

Siretex ApS

Hammerensgade 6, 2. tv
København K
CVR no. 34 71 08 80

REVISION & RÅDGIVNING

Annual report for 2015

Adopted at the annual general meeting on
30 May 2016



Cristiano Rossi
Chairman

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Statement by management on the annual report

Today, the executive board has discussed and approved the annual report of Siretex ApS for the financial year 1 January - 31 December 2015.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

We recommend the adoption of the annual report at the annual general meeting.

Budapest, 29 February 2016

Executive board



Massimiliano Neri

Independent auditor's report

To the Shareholder of Siretex ApS

Report on the financial statements

We have audited the financial statements of Siretex ApS for the financial year 1 January - 31 December 2015, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

The audit has not resulted in any qualification.

Opinion

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

Statement on management's review

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

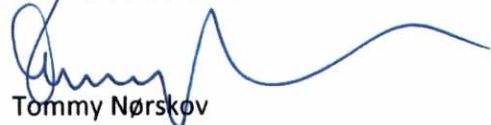
Independent auditor's report

Brøndby, 29 February 2016

ALBJERG

Statsautoriseret Revisionspartnerselskab

CVR-no.35 38 28 79



Tommy Nørskov

State Authorised Public Accountant

Company details

The company

Siretex ApS
Hammerensgade 6, 2. tv
København K

CVR no.: 34 71 08 80
Financial year: 1 January - 31 December
Domicile: København

Executive board

Massimiliano Neri

Auditors

ALBJERG
Statsautoriseret Revisionspartnerselskab
Ringager 4C, 2.th.
2605 Brøndby

Management's review

Selskabets business activities

The company's main activities consist of trading of clothes.

Business review

The company's income statement for the year ended 31 December 2015 shows a loss of DKK 6,480,940, and the balance sheet at 31 December 2015 shows negative equity of DKK 274,155.

Financing

The Company relies on financial support from the parent company. The parent company has indicated that it will support the company financially with either the share capital or if necessary loans, which it has done previously.

Post balance sheet events

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Siretex ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Accounting Standard on small enterprises as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those applied last year.

The annual report for 2015 is presented in Danish kroner

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the Company does not disclose its revenue.

The gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

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Accounting policies

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities..

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc..

Balance sheet

Tangible assets

Items of Tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful life of the asset based on the following expected useful lives:

	Useful life
Leasehold improvements	7 years

Assets costing less than kr. 12,800 are expensed in the year of acquisition.

Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Stocks

Stocks are measured at using FIFO method. Where the net realisable value is lower than the cost, inventories are carried at this lower value.

The cost of goods for resale comprises the purchase price plus delivery costs.

The net realisable value of stocks is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Accounting policies

Receivables

Receivables are measured at amortised cost.

Liabilities

Financial liabilities also include the capitalised residual finance lease commitment.

Other debts are measured at net realisable value.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2015</u> kr.	<u>2014</u> kr.
Gross profit		2.752.757	-1.270.666
Staff costs	1	-4.373.026	-3.834.194
Earnings before interest, tax, depreciation and amortisation		-1.620.269	-5.104.860
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-769.948	-912.471
Other operating costs		-3.905.560	0
Profit/loss before financial income and expenses		-6.295.777	-6.017.331
Financial income		2.562	6.676
Financial costs	2	-187.725	-58.210
Profit/loss before tax		-6.480.940	-6.068.865
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-6.480.940	-6.068.865
Retained earnings		-6.480.940	-6.068.865
		-6.480.940	-6.068.865

Balance sheet at 31 December

<u>Note</u>	<u>2015</u>	<u>2014</u>
	kr.	kr.
Assets		
Leasehold improvements	0	4.675.508
Tangible assets	0	4.675.508
Fixed assets total	0	4.675.508
Finished goods and goods for resale	0	7.775.976
Stocks	0	7.775.976
Other receivables	119.051	4.362.145
Receivables	119.051	4.362.145
Cash and bank	334.742	3.003.688
Current assets total	453.793	15.141.809
Assets total	453.793	19.817.317

Balance sheet at 31 December

Note	2015	2014
	kr.	kr.
Liabilities and equity		
Selskabskapital	15.788.000	15.788.000
Retained earnings	-16.062.155	-13.602.141
Equity total	-274.155	2.185.859
Payables to subsidiaries	0	1.488.000
Long-term debt	0	1.488.000
Payables to subsidiaries	0	11.166.307
Other payables	727.948	4.977.151
Short-term debt	727.948	16.143.458
Debt total	727.948	17.631.458
Liabilities and equity total	453.793	19.817.317

Egenkapitaloppgørelse

	Selskabskapital	Retained earnings	Total
Equity at 1 January 2015	15.788.000	-13.602.140	2.185.860
Net profit/loss for the year	0	-6.480.940	-6.480.940
Contribution from group	0	4.020.925	4.020.925
Equity at 31 December 2015	15.788.000	-16.062.155	-274.155

Notes to the annual report

	<u>2015</u>	<u>2014</u>
	kr.	kr.
1 Staff costs		
Wages and salaries	3.973.614	3.648.310
Pensions	301.629	71.044
Other social security costs	94.495	87.717
Other staff costs	3.288	27.123
	<u>4.373.026</u>	<u>3.834.194</u>
Average number of employees	<u>0</u>	<u>0</u>
	<u>2015</u>	<u>2014</u>
	kr.	kr.
2 Financial costs		
Other financial costs	187.725	58.210
	<u>187.725</u>	<u>58.210</u>
3 Tangible assets		Leasehold
		improvements
Cost at 1 January 2015		6.440.325
Additions for the year		76.143
Disposals for the year		-6.516.468
Cost at 31 December 2015		<u>0</u>
Revaluations at 1 January 2015		<u>0</u>
Revaluations at 31 December 2015		<u>0</u>
Impairment losses and depreciation at 1 January 2015		1.764.817
Impairment losses for the year		-2.534.765
Depreciation for the year		769.948
Impairment losses and depreciation at 31 December 2015		<u>0</u>
Carrying amount at 31 December 2015		<u>0</u>