

FERRAGAMO DENMARK ApS

Holbergsgade 14, 2 tv
1057 København K

Årsrapport
1. januar 2016 - 31. december 2016

Årsrapporten er fremlagt og godkendt på
selskabets ordinære generalforsamling den

06/03/2017

Thomas Gjør-Trønning
Dirigent

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Virksomhedsoplysninger

Virksomheden FERRAGAMO DENMARK ApS
Holbergsgade 14, 2 tv
1057 København K

CVR-nr: 36478985
Regnskabsår: 01/01/2016 - 31/12/2016

Revisor ERNST & YOUNG Godkendt Revisionspartnerselskab
Holmboes Alle 12
8700 Horsens
DK Denmark
CVR-nr: 30700228
P-enhed: 1017525219

Ledelsespåtegning

The Executive Board has today discussed and approved the annual report of Ferragamo Denmark ApS for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

In our 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.

Copenhagen, den 06/03/2017

Direktion

Jesper Krüger Mackowski

Marcus Mattheus Lucas Joannes van Campen

Piero Piccirelli

Alessandro Corsi

Raffaella Pedani

Den uafhængige revisors påtegning på årsregnskabet

To the shareholders of FERRAGAMO DENMARK ApS

Konklusion

We have audited the financial statements of Ferragamo Denmark ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Grundlag for konklusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ledelsens ansvar for regnskabet

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

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Revisors ansvar for revisionen af regnskabet

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Udtalelse om ledelsesberetningen

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's Review.

Horsens, 06/03/2017

Morten Klarskov Larsen
State Authorised Public Accountant

Uffe Black Jensen
State Authorised Public Accountant

ERNST & YOUNG Godkendt
Revisionspartnerselskab
CVR: 30700228

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Ledelsesberetning

Main activities

The company's activity consists of sale of fashion items.

Development in activities and economic conditions

The Company's income statement for the year ended 31 December shows a loss of DKK 2.978.689, and the balance sheet at 31. december 2016 shows equity of DKK 718.511.

Events following the financial year end

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

Anvendt regnskabspraksis

Årsrapporten er aflagt i overensstemmelse med årsregnskabslovens bestemmelser for Regnskabsklasse B.

The accounting policies have not been changed since last year.

Reporting currency

The financial statements are presented in Danish kroner.

Generally

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 are presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Gross profit

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

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration and premises.

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a

straight-line basis over the expected useful life. The expected useful lives are as follows:

Leasehold improvements 5 years

Other fixtures and fittings, tools and equipment 4-5 years

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in the equity.

Balance sheet

Property, plant and equipment

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

Inventories

Inventories are measured at cost in accordance with the weighted average cost method. Where the net realisable value is lower than the cost, inventories are written down to this lower value.

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

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

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

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

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Foreign currency translation

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

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statement is recognised in the income statement as financial income or financial expenses.

Resultatopgørelse 1. jan 2016 - 31. dec 2016

	Note	2016 kr.	2015 kr.
Bruttoresultat		670.090	240.778
Personaleomkostninger	1	-2.208.014	-1.483.614
Af- og nedskrivninger af materielle og immaterielle anlægsaktiver		-1.385.536	-1.008.328
Resultat af ordinær primær drift		-2.923.460	-2.251.164
Andre finansielle indtægter		2.361	7.351
Øvrige finansielle omkostninger		-57.590	-58.987
Ordinært resultat før skat		-2.978.689	-2.302.800
Skat af årets resultat		0	0
Årets resultat		-2.978.689	-2.302.800
Forslag til resultatdisponering			
Overført resultat		-2.978.689	-2.302.800
I alt		-2.978.689	-2.302.800

Balance 31. december 2016

Aktiver

	Note	2016 kr.	2015 kr.
Andre anlæg, driftsmateriel og inventar		1.774.574	2.284.928
Indretning af lejede lokaler		2.799.362	3.626.347
Materielle anlægsaktiver i alt		4.573.936	5.911.275
Anlægsaktiver i alt		4.573.936	5.911.275
Fremstillede varer og handelsvarer		2.937.179	3.618.163
Varebeholdninger i alt		2.937.179	3.618.163
Tilgodehavender fra salg og tjenesteydelser		822.746	279.171
Andre tilgodehavender		2.002	41.048
Tilgodehavender i alt		824.748	320.219
Likvide beholdninger		164.882	468.224
Omsætningsaktiver i alt		3.926.809	4.406.606
Aktiver i alt		8.500.745	10.317.881

Balance 31. december 2016

Passiver

	Note	2016 kr.	2015 kr.
Registreret kapital mv.	2	500.000	500.000
Overkurs ved emission		5.500.000	5.500.000
Overført resultat		-5.281.489	-2.302.800
Egenkapital i alt		718.511	3.697.200
Gæld til banker		5.801.438	4.700.000
Leverandører af varer og tjenesteydelser		220.487	176.308
Gældsforpligtelser til tilknyttede virksomheder		1.057.372	1.343.758
Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring		702.937	392.586
Periodeafgrænsningsposter		0	8.029
Kortfristede gældsforpligtelser i alt		7.782.234	6.620.681
Gældsforpligtelser i alt		7.782.234	6.620.681
Passiver i alt		8.500.745	10.317.881

Egenkapitalopgørelse 1. jan 2016 - 31. dec 2016

	Registreret kapital mv. kr.	Overkurs ved emission kr.	Overført resultat kr.	I alt kr.
Egenkapital, primo	500.000	5.500.000	-2.302.800	3.697.200
Årets resultat	0	0	-2.978.689	-2.978.689
Egenkapital, ultimo	500.000	5.500.000	-5.281.489	718.511

Noter

1. Personalemkostninger

	2016	2015
	kr.	kr.
Wages and salaries	2.201.196	1.462.156
Other staff costs	6.818	21.488
	<u>2.208.014</u>	<u>1.483.614</u>

Average number of employees 5 (2015 - 5)

2. Registreret kapital mv.

Share capital consists of 500.000 shares of 1 kr. Shares are not divided into classes.

The company's share capital has remained unchanged in the past year.

3. Oplysning om eventualforpligtelser

Rent and lease liabilities 2016 187,950 (2015 187,950)

4. Oplysning om ejerskab

Ownership

The company has registered the following shareholders holding more than 5% of the voting rights or nominal value:

Salvatore Ferragamp S.p.A., Via Tornabuoni 2, 50123 Firenze, Italy.

Group relations

Included in the consolidated financial statements of: Salvatore Ferragamp S.p.A., Italy

Requisition of the parent's consolidated financial statements on the following internet adress:

<http://group.ferragamo.com/it/investor-relations/documenti-finanziari>