–100,754
–	Payments to non-controlling shareholders	–11,594	–4,292	–7,302
+/–	Sale/Acquisition of own shares	429	336	93
+	Receipts from loans raised	4	275	–271
–	Repayment of loans	–576	–239	–337
–	Payments for liabilities from leases	–88,724	–79,943	–8,781
–	Payments for the acquisition of additional shares in subsidiaries		–1,558	1,558
=	**Cash flow from financing activities**	**–201,215**	**–85,421**	**–115,794**
	Changes in cash and equivalents	70,623	–26,624	97,247
+/–	Changes in cash and equivalents due to exchange rates	544	–377	921
+	Cash and equivalents at the beginning of the period	103,722	130,723	–27,001
=	**Cash and equivalents at the end of the period**	**174,889**	**103,722**	**71,167**

Segment reporting for the Fielmann Group

Forms part of the Notes to the accounts, Note (44), previous year's figures in brackets

	Segments by region						
In € million	**Germany**	**Switzerland**	**Austria**	**Spain**	**Others**	**Consolidation**	**Consolidated value**
	1,303.2	186.0	82.2	111.8	82.4	−87.4	1,678.2
Sales revenues from the segment	(1,199.7)	(166.3)	(75.3)	(0.0)	(58.4)	(−70.8)	(1,428.9)
	79.7		0.2		7.5		
Sales revenues from other segments	(67.3)		(0.4)		(3.1)		
	1,223.5	**186.0**	**82.0**	**111.8**	**74.9**		**1,678.2**
Outside sales revenues	**(1,132.4)**	**(166.3)**	**(74.9)**	**(0.0)**	**(55.3)**		**(1,428.9)**
	294.7	38.4	17.8	41.3	27.2	−76.1	343.3
Cost of materials	(269.4)	(33.7)	(16.2)	(0.0)	(21.8)	(−61.6)	(279.5)
	534.2	75.0	31.6	34.1	28.9		703.8
Personnel costs	(496.1)	(71.6)	(29.1)	(0.0)	(22.0)		(618.8)
	108.1	16.5	6.9	16.7	18.1		166.3
Scheduled depreciation	(110.3)	(16.0)	(6.3)	(0.0)	(13.9)		(146.5)
	7.5	0.4	0.3	1.6	0.7	−0.3	10.2
Expenses in the financial result	(2.9)	(0.5)	(0.3)	(0.0)	(0.6)	(−0.5)	(3.8)
	1.1	0.3				−0.3	1.1
Income in the financial result	(1.0)	(0.4)				(−0.5)	(0.9)
Earnings before tax – in segments excl. investment income	**172.8**	**29.5**	**13.7**	**10.6**	**−16.5**	**−0.4**	**209.7**
	(164.2)	**(19.9)**	**(12.5)**	**(0.0)**	**(−21.3)**	**(0.2)**	**(175.5)**
	56.8	4.3	2.0	2.3	−0.1	−0.1	65.2
Taxes on income and earnings	(50.5)	(2.6)	(1.7)	(0.0)	(−0.1)	(0.0)	(54.7)
	116.0	**25.2**	**11.7**	**8.3**	**−16.4**	**−0.3**	**144.5**
Net income for the year	**(113.7)**	**(17.3)**	**(10.8)**	**(0.0)**	**(−21.2)**	**(0.2)**	**(120.8)**
Non-current segment assets excluding financial instruments and deferred tax assets	565.3	93.0	39.3	331.1	107.0		1,135.7
	(581.8)	(73.8)	(33.7)	(336.8)	(85.8)		(1,111.9)
of which non-current segment assets excluding rights of usufruct from leases	331.7	34.2	10.8	255.3	55.5		687.5
	(345.5)	(31.5)	(7.1)	(262.2)	(47.5)		(693.8)
	233.6	58.8	28.5	75.8	51.5		448.2
of which rights of usufruct from leases	(236.3)	(42.3)	(26.6)	(74.6)	(38.3)		(418.1)
Additions to non-current segment assets excluding financial instruments and deferred tax assets	108.8	32.9	12.0	11.1	41.0		205.8
	(119.8)	(7.0)	(2.9)	(336.8)	(18.1)		(484.6)
of which additions to non-current segment assets excluding rights of usufruct from leases	56.6	6.9	5.5	4.2	16.0		89.2
	(69.0)	(6.6)	(2.5)	(262.2)	(10.3)		(350.6)
	52.2	26.0	6.5	6.9	25.0		116.6
of which additions to rights of usufruct from leases	(50.8)	(0.4)	(0.4)	(74.6)	(7.8)		(134.0)
	5.0						5.0
Shares in associates	(4.9)						(4.9)
	12.2		0.4	0.3	1.5		14.4
Deferred tax assets	(12.7)		(0.3)	(0.0)	(0.6)		(13.6)

Fielmann Aktiengesellschaft, Hamburg

Notes to the consolidated accounts for financial year 2021

I. General Information

Fielmann Aktiengesellschaft, which has its headquarters at Weidestraße 118a, Hamburg, Germany, is the Group's parent company. It is registered under HRB 56098 in the commercial register of the Hamburg Local Court.

The parent company of Fielmann Aktiengesellschaft is KORVA SE. The Group's ultimate parent company is fielmann INTER-OPTIK GmbH & Co. KG. Fielmann Aktiengesellschaft is involved in the operation of and investment in optical businesses, hearing aid companies and the manufacture and sale of visual aids and other optical products, in particular, glasses, frames and lenses, sunglasses, contact lenses, related articles and accessories, merchandise of all kinds and hearing aids and their accessories. Its lens manufacturing activities are encompassed in its subsidiary Rathenower Optik GmbH.

On 20 April 2022, the Management Board of Fielmann Aktiengesellschaft approved the consolidated accounts as at 31 December 2021, and will submit them to the Supervisory Board for resolution on 21 April 2022. The consolidated accounts are expected to be approved at the accounts meeting of the Supervisory Board on 21 April 2022.

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the reporting period, taking into account the pronouncements of the IFRS Interpretations Committee (IFRS IC), where they apply in the EU and were mandatory in the financial year. Furthermore, the provisions under commercial law pursuant to Section 315e Para 1 of the German Commercial Code (HGB) were also observed.

II. Application of new and amended standards

New and amended standards and interpretations applied for the first time in the financial year

Reference	Name	Obligation for first-time application in accordance with IASB	Obligation for first-time application in the EU
Amendments to IFRS 4	Extension of the temporary exemption from applying IFRS 9	1. 1. 2021	1. 1. 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Reform of the reference interest rates – phase 2	1. 1. 2021	1. 1. 2021
Amendments to IFRS 16	Extension of the application period of the amendments to IFRS 16 in connection with coronavirus-related rent concessions	1. 4. 2021 for financial years beginning on or after 1. 4. 2021	1. 4. 2021 for financial years beginning on or after 1. 4. 2021

In the financial year 2020, lessees were granted a practical expedient in accounting for rent concessions related to the coronavirus pandemic. This relief previously only applied to payments that, in line with the original contractual agreement, would have been due on or before 30 June 2021. The IASB has extended this period to payments with an original due date on or before 30 June 2022. This option is still not exercised in the Fielmann Group.
The application of the other changes has no significant impact on the disclosures and amounts reported in the consolidated accounts.

New and amended standards and interpretations which are not yet subject to mandatory application
The following new and amended standards have already been adopted by the IASB, but their application is not yet mandatory. The Group has not prematurely applied these provisions.

Reference	Name	Obligation for first-time application in accordance with IASB	Obligation for first-time application in the EU
Annual Improvements Project	Annual Improvements to IFRS Standards 2018 – 2020 Cycle Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	1. 1. 2022	1. 1. 2022
Amendments to IAS 1	Classification of liabilities as current or non-current	1. 1. 2023	Outstanding
Amendments to IAS 1	Disclosure of Accounting Policies	1. 1. 2023	1. 1. 2023
Amendments to IAS 8	Definition of Accounting Estimates	1. 1. 2023	1. 1. 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1. 1. 2023	Outstanding
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use	1. 1. 2022	1. 1. 2022
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	1. 1. 2022	1. 1. 2022
Amendments to IFRS 3	Reference to the 2018 Conceptual Framework and additions	1. 1. 2022	1. 1. 2022
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Application deferred indefinitely	Outstanding
IFRS 17 including amendments to IFRS 17	Insurance Contracts (replaces interim standard IFRS 4)	1. 1. 2023	1. 1. 2023
Amendments to IFRS 17	First application of IFRS 17 and IFRS 9 – Comparative information	1. 1. 2023	Outstanding

Other new and amended standards and interpretations are not presented in detail as the impact of their first-time application on the presentation of the financial position, cash flows and financial performance of the Group is only expected to be of minor importance.

III. Significant accounting and valuation policies

The consolidated accounts were prepared on the basis of historical acquisition or production cost with the exception of the revaluation of certain financial instruments, as described below.

Unless otherwise stated, all monetary amounts are shown in the Group currency € thousands (T€), while Segment Reporting is in € millions.

The significant accounting and valuation policies are disclosed below.

Scope of consolidation and changes in the scope of consolidation All domestic and foreign subsidiaries included in the consolidated accounts are those in which Fielmann Aktiengesellschaft directly or indirectly holds the majority of voting rights or on which it has a controlling influence. Control of an investee exists if an investor is exposed, or has rights, to variable returns from their involvement with the investee and has the ability to affect those returns through its power over the investee. Fielmann Aktiengesellschaft also exercises control within the meaning of IFRS 10 over 21 German franchise companies (previous year: 21). This control results from the interaction of legal, franchising and economic influences. The stipulations of the franchise agreement regarding the shop locality, range, inventory, advertising, as well as other aspects, define the framework of business policy such that it serves the objectives of Fielmann Aktiengesellschaft. The 30 stores (previous year: 28) in the Baltic States that are operated through franchises are not within the scope of consolidation, as the contractual agreements do not lead to a control of the company.

Group shares in associates are reported in addition to the subsidiaries. Associates are companies with whom the Group has considerable influence but exercises no control or joint leadership regarding financial or business policies. Shares in associates are reported in line with the equity method pursuant to IAS 28.

For the consolidated companies, please see the statement of holdings in the Notes. This also includes a list of companies which make use of the exemption under Section 264 Para. 3 and Section 264b of the German Commercial Code (HGB).

As at 31 December 2021, nine companies were consolidated for the first time (previous year: two). This involves the foundation of a sales subsidiary in the Czech Republic with three stores at present and a sales subsidiary headquartered in Germany which will operate in e-commerce in the future. In addition, new sales subsidiaries were founded in Germany for four stores and three traditional optical business were acquired.

In view of the economic importance of the optical businesses opened and acquired as part of normal expansion during the reporting year, no further information is given about the resulting change to the scope of consolidation. In the current financial year, there have been no relevant changes to the ownership structures of companies already included in the scope of consolidation in the previous year. As part of ongoing efforts to optimise the store network, two stores were closed in the reporting period (previous year: two).

Principles of consolidation The consolidated accounts are derived from the individual accounts of the companies involved. The individual accounts prepared under German commercial law of the companies subject to mandatory auditing were audited as at 31 December 2021, and received unqualified audit opinions. The accounts as at 31 December 2021, of the other companies were analysed to ascertain whether they were in accordance with the principles of proper accounting and whether the relevant statutes have been complied with for inclusion in the consolidated balance sheet.
The annual accounts of subsidiaries are adjusted where necessary to bring them into line with the accounting and valuation policies applied within the Group.
Receivables and liabilities as well as income and expenditure between Group companies have been offset against each other, except in individual cases where they are so minor as to be negligible. Tax is deferred on consolidation adjustments that affect profit and loss. Pursuant to IAS 12, the relevant national average income tax rates have been applied for the companies concerned.
Intra-Group profits on inventories and fixed assets have been eliminated.
Non-controlling shareholders' shares in subsidiaries are reported within equity capital separately from the Group's equity.
Capital consolidation is carried out by setting off the acquisition costs against the pro rata equity capital of the subsidiaries at fair values. Non-controlling interests' shares of the net assets of companies included in the Group are valued on acquisition at the corresponding share of the reported amounts or, upon the Full Goodwill Method, at fair value. Non-controlling interests in the Group's partnerships, which have the nature of equity in individual company accounts prepared in accordance with local accounting rules, are reported as liabilities in accordance with IAS 32. The exception to this rule is asset shortfalls in the individual company accounts, which are reported as negative values under non-controlling interests in equity.

Goodwill and impairment test The goodwill resulting from a business combination is reported at cost less any impairment losses that may be required and shown separately in the balance sheet.
Regarding intangible assets with an indefinite duration, an impairment test is carried out at least annually and always if there is evidence of impairment.
For the purposes of testing for impairment, goodwill must be allocated to each of the Group's cash generating units (CGUs) which are expected to benefit from the synergies generated by the combination.
The impairment test is carried out regularly on 31 December of each financial year. The CGUs each comprise a single store. The test has been carried out by comparing the book value against the recoverable amount (higher of value in use and fair value). The cash flows underlying the value in use result from one year's detailed projection and a subsequent two years' projection, which in turn is derived from the cumulative Group planning, and thereafter from a perpetuity value based on the third planning year. The profitability growth rates resulting from this planning amount to 10.9%

for the second year and 12.5% for the third year (previous year: 6.1% and 5.3%). Besides other factors of influence, a growth rate of 0.5% is included in the WACC calculation after the third year (previous year: 0.5%). The capitalisation rate based on the impairment test varies from country to country and amounts to between 4.7% and 15.4% (previous year: between 4.5% and 11.3%).

Within the Group, the projections are usually based on figures taken from business performance to date. Current external data is also included in the analysis process on account of these figures in relation to location. A sensitivity analysis of the most important assumptions for determining the recoverable amount found there to be no significant devaluation need in addition to the previously recorded devaluations. Any reasonable possible change to the most important assumptions will therefore not lead to the book value significantly exceeding the recoverable amount.

As part of the impairment test, the fair value minus sales costs was also calculated in the reporting year for individual stores which were not able to report a sufficient value in use. In this case, the tangible fixed assets and recoverability of rights of use from leases were specially analysed (hierarchy Level 3 in accordance with IFRS 13). As the calculated fair value minus sales costs was below the book value, there was a depreciation on the fair value of these stores amounting to T€ 3,048. This figure now represents the new book value. At the moment, a reversal is not expected in the foreseeable future. The effects of the impairment test in detail and the assignment to the segments are shown in Note (44).

Foreign currency translation The functional currency concept is applied to accounts of consolidated companies that are prepared in foreign currencies. The foreign companies operate their business independently. Therefore the functional currency is the national currency of the respective country. Individual transactions are recorded at the rate prevailing on the balance sheet date. Any foreign exchange differences from the equalisation of open items are posted in the profit and loss statement. Annual accounts received from foreign companies are adapted to comply with the accounting format and valuation principles of the Fielmann Group. On every balance sheet date, monetary items are translated into foreign currency using the applicable exchange rate of that date. Non-monetary items in foreign currencies that are carried at fair value are translated using exchange rates that applied when the fair value was determined. Non-monetary items carried at acquisition or production costs are translated using the exchange rates that applied upon the initial balance sheet recognition. The profit and loss accounts are translated at the average annual rate. Currency differences are reported in a foreign currency translation adjustment item included under other reserves. The movements in the foreign currencies of relevance to translating subsidiaries' accounts and to the Group's procurement were as follows:

	Balance sheet rate 31.12.2021 €1 =	Balance sheet rate 31.12.2020 €1 =	Average rate 2021 €1 =	Average rate 2020 €1 =
Czech crown (CZK)	24.86	26.24	25.64	26.46
Renminbi (CNY)	7.22	8.03	7.62	7.91
Japanese yen (JPY)	130.38	126.49	129.88	121.85
Polish zloty (PLN)	4.60	4.61	4.57	4.44
Swiss franc (CHF)	1.03	1.08	1.08	1.07
Ukrainian hryvnia (UAH)	30.92	34.74	32.26	30.91
US dollar (USD)	1.13	1.23	1.18	1.14
Belarusian rouble (BYN)	2.88	3.17	3.00	2.81

Movements in the US dollar and Japanese yen are of relevance to the Fielmann Group as they affect recurring purchase contracts for frames. In the financial year, the purchase of goods in US dollars amounted to € 30.9 million (previous year: € 29.6 million) and in Japanese yen to € 1.0 million (previous year: € 1.1 million). The previous year's average exchange rate is applied to the purchases for comparative purposes to demonstrate the effect of the change in exchange rates. Movements in the US dollar had a positive effect on the purchase of goods amounting to around € 1.1 million (previous year: € 0.6 million). As in the previous year, movements in the Japanese yen had a negligible impact on the purchase of these goods in the reporting year.
The Group's sales in Swiss francs totalled CHF 201.1 million (previous year: CHF 178.0 million). Movements in the Swiss currency had a negative effect on sales amounting to € 1.9 million when considering the previous year's average rate as a comparative value (previous year: € 6.2 million; positive).

Individual balance sheet items Preparation of the consolidated accounts according to IFRS necessitates estimates and assumptions being made in order to account for and value assets and liabilities. These are continually verified. In particular, assumptions and estimates are made in connection with the valuation of goodwill (Note (2)), accruals (Note (20); Note (24)) and tax-related issues (Note (6); Note (22)). The main assumptions and parameters on which the estimates are based are described in the following Notes to the accounts.
The effects of the coronavirus pandemic on the Fielmann Group are shown in Notes (31) Other operating income and (33) Personnel costs.

Intangible assets and tangible assets (assets A. I., III.) Intangible assets and tangible assets are valued and extrapolated at acquisition or production cost less straight-line scheduled depreciation.

When software is developed in-house, Group companies are regarded as the manufacturers. The associated costs are therefore to be capitalised as internally developed software in accordance with IAS 38. The condition for the capitalisation of in-house software developments is that the research, development and operating costs can be separated. As the Fielmann Group now mainly uses an agile project organisation, this distinction can no longer be made for most of the current developments. The development costs are therefore only capitalised in exceptional cases.

Intangible assets with an undefined period of usage are allocated to procurement costs minus accumulated impairments.

In the case of production premises, a service life of up to 25 years is applied. The castle in Plön (Plön Castle) is depreciated over 55 years, while other business premises are depreciated over a maximum of 50 years. Tenants' fittings are depreciated on a straight-line basis, taking into account the term of the tenancy (normally seven to ten years). Factory and office equipment is depreciated over two to thirteen years (machinery and equipment generally over five years and IT equipment over three to five years). The service life is reviewed regularly and adjusted where necessary to anticipated life. Where appropriate, extraordinary depreciation is applied in accordance with IAS 36, and then reversed when the original reasons for it no longer apply. There are no borrowing costs where capitalisation is required in accordance with IAS 23.

Any public subsidies are deducted from the acquisition costs if they are related to applicable intangible assets. They are recognised at the date of acquisition. Public subsidies that are paid to offset incurred costs or losses or for financial support without the future-related expenditure are reported in the profit and loss account period in which the corresponding claim arises.

Investment properties (assets A.IV.) Properties which are not used in the Group's core business (investment properties under the terms of IAS 40) are also valued at amortised cost in accordance with the principles specified above. They are subject to extraordinary depreciation if the realisable amount (value in use) falls below the book value. Extraordinary depreciation is reported under the item "Other write-downs". Reversals are carried out if the realisable amount (value in use) resulting from a long-term improvement in the leasing situation exceeds the book value. These reversals are reported in "Other operating income". In the financial year and in the previous year, no reversals were carried out.

As in previous years, a gross rental method (hierarchy Level 3 in accordance with IFRS 13) using a rental income factor deduced from market observations of 15 annual net rentals is used to reach this valuation. The current value of these properties is shown in Note (3).

Mixed-use properties are broken down in accordance with IAS 40.10. A portion is shown under investment properties, another portion under tangible assets. If they cannot be broken down in this way because of economic or legal conditions, they are shown solely under tangible assets, since, as a rule, the vast majority of the Group's properties are used for business purposes.

Leasing (assets A. V., A. X. and liabilities B. IV., C. III.) In its property dealings, the Fielmann Group mainly rents stores for its outlets. The corresponding lease agreements are usually for a duration of ten years with two renewal options of five years each. A duration of ten years from the beginning of the agreement is accepted because a renegotiation of the agreements is sought after ten years in the majority of cases. The agreements are monitored and reevaluated after an appropriate amount of time or after relevant events.

Leasing agreements for cars are usually taken out for a period of three years.

The rights of usufruct are disclosed in the consolidated balance sheet as a separate item (see Note (4)). The rights of usufruct from leases are reported as per IFRS 16. As a rule, the rights of usufruct are written down over the duration of the leasing agreement. An exception is the write-down over the duration of the asset-based lease if its term is shorter than the duration of the lease. The recognition option for reporting the rights of usufruct for short-term leases with a duration of a maximum of twelve months and for leases based on an asset with minimal value is normally exercised so that a right of usufruct and a corresponding lease liability are also recorded for them. The rights of usufruct are valued at the date of initial recognition to the present value of future lease payments in addition to directly related costs. The need to adjust a right of usufruct is examined by applying IAS 36.

The leasing liabilities are disclosed in the consolidated balance sheet as a separate item (see Note (23)). The leasing liabilities are valued at the date of initial recognition to the present value of future lease payments, and discounted by means of the interest rate applied to the lease. If this interest rate cannot be readily determined, the discounting will be done using the Group's incremental borrowing rate. The subsequent valuation of the lease liabilities is done by increasing the book value by the interest on the lease liability (by means of the effective interest method) and by subtracting the completed lease payments from the book value.

The lease agreements that include a sales-related component are designed so that a contractually fixed minimum lease is contained as a lease condition, in addition to the sales-related lease. The minimum lease payments to be made under these conditions are considered as fixed leasing payments when determining the leasing liabilities.

Variable leasing payments that do not depend on an index or exchange rate are not included in the valuation of the leasing liabilities and rights of usufruct. These payments are recorded as an expenditure in the period in which the triggering event or condition occurs, and disclosed in the "Other operating expenses" item (see Note (35)) in the profit and loss statement.

Financial instruments (assets A. VII., IX., X. and B. II., III., VI., VII. and liabilities B. II., IV. and C. II., III., IV., V.) Financial instruments pursuant to IFRS are explained in Note (28) and in the Management Report. Further explanations of balance sheet items to which financial instruments are allocated are indicated in Note (28) of the Notes to the accounts.

Financial assets whose cash flows exclusively consist of interest and principal payments are classified depending on the business model. If the objective of the business model is to hold the assets to collect contractual cash flows, they are valued at amortised costs. Where the business model generally involves holding and selling, the assets are measured at fair value.

Trade receivables, other financial assets, investments, and cash and cash equivalents in the category "Financial assets at amortised costs" are subject to an impairment model as per IFRS 9 based on expected credit losses. The expected credit losses are calculated as the probability-weighted present value of all payment defaults during the term of the assets. A three-tier model is used for this purpose.

Level 1: Recording expected credit losses over the entire term due to events within the next twelve months
Includes new contracts and existing contracts with no significant increase to the credit risk. This usually involves contracts whose payments are fewer than 31 days overdue.

Level 2: Recording expected credit losses over the entire term without affecting the credit rating
Includes financial assets whose credit risk has risen significantly but whose credit rating is not affected.

Level 3: Recording expected credit losses over the entire term with impairment of the credit rating
Includes financial assets whose credit ratings are impaired or have defaulted. This usually involves contracts whose payments are more than 90 days overdue or whose debtors are in financial difficulties.

With levels 1 and 2, the effective interest rate is determined based on the gross carrying value, whereas with level 3 the effective interest rate is calculated based on the net carrying value, i.e. deducting risk provisions. A significant increase in the default risk is a key factor for a transfer between levels. In principle, the transfer from level 1 to level 2 occurs when a financial asset is more than 30 days overdue. If it is more than 90 days overdue, there is objective evidence of a credit default and a transfer to level 3 will take place. This transfer also occurs with further objective evidence of an impending credit default, such as insolvency.

If a financial asset is subject to a low default risk on the balance sheet date, it is assumed that there has been no significant increase in the credit risk since the financial asset was first recorded. A low default risk is assumed if the external or an appropriate internal credit rating corresponds to investment grade.

The Fielmann Group uses the simplified process for trade receivables and determines the expected credit loss over the entire term.

The allocation of the levels to the financial instruments is explained in further detail in Note (28). Due to its lesser importance to the Fielmann Group, there is no separate reporting of the resulting profits and losses in the consolidated profit and loss statement. The corresponding amount is explained in Note (28) and is included in other operating expenses or other operating income.

Financial assets with cash flows that do not consist solely of interest and principal payments are assigned to the category "Fair Value through Profit or Loss" and measured. If no stock market prices are available, market valuations by banks are used.

A financial investment that is not held for trading purposes will be designated as "Fair value through profit or loss" the first time it is recognised, if such a designation significantly reduces valuation inconsistencies. In the reporting year, as in the previous year, this refers to cash advances recorded in other financial assets to cover insurance-related accruals and deferrals for unearned premiums to the insurer of the Zero-Cost Insurance policy. These advances are invested by the insurer as capital investments. The net earnings (profits and losses) from the capital investments are exclusively for Fielmann.

The unrealised profits and losses and the incurred deferred taxes resulting from the market valuation are taken into account through profit or loss.

To set the market value of financial instruments, the following hierarchy is used:

Level 1: The input parameters for Level 1 are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the valuation date.

Level 2: The input parameters for Level 2 are inputs other than the quoted prices included in Level 1 that are either directly observable for the asset or liability, or indirectly derived from other prices.

Level 3: The input parameters for Level 3 are unobservable inputs for the asset or liability.

The financial instruments in the "investment management custodial accounts", "funds", and part of "other receivables" classes assessed at market value in the Group fall under Level 1 of the hierarchy. Recognised in the non-current financial liabilities, the put option comes under Level 3.

Additions and disposals are stated at their actual value on the date the transaction is completed.

Financial liabilities are generally valued at amortised costs, in accordance with IFRS 9. Any difference between what is paid and the amount repayable on final maturity is amortised.

Financial assets and liabilities in foreign currencies are translated at the rate prevailing on the reporting date.

Inventories (assets B. I.) Raw materials, consumables, supplies and merchandise are valued at acquisition cost. When necessary, they are reduced by means of value adjustments to the lower net realisable value. They are extrapolated by the moving average method. Finished and unfinished products are valued at production cost in accordance with IAS 2. This includes production-related overheads. Given the short production process, interest is not stated.

Deferred taxes (assets A. VIII. and liabilities B. III.) Deferred taxes result from different valuations in the IFRS and tax balance sheets of Group companies, as well as from consolidation measures, where these differences balance out again over time. These also include outside basis differences, as defined in IAS 12, which result from the difference between the pro rata net assets of a subsidiary recorded in the consolidated balance sheet and the investment book value of this subsidiary in the parent company's tax balance sheet. A tax deferral is made for outside basis differences, unless a reversal is expected within 12 months. In addition, tax deferrals are made for loss carry-forwards in compliance with IAS 12. The tax rates that are expected to be applicable when the asset is realised or the liability is met are used as a basis for calculating deferred tax assets and deferred tax liabilities.
In accordance with IAS 1.70, deferred taxes are recorded as non-current assets (Note (6)) and liabilities (Note (22)).
Deferred tax assets and liabilities are netted in accordance with IAS 12.71 ff, insofar as they relate to income tax groups or individual companies and have matching maturities.

Accruals (liabilities B. I. and C. I.) Accruals are accounted for in accordance with IAS 37 and IAS 19. Accordingly, accruals are stated in the balance sheet for legal or de facto obligations resulting from past events, if the outflow of funds to settle the obligation is probable and can be estimated reliably. The figure for accruals takes into account those amounts which are necessary to cover future payment obligations, recognisable risks and uncertain liabilities of the Group. Non-current accruals are discounted in the case of material effects and entered at present value. The interest rate used is appropriate to the term of bonds for all accruals.
Accruals for pensions are valued for defined benefit obligations using the projected unit credit method. Taking dynamic aspects into account, this method determines the expected benefits to be paid on occurrence of the event and distributes them over the entire term of employment of the employee concerned. Actuarial assessments are carried out annually for this purpose. Actuarial gains and losses resulting from

changes in actuarial assumptions and differences between the assumptions and what actually happens are recorded under "Other comprehensive income".
Please see Note (20) for further details.

Contingent liabilities Contingent liabilities are possible obligations in respect of other parties or current obligations in which an outflow of resources is improbable or cannot be reliably determined. Contingent liabilities are generally not stated on the balance sheet.

Revenue realisation Fielmann primarily generates revenues through its retail business. Revenue is realised and payment is made when the ordered and finished products are delivered to the customer. The Group also generates small quantities of revenue from wholesale business in the Germany segment. The income from sales also include earnings from processing insurance cases from the Zero-Cost Insurance policy. The extent of Fielmann's duty of performance here is always the supply of corrective glasses. For this reason, Fielmann realises revenue that corresponds to that from the retail business. As the sales revenues are realised within one year, adjustment by a significant financial component as per IFRS 15.63 is dispensed with. Furthermore, Fielmann records revenue from the insurance-related income from the Zero-Cost Insurance policy under income from sales. This revenue is recorded if it is likely that the economic benefit will pass to the Group and the amount can be determined reliably.
Lease payments are distributed on a straight-line basis over the term of the lease in question through profit and loss. Material non-recurring income and expenses, which are directly attributable to leases, are also distributed over their term.

Share-based remuneration Share-based remuneration settled through equity instruments to employees is valued at the fair value of the instrument on the date they are granted. This remuneration only contains Fielmann Group shares available on the market, which means that there is no uncertainty regarding estimates of their value. Please see Note (33) on forms of remuneration.

Earnings per share Basic earnings per share are calculated by dividing the earnings attributable to the providers of equity capital by the average number of issued shares during the financial year – with the exception of own shares, which the company holds itself. If there is any dilution of earnings, this is included in the calculation of diluted earnings per share. There were no such effects in the current and previous year.

IV. Notes to the consolidated accounts
Assets

Changes in consolidated fixed assets as at 31. 12. 2021

	Acquisition and production costs						
	Position as at 1. 1. 2021 €000s	**Foreign currency translation €000s**	**Change to consolida-tion scope €000s**	**Additions €000s**	**Disposals €000s**	**Book transfer €000s**	**Position as at 31.12.2021 €000s**
I. Intangible assets							
1. Rights of usufruct	22,332	242			2,706		19,868
2. Licences, commercial trademarks and associated rights	47,915	29		3,155	576	2,330	52,853
3. Intangible assets produced in-house	56,319			5,697	7,433	1,372	55,955
4. Incomplete software projects	6,263			2,765	109	–4,081	4,838
5. Trademark rights	76,072						76,072
6. Customer base	64,164						64,164
	273,065	**271**	**0**	**11,617**	**10,824**	**–379**	**273,750**
II. Goodwill	**267,211**	**2,694**	**0**	**2,657**	**131**	**0**	**272,431**
III. Tangible assets							
1. Property and similar rights and buildings, including buildings on third-party land	138,407	463		2,124	48		140,946
2. Tenants' fittings	290,559	1,773		32,153	7,330	2,528	319,683
3. Factory and office equipment	396,231	2,490		35,771	18,515	1,640	417,617
4. Assets under construction	10,545	95		4,868	18	–3,789	11,701
	835,742	**4,821**	**0**	**74,916**	**25,911**	**379**	**889,947**
IV. Investment property	**28,186**	**0**	**0**	**0**	**0**	**0**	**28,186**
V. Rights of usufruct from leases	**579,321**	**3,027**	**0**	**116,605**	**1,108**	**0**	**697,845**
VI. Shares in associates	**4,912**	**0**	**0**	**111**	**0**	**0**	**5,023**
VII. Other financial assets	**2,196**	**0**	**0**	**0**	**49**	**0**	**2,147**
Total fixed assets	**1,990,633**	**10,813**	**0**	**205,906**	**38,023**	**0**	**2,169,329**

Accumulated depreciation							Residual book values	
Position as at 1. 1. 2021 €000s	**Foreign currency translation €000s**	**Additions €000s**	**Disposals €000s**	**Book transfers €000s**	**Write-up €000s**	**Position as at 31. 12. 2021 €000s**	**Position as at 31. 12. 2021 €000s**	**Position as at 31. 12. 2020 €000s**
16,573	230	1,205	1,909			16,099	3,769	5,759
35,199	27	8,506	290			43,442	9,411	12,716
25,734		16,836	3,371			39,199	16,756	30,585
		1,677				1,677	3,161	6,263
		3,585				3,585	72,487	76,072
304		5,220				5,524	58,640	63,860
77,810	**257**	**37,029**	**5,570**	**0**	**0**	**109,526**	**164,224**	**195,255**
93,752	**2,391**	**0**	**122**	**0**	**0**	**96,021**	**176,410**	**173,459**
46,388	225	2,996	41			49,568	91,378	92,019
180,247	1,365	20,368	6,657	6		195,329	124,354	110,312
295,961	2,251	28,861	17,694	–6		309,373	108,244	100,270
		877				877	10,824	10,545
522,596	**3,841**	**53,102**	**24,392**	**0**	**0**	**555,147**	**334,800**	**313,146**
16,225	**0**	**–90**	**0**	**0**	**0**	**16,135**	**12,051**	**11,961**
161,245	**1,590**	**87,250**	**453**	**0**	**0**	**249,632**	**448,213**	**418,076**
0	**0**	**0**	**0**	**0**	**0**	**0**	**5,023**	**4,912**
101	**0**	**0**	**0**	**0**	**0**	**101**	**2,046**	**2,095**
871,729	**8,079**	**177,291**	**30,537**	**0**	**0**	**1,026,562**	**1,142,767**	**1,118,904**

Changes in consolidated fixed assets as at 31. 12. 2020

	Acquisition and production costs						
	Position as at 1. 1. 2020 €000s	**Foreign currency translation €000s**	**Change to consolida-tion scope €000s**	**Additions €000s**	**Disposals €000s**	**Book transfer €000s**	**Position as at 31. 12. 2020 €000s**
I. Intangible assets							
1. Rights of usufruct	21,179	25	1,490		362		22,332
2. Licences, commercial trade-marks and associated rights	38,640	–3	6	6,300	32	3,004	47,915
3. Intangible assets produced in-house	24,666		786	12,062		18,805	56,319
4. Incomplete software projects	26,528			3,773		–24,038	6,263
5. Trademark rights	4,372		71,700				76,072
6. Customer base	5,164		59,000				64,164
	120,549	**22**	**132,982**	**22,135**	**394**	**–2,229**	**273,065**
II. Goodwill	**147,903**	**283**	**118,474**	**551**	**0**	**0**	**267,211**
III. Tangible assets							
1. Property and similar rights and buildings, including buildings on third-party land	135,381	49		164	9	2,822	138,407
2. Tenants' fittings	260,503	–157	6,700	26,347	2,444	–390	290,559
3. Factory and office equipment	365,378	–937	4,035	35,189	12,902	5,468	396,231
4. Assets under construction	14,268	–14		3,952	46	–7,615	10,545
	775,530	**–1,059**	**10,735**	**65,652**	**15,401**	**285**	**835,742**
IV. Investment property	**26,242**	**0**	**0**	**0**	**0**	**1,944**	**28,186**
V. Rights of usufruct from leases	**448,796**	**–430**	**74,642**	**59,404**	**3,091**	**0**	**579,321**
VI. Shares in associates	**4,945**	**0**	**0**	**8,595**	**8,628**	**0**	**4,912**
VII. Other financial assets	**2,134**	**0**	**0**	**197**	**135**	**0**	**2,196**
Total fixed assets	**1,526,099**	**–1,184**	**336,833**	**156,534**	**27,649**	**0**	**1,990,633**

	Accumulated depreciation							Residual book values	
	Position as at 1. 1. 2020 €000s	Foreign currency translation €000s	Additions €000s	Disposals €000s	Book transfers €000s	Write-up €000s	Position as at 31. 12. 2020 €000s	Position as at 31. 12. 2020 €000s	Position as at 31. 12. 2019 €000s
	15,199	19	1,717	362			16,573	5,759	5,980
	30,845	–2	4,387	31			35,199	12,716	7,795
	10,785		14,949				25,734	30,585	13,881
							0	6,263	26,528
							0	76,072	4,372
			304				304	63,860	5,164
	56,829	**17**	**21,357**	**393**	**0**	**0**	**77,810**	**195,255**	**63,720**
	93,341	**250**	**161**	**0**	**0**	**0**	**93,752**	**173,459**	**54,562**
	39,580	19	2,720		4,069		46,388	92,019	95,801
	169,346	–192	18,066	2,209	–4,764		180,247	110,312	91,157
	277,605	–886	31,689	12,447			295,961	100,270	87,773
							0	10,545	14,268
	486,531	**–1,059**	**52,475**	**14,656**	**–695**	**0**	**522,596**	**313,146**	**288,999**
	14,593	**0**	**937**	**0**	**695**	**0**	**16,225**	**11,961**	**11,649**
	78,166	**–345**	**83,424**	**0**	**0**	**0**	**161,245**	**418,076**	**370,630**
	0	**0**	**0**	**0**	**0**	**0**	**0**	**4,912**	**4,945**
	101	**0**	**0**	**0**	**0**	**0**	**101**	**2,095**	**2,033**
	729,561	**–1,137**	**158,354**	**15,049**	**0**	**0**	**871,729**	**1,118,904**	**796,538**

(1) Intangible assets The intangible assets consist of IT software, trademark rights and customer bases. The IT software is written down on a straight-line basis over three to five years. With the exception of a long-lasting trademark right, there are no intangible assets with unlimited useful lives.

The additions to the intangible assets produced in-house relate to the capitalisation of in-house software in relation to Vision 2025 and the implementation of the digitalisation strategy amounting to T€5,076 (previous year: T€9,634). In addition, there were transfers from incomplete software projects to the intangible assets produced in-house amounting to T€1,439 (previous year: T€18,805) which were fully in relation to Vision 2025 and digitalisation (previous year: T€14,780). Recorded under "Other operating expenses" (Note 35), the disposals for the intangible assets produced in-house mainly relate to a project in relation to Vision 2025 and the implementation of the digitalisation strategy amounting to T€3,956 (previous year: T€0).

The additions regarding unfinished software projects relate to software costs in relation to Vision 2025 and the implementation of the digitalisation strategy amounting to T€2,709 (previous year: T€2,235). In the previous year, T€1,538 also related to the development of the existing ERP software.

In the reporting year, impairments of T€5,978 (previous year: T€4,265) were applied to intangible assets produced in-house, T€3,041 (previous year: T€0), to other software and T€1,677 (previous year: T€0) to incomplete software projects. As it was not possible to clearly separate the research, development and operating costs for these projects, the adjustment led to a one-off correction of the capitalised production costs. In future, the costs for such projects will be recorded as expenditure. The costs which could not be capitalised in the reporting year amounted to T€17,228 in total (previous year: T€10,723).

The intangible assets also include leasing rights that are written down over a maximum of 15 years. The leasing rights relate to usual payments to third parties to acquire rental agreements in preferred inner-city locations. The additions regarding leasing rights amounting to T€1,490 in the previous year result from the acquisition of the company Óptica del Penedés, S.L.

In the previous year, the trademark rights amounting to T€71,700 and a customer base worth T€59,000 have been capitalised as part of the purchase price allocation from the acquisition of the company Óptica del Penedés, S.L. The trademark rights have a term of 20 years. A term of 12 years has been calculated for the company's customer base.

(2) Goodwill This item contains goodwill from capital consolidation. Goodwill is allocated to individual cash generating units (CGUs) for the purposes of the impairment test. These are essentially individual stores. Goodwill amounting to T€41,656 was allocated to the Germany segment (previous year: T€38,998), including T€32,439 applicable to stores treated as single CGUs (previous year: T€29,782) and

T€8,740 to Rathenower Optische Werke GmbH (previous year: T€8,740). Goodwill amounting to T€118,466 (previous year: T€118,474) from the acquisition of shares in the company Óptica del Penedés, S.L. was reported in the Spain segment. Further significant goodwill of T€6,531 is attributable to the Switzerland segment (previous year: T€6,230), of T€3,546 to the Netherlands (previous year: T€3,546) and of T€6,211 to Slovenia (previous year: T€6,211) in the other segments. The changes in book value for the Switzerland segment result from currency translation.

(3) Tangible assets/investment property The residual book values of tangible assets including investment properties break down among the segments as follows as at 31 December 2021:

	31.12.2021 €000s	31.12.2020 €000s
Germany	261,891	257,779
Switzerland	27,384	24,812
Austria	10,713	6,990
Spain	12,175	10,735
Other	34,688	24,791
	346,851	**325,107**

Technical facilities and machinery are included under the item "Factory and office equipment".
The additions (including those resulting from a reclassification from assets under construction) in tangible assets were in part due to the expenditure of T€ 46,561 on replacements for stores (previous year: T€ 39,152). Other additions resulted from expansion of the Group (T€ 17,045; previous year: T€ 17,374). There are restrictions in terms of the right of disposal with regards to properties and other tangible assets of the Fielmann Academy due to non-profit status and listed building status. These totalled T€ 16,707 (previous year: T€ 17,088).
Real estate which is not actively used by any of the companies within the Group is included in investment properties classification. Under IAS 40, such properties are classified as investment and valued at amortised cost. In the reporting year, no post-capitalisations were made for these properties, as in the previous year. The fair value for all properties ascertained without a professional surveyor but on the basis of the gross rental method is T€ 17,445 (previous year: T€ 17,922). The corresponding rental income during the reporting period amounts to T€ 1,163 (previous year: T€ 1,195). This is offset by directly attributable expenses of T€ 811 (previous year: T€ 801).
In the reporting period, there were no extraordinary depreciations on mixed-use properties (previous year: T€ 500).

(4) Rights of usufruct from leases Besides the rights of use from leases for properties, this includes the rights of use from leases for cars to a limited extent. For a more precise overview of the development of the rights of usufruct from leases, please refer to the statement of changes in consolidated fixed assets.

(5) Shares in associates/Other financial assets[28] The share in the associate FittingBox S.A. (www.fittingbox.com) is reported. This company was founded in 2006 and is a global leader in augmented reality technology, such as 3D virtual try-ons for glasses and sunglasses. The company headquarters are in Toulouse, France, and it also has a subsidiary in Miami, USA. FittingBox develops innovative technology solutions and digital content for the optical industry and boasts the world's largest database of frame photos and 3D models. The strategic investment in the French technology company is a logical step in Fielmann's digitalisation strategy. Together, we are working on online sales for glasses in Fielmann quality. FittingBox S.A. is not listed on any stock exchange. The acquisition costs including transaction costs amounted to T€4,739. The table below summarises the financial information of FittingBox S.A. (as stated in their own annual accounts).

	31.12.2021 €000s	31.12.2020 €000s
Ownership share	23%	23%
Current assets	7,156	6,763
Non-current fixed assets	3,485	1,823
Current liabilities	–5,301	–4,888
Non-current liabilities	–3,720	–2,565
Net assets (100%)	1,620	1,133
Group share in net assets	369	258
Goodwill incl. transaction costs	4,184	4,184
Book value of the investment	**4,553**	**4,442**
Sales revenues	8,518	7,601
Annual result from continuing business operations	487	–143
Other comprehensive income		
Overall result (100%)	487	–143
Group share in the overall result	**111**	**–33**

The item also includes an investment in an associate totalling T€470 (previous year: T€470). Due to their size and lesser importance to the Fielmann Group, the earnings

[28] See Note (28) for further details

from shares in associates is reported in "Income in the financial result" or "Other expenses in the financial result" (see Note (36)). No dividends were received from associates. Other financial assets include loans to non-controlling interests.

(6) Deferred tax assets Deferred tax assets amounting to T€ 14,418 are capitalised (previous year: T€ 13,595). More information is provided in Note (40) of the Notes to the accounts.

(7) Other non-current financial assets[28] As in the previous year, non-current other financial assets are long-term bonds with a good credit rating held by Fielmann Aktiengesellschaft. The change compared to the previous year mainly results from the maturities in the financial assets. Capital investments in the Spanish company Óptica del Penedés, S.L. are also reported (see Note (28)). The summary of financial assets is shown in Note (43). In addition, deposits and employee loans are also reported under this item. Receivables from employees in the form of loans expected to be repaid in the next 12 months amount to T€ 104 (previous year: T€ 57). This is reported under current other financial assets (see Note (10)).

(8) Receivables from leases There are some leasing agreements in the Fielmann Group for which Group companies appear as lessors. However, these are not of material importance. In this matter, we disclose receivables from leases amounting to T€ 12 (previous year: T€ 465) as at 31 December 2021. In the financial year, the rental income from these sub-leases amounted to T€ 453 (previous year: T€ 499).

(9) Inventories

	31.12.2021 €000s	31.12.2020 €000s
Raw materials, consumables and supplies	1,061	536
Work in progress	15,194	12,091
Finished products and merchandise	136,808	134,449
	153,063	**147,076**

Inventories mainly relate to products for glasses, sunglasses, contact lenses and hearing aids. They also include other merchandise. Work in progress principally relates to processed customer orders for glasses and hearing aids.
The total value adjustments on inventories stands at T€ 9,640 and was recognised in full under cost of materials (previous year: T€ 10,625). Utilisation of inventories amounting to T€ 337,432 was recognised as expenditure in the financial year (previous year: T€ 275,461).

[28] See Note (28) for further details

(10) Trade receivables and current other financial assets[28] More information on trade receivables is provided in Note (28) of the Notes to the accounts. Other financial assets mainly contain receivables due from suppliers of T€25,368 (previous year: T€29,184) and claims against insurance companies of T€26,518 (previous year: T€25,548). Of these receivables, T€25,301 were valued at market value (previous year: T€24,621).

(11) Non-financial assets This item mainly comprises prepaid expenses for advance payments of social security contributions in Switzerland and for IT at Fielmann Aktiengesellschaft as well as receivables and sales tax.

(12) Current tax assets Tax assets amounting to T€11,033 (previous year: T€16,345) result from prepayments of corporation tax (T€5,580; previous year: T€3,739) and trade tax (T€5,453; previous year: T€12,606).

(13) Current financial assets[28] Current financial assets contain bonds, fixed deposits, bonded loans and funds held by Fielmann Aktiengesellschaft. They also include a custodial account in Switzerland comprising shares and bonds. In addition, the current financial assets include funds in the subsidiary in Italy which serve as lease securities. The change compared to the previous year mainly results from the maturities in the financial assets. The summary of financial assets is shown in Note (43).

(14) Cash and cash equivalents[28] This item contains liquid funds and capital investments with a remaining term at the date of acquisition of up to three months. The change compared to the previous year mainly results from the maturities in the financial assets. The summary of financial assets is shown in Note (43).

Liabilities

(15) Subscribed capital/authorised capital As at 31 December 2021, the subscribed capital of Fielmann Aktiengesellschaft amounted to T€84,000. At the Annual General Meeting on 3 July 2014, a stock split (1:2 ratio) was approved and carried out on 22 August 2014. Since then, Fielmann's capital has been divided into 84 million ordinary shares of no par value. A notional interest in the share capital of €1.00 is attributable to each of the 84 million shares. The shares are bearer shares and all confer the same voting rights as well as rights to the assets and profits of Fielmann Aktiengesellschaft.

As per Article 5 Para. 3 of the Articles of Association, the Management Board is authorised, with the unanimous consent of all its members and subject to the consent

[28] See Note (28) for further details

of the Supervisory Board, to increase the company's share capital by issuing new ordinary bearer shares for cash and/or contributions in kind totalling up to €10,000 in one or more stages, up to 7 July 2026. The Management Board did not exercise this authority in the reporting period.

The fundamental aim of our capital management is to guarantee the Fielmann Group's financial stability and flexibility by securing its capital base in the long term. In managing its capital, the Group also aims to achieve an appropriate return on equity and to allow its shareholders to participate in the Group's success. The Group's managed capital consists of financial liabilities, cash and cash equivalents and equity.

Fielmann Aktiengesellschaft and the joint stock companies included in the financial accounts are subject to the minimum capital requirements of German legislation governing public and private limited companies as well as the corresponding provisions of state law and the legal form. There are no other sector-specific minimum capital requirements.

The liquidity of the Fielmann Group is pooled, checked and managed centrally on a daily basis. Both daily and monthly reporting systems have been installed for this purpose. This system guarantees the Group's compliance with all minimum capital requirements.

As at 31 December 2021, Fielmann Aktiengesellschaft did not hold any own shares (previous year: 6,369 own shares with a book value of T€429).

(16) Capital reserves The amount shown relates exclusively to the premium from the 1994 Fielmann Aktiengesellschaft rights issue under Section 272 Para. 2 No. 1 of the German Commercial Code (HGB).

(17) Revenue reserves The revenue reserves contain non-distributed profits for the current financial year and previous years (see also Note (42)).

At the time of the acquisition of 80% of shares in the company Óptica del Penedés, S.L., the value of a put option for acquiring the remaining 20% of the shares was, as in the previous year, accounted for in the revenue reserves in the amount of T€57,553 and decreases them. The put option is reported under non-current financial liabilities (see Note (21)).

(18) Other reserves The other reserves contain the foreign currency translation adjustment item, profits and gains on giving own shares to employees in accordance with IFRS 2 and actuarial gains and losses particularly from pension provisions as part of the application of IAS 19.

(19) Non-controlling shares Non-controlling shares include shares of other shareholders in corporations of the Group. The shares of other shareholders in partnerships are only stated if shares in losses exist. The minority interests in positive equity capital of partnerships were stated as liabilities in accordance with IAS 32 (see also Notes (25), (28) and (42)).

(20) Non-current accruals The movements in non-current accruals were as follows:

	Position as at 1. 1. 2021 €000s	Currency change €000s	Consumption €000s	Writebacks €000s	Allocation €000s	Position as at 31. 12. 2021 €000s
Pension accruals	8,419		–309	–441	1,312	8,981
Accruals for anniversary bonuses	8,317	48	–736	–541	1,209	8,297
Asset retirement obligations	2,859		–60	–105	112	2,806
Accruals for merchandise	4,482		–3,142		3,230	4,570
Other non-current accruals	3,961		–730	–51	1,089	4,269
	28,038	**48**	**–4,977**	**–1,138**	**6,952**	**28,923**

Pension accruals mainly involve the non-forfeitable pension commitments of Fielmann Aktiengesellschaft and only relate to the Germany segment (T€ 7,957; previous year: T€ 7,463).
The accruals are matched by reinsurance credits of T€ 97 (previous year: T€ 255), which are netted against pension accruals. The change in the accruals includes the addition of interest in the amount of T€ 43 (previous year: T€ 72). Pension accruals of Fielmann Aktiengesellschaft will most likely be realised over the subsequent 13 years in line with the statistical mortality table.
The key assumptions on which the actuarial valuation has been based are:

	2021 in %	2020 in %
Discount rate	0.95	0.50
Anticipated increase in income	0.00	0.00
Anticipated increase in pensions	2.00	2.00

The pension provisions in the Fielmann Group are stipulated commitments so that no income increase is taken into account for the valuation of pension provisions.
A sensitivity analysis was carried out in respect of the discount rate. Lowering the discount rate by one percentage point would result in the present value of the defined benefit obligation increasing by T€ 1,274, while raising the discount rate by one

percentage point would lower the present value by T€ 1,046. The values shown only resulted in a minor risk from pension commitments and reinsurance credits for the Group.

The change in the present value of the defined benefit obligation was as follows:

	2021 €000s	2020 €000s
Opening balance of the defined benefit obligation	8,674	8,760
Current service costs (reported in personnel costs)	1,111	5
Interest expenses (reported in financial result)	43	72
Actuarial gains and losses (reported in OCI)	–441	413
Benefits paid	–309	–576
Closing balance of the defined benefit obligation	**9,078**	**8,674**

The change in other comprehensive income (OCI) mainly resulted from changes in interest rates. Deferred tax expenses amounting to T€ 135 are attributable to actuarial gains and losses posted in other comprehensive income (previous year: deferred tax income of T€ 127).

Breakdown of the plans:

	2021 €000s	2020 €000s
Defined benefit obligations		
– from plans which were not financed via a fund	9,078	8,674
	9,078	**8,674**

The amount shown in the balance sheet on the basis of the company's obligation from defined benefit plans is produced as follows:

	2021 €000s	2020 €000s
Present value of the defined benefit obligation	9,078	8,674
Fair value of plan assets	–97	–255
Accruals stated in the balance sheet	**8,981**	**8,419**

Accruals for anniversary bonuses are allocated for 10- to 35-year anniversaries taking actual rates of fluctuation from the past into account. Discounting is performed with the appropriate interest rate for the period of the average remaining term until the anniversary concerned. These accruals will probably be realised during the next 12 months to the value of T€ 642 (previous year: T€ 703). The change in the discount rate triggered by events on the capital market during the reporting year results in a reduction in the accrual by T€ 203 (previous year: increase of T€ 198).

The increase in the discounted amount caused by the passage of time amounts to T€ 34 (previous year: T€ 51).

The following interest rates were used in accordance with the current market situation:

10-year anniversaries: 0.26% (previous year: 0.00%)
25-year anniversaries: 1.06% (previous year: 0.56%)
35-year anniversaries: 1.21% (previous year: 0.77%)

The asset retirement obligations under tenancy agreements are to be viewed as long term. No risks are discernible during the coming 12 months. In the majority of the tenancy agreements the companies of the Fielmann Group are presented with one or more options to extend the tenancy period. An interest rate of 1.50% (10 years) was applied when discounting the settlement amounts at the reporting date (previous year: 1.03% (10 years)). An inflation rate of 0.7% was taken into account (previous year: 0.6%). The discounted settlement amounts are capitalised in the acquisition costs of tenants' fittings with fixed assets. They are subjected to scheduled depreciation over the remaining term of the tenancy agreement. The capital market-related change to the discount rate in the reporting year has led to a reduction of T€ 105 in the accrual (previous year: increase of T€ 93).

The accruals relating to merchandise refer to risks under guarantees and other resulting risks. In addition to cost of materials, these include personnel costs for severance payments. The risks are largely realised within twelve months and within a maximum of three years. The current portion of risks under guarantees is shown under current accruals in Note (24). The assumptions regarding the assessment of risks are constantly verified by reports on guarantee cases. An inflation rate of 0.7% was taken into account when calculating the settlement amounts (previous year: 0.6%). The interest rates used for discounting were 0.19% for two years (previous year: 0.01%) and 0.48% for three years (previous year: 0.18%). The changes in interest rates resulted in an increase of T€ 13 in accruals (previous year: increase of T€ 29).

Changes in interest rates resulted in changes to other non-current accruals of T€ 15 (previous year: T€ 23).

(21) Non-current financial liabilities [28] Non-current financial liabilities are broken down as follows:

	31.12.2021 €000s	31.12.2020 €000s
Non-current liabilities to financial institutions	460	702
– of which with a residual term of more than 5 years T€ 289 (previous year: T€ 344)		
Other non-current liabilities	62,281	58,053
– of which with a residual term of more than 5 years T€ 85 (previous year: T€ 125)		
	62,741	**58,755**

[28] See Note (28) for further details

All non-current liabilities to banks carry a fixed rate of interest and are for a fixed term. No significant interest rate risk is discernible because borrowing is low.
A put option for acquiring the remaining 20% of shares in the company Óptica del Penedés, S.L. is reported in other non-current liabilities at fair value at T€ 61,829 (previous year: T€ 57,553).

(22) Deferred tax liabilities Deferred tax liabilities carried as liabilities stand at T€37,648 (previous year: T€48,084). More information is provided in Note (40) of the Notes to the accounts.

(23) Liabilities from leases In the reporting year, leasing payments of T€88,724 were made (previous year: T€79,943). Interest expenditure from leases amounting to T€4,057 (previous year: T€2,110) were also recorded. Variable leasing payments of T€1,894 were made (previous year: T€1,359) which were not taken into account in the valuation of the lease liabilities. The lease liabilities are, for the most part, lease obligations. The composition of the lease liabilities after they fall due is as follows:

	31. 12. 2021 €000s	31. 12. 2020 €000s
Current	89,864	82,852
Between 1 year and 5 years	236,792	226,603
More than 5 years	130,695	115,080
Non-current	367,487	341,683
	457,351	**424,535**

With regard to in-house lease liabilities, there is no significant liquidity risk from the Group's perspective.

(24) Current accruals The movements in current accruals were as follows:

	Position as at 1. 1. 2021 €000s	Currency translation adjustment €000s	Consumption €000s	Writebacks €000s	Allocation €000s	Position as at 31. 12. 2021 €000s
Personnel accruals	38,797	57	–33,449	–2,621	43,864	46,648
Accruals for merchandise	12,015	73	–8,772		9,455	12,771
Other accruals	7,594	90	–6,052	–752	10,152	11,032
	58,406	**220**	**–48,273**	**–3,373**	**63,471**	**70,451**

The accruals relating to personnel are set up in particular for liabilities in respect of special payments and bonuses. The cash outflow takes place during the first half of the following financial year.
The accruals relating to merchandise refer to risks under guarantees, which are likely to be realised in the next twelve months. The non-current portion of risks under guarantees is shown in Note (20). In the first year, most of the guarantee cases expected in total will be settled.
The other accruals mainly include accruals for outstanding invoices, repayments of state benefits and closure costs.

(25) Current financial liabilities, trade creditors and other financial liabilities[28] Owing to the low rate of debt, no significant effects on the Group through fluctuations in interest rates are expected. These liabilities have a term of up to one year.
The decrease in the current other financial liabilities largely results from the payment of the - still outstanding as at 31. 12. 2020 - remaining amount of the purchase price (security retainer) for the purchase of the 80% share in the company Óptica del Penedés, S.L.
Included in other financial liabilities are obligations towards non-controlling interests, which are considered equity in the individual company accounts according to local law and are shown as liabilities in accordance with IAS 32, in the amount of T€2,344 (previous year: T€2,359) (see also Notes (19), (28) and (42)).

(26) Non-financial liabilities Non-financial liabilities include contractual obligations and liabilities from social security contributions as well as sales, wage and church taxes. The contractual obligations relate to the delineation of the income, which was received in the financial year but will be realised in the future, from the Zero-Cost Insurance as well as from the repair lump sums that the statutory health insurance providers pay in advance for hearing aids sold in Germany.
In the financial year 2021, the movements in contractual obligations were as follows:

Contractual obligations from Zero-Cost Insurance	**€ 000s**
Position as at 1. 1. 2021	23,183
Allocation	23,726
Realised sales of the current financial year contained in the position as at 1 January	–23,183
Position as at 31. 12. 2021	**23,726**

[28] See Note (28) for further details

Contractual obligations from hearing aid repair lump sums	**€ 000s**
Position as at 1. 1. 2021	18,223
Allocation	8,340
Realised sales of the current financial year contained in the position as at 1 January	–6,182
Realised sales of the current financial year not contained in the position as at 1 January	–912
Position as at 31. 12. 2021	**19,469**

(27) Income tax debts Income tax debts essentially relate to prepayments of corporation tax and corporation taxes.

(28) Financial instruments The following legend shows the abbreviations for the valuation categories used in the next section:

Category IFRS 9	**English meaning**	**German meaning**	**Measurement**
AC	Financial Assets Measured at Amortised Cost	Financial assets measured at amortised cost	at amortised cost
FVtPL	Fair Value through Profit or Loss	Fair Value through Profit or Loss	Market value through profit or loss
FLAC	Financial Liabilities Measured at Amortised Cost	Financial liabilities measured at amortised cost	at amortised cost

All categories of financial instruments are reported at their value on the date the respective transaction is completed. Allocation to measurement categories in accordance with IFRS 7 was effected on the basis of the economic properties and the risk structure of the respective financial instruments. In each category, the current value is determined by stock market prices and/or other data available in the financial market. The put option entered into as part of acquiring shares in the company Óptica del Penedés, S.L. is assigned to hierarchy level 3. Further information on the inputs can be found in this section under "Put option". Further in-house valuation procedures or procedures that are not based on observable market data were not used. As a result, there were no material uncertainties in determining the fair value of the financial instrument. Financial assets measured at amortised cost and financial assets at fair value through profit and loss have been classified in the corresponding category.

For the Fielmann Group's financial assets, there is a default risk which is accounted for by corresponding impairments. The positive balance from impairment costs including a reversal of T€666 (previous year: negative balance of T€410) comes from income reversals of T€1,378 (previous year: T€694) and costs from impairment of T€712 (previous year: T€1,104). Due to its lesser importance to the Fielmann Group, there is no separate reporting in the consolidated profit and loss statement. Receivables are retired when they are finally lost or when pursuit of the claim is futile, thus making no economic sense (e.g. minor sums). The cost of retiring the receivables amounts to T€1,097 (previous year: T€1,268).

The breakdown of impairments into the classes is as follows:

						Lifetime ECL		
	Category in accordance with IFRS 9 €000s	Book value as at 31.12.2021 €000s	Book value before impairment €000s	Impairment €000s	12-month ECL €000s	non-impaired credits €000s	impaired credits €000s	Trade receivables €000s
Other financial assets (non-current)								
Loans	AC	2,046	2,147	101			101	
		2,046	**2,147**	**101**	**0**	**0**	**101**	**0**
Other financial assets (non-current)								
Loans	AC	3,976	4,016	40	40			
Bonds and fixed deposits	AC	25,876	25,936	60	60			
		29,852	**29,952**	**100**	**100**	**0**	**0**	**0**
Receivables from leases (non-current)								
Receivables from leases	AC	12	12	0				
		12	**12**	**0**	**0**	**0**	**0**	**0**
Trade receivables								
Trade receivables	AC	39,014	41,097	2,083				2,083
		39,014	**41,097**	**2,083**	**0**	**0**	**0**	**2,083**
Other financial assets (current)								
Other receivables	AC	35,167	35,490	323	323			
Other receivables	AC	127	600	473			473	
		35,294	**36,090**	**796**	**323**	**0**	**473**	**0**
Financial assets (current)								
Bonds and fixed deposits	AC	12,170	12,255	85	85			
		12,170	**12,255**	**85**	**85**	**0**	**0**	**0**
Cash and cash equivalents								
Bonds and fixed deposits	AC	9,927	10,002	75	75			
Liquid funds	AC	164,962	164,962	0				
		174,889	**174,964**	**75**	**75**	**0**	**0**	**0**
Total		**293,277**	**296,517**	**3,240**	**583**	**0**	**574**	**2,083**

						Lifetime ECL		
	Category in accordance with IFRS 9 €000s	**Book value as at 31.12.2020 €000s**	**Book value before impairment €000s**	**Impairment €000s**	**12-month ECL €000s**	**non-impaired credits €000s**	**impaired credits €000s**	**Trade receivables €000s**
Other financial assets (non-current)								
Loans	AC	2,095	2,196	101			101	
		2,095	**2,196**	**101**	**0**	**0**	**101**	**0**
Other financial assets (non-current)								
Loans	AC	3,557	3,593	36	36			
Bonds and fixed deposits	AC	3,003	3,011	8	8			
		6,560	**6,604**	**44**	**44**	**0**	**0**	**0**
Receivables from leases (non-current)								
Receivables from leases	AC	465	465	0				
		465	**465**	**0**	**0**	**0**	**0**	**0**
Trade receivables								
Trade receivables	AC	38,523	40,542	2,019				2,019
		38,523	**40,542**	**2,019**	**0**	**0**	**0**	**2,019**
Other financial assets (current)								
Other receivables	AC	35,771	36,132	361	361			
Other receivables	AC	367	1,396	1,029			1,029	
		36,138	**37,528**	**1,390**	**361**	**0**	**1,029**	**0**
Financial assets (current)								
Bonds and fixed deposits	AC	84,140	84,377	237	237			
		84,140	**84,377**	**237**	**237**	**0**	**0**	**0**
Cash and cash equivalents								
Bonds and fixed deposits	AC	15,787	15,902	115	115			
Liquid funds	AC	87,935	87,935					
		103,722	**103,837**	**115**	**115**	**0**	**0**	**0**
Total		**271,643**	**275,549**	**3,906**	**757**	**0**	**1,130**	**2,019**

The movements in impairments were as follows:

	Loans	Bonds and fixed deposits	Trade receivables	Other receivables	Total
	€000s	€000s	€000s	€000s	€000s
Impairment as at 1. 1. 2021	**137**	**360**	**2,019**	**1,390**	**3,906**
12-month ECL	4	–140		–38	–174
Lifetime ECL:					
Non-impaired credits					
Impaired credits				–556	–556
Trade receivables			64		64
Impairment as at 31. 12. 2021	**141**	**220**	**2,083**	**796**	**3,240**

	Loans	Bonds and fixed deposits	Trade receivables	Other receivables	Total
	€000s	€000s	€000s	€000s	€000s
Impairment as at 1. 1. 2020	**121**	**374**	**2,299**	**702**	**3,496**
12-month ECL	16	–14		39	41
Lifetime ECL:					
Non-impaired credits					
Impaired credits				649	649
Trade receivables			–280		–280
Impairment as at 31. 12. 2020	**137**	**360**	**2,019**	**1,390**	**3,906**

Expected credit losses (ECL) are mainly calculated based on past experience under consideration of current circumstances and possibly adjusted for the predicted future economic development. They are calculated on a case by case basis where they are material, otherwise by grouping similar default risk characteristics, e.g. temporal criteria. The value adjustments for financial instruments are openly deducted in the case of trade receivables and other receivables through separate accounts.

For trade receivables, the expected credit loss over the entire term (lifetime ECL) was recorded, for simplification. Besides receivables from individual customers, the receivables relate to receivables from processing prescriptions and payment transactions. Due to past experience with maturity and default, the receivables from individual customers were value adjusted. The average for the three years prior to the financial year was therefore taken as the basis for calculation. It is assumed that a default event occurs no more than 90 days after the due date. For further receivables, an expected default rate of 1% is applied.

The movements in value-adjusted receivables as a result of maturity were as follows:

	Book value before impairment in €000s	Impairment as at 31.12.2021 in €000s	Expected default rate	Balance sheet value on 31.12.2021 in €000s
Receivables to customers				
Not due	5,663	88	2%	5,575
1 to 30 days overdue	3,760	24	1%	3,736
31 to 90 days overdue	427	30	7%	397
more than 90 days overdue or other objective evidence of impairment	3,246	1,688	52%	1,558
Subtotal	**13,096**	**1,830**		**11,266**
Other receivables	28,001	253	1%	27,748
Position as at 31 December	**41,097**	**2,083**		**39,014**

	Book value before impairment in €000s	Impairment as at 31.12.2020 in €000s	Expected default rate	Balance sheet value on 31.12.2020 in €000s
Receivables to customers				
Not due	4,454	97	2%	4,357
1 to 30 days overdue	3,225	26	1%	3,199
31 to 90 days overdue	649	48	7%	601
more than 90 days overdue or other objective evidence of impairment	3,046	1,578	52%	1,468
Subtotal	**11,374**	**1,749**		**9,625**
Other receivables	29,168	270	1%	28,898
Position as at 31 December	**40,542**	**2,019**		**38,523**

The credit default risk is assumed to be low for all other financial instruments that are valued at amortised cost. No significant defaults were reported in the past.
For bonds and fixed deposits, the expected credit loss over the next twelve months (12-month ECL) was simplified due to the unchanged low credit risk. The assets generally correspond to the so-called investment grade or a comparable credit rating if there is no rating. For the calculation of the expected credit losses, three clusters were formed according to the debtors' credit rating and default rates of 0.1%, 0.25% and 0.75% were applied.

For loans and other receivables, as a rule, the expected credit loss over the next twelve months (12-month ECL) was estimated and a default rate of 1% applied. In certain cases, impairments amounting to the total ECL were made. The expected default rates are between 75% and 100%.

The impairments determined for liquid funds and receivables from leases using the above schema were not recorded because of the very low amount.

The Germany segment accounts for approx. 80% of the financial assets. In the case of receivables from individual customers, the Group's retail activities mean that there is no default risk resulting from a focus on individual debtors. High receivable balances particularly result from processing prescriptions, payment transactions and the Zero-Cost Insurance, as well as from the issuers of capital investments. Again, no increased risk is seen here. Legal steps were undertaken to follow up on incoming payments for impaired receivables amounting to T€ 2,556 (previous year: T€ 2,468).

The maximum default risk for the financial assets corresponds to their book values.

The Group has not prepared an analysis of the dates on which material financial liabilities are due since sufficient liquid funds are permanently available and there is therefore no liquidity risk.

Market risks for financial instruments in the Fielmann Group include price and interest rate risks for any capital investments, especially currency risks.

Currency risks As a result of its international operations, the Fielmann Group is exposed to foreign exchange risks. Financial instruments are translated into euros at the exchange rate on the balance sheet date in accordance with IAS 21. Currency differences are reported in a foreign currency translation adjustment item included under other reserves. Additional currency risks are due to the translation of existing financial instruments, especially credit balances with banks, capital investments, intra-group receivables and liabilities as well as procurement liabilities. The foreign currencies that are relevant to the Fielmann Group are described in "Foreign currency translation" in Section III "Significant accounting and valuation policies". In particular, the Fielmann Group is exposed to risk through the Swiss franc and the US dollar.

As part of a sensitivity analysis, the impact on the valuation of financial instruments in the currencies Swiss franc and US dollar were examined on the basis of a possible appreciation or depreciation of 10% against the euro as at 31 December 2021 (previous year: 10%). This analysis assumes that all other variables remain constant.

If the Swiss franc appreciated against the euro by 10%, the valuation of Fielmann's financial assets (€ 67.6 million, previous year: € 45.4 million) and financial liabilities totalling € 66.4 million (previous year: € 50.5 million) would see a decrease in equity of € 1.5 million (previous year: decrease of € 1.2 million) as well as an increased net income for the year of € 0.7 million (previous year: increase of € 1.1 million).

A depreciation of the Swiss franc against the euro by 10% would have the opposite effect on equity and net income for the year.

Considering the valuation of financial assets amounting to € 2.7 million (previous year: € 1.7 million) and financial liabilities totalling € 3.0 million (previous year: € 1.9 million), an appreciation of the US dollar against the euro by 10% would lead to an unchanged equity (previous year: unchanged equity) and an unchanged net income for the year (previous year: unchanged net income for the year). A depreciation of the US dollar against the euro by 10% would have correspondingly no effect on equity and net income for the year.

Interest rate risks The capital investments of the Fielmann Group include call money and fixed-term deposits as well as fixed interest securities and bonded loans. As these capital investments are predominantly fixed interest and to be held to maturity, there is no significant interest rate risk for the Group. There are no material interest rate risks from other financial liabilities. The liabilities from leases were discounted using a fixed interest rate until the maturity date, so that no interest rate risk arises here. The put option entered into as part of acquiring shares in the company Óptica del Penedés, S.L. is assigned to hierarchy level 3 and is subject to an interest rate risk. Further information on the inputs can be found in this section under “Put option”. Owing to the low level of debt, there are no material interest rate risks from other financial liabilities.

Price risks The Fielmann Group is above all exposed to price risk through capital investments in shares and similar investments. As part of a sensitivity analysis, the impact of a possible increase or decrease of 10% in the share price versus the position as at 31 December 2021 (previous year: 10%) was examined. This analysis assumes that all other variables remain constant and that the holding as at the balance sheet date is representative for the year as a whole.

A rise in the price level by 10% would lead to an increase in equity amounting to € 1.2 million (previous year: increase of € 0.9 million) and raise net income for the year by € 1.2 million (previous year: increase of € 0.9 million). A reduction in the share price by 10% would have the corresponding opposite effect on equity and net income for the year.

More detailed explanations of the individual financial risks are contained in the Management Report.

The following table shows the book values and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It contains no information on the fair value for financial assets and financial liabilities which were not measured at fair value when the book value represents a reasonable approximation of the fair value.

Measurement categories in accordance with IFRS 7

in €000s	Measurement category	Book value as at 31.12.2021
ASSETS		
Other financial assets (non-current)		
Loans	AC	2,046
		2,046
Other financial assets (non-current)		
Loans	AC	3,976
Funds	FVtPL	10,511
Bonds and fixed deposits	AC	25,876
		40,363
Receivables from leases		
Receivables from leases	AC	12
		12
Trade debtors		
Trade debtors	AC	39,014
		39,014
Other financial assets (current)		
Other receivables	AC	35,294
Other receivables	FVtPL	25,301
		60,595
Financial assets (current)		
Investment management custodial accounts	FVtPL	9,763
Funds	FVtPL	38,715
Bonds and fixed deposits	AC	12,170
		60,648
Cash and cash equivalents		
Bonds and fixed deposits	AC	9,927
Liquid funds	AC	164,962
		174,889
Total assets		
	AC	293,277
	FVtPL	84,290
		377,567
LIABILITIES		
Financial liabilities (non-current)		
Liabilities to financial institutions	FLAC	460
Other liabilities	FLAC	142
Loans received	FLAC	310
Put option	FVtPL	61,829
		62,741
Liabilities from leases (non-current)		
Liabilities from leases	FLAC	367,487
		367,487
Financial liabilities (current)		
Liabilities to financial institutions	FLAC	135
		135
Liabilities from leases (current)		
Liabilities from leases	FLAC	89,864
		89,864
Trade creditors		
Trade creditors	FLAC	79,615
		79,615
Other financial liabilities		
Other liabilities	FLAC	32,494
Liabilities from third parties' capital interests	FLAC	2,344
		34,838
Total liabilities		
	FLAC	572,851
	FVtPL	61,829
		634,680

Level of fair value hierarchy	Fair value	Measurement category	Book value as at 31. 12. 2020	Level of fair value hierarchy	Fair value
		AC	2,095		
			2,095		
		AC	3,557		
1	10,511	FVtPL	11,510	1	11,510
		AC	3,003		
			18,070		
		AC	465		
			465		
		AC	38,523		
			38,523		
		AC	36,138		
1	25,301	FVtPL	24,621	1	24,621
			60,759		
1	9,763	FVtPL	9,581	1	9,581
1	38,715	FVtPL	23,796	1	23,796
		AC	84,140		
			117,517		
		AC	15,787		
		AC	87,935		
			103,722		
		AC	271,643		
1	84,290	FVtPL	69,508	1	69,508
			341,151		
		FLAC	702		
		FLAC	142		
		FLAC	358		
3	61,829	FVtPL	57,553	3	57,553
			58,755		
		FLAC	341,683		
			341,683		
		FLAC	129		
			129		
		FLAC	82,852		
			82,852		
		FLAC	75,319		
			75,319		
		FLAC	47,733		
		FLAC	2,359		
			50,092		
		FLAC	551,277		
3	61,829	FVtPL	57,553	3	57,553
			608,830		

Income according to measurement categories

		2021					
Measurement categories		**Profits from subsequent measurement at fair value €000s**	**Losses from subsequent measurement at fair value €000s**	**Impairments[1] €000s**	**Income in the financial result €000s**	**Other expenses in the financial result €000s**	**Interest expenditure from leases €000s**
Fair Value through Profit or Loss	FVtPL	2,083	1,043		580	4,563	
Financial assets measured at amortised cost	AC			–666	279		
Financial liabilities measured at amortised cost	FLAC					1,142	4,057
Reconciliation of financial result							
Financial income and expense for balance sheet items which are not financial instruments					213	417	
Income and expenses for financial instruments which are not included in the financial result		–2,083	–1,043	666			
Total		**0**	**0**	**0**	**1,072**	**6,122**	**4,057**

[1] Negative amounts represent write-ups

		2020					
Measurement categories		**Profits from subsequent measurement at fair value €000s**	**Losses from subsequent measurement at fair value €000s**	**Impairments[1] €000s**	**Income in the financial result €000s**	**Other expenses in the financial result €000s**	**Interest expenditure from leases €000s**
Fair Value through Profit or Loss	FVtPL	990	958		705		
Financial assets measured at amortised cost	AC			410	185		
Financial liabilities measured at amortised cost	FLAC					1,070	2,110
Reconciliation of financial result							
Financial income and expense for balance sheet items which are not financial instruments						607	
Income and expenses for financial instruments which are not included in the financial result		–990	–958	–410			
Total		**0**	**0**	**0**	**890**	**1,677**	**2,110**

[1] Negative amounts represent write-ups

Gains and losses from the subsequent valuation of financial instruments in the "Fair Value through Profit or Loss" category are calculated as the difference between the stock market price and the book value. Changes to the fair value are taken into account in line with the stock market price and for receivables as part of expected credit losses.

These losses as well as impairments for financial instruments are shown under "Other operating expenses", while the profits and income from the write-ups for financial instruments are listed under "Other operating income".

Interest is recorded according to the relevant payments, taking into account deferrals for the period. Interest income for financial assets and financial liabilities, which are not measured at market value through profit or loss, comes to T€ 279 (previous year: T€ 185). The corresponding interest expenses amount to T€ 5,199 (previous year: T€ 3,180).

Bonds and fixed deposits The disclosure of bonds and fixed deposits of T€ 47,973 (previous year: T€ 102,930) comprises bonds (T€ 37,986; previous year: T€ 72,154), a bonded loan (T€ 0; previous year: T€ 19,965) as well as call money and fixed-term deposits (T€ 9,987; previous year: T€ 10,811), which are each carried at amortised cost and will be broken down by maturity in accordance with IAS 1.

Investment management custodial accounts The investment management custodial accounts reported under current financial assets relate to a custodial account of Fielmann AG, Basel, which is managed by an external custodian and contains shares and bonds in the amount of T€ 9,763 (previous year: T€ 9,581). The investment policy is based on a written strategy agreed with the custodial account manager. The securities held there are reported at current value (stock market price). Valuation gains and losses in the reporting period were recognised in profit and loss.

Funds Funds include a fund in Fielmann Aktiengesellschaft amounting to T€ 34,849 (previous year: T€ 20,002). This is reported at current value (stock market price). Valuation gains and losses in the reporting period were recognised in profit and loss.

In addition, funds in the Italian subsidiary amounting to T€ 3,866 are reported (previous year: T€ 3,794). The funds serve as lease securities in Italy and are pledged for this purpose. This is reported at current value (stock market price). Valuation gains and losses in the reporting period were recognised in profit and loss.

The reporting in other non-current financial assets includes money market funds in the Spanish company Óptica del Penedés, S.L. amounting to T€ 10,511 (previous year: T€ 11,510). This is reported at current value (stock market price). Valuation gains and losses in the reporting period were recognised in profit and loss.

Other receivables Other receivables valued at amortised costs totalling T€ 35,294 mainly relate to receivables due from suppliers (previous year: T€ 36,138). Other receivables totalling T€ 25,301 (previous year: T€ 24,621) were designated as "at Fair Value through Profit or Loss" at the time of recognition. This is reported at current value (stock market price). The positive difference in value between amortised cost and current value was T€ 1,221 (previous year: T€ 941). The book value is the maximum default risk. Valuation gains and losses in the reporting period were recognised in profit and loss.

Liquid funds There are liquid funds of T€ 164,962 (previous year: T€ 87,935), of which T€ 162,095 (previous year: T€ 85,360) are credit balances with banks.

Put option Shown for the first time in 2020, the put option for acquiring the remaining 20% of shares in the company Óptica del Penedés, S.L. is reported at fair value at T€ 61,829 (previous year: T€ 57,553). The valuation of the put option, which may be exercised in the years 2024 to 2026, is mainly based on the company's expected sales revenue multiplied by a constant factor. Compensation for liquid funds and financial liabilities that exist the end of the year prior to exercise is also considered. These two valuation parameters resulted in earnings of T€ 287, which are reported under "Other operating income". In addition, the put option's fair value increased in the financial year due to compounding with a country-specific interest rate and the current planning by T€ 4,563; the expenditure is contained in the financial result.
The country-specific capital cost rate was between 5.28% and 6.80% in the financial year 2021. When considered in isolation, a 1% increase in the capital cost rate would lead to a decrease in the book value of T€ 2,553, while a corresponding reduction of the rate would raise the book value by T€ 2,689.
A 10% increase in the expected sales revenues would, considered in isolation, lead to a rise in the book value of T€ 5,541. A 10% decrease in the sales revenues would have the opposite effect on the book value of the same amount.

Liabilities from third parties' capital interests Other financial liabilities include third parties' capital interests amounting to T€ 2,344 (previous year: T€ 2,359), which are reported as liabilities in accordance with IAS 32 (see also Notes (19), (25) and (42)).

(29) Contingent liabilities and other financial liabilities In the financial year, the Fielmann Group assumed no guarantees for third party liabilities to banks, as was already the case in the previous year.

As at 31 December 2021, the purchase commitments for store openings amount to T€ 390 (previous year: T€ 180) and to T€ 3,660 (previous year: T€ 4,080) for replacement investments in existing stores. There are purchase commitments of T€ 2,390 (previous year: T€ 240) for production facilities at Rathenow, and T€ 140 for IT (previous year: T€ 820). There were no purchase commitments in the financial year for renovations to the Group headquarters (previous year: T€ 130).

Profit and loss statement

The profit and loss statement of the Fielmann Group was compiled in accordance with the overall cost of production method.

(30) Income from sales, including changes in inventories The income from sales of the Fielmann Group (gross including sales tax) is attributable to the segments as follows:

	2021		2020	
	Gross €000s	Net €000s	Gross €000s	Net €000s
Germany	1,429,495	1,223,546	1,303,159	1,132,362
Switzerland	200,325	186,002	179,125	166,318
Austria	97,224	81,911	88,874	74,975
Spain	125,904	111,828		
Other	83,356	74,866	61,633	55,278
Consolidated sales	**1,936,304**	**1,678,153**	**1,632,791**	**1,428,933**
Changes in inventories	2,640	2,640	–2,723	–2,723
Total Group sales	**1,938,944**	**1,680,793**	**1,630,068**	**1,426,210**

The breakdown of sales revenues into the product groups is as follows:

	2021 €000s	2020 €000s
Eyewear	1,380,484	1,190,563
Contact lenses	124,006	103,093
Sunglasses	53,796	30,985
Hearing aids	93,338	80,709
Other	21,475	19,167
Services	5,054	4,416
Consolidated sales	**1,678,153**	**1,428,933**
Changes in inventories	2,640	–2,723
Total Group sales	**1,680,793**	**1,426,210**

The revenues for the sale of hearing aid products include income from hearing aid repair lump sums of T€ 6,949 (previous year T€ 6,244), which is paid by the health insurance companies for a period of five years and is apportioned accordingly (see Note 26). The other sales revenues mainly result from the sale of merchandise. The sales revenues from services include, among other things, rental income from own property.

(31) Other operating income Other operating income mainly comprises income from writing back accruals and value adjustments, gains from the subsequent valuation of financial instruments in the "Fair Value through Profit or Loss" category and capitalised own services. In the reporting year, no public subsidies were granted as per IAS 20 in relation to coronavirus-related restrictions (previous year: T€ 1,522). The income also includes income from foreign exchange differences of T€ 2,182 (previous year: T€ 1,092).

(32) Cost of materials The cost of materials mainly relates to frames, lenses, contact lenses, cleaning and care products as well as hearing aids and hearing aid accessories after deducting discounts, rebates and other similar amounts.

(33) Personnel costs

	2021 €000s	2020 €000s
Wages and salaries	590,076	522,267
Social security costs and pension contributions	113,756	96,499
	703,832	**618,766**
of which pension scheme contributions [1]	56,301	46,946

In response to the coronavirus pandemic, public subsidies in the form of salary and social insurance refunds worth T€ 11,836 were granted in the reporting year (previous year: T€ 30,001). This money was used for personnel expenses. Salary refunds in Germany and Italy are assigned to each entitled employee and are not a payment in the sense of IAS 20. For this reason, only the amount of T€ 6,059 can be regarded as government assistance as per IAS 20 (previous year: T€ 19,301).

As part of the statutory arrangements in Germany concerning capital-building payments to employees, an offer is made to the workforce once a year to invest these benefits in the form of Fielmann shares. On 10 August 2021, each employee was offered 8 shares at a price of € 63.70 with an exercise deadline of 8 November 2021 (previous year: 8 shares on 27 August 2020 at € 62.70, deadline of 9 November 2020). The weighted average rate for this period was € 60.82 (previous year: € 65.85). This offer was taken up by 6,522 employees (previous year: 6,864 employees). As a result, 52,176 shares were issued to employees (previous year: 54,912 shares). There were no open offers to subscribe to shares at the balance sheet date. In accordance with IFRS 2, the sum of T€ 3,324 was stated as expenditure for capital-building payments in the form of shares within the Group (previous year: T€ 3,443). Price gains and losses on the disposal of the company's own shares were offset directly against equity.

In the past financial year, employees in the stores also received a total of 8,607 shares from a performance-related bonus programme within the meaning of IFRS 2 (previous year: 8,811). On the grant date, employees received a direct entitlement to the shares. The shares were quickly issued to the employees. The total expenditure amounted to T€ 740 (previous year: T€ 839). This scheme aims to reward particular elements of the Fielmann philosophy, such as customer satisfaction.

The remuneration granted to Management Board members for their work during the financial year divided into fixed and variable remuneration components. The premium for a Group accident insurance policy for the Management Board members and a pecuniary benefit for the use of company cars are attributed to the fixed remuneration. The single-year and multi-year performance-related variable components contain financial and non-financial performance criteria based chiefly on strategic objectives as well as operative ones.

[1] The 2021 pension scheme contributions include an amount of € 6.0 million which is attributable to the employer contributions for health and pension insurance to be paid together in Spain and which need not be broken down.

In the financial year, total remuneration of the Management Board amounted to T€ 6,697 (previous year: T€ 5,850), of which T€ 2,783 is fixed remuneration (previous year: T€ 2,512) and T€ 3,914 is variable (previous year T€ 3,338).
The pension expenses in relation to the allocation for a former member of the Management Board amount to T€ 204 (previous year: T€ 146).
A special payment of T€ 1,500 was paid to a Management Board member who left in the reporting year at the end of the Management Board mandate.
There is no share-based remuneration.

(34) Other operating expenses The other operating expenses contain the following items:

	2021 €000s	2020 €000s
Costs of premises	38,224	35,826
Sales promotion and distribution	76,288	68,866
Other personnel costs	17,096	15,521
Offices	112,963	90,128
Other	11,248	6,914
	255,819	**217,255**

Other operating expenses include administrative and organisational costs, advertising, cost of premises as well as the costs of training and voluntary social expenses. The expenses arising from asset disposals of T€ 5,588 (previous year: T€ 678) and foreign exchange differences of T€ 2,583 (previous year: T€ 2,668) are contained under "Other". This is offset by income from foreign exchange differences amounting to T€ 2,182 (previous year: T€ 1,092), which is reported in the other operating expenses (see also Note (31)).

(35) Write-downs

	2021 €000s	2020 €000s
Rights of usufruct from leases	87,250	83,424
Intangible assets	37,029	21,357
Goodwill		161
Tangible assets including investment property	53,012	53,412
Other write-downs	90,041	74,930
	177,291	**158,354**

The extraordinary write-downs made in the reporting period and the previous year are described in Notes (1) , (3) and (44).

(36) Financial result

The financial result is made up as follows:

	Expenses		Income		Balance	
in € 000s	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Result from cash and capital investments	–762	–824	783	796	21	–28
Result from on-balance sheet and other transactions not relating to financial assets	–9,417	–2,930	178	94	–9,239	–2,836
Interest result	**–10,179**	**–3,754**	**961**	**890**	**–9,218**	**–2,864**
Result from shares in associates		–33	111		111	–33
Financial result	**–10,179**	**–3,787**	**1,072**	**890**	**–9,107**	**–2,897**

The result from on-balance sheet and other transactions not relating to financial assets is largely due to the application of the IFRS 16 standard "Leasing" (see Note (23)) and the first subsequent valuation of the put option for acquiring the remaining 20% of the shares in the company Óptica del Penedés, S.L. in the financial year (see Note (28)).
More information on earnings from shares in associates is provided in Note (5) of the Notes to the accounts.

(37) Taxes on income and earnings

	2021 € 000s	**2020 € 000s**
Current income tax expenditure for Germany	64,010	53,838
Current income tax expenditure for outside Germany	12,652	5,677
Current income tax expenditure	**76,662**	**59,515**
Deferred tax income/expenditure for Germany	–7,373	–3,246
Deferred tax income/expenditure for abroad	–4,130	–1,597
Deferred tax income/expenditure	**–11,503**	**–4,843**
Sum of taxes on income and earnings	**65,159**	**54,672**

The income tax expenditure includes trade tax and corporation tax as well as the equivalent national taxes of the consolidated companies and amounts to T€ 76,662 (previous year: T€ 59,515), of which a tax income of T€ 270 is attributable to taxes applying to other periods (previous year: T€ 0). The current income tax-related expenditure of individual Group companies decreased by T€ 387 through the use of loss carry-forwards (previous year: T€ 161).
Deferred tax-related income in the Group in the amount of T€ 11,503 (previous year: T€ 4,843) mainly results from the current change from temporary differences and tax-related loss carry-forwards. More details can be found in Note (40) of the Notes to the accounts.

(38) Net income for the year and earnings per share The movements in earnings per share were as follows:

	2021 €000s	2020 €000s
Net income for the year	144,577	120,805
Income attributable to minority interests	–7,722	–4,397
Profits to be allocated to parent company shareholders	**136,855**	**116,408**
Number of shares ('000) units	84,000	83,994
Earnings per share in € (diluted/basic)	**1.63**	**1.39**

There was no dilution of earnings in the financial year nor in the previous year.

(39) Income attributable to minority interests Minority interests account for T€ 7,722 (previous year: T€ 4,552) of the profits from subsidiaries included in the Group's consolidated financial statements. There are no shares in the losses (previous year: T€ 155). Net profit attributable to minority interests and corresponding dividends are effectively the preserve of the shareholders. For this reason, they are disclosed in the profit and loss statement as well as in the movement in Group equity.

(40) Deferred taxes The deferred tax liabilities on intangible assets of T€ 44,006 (previous year: T€ 50,175) include the sum of T€ 30,550 (previous year: T€ 32,675) from the capitalisation of brands and a customer base by way of acquiring 80% of shares in the company Óptica del Penedés, S.L. in Spain. The deferred tax assets on losses brought forward increased by T€ 2,767 in the reporting period based on corresponding net annual results or earnings forecasts (previous year: decrease of T€ 2,456).

Of the deferred tax assets on losses brought forward, a total of T€ 5,787 is attributable to companies that are currently making losses (previous year: T€ 3,322). The figure was reported on the basis of positive earnings forecasts and in consideration of taxable temporary differences available for offsetting. Positive earnings forecasts are the result of the individually underlying tax planning and are also supported by these units' positive impairment tests.

No deferred tax assets were stated for loss carry-forwards in the amount of T€ 58,567 because utilisation is not expected (previous year: T€ 41,317). This figure does not include any loss carry-forwards which are expected to lapse because of the passage of time.

Deferred taxes on temporary differences from company balance sheets, contribution processes in the Group and elimination of intra-Group profits are also included. Realisation of deferred tax assets during the coming twelve months is likely to amount to T€ 9,984 (previous year: T€ 11,001), while realisation of deferred tax liabilities is expected to amount to T€ 5,768 (previous year: T€ 8,380).

Deferred taxes are constituted as follows:

	31. 12. 2021		31. 12. 2020	
Deferred taxes	**€000s Asset**	**€000s Liability**	**€000s Asset**	**€000s Liability**
a) on deductible differences				
– from company accounts	5,048	5,980	4,549	10,100
– from commercial balance sheet II	134,040	131,820	126,893	126,637
– from consolidation	2,234	33,222	2,117	35,014
b) on loss carry-forwards	6,470		3,703	
	147,792	**171,022**	**137,262**	**171,751**
Reconciliation to balance sheet value				
Netting effect in accordance with IAS 12.71 ff	–133,374	–133,374	–123,667	–123,667
Deferred tax assets and liabilities according to the balance sheet	**14,418**	**37,648**	**13,595**	**48,084**

The deferred taxes are added to the following items:

	31. 12. 2021		31. 12. 2020	
	€000s Asset	**€000s Liability**	**€000s Asset**	**€000s Liability**
Intangible assets	1,827	44,006	2,053	50,175
Tangible assets	2,819	143	2,899	182
Financial assets	160	1,021	145	755
Rights of usufruct and liabilities from leases	121,082	118,387	115,067	113,423
Inventories	10,358	2,577	8,482	2,733
Non-financial assets		1,988		1,902
Accruals	5,073	1,654	4,904	1,718
Trade creditors			2	
Outside Basis Differences		538		115
Loss carry-forwards	6,470		3,703	
Special reserves		708		748
Other	3		7	
	147,792	**171,022**	**137,262**	**171,751**
Reconciliation to balance sheet value				
Netting effect in accordance with IAS 12.71 ff.	–133,374	–133,374	–123,667	–123,667
Deferred tax assets and liabilities according to the balance sheet	**14,418**	**37,648**	**13,595**	**48,084**

The tax reconciliation is as follows:

Tax reconciliation pursuant to IAS 12	2021 €000s	2020 €000s
Earnings before taxes	**209,736**	**175,477**
Applicable tax rate	30.7%	30.7%
Expected tax expenditure	**64,389**	**53,871**
Effect of differences in foreign tax rates	–4,668	–1,833
Effect of changes in foreign tax rates		–297
Effect of deviations in the tax base		
Third party share of profit exempt from corporation tax	–806	–1,391
Taxes on non-deductible expenditure	882	447
Other tax-free earnings	–104	–1,445
Trade tax allowances and other tax adjustments	123	689
unstated and unused tax losses brought forward for the current period	3,953	2,738
Tax effect from impairment goodwill	279	1,476
Change in permanent differences	1,257	995
Non-periodic effects	17	–527
Other	–163	–51
Total Group tax expenditure	**65,159**	**54,672**

The parameters for calculating the expected tax rate of 30.7% in 2021 are an average trade tax (14.9% given an average multiplier of 425%) and corporation tax including the solidarity surcharge (15.8%). The parameters are unchanged compared with 2020.

IAS 12 stipulates that deferred taxes must be recorded on the difference between the pro rata net assets of a subsidiary recorded in the consolidated balance sheet and the investment book value of this subsidiary in the parent company's tax balance sheet (outside basis differences) if realisation is expected within twelve months. Given an assessment base of 5% (Section 8b of the German Corporation Tax Act (KStG)), there is a deferred tax liability of T€ 538 (previous year: T€ 115) on planned distributions of T€ 35,047 from subsidiaries (previous year: T€ 7,518).

Furthermore, there are additional outside basis differences of T€ 5,290 on the balance sheet date (previous year: T€ 5,148). Realisation is not expected in the foreseeable future, meaning that recognition of a deferred tax liability in accordance with IAS 12.39 is not an issue.

(41) Statement of the overall result A deferred tax expense of T€ 137 relating to other comprehensive income was especially attributable to actuarial gains and losses from the valuation of pension provisions in accordance with IAS 19 (previous year: deferred tax income of T€ 127).

(42) Movement in Group equity No own shares were deducted from equity in the reporting year (previous year: T€ 429). Our of the generated Group equity, Fielmann Aktiengesellschaft's distributable revenue reserves of T€ 498,986 (previous year: T€ 285,432) and the distributable profit of T€ 126,000 (previous year: T€ 264,600) are available for distribution to shareholders.

The distributions during the financial year of T€ 100,754 (excluding the dividend for own shares) were based on a dividend of € 1.20. To strengthen financial resources and secure independence during the coronavirus pandemic, there were no dividend pay-outs in 2020 at the suggestion of the Management and Supervisory Boards.

Changes to consolidated equity from other comprehensive income were due to the foreign currency translation adjustment item and actuarial gains and losses especially from pension provisions pursuant to IAS 19. The valuation results in a total deferred tax income amounting to T€ 989 (previous year: T€ 1,126).

In accordance with IAS 32, the minority interests in the equity capital are stated as liabilities if relating to positive minority interests in partnerships. Minority interests in the net income for the year and corresponding distributions are effectively the preserve of the shareholders. For this reason, they are disclosed in the profit and loss statement as well as in the movement in equity capital (see Notes (19), (25) and (28)).

The changes in the item "Acquisition of new subsidiaries" in the previous year largely resulted from the acquisition of 80% of shares in the company Óptica del Penedés, S.L. in Spain.

(43) Cash flow statement for the Fielmann Group The cash and cash equivalents stated at T€ 174,889 (previous year: T€ 103,722) comprise liquid funds (T€ 164,962; previous year: T€ 87,935) and capital investments (T€ 9,927; previous year: T€ 15,787). These are taken into account in the cash and cash equivalents, provided they have a remaining term of up to three months on acquisition.

The most significant item recorded under other non-cash income and expenses is a deferred tax income of T€ 7,866 in connection with the decrease in deferred tax liabilities due to the changes in the asset balance of the intangible assets produced in-house and the increase in deferred tax assets on losses brought forward (previous year: deferred tax income in relation to the increase in deferred tax assets on losses brought forward as well as from temporary differences as part of the leasing reporting of T€ 3,615). As in the previous year, there are no significant limitations on the disposal of liquid funds in the reporting year.

The composition of financial assets is as follows:

	31.12.2021 €000s	31.12.2020 €000s	Change €000s
Liquid funds	164,962	87,935	77,027
Capital investments with a fixed final maturity of up to 3 months	9,927	15,787	–5,860
Cash and cash equivalents	**174,889**	**103,722**	**71,167**
Non-current financial assets	2,046	2,095	–49
Other non-current financial assets	40,363	18,070	22,293
Capital investments with a fixed final maturity of more than 3 months	60,648	117,517	–56,869
Financial assets	**277,946**	**241,404**	**36,542**

For more detailed explanations regarding the individual items of the financial assets, please refer to Note (28).

The changes in liabilities from financing activities are as follows:

	31.12.2020 €000s	Cash flows €000s	Non-cash Changes €000s	31.12.2021 €000s
Non-current financial liabilities	58,755	–447	4,433	62,741
Current financial liabilities	129	–129	135	135
Financial liabilities	**58,884**	**–576**	**4,568**	**62,876**
Non-current liabilities from leases	341,683		25,804	367,487
Current liabilities from leases	82,852	–88,724	95,736	89,864
Liabilities from leases	**424,535**	**–88,724**	**121,540**	**457,351**
Liabilities from financing activities	**483,419**	**–89,300**	**126,108**	**520,227**

(44) Segment reporting In accordance with the regional structure of the internal reporting system, segment reporting distinguishes between the geographic regions in which the Group offers and delivers products and services. The accounting and valuation policies of the segment information correspond to the Group accounting and valuation policies explained in "Significant accounting and valuation policies" in Section III. In addition to the separately disclosed segments of Germany, Switzerland, Austria and Spain, the regions of Belarus, the Czech Republic, France, Italy, Luxembourg, the Netherlands, Poland, Slovenia and Ukraine are combined in the segment "Other". The Group's products and services do not significantly differ between the segments.

Segment revenues from transactions with other segments are not valued separately since these are commercial transactions on market terms and conditions.

Income amounting to T€ 5,350 corresponding to the number of active insurance policies was allocated to the Austria segment as part of the Zero-Cost Insurance policy (previous year: T€ 5,478). For the purposes of commercial law, these are allocated to the segment Germany.

In the reporting year, there was no write-downs relating to impairment charges for impairment testing of specific CGUs. Write-downs break down as follows:

	31.12.2021 €000s	31.12.2020 €000s
Intangible assets	393	958
Goodwill		161
Tangible assets	761	3,486
Rights of usufruct from leases	894	2,560
	2,048	**7,165**

The impairment costs are reported under "Other write-downs" and under "Write-downs on rights of usufruct from leases", and are divided between the segments according to the geographical location of the stores as follows:

	31.12.2021 €000s	31.12.2020 €000s
Germany	466	700
Switzerland		795
Austria		149
Other	1,582	5,521
	2,048	**7,165**

The pre-tax results in the segments are adjusted for earnings from investments which are of minor significance for the Group.

The allocation of long-term segment assets to geographic regions is based on the country in which the respective Group company is located and equates to the balance sheet total of non-current assets less financial instruments and deferred tax assets.

Owing to the complex internal relationships resulting from Fielmann Aktiengesellschaft's wholesale function and the cash pooling system, segment assets are shown with their share in the consolidated enterprise value. Thus no reconciliation amount arises.

In view of the fact that the operating segments correspond to the Group structure under company law and the use of income figures in accordance with IFRS, the reconciliation amounts only reflect intra-Group netting.

Consolidated sales were not divided into product groups because optical products represent an almost unchanged 93% of sales.

V. Information on related parties (IAS 24)

Marc Fielmann, Chairman of Fielmann Aktiengesellschaft, and Günther Fielmann, former Chairman of Fielmann Aktiengesellschaft, are deemed to be related parties. Günther Fielmann holds, either indirectly or directly, or controls the majority of the shares in Fielmann Aktiengesellschaft via Fielmann Familienstiftung. In 2019, Marc Fielmann was appointed to the management of INTEROPTIK-Verwaltungs-GmbH and to the Management Board of KORVA SE. Both companies are deemed to be related parties.

Besides the emoluments for the activities as member of the Management Board and payment of dividends from the shares directly or indirectly held, no further payments were made to Günther Fielmann and Marc Fielmann apart from those listed below.

In addition, Günther Fielmann and Marc Fielmann have a direct or indirect interest in or exercise control over the following companies, which from the viewpoint of Fielmann Aktiengesellschaft can be classified as related parties:

- KORVA SE (subsidiary of Fielmann Familienstiftung and fielmann INTER-OPTIK GmbH & Co.)
- fielmann INTER-OPTIK GmbH & Co.
- MPA Pharma GmbH
- Hof Lütjensee-Hofladen GmbH & Co. oHG
- Various property management companies
- Others

During the 2021 financial year and the previous year, Fielmann Aktiengesellschaft and its Group companies purchased and provided both goods and services as well as renting and leasing out premises. Premises used by Group companies essentially encompass 24 stores (previous year: 24 stores). The corresponding purchase and rental agreements were concluded on customary market terms. All transactions were settled in the context of the normal payment plans (normally 30 days).

The transactions listed below are mainly attributable to the exchange of goods and services with Fielmann Aktiengesellschaft.

Transactions by Marc Fielmann, Günther Fielmann and related parties with Fielmann Aktiengesellschaft and Group companies

	2021		2020	
in € 000s	**Marc Fielmann, Günther Fielmann**	**Related parties**	**Marc Fielmann, Günther Fielmann**	**Related parties**
Services				
Supplies		401		454
Leases		3,182	155	2,975
	0	**3,583**	**155**	**3,429**

Transactions by Fielmann Aktiengesellschaft and Group companies with Marc Fielmann, Günther Fielmann and related parties

	2021		2020	
in € 000s	**Marc Fielmann, Günther Fielmann**	**Related parties**	**Marc Fielmann, Günther Fielmann**	**Related parties**
Services	1,156	741	625	1,774
Supplies		57		39
Leases		85		84
	1,156	**883**	**625**	**1,897**

	2021		2020	
Balances as at 31 / 12 € 000s	**Marc Fielmann, Günther Fielmann**	**Related parties**	**Marc Fielmann, Günther Fielmann**	**Related parties**
Receivables	820	483	13	97
Liabilities	18	161	30	922
Other accruals				

The Supervisory Board and Management Board continue to be deemed to be related parties.

In the financial year, the remuneration granted and owed to the employee representatives on the Supervisory Board amounted to T€ 388 (previous year: T€ 342) and for the shareholder representatives the figure came to T€ 468 (previous year: T€ 421). The total remuneration for the Supervisory Board for the financial year amounted to T€ 856 (previous year: T€ 766), including travel costs and reimbursed expenses. The explanation in Note (33) refers to the remuneration of the Management Board as well as the payments after the end of the Management Board mandate for former members.

VI. Other information

	Staff as at balance sheet date		Average staff number for year	
	2021	**2020**	**2021**	**2020**
Employees (excluding trainees)	17,654	17,337	17,484	16,484
of whom				
– Employees in Germany	13,146	13,232	13,130	13,194
– Employees in Switzerland	1,249	1,229	1,218	1,220
– Employees in Austria	636	677	667	663
– Employees in Spain	1,069	1,000	1,040	0
– Other employees	1,554	1,199	1,429	1,407
Trainees	4,374	4,516	4,338	4,269
Total employees	**22,028**	**21,853**	**21,822**	**20,753**
Employees calculated as full-time equivalent	15,901	15,836	15,808	14,996

Auditor's fees The fees charged for the auditing services of Deloitte GmbH for the financial year 2021 amount to T€ 316 (previous year: T€ 264). The fees were mainly for auditing the Annual and Consolidated Accounts as well as the parent company's and Group's management report as well as contract extensions that are statutory or agreed upon with the Supervisory Board. No assurance services, taxation advice or other services were provided in the financial year or the previous year.

German Corporate Governance Code The declaration of compliance required under Section 161 of the German Stock Corporation Act (AktG) was issued by the Management and Supervisory Boards and is permanently made available. It can be accessed online at www.fielmann-group.com.

Information on the bodies of the Company

Management Board

Marc Fielmann	Chief Executive Officer, Strategy, Marketing, IT, Human Resources[1], Product Development	Hamburg
Michael Ferley	Materials Management[3], Production[3]	Hamburg
Katja Groß	Human Resources[2], Organisation[2]	Hamburg
Dr. Bastian Körber	Sales, Controlling, Expansion, Product Group Management[4]	Hamburg
Georg Alexander Zeiss	Finance, Property, Legal/Compliance, Materials Management[4], Production[4]	Ahrensburg

Supervisory Board

Shareholder Representatives

Prof. Dr. Mark K. Binz (Chairman of the Supervisory Board)	Lawyer, Binz & Partner	Stuttgart[5,6,7,8]
Hans-Georg Frey	Chairman of the Supervisory Board of Jungheinrich AG	Hamburg[5,8]
Carolina Müller-Möhl	President of the Administrative Board, Müller-Möhl Group	Zürich, (CH)[6]
Hans Joachim Oltersdorf	Managing Partner of MPA Pharma GmbH	Rellingen[5,7]
Marie-Christine Ostermann	Managing Director, Rullko Großeinkauf GmbH & Co. KG	Hamm
Pier Paolo Righi	CEO & President, Karl Lagerfeld International B.V.	Amsterdam, (NL)[8]
Sarna Marie Elisabeth Röser	Member of the Management Board of Röser FAM GmbH & Co. KG	Mundelsheim
Hans-Otto Schrader	Chairman of the Supervisory Board of Otto AG für Beteiligungen	Hamburg

Employee representatives

Ralf Greve (Deputy Chairman)	Spokesperson for Professional Development, Fielmann AG	Hamburg[5,6,7]
Heiko Diekhöner	Regional Manager, Fielmann AG	Hamburg
Jana Furcht	Master Optician, Fielmann AG & Co. OHG	Munich[5]
Nathalie Hintz	Regional Manager, Fielmann AG	Hamburg[5]
Eva Schleifenbaum	Trade union secretary, ver.di	Kiel
Frank Schmiedecke	Master Optician, Fielmann AG & Co. OHG	Hamburg
Frank Schreckenberg	Trade union secretary, ver.di	Berlin
Mathias Thürnau	Head of Sales Support, Fielmann AG	Hamburg[6]

[1] Until 28.2.2021
[2] From 1.3.2021
[3] Until 31.3.2021
[4] From 1.4.2021

[5] Member of the HR Committee, Chairman: Prof. Dr. Mark K. Binz
[6] Member of the Mediation Committee, Chairman: Prof. Dr. Mark K. Binz
[7] Member of the Audit Committee, Chairman: Hans Joachim Oltersdorf
[8] Member of the Nomination Committee

These members of the Management Board also sit on the following supervisory bodies

Georg Alexander Zeiss

Deputy Chairman of the advisory committee of Hettich Holding GmbH & Co. oHG, Kirchlengern[2]

These members of the Supervisory Board also sit on the following supervisory bodies

Prof. Dr. Mark K. Binz

Deputy Chairman of the Advisory Board of Faber-Castell AG, Stein[2]

Member of the Supervisory Board of Sick AG, Waldkirch[1]

Hans-Georg Frey

Chairman of the Supervisory Board of Jungheinrich AG, Hamburg[1]

Member of the Supervisory Board of Gottfried Schultz Automobilhandels SE, Ratingen[1] Advisory Board of E.G.O. Blanc und Fischer & Co. GmbH, Oberderdingen[2]

Member of the advisory board of HOYER GmbH, Hamburg[2]

Carolina Müller-Möhl

Member of the advisory board of Orascom Development Holding AG, Altdorf, Switzerland[2]

Hans Joachim Oltersdorf

Chairman of the advisory board of Parte GmbH, Cologne[2]

Pier Paolo Righi

Member of the Advisory Board of Tengelmann Verwaltungs- und Beteiligungs GmbH[2]

Hans-Otto Schrader

Member of the Board of Partners of Otto GmbH & Co KG, Hamburg[2]

Member of the Supervisory Board of the management company Otto mbH, Hamburg[2]

Member of the Supervisory Board of GSV Aktiengesellschaft für Beteiligungen, Hamburg[1]

Chairman of the advisory board of Systain Consulting GmbH, Hamburg[2]

Member of the advisory board of Dr. August Oetker KG, Bielefeld[2]

Member of the advisory board of Adolf Würth GmbH & Co. KG, Künzelsau[2]

Member of the Executive Committee of Pfeifer & Langen Industrie- und Handels-KG, Cologne[2]

[1] Member of statutorily required supervisory board

[2] Member of comparable domestic or international supervisory body of a business enterprise

Fielmann Aktiengesellschaft, Hamburg
Statement of holdings and scope of consolidation as at 31 December 2021

as well as an overview of companies which make use of the exemption under Section 264 (3) and Section 264b of the HGB (German Commercial Code)

Management, holding and service companies — Group share of the capital in per cent

Name	Location[1]	Share	Name	Location[1]	Share
Baur Optik Geschäftsführungs-AG	Donauwörth	100	Optik Klüttermann Verwaltungs GmbH	Hamburg	100
CM Stadtentwicklung GmbH & Co. KG	Hamburg	51	ROKKU Designstudio GmbH	Hamburg	100
CM Stadtentwicklung Verwaltungs GmbH	Hamburg	51	RA Optika AG	Kyiv, Ukraine	100
Fielmann Augenoptik AG & Co. Luxembourg KG	Hamburg	51	Optik Hess GmbH	Cologne-Dellbrück	100
Fielmann Augenoptik GmbH (formerly Fielmann Augenoptik Aktiengesellschaft)	Hamburg	100	Okulistika Clarus d.o.o.	Ljubljana, Slovenia	70
Fielmann Beteiligungsgesellschaft mbH	Hamburg	100	Fielmann Ltd.	London, Great Britain	100
Fielmann Finanzservice GmbH	Hamburg	100	Fielmann Holding B.V.	Oldenzaal, Netherlands	100
Fielmann Ventures GmbH	Hamburg	100	Fielmann Akademie Schloss Plön, gemeinnützige Bildungsstätte der Augenoptik GmbH[2]	Plön	100
Fielmann Verwaltungs- und Beteiligungs GmbH	Hamburg	100	Fielmann Schloss Plön Hotel- und Catering GmbH	Plön	100
HID Hamburger Immobiliendienste GmbH	Hamburg	100	Beteiligungsgesellschaft fielmann Modebrillen Rathenow GmbH	Rathenow	100
Oaktree Technologies GmbH	Hamburg	100	Rathenower Optische Werke GmbH	Rathenow	100
opt-invest GmbH & Co. OHG[2,3]	Hamburg	100			
opt-Invest Verwaltungs- und Beteiligungs GmbH	Hamburg	100			

Production and trading companies — Group share of the capital in per cent

Name	Location[1]	Share	Name	Location[1]	Share
TiLan Optical Co., Ltd.	Danyang, Jiangsu, China	60	fielmann Modebrillen Rathenow AG & Co. KG	Rathenow	100
e-com optics GmbH[9]	Hamburg	100	Rathenower Optik GmbH[3]	Rathenow	100
Fielmann AG & Co. Service KG	Rathenow	100			

Stores — Group share of the capital in per cent

Name	Location[1]	Share	Name	Location[1]	Share
Fielmann AG & Co. am Kugelbrunnen KG	Aachen	100	Fielmann AG & Co. OHG	Altenburg	100
Fielmann AG & Co. OHG	Aalen	100	Fielmann AG & Co. OHG	Alzey	100
Fielmann AG & Co. OHG	Achern	100	Fielmann Augenoptik AG & Co. oHG	Amberg	100
Fielmann AG & Co. OHG	Achim	100	Fielmann AG & Co. oHG	Andernach	100
Fielmann Augenoptik AG & Co. OHG	Ahaus	100	Fielmann AG & Co. OHG	Annaberg-Buchholz	100
Fielmann AG & Co. OHG	Ahlen	100	Fielmann AG & Co. OHG	Ansbach	100
Fielmann AG & Co. OHG	Ahrensburg	100	Fielmann AG & Co. OHG	Arnsberg	100
Fielmann AG & Co. OHG	Albstadt-Ebingen	100	Fielmann AG & Co. OHG	Arnstadt	100
Fielmann AG & Co. OHG	Alsfeld	100	Fielmann AG & Co. City Galerie OHG	Aschaffenburg	100

The share of the capital refers to direct and indirect holdings of Fielmann Aktiengesellschaft. The domestic subsidiaries listed in the table below have fulfilled the conditions to make use of the exemption under Section 264 (3) for corporations and 264b for partnerships of the German Commercial Code (HGB) and therefore do not disclose their annual accounts, including the management report.

Stores — Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. oHG	Aschaffenburg	100
Fielmann AG & Co. oHG	Aschersleben	100
Fielmann AG & Co. KG	Aue	100
Fielmann AG & Co. OHG	Auerbach/Vogtland	100
Fielmann AG & Co. im Centrum OHG	Augsburg	100
Fielmann AG & Co. oHG City-Galerie	Augsburg	100
Fielmann AG & Co. KG	Aurich	100
Fielmann AG & Co. OHG	Backnang	100
Fielmann AG & Co. OHG	Bad Dürkheim	100
Fielmann AG & Co. oHG	Bad Hersfeld	100
Fielmann AG & Co. oHG	Bad Homburg	100
Fielmann AG & Co. OHG	Bad Kissingen	100
Fielmann AG & Co. oHG	Bad Kreuznach	100
Fielmann AG & Co. OHG	Bad Mergentheim	100
Fielmann AG & Co. oHG	Bad Neuenahr-Ahrweiler	100
Fielmann AG & Co. OHG	Bad Neustadt/Saale	100
Fielmann AG & Co. oHG	Bad Oeynhausen	100
Fielmann AG & Co. OHG	Bad Oldesloe	100
Fielmann AG & Co. OHG	Bad Reichenhall	100
Fielmann AG & Co. KG	Bad Säckingen	100
Fielmann AG & Co. OHG	Bad Salzuflen	100
Fielmann AG & Co. OHG	Bad Saulgau	100
Fielmann AG & Co. OHG	Bad Segeberg	100
Fielmann AG & Co. OHG	Bad Tölz	100
Fielmann AG & Co. OHG	Baden-Baden	100
Fielmann AG & Co. KG	Balingen	100
Fielmann AG & Co. OHG	Bamberg	100
Óptica del Penedés, S.L.	Barcelona, Spain	80
Fielmann AG & Co. OHG	Barsinghausen	100
Fielmann AG	Basel, Switzerland	100
Pro-optik AG	Basel, Switzerland	100
Fielmann AG & Co. OHG	Bautzen	100
Fielmann AG & Co. OHG	Bayreuth	100
Fielmann AG & Co. OHG	Beckum	100
Fielmann AG & Co. OHG	Bensheim	100
Fielmann AG & Co. oHG	Bergheim	100
Fielmann AG & Co. oHG	Bergisch Gladbach	100
Fielmann AG & Co. Berlin-Hellersdorf OHG	Berlin	100
Fielmann AG & Co. Berlin-Zehlendorf OHG	Berlin	100
Fielmann AG & Co. Friedrichshagen OHG	Berlin	100
Fielmann AG & Co. Friedrichshain OHG	Berlin	100
Fielmann AG & Co. Gesundbrunnen-Center KG	Berlin	100
Fielmann AG & Co. Gropius Passagen OHG	Berlin	100
Fielmann AG & Co. im Alexa KG	Berlin	100
Fielmann AG & Co. Schöneberg KG	Berlin	100
Fielmann AG & Co. Kreuzberg KG	Berlin	100
Fielmann AG & Co. Linden-Center OHG	Berlin	100
Fielmann AG & Co. Märkisches Zentrum KG	Berlin	100
Fielmann AG & Co. Marzahn OHG	Berlin	100
Fielmann AG & Co. Moabit KG	Berlin	100
Fielmann AG & Co. Neukölln KG	Berlin	100
Fielmann AG & Co. oHG Tegel	Berlin	100
Fielmann AG & Co. Pankow OHG	Berlin	100
Fielmann AG & Co. Prenzlauer Berg OHG	Berlin	100
Fielmann AG & Co. Schöneweide OHG	Berlin	100
Fielmann AG & Co. Spandau OHG	Berlin	100
Fielmann AG & Co. Steglitz OHG	Berlin	100
Fielmann AG & Co. Tempelhof OHG	Berlin	100
Fielmann AG & Co. Treptow OHG	Berlin	100
Fielmann AG & Co. Weißensee OHG	Berlin	100
Fielmann AG & Co. Westend OHG	Berlin	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. Wilmersdorf KG	Berlin	100
Fielmann AG & Co. OHG	Bernau	100
Fielmann AG & Co. OHG	Bernburg	100
Fielmann AG & Co. OHG	Biberach an der Riß	100
Fielmann AG & Co. Jahnplatz OHG	Bielefeld	100
Fielmann AG & Co. OHG	Bielefeld	100
Fielmann AG & Co. Brackwede KG	Bielefeld	100
Fielmann AG & Co. oHG	Bietigheim-Bissingen	100
Fielmann AG & Co. OHG	Bingen am Rhein	100
Fielmann Augenoptik AG & Co. OHG	Bitburg	100
Fielmann AG & Co. OHG	Bitterfeld	100
Fielmann AG & Co. oHG	Böblingen	100
Fielmann AG & Co. OHG	Bocholt	100
Fielmann AG & Co. OHG	Bochum	100
Fielmann AG & Co. Wattenscheid KG	Bochum	100
Fielmann Srl	Bolzano, Italy	100
Fielmann AG & Co. Bonn-Bad Godesberg OHG	Bonn	100
Fielmann AG & Co. oHG	Bonn	100
fielmann-optic Fielmann GmbH & Co. KG	Bonn	50.98
Fielmann Augenoptik AG & Co. OHG	Borken	100
Fielmann AG & Co. OHG	Bottrop	100
Fielmann Augenoptik AG & Co. KG	Brake	75
Fielmann AG & Co. OHG	Bramsche	100
Fielmann AG & Co. OHG	Brandenburg	100
Fielmann AG & Co. Schloss-Arkaden OHG	Braunschweig	100
Fielmann AG & Co. OHG	Braunschweig	100
Fielmann AG & Co. Obernstraße OHG	Bremen	100
Fielmann AG & Co. oHG Bremen-Neustadt	Bremen	100
Fielmann AG & Co. Roland-Center KG	Bremen	100
Fielmann AG & Co. Vegesack OHG	Bremen	100
Fielmann AG & Co. Weserpark OHG	Bremen	100
Fielmann Augenoptik AG & Co. OHG	Bremerhaven	100
Fielmann AG & Co. KG[4]	Bremervörde	100
Fielmann AG & Co. OHG	Bretten	100
Fielmann AG & Co. OHG	Bruchsal	100
Fielmann AG & Co. oHG	Brühl	100
Fielmann AG & Co. OHG	Brunsbüttel	100
Fielmann AG & Co. oHG	Buchholz	100
Fielmann AG & Co. OHG	Bünde	100
Fielmann AG & Co. OHG	Burg	100
Fielmann AG & Co. OHG	Burgdorf	100
Fielmann AG & Co. OHG	Buxtehude	100
Fielmann AG & Co. OHG	Calw	100
Fielmann AG & Co. oHG	Castrop-Rauxel	100
Fielmann AG & Co. OHG	Celle	100
Fielmann AG & Co. OHG	Cham	100
Fielmann AG & Co. Chemnitz Center KG[4]	Chemnitz	100
Fielmann AG & Co. OHG	Chemnitz	100
Fielmann AG & Co. Vita-Center KG	Chemnitz	100
Fielmann AG & Co. oHG	Cloppenburg	100
Fielmann AG & Co. OHG	Coburg	100
Fielmann AG & Co. OHG	Coesfeld	100
Fielmann AG & Co. oHG	Cottbus	100
Fielmann AG & Co. OHG	Crailsheim	100
Fielmann AG & Co. OHG	Cuxhaven	100
Fielmann AG & Co. oHG	Dachau	100
Fielmann AG & Co. OHG	Dallgow-Döberitz	100
Fielmann AG & Co. OHG	Darmstadt	100
Fielmann AG & Co. oHG Ludwigsplatz	Darmstadt	100
Fielmann AG & Co. OHG	Datteln	100
Fielmann AG & Co. oHG	Deggendorf	100
Fielmann AG & Co. OHG	Delmenhorst	100
Fielmann AG & Co. OHG	Dessau-Roßlau	100
Fielmann AG & Co. oHG Kavalierstraße	Dessau-Roßlau	100
Fielmann AG & Co. OHG	Detmold	100
Fielmann Augenoptik AG & Co. KG	Diepholz	50
Fielmann AG & Co. oHG	Dillingen	100
Fielmann AG & Co. OHG	Dingolfing	100
Fielmann AG & Co. OHG	Dinslaken	100

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Stores — Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. OHG	Döbeln	100
Baur Optik AG & Co. KG	Donauwörth	100
Fielmann AG & Co. oHG	Dormagen	100
Fielmann AG & Co. KG	Dorsten	100
Fielmann AG & Co. KG	Dortmund	100
Fielmann AG & Co. Dresden Altstadt OHG	Dresden	100
Fielmann AG & Co. Dresden Neustadt OHG	Dresden	100
Fielmann AG & Co. Kaufpark OHG	Dresden	100
Fielmann AG & Co. Hamborn OHG	Duisburg	100
Fielmann AG & Co. im Centrum OHG	Duisburg	100
Fielmann AG & Co. OHG	Dülmen	100
Fielmann AG & Co. OHG	Düren	100
Fielmann AG & Co. Derendorf OHG	Düsseldorf	100
Fielmann AG & Co. Friedrichstraße OHG	Düsseldorf	100
Fielmann AG & Co. im Centrum KG	Düsseldorf	100
Fielmann AG & Co. Oberkassel OHG	Düsseldorf	100
Fielmann AG & Co. Rethelstraße OHG	Düsseldorf	100
Fielmann AG & Co. OHG	Düsseldorf	100
Fielmann AG & Co. OHG	Eberswalde	100
Fielmann AG & Co. OHG	Eckernförde	100
Fielmann AG & Co. oHG	Ehingen	100
Fielmann AG & Co. OHG	Eisenach	100
Fielmann AG & Co. OHG	Eisenhüttenstadt	100
Fielmann AG & Co. oHG	Elmshorn	100
Fielmann AG & Co. OHG	Emden	100
Fielmann AG & Co. OHG	Emmendingen	100
Fielmann AG & Co. OHG	Emsdetten	100
Fielmann AG & Co. OHG	Erding	100
Fielmann AG & Co. OHG	Erfurt	100
Fielmann AG & Co. Thüringen-Park OHG	Erfurt	100
Fielmann AG & Co. OHG	Erkelenz	100
Fielmann AG & Co. im Centrum OHG	Erlangen	100
Fielmann AG & Co. OHG	Erlangen	100
Fielmann AG & Co. OHG	Eschwege	100
Fielmann AG & Co. OHG	Eschweiler	100
Fielmann AG & Co. Essen-Rüttenscheid OHG	Essen	100
Fielmann AG & Co. Zentrum KG	Essen	100
Fielmann AG & Co. Essen-Steele OHG	Essen	100
Fielmann AG & Co. OHG	Esslingen	100
Brillen-Bunzel GmbH	Ettlingen	100
Fielmann AG & Co. oHG	Ettlingen	100
Fielmann AG & Co. oHG	Euskirchen	100
Fielmann AG & Co. oHG	Eutin	100
Fielmann AG & Co. OHG	Finsterwalde	100
Fielmann AG & Co. OHG	Flensburg	100
Fielmann AG & Co. OHG	Forchheim	100
Fielmann AG & Co. KG[4]	Frankenberg	100
Fielmann AG & Co. OHG	Frankenthal	100
Fielmann AG & Co. OHG	Frankfurt (Oder)	100
Fielmann AG & Co. Bornheim KG	Frankfurt am Main	100
Fielmann AG & Co. Hessen-Center OHG	Frankfurt am Main	100
Fielmann AG & Co. Höchst OHG	Frankfurt am Main	100
Fielmann AG & Co. Leipziger Straße OHG	Frankfurt am Main	100
Fielmann AG & Co. Roßmarkt OHG	Frankfurt am Main	100
Fielmann AG & Co. oHG	Frechen	100
Fielmann AG & Co. OHG	Freiberg	100
Grewe – Haus der feinen Brillen GmbH & Co. OHG[5]	Freiburg	100
Fielmann AG & Co. oHG	Freiburg im Breisgau	100
Fielmann AG & Co. oHG	Freising	100
Fielmann AG & Co. OHG	Freital	100
Fielmann AG & Co. OHG	Freudenstadt	100
Fielmann AG & Co. OHG	Friedberg (Hesse)	100
Fielmann AG & Co. OHG	Friedrichshafen	100
Fielmann AG & Co. KG	Friesoythe	100
Fielmann AG & Co. OHG	Fulda	100
Fielmann AG & Co. OHG	Fürstenfeldbruck	100
Fielmann AG & Co. OHG	Fürstenwalde	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. KG	Fürth	100
Fielmann AG & Co. OHG	Garmisch-Partenkirchen	100
Fielmann AG & Co. OHG	Geesthacht	100
Fielmann AG & Co. KG	Geislingen an der Steige	100
Fielmann AG & Co. OHG	Geldern	100
Fielmann AG & Co. OHG	Gelnhausen	100
Fielmann AG & Co. im Centrum KG	Gelsenkirchen	100
Fielmann AG & Co. Buer OHG	Gelsenkirchen	100
Fielmann AG & Co. KG	Gera	100
Fielmann AG & Co. oHG	Gießen	100
Fielmann AG & Co. OHG	Gifhorn	100
Fielmann AG & Co. OHG	Gladbeck	100
Fielmann AG & Co. OHG	Glinde	100
Fielmann AG & Co. KG	Goch	100
Fielmann AG & Co. OHG	Göppingen	100
Fielmann AG & Co. Centrum OHG	Görlitz	100
Fielmann AG & Co. OHG	Goslar	100
Fielmann AG & Co. OHG	Gotha	100
Fielmann AG & Co. OHG	Göttingen	100
Fielmann AG & Co. OHG	Greifswald	100
Fielmann AG & Co. OHG	Greiz	100
Fielmann AG & Co. OHG	Greven	100
Fielmann AG & Co. OHG	Grevenbroich	100
Fielmann AG & Co. OHG	Grimma	100
Fielmann AG & Co. OHG	Gronau	100
Fielmann AG & Co. OHG	Gummersbach	100
Fielmann AG & Co. oHG	Günzburg	100
Fielmann AG & Co. Pferdemarkt OHG	Güstrow	100
Fielmann AG & Co. OHG	Gütersloh	100
Fielmann AG & Co. OHG	Hagen	100
Fielmann AG & Co. OHG	Halberstadt	100
Fielmann AG & Co. OHG	Halle	100
Fielmann AG & Co. Halle-Neustadt OHG	Halle (Saale)	100
Fielmann AG & Co. OHG	Haltern am See	100
Fielmann AG & Co. Billstedt KG	Hamburg	100
Fielmann AG & Co. Bramfeld KG	Hamburg	100
Fielmann AG & Co. Eimsbüttel OHG	Hamburg	100
Fielmann AG & Co. EKZ Hamburger Straße KG	Hamburg	100
Fielmann AG & Co. Eppendorf KG	Hamburg	100
Fielmann AG & Co. Harburg Sand OHG	Hamburg	100
Fielmann AG & Co. im Alstertal-Einkaufszentrum OHG	Hamburg	100
Fielmann AG & Co. im Elbe-Einkaufszentrum OHG	Hamburg	100
Fielmann AG & Co. Bergedorf OHG	Hamburg	100
Fielmann AG & Co. Ochsenzoll OHG	Hamburg	100
Fielmann AG & Co. oHG Barmbek	Hamburg	100
Fielmann AG & Co. oHG Niendorf	Hamburg	100
Fielmann AG & Co. oHG Schnelsen	Hamburg	100
Fielmann AG & Co. Othmarschen OHG	Hamburg	100
Fielmann AG & Co. Ottensen OHG	Hamburg	100
Fielmann AG & Co. Rahlstedt OHG	Hamburg	100
Fielmann AG & Co Rathaus OHG	Hamburg	100
Fielmann AG & Co. Volksdorf OHG	Hamburg	100
Fielmann AG & Co. Wandsbek OHG	Hamburg	100
Fielmann Augenoptik AG & Co. oHG Harburg-City	Hamburg	100
fielmann Farmsen Fielmann GmbH & Co. KG	Hamburg	50
Optiker Carl GmbH	Hamburg	100
Fielmann AG & Co. OHG	Hameln	100
Fielmann AG & Co. KG	Hamm	100
Fielmann AG & Co. OHG	Hanau	100
Fielmann AG & Co. OHG	Hann. Münden	100
Fielmann AG & Co. Ernst-August-Galerie KG	Hanover	100
Fielmann AG & Co. Lister Meile OHG	Hanover	100
Fielmann AG & Co. Nordstadt OHG	Hanover	100
Fielmann AG & Co. OHG	Hanover	100
Fielmann AG & Co. Schwarzer Bär OHG	Hanover	100
Fielmann AG & Co. OHG	Haßloch	100
Fielmann AG & Co. OHG	Hattingen	100
Fielmann AG & Co. OHG	Heide	100

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Stores Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. KG	Heidelberg	100
Fielmann AG & Co. OHG	Heidenheim	100
Fielmann AG & Co. oHG	Heilbronn	100
Frick Optic GmbH & Co. OHG[6]	Heilbronn	100
Fielmann AG & Co. oHG	Heinsberg	100
Fielmann AG & Co. oHG	Helmstedt	100
Fielmann AG & Co. OHG	Herborn	100
Fielmann AG & Co. KG	Herford	100
Fielmann AG & Co. OHG	Herne	100
Fielmann AG & Co. oHG im Centrum	Herne	100
Fielmann AG & Co. OHG	Herrenberg	100
Fielmann AG & Co. KG	Herten	100
Fielmann AG & Co. oHG	Hilden	100
Fielmann AG & Co. OHG	Hildesheim	100
Fielmann AG & Co. OHG	Hof	100
Fielmann AG & Co. OHG	Homburg/Saar	100
Fielmann Augenoptik AG & Co. OHG	Höxter	100
Fielmann AG & Co. OHG	Hoyerswerda	100
Fielmann AG & Co. oHG	Husum	100
Fielmann AG & Co. OHG	Ibbenbüren	100
Fielmann AG & Co. oHG	Idar-Oberstein	100
Fielmann AG & Co. OHG	Ilmenau	100
Fielmann AG & Co. OHG	Ingolstadt	100
Fielmann AG & Co. EKZ Westpark OHG	Ingolstadt	100
Fielmann AG & Co. oHG	Iserlohn	100
Fielmann AG & Co. OHG	Itzehoe	100
Fielmann AG & Co. OHG	Jena	100
Fielmann AG & Co. OHG	Jülich	100
Fielmann AG & Co. OHG	Kaiserslautern	100
Fielmann AG & Co. OHG	Kamen	100
Fielmann AG & Co. OHG	Kamp-Lintfort	100
Fielmann AG & Co. Westliche Kaiserstraße KG	Karlsruhe	100
Fielmann AG & Co. OHG	Kassel	100
Fielmann AG & Co. im DEZ OHG	Kassel	100
Fielmann AG & Co. OHG	Kaufbeuren	100
Fielmann AG & Co. OHG	Kempen	100
Fielmann AG & Co. oHG	Kempten	100
Fielmann AG & Co. OHG	Kiel	100
Fielmann AG & Co. oHG Wellingdorf	Kiel	100
Fielmann GmbH	Kyiv, Ukraine	100
Fielmann AG & Co. oHG	Kirchheim unter Teck	100
Fielmann AG & Co. OHG	Kleve	100
Fielmann AG & Co. Forum Mittelrhein OHG	Koblenz	100
Fielmann AG & Co. OHG	Koblenz	100
Fielmann AG & Co. Barbarossaplatz OHG	Cologne	100
Fielmann AG & Co. Ebertplatz KG	Cologne	100
Fielmann AG & Co. Mülheim OHG	Cologne	100
Fielmann AG & Co. OHG	Cologne	100
Fielmann AG & Co. oHG Kalk	Cologne	100
Fielmann AG & Co. oHG Rhein-Center	Cologne	100
Fielmann AG & Co. Schildergasse OHG	Cologne	100
Fielmann AG & Co. Venloer Straße OHG	Cologne	100
Optik Simon GmbH	Cologne	100
Fielmann AG & Co. Chorweiler KG	Cologne	100
Optik Hess GmbH & Co. KG	Cologne-Dellbrück	100
Brillen Müller GmbH & Co. OHG	Konstanz	100
Fielmann AG & Co. OHG	Konstanz	100
Fielmann AG & Co. OHG	Korbach	100
Fielmann AG & Co. KG	Köthen	100
Fielmann AG & Co. Neumarkt OHG	Krefeld	100
Fielmann AG & Co. OHG	Kulmbach	100
Fielmann Augenoptik AG & Co. OHG	Laatzen	100
Fielmann AG & Co. oHG	Lahr	100
fielmann Fielmann GmbH	Landau	100
Fielmann AG & Co. OHG	Landsberg am Lech	100
Fielmann AG & Co. OHG	Landshut	100
Fielmann AG & Co. OHG	Langenfeld	100
Fielmann AG & Co. OHG	Langenhagen	100
Fielmann AG & Co. OHG	Lauf an der Pegnitz	100
Fielmann AG & Co. oHG	Leer	100
Fielmann AG & Co. am Markt OHG	Leipzig	100
Fielmann AG & Co. oHG Allee Center	Leipzig	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. Paunsdorf-Center OHG	Leipzig	100
Fielmann AG & Co. OHG	Lemgo	100
Fielmann AG & Co. OHG	Lengerich	100
Fielmann AG & Co. OHG	Leverkusen	100
Fielmann AG & Co. oHG	Limburg	100
Fielmann AG & Co. OHG	Lingen	100
Fielmann AG & Co. OHG	Lippstadt	100
Planeta d.o.o.	Ljubljana, Slovenia	70
fielmann-optic Fielmann GmbH & Co. KG	Lohne	61.54
Fielmann AG & Co. OHG	Lohr am Main	100
Fielmann AG & Co. oHG	Lörrach	100
Fielmann AG & Co. OHG	Lübbecke	100
Fielmann AG & Co. OHG	Lübeck	100
Fielmann AG & Co. OHG	Luckenwalde	100
Fielmann AG & Co. oHG	Lüdenscheid	100
Fielmann AG & Co im Center OHG	Ludwigsburg	100
Fielmann AG & Co. oHG	Ludwigsburg	100
Fielmann AG & Co. Rhein-Galerie OHG	Ludwigshafen	100
Fielmann AG & Co. oHG	Lüneburg	100
Fielmann AG & Co. OHG	Lünen	100
Fielmann AG & Co. oHG	Lutherstadt Eisleben	100
Fielmann AG & Co. OHG	Lutherstadt Wittenberg	100
Fielmann GmbH	Luxembourg, Luxembourg	51
Fielmann AG & Co. OHG	Magdeburg	100
Fielmann AG & Co. Sudenburg OHG	Magdeburg	100
Fielmann AG & Co. OHG	Mainz	100
Born Brillen Optik GmbH & Co. OHG	Mannheim	100
Fielmann AG & Co. OHG	Mannheim	100
Optik Klüttermann GmbH & Co. OHG	Mannheim	100
Fielmann AG & Co. OHG	Marburg	100
Fielmann AG & Co. KG	Marktredwitz	100
Fielmann AG & Co. KG	Marl	100
Fielmann Augenoptik AG & Co. OHG	Mayen	100
Fielmann AG & Co. oHG	Meiningen	100
Fielmann AG & Co. OHG	Meißen	100
Fielmann AG & Co. OHG	Melle	100
Fielmann AG & Co. OHG	Memmingen	100
Fielmann AG & Co. OHG	Menden	100
Fielmann AG & Co. OHG	Meppen	100
Fielmann AG & Co. oHG	Merseburg	100
Fielmann AG & Co. OHG	Merzig	100
Fielmann AG & Co. OHG	Meschede	100
Fielmann AG & Co. oHG	Minden	100
IB Fielmann GmbH	Minsk, Belarus	100
Fielmann AG & Co. OHG	Moers	100
Fielmann AG & Co. OHG	Mölln	100
Fielmann AG & Co. oHG Hindenburgstraße	Mönchengladbach	100
Fielmann AG & Co. Rheydt oHG	Mönchengladbach	100
Fielmann AG & Co. OHG	Mosbach	100
Fielmann AG & Co. OHG	Mühlacker	100
Fielmann AG & Co. OHG	Mühldorf a. Inn	100
Fielmann AG & Co. OHG	Mühlhausen	100
Fielmann AG & Co. OHG	Mülheim an der Ruhr	100
Fielmann AG & Co. RheinRuhrZentrum OHG	Mülheim an der Ruhr	100
Fielmann AG & Co. Haidhausen OHG	Munich	100
Fielmann AG & Co. Leopoldstraße OHG	Munich	100
Fielmann AG & Co. OHG	Munich	100
Fielmann AG & Co. oHG München OEZ	Munich	100
Fielmann AG & Co. oHG München PEP	Munich	100
Fielmann AG & Co. oHG Sendling	Munich	100
Fielmann AG & Co. Pasing OHG	Munich	100
Fielmann AG & Co. Riem Arcaden KG	Munich	100
Fielmann AG & Co. Tal OHG	Munich	100
Optik Stein GmbH & Co. OHG[7]	Münsingen	100
Fielmann AG & Co. Hiltrup OHG	Münster	100
Fielmann AG & Co. Klosterstraße OHG	Münster	100
Fielmann AG & Co. An der Rothenburg OHG	Münster	100
Fielmann AG & Co. OHG	Nagold	100

Austria, Vienna, Mariahilfer Str. 67

Poland, Rzeszów, Aleja Majora Wacława Kopisto 1

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. OHG	Naumburg	100
Fielmann AG & Co. KG[4]	Neckarsulm	100
Fielmann AG & Co. OHG	Neubrandenburg	100
Fielmann AG & Co. oHG Marktplatz-Center	Neubrandenburg	100
Fielmann AG & Co. OHG	Neuburg an der Donau	100
Fielmann AG & Co. oHG	Neu-Isenburg	100
Fielmann AG & Co. oHG	Neumarkt i. d. OPf.	100
Fielmann AG & Co. OHG	Neumünster	100
Fielmann AG & Co. OHG	Neunkirchen	100
Fielmann AG & Co. OHG	Neuruppin	100
Fielmann AG & Co. OHG	Neuss	100
Fielmann AG & Co. oHG	Neustadt a.d. Weinstraße	100
Fielmann AG & Co. OHG	Neustrelitz	100
Fielmann AG & Co. Glacis-Galerie OHG	Neu-Ulm	100
Fielmann AG & Co. oHG	Neuwied	100
Fielmann AG & Co. OHG	Nienburg	100
Fielmann Augenoptik AG & Co. oHG	Norden	100
Fielmann Augenoptik AG & Co. KG	Nordenham	75
Fielmann AG & Co. OHG	Norderstedt	100
Fielmann AG & Co. OHG	Nordhausen	100
Fielmann AG & Co. OHG	Nordhorn	100
Fielmann AG & Co. OHG	Nördlingen	100
Fielmann AG & Co. OHG	Northeim	100
Fielmann AG & Co. am Hauptmarkt OHG	Nuremberg	100
Fielmann AG & Co. Nürnberg Lorenz OHG	Nuremberg	100
Fielmann AG & Co. Nürnberg-Süd KG	Nuremberg	100
Fielmann AG & Co. Nürnberg-Langwasser OHG	Nuremberg	100
Räder u. Räder GmbH & Co. OHG	Nuremberg	100
Fielmann AG & Co. OHG	Nürtingen	100
Fielmann AG & Co. Oberhausen OHG	Oberhausen	100
Fielmann AG & Co. OHG Sterkrade	Oberhausen Sterkrade	100
Fielmann AG & Co. oHG	Oberursel	100
Fielmann AG & Co. OHG	Oer-Erkenschwick	100
Fielmann AG & Co. OHG	Offenbach am Main	100
Fielmann AG & Co. oHG	Offenburg	100
Fielmann AG & Co. OHG	Oldenburg in Holstein	100
Fielmann AG & Co. im Centrum KG	Oldenburg	100
Fielmann B.V.	Oldenzaal, Netherlands	100
Hofland Optiek B.V.	Oldenzaal, Netherlands	100
Fielmann AG & Co. OHG	Olpe	100
Fielmann AG & Co. OHG	Olsberg	100
Fielmann AG & Co. oHG	Oranienburg	100
Fielmann AG & Co. OHG	Osnabrück	100
Fielmann AG & Co. oHG	Osterholz-Scharmbeck	100
Fielmann AG & Co. OHG	Osterode	100
Fielmann AG & Co. OHG	Paderborn	100
Fielmann Opticas S.L.	Palma de Mallorca, Spain	100
Fielmann Augenoptik AG & Co. oHG	Papenburg	100
Fielmann AG & Co. OHG	Parchim	100
Fielmann AG & Co. oHG	Passau	100
Fielmann AG & Co. OHG	Peine	100
Fielmann AG & Co. OHG	Pfarrkirchen	100
Fielmann AG & Co. OHG	Pforzheim	100
Fielmann AG & Co. oHG	Pinneberg	100
Fielmann AG & Co. OHG	Pirmasens	100
Fielmann AG & Co. OHG	Pirna	100
Fielmann AG & Co. OHG	Plauen	100
Fielmann AG & Co. OHG	Plön	100
Fielmann AG & Co. OHG	Potsdam	100
Fielmann sp. z o.o.	Poznań, Poland	100
Fielmann s.r.o.[8]	Prague, Czech Republic	100
Fielmann AG & Co. OHG	Quedlinburg	100
Fielmann AG & Co. OHG	Radebeul	100
Baur Optik GmbH Rain	Rain am Lech	60
Fielmann AG & Co. OHG	Rastatt	100
Fielmann AG & Co. OHG	Rathenow	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. OHG	Ratingen	100
Fielmann AG & Co. OHG	Ravensburg	100
Fielmann AG & Co. OHG	Recklinghausen	100
Fielmann AG & Co. im Donau-Einkaufszentrum OHG	Regensburg	100
Fielmann AG & Co. KG	Regensburg	100
Fielmann AG & Co. KG	Reichenbach im Vogtland	100
Fielmann AG & Co. oHG	Remscheid	100
Fielmann AG & Co. oHG	Rendsburg	100
Fielmann AG & Co. OHG	Reutlingen	100
Fielmann AG & Co. OHG	Rheinbach	100
Fielmann AG & Co. oHG	Rheine	100
Löchte-Optik GmbH	Rheine	100
Fielmann AG & Co. OHG	Riesa	100
Fielmann AG & Co. OHG	Rinteln	100
Fielmann AG & Co. oHG	Rosenheim	100
Fielmann AG & Co. OHG	Rostock	100
Fielmann AG & Co. oHG Lütten Klein	Rostock	100
Fielmann AG & Co. OHG	Rotenburg (Wümme)	100
Fielmann AG & Co. oHG	Rottenburg	100
Groeneveld Brillen en Contactlenzen B.V.	Rotterdam, Netherlands	100
Fielmann Augenoptik AG & Co. oHG	Rottweil	100
Fielmann AG & Co. OHG	Rudolstadt	100
Fielmann AG & Co. OHG	Rüsselsheim	100
Fielmann AG & Co. OHG	Saalfeld/ Saale	100
Fielmann AG & Co. oHG	Saarbrücken	100
Fielmann AG & Co. oHG	Saarlouis	100
Fielmann AG & Co. KG	Salzgitter	100
Fielmann AG & Co. OHG	Salzwedel	100
Fielmann AG & Co. oHG	Sangerhausen	100
Fielmann AG & Co. OHG	Schleswig	100
Fielmann AG & Co. OHG	Schönebeck	100
Fielmann AG & Co. KG	Schwabach	100
Fielmann AG & Co. OHG	Schwäbisch Gmünd	100
Fielmann AG & Co. OHG	Schwäbisch Hall	100
Fielmann AG & Co. OHG	Schwandorf	100
Fielmann AG & Co. OHG	Schwedt	100
Fielmann AG & Co. OHG	Schweinfurt	100
Fielmann AG & Co. im Centrum OHG	Schwerin	100
Fielmann AG & Co. OHG	Schwerin	100
Fielmann AG & Co. KG	Schwetzingen	100
Fielmann AG & Co. OHG	Seevetal	100
Fielmann AG & Co. oHG	Senftenberg	100
Fielmann AG & Co. OHG	Siegburg	100
Fielmann AG & Co. OHG	Siegen	100
Fielmann AG & Co. oHG City-Galerie	Siegen	100
Fielmann AG & Co. Stern Center OHG	Sindelfingen	100
Fielmann AG & Co. OHG	Singen	100
Fielmann AG & Co. KG	Sinsheim	100
Fielmann AG & Co. OHG	Soltau	100
Fielmann AG & Co. OHG	Soest	100
Fielmann AG & Co. im Centrum OHG	Solingen	100
Fielmann AG & Co. OHG	Sonneberg	100
Fielmann AG & Co. OHG	Sonthofen	100
Fielmann AG & Co. oHG	Speyer	100
Fielmann AG & Co. OHG	St. Ingbert	100
Fielmann AG & Co. OHG	Stade	100
Fielmann AG & Co. OHG	Stadthagen	100
Fielmann AG & Co. OHG	Starnberg	100
Fielmann AG & Co. OHG	Stendal	100
Fielmann AG & Co. OHG	Stralsund	100
Optique Marmet Jacques SAS	Strasbourg, France	100
Fielmann AG & Co. OHG	Straubing	100
Fielmann AG & Co. OHG	Strausberg	100
Fielmann AG & Co. Bad Cannstatt OHG	Stuttgart	100
Fielmann AG & Co. EKZ Milaneo OHG	Stuttgart	100
Fielmann AG & Co. KG	Stuttgart	52
Optik Schuppin GmbH & Co. OHG	Stuttgart	100
Fielmann AG & Co. OHG	Suhl	100
Fielmann AG & Co. OHG	Sulzbach	100
Fielmann AG & Co. KG	Sylt / OT Westerland	100
Fielmann AG & Co. oHG	Traunstein	100

Italy, Torino, Via Giuseppe Garibaldi 20

Italy, Mestre, Piazza Ferretto, 29

Stores — Group share of the capital in per cent

Name	Location[1]	Share
Fielmann Augenoptik AG & Co. OHG	Trier	100
Fielmann AG & Co. OHG	Troisdorf	100
Fielmann AG & Co. KG	Tübingen	100
Fielmann Augenoptik AG & Co. oHG	Tuttlingen	100
Fielmann AG & Co. OHG	Überlingen	100
Fielmann AG & Co. OHG	Uelzen	100
Fielmann Augenoptik AG & Co. oHG	Ulm	100
Fielmann AG & Co. KG	Unna	100
fielmann-optic Fielmann GmbH & Co. oHG	Varel	100
Fielmann AG & Co. OHG	Vechta	100
Fielmann AG & Co. oHG	Velbert	100
Fielmann AG & Co. oHG	Verden	100
Fielmann AG & Co. oHG	Viersen	100
Fielmann AG & Co. OHG	Villingen-Schwenningen	100
Fielmann AG & Co. Schwenningen KG	Villingen-Schwenningen	100
Fielmann AG & Co. OHG	Völklingen	100
Fielmann AG & Co. oHG	Waiblingen	100
Fielmann AG & Co. OHG	Waldshut-Tiengen	100
Fielmann AG & Co. OHG	Walsrode	100
Fielmann AG & Co. OHG	Waltrop	100
Fielmann AG & Co. OHG	Wangen im Allgäu	100
Fielmann AG & Co. KG	Warburg	100
Fielmann AG & Co. OHG	Warendorf	100
Fielmann AG & Co. OHG	Wedel	100
Fielmann AG & Co. OHG	Weiden i. d. Oberpfalz	100
Fielmann AG & Co. OHG	Weilheim i.OB.	100
Fielmann AG & Co. KG	Weimar	100
Fielmann AG & Co. OHG	Weinheim	100
Fielmann AG & Co. KG	Weißenburg in Bayern	100
Fielmann AG & Co. OHG	Weißenfels	100
Fielmann AG & Co. OHG	Weißwasser	100
Fielmann AG & Co. KG	Weiterstadt	100
Optik Hörger GmbH & Co. OHG	Wendlingen am Neckar	100
Fielmann AG & Co. OHG	Wernigerode	100
Fielmann AG & Co. OHG	Wesel	100
Fielmann AG & Co. OHG	Westerstede	100
Fielmann AG & Co. oHG	Wetzlar	100
Fielmann GmbH	Vienna, Austria	100
Fielmann AG & Co. OHG	Wiesbaden	100
Optik Käpernick GmbH & Co. KG	Wiesbaden	100
Fielmann AG & Co. OHG	Wiesloch	100
Fielmann AG & Co. OHG	Wildau	100
Fielmann Augenoptik AG & Co. OHG	Wildeshausen	100
Fielmann AG & Co. OHG	Wilhelmshaven	100
Fielmann AG & Co. OHG	Winsen	100
Fielmann AG & Co. OHG	Wismar	100
Fielmann Augenoptik im Centrum AG & Co. oHG	Witten	100
Fielmann AG & Co. oHG	Wittenberge	100
Fielmann Augenoptik AG & Co. oHG	Wittlich	100
Fielmann Augenoptik AG & Co. OHG	Wittmund	100
Fielmann AG & Co. OHG	Wolfenbüttel	100
Fielmann AG & Co. OHG	Wolfsburg	100
Fielmann AG & Co. OHG	Worms	100
Fielmann Augenoptik AG & Co. OHG	Wunstorf	100
Fielmann AG & Co. Barmen OHG	Wuppertal	100
Fielmann AG & Co. City-Arkaden OHG	Wuppertal	100
Fielmann AG & Co. Elberfeld OHG	Wuppertal	100
Fielmann AG & Co. OHG	Würselen	100
Fielmann AG & Co. OHG	Würzburg	100
Fielmann AG & Co. KG	Zeitz	100
Fielmann AG & Co. OHG	Zittau	100
Fielmann AG & Co. OHG	Zweibrücken	100
Fielmann AG & Co. OHG	Zwickau	100

[1] If no country is stated after the name of the town or city, the company is based in Germany.
[2] In accordance with Section 264 Para. 3 and Sections 264a and 264b of the German Commercial Code (HGB), this company is exempt from the obligation to prepare a management report.
[3] In accordance with Section 264 Para. 3 and Sections 264a and 264b of the German Commercial Code (HGB), this company is exempt from having to audit its financial statements.
[4] This company was founded in financial year 2021.
[5] This company was founded on 1 July 2021.
[6] This company was founded on 1 April 2021.
[7] This company was founded on 1 January 2021.
[8] This company was founded on 27 January 2021.
[9] This company was founded on 23 September 2021 and entered in the commercial register on 18 October 2021.

Proposed appropriation of profit

The Management and Supervisory Boards will propose to the General Meeting that the profit of Fielmann Aktiengesellschaft, amounting to T€ 126,000, should be appropriated as follows:

Distribution of a dividend of	€ 000s
€ 1.50 per ordinary share (84,000,000 shares)	126,000

Supplementary statement

Even in the new financial year, the coronavirus pandemic continues to impact on our private and business lives in Europe. Due to the restrictions to public life in some countries where Fielmann operates, there are still hard-to-assess negative effects on the unit sales, sales revenue and profits of Fielmann Aktiengesellschaft and the Fielmann Group. The risks of the coronavirus pandemic as well as the possible consequences on future development are explained in the Management Report.

It is not yet possible to assess the economic consequences of the Russian invasion of Ukraine on 24 February 2022. The thoughts of the company's Management Board and staff are with the 269 employees and their families of the Ukraine-based Fielmann GmbH, Kyiv. 36 small stores are operated under the Fielmann name in Ukraine, and they generated sales revenues of € 3.9 million in 2021. These stores have all been temporarily closed due to the difficult situation there. At present, there is no information on war damage. The assets reported in the consolidated balance sheet as at 31 December 2021 amount to a total of € 1.1 million.

The possibility cannot be ruled out that the current events in Eastern Europe will have a negative effect on the economic recovery after the coronavirus pandemic and on the consumer climate.

Hamburg, 20 April 2022

Fielmann Aktiengesellschaft
The Management Board

Marc Fielmann

Katja Groß Dr. Bastian Körber Georg Alexander Zeiss

Responsibility statement

Affirmation by the Management Board

We affirm that to the best of our knowledge the consolidated accounts prepared in accordance with the applicable accounting regulations convey a view of the Groups financial position, cash flows and financial performance that is true and fair and that business performance including business results and the position of the Group are presented in the Management Report for the Group in such a way as to provide a true and fair view as well as to portray the opportunities and risks inherent in the future development of the Group accurately.

Hamburg, 20 April 2022

Fielmann Aktiengesellschaft
The Management Board

Marc Fielmann

Katja Groß Dr. Bastian Körber Georg Alexander Zeiss

An die Fielmann Aktiengesellschaft, Hamburg
Independent auditor's report

REPORT ON THE AUDIT OF THE CONSOLIDATED ACCOUNTS AND THE GROUP MANAGEMENT REPORT

Audit opinion

We have audited the consolidated accounts of Fielmann Aktiengesellschaft, Hamburg, and its subsidiaries (of the Group) – comprising the consolidated balance sheet as at 31 December 2021, the consolidated profit and loss statement and other results, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2021, as well as the Notes to the consolidated accounts, including a summary of significant accounting policies. In addition, we have audited the Group Management Report of Fielmann Aktiengesellschaft, Hamburg, for the financial year from 1 January to 31 December 2021. In accordance with the German statutory provisions, we have not audited the content of the Group declaration on corporate governance pursuant to Section 315d of the German Commercial Code (HGB), summarised in the declaration of corporate governance as per Section 289f of the HGB, nor the separate summarised non-financial report pursuant to Sections 289b to 289e, 315b and 315c of the HGB, to which the Group Management Report refers.

- the attached consolidated accounts comply in all material respects with the IFRS, as applicable in the EU, as well as the additional German statutory provisions pursuant to Section 315e Para. 1 of the German Commercial Code (HGB) and give a true and fair view, taking into account these regulations, of the financial position and cash flows of the Group as at 31 December 2021, as well as its financial performance for the financial year from 1 January to 31 December 2021, and
- the attached Group Management report provides a true picture of the Group's position. In all material respects, the Group Management Report is in line with the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development. Our audit opinion does not include the content of the above-mentioned Group declaration on corporate governance, summarised in the declaration of corporate governance, nor the separate summarised non-financial Group report.

Pursuant to Section 322 Para. 3 sentence 1 of the German Commercial Code (HGB), we declare that our audit did not lead to any reservations regarding the fair presentation of the consolidated accounts and the Group Management Report.

Basis for the audit opinion

We have audited the consolidated accounts and the Group Management Report in accordance with Section 317 of the German Commercial Code (HGB) and the EU audit regulation (No. 537/2014; hereinafter referred to as "EU-AR") in compliance with the generally accepted principles of auditing laid down by the IDW (German Institute of Auditors). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Accounts and the Group Management Report" section of our report. We are independent of the Group companies in accordance with the provisions under European law and German commercial law and professional requirements, and we have fulfilled our other German ethical responsibilities in accordance with these requirements. Furthermore, we declare that we, in line with Article 10 Para. 2 (f) of the EU-AR, have not provided any prohibited non-audit services as described in Article 5 Para. 1 of the EU-AR. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion regarding the consolidated accounts and the Group Management Report.

Key audit matters in the audit of the consolidated accounts

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts for the financial year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our audit opinion thereof, and we do not provide a separate audit opinion on these matters.
In our view, the key audit matters were as follows:

1. Recoverability of goodwill
2. Evidence and valuation of the inventories
3. Application of IFRS 16

Our presentation of these key audit matters has been structured as follows:

a) Description of matters (including reference to related disclosures in the consolidated accounts)
b) Audit approach

1. Recoverability of goodwill

a) Goodwill of € 176.4 million has been reported in the consolidated accounts of Fielmann Aktiengesellschaft (previous year: € 173.5 million). This corresponds to 10.2% of the consolidated book value of assets. Goodwill is tested for impairment as at 31 December of every financial year and if there are any signs of impairment. In the financial year 2020, an impairment test was conducted as at 30 June 2020 due to the impact of the coronavirus pandemic. However, there was no evidence for the need to perform an impairment test over the course of the financial year 2021. The impairment test is carried out by comparing the book value with the value in use of the cash-generating unit, which is calculated as the present value of future cash flows. This present value calculation is based on one year's detailed projection, a subsequent two years' projection, which in turn is derived from the cumulative Group planning, and thereafter from a perpetuity value based on the third planning year. In the financial year 2021, impairments of € 2.0 million were recorded through profit or loss based on the results of the impairment test. There were no goodwill impairments in the financial year 2021. The result of the evaluation depends to a large extent on the discretionary assessment of the future cash inflows by the legal representatives and on the discount rate used. The evaluations are therefore subject to considerable uncertainty. In light of this, this matter was of particular importance in our audit.

The Group's disclosures pertaining to recoverability of goodwill are contained in sections III. und IV. (2) as well as IV. (44) of the Notes to the consolidated accounts.

b) In the course of our audit, we obtained an understanding of the process of conducting an impairment test and of the company planning process, and assessed the adequacy of implemented controls. In doing so, we particularly gained an understanding of and evaluated the method of carrying out the impairment tests. For the purpose of risk assessment, we looked at the Group's budget history and took it into consideration in our assessment, and assessed the extent to which the procedure was influenced by uncertainty of estimates, subjectivity, complexity or other inherent risk factors.

We compared the anticipated future cash flows in the evaluation with the corresponding detailed projections as well as with the Group planning approved by the Supervisory Board. With regard to the assessment of the appropriateness of the assumptions and premises, procedures and valuation models, we included internal specialists from the field of valuation services with whose support we also assessed the method for carrying out the impairment tests and the parameters applied to determine the discount rates used, including the average capital costs and the formulae. In our assessment of the appropriateness of the budgeting, we used the comparison with peer-group companies as well as comprehensive explanations by the management as a basis. As minimal changes to the discount rate have a considerable impact on the value in use, we corroborated the underlying parameters using information and evidence supplied by the management and a study, and we also examined the mathematical correctness of the calculations for the value in use. We also conducted our own sensitivity analyses to determine if the respective goodwill is sufficiently covered by the discounted anticipated future cash inflows. As a significant portion of the value in use results from forecast cash inflows for the period after the three-year projection (phase of perpetuity), we conducted a critical examination of the long-term 0.5% growth rate estimated in the perpetuity phase.

2. Evidence and valuation of the inventories

a) Inventories totalling € 153.1 million are reported in the consolidated accounts of Fielmann Aktiengesellschaft. This corresponds to 8.8% of the consolidated book value of assets. The stock value is recorded as part of the permanent inventory and the extended, earlier periodic inventory. The valuation is made at the lower of acquisition/production costs or net realisable value. In the financial year 2021, the inventories were reduced by means of value adjustments of € 9.6 million. The basis for the value adjustments were generalised assumptions about days of sales in inventories (markdowns) and, in specific cases, assumptions about the usability of the stocks. The value adjustments are therefore based on discretionary estimates by the legal representatives.
For this reason and also due to the quantity and turnover rate of the inventories, the large number of storage locations in the Group and the related length of time for the audit, this matter was of special significance in our audit.
The disclosures made by the legal representatives on the inventories can be found in sections III and IV (9) of the Notes to the consolidated accounts.

b) In the course of our audit, we evaluated the internal control system put in place to record and value inventories, and tested the efficacy and execution of the implemented controls of relevance to the audit. The focus here was on the controls for the automatic depreciation cycles. In this context, we analysed the depreciation cycles in the system – with the help of IT specialists – and examined their functional capability and execution.
With regard to the audit of the subsequent valuation of the inventories and the assumptions made in this respect, we took a representative sample and verified the underlying assumptions for the contained elements, and examined the evidence. Furthermore, we checked the presence and the condition of the inventories during our participation in physical stock-takes both at the central warehouse and at selected stores. The stores were selected based on a sampling method which took into consideration the amount of stock and our experiences from the past.

3. Application of IFRS 16

a) In the balance sheet as at 31 December 2021, rights of usufruct from leases amounting to € 448.2 million are disclosed on the assets side of the consolidated balance sheet. This corresponds to 37.4% of non-current assets or 25.8% of the consolidated book value of assets. In addition, liabilities from leases amounting to € 457.4 million are reported on the liabilities side of the balance sheet.

The Group used the existing ERP system for the calculation of the stated values of the rights of usufruct and the liabilities from leases.

The accounting standard IFRS 16 requires assessments and judgement calls from the legal representatives. In particular, this refers to the assessment of the exercise of contractual renewal options with impacts on the duration of the leasing agreement, and, where applicable, of the interest rate level, the lease liability level and the accompanying impacts on the consolidated balance sheet, the consolidated statement of the overall result and the consolidated cash flow statement. For these reasons and due to the complexity of the requirements, we have classified the disclosure of leasing agreements as per IFRS 16 as a key audit matter in our audit.

The Group's disclosures pertaining to the reporting of leasing agreements as per IFRS 16 are contained in sections II., III. and IV. (4) and (23) of the Notes to the consolidated accounts.

b) As part of our audit, we evaluated the appropriateness and the implementation of the Group-wide processes and controls put in place by the legal representatives for the complete and correct identification, recording and valuation of leasing agreements, and conducted corresponding structural and functional tests.

Our first step was to audit the entire recording of the relevant rental and leasing agreements. Furthermore, we checked representative samples of the rental/leasing payments recorded as datasets in the system, the agreed terms and the other parameters relevant to the valuation against the underlying agreements. We used IT auditing tools with representative samples to understand the calculation logic of the IT system. In this context, we compared the results of the calculation of the ERP system with the results of the auditing tool and analysed deviations. In particular, we evaluated the appropriateness of the assessment of the exercise of contractual renewal options with impacts on the duration of the leasing agreement, of the interest rate level, the lease liability level and the accompanying impacts on the consolidated balance sheet, the consolidated statement of the overall result and the consolidated cash flow statement by viewing selected agreements and other suitable evidence as well as by questioning the Group's employees.

In addition, we assessed whether the booking records generated by the system were accurately disclosed in Fielmann AG's consolidated accounts and whether the entries in the notes to the consolidated accounts are complete and were made correctly.

Other information

The legal representatives or the Supervisory Board are responsible for the other information. Other information comprises

- the Supervisory Board Report,
- the Group declaration on corporate governance pursuant to Section 315d of the German Commercial Code (HGB), summarised in the declaration of corporate governance as per Section 289f of the HGB, to which the Group Management Report refers,
- the separate summarised non-financial report pursuant to Sections 289b to 289e as well as 315b and 315c of the HGB, which will most likely be made available to us after the date of the auditor's report, to which the Group Management Report refers,
- the assurance of the legal representatives pursuant to Section 297 Para. 2 sentence 4 and Section 315 Para. 1 sentence 5 of the HGB regarding the consolidated accounts and the Group Management Report and
- all other parts of the Annual Report,
- but not the consolidated accounts, not the audited parts of the Group Management Report, and not our related auditor's report.

The Supervisory Board is responsible for the Supervisory Board Report. Pursuant to Section 161 of the German Stock Corporation Act (AktG), the legal representatives and the Supervisory Board are responsible for the declaration on the German Corporate Governance Code, which is a component of the summarised Group declaration on corporate governance. Otherwise, the legal representatives are responsible for the other information.

Our audit opinion on the consolidated accounts and the Group Management Report does not cover the other information, which is why we will not provide an audit opinion or any other form of audit-based conclusion on this subject.

In relation to our audit, we are responsible for reading the above-mentioned other information and for assessing whether this other information

- is materially inconsistently with the consolidated accounts, the audited disclosures in the Group Management Report or with the findings we made during our audit, or
- otherwise appears to be materially misstated.

Responsibility of the legal representatives and the Supervisory Board for the consolidated accounts and the Group Management Report

The legal representatives are responsible for the preparation of the consolidated accounts, which in all material respects comply with IFRS, as applicable in the EU, as well as with the additional German statutory provisions pursuant to Section 315e

Para. 1 of the German Commercial Code (HGB), and for ensuring that the consolidated accounts give a true and fair view, taking into account these regulations, of the Group's financial position, cash flows and financial performance. Furthermore, the legal representatives are responsible for the internal controls that they deem necessary for enabling the preparation of the consolidated accounts, which are free from material misstatement – intended or unintended.

In preparing the consolidated accounts, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. What's more, they are responsible for disclosing, as applicable, matters related to the company as a going concern. They are also responsible for using the going concern basis of accounting, unless they intend to liquidate the Group or to cease operations, or they have no realistic alternative but to do so.

In addition, the legal representatives are responsible for preparing the Group Management Report, which provides a true and fair view of the position of the Group and is in line with all the key points in the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development. Moreover, the legal representatives are responsible for the policies and procedures (systems) that they determine are necessary to enable the preparation of a Group Management Report in accordance with the applicable German statutory regulations and to provide sufficient and appropriate evidence for the assertions in the Group Management Report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated accounts and the Group Management Report.

Auditor's responsibilities for the audit of the consolidated accounts and the Group Management Report

Our objective is to obtain reasonable assurance about whether the consolidated accounts as a whole are free of material misstatement – intended or unintended – and whether the Group Management Report provides a true and fair view of the position of the Group and is in line with all the key points in the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development, as well as to issue an auditor's report that includes our audit opinion on the consolidated accounts and the Group Management Report.

Reasonable assurance is a high degree of assurance but is no guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) and the EU-AR in compliance with the generally accepted principles of auditing laid down by the IDW (German Institute of Auditors) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could be reasonably be expected influence the economic decisions taken by users on the basis of these consolidated accounts and this Group Management Report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatements – intended or unintended – in the consolidated accounts and in the Group Management Report, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting material misstatements arising from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of the internal control system relevant to the audit of the consolidated accounts and of the policies and procedures relevant to the audit of the Group Management Report in order to plan audit procedures that are appropriate in the circumstances, but are not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the legal representatives.
- conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast serious doubt on the Group'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 consolidated accounts or the Group Management Report or, if such disclosures are inadequate, to modify our audit 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 Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that the consolidated accounts give a true and fair view of the Group's financial position, cash flows and financial performance in accordance with IFRS, as applicable in the EU, as well as with the additional German statutory provisions pursuant to Section 315e Para. 1 of the German Commercial Code (HGB).
- obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express an opinion on the consolidated accounts and the Group Management Report. We are

responsible for the direction, supervision and performance of the audit of the consolidated accounts. We remain solely responsible for our audit opinion.

- evaluate the consistency of the Group Management Report with the consolidated accounts, its conformity with the law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the legal representatives in the Group Management Report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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 the internal control system that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit in accordance with Section 317 (3a) of the HGB on the electronic reproduction of the consolidated accounts and the Group Management Report prepared for publication purposes

Audit opinion

We have carried out an audit in accordance with Section 317 (3a) of the HGB to obtain reasonable assurance about whether the reproduction of the consolidated accounts and the Group Management Report (hereinafter the "ESEF documents") contained in the provided file, which has the SHA-256 value 0df0d32819631896c99b013ea9c18abcbb81d4a08c0cea92c1abaebe8ef48f75, and is prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) of the HGB for the electronic reporting format ("ESEF

format"). In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the consolidated accounts and the Group Management Report into the ESEF format and therefore relates neither to the information contained in this reproduction nor any other information contained in the above-mentioned electronic file.
In our opinion, the reproduction of the consolidated accounts and the Group Management Report contained in the above-mentioned provided file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) of the HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this audit opinion and our audit opinion on the accompanying consolidated accounts and the accompanying Group Management Report for the financial year from 1 January to 31 December 2021 contained in the "Report on the audit of the consolidated accounts and the Group Management Report" above.

Basis for the audit opinion
We conducted our audit on the reproduction of the consolidated accounts and the Group Management Report contained in the above-mentioned provided file in accordance with Section 317 (3a) of the HGB, and the Exposure Draft of the IDW Assurance Standard: Assurance in accordance with Section 317 (3a) of the HGB on the electronic reproduction of accounts and Management Reports prepared for publication purposes (IDW AsS 410 (10.2021)). Accordingly, our responsibilities are further described in the section "Responsibility of the Group auditor for auditing the ESEF documents". Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

Responsibility of the legal representatives and the Supervisory Board for the ESEF documents
The company's legal representatives are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated accounts and the Group Management Report in accordance with Section 328 (1) sentence 4 item 1 of the HGB and for the tagging of the consolidated accounts in accordance with Section 328 (1) sentence 4 item 2 of HGB.
In addition, the company's legal representatives are responsible for the internal controls they consider necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) of the HGB for the electronic reporting format.
The company's legal representatives are also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited

consolidated accounts and audited Group Management Report as well as other documents to be published to the operator of the German Federal Gazette.
The Supervisory Board is responsible for overseeing the preparation process of the ESEF documents as part of the accounting process.

Responsibility of the Group auditor for auditing the ESEF documents
Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) of the HGB. We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) of the HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the provided file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated accounts and the audited Group Management Report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) pursuant to Art. 4 and 6 of the valid Delegated Regulation (EU) 2019/815 enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to Article 10 of the EU-AR
We were chosen as the Group auditor by the Annual General Meeting on 8 July 2021. We were engaged by the Supervisory Board on 8 July 2021. We have been the Group auditor of Fielmann Aktiengesellschaft, Hamburg, without interruption since the financial year 2011.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU-AR (long-form audit report).

OTHER MATTERS

The Auditor's Report must always be read in relation to the audited consolidated accounts, Group Management Report and ESEF documents. The consolidated accounts and Group Management Report in the ESEF format – as well as the versions to be published in the Federal Gazette – are only electronic reproductions of the audited consolidated accounts and Group Management Report, and do not replace them. In particular, the ESEF report and our audit opinion contained in it can only be used in connection with the audited ESEF documents provided in electronic form.

AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The auditor responsible for the engagement is Patrick Wendlandt.

Hamburg, 20 April 2022

Deloitte GmbH
Auditing firm

Wendlandt | Marquardt
(Patrick Wendlandt) | (Christina Marquardt)
Auditor | Auditor

Environmental Pledge (1986)

The Fielmann Group plants a tree for each employee every year and is committed to protecting nature and the environment. To date, we have already planted more than 1.6 million trees and bushes.

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