



Bramhagen ApS

c/o Pakhus 11, Dampfærgevej 2 A, st., 2100 Copenhagen

Company reg. no. 35 47 84 34

Annual report

1 January - 31 December 2015

The annual report have been submitted and approved by the general meeting on the 26 May 2016.

Renzo Braglia
Chairman of the meeting

Contents

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

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The managing director has today presented the annual report of Bramhagen ApS for the financial year 1 January to 31 December 2015.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 20 May 2016

Managing Director

Renzo Braglia

The independent auditor's reports

To the shareholder of Bramhagen ApS

Report on the annual accounts

We have audited the annual accounts of Bramhagen ApS for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

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

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

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

Statement on the management's review

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

Copenhagen, 20 May 2016

BUUS JENSEN

State Authorised Public Accountants
Company reg. no. 16 11 90 40

Ulrik Nørskov

State Authorised Public Accountant

Company data

The company

Bramhagen ApS
c/o Pakhus 11
Dampfærgevej 2 A, st.
2100 Copenhagen

Company reg. no. 35 47 84 34
Established: 19 September 2013
Domicile: Copenhagen
Financial year: 1 January - 31 December
2nd financial year

Managing Director

Renzo Braglia, Modena, Italy

Auditors

BUUS JENSEN, Statsautoriserede revisorer

Parent company

SPW srl
Brama srl

Management's review

The significant activities of the enterprise

The company's significant activities is within wholesale of clothing.

Unusual matters

The company has not been affected by unusual circumstances during the financial year.

Uncertainties as to recognition or measurement

It is estimated that no specific uncertainties are related to recognition and measurement of the financial items in the annual accounts.

Development in activities and financial matters

The gross profit for the year is DKK 2.205.702 against DKK 1.644.346 last year. The results from ordinary activities after tax are DKK 41.159 against DKK 153.145 last year. The management consider the results satisfactory.

The management expects a positive result for the coming financial year.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Bramhagen ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

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

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

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

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

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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

Translation of foreign currency

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

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

Accounting policies used

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

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

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

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

Staff costs

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

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

Accounting policies used

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

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

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture 3 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Accounting policies used

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/1 2015 - 31/12 2015	19/9 2013 - 31/12 2014
Gross profit	2.205.702	1.644.346
1 Staff costs	-1.832.194	-1.185.822
Depreciation and writedown relating to tangible fixed assets	-197.462	-163.558
Operating profit	176.046	294.966
3 Other financial costs	-112.393	-87.817
Results before tax	63.653	207.149
2 Tax on ordinary results	-22.494	-54.004
Results for the year	41.159	153.145
Proposed distribution of the results:		
Allocated to results brought forward	41.159	153.145
Distribution in total	41.159	153.145

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Assets		
Fixed assets		
4 Other plants, operating assets, and fixtures and furniture	231.368	428.831
Tangible fixed assets in total	<u>231.368</u>	<u>428.831</u>
Deposits	220.023	220.023
Financial fixed assets in total	<u>220.023</u>	<u>220.023</u>
Fixed assets in total	<u>451.391</u>	<u>648.854</u>
Current assets		
Manufactured goods and trade goods	206.521	323.422
Inventories in total	<u>206.521</u>	<u>323.422</u>
Amounts owed by group enterprises	1.909.351	2.178.008
Deferred tax assets	22.407	3.400
Other debtors	45.560	105.378
Accrued income and deferred expenses	140.259	141.731
Debtors in total	<u>2.117.577</u>	<u>2.428.517</u>
Cash funds	1.268.026	249.920
Current assets in total	<u>3.592.124</u>	<u>3.001.859</u>
Assets in total	<u>4.043.515</u>	<u>3.650.713</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2015</u>	<u>2014</u>
Equity			
5	Contributed capital	80.000	80.000
6	Results brought forward	194.304	153.145
	Equity in total	<u>274.304</u>	<u>233.145</u>
Liabilities			
	Debt to group enterprises	<u>2.618.850</u>	<u>2.618.850</u>
	Long-term liabilities in total	<u>2.618.850</u>	<u>2.618.850</u>
	Trade creditors	19.000	19.000
	Debt to group enterprises	315.570	374.841
	Corporate tax	41.501	57.404
	Other debts	<u>774.290</u>	<u>347.473</u>
	Short-term liabilities in total	<u>1.150.361</u>	<u>798.718</u>
	Liabilities in total	<u>3.769.211</u>	<u>3.417.568</u>
	Equity and liabilities in total	<u>4.043.515</u>	<u>3.650.713</u>
7	Contingencies		
8	Related parties		

Notes

All amounts in DKK.

	1/1 2015 - 31/12 2015	19/9 2013 - 31/12 2014
1. Staff costs		
Salaries and wages	1.816.829	1.155.356
Other costs for social security	6.660	5.580
Other staff costs	8.705	24.886
	<u>1.832.194</u>	<u>1.185.822</u>
Average number of employees	<u>3</u>	<u>3</u>
2. Tax on ordinary results		
Tax of the results for the year, parent company	41.501	57.404
Adjustment for the year of deferred tax	-19.007	-3.400
	<u>22.494</u>	<u>54.004</u>
3. Other financial costs		
Financial costs, group enterprises	104.754	84.426
Other financial costs	7.639	3.391
	<u>112.393</u>	<u>87.817</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2015	592.389	0
Additions during the year	0	592.389
Cost 31 December 2015	<u>592.389</u>	<u>592.389</u>
Depreciation and writedown 1 January 2015	-163.559	0
Depreciation for the year	-197.462	-163.558
Depreciation and writedown 31 December 2015	<u>-361.021</u>	<u>-163.558</u>
Book value 31 December 2015	<u>231.368</u>	<u>428.831</u>

Notes

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
5. Contributed capital		
Contributed capital 1 January 2015	80.000	0
Cash capital increase	<u>0</u>	<u>80.000</u>
	<u>80.000</u>	<u>80.000</u>
6. Results brought forward		
Results brought forward 1 January 2015	153.145	0
Profit or loss for the year brought forward	<u>41.159</u>	<u>153.145</u>
	<u>194.304</u>	<u>153.145</u>
7. Contingencies		
Contingent liabilities		
The company has entered into lease agreements with a rent commitment of DKK 1.100.110 on the balancesheet date.		
8. Related parties		
Ownership		
According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:		
SPW srl, Modena, Italy		
Brama srl, Modena Italy		