



**FNG NV**  
Bautersemstraat 68A  
2800 Mechelen  
Belgium  
VAT BE0697.824.730  
RLE Antwerp, section Mechelen

**Offering of up to 2,693,967 newly issued Offer Shares with priority allocation right and up to EUR 15,000,000 existing Shares**  
**Admission to listing and trading of the Existing Unlisted Shares and Offer Shares on Euronext Amsterdam**  
**Admission to listing and trading of all Shares on Euronext Brussels**

This Prospectus (the “**Prospectus**”) relates to (i) the issuance by FNG NV (the “**Company**”), a public limited liability company incorporated under the laws of the Netherlands and as of 22 June 2018 exclusively organized under the laws of Belgium, and which shares are already listed on Euronext Amsterdam under the trading symbol “FNG”, of up to 2,693,967 of newly issued shares (the “**Primary Offer Shares**”) (the “**Primary Offering**”), (ii) the offering by FNG STAK (the “**Selling Shareholder**”) of up to EUR 15,000,000 existing shares (the “**Secondary Offer Shares**”, and together with the Primary Offer Shares, the “**Offer Shares**”) (the “**Secondary Offering**”), (iii) the admission to trading and listing of (a) the 1,729,773 existing unlisted ordinary shares (the “**Existing Unlisted Shares**”) of the Company and (b) the Primary Offer Shares on Euronext Amsterdam and (iv) the admission to trading and listing of (a) the 7,250,119 existing ordinary shares of the Company which are already listed and traded on Euronext Amsterdam (the “**Existing Listed Shares**”, and together with the Existing Unlisted Shares referred to as the “**Existing Shares**”), (b) the Existing Unlisted Shares and (c) the Primary Offer Shares (the Offer Shares, the Existing Listed Shares and the Existing Unlisted Shares are together referred to as the “**Shares**”) on Euronext Brussels. The Offer Shares are being offered in (i) a public offering to retail and institutional investors in Belgium (the “**Belgian Offering**”); (ii) a public offering to retail and institutional investors in the Netherlands (the “**Dutch Offering**”); and (iii) a private placement to institutional investors outside the United States (collectively, the “**Offering**”). The Offering outside the United States will be made in compliance with Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”).

The aggregate number of Offer Shares may be increased by option up to 15% of the aggregate number of Offer Shares initially offered (the “**Increase Option**”) by issuing new Shares. Any decision to exercise the Increase Option will be communicated, at the latest, on the date of the announcement of the Offer Price. Taking into account the Increase Option, the maximum amount of the Offering amounts to EUR 109,417,317 assuming that the Offer Price is at the high-end of Price Range (defined below). There is no minimum size of the Offering. With respect to the Primary Offering, subject to the restrictions in this Prospectus and limitations that may apply under applicable securities laws, each holder of Existing Shares (the “**Existing Shareholders**”) will be granted one priority allocation right (each, a “**Priority Allocation Right**”) per Existing Share of the Company, it holds on 29 June 2018 at the closing of Euronext Amsterdam (the “**Record Date**”), represented by coupon n° 1, which will be detached from the underlying share on 27 June 2018 after closing of the market. No Priority Allocation Rights will apply to the Secondary Offering or the Increase Option.

Holders of Priority Allocation Rights will be entitled, subject to applicable securities laws, to subscribe for Primary Offer Shares at the Offer Price on the basis of a ratio of 3 Offer Shares for 10 Priority Allocation Rights (the “**Ratio**”) in the Primary Offering during the Offering Period (as defined herein). Once exercised, the holders of Priority Allocation Rights cannot revoke the exercise of their Priority Allocation Rights, except as set out in Section XVIII. 7 (*Supplement - Right to Withdraw Order*) of this Prospectus. **Holders of Priority Allocation Rights which have not exercised such rights during the Offering Period will no longer be able to exercise them. Priority Allocation Rights are freely transferable and will not be admitted to trading and will not be listed on Euronext Amsterdam, Euronext Brussels or any other stock exchange during the Offering Period. Priority Allocation Rights that are not exercised during the Offering Period will not be converted into scrips (there is no market for scrips) and will be null and void and without value.** For the Secondary Offering and the Increase Option, there are no Priority Allocation Rights. If the maximum number of Offer Shares has not been placed, demand will first be allocated from the Primary Offering (i.e. newly issued shares) and thereafter from the Secondary Offering (i.e. existing shares). Demand from retail investors in Belgium will be allocated from the Primary Offering.

The results of the Offering, including the number of Offer Shares subscribed for are expected to be announced by a press release of the Company on or about 5 July 2018.

**An investment in the Offer Shares involves substantial risks and uncertainties. Prospective investors should read the entire document, and, in particular, should read Risk Factors in Section I. (*Risk Factors*) beginning on page 34 for a discussion of certain factors that should be considered in connection with an investment in the Offer Shares. All of these factors should be considered before investing in the Offer Shares. Prospective investors must be able to bear the economic risk of an investment in the Offer Shares and should be able to sustain a partial or total loss of their investment. There is no minimum size of the Offering, which means that if the proceeds of the Offering are less than the envisaged amount, FNG is entitled to proceed with the Offering and may thus not be able to realize all of its objectives described in Section III. (*Use of proceeds*).**

**PRICE RANGE: EUR 26.25 TO EUR 29.75 PER OFFER SHARE**

The price per Offer Share (the “**Offer Price**”) will be determined during the Offering Period (as defined herein) through a bookbuilding process in which only institutional investors may participate. The Offer Price, the number of Offer Shares sold in the Offering and the allocation of Offer Shares to retail investors is expected to be made public by the Company in a press release on or about 5 July 2018 and in any event no later than the first business day after the end of the Offering Period. The Offer Price will be a single price in Euros, exclusive of the Belgian tax on stock exchange transactions, and of costs, if any, charged by financial intermediaries for the submission of applications. The Offer Price is expected to be between EUR 26.25 and EUR 29.75 per Offer Share (the “**Price Range**”). The Offer Price may be set within the Price Range or below the lower end of the Price Range but will not exceed the higher end of the Price Range. If the Offer Price is set below the lower end of the Price Range, a supplement to this Prospectus shall be published.

The offering period (the “**Offering Period**”) will begin on 28 June 2018 and is expected to end no later than 1:00 p.m. (CET) on 5 July 2018, except for the offering period for the retail offering, which is expected to end no later than 4:00 p.m. (CET) on 5 July 2018, i.e. 3 hours later than the end of the institutional book building period. There will be no early closing of the Offering Period. The Company reserves the right to withdraw the Offering or to reduce the maximum number of Offer Shares at any time prior to the allocation of the Offer Shares. Any withdrawal of the Offering or reduction of the number of Offer Shares will be announced by means of a Company press release, through electronic information services and in a supplement to this Prospectus.

The Underwriters (as defined below) will use reasonable efforts to deliver the newly issued Offer Shares to retail investors in Belgium, individual persons residing in Belgium and to investors subject to Belgian income tax on legal entities (*rechtspersonenbelasting/impôt des personnes morales*), in this order of priority. The sale and purchase of Secondary Offer Shares (secondary market transactions) is subject to the Belgian tax on stock exchange transactions if the conditions as specified in Section XVI. (*Taxation - Tax on Stock Exchange Transactions*) are fulfilled. By contrast, no Belgian tax on stock exchange transactions is due on the subscription of the Primary Offer Shares (primary market transactions). The Existing Listed Shares are listed on the regulated market of Euronext Amsterdam and admitted for trading under the symbol “FNG” with ISIN Code BE0974332646. An application will be made (i) to list the Existing Unlisted Shares and the Offer Shares on Euronext Amsterdam under the symbol “FNG”, and (ii) to list the Shares on Euronext Brussels under the symbol “FNG”. Trading of (i) the Existing Unlisted Shares on Euronext Amsterdam and (ii) the Existing Shares on Euronext Brussels is expected to commence on or about 29 June 2018, while the trading of the Primary Offering Shares on Euronext Amsterdam and Euronext Brussels is expected to commence on or about 9 July 2018 (the “**Listing Dates**”).

Delivery of the Offer Shares is expected to take place in book-entry form against payment therefor in immediately available funds on or about 9 July 2018 (the “**Closing Date**”) to the investors’ securities accounts via Euroclear Belgium, the Belgian central securities depository. See Section XVIII. (*The Offering - Form of the Offer Shares and Delivery*).

This document constitutes an offer and listing Prospectus for purposes of Article 3 of Directive 2003/71/EC of the European Parliament and of the Council of the European Union (as amended, including by Directive 2010/73/EU, the “**Prospectus Directive**”) and has been prepared in accordance with Article 20 of the Belgian Law of 16 June 2006 on the public offering of securities and the admission of securities to trading on a regulated market, as amended (the “**Prospectus Law**”). The English version of this Prospectus was approved by the Belgian Financial Services and Markets Authority (the “**FSMA**”) on 25 June 2018. The FSMA has been requested to provide the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

A supplement to this Prospectus will be published in accordance with Article 34 of the Prospectus Law, among others, in the event (i) the Offering Period is extended, (ii) the lower limit of the Price Range is decreased or the Offer Price is set below the lower end of the Price Range, (iii) the maximum number of Offer Shares is reduced or (iv) the underwriting agreement is not executed or is executed but subsequently terminated.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the Offer Shares in any jurisdiction or to any person to whom it would be unlawful to do so.

The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any State or other jurisdiction of the United States and may not be offered or sold within the United States, unless the Shares are registered under the U.S. Securities Act or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act. There will be no public offer of the Shares in the United States. For a description of certain restrictions on transfer of the Shares, see Section XX. (*Transfer Restrictions*).

**Joint Global Coordinators and Joint Bookrunners**

**ING Belfius**

**Joint Bookrunners**

**ABN AMRO Bank Degroof Petercam**

Prospectus dated 25 June 2018

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# IMPORTANT NOTICE

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached Prospectus (the “**Prospectus**”), whether received via email, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions and each of the restrictions set out in the Prospectus, including any modifications to them from time to time, each time you receive any information from the Underwriters or the Company (as each term is defined in the Prospectus) as a result of such access.

**Confirmation of your representation:** By accessing this Prospectus you have confirmed to the Underwriters and the Company, that (i) you have understood and agree to the terms set out herein, (ii) you are acting on behalf of, or you are, an institutional investor located outside of the United States (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”)), (iii) if you are in the United Kingdom, you are a relevant person, (iv) if you are in any member state of the EEA other than Belgium, the Netherlands and the United Kingdom, you are a qualified investor, (v) any Shares acquired by you in the Offering will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of securities to the public, other than their offer or resale in any member state of the EEA to qualified investors (as defined in the Prospectus Directive).

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Prospectus, electronically or otherwise, to any other person and in particular to any U.S. address. Failure to comply with this directive may result in a violation of the U.S. Securities Act or the applicable laws of other jurisdictions.

**Restrictions:** NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

ANY SHARES BEING SOLD HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT (1) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THE ATTACHED PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of this Prospectus who intend to subscribe for or purchase any Shares are reminded that any such subscription or purchase may only be made on the basis of the information contained in the Prospectus.

This Prospectus is being distributed only to and is directed only at persons in member states of the European Economic Area (with the exception of Belgium and the Netherlands) who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC). In the United Kingdom, this Prospectus is being distributed only to and is directed only at (i) persons who are outside the United Kingdom; (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); or (iii) high net worth entities falling within Article 49(2)-(d) of the Order (all such persons in (ii) and (iii) being referred to as “**relevant persons**”). The Shares are available only to, and any invitation, offer or agreement to purchase or otherwise acquire the Shares will be engaged in only with, relevant persons. Any person who is within the United Kingdom and not a relevant person should not act or rely on this Prospectus or any of its contents.

This Prospectus has been sent to you in an electronic form or in hard copy. You are reminded that documents transmitted in an electronic form may be altered or changed during the process of electronic transmission and consequently none of the Underwriters, any person who controls any of the Underwriters or the Company, any director, officer, employee or agent of any of them or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version of the Prospectus.

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# TABLE OF CONTENTS

IMPORTANT INFORMATION .....	7
NOTICE TO INVESTORS .....	9
NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA .....	11
NOTICE TO INVESTORS IN THE UNITED KINGDOM .....	13
PRESENTATION OF FINANCIAL AND OTHER INFORMATION .....	15
INDUSTRY AND MARKET DATA .....	17
FORWARD-LOOKING STATEMENTS .....	19
SUMMARY .....	21
SECTION I. RISK FACTORS .....	35
SECTION II. EXPECTED TIMETABLE OF PRINCIPAL EVENTS .....	51
SECTION III. USE OF PROCEEDS .....	53
SECTION IV. DIVIDENDS AND DIVIDEND POLICY .....	55
SECTION V. DILUTION .....	57
SECTION VI. CAPITALIZATION AND INDEBTEDNESS .....	61
SECTION VII. SELECTED CONSOLIDATED FINANCIAL INFORMATION .....	67
SECTION VIII. OPERATING AND FINANCIAL REVIEW AND PROSPECTS .....	75
SECTION IX. INDUSTRY OVERVIEW .....	101
SECTION X. BUSINESS OVERVIEW .....	107



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<b>SECTION XI. MANAGEMENT AND CORPORATE GOVERNANCE .....</b>	<b>125</b>
<b>SECTION XII. PRINCIPAL SHAREHOLDERS .....</b>	<b>139</b>
<b>SECTION XIII. RELATED PARTY TRANSACTIONS .....</b>	<b>143</b>
<b>SECTION XIV. DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION.....</b>	<b>147</b>
<b>SECTION XV. DESCRIPTION OF THE GROUP.....</b>	<b>159</b>
<b>SECTION XVI. TAXATION IN BELGIUM.....</b>	<b>171</b>
<b>SECTION XVII. TAXATION IN THE NETHERLANDS .....</b>	<b>181</b>
<b>SECTION XVIII. THE OFFERING.....</b>	<b>185</b>
<b>SECTION XIX. PLAN OF DISTRIBUTION .....</b>	<b>193</b>
<b>SECTION XX. TRANSFER RESTRICTIONS.....</b>	<b>199</b>
<b>SECTION XXI. LEGAL MATTERS .....</b>	<b>201</b>
<b>SECTION XXII. INDEPENDENT AUDITORS.....</b>	<b>203</b>
<b>SECTION XXIII. CERTAIN DEFINITIONS .....</b>	<b>205</b>
<b>INDEX TO FINANCIAL STATEMENTS.....</b>	<b>209</b>
<b>INDEX TO ANNEXES .....</b>	<b>211</b>
<b>FINANCIAL STATEMENTS.....</b>	<b>F1</b>
<b>ANNEXES.....</b>	<b>A1</b>



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# IMPORTANT INFORMATION

## RESPONSIBILITY STATEMENT

In accordance with Article 61, §1 and §2 of the Prospectus Law, the Company, represented by its Board of Directors, assumes responsibility for the completeness and accuracy of all of the information contained in this Prospectus. Certain sections of this Prospectus relating to the description of the Selling Shareholder have been drafted on the basis of the information provided by the Selling Shareholder. The Selling Shareholder also assumes responsibility for these (and only these) sections of the Prospectus.

Having taken all reasonable care to ensure that such is the case, the Company, represented by its Board of Directors (for the entirety of this Prospectus) and the Selling Shareholder (only with respect to the sections for which it assumes responsibility) attests that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

None of ING Belgium NV/SA (“**ING**”), Belfius Bank NV/SA (“**Belfius**”), Bank Degroof Petercam NV/SA (“**Bank Degroof Petercam**”), or ABN AMRO BANK N.V. (“**ABN AMRO**”) (together the “**Underwriters**”), or any of their affiliates, makes any representation or warranty, express or implied, as to, or assumes any responsibility for, the accuracy or completeness or verification of the information in this Prospectus, and nothing in this Prospectus is, or shall be relied upon as, a statement or representation by the Underwriters, or any of their affiliates, whether as to the past or the future. Accordingly, the Underwriters and any of their affiliates disclaim, to the fullest extent permitted by applicable law, any and all liability, whether arising in tort, contract or otherwise, in respect of this Prospectus or any such statement or representation.

## PROSPECTUS APPROVAL

Without prejudice to the responsibility of the Company for inconsistencies between the different language versions of the Prospectus or the Summary of the Prospectus, the FSMA approved the English version of this Prospectus on 25 June 2018 in accordance with Article 23 of the Prospectus Law. The FSMA has been requested to provide the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

The FSMA's approval does not imply any opinion by the FSMA on the suitability and quality of the Offering or on the status of the Company. This Prospectus has been prepared in English and translated into Dutch. The Summary of the Prospectus has also been translated into French. The Company is responsible for the consistency between the Dutch, French and English versions of the Summary of the Prospectus. In the case of discrepancies between the different versions of this Prospectus, the English version will prevail. However, the translations may be referred to by investors in transactions with the Company.

## SUPPLEMENT TO THE PROSPECTUS

The information in this Prospectus is as of the date printed on the front cover, unless expressly stated otherwise. The delivery of this Prospectus at any time does not imply that there has been no change in the Company's business or affairs since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof. In accordance with Article 34 of the Prospectus Law, in the event of a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Shares during the period from the date of approval of the Prospectus to the Listing Dates, a supplement to this Prospectus shall be published. Any supplement is subject to approval by the FSMA in the same manner as this Prospectus and must be made public in the same manner as this Prospectus.

If a supplement to the Prospectus is published, investors will have the right to withdraw their orders made prior to the publication of the supplement. Such withdrawal must be done within the time period set forth in the supplement (which shall not be shorter than two (2) Business Days after publication of the supplement).

## AVAILABILITY OF THE PROSPECTUS

This Prospectus is available to retail investors in Belgium and the Netherlands in English and Dutch. The Summary of the Prospectus will be made available in French. The Prospectus will be made available to investors at no cost at the Company's registered office, located at Boutersemstraat 68A, 2800 Mechelen, Belgium (tel: +32 15 293 444) and can be obtained by retail investors (i) in Belgium on request from ING at +32 (0)2 464 60 01

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(NL) or +32 (0)2 464 60 04 (EN) or +32 (0)2 464 60 02 (FR), Belfius at +32 (0)2 222 12 02 (NL) or +32 (0)2 222 12 01 (FR) and Bank Degroof Petercam at +32 2 287 97 11 , and (ii) in the Netherlands on request from ABN AMRO BANK at +31 20 344 2000.

Subject to selling and transfer restrictions, the Prospectus is also available to investors in Belgium in English and Dutch, and the Summary of the Prospectus is available in French, on the following websites:

- [www.fng.eu](http://www.fng.eu)
- [www.belfius.be/FNG2018](http://www.belfius.be/FNG2018)
- [www.ing.be/transactiondactions](http://www.ing.be/transactiondactions)
- [www.ing.be/aandelentransactions](http://www.ing.be/aandelentransactions)
- [www.ing.be/equitytransactions](http://www.ing.be/equitytransactions)
- [www.degroofpetercam.be/nl/nieuws/fng\\_2018](http://www.degroofpetercam.be/nl/nieuws/fng_2018)
- [www.degroofpetercam.be/fr/actualite/fng\\_2018](http://www.degroofpetercam.be/fr/actualite/fng_2018)
- [www.degroofpetercam.be/en/news/fng\\_2018](http://www.degroofpetercam.be/en/news/fng_2018); and
- [www.abnamro.nl/nl/prive/beleggen/beleggingsproducten/emissies/index.html](http://www.abnamro.nl/nl/prive/beleggen/beleggingsproducten/emissies/index.html).

The posting of the Prospectus on the Internet does not constitute an offer to sell or a solicitation of an offer to buy any of the Shares to or from any person in any jurisdiction in which it is unlawful to make such offer or solicitation to such person. The electronic version may not be copied, made available or printed for distribution. Information on the Company's website ([www.fng.eu](http://www.fng.eu)) or any other website does not form part of the Prospectus.

## **OTHER COMPANY INFORMATION AND DOCUMENTATION**

The Company has filed its coordinated Articles of Association and all other deeds that are to be published in the Annexes to the Belgian State Gazette (Belgisch Staatsblad/Moniteur Belge) with the clerk's office of the commercial court of Antwerp, section Mechelen, where they are available to the public. FNG is registered with the register of legal entities Antwerp, section Mechelen under enterprise number 0697.824.730. A copy of the Company's most recent Articles of Association and the Company's Corporate Governance Charter are also available on its website.

In accordance with Belgian law, the Company must also prepare audited annual statutory and consolidated financial statements. The annual statutory financial statements, together with the report of the Board of Directors and the audit report of the statutory auditor, as well as the consolidated financial statements, together with the report of the Board of Directors and the audit report of the statutory auditor thereon, will be filed with the National Bank of Belgium, where they will be available to the public. Furthermore, as a listed company, the Company must publish an annual financial report (comprised of the financial information to be filed with the National Bank of Belgium and a responsibility statement) and a semi-annual financial report (comprised of condensed financial statements, the report of the statutory auditor, if audited or reviewed, and a responsibility statement). These reports will be made publicly available on the Company's website.

Once the Company is listed on Euronext Brussels, all regulated information on the Company will be made available on STORI, the Belgian central storage mechanism, which is operated by the FSMA and shall be accessible via [stori.fsma.be](http://stori.fsma.be) or [www.fsma.be](http://www.fsma.be). As a listed company, the Company must already disclose "inside information", information about its shareholder structure and certain other information to the public. In accordance with the Belgian Royal Decree of November 14, 2007 relating to the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market (Koninklijk besluit betreffende de verplichtingen van emittenten van financiële instrumenten die zijn toegelaten tot de verhandeling op een gereguleerde markt/Arrêté royal relatif aux obligations des émetteurs d'instruments financiers admis aux négociations sur un marché réglementé) and Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on Market Abuse and the Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information, such information and documentation will be made available through the Company's website, press releases, the communication channels of Euronext Amsterdam and Euronext Brussels, on STORI or a combination of these means. All press releases published by the Company are made available on its website.

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# NOTICE TO INVESTORS

In making an investment decision, investors must rely on their own assessment, examination, analysis and enquiry of the Company, the terms of the Offering and the contents of this Prospectus, including the merits and risks involved. Any purchase of the Shares should be based on the assessments that an investor may deem necessary, including the legal basis and consequences of the Offering, and including possible tax consequences that may apply, before deciding whether or not to invest in the Shares. In addition to their own assessment of the Company and the terms of the Offering, investors should rely only on the information contained in this Prospectus, including the risk factors described herein.

Investors must also acknowledge that: (i) they have not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in this Prospectus; and (ii) they have relied only on the information contained in this Prospectus, and that no person has been authorized to give any information or to make any representation concerning the Company or its subsidiaries or the Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Underwriters.

None of the Company, the Underwriters, or any of their respective representatives, is making any representation to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

No person has been authorized to give any information or to make any representation in connection with the Offering other than those contained in this Prospectus, and, if given or made, such information or representation must not be relied upon as having been authorized. Without prejudice to the Company's obligation to publish supplements to the Prospectus when legally required (as described below), neither the delivery of this Prospectus nor any sale made at any time after the date hereof shall, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

The Underwriters are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

The distribution of this Prospectus and the Offering may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer to sell, or an invitation of an offer to purchase, any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. The Company and the Underwriters require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of the Company or the Underwriters accepts any legal responsibility for any violation by any person, whether or not a prospective purchaser of Shares, of any such restrictions. The Company and the Underwriters reserve the right in their own absolute discretion to reject any offer to purchase Shares that the Company, the Underwriters or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.



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# NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

An offer to the public of any Offer Shares may not be made in any Member State of the European Economic Area (“**EEA**”) other than an offer to the public in Belgium or the Netherlands unless the Prospectus has been (i) approved by the competent authority in such Member State or passported and (ii) published in accordance with the Prospectus Directive as implemented in such Member State. This Prospectus has been prepared on the basis that all offers of Offer Shares, other than the offers contemplated in Belgium or the Netherlands, will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the EEA, from the requirement to produce a Prospectus for offers of Offer Shares. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares which are the subject of the placement contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company or the Underwriter to produce a Prospectus for such offer. Neither the Company, nor the Underwriters have authorized, nor do the Company or the Underwriters authorize, the making of any offer of Offer Shares through any financial intermediary, other than offers made by Underwriters which constitute the final placement of Offer Shares contemplated in this Prospectus.

The Offer Shares have not been, and will not be, offered to the public in any Member State of the EEA, except for Belgium and the Netherlands (each, a “**Relevant Member State**”). Notwithstanding the foregoing, an offering of the Offer Shares may be made in a Relevant Member State subject to obtaining the prior consent of the Underwriters for any such offer:

- to any legal entity that is a qualified investor as defined in article 2(1)(e) the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, if applicable.
- provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company or the Underwriters of a Prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression “offer to the public” in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares so as to enable an investor to decide to purchase Offer Shares, as that definition may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.



Ginger



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# NOTICE TO INVESTORS IN THE UNITED KINGDOM

This Prospectus is directed at and for distribution in the United Kingdom only to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth entities falling within Article 49(2) (a) to (d) of the Order (all such persons being together referred to in this paragraph as “**Relevant Persons**”). This Prospectus is directed only at Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents. Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

Furthermore, the Underwriters have warranted that they (i) have only invited or will only invite participation in investment activities in connection with the Offering or the sale of the Offer Shares within the meaning of Section 21 of the UK Financial Services and Markets Act 2000 (“**FSMA 2000**”), and have only initiated or will only initiate such investment activities to the extent that Section 21(1) of FSMA 2000 does not apply to the Company; and (ii) have complied and will comply with all applicable provisions of FSMA 2000 with respect to all activities already undertaken by each of them or will undertake in the future in relation to the Offer Shares in, from, or otherwise involving the United Kingdom.



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## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

This Prospectus includes the audited consolidated financial statements of the Company for the financial year ended 31 December 2016 and 31 December 2017, which was prepared in accordance with IFRS, as adopted by the EU.

Rounding adjustments have been made in calculating some of the financial information included in this Prospectus. As a result, figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.



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## INDUSTRY AND MARKET DATA

The Prospectus includes market share, economic and industry data, which were obtained by the Company from industry publications and surveys, industry reports prepared by consultants, internal surveys and customer feedback.

The third party sources the Company has used generally state that the information they contain has been obtained from sources believed to be reliable. These third-party sources also state, however, that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on significant assumptions. As the Company does not have access to the facts and assumptions underlying such market data, or statistical information and economic indicators contained in these third-party sources, the Company is unable to verify such information. Thus while the information has been accurately reproduced with no omissions that would render it misleading, and the Company believes it to be reliable, the Company cannot guarantee its overall accuracy or completeness.

In addition, certain information in this Prospectus is not based on published data obtained from independent third parties or extrapolations therefrom, but rather is based upon the Company's best estimates, which are in turn based upon information obtained from trade and business organizations and associations, consultants and other contacts within the industries in which the Company competes, information published by competitors, and the Company's own experience and knowledge of conditions and trends in the markets in which it operates.

The Company cannot assure you that any of the assumptions that it has made while compiling this data from third party sources are accurate or correctly reflect the Company's position in the industry and none of the Company's internal estimates have been verified by any independent sources. The Company, nor the Underwriters make any representation or warrants as to the accuracy or completeness of this information. The Company, nor the Underwriters have independently verified this information and, while the Company believes it to be reliable, the Company, nor the Underwriters can guarantee its accuracy. The Company confirms that all third-party data contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading.



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# FORWARD-LOOKING STATEMENTS

This Prospectus includes “forward-looking statements” within the meaning of the securities laws of certain jurisdictions, including statements under the captions “Summary,” “Risk Factors,” “Operating and Financial Review and Prospects,” “Industry,” “Business” and in other sections. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the words “believes,” “estimates,” “anticipates,” “expects,” “intends,” “may,” “will,” “plans,” “continue,” “on-going,” “potential,” “predict,” “project,” “target,” “seek” or “should” or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. These forward-looking statements appear in a number of places throughout this Prospectus. Forward-looking statements include statements regarding intentions, beliefs or current expectations concerning, among other things, results of operations, prospects, growth, strategies and dividend policy and the industry in which the Company operates. In particular, certain statements are made in this Prospectus regarding management’s estimates of future growth.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. Any forward-looking statements are made only as of the date of this Prospectus, and the Company does not intend, and does not assume any obligation, to update forward-looking statements set forth in this Prospectus.

Many factors may cause the Company’s results of operations, financial condition, liquidity and the development of the industries in which the Company competes to differ materially from those expressed or implied by the forward-looking statements contained in this Prospectus.





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# SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered from A through E (A.1 - E.7).

This Summary contains all the Elements required to be included in a summary for this type of securities and company. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and company, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included with the mention “Not Applicable.”

## **Section A – Introduction and warnings**

### **A.1 Introduction and warnings**

This Summary must be read as an introduction to this Prospectus and is provided to aid investors when considering whether to invest in the Shares, but is not a substitute of this Prospectus. Any decision to invest in the Shares should be based on consideration of this Prospectus as a whole. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the EEA, no civil liability will attach to the persons responsible for this Summary in any such Member State solely on the basis of this Summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Shares. Where a claim relating to this Prospectus is brought before a court in a Member State of the EEA, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.

### **A.2 Consent for use of the Prospectus for subsequent resale**

Not applicable. The Company does not consent to the use of the Prospectus for the subsequent resale or final placement of securities by financial intermediaries.

## **Section B – Company**

### **B.1 The legal and commercial name of the Company**

The legal name of the Company is FNG NV. It carries out its business under the name FNG and associated registered trademarks.

### **B.2 Domicile and legal form of the Company**

The Company was incorporated as a public limited liability company (*naamloze vennootschap*) under Dutch law, and since 22 June 2018, is exclusively organized as a public limited liability company (*naamloze vennootschap/société anonyme*) under the laws of Belgium.

The Company has its registered office at Boutersemstraat 68A, 2800 Mechelen, Belgium and is registered with the Crossroads Bank for Enterprises under number 0697.824.730 (Register of Legal Entities Antwerp, section Mechelen).

### **B.3 Current operations and principal activities of the Company and the principal markets in which it competes**

The Group is a growing Benelux fashion group. The Group designs and distributes clothing and shoes for women, children and men through its own concept-stores in Belgium and the Netherlands and through a network of multi-trademark stores on the domestic markets as well as in foreign countries. FNG's shares are listed on Euronext Amsterdam. The Group has more than 3,000 employees, realizing a turnover of approximately EUR 482 million and an adjusted EBITDA of approximately EUR 45 million in 2017.

The Benelux fashion group has built a diversified brand portfolio with brands such as Fred & Ginger, CKS, Claudia Sträter, Miss Etam, Espresso, Ginger, Promiss, Baker Bridge, Brantano and Steps. The brands are sold internationally in more than 500 concept stores, shop-in-shop corners and in more than 1,500 multi-brand stores.

The Group's main geographies are the Netherlands (35.10% of FNG sales) and Belgium (55.70% of FNG sales). The Group is also active on the business to business market in Spain, France and Germany. The most important banners are Miss Etam (women outerwear in the Netherlands) and Brantano (footwear complemented with outerwear for the whole family in Belgium). They both are omni-channel retailers, operating stores as well as a web shop.

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The Group operates its business through three business units:

- **Brantano**

In September 2016, Brantano became part of the Group. Under the FNG umbrella, FNG believes Brantano is well-positioned to strengthen its position as a leading footwear chain. Focusing on quality, price and excellent customer orientation, Brantano believes to be the footwear and clothing specialist for everyone.

- **Miss Etam**

The Miss Etam Group is active in women's fashion on the Dutch market. Its business activities include the design and procurements of products, sales through both offline and online channels and all necessary supporting activities, such as leasing stores, distributing goods, and managing the entire process.

- **FNG Roots (FNG Brands & FNG's Buying Platform)**

FNG Roots creates and distributes fashion brands for women and children. FNG Group started with kids collections but made a strategic decision in 2008 to focus more and more on women's collections. FNG Roots' brands include, amongst others, Fred & Ginger, CKS, Claudia Sträter, Espresso and Steps. The Group has a buying platform with its own offices in Turkey, India and Hong Kong which supports the brands in efficiently sourcing their products.

The Group uses a buy-and-build strategy in a consolidated market and strives to realize added value by building and acquiring retail and fashion chains, optimizing business processes and the creation of synergies in the back offices. FNG's strategy focuses on (i) creating value by managing a complementary brand portfolio via buy-and-build, (ii) omni-channel sales driven by data and supported by Artificial Intelligence (AI), (iii) optimizing corporate processes and achieving synergies, and (iv) a lean result-focused organization with a unique corporate culture.

#### **B.4 Significant trends affecting the Company and the industries in which it operates**

The McKinsey Global Fashion Index projects the global fashion industry sales to grow by 3.5 to 4.5% in 2018, almost three times as much as in 2016<sup>1</sup>. But the growth is not evenly spread:

- First of all, global emerging markets are expected to grow much faster. In Europe, for instance, the growth in the emerging markets is forecasted to accelerate from 4 to 5% in 2017 to 5.5 to 6.5% in 2018. In the mature European markets, growth is likely to remain stable at 2 to 3% in 2018. As a result, 2018 will be the first year when more than half of all fashion sales will originate from outside Europe and North-America.
- Secondly, with a forecasted compound average growth rate of 10% in 2017-2020, e-commerce will outpace the overall market growth and hence significantly increase its share of total sales (source: Euromonitor<sup>2</sup>). The clear winners are the leading pure players, either generalists like Amazon and Alibaba, or fashion specialists like Zalando, Asos, Net-a-Porter, Farfetch or Zappos, Amazon's wholly owned subsidiary. According to Internet Retailer, in 2017 Amazon accounted for 70% of all US e-commerce growth and 34% of all US retail (source: Internet Retailer). Consequently, in their search for growth, fashion brands have to collaborate with these leading online platforms.
- Thirdly, the McKinsey Global Fashion Index<sup>3</sup> believes that the polarization in the market will continue. The luxury and discount segments will grow by 4 to 5% in 2018 versus 2 to 3% for the mid-market segment. Also, sportswear will continue to grow faster than the market overall (6 to 7%).

The Group is also witnessing the following important market trends:

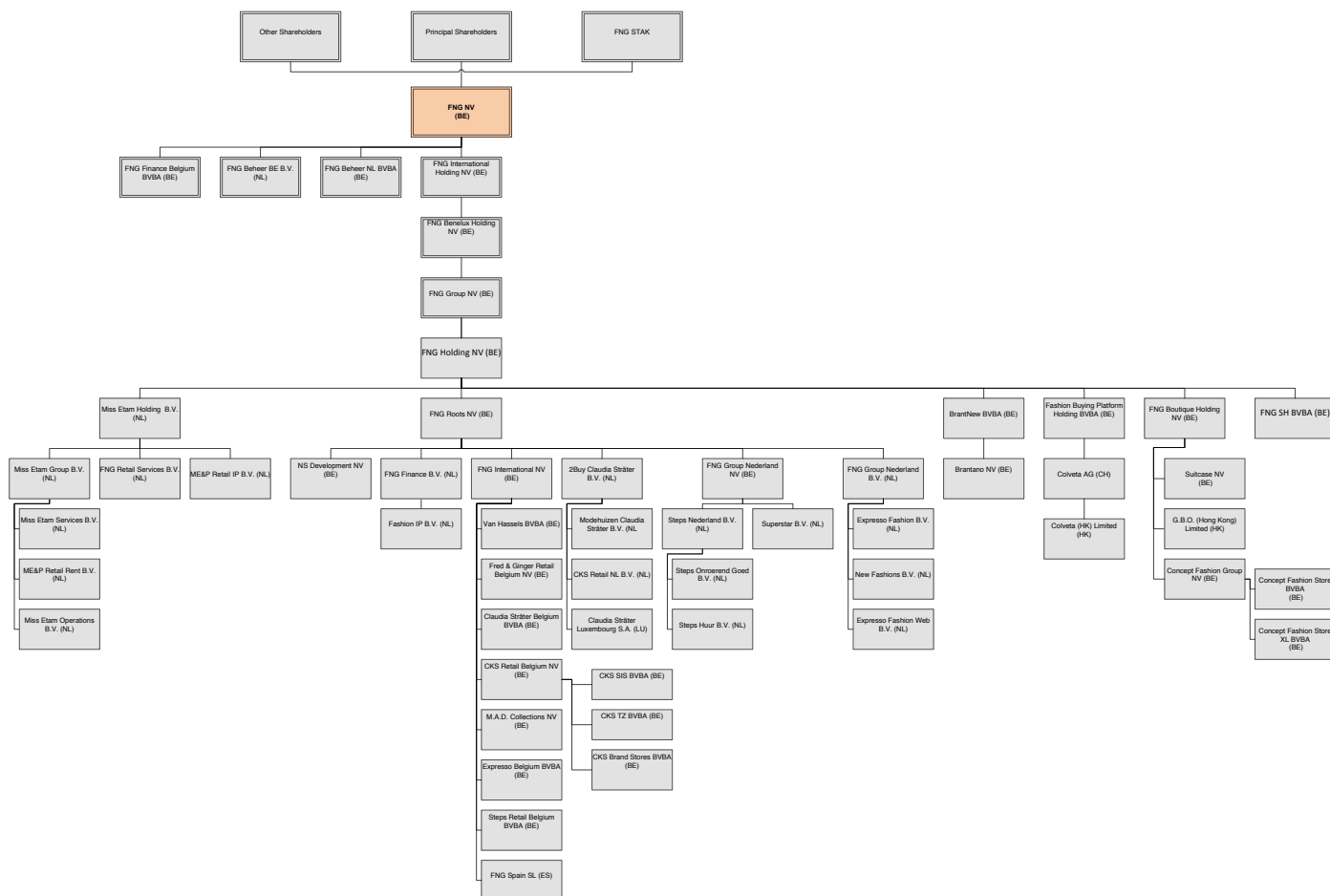
- The rapid growth of e-commerce goes hand in hand with the declining foot traffic in physical stores. Retailers respond by investing heavily in their omni-channel strategies. The winners see their online sales grow rapidly, while rightsizing their store network, reinventing the role of the store and seamlessly integrating the online and offline experience.
- Sustainability remains high on the agenda. From a mere focus on working conditions in manufacturing facilities, the market is evolving towards a more integral view. As such sustainability becomes part of the planning system that tries to adopt the principles of the circular economy.
- Personalization and curation are key trends for the years ahead. The rapid proliferation of data has allowed businesses to personalize their marketing communication. Artificial intelligence is making its way into the fashion industry, allowing true one to one marketing, with automated customer interactions, resulting in cost savings and incremental sales. The ultimate goal is curated commerce, whereby a tailor-made selection of the full product range is presented to the consumer.

<sup>1</sup> Source: McKinsey Global Fashion Index as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, p. 11, p. 23 & p. 74-79;

<sup>2</sup> Source: Euromonitor as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, Exhibit 3, p. 16.

<sup>3</sup> Source: McKinsey Global Fashion Index as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, p. 77.

The Company operates its business through direct and indirect subsidiaries in the various jurisdictions in which FNG operates. The Company (depicted in orange) is the holding company of the Group. The organizational chart of the Group is depicted below:



The table below provides an overview of the Shareholders that have filed a notification with the AFM pursuant to applicable transparency disclosure rules:

Name	Number of Shares	% of voting rights attached to Shares
Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke and Mr Emiel Lathouwers, directly and indirectly via Greenway District BVBA, 3NG NV, MANco GDM BVBA and GW2 BVBA	82,111,389	58.3%
Saffelberg Investments NV	455,424	5.66%
Belfius Insurance NV	381,250	4.74%
Holding Biloba BVBA	5,239,687	4.45%
VMF Luxembourg S.A.	5,160,000	4.27%
Torfs Import Service NV	456,607	5.14%
FNG STAK	574,500	7.14%
PMV-Tina Comm. V	468,750	5.22%

The number of Shares and percentage of voting rights attached to the Shares set out in the table concern the number of Shares and percentage of voting rights attached to the Shares as indicated in, and at the time of, the most recent transparency notification of the relevant principal shareholder. Therefore the number of Shares and percentage of voting rights attached to the Shares set out in the table may not correspond to the actual number of Shares and the actual percentage of voting rights attached to the Shares on the date of the Prospectus. In addition, even if a relevant shareholder did not transfer any of its Shares since the transparency notification to the AFM, the number of Shares and percentage of voting rights attached to the Shares set out in the table could have been impacted by capital movements, and could therefore not be accurate anymore.

23

## B.7 Summary historical key financial information

The consolidated financial statements for 2016 and 2017 of FNG N.V. are basically a continuation of the 2015 financial statements of R&S Finance B.V. (Miss Etam Holding B.V.), as Dico International N.V. (FNG NV) had not been operational for several years. Therefore, the 2015 comparative statements presented in these consolidated financial statements relate to R&S Finance B.V. (Miss Etam Holding B.V.) As the Miss Etam business was only brought in as per 1 May 2015, the figures presented for this entity relate to only 8 months of business.

In 2016 and 2017, the scope of the consolidated group changed during the year due to the abovementioned acquisitions. For practical reasons (the availability of figures), the time of consolidation does not always match the time of acquisition. FNG Group NV (FNG Roots) was included in the scope of the consolidated group as from 1 July 2016, Brantano as from 24 August 2016, Steps Nederland B.V. and Superstar B.V. as from 31 December 2016, and Mirus International NV (now called FNG Boutique Holding NV) as from 31 December 2017.

### Statement of financial position

<b>ASSETS</b> (in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Non-current assets</b>	<b>441,971</b>	<b>379,187</b>	<b>8,540</b>
Goodwill	80,162	59,831	0
Intangible assets	275,313	244,256	1,174
Property, plant and equipment	70,175	57,099	6,389
Deferred tax assets	16,321	18,000	977
Other non-current assets	0	0	0
<b>Current assets</b>	<b>255,947</b>	<b>182,176</b>	<b>19,145</b>
Inventories	82,787	86,941	6,985
Trade and other receivables	69,601	24,975	7,027
Income tax receivables	0	226	0
Other financial assets	9,035	14	0
Other current assets	4,053	3,113	3,801
Cash and cash equivalents	90,470	66,907	1,358
<b>TOTAL ASSETS</b>	<b>697,918</b>	<b>561,362</b>	<b>27,685</b>
<b>EQUITY AND LIABILITIES</b> (in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Equity attributable to owners of the parent</b>	<b>272,096</b>	<b>234,988</b>	<b>(2,972)</b>
Share capital	718	643	0,005
Share premium	265,304	235,595	0
Retained earnings and other reserves	6,074	(1,250)	(2,972)
<b>Total equity</b>	<b>272,096</b>	<b>234,988</b>	<b>(2,972)</b>
<b>Non-current liabilities</b>	<b>243,703</b>	<b>206,912</b>	<b>15,175</b>
Provisions	357	175	0
Post-employment benefit obligations	154	312	0
Borrowings	178,750	142,414	0
Other financial liabilities	17,208	18,328	15,175
Deferred tax liabilities	47,235	45,682	0
Other non-current liabilities	0	0	0
<b>Current liabilities</b>	<b>182,119</b>	<b>119,463</b>	<b>15,482</b>
Provisions	1,316	2,096	1,252
Borrowings	56,596	35,363	1,968
Trade and other payables	96,287	75,241	11,642
Current tax liabilities	1,142	0	0
Other financial liabilities	19,877	23	0
Other current liabilities	6,901	6,740	621
<b>Total liabilities</b>	<b>425,822</b>	<b>326,374</b>	<b>30,657</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>697,918</b>	<b>561,362</b>	<b>27,685</b>

## Statement of Comprehensive Income

(in thousands of euros)	2017	2016	2015 (8 months)
Revenue	482,402	242,298	73,029
Cost of merchandise	(215,329)	(102,137)	(32,548)
<b>Gross profit</b>	<b>267,074</b>	<b>140,162</b>	<b>40,481</b>
Employee benefit expenses	(90,861)	(47,702)	(14,694)
Other operating expenses	(130,832)	(71,618)	(23,995)
<b>Adjusted EBITDA</b>	<b>45,381</b>	<b>20,841</b>	<b>1,792</b>
Amortization and depreciation expenses	(18,777)	(9,468)	(882)
<b>Adjusted EBIT</b>	<b>26,603</b>	<b>11,374</b>	<b>910</b>
Adjustments to the EBIT (One-off result)	(7,516)	(7,688)	(4,090)
<b>EBIT</b>	<b>19,087</b>	<b>3,686</b>	<b>(3,179)</b>
Financial income	2,548	1,179	38
Financial expenses	(13,216)	(7,498)	(809)
Exchange gains/(losses)	(647)	0	0
<b>Profit/(loss) before tax</b>	<b>7,772</b>	<b>(2,634)</b>	<b>(3,950)</b>
Income tax	(459)	429	977
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>7,313</b>	<b>(2,205)</b>	<b>(2,972)</b>
Basic and diluted earnings / (loss) per share (in EUR) <sup>4</sup>	0.91	(0.84)	(5.94)

As the scope of consolidation changed significantly in 2015, 2016 and 2017, the respective reported statement of comprehensive income for each of those three years cannot be compared.

For the purpose of comparison, compiled figures for 2015 and 2016 are presented as well in the table below. These compiled figures are not audited.

## Non-audited Compiled Statements of Comprehensive Income

(in thousands of euros)	2017	2016	2015 (8 months)
Revenue	482,402	459,833	467,883
Cost of merchandise	(215,329)	(213,541)	(237,212)
<b>Gross profit</b>	<b>267,074</b>	<b>246,292</b>	<b>230,671</b>
Employee benefit expenses	(90,861)	(82,419)	(79,699)
Other operating expenses	(130,832)	(126,253)	(123,555)
<b>Adjusted EBITDA</b>	<b>45,381</b>	<b>37,620</b>	<b>27,417</b>
Amortisation and depreciation expenses	(18,777)	(28,702)	(17,043)
<b>Adjusted EBIT</b>	<b>26,603</b>	<b>8,918</b>	<b>10,374</b>
Adjustments to the EBIT (One-off result)	(7,516)	(3,832)	(64,985)
<b>EBIT</b>	<b>19,087</b>	<b>5,086</b>	<b>(54,611)</b>
Financial income and expenses	(11,315)	(9,390)	(6,042)
<b>Profit/(loss) before tax</b>	<b>7,772</b>	<b>(4,304)</b>	<b>(60,652)</b>
Income tax	(459)	2,915	(3,658)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>7,313</b>	<b>(1,389)</b>	<b>(64,309)</b>
Basic and diluted earnings / (loss) per share (in EUR) <sup>4</sup>	0.91	(0.17)	(7.97)

<sup>4</sup> Earnings per share are calculated for 2015 and 2016 with the same number of shares as for 2017.

### **Compiled figures**

The non-audited compiled figures for 2015 are the sum of:

- The audited consolidated financial statements of R&S Finance B.V. (Miss Etam) for the financial year ended on 31 December 2015, prepared in accordance with IFRS. As the Miss Etam business was only brought in as per 1 May 2015, the figures presented for this entity relate to only 8 (eight) months of business.
- The unaudited consolidated financial statements of FNG Group NV (FNG Roots) for the financial year ended on 31 March 2016, prepared in accordance with BEGAAP.
- The audited consolidated financial statements of Brantano NV (Brantano) for the financial year ended on 31 December 2015, prepared in accordance with BEGAAP.
- As there were no intercompany transactions, no eliminations were needed.

The non-audited compiled figures for 2016 are the sum of:

- The audited consolidated financial statements of R&S Finance B.V. (Miss Etam Holding B.V.) for the financial year ended on 31 December 2016, prepared in accordance with IFRS.
- The consolidated financial statements of FNG Group NV (FNG Roots) for the 12 month period ended on 31 December 2016, prepared in accordance with BEGAAP. The non-audited figures for this twelve month period are based on the audited consolidated financial statements of FNG Group NV (FNG Roots), for the financial year ended on 31 December 2016. As this financial year was an extended year (21 months instead of 12 months), these audited figures could not be used for comparison.
- The audited consolidated financial statements of Brantano NV (Brantano) for the financial year ended on 31 December 2016, prepared in accordance with BEGAAP.

The intercompany sales over 2016 were eliminated for in income and costs of goods sold.

The detailed calculation and underlying documents are appended to this Prospectus. The annexes do not contain every detail needed in order to be able to reconcile each number, since the Company preferred to provide official supporting documentation instead of internal documents.

As mentioned, the compiled figures are a mix of BEGAAP and IFRS figures. BEGAAP figures have been used when no audited IFRS figures were available. As the impact of the transition from BEGAAP to IFRS is very limited on the statement of comprehensive income for FNG, this compilation is a good basis for comparison.

### **Revenue**

The reported revenue rose from EUR 73 million in 2015 to EUR 482.4 million in 2017 as a result of the continued integration of the businesses acquired in 2016.

Revenue in 2015 only shows the revenue of Miss Etam for the period from 1/5/2015 to 31/12/2015. In 2016, the reported total revenue was the sum of Miss Etam for 12 months, FNG Roots for 6 months and Brantano for 4 months. In 2017, the reported total revenue was the sum of Miss Etam, FNG Roots and Brantano for 12 months.

On a compiled full-year basis (i.e. FNG Roots, Brantano and Miss Etam for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), sales rose from EUR 467.9 million in 2015 to EUR 482.4 million in 2017, as follows:

- sales at FNG Roots have remained stable for the last 3 years (EUR 254.5 million in 2017 versus EUR 256.9 million in 2015) (fiscal year ending on 31 March 2016);
- Miss Etam has grown since its relaunch from EUR 73 million in 2015 to EUR 101.9 million in 2017. The increase from 2015 to 2016 is explained by the fact that 2015 only contained 8 months of sales, while 2016 was a full year;
- sales at Brantano dropped from EUR 137.9 million in 2015 to 126.0 million in 2017; this decrease of 8.6% can be explained by a reduction in the number of stores, from 133 at the end of 2015 to 104 at the end of 2017 (-21.8%).

In 2017 sales of FNG Roots (netted for intercompany sales) accounted for slightly more than half of total sales. Brantano accounted for 26% of total sales and Miss Etam for 21%.

Of the EUR 482 million, EUR 59 million derives from online sales. The business unit with the highest percentage of online sales is Miss Etam (24.7%). The highest growth is realized in online sales. This trend is expected to continue in future.

### **Gross profit**

Gross profit rose from EUR 40.5 million in 2015 to EUR 267.1 million in 2017 as a result of the continued integration of the business acquired in 2016.

As a percentage of sales, the gross profit margin was stable at 55.4%. The 2015 margin however is not really comparable as it relates only to the period from 1/5/2015 – 31/12/2015 with thus one sales period missing.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), the margin rose from 49.3% to 55.4%.

The gross profit margins of FNG Roots, Miss Etam and Brantano rose significantly over the last three years.

- The gross profit margin of FNG Roots rose from 50.8% in 2015 to 56.4% in 2017
- The gross profit margin of Miss Etam rose from 55.4% in 2015 to 60.3% in 2017
- The gross profit margin of Brantano rose from 43.3% in 2015 to 49.2% in 2017

The increase in gross profit margins is mainly due to better buying conditions.

### **Adjusted EBITDA**

Based on the abovementioned sales and gross profit evolution and an increase in employee benefit and other operating expenses of EUR 183.0 million, reported adjusted EBITDA increased from EUR 1.8 million to EUR 45.4 million. The employee benefit expenses and the other operating expenses mainly grew as a result of the continued integration of the business acquired in 2016.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), adjusted EBITDA increased from EUR 27.4 million to EUR 45.4 million, which implies growth of 65.5%.

### Net result

Reported net results rose from negative EUR 3 million in 2015 to a profit of EUR 7.3 million in 2017. This evolution is explained by

- the evolution in depreciations (that rose from EUR 0.9 million to EUR 18.8 million as a result of the continued integration of the business acquired in 2016.)
- Adjustments to the EBIT (one off results that amounted to EUR (4.1) million in 2015, EUR (7.7) million in 2016 and EUR (7.5) million in 2017)
- Financial result (that dropped from EUR (0.8) million in 2015 to EUR (6.3) million in 2016 to EUR (11.3) million in 2017 as a result of the continued integration of the business acquired in 2016 and high investments in 2016 and 2017.)
- Income taxes (EUR 1.0 million positive in 2015, EUR 0.4 million positive in 2016 and EUR 0.4 million negative in 2017)

### Net financial debt

The borrowings presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Bonds	93,305	68,137	0
Bank debts	131,904	93,636	1,968
Other borrowings	10,138	16,004	0
<b>Total borrowings</b>	<b>235,346</b>	<b>177,777</b>	<b>1,968</b>
Of which:			
Non-current	178,750	142,414	0
Current	56,596	35,363	1,968

The significant increase in 2016 was due to the business combination with FNG Roots and Brantano.

The increase in 2017 (by EUR 57,569,000) is the result of the investments (mainly in the remodeling of Brantano stores) and the business combination with Mirus International NV (now named FNG Boutique Holding NV). EUR 25 million of the increase in borrowings concerns a bonds issue by FNG Benelux Holding NV in June 2017. The remainder concerns bank debt.

As the Company chooses to keep a significant amount of cash available, the borrowings should be seen in combination with the cash and cash equivalents on the statement of financial position. The table below shows the net financial debt (calculated as total borrowings minus cash and cash equivalents; other financial liabilities are not taken into account).

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Borrowings	235,346	177,777	1,968
Cash and cash equivalents	90,470	66,907	1,358
<b>Net financial debt</b>	<b>144,876</b>	<b>110,870</b>	<b>610</b>

Borrowings increased to EUR 256,423 thousands and cash decreased to EUR 61,429 thousands as per 29 April 2018. This results in an increase to a net financial debt of EUR 194,994 thousands as per 29 April 2018. This increase in net financial debt is explained by the working capital need during the season.

**Cash Flow Statement**

(in thousands of euros)	2017	2016	2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating results	19,087	3,686	(3,179)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization expenses	18,776	9,468	882
Provisions	(502)	(812)	1,252
Gain on a bargain purchase	0	(1,377)	0
Loss on disposal	4,407	0	0
Exchange (gains)/losses	647	0	0
Other	338	0	0
Changes in working capital:			
Inventories	10,643	12,539	6,042
Trade and other receivables	(69,135)	31,640	(8,528)
Other financial assets	70	0	0
Other current assets	(780)	4,391	0
Trade and other payables	10,113	(48,626)	12,437
Other current liabilities	(2,032)	1,680	1,197
<b>Cash generated from operations</b>	<b>(8,369)</b>	<b>12,589</b>	<b>10,103</b>
Taxes received	217	0	0
<b>Net cash generated from operating activities</b>	<b>(8,152)</b>	<b>12,589</b>	<b>10,103</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received	<b>2,548</b>	<b>2,739</b>	<b>0</b>
Purchases of PP&E	(30,938)	(17,863)	(1,445)
Purchases of Intangible assets	(13,059)	(3,335)	0
Proceeds from disposal of PPE	2,629	672	0
Proceeds from disposal of intangible assets	591	145	0
Loans granted	0	0	(2,300)
Disposal of subsidiaries	17,243		
Acquisition of subsidiaries, net of cash acquired	(20,629)	36,915	(20,000)
<b>Net cash provided by/(used in) investing activities</b>	<b>(41,615)</b>	<b>19,273</b>	<b>(23,745)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity instruments of the Company (net of issue costs)	<b>29,784</b>	<b>30,854</b>	<b>0</b>
Proceeds from borrowings	83,200	18,800	20,000
Reimbursements of borrowings	(26,480)	(8,469)	(5,000)
Proceeds from bank debts	0	0	0
Reimbursements of bank debts	0	0	0
Reimbursements of financial lease liabilities	0	0	0
Interest paid	(13,174)	(7,498)	0
<b>Net cash provided by/(used in) financing activities</b>	<b>73,330</b>	<b>33,687</b>	<b>15,000</b>



<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>23,563</b>	<b>65,549</b>	<b>1,358</b>
<b>CASH AND CASH EQUIVALENTS at beginning of year</b>	<b>66,907</b>	<b>1,358</b>	<b>0</b>
Net effect of currency translation on cash and cash equivalents	0	0	0
<b>CASH AND CASH EQUIVALENTS at end of year</b>	<b>90,470</b>	<b>66,907</b>	<b>1,358</b>

#### B.8 Selected key pro forma financial information

Not applicable.

#### B.9 Profit forecast or estimate

Not applicable.

#### B.10 A description of the nature of any qualifications in the audit report on the historical financial information

Not applicable.

#### B.11 Working capital

In the Company's opinion, the working capital available prior to the Offering is sufficient for its present requirements, that is, for the next twelve (12) months following the date of this Prospectus.

## Section C – Shares

#### C.1 Type and class of the securities being admitted to trading

The Offering relates to (i) the issuance by the Company of up to 2,693,967 newly issued Offer Shares (the Primary Offer Shares) for which the Existing Shareholders have a Priority Allocation Right and (ii) the offering by the Selling Shareholder of such number of existing Offer Shares as is necessary to raise gross proceeds of approximately EUR 15,000,000 (the Secondary Offer Shares) for which no Priority Allocation Rights apply. The Secondary Offering represents between 504,201 Existing Shares (at the high-end of the Price Range) and 571,428 Existing Shares (at the low-end of the Price Range).

The aggregate number of Offer Shares may pursuant to the Increase Option, be increased by up to 15% of the aggregate number of Offer Shares initially offered by issuing additional newly issued Shares.

All of the Shares issued by the Company belong to the same class of securities and are in registered form (i.e. the Existing Unlisted Shares) or dematerialized form (i.e. the Existing Listed Shares) at the date of the Prospectus. Upon Closing, all Shares will be in dematerialized form.

The following ISIN code has been assigned to the Shares: BE0974332646.

#### C.2 Currency of the shares

The currency of the Shares is Euros (EUR).

#### C.3 Number of shares issued

On the date of the Prospectus, the Company's share capital amounts to EUR 718,391.36 and is represented by 8,979,892 shares, without par value:

- 7,250,119 Existing Listed Shares; and
- 1,729,773 Existing Unlisted Shares.

Assuming (i) full placement of the Offer Shares (including the Increase Option) and (ii) the Offer Price being at the high-end of the Price Range, the Company's share capital (excl. the issue premium) shall be increased with EUR253,895.36 (i.e. EUR 0.08 per newly issued Share) and shall amount to EUR 972,286.72 as of the Closing of the Offering. The balance of the Offer Price per newly issued Share shall be booked as issuance premium.

#### C.4 Rights attached to the shares

All of the Shares have the same voting rights.

The Offer Shares will have the same rights and benefits as the other Shares, including the right to dividends for the financial year ending 31 December 2018 and future years.

#### C.5 Restrictions on the free transferability of the shares

The Shares are freely transferable, subject to any contractual restrictions or restrictions provided in the Articles of Association.

## **C.6 Admission to trading on a regulated market and identity of such regulated market**

The Existing Listed Shares are listed on the regulated market of Euronext Amsterdam and admitted for trading under the symbol “FNG” with an ISIN code BE0974332646.

An application has been made for the listing and admission to trading on Euronext Brussels of all Shares (i.e. the Primary Offer Shares, the Existing Listed Shares and the Existing Unlisted Shares). The Shares are expected to be listed under the symbol “FNG” with an ISIN code of BE0974332646. In addition, an application has been made for the listing and admission to trading on Euronext Amsterdam of the Primary Offer Shares and the Existing Unlisted Shares. The Shares are expected to be listed under the same symbol “FNG” with the same ISIN code BE0974332646.

Trading of (i) the Existing Shares on Euronext Brussels and (ii) the Existing Unlisted Shares on Euronext Amsterdam is expected to commence on 29 June 2018. Trading of the Primary Offer Shares is expected to commence on or about 9 July 2018.

Finally, an application has been made for the change of market of reference from Euronext Amsterdam to Euronext Brussels.

## **C.7 A description of the dividend policy**

Since the reversed take-over of FNG Group NV by the Company no dividends have been declared or distributed by the Company. There is no intention to declare any dividends in the near future.

## **Section D – Risks**

### **D.1 Risks relating to FNG's Sector and its Business**

FNG is subject to the following material risks, in addition to other risks that are mentioned in the Section “Risk factors”.

- Continued increase in online sales of fashion items or a development or other breakthrough in the distribution of fashion items could lead to a decline in the revenue and profitability of FNG stores. The retail clothing market is very competitive, which means demand could drop and that FNG products are subject to pricing pressure. FNG is dependent on the reputation and popularity of its brands, the loyalty of its solid customer base, the success of its new collections, seasonal influences and weather conditions and to various economic, political, jurisdictional and other risks connected with the international aspects of its business.
- In addition, FNG depends on suppliers outside Belgium, which may not be able to supply products to the group or could modify their terms and conditions. FNG is and could in future be subject to exchange rate risks with regard to the costs incurred to purchase its products.
- FNG is exposed to the inherent risk of pre-financed but unsold inventory.
- FNG must adequately protect its intellectual property rights and should closely monitor any infringement by third parties of its intellectual property rights as well as any infringement by FNG of third parties intellectual property rights.
- FNG may not be able to identify acquisitions of interest or could make acquisitions that cannot be successfully integrated.
- Until 2016, the activities of the Group were focused on women's and children's fashion. With the acquisition of the Brantano and Suitcase brands, the Group has extended its activities to footwear and men's fashion. The Group invests heavily in the integration of new acquisitions into the group structure. However, FNG may not be able to achieve the expected higher margins at the Brantano Group and the Miss Etam Group.
- FNG relies on the know-how and expertise of its management and other key personnel and could lose these individuals or may not be able to attract new staff with the necessary knowledge and skills to consolidate and grow the group's business.
- In addition, compliance with data protection legislation as well as defects in software and IT systems, including the ERP system, the cashier system and HR software, could lead to business disruption and lost revenue.
- Long-term lease agreements and the resulting payment obligations become risks if changing market conditions require changes in locations and/or the closure of shops.
- FNG is to a large extent financed by borrowed capital. With a Leverage Ratio of 3.19 per 31 December 2017, the leverage of the Group is relatively high. An Adjusted EBITDA decrease by 10% would result in a ratio of 3.56. The Group's ability to pay principal and interest on the outstanding debt depends on its future operating performance. Future operating performance is subject to market conditions and business factors that often are beyond its control.
- A large part of the Group's outstanding financial debt (e.g. credit agreements and bond loans) shall expire in the course of 2023. In the past, the Group generally obtained new financing prior to the maturity date of the relevant loan agreements and/or bond loans. It is the intention of the Group to obtain also new financing for the current existing debt prior to the relevant maturity date in 2023 (e.g. by means of entering into a new Club Deal and/or by issuing notes under the future EMTN Program of FNG Benelux Holding NV, which offers the Group substantial flexibility in its financing).

### **D.3 Risks relating to the Shares and the Offering**

The Shares and the Offering are subject to the following material risks, in addition to other risks that are mentioned in the Section “Risk factors”.

- Priority Allocation Rights will not be admitted to trading and will not be listed on a regulated market and Priority Allocation Rights that are not exercised during the Offering Period will become null and void and without value (there is no market for scrips);
- There is no minimum size of the Offering, which means that if the proceeds of the Offering are less than the envisaged amount, FNG is entitled to proceed with the Offering and may not be able to realize all of its objectives (use of proceeds);
- The initial founders of the Company (Ms Anja Maes, Mr Emmanuel (Manu) Bracke and Mr Dieter Penninckx) are likely to continue to be able to exercise influence over the Company, and their interests may not be the same as those of other shareholders of the Company;
- The Company does not expect to make dividend payments in the near future;
- If the Company pays dividends, the Company may need to withhold tax on such dividends in both Belgium and the Netherlands;
- Any sale, purchase or exchange of Shares may become subject to the Financial Transactions Tax;
- The current liquidity of FNG's shares is limited. The Offering should increase the liquidity, however, this cannot be guaranteed by the Company.

## **Section E – The Offering**

### **E.1 Total net proceeds and expenses of the Offering**

Based on the expected gross proceeds of the Primary Offering of approximately EUR 80 million, assuming the issuance and placement in full of the Primary Offering, the Company will receive an estimated net proceeds from the Primary Offering of approximately EUR 78 million, following the deduction of underwriting commissions (including discretionary incentive fees, if any) and expenses in the amount of approximately EUR 2 million. Assuming a full placement of the Offer Shares (including the full exercise of the Increase Option), the Offer Price is at the high-point of the Price Range, the Company will pay approximately EUR 2.4 million in expenses and commissions. The underwriting fees and expenses will be paid entirely by the Company.

Assuming a full placement of the Secondary Offer Shares in the Secondary Offering, the Selling Shareholder will receive aggregate gross proceeds from the Offering of approximately EUR 15 million. Given the fact that the fees and expenses related to the Offering will be paid by the Company entirely for the benefit of the Selling Shareholder, the gross proceeds from the Offering for the selling Shareholder shall equal the net proceeds. The Company will not receive any of the proceeds of the Offer of the Secondary Shares, all of which will be paid to the Selling Shareholder.

### **E.2 Use of proceeds**

Based on the expected gross proceeds of the Primary Offering of maximum approximately EUR 80 million, assuming (i) the issuance and placement in full of the Primary Offering (i.e. excluding the Increase Option) and (ii) the Offer Price at the high-end of the Price Range, the Company will receive an estimated net proceeds from the Primary Offering of approximately EUR 78 million.

The strategy of the Company is inter alia focused on creating value by managing a complementary brand portfolio via a buy and build strategy. The net proceeds will be used to finance this buy and build strategy. The uses of proceeds as described below are presented in order of priority of such use. Should the actual net proceeds of the Offering fall below the expected EUR 78 million, then the Company would focus on the uses of proceeds in order of priority.

#### **• Build aspect**

An amount ranging approximately from EUR 50 million is expected to be used to further invest and develop the existing brands and to roll-out FNG's business plan over the next twelve months: 10% for maintenance, 31% for ICT, 30% for remodeling and 29% for new stores.

#### **• Buy aspect**

FNG is always looking for opportunities to further diversify its brand portfolio in terms of style groups, sizing and price points. In addition to the diversification of its brand portfolio, FNG is looking for opportunities to vertical integrate its shoe business. A portion of the net proceeds, approximately EUR 30 million, is expected to be used to finance the further growth through acquisitions. In principle, FNG shall only make new acquisitions to the extent such acquisitions do not prevent FNG from respecting its financial covenants and other obligations.

### **E.3 Terms and conditions of the Offering**

The Offering relates to:

- i. the issuance by the Company of up to 2,693,967 newly issued Offer Shares through (a) the exercise by the Existing Shareholders of their Priority Allocation Rights and (b) the subscription of the remainder of the Primary Offer Shares for which no Priority Allocation Rights were exercised ((a) and (b) together, the "**Primary Offering**");
- ii. the offering by the Selling Shareholder of such number of existing Offer Shares as is necessary to raise gross proceeds of approximately EUR 15,000,000 (the "**Secondary Offering**") for which no Priority Allocation Rights apply; and
- iii. the Increase Option.

The Offering consists of (i) a public offering to retail and institutional investors in Belgium; (ii) a public offering to retail and institutional investors in the Netherlands; and (iii) a private placement to institutional investors outside the United States. The Offering outside the United States will be made in compliance with Regulation S under the U.S. Securities Act.

The aggregate number of Offer Shares may pursuant to the Increase Option, be increased by up to 15% of the aggregate number of Offer Shares initially offered by issuing additional newly issued Shares. Any decision to exercise the Increase Option will be communicated at the latest, on the date of the announcement of the Offer Price.

Each Existing Share will entitle its holder on the Record Date to receive one Priority Allocation Right. Holders of Priority Allocation Rights may exercise and subscribe for Primary Offer Shares in accordance with the Ratio, (i.e. three (3) Offer Shares for ten (10) Priority Allocation Rights). Priority Allocation Rights are freely transferable, but will not be admitted to trading. Priority Allocation Rights that are not exercised during the Offering Period will be null and void and without value. There will be no market for non-exercised Priority Allocation Rights. Any Offer Shares subscribed for by exercising the Priority Allocation Rights will be fully allocated. No Priority Allocation Rights will apply to the Offer Shares in the context of the Increase Option or the Secondary Offering.

If the maximum number of Primary Offer Shares has been placed, demand from retail investors in Belgium will first be allocated from the Primary Offering (i.e. newly issued Shares) and thereafter from the Secondary Offering (i.e. existing Shares).

The actual number of Offer Shares to be issued by the Company in the Offering will only be determined after the Offering Period and will be announced by means of a Company press release, simultaneously with the publication of the Offer Price and the allocation of Offer Shares to retail investors.

The Offer Price will be determined on the basis of a book building process in which only institutional investors can participate, taking into account various relevant qualitative and quantitative elements, including but not limited to the number of Offer Shares requested, the size of purchase orders received, the condition of the investors submitting such purchase orders and the prices at which the purchase orders were made, as well as market conditions at that time. If the Price Range is narrowed, the change will be announced by means of a Company press release. Any changes to narrow the Price Range will not void purchase orders that have already been submitted.

The Offering Period will begin on 28 June 2018 and is expected to end no later than 1:00 p.m. (CET) on 5 July 2018, except for the offering period for the retail offering, which is expected to end no later than 4:00 p.m. (CET) on 5 July 2018, i.e. 3 hours later than the end of the institutional book building period.

If an important new factor, material mistake or inaccuracy relating to information contained in the Prospectus, which could influence the investors' evaluation of the securities, occurs before the end of the Offering Period, a supplement to the Prospectus shall be published in accordance with Article 34 of the Prospectus Law. If such supplement to the Prospectus is published, investors will have the right to withdraw their orders made prior to the publication of the supplement. Such withdrawal must be done within the time period set forth in the supplement (which shall not be shorter than two (2) Business Days after publication of the supplement).

#### **E.4 Material interests to the Offering**

Assuming placement of the maximum number of Offer Shares (including the full exercise of the Increase Option), that the Offer Price is at the high-point of the Price Range, the underwriting fees will be approximately EUR 2.24 million. This does not include any incentive fees which may be paid at the discretion of the Company and the Selling Shareholder. The underwriting fees of 2.25% of the gross proceeds of the Offering, plus any discretionary incentive fees up to 0.25% of the gross proceeds of the Offering, will be paid entirely by the Company. The Company has also agreed to reimburse the Underwriters for certain expenses incurred by them in connection with the Offering. These expenses are capped at 0.2% of the gross proceeds. Except as disclosed above, no other party has a material interest in the Offering other than the Selling Shareholder, the Company's management and the Company.

#### **E.5 Selling Shareholder and Lock-up**

Stichting Administratiekantoor FNG (FNG STAK), a foundation (stichting) incorporated and existing under the laws of the Netherlands, having its corporate seat at Amsterdam, the Netherlands (address: Strawinskylaan 3127, 8th floor, 1077 ZX Amsterdam, the Netherlands; company number: 67437710), acts as Selling Shareholder under the Offering. FNG STAK is a principal shareholder of FNG NV and holds 538,250 shares in FNG NV (7.15%) at the date of the Prospectus.

Greenway District BVBA agreed and undertook vis-à-vis the Underwriters that, for a period of 180 days from the Closing Date (the "Lock-Up Period"), except with the prior written consent of the Joint Global Coordinators acting on behalf of the Underwriters, neither it nor any of its respective subsidiaries, nor any person acting on their behalf shall (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares held by it at the date of the lock-up letter, or any securities convertible into or exercisable or exchangeable for Shares, (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or other securities, in cash or otherwise, or (iii) publicly announce such an intention to effect any such transaction. On the date of the Prospectus, Greenway District BVBA holds 43,626 Shares, representing 0.49% of the voting rights attached to the Shares.

#### **E.6 Dilution resulting from the Offering**

Existing Shareholders will not be subject to dilution of their voting rights or their share in the Company's share capital if (i) they exercise the Priority Allocation Rights allocated to them in full and (ii) the Increase Option is not exercised. To the extent that an Existing Shareholder does not exercise all or part of its Priority Allocation Rights or if the Increase Option is exercised, its pro rata ownership and voting interest in the Company will be diluted.

The dilution (in percentage terms) of the Existing Shareholder who fails to exercise its Priority Allocation Rights may be calculated as follows:

$$\text{Dilution (\%)} = \frac{(S - s)}{S} * 100$$

S = the total number of Shares after the issuance of the newly issued Offer Shares pursuant to the Offering, i.e., maximum 12,153,584 (assuming the Offer Price at the high-end of the Price Range).

s = the total number of Existing Shares prior to the issuance of the newly issued Offer Shares pursuant to the Offering, i.e., 8,979,892 Existing Shares.

To date of the Prospectus, the Company is jointly controlled by law (within the meaning of Article 5 of the Company Code) by Mr Penninckx, Ms Maes, Mr Bracke (i.e. the Principal Shareholders) since they directly and indirectly control 56.80% of the outstanding Shares on the date of the Prospectus. To the extent that the maximum number of Offer Shares (including the shares under the Increase Option and assuming the Offer Price at the high-end of the Price Range) has been placed, the Principal Shareholders shall hold 41.97% of the outstanding Shares following the Offer. The Principal Shareholders have no intention to participate in the Offering, and so to exercise their Priority Allocation Rights. However, they reserve the possibility to transfer 50% of their Priority Allocation Rights to other investors.

#### **E.7 Estimated expenses charged to the investor by the Company**

Not applicable. No fees or expenses in connection with the Offering will be charged to investors by the Company.





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# SECTION I.

## RISK FACTORS

*The Offering and an investment in the Offer Shares involve a high degree of risk. You should carefully consider the risks and uncertainties described below, together with other information in this Prospectus, including the Group's consolidated financial statements and the related notes, before deciding whether to purchase the Offer Shares. Should any of the following risks or uncertainties materialize, the Group's business, financial condition and operating results could be materially adversely affected. Consequently, the price of the Offer Shares could decline and you could lose all or part of your investment. Although FNG believes that the risks and uncertainties described below are the most material ones facing its business and the Offer Shares, they are not the only risks and uncertainties affecting the Group and the Offer Shares. Other risks and uncertainties could also have a material adverse effect on the Group's business, financial condition, operating results or prospects and could negatively affect the price of the Offer Shares.*

*You should read and carefully review the entire Prospectus and form your own opinion before making an investment decision with respect to the Offer Shares. Furthermore, before making an investment decision with respect to the Offer Shares, you should consult your stockbroker, bank manager, lawyer, auditor or other financial, legal or tax advisor, carefully weigh the risks associated with an investment in the Offer Shares and consider the decision in light of your personal circumstances.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties. The Group's actual results may differ materially from those projected in the forward-looking statements, as a result of various factors including the risks described below and elsewhere in this Prospectus (see the section "Forward-looking Statements" of the Prospectus).*

### 1. RISKS RELATED TO THE GROUP'S SECTOR AND BUSINESS

**Continued increase in online sales of fashion items or a development or other breakthrough in the distribution of fashion items could lead to a decline in the revenue and profitability of FNG stores.**

Over the past few years, customers of the Group have purchased more and more fashion items online. The activities of the Group are primarily focused on sales through its stores, but the Group also generates a substantial portion of its revenue online (around 12.2%). Although revenue and costs with respect to store sales and online sales are connected, due to the influence of marketing activities on both sales channels, online sales have been profitable since the start. This is due to more flexible cost structures and the absence of fixed rental costs. However, an increase in online sales could lead to fewer people coming to FNG stores, with an ensuing potential decrease in revenue and profitability. An increase in online sales has been noticeable for years and is expected to continue.

Retail premises in the cities in which the Group is active have become harder to rent due in part to a decrease in foot traffic. Stores are visited less frequently due to a general decrease in the attractiveness of shopping locations. FNG stores are found at diverse A (busy shopping districts or malls) and B locations (stores on or near roads leading to the city center) throughout the Netherlands and Belgium in both densely populated areas and smaller cities and communities. The Group has seen a decline in shoppers in the Netherlands and Belgium in recent years. This is true especially for stores in B locations. According to its own estimate, the Group believes that the number of shoppers in the shopping streets dropped by 10% - 12% compared to before the outbreak of the credit crisis and the rise in online sales. This general downward trend in shoppers per year is expected to continue, although it can vary per city or shopping area.

If this trend continues it could result in a decline in the number of FNG shops and shoppers, with negative effects on the revenue and profitability of stores.

**Suppliers may not be able to supply products to the Group or suppliers could modify their terms and conditions.**

The Group may not be able to keep its suppliers or find new qualified suppliers able to meet the Group's demand for products in a timely and efficient manner. Suppliers could also decide to change their commercial terms and the discounts negotiated with the Group. The Group could also be adversely influenced by a consolidation of suppliers that strengthens their bargaining position or if competitors enter into exclusive agreements with present or future suppliers or if production capacity is altered in any way.

The Group cannot guarantee that each new supplier with which it does business will be subject to comparable or lower risks in terms of quality and quantity as its existing suppliers. This fact could also have an adverse effect on the Group's activities, operating results, financial condition and outlook.

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**The retail clothing market is very competitive, which means demand could drop and that FNG products are subject to pricing pressure.**

The Group is active in the competitive world of clothing distribution and sales on the Belgian and Dutch markets, which is a rather small market in a global context. In addition, the Group sells clothing to companies in Spain, France and Germany, mainly business-to-business (B2B) sales, which represents less than 10% of its turnover. The Group does not have a significant share of the Belgian and Dutch markets but neither does any of its competitors (from a competition law perspective). Due to a buy-and-build strategy, the Group has an extensive brand portfolio that mainly focuses on the middle and high-end segments of the market. The Group is an atypical player on a very fragmented market. Therefore, almost all brands in the middle and premium segments can be considered competitors of the Group.

Competition is affected by, amongst other factors, local marketing activities, service quality, the number of products and brands offered for sale, and the reach of the distribution network. Some of the Group's competitors have more resources to develop activities at the local level, such as marketing efforts, network optimization and recruitment. The Group's competitors can enter into business arrangements or commitments which strengthen their competitive edge and prevent the Group from benefiting from these possibilities. It is also possible that the Group's competitors will be better positioned to more quickly and effectively react to new or changing possibilities, technologies, standards and consumer preferences. Competitors may also have wider distribution networks in terms of e-commerce and/or a broader geographic reach, including larger networks of direct or indirect affiliate stores. Above all, heightened competition can result in price reductions or increased spending for marketing and sales.

The Group specifically identifies the entry of foreign chains to Belgium and the Netherlands, such as H&M (H&M, &other Stories ...), Primark and Inditex (Zara, Bershka, Stradivarius...), as a risk. This trend has created a shift in the landscape due, on the one hand, to a decrease in the market share of small independent businesses and, on the other hand, the subsequent gains in market share by large foreign chains.

In addition, the introduction of online players has disrupted the retail landscape. Further growth in online sales could lead to offline losses for the Group (web shops managed by third parties and lack of a performant own web shop). Technological advances such as, amongst other things, clothing sales via tablets, mobile phones and other devices will cause further shifts. Initiatives by online players to move offline could generate additional competition in the future. If the Group does not adequately respond to such developments, it could lose its competitive edge.

If the main competitors of the Group become more competitive this could have a negative effect on the Group's activities, operating results, financial condition and outlook.

**The Group may not be able to identify acquisitions of interest or could make acquisitions that cannot be successfully integrated.**

FNG constantly evaluates opportunities to acquire businesses and/or brands which they believe will complement their activities. FNG has already acquired the Miss Etam Group, FNG Group NV, the Brantano Group, and the Boutique Group and is continuing its buy-and-build strategy.

Despite the fact that FNG performs due diligence for each acquisition, certain risks cannot be eliminated, such as conflicting business cultures, the inability to realize expected synergies, higher than expected restructuring costs, and difficulty integrating acquired companies. As a result, the expected profitability may not be achieved. An unsuccessful takeover could harm the Group and adversely affect its financial situation.

**Failure to successfully extend the scope of activities following acquisitions could damage the Group's financial health.**

Until 2016, the activities of the Group were focused on women's and children's fashion. With the acquisition of the Brantano and Suitcase brands, however, the Group has for the first time extended its activities to footwear and men's fashion. Although both acquisitions have the potential to strengthen and further consolidate the Group's share in the fashion market as a whole, the development of activities in a new field also entails a risk of failure that could destabilize the Group's activities and damage its financial health. The Group invests heavily in the integration of new acquisitions into the Group structure, for example in the case of Brantano, by remodeling stores and launching an online platform. If the new Brantano concepts do not generate the desired effect, the lack of return on these investments will leave the Group in a more financial vulnerable position (financial leverage).

**Financial debt - high leverage.**

To date, the Group is to a large extent financed by borrowed capital. Hence, with a Leverage Ratio of 3.19 (i.e. net financial debt divided by Adjusted EBITDA per 31 December 2017), the leverage of the Group is relatively high. An Adjusted EBITDA decrease by 10% would result in a ratio of 3.56.

A large part of the Group's outstanding financial debt (e.g. credit agreements and bond loans) shall expire in the course of 2023. In the past, the Group generally obtained new financing prior to the maturity date of the relevant loan agreements and/or bond loans. In this way the Group has entered into a new Club Deal early 2018 while the 'old' Club Deal only expired at the end of 2020, and the Group has redeemed the 2014 bond loan of EUR 25,000,000 while the maturity date of this bond loan was on 1 June 2021. Hence, it is the intention of the Group to obtain also new financing for the current existing debt prior to the relevant maturity date in 2023 (e.g. by means of entering into a new Club Deal and/or by issuing notes under the future EMTN Program of FNG Benelux Holding NV, which offers the Group substantial flexibility in its financing).



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#### **Financial debt - conversion in Miss Etam Holding B.V. shares.**

The Group has financial debt outstanding that could adversely affect its business, amongst others (i) the Mezzanine Loan (EUR 10,000,000 in principal amount), placed on the level of FNG International Holding NV, (ii) the Coltaparte Loan (EUR 5,000,000 in principal amount), placed on the level of Miss Etam Holding B.V. and (iii) the Facilities Agreement (EUR 240,000,000) placed on the level of FNG Holding NV. See Section XV. 4 (*Description of the Group - Financing of the Group*).

Moreover, the Coltaparte Loan may, under certain conditions, be converted into a percentage of the shares of Miss Etam Holding B.V. (up to 33.3%) then held by Coltaparte B.V. which would dilute the shareholding of FNG Holding NV in Miss Etam Holding B.V. (and hence the Miss Etam Group) up to 66.7%.

The Group's access to global sources of financing to cover its financing needs or repayment of its debt could be impaired by the deterioration of financial markets. The Group's ability to pay principal and interest on the outstanding debt depends on its future operating performance. Future operating performance is subject to market conditions and business factors that often are beyond its control.

In the future, FNG will remain free to take additional debt that might benefit from security interests vested on the assets of FNG or any of its Subsidiaries. Moreover, FNG shall remain free to set-up subsidiaries which may serve as holding companies, financing vehicles or otherwise and which may take additional debt.

#### **The Group may not be able to achieve the expected higher margins at the Brantano Group and the Miss Etam Group.**

The Group would not be able to achieve the expected higher margins at the Brantano Group and the Miss Etam Group, if (i) they do not achieve higher sales, resulting in no further improvement of the purchase conditions (e.g. rebates for higher purchase volumes and synergy effect of the purchase platform), (ii) if they do not manage to develop the 'one-to-one'-marketing, resulting in the achievement of less sales or the granting of more discounts for the general public instead of a targeted relevant audience, and (iii) if FNG's competitors will grant discounts to its customers significant higher than they are actually granting now.

#### **The Group is dependent on the reputation and popularity of its brands and its sector, which could be impacted through publicity or a break therefrom, prompted by FNG itself or external sources.**

FNG can give no guarantee that the Group's marketing and communication campaigns will be successful in terms of promoting and maintaining brand awareness, resonating with consumers, generating traffic to its stores, or stimulating purchases and maintaining customer loyalty. Moreover, the competitors of the Group could be more successful than the Group in their marketing and communication efforts. Consumer awareness could also be adversely affected by media restrictions (for example, changes in the use of media by consumers) that hinder the ability of the Group to conduct effective marketing and communication campaigns.

There is also a risk of the products the Group purchases causing damage to the Group or injuries to its customers. Although FNG believes that the Group's activities comply in all material respects with all applicable laws and regulations, the sale of defective products could result in a recall, product liability claims and/or administrative fines or criminal proceedings against the Group or its management. Even if a recall of a certain product appears unfounded or if a claim against the Group is not successful, the negative publicity that goes along with it could have an adverse effect on the Group's business and brand reputation with existing and potential customers as a result of assertions that the Group's products are harmful or have hidden defects. Above all, the negative publicity caused by claims of poor working conditions in one or more of the factories where FNG products are manufactured or allegations thereof could harm the Group's reputation and result in the Group having to pay a fine or facing other adverse legal consequences. The realization of any of these risks, separately or combined, could have a negative effect on the activities, operating results or financial condition of the Group. The Group has taken out product liability insurance against these risks.

Moreover, an incident in the clothing and shoe industry as a whole could affect the business and financial position of the Group. One such incident, which received widespread press coverage, was the collapse of a clothing factory in Bangladesh in 2013, which resulted in many fatalities. While the clothing manufacturer was not directly or indirectly involved, the incident had a significant impact on the fashion industry as a whole. The Group does its utmost to adhere to socially responsible procurement procedures. The Group asks its suppliers to abide by codes of conduct established by industry associations in order to ensure a responsible supply chain. Although the Group pays ample attention to this subject, situations could arise in the future that harm the reputation of the Group and lead to negative financial consequences.

#### **Dissatisfaction with the Group's customer service could undermine customer retention.**

A satisfied and loyal customer base is crucial to the growth of the Group. It is important to have good customer service, so that complaints are settled in a timely and satisfactory manner. The way in which the Group deals with customers during such contact is crucial to maintaining the customer relationship. The Group responds to customer complaints and questions by email and through a toll-free telephone number. A poorly

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handled complaint, or one that is experienced as such by the customer, may have a negative effect on the customer's satisfaction or loyalty. If due to poor customer service or dissatisfaction on the part of the customer, the Group is unable to retain its customers, this will have a material adverse effect on the operations, financial situation and results of the Group.

**Failure to provide an inspiring online fashion experience to FNG customers could hamper growth and undermine profitability.**

The Group believes that the basis for its success as an online fashion retailer is that it offers its customers an inspiring and appealing online fashion experience with many well-known brands. If the Group does not offer the products that are popular with customers or is unable to offer these products in an attractive and inspiring way at competitive prices, if customers are not pleased with the Group's delivery, return and payment policies, if the Group is unable to acquire new customers or loses existing customers, or if the Group concludes that it is generating lower revenue on its websites, this will have a material adverse effect on the operations, financial situation and results of the Group.

**Investments in brand awareness, the expansion of online operations, or the building and maintaining of a solid and loyal customer base could fail.**

Maintaining and growing brand awareness, attracting new customers and growing the number of visits to the group's website, the number of orders and the number of items per order are all crucial to the success and profitability of the Group. The Group has made significant investments in brand awareness, to attract and retain customers and ensure their satisfaction, and expects to continue to invest significantly in this area. For example, the Group recently spent a significant amount on marketing activities to increase the number of visitors to the group's website (see Brantano's online platform launched in March 2018), grow customer loyalty and encourage repeat orders, in order to increase revenue and grow brand awareness and recognition. These costs included significant amounts for offline marketing, in particular television commercials, as well as online marketing, such as search engine marketing (SEM) and search engine optimization (SEO). In this context, the Group pays third parties to refer visitors from their websites to its website. Also, the Company spends a significant amount on the remodeling of the Brantano stores. It cannot be guaranteed that these investments will produce the expected increase in sales.

**The Group is dependent on the success of new collections.**

The Group designs its own collections and, as such, there is a risk that a collection will not be liked by potential customers. A less successful collection can have a negative effect on the demand for FNG products with a resulting negative impact on sales. Lower demand for FNG products, given the inventory held by the Group of the collection in question, will negatively affect earnings and cash flow.

**The Group may not be in a position to respond to trends and changes in consumer preferences.**

The success of the Group depends not only on its ability to create new products and fashion trends but also to anticipate and respond to changing customer preferences and to identify fashion trends in a timely manner. The Group's products must be attractive to customers whose preferences cannot be predicted with certainty and are subject to quickly change. While the Group, with regard to its products, strives to stay informed of new consumer lifestyle trends, a failure to identify and respond to such trends can have significant adverse effects on its activities, operating results and financial situation.

**The results of the Group are subject to seasonal influences.**

As is typical in the fashion industry, the Group experiences seasonal fluctuations in revenue and operating income. As a result of these seasonal fluctuations, a comparison of revenue and operating income between different periods within a fiscal year is not necessarily meaningful and cannot be considered an indicator of future performance. The costs of purchasing materials and the outsourcing of production are determined and incurred in advance of the corresponding sales. As a result, working capital and cash flow are subject to seasonal influences. If sales for a certain season do not meet expectations, the financial condition of the Group could be adversely affected.

**The results of the Group are subject to weather conditions.**

In addition to seasonal influences, the weather also greatly affects revenue and thus the financial situation of the Group. As is typical for the fashion industry, the Group experiences weather-related fluctuations in its revenue and operating income. The weather influences consumer decisions of whether and where to shop. A rainy weekend or a prediction thereof has a negative impact on many (uncovered) shopping areas in, for example, city centers. Covered shopping malls, however, sometimes benefit from this. This unpredictability is a risk.

Temperatures also play a big role in customers' purchasing decisions. In warm autumn months, the purchase of winter clothing is delayed, and conversely cold spring months can delay the purchase of summer items. Although this is to some extent predictable, there are often, sometimes large, deviations from average annual temperatures. The unpredictability of the weather affects the planning process, purchases, logistics and therefore also inventory. Incorrect estimates or predictions can result in unsold stock and therefore negatively affect margins and thus the profitability of the Group.

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**The Group may not be in a position to adequately control its “wholesale” customers and multi-brands stores.**

The Group relies on its wholesale distribution channel, which at present consists of different websites and multi-brands stores. It needs to exercise sufficient control and ensure that its products are sold in the (digital) environment in a manner that is consistent with its brand image. Actions by major wholesalers that derogate from the Group’s policy or from its terms and conditions, such as the presentation of the Group’s products in a manner that is contrary to the preferred presentation or the offer of its products with unacceptable discounts, can harm the brand’s image.

**The Group must adequately protect its intellectual property rights.**

Intellectual property such as brands are crucial for the success of the Group, and the Group relies on the protection afforded by trademarks, copyright and trade secrets and on agreements and other methods with its employees and others to protect its IP rights. The intellectual property of the Group consists of registered slogans and logos. In addition, it has several domain names. The Group may not succeed in obtaining intellectual property protection in every country in which it is active or where such protection is relevant and the efforts of the Group to protect its intellectual property could require substantial expenditures from financial, managerial and operational resources. Although this is currently not the case, each of the Group’s intellectual property rights could be challenged or declared invalid in administrative proceedings or a lawsuit and the Group cannot be sure that others will not independently develop equivalent or superior intellectual property rights or obtain such rights in another manner.

The Group could have to spend significant amounts to monitor and protect its intellectual property rights. The Group may not be able to detect an infringement of its intellectual property rights and other property rights or determine the extent thereof. The Group could have to file claims or lawsuits against others for the breach or violation of its intellectual property rights and other property rights or to establish the validity of such rights. Despite its best efforts, the Group may not be able to prevent third parties from breaching its intellectual property and other property rights or violating these rights in one way or another. Even a lawsuit decided in favor of the Group could entail significant expenses for the Group and divert the efforts of its technical and managerial personnel. The realization of any of these risks, separately or in combination, could have a considerable negative impact on the activities of the Group, its operating results or financial situation.

Several employment agreements entered into between an entity of the Group and designers do not contain adequate intellectual property transfer clauses. In addition, since some independent contractors do not have a written consultancy agreement, there are no adequate intellectual property transfer clauses between these independent contractors and the Group either. Consequently, intellectual property rights such as copyright - which is one of the more important intellectual property rights for the Group - were not transferred to the Group and still remain with the physical person (employee/consultant) that created the copyright protected work (the “Author”). In other words, the Group is not the owner of the intellectual property rights in the copyright protected works. This means among other things that:

- the Group may in principle not exploit the copyright protected works without the consent of the Author;
- the Author has leverage to ask for additional compensation in consideration for the exploitation of the copyright protected works by the Group.

**The Group could be accused of infringing the intellectual property rights of third parties, such as customers or suppliers, in the future.**

The Group could be subject to lawsuits and disputes in the future in connection with its intellectual property rights as well as with the intellectual property and product range with suppliers of third parties. The costs of defending itself against such actions could be high, and there is no guarantee that the defense will be successful. Claims involving intellectual property rights are inherently uncertain due to the complex issues involved. FNG cannot be sure that the Group will be successful in defending itself against such claims. Potential counterparties could have considerably more resources to maintain their intellectual property rights and to defend against claims brought against them.

**Defective clothing or shoes could lead to a product recall or result in customer injury, which could lead to claims for damages.**

A risk inherent in the sale and production of FNG products is exposure to product liability claims, product recalls, product failure and the associated negative publicity. In individual cases, there has occasionally been talk of a product that did not satisfy the customer’s requirements, leading to a return or refund of the purchase price.

Nonetheless, such claims against the Group could lead to substantial and unexpected expenses. Consumer confidence in the Group’s products could be undermined and management’s attention diverted from other responsibilities. Although the Group is covered by product liability insurance and strives to recover relevant damages from its suppliers, no guarantee can be given that the type or level of coverage is sufficient or that the Group will be in a position to maintain its existing insurance or to obtain comparable insurance at a reasonable cost, if at all, or that the Group will be able to collect damages. The recall of a product or the rendering of a judgment against FNG with regard to product liability could adversely affect the reputation of the Group as well as its business, operating results and financial situation.

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**Problems with deliveries and inventory can lead to reduced revenue or increased storage or transportation costs.**

The Group distributes its own brands and thus assumes inventory risk. The warehouse and distribution facilities of the Group are subject to operational risks, including the failure of mechanical or IT systems, work stoppages, increase in transportation costs, natural disasters, fire and disruptions in the supply of raw materials. Any interruption in the activities of the manufacturing, warehousing or distribution facilities of the Group may lead to a disruption of the Group's operational activities, the cancellation of orders, the rejection of deliveries or a reduction in sales, with potential adverse effects on the activities, financial condition and operating results of the Group.

Further discrepancies can arise between the inventory provided to stores and that identified in stores. This can occur due to losses during transportation or through theft in stores or weaknesses in the establishment of inventory present in stores. If the management of inventory is inefficient, costs may be incurred or revenue lost.

Finally, the inability of manufacturers to fill orders in a timely and appropriate manner or to satisfy their contractual obligations can have a negative impact on the activities of the Group.

Furthermore, if the Group wishes to expand outside the production capacity of its current suppliers, it may not be able to find new suppliers with an appropriate level of expertise and capacity. If any of these risks should materialize, this can have a negative effect on the activities, financial condition and operating results of the Group.

**The Group is exposed to the inherent risk of pre-financed but unsold inventory.**

The Group designs, funds and distributes its own brands, leading to inventory risk. Stock often has to be purchased far in advance, sometimes more than twelve months before its release in stores. Goods often have to be paid for upon delivery, thus creating pre-financing risk. As there is always a risk in the fashion industry that certain items will not be popular or sell due to (cheaper or better) alternatives, some stock may remain unsold. Even if there is an opportunity to sell some unsold stock through outlets, this almost always results in lower profit margins. The Group has no mechanisms in place to hedge this inventory risk.

Inventory risks are inherent for any company operating in the retail sector. Indeed, due to lengthy supply times, seasonal and fast-changing preferences and fickle consumer demand, the fashion industry is particularly sensitive to this type of risk.

**The Group is dependent on the costs and quality of the raw materials necessary to manufacture its goods.**

The Group is dependent on the prices that its suppliers calculate for the manufacture of its designs. The most important factor in this regard is the cost of labor. Furthermore, the Group is dependent to a certain extent on the price of raw materials (primarily cotton and leather) which represents 30% of the costs of its goods. If affordable labor or the necessary raw materials become scarce, this could lead to a disruption in manufacturing or higher purchase prices which would have a negative impact on the activities and net results of the Group. For example, if the costs of the raw materials increase with 10%, this would result in a 3% increase in supply costs.

In the fashion industry, the supply of raw materials is relatively uncertain. This has to do in part with cycles in the sector: if a material or substance is a success, demand rises immediately.

**Weaknesses in information management systems and control systems could prevent the Group from identifying adverse developments in a timely manner.**

The Group has information management systems and control systems to ensure that its business strategies and internal policies are applied group wide so that it can adequately identify unfavorable developments and respond appropriately. However, it cannot be guaranteed that these information management and internal control systems will always be adequate and completely effective and remain in place, especially if the Group is faced with risks it has not fully ascertained or expected. Above all, the Group's risk management and internal control systems may not detect inadequate, fraudulent, negligent or unauthorized transactions by employees or third parties, such as product theft or violations of competition law. Such a shortcoming by the Group's control systems could have a negative effect on the Group's activities, operating results and financial condition.

The Group relies on the know-how and expertise of its management and other key personnel and could lose these individuals or may not be able to attract new staff with the necessary knowledge and skills to consolidate and grow the Group's business.

The performance of the Group is largely dependent on the efforts and abilities of its management. Current managers have significant experience and expertise in the fashion industry and are essential for the success of the Group. If these individuals cannot be retained or if talented new employees cannot be attracted, the Group's business could be adversely affected.

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In addition, the Group is largely dependent on its key management, Dieter Penninckx, Anja Maes and Manu Bracke. Dieter Penninckx and Anja Maes are partners. If these individuals cannot be retained or if a personal issue emerges in the relationship between Dieter Penninckx and Anja Maes this could adversely affect the Group's business.

Further, the Group will continue to develop its internal organization (systems, procedures, etc.) in the context of anticipated growth and the integration of new business units. The Group must pay specific attention to the recruitment and training of personnel, logistical processes and the operational impact of the development of a retail chain. If the Group does not succeed in accomplishing these tasks, this could have a negative impact on the Group's results and specifically its growth potential. Not all key managers and employees are subject to a non-compete undertaking.

**Internal compliance is not fully monitored at Group level due to exponential growth of the Group.**

The Group grew exponentially in recent years due to its buy-and-build strategy. The growth of the Group's internal compliance function, however, did not grow at the same pace. FNG is still working on an internal reporting system at Group level to monitor its tax, internal compliance and internal audit reporting processes. To date, there is no designated role or person to monitor these reporting processes at Group level. This reporting is currently decentralized at the level of the various labels and subsidiaries, where the responsible teams cooperate with local accountants or advisors. This could affect the quality of tax and other filings. FNG is undertaking steps to establish such reporting procedures at Group level, including the establishment of a formal transfer pricing policy. As a consequence of the high pace of the acquisitions made by the Group, some formalities for the transfer of intellectual property rights are not yet completely fulfilled.

**The Group is subject to macro-economic and cyclical changes.**

Many factors impact consumer spending in the fashion industry, including the state of the economy as a whole, stock market performance, interest rates, exchange rates, recessions, inflation, deflation, political uncertainty, the availability of consumer credit, taxes and unemployment rates. In general the sales of fashion items tend to decrease during a recession when the level of disposable income or consumer confidence is low.

Although the credit crisis appears to be over, for the most part, the Group could still be affected by a worsening of general economic conditions and economic uncertainty, especially in countries where the Group sells or will sell a significant portion of its products (i.e. Belgium and the Netherlands). A significant decline in the global economy and drop in consumer confidence could have a significant adverse effect on the Group's activities.

**The Group is subject to various economic, political, jurisdictional and other risks connected with the international aspects of its business.**

The Group is faced with a number of inherent risks as a result of the international nature of its activities, in particular in relation to supply channels. Some of the regions where the Group operates (the majority of the fabrication and purchases are done in foreign countries, such as Bulgaria, Turkey, China, India and Bangladesh), have a recent history of economic, social and political instability, particularly Hungary, Bulgaria, Turkey and Southeast Asia. Currently, approximately 30% of the products of the FNG brands are manufactured in Turkey. Moreover, the Group could decide to access a new major market or to make additional investments in an existing risky market, as a result of which the Group could become exposed to additional or heightened social, political or economic instability or other risks. These risks relate to a wide range of factors including, but not limited to, the following: currency restrictions, exchange rate controls and other restrictive or protectionist monetary policies and actions; the imposition of unexpected taxes or other tax obligations on the Group; changes in the political, legal or economic landscape; economic sanctions; political unrest or terrorism; expropriation, nationalization or the destruction of property; the alteration of contract terms; the imposition of import regulations or other government measures; restrictions on the ability of the Group to transfer funds or retrieve funds from its subsidiaries; restrictions in certain countries on investments by foreign companies; differing labor laws and cultural expectations of employment; and different cultural expectations in terms of industrialization, international business and business relationships. Specific important events in the markets in which the Group operates, including natural disasters, can have a negative effect on the regional business or results of FNG. In general, it is not possible to predict new governmental regulations, changes in political regimes, political, social or economic instability, war, terrorism, sabotage, other armed conflicts and general unrest in the countries in which the Group is active. Furthermore, it could be difficult for the Group to achieve its goals or to profit from the growth and acquisition possibilities in certain markets due to incorrect assumptions by the Group regarding regulations, market practices and market or country characteristics. Materialization of any of the aforementioned risks could have a material adverse effect on the activities, operating results and financial condition and outlook of the Group.

**European, national and local politics affect the economic sphere, sector and environment in which the Group operates.**

Political risks include factors that affect the stability and legitimacy of political institutions, the orderly succession of political leaders, transparency in economic decision-making, national security and geopolitical risks. These risks may adversely affect the operating results of the Group, which may in turn restrict the Group's ability to meet its payment obligations.

The Group is currently not involved in any disputes with local governments. However, a local government could change its policy towards shopping locations within or outside the city center, including infrastructure, accessibility and attractiveness, through tax benefits, subsidies or otherwise. This

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would affect the market in which the Group operates. Urban planning has an impact on foot traffic and rental rates and therefore influences the choice of store location. Unanticipated changes in this regard could result in unforeseen costs or declining revenue, and thus in lower operating profits.

Policy decisions with regard to shopping locations, in particular the decision to establish an outlet mall, can result in changing market conditions, heightened competition and unforeseen branch costs. Multiple-year construction projects can also have an adverse impact on inter alia the accessibility of stores and thus on passer-by numbers. This can reduce the revenue of stores, with adverse financial consequences for the Group.

**The Group is subject to the risks of industrial actions by its employees and its supplier's employees, including strikes and work stoppages.**

The Group may experience adverse effects as a result of industrial unrest, strikes, work stoppages or other labor disputes, as well as the negotiation of new collective bargaining agreements or salary increases, which could disrupt the activities of the Group. In addition, strikes by employees of a main supplier or service provider could disrupt the Group's activities. The occurrence of any of the aforementioned risks could have a negative effect on the activities, operating results and financial condition and outlook of the Group.

**The Group could be unable to obtain or retain the necessary permits, licenses or other authorizations or experience delays in doing so.**

In order to conduct its business, the Group requires various approvals, licenses and certificates for the production, import and export and distribution of fashion items. No guarantee can be given that the Group will not experience obstacles or delays in obtaining such approvals, licenses or certificates or that FNG will be able to renew existing approvals, licenses and certificates or that the Group will continue to comply with the conditions applicable to existing approvals, licenses and certificates. Although the Group strives to actively monitor the status of regulations in all locations where it is active and proactively submits applications to maintain or obtain the necessary approvals, licenses, and certificates, there may be delays on the part of the regulatory, administrative or other relevant authorities in the assessment of the Group's applications and the grant of the necessary approvals, licenses or certificates. In some countries, the procedures to obtain or renew licenses can be complicated and/or expensive. If the Group does not succeed in obtaining or renewing a permit or implementing measures necessary to conduct its business, the Group could lose customers or incur considerable expenses which would have a material adverse effect on its activities, operating results and financial condition and outlook.

**The Group is and could in future be subject to exchange rate risks with regard to the costs incurred to purchase its products.**

As the Group has no earnings in currencies other than the euro, it is not subject to exchange rate risks with regard to the revenue side of its income statement.

With regard to its suppliers, however, a significant but limited portion (less than 10%) of the Group's purchases is made in countries that do not use the euro. However, most contracts provide for payment in euros. The estimate made by the Group is that currently less than 25 million dollars in purchases are made annually.

If the Group decides not to hedge its dollar risk, a rise in the dollar against the euro means the following:

- a 1% increase in the value of the dollar will result in an additional cost of EUR 250,000;
- a 5% increase in the value of the dollar will result in an expected additional cost of EUR 1,250,000;
- a 10% increase in the value of the dollar will result in an expected additional cost of EUR 2,500,000.

The Group considers to hedge these risks in the future. A depreciation of the euro relative to these foreign currencies would have a negative impact on the margins and net results of the Group.

**The Group could be subject to obligations that are not covered by insurance.**

The Group is subject to a number of risks due to external factors outside its control, including but not limited to accidents, vandalism, natural disasters, acts of terrorism, fire, power outages and other events that could lead to business disruption, bodily harm, and property or environmental damage.

Accidents or other incidents that take place at the production and distribution facilities of the Group, or in which personnel or activities of the Group are involved, could lead to claims for damages against the Group and harm its reputation. Although the Group is insured against such losses up to an amount that is deemed appropriate, its insurance policies are subject to exclusions and limitations, and the Group cannot guarantee that all foreseeable cases of damage or loss will be completely or sufficiently covered by an appropriate insurance policy. Consequently, the potential cost to the Group, including fines or damages, in such cases could exceed the insurance coverage. Moreover, the insurers of the Group could become insolvent. Each of these risks, separately or combined, could have a considerable negative impact on the Group's activities, operating results or financial situation.

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**The Group depends on external financing, which may not always be available.**

In future, the Group could wish to obtain financing by means of public or private transactions or other agreements. Financing may not be available at acceptable conditions, if at all. Factors that influence access to financing include the general economic situation, the markets on which the Group is active, interest rates, the Group's financial results and situation, competition between banks and other financing sources, and demand for securities on the market. If the Group is unable to obtain the financing it needs, this could harm the activities of the Group and prevent it from exploiting opportunities, increasing its activities or responding to pressure from competitors, with a material adverse effect on the activities of the Group, its operating results and financial situation.

**The Group could face an unexpected need for liquidity which the capital markets are unable to meet.**

The Group's operational cash flows are highly variable, due to (i) the sector which the Group is operating in (i.e. the retail sector) and (ii) seasonal influences. There is a risk of insufficient liquidity within the Group to meet the demands for working capital, needed in order to finance the Group's growth. In the event of a liquidity shortfall, the Group will have to obtain additional financing such as bank loans or additional credit lines or capital increases. A shortage in liquidity could disrupt the Group's relationship with its suppliers, which could lead to delays in deliveries to stores or third parties. Regarding working capital, it should be noted that the Group must design a collection and have it produced six months before the collection can be offered for sale in stores. Furthermore, a growth strategy requires the financing of operating capital.

In FNG's opinion, its working capital and the working capital of its subsidiaries are sufficient to meet its needs for the twelve-month period following the date of the Prospectus.

**The financing arrangements of the Group could limit the Group's operations.**

The commercial and financial flexibility of the Group is restricted by a number of financial covenants in the financing arrangements it has concluded. The Group currently complies with all financial covenants. Nevertheless, such arrangements could have major consequences for the activities of the Group, including (i) making it more difficult for the Group to satisfy its debts and other obligations; (ii) requiring the Group to use a portion of the cash flow from operating activities to settle debts; (iii) increasing the vulnerability of the Group during an economic recession; (iv) limiting the flexibility of the Group to plan for or respond to actions by competitors or changes in its business or industry; (v) limiting the Group's ability to make strategic acquisitions and take advantage of certain business opportunities or other growth projects; and (vi) limiting the possibility for the Group to borrow funds or attract equity in the future. Future violations of these covenants, arrangements or the terms of an outstanding loan could lead to accelerated reimbursement of an existing or future debt, which would have a negative effect on the ability of the Group to settle its other debts, potentially leading to bankruptcy. The risks described above could increase if new debts are incurred.

**The Group is exposed to interest rate risk.**

Some of the Group's existing and future debts and loans are subject to, or may be subject to, variable interest rates. The financing costs of the Group are thus subject to interest rate fluctuations. An increase of 0.1% in the one-month or three-month Euribor rates would result in an additional burden of approximately EUR 120,000 annually. When appropriate, and in accordance with the Group's hedging policy, the Group seeks to minimize its exposure to interest rate risk by entering into interest rate swap contracts in order to exchange variable interest rates for fixed rates over the lifespan of a number of its debts and loans. Unfavorable fluctuations and increases in interest rates, insofar as these are not hedged, could have an adverse effect on the activities of the Group, its operating results or financial situation.

**The Group could be faced with additional or larger-than-expected tax liabilities or subject to enforcement actions by a tax authority.**

The Group has structured its commercial and financial activities in accordance with various laws and regulations and its own commercial and financial objectives. The Group is currently not involved in any dispute with the tax authorities. However, tax laws and regulations are subject to change and there is often no clear practice. Further, the Group's activities, transactions and reorganizations are sometimes based on its own interpretation of the applicable rules. FNG cannot guarantee that these interpretations will be supported by the relevant tax authorities. If a conflict arises between the Group and a tax authority, the court could side with the authority. More generally, any non-compliance with the laws or regulations applicable to the Group could result in reassessment, late payment interest, fines and penalties and could have a negative effect on the activities, operating results, financial situation and prospects of the Group. Any significant modification to the applicable laws and regulations, or to their interpretation or enforcement, could force the Group to change its tax strategy, which could lead to additional costs or lost revenue, which could have a material adverse effect on the future activities of the Group, its operating results and financial situation. In addition, the authorities could change their position with retroactive effect, resulting in additional costs or loss of revenue, which would have a material adverse effect on past operating results and the financial situation of the Group. As set out in risk factor "*Internal compliance is not fully monitored at Group level*", the lack of centralized monitoring of the tax obligations at Group level may cause FNG to be in a position whereby it may not be able to timely provide all underlying documents to substantiate the applied tax treatment.

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**FNG may become taxable in a jurisdiction other than Belgium, and this may increase the aggregate tax burden on the Group.**

The Company intends to have, on a continuous basis, its place of effective management in Belgium. Therefore, the Company should be a tax resident of Belgium under Belgian national tax law. By reason of the Company's incorporation under Dutch law, the Company could also be deemed tax resident in the Netherlands under Dutch national tax law. However, based on the current management structure of the Company and current tax laws of Belgium and the Netherlands, as well as applicable income tax treaties, and current interpretations thereof, the Company should be tax resident solely in Belgium for the purposes of the convention between Belgium and the Netherlands for the avoidance of double taxation with respect to taxes on income.

The applicable tax laws, tax treaties or interpretations thereof may change. Furthermore, whether the Company has its place of effective management in Belgium and is as such tax resident in Belgium is largely a question of fact and degree based on all circumstances, rather than a question of law, which facts and degree may also change. Changes to applicable tax laws, tax treaties or interpretations thereof and changes to applicable facts and circumstances (e.g. a change of board members or the place where board meetings take place), may result in the Company becoming a tax resident of a jurisdiction other than Belgium, potentially also triggering an exit tax liability in Belgium. As a consequence, the Group's overall effective income tax rate and income tax expense could materially increase, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects, which could cause the Company's share price and trading volume to decline.

**Compliance with data protection legislation.**

The EU has made protection of personal data a top priority by adopting the EU General Data Protection Regulation ("GDPR"). The GDPR is applicable since 25 May 2018 and will replace the Data Protection Directive 95/46.

The GDPR aims among other things at reinforcing the rights of the data subjects and to offer a better protection for personal data. To ensure compliance it provides for a severe sanctioning mechanism with fines up to 4% of the total worldwide annual turnover or EUR 20,000,000, whichever is higher. The fines are administrative fines which can be imposed by the competent data protection authority.

The Group collects and retains data for various purposes from customers and other persons. The loss or unintentional disclosure of such data, whether through theft or negligence, represents a financial and reputational risk for FNG. In addition, the Group's operations could be hindered in the event of a cyber-attack. Due, on the one hand, to the active collection of customer information in its shops and online and, on the other hand, to the passive collection of (online) data from visitors to and customers on its website, the Group is currently managing a large quantity of personal data.

The Group is committed to the protection of personal data and privacy of its employees, customers, suppliers, etc. It is taking steps to ensure compliance with the GDPR such as:

- the performance of a GDPR audit on certain group companies
- the establishment of a data protection framework based on six pillars (governance, policies, procedures, register, training/awareness and contracts)
- the appointment of a DPO at group-level.

At the date of approval of this Prospectus, the Group is not compliant with the applicable data protection legislation. The Group is undertaking best efforts to achieve compliance.

As a result of continuing technological developments, the ways in which these data are collected, as well as the practical applications, will increase significantly. Likewise, the risk of data loss will also increase. The Group's current (email) marketing activities are depend largely on its database of personal data, the loss of which could have negative consequences for the continuation of its current activities and therefore on its financial situation. In addition, there is always a risk of theft of the personal data managed by the Group. For various reasons, external parties may attempt to gain access by unlawful means to personal data managed by the Group. Should they succeed, a number of negative consequences could ensue for the Group. First, its reputation could be harmed if the public learns that data managed by the Group was leaked. Second, there could be negative financial consequences. For both reasons, the Group could find itself in a financially unfavorable situation.

**Long-term lease agreements and the resulting payment obligations become risks if changing market conditions require changes in locations and/or the closure of shops.**

Lease agreements are generally entered into for longer periods of time. With the exception of a few short-term lease agreements and break options, most lease agreements have been concluded for a term of at least several years. As of 1 January 2018, 31% of the lease agreements had a remaining term of one year, 56% had a remaining term of one to five years, and 13% more than five years. To the extent possible, management takes the necessary steps to anticipate future conditions, but unforeseen changes to the environment, policies and passer-by preferences can occur. This could result in disappointing profits at specific shops, with a negative financial impact on the Group as a whole. Since changes and/or shop closures often create high costs, long-term lease agreements represent a risk for the Group.



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**Defects in software and IT systems, including the ERP system, the cashier system and HR software, could lead to business disruption and lost revenue.**

The production, distribution and sales processes of the Group are subject to operational risks, including the failure of software and IT systems. The enterprise resource planning (ERP) software system forms the basis for the Group's logistics processes and inventory management. A failure of this system could compromise the (re)stocking of stores and, in the event of a prolonged failure, result in empty stores, with an ensuing loss of revenue. The software used to correctly allocate clothes to stores also plays an essential role in the Group's current business operations. In addition, cash registers (or tills) are key to the sales process, since without functional registers, payments cannot be made in stores. The registers are run by centralized software, and a failure thereof would disrupt sales in stores. A failure of the HR system could also (temporarily) disrupt business. All of these systems form part of the Group's current operations, and interruptions or disruptions could thus have adverse financial consequences.

All software, to a greater or lesser extent, depends on suppliers. Each problem that the internal IT and service department is unable to handle must be referred to the relevant supplier. This dependency is a risk to the Group's business operations. Systems maintenance and the resolution of errors and failures are partially outsourced to third parties. System repairs during a crisis or other disruption may take more time than planned and endanger the continuity of the business, thus resulting in a loss of revenue. This dependency is a risk to the Group's financial situation.

**Litigation.**

In the normal course of business, the Group is and may be involved in lawsuits with third parties.

In general the risks associated with currently outstanding litigation are covered, through provisions that have been set aside by the Group, guarantees by third parties or civil liability insurance. However, it should be noted that future litigation could have adverse consequences for the Group's financial situation.

**Flexibility in the use of proceeds/acquisition risk.**

As of the date of this Prospectus, FNG may not predict with certainty all the specific uses of the proceeds of the Offering, nor the amounts it will actually spend or allocate to specific uses. The amounts and timing of the actual expenditure will depend on various factors.

FNG constantly evaluates opportunities to acquire businesses and/or brands that it believes are complementary to the Group's current business. An unwise allocation of the proceeds could harm the Group's ability to carry out its business plan and could have a negative effect on the Group's financial condition. An acquisition – even though carefully analyzed – might not achieve its expected profitability: company cultures might not match, synergies are not realized, restructuring costs are higher than anticipated and integration is more difficult than imagined.

## **2. RISKS RELATED TO THE SHARES AND THE OFFERING**

**The market price of the Shares could fluctuate widely in response to various factors.**

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating results or financial condition of the companies that issued them. In addition, the market price of the Shares may prove to be highly volatile and fluctuate significantly in response to a number of factors, many of which are beyond the Group's control, including:

- market expectations of the Group's financial performance;
- actual or anticipated fluctuations in the Group's business, operating results and financial condition;
- changes in the estimates of the Group's operating results by securities analysts;
- investor perception of the impact of the Offering on us and FNG's shareholders;
- potential or actual sales of blocks of shares on the market or the short selling of shares;
- the entrance of new competitors or new products in markets on which the Group operates;
- volatility in the market as a whole or investor perception of the Group's industries and competitors;
- changes in market valuation of similar companies;
- announcements by us or the Group's competitors of significant contracts;
- acquisitions, strategic alliances, joint ventures, capital commitments or new products or services;
- loss of major customers;
- additions or departures of key personnel;
- any shortfall in revenue or net income or any increase in losses from levels expected by securities analysts;
- future issues or sales of ordinary shares;
- stock market price and volume fluctuations;

- new government regulation;
- general economic, financial or political conditions; and
- any of the risks mentioned above.

The market price of the Shares may be adversely affected by most of the preceding or other factors regardless of the Group's actual operating results and financial condition.

In addition, the current liquidity of FNG's shares is limited. The Offering should increase the liquidity, however, this cannot be guaranteed by the Company.

**Existing Shareholders will experience dilution as a result of the Offering if they do not or cannot exercise their Priority Allocation Rights in full.**

To the extent an Existing Shareholder fails to exercise its Priority Allocation Rights in full by the close of Euronext Brussels on the last day of the Offer Period or that the Increase Option would be exercised, its ownership and voting interest in the Company will be diluted. An Existing Shareholder may also be diluted if the number of Priority Allocation Rights it is granted does not entitle it to a round number of Offer Shares in accordance with the Ratio. In addition, Existing Shareholders that fail to exercise their Priority Allocation Rights may be subject to financial dilution. See Section V. 2 (*Dilution - Financial Dilution*).

For an example of the dilution of an Existing Shareholder's ownership and voting rights in the Company in this context, see Section V. 1 (*Dilution - Dilution of participation in the share capital*).

**Priority Allocation Rights will not be admitted to trading and will not be listed on a regulated market and Priority Allocation Rights that are not exercised during the Offering Period will become null and void and without value.**

The Priority Allocation Rights will not be admitted to trading and will not be listed on Euronext Brussels. Any Priority Allocation Right not exercised by the close of Euronext Brussels on the last day of the Offer Period will become null and void and without value. Holders of Priority Allocation Rights that do not exercise their Priority Allocation Rights will not be compensated.

**No minimum size of the Offering.**

There is no minimum size of the Offering, which means that if the proceeds of the Offering are less than the envisaged amount, FNG is entitled to proceed with the Offering and may thus not be able to realize all of its objectives described in Section III. (*Use of proceeds*).

**Principal Shareholders of the Company are likely to continue to be able to exercise influence over the Company, and their interests may not be the same as those of other shareholders of the Company.**

The Company has a number of significant shareholders (i.e. Mr Dieter Penninckx, Mr Emmanuel (Manu) Bracke and Ms Anja Maes via Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV (called the "**Principal Shareholders**"). Following completion of the Offering (assuming (i) full placement of the maximum number of Offer Shares (including the shares under the Increase Option) and (ii) the Offer Price at the high-end of the Price Range), these shareholders and their affiliates, in total, will own approximately 41.97% of the Company's Shares. Given the fact that the Offering does not have a minimum size, it is possible that the shareholding of the aforementioned shareholders will remain higher than 41.97%, which could negatively influence the liquidity of the FNG shares. Currently, the Company is not aware of any existing or planned agreement by its shareholders with respect to the exercise of their voting rights. Nevertheless, depending on the level of attendance at the Company's general meetings, the Principal Shareholders could, alone or together, have the ability to determine the outcome of decisions taken at a general meeting. Voting arrangements by these shareholders may not be in the Company's interests or those of its shareholders. Such a concentration of ownership could have the effect of delaying or preventing a change in control and therefore negatively affect the market price of the ordinary shares. In addition, it is provided for in the Articles of Association that Mr Emmanuel (Manu) Bracke, Ms Anja Maes and Mr Dieter Penninckx, the founders of FNG Group NV, can appoint the majority of the members of the management bodies of the Company. Therefore, there can be no assurance that any matter which is to be put to the shareholders for decision (such as the approval of the financial statements, the appointment and removal of directors, the remuneration of directors, the appointment and removal of the statutory auditor, and amendments to the Articles of Association) will be resolved in a manner that other Shareholders would consider to be in their or the Company's best interest. In addition, the Principal Shareholders may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investment, even though such transactions may involve risks to other Shareholders.

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**In the context of the Offering, shareholders of the Company may increase their shareholding above 30% without triggering the obligation to launch a mandatory public takeover bid to all shareholders.**

The Takeover Law provides that a mandatory bid must be launched if a person, as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly holds more than 30% of the voting securities in the Company. This duty to launch a mandatory bid does not apply in case of an acquisition, if it can be shown that a third party exercises control over the Company or that such party holds a larger stake than the person holding 30% of the voting securities. At the date of this Prospectus, Mr Dieter Penninckx, together with Mr Emmanuel (Manu) Bracke and Ms Anja Maes, directly and indirectly (via Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV) own 56.80% of the Shares issued by the Company. To the extent that the maximum number of Offer Shares (including the shares under the Increase Option and assuming the Offer Price at the high-end of the Price Range) has been placed, the Principal Shareholders shall hold 41.97% of the outstanding Shares following completion of the Offer. The Principal Shareholders have no intention to participate in the Offering, and so to exercise their Priority Allocation Rights. However, they reserve the possibility to transfer 50% of their Priority Allocation Rights to other investors.. In addition, it is provided for in the Articles of Association that Mr Emmanuel (Manu) Bracke, Ms Anja Maes and Mr Dieter Penninckx can appoint half of the members of the management bodies of the Company and thus exercise control over the Company. Therefore, a shareholder could increase its shareholding above 30% without triggering the obligation to launch a mandatory public takeover bid to all shareholders.

**The presence of significant shareholders may discourage public takeover bids.**

On the date of this Prospectus, the Principal Shareholders hold 56.80% of the Company's voting rights that were outstanding at that date. In general, under Belgian law, important decisions at the level of the Shareholders' Meeting require 75% of the votes cast at such Shareholders' Meeting, which implies that the Principal Shareholders or parties acting in concert therewith may have the ability to block the proposals concerning such decisions after the Offering. The presence of the Principal Shareholders may discourage public takeover bids from third parties given that such parties will not be able to acquire full control of the Group at the level of the General Shareholders' Meeting, and the Shares may therefore appear less attractive for investors, limiting the price they are willing to pay for the Shares.

**Future sales of substantial amounts of ordinary shares, or the perception that such sales will occur, could adversely affect the market value of the Shares.**

The Company and certain members of management are expected to agree, pursuant to the Underwriting Agreement (which is expected to be entered into on or after 5 July 2018), that, subject to certain exceptions, they will not, without the prior written consent of the Joint Global Coordinators, issue, offer or sell any ordinary shares of the Company or securities convertible or exchangeable into ordinary shares of the Company for a period of 180 days (or 360 days in the case of management) following the Closing Date, as described in the "*Distribution Plan*". Following the expiry of these lock-up provisions, future sales of the Shares could be made by the Company or relevant members of the Executive Committee. If the Company were to raise funds through additional equity offerings, this could cause dilution for its shareholders to the extent they do not participate. Moreover, sales of a substantial number of Shares by any party or parties to the Underwriting Agreement, or the perception that such sales will occur, could adversely affect the market price of the Shares.

**Future issuances of shares or warrants could affect the market price of the ordinary shares and dilute the interests of Existing Shareholders.**

In the future, the Company could decide to raise capital through public or private offerings of equity securities, convertible debt securities or rights to acquire such securities. The Company could decide to cancel or limit the priority allocation rights attached to its outstanding securities in accordance with applicable law. If the Company raises significant amounts by these or other means, it could cause dilution for the holders of its securities and adversely affect the share price, earnings per share and net asset value per share. In addition, dilution from the issue and exercise of warrants could adversely affect the price of the Company's ordinary shares.

**Investors may not be able to participate in equity offerings.**

Belgian company law and the Company's Articles of Association provide for priority allocation rights to be granted to Existing Shareholders to subscribe on a pro rata basis upon an issuance for cash of new shares, convertible bonds or warrants, unless such rights are cancelled or limited by a resolution of the Company's Shareholders' Meeting or, if so authorized by the general meeting, the Company's Board of Directors. The Company's Shareholders' Meeting or Board of Directors may cancel or restrict such rights for future equity or other offerings. In addition, certain shareholders may not be entitled to exercise such rights even if they have not been cancelled or limited, unless the offering is registered or the shares are eligible for sale under the relevant legislation or regulatory framework. As a result, there is the risk that investors may suffer dilution of their shareholdings should they not be permitted to participate in equity or other offerings the Company may conduct in the future.

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**Investment and trading in general are subject to risks.**

All securities investments involve the risk of loss of capital. There can be no assurance that the Company's investment objectives will be met. The Company's results will probably fluctuate in the future. For this reason, the Company's results may not meet the expectations analysts have predicted.

**Investors with a reference currency other than the euro will be subject to exchange rate risk when investing in the Offer Shares.**

The Offer Shares are, and any dividends to be announced in respect of the Offer Shares will be, denominated in euros. An investment in the Offer Shares by an investor whose principal currency is not the euro exposes the investor to exchange rate risk which may impact the value of the investment in the Offer Shares or any dividends.

**The Company does not expect to make dividend payments in the near future.**

The Company does not expect to make dividend payments in the near future (see Section IV. *(Dividends and Dividend Policy)*). The payment of dividends will depend on factors such as the Company's business prospects, cash requirements, including in relation to any material external growth opportunities, and financial performance, the condition of the market and the general economic climate, and other factors, including tax and other regulatory considerations. Furthermore, as the Company is a holding company and does not perform any operating activities, its ability to pay dividends and the level of any dividends are subject to the extent to which it receives funds, directly or indirectly, from its subsidiaries. The Company is also subject to certain financial covenants pursuant to the credit agreements and bonds that limit the payment of dividends. See Section XV. 4 *(Description of the Group - Financing of the Group)*.

In addition, under Belgian law and the Articles of Association, before it can pay dividends, the Company must allocate an amount of 5% of its annual net profit (nettowinst/bénéfices nets) to a legal reserve in its stand-alone statutory accounts until the reserve equals 10% of the Company's share capital. The Company currently has an aggregate legal reserve of 0% of the Company's share capital, due to the fact that the unavailable reserves created while the Company was solely governed by Dutch law do not qualify as legal reserves in accordance with the Belgian Company Code. Accordingly, 5% of the Company's Belgian GAAP annual net profit during future years will need to be allocated to the legal reserve, limiting the Company's ability to pay out dividends to its shareholders.

**If the Company pays dividends, the Company may need to withhold tax on such dividends in both Belgium and the Netherlands.**

As an entity incorporated under Dutch law, but converted into an Belgian public limited liability company (*naamloze vennootschap*) and with its place of effective management in Belgium (and not in the Netherlands), the Company's dividends are generally subject to Belgian dividend withholding tax and not Dutch withholding tax. However, the Dutch tax authorities take the position that Dutch dividend withholding tax is required to be withheld from dividends if and when paid to Dutch resident holders of Shares (and non-Dutch resident holders of Shares that have a permanent establishment in the Netherlands to which their shareholding is attributable). As a result, the Company would be required to identify its shareholders in order to assess whether there are Dutch residents (or non-Dutch residents with a permanent establishment to which the Shares are attributable) in respect of which Dutch dividend tax has to be withheld. Such identification may not always be possible in practice. If the identity of the Company's shareholders could not be assessed upon a payment of dividend, withholding of both Belgian and Dutch dividend tax from such dividend may occur.

**Certain provisions of the Belgian Company Code and the Company's Articles of Association may affect potential takeover attempts and the market price of the Shares.**

Certain provisions of Belgian company and other law and of the Company's Articles of Association, such as those relating to the obligation to disclose significant shareholdings, merger control and authorized capital, may apply and make it more difficult for an unsolicited takeover bid to succeed. See Section XIV. 13 *(Description of the Share Capital and the Articles of Association - Legislation and Jurisdiction)*. These provisions could discourage potential takeover attempts that other shareholders could consider to be in their best interest and adversely affect the market price of the Shares. These provisions could also have the effect of depriving shareholders of the opportunity to sell their Shares at a premium.

**Shareholders residing in countries other than Belgium could be subject to double taxation with respect to dividends or other distributions made by the Company.**

Any dividends or other distributions made by the Company to its shareholders will, in principle, be subject to withholding tax in Belgium at a rate of 30%, except for shareholders that qualify for a reduction in withholding tax or an exemption from withholding tax such as, amongst others, qualifying pension funds or a qualifying parent company within the meaning of the Parent-Subsidiary Directive (90/435/EEC) of July 23, 1990, or pursuant to a tax treaty. Various conditions may apply and shareholders residing in countries other than Belgium are advised to consult their advisors regarding the tax consequences of dividends or other distributions made by the Company. The Company's shareholders residing in countries other than Belgium may not be able to credit the withholding tax to any tax due on the dividends or other distributions in any country other than Belgium. As a result, they may be subject to double taxation in respect of the dividends or other distributions.

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**Any sale, purchase or exchange of Shares may become subject to the Financial Transactions Tax.**

On 14 February 2013, the European Commission adopted a proposal for a Council directive (the “**Draft Directive**”) on a common financial transactions tax (“**FTT**”). The intention is for the FTT to be implemented via an enhanced cooperation procedure in 11 Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia). In December 2015, Estonia withdrew from the group of states willing to introduce the FTT (the “**Participating Member States**”).

The Draft Directive is still subject to negotiation amongst the Participating Member States and therefore subject to change. Moreover, once the Draft Directive has been adopted, it will need to be implemented into national law by the Participating Member States and these national provisions could derogate from the directive.

Note that the Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force (see Section XVI. 4 (*Taxation in Belgium - Tax on stock exchange transactions*)).

Investors should consult their tax advisors regarding the consequences of the FTT associated with the subscription, purchase, holding and disposal of the Shares.



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## SECTION II.

# EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Certain key dates in connection with the Offering are summarized in the following table. These are all anticipated dates, which are subject to any unforeseen circumstances.

Date	Event
13 June 2018	Announcement of the Offering
25 June 2018	Approval of the Prospectus by the FSMA & passporting to the AFM
26 June 2018	Decision of the Board of Directors to proceed with a capital increase
27 June 2018	Announcement of the transaction terms & timing
27 June 2018	Detachment of coupon n° 1 representing the Priority Allocation Right
27 June 2018	Publication of the Prospectus
28 June 2018 at 9 a.m. CET	Expected Start of Offering Period (including Retail Offering)
29 June 2018	Record Date for rights entitlement
29 June 2018	Expected Listing Date of (i) Existing Shares on Euronext Brussels and (ii) Existing Unlisted Shares on Euronext Amsterdam
5 July 2018 at 1 p.m. CET	End of Offering Period
5 July 2018 at 4 p.m. CET	End of Offering Period for retail investors
5 July 2018	Pricing and Allocation
5 July 2018	Publication of Offer Price and Results of the Offering
5 July 2018	Payment of the Offer Price by or on behalf of the subscribers
9 July 2018	Completion of the capital increase
9 July 2018	Expected Listing Date of Primary Offer Shares on Euronext Brussels and on Euronext Amsterdam and change of market of reference from Euronext Amsterdam to Euronext Brussels
9 July 2018	Expected Closing Date

The Company may amend the dates and times of the capital increase and periods indicated in the above timetable and throughout the Prospectus. In such event, the Company will inform investors through a publication on the Company's website. In addition, to the extent required by law, the Company shall publish a supplement to the Prospectus.



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## SECTION III.

# USE OF PROCEEDS

Based on the expected gross proceeds of the Primary Offering of maximum approximately EUR 80 million, assuming (i) the issuance and placement in full of the Primary Offering (i.e. excluding the Increase Option) and (ii) the Offer Price at the high-end of the Price Range, the Company will receive an estimated net proceeds from the Primary Offering of approximately EUR 78 million, following the deduction of underwriting commissions (including discretionary incentive fees, if any) and expenses in the amount of approximately EUR 2 million. Assuming a full placement of the Offer Shares (including the full exercise of the Increase Option), that the Offer Price is at the high-end of the Price Range, the Company will pay approximately EUR 2.4 million in expenses and commissions.

As of the date of this Prospectus, the Company may not exactly predict with certainty all the specific uses of the proceeds of the Offering, nor the amounts it will actually spend or allocate to specific uses. The amounts and timing of the actual expenditure will depend on various factors. Notwithstanding the foregoing, the net proceeds will be used to finance the further growth of the Company in accordance with its strategy. The strategy of the Company is inter alia focused on creating value by managing a complementary brand portfolio via a buy and build strategy. The net proceeds will be used to finance this buy and build strategy (See Section X. *(Business Overview - General Strategy)*).

The uses of proceeds as described below are presented in order of priority of such use. Should the actual net proceeds of the Offering fall below the expected EUR 78 million, then the Company would focus on the uses of proceeds in order of priority.

### I. BUILD ASPECT

An amount ranging approximately from EUR 50 million is expected to be used to further invest and develop the existing brands and to roll-out FNG's business plan over the next twelve months:

#### i. 10% for maintenance

Approximately 10% of this amount is expected to be used for the upkeep and maintenance of the current brands and infrastructures of FNG.

#### ii. 31% for ICT

The digital revolution is happening at a very strong pace and the utilizing of consumer behavior data plays an increasingly crucial role in all aspects of the fashion value chain. FNG intends to further invest approximately 31% of this amount in its sales and marketing of digital platforms (including a new online platform for the further development of Brantano). In the subsequent years, once the proceeds of the Offering for ICT have been spent, FNG intends to finance the further ICT investments through the free cash flow resulting from operational profit, as the cost for the remodeling of stores will be less.

#### iii. 30% for remodeling

About three quarters of Brantano's out-of-town stores have already been remodeled to reflect the new Brantano concept, pursuant to which a selection of women's, men's and children's clothing is offered for sale alongside shoes. At present, around 25 stores are awaiting remodeling. In addition to Brantano, FNG intends to remodel the Miss Etam stores as well. However, the remodeling of all Miss Etam stores has yet to start. Accordingly approximately 30% of this amount is intended for the remodeling of existing stores of the Group.

#### iv. 29% for new stores

Approximately 29% of this amount is intended for the development of new stores. FNG intends to optimize its brands and retail formulas to serve the customer best. FNG is planning its expansion in Belgium by further developing Brantano in the next few years into a strong showcase for brand fashion and shoes and aims to become the first choice for a wide range of consumers in Belgium. Brantano plans to cover the market with three complementary retail formulas (10 new Brantano Klassik stores, 45 Brantano Boutik stores of which 30 new ones and 20 new Brantano Market Stores) See Section VIII. 2.1 (*Operating and financial review and prospects - Prospects - The Brantano Group*). In addition to Brantano, FNG also plans to open more than 20 stores for Miss Etam and FNG Roots in the coming years.

### II. BUY ASPECT

FNG is always looking for opportunities to further diversify its brand portfolio in terms of style groups, sizing and price points. FNG believes that a diversified portfolio is the best way to ensure a solid market coverage. In addition to the diversification of its brand portfolio, FNG is looking for opportunities to vertical integrate its shoe business. A portion of the net proceeds, approximately EUR 30 million, is expected to be used to finance the further growth through acquisitions. In principle, FNG shall only make new acquisitions to the extent such acquisitions do not prevent FNG from respecting its financial covenants and other obligations.



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## SECTION IV.

# DIVIDENDS AND DIVIDEND POLICY

### 1. DIVIDENDS

The Offer Shares carry the right to participate in dividends declared after the Closing Date, in respect of the financial year ending 31 December 2018 and future years. All Shares participate equally in the Company's profits, if any. In general, the Company may only pay dividends with the approval of the Shareholders' Meeting, although pursuant to the Company's Articles of Association, the Board of Directors may declare interim dividends without shareholder approval (once the Company is solely governed by Belgian law). The right to pay such interim dividends is, however, subject to certain legal restrictions.

The maximum amount of the dividend that can be paid is determined by reference to the Company's stand-alone statutory accounts.

In addition, under Belgian law and the Articles of Association, before it can pay dividends, the Company must allocate an amount of 5% of its annual net profit (*nettowinst/bénéfices nets*) to a legal reserve in its stand-alone statutory accounts until the reserve equals 10% of the Company's share capital. The Company currently has an aggregate legal reserve of 0% of the Company's share capital, due to the fact that the unavailable reserves created while the Company was solely governed by Dutch law do not qualify as legal reserves in accordance with the Belgian Company Code. Accordingly, 5% of the Company's Belgian GAAP annual net profit during future years will need to be allocated to the legal reserve, limiting the Company's ability to pay out dividends to its shareholders.

The Company is also subject to certain financial covenants pursuant to the credit agreements and bonds that limit the payment of dividends. See Section XV. 4 (*Description of the Group - Financing of the Group*).

### 2. DIVIDEND POLICY

Since the reversed take-over of FNG Group NV by the Company (see Section XV. 2 (*Description of the Group - Realized acquisitions to build the Group*)) no dividends have been declared or distributed by the Company. There is no intention to declare any dividends in the near future.



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# SECTION V.

## DILUTION

### 1. DILUTION OF PARTICIPATION IN THE SHARE CAPITAL

Existing Shareholders will not be subject to dilution of their voting rights or their share in the Company's share capital if (i) they exercise the Priority Allocation Rights allocated to them in full and (ii) the Increase Option is not exercised. To the extent that an Existing Shareholder does not exercise all or part of its Priority Allocation Rights or if the Increase Option is exercised, its pro rata ownership and voting interest in the Company will be diluted.

The dilution (in percentage terms) of the Existing Shareholder who fails to exercise its Priority Allocation Rights may be calculated as follows:

$$\text{Dilution (\%)} = \frac{(S - s)}{S} * 100$$

S = the total number of Shares after the issuance of the newly issued Offer Shares pursuant to the Offering, i.e., maximum 12,153,584 (assuming the Offer Price at the high-end of the Price Range).

s = the total number of Existing Shares prior to the issuance of the newly issued Offer Shares pursuant to the Offering, i.e., 8,979,892 Existing Shares.

The consequences of the issuance of the newly issued Offer Shares pursuant to the Offering are described below, assuming that an Existing Shareholder holds 1% of the Company's share capital prior to the Offering: (i) does not subscribe for the Offer Shares provided that the Increase Option is not exercised, (ii) does not subscribe for the Offer Shares provided that the Increase Option is completely exercised, (iii) exercises 50% of its Priority Allocation Rights provided that the Increase Option is not exercised, (iv) exercises 50% of its Priority Allocation Rights provided that the Increase Option is completely exercised:

	Increase Option (15%)	Total number of outstanding Shares	Ownership (# shares)	Ownership (%)
Prior to the issuance of the Offer Shares	/	8,979,892	89,798	1.00%
After the issuance of the newly issued Offer Shares, when not subscribing for the Offer Share	No	11,673,859*	89,798	0.77%*
After the issuance of the newly issued Offer Shares, when not subscribing for the Offer Share	Yes	12,153,584*	89,798	0.74%*
After the issuance of the newly issued Offer Shares, when exercising 50% of its Priority Allocation Rights	No	11,673,859*	103,267	0.88%*
After the issuance of the newly issued Offer Shares, when exercising 50% of its Priority Allocation Rights	Yes	12,153,584*	103,267	0.85%*

\* The calculation above is based on the assumption that (i) the Offer Price is at the high-end of the Price Range (i.e. EUR 29.75), and hence, 2,693,967 newly issued Offer Shares will be offered under the Primary Offer and 479,725 newly issued Offer Shares may be offered under the Increase Option, and (ii) the issuance and placement of the Offerings is in full.

### 2. FINANCIAL DILUTION

Existing Shareholders who do not exercise the Priority Allocation Rights allocated to them (whether in full or in part) are exposed to a risk of financial dilution of their portfolio.

On 31 December 2017, FNG's equity amounted to EUR 272,096,000. Divided by the number of shares at the end of 2017 (8,979,892), this implies an equity value of EUR 30.30 per share.

If the Net Offer Price ('Net' meaning corrected in order to take into account the cost of the capital increase) is lower than the equity value per share before the capital increase (the Offering), this implies a financial dilution for the Existing Shareholders. If the Net Offer Price is higher than EUR 30.30 per share, this implies a positive effect on the equity value per share for the Existing Shareholders.

If the Offer Price is EUR 31.08 (implying a Net Offer Price of EUR 30.30 per share) there is no negative or positive dilution.

The effect of the Offer Price on the equity value per share for the Existing Shareholders is set out in the tables below.

Assuming that the capital increase amounts to EUR 80 million, the resulting net proceeds (after estimated cost of capital increase of EUR 2 million) will be EUR 78 million.

Number of shares before capital increase	8,979,892
Equity of FNG NV as per 31/12/2017 (in EUR thousand)	272,096
Equity value per share before capital increase	30.30

## ASSUMED EFFECT OF THE OFFERING

### Scenario 1: Offer Price = EUR 28

Number of shares before capital increase	8,979,892
Number of shares of the capital increase	2,857,143
Total number of shares after capital increase	11,837,035
Equity of FNG NV as per 31/12/2017 (in EUR thousand)	272,096
Equity increase through the capital increase (in EUR thousand)	78,000
Total equity after capital increase (in EUR thousand)	350,096
Equity value per share before capital increase	30.30
Equity value per share after capital increase	29.58
Dilution as a percentage	2.4%

If the Offer Price amounts to EUR 28, the equity value per share shall be diluted by 2.4%.

### Scenario 2: Offer Price = EUR 31.08

Number of shares before capital increase	8,979,892
Number of shares of the capital increase	2,574,003
Total number of shares after capital increase	11,553,895
Equity of FNG NV as per 31/12/2017 (in EUR thousand)	272,096
Equity increase through the capital increase (in EUR thousand)	78,000
Total equity after capital increase (in EUR thousand)	350,096
Equity value per share before capital increase	30.30
Equity value per share after capital increase	30.30
Dilution as a percentage	0.0%

If the Offer Price amounts to EUR 31.08 there shall be no negative or positive dilution of the equity value per share.

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**Scenario 3: Offer Price = EUR 32**

Number of shares before capital increase	8,979,892
Number of shares of the capital increase	2,500,000
Total number of shares after capital increase	11,479,892
<hr/>	
Equity of FNG NV as per 31/12/2017 (in EUR thousand)	272,096
Equity increase through the capital increase (in EUR thousand)	78,000
Total equity after capital increase (in EUR thousand)	350,096
<hr/>	
Equity value per share before capital increase	30.30
Equity value per share after capital increase	30.50
Dilution as a percentage	- 0.6%

If the Offer Price amounts to EUR 32, the equity value per share shall not be diluted, but increased by 0.6% (i.e. negative dilution of - 0.6%).



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# SECTION VI.

## CAPITALIZATION AND INDEBTEDNESS

### 1. CAPITALIZATION & INDEBTEDNESS

The following tables set forth the cash and cash equivalents, the capitalization and the indebtedness of FNG, (i) as of 31 December 2017, (ii) as of 29 April 2018, and (iii) as adjusted to give effect to the Offering assuming a raise of gross proceeds amounting to EUR 80,000,000.

The situation as of 29 April 2018 shows the effect of the repayment of the 2014 bond loan of EUR 25,000,000, the additional borrowed amount (capex facility) of EUR 25,000,000 under the Club Deal<sup>5</sup> which was used to finance the repayment of the 2014 bond loan and the additional drawings under the Club Deal to finance the working capital need in end-April 2018 (adjusted for borrowing costs related to the new Club Deal).

The repayment of this 2014 bond loan of EUR 25,000,000 on 15 April 2018 was financed by funds drawn under the Club Deal, and is therefore not linked to this Offering. The financing of the repayment of the 2014 bond loan with funds drawn under the Club Deal can be seen as a temporary solution, as it is the intention of the Company to use the proceeds of the future EMTN notes issuances for this purpose<sup>6</sup>. In that case, the funds drawn under the Club Deal for the repayment of the 2014 bond loan will not be repaid by the proceeds of the future EMTN notes, but will be used for the general capex program of the Group. In short, the use of proceeds of this Offering will not be used to (re)finance the repayment of the 2014 bond loan of EUR 25,000,000.

In December 2017, the Company granted in total five (5) warrants (the “**Warrants**”) to the investors who subscribed to the private placement of EUR 30,000,000 (See Section XIV. 8 (*Description of share capital and Articles of Association - Convertible bonds and warrants*)). Since the Warrants were incompatible with Belgian company law (as they were structured as anti-dilution warrants), the Company repurchased these five (5) Warrants in the beginning of June 2018, prior to the relocation of its actual center of activities (*zetel van werkelijke leiding*) from the Netherlands to Belgium on 5 June 2018. As a consequence of this repurchase, the Warrants ceased to exist and ceased to be exercisable. The repurchase price amounted to EUR 4,172,000, which is booked in accordance with IFRS as a decrease of the shareholders equity (i.e. share capital and share premium) in the tables below. The use of proceeds of this Offering will not be used to (re)finance the repurchase of the Warrants.

This tables should be read in conjunction with Section III. (*Use of proceeds*), Section VII. (*Selected consolidated financial information*) and Section VIII. (*Operating and financial review and prospects*).

<sup>5</sup> See Section XV. 4.1 (Description of the Group - Financing of the Group 4.4 - Club Deal).

<sup>6</sup> See Section XIV. Section XV. 4.4 (Description of the Group - Financing of the Group 4.4 - Bond issues).

### CAPITALIZATION

(in thousands of euros)	31/12/2017	29/04/2018	Potential Future Outcome after Public Offering
<b>Total current debt</b>	<b>76,473</b>	<b>49,482</b>	<b>49,482</b>
- Guaranteed	56,596	29,605 <sup>(1)</sup>	29,605
- Secured	56,596	29,605 <sup>(1)</sup>	29,605
- Unguaranteed / Unsecured	19,877	19,877	19,877
<b>Total non-current debt (excluding current portion of long-term debt)</b>	<b>195,958</b>	<b>244,025</b>	<b>244,025</b>
- Guaranteed	99,828	147,895 <sup>(2)</sup>	147,895
- Secured	75,308	147,895 <sup>(3)</sup>	147,895
- Unguaranteed / Unsecured	96,130	96,130	96,130
<b>Shareholders equity</b>	<b>272,096</b>	<b>272,096</b>	<b>345,925</b>
- Share capital & share premium	266,022	266,022	339,850 <sup>(4)</sup>
- Legal Reserve			
- Other Reserves	6,074	6,074	6,074

- (1) Decrease under the Club Deal of the current debt of EUR 26,991,000. Total evolution Club Deal facility should be seen together with non-current part (2) - see below.
- (2) Compared to the situation per 31 December 2017, the following items are taken into account: (i) the EUR 25,000,000 capex facility under the Club Deal to finance the repayment of the 2014 Bond loan EUR 25,000,000, (ii) the EUR 48,292,000 additional drawings under the Club Deal to finance the working capital need end April 2018 and (iii) the change in adjustment of borrowing costs of bank debt due to the new Club Deal (EUR 705,000)
- (3) Compared to the situation per 31 December 2017, the following items are taken into account: (i) the repayment of the 2014 Bond loan EUR 25,000,000, (ii) the EUR 25,000,000 capex facility under the Club Deal to finance the repayment of the 2014 Bond loan EUR 25,000,000, (iii) the EUR 48,292,000 additional drawings under the Club Deal to finance the working capital need end April 2018 and (iv) the change in adjustment of borrowing costs of bonds due to the repayment of the 2014 bond loan (EUR 480,000) and borrowing costs of bank debt due to the new Club Deal (EUR 705,000) - net the adjustment of borrowing costs had an effect of EUR (225,000).
- (4) Compared to the situation per 29 April 2018, the following items are taken into account: (i) increase due to the net proceeds of the Offering (assuming proceeds of EUR 80,000,000 less EUR 2,000,000 costs (legal costs: EUR 200,000, due diligence EUR 100,000, auditor 50,000 and banks 1,600,000) and (ii) decrease due to the price for the repurchase of the 5 Warrants (EUR 4,172,000) in the beginning of June 2018 which is booked in accordance with IFRS as a decrease of the shareholders equity.

## NET INDEBTEDNESS

(in thousands of euros)	31/12/2017	29/04/2018	Potential Future Outcome after Public Offering
A. Cash	90,470	61,429 <sup>(1)</sup>	135,257 <sup>(5)</sup>
B. Cash Equivalent (Detail)	0	0	0
C. Trading securities	0	0	0
<b>D. Liquidity (A+B+C)</b>	<b>90,470</b>	<b>61,429 <sup>(1)</sup></b>	<b>135,257</b>
<b>E. Current Financial Receivable</b>	<b>0</b>	<b>0</b>	<b>0</b>
F. Current Bank debt	56,596	29,605 <sup>(2)</sup>	29,605
G. Current portion of non current debt	0	0	0
H. Other financial debt	19,877	19,877	19,877
<b>I. Current Financial debt (F)+(G)+(H)</b>	<b>76,473</b>	<b>49,482</b>	<b>49,482</b>
<b>J. Net Current Financial Indebtedness (I)-(E)-(D)</b>	<b>(13,997)</b>	<b>(11,947)</b>	<b>(85,775)</b>
K. Non current bank loans	75,308	147,895 <sup>(3)</sup>	147,895
L. Bonds Issued	93,305	68,785 <sup>(4)</sup>	68,785
M. Other non-current loans	27,346	27,346	27,346
<b>N. Non current Financial Indebtedness (K)+(L)+(M)</b>	<b>195,958</b>	<b>244,026</b>	<b>244,026</b>
<b>O. Net Financial Indebtedness (J) + (N)</b>	<b>181,961</b>	<b>232,079</b>	<b>158,251</b>

- (1) Decrease in cash due to finance working capital need end April 2018.
- (2) Decrease under the Club Deal of the current debt of EUR 26,991,000. Total evolution Club Deal facility should be seen together with non-current part (3) (see below).
- (3) Compared to the situation per 31 December 2017, the increase is due to (i) the EUR 25,000,000 capex facility under the Club Deal to finance the repayment of the 2014 Bond loan EUR 25,000,000, (ii) the EUR 48,292,000 additional drawings under the Club Deal to finance the working capital need end April 2018 and (iii) the change in adjustment of borrowing costs due to the new Club Deal (net effect of EUR 705,000).
- (4) Decrease due to repayment of the 2014 Bond loan of EUR 25,000,000, adjusted for de-activating the related borrowing costs (EUR 480,000)
- (5) Compared to the situation per 29 April 2018, the following items are taken into account: (i) increase due to the net proceeds of the Offering, (assuming proceeds of EUR 80,000,000 less EUR 2,000,000 costs (legal costs: EUR 200,000, due diligence EUR 100,000, auditor 50,000 and banks 1,600,000)), and (ii) decrease due to the price for the repurchase of the 5 Warrants (EUR 4,172,000) in the beginning of June 2018 which is booked in accordance with IFRS as a decrease of the shareholders equity.

The Group is financed by bank loans, bonds, mezzanine financing and share capital. While the Group was financed per business unit at the end of 2017, this way of financing was restructured as per 28 February 2018. At that time, the Group consolidated most of its bank loans under a single umbrella facility (i.e. the Club Deal). In addition to the Club Deal, the Group is financed by other financial loans.

The details of the loans and the bond issuances **as per 31 December 2017** are shown in the table below:

Bank / Bond	type of debt	Amount (EUR mio)	maturity	interest rate	drawn d.d. 31/12/2017 (EUR mio)
Bank debt	FNG Group Club Deal	108.5	Mar/20	Max 3.25%	88.1
	Brantano credit facility	37	Dec/18 (20) and Dec/22 (17)	2.30%	35.6
	Miss Etam	22.5	Jun/20	Max 3.0%	7.1
	Concept Fashion Group	2.5	Mar/18	Max 3.0%	2.5
	Adjustment for borrowing costs				-1.4
	<b>Total bankdebt</b>	<b>170.5</b>			<b>131.9</b>
Bond & Mezzanine debt	Mezzanine (FNG Int Holding NV)	10	Dec/20	5% / deferred 5.5%	10
	Senior bond (FNG Benelux Holding NV)	45	Jul/23	5.50%	45
	Senior bond (FNG Group NV)	25	Apr/21	4.63%	25
	Subordinated loan (FNG Group NV)	5	Jun/21	7.45%	5
	Subordinated loan (FNG Group NV)	5	Jun/21	7.45%	5
	Subordinated bonds (FNG Group NV)	14.45	Jun/21	7.45%	14.5
	Subordinated bonds (FNG Group NV)	0.2	Oct/62	-	0.2
	Adjustment for borrowing costs				-1.3
	<b>Total bond &amp; Mezzanine debt</b>	<b>104.7</b>			<b>103.4</b>
<b>Total borrowings</b>		<b>275.2</b>			<b>235.3</b>

The details of the loans **after the refinancing in February 2018** and the existing bond issuances are shown in the table below:

Bank / Bond	type of debt	Amount (EUR mio)	maturity	interest rate	drawn d.d. 29/04/2018 (EUR mio) <sup>(2)</sup>
Bank debt	Term loan (FNG Holding NV)	120	Feb/23	2.25%	120
	Capex loan (FNG Holding NV)	50	Feb/23	2.25%	30
	RCF (FNG Holding NV)	70	Feb/23	2.00%	29.6
	Incremental facility (FNG Holding NV) <sup>(1)</sup>	50	nr	nr	0
	Adjustment for borrowing costs				-2.1
	<b>Total bankdebt</b>	<b>290</b>			<b>177.5</b>
Bond & Mezzanine debt	Mezzanine (FNG Int. Holding NV)	10	Dec/20	5% / deferred 5.5%	10
	Senior bond (FNG Benelux Holding NV)	45	Jul/23	5.50%	45
	Subordinated loan (FNG Group NV)	5	Jun/21	7.45%	5
	Subordinated loan (FNG Group NV)	5	Jun/21	7.45%	5
	Subordinated bonds (FNG Group NV)	14.45	Jun/21	7.45%	14.45
	Subordinated bonds (FNG Group NV)	0.2	Oct/62	-	0.2
	Adjustment for borrowing costs				-0.8
	<b>Total bond &amp; Mezzanine debt</b>	<b>79.7</b>			<b>78.85</b>
<b>Total borrowings</b>		<b>369.7</b>			<b>256.4</b>

(1) The incremental facility is not committed

(2) Excluded use of ancillary line (reserved for EUR 25,000,000)

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## OTHER FINANCIAL LIABILITIES

The other financial liabilities, with a fair value of EUR 37,085,000 as per 31 December 2017, consist of the following elements:

- Finance lease liabilities relating to the head office in Mechelen (Belgium): EUR 12,431,000;
- Deferred consideration business combination (Mirus International NV, now called FNG Boutique Holding NV): EUR 19,250,000; this financial liability is due within one year after the acquisition of Mirus International NV (payable before 31 December 2018), without any other conditions;
- Coltaparte Loan<sup>7</sup> of EUR 4,453,000 with maturity 31 May 2020;
- Derivative instruments: EUR 951,000.

## LEVERAGE RATIO

After the Offering, FNG targets a Leverage Ratio (i.e. net fin debt/ Adjusted EBITDA) of around 2.0-2.5x, which could go up to 3.0x during periods of heavy investment. In the long run, FNG's target Leverage Ratio is 1.0-1.5x.

## 2. WORKING CAPITAL STATEMENT

In the Company's opinion, the working capital available prior to the Offering is sufficient for its present requirements, that is, for the next twelve (12) months following the date of this Prospectus.

<sup>7</sup> See Section XV. 4.3 (Description of the Group - Financing of the Group - Coltaparte Loan)



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## SECTION VII.

# SELECTED CONSOLIDATED FINANCIAL INFORMATION

*FNG's consolidated financial statements for the financial years ended respectively on 31 December 2016 and 31 December 2017 have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS") and were audited by Mazars Paardekooper Hoffman N.V.*

*The consolidated interim financial statements of R&S Finance B.V. for the period from 1 May 2015 until 31 December 2015, prepared in accordance with IFRS and included elsewhere in the Prospectus, have been audited by Mazars Paardekooper Hoffman N.V. The consolidated financial statements of Miss Etam Operations B.V. for the financial year ended on 31 December 2016, prepared in accordance with IFRS and included elsewhere in the Prospectus, have been audited by Mazars Paardekooper Hoffman N.V.*

*The consolidated income statement of FNG Group NV for the financial year ended on 31 March 2016, prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have not been audited. The consolidated financial statements of FNG Group NV for the extended financial year ended on 31 December 2016 (1 April 2015 - 31 December 2016), prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have been audited by Figurad Bedrijfsrevisoren BV BVBA. The consolidated income statement of FNG Group NV for the twelve month period ended on 31 December 2016, prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have not been audited.*

*The statutory financial statements of Brantano NV for the financial years ended respectively on 31 December 2015 and 31 December 2016, prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have been audited by Ernst & Young Bedrijfsrevisoren BV CVBA.*

*The selected consolidated financial information presented below should be read in conjunction with Section VIII. (Operating and financial review and prospects) and the historical Consolidated Financial Statements included elsewhere in this Prospectus.*

### Warning

Please note that the appended consolidated financial statements for the financial year ended on 31 December 2017 do not comply with the Alternative Performance Measures (APM) Guidelines of ESMA<sup>8</sup>. In order to comply with these APM Guidelines, the Prospectus includes information on APM's (see Annex III for an overview of the APM's used in the Prospectus) that differs from the consolidated financial statements for the financial year ended on 31 December 2017:

- in the statement of comprehensive income, the subtotals REBITDA and REBIT have been renamed to Adjusted EBITDA and Adjusted EBIT.
- the Prospectus includes for each APM a definition and information on the use/utility of it for the reader (see Annex III).
- where an APM cannot be directly derived from the IFRS financial statements, a reconciliation to the most directly reconcilable IFRS line item, subtotal or total is included in the Prospectus. These reconciliations separately identify and explain the material reconciling items.

### Scope of the consolidated group

#### *i. Timeline of acquisitions 2015 - 2016<sup>9</sup>*

- On 5 January 2016, Dico International N.V. (a non-operating company listed on Euronext Amsterdam, now named FNG NV) acquired 100% of the shares of R&S Finance B.V. (renamed Miss Etam Holding in 2017), an operating company which was relaunched as Miss Etam after the bankruptcy of the latter company in 2015 (1 May 2015). This was a reverse acquisition for accounting purposes as the shareholders of R&S Finance B.V. became the majority and controlling shareholders of the new combined group, named R&S Retail Group N.V. (and subsequently FNG NV).
- On 26 June 2016, 100% of the voting rights in FNG Group NV (now named the FNG Roots Group), a Belgium-based retail group, were acquired.
- On 14 September 2016, 100% of the voting rights in BrantNew BVBA, a Belgian holding company controlling Brantano NV, were acquired.
- On 31 December 2016, 100% of the voting rights in Steps Nederland B.V. and Superstar B.V. (together "Steps/Superstar"), a retail group active in the Netherlands, were acquired.
- On 31 December 2017, the Group acquired 100% of the voting rights in Mirus International NV (renamed FNG Boutique Holding NV), a Belgium-based retail group consisting of the following subsidiaries: G.B.O. (Hong Kong) Limited, Concept Fashion Group NV, Concept Fashion Store BVBA, Concept Fashion Store XL BVBA and Suitcase NV.

<sup>8</sup> Published on 5 October 2015, <https://www.esma.europa.eu/press-news/esma-news/esma-publishes-final-guidelines-alternative-performance-measures>.

<sup>9</sup> See Section XV. 2 (Description of the Group - Realized acquisitions and divestments in order to build the Group).

## ii. Consolidation

The consolidated financial statements for 2016 and 2017 of FNG N.V. are basically a continuation of the 2015 financial statements of R&S Finance B.V., as Dico International N.V. had not been operational for several years. Therefore, the 2015 comparative statements presented in these consolidated financial statements relate to R&S Finance B.V. As the Miss Etam business was only brought in as per 1 May 2015, the figures presented for this entity relate to only 8 months of business.

In 2016 and 2017, the scope of the consolidated group changed during the year due to the abovementioned acquisitions. For practical reasons (the availability of figures), the time of consolidation does not always match the time of acquisition. FNG Group NV (FNG Roots) was included in the scope of the consolidated group as from 1 July 2016, Brantano as from 24 August 2016, Steps Nederland B.V. and Superstar B.V. as from 31 December 2016, and Mirus International NV (now called FNG Boutique Holding NV) as from 31 December 2017.

### Statement of Financial Position

<b>ASSETS</b> (in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Non-current assets</b>	<b>441,971</b>	<b>379,187</b>	<b>8,540</b>
Goodwill	80,162	59,831	0
Intangible assets	275,313	244,256	1,174
Property, plant and equipment	70,175	57,099	6,389
Deferred tax assets	16,321	18,000	977
Other non-current assets	0	0	0
<b>Current assets</b>	<b>255,947</b>	<b>182,176</b>	<b>19,145</b>
Inventories	82,787	86,941	6,985
Trade and other receivables	69,601	24,975	7,027
Income tax receivables	0	226	0
Other financial assets	9,035	14	0
Other current assets	4,053	3,113	3,801
Cash and cash equivalents	90,470	66,907	1,358
<b>TOTAL ASSETS</b>	<b>697,918</b>	<b>561,362</b>	<b>27,685</b>
<b>EQUITY AND LIABILITIES</b> (in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Equity attributable to owners of the parent</b>	<b>272,096</b>	<b>234,988</b>	<b>(2,972)</b>
Share capital	718	643	0.005
Share premium	265,304	235,595	0
Retained earnings and other reserves	6,074	(1,250)	(2,972)
<b>TOTAL EQUITY</b>	<b>272,096</b>	<b>234,988</b>	<b>(2,972)</b>
<b>Non-current liabilities</b>	<b>243,703</b>	<b>206,912</b>	<b>15,175</b>
Provisions	357	175	0
Post-employment benefit obligations	154	312	0
Borrowings	178,750	142,414	0
Other financial liabilities	17,208	18,328	15,175
Deferred tax liabilities	47,235	45,682	0
Other non-current liabilities	0	0	0



<b>EQUITY AND LIABILITIES</b> (in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Current liabilities</b>	<b>182,119</b>	<b>119,463</b>	<b>15,482</b>
Provisions	1,316	2,096	1,252
Borrowings	56,596	35,363	1,968
Trade and other payables	96,287	75,241	11,642
Current tax liabilities	1,142	0	0
Other financial liabilities	19,877	23	0
Other current liabilities	6,901	6,740	621
<b>Total liabilities</b>	<b>425,822</b>	<b>326,374</b>	<b>30,657</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>697,918</b>	<b>561,362</b>	<b>27,685</b>

#### Statement of Comprehensive Income

(in thousands of euros)	<b>2017</b>	<b>2016</b>	<b>2015 (8 months)</b>
Revenue	482,402	242,298	73,029
Cost of merchandise	(215,329)	(102,137)	(32,548)
<b>Gross profit</b>	<b>267,074</b>	<b>140,162</b>	<b>40,481</b>
Employee benefit expenses	(90,861)	(47,702)	(14,694)
Other operating expenses	(130,832)	(71,618)	(23,995)
<b>Adjusted EBITDA</b>	<b>45,381</b>	<b>20,841</b>	<b>1,792</b>
Amortization and depreciation expenses	(18,777)	(9,468)	(882)
<b>Adjusted EBIT</b>	<b>26,603</b>	<b>11,374</b>	<b>910</b>
Adjustments to the EBIT (One-off results)	(7,516)	(7,688)	(4,090)
<b>EBIT</b>	<b>19,087</b>	<b>3,686</b>	<b>(3,179)</b>
Financial income	2,548	1,179	38
Financial expenses	(13,216)	(7,498)	(809)
Exchange gains/(losses)	(647)	0	0
<b>Profit/(loss) before tax</b>	<b>7,772</b>	<b>(2,634)</b>	<b>(3,950)</b>
Income tax	(459)	429	977
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>7,313</b>	<b>(2 205)</b>	<b>(2,972)</b>
Basic and diluted earnings / (loss) per share (in EUR)	0.91	(0.84)	(5.94)

As the scope of consolidation changed significantly in 2015, 2016 and 2017 (see Section VII. *(Selected Consolidated Financial Information - Scope of the consolidated group)* above), the respective reported statement of comprehensive income for each of those three years cannot be compared.

For the purpose of comparison, compiled figures for 2015 and 2016 are presented as well in the table below. These compiled figures are not audited.

#### Non-audited compiled Statements of Comprehensive Income

(in thousands of euros)	<b>2017</b>	<b>2016</b>	<b>2015</b>
Revenue	482,402	459,833	467,883
Cost of merchandise	(215,329)	(213,541)	(237,212)
<b>Gross profit</b>	<b>267,074</b>	<b>246,292</b>	<b>230,671</b>
Employee benefit expenses	(90,861)	(82,419)	(79,699)
Other operating expenses	(130,832)	(126,253)	(123,555)
<b>Adjusted EBITDA</b>	<b>45,381</b>	<b>37,620</b>	<b>27,417</b>

(in thousands of euros)	2017	2016	2015
Amortisation and depreciation expenses	(18,777)	(28,702)	(17,043)
<b>Adjusted EBIT</b>	<b>26,603</b>	<b>8,918</b>	<b>10,374</b>
Adjustments to the EBIT (One-off result)	(7,516)	(3,832)	(64,985)
<b>EBIT</b>	<b>19,087</b>	<b>5,086</b>	<b>(54,611)</b>
Financial income and expenses	(11,315)	(9,390)	(6,042)
Profit/(loss) before tax	7,772	(4,304)	(60,652)
Income tax	(459)	2,915	(3,658)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>7,313</b>	<b>(1,389)</b>	<b>(64,309)</b>
Basic and diluted earnings / (loss) per share (in EUR) <sup>10</sup>	0.91	(0.17)	(7.97)

The non-audited compiled figures for **2015** are the sum of:

- The audited consolidated financial statements of R&S Finance B.V. (Miss Etam) for the financial year ended on 31 December 2015, prepared in accordance with IFRS. As the Miss Etam business was only brought in as per 1 May 2015, the figures presented for this entity relate to only 8 (eight) months of business.
- The unaudited consolidated financial statements of FNG Group NV (FNG Roots) for the financial year ended on 31 March 2016, prepared in accordance with BEGAAP.
- The audited consolidated financial statements of Brantano NV (Brantano) for the financial year ended on 31 December 2015, prepared in accordance with BEGAAP.

As there were no intercompany transactions, no eliminations were needed.

The non-audited compiled figures for **2016** are the sum of:

- The audited consolidated financial statements of R&S Finance B.V. (Miss Etam Holding B.V.) for the financial year ended on 31 December 2016, prepared in accordance with IFRS.
- The consolidated financial statements of FNG Group NV (FNG Roots) for the 12 month period ended on 31 December 2016, prepared in accordance with BEGAAP. The non-audited figures for this twelve month period are based on the audited consolidated financial statements of FNG Group NV (FNG Roots), for the financial year ended on 31 December 2016. As this financial year was an extended year (21 months instead of 12 months), these audited figures could not be used for comparison.
- The audited consolidated financial statements of Brantano NV (Brantano) for the financial year ended on 31 December 2016, prepared in accordance with BEGAAP.

The intercompany sales over 2016 were eliminated for in income and costs of goods sold.

The detailed calculation and underlying documents are appended to this Prospectus. The annexes do not contain every detail needed in order to be able to reconcile each number, since the Company preferred to provide official supporting documentation instead of internal documents.

As mentioned, the compiled figures are a mix of BEGAAP and IFRS figures. BEGAAP figures have been used when no audited IFRS figures were available. As the impact of the transition from BEGAAP to IFRS is very limited on the statement of comprehensive income, this compilation is a good basis for comparison.

The compiled figures are the sum of IFRS and BEGAAP figures. The BEGAAP figures are not adjusted to IFRS given the small changes. The main points on which the BEGAAP deviates from IFRS for FNG are:

- Reversal of capitalized expenses that are not permitted under IFRS, for example startup costs relating to opening new stores. This has an impact on the operating expenses, depreciation and intangible fixed assets.
- Reversal of amortization of intangible fixed assets in order to reconcile with the Group valuation (FNG NV). This has an impact on the depreciation and the book value of the intangible fixed assets.
- Borrowing costs relating to the acquisition or construction of qualifying assets are capitalized as part of the costs of that asset (for example: borrowings and issue of equity). Under BEGAAP these expenses are capitalized under intangible fixed assets. This results in requalification of statement of financial position items, and therefore has no impact on the income statement.
- Recognition of the lease of the headquarters in Mechelen as a financial lease under IFRS. This has an impact on the tangible fixed assets and long term liabilities. In addition, IFRS recognizes amortization and interest expenses rather than rental expenses.

<sup>10</sup> Earnings per share are calculated for 2015 and 2016 with the same number of shares as for 2017.

- Recognition of financial instruments, such as interest swaps. This has an impact on the financial income/expenses and financial assets/liabilities.
- Due to the above mentioned differences between BEGAAP and IFRS, a deferred tax liability is recognized under IFRS.
- The impact of the transition from BEGAAP to IFRS in 2017 on the other operating expenses (and as a result for the Adjusted EBITDA) was negative for an amount of EUR 857,000. The impact on depreciations was positive for an amount of EUR 1,615,000. The impact on the Adjusted EBIT was positive for an amount of EUR 758,000. The impact on the financial result was negative for EUR 1,030,000. Tax had no impact as only movement in Income statement from/to deferred taxes. Effect on net result was negative for an amount of EUR 224,000.

## Cash Flow Statement

(in thousands of euros)	2017	2016	2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating results	19,087	3,686	(3,179)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization expenses	18,776	9,468	882
Provisions	(502)	(812)	1,252
Gain on a bargain purchase	0	(1,377)	0
Loss on disposal	4,407	0	0
Exchange (gains)/losses	647	0	0
Other	338	0	0
Changes in working capital:			
Inventories	10,643	12,539	6,042
Trade and other receivables	(69,135)	31,640	(8,528)
Other financial assets	70	0	0
Other current assets	(780)	4,391	0
Trade and other payables	10,113	(48,626)	12,437
Other current liabilities	(2,032)	1,680	1,197
<b>Cash generated from operations</b>	<b>(8,369)</b>	<b>12,589</b>	<b>10,103</b>
Taxes received	217	0	0
<b>Net cash generated from operating activities</b>	<b>(8,152)</b>	<b>12,589</b>	<b>10,103</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received	2,548	2,739	0
Purchases of PP&E	(30,938)	(17,863)	(1,445)
Purchases of Intangible assets	(13,059)	(3,335)	0
Proceeds from disposal of PPE	2,629	672	0
Proceeds from disposal of intangible assets	591	145	0
Loans granted	0	0	(2,300)
Disposal of subsidiaries	17,243		
Acquisition of subsidiaries, net of cash acquired	(20,629)	36,915	(20,000)
<b>Net cash provided by/(used in) investing activities</b>	<b>(41,615)</b>	<b>19,273</b>	<b>(23,745)</b>

(in thousands of euros)	2017	2016	2015
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity instruments of the Company (net of issue costs)	29,784	30,854	0
Proceeds from borrowings	83,200	18,800	20,000
Reimbursements of borrowings	(26,480)	(8,469)	(5,000)
Proceeds from bank debts	0	0	0
Reimbursements of bank debts	0	0	0
Reimbursements of financial lease liabilities	0	0	0
Interest paid	(13,174)	(7,498)	0
<b>Net cash provided by/(used in) financing activities</b>	<b>73,330</b>	<b>33,687</b>	<b>15,000</b>
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	 <b>23,563</b>	 <b>65,549</b>	 <b>1,358</b>
 <b>CASH AND CASH EQUIVALENTS at beginning of year</b>	 <b>66,907</b>	 <b>1,358</b>	 <b>0</b>
Net effect of currency translation on cash and cash equivalents	0	0	0
<b>CASH AND CASH EQUIVALENTS at end of year</b>	<b>90,470</b>	<b>66,907</b>	<b>1,358</b>





# SECTION VIII.

## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

### 1. OPERATING AND FINANCIAL REVIEW

#### 1.1 EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITIONS PER 31 DECEMBER 2015, 2016 AND 2017

##### *i. Statement of financial position: assets*

##### • Goodwill

At the end of 2017, the statement of financial position indicated goodwill of EUR 80.2 million. This is the goodwill resulting from the various acquisitions in 2016 and 2017 mentioned above.

Goodwill resulting from the acquisition of Concept Fashion Group NV and Suitcase NV is allocated to the Brantano CGU<sup>11</sup>.

The goodwill of FNG Roots Group (FNG Group NV) decreased in 2017 due to the disposal of Rainbow Garment Ltd (a Hong Kong-based company in the FNG Roots Group). See Section XV. 3.6 (*Description of the Group - Realized acquisitions and divestments in order to build the Group - Divestment of Rainbow Garment Ltd.*).

The allocation per CGU is as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
FNG Roots	54,342	59,831	0
Miss Etam	0	0	0
Brantano	25,820	0	0
<b>Goodwill</b>	<b>80,162</b>	<b>59,831</b>	<b>0</b>

An impairment analysis, carried out at the end of 2017, revealed no impairment.

##### • Intangible assets

Intangible assets are mainly the trade names and trade marks of FNG Roots (EUR 221.4 million). These were valued by an external party in 2016 at the time FNG Roots was acquired.

The breakdown of intangible assets is as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Software	7,562	5,858	0
Tradenames and trademarks	233,970	233,225	1,174
Customer lists and suppliers lists	30,942	2,500	0
Key money	2,838	2,673	0
<b>Total Intangible assets</b>	<b>275,313</b>	<b>244,256</b>	<b>1,174</b>

“Software” includes software acquired or developed by external suppliers and capitalized internal development costs.

“Trade names and trademarks” were either acquired directly or obtained as a result of business combinations.

<sup>11</sup> Cash Generating Unit

The additions in “customer lists and supplier lists” relate to supplier lists acquired in 2017. The value of the supplier lists of Concept Fashion Group NV and Suitcase NV amount to EUR 18.9 million, as calculated by an external party. This valuation was executed in view of the purchase price allocation in the context of the acquisition of those two companies. FNG Buying Platform Holding BVBA paid EUR 9.5 million for a list of Chinese suppliers. This acquisition is expected to lead to better buying conditions in the coming years.

“Key money” has been acquired through business combinations and represents the favorable lease conditions for retail premises.

The additional assets resulting from business combinations relate to the acquisition of Mirus International NV (now named FNG Boutique Holding NV).

The trade names, trademarks, customer lists and supplier lists have an indefinite useful life, due to their nature. As such, they are subject to an annual impairment test.

In 2017, investments in intangible assets totaled EUR 13.1 million, including EUR 3.0 million in software, EUR 0.6 million in trade names and EUR 9.5 million in supplier lists.

#### • Property, plant & equipment

Property, plant and equipment are mainly investments in store fixtures and fittings. As all retail premises are leased, only the fixtures and fittings are taken into account. The significant increase between 2016 and 2017 is explained by the large-scale investment program at Brantano, pursuant to which 47 stores were remodeled in 2017.

The head office in Mechelen (Belgium) is leased. The value of the head office is presented under Buildings.

Machinery and equipment relate to mainly investments in ICT. In 2017 a shift from machinery and equipment to stores took place, as digital screens, POS, etc. are no longer considered machinery and equipment but rather fixtures and fittings.

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Buildings	20,304	19,910	0
Leasehold improvements and other store furniture	36,766	16,068	6,243
Machinery and installations	10,948	19,918	146
Assets under construction	2,157	1,204	0
<b>Total property, plant and equipment</b>	<b>70,175</b>	<b>57,099</b>	<b>6,389</b>

The substantial increase in 2016 was due to the business combinations with FNG Roots and Brantano. The increase in 2017 mainly results from high investments (especially by Brantano) and the business combination with Mirus International NV (i.e. Concept Fashion Group NV, its subsidiaries and Suitcase NV). Total capital expenditure (CAPEX) in 2017 amounted to EUR 30.9 million and is composed as follows:

- Brantano: EUR 24.5 million (mainly remodeling and new stores (EUR 22.6 million))
- Miss Etam: EUR 3.8 million (mainly remodeling and new stores (EUR 1.8 million))
- FNG Roots: EUR 2.7 million

#### • Deferred tax assets

The deferred tax assets mentioned in the consolidated statement of financial position are as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Deferred tax assets	16,321	18,000	977

Deferred tax assets are recognized for unused tax losses to the extent it is probable that taxable profit will be available against which the losses can be offset. The significant increase in 2016 is due to the business combination with FNG Roots and Brantano.

#### • Inventory

Inventory mainly consists of goods for resale (stock held in stores). Inventory increased in 2016 due to the business combinations with FNG Roots and Brantano and decreased in 2017 due to a better stock management.



(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Raw materials and furnitures	1,184	1,383	0
Work in progress	2,464	3,504	0
Goods for resale	82,071	87,739	8,321
<b>Gross carrying amount</b>	<b>85,719</b>	<b>92,626</b>	<b>8,321</b>
Write-downs (impairment)	(2,932)	(5,686)	(1,363)
<b>Net carrying amount</b>	<b>82,787</b>	<b>86,941</b>	<b>6,958</b>

• **Trade and other receivables**

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
<b>Trade receivables</b>			
Trade receivables from third parties	65,429	21,682	843
Write-downs on trade receivables	(1,140)	0	(29)
<b>Total trade receivables</b>	<b>64,290</b>	<b>21,682</b>	<b>814</b>
<b>Other receivables</b>			
Receivables from third parties	4,732	1,513	2,264
Receivables from related parties	579	1,779	3,949
<b>Total other receivables</b>	<b>5,312</b>	<b>3,293</b>	<b>6,213</b>
<b>Total trade and other receivables</b>	<b>69,601</b>	<b>24,975</b>	<b>7,027</b>

In 2015, Miss Etam and Brantano both faced bankruptcy, directly and indirectly. This resulted in inferior payment terms for the Company in 2016. As a result of strong financial results in 2016, the Company was able to negotiate better payment terms with its suppliers which translated into more flexible credit terms. This allowed the Group to offer better credit terms to its customers in 2017. In view of the Group's growth in 2017, management is of the opinion that the current level of trade receivables and payables, integrating all acquired businesses, more accurately reflects the Group's activities, which was not entirely the case in 2016, a transition year. The trade credit terms are determined on a case-by-case basis, but typically range between 30 and 90 days.

The trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Group has not recognized an allowance for doubtful debts as there has not been a significant change in credit quality and the amounts are still considered recoverable.

An aged analysis of past due but unimpaired receivables is presented below:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Not yet due	60,768	7,740	717
Up to 60 days	556	1,617	22
61 to 90 days	316	456	76
>90 days	2,650	11,869	0
<b>Total</b>	<b>64,290</b>	<b>21,682</b>	<b>814</b>

• **Other financial assets**

Other financial assets consist of the remaining proceeds from the sale of the Group's subsidiary, Rainbow Garment. The consideration for the sale amounted to EUR 26.3 million, of which EUR 17.2 million has already been received in cash.

• **Other current assets**

The other (non-current and current) assets are mainly rental accruals and prepaid expenses relating to the Group's operating activities.

• **Cash and cash equivalents**

Cash and cash equivalents are mainly cash at bank and in hand. The credit risk for liquid funds is limited as the counterparties are banks with a high credit-rating by international rating agencies.

ii. Statement of financial position: liabilities

A majority of the total equity of EUR 272.1 million is capital (EUR 265.3 million).

FNG manages its capital in order to maintain a strong level and support the development of its business and ensure creditor confidence while optimizing the return for shareholders. This ensures that Group entities are able to continue in going concern while maximizing the return to stakeholders through optimization of the debt-to-equity ratio and EBITDA.

The capital at the end of 2017 resulted from the following transactions:

Number of shares		
<b>Balance at 31 December 2015</b>		<b>5</b>
Share issue through contribution in kind - Reverse acquisition - R&S Finance B.V.	5/01/2016	10,000,000
Existing shares FNG NV - Reverse acquisition R&S Finance B.V.	5/01/2016	3,367,129
Acquisition shares R&S Finance B.V. - Reverse acquisition R&S Finance B.V.	5/01/2016	(5)
Share issue through contribution in kind - FNG acquisition	9/09/2016	104,367,393
Share issue through contribution in kind - FIPH	12/09/2016	3,010,000
Share issue through contribution in kind - FNG squeeze-out	29/09/2016	90,797
Share issue through contribution in kind - BrantNew acquisition	12/10/2016	20,012,500
Share split	13/10/2016	(133,805,427)
Share issue through contribution in cash	7/12/2016	1,000,000
<b>Balance at 31 December 2016</b>		<b>8,042,392</b>
Share issue through contribution in cash	19/12/2017	937,500
<b>Balance at 31 December 2017</b>		<b>8,979,892</b>

• Provisions (short and long term)

(in thousands of euros)	Restructuring	Onerous contracts	Other provisions	Total
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>510</b>	<b>742</b>	<b>1,252</b>
<b>Balance at 31 December 2016</b>	<b>1,390</b>	<b>197</b>	<b>684</b>	<b>2,271</b>
<b>Balance at 31 December 2017</b>	<b>428</b>	<b>0</b>	<b>1,244</b>	<b>1,672</b>
Of which current provisions	428	0	888	1,316
Of which non-current provisions	0	0	357	357

In 2016, the restructuring provision related to the then on-going restructuring at Brantano, consisted mainly of termination benefits. This was substantially completed in 2017, with a provision of EUR 199,000 remaining at year's end. Additional provisions were established in 2017 for the restructuring of Steps Nederland B.V.

The other provisions relate mainly to claims from employees, individual termination benefits and a provision for projected returns of goods.

• Borrowings (short and long term)

The borrowings presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Bonds	93,305	68,137	0
Bank debts	131,904	93,636	1,968
Other borrowings	10,138	16,004	0
<b>Total borrowings</b>	<b>235,346</b>	<b>177,777</b>	<b>1,968</b>
of which:			
Non-current	178,750	142,414	0
Current	56,596	35,363	1,968

The significant increase in 2016 was due to the business combination with FNG Roots and Brantano.

The increase in 2017 (by EUR 57,569,000) is the result of the investments (mainly in the remodeling of Brantano stores) and the business combination with Mirus International NV (now named FNG Boutique Holding NV). EUR 25 million of the increase in borrowings concerns a bonds issue by FNG Benelux Holding NV in June 2017. The remainder concerns bank debt.

The Group's bonds can be detailed as follows<sup>12</sup>:

- On 1 March 2012, FNG Group NV issued 289 senior unsecured and dematerialized bonds with a nominal value of EUR 50,000 each (for a total amount of EUR 14,450,000) offered for subscription through a private placement. These bonds are not listed on any market and bear an annual interest rate of 7.45%.
- On 29 December 2014, the board of directors of FNG Group NV decided to issue 250 unsubordinated and dematerialized bonds with a nominal value of EUR 100,000 each (for a total nominal amount of EUR 25,000,000). The bonds were issued through a private placement and were listed on Euronext Growth Brussels and bear an annual interest rate of 4.625%. These bonds have been redeemed by FNG Group NV on 15 April 2018.
- On 26 January 2015, the board of directors of FNG Group NV decided to issue 100 subordinated registered bonds with a nominal value of EUR 50,000 each (for a total nominal amount of EUR 5,000,000). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7.45%.
- On 20 March 2015, the board of directors of FNG Group NV decided to issue 1,000 subordinated dematerialized bonds with a nominal value of EUR 5,000 each (for a total nominal amount of EUR 5,000,000). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7.45%.
- On 7 July 2016, FNG Benelux Holding NV issued 200 senior unsecured bonds with a denomination of EUR 100,000 each, for an aggregate nominal amount of EUR 20,000,000. The maturity date of the bonds is 17 July 2023 and the applicable interest rate is 5.50% per year. On 19 June 2017 FNG Benelux Holding NV issued 250 additional senior unsecured bonds with a denomination of EUR 100,000 each, for an aggregate nominal amount of EUR 25,000,000, to be consolidated and form a single series with the bonds issued on 7 July 2016 (a so-called "tap" under the existing bonds issued on 7 July 2016). The bonds correspond to an aggregate nominal amount of EUR 45,000,000. The bonds were issued through a private placement and are listed on Euronext Growth Brussels.

FNG Benelux Holding NV intends to launch a Euro Medium Term Note program (the "**EMTN Program**") with FNG Benelux Holding NV as Issuer and Belfius as Arranger, Dealer and Agent in the short/mid-term following the Offering. Under the EMTN Program, Euro Medium Term Notes ("**Notes**") can be issued up to an aggregate nominal amount of EUR 100,000,000 (the maximum size of the EMTN Program). The Notes will have a nominal value of EUR 100,000 each and will be issued in series.

The bank debts consist mainly of the Club Deal:

- FNG Group NV and other members of the Group entered into a EUR 131,000,000 facilities agreement, originally dated 28 July 2014 and amended and restated on 19 June 2015, further amended on 24 March 2016, and further amended and restated on 29 March 2017 with ING Belgium NV/SA, Rabobank, BNP Paribas Fortis NV/SA, Belfius Bank NV/SA and ING Bank N.V. In 2018, this credit facility has been refinanced in the framework of the Club Deal (see below).
- Brantano had a credit facility with BNP Paribas Fortis for a maximal amount of EUR 37,000,000, Miss Etam had a credit facility with ABN Amro Bank and ING Netherlands for an amount of EUR 22,500,000 and Concept Fashion Group had a credit facility of EUR 2,452,000. In 2018, these credit facilities have been refinanced in the framework of the Club Deal (see below).

Other borrowings consist mainly of the following loans:

- In October 2016, the Group entered into a mezzanine loan for a total amount of EUR 10,000,000 with external partners carrying a floating interest rate (EURIBOR 3M + margin) and with a maturity date in December 2020.<sup>13</sup>

At the end of February 2018, FNG Holding NV, an indirect subsidiary of FNG NV, entered into a credit facility (the "**Club Deal**")<sup>14</sup> with BNP Paribas Fortis as Coordinator, Security Agent and Agent and BNP Paribas Fortis, ING Belgium, ABN AMRO Bank and Belfius Bank as Original Lenders. Under this credit facility, facilities for an amount of EUR 240,000,000 were made available. Following this credit facility, (i) certain existing financial indebtedness of the Group has been refinanced, (ii) the payment of the transaction costs in relation to the Club Deal transaction has been financed, and (iii) additional financing has been provided for general corporate and working capital purposes and future capital expenditure of FNG Holding NV and its subsidiaries. On 15 April 2018, the facilities of the Club Deal (CAPEX) were used to finance the early redemption of the EUR 25,000,000, 4.625% bonds issued by FNG Group NV, which were in principle due on 15 April 2021. The financing of the early redemption of these bonds with funds drawn under the Club Deal is temporarily, since the early redemption of this bonds will be (re)financed with the proceeds of the future EMTN program. Nevertheless, the capex facility drawn under the Club Deal will not be repaid and used for the Company's investment program.

<sup>12</sup> See Section XV. 4.4 (Description of the Group - Financing of the Group - Bond issues) for a more detailed description of the outstanding bonds.

<sup>13</sup> See Section XV. 4 (Description of the Group - Financing of the Group) for a more detailed description of the financing agreements.

<sup>14</sup> See Section XV. 4 (Description of the Group - Financing of the Group) for a more detailed description of the financing agreements.

For an overview of the bank loans and bonds, see Section VI. 1 (*Capitalization and Indebtedness - Capitalization and Indebtedness*).

As the Company chooses to keep a significant amount of cash available, the borrowings should be seen in combination with the cash and cash equivalents on the statement of financial position. The table below shows the net financial debt (calculated as total borrowings minus cash and cash equivalents; other financial liabilities are not taken into account).

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Borrowings	235,346	177,777	1,968
Cash and cash equivalents	90,470	66,907	1,358
<b>Net financial debt</b>	<b>144,876</b>	<b>110,870</b>	<b>610</b>

In addition, the Leverage Ratio (net financial debt divided by the adjusted EBITDA) is calculated to illustrate the pay-back capacity.

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Net financial debt	144,876	110,870	610
Adjusted EBITDA	45,381	20,841	1,792
<b>Leverage ratio</b>	<b>3.2</b>	<b>5.3</b>	<b>0.3</b>

The Leverage Ratio in 2016 is high, since the net financial debt position of the Group at the end of the year was compared with the adjusted EBITDA which is not the adjusted EBITDA for the whole year (see Section VII. (*Selected Consolidated Financial Information - Scope of the consolidated group*)). Calculated with the compiled full year adjusted EBITDA (EUR 37,620,000), the Leverage Ratio amounts to 2.95.

The (comparative) increase in 2017 is due to the high investments (mainly in Brantano), the benefits of which will only become visible in the coming years.

A large part of the Group's outstanding financial debt (e.g. credit agreements and bond loans) shall expire in the course of 2023. In the past, the Group generally obtained new financing prior to the maturity date of the relevant loan agreements and/or bond loans. In this way the Group has entered into a new Club Deal early 2018 while the 'old' Club Deal only expired at the end of 2020, and the Group has redeemed the 2014 bond loan of EUR 25,000,000 while the maturity date of this bond loan was on 1 June 2021. Hence, it is the intention of the Group to obtain also new financing for the current existing debt prior to the relevant maturity date in 2023 (e.g. by means of entering into a new Club Deal and/or by issuing notes under the future EMTN Program of FNG Benelux Holding NV, which offers the Group substantial flexibility in its financing).

#### • Other financial liabilities (short and long term)

The other financial liabilities presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Finance lease liabilities	12,431	12,431	0
Deferred consideration business combination	19,250	0	0
Shareholdersloan	0	0	10,000
Other loans	4,453	5,000	5,000
Derivative instruments	951	920	175
<b>Total other financial liabilities</b>	<b>37,085</b>	<b>18,352</b>	<b>15,175</b>
of which:			
Non-current	17,208	18,328	15,175
Current	19,877	23	0

The finance lease liabilities, which include the bargain purchase option, relate to the building in Mechelen.

Deferred consideration relates to the acquisition of Mirus International NV (now named FNG Boutique Holding NV) in 2017, for which EUR 19.25 million remained to be paid on 31 December 2017.

The shareholder loan in the amount of EUR 10 million of Miss Etam was paid back after the acquisition of FNG Roots.

## • Deferred tax liabilities

Deferred tax liabilities are recognized for all taxable temporary differences. They were mainly generated when intangible assets were valued further to the business combination with FNG Roots.

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Deferred tax liabilities	47,235	45,682	0

## • Trade and other payables

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Trade payables	77,486	50,548	6,168
Payables relating to fixed assets	240	1,020	0
Other payables relating to employees	8,359	5,538	3,850
Tax payables, other than income tax	5,737	12,389	1,623
Customer loyalty liabilities	565	3,121	0
Other	3,901	2,624	0
<b>Total trade and other payables</b>	<b>96,287</b>	<b>75,241</b>	<b>11,642</b>

Customer loyalty liabilities relate to estimated awards granted to customers. They have shown a significant decrease as a result of Brantano changing its loyalty program in 2017.

The increase in trade payables mainly results from favorable credit terms obtained from suppliers.

## • Other current liabilities

Other current liabilities are the total of accrued expenses and deferred income.

## 1.2 EXPLANATORY NOTES TO STATEMENTS OF COMPREHENSIVE INCOME PER 31 DECEMBER 2015, 2016 AND 2017

### • Segment reporting

Due to the numerous business combinations over the last three years, the explanatory notes to the statement of comprehensive income begins with an overview of the segment reporting. To facilitate comparison, this overview consists of reporting figures (see above) and compiled non-audited (full year) figures. The main evolutions are described in the explanatory notes below.

(in thousands of euros)	Reported figures						Compiled figures for comparison reasons					
	2017						2017					
	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam	Brantano	Group Total	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam	Brantano	Group Total
<b>Revenue</b>	364,023	(109,489)	254,534	101,888	125,980	482,402	364,023	(109,489)	254,534	101,888	125,980	482,402
<b>Cost of merchandise</b>	(220,424)	109,489	(110,935)	(40,454)	(63,940)	(215,329)	(220,424)	109,489	(110,935)	(40,454)	(63,940)	(215,329)
<b>Gross profit</b>	143,599	0	143,599	61,434	62,041	267,074	143,599	0	143,599	61,434	62,041	267,074
<b>Employee benefit expense</b>	(39,421)	0	(39,421)	(22,356)	(29,084)	(90,861)	(39,421)	0	(39,421)	(22,356)	(29,084)	(90,861)
<b>Other operating expenses</b>	(70,167)	0	(70,167)	(34,613)	(26,052)	(130,832)	(70,167)	0	(70,167)	(34,613)	(26,052)	(130,832)
<b>Adjusted EBITDA</b>	34,011	0	34,011	4,465	6,904	45,381	34,011	0	34,011	4,465	6,904	45,381
<b>Amortisation and depreciation expenses</b>	(8,858)	0	(8,858)	(2,179)	(7,740)	(18,777)	(8,858)	0	(8,858)	(2,179)	(7,740)	(18,777)
<b>Adjusted EBIT</b>	25,153	0	25,153	2,286	(836)	26,603	25,153	0	25,153	2,286	(836)	26,603

(in thousands of euros)	Reported figures						Compiled figures for comparison reasons					
	2016						2016					
	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam	Brantano	Group Total	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam	Brantano and BrantNew	Group Total
Revenue	140,873	(39,331)	101,542	98,703	42,053	242,298	279,697	(41,933)	237,764	98,703	123,427	459,833
Cost of merchandise	(77,819)	39,331	(38,488)	(43,199)	(20,450)	(102,136)	(150,804)	41,933	(108,871)	(43,199)	(61,531)	(213,541)
Gross profit	63,055	0	63,055	55,504	21,603	140,162	128,892	0	128,892	55,504	61,896	246,292
Employee benefit expense	(16,358)	0	(16,358)	(21,226)	(10,118)	(47,702)	(31,775)	0	(31,775)	(19,594)	(31,050)	(82,419)
Other operating expenses	(31,978)	0	(31,978)	(31,369)	(8,272)	(71,618)	(66,895)	0	(66,895)	(33,001)	(26,357)	(126,253)
Adjusted EBITDA	14,719	0	14,719	2,909	3,213	20,841	30,222	0	30,222	2,909	4,489	37,620
Amortisation and depreciation expenses	(6,437)	0	(6,437)	(1,598)	(1,433)	(9,468)	(23,629)	0	(23,629)	(1,599)	(3,474)	(28,702)
Adjusted EBIT	8,281	0	8,281	1,311	1,780	11,374	6,592	0	6,592	1,310	1,016	8,918
(in thousands of euros)	2015						2015					
	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam (8 months)	Brantano	Group Total	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam (8 months)	Brantano	Group Total
	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam (8 months)	Brantano	Group Total	FNG Roots before interco elimination	Interco elimination	FNG Roots	Miss Etam (8 months)	Brantano	Group Total
Revenue	0	0	0	73,029	0	73,029	256,942	0	256,942	73,029	137,912	467,883
Cost of merchandise	0	0	0	(32,548)	0	(32,548)	(126,427)	0	(126,427)	(32,548)	(78,238)	(237,212)
Gross profit	0	0	0	40,481	0	40,481	130,515	0	130,515	40,481	59,675	230,671
Employee benefit expense	0	0	0	(14,694)	0	(14,694)	(32,470)	0	(32,470)	(14,694)	(32,534)	(79,699)
Other operating expenses	0	0	0	(23,995)	0	(23,995)	(70,278)	0	(70,278)	(23,995)	(29,282)	(123,555)
Adjusted EBITDA	0	0	0	1,792	0	1,792	27,767	0	27,767	1,792	(2,142)	27,417
Amortisation and depreciation expenses	0	0	0	(882)	0	(882)	(12,257)	0	(12,257)	(882)	(3,904)	(17,043)
Adjusted EBIT	0	0	0	910	0	910	15,510	0	15,510	910	(6,046)	10,374

## • Revenue

The reported revenue rose from EUR 73 million in 2015 to EUR 482.4 million in 2017 as a result of the continued integration of the businesses acquired in 2016.

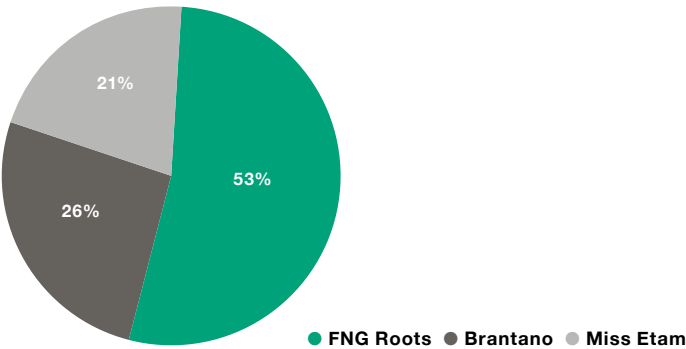
Revenue in 2015 only shows the revenue of Miss Etam for the period from 1/5/2015 to 31/12/2015. In 2016, the reported total revenue was the sum of Miss Etam for 12 months, FNG Roots for 6 months and Brantano for 4 months. In 2017, the reported total revenue was the sum of Miss Etam, FNG Roots and Brantano for 12 months.

On a compiled full-year basis (i.e. FNG Roots, Brantano and Miss Etam for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), sales rose from EUR 467.9 million in 2015 to EUR 482.4 million in 2017, as follows:

- Sales at FNG Roots have remained stable for the last 3 years (EUR 254.5 million in 2017 versus EUR 256.9 million in 2015) (fiscal year ending on 31 March 2016); reported sales of FNG Roots are including the intercompany sales; the sales mentioned for FNG Roots are netted for those intercompany sales;
- Miss Etam has grown since its relaunch from EUR 73 million in 2015 to EUR 101.9 million in 2017. The increase from 2015 to 2016 is explained by the fact that 2015 only contained 8 months of sales, while 2016 was a full year;
- Sales at Brantano dropped from EUR 137.9 million in 2015 to 126.0 million in 2017; this decrease of 8.6% can be explained by a reduction in the number of stores, from 133 at the end of 2015 to 104 at the end of 2017 (-21.8%).

In 2017 sales of FNG Roots (netted for intercompany sales) accounted for slightly more than half of total sales. Brantano accounted for 26% of total sales and Miss Etam for 21%.

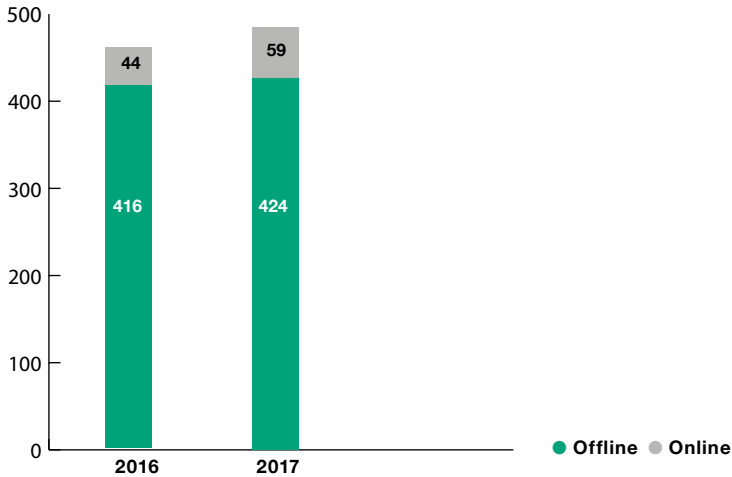
Sales Split 2017



Of the EUR 482 million, EUR 59 million derives from online sales. The business unit with the highest percentage of online sales is Miss Etam (24.7%).

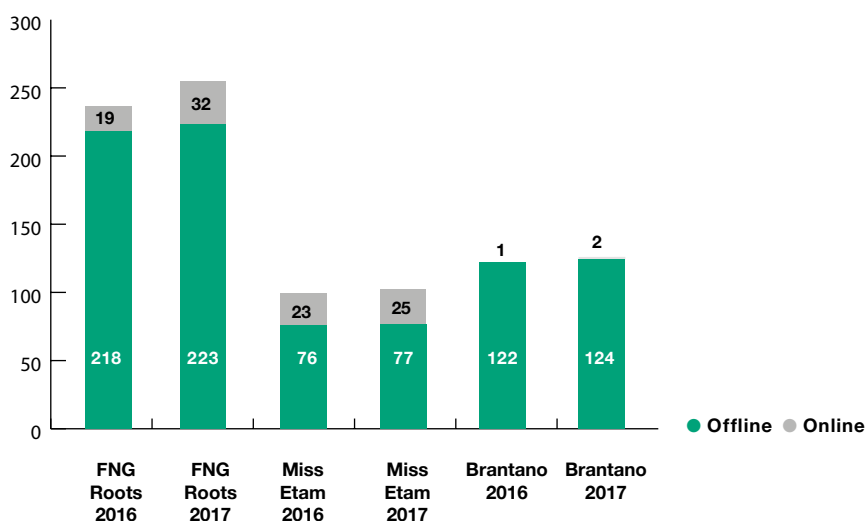
The highest growth is realized in online sales. This trend is expected to continue in future.

Total sales (in thousands of euros)



Despite big investments in the stores of Brantano, offline sales do not show significant growth. This can be explained by the fact that Brantano sold 19 stores in the course of 2016 to Chaussea. While the sales of those stores were still included in the numbers of 2016, this was no longer the case in 2017.

### Sales evolution (in thousands of euros)



### • Gross profit

Gross profit rose from EUR 40.5 million in 2015 to EUR 267.1 million in 2017 as a result of the continued integration of the businesses acquired in 2016.

As a percentage of sales, the gross profit margin was stable at 55.4%. The 2015 margin however is not really comparable as it relates only to the period from 1/5/2015 – 31/12/2015 with thus one sales period missing.

Overview:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Gross Profit	267,074	140,162	40,481
Revenue	482,402	242,298	73,029
<b>Gross profit margin</b>	<b>55.4%</b>	<b>57.8%</b>	<b>55.4%</b>

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), the margin rose from 49.3% to 55.4%.

Overview:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Gross Profit	267,074	246,292	230,671
Revenue	482,402	459,833	467,883
<b>Gross profit margin</b>	<b>55.4%</b>	<b>53.6%</b>	<b>49.3%</b>

The gross profit margins of FNG Roots, Miss Etam and Brantano rose significantly over the last three years.

- The gross profit margin of FNG Roots rose from 50.8% in 2015 to 56.4% in 2017
- The gross profit margin of Miss Etam rose from 55.4% in 2015 to 60.3% in 2017
- The gross profit margin of Brantano rose from 43.3% in 2015 to 49.2% in 2017

The increase in gross profit margins is mainly due to better buying conditions.



## • Employee benefits

Expenses for employee benefits can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Short-term benefits	88,514	46,220	14,166
Defined contribution plans	2,347	1,482	528
<b>Total employee benefit expense</b>	<b>90,861</b>	<b>47,702</b>	<b>14,694</b>

The sharp increase results from the continued integration of the businesses acquired in 2016 and the higher number of people working for the Group.

The total number of employees increased from 431 in 2015 (only Miss Etam) to 3,127 at the end of 2016 to 3,298 at the end of 2017. The number of employees is inherently linked to the number of stores.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), the personnel cost rose from EUR 79.7 million to EUR 90.9 million, which implies growth of 14%.

## • Other expenses

Other operating expenses can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Rental expenses	44,541	30,365	13,178
Expenses related to sales	32,191	13,550	1,717
Marketing expenses	13,309	8,888	2,828
Logistics	12,254	6,598	1,877
Maintenance expenses	1,842	6,004	2,676
IT expenses	4,227	2,264	949
Office expense	4,200	778	0
Consultancy and advisory fees	4,973	1,852	0
Housing expenses	8,622	0	0
Other expenses	4,674	1,320	770
<b>Total other operating expenses</b>	<b>130,832</b>	<b>71,618</b>	<b>23,995</b>

In general the sharp increase results from the continued integration of the businesses acquired in 2016.

Rental expenses mainly relate to rent for buildings in which the individual stores are located. These expenses rose as the number of stores increased significantly due to the businesses acquired in 2016. On a comparable base the evolution of rental expenses follows the number of stores.

The expenses relating to sales refer to fixed and variable fees in the context of shop-in-shop systems and strategic alliances with e-platforms. The latter cost is increasing on a comparable base, due to the growth in online sales via e-platforms.

The evolution in marketing expenses and logistic expenses mainly is explained by the businesses acquired in 2016.

In 2016, maintenance and housing expenses (water, electricity, cleaning) were not split up and were presented as 'maintenance expenses'. In 2017 these expenses were split into different categories. If the 2016 numbers would have been similarly split up, maintenance costs were EUR 1,537,000 and housing costs EUR 4,467,000. Housing expenses follow the number of stores, while maintenance expenses depend on whether the stores have recently been refurbished or not. As the Brantano stores had not been refurbished for a long time, maintenance costs have been high in the past. Thanks to the remodeling, these costs will decrease.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), other operating expenses rose from EUR 123.6 million to EUR 130.8 million, which implies growth of 5.9%.

## • Adjusted EBITDA

Based on the abovementioned drivers, adjusted EBITDA increased from EUR 1.8 million to EUR 45.4 million.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), adjusted EBITDA increased from EUR 27.4 million to EUR 45.4 million, which implies growth of 65.5%.

Evolution of adjusted EBITDA as a % of sales:

### • Reported figures

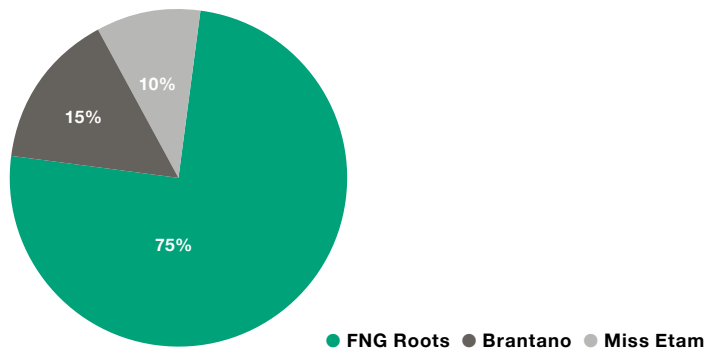
(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Adjusted EBITDA	45,381	20,841	1,792
Revenue	482,402	242,298	73,029
<b>Adjusted EBITDA as a % of sales</b>	<b>9.4%</b>	<b>8.6%</b>	<b>2.5%</b>

### • Compiled figures

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Adjusted EBITDA	45,381	37,620	27,417
Revenue	482,402	459,833	467,883
<b>Adjusted EBITDA as a % of sales</b>	<b>9.4%</b>	<b>8.2%</b>	<b>5.9%</b>

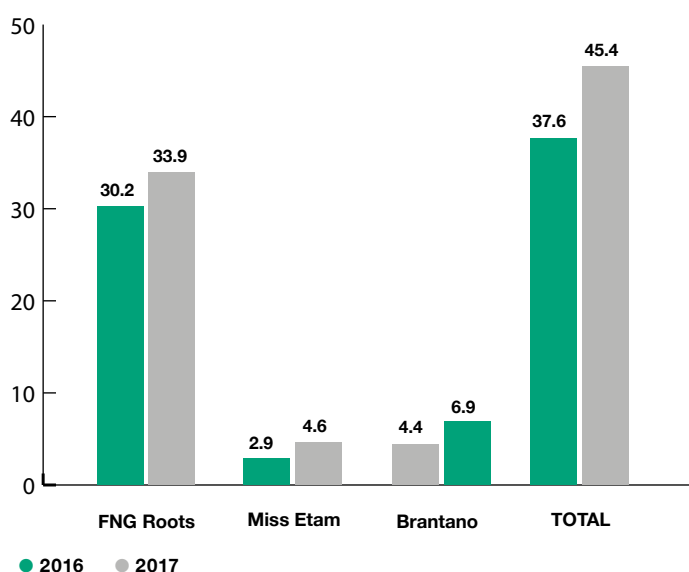
The total EBITDA for 2017 is realized by FNG Roots for 75%, Brantano for 15% and Miss Etam for 10%.

### Adjusted EBITDA split

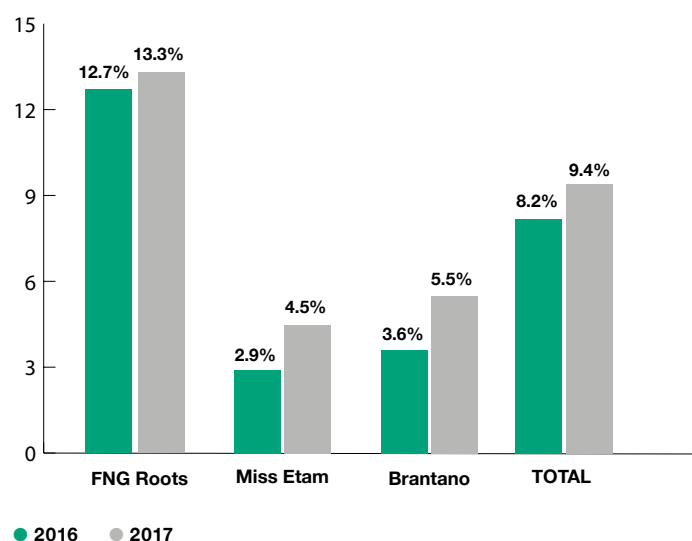


FNG Roots is still the most profitable business unit, but both Brantano and Miss Etam have significantly increased their profitability.

### Adjusted EBITDA evolution



### Adjusted EBITDA as a % of sales



### • Depreciations

Depreciation expenses rose from EUR 0.9 million to EUR 18.8 million as a result of the continued integration of the businesses acquired in 2016.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), depreciation costs rose from EUR 17 million to EUR 18.8 million, an increase of 10.2%.

In 2016, depreciation was higher due to a one-off depreciation of the goodwill of Steps Belgium NV due to its merger with FNG International NV in 2016 (EUR 7 million).

In 2017 depreciations of Brantano were higher due to the combination of high capital expenditure in 2017 and booking out the furniture of the old store concept before it was remodeled.

### • Adjusted EBIT

The adjusted EBIT increased from EUR 0.9 million to EUR 26.6 million.

On a comparable basis (FNG Roots, Miss Etam and Brantano for 12 months in 2017 compared to FNG Roots and Brantano for 12 months and Miss Etam for 8 months in 2015), adjusted EBIT rose from EUR 10.4 million to EUR 26.6 million, an increase of 156.4%.

In 2017, FNG Roots realized an adjusted EBIT of EUR 25.2 million, and Miss Etam EUR 2.3 million. Brantano realized a negative adjusted EBIT of EUR (0.8) million due to high depreciations.

Evolution of adjusted EBIT as a % of sales:

### • Reported figures

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Adjusted EBIT	26,603	11,374	910
Revenue	482,402	242,298	73,029
<b>Adjusted EBIT as a % of sales</b>	<b>5.5%</b>	<b>4.7%</b>	<b>1.2%</b>

- Compiled figures

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Adjusted EBIT as a % of sales	26,603	8,918	10,374
Revenue	482,402	459,833	467,883
<b>Adjusted EBIT as a % of sales</b>	<b>5.5%</b>	<b>1.9%</b>	<b>2.2%</b>

- **Adjustments to the EBIT (One-off results)**

In 2017, a loss was recorded further to the disposal of the Rainbow Garment Ltd. subsidiary.

In 2016, the main one-off results were listing expenses for the reverse acquisition. On 5 January 2016, the Company listed its shares on Euronext Amsterdam through the reverse listing of Dico International N.V. Revalued inventory relates to the revaluation at fair market value of inventory in the context of the acquisition of BrantNew BVBA. In the acquisition balance, where the stock was valued at cost, the stock was revalued at fair value. This inventory was sold by year-end 2016, and the effect of the revaluation was considered to be one-off. The gain on a bargain purchase option relates to the acquisition of BrantNew BVBA.

The 2015 one-off results relate to the acquisition of Miss Etam.

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Acquisition-related expenses	0	0	(4,090)
Listing expenses	0	(5,388)	0
Revalued inventories sold	0	(3,364)	0
Loss on disposal of business	(4,407)	0	0
Loss on disposal of fixed assets	(2,712)	0	0
Gain on a bargain purchase	0	1,377	0
Impairment losses	0	(473)	0
Other	(397)	160	0
<b>Total One-off results</b>	<b>(7,516)</b>	<b>(7,688)</b>	<b>(4,090)</b>

- **Financial results**

Financial results dropped from EUR (0.8) million to EUR (11.3) million as a result of the continued integration of the businesses acquired in 2016 and high investments in 2016 and 2017.

The financial results follow the increase in borrowings over the same period (see section borrowings).

The financial result in 2017 was positively influenced for an amount of EUR 2,213,000. This amount concerned an interest expense provisioned by BrantNew BVBA on a shareholder loan of EUR 25,000,000 that was foreseen as payable in 2016, but with agreement of the lender not payable any more at the end of 2017. This amount is shown as financial income.

- **Income taxes**

Income taxes recognized in the statement of comprehensive income can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Current taxes in respect of the current year	(1,063)	(80)	0
Current taxes in respect of prior years	423	11	0
Deferred taxes	181	498	977
<b>Total income taxes</b>	<b>(459)</b>	<b>429</b>	<b>977</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(in thousands of euros)	31/12/2017	31/12/2016	31/12/2015
Profit/(Loss) before taxes	7,772	(2,634)	(3,950)
Income tax expense calculated at 25%	(1,943)	658	987
Adjustments recognised in the current year in relation to the current tax of prior years	423	11	0
Effect of expenses that are not deductible	(273)	(1,955)	0
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(4,708)	1,759	0
Effect of different tax rates in foreign jurisdictions	4,604	(185)	0
Effect of change in tax rates on deferred tax balances	1,238	0	0
Other	200	141	(10)
<b>Total income taxes</b>	<b>(459)</b>	<b>429</b>	<b>977</b>

#### • Net results

Net results rose from negative EUR 3 million in 2015 to a profit of EUR 7.3 million in 2017.

### 1.3 EXPLANATORY NOTES TO THE CASH FLOW STATEMENT PER 31 DECEMBER 2017

The net cash generated by transactions dropped from EUR 10.1 million to EUR (8.2) million. This can mainly be explained by the rise in trade receivables in 2017. This level can be seen as a normalized level in 2017. Trade receivables in 2016, resulted indirectly from the bankruptcy of Miss Etam and the former shareholder of Brantano (see section trade receivables).

Net cash for investment activities is used for investment in tangible (mainly Brantano-related) and intangible assets (software and supplier lists) and the various business combinations over the years.

Miss Etam was acquired in 2015 for EUR 20.0 million, FNG Roots (FNG Group and Steps) in 2016 for EUR 178.5 million, and Brantano in 2016 for EUR 7.0 million. Mirus International NV (now named FNG Boutique Holding NV) was acquired in 2017 for EUR 40.2 million. As these amounts are not always paid in cash, the amounts indicated under 'Acquisition of subsidiaries' can differ (or be positive in the event of payment in shares, as in that case the cash available on the acquisition statement of financial position is presented).

There has been only one disposal in the last three years, Rainbow Garment in 2017.

The following table details the assets and liabilities over which control was lost, the consideration received, the loss on disposal and the net cash inflow on disposal:

<b>Statement of financial position</b> (in thousands of euros)	<b>Rainbow Garment</b>
Goodwill	5,489
Trade and other receivables	25,070
Other current assets	146
Trade and other payables	(20)
Net assets disposed of	30,685
Total consideration	(26,278)
<b>Loss on disposal</b>	<b>(4,407)</b>
<b>Statement of cash flows</b> (in thousands of euros)	<b>Rainbow Garment</b>
Total consideration	26.278

Received in cash	17.243
Deferred consideration	9.035
Cash and cash equivalent disposed of	0
<b>Net cash inflow in investing activities</b>	<b>17.243</b>

The consideration transferred was determined based on the net asset value (consisting mainly of receivables), excluding the goodwill allocated to the business.

The loss on disposal is included in the non-recurring items on the consolidated income statement.

The net cash from financing activities is composed of capital increases (EUR 60.6 million over the last three years) and proceeds from borrowings.

## 2. PROSPECTS

It should be stressed that the Group in its current form only exists since 2016. In 2016, FNG acquired the Miss Etam Group, the FNG Roots Group and the Brantano Group, which are structured as three different business units in the Group. See Section XV. 2 (*Description of the Group - Realized acquisitions and divestments in order to build the Group*) for a detailed description of the realized acquisitions in order to build the Group. In 2016 and 2017, FNG started integrating these acquired assets into the Group. The further envisaged integration process is described in this Section. As the financial prospects of FNG depend on the prospects of each business unit, they are presented per business unit. This is done by indicating the possible sales, gross profit and OpEx drivers in the medium-to-long term. The required estimated investments are also indicated. The figures presented in this Section concern the 'full-year comparable' figures.

### 2.1 THE BRANTANO GROUP

#### Key figures

##### • P&L

	2016	2017
<b>Revenue</b>	<b>123.4</b>	<b>126.0</b>
Gross Profit	61.9	62.0
As a % of sales	50.2%	49.3%
Opex	(57.4)	(55.1)
<b>Adjusted EBITDA</b>	<b>4.5</b>	<b>6.9</b>
As a % of sales	3.6%	5.5%
Depreciations	(3.5)	(7.7)
<b>Adjusted EBIT</b>	<b>1.0</b>	<b>(0.8)</b>
As a % of sales	0.8%	(0.7%)

##### • Sales mix

	Total			offline			online		
	2016	2017	var	2016	2016	var	2017	2016	var
Brantano	123.4	126.0	2.1%	122.0	124.4	2.0%	1.3	1.6	21.9%

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## Sales drivers

### • Opening of stores

At the end of 2017, the Brantano Group consisted of 119 stores:

- Brantano Klassik: 104
- Brantano Boutik: 0
- Brantano Market: 0
- Concept Fashion: 15

Based on a white space analysis<sup>15</sup>, the following store openings could be envisaged in the medium-to-long term:

- Brantano Klassik: 10
- Brantano Boutik: 45 (15 by remodeling Concept Fashion shops)
- Brantano Market: 20

### • Remodeling of stores

At the end of 2017, 55 of the 104 Brantano Klassik stores had been remodeled. At the end of February 2018, 75 had been remodeled. It is expected that the remaining Brantano Klassik stores will be remodeled in the coming years.

The average sales of a remodeled store typically grew by 22%, 4% from shoe sales and the remainder from fashion.

### • Increase of sales per m<sup>2</sup> through the addition of product groups (after remodeling)

#### *Addition of fashion*

Once a Brantano Klassik store is remodeled, a significant part of the store is reserved for fashion. Sales from fashion rise as the number of remodeled stores increases.

In 2016, 0.9% of total offline sales and 0.0% of online sales were from fashion. In 2017, these figures were 9.0% of total offline sales and 5.8% of total online sales.

The envisaged medium-to-long term goal is to have fashion account for 20% of sales.

#### *Online reservations (web to store)*

Currently, 10% of total offline sales are attributable to products reserved online but purchased offline.

It is expected that adding the possibility to reserve the Brantano Boutik collection in Brantano Klassik stores and vice versa will lead to additional sales.

#### *Styling sessions*

Based on the Suitcase model, styling sessions will be organized at Brantano stores as well. This is expected to result in additional sales.

<sup>15</sup> FNG performed a white space analysis of the Belgian market, in order to identify uncharted locations (the so called 'white spaces') with a good opportunity to open new stores (i.e. where there is a need and demand for such stores, depending on the location, the proximity of other Brantano stores and competitors, the profile of the customers etc.).

- **Increase in online sales (web to home)**

#### *Own web shop*

Online sales of Brantano (exclusive online reservations or web-to-store sales) are currently very limited (EUR 1.6 million). This is due to underinvestment in the e-commerce platform and a lack of know-how at Brantano.

However, as Brantano migrated to a new state-of-the art online platform in March 2018, the FNG center of excellence department is focusing on Brantano as well. Given that Brantano's online range will be extended by adding the full Brantano Boutik collection as well as online-only items, it is expected that online sales of Brantano will increase significantly.

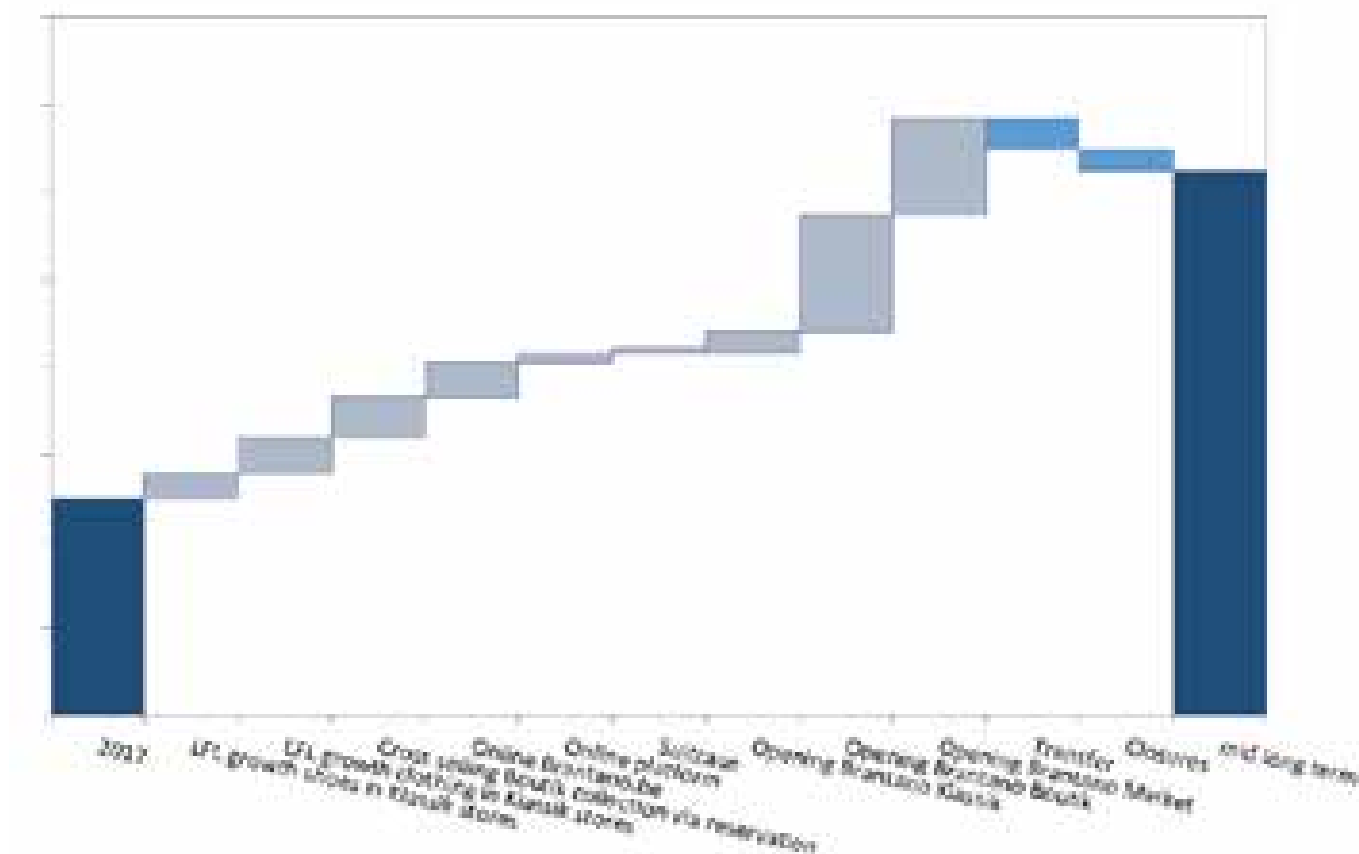
#### *Suitcase*

In 2017, Suitcase realized turnover of EUR 0.8 million via its web shop. A significant increase in online sales is expected to occur due to the center of excellence know-how, additional marketing efforts and improved inventory levels.

#### *Alliances*

Currently, Brantano has no sales via alliances such as Wehkamp, Zalando, etc. Based on the Miss Etam experience, Brantano is also starting to work with alliances, but only for its own label products and exclusive products.

- **Overview of sales drivers**



The schedule above only shows an indication of the size and proportions of the sales drivers, and does not reflect exact calculations.



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## Gross profit margin drivers

The gross profit margin is expected to grow due to a projected increase in the intake margin and lower markdowns.

### • Intake margin

The intake margin is expected to grow as a result of economies of scale realized through purchasing via the buying platform and higher purchase volumes due to an expected increase in the number of stores and higher online sales. This effect will be negatively influenced, however, by the fact that external brands (Brantano Boutik collection), which have a lower intake margin than internal brands, are expected to account for a greater share of total purchases.

### • Markdowns

Markdowns (reductions in the sales price) are expected to drop as 2017 was influenced by one-off markdowns in the weeks before a store was remodeled. In addition, recurring markdowns are expected to decrease due to one-to-one marketing efforts rather than mass marketing, sharing of the FNG center of excellence merchandising know-how, and a centralized outlet approach.

## OpEx drivers

In 2017, OpEx dropped to a significantly lower level than in 2016. This was the result of a restructuring in 2016-2017 (fewer stores and transfer of the head office).

There is no significant increase in head office or logistics costs expected as:

- it is the intention to maximize synergies with FNG, whereby FNG will act as a center of excellence and only operational costs will be incurred at the Brantano level;
- the Brantano Boutik and Brantano Market concepts will be run via the existing Brantano distribution center and many head office tasks will be shared with Brantano Klassik.

Marketing expenses are expected to grow as the new concept has to be marketed.

Costs will also increase as a result of the opening of additional stores and a rise in online sales.

## Capex drivers

Maintenance capex is estimated at EUR 1 million per year.

The average capex for a new store depends on which type of Brantano store it is:

- Brantano Klassik store: EUR 475,000
- Brantano Boutik store: EUR 562,000
- Brantano Market store: EUR 1,000,000

A full remodeling of a store is, in terms of capex, equal to opening a new store. For a light remodeling (after 3 to 4 years), capex is approximately 25% of that of a new store.

To be able to stay first in class in terms of ICT and e-commerce, average annual capex of EUR 2.5 million is required (in addition to the ICT investments made by FNG Roots for the group).

## 2.2 THE MISS ETAM GROUP

### Key figures

#### • P&L

	2016	2017
<b>Revenue</b>	<b>98.7</b>	<b>101.9</b>
Gross Profit	55.5	61.4
<i>As a % of sales</i>	56.2%	60.3%
Opex	(52.6)	(57.0)
<b>Adjusted EBITDA</b>	<b>2.9</b>	<b>4.5</b>
<i>As a % of sales</i>	2.9%	4.4%
Depreciations	(1.6)	(2.2)
<b>Adjusted EBIT</b>	<b>1.3</b>	<b>2.3</b>
<i>As a % of sales</i>	1.3%	2.2%

#### • Sales mix

	Total			offline			online		
	2016	2017	var	2016	2016	var	2017	2016	var
Miss Etam	98.7	101.9	3.2%	75.8	76.7	1.2%	22.9	25.2	10.0%

### Sales drivers

#### • Opening of stores

At the end of 2017, the Miss Etam business unit had 105 stores. Based on a white space analysis, an additional 20 store openings can be expected in the medium-to-long term.

#### • Remodeling of stores

At the end of 2017, a test was done in four of the 105 Miss Etam stores by remodeling them. As the results were very satisfactory (+6.3%), it is expected that the remaining Miss Etam stores will be remodeled in the coming years.

#### • Increase in sales per m<sup>2</sup> through the addition of product groups

##### *Addition of shoes*

Currently, Miss Etam does not sell shoes. It is the intention for the remodeled Miss Etam stores to offer a limited selection of shoes on the shop floor. In addition, it will be possible to reserve shoes online for purchase in the shop.

The medium-to-long term goal is for 5% of total offline sales to be from shoes.

##### *Styling sessions*

Based on the Suitcase experience, styling sessions will be organized at Miss Etam stores as well. This should result in additional sales.

- **Increase in online sales (web to home)**

#### *Own web shop*

Online sales of Miss Etam currently already account for a relatively high percentage of total sales (24.7%). This is due to the very good e-commerce know-how at Miss Etam.

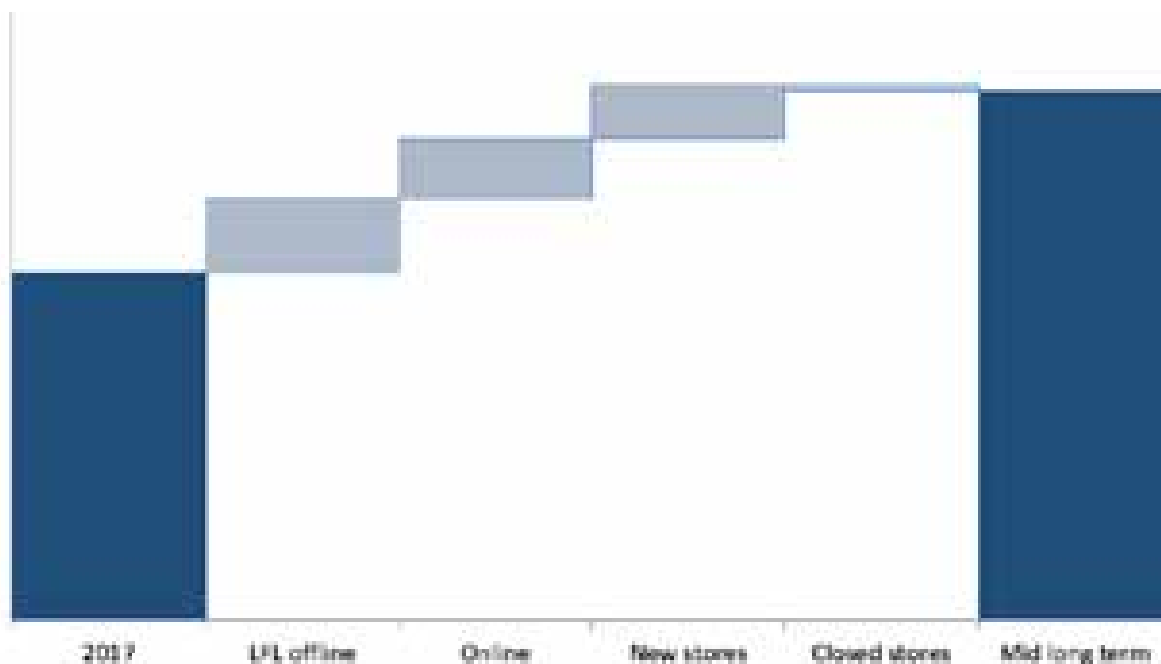
A major part of expected online growth should come from adding shoes to the online product range. It is expected that shoes could account for 20% of total online sales. It is not expected that fashion sales will increase significantly.

In addition, Miss Etam will migrate to a new state-of-the art online platform in 2018. This will give access to additional functionalities, which are expected to lead to a rise in sales.

#### *Alliances*

Miss Etam already has significant (and growing) sales via alliances such as Wehkamp, Zalando, etc. Miss Etam still sees opportunities for growth via alliances. Most growth via alliances is expected to come from the extension of the online collection through the addition of shoes.

- **Overview of sales drivers**



*The schedule above only shows an indication of the size and proportions of the sales drivers, and does not reflect exact calculations.*

#### **Gross profit margin drivers**

The gross profit margin increased significantly in 2017 due to use of the FNG buying platform. The lion's share of the positive effect on the intake margin, resulting from economies of scale, has therefore already been realized.

Further increase in the gross profit margin are possible in the event of a small increase in the intake margin and better markdown management.

- **Intake margin**

The intake margin could grow in the event of economies of scale realized through purchasing via the buying platform and an increase in purchase volumes due to an expected higher number of stores and more online sales.

## • Markdowns

In the event of one-to-one marketing efforts rather than mass marketing, sharing of the FNG center of excellence know-how on merchandising, and a centralized outlet approach, markdowns (reductions in the sales price) could decrease.

## OpEx drivers

As Miss Etam's OpEx as a percentage of sales is the highest within the Group, an action plan has been prepared with the medium-to-long term target to drive costs down by a total of 5%.

This decrease in costs could be achieved through sharing the (fixed) costs of the distribution center with the FNG Roots companies and maximizing synergies with FNG, whereby FNG will act as a center of excellence and only operational costs will have to be incurred at the level of Miss Etam.

Marketing costs are expected to grow as the new concept has to be marketed.

Costs are also expected to increase as a result of the opening of additional stores and more online sales.

## Capex drivers

Maintenance capex is estimated at EUR 0.5 million per year.

The average capex for a new store is EUR 300,000. Remodeling of a store is estimated at EUR 125,000 per store. For light remodeling (after 3 to 4 years), the capex is approximately 25% of that of a new store.

To be able to stay first in class in term of ICT and e-commerce, average annual capex of EUR 1.5 million is required (in addition to the ICT investments made by FNG Roots for the group).

## 2.3 THE FNG ROOTS GROUP

### Key figures

#### • P&L

	2016	2017
<b>Revenue</b>	<b>237.8</b>	<b>254.5</b>
Gross Profit	128.9	143.6
<i>As a % of sales</i>	54.2%	56.4%
Opex	(98.7)	(109.6)
<b>Adjusted EBITDA</b>	<b>30.2</b>	<b>34.0</b>
<i>As a % of sales</i>	12.7%	13.4%
Depreciations	(23.6)	(8.9)
<b>Adjusted EBIT</b>	<b>6.6</b>	<b>25.2</b>
<i>As a % of sales</i>	2.8%	9.9%

#### • Sales mix

	Total			offline			online		
	2016	2017	var	2016	2016	var	2017	2016	var
FNG Roots	237.8	254.5	7.1%	218.4	222.5	1.9%	19.4	32.0	64.9%

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## Sales drivers

### • Opening of stores

At the end of 2017, the FNG Roots business unit had 294 stores. Based on a white space analysis, an additional 25 store openings can be expected in the medium-to-long term.

### • Increase of sales per m<sup>2</sup> through the addition of product groups

#### *Addition of product groups*

The FNG Roots business unit is testing which product groups can add to its sales per m<sup>2</sup>. Men's clothing, bags, pyjamas and home wear are some of the product groups being tested.

In addition it is also testing the possibility of grouping more than one brand in a single store. Currently, FNG Roots stores are mono-brand, but grouping two or more brands in a single store could lead to an increase in sales per m<sup>2</sup>.

#### *Styling sessions*

Based on the Suitcase experience, styling sessions will be organized at FNG Roots stores as well. This is expected to result in additional sales.

### • Increase in wholesale

As FNG Roots is a core supplier of Brantano, the possible growth in sales by the latter could also be expected to have a positive impact on it.

To increase wholesale, it is the intention to launch additional collections and to explore worldwide sales opportunities.

### • Increase in online sales (web to home)

#### *Own web shop*

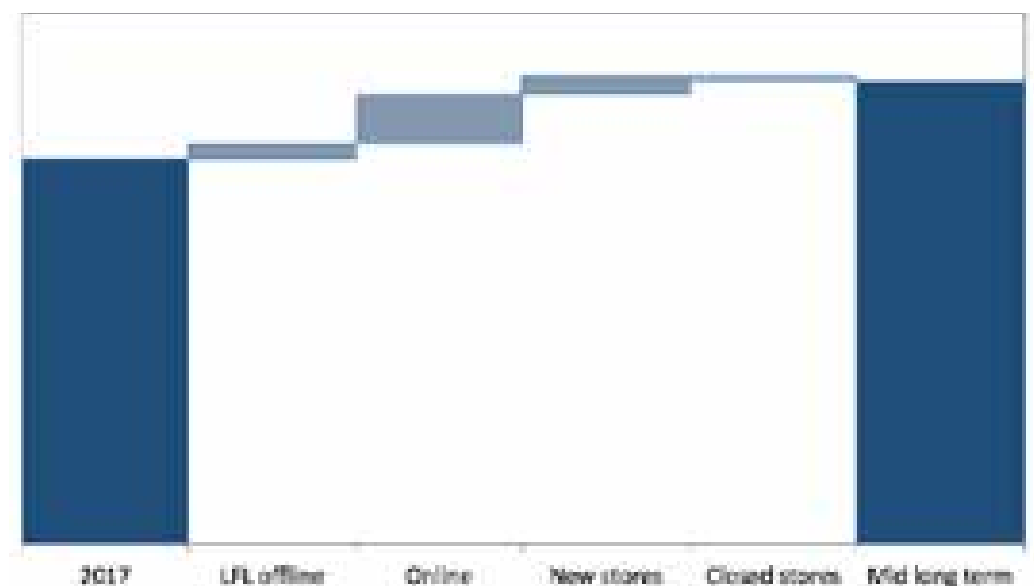
A major part of the expected growth via the own web shop could come from the center of excellence know-how (from Miss Etam) and the migration to a new state-of-the art online platform in the course of 2018.

The extension of the collection through the addition of product groups could also be expected to result in an increase in online sales.

#### *Alliances*

FNG Roots has only recently started working with alliances and still sees opportunities for growth via alliances with the existing collection and other product groups.

## • Overview of sales drivers



The schedule above only shows an indication of the size and proportions of the sales drivers, and does not reflect exact calculations.

## Gross profit margin drivers

An increase in the gross profit margin due to an increase in the intake margin and better markdown management could be expected.

### • Intake margin

The intake margin is expected to grow as a result of economies of scale realized through purchasing via the buying platform and an increase in purchase volumes further to an expected higher number of stores and more online sales for the entire Group.

### • Markdowns

One-to-one marketing instead of mass marketing, sharing of the FNG center of excellence know-how on merchandising, and a centralized outlet approach could lead to a decrease of markdowns (reductions in the sales prices).

## OpEx drivers

The OpEx of FNG Roots is expected to stay relatively stable as a percentage of sales.

This should be achieved through maximizing synergies with FNG (e.g. a single distribution center for Miss Etam and FNG Roots companies).

Costs are not expected to decrease as a whole as FNG will act as a center of excellence. All strategic costs and investments will be made at the FNG Roots level.

Costs could also be expected to increase as a result of the opening of additional stores and the growth in online sales.

## Capex drivers

Maintenance capex is estimated at EUR 1.5 million per year.

The average capex for a new store is EUR 200,000. Light remodeling of stores is included in the maintenance capex and therefore should not be accounted for separately.

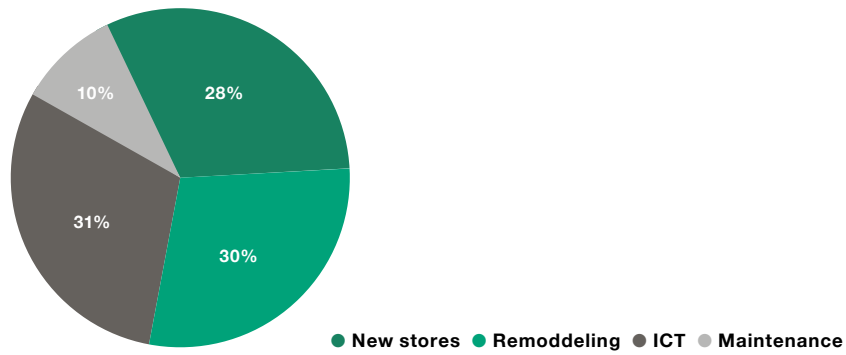
To be able to stay first in class in terms of ICT and e-commerce, average annual capex of EUR 7.5 million is required in 2018 and approximately EUR 5 million per year thereafter. This includes the ICT investments FNG Roots is making, which shall benefit Miss Etam and Brantano as well.

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## 2.4 CAPEX SUM-UP

A summary of the total capital expenditure needed on a mid-long term (+/- EUR 150 million) is shown below, split up per type.

### Split up of capex







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# SECTION IX.

## INDUSTRY OVERVIEW

### 1. GLOBAL FASHION AND FOOTWEAR MARKET

In a world where geopolitical turmoil, economic uncertainty, and unpredictability are the new normal, the fashion market is expected to triple its growth relative to 2015. The McKinsey Global Fashion Index projects the global fashion industry sales to grow by 3.5 to 4.5% in 2018, almost three times as much as in 2016.<sup>16</sup>

But the growth is not evenly spread:

- First of all, global emerging markets are expected to grow much faster. In Europe, for instance, the growth in the emerging markets is forecasted to accelerate from 4 to 5% in 2017 to 5.5 to 6.5% in 2018. In the mature European markets, growth is likely to remain stable at 2 to 3% in 2018. As a result, 2018 will be the first year when more than half of all fashion sales will originate from outside Europe and North-America.
- Secondly, with a forecasted compound average growth rate of 10% in 2017-2020, e-commerce will outpace the overall market growth and hence significantly increase its share of total sales (*source*: Euromonitor<sup>17</sup>). The clear winners are the leading pure players, either generalists like Amazon and Alibaba, or fashion specialists like Zalando, Asos, Net-a-Porter, Farfetch or Zappos, Amazon's wholly owned subsidiary. According to Internet Retailer, in 2017 Amazon accounted for 70% of all US e-commerce growth and 34% of all US retail (*source*: Internet Retailer). Consequently, in their search for growth, fashion brands have to collaborate with these leading online platforms.
- Thirdly, the McKinsey Global Fashion Index<sup>18</sup> believes that the polarization in the market will continue. The luxury and discount segments will grow by 4 to 5% in 2018 versus 2 to 3% for the mid-market segment. Also, sportswear will continue to grow faster than the market overall (6 to 7%).

The Group is also witnessing the following important market trends:

- The rapid growth of e-commerce goes hand in hand with the declining foot traffic in physical stores. Retailers respond by investing heavily in their omni-channel strategies. The winners see their online sales grow rapidly, while rightsizing their store network, reinventing the role of the store and seamlessly integrating the online and offline experience.
- Sustainability remains high on the agenda. From a mere focus on working conditions in manufacturing facilities, the market is evolving towards a more integral view. As such sustainability becomes part of the planning system that tries to adopt the principles of the circular economy.
- Personalization and curation are key trends for the years ahead. The rapid proliferation of data has allowed businesses to personalize their marketing communication. Artificial intelligence is making its way into the fashion industry, allowing true one to one marketing, with automated customer interactions, resulting in cost savings and incremental sales. The ultimate goal is curated commerce, whereby a tailor-made selection of the full product range is presented to the consumer.

### 2. MAIN MARKETS OF THE GROUP: BENELUX

This Section describes the markets in which the Group operates. The main geographies are the Netherlands (35.10% of FNG sales) and Belgium (55.70% of FNG sales). The Group is also active on the business to business market in Spain, France and Germany. The most important banners are Miss Etam (women outerwear in the Netherlands) and Brantano (footwear complemented with outerwear for the whole family in Belgium). They both are omni-channel retailers, operating stores as well as a web shop.

#### 2.1 GENERAL

Although Belgium and the Netherlands are both mature European fashion markets, and although they are both following the global trends, the way these underlying trends are materializing is very different.

Overall, the Eurozone is enjoying a solid economic recovery, with a GDP growth of 2.5% in 2017 and a forecasted GDP growth of 2.2%. While the Belgian economy was hit far less hard by the financial crisis than the Netherlands and the rest of Europe, it is currently underperforming with a GDP growth of 1.7% in 2017 and a forecasted growth of 1.8% in 2018. The Dutch economy on the other hand is booming, with a GDP growth of 3.2% in 2017 and a forecasted GDP growth of 3.1%.

<sup>16</sup> Source: McKinsey Global Fashion Index as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, p. 11, p. 23 & p. 74-79.

<sup>17</sup> Source: Euromonitor as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, Exhibit 3, p. 16.

<sup>18</sup> Source: McKinsey Global Fashion Index as quoted in: Business of Fashion & McKinsey Company, The State of Fashion 2018, November 2017, p. 77.

This is also reflected in the performance of the retail trade. While in 2017 the Dutch retail trade grew by 3.6% (CBS<sup>19</sup>), way above the European average of 1.9%, the Belgian retail trade experienced a shrink of -2.5% (Eurostat<sup>20</sup>).

	Belgium	Netherlands	EU
GDP growth '17	+1.7%	+3.2%	+2.5%
GDP growth '18	+1.8%	+3.1%	+2.2%
Retail trade '17	-2.5%	+3.6%	+1.9%

Source: Eurostat<sup>21</sup>, CBS<sup>22</sup>, FOD Economie

This is also reflected in the past and forecasted evolution of the fashion sales, although the differences are less extreme. Belgian fashion retail has shrunk by -1% in 2017, which is better than the overall retail trade. The outlook for 2018 to 2020 is relatively stable. The Dutch fashion retail grew by +1% in 2017, which is less than one third of the overall retail growth. The forecast for 2018-2020 is that Dutch fashion retail will continue to grow by +1% each year (source: GfK<sup>23</sup>).

The decline in the 2017 Belgian fashion sales is mainly due to the -6.7% decline in shoes sales. Total outerwear is stable compared to 2016, with a growth for men outerwear of +1.5% and a decline for kids outerwear of -1.5%. Women outerwear noted a stable growth of +0.1%. Underwear & legwear showed a stable growth too of +0.5% (source: GfK<sup>24</sup>).

	Belgium	Netherlands
Fashion '17	-1.0%	+1.0%
Fashion '18*	-1.0%	+1.0%
Fashion '19*	0.0%	+1.0%
Fashion '20*	0.0%	+1.0%
Online share of sales '17	16.6%	24.4%
Online share of sales '18*	19.9%	29.2%
Online share of sales '19*	22.9%	33.6%
Online share of sales '20*	25.1%	37.0%
Online share of sales growth '20/'17*	+50.2%	+56.4%

Source: GfK<sup>25</sup>

\*: forecast

In 2017 the share of online fashion sales was in the Netherlands almost 50% higher than in Belgium (24.4% vs. 16.6%). By 2020 both geographies will experience a further growth of online fashion sales by more than 50%. But the Dutch online sales is expected to grow slightly faster, so that the gap between the two countries will widen to 37.0% online share of sales vs. 25.1%.

The shift to online is reflected in the number of clothing stores. According to CBS, in the Netherlands, the number of physical fashion stores has declined by -9% from Q1 2013 to Q1 2017. The decline was particularly steep for kids clothing (-23%). The number of men and women clothing stores declined by 6%.

## 2.2 NETHERLANDS

### i. Retail trade

The Group is active in the retail trade. This sector comprises companies offering products to consumers. The overall economic climate is very important for the retail trade.

19 Source: CBS Statline, unadjusted data as consulted on March 6th, 2018 <http://statline.cbs.nl/Statweb/publication/?VW=T&DM=SLNL&PA=83608NED&D1=a&D2=a&D3=156,160,164,168,173,177,181,185,190,194,198,202,207,211,215,219-220&HD=180227-1521&HDR=G1,T&STB=G2>.

20 Source: Newsrelease 24/2018, 5th Feb, 2018.

21 Source: GDP Growth 2017, <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00115&plugin=1>, as consulted on March 6th, 2018; GDP Growth '18 Forecast, Winter 2018 Interim Forecast.

22 Source: CBS Statline, unadjusted data as consulted on March 6th, 2018 <http://statline.cbs.nl/Statweb/publication/?VW=T&DM=SLNL&PA=83608NED&D1=a&D2=a&D3=156,160,164,168,173,177,181,185,190,194,198,202,207,211,215,219-220&HD=180227-1521&HDR=G1,T&STB=G2>.

23 Source: GfK Shopping Tomorrow Consumer Research 2017; GfK Fashion & Lifestyle-report, ordered by FNG.

24 Source: GfK Shopping Tomorrow Consumer Research 2017; GfK Fashion & Lifestyle-report, ordered by FNG.

25 Source: GfK Shopping Tomorrow Consumer Research 2017; GfK Fashion & Lifestyle-report, ordered by FNG.

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The Dutch retail sector grew at its strongest pace since 2006: by 3%. Thanks to higher prices, turnover even increased by 4.5%. Consumers were more likely to be found in the shopping street last year than in 2016, and also shopped eagerly online. They not only have more to spend, but also the willingness to spend extra. Partly because of this, the number of bankruptcies in the retail sector fell by a third. In 2018, retail is also on the rise. The consumer has more to spend, because he or she will earn more or get a job from an unemployed position.

For retailers extra turnover often contributes directly to the absolute profit, because a large part of the costs is 'fixed'. The growth of sales also contributes to sentiment: the confidence of retailers in the retail sector has never been as high in the past nine years as in the last three quarters. For 2019 the retail trade is expected to continue growing at the same pace as in 2018. The economic climate is also expected to be positive in that year. For example, in 2019 unemployment will fall to 3.6% of the labor force.

However, retailers do not simply benefit from economic growth. The consumer has become more critical and visits the shopping street less often than about ten years ago. In addition, he or she spends an increased share of income online.

The key question is: how well does the Group integrate offline and online, how 'omni-channel' is the Group?

The strong competition and limited profit margins make it more difficult to make that transition to 'omni-channel'. It is difficult to set up a profitable business model online. Consumers can complete an online order in a flash via mouse clicks, but the retailer must pick out the products, collect and arrange for them to be delivered. Extra costs arise here.

#### *ii. Fashion & footwear*

Shops in clothing grew by 2.5% in sales volumes in 2017. Due to price pressure, the turnover grew more slowly: by 1.5%. Although this extra turnover is favorable, there are still considerable challenges in the industry below the surface. So the competition is firm.

Sales are still around 9% below the level of 2007. However, the floor area of the sector grew in the meantime, by around 7%. In addition, there was strong competition from the internet. The number of web shops in clothing doubled between the beginning of 2012 and now. In 2017, online spending on clothing rose by 24% on an annual basis. For example, 23% of spending on clothing is now online.

For 2018 the clothing industry is expected to show a growth of 2% in sales volumes.

Shoe stores managed to finally increase sales volumes again in recent years: by 1.8%, with turnover growing by 2.3%. Just like clothing stores, shoe stores are faced with fierce competition.

Shoe stores also suffer from competition from clothing stores, which also offer shoes. Small shoe stores achieve wafer-thin or even negative profit margins. The sales volumes of shoe stores are now 27% below pre-crisis levels.

Consumers' spending on the Internet is also growing fast in this category: by 25% in 2017.

Meanwhile, 29% of spending on shoes and lifestyle is sold via the internet. Some years ago, research showed that 40% of consumers are online orientated towards the purchase of a pair of shoes. In the competitive climate it is important for shoe stores to be distinctive.

For 2018 the industry is expected to show a growth of 1.5%. The consumer has confidence and more to spend. He or she, however, does not necessarily spend the money in a shoe store.

### **2.3 BELGIUM**

#### *i. Retail trade*

While the Belgian economy was hit far less hard by the financial crisis than the Dutch one, the current economic recovery in the Netherlands is outperforming the Belgian one on all dimensions.

The Belgian economy is currently underperforming with a GDP growth of 1.7% in 2017 and a forecasted growth of 1.8% in 2018.

In 2017, e-commerce continued to grow in Belgium. In Belgium, e-commerce grows faster than the economy as a whole. Comparing with the Netherlands, Belgium is still waiting for years for strong growth. The Dutch economy may be one and a half times as large as the Belgian, yet the e-commerce sector is about ten times as large as in Belgium. If Belgium would only follow the evolution in the Netherlands, spectacular growth may be expected (source: BeCommerce Market Monitor 2017).

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## ii. Fashion & footwear

The past and forecasted evolution of the fashion sales shows the same trends, although the differences are less extreme. Belgian fashion retail has shrunk by -1% in 2017, which is better than the overall retail trade. The outlook for 2018 to 2020 is relatively stable.

The decline in the 2017 Belgian fashion sales is mainly due to the -6.7% decline in shoes sales. Total outerwear is stable compared to 2016, with a growth for men outerwear of +1.5% and a decline for kids outerwear of -1.5%. Women outerwear noted a stable growth of +0.1%. Underwear & legwear showed a stable growth too of +0.5% (source: GfK<sup>26</sup>).

## 3. THE OMNI-CHANNEL DILEMMA: FROM OMNI-CHANNEL TO OPTI-CHANNEL

Internet sales in the retail sector grew very strong in recent years. For 2018 and 2019, the internet turnover in the Netherlands is expected to continue to grow: by 18.5% in 2018 and 17.5% in the following year.

This has, among other things, a demographic reason. New generations are growing up with the internet: buying something online offers convenience and the availability of products is wide. Many consumers orient themselves via the internet for offline purchases. The omni-channel dilemma in the customer journey: on the one hand, the majority of customers start to shop by using their mobile device, tablet or PC to explore the market. On the other hand, more than 80% of customers need a “physical” store to really buy something or in other words to get converted.

However, there is also a pitfall in this growth in internet sales. It is not easy to make online profit, certainly without scale. It is important to first determine which function the online channel in the formula will receive, how to keep the costs as low as possible, how you can derive value from data in a responsible manner and how offline and online strengthen each other optimally.

In the near future the Group expects that the market could move further to “opti-channel”. According to the Group, it is important to provide the critical consumer in the store with expertise, entertainment and service. Incrementing the services level will be crucial. Above all, it is crucial to make the online business model profitable by minimizing returns. The Group expects that the combinations of bricks & clicks could solve the customer journey dilemma:

- Web-2-store, or click & reserve: customers make their selection online and make a reservation when they will visit their favorite store to fit the selected clothes and/or shoes. Once the customer visits the store, additional personal services will be offered.
- Store-2-Web: when shopping in the store, customers choose a product that may not be available in the right size or color at that time. The customer gets the product in the right size or color delivered at home.

<sup>26</sup> Source: GfK Shopping Tomorrow Consumer Research 2017; GfK Fashion & Lifestyle-report, ordered by FNG.





# SECTION X.

## BUSINESS OVERVIEW

### 1. GENERAL

The Group is a strong growing Benelux-fashion group with activities in Belgium, the Netherlands, Luxembourg, France, Spain and Germany. The Group designs and distributes clothing and shoes for women, children and men through its own concept-stores at top locations in Belgium and the Netherlands and through a network of multi-trademark stores on the domestic markets as well as in foreign countries. On the date of the Prospectus, the Company's shares are already listed on Euronext Amsterdam. The Group has more than 3,000 employees, realizing a turnover of approximately EUR 500,000,000.

#### 1.1 BUY-AND-BUILD STRATEGY IN A CONSOLIDATED MARKET

The Group uses a buy-and-build strategy in a consolidated market: the Group realizes added value by building and acquiring retail and fashion chains, optimizing business processes and the creation of synergies in the back offices.

Size is an important factor in the apparel sector given the need for:

- Economies of scale in the production process to optimize gross margins as well in the logistics process to cover high fixed costs. The Group operates buying platforms in Turkey, India and China which purchase goods directly from production sites. The existing purchasing capacity can be used for the entire Group and future acquisitions in order to leverage the Group's expertise and fixed costs.
- Sharing know-how and back-office processes such as inventory management, logistics, IT and HR. The Group operates a highly automated central stock allocation system, which can be used for multiple brands, allowing for significant cost savings.
- Improving the cross-channel sales strategy in B2B and B2C, whether offline or online, to optimize sales.
- Spreading digital investments over many brands, leading to accelerated payback periods.

#### 1.2 DIVERSIFIED BRAND PORTFOLIO

The Group's growth figures prove that fashion and quality go hand in hand with success. The Benelux fashion group has built a strong diversified brand portfolio with brands such as Fred & Ginger, CKS, Claudia Sträter, Miss Etam, Espresso, Ginger, Promiss, Baker Bridge, Brantano and Steps. The brands are sold internationally in more than 500 concept stores, shop-in-shop corners and in more than 1,500 multi-brand stores.

Overview of sales channels per brand:

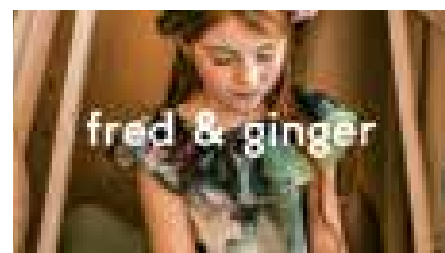
31/12/2017	# POS <sup>1</sup>	Online shop <sup>2</sup>	External online platform <sup>3</sup>	Wholesale
<b>Miss Etam</b>				
Miss Etam	105	yes	yes	no
<b>FNG Roots</b>				
Baker Bridge	-	-	yes	yes
CKS	50	yes	yes	yes
Claudia Sträter	48	yes	yes	yes
Espresso	63	yes	yes	yes
Fred & Ginger	26	yes	yes	no
Promiss	14	yes	yes	no
Steps	83	yes	yes	no

31/12/2017	# POS <sup>1</sup>	Online shop <sup>2</sup>	External online platform <sup>3</sup>	Wholesale
<b>Brantano</b>				
Brantano Klassik	104	yes	no	no
Brantano Boutik	-	-	no	no
Brantano Market	-	-	no	no
Concept Fashion	15	no	no	no
Suitcase	-	yes	no	no

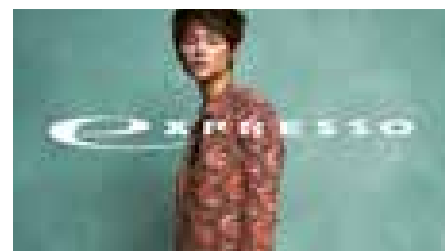
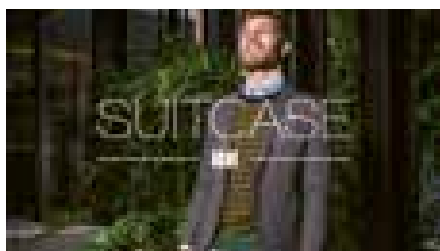
<sup>1</sup> Points of sale controlled by the Group (i.e. own shops and shops-in-shops controlled by the Group)

<sup>2</sup> Own online webshops operated by the Group

<sup>3</sup> External online platforms not operated by the Group (e.g. Wehkamp, bol.com)



**HEY,  
HI, HELLO**



**WWW.FNG.EU**





## 2. HISTORY - FROM ONE BRAND IN CHILDREN FASHION TO A LEADING BENELUX RETAILER

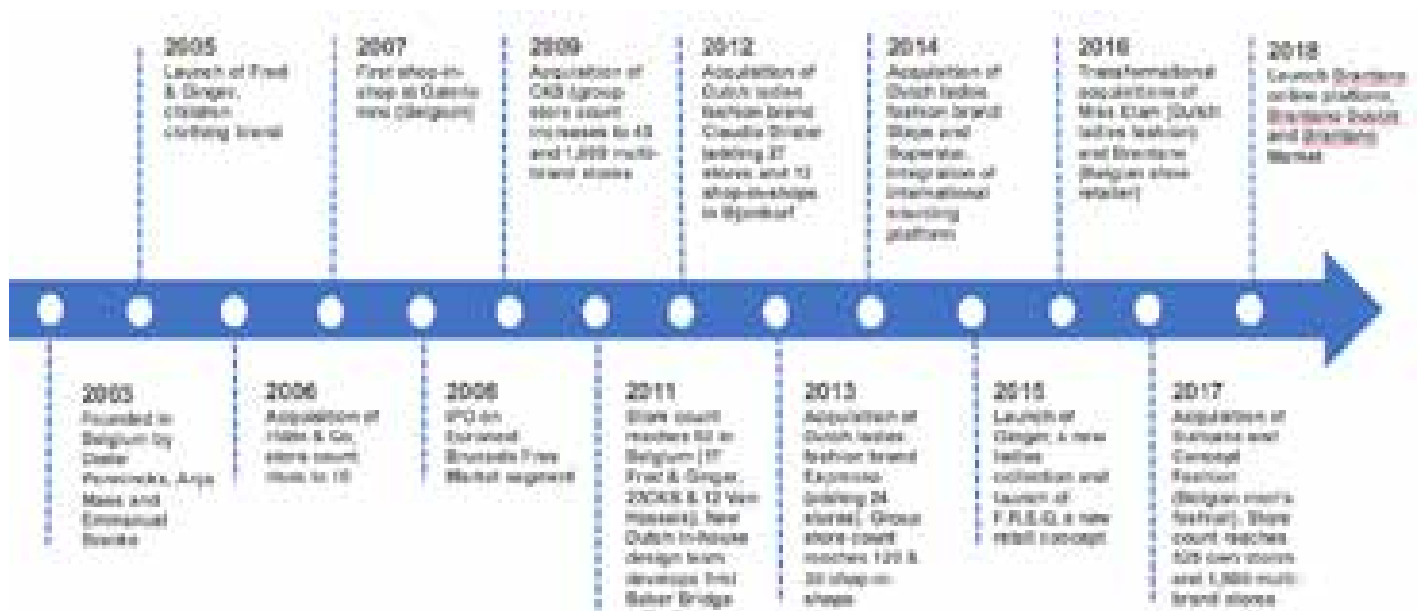
The Group was founded in 2003 by three young civil engineers (Dieter Penninckx, Anja Maes, Emmanuel (Manu) Bracke) with a clear vision for a market that, at first sight, may have seemed like an atypical choice. Their strategy consists of acquiring Belgian fashion brands with a strong profile, and to underpin their growth with a smoothly running platform for back and front office. Kiekeboe and Hilde & Co were the first brands to be included in the portfolio of the Group.



Dieter Penninckx – CEO

Anja Maes – Creative Director

Emmanuel (Manu) Bracke – Operations Director



In **2005** Fred & Ginger launched its multi-brand store concept onto the market with the opening of four own concept stores.

The Hilde & Co stores were integrated in **July 2006**, resulting in the expansion of Fred & Ginger to ten own concept stores.

**2008** turned out to be a key year: by going public (free market, Euronext Brussels), Fred & Ginger acquired a strong financial basis to finance its further expansion.

This was followed by the acquisition of CKS in **2009**, as a result of which the Group expanded to 45 own stores and more than 1,000 independent multi-brand boutiques.

The year **2011** was marked by further growth: the number of concept stores grew to more than 60.

In **2012**, the Group acquired Claudia Sträter and gained a key position in the Dutch market with 27 concept stores and 12 corners at the Bijenkorf department stores.

In **2013**, the Group acquired the group who owned the Dutch brand Espresso, which reinforced its sales network in the Netherlands and Germany and its retail position on the Dutch market.

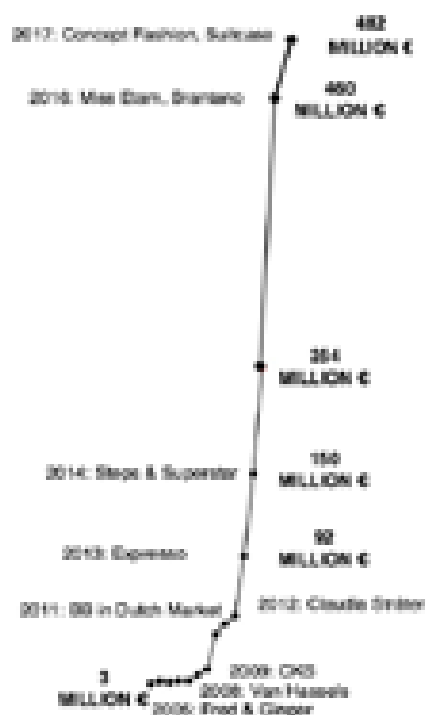
In **2014**, the Group expanded its centrally coordinated buying platform with offices in Istanbul, New Delhi and Hong Kong and added the women's brand Steps to its portfolio.

In **2016**, FNG integrated Miss Etam into the Group, a retailer with more than 100 sales points and a workforce of more than 800 employees. In September 2016, Brantano, the market leader for shoes in Belgium, was added to the Group. FNG immediately started with the roll-out of a new store concept in which shoes and clothing are combined.

In the beginning of **2017**, the Group changed its name to FNG and made plans to further increase its growth in the next few years with its buy-and-build strategy. At the end of 2017, Suitcase and Concept Fashion became part of the Group.

In **2018**, Brantano launched two new retail concepts, Brantano Boutik and Brantano Market, as well as a brandnew online platform. In the near future, Suitcase and Concept Fashion will be fully integrated into these new concepts, by using different formulas, on the one hand, by enlarging Brantano's level of trendsetting, and on the other hand by making the Brantano brand slightly more upmarket.

**Currently**, FNG has two headquarter sites, one located in Belgium (Mechelen) and one located in the Netherlands (Diemen), which are used for developing and commercializing the brands, as well as two logistic platforms, one in Belgium which is mainly used for shoes (Erembodegem) and one in the Netherlands which is mainly used for fashion (Zoetermeer).



The key events of the Group since its launch, especially the realized acquisitions and the gross sales amounts of the Group (million EUR) over the time are depicted in the graph above.

### 3. GENERAL STRATEGY

FNG's strategy focuses on:

- i. creating value by managing a complementary brand portfolio via buy-and-build,
- ii. omni-channel sales driven by data and supported by Artificial Intelligence (AI),
- iii. optimizing corporate processes and achieving synergies, and
- iv. a lean result-focused organization with a unique corporate culture.

In a time when some traditional (mostly mono-brand) fashion retailers are struggling, due to increased international competition, pressure on the margins and strong online sales growth, FNG is striving to deliver value in line with its strategy.

#### 3.1 BUY-AND-BUILD: BRAND VALUE AND BRAND PORTFOLIO MANAGEMENT

Every brand has a unique and strong identity aligned to its target consumer group. Value is created by investing wisely in strong brand building by marketing and retail concept development.

The Group's brand portfolio is very diversified in terms of style groups, sizes and price points. Some brands are primarily retail brands (Brantano, Miss Etam), others are rather product brands (Fred & Ginger, CKS, Espresso, Claudia Sträter).

The Group optimizes its brands and retail formulas to best serve the customer. Brands also cross-sell internally and can for instance be sold in another brand store (e.g. Miss Etam products are sold in Brantano's fashion department).

The FNG brand portfolio is well represented across all channels:

	Wholesale	E-commerce	Shop-in-shop	Retail
Brantano		■		■
CKS	■	■	■	■
Claudia Sträter	■	■	■	■
Espresso	■	■	■	■
Fred & Ginger	■	■		■
Ginger		■		■
Steps		■		■
Miss Etam		■		■
Promiss		■		■
Baker Bridge	■	■	■	
Concept Fashion		■		■
Solstice			■	

Wholesale : Shops not controlled by the Group

E-commerce : Own online webshops operated by the Group and external webshops (e.g. Wehkamp, bol.com)

Shop-in-shop : Department stores (e.e. Inno, Bijenkorf, El Corte Inglés)

Retail : Own shops controlled by the Group

Brand portfolio management is key in the Group's risk management. Fashion cannot be approached as pure science. Therefore, to minimize collection risk, the Group's fashion brands release between ten and fifteen collections a year. Moreover, the complementary brand portfolio gives the Group the advantage to manage its "store liabilities" (lease, social and other contractual liabilities). Running two, three or more different brand stores in one single city, gives the FNG brand portfolio the flexibility to change smoothly from one concept to another if necessary.

The pricing and style strategy ensure a solid market coverage.

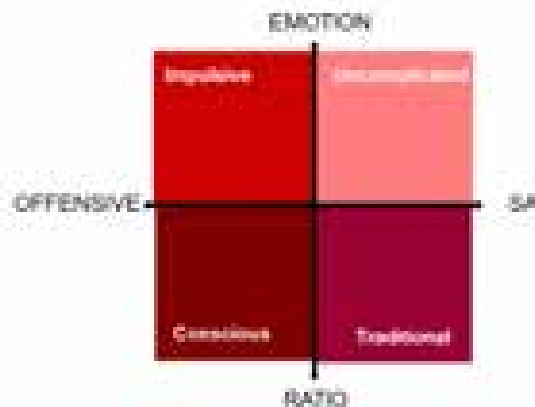
All FNG brands have their own specific and well defined position in the market: they are designed for a specific target group. Customers mainly consider two parameters in their purchase decisions: price and style. Based on their preferences, customers can be segmented and identified as a target group.

## Price range

Example with min & max price level for bottoms for women

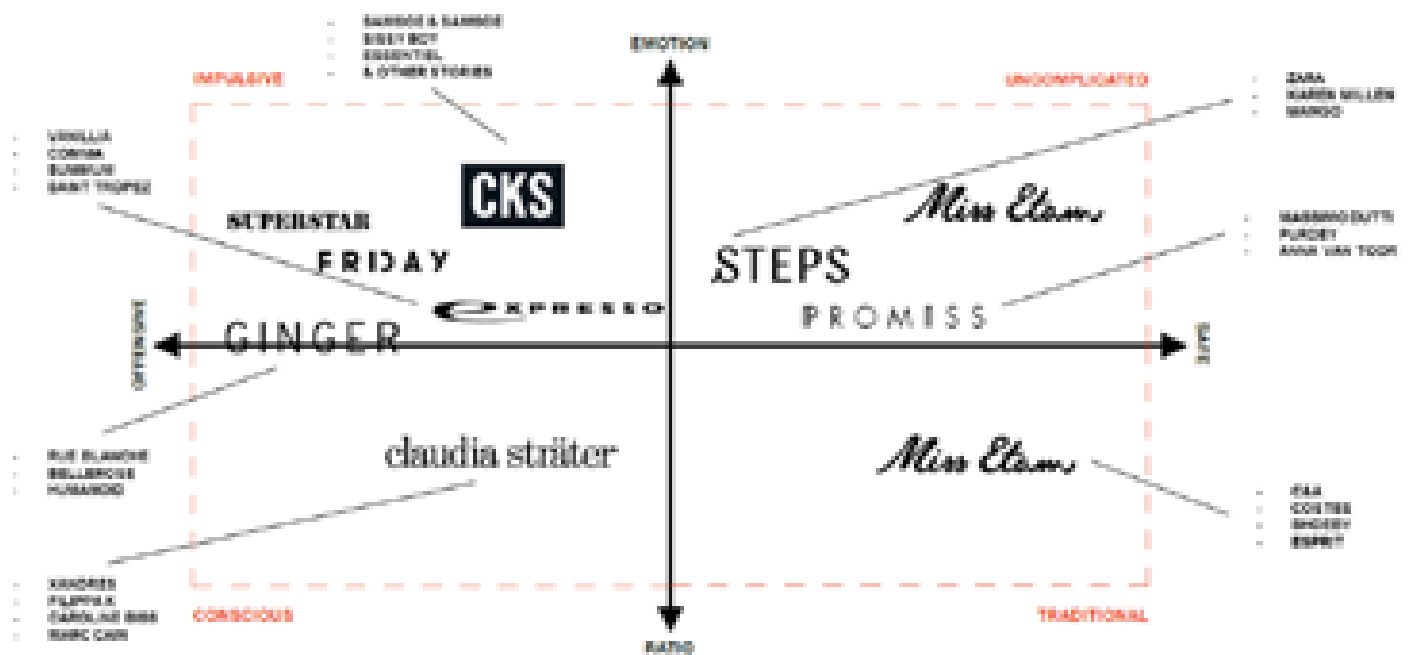


## Style



The FNG Women portfolio is competitive and complementary with a clear focus on offering products for the full customer range.

In the chart below FNG Women's portfolio versus its competitors is depicted:



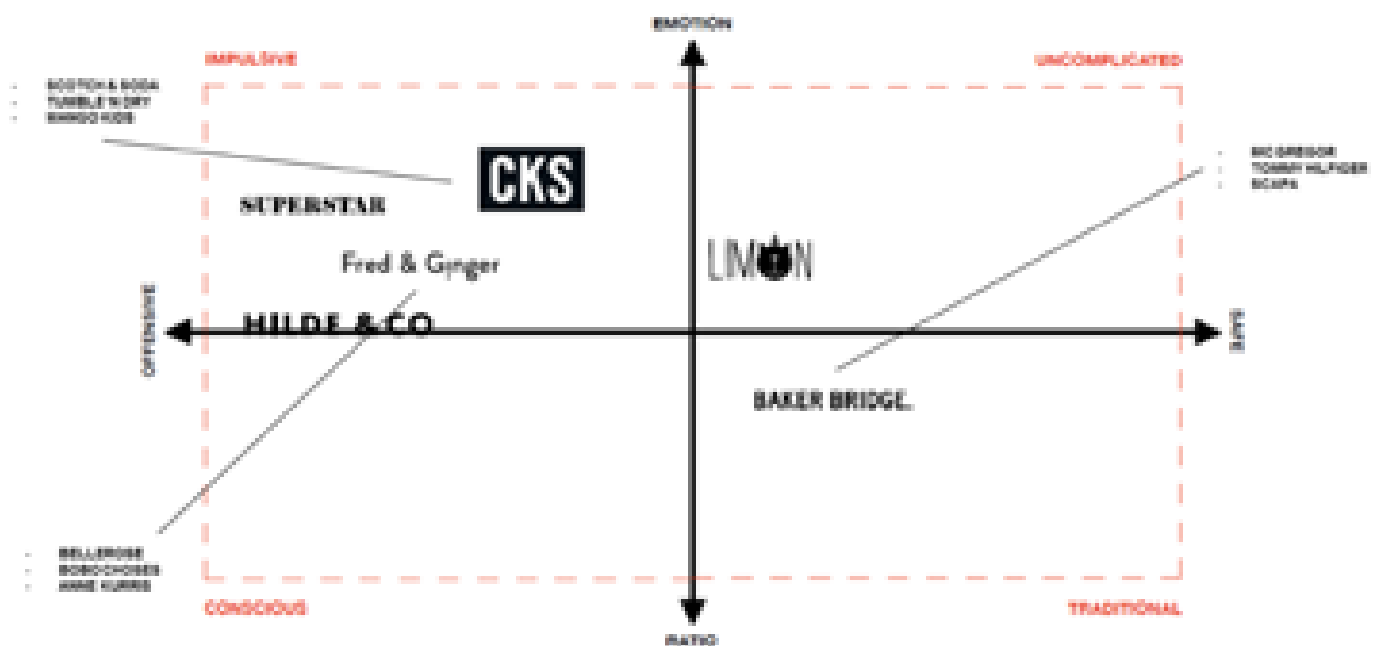
FNG Women complementary brands, more in detail:

<b>CKS</b>	<ul style="list-style-type: none"> <li>Contemporary look with a surprising design for confident women</li> <li>Excellent price/quality standards</li> <li>Open to buy &amp; NOS<sup>27</sup></li> <li>Easy-to-wear and casual looks</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 59-89</li> <li>Top jersey: € 24-59</li> <li>Top woven: € 49-69</li> <li>Dress: € 59-99</li> </ul>	<a href="http://www.cks-fashion.com">www.cks-fashion.com</a>
<b>Ginger</b>	<ul style="list-style-type: none"> <li>Personal style regardless of trends</li> <li>Sharp and authentic</li> <li>Focus on texture and contrast</li> <li>Eye for detail</li> <li>Each piece is valuable, thoughtful</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 119-189</li> <li>Top: € 39-149</li> <li>Dress: € 119-219</li> </ul>	<a href="http://www.fredginger.com">www.fredginger.com</a>
<b>Claudia Sträter</b>	<ul style="list-style-type: none"> <li>Feminine and elegant</li> <li>Timeless and sustainable</li> <li>Luxurious materials and details</li> <li>Dutch design</li> <li>Tone up - tone down</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 99-169</li> <li>Top: € 39-119</li> <li>Dress: € 99-169</li> </ul>	<a href="http://www.claudiastrater.be">www.claudiastrater.be</a>

<sup>27</sup> NOS: never out of stock (i.e. pieces that are always on stock, regardless the season (e.g. a black t-shirt)).

<b>Expresso</b>	<ul style="list-style-type: none"> <li>What separates the women from the girls</li> <li>Contemporary</li> <li>Sexy-elegant, giving a feel good experience</li> <li>Coordinated looks</li> <li>Perfect comfort fit</li> <li>Focus on social sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 89-119</li> <li>Top: € 34-99</li> <li>Dress: € 99-129</li> </ul>	<b>www.expressofashion.be</b>
<b>Promiss</b>	<ul style="list-style-type: none"> <li>Character is the essence of style</li> <li>Balance is our keyword</li> <li>Class, driven &amp; dedicated</li> <li>Internationally oriented</li> <li>Age is just a number</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 59-89</li> <li>Top: € 29-59</li> <li>Dress: € 59-119</li> </ul>	<b>www.promiss.nl</b>
<b>Steps</b>	<ul style="list-style-type: none"> <li>Dresses are our icons</li> <li>Feminine, strong, vibrant, conscious</li> <li>Dresses for every day, all occasions and all ages</li> <li>Signature prints</li> <li>Start with a dress and complete the look</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 59-79</li> <li>Top: € 19-59</li> <li>Dress: € 69-119</li> <li>Exclusive dresses: € 149</li> </ul>	<b>www.steps.nl</b>
<b>Miss Etam</b>	<ul style="list-style-type: none"> <li>Brings out the best in every women</li> <li>Stylish looks with the correct fit for every body shape</li> <li>A biweekly changing collection designed in Holland</li> <li>Thematic and color coordinated collection</li> <li>Unique in house designed signature prints</li> <li>Strong prices</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 19-89</li> <li>Top: € 9-59</li> <li>Dress: € 24-69</li> </ul>	<b>www.missetam.nl</b>

In the chart below FNG Kid's portfolio versus its competitors is depicted:



FNG Kids brands, more in detail:

<b>CKS</b>	<ul style="list-style-type: none"> <li>Strong A-brand delivering an experience</li> <li>For young fashionistas and youngsters with attitude</li> <li>Unique details for great attractiveness</li> <li>Strong price / quality</li> <li>Complete looks</li> <li>Instant happiness</li> <li>2-16 years</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 39-59</li> <li>Top: € 19-69</li> <li>Dress: € 39-59</li> </ul>	<b>www.cks-fashion.com</b>
<b>Fred &amp; Ginger</b>	<ul style="list-style-type: none"> <li>Adventurous, full of color and contrast</li> <li>Strong graphic prints</li> <li>Playful detail with humor</li> <li>Comfortable to wear, easy to maintain</li> <li>0-12 years</li> </ul>	<ul style="list-style-type: none"> <li>Bottom: € 39-69</li> <li>Top: € 24-39</li> <li>Dress: € 59-79</li> </ul>	<b>www.fredginger.com</b>

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**BAKER BRIDGE**

- On trend denim look with a classic color pallet
- Clear recognizable DNA
- Reliable quality and fits
- Classic and on-trend
- Jackets are our icons
- Details make it rich
- 2-16 years

- Bottom: € 39-59
- Top: € 26-89
- Dress: € 39-69

**www.bakerbridge.eu**

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### 3.2 OMNI-CHANNEL SALES DRIVEN BY DATA AND SUPPORTED BY AI

The digital revolution is happening at a very strong pace. The Group keeps up by investing in its digital platforms for sales and marketing as well as in a flexible and integrated organization and supply chain. These investments help the brands to market and sell their products according to the consumer's behavior and preference. Consumer behavior data plays an increasingly crucial role in all aspects of the fashion value chain.

Through investing in online and omni-channel sales, the Group currently derives a significant amount of its revenue from online sales, i.e. up to approx. 25% of total revenue for Miss Etam.

- The Group uses state-of-the-art tools and self-learning algorithms for digital marketing.
- Maximizing relevance is key to optimize online conversion.

Knowing your customer is critical to being successful as a fashion retailer. The Group puts a lot of energy and effort in knowing its customer and managing 'big data'<sup>28</sup>, which results in a better and more personal service to the customer. Examples include segmented marketing campaigns (up to one-on-one segmentation), individual web page merchandising, individual styling services, virtual stock<sup>29</sup> that can be sold via different channels, individual delivery options for online sales, etc.

In addition, Artificial Intelligence algorithms are increasingly used to perform specific predictive tasks based on a large amount of data. The more data, the more accurate and relevant certain AI algorithms become which helps increase conversion rates or reduce the serving cost. This means that retailers who have access to a lot of data from a large number of customers have a strong competitive advantage. The art of maximizing relevance for any given customer, starts as early as in the design process, where all possible data insights are used to drive line and collection planning processes.

In order to anticipate specific consumer demands, which can potentially be predicted by algorithms, an efficient design cycle and supply chain are needed. The Group applies a mixed approach where coordinated collections for a longer term are combined with short term and fast time collections in order to market items. These items are sourced through the Group's own vertically integrated buying organization. The main time mix leads to an optimum between fashion level, product quality, margins and coordinated collections.

The Group's omni-channel focuses on the "nothing sells like service" principle. Nowadays, for many consumers the line between online and offline sales has blurred. The Group's focus is on the (future) majority of customers who do not focus on the difference between online versus offline. The focus will be on the advantages you can offer by combining both sales channels.

The Group's sales people, from the sales floor to key management, are coached to become the omni-channel ambassadors of the Group.

The Group's center of excellence focuses on self-learning algorithms.

During the first phase data is converted into information. Since 2005, the Group registers more than 90% of the visitors in the shop. The data is used as information to support the design process and the "way we work" to create the right product for the right place at the right time, to minimize discounts and to maximize realized margins.



<sup>28</sup> At the date of approval of this Prospectus, the Group is not compliant with the applicable data protection legislation. The Group is undertaking best efforts to achieve compliance as soon as possible and has established a special task force in this regard.

<sup>29</sup> While in the past every shop had its own separate stock, nowadays the stocks of all shops are virtually connected resulting in one big stock, which can be sold via different channels, individual delivery options for online sales, etc.

In the next phase, information becomes intelligence, when data is analyzed in real-time. Since a couple of years the Group implements self-learning algorithms to profile the customer when he or she is shopping in order to multiply the level of conversion. After a few clicks, customers are profiled or even recognized by their “clicking behavior”. Relevant items can be immediately shown or added, while shopping.

### 3.3 BUSINESS PROCESS OPTIMIZATION, SYNERGIES AND KNOW-HOW SHARING

The three founders of the Group have a Master in Engineering. Therefore process optimization has always been a key point during the development of the Group.

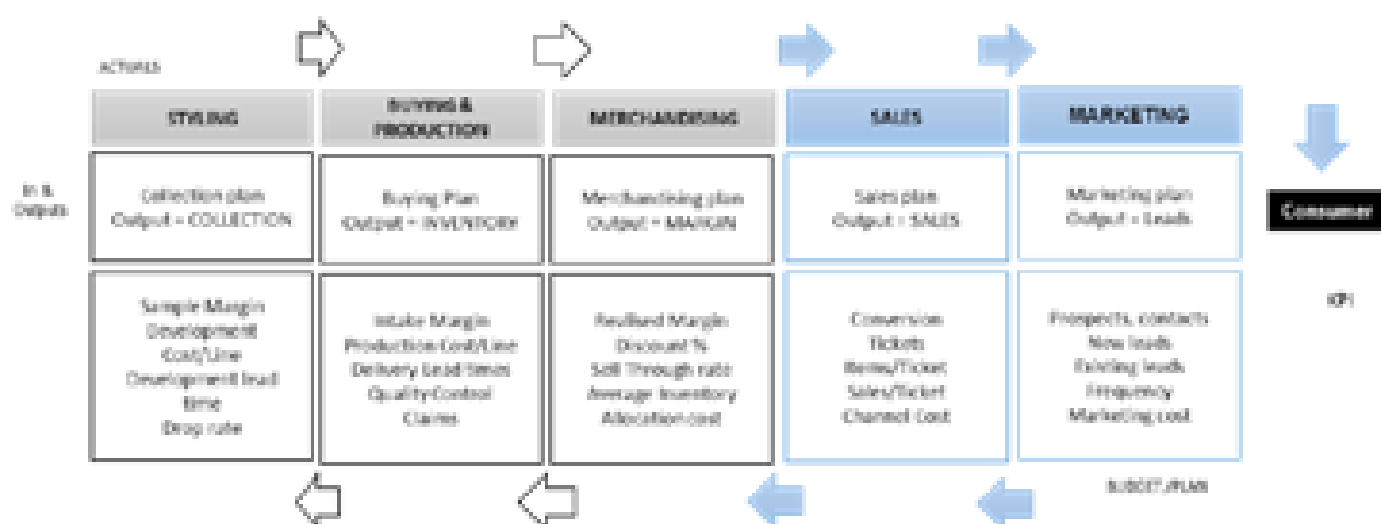
The Group focuses on business process optimization, realizing synergies and sharing of know-how.

It all starts with a determined focus on efficiency with regard to the back office: inventory accuracy, intelligent allocation of the products, and cost efficient logistics supported by excellent ICT are key. Moreover, the Group’s ICT platform is developed in such a way that it can support future acquired retail chains.

Therefore the Group has created its own business methodology (“the way we work”) which is applied to all brands with a sharp focus on realizing hard synergies and soft synergies or sharing of know-how.

i. The “way we work” methodology is implemented for all FNG Brands.

- All the brands follow the same business process with the same KPI’s for design, buying, production, merchandising, sales and marketing
- The methodology is firmly implemented in the Group’s Enterprise Resource Planning system



In order to anticipate specific consumer demands, potentially predicted by algorithms, an efficient design cycle and supply chain is needed.

The Group applies a mixed approach where coordinated collections for a longer term are combined with short term fast time collections in order to market items.

The value chain is aimed at creating brands which the customer will love. This process starts with a strong authentic brand identity. The brand strategy focuses at maximizing the relevance and the value of the brand for its consumers. The strategy and identity must be well defined and lead the entire value chain, starting with product creation (styling) until the sales and marketing processes.

The Group distinguishes five areas within the primary value chain: Styling, Purchasing, Merchandising, Sales and Marketing. The primary value chain is supported in all these areas by five areas of expertise, aimed at providing the right resources at any time to execute the primary chain: Human Resources, Finance, Logistics, IT and Facilities.

- The styling or product development department is typically headed by a brand manager. The brand manager is responsible for brand identity and positioning towards the target customer group throughout the value chain. Based on a collection plan that is defined by brand identity, trend information, historical sales data, consumer behavior analyzes, supplier expertise, merchandise plan and financial targets, the team of

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creative designers (styling team) develops up to fifteen collections per year. The Group employs over 40 designers, most of them have studied at renowned fashion schools, such as the Antwerp Academy for Fashion Design.

- The purchase department then works with the suppliers, mainly via the Group's buying platform, to turn the design sheets into garment samples. During this process, the buyer has to monitor the quality, lead times as well as the target margin and mediates between styling and suppliers to achieve the desired end result. A team of product developers assists in this process to constantly check the supplier quality of the prototypes and samples.
- The merchandising department is responsible to quantify the product demand based on wholesale sales orders, retail sales forecasts, replenishment and repeat forecasts, etc. This demand plan is turned into purchase orders that generate initial inventory. The merchandise department then tracks inventory on a daily basis to optimize margin and sell through across the different sales channels. Top selling items will be ordered in repeat, slow movers will move more quickly into markdowns.
- The sales department is responsible for organizing the different sales channels and to run the store, web and wholesale operations. Customer service is also part of the sales department in order to deliver excellent post sale support. Sales has adopted the omni-channel model where all channels work together to create a uniform brand experience for the customer and this at the highest service levels.
- Marketing turns the brand story into a marketing communication plan targeted at reaching loyal customers and developing the brand. 90% of the sales receipts are registered in the customer database, so the Group has a lot of valuable information on customer behavior. The Group uses this information via direct marketing for communication with its customers, which can be made very selective and efficient.

#### *ii. Hard synergies and economies of scale*

FNG realizes hard synergies by sharing services such as Finance, HR, Logistics and IT across brands. HQ (headquarter) and DC (the state-of-the-art Distribution Center in Zoetermeer) resources are shared.

A lean staff at the headquarters, servicing the stores in an efficient and well-organized manner, contributes to a higher profitability for the Group.

Moreover, the purchase of services and non-trading goods in the area of IT, HR, administration and "other costs" (utilities, licenses, rent, maintenance, etc...) are grouped and optimized. This leads to benefits of scale, creating purchase benefits and hence lower costs.

More hard synergies are realized in purchasing and sales. The Group has a buying platform with its own offices in Turkey, India and Hong Kong supporting the brands to source their products in an efficient way. The Group's buying platform purchases goods directly from production sites. Higher combined volumes typically lead to a stronger negotiation position towards suppliers and to a substantial improvement of the gross margin.

Sales management for larger accounts is coordinated at Group level and creates a unique position for these accounts, i.e. Wehkamp, Zalando, Bol.com, Inno, Bijenkorf, ... In retail sales, the focus on in-store productivity results in a maximum impact of the sales force at minimal cost. As store leases are under pressure in a lot of Benelux cities, FNG focuses on negotiating the optimal leases, ensuring that each store will provide a healthy contribution to the Group.

#### *iii. Soft Synergies*

Important soft synergies between brands can be identified, such as sharing know-how and best practices, human resource management and talent pooling. This approach results in a lean staff at the headquarters, servicing the stores in an efficient and well-organized manner.

From a corporate finance point of view, FNG centralizes the Group financing, from classic bank financing, to bond emissions and equity funding. The listing of the shares of FNG NV provides opportunities to attract external capital to finance the growth of the Group. In addition, acquisitions can be paid in full by shares, or new emissions can be placed to finance acquisitions.

### **3.4 ORGANIZATION, PEOPLE & ENVIRONMENT**

The Group's experienced management has a strong focus on people and environment.

#### *i. Employees and organization*

FNG believes in inspiring the Group's 3,000 employees. Corporate DNA includes key values such as respect, a "can do" mentality, no-nonsense management and out-of-the-box thinking.

The Group is organized in business units: Brantano, Miss Etam and FNG Roots (the FNG Brands and the Buying Platform). Each business unit focuses on the core value chain of one brand, including styling, buying, merchandising, sales and marketing. These are the profit centers. The goal of every business unit is to deliver a profit and loss contribution for its brand, while the shared service units are there to serve the profit centers.



The majority (approx. 2,700) of the Group's employees are sales people in the different brand stores. More than 500 employees work in the headquarters of FNG in Belgium and the Netherlands, and about 50 people are employed in the local buying offices in Turkey, India and Hong Kong.

#### HEADCOUNT EMPLOYEES

	The Netherlands	Belgium	Other	TOTAL
In number per 31 December 2017	1,879	1,344	75	3,298

#### CONCEPT STORES (including shop in shop)

	The Netherlands	Belgium	Other	TOTAL
In number per 31 December 2017	283	212	13	508

#### ii. CSR - Corporate Social Responsibility

FNG focuses on corporate and social responsibility (CSR) as well. The signing and implementing of the Covenant of Sustainable Garments and Textile and its membership of the Fair Wear Foundation are just some examples of the CSR goals. For instance, by centralizing production facilities and employing about 80 people in the production countries, FNG wants to ensure compliance to CSR standards.

##### • Dutch Agreement on Sustainable Garments and Textile

The Agreement was brought forward by the Dutch government and a group of trade organizations and NGOs. The nine themes within the Agreement are:

- Discrimination and gender
- Child labour
- Forced labour
- Freedom of association
- Living wage
- Safe and healthy workplace
- Raw materials
- Water, energy and chemicals
- Animal welfare

By signing the Agreement, the signatory brands are expected to map their supply chains, report and intervene on any risks they might encounter. The Agreement concerns Dutch companies only.

The Group's Dutch brands Espresso, Claudia Sträter, Steps and Miss Etam have all signed the Dutch Agreement on Sustainable Garments and Textiles. For the Belgian brands, signing the Dutch Agreement was not possible, as this is for Dutch brands only.

##### • Fair Wear Foundation

Fair Wear Foundation is a non-profit organization that works with brands, factories, trade unions, NGOs and sometimes governments to verify and improve workplace conditions for garment workers in 11 production countries in Asia, Europe and Africa. The HQ is located in Amsterdam, but becoming a member is a possibility also for non-Dutch companies.

The eight norms of Fair Wear Foundation are:

- Employment is freely chosen
- There is no discrimination in employment
- No exploitation of child labor
- Freedom of Association and the right to collective bargaining
- Payment of a living wage
- Reasonable hours of work
- Safe and healthy working conditions
- Legally binding employment relationship

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By joining the Fair Wear Foundation, member brands make step-by-step improvements in the eight mentioned fields. FWF keeps track of the improvements made, by doing a Brand Performance Check once per year - a thorough control of the member brands' production and buying practices.

The Group's Belgian brands CKS, Baker Bridge, Superstar, Limon, Fred & Ginger, Fred & Ginger Sister, Hilde & Co, Ginger are members of the Fair Wear Foundation. Several Dutch brands of the Group (Espresso and Claudia Sträter) are members of the Fair Wear Foundation as well.

By providing clothing, footwear and financial donations, the Group helps various social initiatives and in doing so, contributes to fighting poverty and to scientific healthcare research. In Belgium, the Group supports Wereld Missie Hulp (a worldwide relief organization), Stichting tegen Kanker (fighting cancer), Kinderkankerfonds (fighting childhood cancer), School zonder Pesten (stopping bullying in schools). In the Netherlands, charities include Dress for Success (providing women with professional attire, support and career guidance), Voedselbank and Hoop voor Morgen (both of which provide food for those who cannot afford it), KWF (fighting cancer) and Look Good...Feel Better (which helps cancer patients with their appearance).

## 4. FNG BUSINESS UNITS

### 4.1 BRANTANO

In September 2016, Brantano became part of the Group. Under the FNG umbrella, Brantano is well-positioned to strengthen its position as a leading footwear chain. Focusing on quality, price and excellent customer orientation, Brantano is the footwear and clothing specialist for everyone.

The Brantano's strengths :

- **Wide range of footwear and clothes:** with a range of well-known as well as less known brands under one roof there is something to suit everyone's taste. From classic to trendy, for young and old. Quality, comfort and sustainability are of capital importance.
- **Online reservation, paying at the cash desk:** Brantano offers the possibility to reserve your footwear online with delivery at a Brantano store of choice, free of charge and without purchase obligation. Only in the store, you have to decide whether or not you want to buy the reserved items. This way, customers have the opportunity to try on the shoes before deciding on the purchase.
- **3D foot scan:** In each Brantano store, you can have your feet measured (length, width and height) with the 3D foot scan, free of charge. The inside of every pair of shoes is scanned as well. Both scans are then compared. This way, Brantano can virtually predict the fit of a particular pair of shoes.
- **Spacious parking lot:** no parking stress.
- **Professional advice:** the shop assistants are always available to assist the customers with professional advice. Medical foot specialists assist in composing the children's collection and in training the shop assistants.
- **Easy shopping:** shoes are sorted per size, both shoes are always presented in the stores and the possibility of having a 3D foot scan made.

The acquisition of Brantano offers a strategic advantage on different levels:

Rationalization and productivity improvement potential: Brantano currently operates on a surface area of 100,000m<sup>2</sup> of shoe retail space. There is ample room to improve the sales performance through further store closures and refurbishments, as well as to improve and extend the product range.

Inventory optimization: there is room for efficiency gains in terms of shoe retail inventory management through the clearance of overstock as well as through the reduction of future purchase volumes.

Cross-selling potential: extending the product range sold in stores to apparel based on the Group's existing brands. In a further stage it would be logical to also start selling shoes through the Group's apparel stores in Belgium and the Netherlands, further optimizing footwear sales with a potentially positive impact on gross margins.

Complementary store location: Brantano operates more than 100 stores in Belgium which are mainly located out-of-town, contrary to the Group's stores in Belgium which are mainly located in city centers and shopping malls. Diversification towards out-of-town stores should lead to a better reach of the Group's target audience.

Online strategy enhancement: until now, Brantano's online performance has been almost non-existent. However, through its omni-channel strategy, the Group expects to increase online sales, which should lead to growth opportunities and margin gains.

Since 2016, Brantano has gone one step further. In 2017 and 2018, all stores will undergo a complete metamorphosis and will be given a fresh and new look. In addition to this new and pleasant shopping experience, apart from the selection of footwear, Brantano will also expand its offer to a range of very accessible and affordable clothing for women, men and children.

In 2017, Suitcase and Concept Fashion became part of the Group.

Concept Fashion owns fifteen multi-brand stores in out-of-town locations in Flanders. Concept Fashion sells women's and men's fashion and offers a wide range of brands and designer clothes.

Suitcase is an online platform for personal style advice and a wardrobe service for men. With this acquisition, the Group entered the men's fashion segment and enlarged its online presence.

Both acquisitions fit in the future strategy of making Brantano an important online and offline multi-brand retailer for fashion and shoes in Belgium. It should be clear that both acquisitions were solely done for their locations, personnel and suppliers base.

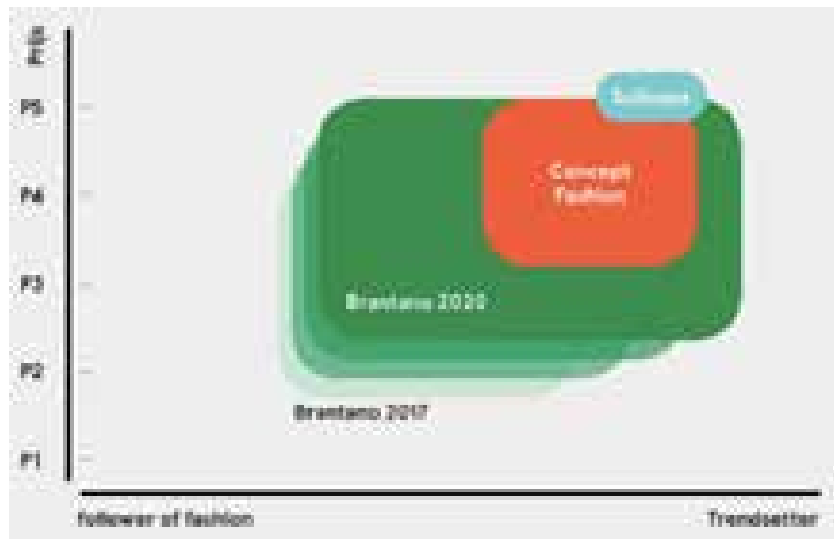
Brantano's shift to a new retail concept soon made clear (based on online surveys conducted immediately after a store visit) that Brantano customers are keen to see more international brands in stores. In addition, it appears that 80% of Brantano customers also purchase more upmarket brands, such as those offered by Concept Fashion and Suitcase.

Therefore, in 2018, Brantano launched two new retail concepts – Brantano Boutik and Brantano Market - as well as a brand new online platform. In the near future, Suitcase and Concept Fashion will be fully integrated into these new concepts, by using different formulas, on the one hand, by enlarging Brantano's level of trendsetting, and on the other hand by making the Brantano brand slightly more upmarket.

Brantano Boutik will offer clothing and shoes from international brands at higher price points than traditional Brantano stores. Brantano Market, on the other hand, will combine the current Brantano formula with the Brantano Boutik concept. By means of these new retail formulas FNG plans to significantly increase the Group's share of the competitive fashion market.

The Brantano brand will thus be fleshed out, in terms of both its offer and pricing. Visibility is high and the "one stop shop" concept works well, both online and offline. The wide availability of Brantano is definitely an asset: there is always a store nearby.

Brantano wishes to become the clothing and shoe retailer for everyone and the first choice of a large target audience. There's room for local heroes, too. Brantano will distinguish itself from big international players by its proximity to Belgian shoppers.



#### 4.2 MISS ETAM

FNG NV's highlight of 2016 was obtaining access to the Miss Etam brand and its stores.

The Miss Etam Group is active in women's fashion on the Dutch market. Its business activities include the design and procurements of products, sales through both offline and online channels and all necessary supporting activities, such as leasing stores, distributing goods, and managing the entire process.

The Miss Etam Group primarily focuses on women between 35 and 55, but also derives a significant share of its revenue from sales to women over 55. The collections are familiar, accessible and well-priced. The price class can be considered as the middle segment.

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The designs of the Miss Etam collections are best described as trend-following. The Miss Etam Group will not independently develop clothing trends, nor does it aspire for its products to slavishly follow the latest trends. However, Miss Etam does take into account the current trends on the market, and new designs are based on the trends which are suitable for the target group of Miss Etam.

The production of the garments is outsourced to a number of suppliers, via the Group's buying platform.

Online sales are an important channel for Miss Etam (ca. 25% of total sales). Miss Etam generates its online revenue primarily through its own website and via online alliances by offering its products through the websites of strategic partners. Miss Etam focuses on closely aligning the online experience with the shop experience, in terms of lay-out and experience, but also by consistently offering promotions simultaneously on both sales channels. Separate inventories are kept in its distribution center for online sales.

After its restart in 2015, all necessary and drastic steps which had to be taken, are now bearing fruit. The organization carried out a reassessment at its headquarters, and made a selection in the number of stores (about 100) with amended lease agreements. It should be noted that the brand Etam cannot be used in Belgium, as the original owner of the brand still owns the rights with regard to Belgium.

With the takeover of Miss Etam, the Group acquired a strong logistics facility and ICT platform that, to date, already serves several other acquired retail chains. The use of the logistics facility and ICT platform by other FNG brands is already being implemented.

The distribution center in Zoetermeer has a total surface area of 36,000 m<sup>2</sup>, divided over three floors, and is equipped with fully automated receipt and division installations. The distribution center and its inventory management system located are designed to achieve a high degree of accuracy when measuring inventory. Since 2017, almost all the Group's fashion items are served from the logistic platform in Zoetermeer.

In 2017, the Group integrated Miss Etam's years of know-how as a leading online single brand retailer into a Digital Center of Excellence (DCoE). In 2017, the DCoE focused mainly on the concrete realization of one-to-one marketing through the use of artificial intelligence (AI) applications. The DCoE team now guides other FNG brands through their process of rapid online expansion.

In 2017, the DCoE team took Steps in hand. By focusing on visitor numbers (+ 50%) and conversion (from 1.4% to 2.8%), gross online turnover more than doubled in only a year's time, from EUR 5.5 million to EUR 13.5 million. Fashion may not be rocket science, but retail is becoming increasingly complex every day.

In addition, Miss Etam's online success has helped pave the way for a series of other FNG brands which are now also distributed on external online platforms such as Wehkamp.nl, Zalando.com, Bijenkorf.nl and Bol.com.

#### **4.3 FNG ROOTS – FNG BRANDS & FNG'S BUYING PLATFORM**

FNG Group NV was founded at the end of 2003 by three engineers, Dieter Penninckx, Anja Maes and Manu Bracke, who are living proof that a clear vision in a market which - at first sight - might have seemed like an atypical choice can generate beautiful opportunities. Their unique approach of respecting the creative process while at the same time focusing on results makes all the difference in a difficult market.

The key to FNG Roots' success is its determined choice for fashion from local designers with strong concepts, intended for consumers of every price segment who are looking for "added value". The growth figures prove that, even in difficult times, this target group continues to pay attention to fashion and quality.

FNG Roots creates and distributes fashion brands for women and children. FNG Roots started with kids collections but made a strategic decision in 2008 to focus more and more on women's collections. More than half of the market is for women, and margins are significantly better. Today more than 90% of the items distributed by the Group in the market are for women.

FNG Roots' brands (Fred & Ginger, CKS, Claudia Sträter, Espresso, Steps, ...) have a clear and recognizable identity and subscribe to the "value for money" concept. The conception of each collection lies in the hands of a top team of in-house stylists. They design clothing with an abundance of passion, know-how and creativity which perfectly fit within the strategic guidelines and the DNA of their brand.

As knowing the customer is also critical to being successful as a premium fashion retailer today, the Group puts a lot of energy and effort in knowing its customers. Since 2005 the Group registers more than 90% of its customers and manages "big data", which results in dedicated marketing communication based on this consumer behavior.

FNG Roots wants to build a complementary product portfolio of brands as it believes there is no such thing in fashion as "one size fits all". Every wardrobe is filled with items from different brands. Customers in different countries have different tastes, sizes, service preferences and shopping habits. In other words, there will always be a market for strong local brands.

By implementing its buy-and-build strategy, FNG Roots has acquired a strong position in its home market by a complementary product portfolio of local brands, while keeping its options open to implement an international strategy for one or more selected brands. Moreover, FNG Roots strives for a maximum collection risk management through the diversification of its portfolio of brands, which each have several collections a year (generally up to fifteen, and sometimes more).

FNG Roots has become a leading fashion player in the Benelux. Its buy-and-build strategy, which has been implemented since 2005, is driven by the goal of gaining critical size, which is important for different reasons. First of all, economies of scale play an important role in the apparel production process. Secondly, by sharing know-how and integrating back-office systems and processes, the cost of building brands can be optimized substantially. Thirdly, sales channels can be shared by implementing a cross-channel sales strategy in the B2B and even in B2C business. And finally, investments in new technologies for the digital retail future pay off more quickly if they can be shared across multiple brands.

For FNG Roots, as part of its strategy to develop brands that can be fully integrated in the supply chain of other businesses, e-tailers are seen as B2B customers in a cooperative business model between bricks and clicks instead of as competitors. In addition, when it comes to retail, by running different brands, the Group is very flexible in its retail portfolio management, as a location can easily be changed between different concepts of the Group.

The Group has a buying platform with its own offices in Turkey, India and Hong Kong which supports the brands in efficiently sourcing their products. The Group's buying platform purchases goods directly from the production sites. It produces over ten million clothing items per year. Higher combined volumes lead to a stronger negotiation position towards suppliers and to a substantial improvement of the gross margin. They also bring a considerable advantage in terms of local control and insight in how the suppliers work and the local labor conditions.



The Group's buying offices and the respective percentage of buying volumes are depicted on the world map above:

- The Group's own buying offices (red):
  - Europe: 18% of the total buying volumes of the Group;
  - Turkey: 33% of the total buying volumes of the Group;
  - India: 14% of the total buying volumes of the Group;
  - Far East: 32% of the total buying volumes of the Group;
- Buying offices of third parties used by the Group (blue), representing 3% of the total buying volumes of the Group:
  - Tunisia;
  - Peru;
  - other.

## 5. ATTRACTIVE MARKET OPPORTUNITY

The Group is a lean result-focused organization with a unique corporate culture which cherishes the creative aspect:

- increasing sales per m<sup>2</sup> and margins;
- online growth;
- cross-selling of existing brands across various distribution channels online and offline;
- further broaden the product range (more brands, men's clothing, etc.), e.g. via new Brantano formula;
- leverage omni-channel platforms and optimize conversion to online sales;
- further consolidation by scoping out potential opportunities in and outside the Benelux.

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### **The Group is well positioned to benefit from growth in the online market**

By 2020 both the Netherlands and Belgium are expected to experience a growth of online fashion sales by more than 50%. The Group has integrated Miss Etam's years of know-how as a leading online single brand retailer into a Digital Center of Excellence (DCoE). The DCoE team now guides other FNG brands through their process of rapid online expansion.

The Group puts a lot of energy and effort in knowing its customer and managing "big data", which results in a better and more personal service to the customer. The implementation of state-of-the-art technology to achieve the performance level that consumers have come to expect, requires important investments in ICT. Over the next couple of years, FNG foresees an investment level of ten to fifteen million EUR per year. Competing local brands in the Benelux typically have a turnover of less than fifty million EUR. It is likely that they will not be able to achieve the same level of online performance.

In the online market, four types of e-players can be distinguished: specific versus generic e-platforms on the one hand, and local versus global players on the other hand. In the Netherlands, the market share of leading local players is as large as, or even larger than, the market share of generic players. Today's leading "pure players" do not have omni-channel access via "own stores". They will need some time to realize intensive cooperation via physical stores. In Belgium, no specific local fashion e-platform has a significant market share in fashion. This creates opportunities for the Group.

The Group is already in the process of reorienting itself from omni-channel towards opti-channel. The combination of bricks and clicks make it possible for the Group to offer solutions to customer whether they prefer to shop in an actual store or online.





Fred & Ginger



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# SECTION XI.

## MANAGEMENT AND CORPORATE GOVERNANCE

### 1. OVERVIEW

This section summarizes the rules and principles governing the Company's corporate governance structure, in accordance with the Belgian Company Code, other relevant legislation, the Articles of Association and the Corporate Governance Charter.

The Company is committed to high standards of corporate governance and shall rely on the Belgian Code on Corporate Governance of 12 March 2009 (the "**Corporate Governance Code**"), which it uses as a reference code. The Corporate Governance Code is based on a "comply or explain" approach. Belgian listed companies should follow the Corporate Governance Code, but may deviate from those of its provisions which are not otherwise contained in the Belgian Company Code, provided they disclose the justification for any such deviation in the annual corporate governance statement included in the annual report.

On 22 June 2018, the Company adopted a new corporate governance charter (the "**Corporate Governance Charter**").

The Company reviews the Company's corporate governance at regular intervals and adopts any changes deemed necessary and appropriate.

The Board of Directors complies with the Corporate Governance Code, except with respect to the following:

- directors are appointed for a duration of 6 years instead of 4 years;
- at the date of this Corporate Governance Charter, the Company only has two independent directors; it is the intention to appoint an additional independent director at short notice;
- the Nomination and Remuneration Committee is currently composed of two non-executive directors and the CEO;
- the Audit Committee is currently composed of two non-executive directors;
- the Audit Committee will need to meet at least two (2) times a year instead of four (4) times a year.

The Articles of Association and the Corporate Governance Charter are appended to this Prospectus.

### 2. MAIN GOVERNANCE STRUCTURE

To date of the Prospectus, the Company has a "two-tier" governance structure in place. The Company's governance is discharged by the Company's Board of Directors, on the one hand, and the Company's supervisory board (raad van commissarissen) on the other hand.

The Company maintains a "two-tier" governance structure. As a result, the principal governance structure of the Company shall be based on a distinction between:

- the **Executive Committee** (*directiecomité / comité de direction*) within the meaning of Article 524bis of the Belgian Company Code, which is charged with the management (including daily management) of the Company, within the framework of the general strategy defined by, and under the supervision of, the Company's Board of Directors;
- the **Board of Directors**, which is charged with the definition of the Company's general strategy, the supervision of the Executive Committee and the exercise of the specific powers attributed to it by the Belgian Company Code, the Articles of Association and the Corporate Governance Charter.

In addition, the Board of Directors shall establish an audit committee and a nomination & remuneration committee. These committees shall have an advisory function. They will assist the Board of Directors with specific tasks, it being understood that the final decision making power will remain with the Board of Directors.

Furthermore, the Board of Directors shall delegate the Company's daily management to a person entrusted with the daily management (*algemeen directeur / directeur general*), i.e. the CEO.

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### 3. BOARD OF DIRECTORS

#### 3.1 POWERS AND RESPONSIBILITY OF THE BOARD

The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realization of the Company's purpose, except for those actions that are specifically reserved by law or the Articles of Association for the Shareholders' Meeting or other management bodies.

In particular, the Board of Directors:

- approves and oversees the Company's principal objectives and strategy, as recommended by the CEO;
- appoints and dismisses the managing director(s), the CEO, the CFO and the Company Secretary and the members of the Executive Committee;
- determines the power and responsibilities of the managing director(s), the CEO and the CFO;
- appoints and dismisses the members of the board committees and their chairmen;
- reviews and approves the annual, six-monthly financial and consolidated statements, and where required by law, present those to the Shareholders' Meeting;
- reviews, evaluates and approves the Company's budget, forecasts, major resource allocation and capital investments;
- monitors and evaluates the Company's performance against the strategic goals, plans and budgets set;
- determines the structure, the powers and duties of the Executive Committee and supervise and evaluate the Executive Committee's performance;
- convenes the Shareholders' Meetings and submit resolutions for approval; and
- oversees the Company's policy with respect to corporate communications, it being understood that communication on behalf of the Company to the outside world is reserved to the Chairman of the Board and the CEO, with the right of delegation.

With respect to its monitoring responsibilities, the Board of Directors:

- reviews executive management performance and the realization of the Company's strategy;
- monitors and reviews the effectiveness of the board committees;
- takes all necessary measures to ensure the integrity and timely disclosure of the Company's financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders;
- approves a framework of internal control and risk management set up by the executive management;
- reviews the implementation of this framework, taking into account the review made by the Audit Committee;
- supervises the performance of the external auditor and supervises the internal audit function, taking into account the review made by the Audit Committee; and
- describes the main features of the Company's internal control and risk management systems.

#### 3.2 COMPOSITION OF THE BOARD OF DIRECTORS

Pursuant to the Articles of Association, the Board of Directors needs to be comprised of at least three (3) members.

In accordance with the provisions of the Belgian Company Code, the term of office of the directors is limited to six (6) years. The appointment and renewal of directors is based on a recommendation of the Nomination and Remuneration Committee to the Board of Directors and is subject to approval by the Shareholders' Meeting.

The majority of the directors is appointed amongst the candidates proposed by the Principal Shareholders (i.e. Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel (Manu) Bracke), for as long as they, individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code, hold at least fifteen percent (15%) of the shares in the Company. If the Principal Shareholders (individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code) hold less than fifteen percent (15%) of the shares in the Company, but more than five percent (5%), they shall have the right to propose candidates for at least three directorships.

Pursuant to the Corporate Governance Code, at least half of the directors should be non-executive and at least three (3) directors should be independent in accordance with the independence criteria set out in the Belgian Company Code and the Corporate Governance Code. To date of the Prospectus, two out of three directors are non-executive and independent. Nevertheless, it is the intention of the Board of Directors to propose several new persons for the office of independent and/or non-executive director to the Shareholders' Meeting after the Offer (see Section XI. 3.5 (*Management and corporate governance - Envisaged members of the Board of Directors after the Offering*)).

As of 1 January 2023, at least one-third of the directors must be of the opposite gender. To date of the Prospectus, one out of three directors is of the opposite gender. Nevertheless, it is the intention of the Board of Directors to propose additional persons of the opposite gender for the office

of director to the Shareholders' Meeting after the Offering. The Nomination and Remuneration Committee shall strive to the selection of men and women for the office of director in order to achieve the goal of one-third women at the board.

### 3.3 FUNCTIONING OF THE BOARD OF DIRECTORS

In principle, the Board of Directors meets at least each quarter. Additional meetings may be called with appropriate notice at any time to address specific needs of the business. The Board of Directors is convened by the chairman, a managing director or at the request of two (2) directors.

The principles applicable to the functioning of the Board of Directors are as follows:

#### *i. Quorum*

The Board of Directors can only deliberate and decide on matters stated on the agenda and only if at least half of its members are present or represented at the meeting.

Such quorum requirement shall not apply to the vote on any matter at a subsequent meeting of the Board of Directors to which such matter has been deferred for lack of quorum at a prior meeting, if said subsequent meeting is held within fourteen (14) days from such prior meeting.

The Board of Directors can only lawfully deliberate and decide on matters that are not stated on the agenda if all the members are present or represented at the meeting and agree to this.

Each director can grant a proxy to one of his/her colleagues to represent him/her and to vote in his/her name at a specific Board of Directors' meeting.

#### *ii. Deliberation and Voting*

The decisions of the Board of Directors are taken by a simple majority of votes.

In exceptional cases, when urgent necessity and the Company's interest demand this, the Board of Directors' decisions can be taken by unanimous written agreement by the directors. However, this procedure cannot be adopted for the approval of the annual accounts or the use of the authorized capital.

### 3.4 CURRENT MEMBERS OF THE BOARD OF DIRECTORS

#### *i. Overview*

On the date of the Prospectus, the Board of Directors of the Company consists of the following three (3) members:

#### *FNG's Board of Directors*

Name	Role	Independent	Executive	Term
Mr Gino Van Ossel	Member	Yes	No	2018 - 2023
Ms Anja Maes <sup>(1)</sup>	Member	No	Yes	2018 - 2023
Mr Eric Verbaere	Chair	Yes	No	2018 - 2023

(1) Ms Anja Maes has been appointed as director by the Board of Directors on 22 June 2018 through cooptation. The confirmation of the appointment of Ms Maes shall be presented to the next Shareholders' Meeting.

#### *ii. Biographies*

##### **Mr Gino Van Ossel**

Mr Gino Van Ossel (Belgian nationality) is professor Retail & Trade Marketing at Vlerick Business School and is considered as an authority on retail management, shop behavior and omni channel.

In recent years, he has worked for AholdDelhaize, Akzo-Nobel, Bosch, Boulanger, Bpost, Brabantia, Carrefour, CBRE, Daikin, DPD, DS Smith Packaging, Euro Shoe Group, Eurocommerce, Galeria Kaufhof, Hoya, Ikea, ING, JBC, KBC, MediaMarkt, VF Corporation (a.o. Kipling, Timberland,...), Philips Avent, PostNL, Proximus, Q8, Steinhoff (a.o. Conforama), Shimano, Toyota, Unilever and Visilab.

Gino Van Ossel is non-executive director at FNG (Euronext Amsterdam - Brantano, CKS, Claudia Sträter, Espresso,...) and Cryns Carrosserie Center. He is also on the board of the Dutch Trade Marketing Association and member of the advisory board of Sodexo Cards and Tribù, a global leader in high outdoor furniture.

He is a member of the jury of the European Omni-Channel Award at the Global E-Commerce Congress in Barcelona. He sits also in the jury of the Mercury award (Comeos), and is chairman the Belgian Omni-Channel award (RetailDetail).

In April 2014 he published the book “Omni-channel in retail” on how to deal with the digital retail revolution. It won both the “marketing book of the year” and “management book of the year” awards in the Netherlands.

#### **Ms Anja Maes**

Ms Anja Maes (Belgian nationality) obtained a Master of Science in Civil Engineering, with a major in Architecture at KU Leuven. After her studies she completed an apprenticeship of two years and became a certified independent architect in 2002. In 2003, together with Mr Dieter Penninckx and Mr Emmanuel (Manu) Bracke, she founded the Group, entering the world of fashion. As Art Director, Ms Maes is in charge of the creative side of the business, and oversees the collection development, design and marketing of the Group.

#### **Mr Eric Verbaere**

Mr Eric Verbaere (Belgian nationality) has a degree in economics (UG). For several years he was active in the corporate finance department of the University of Ghent (UG) and the Vlerick Management School, Ghent. After a stint at the National Investment Company and Leasinvest, he found his way to Investco, the investment company of the KBC Group, in the late '80. In 1993 he started his own independent consultancy firm, and in 1995 together with Guy De Clercq, he founded VD&P Corporate Finance. He is currently administrator of several companies in Belgium and abroad. Mr Eric Verbaere is the chair of the Board of Directors.

#### *iii. General information on the directors*

In relation to each of the directors, there have been no (i) convictions in relation to fraudulent offenses during the past five (5) years; (ii) bankruptcies, receiverships or liquidations of any entities in which such members held any office, directorships, or partner or senior management positions during the past five (5) years; or (iii) official public incrimination and/or sanctions of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer during the past five (5) years, other than the bankruptcy of Pirana Concepts BVBA / FISHINC NV during the office of Mr Gino Van Ossel as director.

None of the directors has a potential conflict of interest between his/her duties to the Company and his/her private interests and/or any other duties he or she may have.

No director (based on the post-Offering composition of the Board of Directors) has a family relationship with any other director or member of executive management.

In the five (5) years preceding the date of this Prospectus, the directors or their management companies have held the following directorships or memberships of administrative, management or supervisory bodies and/or partnerships apart from mandates in the Company or its subsidiaries:

<b>Name</b>	<b>Current</b>	<b>Past</b>
Ms Anja Maes	<ul style="list-style-type: none"> <li>• 3NG NV (director);</li> <li>• Ocean7 BVBA (manager);</li> <li>• 3NDV BVBA (manager);</li> <li>• Greenway District BVBA (manager);</li> <li>• AM020 Comm.V (manager);</li> <li>• Siaan BVBA (manager).</li> </ul>	/
Mr Gino Van Ossel	<ul style="list-style-type: none"> <li>• Inside-Out CVOA (director);</li> <li>• Vlerick Business School (Professor);</li> <li>• Cryns Carrosserie Center (non-executive director)</li> <li>• Trade Marketing Association</li> </ul>	<ul style="list-style-type: none"> <li>• Pirana Concepts BVBA/FISHINC NV</li> </ul>
Mr Eric Verbaere	<ul style="list-style-type: none"> <li>• Finimax BVBA (director);</li> <li>• Gande NV (director);</li> <li>• VD&amp;P Corporate Finance NV (director);</li> <li>• Quest for Partners BVBA (director);</li> <li>• Solar Energy Conversion Power Corporation NV</li> </ul>	/

### 3.5 ENVISAGED MEMBERS OF THE BOARD OF DIRECTORS AFTER THE OFFERING

#### i. Overview

Shortly after the Offering, the Board of Directors shall propose several new persons for the office of director to the Shareholders' Meeting, in order to achieve a more balanced composition of the Board of Directors on the basis of gender diversity, diversity in general, as well as complementary skills, experience and knowledge. In this respect, it is the intention of the Board of Directors to convene a Shareholders' Meeting shortly after the Offer

The envisaged composition of the Board of Directors of the Company is as indicated in the table below. It should be noted that the nomination of the additional directors depends on the actual approval by the Shareholders' Meeting, which shall be convened shortly after the Offering:

#### *Envisaged FNG's Board of Directors after the Offering*

<b>Name</b>	<b>Role</b>	<b>Independent</b>	<b>Executive</b>
Mr Roald Borré	Member	No	No
Mr Emmanuel (Manu) Bracke	Member	No	Yes
Ms Elke Kestens	Member	Yes	No
Mr Emiel Lathouwers	Member	No	No
Ms Anja Maes	Member	No	Yes
Mr Gino Van Ossel	Member	Yes	No
Mr Philippe Vandeurzen	Member	Yes	No
Mr Eric Verbaere	Chair	Yes	No

#### ii. Biographies

##### **Mr Roald Borré**

Mr Roald Borré (Belgian nationality) obtained a Master in Commercial and Financial Sciences, with a Specialisation in Accountancy at the EHSAL Management School. He started his professional career in the investment world as a financial analyst at De Belegger NV and Mignon Hanaert Declerck. Three years later, he became Senior Fund Manager at Puilaeteco Dewaay Private Bankers (1999-2006). In the meantime, he co-founded a company active in e-commerce relating to sports and leisure (2004-2011). Mr Roald Borré is currently Head of Equity Investments for ParticipatieMaatschappij Vlaanderen (PMV). He holds various board mandates in a.o. Newtec (Innovation ICT), Biocartis (Diagnostica/life Sciences), High Wind NV, Capricorn Cleantech Fund and Kebony (Norway).

##### **Mr Emmanuel (Manu) Bracke**

Mr Emmanuel (Manu) Bracke (Belgian nationality) obtained a Master of Science in Civil Engineering, with a major in Mechanical and Electro-Technical Engineering at KU Leuven. After his studies, he was active in the telecom sector and the IT sector for six years. During this period, he also obtained a Postgraduate in Business Management at the Antwerp Management School. In 2003, he founded the Group, together with Ms Anja Maes and Mr Dieter Penninckx, changing sectors to the fashion world. In his position of Director of Operations of the Group, he is in charge of production and distribution, IT and sales.

##### **Ms Elke Kestens**

Ms Elke Kestens (Belgian nationality) obtained a Master of Science in Mathematics and Statistics at the KU Leuven. She put her mathematical talents and insight into practice, first during her years as a researcher at the Centre for Statistics at the KUL (1997-2001), then as a statistical analyst at Proximus' Market Intelligence Service (2002-2006), followed by a transfer into Proximus' Marketing Division for Private Clients where she was active as a marketing analyst and advisor. Ms Kestens then turned her attention to management, training and coaching, first by managing the Incentive and Fraud Team of Proximus' and Belgacom's Indirect Sales Channel (2008-2010), then by leading the training division of Belgacom's Sales Division, and the department "Commission" at Proximus' Sales Division, respectively from 2010-2012 and from 2013-2015. Combining her mathematical and leadership training skills, Ms Kestens founded Modifez in 2015, a company specialized in change management, creative coaching and sustainable change.

##### **Mr Emiel Lathouwers**

Mr Emiel Lathouwers (Belgian nationality) is the founder of AS Adventures and reference shareholder of Le Pain Quotidien and Vendis Capital.

##### **Ms Anja Maes**

See Section XI. 3.4, ii (*Management and corporate governance - Board of Directors - Current members of the Board of Directors - Biographies*) above.

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**Mr Gino Van Ossel**

See Section XI. 3.4, ii (*Management and corporate governance - Board of Directors - Current members of the Board of Directors - Biographies*) above.

**Mr Philippe Vandeurzen**

Mr Philippe Vandeurzen (Belgian nationality) obtained a Master of Science in Materials Engineering (KUL) in 1993 followed by a PhD in Applied Sciences in 1998 (KUL). After working for three years in the petrochemical sector as a technical-commercial engineer at Petrofina NV and Total SA (1997-2000), he completed the Chartered Financial Analyst Program administered by CFA Institute (USA), and followed the CEDEP Personal Development Program in Fontainebleau (France), while working as (senior) equity analyst for Fortis Bank NV. After his stint in the banking sector he turned his attention to the investment world, in which he has been active ever since, working for De Eik NV and its affiliates in various functions. Having started out as investment manager at De Eik NV, Mr Vandeurzen then became managing director at Belreal NV, a company which is part of De Eik Group. In 2012 he became CFO of De Eik NV, and in 2014 he accepted the position of CEO of De Eik NV, which he has held since then. In 2016, Mr Vandeurzen took time to complete the INSEAD Advanced Management Program at Fontainebleau (France) to further develop his leadership skills.

**Mr Eric Verbaere**

See Section XI. 3.4, 0 (*Management and corporate governance - Board of Directors - Current members of the Board of Directors - Biographies*) above.

**3.6 COMMITTEES OF THE BOARD OF DIRECTORS**

On the date of the Prospectus, there are two board committees which are responsible for assisting the Board of Directors and making recommendations in specific fields: the Audit Committee (in accordance with Article 526bis of the Belgian Company Code and Provision 5.2 of the Corporate Governance Code) and the Nomination and Remuneration Committee (in accordance with Article 526quater of the Belgian Company Code and Provision 5.3 and 5.4 of the Corporate Governance Code). The terms of reference of these board committees are primarily set out in the Corporate Governance Charter.

*i. Audit Committee*

The Audit Committee supervises financial reporting and the observance of administrative, legal and fiscal procedures and the follow-up of financial and operational audits and advises on the choice and remuneration of the external auditor. The Audit Committee, which reports directly to the Board, has a supervisory and advisory role.

The Audit Committee advises the Board of Directors on accounting, audit and internal control matters, and, in particular, its role includes the following:

- (a) Informing the Board of Directors of the result of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts and explaining how the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts has contributed to the integrity of the financial reporting and the role of the Audit Committee in such process.
- (b) Monitoring the financial reporting process and making recommendations or proposals to ensure the integrity of the process:
  - the Audit Committee ensures that financial reporting gives a truthful, honest and clear picture of the situation and prospects of the Company, on both an individual and consolidated basis;
  - the Audit Committee checks the accuracy, completeness and consistency of financial information before it is announced;
  - the Audit Committee assesses the choice of accounting policies and the impact of new accountancy rules;
  - the Audit Committee discusses significant matters relating to financial reporting both with the executive managers and the external auditor.
- (c) Monitoring the effectiveness of the Company's internal control and risk management systems, as well as, if there is an internal audit, monitoring the internal audit and its effectiveness:
  - the Audit Committee evaluates at least once a year the effectiveness of the internal control and risk management system installed by the executive management;
  - the Audit Committee also examines the statements relating to internal control and risk management included in the Corporate Governance Statement of the Company;
  - the Audit Committee investigates the specific arrangements to enable staff to express concerns in confidence about any irregularities in financial reporting and other areas (whistle-blower arrangements). The Audit Committee ensures that all the staff of the Company and its subsidiaries are aware of such arrangements;
  - the Audit Committee decides on the appointment and dismissal of the internal auditor. The Audit Committee approves annual budgets and the internal audit budget. The responsibilities of the Audit Committee also include evaluation of the effectiveness of the internal audit function and the follow-up given by executive management to the findings and recommendations made by the internal auditor.

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- (d) Monitoring the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the annual and consolidated accounts, including the follow-up on any questions and recommendations made by the external auditor:
- the Audit Committee supervises the relationship between the Company and the external auditor and makes recommendations to the Board of Directors concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor;
  - the Audit Committee monitors the external auditor's schedule and ensures the effectiveness of the external audit process. The Audit Committee examines the extent to which the executive management complies with the recommendations made by the external auditor in its management letter.
- (e) Reviewing and monitoring the independence of the external auditor, in particular in the light of the provisions of the Company Code:
- the Audit Committee supervises the independence of the external auditor, in particular in the light of the provisions of the Company Code;
  - the Audit Committee examines which additional (non-audit) services have been entrusted to the external auditor and the scope of such services. The Audit Committee determines and updates a formal policy with regard to the types of additional services that : a) are excluded; b) are permissible after verification by the Committee and c) are permissible without being referred to the Committee, taking account of the specific requirements of the Company Code.
- (f) Making recommendations to the Board of Directors with regard to the appointment of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts:
- the Audit Committee supervises the relationship between the Company and the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts and makes recommendations to the Board of Directors concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts.

The Audit Committee also reports regularly to the Board of Directors on the exercise of its duties, identifying any matters where it considers that action or improvement is needed, and makes recommendations as regards the steps to be taken.

The Audit Committee consists of at least two (2) members appointed for a term not exceeding that of their Board of Directors membership, all being non-executive directors and a majority of them being independent directors. The Chairperson of the Audit Committee is designated by the Audit Committee but is not be the Chairperson of the Board of Directors. No executive director (including the CEO) is a member of the Audit Committee.

On the date of the Prospectus, the following directors form the Audit Committee: Mr Gino Van Ossel and Mr Eric Verbaere.

The Audit Committee will meet at least two (2) times a year and whenever it deems necessary in order to carry out its duties.

#### *ii. Nomination and Remuneration Committee*

The Nomination and Remuneration Committee advises the Board of Directors principally on matters regarding the appointment and remuneration of directors and members of the Executive Committee and shall, in particular:

- (a) for the purpose of appointments and assessments:
- prepare selection criteria and procedures for the appointment of members of the Board of Directors, the CEO(s) and the other members of the Executive Committee;
  - review appropriate candidates for vacant directorships as proposed by the CEO(s) or a shareholder in accordance with the Articles of Association;
  - review appropriate candidates for vacant top executive management positions as proposed by the CEO(s);
  - prepare reappointment proposals;
  - periodically evaluate the size and composition of the Board of Directors and, if applicable, prepare recommendations for changes to its size and composition.
- (b) with respect to the remuneration policy :
- prepare proposals to the Board of Directors concerning the remuneration policy for directors, members of the Executive Committee and persons responsible for the day-to-day management of the Company, as well as, where appropriate, on the resulting proposals to be submitted by the Board of Directors to the Shareholders' Meeting;
  - prepare proposals to the Board of Directors concerning the individual remuneration of directors, members of the Executive Committee, and persons responsible for the day-to-day management of the Company, including, depending on the situation, variable remuneration and long term incentives, whether or not stock related, in the form of stock options or other financial instruments and the arrangements on early termination, and where applicable on the resulting proposals to be submitted by the Board of Directors to the Shareholders' Meeting.

Following the Closing of the Offering, the Nomination and Remuneration Committee shall consist of at least two (2) members, all being non-executive directors and a majority of them being independent director, and the CEO. The Chairperson of the Nomination and Remuneration Committee shall be designated by the Board of Directors and shall be either the Chairperson of the Board of Directors or another non-executive director.

On the date of the Prospectus, the following directors form the Nomination and Remuneration Committee: Mr Gino Van Ossel and Mr Eric Verbaere.

The Nomination and Remuneration Committee will meet at least two (2) times a year and whenever it deems necessary in order to carry out its duties.

## 4. EXECUTIVE COMMITTEE

### i. Overview

In view of the fact that the Company has opted for a “two-tier” governance structure, the management of the Company is conducted by the Executive Committee (*directiecomité / comité de direction*) within the meaning of Article 524bis of the Belgian Company Code.

The Executive Committee is composed of the CEO, who chairs the Executive Committee, and the other members of the Executive Committee. Such other members are appointed and removed by the Board of Directors upon advice of the Nomination and Remuneration Committee.

The Executive Committee is bestowed with the management powers within the Company, except for the determination of the Company’s strategy, the supervision of the Executive Committee, and the powers explicitly reserved by law, by the Articles of Association or the Corporate Governance Charter to the Board and the shareholders’ meeting.

In general, the role of the Executive Committee is to run the Company in keeping with the values, strategies, policies, plans and budgets endorsed by the Board. The Executive Committee shall be collectively responsible for the Company’s management and the general affairs of the Company’s business. In discharging its duties, the Executive Committee shall be guided by the interests of the Company and its business; it shall take into account the relevant interests of all those involved in the Company, including the Company’s shareholders. The Executive Committee is responsible for the quality of its own performance.

In the exercise of this role, the Executive Committee is responsible for complying with all relevant legislation and regulations, the Articles of Association and the Corporate Governance Charter.

The Company’s Executive Committee consists of the three founders of the Group:

### FNG’s Executive Committee

Name	Role	Appointment	End of term
Mr Emmanuel (Manu) Bracke	Art Director	2018	2023
Ms Anja Maes	Operations Director	2018	2023
Mr Dieter Penninckx	CEO	2018	2023

### ii. Biographies

#### Mr Emmanuel (Manu) Bracke

See Section XI. 3.5, ii (*Management and corporate governance - Board of Directors - Envisaged members of the Board of Directors after the Offering - Biographies*) above.

#### Ms Anja Maes

See Section XI. 3.4, ii (*Management and corporate governance - Board of Directors - Current members of the Board of Directors - Biographies*) above.

#### Mr Dieter Penninckx

Mr Dieter Penninckx (Belgian nationality) obtained a Master of Science in Civil Engineering, with a major in Mechanical and Electro-Technical Engineering at KU Leuven. During his engineering studies, he was also chairperson of VTK, the engineering students’ association. Mr Penninckx’ entrepreneurial drive manifested early, when he became co-founder of KULeuven spin-off companies in High Tech, until 2002. Deciding to further develop his business skills, he then obtained a second master degree in 2003, in Financial Economics this time (KULeuven). During the same year, he founded the Group, together with Ms Anja Maes and Mr Emmanuel (Manu) Bracke. As CEO, he is responsible for the general management and administration of the Group.



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### iii. General information on the members of the Executive Committee

In relation to each of the members of the Executive Committee, there have been no (i) convictions in relation to fraudulent offenses during the past five (5) years; (ii) bankruptcies, receiverships or liquidations of any entities in which such members held any office, directorships, or partner or senior management positions during the past five (5) years; or (iii) official public incrimination and/or sanctions of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer during the past five (5) years.

None of the members of the Executive Committee has a potential conflict of interests between his/her duties to the Company and his/her private interests and/or any other duties he or she may have, except for any matters in relation to his/her management or employment agreement with the Company or any of its subsidiaries (if any) or with any (indirect) shareholder of the Company.

No member of the Executive Committee has a family relationship with any director. Mr Emmanuel (Manu) Bracke has no family relationship with another member of the Executive Committee. Mr Dieter Penninckx and Ms Anja Maes are married.

In the five (5) years preceding the date of this Prospectus, the members of the Executive Committee or their management companies have held the following main directorships or memberships of administrative, management or supervisory bodies and/or partnerships apart from mandates in the Company or its subsidiaries:

Name	Current	Past
Mr Dieter Penninckx	<ul style="list-style-type: none"><li>• 3NG NV (director);</li><li>• 3NDV BVBA (manager);</li><li>• Euromas BVBA (manager);</li><li>• AM020 Comm.VA (perm. representative);</li><li>• EM02 Comm.VA (perm. representative);</li><li>• EM03 Comm.VA (perm. representative);</li><li>• EM04 Comm.VA (perm. representative);</li><li>• EM05 Comm.VA (perm. representative);</li><li>• EM06 Comm.VA (perm. representative);</li><li>• EM07 Comm.VA (perm. representative);</li><li>• EM08 Comm.VA (perm. representative);</li><li>• EM09 Comm.VA (perm. representative);</li><li>• EM10 Comm.VA (perm. representative);</li><li>• EM11 Comm.VA (perm. representative);</li><li>• Goldenshoeinvest BVBA (director);</li><li>• Greenway District BVBA (manager);</li><li>• GW2 BVBA (perm. representative);</li><li>• Malinwa Invest BVBA (manager);</li><li>• Ocean7 BVBA (manager);</li><li>• Siaan BVBA (manager);</li><li>• SQRD Comm.V (manager);</li><li>• Tensai Media Comm.V (manager).</li></ul>	/
Mr Emmanuel (Manu) Bracke	<ul style="list-style-type: none"><li>• VOF Vandenborre, Bracke &amp; Co (manager);</li><li>• DMBV BVBA (perm. representative);</li><li>• Vanderzanden Comm.V (manager);</li><li>• 3NG NV (director);</li><li>• Ocean7 BVBA (manager);</li><li>• 3NDV BVBA (manager);</li><li>• Greenway District BVBA (manager).</li></ul>	/
Ms Anja Maes	<ul style="list-style-type: none"><li>• 3NG NV (director);</li><li>• Ocean7 BVBA (manager);</li><li>• 3NDV BVBA (manager);</li><li>• Greenway District BVBA (manager);</li><li>• AM020 Comm.V (manager);</li><li>• Siaan BVBA (manager).</li></ul>	/

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## 5. CEO

The CEO (Chief Executive Officer), with the assistance of the other members of the Executive Committee, is responsible for the day-to-day management of the Company. He may be granted additional well-defined powers by the Board of Directors and shall in particular be responsible for:

- examining, analysing and proposing to the Board strategic business opportunities that can contribute to the further growth of the Group;
- executing the decisions of the Board;
- preparing proposals to the Nomination and Remuneration Committee concerning the appointment, remuneration and evaluation of the members of the management team;
- setting up, chairing and leading the management team;
- managing the members of the management team as they discharge of their individual responsibilities, as determined by the CEO(s);
- determining the objectives to be achieved by the management;
- communicating with the outside world;
- ensuring the day-to-day management of the Company and accounting to the Board for such management at regular intervals;
- maintaining a continuous dialogue and interaction with the members of the Board in an atmosphere of openness and a climate of trust;
- maintaining excellent relationships with important customers, suppliers and the authorities;
- preparing proposals on topics for which decision-making is the preserve of the Board;
- meeting the Chairman of the Board at regular intervals, consulting him/her and involving him/her in strategic projects from the outset;
- providing the Board with all the possible relevant information it needs to exercise its powers.

The CEO leads the Executive Committee, which reports to him, within the framework established by the Board of Directors and under its ultimate supervision. The CEO chairs the Executive Committee.

The CEO is appointed and removed by the Board of Directors and reports directly to it.

Mr Dieter Penninckx was appointed as CEO (person entrusted with the daily management) on 22 June 2018.

## 6. MANAGEMENT

### *i. Overview*

The members of the Executive Committee are assisted in their duties by two other members of the management of the Company who are not appointed as members of the Executive Committee, i.e. the CFO (Chief Financial Officer) and the Secretary General. The members of the Executive Committee, the CFO and the Secretary General form an informal management committee.

The CFO's primary responsibility is managing the Company's finances, including financial planning, management of financial risks, record-keeping, and financial reporting. The Secretary General its duties include, but are not limited to, ensuring the integrity of the governance framework, being responsible for the efficient administration of the Company, ensuring compliance with statutory and regulatory requirements and implementing decisions made by the Board of Directors and Executive Committee.

In addition to the Executive Committee, the Company's management consists of the following persons:

*FNG's members of management, other than members of the Executive Committee*

Name	Role
Mr Nico Bondroit	CFO
Ms Tine De Ryck	Secretary General

### *ii. Biographies*

#### **Mr Nico Bondroit (CFO)**

Mr Nico Bondroit is a Belgian citizen. He holds a master's degree in Applied Economics from the University of Ghent (1995-1999), and holds an MBA in Financial Management from Vlerick Business School (1999-2000).

From 2000 to 2016, he held various positions within Brantano (a.o. financial analyst, treasury, product and store merchandising, and finance director). Mr Nico Bondroit joined FNG in 2016 as CFO.

### **Ms Tine De Ryck (Secretary General)**

Ms Tine De Ryck is a Belgian citizen. She holds a master's degree in Applied Economics from the University of Leuven (1998-2002), and holds a Master in International Marketing Management from the University of Hasselt (2002-2003).

She started to work for FNG in 2003 and held various positions within the group (o.a. payroll, finance, administration, legal).

#### *iii. General information on the managers*

In relation to each of the managers listed above, there have been no (i) convictions in relation to fraudulent offenses during the past five (5) years; (ii) bankruptcies, receiverships or liquidations of any entities in which such managers held any office, directorships, or partner or senior management positions during the past five (5) years; or (iii) official public incrimination and/or sanctions of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer during the past five (5) years.

None of the managers has a potential conflict of interest between his/her duties to the Company and his/her private interests and/or any other duties he or she may have.

No manager has a family relationship with any other director or member of the Executive Committee or management.

In the five (5) years preceding the date of this Prospectus, the managers or their management companies have held the following directorships or memberships of administrative, management or supervisory bodies and/or partnerships apart from mandates in the Company or its subsidiaries:

<b>Name</b>	<b>Current</b>	<b>Past</b>
Mr Nico Bondroit	<ul style="list-style-type: none"><li>• Firelle BVBA (manager);</li><li>• Signum 4 S.A. (director);</li><li>• Bondroit Consult BVBA (manager).</li></ul>	<ul style="list-style-type: none"><li>• Muys NV (director);</li><li>• Macintosh Intragroup Services NV (director);</li><li>• SC Retail NV (director).</li></ul>
Ms Tine De Ryck	/	/

## **7. SHARE OWNERSHIP AND INTENTION OF THE DIRECTORS, CEO AND MEMBERS OF THE EXECUTIVE COMMITTEE TO PARTICIPATE IN THE OFFERING**

At the date of this Prospectus, Mr Dieter Penninckx, together with Mr Emmanuel (Manu) Bracke, Ms Anja Maes and Mr Lathouwers, directly and indirectly (via Greenway District BVBA, GW2 BVBA, 3NG NV and MANco GDM BVBA) own 56.80% of the shares issued by the Company.

At the date of this Prospectus, Mr Verbaere owns 1,075 shares and Mr Van Ossel owns 1,720 shares issued by the Company.

To the extent known to the Company, none of the directors, CEO and the members of the Executive Committee intends to purchase Offer Shares in the Offering.

## **8. REMUNERATION OF DIRECTORS AND MEMBERS OF THE EXECUTIVE COMMITTEE**

#### *i. Remuneration of directors*

Only the non-executive directors shall receive a remuneration for the fulfilment of their office of director.

The non-executive directors (including the independent directors) cannot receive a performance related remuneration in their capacity as director. Upon advice of the Nomination and Remuneration Committee, the Board may propose to the Shareholders' Meeting to deviate from the latter principle in case in the Board's reasonable opinion the granting of any performance related remuneration would be necessary to attract or retain independent directors with the most relevant experience and expertise.

Notwithstanding the above, all directors (including those who are not independent) may be granted warrants issued by the Company.

The Nomination and Remuneration Committee recommends the level of remuneration for directors, including the Chairman of the Board, subject to approval by the Board and, subsequently, by the Shareholders' Meeting.

The Nomination and Remuneration Committee benchmarks directors' compensation against peer companies to ensure that it is competitive.

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The Board sets and revises, from time to time, the rules and level of compensation for directors carrying out a special mandate or sitting on one of the Committees and the rules for reimbursement of director's business related out-of-pocket expenses. Remuneration for directors will be disclosed to shareholders in accordance with applicable laws and stock exchange rules.

During the financial year ending on 31 December 2017, the directors were member of the Dutch supervisory board (raad van commissarissen) of FNG. Their remuneration for the financial year ending on 31 December 2017 was as follows:

- Mr Gino Van Ossel: EUR 1,875 gross (i.e. EUR 625 per half day of meetings);
- Mr Eric Verbaere: annual fee of EUR 20,000 gross;
- Mr Emiel Lathouwers was not remunerated for his office.

The Shareholders' Meeting of 5 June 2018 approved the remuneration of two directors for their new office, effective as of 22 June 2018. Their remuneration for the financial years ending on 31 December 2018 - 31 December 2023 is as follows:

- Mr Gino Van Ossel: annual fee of EUR 10,000 gross; and.
- Mr Eric Verbaere: annual fee of EUR 20,000 gross.

Ms Anja Maes is an executive director. Therefore her office as director is not remunerated.

#### *ii. Remuneration of the CEO and members of the Executive Committee*

During the financial year ending on 31 December 2017, Mr Dieter Penninckx was member of the Dutch board of directors (bestuur) of FNG. Mr Dieter Penninckx received an annual fee of EUR 225,000 gross. The other members of the Executive Committee (Ms Anja Maes and Mr Emmanuel (Manu) Bracke) were not appointed as member of the Dutch supervisory board or board of directors during the financial year ending on 31 December 2018. Nevertheless, the other members of the Executive Committee (Ms Anja Maes and Mr Emmanuel (Manu) Bracke) received an annual fee of EUR 225,000 gross too. Currently the management agreements entered into with Dieter Penninckx, Anja Maes en Emmanuel Bracke do not provide in a variable remuneration. The severance pay in case of early termination of the contract with the aforementioned persons does not exceed twelve (12) months' basic remuneration.

## **9. STATUTORY AUDITOR**

The audit of the statutory and consolidated financial statements of the Company is entrusted to the statutory auditor which is appointed at the Shareholders' Meeting, for renewable terms of three (3) years. The Shareholders' Meeting determines the remuneration of the statutory auditor.

The statutory auditor currently is Mazars Bedrijfsrevisoren BV CVBA, having its registered office at Avenue Marcel Thiry 77 box 4, 1200 Sint-Lambrechts-Woluwe and registered with the Crossroads Bank For Enterprises under number 0428.837.889 (RLE Brussels), represented by Mr Anton Nuttens, auditor.

The annual remuneration of the statutory auditor, as approved by the Shareholders' Meeting of 5 June 2018, amounts to EUR 145,000 (indexed annually, excluding VAT, other local taxes and expenses).

The mandate of Mazars Bedrijfsrevisoren BV CVBA will expire at the Annual Shareholders' Meeting held in 2021 that will be asked to approve the annual accounts for the financial year ended on 31 December 2020.

Article 140/1 of the Belgian Company Code and Article 24 of the Law of 7 December 2016 on the organization of the profession of and the public supervision over auditors limit the liability of auditors of listed companies to EUR 12.0 million for, respectively, tasks concerning the legal audit of annual accounts within the meaning of article 16/1 of the Belgian Company Code and other tasks reserved to auditors of listed companies by Belgian law or in accordance with Belgian law, except for liability resulting from the auditor's fraud or other deliberate breach of duty.



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## SECTION XII.

# PRINCIPAL SHAREHOLDERS

### 1. OVERVIEW

Belgian law imposes disclosure requirements on any natural person or legal entity acquiring or disposing of, directly or indirectly, securities granting voting rights or securities which give a right to acquire existing securities granting voting rights, when, as a result of such acquisition or disposal, the total number of voting right directly or indirectly held by such natural person or legal entity, alone or in concert with others, increases above or falls below a threshold of 5%, or any multiple of 5 % of the total number of voting rights attached to the Company's securities.

The table below provides an overview of the Shareholders that have filed a notification with the AFM pursuant to applicable transparency disclosure rules:

Name	Number of Shares	% of voting rights attached to Shares
Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke and Mr Emiel Lathouwers, directly and indirectly via Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV <sup>(3)</sup>	82,111,389 <sup>(1)(3)</sup>	58.3% <sup>(1)</sup>
Saffelberg Investments NV	455,424	5.66%
Belfius Insurance NV	381,250	4.74%
Holding Biloba BVBA	5,239,687 <sup>(3)</sup>	4.45%
VMF Luxembourg S.A.	5,160,000 <sup>(3)</sup>	4.27%
Torfs Import Service NV	456,607	5.14%
FNG STAK	574,500 <sup>(2)</sup>	7.14% <sup>(2)</sup>
PMV-Tina Comm. V	468,750	5.22%

1 On the date of the Prospectus, Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke and Mr Emiel Lathouwers, directly and indirectly (via Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV) hold 5,100,951 Shares, representing 56.80% of the voting rights attached to the Shares.

2 On the date of the Prospectus, FNG STAK actually holds 538,250 Shares, representing 5.99% of the voting rights attached to the Shares.

3 The most recent notification filed by this shareholder dates back before the Reverse Stock Split. Hence, the Reverse Stock Split (20 Shares were consolidated into 1 Share) has not been taken into account for the in the table mentioned number of Shares. Therefore, the number of shares of these shareholders deviates from the number of shares of other shareholders within the same range of percentage of voting rights.

This overview is based on the amount of Shares as notified to the AFM (Dutch financial markets regulator) as at 22 June 2018, and could therefore not be accurate anymore.

The number of Shares and percentage of voting rights attached to the Shares set out in the table concern the number of Shares and percentage of voting rights attached to the Shares as indicated in, and at the time of, the most recent transparency notification of the relevant principal shareholder. Therefore the number of Shares and percentage of voting rights attached to the Shares set out in the table may not correspond to the actual number of Shares and the actual percentage of voting rights attached to the Shares on the date of the Prospectus. In addition, even if a relevant shareholder did not transfer any of its Shares since the transparency notification to the AFM, the number of Shares and percentage of voting rights attached to the Shares set out in the table could have been impacted by the Reverse Stock Split and any other capital movements, and could therefore not be accurate anymore (see Section XIV. 4.2 (*Description of share capital and Articles of Association - Share capital and shares - Overview of recent share capital movements*)).

All of the Shares (Existing Shares and to be issued Primary Offer Shares) have the same voting rights. Hence the Company's major shareholders do not have different voting rights.

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## 2. CONTROL OVER THE COMPANY

To date of the Prospectus, the Company is jointly controlled by law (within the meaning of Article 5 of the Company Code) by Mr Penninckx, Ms Maes, Mr Bracke since they indirectly control 56.80% of the outstanding Shares on the date of the Prospectus. Mr Penninckx, Ms Maes, Mr Bracke have approximately the same percentage of shares in FNG.

After completion of the Offering, the joint control (within the meaning of Article 5 of the Company Code) over the Company will remain with Mr Penninckx, Ms Maes and Mr Bracke (i.e. the Principal Shareholders), as long as they hold at least fifteen percent (15%) of the shares in the Company, given the following nomination right included in the Articles of Association:

*“The majority of the directors is appointed amongst the candidates proposed by the Principal Shareholders, for as long as they, individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code, hold at least fifteen percent (15%) of the shares in the Company. If the Principal Shareholders (individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code) hold less than fifteen percent (15%) of the shares in the Company, but more than five percent (5%), they shall have the right to propose candidates for at least three directorships.”*

To the extent that the maximum number of Offer Shares (including the shares under the Increase Option) has been placed and assuming the Offer Price at the high-end of the Price Range, the Principal Shareholders shall hold 41.97% of the outstanding Shares following the Offer. The Principal Shareholders have no intention to participate in the Offering, and so to exercise their Priority Allocation Rights. However, they reserve the possibility to transfer 50% of their Priority Allocation Rights to other investors.

To the knowledge of the Company there are no written shareholders' agreements between shareholders other than the shareholders' agreement between Mr Penninckx, Ms Maes, Mr Bracke and Mr Lathouwers.

The main terms of the shareholders' agreement entered into in 2016 between Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke, Mr Emiel Lathouwers and a few companies directly or indirectly controlled by the aforementioned natural persons, with respect to their participation in 3NG NV, a company incorporated with the purpose of holding shares in the Company can be summarized as follows:

- This shareholders' agreement is concluded for a duration of 10 years and will be automatically renewed for 5 year periods;
- In accordance with the provisions of the shareholders' agreement, 3NG NV is controlled by a board of directors composed of at most three directors appointed upon binding proposal from Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel Bracke and one director appointed upon binding proposal from Mr Emiel Lathouwers;
- Any decision regarding a transfer of shares in FNG held by 3NG NV requires the approval of the majority of the directors, as well as the approval of (i) one director appointed upon proposal from Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel Bracke and (ii) the director appointed upon binding proposal from Mr Emiel Lathouwers.
- After a 3 years and 6 months waiting period starting as of the conclusion of the shareholders' agreement, Mr Emiel Lathouwers will have a put option right to sell the shares he directly or indirectly owns in 3NG NV to Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel Bracke. Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel Bracke will, as of the passing of Mr Emiel Lathouwers, have a call option right to buy the shares directly or indirectly held by him in 3NG NV. The purchase price of the shares in 3NG NV will be equal to their fair market value. The average closing price of the Company's shares during a period of ninety trading days prior to the exercise date of the put/call option rights shall be deemed to be a good indication of the fair market value of the shares of 3NG NV.







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# **SECTION XIII.**

## **RELATED PARTY TRANSACTIONS**

### **1. RELATED PARTY TRANSACTIONS**

#### **1.1 GENERAL**

Each director and member of the Executive Committee is encouraged to arrange his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company. The Company's Corporate Governance Charter contains specific procedures to deal with potential conflicts of interest.

#### **1.2 CONFLICTS OF INTEREST OF DIRECTORS**

Article 523 of the Belgian Company Code provides for a special procedure within the Board of Directors in the event of a possible personal financial conflict of interest of one or more directors with one or more decisions or transactions by the Board of Directors.

In the event of a conflict of interest, the director concerned must inform his or her fellow directors of his or her conflict of interest before the Board of Directors deliberates and takes a decision in the matter concerned. Furthermore, the conflicted director may not participate in the deliberation and voting by the Board of Directors on the matter that gives rise to the potential conflict of interest. The minutes of the meeting of the Board of Directors must contain the relevant statements by the conflicted director, and a description by the Board of Directors of the conflicting interests and the nature of the relevant decision or transaction.

The minutes must also contain a justification by the Board of Directors for the decision or transaction, and a description of the financial consequences thereof for the Company. The relevant minutes must be included in the (statutory) annual report of the Board of Directors and be registered with the office of the clerk of the Commercial Court competent for the registered offices of the Company (currently the Commercial Court of Antwerp, section Mechelen), where it will be made available as part of the Company's public record. The conflicted director must also notify the Statutory Auditor of the conflict. The Statutory Auditor must describe in its annual (statutory) audit report the financial consequences of the decision or transaction that gave rise to the potential conflict of interest.

In case of non-compliance with the foregoing, the Company may request the annulment of the decision or the transactions which have taken place in breach of these provisions if the counterparty to the decision or the transaction was, or should have been, aware of such breach.

The procedure does not apply to decisions or transactions in the ordinary course of business at customary market conditions. It also does not apply to transactions or decisions between companies of which one holds (directly or indirectly) at least 95% of the voting financial instruments of the other, and transactions or decisions between companies whereby at least 95% of the voting financial instruments of both companies are (directly or indirectly) held by another company.

#### **1.3 CONFLICTS OF INTEREST OF MEMBERS OF THE EXECUTIVE COMMITTEE**

The Company's Executive Committee qualifies as an executive committee within the meaning of Article 524bis of the Belgian Company Code (directiecomité / comité de direction).

Article 524ter of the Belgian Company Code provides for a similar procedure as the procedure to be applied when a member of the Board of Directors has a conflict of interest (as set out above) in the event of a conflict of interest of members of the Executive Committee.

### **2. EXISTING CONFLICTS OF INTERESTS OF MEMBERS OF THE BOARD OF DIRECTORS AND OF THE EXECUTIVE COMMITTEE**

Currently, as far as the Company is aware, none of the directors or the members of the Executive Committee have a conflict of interest within the meaning of Article 523 or, as the case may be, Article 524ter of the Belgian Company Code that has not been disclosed to the Board of Directors, or, as the case may be, to the Executive Committee. Other than potential conflicts arising in respect of compensation-related matters, the Company does not foresee any other potential conflicts of interest in the near future.

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### 3. RELATIONSHIPS WITH PRINCIPAL SHAREHOLDERS

The following direct or indirect relationships exist between the Company and its Principal Shareholders:

- i. Several entities of the Group, as lessee, entered into lease agreements with companies related to the Principal Shareholders, as lessor;
- ii. On 31 July 2014, FNG International NV, and FNG Group NV and EM05 Comm.V entered into a real property leasing agreement (*onroerende leasing / leasing immobilier*) with ES Finance NV and ING Lease Belgium NV for the financing of their new headquarters in Mechelen, Boutersemstraat 68. EM05 Comm.V, who is the landowner of the land on which the headquarters of the Group are constructed, is related to the Principal Shareholders;
- iii. The Company agreed, for the benefit of FNG STAK, to pay the underwriting fees due under the Underwriting Agreement entirely.

Except for the shareholders' agreement entered into between Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke, Mr Emiel Lathouwers and a few companies directly or indirectly controlled by the aforementioned natural persons, with respect to their participation in 3NG NV, a company incorporated with the purpose of holding shares in the Company (as referred to in Section XII. 2 (*Principal Shareholders - Control over the Company*)), the Company has no knowledge of any shareholders' agreement that would be effective upon completion of the Offering and listing of the Company's shares.

At the date of the Prospectus, no shareholder loans were granted to the Existing Shareholders.





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# SECTION XIV.

## DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

### 1. GENERAL

FNG is a public limited liability company (*naamloze vennootschap / société anonyme*) organised under the laws of Belgium, having its registered offices at Belgium, 2800 Mechelen, Boutersemstraat 64A, and registered with the Crossroads Bank for Enterprises under number 0697.824.730 (RLE Antwerp, section Mechelen).

This section summarizes information relating to the Company's share capital, the Articles of Association, certain material rights of its shareholders under Belgian law and the Company's group structure. The contents of this section are derived primarily from the Articles of Association, which were last amended by the extraordinary Shareholders' Meeting held on 5 June 2018 and effective as of 22 June 2018. The entry into force of the amendments to the Articles of Association is conditional upon and with effect as of the Closing of the Offering.

This section provides details of certain provisions of Belgian law and information on the Company's group structure. The description provided hereafter is only a summary and does not purport to provide a complete overview of the Articles of Association or the relevant provisions of Belgian law.

### 2. CORPORATE HISTORY

On 29 December 1953, the Company was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands under the name "Diks en Coenen N.V.", legal predecessor of "Dico International N.V.". As of 31 March 2009 Dico International N.V. was declared bankrupt.

Following the acquisition of R&S Finance B.V. (now named Miss Etam Holding B.V.) on 5 January 2016 (see Section XV. 3.1 (*Description of the Group - Realized acquisitions in order to build the Group - Acquisition of the Miss Etam Group*)), Dico International N.V. changed its name to "R&S Retail Group N.V."

Following the subsequent acquisition of FNG Group NV (see Section XV. 3.3 (*Description of the Group - Realized acquisitions in order to build the Group - Acquisition of the FNG Roots Group*)), the general meeting of shareholders of R&S Retail Group N.V. resolved to amend its name to "FNG NV" on 18 January 2017.

On 22 June 2018 the Company was converted into a public limited liability company (*naamloze vennootschap*) exclusively governed by Belgian law. FNG's conversion to an exclusively Belgian company consisted of two steps:

- By decision of the management board of the Company of 4 June 2018, the Company's actual center of activities (*zetel van werkelijke leiding*) was relocated from Amsterdam, the Netherlands, to Boutersemstraat 68A, 2800 Mechelen, Belgium, without discontinuation or liquidation of the Dutch company, while the statutory seat (*statutaire zetel*) remained located in Amsterdam, the Netherlands. The legal personality of the Company is continued in Belgium under the form of a Belgian NV (*naamloze vennootschap*), a legal form that closely resembles the Dutch N.V. (*naamloze vennootschap*).
- Further, on 22 May 2018 the Shareholders' Meeting held in the Netherlands resolved upon the conversion of the Company into a public limited liability company (*naamloze vennootschap*) exclusively governed by Belgian law, subject to the condition precedent of fulfilment of all Belgian law formalities. On 5 June 2018, a Shareholders' Meeting was held in Belgium before a Belgian notary. Subject to the condition precedent of the execution by a Dutch notary of the deed of conversion implementing the decision of the Shareholders' Meeting on the cross-border conversion of the Company, the Belgian Shareholders' Meeting resolved (i) on the cross-border conversion of the Company with continuity of the legal personality, (ii) on the adoption of new Articles of Association of the Company which will be in force after the cross-border conversion, and (iii) on other matters relating to the transaction (e.g. appointment of Belgian statutory auditor, new directors etc.). The execution of the notarial deed by a Dutch notary required for the implementation of the decision to transfer the statutory seat (*statutaire zetel*) could only take place after expiry of a waiting period of one month after the decision was taken by the first Shareholders' Meeting held on 22 May 2018. On 22 June 2018, after the expiration of the said waiting period, the Dutch notary issued a pre-conversion certificate and executed the deed of conversion implementing the decision of the Shareholders' Meeting on the cross-border conversion of the Company d.d. 22 May 2018. Since the Belgian law formalities regarding the transfer of the statutory seat (*statutaire zetel*) were already conditionally fulfilled during the Belgian Shareholders' Meeting of 5 June 2018, the cross-border conversion of the Company has full effect as of the execution of the Dutch

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deed of conversion. For the sake of clarity, the Belgian notary executed a notarial deed acknowledging that the condition precedent to the cross-border conversion has been fulfilled and confirmed that following the execution of the Dutch notarial deed the Company converted into a public limited liability company (*naamloze vennootschap*) solely governed by Belgian law.

### 3. CORPORATE PURPOSE

According to the Articles of Association, the Company's corporate purpose is the following:

*"The purpose of the Company shall be, both in Belgium or abroad, in its own name and on its own behalf or in the name and on behalf of third parties, alone or with the cooperation of third parties:*

- everything which directly or indirectly relates to the judicious management of the movable and immovable patrimony, including the acquisition, the development, the equipment and the reconstruction of immovable property;*
- acting in the capacity of director, manager, auditor or liquidator in other companies, societies or organizations;*
- the provision of credit facilities and securities and the granting of advances to third parties, including shareholders, directors and other third parties, and subscription of other financial instruments;*
- obtaining an interest, either by purchase, contribution or in any manner whatsoever, in companies, businesses, partnerships or associations, existing or to be incorporated, in Belgium and abroad, irrespective of their purpose. The Company may act as investment or holding company on its own behalf;*
- providing services and advice to persons and companies with regard to organizational and commercial aspects, including administration, management, marketing, and investment policy.*

*The Company may carry out all industrial, commercial and financial transactions as well as transactions involving real and immovable property, both in Belgium and abroad, which directly or indirectly further or promote its business. The Company may acquire any real or immovable property, regardless of whether such property is directly or indirectly related to its corporate purpose. The Company may guarantee or provide securities in rem or in personam, in the broadest sense, for the benefit of companies, legal entities or natural persons.*

*The Company may, in any manner, acquire an interest in or cooperate or merge with any partnership, business, enterprise or company having an identical, similar or related purpose to its own or which is capable of facilitating its business or the sale of its products or services."*

### 4. SHARE CAPITAL AND SHARES

#### 4.1 GENERAL

On the date of the Prospectus, the Company's share capital amounts to EUR 718,391.36 and is represented by 8,979,892 shares, without par value:

- 7,250,119 Existing Listed Shares; and
- 1,729,773 Existing Unlisted Shares.

Assuming (i) full placement of the Offer Shares (including the Increase Option) and (ii) the Offer Price being at the high-end of the Price Range, the Company's share capital (excl. the issue premium) shall be increased with EUR 253,895.36 (i.e. EUR 0.08 per newly issued Share) and shall amount to EUR 972,286.72 as of the Closing of the Offering. The balance of the Offer Price per newly issued Share shall be booked as issuance premium.

The currency of the Shares is Euros (EUR).

#### 4.2 OVERVIEW OF RECENT SHARE CAPITAL MOVEMENTS

Since 1 January 2016, the following alterations to the Company's issued capital took place:

- On 5 January 2016, Dico International N.V. (now named FNG NV) issued 1 priority share (linked to an amendment of the voting rights, the "**Priority Share**") and 10,000,000 new class A shares representing a total value of EUR 16,000,000. The issue price per share (class A share and Priority Share) amounted to EUR 0.08. This issuance was done in the framework of the acquisition of all shares in the capital of R&S Finance B.V. (now named Miss Etam Holding B.V.) through a so-called reverse listing transaction (the Miss Etam Transaction). FNG has acquired all the shares in the capital of R&S Finance B.V. against issuance of 10,000,000 class A shares to FIPH B.V., who was the sole shareholder of R&S Finance B.V. prior to the R&S Transaction. As part of the R&S Transaction, FIPH B.V. has also acquired the Priority Share which was issued on 5 January 2016. Rens van de Schoor (FIPH B.V.) and the founders of FNG Group NV (Anja Maes, Emmanuel (Manu) Bracke and Dieter Penninckx) agreed to combine their shareholdings in a separate structure. In addition, they negotiated a transfer of the priority



share from FIPH B.V. to Greenway District BVBA on 9 December 2016 against a consideration of EUR 500,000. As a result of the issuance on 5 January 2016, FNG has placed (i) 3,367,128 ordinary shares (listed on Euronext Amsterdam as of 20 January 2016), (ii) 10,000,000 class A shares and (iii) 1 Priority Share.

- On 9 September 2016, FNG
  - issued 104,367,393 new ordinary shares in connection with the settlement of the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit (*verzameldepot*), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of the respective holders of securities in FNG Group NV who tendered such securities in the Exchange Offer in accordance with their entitlement to such shares (the issue price per share amounted to EUR 0.08 and has been satisfied by means of the transfer to the Company of the securities of FNG Group NV (having a total value in excess of the aggregate nominal amount of the issued shares)).;
  - converted the 10,000,000 class A shares held by FIPH B.V. into 10,000,000 ordinary shares, and FIPH B.V. transferred these 10,000,000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit (*verzameldepot*), with such shares to be credited to FIPH B.V.'s securities account;
  - as a result of the issuance and conversion on 9 September 2016 FNG has placed (i) 117,734,521 ordinary shares, and (ii) 1 Priority Share.
- On 12 September 2016, FNG issued 3,010,000 ordinary shares to FIPH B.V. against the contribution by FIPH B.V. of its 175,000 shares in FNG Group NV outside the Exchange Offer (FIPH B.V. was not permitted under Belgian law to tender its shares in FNG Group NV in the Exchange Offer), and FIPH B.V. transferred these 3,010,000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit (*verzameldepot*), with such shares to be credited to FIPH B.V.'s securities account. The issue price per share amounted to EUR 0.08 and has been satisfied by means of the contribution and transfer by FIPH B.V. to the Company of the securities of FNG Group NV held by FIPH B.V.. As a result of the issuance on 12 September 2016 FNG has placed (i) 120,744,521 ordinary shares, and (ii) 1 Priority Share.
- On 29 September 2016, FNG issued 90,797 ordinary shares in connection with the settlement of the squeeze-out proceedings following and in connection with the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit (*verzameldepot*), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of (i) the respective holders of securities in FNG Group NV who tendered such securities in the squeeze-out in accordance with their entitlement to such shares and (ii) the Deposit and Consignment Office (*Deposito- en Consignatiekas*). The issue price per share amounted to EUR 0.08 and has been charged against the Company's share premium reserve (*'agioreserve'*). As a result of the issuance on 29 September 2016 FNG has placed (i) 120,835,318 ordinary shares, and (ii) 1 Priority Share.
- On 12 October 2016, FNG issued 20,012,500 new class A shares representing a total value of EUR 32,020,000 following the exercise of the Brantano Call Option by FNG as consideration for all outstanding shares in BrantNew BVBA, one share in Brantano NV and a receivable for a principal amount of EUR 25,000,000 plus any accrued but unpaid interest from BrantNew BVBA. The share issue occurred at the average value of the share of the Company in the 90 days before the share issue and adjusted for the illiquidity of the market. The issue price per share amounted to EUR 0.08 and has been charged against the Company's share premium reserve (*'agioreserve'*). As a result of the issuance on 12 October 2016 FNG has placed (i) 120,835,318 ordinary shares, (ii) 20,012,500 class A shares and (iii) 1 Priority Share.
- On 13 October 2016:
  - FNG issued 2 ordinary shares in the framework of the Reverse Stock Split (as defined hereinafter) in order to ensure that the total number of issued shares in FNG's capital will be divisible by 20. As a result of the issuance on 13 October 2016 FNG has placed (i) 120,835,320 ordinary shares, (ii) 20,012,500 class A shares and (iii) 1 Priority Share. The issue price per share amounted to EUR 0.08 and has been charged against the Company's share premium reserve (*'agioreserve'*).
  - the reverse stock split (the **"Reverse Stock Split"**), resolved upon by the general meeting of FNG on 13 July 2016 (amendment to the articles of association of FNG), became effective. FNG's authorized share capital was altered for the purpose of consolidating the ordinary shares and class A shares in such a way that:
    - every 20 ordinary shares in FNG's capital (each having a nominal value of EUR 0,08) are consolidated into 1 ordinary share; and
    - every 20 class A shares in FNG's capital (each having a nominal value of EUR 0,08) are consolidated into 1 class A share, under the simultaneous decrease of the nominal value of each ordinary share and each class A share in FNG's capital created pursuant to the aforementioned consolidation to EUR 0,08 (a reverse stock split). As a result of the Reverse Stock Split on 13 October 2016 FNG has placed (i) 6,041,766 ordinary shares, (ii) 1,000,625 class A shares and (iii) 1 Priority Share.
- On 7 and 8 December 2016, FNG issued 1,000,000 class A shares through a private placement for a total amount of EUR 32,000,000. The issue price per share amounted to EUR 32. As a result of the issuance on 7 and 8 December 2016 FNG has placed (i) 6,041,766 ordinary shares, (ii) 2,000,625 class A shares and (iii) 1 Priority Share.
- On 9 October 2017, FNG converted 1,208,353 class A shares into ordinary shares. As a result of this, FNG has placed (i) 7,250,119 ordinary shares, (ii) 792,272 class A shares and (iii) 1 Priority Share.

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- On 19 December 2017, FNG issued 937,500 class A shares and 5 Warrants through a private placement for a total amount of EUR 30,000,000. The issue price per share amounted to EUR 32. As a result of this issuance, FNG has placed (i) 7,250,119 ordinary shares, (ii) 1,729,772 class A shares, (iii) 1 Priority Share and (iv) 5 Warrants.
  - On 4 June 2018, in the framework of the transfer of the real seat of the Company to Belgium resulting in a double nationality of the Company (Dutch and Belgian), the Shareholders' Meeting decided to convert the Priority Share into 1 class A share and the management board decided to purchase 5 Warrants, as a consequence of which the 5 Warrants ceased to exist and ceased to be exercisable. As a result, FNG has placed (i) 7,250,119 ordinary shares and (ii) 1,729,773 class A shares.
  - On 22 June 2018, in the framework of the conversion of the Company into a public limited liability company (*naamloze vennootschap*) exclusively governed by Belgian law, the Company adopted a new set of Articles of Association. In accordance with these Articles of Association, the Company's share capital is represented by 8,979,892 shares, without par value, of which 7,250,119 listed shares (dematerialized form) and 1,729,773 non-listed shares (registered shares). All of the shares belong to the same class of securities.

## 5. FORM AND TRANSFERABILITY OF SHARES

The Company's share capital is represented by both listed (i.e. the Existing Listed Shares) and non-listed shares (i.e. the Existing Unlisted Shares), which is due to the fact that the shares issued following the private placements (*see Section XIV. 4.2 (Description of share capital and Articles of Association - Share capital and shares - Overview of recent share capital movements)*) were non-listed shares. Upon Closing, all Shares will be listed.

All of the Shares belong to the same class of securities and are in registered (i.e. the Existing Unlisted Shares) or dematerialized (i.e. the Existing Listed Shares) form at the date of the Prospectus. Upon Closing, all Shares will be in dematerialized form.

A register of registered Shares (which may be held in electronic form) is maintained at the Company's registered office. It may be consulted by any holder of Shares. A dematerialized security is represented by an entry on account, in the name of the owner or holder, at a clearing institution or certified accountholder. Holders of Shares may elect, at any time, to have their registered Shares converted into dematerialized Shares, and vice versa, at their own expense.

The Shares are freely transferable, subject to any contractual restrictions or restrictions provided in the Articles of Association.

The chart below displays (i) the evolution of the stock price of FNG NV on Euronext Amsterdam as from 20 January 2016 and (ii) the main events having had an impact on the stock price.



The Belgian Company Code and the Articles of Association give shareholders preferential subscription rights to subscribe on a pro rata basis by reference to the part in the capital represented by their shares, for any issue of shares to be subscribed in cash, convertible bonds and warrants. The preferential subscription rights may be exercised during a period determined by the Shareholders' Meeting or by the Board of Directors acting within the framework of the Company's authorized capital, with a legal minimum of fifteen (15) days from the date on which the subscription is opened.

The Shareholders' Meeting may limit or cancel the preferential subscription rights for any capital increase or issue of convertible bonds or warrants, subject to the quorum and majority requirements applicable to an amendment to the Articles of Association (the presence or representation of at least 50% of the Company's share capital and a majority of at least 75% of the votes cast), and subject to special reporting requirements as described in Articles 596 and following of the Belgian Company Code. The Shareholders' Meeting may also authorize the Board of Directors to limit or cancel the preferential subscription rights for any capital increase or issue of convertible bonds or warrants when issuing securities within the framework of the Company's authorized share capital, subject to the same special reporting requirements.

On 5 June 2018 (effective as of 22 June 2018), the extraordinary Shareholders' Meeting authorized the Board of Directors to increase the share capital in one or more transactions by a number of Shares, or by financial instruments giving right to a number of Shares such as, but not limited to, convertible bonds or warrants, so as to increase the share capital of the Company in one or several times by a (total) amount of maximum 100% of the amount of the share capital as such amount is recorded immediately after the Closing of the Offering. Within the framework of the authorized capital, the Board of Directors is empowered to proceed with a capital increase in any form, including, but not limited to, a capital increase accompanied by the limitation or cancellation of preferential subscription rights. This authorization includes the limitation or cancellation of preferential subscription rights for the benefit of one or more specific persons (whether or not employees of the Company or its subsidiaries) and in connection with capital increases in the event of a public tender offer. The authorization is valid for a term of five (5) years as from the date of the publication of the authorization in the Annexes to the Belgian State Gazette. In connection with capital increases in the event of a public tender offer, the authorization is only valid for a term of three (3) years as from the date of the extraordinary Shareholders' Meeting referred to at the beginning of this paragraph.

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## 8. CONVERTIBLE BONDS AND WARRANTS

The Company may issue convertible bonds or warrants (whether or not attached to bonds) either pursuant to a resolution of the Shareholders' Meeting acting under the required conditions for amending the Articles of Association (the presence or representation of at least 50% of the Company's share capital and a majority of at least 75% of the votes cast) or pursuant to a resolution of the Board of Directors acting within the scope of the authorized capital.

The Company issued five (5) warrants (the "**Warrants**"). Each investor who subscribed to the private placement of EUR 30,000,000 in December 2017 received one (1) Warrant. The Warrants may be exercised by such investors if the highest average closing price of a Share on Euronext Amsterdam is lower than EUR 35.20 during any period of five consecutive trading days on Euronext Amsterdam within a specific period. In such case, the investors will have the right to subscribe to an additional number of class A shares, to be determined in accordance with the terms and conditions of the Warrants. The Company repurchased these five (5) Warrants for an aggregate amount of EUR 4,172,000 prior to the relocation of actual center of activities (*zetel van werkelijke leiding*) from Amsterdam, the Netherlands, to Boutersemstraat 68A, 2800 Mechelen, Belgium on 4 June 2018, as a consequence of which the five (5) Warrants ceased to exist and ceased to be exercisable.

The Company did not issue any securities other than the Existing Shares.

## 9. RIGHT TO ATTEND AND VOTE AT THE SHAREHOLDERS' MEETINGS

### 9.1 GENERAL SHAREHOLDERS' MEETING

The Annual Shareholders' Meeting is held on the third Friday of the month May each year at 11 a.m. CET. If such day is a legal public holiday in Belgium, the meeting shall take place at the same hour on the following business day. The Shareholders' Meeting takes place at the registered office of the Company or at any other place designated by the convening notice convening the Shareholders' Meeting.

The other Shareholders' Meetings shall be held on the day, at the time and in the place designated by the convening notice. They may be held at locations other than the registered office.

The annual, special and extraordinary Shareholders' Meetings may be convened by the Board of Directors or by the statutory auditor and must be convened at the request of shareholders representing one-fifth of the Company's share capital.

### 9.2 NOTICES CONVENING THE SHAREHOLDERS' MEETING

Holders of registered Shares must receive written notice of the Shareholders' Meeting by regular mail at least thirty (30) days prior to the meeting. The Company must also publish a notice of the meeting (i) in the Belgian State Gazette, (ii) in a newspaper with national distribution (except for those annual Shareholders' Meetings which take place at the location, place, day and time indicated in the Articles of Association and the agenda of which is limited to the approval of the annual accounts, the Annual reports of the Board of Directors and the statutory auditor, discharge to be granted to the directors and statutory auditor, the remuneration report and termination provisions) and (iii) in media that can be reasonably considered having effective distribution among the public in the EEA and that is swiftly accessible, and in a non-discriminatory manner. The notices are published at least thirty (30) days prior to the meeting.

As from the publication of the notice, the Company shall make the information required by law available on the Company's website for a period of five (5) years after the relevant Shareholders' Meeting.

### 9.3 FORMALITIES TO ATTEND THE SHAREHOLDERS' MEETING

A shareholder wishing to attend and participate in the Shareholders' Meeting must:

- have the ownership of its Shares recorded in its name, as at midnight CET, on the fourteenth (14th) calendar day preceding the date of the meeting (the "**Registration Date**"), either through registration in the shareholders' register in the case of registered Shares or through book-entry in the accounts of an authorized account holder or clearing institution in the case of dematerialized Shares; and
- notify the Company (or the person designated by the Company), at the latest on the sixth (6<sup>th</sup>) calendar day preceding the day of the Shareholders' Meeting, of its intention to participate in the Shareholders' Meeting. In addition, the holders of dematerialized Shares must, at the latest on the same day, provide the Company (or the person designated by the Company), or arrange for the Company (or the person designated by the Company) to be provided, with an original certificate issued by the certified account holder or clearing institution certifying the number of Shares owned on the Registration Date by the relevant shareholder and for which it has notified its intention to participate in the Shareholders' Meeting.

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Holders of profit-sharing certificates, non-voting shares, bonds, warrants or other securities issued by the Company, as well as holders of certificates issued with the cooperation of the Company and representing securities issued by the latter, may participate in the Shareholders' Meeting insofar as the law or the Articles of Association entitles them to do so and, may, in certain cases, be allowed to participate in voting. If they propose to participate, such holders are subject to the same formalities concerning admission and access, and forms and filing of proxies, as those imposed on shareholders.

#### **9.4 VOTING BY PROXY**

Any shareholder with the right to vote may either personally participate in the meeting or give a proxy to another person, who need not be a shareholder, to represent him or her at the meeting. A shareholder may designate, for a given meeting, only one person as proxy holder, except in circumstances where Belgian law allows the designation of multiple proxy holders. The appointment of a proxy holder may take place in paper form or electronically (in which case the form shall be signed by means of an electronic signature in accordance with applicable Belgian law), through a form which shall be made available by the Company. The signed original paper or electronic form must be received by the Company at the latest on the sixth (6<sup>th</sup>) calendar day preceding the day of the Shareholders' Meeting. Any appointment of a proxy holder shall comply with relevant requirements of applicable Belgian law in terms of conflicting interests, record keeping and any other applicable requirements.

#### **9.5 REMOTE VOTING IN RELATION TO THE SHAREHOLDERS' MEETING**

The notice convening the Shareholders' Meeting may allow shareholders to vote remotely in relation to the Shareholders' Meeting, and will specify the procedure to be followed to that end. The forms to be used to this end shall be made available by the Company. The hand-signed forms must be received by the Company at the latest on the sixth (6<sup>th</sup>) calendar day preceding the date of the Shareholders' Meeting. Voting by means of the electronic form may occur until the last calendar day before the Shareholders' Meeting.

The Company may also organize a remote vote in relation to the Shareholders' Meeting through other electronic communication methods, such as, among others, through one or several websites. The Company shall specify the practical terms of any such remote vote in the convening notice.

Shareholders voting remotely must, in order for their vote to be taken into account for the calculation of the quorum and voting majority, comply with the admission formalities.

#### **9.6 RIGHT TO REQUEST ITEMS TO BE ADDED TO THE AGENDA AND TO ASK QUESTIONS AT THE SHAREHOLDERS' MEETING**

One or more shareholders together holding at least 3% of the Company's share capital may request items to be added to the agenda of any convened Shareholders' Meeting and may submit proposals for resolutions with regard to existing agenda items or new items to be added to the agenda, provided that (i) they prove ownership of such shareholding as at the date of their request and record their Shares representing such shareholding on the Registration Date; and (ii) the additional items on the agenda and/or proposed resolutions have been received in writing by the Company at the latest on the twenty-second (22<sup>nd</sup>) calendar day preceding the date of the relevant Shareholders' Meeting. The shareholding must be proven by a certificate evidencing the registration of the relevant Shares in the share register of the Company or by a certificate issued by the certified accountholder or clearing institution certifying the book-entry of the relevant number of dematerialized Shares in the name of the relevant shareholder(s).

As the case may be, the Company shall publish a revised agenda of the Shareholders' Meeting, at the latest on the fifteenth (15<sup>th</sup>) calendar day preceding the Shareholders' Meeting. The right to request that items be added to the agenda or that proposed resolutions in relation to existing agenda items be submitted does not apply in case of a second Shareholders' Meeting that must be convened because the quorum was not obtained during the first Shareholders' Meeting.

Within the limits of Article 540 of the Belgian Company Code, the directors and the auditor shall answer, during the Shareholders' Meeting, the questions raised by shareholders. Shareholders can ask questions either during the meeting or prior to the meeting (in writing or electronic form), provided that the Company receives the written question at the latest on the sixth (6<sup>th</sup>) calendar day preceding the Shareholders' Meeting.

#### **9.7 QUORUM AND MAJORITIES**

In general, there is no attendance quorum requirement for a general Shareholders' Meeting, except as provided for by law in relation to certain decisions. Decisions are taken by a majority of the votes cast, except where the law or the Articles of Association provide for a special majority.

Matters involving special legal quorum and majority requirements include, among others, amendments to the Articles of Association, issues of new shares, convertible bonds or warrants and decisions regarding mergers and demergers, which require at least 50% of the share capital to be present or represented and a majority of at least 75% of the votes cast. If the quorum is not reached, a second meeting may be convened at which no quorum shall apply. The special majority requirements, however, remain applicable.

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## 10. DIVIDEND RIGHTS

All shares in the Company participate in the same manner in the Company's profits (if any). In general, the Company may only pay dividends with the approval of the Shareholders' Meeting, although the Board of Directors may declare interim dividends without shareholder approval, in accordance with article 35 of the Articles of Association.

Dividends cannot be distributed if on the date of the close of the last financial year, the Company's net assets, as apparent from the annual accounts, have drop or would, as a result of the distribution, drop below the amount of the paid-up capital (or, if higher, the called capital), increased with all reserves which cannot be distributed pursuant to the law or the Article of Association. The net assets are composed of the total amount of assets as apparent from the statement of financial position, less the provisions and liabilities.

In addition, pursuant to the Belgian Company Code and the Articles of Association, the Company must allocate an amount of 5% of its annual net profit to a legal reserve in its statutory annual accounts until such reserve equals 10% of the Company's share capital.

For more information on the dividend policy of the Company and other restrictions, see Section IV. (*Dividends and dividend policy*).

## 11. LIQUIDATION AND BANKRUPTCY

The Company can only be dissolved by a resolution of the Shareholders' Meeting passed with a majority of at least 75% of the votes cast at an extraordinary Shareholders' Meeting where holders of at least 50% of the share capital is present or represented.

If, as a result of losses incurred, the ratio of the Company's net assets (determined in accordance with Belgian legal and accounting rules) to its share capital is less than 50%, the Board of Directors must convene an extraordinary Shareholders' Meeting within two months of the date upon which the Board of Directors discovered or should have discovered this undercapitalization. At this Shareholders' Meeting, the Board of Directors needs to propose either the dissolution or the continuation of the Company, in which case the Board of Directors must propose measures to restore the Company's financial situation. The Board of Directors must justify its proposals in a special report to the Shareholders. A majority of at least 75% of the votes validly cast at this meeting can decide to dissolve the Company, provided that at least 50% of the Company's share capital is present or represented at the meeting.

If, as a result of losses incurred, the ratio of the Company's net assets to its share capital is less than 25%, the same procedure must be followed, it being understood, however, that in that event shareholders representing at least 25% of the votes at this meeting can decide to dissolve the Company. If the amount of the Company's net assets has dropped below EUR 61,500 (the minimum amount of share capital of a Belgian public limited liability company), any interested party is entitled to request the competent court to dissolve the Company. The court can order the Company's dissolution or grant a grace period for the Company to remedy the situation.

If the Company is dissolved for any reason, the liquidation shall occur in one notary deed or shall be carried out by one or more liquidators appointed by the Shareholders' Meeting and whose appointment has been ratified by the commercial court. Any balance remaining after discharging all debts, liabilities and liquidation costs must first be applied to reimburse, in cash or in kind, the paid-up capital of the shares not yet reimbursed. Any remaining balance shall be equally distributed amongst all the shareholders.

## 12. ACQUISITION OF OWN SHARES

The extraordinary Shareholders' Meeting of 5 June 2018 (resolution effective as of 22 June 2018) has explicitly granted the authority to the Board of Directors, in accordance with the provisions of Article 620 and following of the Belgian Company Code, to acquire by sale or exchange its own Shares, bonus shares or certificates which relate thereto or to divest those, without the requirement of a prior decision of the Shareholders' Meeting, either directly or through a person which acts in its own name but on behalf of the Company, or through a direct subsidiary, if the acquisition or divestment is necessary to avoid a threatening serious disadvantage for the Company. This power is valid for a period of three years as from the publication of this decision in the Annexes to the Belgian State Gazette, i.e. until 21 June 2021, and can be renewed.

The extraordinary Shareholders' Meeting of 5 June 2018 (resolution effective as of 22 June 2018) has moreover granted the Board of Directors the power to acquire by sale or exchange the maximum number of Shares, bonus shares or certificates which relate thereto as set forth in Article 620§1 and 622§2 of the Company Code, and to divest those, either directly or through a person which acts in its own name but on behalf of the Company, or through a direct subsidiary in the meaning of Article 627 of the Company Code, against a consideration which cannot be lower than 50% of the average closing share price over the ten (10) preceding trading days and cannot be higher than 150% of the average closing share price over the ten (10) preceding trading days. This power is valid for a period of 5 years as from the resolution of the general meeting of 22 June 2018, i.e. until 22 June 2023.

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## 13. LEGISLATION AND JURISDICTION

### 13.1 NOTIFICATION OF SIGNIFICANT SHAREHOLDINGS

Pursuant to the Belgian Law of 2 May 2007 on the disclosure of significant shareholdings in issuers which securities are admitted to trading on a regulated market and containing various provisions (the “**Transparency Law**”), a notification to the Company and to the FSMA is required by all natural persons and legal entities on the occurrence of, among other things, any one of the following triggering events, subject to limited exceptions:

- an acquisition or disposal of voting securities, voting rights or financial instruments that are treated as voting securities;
- the reaching of a threshold by persons or legal entities acting in concert;
- the conclusion, modification or termination of an agreement to act in concert;
- the downward reaching of the lowest threshold;
- the passive reaching of a threshold;
- the holding of voting securities in the Company upon the first admission of them to trading on a regulated market;
- where a previous notification concerning financial instruments treated as equivalent to voting securities is updated;
- the acquisition or disposal of the control of an entity that holds voting securities in the Company; and
- where the Company introduces additional notification thresholds in the Articles of Association, in each case where the percentage of voting rights attached to the securities held by such persons reaches, exceeds or falls below the legal threshold, set at 5% of the total voting rights, and 10%, 15%, 20% and so on in increments of 5% or, as the case may be, the additional thresholds provided in the Articles of Association.

The notification must be made as soon as possible and at the latest within four (4) trading days following the occurrence of the triggering event. Where the Company receives a notification of information regarding the reaching of a threshold, it has to publish such information within three (3) trading days following receipt of the notification.

No shareholder may cast a greater number of votes at a Shareholders' Meeting than those attached to the rights or securities it has notified in accordance with the Transparency Law at least twenty (20) days before the date of the Shareholders' Meeting, subject to certain exceptions.

### 13.2 PUBLIC TAKEOVER BIDS

Public takeover bids for shares and other securities giving access to voting rights (such as warrants or convertible bonds, if any) are subject to supervision by the FSMA. Public takeover bids must be extended to all of the voting securities, as well as all other securities giving access to voting rights. Prior to making a bid, a bidder must publish a Prospectus which has been approved by the FSMA prior to publication.

Belgium has implemented the Thirteenth Company Law Directive (European Directive 2004/25/EC of 21 April 2004) in the Belgian Law of 1 April 2007 on public takeover bids (the “**Takeover Law**”) and the Belgian Royal Decree of 27 April 2007 on public takeover bids (the “**Takeover Royal Decree**”). The Takeover Law provides that a mandatory bid must be launched if a person, as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly holds more than 30% of the voting securities in a company having its registered office in Belgium and of which at least part of the voting securities are traded on a regulated market or on a multilateral trading facility designated by the Takeover Royal Decree. The mere fact of exceeding the relevant threshold through the acquisition of shares will give rise to a mandatory bid, irrespective of whether the price paid in the relevant transaction exceeds the current market price. The duty to launch a mandatory bid does not apply in certain cases set out in the Takeover Royal Decree, such as (i) in case of an acquisition, if it can be shown that a third party exercises control over the Company or that such party holds a larger stake than the person holding 30% of the voting securities (ii) in case of an acquisition in the context of an enforcement of security provided that the acquirer disposes of the shares exceeding the 30% threshold within twelve months and does not exercise the voting rights attached to those excess shares or (iii) in case of a capital increase with preferential subscription rights decided by the Shareholders' Meeting.

The Shareholders' Meeting of 5 June 2018 (resolution effective as of 22 June 2018) has expressly authorised the Board of Directors to increase the share capital in one or more transactions, following a notification by the FSMA that the latter has been informed of a public takeover bid on the Company's securities, by means of contributions in cash with cancellation or limitation of the Existing Shareholders' preferential right or by contributions in kind and/or by issuing securities carrying voting rights, which may or may not represent the share capital, or by issuing securities giving right to subscribe to or acquire such securities, whether or not these securities are offered to the Existing Shareholders in proportion to the share capital represented by their shares. The transaction needs to comply with the requirements of Article 607, second paragraph, 2° of the Belgian Company Code. This authorisation is granted for a period of three years as from 22 June 2018 and can be renewed.

### 13.3 SQUEEZE-OUT

Pursuant to Article 513 of the Belgian Company Code or the regulations promulgated thereunder, a person or legal entity, or different persons or legal entities acting alone or in concert, who together with the Company, own 95% or more of the securities with voting rights in a public company

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are entitled to acquire the totality of the securities with voting rights in that company following a squeeze-out offer. The securities that are not voluntarily tendered in response to such an offer are deemed to be automatically transferred to the bidder at the end of the procedure. At the end of the squeeze-out procedure, the company is no longer deemed a public company, unless bonds issued by the company are still spread among the public. The consideration for the securities must be in cash and must represent the fair value (verified by an independent expert) as to safeguard the interests of the transferring shareholders.

A squeeze-out offer is also possible upon completion of a public takeover bid, provided that the bidder holds at least 95% of the voting capital and 95% of the voting securities of the public company. In such a case, the bidder may require that all remaining shareholders sell their securities to the bidder at the offer price of the takeover bid, provided that, in case of a voluntary takeover offer, the bidder has also acquired 90% of the voting capital to which the offer relates. The shares that are not voluntarily tendered in response to any such offer are deemed to be automatically transferred to the bidder at the end of the procedure.

#### **13.4 SELL-OUT RIGHT**

Within three (3) months following the expiration of an offer period related to a public takeover bid, holders of voting securities or of securities giving access to voting rights may require the offeror, acting alone or in concert, who owns at least 95% of the voting capital and 95% of the voting securities in a public company following a takeover bid, to buy its securities from it at the price of the bid, on the condition that, in case of a voluntary takeover offer, the offeror has acquired, through the acceptance of the bid, securities representing at least 90% of the voting capital subject to the takeover bid.





Ginger



FNG headquarters Mechelen

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# SECTION XV.

## DESCRIPTION OF THE GROUP

### 1. GROUP STRUCTURE

#### 1.1 DIRECT SUBSIDIARIES

FNG NV has four (4) direct subsidiaries:

1. *FNG Finance Belgium BVBA*, which concerns a company offering auxiliary (non-operational) services to the Group FNG;
2. *FNG Beheer NL BVBA*, which acts as a management company for the Dutch entities of the Group;
3. *FNG Beheer BE B.V.*, which acts as a management company for the Belgian entities of the Group; and
4. *FNG International Holding NV*, which may enter into financing agreements, assume debts and serve as a holding and financing vehicle for the companies in the group. FNG International Holding NV, as borrower, and Mezzanine Partners 1 Comm.VA, as lender, entered into a loan agreement (the Mezzanine Loan). See Section XV. 4.2 (*Description of the Group - Financing of the Group - Mezzanine Loan*).

#### 1.2 INDIRECT SUBSIDIARIES

##### 1.2.1 Intermediate holding companies

The Group has four (4) intermediate holding companies. These companies may enter into financing agreements, assume debts and serve as a holding and financing vehicle for the companies in the Group.

###### *i. FNG Benelux Holding NV*

FNG Benelux Holding NV issued the following bonds:

- 2016 & 2017 Bond loan of EUR 45,000,000.

See Section XV. 4.4, ii (*Description of the Group - Financing of the Group - Bond issues - FNG Benelux Holding NV*).

###### *ii. FNG Group NV*

FNG Group NV issued the following bonds:

- 2012 Bond loan of EUR 14,450,000;
- 2012 Bond loan of EUR 1,500,000;
- 2015 Bond loan of EUR 5,000,000;
- 2015 Bond loan of EUR 5,000,000.

See Section XV. 4.4, i (*Description of the Group - Financing of the Group - Bond issues - FNG Group NV*).

###### *iii. FNG Holding NV*

The Group consolidated on 28 February 2018 most of its bank loans under a single umbrella facility at the level of FNG Holding NV (i.e. the Facilities Agreement). See Section XV. 4.1 (*Description of the Group - Financing of the Group - Club Deal*).

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### 1.2.2 Subgroups

The group structure of FNG, as depicted on the next page, is divided into five (5) subgroups and one satellite entity.

#### *i. Miss Etam Group*

The activities of the Miss Etam business unit, as described in Section X. 4.2 (*Business overview - FNG Business Units - Miss Etam*) are conducted by Miss Etam Holding B.V. and its subsidiaries (the **“Miss Etam Group”**).

#### *ii. FNG Roots Group*

The activities of the FNG Roots business unit, as described in Section X. 4.3 (*Business overview - FNG Business Units - FNG Roots - FNG Brands & FNG's Buying Platform*) are conducted by FNG Roots NV and its subsidiaries (the **“FNG Roots Group”**).

#### *iii. Brantano Group*

The activities of the Brantano business unit, as described in Section X. 4.1 (*Business overview - FNG Business Units - Brantano*) are conducted by BrantNew BVBA and its subsidiary (the **“Brantano Group”**).

#### *iv. Buying Platform Group*

Fashion Buying Platform Holding BVBA and its subsidiaries (the **“Buying Platform Group”**) serve as buying office for the Group and has offices in Turkey, India and Hong Kong. See Section X. 4.3 (*Business overview - FNG Business Units - FNG Roots - FNG Brands & FNG's Buying Platform*).

#### *v. FNG Boutique Group*

The business of the acquired companies Concept Fashion Group NV and Suitcase NV is conducted by FNG Boutique Holding NV and its subsidiaries (the **“FNG Boutique Group”**).

### 1.2.3 Satellite company

The Group has one satellite company, FNG SH BVBA. The sole purpose of FNG SH BVBA is to act as second shareholder, holding one single share, of all Belgian (in)direct subsidiaries of FNG Holding NV.

## 1.3 STRUCTURE CHART

The figure on the next page depicts the structure chart of the Group to date of the Prospectus.



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### 3. REALIZED ACQUISITIONS & DIVESTMENTS IN ORDER TO BUILD THE GROUP

#### 3.1 ACQUISITION OF STEPS & SUPERSTAR

On 4 August 2016, FNG acquired all shares in Steps Nederland B.V. and Superstar B.V. However, the control over these companies was not yet transferred to FNG at that date as there were some important suspensive conditions that the previous shareholder needed to comply with. As such, the management of FNG judged that control over Steps/Superstar was only obtained when all conditions attached to the acquisition were met, i.e. on 31 December 2016.

#### 3.2 ACQUISITION OF THE MISS ETAM GROUP

On 5 January 2016, FNG (at the time named Dico International N.V.) acquired all of the shares in the capital of Miss Etam Holding B.V. (at the time named R&S Finance B.V.) through a so-called reverse listing transaction, against issuance of 10,000,000 class A shares (the **“Miss Etam Transaction”**). On that same day, it changed its name to R&S Retail Group N.V.

Prior to the Miss Etam Transaction, Dico International N.V. was a company listed on Euronext Amsterdam without any operational activities, while R&S Finance B.V. had (and still has) operational activities since 1 May 2015, but was not listed.

With economic effect from 1 May 2015, R&S Finance B.V. (now named Miss Etam Holding B.V.) has taken over the exploitation of the brands Miss Etam and Promiss from FIPH B.V., who had acquired it from the bankrupt estate of Etam Groep Retail B.V. and Miss Etam Group B.V. (at the time named “Etam Groep Holding B.V.”). R&S Finance B.V. was established for that particular purpose by FIPH B.V. The Miss Etam Transaction was announced on 18 November 2015, approved by the General Meeting of FNG on 29 December 2015, and completed on 5 January 2016.

#### 3.3 ACQUISITION OF THE FNG ROOTS GROUP

On 24 March 2016, FNG (at the time named “R&S Retail Group N.V.”) announced its intention to launch a voluntary conditional public take-over bid on all shares and warrants issued by FNG Group NV, not yet held by R&S Retail Group N.V. or affiliated persons, i.e. in total 5,873,151 shares and 400,000 warrants in FNG Group NV (the **“Exchange Offer”**). R&S Retail Group N.V. officially launched the Exchange Offer, and this has been published by the FSMA, on 27 May 2016. The Exchange Offer was settled on 9 September 2016. On 29 August 2016 R&S Retail Group N.V. initiated the squeeze-out procedure in accordance with article 513 of the Company Code and articles 42 and 43 of the Royal Decree on Takeover Bids, and on 29 September 2016 this procedure was settled. As a result of the Exchange Offer and subsequent squeeze-out, FNG Group NV became a 100% subsidiary R&S Retail Group N.V. For accounting purposes, R&S Retail Group N.V. acquired control over FNG Group NV as of 26 July 2016.

#### 3.4 ACQUISITION OF THE BRANTANO GROUP

On 29 January 2016, BrantNew BVBA acquired (i) all shares in the capital of Brantano NV, (ii) certain IP rights of Brant TM B.V. and (iii) a receivable held by Macintosh Intragroup Services N.V. in respect of Brantano NV, in the amount of EUR 46,211,516 (the **“MIS Receivable”**), from Macintosh Intragroup Services N.V. and Macintosh International B.V., pursuant to the bankruptcy of Macintosh Retail Group N.V., the parent company of the Macintosh group of companies. Mr Rens van de Schoor, Mr Dieter Penninckx and the Torfs family as well as some other investors invested in the vehicles for the acquisition of the Brantano Group in their own name.

Brantano NV, incorporated in 1953, owned 140 shops, whereof 134 in Belgium and 4 in the Grand-Duchy of Luxembourg, as well as 100% of the shares in Brantano Luxembourg S.A. (a company under Luxembourg law, with its registered office at 45, avenue J.F. Kennedy, L-9053 Ettelbrück, Grand Duchy of Luxembourg, B 55.152) (together, the “Brantano Group”). The Brantano Group is active in Belgium and at that time also in Luxemburg and manages a shoe and (sports) clothing retail chain under the brand “Brantano” ([www.brantano.be](http://www.brantano.be)).

R&S Retail Group N.V. (now named FNG NV) agreed on a call option (the “Brantano Call Option”) with Fiddler’s BVBA, Roman & Stern Management B.V. and R&S Finance Belgium NV for (i) 100% of the shares in BrantNew BVBA; (ii) a subordinated debt claim in the amount of EUR 25,000,000 in principal and any running but unpaid interest in respect of BrantNew BVBA; and (iii) one share of Brantano NV.

Pursuant to an assignment agreement dated 14 September 2016, FNG NV partially assigned the Brantano Call Option to FNG Benelux Holding NV with regard to 100% of the shares in BrantNew BVBA and the one share in Brantano NV (it being understood that the call option on the subordinated debt claim in respect of BrantNew BVBA remained with R&S Retail Group N.V.).

The Brantano Call Option was exercised by FNG Benelux Holding NV respectively R&S Retail Group N.V. on 14 September 2016. The purchase price for the Brantano Group was determined based on a formula agreed upon with the option grantors (based on the initial purchase price plus the transfer costs and the company cash flow realized since the acquisition until the date of exercise of the purchase option).

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The purchase price was paid out in class A shares of FNG NV, whereby the number of class A shares to be issued was determined based on the purchase price due divided by a conversion price agreed upon with the option grantors, and based on a percentage of the average share closing price. As a result, R&S Finance Belgium BVBA received 20,000,001 category A shares of R&S Retail Group N.V., Fiddler's BVBA 12,498 and Roman & Stern Management B.V. 1 (one).

As a consequence of the exercise of the Brantano Call Option, FNG Benelux Holding NV obtained indirect control of the Brantano Group on 14 September 2016.

By virtue of a share purchase agreement and an asset purchase agreement dated 15 July 2016, Brantano NV sold (i) all shares in Brantano Luxembourg S.A. to Chaussea S.à.r.l. and (ii) the business of 15 Brantano stores, including all shops located in the Grand-Duchy of Luxembourg, to Chaussea BRT SPRL, in order to limit the number of shops, as well as to give the remaining shops a refurbishment.

On 29 December 2016, BrantNew BVBA contributed the MIS Receivable as well as a second subordinated payable in the amount of EUR 118,281 in respect of Brantano NV (the principal amount as well as the interests) to the share capital of Brantano NV by means of a contribution in kind in the amount of EUR 49,098,335.05 in return for the issue of 3,987,241 new shares in Brantano NV. The capital increase by means of the contribution in kind was followed by a capital increase by means of incorporation of available reserves in the amount of EUR 33,131,320.26, and a capital decrease in the amount of EUR 209,207,178.95 by absorption of all losses incurred per 31 December 2015.

### **3.5 ACQUISITION OF THE FNG BOUTIQUE GROUP**

On 11 April 2017, Muys NV a public limited liability company under Belgian law, with registered office at Brakelsesteenweg 160, 9406 Ninove-Outter, registered with the register of legal entities under number 0421.798.164 (Ghent, section Dendermonde) acquired all the shares of Suitcase NV, a public limited liability company under Belgian law, with registered office at Kammenstraat 18, 2000 Antwerp, registered with the register of legal entities under number 0537.604.979 (Antwerp, section Antwerp).

On 18 May 2017, Muys NV acquired all the shares of Concept Fashion Group NV, a public limited liability company under Belgian law, with registered office at Proeftuinstraat 88, 9000 Ghent, registered with the register of legal entities under number 0464.828.948 (Ghent, section Ghent). Concept Fashion Group NV holds all 20,000 shares in the capital of Concept Fashion Store BVBA and all 20,000 shares in the capital of Concept Fashion Store XL. By acquiring Concept Fashion group NV, Muys NV has indirectly acquired both subsidiaries, Concept Fashion Store BVBA and Concept Fashion Store XL.

On 27 November 2017, Muys NV acquired all the shares of G.B.O. (Hong Kong) Limited, a company organized under the laws of Hong Kong, with its registered office at 31/F, 148 Electric Road, North Point, Hong Kong and registered with the commercial register of Hong Kong under number 977539 from G.B.O. (Holding) Limited.

On 19 December 2017, FNG Boutique Holding NV (at that time called "Mirus International NV" and not yet part of the Group) acquired all the shares of Suitcase NV, Concept Fashion Group NV and G.B.O. (Hong Kong) Limited from Muys NV.

Finally the FNG Boutique Group was acquired by the Group. On 31 December 2017 FNG Holding NV acquired from FSY Holding B.V. all shares in FNG Boutique Holding NV (at that time called "Mirus International NV"), and thus indirectly all shares in (i) Concept Fashion Group NV, (ii) Concept Fashion Store BVBA, (iii) Concept Fashion Store XL BVBA, (iv) Suitcase NV and (v) G.B.O. (Hong Kong) Limited. Hence, the Group acquired control over the FNG Boutique Group as of 31 December 2017.

### **3.6 DIVESTMENT OF RAINBOW GARMENT LTD.**

On 27 November 2017, FNG Finance B.V. sold all its shares in Rainbow Garment Limited, a company organized under the laws of Hong Kong, having its registered office at Des Voeux Road Central 303, China merchants building, flat/RM 801-4 8/F, Hong Kong, and registered with the Hong Kong commercial registry under number 1961857 to New Stage Limited, a company organized under the laws of Hong Kong, having its registered office at 16/F, Excelsior Industrial Building, 68-76 Sha Tsu Road, Tsuen Wan, NT, Hong Kong, and registered with the Hong Kong commercial registry under number 1710314.

By disposing Rainbow Garment Limited on the one side and acquiring G.B.O. (Hong Kong) Limited and its supplier list on the other side (See Section XV. 23.5 *(Description of the Group - Realized acquisitions and divestments in order to build the Group - Acquisition of the FNG Boutique Group)*), FNG optimized its Far East buying platform.

## 4. FINANCING OF THE GROUP

### 4.1 CLUB DEAL

FNG Holding NV and its subsidiaries entered into a EUR 240,000,000 senior facilities agreement on 28 February 2018, with BNP Paribas Fortis NV/SA and ING Belgium NV/SA as bookrunning mandated lead arrangers, ABN AMRO Bank N.V. and Belfius Bank NV/SA as lead arrangers and BNP Paribas Fortis NV/SA as agent and security agent (the “**Facilities Agreement**” of the “**Club Deal**”, and the transactions contemplated thereunder the “**New Club Deal Transaction**”). It should be noted that all the Underwriters other than Bank Degroof Petercam participate a ticket in this Facilities Agreement.

Following the New Club Deal Transaction, (i) certain existing financial indebtedness of the Group has been refinanced, (ii) the payment of the transaction costs in relation to the New Club Deal Transaction has been financed, and (iii) additional financing has been provided for general corporate and working capital purposes and future capital expenditure of FNG Holding NV and its subsidiaries.

No obligor may (and FNG Holding NV shall ensure that no other member of the Group will) acquire a company or any shares or securities or a business or undertaking, or any interest in any of them or incorporate a company. This restriction does not apply to permitted acquisitions, permitted joint ventures or permitted transactions, as described in the Facilities Agreement.

Except as permitted below, FNG Holding NV shall not (and will ensure that none of its direct and/or indirect subsidiaries will):

- i. declare, make, or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
- ii. repay or distribute any dividend or share premium reserve;
- iii. pay or allow any member of the Group to pay any management, advisory or other fee to or to the order of any of the shareholders of the Company; or
- iv. redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so (each of such actions being referred to as an investor payment).

This restriction shall not apply to:

- i. the payment by FNG Holding NV to senior management (or companies in which any member of senior management holds the majority of the shares and/or the voting rights) of market conform management fees;
- ii. the payment by FNG Holding NV to senior management (or companies in which any member of senior management holds the majority of the shares and/or the voting rights) under real estate lease agreements which are necessary for the exploitation of the business and provided that the conditions of such lease agreements are at arm's length;
- iii. the payment of a dividend to FNG Holding NV or any of its wholly-owned subsidiaries;
- iv. the repayment or distribution of any share premium reserve to FNG Holding NV or any of its wholly-owned subsidiaries;
- v. an investor payment by FNG Holding NV to its shareholders provided that such payment does not exceed EUR 10,000,000 in total during the term of the Facilities Agreement (excluding any investor payment under paragraph (vi) and (vii));
- vi. when adjusted leverage (i.e. the ratio of total net debt on the last day of the relevant period to adjusted EBITDA in respect of the most recently completed relevant period) for the most recent completed financial year (adjusted on a pro forma basis to take into account any investor payment made after the end of such financial year and the proposed investor payment) exceeds or is equal to 2.75:1 but is less than 3.25:1, an investor payment in an amount not exceeding 20% of EBITDA as mentioned in the relevant reference financial statements and provided such investor payment is 100% funded with excess cashflow; and
- vii. when adjusted leverage for the most recent completed financial year (adjusted on a pro forma basis to take into account any investor payment made after the end of such financial year and the proposed investor payment) is less than 2.75:1, an investor payment in an amount not exceeding the higher of (i) 20% of EBITDA, (ii) 50% of excess cashflow and (iii) 50% of consolidated net income (each calculated following the delivery of the relevant reference financial statements).

Term loan facilities (in a total amount of EUR 170,000,000 of which EUR 50,000,000 in the form of a capex facility loan) and a revolving facility loan in an amount of EUR 70,000,000 are provided. The term loan facilities are to be (partly) repaid on 31 December 2020 (EUR 10,000,000 + 10% capex facility loans), 31 December 2021 (20,000,000 + 10% capex facility loans) and on 31 December 2022 (EUR 90,000,000 + 80% capex facility loans). The revolving facility loan is to be repaid at the end of each interest period.

The rate of interest on each loan is the percentage rate per annum which is the aggregate of the applicable: (a) margin and (b) EURIBOR.

Margin means: (i) in relation to any facility A loan, 2.25 per cent per annum, (ii) in relation to any capex facility loan, 2.25 per cent per annum, (iii) in relation to any incremental additional facility loan, the percentage rate per annum specified as such in the incremental facility notice relating to the incremental additional facility under which that incremental additional loan is made or to be made, (iv) in relation to any revolving facility loan, 2.00 per cent per annum, (v) in relation to any unpaid sum relating or referable to a facility, the rate per annum specified above for that facility and (vi) in relation to any other unpaid sum, the highest rate specified above.



If no default has occurred and is continuing and the adjusted leverage is within a range set out below, then the margin for each loan under facility A, capex facility and revolving facility will be the percentage per annum set out below in the column for that facility opposite that range:

<b>Adjusted leverage</b>	<b>Facility A and capex facility margin per cent per annum</b>	<b>Revolving facility margin per cent per annum</b>
Greater than 3.00:1	3.00	2.75
Less than or equal to 3.00:1 but greater than 2.50:1	2.75	2.50
Less than or equal to 2.50:1 but greater than 2.00:1	2.50	2.25
Less than or equal to 2.00:1 but greater than 1.50:1	2.25	2.00
Less than or equal to 1.50:1	2.00	1.75

While an event of default is continuing or the company is in default to deliver a compliance certificate or to deliver the financial statement with which the compliance certificate should be delivered, the margin for each loan will be the highest percentage per annum set out above for a loan under that facility increased with 1%.

The following Belgian and Dutch subsidiaries of FNG Holding NV are guarantors under the Facilities Agreement:

- FNG Holding NV;
- FNG Roots NV;
- NS Development NV;
- FNG International NV;
- Van Hassels BVBA;
- Fred & Ginger Retail Belgium NV;
- Claudia Sträter Belgium BVBA;
- CKS Retail Belgium NV;
- CKS SIS BVBA;
- CKS TZ BVBA;
- CKS Brand Stores BVBA;
- M.A.D. Collections NV;
- Espresso Belgium BVBA;
- Steps Belgium Retail BVBA;
- FNG Group Nederland NV;
- BrantNew BVBA;
- Brantano NV;
- Fashion Buying Platform Holding BVBA;
- Suitcase NV;
- Concept Fashion Store BVBA;
- Concept Fashion Store XL BVBA;
- Concept Fashion Group NV;
- FNG Boutique Holding NV;
- Miss Etam Holding B.V.;
- Miss Etam Group B.V.;
- Miss Etam Services B.V.;
- Miss Etam Operations B.V.;
- FNG Retail Services B.V.;
- FNG Finance B.V.;
- 2Buy Claudia-Sträter B.V.;
- Modehuizen Claudia-Sträter B.V.;
- CKS Retail NL B.V.;
- Steps Nederland B.V.;
- FNG Group NEDERLAND B.V.;
- Espresso Fashion B.V.;
- New Fashions B.V.; and
- Espresso Fashion Web B.V.

In the capacity of guarantor each of the abovementioned entities has granted a joint and several cross guarantee for the punctual performance by each other obligor of the obligations under the New Club Deal Transaction.

The guarantee does not apply to any liability to the extent it would result in this guarantee constituting unlawful financial assistance. In addition, for Belgian guarantors the following guarantee limitations apply: any liability of any Belgian guarantor for the obligations of any obligor (except the obligations of an obligor that is a direct or indirect subsidiary of that Belgian guarantor in which case the obligations of that subsidiary under the guarantee are excluded) under the guarantee shall in all circumstances be limited to the aggregate of (a) the greater of the following amounts: (i) a fixed amount determined per Belgian guarantor in function of its net assets at the date of the Facilities Agreement; and (ii) an amount equal to ninety per cent of the net assets of such Belgian guarantor calculated on the basis of its latest available annual financial statements at the date on which a demand is made against it; and (b) the highest amount of on-lending to such Belgian guarantor and its subsidiaries at any time between the date of the Facilities Agreement and the date on which a demand is made against it under the guarantee.

The facilities are secured by the following security rights in favor of BNP Paribas Fortis NV/SA as security agent in its own name and for its own account and on behalf of the finance parties:

- i. Pledges on the shares granted by all the Dutch obligors and all the Belgian obligors over the shares in all the Dutch obligors and all the Belgian obligors.
- ii. Pledge over movable assets, bank accounts, insurances, intercompany receivables, domain names and intellectual property, granted by all Belgian obligors.
- iii. Pledge over movable assets, bank accounts, insurances, intercompany receivables, relevant agreements, other rights, domain names and intellectual property, granted by all Dutch obligors.

## 4.2 MEZZANINE LOAN

On 29 March 2016, R&S Finance B.V. (now named Miss Etam Holding B.V.), as borrower, Mezzanine Partners 1 Comm.VA, as lender, and R&S Retail Group N.V. (now called FNG NV) as the parent company, entered into a subordinated loan for a principal amount of EUR 10,000,000, with a maturity date of 31 December 2020 (the **"Mezzanine Loan"**). In the event of default, the repayment of the loan is subordinated to any bank financing (subject to certain conditions).

The loan was issued to refinance the loan that was provided by FIPH B.V. to R&S Finance B.V. on 29 April 2015. As security for the repayment of the loan, FNG NV has pledged 100% of the shares that it holds in R&S Finance B.V. Pursuant to the incorporation of FNG Benelux Holding NV by contribution of the shares in R&S Finance B.V., the pledge has been released and FNG Benelux Holding NV has pledged 100% of the shares that it holds in R&S Finance B.V. for the repayment of such loan. Pursuant to the transfer of the Mezzanine Loan to FNG International Holding NV on 17 October 2016, as described hereunder, the pledge on the shares in R&S Finance B.V. has been released and 100% of the shares in the capital of FNG Benelux Holding NV has been pledged for the repayment of such loan.

The loan initially bore an interest at a rate of (i) 3-month Euribor plus 6% per annum, plus (ii) a deferred interest rate of 5.5% per annum that is added to the principal and capitalized on an annual basis. The interest rate changed to 3-month Euribor plus 5% instead of 6% after (among others) the realization of the Exchange Offer.

If the loan is not solely used for the purposes agreed with the lender or in case of a change of control over Miss Etam Holding B.V. or FNG NV, the lender will have the right to require an early repayment of the outstanding principal amount of the loan, including interest accrued, until the early repayment date.

On 17 October 2016, R&S Finance B.V. transferred all of its rights and obligations under the Mezzanine Loan to FNG International Holding NV, pursuant to the provisions set out in the Transfer and Accession Agreement entered into between R&S Finance B.V., FNG International Holding NV, FNG NV and Mezzanine Partners 1 Comm. VA on 17 October 2016.

The loan agreement contains certain covenants that must be respected. At the last day of the relevant period of 12 months ending on 31 December of each year (the **"Relevant Period"**), (i) the aggregate sum of EBITDA, gross assets or turnover of the borrower and the Material Subsidiaries (as defined therein) for the latest Relevant Period (calculated on an unconsolidated basis and excluding all intra-group items), shall not be less than 70 per cent. of respectively the aggregate sum of EBITDA, gross assets or turnover of FNG International Holding NV and its Subsidiaries for the latest Relevant Period (calculated on an unconsolidated basis and excluding all intra-group items); and (ii) no Subsidiary of the borrower that is not a Material Subsidiary (as defined therein) shall have EBITDA, gross assets or turnover for the latest Relevant Period (calculated on an unconsolidated basis and excluding all intra-group items) in excess of 15% of respectively the aggregate sum of EBITDA, gross assets or turnover of FNG International Holding NV and its Subsidiaries for the latest Relevant Period (calculated on an unconsolidated basis and excluding all intra-group items).

The Borrower shall also ensure that the Leverage Ratio shall not exceed 4.5:1. The Leverage Ratio means, in respect of any financial year, the ratio of Net Senior Debt (as defined therein) on the last day of that financial year to EBITDA in respect of that financial year. It was first tested by reference to the annual consolidated financial statements of FNG International Holding NV related to the financial year ending on 31 December 2016. The Borrower always complied with this Leverage Ratio.

No restrictions apply to the payment of any dividend by Miss Etam Holding B.V. under the Mezzanine Loan.

## 4.3 COLTAPARTE LOAN

On 12 June 2015, R&S Finance B.V. (previously NLB Invest Co B.V. and now named Miss Etam Holding B.V.) as borrower, FIPH B.V. and Coltaparte B.V. entered into a subordinated loan agreement for a principal amount of EUR 5,000,000 (the **"Coltaparte Loan"**).

This concerns a loan to which the following conditions are attached:

- i. The loan is subordinated to all existing and future non-subordinated debt obligations of Miss Etam Holding B.V., subject to certain conditions.
- ii. Coltaparte B.V. shares in the expected positive results of Miss Etam Holding B.V. The bonus payable to Coltaparte B.V. depends on the realized EBITDA of Miss Etam Holding B.V. in the financial year prior to loan repayment. Payment of the bonus is done only if the EBITDA of Miss Etam Holding B.V. exceeds EUR 5 million in the previous financial year. The bonus is equal to the realized EBITDA of Miss Etam Holding B.V. less EUR 5 million, multiplied by 1.4. The maximum bonus will be no more than EUR 7.0 million.
- iii. The loan has a maturity of 5 years until 31 May 2020, and must be repaid at maturity. Coltaparte B.V. can as from 1 June 2018 (up to no more than 3 months after the annual financial statements of Miss Etam Holding B.V. are made available for the previous financial year) as well as from 1 June 2019 (up to no more than 3 months after the annual financial statements of Miss Etam Holding B.V. are made available for the previous

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- financial year) ask for repayment of up to 50% of the loan (and the pro rata bonus).
- iv. In certain exceptional circumstances, Coltaparte B.V. can choose to convert its loan (principal plus bonus) to shares in Miss Etam Holding B.V., which will apply (i) if Miss Etam Holding B.V. realizes a negative EBITDA in the second year (2016/2017) or in a subsequent year; (ii) if the management of Miss Etam Holding B.V. does not fulfil its task in a way that can reasonably be expected from it; or (iii) if there is failure to comply with the information obligation contained in the agreement (after notice of default and a recovery period). The conversion into shares would occur in such a way that the share interest of Coltaparte B.V. in Miss Etam Holding B.V. resulting from the conversion, will be 33.3% of the total interest in Miss Etam Holding B.V..
- v. The loan (principal and bonus) will become immediately due if requested by Coltaparte B.V. in case of (i) non- or improper performance of the agreement (after notice of default and a recovery period); (ii) bankruptcy or suspension of payment; (iii) an execution is levied on an important part of the assets; (iv) the shares of Miss Etam Holding B.V. are transferred, without the explicit permission of Coltaparte B.V., to another party (with the exception of the ultimate beneficial owners of NLB Invest Co B.V. at the date of entering into the Coltaparte Loan (the “UBOs”) or parties of which the UBOs would directly or indirectly retain the shares); (v) there is a change in control over Miss Etam Holding B.V. without the explicit permission from Coltaparte B.V., whereby a party other than the UBOs (or a company controlled by these UBOs) exerts control over Miss Etam Holding B.V. (a change of control); (vi) loss of legal personality, dissolution, liquidation or factual liquidation of Miss Etam Holding B.V., termination of the business or evidence of the intention to do so, placement under management or the occurrence of circumstances whereby the business factually terminates; or (vii) a default on any other claim on Miss Etam Holding B.V. under any other obligation towards Coltaparte B.V. Payment can also be demanded if this occurs in respect of the companies to which Miss Etam Holding B.V. is connected in a group. In case of (iv) and (v), claim can be made for the principal and the full maximum bonus (EUR 12 million in total). Pro memoria, the realization of the Exchange Offer did not constitute grounds for claiming loan repayment because Coltaparte B.V. had agreed to the transaction that flowed from the Exchange Offer.
- vi. Miss Etam Holding B.V. may not cooperate in any form of distribution of its share capital, whether or not in the form of a dividend, as long as it holds any obligations under the agreement towards Coltaparte B.V..

#### 4.4 BOND ISSUES

##### *i. FNG Group NV*

FNG Group NV issued the following bonds:

**2012 Bond loan of EUR 14,450,000.** The board of directors of FNG Group NV decided on 1 March 2012 to issue maximum 300 senior unsecured and dematerialized bonds with a nominal value of EUR 50,000 each (for a maximum total amount of EUR 15,000,000) and to offer them for subscription through a private placement. The subscription price amounted to 100% of the nominal value of the bonds. 289 bonds were subscribed for a total nominal amount of EUR 14,450,000. The maturity date of the bonds is 1 June 2021 (as amended pursuant to the decision set out below). The applicable interest rate is 7.45% per year. The interest is payable by FNG Group NV every year in arrears on 1 June in each year. FNG Group NV is allowed to repay the bonds and the relevant interest prior to the end date, as from 1 June 2019 in whole, but not in part, at 102% of the nominal value of the bonds (every six months) (as amended pursuant to the decision set out below).

The issue conditions of the bonds define certain events (such as a change of control) in which case the bondholders can claim the immediate repayment of the bonds by FNG Group NV. These bonds are not listed on any market.

The general meeting of bondholders of 20 December 2014 decided on several amendments to such bonds, among which (i) an extension of the maturity date to 1 June 2021, (ii) a subordination of the bonds to the existing facilities agreement referred to below and potentially other indebtedness up to a certain ratio; (iii) amendments to the financial covenants, including the increase of the interest rate to 8.45% in certain circumstances; (iv) the amendment of the possibility to early redeem the bonds as from 1 June 2019 at 102% of the nominal value of the bonds (every six months) and (v) amendments to the possibility to require an early redemption of the bonds by the bondholders.

**2012 Bond loan of EUR 1,500,000.** The board of directors of FNG Group NV decided on 18 October 2012 to issue 51 subordinated registered bonds with a nominal amount of EUR 29,411.76 each (for a total amount of EUR 1,500,000) and to offer them for subscription to 2 Deal Ventures B.V. (“2DV”) in the framework of the Claudia Sträter deal. Pursuant to this deal, FNG Group NV has purchased 100% of the shares in 2Buy Claudia Sträter B.V. (including its subsidiaries Modehuizen Claudia Sträter B.V. and Claudia Sträter Luxembourg S.A.). Part of the receivable 2DV had on FNG Group NV as a result of the abovementioned purchase, has been incorporated in the bond loan. Following the issuance of the bonds, 2DV has transferred the bonds to the management of Claudia Sträter. The subscription price amounted to 100% of the nominal value of the bonds. 51 bonds were subscribed for a total nominal amount of EUR 1,500,000. The maturity date of the bonds is 17 October 2062. The bonds do not generate any interest. FNG Group NV, or any affiliate of FNG Group NV (as defined in Article 11 of the Belgian Company Code), is allowed to repay part or all the bonds prior to the end date and at any moment, without this repayment giving rise to any compensation. The repayment takes place at the market value of the bonds, as defined in the issue conditions of the bond loan, applicable at the time of the repayment. The issue conditions of the bonds define certain events in which case the bondholders can claim the immediate repayment of the bonds by FNG Group NV. These bonds cannot be listed on any market. FNG Group NV has repurchased 17 bonds on 26 October 2015 and 17 bonds on 28 November 2016, so that currently only 17 bonds are outstanding (or approximately a total nominal amount of EUR 200,000).

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**2014 Bond loan of EUR 25,000,000 - redeemed.** The board of directors of FNG Group NV decided on 29 December 2014 to issue 250 unsubordinated and dematerialized bonds with a nominal value of EUR 100,000 each (for a total nominal amount of EUR 25,000,000). The maturity date of the bonds was 15 April 2021. The subscription price amounted to 100.625% of the nominal value of the bonds. The applicable interest rate was 4.625% per year. This bond loan was guaranteed by several entities of the Group which act as a guarantor for the repayment of this bond loan. The bonds were issued through a private placement and were listed on Euronext Growth Brussels.

The interest was payable by FNG Group NV every year in arrears on 15 April in each year. The issue conditions of the bonds defined certain events (such as a change of control) in which case each of the bondholders could have claimed the immediate repayment of the bonds by FNG Group NV.

On 15 April 2018, FNG Group NV redeemed this bond loan prior to its maturity date.

**2015 Bond loan of EUR 5,000,000.** The board of directors of FNG Group NV decided on 26 January 2015 to issue 100 subordinated registered bonds with a nominal value of EUR 50,000 each (for a total nominal amount of EUR 5,000,000). The subscription price amounted to 100% of the nominal value of the bonds. The maturity date of the bonds is 1 June 2021. The applicable interest rate is 7.45% per year. The bonds were issued through a private placement and are not listed on any market. Every six months as from 1 June 2019, FNG Group NV has the possibility to early redeem the bonds at 102% of the nominal value of the bonds. The issue conditions of the bonds define certain events (such as a change of control) in which case the bondholders can claim the immediate repayment of the bonds by FNG Group NV. FNG Group NV has the intention to early redeem several bonds under this 2015 bond loan of EUR 5,000,000.

**2015 Bond loan of EUR 5,000,000.** The board of directors of FNG Group NV decided on 20 March 2015 to issue 1,000 subordinated dematerialized bonds with a nominal value of EUR 5,000 each (for a total nominal amount of EUR 5,000,000). The subscription price amounted to 100% of the nominal value of the bonds. The maturity date of the bonds is 1 June 2021. The applicable interest rate is 7.45% per year. This bond loan is subordinated to the 2014 bond loan of EUR 25,000,000. The bonds were issued through a private placement and are not listed on any market. Every six months as from 1 June 2019, FNG Group NV has the possibility to early redeem the bonds at 102% of the nominal value of the bonds. The issue conditions of the bonds define certain events (such as a change of control) in which case the bondholders can claim the immediate repayment of the bonds by FNG Group NV.

*ii. FNG Benelux Holding NV*

FNG Benelux Holding NV issued the following bonds:

**2016 & 2017 Bond loan of EUR 45,000,000.** On 7 July 2016, 200 FNG Benelux Holding NV issued senior unsecured bonds with a denomination of EUR 100,000 each, for an aggregate nominal amount of EUR 20,000,000. The maturity date of the bonds is 17 July 2023 and the applicable interest rate is 5.50% per year. On 19 June 2017 FNG Benelux Holding NV issued 250 additional senior unsecured bonds with a denomination of EUR 100,000 each, for an aggregate nominal amount of EUR 25,000,000, to be consolidated and form a single series with the bonds issued on 7 July 2016 (a so-called “tap” under the existing bonds issued on 7 July 2016). The bonds correspond to an aggregate nominal amount of EUR 45,000,000. The bonds were issued through a private placement and are listed on Euronext Growth Brussels Common Code 143952525; ISIN BE0002252212). Under the terms and conditions of these bonds, it is stated that FNG Benelux Holding NV is not allowed to distribute dividends to its shareholders if the ratio of the cash flow against the cost of its financial debts, on a consolidated basis and according to Belgian GAAP, is below 1,5:1.

FNG Benelux Holding NV has the intention to issue the following bonds:

**2018 EMTN Notes Program.** FNG Benelux Holding NV, an indirect subsidiary of the Company intends to launch a Euro Medium Term Note program (the “**EMTN Program**”) with FNG Benelux Holding NV as issuer and Belfius as Arranger, Dealer and Agent in the short/mid-term following the Offering. Under the EMTN Program, Euro Medium Term Notes (“**Notes**”) may be issued up to an aggregate nominal amount of EUR 100,000,000 (the maximum size of the EMTN Program). The Notes will have a nominal value of EUR 100,000 each and will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set forth in the final terms applicable to that Tranche (the “**Final Terms**”). The Notes, once issued, will constitute direct, and subject to a negative pledge provision, unsecured and unconditional obligations of FNG Benelux Holding NV which will at all times rank pari passu and without preference among themselves and at least pari passu with all other present and future unsubordinated and unsecured obligations of FNG Benelux Holding NV, save for such obligations as may be preferred by provisions of law that are of general application. Application can be made for the Notes to be admitted to trading on the multilateral trading facility of Euronext Growth organized by Euronext Brussels (“Euronext Growth”). The Notes may also be listed on such other or further stock exchanges as may be agreed between FNG Benelux Holding NV and the Arranger in relation to each issue. Under the terms and conditions of the Notes, it will be stated

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that FNG Benelux Holding NV will not be allowed to distribute dividends to its shareholders if the ratio of the cash flow against the cost of its financial debts, on a consolidated basis and according to Belgian GAAP, will be below 1,5:1.

The applicable Final Terms will state whether or not the Notes are to be listed or admitted to trading, as the case may be, and, if so, on which exchanges and/or markets.

#### 4.5 REAL PROPERTY LEASING

On 31 July 2014, FNG International NV, and FNG Group NV and Comm. V. EM05 entered into a real property leasing agreement (*onroerende leasing / leasing immobilier*) with ES Finance NV and ING Lease Belgium NV for the financing of their new headquarters in Mechelen, Boutersemstraat 68. The initial term of the lease is 15 years and started to run once the building was finished. At the end of the initial 15 year term, FNG International NV has the right to renew the lease agreement (the terms of the renewal are to be agreed at the end of the initial 15-year period) or to purchase the long lease right on the property from ES Finance NV and ING Lease Belgium NV. FNG Group NV guaranteed the execution of all the obligations incumbent upon FNG International NV. ES Finance NV (for 45/66) and ING Lease Belgium NV (for 21/66) have financed the construction of the new headquarters up to a maximum amount of EUR 14,533,125 (excl. VAT). The role of ING Lease Belgium NV and ES Finance NV is strictly limited to the financing of the construction of the new headquarters in accordance with the real property leasing agreement and the ancillary agreements. All obligations and risks regarding the construction and operation of the building (including permits, maintenance and repair, urban planning, easements, soil pollution, defects, etc.) are to be borne by FNG International NV. This real property leasing agreement is currently being re-negotiated. The leasing with respect to the headquarters of the Group in Mechelen will be extended with a maximum amount of EUR 3,000,000.

On 14 November 2017, FNG International NV, FNG Group NV, EM05 Comm.V, ES Finance NV and ING Lease Belgium NV agreed to an addendum to the initial real property leasing agreement extending the financing with an additional maximum amount of EUR 2,922,688 (excl. VAT).



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# SECTION XVI.

## TAXATION IN BELGIUM

### 1. GENERAL

The paragraphs below present a summary of certain material Belgian federal income tax consequences of the ownership and disposal of Shares by an investor that purchases such Shares in connection with this Offering. The summary is based on laws, treaties and regulatory interpretations in effect in Belgium on the date of this Prospectus, all of which are subject to change, including changes that could have retroactive effect.

Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

This summary does not purport to address all tax consequences of the acquisition, ownership and disposal of Shares, and does not take into account the specific circumstances of particular investors, some of which may be subject to special rules, or the tax laws of any country other than Belgium. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, undertakings for collective investment, brokers in securities or currencies, persons that hold, or will hold, Shares as a position in a straddle, share-repurchase transaction, conversion transactions, synthetic security or other integrated financial transactions. This summary does not address the taxes that are not federal taxes that may be due in connection with an investment in Shares, other than Belgian local surcharges which generally vary from 0% to 9% of the investor's income tax liability.

For purposes of this summary, a Belgian resident is an individual subject to Belgian personal income tax (that is, an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident for purposes of Belgian tax law), a company subject to Belgian corporate income tax (that is, a corporate entity that has its statutory seat, its main establishment, its administrative seat or seat of management in Belgium), an Organization for Financing Pensions subject to Belgian corporate income tax (i.e., a Belgian pension fund incorporated under the form of an Organization for Financing Pensions), or a legal entity subject to Belgian income tax on legal entities (that is, a legal entity other than a company subject to Belgian corporate income tax, that has its statutory seat, its main establishment, its administrative seat or seat of management in Belgium). A Belgian non-resident is any person that is not a Belgian resident.

Investors should consult their own advisors regarding the tax consequences of an investment in Shares in the light of their particular circumstances, including the effect of any state, local or other national laws.

### 2. DIVIDENDS

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the Shares is generally treated as a dividend distribution. By way of exception, the repayment of capital carried out in accordance with the Belgian Company Code is not treated as a dividend distribution to the extent that such repayment is imputed to fiscal capital. This fiscal capital includes, in principle, the actual paid-up statutory share capital and, subject to certain conditions, the paid-up issuance premiums and the cash amounts subscribed to at the time of the issue of profit sharing certificates. Note that Article 18 of the Belgian Income Tax Code (ITC) was recently amended by the law of 25 December 2017. As a consequence, for any decision of capital reduction taken as from 1 January 2018 in accordance with the Belgian Company Code, the amount of the capital reduction will be deemed to be derived proportionally (a) from the fiscal capital of the Company, on the one hand and (b) on the other hand, from the total of (i) certain taxed reserves incorporated in the capital of the Company, (ii) certain tax reserves not incorporated into the capital of the Company and (iii) certain untaxed reserves incorporated into the capital of the Company (it being understood that the imputation of the capital reduction on these different categories of reserves will be made in that order of priority). The part of the capital reduction that is deemed to be derived from the abovementioned taxed and untaxed reserves will be treated as a dividend distribution from a tax perspective and be subject to Belgian withholding tax, if applicable. The part of the capital reduction that is deemed to derive from the abovementioned untaxed reserves may additionally give rise to a corporate income tax charge at the level of the Company.

Belgian withholding tax of 30% is normally levied on dividends, subject to such relief as may be available under applicable domestic or tax treaty provisions.

In the case of a redemption of the Shares, the redemption distribution (after deduction of the part of the fiscal capital represented by the redeemed Shares) will, in principle, be treated as a dividend subject to a Belgian withholding tax of 30%, subject to such relief as may be available under

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applicable domestic or tax treaty provisions. No Belgian withholding tax will be triggered if this redemption is carried out on a stock exchange and meets certain conditions.

In case of liquidation of the Company, any amounts distributed in excess of the fiscal capital will in principle be subject to a 30% Belgian withholding tax, subject to such relief as may be available under applicable domestic or tax treaty provisions.

#### *i. Belgian Resident Individuals*

For Belgian resident individuals who acquire and hold Shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability. They may nevertheless elect to report (the gross amount of) the dividends in their personal income tax return. Where the beneficiary opts to report them, dividends will normally be taxable at the lower of the generally applicable 30% Belgian dividend withholding tax rate or at the progressive personal income tax rates applicable to the taxpayer's overall declared income. If the beneficiary reports the dividends, the income tax due on such dividends will not be increased by local surcharges. In addition, if the dividends are reported, the Belgian dividend withholding tax levied at source may, in both cases, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on Shares. This condition is not applicable if the individual can demonstrate that he has held Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends. Provided the dividends are reported in the personal income tax return, they will in principle be eligible for the newly introduced tax exemption with respect to ordinary dividends up to an amount of EUR 640 per year (amount applicable for income year 2018) (Article 21, first subsection, 14°, of the Belgian Income Tax Code). For the avoidance of doubt, all reported dividends (not only dividends distributed on the Shares) are taken into account to assess whether said maximum amount is reached. According to certain press releases, the Belgian Government has announced that said maximum amount would increase to EUR 800 as of income year 2019.

For Belgian resident individual investors who acquire and hold Shares for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received must be reported by the investor and will, in such a case, be taxable at the investor's personal income tax rate increased with local surcharges. The Belgian dividend withholding tax levied at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own Shares in full ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on Shares. The latter condition is not applicable if the investor can demonstrate that he has held the Shares in full ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

#### *ii. Belgian Resident Companies*

##### **Corporate income tax**

For Belgian resident companies, the dividend withholding tax does not fully discharge the corporate income tax liability. For such companies, the gross dividend income (including the Belgian withholding tax) must be declared in the corporate income tax return and will be subject to the standard corporate income tax rate of 29.58% (20.40% on the first bracket of EUR 100,000 of taxable profits for small companies within the meaning of Article 15 of the Belgian Company Code, hereafter "SMEs") (please note that as from tax year 2021 the rate of 29.58% will be reduced to 25% and the rate of 20.40% to 20%).

Belgian resident companies can, subject to certain conditions, deduct 100% of the gross dividend received from the taxable income (the dividend received deduction or "DRD"), provided that at the time of a dividend payment or attribution: (i) the Belgian resident company holds Shares representing at least 10% of the Company's share capital or a participation in the Company with an acquisition value of at least EUR 2,500,000; (ii) the Shares have been held or will be held in full ownership for an uninterrupted period of at least one year; and (iii) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code (the "**Article 203 ITC Taxation Condition**") are met (together, the "**Conditions for the application of the dividend received deduction regime**").

The Conditions for the application of the dividend received deduction regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

Any Belgian dividend withholding tax levied at source may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due, subject to two conditions: (i) the taxpayer must own the Shares in full legal ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on the Shares. The latter condition is not applicable if the company can demonstrate (i) that it has held the Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (ii) that during that period, the Shares have never been held in full legal ownership at any point in time by a taxpayer other than a) a company subject to Belgian corporate tax or b) a non-resident company having, in an uninterrupted manner, invested the Shares in a Belgian establishment.



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## **Belgian withholding tax**

Dividends distributed to a Belgian resident company will be exempt from Belgian withholding tax provided that the Belgian resident company holds, upon payment or attribution of the dividends, at least 10% of the Company's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year.

In order to benefit from this exemption, the investor must provide the Company or its paying agent at the latest upon the attribution or payment of the dividend with a certificate confirming its qualifying status and the fact that it meets the two required conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed to Shares, the Company will levy the Belgian withholding tax but will not transfer it to the Belgian Treasury, provided that the investor certifies its qualifying status, the date from which the investor has held such minimum participation, and the investor's commitment to hold the minimum participation for an uninterrupted period of at least one year.

The investor must also inform the Company or its paying agent when the one-year period has elapsed or if its shareholding will drop below 10% of the Company's share capital before the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the Belgian provisionally withheld dividend withholding tax will be refunded to the investor.

Please note that the above withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (kunstmatig/non authentique) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the EU Parent-Subsidiary Directive of November 30, 2011 (2011/96/EU) ("Parent-Subsidiary Directive") in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

### *iii. Belgian resident Organizations for Financing Pensions*

Dividends paid or attributed to "organizations for financing pensions ("OFPs")", i.e., Belgian pension funds incorporated under the form of an OFP (organisme voor de financiering van pensioenen/organisme de financement de pensions) within the meaning of Article 8 of the Belgian Law of October 27, 2006, are as a rule subject to Belgian withholding tax at a rate of 30%. Subject to certain limitations, any Belgian dividend withholding tax levied at source may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due.

### *iv. Other Belgian resident Taxable Legal Entities*

For taxpayers subject to the Belgian income tax on legal entities, the Belgian dividend withholding tax (at a rate of 30%) in principle fully discharges their Belgian income tax liability in this respect.

### *v. Belgian Non-resident Individuals and Companies*

For non-resident individuals and companies, the Belgian dividend withholding tax will be the only tax on dividends in Belgium, unless the non-resident holds Shares in connection with a business conducted in Belgium through a Belgian establishment.

If Shares are acquired by a non-resident in connection with a business in Belgium, the investor must report any dividends received, which will be taxable at the applicable Belgian non-resident individual or corporate income tax rate(s), as appropriate. Belgian dividend withholding tax levied at source may be credited against Belgian non-resident individual or corporate income tax and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own the Shares in full legal ownership at the time the dividends are paid or attributed and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, the Shares. The latter condition is not applicable if (i) the non-resident individual or the non-resident company can demonstrate that the Shares were held in legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends, or (ii) the non-resident company can demonstrate that, during that period, the Shares have never been held in full legal ownership at any point in time by a taxpayer other than (a) a company subject to Belgian corporate tax or (b) a non-resident company having, in an uninterrupted manner, invested the Shares in a Belgian establishment.

Non-resident companies of which the Shares are attributable to a Belgian establishment may deduct 100% of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the conditions for the application of the dividend received deduction regime are met (see above). Application of the dividend received deduction regime depends, however, on a factual analysis to be made upon each distribution, and its availability should be verified upon each distribution.

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#### vi. Belgian Dividend Withholding Tax Relief for Non-residents

Under Belgian tax law, Belgian withholding tax is not due on dividends paid to a foreign pension fund which satisfies the following conditions: (i) it is a non-resident saver in the meaning of Article 227, 3° of the Belgian Income Tax Code which implies that it has separate legal personality and fiscal residence outside of Belgium; (ii) which corporate purpose consists solely in managing and investing funds collected in order to pay legal or complementary pensions; (iii) which activity is limited to the investment of funds collected in the exercise of its statutory mission, without any profit making aim; (iv) which is exempt from income tax in its country of residence; and (v) except in specific circumstances provided that it is not contractually obligated to redistribute the dividends to any ultimate beneficiary of such dividends for whom it would manage the Shares, nor obligated to pay a manufactured dividend with respect to the Shares under a securities borrowing transaction. The exemption will only apply if the foreign pension fund provides a certificate confirming that it is the full legal owner or usufruct holder of the Shares and that the above conditions are satisfied. The foreign pension fund must then forward that certificate to the Company or its paying agent.

Dividends distributed to non-resident companies established in a Member State of the EU or in a country with which Belgium has concluded a double tax treaty that includes a qualifying exchange of information clause and qualifying as a parent company, will be exempt from Belgian withholding tax provided that Shares held by the non-resident company, upon payment or attribution of the dividends, amount to at least 10% of the Company's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year. A company qualifies as a parent company provided that (i) for companies established in a Member State of the EU, it has a legal form as listed in the annex to the Parent-Subsidiary Directive as amended from time to time, or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty it has a legal form similar to the ones listed in such annex; (ii) it is considered to be a tax resident according to the tax laws of the country where it is established and the double tax treaties concluded between such country and third countries; and (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime.

In order to benefit from the above exemption, the investor must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the three abovementioned conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed to Shares, the Company will levy the Belgian withholding tax but will not transfer it to the Belgian Treasury provided that the investor certifies at the latest upon the attribution of the dividends its qualifying status, the date from which the investor has held such minimum participation, and the investor's commitment to hold the minimum participation for an uninterrupted period of at least one year.

The investor must also inform the Company or its paying agent if the one-year period has expired or if its shareholding will drop below 10% of the Company's share capital before the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the provisionally withheld dividend withholding tax will be refunded to the investor.

Please note that the above withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (*kunstmatig/non authentique*) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the Parent-Subsidiary Directive in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Dividends distributed to non-resident companies are exempted from Belgian withholding tax in case (i) the non-resident company is established in the European Economic Area or in a country with which Belgium has concluded a tax treaty that includes a qualifying exchange of information clause, (ii) the non-resident company is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime, (iii) the non-resident company does not satisfy the 10%-participation threshold but has a participation in the Company with an acquisition value of at least EUR 2,500,000 on the date the dividend is paid on or attributed, (iv) the non-resident company has a legal form as listed in the annex to the Parent-Subsidiary Directive, as amended from time to time, or, has a legal form similar to the ones listed in such annex that is governed by the laws of another Member State of the EEA, or, has a legal form similar to the ones listed in such annex in a country with which Belgium has concluded a qualifying double tax treaty and (v) the dividends are not paid or attributed by a company which falls within the scope of Article 203 ITC (i.e., the Article 203 ITC Taxation Condition must be met; see above). The above exemption only applies if and to the extent that the ordinary Belgian withholding tax is, in principle, neither creditable nor reimbursable in the hands of the non-resident company.

In order to benefit from this exemption, the investor must provide the Company or its paying agent with a certificate confirming (i) it is established in another EEA Member State or in a State with which Belgium has concluded a tax treaty, provided that the tax treaty or any other treaty provides for the exchange of information which is necessary to give effect to the provisions of the domestic laws of the Contracting States, (ii) it has a legal form as listed in the Annex I, part A of the Parent-Subsidiary Directive, as amended by Directive 2014/86/EU of July 8, or a legal form similar to the ones listed in said Annex and governed by the laws of the EEA Member State, or a legal form similar to the ones listed in said Annex in a country with which Belgium has concluded a tax treaty, (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that

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deviates from the ordinary domestic tax regime, (iv) it holds a participation of less than 10% in the capital of the Company but with an acquisition value of at least EUR 2,500,000 on the date the dividend is paid on or attributed, (v) the dividends relate to Shares in the Company which it has held or will hold in full legal ownership for an uninterrupted period of at least one year, (vi) to which extent it cannot in principle credit the Belgian withholding tax paid on the dividends or obtain a refund thereof according to the legal provisions in force on December 31 of the year preceding the year of the payment or attribution of the dividends. The Company or the paying agent may also request confirmation from the investor that the investor commits to keep the participation with an acquisition value of at least EUR 2,500,000 until the completion of the minimum holding period of one year and that the investor immediately notifies the Company or the paying agent of the completion of said one year holding period. The investor must furthermore provide on the certificate its full name, legal form, address and fiscal identification number, if applicable.

Belgium has concluded tax treaties with over 90 countries, reducing the Belgian dividend withholding tax rate to 20%, 15%, 10%, 5% or 0% for residents of those countries, depending on conditions, amongst others, related to the size of the shareholding and certain identification formalities. Such reduction may be obtained either directly at source or through a refund of taxes withheld in excess of the applicable tax treaty rate.

Prospective holders should consult their own tax advisors as to whether they qualify for a reduced rate of Belgian withholding tax on dividends, and as to the procedural requirements for obtaining such a reduced rate of Belgian withholding tax (either upon the payment of dividends or further to refund claims).

### **3. CAPITAL GAINS AND LOSSES ON SHARES**

#### **I. BELGIAN RESIDENT INDIVIDUALS**

In principle, Belgian resident individuals acquiring and holding Shares as a private investment should not be subject to Belgian capital gains tax on the disposal of Shares, and capital losses are not tax deductible.

However, capital gains realized by a private individual on the disposal of Shares are taxable at 33% (plus local surcharges) if the capital gain is deemed to be speculative or to be realized outside the scope of the normal management of the individual's private estate. Capital losses, however, are generally not tax deductible.

Moreover, capital gains realized by Belgian resident individuals on the disposal of Shares for consideration, outside the exercise of a professional activity, to a non-resident company (or a body constituted in a similar legal form), to a foreign State (or one of its political subdivisions or local authorities) or to a non-resident legal entity, are in principle taxable at a rate of 16.5% (plus local surcharges) if, at any time during the five years preceding the sale, the Belgian resident individual has owned directly or indirectly, alone or with his/her spouse or with certain relatives, a substantial shareholding in the Company (i.e., a shareholding of more than 25% in the Company). This capital gains tax does not apply if the Shares are transferred to the above mentioned persons provided that they are established in the EEA. Capital losses are, however, not tax deductible.

Belgian resident individuals who hold Shares for professional purposes are taxable at the ordinary progressive personal income tax rates (plus local surcharges) on any capital gains realized upon the disposal of Shares, except for Shares held for more than five years, which are taxable at a separate rate of 16.5% (plus local surcharges). Capital losses on Shares incurred by Belgian resident individuals who hold Shares for professional purposes are in principle tax deductible.

Capital gains realized by Belgian resident individuals upon the redemption of Shares or upon the liquidation of the Company will generally be taxable as a dividend (see above).

#### *ii. Belgian Resident Companies*

Belgian resident companies are exempted from Belgian capital gains taxation on gains realized upon the disposal of Shares, provided that: (i) the Article 203 ITC Taxation Condition is met, (ii) the Shares have been held in full legal ownership for an uninterrupted period of at least one year and (iii) it holds a participation of at least 10% in the capital of the Company or at least EUR 2,500,000 of investment value in capital. If the one-year minimum holding period condition is not met (but the holding threshold and the Article 203 ITC Taxation Condition are met) then the capital gains realized upon the disposal of Shares by Belgian resident companies are taxable at a separate corporate income tax rate of 25.50% (20.40% on the first bracket of EUR 100,000 of taxable profits for SMEs), to be reduced to 25% (respectively 20%) as from tax year 2021.

In case the holding threshold and/or the Article 203 ITC Taxation Condition is/are not met, the realized capital gains are considered as ordinary profits taxable at the standard corporate income tax rate of 29.58% (20.40% on the first bracket of EUR 100,000 of taxable profits for SMEs). (please note that as from tax year 2021 the rate of 29.58% will be reduced to 25% and the rate of 20.40% to 20%).

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Capital losses on Shares incurred by resident companies (both non-SMEs and SMEs) are as a general rule not tax deductible.

Capital gains realized by Belgian resident companies upon the redemption of Shares or upon the liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

The Shares held in the trading portfolios (*handelsportefeuille/portefeuille commercial*) of qualifying credit institutions, investment enterprises and management companies of collective investment undertakings which are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment undertakings (*jaarrekening van de kredietinstellingen, de beleggingsondernemingen en de beheerverenootschappen van instellingen voor collectieve belegging/comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif*) are subject to a different regime. The capital gains on such shares are taxable at the ordinary corporate income tax rates and the capital losses on such shares are tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realization.

#### *iii. Belgian resident Organizations for Financing Pensions*

Capital gains on shares realized by OFPs within the meaning of article 8 of the Belgian Law of October 27, 2006, are, in principle, exempt from Belgian corporate income tax and capital losses are not tax deductible.

However, in general, capital gains realized by Belgian resident OFPs upon the redemption of Shares or upon the liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

#### *iv. Other Belgian resident Taxable Legal Entities*

Belgian resident legal entities subject to the legal entities income tax are, in principle, not subject to Belgian capital gains taxation on the disposal of Shares. However, capital gains realized upon disposal of (part of) a substantial participation in a Belgian company (being a participation representing more than 25% of the share capital of the Company at any time during the last five years prior to the disposal) may under certain circumstances give rise to a 16.5% tax (plus local surcharges and crisis surcharge). Capital losses on Shares incurred by Belgian resident legal entities are not tax deductible.

Capital gains realized by Belgian resident legal entities upon the redemption of Shares or upon the liquidation of the Company will in principle be taxed as dividends (see above).

#### *v. Belgian Non-resident Individuals, Legal Entities and Companies*

Capital gains realized by non-resident individuals on the disposal of Shares are in principle not taxable provided that (i) the Shares are not held for professional purposes by way of a fixed base of which the non-resident disposes in Belgium, (ii) the capital gains are realized within the scope of the normal management of his or her private estate, and (iii) the transfer does not concern a substantial holding (see above). Capital gains realized by a non-resident individual upon the transfer of Shares held for professional purposes through a fixed base of which he or she disposes in Belgium must be reported in the non-resident income tax return where they will be taxed at the normal rate of the non-resident individual income tax.

Non-resident legal entities subject to the non-resident legal entities tax are generally not subject to Belgian income tax on capital gains realized on the transfer of Shares. Capital losses are not tax deductible.

Non-resident companies holding Shares but not through a Belgian establishment are in principle not taxable on capital gains realized on the disposal of Shares and capital losses are not tax deductible. Where Shares are held through a Belgian establishment, capital gains realized must be reported in the non-resident corporate income tax return in which case they will in principle be taxable at the normal rate of the non-resident corporate income tax. Capital losses are not tax deductible.

Capital gains realized upon redemption of Shares or upon liquidation of the Company are in principle taxable as a dividend.

## **4. TAX ON STOCK EXCHANGE TRANSACTIONS**

No tax on stock exchange transactions is due upon subscription to Shares (primary market transactions).

The purchase and the sale and any other acquisition or transfer for consideration of existing Shares (secondary market transactions) is subject to the Belgian tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) if (i) it is executed in Belgium

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through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium (both referred to as a “Belgian Investor”).

The tax on stock exchange transactions is levied at a rate of 0.35% of the purchase price, capped at EUR 1,600 per transaction and per party. A separate tax is due by each party to the transaction, i.e. the seller (transferor) and the purchaser (transferee), and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor, unless that Belgian Investor can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian stock exchange tax representative (“Stock Exchange Tax Representative”), which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transaction.

No tax on stock exchange transactions is due on transactions entered into by the following parties, provided they are acting for their own account: (i) professional intermediaries described in Article 2.9° and 10° of the Belgian Law of August 2, 2002 on the supervision of the financial sector and financial services; (ii) insurance companies described in Article 5 of the Act of 13 March 2016 on the status and supervision of insurance and reinsurance undertakings; (iii) pension institutions referred to in Article 2.1° of the Belgian Law of October 27, 2006 concerning the supervision of pension institutions; (iv) undertakings for collective investment; (v) regulated real estate companies; and (vi) Belgian non-residents provided they deliver a certificate to their financial intermediary in Belgium confirming their non-resident status.

The EU Commission adopted on February 14, 2013 the Draft Directive on a Financial Transaction Tax (FTT). The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

## 5. TAX ON SECURITIES ACCOUNTS

The Belgian government announced in its Summer Agreement of 26 July 2017 that it intended to introduce a tax on securities accounts (taks op de effectenrekeningen/taxe sur les comptes-titres). The Law of 7 February 2018 on the implementation of the tax on securities accounts lays down the legal provisions in this regard.

The tax is due by Belgian individual tax residents and individual non-residents who hold one or more securities accounts with an average total value of at least EUR 500,000 per account holder during a reference period of 12 consecutive months starting on 1 October and ending on 30 September of the subsequent year (it being understood that the first reference period starts as of 10 March 2018 and ends on 30 September 2018). For Belgian individual tax residents both the securities accounts of an account holder in Belgium and abroad will be taken into account to determine whether the threshold of EUR 500,000 has been reached, while for individual non-residents, only the Belgian securities accounts will be taken into account. Moreover, according to the Law of 7 February 2018, only the following securities are taken into account for the calculation of the threshold: (i) listed or unlisted shares and depository receipts for shares; (ii) bonds, whether or not listed, and depository receipts in respect of bonds; (iii) listed or unlisted units of collective investment funds or shares of investment companies, unless they are purchased or subscribed to in the context of a life insurance policy or pension savings; (iv) savings bonds; and (v) warrants. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the tax on securities accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

The tax on securities accounts is an annual tax that is levied at a rate of 0.15%. The tax is calculated on the average value of the taxable financial instruments that the account holder holds on his or her securities account(s). Please note that the tax is levied on the entire amount of the average value and not just on the amount exceeding the limit of EUR 500,000.

The Law of 7 February 2018 on the implementation of the tax on securities accounts has been published in the Belgian Official Gazette on 9 March 2018 and entered into force on 10 March 2018, i.e. the day following the publication of the Act in the Belgian Official Gazette.

The tax on securities accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the tax on securities accounts due (e.g., in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000). If the tax on securities accounts is not paid by the financial intermediary, the tax will have to be declared and will be due by the holder itself, unless

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the holder provides evidence that the tax has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a tax on the securities accounts representative in Belgium, subject to certain conditions and formalities (Tax on the Securities Accounts Representative). Such a Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the tax on the securities accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return their various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the tax on securities accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return their various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the tax on securities accounts.

Investors are recommended to consult their own tax advisors as regards the specific consequences of the application of this tax on their tax position.







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# SECTION XVII.

## TAXATION IN THE NETHERLANDS

### 1. GENERAL

The following is a general summary of certain material Netherlands tax consequences of the acquisition, holding and disposal of Shares. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Shares and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this general summary should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which are subject to change or to different interpretation, possibly with retroactive effect. Where the summary refers to “the Netherlands” it refers only to the part of the Kingdom of the Netherlands located in Europe.

This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding and disposal of the Shares. Holders or prospective holders of Shares should consult their own tax advisors regarding the tax consequences relating to the acquisition, holding and disposal of Shares in light of their particular circumstances.

Please note that the summary does not describe the Netherlands tax consequences for:

- holders of Shares if such holders, and in the case of individuals, his or her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company under The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his or her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- holders of Shares if the Shares held by such holders qualify or qualified as a participation (*deelneming*) for purposes of The Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*). Generally, a holder's shareholding of 5% or more in a company's nominal paid-up share capital qualifies as a participation. A holder may also have a participation if such holder does not have a shareholding of 5% or more but a related entity (statutorily defined term) has a participation or if the company in which the shares are held is a related entity (statutorily defined term).
- pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in The Netherlands Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax as well as entities that are exempt from corporate income tax in their country of residence, such country of residence being another state of the European Union, Norway, Liechtenstein, Iceland or any other state with which the Netherlands have agreed to exchange information in line with international standards; and
- holders of Shares who are individuals for whom the Shares or any benefit derived from the Shares are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in The Netherlands Income Tax Act 2001).

### 2. DIVIDEND WITHHOLDING TAX

Since the Company is incorporated under the laws of the Netherlands, the Dutch State Secretary for Finance takes the position that the Company remains a tax resident of the Netherlands for Dutch dividend withholding tax purposes. Consequently, the Company is required to withhold Dutch dividend withholding tax at a rate of 15 % from dividends distributed by it (which withholding tax will not be borne by the Company, but will be withheld by the Company from the gross dividends paid on the Shares). However, as long as the Company continues to have its place of management in Belgium, and not in the Netherlands, under the Convention between Belgium and the Netherlands for the avoidance of double taxation with respect to taxes on income of 2001, the Company will be considered to be exclusively tax resident in Belgium and should not be

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required to withhold Dutch dividend withholding tax. This exemption from withholding does not apply to dividends distributed by the Company to a shareholder who is resident or deemed to be resident in the Netherlands for Dutch income tax purposes or Dutch corporation tax purposes or to shareholders that are neither resident nor deemed to be resident of the Netherlands if the shares are attributable to a Netherlands permanent establishment of such non-resident holder, in which events the following applies. See Risk Factors in Section I. 2 (*Risk factors*). If the Company pays dividends, the Company may need to withhold tax on such dividends in both Belgium and the Netherlands.”

Dividends distributed by the Company to individuals and corporate legal entities who are resident or deemed to be resident in the Netherlands for Netherlands tax purposes (“Netherlands Resident Individuals” and “Netherlands Resident Entities” as the case may be) or to holders of shares that are neither resident nor deemed to be resident of the Netherlands if the shares are attributable to a Netherlands permanent establishment of such non-resident holder are subject to Netherlands dividend withholding tax at a rate of 15%.

The expression “dividends distributed” includes, among other things:

- distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognized for Netherlands dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of Shares, or proceeds of the repurchase of Shares by the Company or one of its subsidiaries or other affiliated entities to the extent such proceeds exceed the average paid-in capital of those Shares as recognized for purposes of Netherlands dividend withholding tax;
- an amount equal to the par value of Shares issued or an increase of the par value of Shares, to the extent that it does not appear that a contribution, recognized for purposes of Netherlands dividend withholding tax, has been made or will be made; and
- partial repayment of the paid-in capital, recognized for purposes of Netherlands dividend withholding tax, if and to the extent that the Company has net profits (*zuivere winst*), unless (i) the general meeting has resolved in advance to make such repayment and (ii) the par value of the Shares concerned has been reduced by an equal amount by way of an amendment of the Company’s Articles of Association.

Netherlands Resident Individuals and Netherlands Resident Entities generally are entitled to an exemption of or a credit for any Netherlands dividend withholding tax against their income tax or corporate income tax liability and to a refund of any residual Netherlands dividend withholding tax. The same generally applies to holders of Shares that are neither resident nor deemed to be resident of the Netherlands if the Shares are attributable to a Netherlands permanent establishment of such non-resident holder.

#### **Dividend stripping**

Pursuant to legislation to counteract “dividend stripping”, a reduction, exemption, credit or refund of Netherlands dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner as described in The Netherlands Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*). This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding tax costs on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Netherlands State Secretary of Finance takes the position that the definition of beneficial ownership introduced by this legislation will also be applied in the context of a double taxation convention.





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# SECTION XVIII.

## THE OFFERING

### 1. CONDITIONS AND NATURE OF THE OFFERING

The Offering relates to:

- i. the issuance by the Company of up to 2,693,967 newly issued Offer Shares (the “**Primary Offering**”) ;
- ii. the offering by the Selling Shareholder of such number of existing Offer Shares as is necessary to raise gross proceeds of approximately EUR 15,000,000 (the “**Secondary Offering**”) for which no Priority Allocation Rights apply; and
- iii. the Increase Option (see Section XIX. 3 (*Plan of distribution - Increase Option*)).

The Primary Offering represents gross proceeds between EUR 70,716,634 (at the low-end of the Price Range) and EUR 80,145,518 (at the high-end of the Price Range). The Secondary Offering represents between 504,201 Existing Shares (at the high-end of the Price Range) and 571,428 Existing Shares (at the low-end of the Price Range).

The Offering consists of (i) a public offering to retail and institutional investors in Belgium; (ii) a public offering to retail and institutional investors in the Netherlands; and (iii) a private placement to institutional investors outside the United States. The Offering outside the United States will be made in compliance with Regulation S under the U.S. Securities Act. The aggregate number of Offer Shares may pursuant to the Increase Option, be increased by up to 15% of the aggregate number of Offer Shares initially offered by issuing additional newly issued Shares. Any decision to exercise the Increase Option will be communicated at the latest, on the date of the announcement of the Offer Price. See Section XIX. (*Plan of Distribution— Increase Option*).

For the Primary Offering, each Existing Share will entitle its holder on the Record Date to receive one Priority Allocation Right as set out in subsection 4 below. Ten (10) Priority Allocation Rights will entitle the holder thereof to subscribe to three (3) new Primary Offer Shares in the Primary Offering. Priority Allocation Rights are freely transferable, but will not be admitted to trading. Priority Allocation Rights that are not exercised during the Offering Period will be null and void and without value. There will be no market for non-exercised Priority Allocation Rights. Any Offer Shares subscribed for by exercising the Priority Allocation Rights will be fully allocated.

No Priority Allocation Rights will apply to the Offer Shares in the context of the Increase Option or the Secondary Offering.

The Principal Shareholders have no intention to participate in the Offering, and so to exercise their Priority Allocation Rights. However, 3NG NV, GW2 BVBA, MANco GDM BVBA and Greenway District BVBA reserve the possibility to transfer 50% of their Priority Allocation Rights to other investors. This represents in total 2,550,475 Priority Allocation Rights or 765,142 new Offer Shares, i.e. 28.40% of the Primary Offering. See Section XVIII. 4 (*Priority Allocation Rights*).

If the maximum number of Offer Shares has not been placed, demand will first be allocated from the Primary Offering (i.e. newly issued Shares) and thereafter from the Secondary Offering (i.e. existing Shares).

The Joint Global Coordinators and Joint Lead Managers are ING NV/SA and Belfius Bank NV/SA. The Joint Bookrunners are ING NV/SA, Belfius Bank NV/SA, Bank Degroof Petercam NV/SA and ABN AMRO Bank N.V. See Section XIX. (*Plan of Distribution*).

The actual number of Offer Shares to be issued by the Company in the Offering will only be determined after the Offering Period and will be announced by means of a Company press release, simultaneously with the publication of the Offer Price and the allocation of Offer Shares to retail investors. Such publication is currently expected to be made on or about 5 July 2018 and in any event no later than the first Business Day after the end of the Offering Period.

The Company reserves the right to withdraw the Offering or to reduce the maximum number of Offer Shares at any time prior to the allocation of the Offer Shares. Any withdrawal of the Offering will be announced by means of a Company press release. If the Offering is withdrawn, the bank accounts of the retail investors having submitted purchase orders will not be debited. Any withdrawal of the Offering or reduction of the number of Offer Shares will be announced by means of a Company press release, through electronic information services such as Reuters or Bloomberg, and in a supplement to the Prospectus. If such supplement to the Prospectus is published, investors will have the right to withdraw their orders made prior to the publication of the supplement. Any changes to the maximum number of Offer Shares or any extension or shortening of the Offering Period will not void purchase orders that have already been submitted.

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In the event that the Underwriting Agreement is not executed or is executed but subsequently terminated, a supplement to this Prospectus shall be published. After publication of the supplement, the subscriptions for the Offer Shares will automatically be cancelled and withdrawn, and subscribers will not have any claim to delivery of the Offer Shares or to any compensation.

The FSMA has been requested to provide the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

## 2. OFFER PRICE

The Offer Price will be a single price in Euro, exclusive of the Belgian tax on stock exchange transactions, if applicable (see Section XVI. (*Taxation in Belgium*)), and costs, if any, charged by financial intermediaries for the submission of applications.

The Offer Price will be determined on the basis of a bookbuilding process in which only institutional investors can participate, taking into account various relevant qualitative and quantitative elements, including but not limited to the number of Offer Shares requested, the size of purchase orders received, the condition of the investors submitting such purchase orders and the prices at which the purchase orders were made, as well as market conditions at that time.

The Price Range (EUR 26.25 to EUR 29.75 per Offer Share) has been determined by the Company following recommendations from the Joint Global Coordinators, taking into account market conditions and factors including but not limited to:

- the condition of the financial markets;
- the Company's financial position;
- qualitative assessment of the demand for the Offer Shares; and
- all other factors deemed relevant.

The Company reserves the right to increase or decrease the lower limit of the Price Range or to decrease the upper limit of the Price Range. If the Price Range is narrowed, the change will be announced by means of a Company press release. Any changes to narrow the Price Range will not void purchase orders that have already been submitted.

The Offer Price for investors shall not, however, exceed the higher end of the Price Range. In the event the lower limit of the Price Range is decreased or the Offer Price is set below the lower end of the Price Range, this will be published in a supplement to the Prospectus and will be announced by means of a Company press release.

Retail investors in Belgium and the Netherlands can only acquire the Offer Shares at the Offer Price and are legally bound to purchase the number of Offer Shares indicated in their purchase order at the Offer Price.

## 3. OFFERING PERIOD

The Offering Period will begin on 28 June 2018 and is expected to end no later than 1:00 p.m. (CET) on 5 July 2018, except for the offering period for the retail offering, which is expected to end no later than 4:00 p.m. (CET) on 5 July 2018, i.e. 3 hours later than the end of the institutional book building period. In the event the Offering Period is extended, this will be announced by means of a Company press release and a supplement to the Prospectus. Prospective investors can submit their purchase orders during the Offering Period. Share applications by retail investors may be submitted at the counters of ING, Belfius, Bank Degroof Petercam and ABN AMRO and their affiliates at no cost to the investor. Applications are not binding upon the Company or the Underwriters as long as they have not been accepted in accordance with the allocation rules described below under Section XVIII. (*The Offering - Allocation*).

Investors wishing to place purchase orders for the Offer Shares through intermediaries other than ING, Belfius, Bank Degroof Petercam and ABN AMRO and their affiliates should request details of the costs which these intermediaries may charge, which they will have to pay themselves.

To be valid, purchase orders must be submitted no later than 4 p.m. (CET) on 5 July 2018 for retail investors and 1:00 p.m. (CET) on 5 July 2018 for institutional investors.

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## 4. PRIORITY ALLOCATION RIGHTS

Each Existing Share will entitle its holder on the Record Date (i.e. 29 June 2018) to receive one (1) Priority Allocation Right. Holders of Priority Allocation Rights may exercise and subscribe for Offer Shares in the Primary Offering in accordance with the Ratio, (i.e. three (3) Offer Share for ten (10) Priority Allocation Rights), to the extent permissible under the restrictions in this Prospectus and subject to applicable securities laws (see Section XIX. (*Plan of distribution - Selling restrictions*)). The Priority Allocation Right will be represented by coupon n° 1, which will be detached from the underlying share on 27 June 2018 after closing of the market.

Holders of Priority Allocation Rights which have not exercised such rights during the Offering Period will no longer be able to exercise them. Priority Allocation Rights that are not exercised during the Offering Period will be null and void and without value.

Holders of *dematerialized shares* booked on a securities account on the Record Date will automatically receive the number of Priority Allocation Rights they are entitled to by book-entry into their securities account, subject to the restrictions in the Prospectus and subject to applicable securities laws. Their financial intermediary will, in principle, inform them on the procedures that must be followed to exercise their Priority Allocation Rights.

Holders of *registered shares* recorded in the Company's share register on the Record Date will receive at the address indicated in the share register a letter from the Company informing them on the aggregate number of Priority Allocation Rights to which they are entitled in respect of their registered shares, and of the procedures that they must follow in order to exercise their Priority Allocation Rights, subject to the restrictions in the Prospectus and the applicable securities laws.

The Principal Shareholders have no intention to participate in the Offering, and so to exercise their Priority Allocation Rights. However, 3NG NV, GW2 BVBA, MANco GDM BVBA and Greenway District BVBA reserve the possibility to transfer 50% of their Priority Allocation Rights to other investors. This represents in total 2,550,475 Priority Allocation Rights or 765,142 new Offer Shares, i.e. 28.4% of the Primary Offering.

No Priority Allocation Rights will apply to the Offer Shares in the context of the Increase Option or the Secondary Offering.

Holders of Priority Allocation Rights must be aware that any Offer Shares subscribed for by exercising their Priority Allocation Rights will be fully allocated to them. Subscriptions made by exercising Priority Allocation Rights are binding and irrevocable, except as described in Section XVIII. 7 (*The Offer - Supplement - Right to Withdraw Order*).

Holders of Priority Allocation Rights can only subscribe for the Offer Shares at the Offer Price and are legally bound to acquire the number of Offer Shares indicated in their subscription order at the Offer Price, except (i) if the Offering has been withdrawn in which case the subscription orders will become null and void, or (ii) in the event of the publication of a supplement to the Prospectus, in which case the subscribers will have the right to withdraw their orders made prior to the publication of the supplement within the time limit set forth in the supplement, which shall not be shorter than two (2) Business Days after publication of the supplement, in accordance with Article 34, § 3 of the Prospectus Law.

Holders of *dematerialized Priority Allocation Rights* wishing to exercise and subscribe for Offer Shares should instruct their financial intermediary accordingly. The financial intermediary is responsible for obtaining the subscription request and for duly transmitting the subscription request to the Underwriters. Subscription requests may be submitted directly and free of charge during the Offering Period at the counters of ING, Belfius, Bank Degroof Petercam and ABN AMRO, or any other financial intermediary in Belgium which shall then transmit such requests to the Underwriters. Holders of Priority Allocation Rights are advised to enquire about any costs that may be charged to them by other financial intermediaries. The Underwriters shall not be responsible for the actions of other financial intermediaries in relation to the timely transmission of the subscription requests.

Holders of *registered Priority Allocation Rights* wishing to exercise their rights and subscribe for Offer Shares should comply with the instructions delivered to them in the letter received from the Company.

## 5. RETAIL INVESTORS IN BELGIUM AND THE NETHERLANDS

A retail investor in Belgium shall mean an individual person resident in Belgium or a legal entity located in Belgium that does not qualify as a qualified investor ("*gekwalficeerde belegger*" / "*investisseur qualifié*") as defined in Article 10, § 1 of the Prospectus Law.

A retail investor in the Netherlands shall mean an individual person resident in the Netherlands or a legal entity located in the Netherlands that does not qualify as a qualified investor ("*gekwalficeerde belegger*") as defined in Article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

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Retail investors must indicate in their purchase orders the number of Offer Shares they are committing to purchase. Only one application per retail investor will be accepted. If the Underwriters determine, or have reason to believe, that a single retail investor has submitted several purchase orders, through one or more intermediaries, they may disregard such purchase orders. There is no minimum or maximum amount of Offer Shares that may be purchased in one purchase order.

To be valid, purchase orders must be submitted no later than 4:00 p.m. (CET) on 5 July 2018.

Orders will be irrevocable and investors are legally bound to purchase the number of Shares indicated in their purchase order which have been allocated to them at the Offer Price. However, in the event that the Offering is withdrawn or a supplement to this Prospectus is published, retail investors shall have the right to withdraw their share applications made prior to the publication of the supplement within the time limits set out in the supplement (which shall not be shorter than two (2) Business Days after publication of the supplement).

## **6. INSTITUTIONAL INVESTORS**

Institutional investors must indicate in their purchase orders the number of Offer Shares they are committing to purchase, and the prices at which they are making such purchase orders during the bookbuilding period. Only institutional investors can participate in the bookbuilding process during the Offering Period.

## **7. SUPPLEMENT - RIGHT TO WITHDRAW ORDER**

If an important new factor, material mistake or inaccuracy relating to information contained in the Prospectus, which could influence the investors' evaluation of the securities, occurs before the end of the Offering Period, a supplement to the Prospectus shall be published in accordance with Article 34 of the Prospectus Law.

A supplement to this Prospectus will be published in accordance with Article 34 of the Prospectus Law, among others, in the event (i) the Offering Period is extended, (ii) the lower limit of the Price Range is decreased or the Offer Price is set below the lower end of the Price Range, or (iii) the maximum number of Offer Shares is reduced or (iv) the Underwriting Agreement is not executed or is executed but subsequently terminated.

If such supplement to the Prospectus is published, investors will have the right to withdraw their orders made prior to the publication of the supplement. Such withdrawal must be done within the time period set forth in the supplement (which shall not be shorter than two (2) Business Days after publication of the supplement).

## **8. ALLOCATION**

For the Primary Offering, Existing Shareholders are entitled to Priority Allocation Rights (see Section XVIII. 4 (*The Offering - Priority Allocation Rights*)). Any Primary Offer Shares subscribed upon exercise of Priority Allocation Rights will be fully allocated.

For the portion of the Primary Offering for which no Priority Allocation Rights were exercised, the Secondary Offering and the Increase Option, there are no Priority Allocation Rights.

If the maximum number of Primary Offer Shares has been placed, demand from retail investors in Belgium will first be allocated from the Primary Offering (i.e. newly issued shares) and thereafter from Secondary Offering (i.e. existing shares).

The number of Offer Shares allotted to investors who have not subscribed upon exercise of their Priority Allocation Rights will be determined at the end of the Offering Period by the Company in consultation with the Underwriters on the basis of the respective demand of both retail and institutional investors and on the quantitative and, for institutional investors only, the qualitative analysis of the order book, and in accordance with Belgian regulations relating to allocation to retail and institutional investors as set forth below.

In accordance with Belgian regulations, a minimum of 10% of the Offer Shares must be allocated to retail investors in Belgium, subject to sufficient retail demand.

In case of over-subscription of the Offer Shares reserved for retail investors, the allocation to retail investors will be made on the basis of objective and quantitative allocation criteria (equally applied in Belgium and the Netherlands), i.e. the number of shares for which applications are submitted by retail investors. Therefore, retail investors may receive fewer Offer Shares than they subscribed for.



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The results of the Offering, the allocation for retail investors and the Offer Price will be announced by means of a Company press release, which is currently expected to take place on or about 5 July 2018 and in any event no later than the first business day after the end of the Offering Period.

The Underwriters will use reasonable efforts to deliver the newly issued Offer Shares to individual persons residing in Belgium and to investors subject to Belgian income tax on legal entities (*rechtspersonenbelasting/impôt des personnes morales*), in this order of priority. No tax on stock exchange transactions is due on the subscription of newly issued Offer Shares (see Section XVI. (*Taxation in Belgium*)).

## **9. PAYMENT AND TAXES**

The Offer Price must be paid by the investors in full, in Euro, together with any applicable stock exchange taxes and costs. For further information about applicable taxes, see Section XVI. (*Taxation in Belgium*).

The Closing Date is expected to be on 9 July 2018. The Offer Price must be paid by investors by authorizing their financial institutions to debit their bank accounts with such amount for value on the Closing Date, unless the Offering has been withdrawn.

## **10. FORM OF THE SHARES AND DELIVERY**

The Offer Shares will be delivered with coupon n° 2 attached (as coupon n° 1 will represent the Priority Allocation Right) and will have the same rights and benefits as the other Shares, including the right to dividends for the financial year ending 31 December 2018 and future years. For a further description of the Shares and the rights and benefits attached thereto, see Section XIV. (*Description of Share Capital and Articles of Association*).

All Offer Shares will be delivered in book-entry form only (dematerialized shares), and will be credited on or around the Closing Date to investors' securities accounts via Euroclear Belgium, the Belgian central securities depository, Koning Albert II Laan 1, B-1210 Brussels, Belgium.

Investors who, after delivery, wish to have their shares registered, should request that the Company records the Shares in the Company's share register.

Holders of registered shares may request that their registered shares be converted into dematerialized shares and vice versa. Any costs incurred in connection with the conversion of Shares into another form will be borne by such shareholders.

All Offer Shares will be fully paid-up upon their delivery and freely transferable, subject to what is set forth under Section XIX. (*Plan of Distribution*).

## **11. TRADING AND LISTING**

The Existing Listed Shares are listed on the regulated market of Euronext Amsterdam and admitted for trading under the symbol "FNG" with an ISIN code BE0974332646.

An application has been made for the listing and admission to trading on Euronext Brussels of all Shares (i.e. the Primary Offer Shares, the Existing Listed Shares and the Existing Unlisted Shares). The Shares are expected to be listed under the symbol "FNG" with an ISIN code of BE0974332646.

In addition, an application has been made for the listing and admission to trading on Euronext Amsterdam of the Primary Offer Shares and the Existing Unlisted Shares. The Shares are expected to be listed under the same symbol "FNG" with the same ISIN code BE0974332646.

Trading of (i) the Existing Shares on Euronext Brussels and (ii) the Existing Unlisted Shares on Euronext Amsterdam is expected to commence on 29 June 2018. Trading of the Primary Offer Shares is expected to commence on or about 9 July 2018.

Finally, an application has been made for the change of market of reference from Euronext Amsterdam to Euronext Brussels.

## 12. EXPECTED TIME TABLE

Certain key dates in connection with the Offering are summarized in the following table. These are all anticipated dates, which are subject to any unforeseen circumstances.

<b>DATE</b>	<b>EVENT</b>
<b>13 June 2018</b>	Announcement of the Offering
<b>25 June 2018</b>	Approval of the Prospectus by the FSMA & passporting to the AFM
<b>26 June 2018</b>	Decision of the Board of Directors to proceed with a capital increase
<b>27 June 2018</b>	Announcement of the transaction terms & timing
<b>27 June 2018</b>	Detachment of coupon n° 1 representing the Priority Allocation Right
<b>27 June 2018</b>	Publication of the Prospectus
<b>28 June 2018 at 9 a.m. CET</b>	Expected Start of Offering Period (including Retail Offering)
<b>29 June 2018</b>	Record Date for rights entitlement
<b>29 June 2018</b>	Expected Listing Date of (i) Existing Shares on Euronext Brussels and (ii) Existing Unlisted Shares on Euronext Amsterdam
<b>5 July 2018 at 1 p.m. CET</b>	End of Offering Period
<b>5 July 2018 at 4 p.m. CET</b>	End of Offering Period for retail investors
<b>5 July 2018</b>	Pricing and Allocation
<b>5 July 2018</b>	Publication of Offer Price and Results of the Offering
<b>5 July 2018</b>	Payment of the Offer Price by or on behalf of the subscribers
<b>9 July 2018</b>	Completion of the capital increase
<b>9 July 2018</b>	Expected Listing Date of Primary Offer Shares on Euronext Brussels and on Euronext Amsterdam and change of market of reference from Euronext Amsterdam to Euronext Brussels
<b>9 July 2018</b>	Expected Closing Date

The Company may amend the dates and times of the capital increase and periods indicated in the above timetable and throughout the Prospectus. In such event, the Company will inform investors through a publication on the Company's website. In addition, to the extent required by law, the Company shall publish a supplement to the Prospectus.

## 13. AUTHORIZATIONS

This Prospectus and the participation of the Company in the Offering shall be approved by the Board of Directors of the Company on 26 July 2018. The issuance of the Offer Shares and required amendments to the Company's Articles of Association shall be approved by the Board of Directors on 9 July 2018.

## 14. INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFERING

Assuming placement of the maximum number of Offer Shares (including the full exercise of the Increase Option), that the Offer Price is at the high-end of the Price Range, the underwriting fees will be approximately EUR 2 million. This does not include any incentive fees which may be paid at the discretion of the Company and the Selling Shareholder. The underwriting fees of 2% of the gross proceeds of the Offering, plus any discretionary incentive fees up to 0.25% of the gross proceeds of the Offering, will be paid entirely by the Company. The Company has also agreed to reimburse the Underwriters for certain expenses incurred by them in connection with the Offering. These expenses are capped at 0.2% of the gross proceeds. See also Section XIX. 4 (*Plan of distribution - Other relationships with the Underwriters*) for a description of the other relationships between the Group and the Underwriters. Except as disclosed above, no other party has a material interest in the Offering other than the Selling Shareholder, the Company's management and the Company.

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## **15. FINANCIAL SERVICE**

From the Listing Dates, the financial service for the shares of the Company will be provided by ING with respect to the listing on both Euronext Brussels and Euronext Amsterdam. ING shall replace ABN AMRO who is, on the date of the Prospectus, the listing agent of the Company with respect to the listing of the Existing Listed Shares on Euronext Amsterdam. Should the Company alter its policy in this respect, this will be announced in accordance with applicable law.

## **16. JURISDICTION AND COMPETENT COURTS**

The Belgian Offering is subject to Belgian law and the Dutch speaking courts of Brussels are exclusively competent to adjudicate any and all disputes with investors concerning the Belgian Offering.



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# SECTION XIX.

## PLAN OF DISTRIBUTION

### 1. UNDERWRITING

The Company, the Selling Shareholder and the Underwriters named below expect to enter into an underwriting agreement on or about 5 July 2018 (the “**Underwriting Agreement**”) with respect to the offer and sale of the Offer Shares in the Offering. Entering into the Underwriting Agreement may depend on various factors, including, but not limited to, market conditions and the result of the bookbuilding process. Subject to certain conditions set forth in the Underwriting Agreement, the Company will agree to issue the Primary Offer Shares, the Selling Shareholder will agree to sell the Secondary Offer Shares and the Underwriters will severally agree to purchase, with a view to immediate placement with investors, the following percentage of the total number of the Offer Shares:

Underwriter	Percentage of Offer Shares to be sold
ING	35 %
Belfius	35 %
Bank Degroof Petercam	15 %
ABN AMRO	15 %
<b>Total percentage of Offer Shares to be sold</b>	<b>100 %</b>

The Underwriting Agreement being a soft underwriting agreement, the Underwriters will be under no obligation to purchase any Offer Shares prior to the execution of the Underwriting Agreement (and then only on the terms and subject to the conditions set out therein). The Underwriting Agreement is expected to provide that if an Underwriter defaults, in certain circumstances, the purchase commitments of the non-defaulting Underwriters may be increased or the Underwriting Agreement may be terminated. The Underwriters will distribute the Offer Shares to investors, subject to prior sale, when, as and if they will have been delivered to them, subject to the satisfaction or waiver of the conditions that will be contained in the Underwriting Agreement, including the receipt by the Underwriters of certificates from the Company and certain legal opinions. In the Underwriting Agreement, the Company and the Selling Shareholder will make certain customary representations and warranties and the Company will agree to indemnify the Underwriters against certain liabilities, including liability under the U.S. Securities Act. If the Underwriting Agreement is not executed or is executed but subsequently terminated, a supplement to the Prospectus to this effect will be published.

The actual number of Offer Shares to be sold by the Company and the Selling Shareholder in the Offering will only be determined after the Offering Period and will be announced by means of a Company press release, simultaneously with the publication of the Offer Price and the allocation to retail investors, which are currently expected to take place on or about 5 July 2018 and, in any event, no later than the first Business Day after the end of the Offering Period.

The Price Range set forth on the cover page of this Prospectus is subject to change as a result of market conditions and other factors. There can be no assurance that an active trading market will develop for the Shares or that the Shares will trade in the public market after the Offering at or above the Offer Price. For further information, see Section I. (*Risk Factors - The market price of the Shares may fluctuate widely in response to various factors*).

The Underwriters will offer the Offer Shares at the Offer Price. Assuming placement of the maximum number of Offer Shares (including the full exercise of the Increase Option), that the Offer Price is at the high-end of the Price Range, the underwriting fees will be approximately EUR 2 million. This does not include any incentive fees which may be paid at the discretion of the Company and the Selling Shareholder. The underwriting fees of 2% of the gross proceeds of the Offering, plus any discretionary incentive fees up to 0.25% of the gross proceeds of the Offering, will be paid entirely by the Company. The Company has also agreed to reimburse the Underwriters for certain expenses incurred by them in connection with the Offering.

The Underwriting Agreement is expected to provide that the Joint Global Coordinators will, have the right to terminate, on behalf of the Underwriters, collectively but not individually, the Underwriting Agreement and their obligation thereunder to purchase and deliver the Offer Shares (i) upon the occurrence of certain customary events including, but not limited to, if the Company fails to comply with any material obligation contained in the Underwriting Agreement; if there is a material adverse change in the financial markets in the United States, Belgium, the Netherlands or the EEA; or if admission to listing of the Shares on Euronext Brussels or the Offer Shares and the Existing Unlisted Shares on Euronext Amsterdam is withdrawn, and (ii) if the conditions contained in the Underwriting Agreement, such as the delivery of certificates from

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the Company and the Selling Shareholder and legal opinions, are not satisfied or waived. In the event that the Underwriting Agreement is not executed or is executed but subsequently terminated, a supplement to this Prospectus shall be published. After publication of the supplement, the subscriptions for the Offer Shares will automatically be cancelled and withdrawn, and subscribers will not have any claim to delivery of the Offer Shares or to any compensation.

## 2. LOCK-UP ARRANGEMENTS

By signing the lock-up letter on 26 June 2018, Greenway District BVBA agreed and undertook vis-à-vis the Underwriters that, for a period of 180 days from the Closing Date (the “**Lock-Up Period**”), except with the prior written consent of the Joint Global Coordinators acting on behalf of the Underwriters, neither it nor any of its respective subsidiaries, nor any person acting on their behalf shall:

- i. directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares held by it at the date of the lock-up letter, or any securities convertible into or exercisable or exchangeable for Shares;
- ii. enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or other securities, in cash or otherwise; or
- iii. publicly announce such an intention to effect any such transaction.

The restrictions to which Greenway District BVBA is subject shall not prohibit it from accepting a general take-over bid on all of the ordinary share capital of the Company, giving an irrevocable commitment to accept such an offer, or disposing of shares to an offeror or potential offeror during the period of such an offer.

On the date of the Prospectus, Greenway District BVBA holds 43,626 Shares, representing 0.49% of the voting rights attached to the Shares.

## 3. INCREASE OPTION

Depending on the volume of demand, the aggregate number of Offer Shares sold may be increased by up to 15% of the aggregate number of Offer Shares initially offered. Any decision to exercise the Increase Option will be communicated at the latest on the date of announcement of the Offer Price, which is currently expected to be on or around 5 July 2018. To the extent that such Increase Option has been exercised, the Underwriters will severally purchase the additional Shares in the same proportion as set forth in the table under Section XIX. (*Plan of Distribution—Underwriting*) above.

## 4. OTHER RELATIONSHIPS WITH THE UNDERWRITERS

In connection with the Offering, each of the Underwriters and any of their respective affiliates, acting as an investor for its own account, may take up Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Shares or related investments and may offer or sell such Shares or other investments otherwise than in connection with the Offering. Accordingly, references in the Prospectus to Shares being offered or placed should be read as including any offering or placement of Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. None of the Underwriters intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Shares.

Certain of the Underwriters and/or their respective affiliates have engaged or may in the future, from time to time, engage in commercial banking (including loans and credit facilities), investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company or any parties related to it, in respect of which they have received or may in the future receive customary fees and commissions.

The Company and/or other members of the Group have also entered into several agreements with a number of Underwriters (or their affiliates), including the following:

- FNG Holding NV and its subsidiaries entered into a EUR 240,000,000 senior facilities agreement on 28 February 2018, with BNP Paribas Fortis NV/SA and ING Belgium NV/SA as bookrunning mandated lead arrangers, ABN AMRO Bank N.V. and Belfius Bank NV/SA as lead arrangers and BNP Paribas Fortis NV/SA as agent and security agent (the “Facilities Agreement”). It should be noted that the all Underwriters but Bank Degroof Petercam participate the following tickets in this Facilities Agreement:

Underwriter	Ticket in Facilities Agreement
ING	EUR 65,000,000
Belfius	EUR 50,000,000
ABN AMRO	EUR 50,000,000

- On 23 August 2017, the Company engaged the Corporate Broking department of ABN AMRO to act as (i) continuous listing agent (listing agent), (ii) registrar agent for any extraordinary or annual general shareholders' meetings (GM agent), (iii) paying agent, (iv) agent representing the Company vis-à-vis Nederlands Centraal Instituut voor Giraal Effectenverkeer in matters related to (a) issues and cancellations of any Shares, (b) corporate actions and deliveries and withdrawals of any Shares that generate cash revenues (ENL agent) and (v) shareholder identification agent for Shares held through Euroclear (shareholder ID agent);
- On 8 November 2017, ABN AMRO, the Company and FNG STAK entered into a liquidity provider agreement pursuant to which ABN AMRO acts as liquidity provider with respect to the Existing Listed Shares listed on Euronext Amsterdam;
- In 2012, Bank Degroof Petercam acted as Arranger, Bookrunner and Selling Agent with respect to the sale of 289 senior unsecured and dematerialized bonds with a nominal value of EUR 50,000 each (for a maximum total amount of EUR 14,450,000);
- In 2016 and 2017, Belfius acted as Sole Lead Manager with respect to the sale of senior unsecured and dematerialized bonds with a nominal value of EUR 100,000 each (for a maximum total amount of EUR 45,000,000);
- Belfius shall act as Arranger, Dealer and Agent with respect to the future Euro Medium Term Note program (the "EMTN Program") of FNG Benelux Holding NV.;
- On 31 July 2014, ING Lease Belgium NV, an affiliate of ING, and ES Finance NV entered into a real property leasing agreement (onroerende leasing / leasing immobilier) with FNG International NV, FNG Group NV and Comm. V. EM05 for the financing of the new headquarters of the Company in Mechelen, Boutersemstraat 68;
- Any other agreement concluded between entities of the Group and the Underwriters in the framework of day-to-day banking services provided by the Underwriters.

## 5. NO PUBLIC OFFERING OUTSIDE BELGIUM AND THE NETHERLANDS

No action has been or will be taken in any jurisdiction other than Belgium and the Netherlands that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Prospectus or any other material relating to the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Offer Shares may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of such country or jurisdiction.

Purchasers of the Offer Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the Offer Price.

## 6. SELLING RESTRICTIONS

### 6.1 GENERAL

No public offer is being made and no one has taken any action that would, or is intended to, permit a public offering in any country or jurisdiction, other than Belgium and the Netherlands, where any such action for such purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in any country or jurisdiction, except in compliance with any applicable rules and regulations of such country or jurisdiction.

Persons into whose hands this Prospectus comes are required by the Company, the Selling Shareholder and the Underwriters to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Offer Shares or have in their possession or distribute such offering material, in all cases at their own expense. Neither the Company, the Selling Shareholder nor the Underwriters accept any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of any of the Offer Shares, of any such restrictions.

### 6.2 UNITED STATES

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred within the United States, except (i) in an

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offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, (ii) pursuant to an exemption from registration under Rule 144 under the U.S. Securities Act, if available or (iii) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any State of the United States. The Offer Shares may only be resold: outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and in accordance with applicable law. Terms used above shall have the meanings given to them by Regulation S. Resales of the Shares are restricted as described under Section XX. (*Transfer Restrictions*).

### 6.3 EUROPEAN ECONOMIC AREA

In relation to each Relevant Member State, an offer to the public of any Offer Shares may not be made in that Relevant Member State unless the Prospectus has been approved by the competent authority in such Relevant Member State or passported and published in accordance with the Prospectus Directive as implemented in such Relevant Member State, except that the Offer Shares may be offered to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- by the Underwriters to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company, the Selling Shareholder or any Underwriter of a Prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Underwriters and the Company that it is a “qualified investor” within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

The Company, the Selling Shareholder, the Underwriters and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement, and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Underwriters of such fact in writing may, with the consent of the Underwriters, be permitted to purchase Offer Shares in the Offering.

### 6.4 UNITED KINGDOM

In the United Kingdom, this Prospectus is only addressed to and directed to qualified investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial promotion) Order 2005, as amended (the “**Order**”), and/or (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, and other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). The securities described herein are only available in the United Kingdom, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities in the United Kingdom will be engaged in only with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Prospectus or any of its content.

### 6.5 JAPAN

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the “**FIEL**”). This document is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

### 6.6 CANADA

The Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.



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Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Joint Lead Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

## 6.7 DIFC

This Prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“**DFSA**”). This Prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Prospectus nor taken steps to verify the information set forth herein and has no responsibility for the Prospectus. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Offer Shares should conduct their own due diligence on the Shares. If you do not understand the contents of this Prospectus you should consult an authorized financial advisor.

## 6.8 AUSTRALIA

This document (a) does not constitute a prospectus, a product disclosure statement or other disclosure document under the Corporations Act 2001 of the Commonwealth of Australia (“**Corporations Act**”); (b) does not purport to include the information required of a prospectus, a product disclosure statement or other disclosure document under the Corporations Act; (c) has not been, nor will it be, lodged as a disclosure document with, or registered by, the Australian Securities and Investments Commission (“**ASIC**”), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (d) may not be provided in Australia other than to select investors (“**Exempt Investors**”) who are able to demonstrate that they both (i) fall within one or more of the categories of investors under section 708(8) or 708(11) of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act and (ii) are “wholesale clients” for the purpose of section 761G of the Corporations Act.

The Offer Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Offer Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Offer Shares may be distributed, received or published in Australia, except where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Offer Shares, each purchaser or subscriber of Offer Shares represents and warrants to the Company, the Underwriters and their affiliates that such purchaser or subscriber is an Exempt Investor.

As any offer of Offer Shares under this document, any supplement or the accompanying Prospectus or other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Offer Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Offer Shares each purchaser or subscriber of Offer Shares undertakes to the Company and the Underwriters that such purchaser or subscriber will not, for a period of 12 months from the date of issue or purchase of the Offer Shares, offer, transfer, assign or otherwise alienate those Offer Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

This document contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this document is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

## 6.9 SOUTH AFRICA

In South Africa, any offer of the Offer Shares will only be made by way of a private placement to, and be capable of acceptance by, persons falling within the exemptions set out in section 96(1)(a) of the South African Companies Act and to whom the Offer will be specifically addressed (“**Qualifying Investors**”) and this Prospectus is only being made available to such Qualifying Investors. The Offering and the Prospectus do not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, shares to the public as defined in the South African Companies act and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the South African Companies Act. Should any person who is not a Qualifying Investor receive this Prospectus they should not and will not be entitled to acquire any Offer Shares or otherwise act thereon. This Prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act.



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## SECTION XX.

# TRANSFER RESTRICTIONS

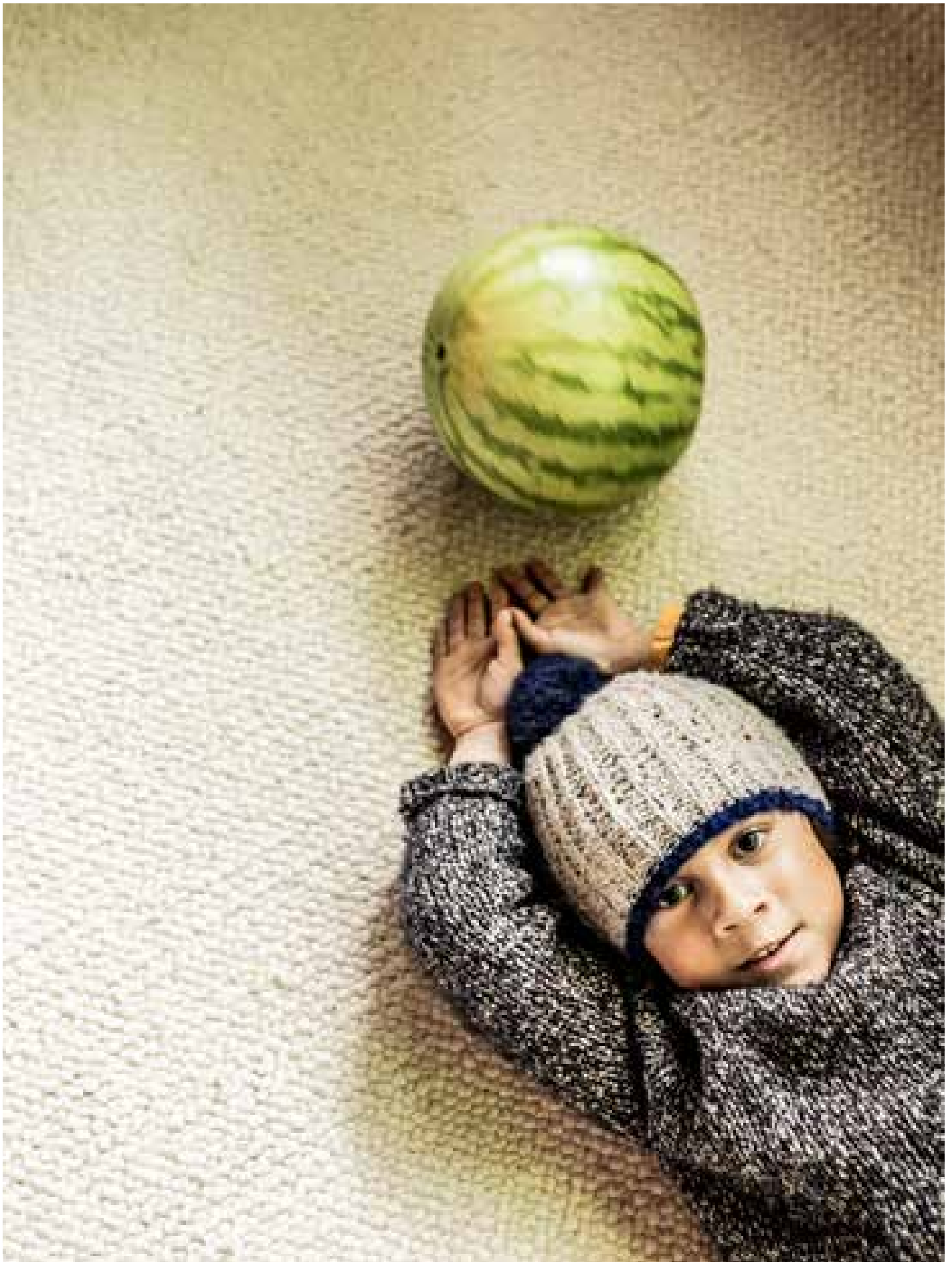
The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any State or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Each purchaser of the Offer Shares outside the United States in compliance with Regulation S will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any State of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;
3. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares, was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares or any economic interest therein to any person in the United States;
4. the purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate;
5. the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;
6. the purchaser acknowledges that the Company shall not recognize any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions;
7. if it is acquiring any of the Offer Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
8. the purchaser acknowledges that the Company, the Selling Shareholder, the Underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each person in a Relevant Member State, other than persons receiving offers contemplated in the Prospectus in Belgium and the Netherlands, who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Underwriters, the Selling Shareholder and the Company that:

1. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
2. in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in other circumstances falling within Article 3(2) of the Prospectus Directive and the prior consent of the Joint Global Coordinators has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the Prospectus Directive as having been made to such persons.



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## **SECTION XXI.**

### **LEGAL MATTERS**

Certain legal matters in connection with this Offering have been passed upon for the Company (i) by NautaDutilh BVBA/SPRL, with respect to the laws of Belgium. Certain legal matters in connection with this Offering have been passed upon for the Underwriters by Allen & Overy LLP, with respect to the laws of the United States, England & Wales and Belgium.



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## **SECTION XXII.**

### **INDEPENDENT AUDITORS**

The audited consolidated financial statements of the Company for the financial years ended on 31 December 2016 and 31 December 2017, prepared in accordance with IFRS and included elsewhere in the Prospectus, have been audited by Mazars Paardekooper Hoffman N.V.

The audited consolidated financial statements of R&S Finance B.V. for the financial year ended on 31 December 2015, prepared in accordance with IFRS and included elsewhere in the Prospectus, have been audited by Mazars Paardekooper Hoffman N.V.

The audited consolidated financial statements of FNG Group NV for the financial year ended on 31 March 2016, prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have been audited by Figurad Bedrijfsrevisoren BV BVBA and Ernst & Young Bedrijfsrevisoren BV CVBA.

The audited statutory financial statements of Brantano NV for the financial year ended on 31 December 2015, prepared in accordance with BEGAAP and included elsewhere in the Prospectus, have been audited by Ernst & Young Bedrijfsrevisoren BV CVBA.





## SECTION XXIII.

# CERTAIN DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise

<b>“ABN AMRO”</b>	ABN AMRO Bank N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) existing under the laws of the Netherlands, having its statutory seat at Amsterdam, the Netherlands (address: Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands; company number: 34334259)
<b>“Adjusted EBIT as a % of sales”</b>	Earnings before interest and taxes before One-off results divided by total revenue
<b>“Adjusted EBIT”</b>	Earnings before interest and taxes before One-off results
<b>“Adjusted EBITDA as a % of sales”</b>	Earnings before interest, taxes, depreciations and amortizations before One-off results divided by total revenue
<b>“Adjusted EBITDA”</b>	Earnings before interest, taxes, depreciations and amortizations before One-off results
<b>“AFM”</b>	The Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> )
<b>“Annual Shareholders’ Meeting”</b>	The Company’s annual shareholders’ meeting in accordance with the Articles of Association
<b>“Articles of Association”</b>	The coordinated articles of association of FNG, as last amended, dated of 22 June 2018
<b>“Audit Committee”</b>	A committee of the Board of Directors, to be established in accordance with Article 526bis of the Belgian Company Code and provision 5.2 of the Corporate Governance Code, advising the Board on accounting, audit and internal control matters
<b>“Bank Degroof Petercam”</b>	Bank Degroof Petercam NV/SA, a public limited liability company ( <i>naamloze vennootschap / société anonyme</i> ) existing under the laws of Belgium, having its registered office at Nijverheidsstraat 44, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises under number 0403.212.172 (RLE Brussels)
<b>“Belfius”</b>	Belfius Bank NV/SA, a public limited liability company ( <i>naamloze vennootschap / société anonyme</i> ) existing under the laws of Belgium, having its registered office at Pachecolaan 44, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RLE Brussels)
<b>“Belgian Company Code”</b>	The Belgian Company Code of May 7, 1999, as amended from time to time
<b>“Belgian Offering”</b>	The public offering to retail and institutional investors in Belgium
<b>“Board of Directors” or “Board”</b>	The board of directors of the Company
<b>“Business Day”</b>	Any day on which the Belgian and Dutch banks are open to the public, except Saturdays and Sundays
<b>“Closing” or “Closing Date”</b>	9 July 2018
<b>“Company” or “FNG”</b>	FNG NV, a public limited liability company ( <i>naamloze vennootschap / société anonyme</i> ), incorporated under the laws of the Netherlands and now organized under the laws of Belgium, having its registered office at Boutersemstraat 68A, 2800 Mechelen, Belgium and registered with the Crossroads Bank for Enterprises under number 0697.824.730 (RLE Antwerp, section Mechelen)
<b>“Corporate Governance Charter”</b>	The corporate governance charter adopted by the Company
<b>“Corporate Governance Code”</b>	The Belgian Code on Corporate Governance of 12 March 2009
<b>“Directive”</b>	The Council Directive on a common FTT, once adopted
<b>“Draft Directive”</b>	The EU Commission’s proposal for a Council Directive on a common FTT
<b>“Dutch Offering”</b>	The public offering to retail and institutional investors in the Netherlands
<b>“EBIT as a % of sales”</b>	Earnings before interest and taxes divided by total revenue
<b>“EBIT”</b>	Earnings before interest and taxes
<b>“EBITDA as a % of sales”</b>	Earnings before interest, taxes, depreciations and amortizations divided by total revenue
<b>“EBITDA”</b>	Earnings before interest, tax, depreciations and amortizations
<b>“EEA”</b>	The European Economic Area
<b>“EU”</b>	The European Union
<b>“Euronext Amsterdam”</b>	The regulated market organized by Euronext Amsterdam N.V.
<b>“Euronext Brussels”</b>	The regulated market organized by Euronext Brussels NV/SA

<b>“Euros” “Euro” or “EUR”</b>	The common currency of the Member States that are part of the Eurozone
<b>“Eurozone”</b>	The Euro area, being the Economic and Monetary Union of the Member States of the European Union which have adopted the Euro currency as their sole legal tender
<b>“Executive Committee”</b>	The executive committee ( <i>directiecomité / comité de direction</i> ) of the Company in accordance with article 524bis of the Belgian Company Code
<b>“Existing Listed Shares”</b>	The 7,250,119 shares of the Company outstanding prior to the issuance of the Offer Shares and listed on Euronext Amsterdam
<b>“Existing Shareholder”</b>	A holder of Existing Shares
<b>“Existing Shares”</b>	The Existing Listed Shares and the Existing Unlisted Shares
<b>“Existing Unlisted Shares”</b>	The 1,729,773 unlisted shares of the Company outstanding prior to the issuance of the Offer Shares
<b>“FNG STAK”</b>	A foundation ( <i>stichting</i> ) incorporated and existing under the laws of the Netherlands, having its corporate seat at Amsterdam, the Netherlands (address: Strawinskylaan 3127, 8th floor, 1077 ZX Amsterdam, the Netherlands; company number: 67437710)
<b>“FSMA”</b>	The Belgian Financial Services and Markets Authority
<b>“FTT”</b>	Financial transaction tax
<b>“GAAP”</b>	Generally accepted accounting principles
<b>“Gross profit margin”</b>	The Gross profit divided by total revenue
<b>“Gross profit”</b>	The difference between revenue and cost of goods sold
<b>“Group”</b>	The Company and its direct and indirect subsidiaries
<b>“IFRS”</b>	International Financial Reporting Standards as adopted by the European Union
<b>“Increase Option”</b>	The option to increase the aggregate number of Offer Shares up to 15% of the aggregate number of Offer Shares initially offered.
<b>“ING”</b>	ING België NV/SA, a public limited liability company ( <i>naamloze vennootschap / société anonyme</i> ) existing under the laws of Belgium, having its registered office at Marnixlaan 44, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises under number 0403.200.393 (RLE Brussels)
<b>“International Institutional Offering”</b>	The Offering to institutional investors outside the United States, including the Netherlands
<b>“Investor”</b>	Either (i) private individuals with habitual residence in Belgium or the Netherlands, or (i) legal entities for the account of their seat or establishment in Belgium or the Netherlands
<b>“ITC”</b>	The Belgian Income Tax Code
<b>“Joint Bookrunners”</b>	ING, Belfius, Bank Degroof Petercam and ABN AMRO
<b>“Joint Global Coordinators”</b>	ING and Belfius
<b>“Joint Lead Managers”</b>	ING and Belfius
<b>“Leverage Ratio”</b>	Net financial debt divided by Adjusted EBITDA
<b>“Listing Dates”</b>	On or about 29 June 2018 with respect to the Existing Shares on Euronext Brussels and the Existing Unlisted Shares on Euronext Amsterdam, and 9 July 2018 with respect to the Primary Offer Shares on Euronext Brussels and Euronext Amsterdam
<b>“Listing”</b>	The admission to trading and listing of (i) the Existing Unlisted Shares and Offer Shares on Euronext Amsterdam and (ii) all Shares on Euronext Brussels
<b>“Member State”</b>	A member state of the EEA
<b>“Net financial debt”</b>	The sum of current and non-current borrowings minus cash and cashequivalents. Other financial liabilities are not included in this KPI.
<b>“Offer Price”</b>	The price per Offer Share
<b>“Offer Shares”</b>	The Shares which are being offered by the Company under this Offering
<b>“Offering Period”</b>	The offering period which begins on 28 June 2018 and is expected to end no later than (i) 1:00 p.m. (CET) on 5 July 2018 for the institutional book building, and (ii) 4:00 p.m. (CET) on 5 July 2018 for the retail offering
<b>“Offering”</b>	The offering of Shares by the Company under the Primary Offering, the Belgian Offering, the Dutch Offering, the private placement to institutional investors outside the United States.
<b>“One-off results”</b>	One-off results are either income or expenses which do not occur regularly as part of the normal activities of the company.
<b>“Order”</b>	The Financial Services and Markets Act (Financial Promotion) Order 2005, as amended.
<b>“Participating Member States”</b>	The group of EU member states willing to introduce the FTT

<b>“Price Range”</b>	The range within which the Offer Price may be set, expected to be between EUR 26.25 and EUR 29.75 per Offer Share. The Offer Price may be set within the Price Range or below the lower end of the Price Range but will not exceed the higher end of the Price Range
<b>“Primary Offer Shares”</b>	The newly issued Shares which are being offered by the Company under the Offering
<b>“Primary Offering”</b>	The public offering of 2,693,967 Shares through (i) the exercise by the Existing Shareholders of their Priority Allocation Rights in the ratio of 3 Offer Shares for 10 Priority Allocation Rights and (ii) the subscription of the remaining Primary Offer Shares for which no Priority Allocation Rights were exercised
<b>“Principal Shareholder”</b>	Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke, Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV
<b>“Priority Allocation Right”</b>	The priority allocation right attached to the Existing Shares
<b>“Prospectus Directive”</b>	Directive 2003/71/EC
<b>“Prospectus Law”</b>	The Belgian Law of June 16, 2006 on the public offering of securities and the admission of securities to trading on a regulated market, as amended from time to time
<b>“Prospectus”</b>	The present document
<b>“Ratio”</b>	The ratio of three (3) Offer Shares for ten (10) Priority Allocation Rights
<b>“Record Date”</b>	29 June 2018 at the closing of Euronext Brussels
<b>“Regulation S”</b>	Regulation S under the U.S. Securities Act
<b>“Relevant Member State”</b>	Any Member State of the EEA except for Belgium and the Netherlands
<b>“Rule 144A”</b>	Rule 144A under the U.S. Securities Act
<b>“Secondary Offer Shares”</b>	The up to EUR 15,000,000 existing Shares which are being offered by the Company under the Secondary Offering
<b>“Secondary Offering”</b>	The offering by the Selling Shareholder of such number of existing Offer Shares as is necessary to raise gross proceeds of approximately EUR 15,000,000
<b>“Selling Shareholder”</b>	FNG STAK
<b>“Shareholders’ Meeting”</b>	A general, special or extraordinary meeting of shareholders of the Company
<b>“Shares”</b>	The Offer Shares and Existing Shares
<b>“Statutory Auditor”</b>	Mazars Bedrijfsrevisoren BV CVBA, a limited liability company existing under the laws of Belgium, having its registered office at Avenue Marcel Thiry 77 box 4, 1200 Sint-Lambrechts-Woluwe, Belgium and registered with the Crossroads Bank for Enterprises under number 0428.837.889 (RLE Brussels), represented by its permanent representative Mr Anton Nuttens, auditor
<b>“Takeover Law”</b>	The Belgian Law of April 1, 2007 on public takeover bids
<b>“Takeover Royal Decree”</b>	The Belgian Royal Decree of April 27, 2007 on public takeover bids
<b>“Treaty”</b>	The Convention Between the Government of The United States of America and the Government of the Kingdom of Belgium for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income
<b>“U.K.” or “United Kingdom”</b>	The United Kingdom of Great Britain and Northern Ireland
<b>“U.S. Exchange Act”</b>	The United States Securities Exchange Act of 1934, as amended
<b>“U.S. Securities Act”</b>	The United States Securities Act of 1933, as amended
<b>“U.S.” or “United States”</b>	The United States of America, its territories and possessions, any State of the United States and the District of Columbia
<b>“Underwriters”</b>	ING, Belfius, Bank Degroof Petercam and ABN AMRO
<b>“Underwriting Agreement”</b>	The underwriting agreement described in Section XIX. ( <i>Plan of Distribution - Underwriting</i> )
<b>“VAT”</b>	Value-added tax
<b>“Warrants”</b>	The 5 warrants issued by the Company, which ceased to exist and ceased to be exercisable
<b>“Western Europe”</b>	The geographic area of Western Europe which comprises the following countries: Germany, France, Italy, United Kingdom, Spain, the Netherlands, Belgium, Austria, Denmark, Finland, Greece, Ireland, Norway, Portugal, Sweden, Switzerland, Iceland, Luxembourg, Malta, Andorra, Liechtenstein, Monaco, San Marino, Channel Islands, Faeroe Islands, Greenland, Isle of Man and Svalbard



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# INDEX TO FINANCIAL STATEMENTS

- A. Annual Report of FNG N.V. for the Financial Year ended 31 December 2017, including the Audited Consolidated Financial Statements of FNG N.V. and the Auditor's Report
- B. Annual Report of FNG N.V. for the Financial Year ended 31 December 2016, including the Audited Consolidated Financial Statements of FNG N.V. and the Auditor's report
- C. The consolidated interim financial statements of R&S Finance B.V. for the period from 1 May 2015 until 31 December 2015, and the Auditor's report
- D. Annual Report of Miss Etam Operations B.V. for the Financial Year ended 31 December 2016, including the Audited Consolidated Financial Statements of Miss Etam Operations B.V. and the Auditor's Report
- E. Unaudited Consolidated Income Statement of FNG Group NV for the period 1 April 2015 - 31 March 2016
- F. Audited Consolidated Financial Statements of FNG Group NV for the Extended Financial Year from 1 April 2015 - 31 December 2016 and the Auditor's Report
- G. Unaudited Consolidated Income Statement of FNG Group NV for the period 1 January 2016 - 31 December 2016
- H. Audited Statutory Financial Statements of Brantano NV for the Financial Year ended 31 December 2016 and the Auditor's Report
- I. Audited Statutory Financial Statements of Brantano NV for the financial year ended 31 December 2015 and the auditor's report
- J. Overview of Compiled Consolidated Figures for the Group ending on 31 December 2015, 2016 and 2017



Fred & Ginger

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# INDEX TO ANNEXES

- I.        **Articles of Association of FNG NV, in place as of 22 June 2018**
- II.      **The Corporate Governance Charter of FNG NV, in place as of 22 June 2018**
- III.     **Glossary of Alternative Performance Measures (APM)**



Ginger



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# FINANCIAL STATEMENTS

- A. Annual Report of FNG N.V. for the Financial Year ended 31 December 2017, including the Audited Consolidated Financial Statements of FNG N.V. and the Auditor's Report
- B. Annual Report of FNG N.V. for the Financial Year ended 31 December 2016, including the Audited Consolidated Financial Statements of FNG N.V. and the Auditor's report
- C. Annual Report of R&S Finance B.V. (now called Miss Etam Holding B.V.) for the Financial Year ended 31 December 2015, including the Audited Consolidated Financial Statements of R&S Finance B.V. and the Auditor's Report
- D. Unaudited Consolidated Financial Statements of FNG Group NV for the period 1 April 2015 - 31 March 2016
- E. Audited Consolidated Financial Statements of FNG Group NV for the Extended Financial Year from 1 April 2015 - 31 December 2016 and the Auditor's Report
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- H. Audited Statutory Financial Statements of Brantano NV for the financial year ended 31 December 2015 and the auditor's report
- I. Overview of Compiled Consolidated Figures for the Group ending on 31 December 2015, 2016 and 2017
- J. Overview of Compiled Consolidated Figures for the Group ending on 31 December 2015, 2016 and 2017

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**A. ANNUAL REPORT OF FNG N.V. FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017, INCLUDING THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF FNG N.V. AND THE AUDITOR'S REPORT**

**Warning:** Please note that the annual report of FNG N.V. for the financial year ended 31 December 2017 does not comply with the Alternative Performance Measures (APM) Guidelines of ESMA. More information in this respect can be found in Section VII. (Selected consolidated financial information) of the Prospectus.

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**FNG**



# ANNUAL REPORT 2017

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<b>4</b>	<b>MESSAGE FROM THE CEO &amp; FNG FOUNDERS</b>
<b>8</b>	<b>FAST FACTS</b>
<b>10</b>	<b>REPORT OF EXECUTIVE BOARD</b>
11	KEY FIGURES
12	MAJOR EVENTS 2017
15	GENERAL STRATEGY
19	MARKET DEVELOPMENTS
22	REVIEW OF BUSINESS
26	EMPLOYEES AND ORGANIZATION
28	CORPORATE SOCIAL RESPONSIBILITY
31	SUBSEQUENT EVENTS
32	RISKS AND RISK MANAGEMENT
36	GOVERNANCE AND RESPONSIBILITY STATEMENT
<b>40</b>	<b>SUPERVISORY BOARD REPORT</b>
<b>44</b>	<b>FINANCIAL STATEMENTS 2017</b>

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**Publisher**

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KvK: 16014685

[www.fng.eu](http://www.fng.eu)

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**ANNUAL  
REPORT  
2017**

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# MESSAGE FROM THE CEO & FNG FOUNDERS



In 2017, FNG faced the challenge of integrating into the group the assets acquired in 2016 — Miss Etam, FNG Brands (Fred & Ginger, CKS, Claudia Sträter, Espresso, Steps) and Brantano — and making hidden diamonds, like Brantano and Miss Etam, shine again.

FNG's buy-and-build strategy focuses on realizing synergies and economies of scale through the integration and optimization of business processes and the innovation of brands and store concepts, clicks & bricks. A strategy that pays off.

In addition, a number of initiatives were launched to further develop Brantano and Miss Etam into reference omni-channel retailers on the domestic market.

About three quarters of Brantano's out-of-town stores (each with a surface area of 700 m<sup>2</sup> to 1000 m<sup>2</sup>) have already been refitted to reflect the new Brantano concept, pursuant to which a selection of women's, men's and children's clothing is offered for sale alongside shoes. This new, fresh and modern concept has struck the right chord, as customers purchase 20% more. At present, around 25 stores are awaiting refurbishment.

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In the meantime, the Brantano organisation has been streamlined and the headquarters moved to Mechelen, with significant synergies as a result.

With respect to the FNG Brands (Fred & Ginger, CKS, Claudia Sträter, Espresso, Steps, etc.) as well, important steps have been taken to achieve greater synergies.

The Miss Etam automated logistics warehouse in Zoetermeer has proven its added value. As a result, Steps, Promiss and the Belgian brands Fred & Ginger and CKS are now also distributed from Zoetermeer. The integration of this logistics operation is now up and running, and synergies (by means of cost savings) can be expected as from this year.

Miss Etam continued to excel in online sales (24.7%) in 2017. Moreover, Miss Etam has benefited from FNG's central buying platform, which has own offices in Turkey, India and Hong Kong. In 2017, the brand's profit margin increased by 4% due to the use of this platform.

Last year, FNG integrated Miss Etam's years of know-how as a leading online single brand retailer into a Digital Centre of Excellence (DCoE). In 2017, the DCoE focused mainly on the concrete realisation of one-to-one marketing through the use of artificial intelligence (AI) applications. The DCoE team now guides other FNG brands through their process of rapid online expansion.

In 2017, the DCoE team tackled Steps. By focusing on visitor numbers (+ 50%) and conversion (from 1.4% to 2.8%), gross online turnover more than doubled in only a year's time, from EUR 5.5 million to EUR 13.5 million. Fashion may not be rocket science, but retail is becoming increasingly complex every day.

In addition, Miss Etam's online success has helped to pave the way for a series of other FNG brands which are now also distributed on external online platforms such as Wehkamp.nl, Zalando.com, Bijenkorf.nl and Bol.com.

On the international level, FNG cautiously took its first steps in Germany in 2017, by opening a sales office in Düsseldorf and a Claudia Sträter store in Münster. Moreover, its sales office in Barcelona opened a first CKS store on Las Ramblas. These initiatives form part of an underlying plan to support B2B business in Germany and Spain and take the first steps towards a more active focus on the brand experience in those countries.

FNG was also active on the M&A market in 2017, with the acquisition of Suitcase (an online personal shopping service for men) and Concept Fashion (a high-end out-of-town retailer with around 15 stores).



CKS

ANNUAL REPORT FNG — 2017

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In early 2018, FNG revealed how these pieces of the puzzle fit into the greater Brantano story. FNG is planning to further develop Brantano in the next few years into a strong showcase for brand fashion and shoes and aims to become the first choice for a wide range of consumers in Belgium. Brantano plans to cover the market with three complementary retail formulas and a new online platform.

Brantano's shift to a new retail concept soon made clear (based on online surveys conducted immediately after a store visit) that Brantano customers are keen to see more international brands in stores. In addition, it appears that 80% of Brantano customers also purchase more upmarket brands, such as those offered by Concept Fashion and Suitcase.

Thus, in the course of this year, Brantano will introduce, in addition to its recently refitted stores, two new shopping concepts: high-end fashion boutiques under the name Brantano Boutik and large fashion and shoe stores under the name Brantano Market. Brantano Boutik will offer clothing and shoes from international brands at higher price points than traditional Brantano stores. Brantano Market, on the other hand, will combine the current Brantano formula with the Brantano Boutik concept. By means of these new retail formulas FNG plans to significantly increase its share in the competitive fashion market. Moreover, by applying their online know-how to the Brantano concept, FNG aims to obtain a substantial share of the roughly €1 billion (around 15% of the market) that is expected to shift from traditional retail sales to online sales by 2020.

The Brantano brand will thus be fleshed out, in terms of both its offer and pricing. Visibility is high and the "one stop shop" concept works well, both online and offline. The wide availability of Brantano is definitely an asset: there is always a store nearby.

Brantano wishes to become the clothing and shoe retailer for everyone and the first choice of a large target audience. There's room for local heroes, too. Brantano will distinguish itself from big international players by its proximity to Belgian shoppers. "We know their tastes and buying habits inside out."

2018 will be a fascinating year.

**Dieter Penninckx | CEO**  
**Anja Maes | Creative Director**  
**Manu Bracke | Operations Director**

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# FAST FACTS

**Company name:**

FNG N.V.

**Legal Form:**

public limited liability company

**Registered Office:**

Amsterdam

**Address:**

Oostweg 2, 2723 RH Zoetermeer, The Netherlands

**Trade Register Number:**

16014685 (Chamber of Commerce, Netherlands)

**Date of incorporation:**

29/12/1953

**Country of incorporation:**

The Netherlands

**Financial Year:**

January 1 – December 31

**Quotation Market:**

Euronext Amsterdam ("FNG")

**Authorized Share Capital:**

EUR 2,520,000.08

**Issued Share Capital:**

EUR 718,391.36

**Shares outstanding:**

8,979,892 shares (7,250,119 ordinary listed shares,  
1,729,772 unlisted class A shares and 1 priority share)

**Shares ISIN Code:**

NL0012047849 – Euronext Symbol: FNG

**FNG Management / Founders:**

D. Penninckx

A. Maes

E. Bracke

**Directors:**

D. Penninckx

**Members of the Supervisory Board:**

E. Verbaere

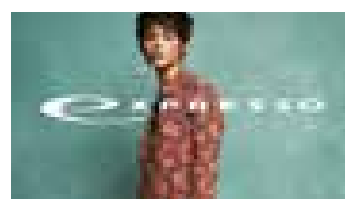
G. van Ossel

E. Lathouwers

## FNG'S BRAND PORTFOLIO



**HEY,  
HI, HELLO**



**WWW.FNG.EU**



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# REPORT OF EXECUTIVE BOARD

The performance in 2017 reflects the successful execution of the FNG-strategy, and empowers FNG to manage fashion in the digital era.

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## KEY FIGURES

**> 500**

own concept stores

**> 3,000**

employees

**≈ 480,000,000**

turnover

**> 10**

brands

**> 1,500**

multi-brand stores

**≈ 5,000,000**

Benelux customers

	2017 (kEUR)
Revenue	482,402
Ebitda	45,381
Total assets as of year-end	697,918
Equity attributable to equity holders of the company	272,096
Number of shares as of year-end	8,979,892

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## MAJOR EVENTS 2017

### CONVERSION OF 1,208,353 CLASS A SHARES AND LISTING OF SUCH CONVERTED SHARES

In the fourth quarter of 2017, FNG N.V. converted 1,208,353 class A shares in its capital into ordinary shares, which shares were subsequently admitted to listing and trading on Euronext Amsterdam. FNG thereby significantly increased the volume of its listed shares.

### ACQUISITION OF SUITCASE AND CONCEPT FASHION

Suitcase and the Concept Fashion Group became part of FNG. Suitcase is an online curated personal style advice and wardrobing service for men. By this acquisition, FNG enters the men's fashion segment and enlarges its online presence.

Concept Fashion owns 15 multi-brand stores located in out-of-town locations in Flanders. Concept fashion sells women and men's fashion and offers a wide range of designer clothes.

Both acquisitions fit into the greater Brantano story, as revealed in early 2018.

### OPTIMIZATION BUYING PLATFORM

In 2017 FNG optimized its Far East buying platform by disposing Rainbow Garment Ltd on the one side and acquiring GBO Hong Kong Ltd and its supplier list on the other side. FNG invests in this buying platform as it is convinced that higher combined volumes lead to a stronger negotiation power towards suppliers and to a substantial improvement of the gross margin.

### NOTES ISSUE

On 19 June 2017, FNG Benelux Holding NV, an indirect subsidiary of FNG N.V., has successfully placed an additional EUR 25,000,000 notes issue through a private placement. The EUR 25,000,000 5.5% notes due 7 July 2023 form a single series with the of EUR 20,000,000 notes issued on 7 July 2016. On 7 July 2017, the notes were issued and admitted to listing on Alternext Brussels.

### PRIVATE PLACEMENT

On 19 December 2017, FNG N.V. acquired new capital of EUR 30 million under a private placement of 937,500 unlisted Class A shares, bringing the total number of outstanding shares to 8,979,892. Each investor who subscribed to the private placement received one warrant.



Steps



Fred & Ginger



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## GENERAL STRATEGY

The strategy of FNG is focused on:

- I** creating value by managing a complementary brand portfolio via buy and build,
- II** a heavy emphasis on omnichannel sales driven by data and supported by Artificial Intelligence (AI),
- III** optimizing corporate processes and using synergies, and
- IV** a lean result-focused organization with a unique corporate culture.

In a time when some traditional (mostly monobrand) fashion retailers are struggling, due to increased international competition, pressure on the margins and strong online sales growth, FNG is able to create value.

### **BUY & BUILD: BRAND VALUE & BRAND PORTFOLIO MANAGEMENT**

Every brand has a unique and strong identity aligned to its target consumer group. Value is created by investing wisely in building strong brands by marketing and retail concept development.

FNG's brand portfolio is very diversified in terms of style groups, sizing and price points. Some brands are primarily retail brands (Brantano, Miss Etam), other are more product brands (Fred & Ginger, CKS, Espresso, Claudia Sträter).

FNG optimises its brands and retail formulas to serve the customer best. Brands also cross-sell internally and can for instance be sold in another brand's store (eg: Miss Etam products are sold in Brantano's fashion department).

Brand portfolio management is key in FNG's risk management. Fashion cannot be approached as pure science. Therefore, to minimize collection risk, FNG's fashion brands release 10 up to 15 collections a year. Moreover, the complementary brand portfolio gives FNG the advantage to manage its "store liabilities" (lease, social & other contractual liabilities). Running 2, 3 or more different brand stores in one single city, its brand portfolio gives FNG the flexibility to change smoothly from one concept to another if necessary.

### **OMNICHANNEL SALES DRIVEN BY DATA AND SUPPORTED BY AI**

The digital revolution is happening at an incredible pace. FNG keeps up by investing in its sales and marketing digital platforms as well as in a flexible and integrated organisation and supply chain. These investments help the brands to market and sell their products in a way that is adapted to the consumer's behaviour and preference. Utilising consumer behaviour data plays an increasingly crucial role in all aspects of the fashion value chain.

Knowing your customer is critical in being successful as a fashion retailer. FNG puts a lot of energy and effort in knowing its customer and managing 'big data', which results in various ways of serving the customer in a more personal and relevant way. Examples of these include capabilities such as segmented marketing campaigns (up to one-on-one segmentation), individual web page merchandising, individual styling services, virtual stock that can be sold via different channels, individual delivery options for online sales, etc...

Also Artificial Intelligence algorithms are increasingly utilised to perform specific predictive tasks based on a large amount of data. The more data, the more accurate and relevant certain AI algorithms become and so help increase conversion rates or reduce the cost to serve. This means that retailers who have access to a lot of data from many customers have a huge competitive advantage. This art of maximising relevancy for any given customer, starts as early as in the design process, where all possible data insights are used to drive line and collection planning processes.

In order to anticipate specific consumer demands, potentially predicted by algorithms, an efficient design cycle and supply chain is needed. FNG applies a mixed approach where longer term coordinated collections are combined with short term fast time to market items. Through its own vertically integrated buying organisation, these items are sourced. The lead time mix leads to an optimum between fashion level, product quality, margins and coordinated collections.

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### **BUSINESS PROCESS OPTIMIZATION, SYNERGIES AND KNOW-HOW SHARING**

FNG's founders have a Master in engineering and process optimization has always been a key point of attention during the development of the company.

FNG focuses on efficiency with regards to the back office. Inventory accuracy, intelligent allocation of the products, and cost efficient logistics supported by excellent ICT are key. FNG's ICT platform is developed so that it can support future acquired retail chains.

FNG realizes hard synergies by sharing services such as Finance, HR, Logistics and IT across brands. HQ (headquarter) and DC (the state-of-the-art Distribution Centre in Zoetermeer) resources are shared.

A lean staff at the headquarters, servicing the stores in an efficient and well-organized manner, enables higher profitability for the group.

Moreover, the purchase of services and non-trading goods in the area of IT, HR, administration and "other costs" (utilities, licenses, rent, maintenance, etc...) are grouped and optimised. This leads to benefits of scale, creating purchase benefits and hence lower costs.

More hard synergies are realized in buying and sales. FNG has a buying platform with own offices in Turkey, India and Hong Kong supporting the brands to source their products in an efficient way. FNG's buying platform purchases goods directly from the production sites. Higher combined volumes lead to a stronger negotiation position towards suppliers and to a substantial improvement of the gross margin.

Sales management for larger accounts is coordinated at group level and creates a unique position towards these accounts, i.e. Wehkamp, Zalando, Bol.com, Inno, Bijenkorf,... In retail sales, the focus on instore productivity enables a maximum impact of the sales force at minimal cost.



FNG headquarters Mechelen

And as store rents are under pressure in a lot of Benelux cities, FNG has a focus on negotiating the optimal rents, ensuring that each store will contribute at a healthy level to the group.

Important soft synergies between brands can be identified such as sharing know-how and best practises, human resource management & talent pooling, etc...

From a corporate finance point of view, FNG centralizes the group financing, from classic bank financing, to bond emissions and equity funding. The listing of the shares of FNG N.V. provides opportunities to attract external capital to finance the growth of the group. In addition, acquisitions can be fully paid by shares, or new emissions can be placed to finance acquisitions.

### **ORGANIZATION, PEOPLE & ENVIRONMENT**

FNG's experienced management has a strong focus on people and environment.

FNG believes in inspiring the more than 3,000 people that work for them. Corporate DNA include key values as respect, can do mentality, no-nonsense management and out-of-the-box thinking.

The company is organised in business units. Each business unit focuses on the core value chain of one brand, including styling, buying, merchandising, sales and marketing. These are the profit centres. Every business unit's goal is to deliver a profit & loss contribution for its brand, while the shared services units are there to serve the profit centres.

Last, but not least, FNG focuses on corporate & social responsibility. The signing of the Covenant of Sustainable Clothing and Textile is one of the examples, but in particular by centralizing production and having about 50 own employees in the production countries, FNG wants to ensure compliance.



Brantano

ANNUAL REPORT FNG — 2017

17

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“2018 is a year that, more than ever,  
will have clear winners — and clear  
losers. The difference between the  
two will be their level of boldness,  
ambition, and courage. So ask  
yourself — what is yours?”

Imran Amed | founder, editor-in-chief and CEO of The Business of Fashion

Achim Berg | McKinsey's Global Apparel, Fashion & Luxury Practice lead

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## MARKET DEVELOPMENTS

### THE GLOBAL FASHION AND FOOTWEAR MARKET

In a world where geopolitical turmoil, economic uncertainty, and unpredictability are the new normal, the fashion market is expected triple its growth relative to 2015. The McKinsey Global Fashion Index projects the global fashion industry sales to grow by 3.5 to 4.5 percent in 2018, almost three times as much as in 2016.

But the growth is not evenly spread:

First of all, emerging markets are expected to grow much faster. In Europe, for instance, the growth in the emerging markets is forecasted to accelerate from 4 to 5% in 2017 to 5.5 to 6.5% in 2018. In the mature European markets growth is likely to remain stable at 2 to 3% in 2018. As a result, 2018 will be the first year when more than half of all fashion sales will originate from outside Europe and North-America.

Secondly, with a forecasted compound average growth rate of 10% in 2017-2020, e-commerce will outpace the overall market growth and hence significantly increase its share of total sales (source: Euromonitor). The clear winners are the leading pure players, either generalists like Amazon and Alibaba, or fashion specialists like Zalando, Asos, Net-a-Porter, Farfetch or Zappos, Amazon's wholly owned subsidiary. According to Internet Retailer, in 2017 Amazon accounted for 70% of all US e-commerce growth and 34% of all US retail. Consequently, in their search for growth fashion brands have to collaborate with these leading online platforms.

Thirdly, the McKinsey Global Fashion Index believes that the polarization in the market will continue. The luxury and discount segments will grow by 4 to 5% in 2018 versus 2 to 3% for the mid-market segment. Also, sportswear will continue to grow faster than the market overall (6 to 7%).



CKS Ghent

We are also witnessing the following important market trends:

The rapid growth of e-commerce goes hand in hand with the declining foot traffic in physical stores. Retailers respond by investing heavily in their omni-channel strategies. The winners see their online sales grow rapidly, while rightsizing their store network, reinventing the role of the store and seamlessly integrating the online and offline experience.

Sustainability remains high on the agenda. From a mere focus on working conditions in manufacturing facilities, we are evolving towards a more integral view. As such sustainability becomes part of the planning system that tries to adopt the principles of the circular economy.

Personalisation and curation are key trends for the years ahead. The rapid proliferation of data has allowed businesses to personalise their marketing communication. Artificial intelligence is making its way into the fashion industry, allowing true one to one marketing, with automated customer interactions, resulting in cost savings and incremental sales. The ultimate goal is curated commerce, whereby a tailor-made selection of the full product range is presented to the consumer.



Ginger

## BELGIUM & THE NETHERLANDS: THE CORE MARKETS OF FNG

Although Belgium and the Netherlands are both mature European fashion markets, and although they are both following the global trends, the way these underlying trends are materialising is very different.

Overall, the Eurozone is enjoying a solid economic recovery, with a Gross Domestic Product (GDP) growth of 2.5% in 2017 and a forecasted GDP growth of 2.2%. While the Belgian economy was hit far less hard by the financial crisis than the Netherlands and the rest of Europe, it is currently underperforming with a GDP growth of 1.7% in 2017 and a forecasted growth of 1.8% in 2018. The Dutch economy on the other hand is booming, with a GDP growth of 3.2% in 2017 and a forecasted GDP growth of 3.1%.

This is also reflected in the performance of the retail trade. While in 2017 the Dutch retail trade grew by 3.6% (Source: CBS), way above the European average of 1.9%, the Belgian retail trade experienced a shrink of -2.5% (Source: Eurostat).

	Belgium	Netherlands	EU
GDP growth '17	+1.7%	+3.2%	+2.5%
GDP growth '18	+1.8%	+3.1%	+2.2%
Retail trade '17	-2.5%	+3.6%	+1.9%

Source: Eurostat, CBS, FOD Economie

This is also reflected in the past and forecasted evolution of the fashion sales, although the differences are less extreme. Belgian fashion retail has shrunk by -1% in 2017, which is better than the overall retail trade. The outlook for 2018 to 2020 is relatively stable. The Dutch fashion retail grew by +1% in 2017, which is less than one third of the overall retail growth. The forecast for 2018-2020 is that Dutch fashion retail will continue to grow by +1% each year (source: GfK).



Fred + Ginger Antwerp

The decline in the 2017 Belgian fashion sales is mainly due to the -6.7% decline in shoes sales. Total outerwear is stable compared to 2016, with a growth for men outerwear of +1.5% and a decline for kids outerwear of -1.5%. Women outerwear noted a stable growth of +0.1%. Underwear & legwear showed a stable growth too of +0.5% (source: GfK).

	Belgium	Netherlands
Fashion '17	-1.0%	+1.0%
Fashion '18	-1.0%	+1.0%
Fashion '19	0.0%	+1.0%
Fashion '20	0.0%	+1.0%
Online share of sales '17	16.6%	24.4%
Online share of sales '18	19.9%	29.2%
Online share of sales '19	22.9%	33.6%
Online share of sales '20	25.1%	37.0%
Online share of sales growth '20/'17	+50.2%	+56.4%

Source: GfK

In 2017 the share of online fashion sales was in the Netherlands almost 50% higher than in Belgium (24.4% vs. 16.6%). By 2020 both geographies will experience a further growth of online fashion sales by more than 50%. But the Dutch online sales is expected to grow slightly faster, so that the gap between the two countries will widen to 37.0% online share of sales vs. 25.1%.

The shift to online is reflected in the number of clothing stores. According to CBS, in the Netherlands, the number of physical fashion stores has declined by -9% from Q1 2013 to Q1 2017. The decline was particularly steep for kids clothing (-23%). The number of men and women clothing stores declined by 6%.

## REVIEW OF BUSINESS

### FINANCIALS

FNG's consolidated financial statements for the financial years ended 31 December 2016 and 31 December 2017 have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS") and were audited by Mazars Paardekooper Hoffman Accountants N.V., hereafter Mazars.

In the 2017 figures all companies are consolidated for 12 months.

In the reported 2016 figures, the Miss Etam results are consolidated for the full year, the original FNG Group (FNG Roots) was consolidated for 6 months and the Brantano Group for 4 months. The reported last year figures therefore do not provide a sufficiently clear view of the underlying evolution of FNG's performance.

In the overview in below, pro forma (or projected) figures are also presented. These pro forma figures should make it possible to detect real trends in sales and profitability.

### STATEMENT OF COMPREHENSIVE INCOME

The 2017 results show a revenue of EUR 482.4 million, a REBITDA of EUR 45.4 million and a net profit of EUR 6.7 million. Compared with the pro forma 2016 results, this implies an increase of sales with 4.9%, an increase of REBITDA with 20.5% and the change of a net loss to a net profit.

### Statement of comprehensive income

(in thousands of euros)

	2017	2016 proforma (1)	2016 reported (2)
Revenue	482,402	459,833	242,298
Cost of merchandise	(215,329)	(213,541)	(102,137)
<b>Gross profit</b>	<b>267,074</b>	<b>246,292</b>	<b>140,162</b>
Employee benefit expense	(90,861)	(82,419)	(47,702)
Other operating expenses	(130,832)	(126,253)	(71,618)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>45,381</b>	<b>37,620</b>	<b>20,841</b>
Amortisation and depreciation expenses	(18,777)	(28,702)	(9,468)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>26,603</b>	<b>8,917</b>	<b>11,374</b>
Non-recurring items	(7,516)	(3,832)	(7,688)
<b>Operating profit/(loss) (EBIT)</b>	<b>19,087</b>	<b>5,085</b>	<b>3,686</b>
Financial result	(10,668)	(9,390)	(6,319)
Profit/(loss) before taxes	7,772	(4,305)	(2,634)
<b>Income taxes</b>	<b>(459)</b>	<b>2,915</b>	<b>429</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>7,313</b>	<b>(1,390)</b>	<b>(2,205)</b>

(1) Pro forma (non-audited) figures (local GAAP) as if the different groups of the Group FNG, i.e. Miss Etam Group, Brantano Group and the Original FNG Group, were part of the Group FNG during the entirety of financial year 2016.

(2) Consolidated figures (IFRS): The Original FNG Group was consolidated for 6 months and Brantano for 4 months, since both groups were only acquired in July 2016, respectively September 2016.

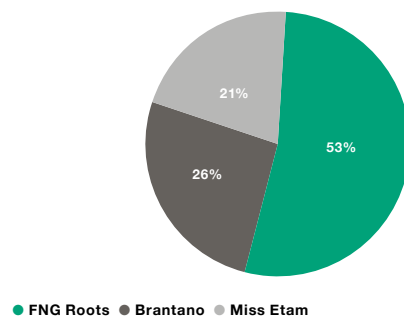




CKS Barcelona

In 2017, total sales increased from EUR 459.8 million to EUR 482.4 million. Sales of FNG Roots account for slightly more than half of total sales. Brantano accounts for 26% of total sales and Miss Etam for 21%.

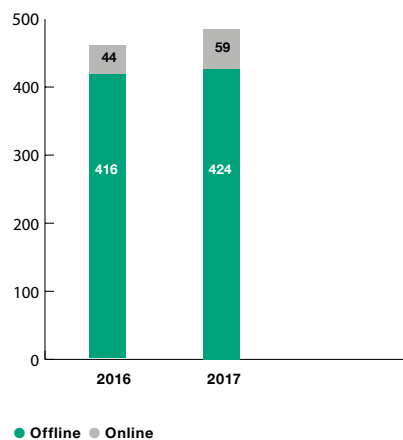
#### Sales split



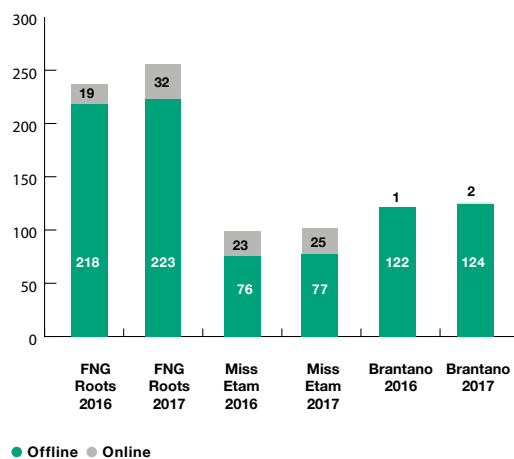
● FNG Roots ● Brantano ● Miss Etam

Of the total sales of EUR 482 million, EUR 59 million results from online sales. The business unit with the highest percentage of online sales is Miss Etam (24.7%).

#### Total sales (in 1000 kEUR)



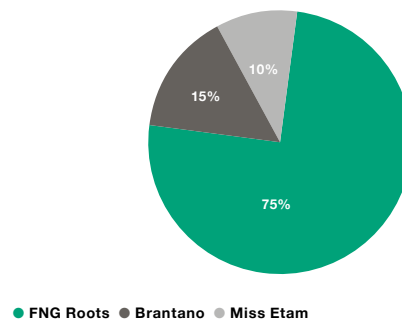
#### Sales evolution (in 1000 kEUR)



#### EBITDA

Total EBITDA for 2017 amounts to EUR 45.4 million. Compared to 2016 this is an increase 20.5%. FNG Roots realized 75% of total EBITDA, Brantano 15% and Miss Etam 10%.

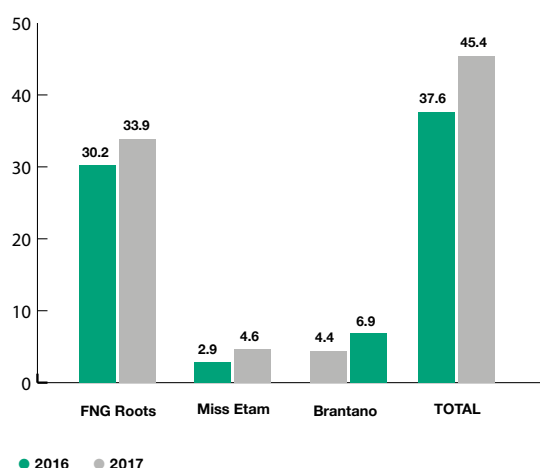
#### EBITDA split



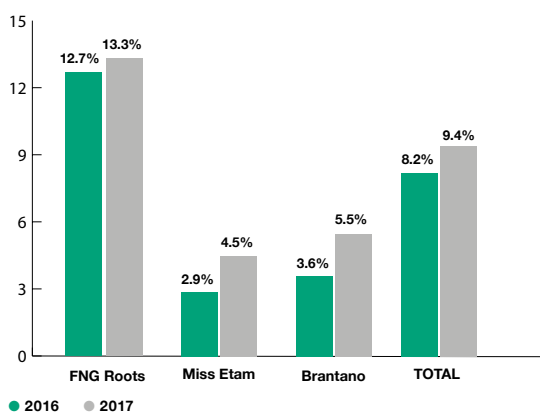
● FNG Roots ● Brantano ● Miss Etam

FNG Roots is still the most profitable business unit, but both Brantano and Miss Etam have significantly increased their profitability.

#### EBITDA evolution (in 1000 kEUR)



#### EBITDA margin



#### NET RESULT

While there was still a net loss in 2016, the net result for 2017 was positive and equal to EUR 7.3 million.

#### FINANCING

Per 31 December 2017, the total net financial debt, including bond and bank debts amount to EUR 144.9 million. This is excluding other loans of EUR 17.8 million (including the real estate leasing of FNG headquarter offices in Belgium).

The primary financing ratios, as stated in the bank credit facilities as per 31/12/2017 are:

- For the Miss Etam Group a 30% solvability ratio.
- For the Miss Etam Group a 30% solvability ratio.
- For the Original FNG Group a minimal equity of EUR 60 million and a maximal leverage ratio (Net senior debt versus EBITDA) of 3.0.

Although there was significant headroom at the end of the year 2017 a refinancing of the bank debt has been executed end of February 2018, creating even more headroom.

#### TAXATION

As FNG is present in multiple countries, the company is confronted with different tax regimes. FNG organises its tax affairs in a conservative manner, taking into account what is fiscally permitted based on local and international legislation and legal precedents.

#### TAX ON PROFITS

The effective tax burden on current year result is 5.9%.

#### TAX LOSSES CARRIED FORWARD

FNG has a significant amount of tax losses carried forward available for future compensation and it is expected that these will be realized in the coming years. The total amount of tax losses carried forward as of 31 December 2017, for which a tax asset is recognized, amounts to EUR 16.3 million.

#### RESEARCH AND DEVELOPMENT

Technology is changing the retail market faster as initially expected. FNG is therefore also investing heavily in their online platform and efficient solutions for the retail market, such as the automated logistic platform which gives FNG an advantage in the market. Besides, FNG is continuously investing in innovation, design of clothes, branding and new concepts for their stores.

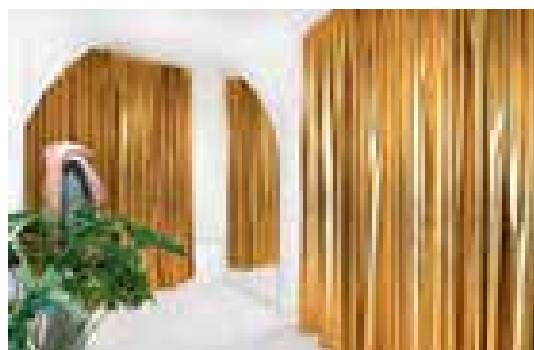
#### UNEQUAL DISTRIBUTION OF SEATS

During the financial period 2017 as well as on the date of this Annual Report the number of seats in the executive board are not equally divided between both genders. For the fulfilment of any future vacancies, several factors will be taken into consideration, amongst others the intention for an at least 30 percent representation of each gender in the Executive Board.



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## EMPLOYEES AND ORGANIZATION



Ginger Antwerp

FNG believes in inspiring the more than 3,000 people that work for them. Corporate DNA include key values as respect, can do mentality, no-nonsense management and out-of-the-box thinking.

The company is organised in business units. Each business unit focuses on the core value chain of one brand, including styling, buying, merchandising, sales and marketing. These are the profit centres. Every business units goal is to deliver a profit & loss contribution for its brand, while the shared services units are there to serve the profit centres.

The majority (approx. 2,700) of the employees are sales people in the different brand stores. More than 500 employees work in the headquarters of FNG in Belgium and the Netherlands, and about 50 people are employed in the local buying offices in Turkey, India and Hong Kong.

### HEADCOUNT

	The Netherlands	Belgium	Other	Total
In number				
31-12-2017	1,879	1,344	75	3,298

### CONCEPT STORES (including shop in shop)

	The Netherlands	Belgium	Other	Total
31-12-2017	283	212	13	508



Espresso

ANNUAL REPORT FNG — 2017

27

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## CSR – CORPORATE SOCIAL RESPONSIBILITY

### VISION

FNG is aware of the potential impact of the apparel supply chain on society and the environment. FNG aspires to bring articles to the market which are produced in a fair, honest and environmental-friendly manner; with respect for the people who work hard and commit their time and effort to creating them. FNG takes pride in joining the Fair Wear Foundation, and has also shown commitment by signing the Dutch Agreement on Sustainable Garment and Textile (Convenant Duurzame Kleding en Textiel).

### PEOPLE

#### FNG Code of Conduct

FNG has drafted a Code of Conduct that new suppliers are informed about and obliged to follow at all times during their collaborations with FNG. The primary points in the FNG Code of Conduct focus on:

- 1 Following all legal requirements
- 2 No forced labour
- 3 Legal work contracts
- 4 Freedom to join a union
- 5 No child labour
- 6 No discrimination
- 7 Treatment of employees
- 8 A safe and healthy workplace
- 9 Remuneration policy
- 10 Environmental and product safety
- 11 Animal welfare

The Management Board believes that the Code of Conduct operated effectively in the financial year under review and has no reason to believe that such code has not been complied with.

### Monitoring and audit systems

#### in production countries and local offices

The production of FNG brands is fully outsourced to partner factories around the globe. In its three largest production countries – Turkey, India and China – the production is supported through local buying offices.

FNG invested in a dedicated local team of CSR Officers in those three countries. The CSR officers are specialised in social & environmental aspects and responsible for verifying whether the FNG Code of Conduct is being respected and applied. They are ambassadors of FNG's vision in training the workers, creating awareness and partner with the factories to implement the remediation plans. By close collaboration of the CSR Officers, Coordinators and Buying teams, FNG aims to tackle the most crucial aspects of human rights and health & safety issues in the first place. Moreover the cooperation results into smoother communication with suppliers and frequent visits to the production locations. This will enable FNG to build stronger and more reliable relationships with suppliers.

### Charities

By providing clothing, footwear and financial donations, FNG helps various social initiatives and in doing so, contributes to fighting poverty and to scientific research for health. In Belgium, FNG supports Wereld Missie Hulp (a worldwide relief organization), Stichting tegen Kanker (fighting cancer), Kinderkankerfonds (fighting childhood cancer), School zonder Pesten (stopping bullying in schools). In the Netherlands, these charities include Dress for Success (providing women with professional attire, support and career guidance), Voedselbank and Hoop voor Morgen (both of which provide food for those who cannot afford it), KWF (fighting cancer) and Look Good ... Feel Better (which helps cancer patients with their appearance).



Fred + Ginger Antwerp

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## PLANET

### RSL

The products that FNG releases to the market need to fulfil the requirements of REACH legislation; these laws forbid the use of harmful chemicals in products that are sold in Europe.

All applicable chemicals are specified in the FNG Restricted Substances List (RSL). This list is continuously adjusted and updated to meet the stipulations of the latest legislation. Suppliers working with FNG are required to follow these rules. FNG performs random tests on the products as part of the commitment to the REACH Legislation.

### Corporate Product Policy

As well as being committed to avoiding negative effects as a result of its business activities, FNG goes a step further, focusing on making a positive social and ecological impact. As such, FNG has developed a Corporate Product Policy in which guidelines, demands and preferences for the ethical purchase of (sustainable) materials are described.

### Operations

Both the production as well as the shipping of articles, the lighting of the shops and offices demand significant amounts of energy. Furthermore, production requires enormous water usage and there is unavoidable waste created in the process. FNG therefore focuses on Energy & Climate, Water, and Waste through a number of measures in their head offices as well as shops and stores (where cardboards, glass, plastics, metals and textile materials are separated for recycling and clothing hangers, boxes, etc. are reused).



Claudia Sträter



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## SUBSEQUENT EVENTS

### CLUB DEAL

On 28 February 2018, FNG Holding NV, an indirect subsidiary of FNG N.V., has entered into a credit facility with BNP Paribas Fortis as Coordinator, Security Agent and Agent and BNP Paribas Fortis, ING Belgium, ABN Amro Bank and Belfius Bank as Original Lenders.

Under this credit facility, facilities in the amount of EUR 240,000,000 is made available and shall be used towards the early redemption of bonds and towards the early redemption of several outstanding credit facilities in order to centralise the financing of the group.

In the context of this new credit facility, FNG Group NV, an indirect subsidiary of FNG N.V., decided to redeem the EUR 25,000,000, 4.625% Notes due 15 April 2021 prior to their maturity date.

### NOTES ISSUE

FNG Benelux Holding NV, an indirect subsidiary of FNG N.V., decided to set up a Euro Medium Term Note Programme. The notes shall be placed through a private placement. Application can be made for the notes to be admitted to listing on Alternext Brussels and to trading on the multilateral trading facility of Alternext Brussels.

### TRANSFER OF REGISTERED OFFICE

FNG has the intention to transfer its registered office from Oostweg 2, 2723 RH Zoetermeer, Amsterdam, The Netherlands to Belgium.

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## RISKS AND RISK MANAGEMENT

A business must take some risks to create value. FNG makes strategic, operational, financial, and reputational risks controllable by carefully weighing risks and returns against each other.

Effective risk management is integrated into FNG's daily operations. FNG deploys a top-down risk management policy in which strategic risk management is executed at corporate level and operational risk management by the operational units, with the Supervisory Board being responsible for reviewing the FNG's risk management and control systems in relation to the financial reporting by FNG. Responsibility for operational risk management lies primarily with brand and functional management. The Executive Board however bears the ultimate responsibility for managing the risks the company faces.

### RISK MANAGEMENT AND INTERNAL CONTROL

The success as a business depends on FNG's ability to identify opportunities while assessing and maintaining an appropriate risk appetite. FNG's risk management considers a variety of risks, including those related to the industry and business, those related to the ongoing relationship with FNG's shareholders and those related to FNG's trademarks. FNG's approach to risk management is designed to provide reasonable, but not absolute, assurance that the assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to the Management Board and, where appropriate, to the Supervisory Board.

Ongoing identification and assessment of risks is part of FNG's governance. The Management Board and the Supervisory Board provide complementary insights into existing and emerging risks that are subsequently included in the policies. FNG's policies influence the formation of controls and procedures, and the focus of business planning and performance process.

### RISK APPETITE

Factors which determine FNG's risk appetite include the international spread of its business, the robustness of its balance sheet, strength of cash flows, and a commitment to conservative financial management. FNG's risk appetite varies per objective and risk category:

- **Strategic:** Taking strategic risks is an inherent part of how FNG does business. In pursuing growth as a strategic ambition, FNG is prepared to take risks in a responsible way taking account of the stakeholders' interests.
- **Operational:** Depending on the type of operational risk, FNG takes a cautious to averse approach. FNG gives the highest priority to ensuring the safety of its employees and customers, delivering the highest level of service and protecting the company's reputation.
- **Financial:** FNG pursues a conservative financial strategy, including a balanced combination of self-insurance and commercial insurance coverage.
- **Compliance:** FNG is averse to the risk of non-compliance with relevant laws or regulations, or non-compliance with own codes, contractual agreements, and covenants.
- **Fraudulent and unethical behaviour:** FNG and all associates are committed to acting with honesty, integrity, and respect. FNG is fully averse to risks relating to fraudulent behaviour and applies a zero-tolerance policy.

### MAIN RISKS

The following risk overview highlights the main risks which might prevent FNG achieving its strategic, operational, and financial objectives. The risks described are not an exhaustive list of the risks FNG faces. There may be additional risks which do not constitute a direct threat in the short-term, or risks which management deems immaterial or otherwise common to most companies, but which could at some time have a material adverse effect on FNG's financial position, results, operations, or liquidity.



Promise



Brantano Mechelen

## STRATEGIC

### Risk description

#### Competitive environment and economic conditions

The environment and economic conditions in the fashion retail market are characterised by intense competition between existing players. Moreover, competition from online retailing companies are also disrupting the current retail market.

### Risk management

- Invest extensively in online retail platforms
- Ensure geographic and brand diversification
- Buy-and-build strategy to obtain synergies and lower the base costs

#### Political environment

The majority of the fabrication and purchases are done in foreign countries, such as Bulgaria, Turkey, China, India and Bangladesh. Changes in the political environment of these countries could impact the business of FNG.

- Ensure geographic and brand diversification
- The use of own purchasing platforms in Turkey, India and Hong Kong

## OPERATIONAL

### Risk description

#### Safety and liability

Safety of FNG's clients and employees are one of the top priorities of FNG. The risk exists that an employee or a client of FNG get harmed during the performance of his work or with visiting one of FNG's stores.

### Risk management

- Adhere to health and safety procedures relating to employees and customers
- Invest in maintenance to ensure clean and secured stores
- Training and development to focus on personal safety and safety measures

#### Obsolete stock

The products of FNG are highly depending on trends in the market resulting in a risk of a high level of inventory which can't be sold anymore.

- Ensure geographic and brand diversification
- FNG wide exchange system of inventory
- Own purchasing platforms in Turkey, India and Hong Kong
- Stock take procedures and value assessments
- Customer oriented marketing and discount campaigns

#### Interruptions & business continuity

Given the increasing use of mobile communication and the professionalism of cybercriminals, the company must focus constantly on continuity of ICT systems and on ensuring the security of crucial information and sensitive customer data (e.g. payment card details, passwords). The theft of crucial or sensitive data could result in reputation damage, information leakage to competitors, as well as claims against the company.

- Comply with PCI DSS (Payment Card Industry Data Security Standard)
- Invest in ICT platform and related security policy
- Centralise ICT systems allowing central enforcement of security measures
- Take multiple measures to secure confidentiality and integrity of data



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#### Fraud & Integrity

Ethics and integrity are important conditions for confidence. The risk exist that unethical behaviour will result in loss of money and moreover in the loss of reputation.

- Implement code of ethics and whistle-blower policy
- Ensure Executive Board and senior management demonstrate 'tone at the top'
- Implement a zero-tolerance strategy
- Encourage non-cash payments

#### FINANCIAL

##### Risk description

##### Financing

Access to external financing is crucial for continuity. A liquidity risk could arise if external financing is not available to FNG when refinancing is required.

##### Risk management

- Agree long-term loans
- Enable early refinancing and a spread with different expiration dates for external loans
- Consult regularly with external debt providers to discuss the ongoing business, results, and strategy

##### Interest rate risks

FNG has a significant external debt subject to variable interest rates, thereby exposing the company to fluctuations in interest rates. A significant increase in variable interest rates would have a negative impact on results.

- Seek a mix of fixed and variable interest rates for financing operations, combined with the use of interest rate instruments
- Attempt to have at least half of the bank debt covered by interest rate derivatives with a maximum volatility per annum

#### COMPLIANCE AND REPORTING

##### Risk description

##### Financial statement does not give a true and fair view

If misstatements are made such that the financial statements do not give a true and fair view of the company's financial position, financial performance, and cash flows, users of the financial statements would be incorrectly informed.

##### Risk management

- Maintaining common accounting policies, reporting processes, and standard chart of accounts
- Monitor critical access and segregation of duties

##### Non-compliance with European and national laws

Changes in the legal and regulatory environment tend to increase the risk of non-compliance with local, national, and international laws and regulations, as well as tax legislation. Failure to comply with applicable regulations could lead to fines, claims, and reputational damage.

- Involve local external specialists where necessary (e.g. tax)

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## GOVERNANCE AND RESPONSIBILITY STATEMENT

### GOVERNANCE

FNG stands for good corporate governance with proper supervision and transparent reporting. The Management Board and the Supervisory Board take responsibility for corporate governance at FNG. Any major changes to its structure and to compliance with the Dutch Corporate Governance Code (the “Code”) will be submitted for discussion to the General Meeting of Shareholders as separate agenda items. FNG’s corporate governance structure, including the performance of the General Meeting of Shareholders and its principal powers, the rules for appointing and replacing members of the Managing Board and Supervisory Board, the rules for amending the Articles of Association and the powers granted in the event of the issue or repurchase of shares, as well as a description of how FNG complies with the Code, are set out in detail on the website [www.fng.eu](http://www.fng.eu). FNG does not have any protection constructions in place, except for the priority share as further explained below.

### ARTICLE 10 OF THE EU TAKE-OVER DIRECTIVE DECREE

#### Shares

As at 31 December 2017, the issued share capital of FNG N.V. amounted to EUR 718,391.36, consisting of 8,979,892 shares (7,250,119 listed ordinary shares, 1,729,772 unlisted Class A shares and 1 priority share). Each share carries one vote. The ordinary shares are listed on Euronext Amsterdam (“FNG”).

#### Unlisted Class A Shares

The unlisted Class A shares are not listed on Euronext Amsterdam. The unlisted Class A shares carry equal rights as the ordinary shares.

#### Priority share

The priority share is owned by Greenway District BVBA. This priority share grants Greenway District BVBA (controlled by Mr Penninckx, Mrs Maes and Mr Bracke) special rights in respect of FNG N.V., including but not limited to the right to make a binding nomination for the appointment of directors and officers.

### DUTCH CORPORATE GOVERNANCE CODE

FNG complies with the Code on the basis of the “comply or explain” principle, except for the below:

#### Best practice provisions 1.3.1, 1.3.2, 1.3.3, 1.3.4 and 1.3.5

*FNG has no internal audit department as defined in named best practice provision. FNG has internal audit teams both in Belgium and the Netherlands, forming part of the relevant business units and reporting to the relevant finance manager and business unit manager. The internal audit teams are responsible for (i) optimizing, developing, implementing and monitoring the internal control procedures, rules, tools and reporting structures to efficiently establish that the company is in control, (ii) planning, execution and follow-up of internal audits; (iii) reporting audit findings, implemented action plans and results to management so that management can make decisions based on sufficient information; (iv) correct and efficient planning and execution of assessments; (v) checking, evaluating and monitoring the agreed actions regarding differences reports from assessments, (vi) investigating alleged fraudulent, illegal or unwanted actions and assisting line officers during conversations and their handling; (vii) providing advice on internal control and staying up-to-date with relevant legislation, (viii) increasing inventory reliability by drawing up the desired processes, (ix) initiating and following up the annual internal control action plan and (x) leading the internal control department and the assessment teams. FNG continuously monitors and evaluates the functioning of its internal audit functions and intends to further comply with the relevant best practice provisions of the Code in the future.*

#### Best practice provision 2.1.5

*FNG is in the process of adopting a diversity policy and expects such policy to be in effect shortly. No diversity policy was in place in the year under review.*



Brantano

#### **Best practice provisions 2.4.5 and 2.4.6**

*Given how familiar the Supervisory Board members are with FNG and its structure, business and processes, FNG currently does not see the need for a formal induction program or other education or training.*

#### **Best practice provision 2.5.3**

*Due to the structure of FNG's group and enterprise, there are only limited direct discussions between the Management Board, the Supervisory Board and the group's employee participation body.*

#### **Best practice provision 2.6.4**

*The operation of the procedure for reporting actual or suspected misconduct or irregularities is monitored by the corporate management team, which in its turn reports to the CEO. The corporate management team and CEO report to the Supervisory Board.*

#### **Principle 3.1 and best practice provision 3.4.1**

*The Code recommends that the remuneration policy take into account the internal pay ratios within the enterprise. Although FNG has been working on a variety of aspects around the compensation program and related disclosure including some of the above, FNG does not yet fully comply with the relevant provisions from the Code. Also, the overview of the remuneration report is not in line with the named best practice provisions. The Management Board solely receives a fixed management fee. The same applies to the members of the Supervisory Board.*

#### **Best practice provision 4.1.8**

*FNG's 2017 Annual General Meeting was held in August 2017 due to delay in the preparation of the annual accounts. FNG decided to hold the Annual General Meeting as soon as practically possible, knowing that this would mean that, due to the holiday season, Mr. Lathouwers and Mr. Van Ossel, both of whom were nominated for appointment to FNG's Supervisory Board that meeting, would not be present.*

#### **Best practice provisions 4.2.3**

*Noting the current size of the Company not for all meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences a provision is made for all shareholders to follow these meetings and presentations in real time via webcast.*

#### **Best practice provisions 4.3.3**

*The Management and Supervisory Board members are appointed by the General Meeting upon the binding nomination by the holder of the priority share. The General Meeting may only overrule the binding nomination by a resolution adopted by at least a two-thirds majority of the votes cast, provided such majority represents more than half of the issued share capital. If the General Meeting overrules a binding nomination for a director, the holder of the priority share will promptly make a new binding nomination to be submitted to a subsequent General Meeting.*

*The Management and Supervisory Board members may be suspended or removed by the General Meeting, with or without cause, at any time. The articles provide that a resolution of the General Meeting to suspend or remove a director pursuant to and in accordance with a proposal by the Supervisory Board will be passed with an absolute majority of the votes cast. A resolution of the General Meeting to suspend or remove a director other than pursuant to and in accordance with a proposal by the Supervisory Board will require a two-thirds majority of the votes cast, representing more than half of the issued share capital. FNG believes that these provisions support the continuity of its business.*



Fred & Ginger



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## RESPONSIBILITY STATEMENT

The Management Board hereby states that, to the best of its knowledge, the financial statements for the financial year 2017 give a true and fair view of the assets, liabilities, financial position and earnings of FNG N.V. and the consolidated group companies. The Report of the Management Board gives a true and fair view of the position of FNG N.V. at the reporting date and of the development and performance during the financial year 2017 of the group and its affiliated companies whose financial information is set out in the financial statements.

The report of the Management Board sets out the main features of the risk management and control systems, as well as the essential risks the company is facing. The Management Board declares that it accepts responsibility for the design and effectiveness of the internal risk management and control systems tailored to FNG.

The Management Board declares that, to the best of its knowledge:

- 1 no major failings in the risk management and control system have been discovered in the financial year under review;
- 2 no significant changes or major improvements to the risk management and control system are planned;
- 3 the internal financial reporting control system provides reasonable assurance that the financial reporting does not contain any material inaccuracies;
- 4 based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
- 5 this report states those material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after the preparation of the report.

The risk management and control systems in place, significantly reduce the risk of incorrect decisions being made, control processes being deliberately circumvented, and laws and regulations not being complied with. However, it is virtually impossible to identify, or fully document and manage, all risks at all times. As a consequence, the existing systems will never provide an absolute level of assurance against the failure to achieve targets, nor will they be able to prevent all instances of material misstatement, including loss, fraud or violations of laws and regulations.

In 2017, no transactions were conducted between FNG and natural persons or legal entities holding at least 10% of the shares in FNG N.V., other than disclosed in note 8.2 of the financial statements.

There were no significant transactions in 2017 involving conflicting interests between one or more members of the Supervisory Board and/or the sole member of the Management Board of FNG on the one hand and FNG on the other hand.

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# SUPERVISORY BOARD REPORT

In accordance with legislation and the Articles of Association of the company, it is the task of the Supervisory Board to supervise the policy of the Managing Board, the governance structure and the activities of the company, as well as to offer advice.

In performing its tasks, the Supervisory Board weighs the interests of all stakeholders, within and outside the organisation, against each other, including the aspects of corporate social responsibility and long-term value creation relevant to the organisation.

In this report, the Supervisory Board reports on its work in 2017. The Supervisory Board recommends the General Meeting of Shareholders to adopt the 2017 Annual Accounts.

## MEMBERS OF THE SUPERVISORY BOARD

**E.M.M.L.C. Verbaere (60)** was appointed as member of the Supervisory Board in 2016 and will retire or be nominated for re-appointment at the 2020 Annual General Meeting.

**Nationality:** Belgium

**Gender:** Male

**Function:** Expert on the level of corporate finance and Co-founder of VD&P Corporate Finance

**Other functions and companies** in which Mr Verbaere is currently active are:

Company	Function
Finimax BVBA	Manager
Gande NV	Director
VD&P Corporate Finance NV	Director
Quest for Partners BVBA	Manager
Solar Energy Conversion Power Corporation NV	Director

**Gino van Ossel (54)** was appointed as member of the Supervisory Board in 2017 and will retire or be nominated for re-appointment at the 2021 Annual General Meeting.

**Nationality:** Belgium

**Gender:** Male

**Function:** expert on Omnichannel Retail & Marketing

**Other functions and companies** in which Mr van Ossel is currently active are:

Company	Function
Inside-Out	Director
Vlerick Business School	Professor of Retail Marketing
Cryns Carrosserie Center	Non-executive director
Trade Marketing Association (Netherlands)	Director

**Emiel Lathouwers (73)** was appointed as member of the Supervisory Board in 2017 and will retire or be nominated for re-appointment at the 2021 Annual General Meeting.

**Nationality:** Belgium

**Gender:** Male

**Function:** Expert on the level of retail

**Other functions and companies** in which Mr Lathouwers is currently active are:

Company	Function
Vendis Capital NV	Director
Krabbendijke NV	Director
Services-Development-Management NV	Director
CAP NV	Director
Freespace NV	Director
Het Anti-kankerfonds	Director
Talovi BVBA	Director
Antikankerfonds	Director
Atmosphere BVBA	Director

All members of the Supervisory Board in the year under review are independent within the meaning of the Dutch Corporate Governance Code.

#### APPOINTMENT AND RETIREMENT SCHEDULE

The retirement schedule for the Supervisory Board is as follows:

- E.M.M.L.C. Verbaere (appointed in 2016) will retire or be nominated for re-appointment at the 2020 Annual General Meeting
- G. van Ossel (appointed in 2017) will retire or be nominated for re-appointment at the 2021 Annual General Meeting
- E. Lathouwers (appointed in 2017) will retire or be nominated for re-appointment at the 2021 Annual General Meeting

#### MEETINGS

In 2017, the Supervisory Board held 4 meetings, both among its own members and with the Managing Board. During these meetings, the Supervisory Board members were fully informed of the financial, operational and strategic developments, and objectives. As usual, discussions were held on many topics including the budget for 2018, corporate governance, the Management Board remuneration structure and important investment decisions.

In 2017, special consideration was given to:

- The company financing
- The business plans future years

Each of the Supervisory Board members attended 100% of the Supervisory Board meetings, either in person or by phone.

In addition to the aforementioned meetings, the Supervisory Board members had regular interactions with the Management Board on general developments within the company, such as the corporate strategy and the main risks of the business and the result of the assessment by the Management Board of the design and effectiveness of the internal risk management and control systems. The Supervisory Board determined that FNG's external auditor Mazars is independent. During meetings with the Management Board the Supervisory Board discussed the method of working and the general policy of the Management Board.



CKS Barcelona

#### EVALUATION MANAGING BOARD AND SELF-EVALUATION SUPERVISORY BOARD

The Supervisory Board has concluded that the conditions in which the Management Board had to work in 2017 were turbulent. Moreover, the Management Board devoted a great deal of time and energy to the strategic evaluation, financing operation, business acquisitions and integration. Attention was paid to the operational management of the business activities and the integration of the acquired brands into FNG as well implementing each other processes and platforms. Moreover further integration and achieving synergies are still possible and necessary. The Supervisory Board believes that the Management Board made sufficiently good progress towards achieving structural improvements in results and in branding the various concepts.

Notwithstanding, for next year further improvements need to be made on the execution of the best practices of the Dutch Corporate Governance Code on the level of the Managing Board, as well as the Supervisory Board. In addition, the Supervisory Board recommends to implement a formal internal audit function.

Moreover, the Supervisory Board concludes that it is good G. van Ossel and E. Lathouwers are added to the Supervisory Board. This will further improve the performance and the tasks of the Supervisory Board.



Miss Etam



CKS Ghent

#### **GENERAL MEETING OF SHAREHOLDERS**

In 2017, 2 General Meetings of Shareholders were held. During the second General Meeting, the 2016 Annual Accounts were adopted.

#### **CORPORATE GOVERNANCE**

FNG complies with the Dutch Corporate Governance Code on the basis of the “comply or explain” principle. A description of the corporate governance structure and the extent to which FNG complies with the Code is further explained in the Governance paragraph of the Annual Report.

#### **PROPOSAL TO THE SHAREHOLDERS**

We are pleased to present the company's Annual Accounts for 2017. Mazars has issued an unqualified auditor's opinion for the annual accounts. The annual accounts have been drawn up in accordance with the reporting requirements and have been discussed in the presence of the external auditor.

Based on this, the Supervisory Board proposes to the General Meeting of Shareholders to approve the 2017 Annual Accounts, to grant discharge to the Management Board members for their management in 2017, and to grant discharge to the Supervisory Board members for their supervision in 2017.

#### **ACKNOWLEDGEMENTS**

The Supervisory Board would like to thank the Management Board, the senior management and all other FNG employees for their dedication, creativity, and constructive collaboration in FNG's challenging circumstances in 2017.

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# FINANCIAL STATEMENTS

For the year ended 31 December 2017

## TABLE OF CONTENTS

<b>46 CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>	<b>65 5. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>
<b>47 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>	65 5.1 Goodwill
<b>48 CONSOLIDATED STATEMENT OF CASH FLOWS</b>	66 5.2 Intangible assets
<b>49 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>	67 5.3 Property, plant & equipment
<b>50 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b>	68 5.4 Inventories
50 1. General information	69 5.5 Trade and other receivables
50 2. Group accounting policies	70 5.6 Other financial assets and other assets
50 2.1. Statement of compliance and basis for preparation	70 5.7 Cash and cash equivalents
52 2.2. Summary of significant accounting policies	70 5.8 Deferred taxes
<b>61 3. SEGMENT REPORTING</b>	71 5.9. Share capital
61 3.1. Segment revenues and results	73 5.10. Provisions
62 3.2. Geographical information	73 5.11. Post-employment benefit obligations
62 3.3. Other information	74 5.12. Borrowings
<b>62 4. BUSINESS COMBINATIONS AND CHANGES IN CONSOLIDATION SCOPE</b>	75 5.13. Other financial liabilities
62 4.1. 2017 acquisitions	76 5.14. Trade and other payables
63 4.2. 2016 acquisitions	76 5.15. Other current liabilities
65 4.3. Disposal of subsidiaries	77 5.16. Derivative instruments
	<b>77 6. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>
	77 6.1. Revenue
	77 6.2. Employee benefit expense
	78 6.3. Other operating expenses
	78 6.4. Amortisation and depreciation expenses
	78 6.5. Non-recurring items
	79 6.6. Financial result
	79 6.7. Income taxes
	80 6.8. Earnings per share

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## **80 7. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS**

- 80 7.1. Overview of financial instruments and fair values
- 82 7.2. Financial risk management

## **83 8. OTHER DISCLOSURES**

- 83 8.1. Consolidation scope
- 85 8.2. Related party transactions
- 86 8.3. Contingent assets and liabilities
- 86 8.4. Commitments
- 87 8.5. Events after the reporting period

## **88 COMPANY FINANCIAL STATEMENTS**

### **88 BALANCE SHEET**

### **88 PROFIT AND LOSS ACCOUNT**

## **89 NOTES TO THE COMPANY FINANCIAL STATEMENTS**

- 89 1. General information
- 89 2. General accounting principles for the  
preparation of the financial statements
  - 89 2.1. Basis of preparation
  - 89 2.2. Significant accounting policies
- 89 3. Notes to the specific items of the balance sheet
  - 89 3.1. Investments in participating interests
  - 90 3.2. Intercompany receivables and payables
  - 90 3.3. Shareholders' equity
  - 91 3.4. Appropriation of profits

- 91 3.5. Contingencies and liabilities not included  
in the balance sheet
- 91 3.6. Employee information
- 92 3.7. Risk management with regard to financial  
instruments
- 92 3.8. Auditor fees paid to the auditors
- 92 3.9. Events after balance sheet date
- 92 3.10. Commitments
- 92 3.11. Group companies and participating  
interests

## **92 OTHER INFORMATION**

## **94 INDEPENDENT AUDITOR'S REPORT**

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in thousands of euros)	Note	31/12/17	31/12/16
<b>Non-current assets</b>		<b>441.971</b>	<b>379.187</b>
Goodwill	5.1.	80.162	59.831
Intangible assets	5.2.	275.313	244.256
Property, plant and equipment	5.3.	70.175	57.099
Deferred tax assets	5.8.	16.321	18.000
<b>Current assets</b>		<b>255.947</b>	<b>182.176</b>
Inventories	5.4.	82.787	86.941
Trade and other receivables	5.5.	69.601	24.975
Income tax receivables		0	226
Other financial assets	5.6.	9.035	14
Other current assets	5.6.	4.053	3.113
Cash and cash equivalents	5.7.	90.470	66.907
<b>TOTAL ASSETS</b>		<b>697.918</b>	<b>561.362</b>
EQUITY AND LIABILITIES (in thousands of euros)	Note	31/12/17	31/12/16
<b>Equity attributable to owners of the parent</b>		<b>272.096</b>	<b>234.988</b>
Share capital	5.9.	718	643
Share premium		265.304	235.595
Retained earnings and other reserves		6.074	(1.250)
<b>Total equity</b>		<b>272.096</b>	<b>234.988</b>
<b>Non-current liabilities</b>		<b>243.703</b>	<b>206.912</b>
Provisions	5.10.	357	175
Post-employment benefit obligations	5.11.	154	312
Borrowings	5.12.	178.750	142.414
Other financial liabilities	5.13.	17.208	18.328
Deferred tax liabilities	5.8.	47.235	45.682
<b>Current liabilities</b>		<b>182.119</b>	<b>119.463</b>
Provisions	5.10.	1.316	2.096
Borrowings	5.12.	56.596	35.363
Trade and other payables	5.14.	96.287	75.241
Current tax liabilities		1.142	0
Other financial liabilities	5.13.	19.877	23
Other current liabilities	5.15.	6.901	6.740
<b>Total liabilities</b>		<b>425.822</b>	<b>326.374</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>697.918</b>	<b>561.362</b>



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Note	2017	2016
Revenue	3.1./6.1.	482.402	242.298
Cost of merchandise		(215.329)	(102.137)
<b>Gross profit</b>		<b>267.074</b>	<b>140.162</b>
Employee benefit expense	6.2.	(90.861)	(47.702)
Other operating expenses	6.3.	(130.832)	(71.618)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>		<b>45.381</b>	<b>20.841</b>
Amortisation and depreciation expenses	6.4.	(18.777)	(9.468)
<b>Recurring operating profit/(loss) (REBIT)</b>		<b>26.603</b>	<b>11.374</b>
Non-recurring items <sup>1</sup>	6.5.	(7.516)	(7.688)
<b>Operating profit/(loss) (EBIT)</b>		<b>19.087</b>	<b>3.686</b>
Financial income	6.6.	2.548	1.179
Financial expenses	6.6.	(13.216)	(7.498)
Exchange gains/(losses)		(647)	0
<b>Profit/(loss) before taxes</b>		<b>7.772</b>	<b>(2.634)</b>
Income taxes	6.7.	(459)	429
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>7.313</b>	<b>(2.205)</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items of OCI which will never be recycled to P&amp;L</i>			
Remeasurement of post-employment benefit plans		255	0
<i>Items of OCI which will be recycled to P&amp;L</i>			
Exchange differences upon translation of foreign operations		(180)	0
Income tax relating to components of OCI (-)		(64)	
Other comprehensive income		11	0
<b>TOTAL COMPREHENSIVE INCOME OF THE PERIOD</b>		<b>7.324</b>	<b>(2.205)</b>
Basic and diluted earnings/(loss) per share (in €)	6.8.	0,91	(0,84)
Profit/(loss) for the period attributable to the owners of the Company		7.313	(2.205)
Profit/(loss) for the period attributable to the non-controlling interests		0	0
Total comprehensive income for the period attributable to the owners of the Company		7.324	(2.205)
Total comprehensive income for the period attributable to the non-controlling interests		0	0

1 Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the Company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature.

## CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	Note	2017	2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating result		19.087	3.686
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortisation expenses	6.4	18.776	9.468
Provisions		(502)	(812)
Gain on a bargain purchase	4	0	(1.377)
Loss on disposal	4	4.407	0
Exchange (gains) /losses		647	0
Other		338	0
Changes in working capital:			
Inventories		10.643	12.539
Trade and other receivables	5.5	(69.135)	31.640
Other financial assets		70	0
Other current assets		(780)	4.391
Trade and other payables		10.113	(48.626)
Other current liabilities		(2.032)	1.680
<b>Cash generated from operations</b>		<b>(8.369)</b>	<b>12.589</b>
Taxes received		217	0
<b>Net cash generated from operating activities</b>		<b>(8.152)</b>	<b>12.589</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received		2.548	2.739
Purchases of PP&E		(30.938)	(17.863)
Purchases of Intangible assets		(13.059)	(3.335)
Proceeds from disposal of PPE		2.629	672
Proceeds from disposal of intangible assets		591	145
Loans granted		0	0
Disposal of subsidiaries	4	17.243	
Acquisition of subsidiaries, net of cash acquired	4	(20.629)	36.915
<b>Net cash provided by/(used in) investing activities</b>		<b>(41.615)</b>	<b>19.273</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity instruments of the Company (net of issue costs)	5.9	29.784	30.854
Proceeds from borrowings		83.200	18.800
Reimbursements of borrowings		(26.480)	(8.469)
Interest paid		(13.174)	(7.498)
<b>Net cash provided by/(used in) financing activities</b>		<b>73.330</b>	<b>33.687</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>23.563</b>	<b>65.549</b>
<b>CASH AND CASH EQUIVALENTS at beginning of year</b>		<b>66.907</b>	<b>1.358</b>
Net effect of currency translation on cash and cash equivalents		0	0
<b>CASH AND CASH EQUIVALENTS at end of year</b>		<b>90.470</b>	<b>66.907</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent					TOTAL EQUITY
	Reserves					
	Share capital	Share premium	Retained earnings	Currency translation reserve	Other reserves	
(in thousands of euros)						
Balance at 31 December 2015	0,005	0	(2.972)	0	0	(2.972)
Total comprehensive income of the period	0	0	(2.205)	0	0	(2.205)
Reverse listing 05-01-2016	1.069	(800)	0	0	5.073	5.342
Issue of share capital	10.279	225.691	0	0	0	235.969
Transaction costs for equity issue	0	0	0	0	(1.146)	(1.146)
Reverse share split	(10.705)	10.705	0	0	0	0
Balance at 31 December 2016	643	235.595	(5.178)	0	3.927	234.988
Total comprehensive income of the period	0	0	7.504	(180)	0	7.324
Issue of share capital	75	29.925	0	0	0	30.000
Transaction costs for equity issue	0	(216)	0	0	0	(216)
Balance at 31 December 2017	718	266.304	2.326	(180)	3.927	272.096

## Reverse listing transaction and comparative statements

On 5 January 2016, Dico International (a Euronext Amsterdam listed non-operating company) acquired legally 100% of the shares of R&S Finance B.V. (an operating entity, renamed to Miss Etam Holding in 2017) by issuing 1 priority share (granting special rights in respect of R&S Finance B.V., including a binding nomination for the appointment of directors and officers) and 10 million new Class A shares to FIPH B.V. However, this acquisition is actually a reverse acquisition in accordance with the accounting principles as the shareholders of R&S Finance B.V. became the majority and controlling shareholders of the new combined Group, named R&S Retail Group (renamed to FNG).

As the Dico International did not qualify as a business in accordance with IFRS 3 – Business Combinations, the transaction is not a *business combinations* and is therefore not within the scope of IFRS 3. Because the analysed transaction is not within the scope of IFRS 3, the IFRS Interpretations Committee concluded that such a transaction is a share-based payment transaction which should be accounted for in accordance with IFRS 2 – *Share-based Payment*. In accordance with IFRS 2, the difference in the fair value of the shares issued by the accounting acquirer (i.e. R&S Finance B.V.) and the fair value of the accounting acquiree's identifiable net assets (i.e. Dico International) represents a service received by the accounting acquirer, which is considered to be a payment for a service of a stock exchange listing for its shares.

The consolidated financial statements 2016 of FNG N.V. are basically a continuation of the 2015 financial statements of R&S Finance B.V., as Dico International did not have any operating activities since several years. Therefore, the comparative statements 2015 presented in these consolidated financial statements are the ones of R&S Finance B.V. However R&S Finance B.V. has an extended accounting year (for the first year's financial statements) for legal statutory purposes, but for consolidation purposes interim figures as presented in the half-year financial statements per 30 June 2016 are included for comparative purposes.

## Private Placement 2017

On 19 December 2017, FNG N.V. issued 937.500 class A shares through a private placement for a total amount of € 30.000 thousands. As a result of this issuance, FNG N.V. has placed (i) 7.250.119 ordinary shares, (ii) 1.729.772 class A shares and (iii) 1 Priority Share. The Company issued 5 warrants. Each investor who subscribed to the private placement of € 30.000.000 in December 2017 received 1 warrant. The warrants may be exercised by such investors if the highest average closing price of an ordinary share listed on Euronext Amsterdam is lower than € 35,20 during any period of five consecutive trading days on Euronext Amsterdam within a specific period. In such case, the investors will have the right to subscribe to an additional number of class A shares, to be determined in accordance with the terms and conditions of the warrants. Upon exercise, these warrants could potentially result in 151.429 additional shares.

## Other Transactions

The other relevant transactions (such as issue of share capital) are disclosed in note 5.9.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

FNG N.V. (the "Company") is a public limited liability company (naamloze vennootschap) governed by Dutch Law, with registered office at Oostweg 2, 2723 RH Zoetermeer, The Netherlands. The principal place of business is located in the Netherlands and Belgium. The Company's shares are listed on Euronext Amsterdam and the Group has more than 3,000 employees (in headcounts).

The Company's consolidated financial statements include:

- the accounts of companies directly or indirectly controlled by the Company, which are fully consolidated; and
- its investments in associates, which are accounted for under the equity method.

All these economic entities are collectively referred to as the "Group".

The Group is a strong growing Benelux-fashion group with activities all over Europe. The Group designs and distributes clothing and shoes for women, children and men through own concept-stores at top locations in Belgium and the Netherlands and through a network of multi-trademark stores in domestic and foreign countries.

The Group's consolidated financial statements at 31 December 2017 were prepared under the responsibility of the Management Board and the Supervisory Board and authorised for issue by the Management Board and the Supervisory Board at the Board meeting held on 20 April 2018.

### 2. GROUP ACCOUNTING POLICIES

#### 2.1. Statement of compliance and basis for preparation

The Group's consolidated financial statements for the year ended 31 December 2017 have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS").

The financial statements have been prepared on the basis of the historical cost method. Any exceptions to the historical cost method are disclosed in the accounting policies described hereafter.

The Group's consolidated financial statements are presented in thousands of Euros, unless stated otherwise. Euro is also the functional currency of the Company and all other entities of the Group.

These consolidated financial statements do not include any information or disclosures that, not requiring presentation due to their qualitative significance, have been determined as immaterial or of no relevance pursuant to the concepts of materiality or relevance defined in the IFRS conceptual framework, insofar as the Group's consolidated financial statements, taken as a whole, are concerned.

Furthermore, the consolidated financial statements include "Alternative Performance Measures" (APM) which are not defined as such under IFRS.

The Group uses the REBITDA measure in its decision-making, because it provides information useful to assess the Group's performance, solvency and liquidity. This measure should not be viewed in isolation or as an alternative to the measures presented according to the IFRS.

REBITDA (recurring earnings before interest and depreciation and amortisation) is calculated by excluding from the profit/loss for the year before taxes the financial results (detailed in note 6.6), the depreciation and amortisation expenses and impairment losses on assets and the non recurring items. Non-recurring items (detailed in note 6.5) are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature.

#### 2.1.1. Standards and amendments issued and applicable for the year ended 31 December 2017

The following IFRS standards, interpretations and amendments became effective for the first time for the year ended 31 December 2017:

- Amendments to IAS 7 Statement of Cash Flows – Disclosure Initiative
  - An additional disclosure has been added in note 5.12 to meet the new disclosure requirement of IAS 7 requiring additional information on the cash flows from financing activities.
- Amendments to IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses
  - These amendments clarify the principles around the recognition of a deferred tax asset that is related to a debt instrument measured at fair value. These amendments did not have an impact on the consolidated financial statements of the Company.

#### 2.1.2. Standards and amendments issued but not yet effective

The following IFRS standards, interpretations and amendments that have been issued but that are not yet effective, have not been applied to the consolidated IFRS financial statements for the year ended 31 December 2017:

- IFRS 9 Financial Instruments and subsequent amendments (applicable for annual periods beginning on or after 1 January 2018)
- IFRS 14 Regulatory Deferral Accounts (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- IFRS 15 Revenue from Contracts with Customers (applicable for annual periods beginning on or after 1 January 2018)
- IFRS 16 Leases (applicable for annual periods beginning on or after 1 January 2019)
- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in EU)
- Improvements to IFRS (2014-2016) (applicable for annual periods beginning on or after 1 January 2017 or 2018, but not yet endorsed in the EU)
- Improvements to IFRS (2015-2017) (applicable for annual periods beginning on or after 1 January 2017 or 2018, but not yet endorsed in the EU)
- Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- Amendments to IFRS 4 Insurance Contracts - Applying IFRS 9 Financial

Instruments with IFRS 4 (applicable for annual periods beginning on or after 1 January 2018)

- Amendments to IFRS 9 Prepayment Features with Negative Compensation (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in EU)
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (the effective date has been deferred indefinitely, and therefore the endorsement in the EU has been postponed)
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in EU)
- Amendments to IAS 40 Transfers of Investment Property (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- IFRIC 22 Foreign Currency Transactions and Advance Consideration (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- IFRIC 23 Uncertainty over Income Tax Treatments (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in EU)

The standards, amendments and interpretations listed above are expected not to have an impact on the consolidated financial statements of the Group, except for the standards mentioned below.

IFRS 9 Financial Instruments is to be applied to annual periods beginning on or after 1 January 2018, when it will replace IAS 39 Financial Instruments: Recognition and Measurement. The new standard has been comprehensively revised in various parts, including in respect of the recognition and measurement of financial assets and financial liabilities. The standard is divided into three parts: classification and measurement, hedge accounting and impairment.

IFRS 9 requires financial assets to be classified in three different measurement categories: amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is made at the time the asset is initially recognised based on the characteristics of the asset and the Company's business model.

In the case of financial liabilities, there are no significant changes compared to IAS 39. The main change is for liabilities measured at fair value. In this case the part of the change in fair value attributable to a change in the credit risk of the liability is to be presented in other comprehensive income rather than in profit or loss, unless this would create an accounting mismatch.

Regarding the application of IFRS 9 to the Group, the Group has reviewed all financial instruments held. The new classification and measurement principles of IFRS 9 will not have an impact for FNG as FNG only has following categories of financial assets:

- Loans and receivables: will continue to be measured at amortised cost
- Derivative instruments: will continue to be measured at fair value through P&L

Regarding the financial liabilities, IFRS 9 basically does not introduce significant changes to the current treatment and as such, no impact is assessed.

The second part relates to hedge accounting. IFRS 9 requires additional disclosures concerning risk management and the effects of hedge accounting. IFRS 9 makes hedge accounting more flexible compared to current guidance. Considering that the Group does not apply hedge accounting, the new requirements will not have an impact upon initial application of IFRS 9.

Finally, new principles have been introduced regarding impairment of financial assets using a model based on expected losses. IFRS 9 requires the Company to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Considering that FNG mainly has short-term receivables, the simplified impairment model can be used (life-time expected losses). The Group has reviewed the historical losses recognised on clients (default rate) and this is very limited (quasi nil). This is common in the retail industry.

IFRS 15 *Revenue from Contracts with Customers* is to be applied for the reporting periods beginning on 1 January 2018 or later. The new standard defines a five-step model to recognize revenue based on contracts with customers and replaces the current standards IAS 18 *Revenue* and IAS 11 *Construction Contracts* as well as their interpretations. The timing of the revenue recognition can take place over time or at a point of time, depending on the transfer of control.

During 2017, the Group continued its initial assessment of IFRS 15 through a more detailed analysis. The main aspects are mentioned below.

The Group sells goods. The Group expects the revenue recognition to occur at a point in time when a customer obtains control of the goods. The Group sells its products to its customers directly, through distributors or agents. This can result in a different moment to recognize revenue. However, the Group does not expect a significant impact of the application of IFRS 15.

Regarding the application of IFRS 15, the standard would mainly have an impact at FNG on the contracts in the wholesale business. In the retail business, the new standard does not modify significantly the current accounting process. For the wholesale business, FNG does not have a lot of contracts with customers. No right of returns are offered as from the initial sales transaction. However, in some case a commercial gesture is offered and this is then considered in the revenue amount.

Furthermore, no specific payments to customers are done which could be considered in the transaction amount.

As the key activity of the Group is the sale of goods, revenue is recognised at a certain point in time, i.e. at the moment control is transferred to the customer. Based on these considerations, the Group has concluded that no significant impact is expected from the initial application of IFRS 15.

Application of IFRS 15 will be mandatory for financial years beginning on or after 1 January 2018. The Group is currently reviewing all significant contracts with its customers in order to be able to determine the potential impact of the new standard on recognition of revenue from sales contracts (in terms of valuation and timing of revenue recognition).

Furthermore, the new disclosures included in IFRS 15 are more detailed than those currently applicable under IAS 18.

The Group plans to apply the new standard in its consolidated financial statements for the year ending December 31, 2018. Considering the minor impact of the standard on the consolidated financial statements, the Group decided that the comparative statements will not be restated.

IFRS 16 Leases will be effective for the reporting periods beginning on 1 January 2019 or later. The new standard will replace the current standard IAS 17 Leases. In accordance with the new standard, the lessee will recognize assets and liabilities for the rights and obligations created by leases. The new standard will increase interest-bearing liabilities and property, plant and equipment in the consolidated financial statements of the Group. In addition, the rental expenses recognized in profit or loss will decrease and depreciation and amortization as well as interest expenses will increase. This will affect operating profit. The impact of this new standard is currently being assessed. The Group expects main impacts for leases currently classified as operating leases and for which the Group acts as a lessee. As at December 31, 2017, the Group has non-cancellable undiscounted operating lease commitments of € 182.088 thousands, which are detailed in note 8.4.

## **2.2. Summary of significant accounting policies**

The following accounting methods have been applied consistently through all the periods presented in the consolidated financial statements.

### **2.2.1. Significant management judgments and estimates**

The preparation of the financial statements requires the use of judgments, best estimates and assumptions in recognising and measuring assets and liabilities, income and expenses, considering positive and negative contingencies existing at year-end. Amounts reported by the Group in future financial statements could differ significantly from current estimates due to changes in these assumptions or economic conditions.

The most significant management judgements and estimates are described below.

#### **2.2.1.1. Going concern**

As at 31 December 2017, the Group had a liquidity position of € 83.365 thousands consisting of cash and cash equivalents. Taking into account this liquidity position as well as the new refinancing facility of € 240.000 thousands on 28 February 2018, our board of directors is of the opinion that our liquidity position is sufficient to continue our current operations at least for the next reporting periods.

### **2.2.1.2. Business combinations**

On 26 June 2016, the Group acquired the FNG Group. The acquisition was considered as a business combination and disclosed as such in note 4.2.

The Company assessed who was the acquirer in the business combination as required by the acquisition method in accordance with IFRS 3 – Business Combinations. Based on all relevant facts and circumstances, the Company concluded that the Company (previously R&S Retail Group) was the acquirer based on the assessment of control in accordance with IFRS 10 – Consolidated Financial Statements. One of the most important elements to conclude was the existence of a priority share in the Company which gave the Company the control over all relevant activities of the acquiree.

The Group acquired on August 4, 2016 the shares in Steps/Superstar. However, the control was not yet transferred to the Group at that date as there were some important suspensive conditions that the previous shareholder needed to comply with. As such, management judges that control over Steps/Superstar was only obtained when all conditions attached to the acquisition were met, i.e. December 31, 2016 (as mentioned in note 4.2).

### **2.2.1.3. Impairment of assets**

We review the carrying amount of intangible assets with indefinite lives for potential impairment on an annual basis and also whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. We review the carrying value of tangible assets and intangible assets with definitive lives for potential impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. We determine impairment by comparing the recoverable amount to its carrying value. If impairment is identified, a loss is recorded equal to the excess of the asset's carrying amount over its recoverable amount.

For impaired assets, we recognize a loss equal to the difference between the carrying amount of the asset and its recoverable amount. The recoverable amount, being the higher of the fair value less costs to sell and value in use, is based on discounted future cash flows of the asset using a discounted rate commensurate with the risk. Estimates of future cost savings, based on what we believe to be reasonable and supportable assumptions and projections, require management's judgement. Actual results could vary from these estimates. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

### **2.2.1.4. Pensions and other long-term and post-employment benefits**

The value of pensions and other long-term and post-employment benefit obligations is based on actuarial valuations that are sensitive to all the actuarial assumptions used, particularly concerning discount rates, inflation rates and wage increase rates. These assumptions are updated annually. The Group considers the actuarial assumptions used at 31 December 2017 appropriate and well-founded, but future changes in these assumptions could have a significant effect on the amount of the obligations and the Group's

equity and net profit. However, as the impact on the financial statements is not significant, the Company has decided not to include all the disclosures in accordance with IAS 19 – Employee Benefits (see also note 5.11).

#### 2.2.1.5. Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Belgian Government announced in July 2017 an important corporate tax reform which will decrease the corporate tax rate in Belgium of 33,99% to 29,58% in 2018 and 25,0% as from 2020. The Act affecting the reform was voted by Parliament in December 2017 which, by virtue of the guidance in IAS 12, is considered as substantively enacted. Therefore, deferred taxes on temporary differences, originated in Belgium, are calculated based both on the new tax rates and the timing of their expected reversals. In this regard, management has exercised judgement in deciding which temporary differences are expected to reverse before 2020, on which the tax rate of 29,58% is applicable, and those temporary differences expected to reverse after 2020 to which the tax rate of 25,0% is applied. For the deferred tax assets recognised on tax losses, a similar approach has been taken.

#### 2.2.1.6. Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. All derivative financial instruments are, in accordance with IFRS 7, classified as level 2. This means valuation methods are used for which all inputs that have a significant effect on the recorded fair value are observable in the market, either directly or indirectly.

#### 2.2.2. Consolidation methods

A list of subsidiaries and associates is presented in note 8.1.

##### 2.2.2.1. Subsidiaries

Subsidiaries are companies in which the Group exercises exclusive control and are fully consolidated. The Group controls an entity when the three following conditions are fulfilled:

- it holds power over the entity;
- it is exposed, or has rights, to variable returns from its involvement with the entity;
- it has the ability to use its power over the investee to affect the amount of the investor's returns.

The Group considers all facts and circumstances when assessing control. All substantive potential voting rights exercisable, including by another party, are also taken into consideration. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When the Group gains control of a subsidiary, the transaction is a business combination treated in accordance with the policy described in note 2.2.3.

When the Group loses control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary from the consolidated statement of financial position with a gain or loss recognised in the statement of profit or loss. The Group recognises any investment retained in the former subsidiary when control is lost and subsequently accounts for it under the equity method if the former subsidiary qualifies as an associate or a joint venture, or at fair value if the investment in the former subsidiary qualifies as a financial asset.

Any acquisition or disposal of an investment that does not affect control over a subsidiary is considered as a transaction between shareholders with any impacts recognised in equity.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions and balances between entities of the Group are eliminated in full in the consolidated financial statements.

#### 2.2.3. Business combinations and goodwill

In accordance with IFRS 3, business combinations are measured and recognised under the acquisition method.

At the date of acquisition, the identifiable assets acquired and liabilities assumed, measured at fair value, and any non-controlling interests (minority interest) in the Company acquired ("acquiree") are recorded separately from goodwill.

Goodwill is measured as the difference between:

- the sum of the following items:
  - the acquisition-date fair value of the consideration transferred to acquire control, including any contingent consideration (e.g. earn-outs) that is measured at fair value at acquisition date,
  - the value of non-controlling interests in the acquiree being measured either at fair value (full goodwill method) or at their share in the fair value of the net assets of the acquiree (partial goodwill method) on a case-by-case basis, and
  - for acquisitions achieved in stages, the acquisition-date fair value of the Group's share in the acquired entity before it acquired control; and

- the net value of the assets acquired and liabilities assumed, measured at fair value at the acquisition date.

When this difference is negative, it is immediately recognised as a gain in the statement of profit or loss.

After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is not amortised, but impairment tests are carried out as soon as there is an indication of possible impairment, and at least annually (including in the year of acquisition), as described in note 2.2.8.

Costs incurred by the Group to effect a business combination (acquisition-related costs) are immediately expensed, except with respect to issuance costs of debt or equity securities that are recognised in compliance with IAS 32 and IAS 39.

The accounting for a business combination, including the fair value measurement of assets acquired and liabilities assumed, is finalised within twelve months from the acquisition date.

IFRS 3 does not apply to business combinations under common control, which are examined on a case-by-case basis to determine the appropriate accounting treatment.

#### 2.2.4. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

#### 2.2.5. Intangible assets

Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and if the cost of the asset can be measured reliably. The probability of expected future economic benefits represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset using reasonable and supportable assumptions.

Intangible assets are measured initially at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates and any directly attributable cost of preparing the asset for its intended use. If an intangible asset is acquired in a business combination, the cost of that intangible asset is its fair value at the acquisition date. Intangible assets under construction are carried at cost, less any recognised impairment losses.

After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over their estimated useful life. Amortisation begins when the asset is capable of operating in the manner intended by management.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Recognition of costs in the carrying amount of an intangible asset ceases when the asset is in the condition necessary for it to be capable of operating in the manner intended by the Group.

Subsequent expenditure on intangible assets is capitalised only if it increases the future economic benefits associated with the specific asset. Other expenditure is expensed as incurred.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets mainly comprise:

- Software, which is amortised on a straight-line basis over its useful life;
- Tradenames and trademarks acquired separately or in the context of business combinations;
- Customer lists;
- Supplier lists;
- Key money; and
- Intangible assets under construction.

The expected useful lives for the main intangible assets are as follows:

- |                             |               |
|-----------------------------|---------------|
| • Software                  | 3 to 5 years  |
| • Key money                 | 5 to 10 years |
| • Tradenames and trademarks | indefinite    |

#### 2.2.6. Property, plant and equipment

##### 2.2.6.1. Initial measurement

Property, plant and equipment are recognised as assets at acquisition or construction cost if and only if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably.

The cost of an item of property, plant and equipment comprises its purchase or construction price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of facilities developed in-house includes all labour and materials



costs, and all other production costs attributable to the construction of the asset.

When a part of an asset has a different useful life from the overall asset's useful life, it is identified as an asset component and depreciated over a specific period.

Borrowing costs attributable to the financing of an asset incurred during the construction period are included in the cost of the asset provided it is a qualifying asset as defined by IAS 23 Borrowing costs.

#### 2.2.6.2. Subsequent measurement

After initial recognition, property, plant and equipment owned by the Group are depreciated using the straight-line method and are carried on the statement of financial position at cost less accumulated depreciation and impairment. Depreciation begins when the asset is capable of operating in the manner intended by management and is charged to profit or loss, unless it is included in the carrying amount of another asset. The components of an item of property, plant and equipment with a significant cost and different useful lives are recognised separately. The residual value and the useful life of property, plant and equipment are reviewed at least at the end of each reporting period. The depreciation method is also reviewed annually.

The expected useful lives for the main facilities are as follows:

• Buildings	10 to 20 years
• Lease improvements	based on underlying lease terms
• Machinery and installations	5 to 10 years
• Store and other furnitures, fixture and fittings	5 to 10 years
• Motor vehicles	2 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### 2.2.7. Leases

In the course of its business, the Group uses assets made available to it under lease contracts. These contracts are analysed in the light of the situations described and indicators supplied in IAS 17 Leases in order to determine whether they are finance leases or operating leases.

##### 2.2.7.1. Finance leases

Contracts that effectively transfer to the lessee substantially all risks and rewards inherent to ownership of the leased item are classified as finance leases. The main indicators examined in determining whether substantially all the risks and rewards are transferred by an agreement are the following:

- the ratio of the lease term to the leased asset's economic life;
- total discounted future minimum lease payments as a ratio of the fair

value of the leased asset;

- whether ownership is transferred to the lessee by the end of the lease;
- whether a purchase option is bargain;
- the features specific to the leased asset.

Assets held under finance leases are derecognised from the lessor's statement of financial position and included in the relevant category of property, plant and equipment in the lessee's financial statements. Such assets are depreciated over their useful life, or the term of the lease contract when this is shorter and it is not expected that the lessee will obtain ownership of the asset. A corresponding financial liability is recognised by the lessee, and a financial asset by the lessor.

If the Group enters into a sale and leaseback agreement resulting in a finance lease, this is recognised in accordance with the principles described above. If the transfer price is higher than the asset's book value, the surplus is deferred and recognised as income on straight-line basis over the lease term.

##### 2.2.7.2. Operating leases

Lease agreements that do not qualify as finance leases are classified and recognised as operating leases. Rental charges are recognised over the lease term on a straight-line basis.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

#### 2.2.8. Impairment of goodwill, intangible assets and property, plant and equipment

At the year-end and at each interim reporting date, in accordance with IAS 36 Impairment of Assets, the Group assesses whether there is an indication that an asset could have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. A CGU represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows generated from other assets.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation can be identified.

Recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or CGU) is

estimated to be less than its carrying amount, an impairment loss is immediately recognised for the difference in the statement of profit or loss.

An impairment test is also carried out at least once a year on CGUs or groups of CGUs to which goodwill or an intangible asset with an indefinite useful life has been allocated. In such case, the impairment test is carried out as follows:

- The Group measures impairment by comparing the carrying amount of the CGU(s), including goodwill, with their recoverable amount. The recoverable amount of the CGU is the higher of fair value less costs of disposal and value in use.
- Value in use is calculated based on projected future cash flows:
  - over a horizon that is coherent with the CGU's useful life and/or operating life; and
  - discounted at a rate that reflects the risk profile of the CGU – the discount rate(s) used are based on the weighted average cost of capital (WACC) for each CGU.
- Fair value is calculated as the asset's potential selling price less costs necessary for its sale.
- When the recoverable amount of a CGU is lower than its carrying amount, an amount equal to the difference is recognised as an impairment loss. This loss is allocated first to goodwill, and any surplus is allocated to the other assets of the related CGU.

These calculations may be influenced by several variables:

- changes in regulations and market prices;
- changes in interest rates and market risk premiums;
- market levels and the Group's market share;
- the useful lives of facilities;
- the growth rates used beyond the medium-term plans and the terminal values taken into consideration.

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss. An impairment loss allocated to goodwill is irreversible.

#### 2.2.9. Financial assets and liabilities

Financial assets of the Group mainly include cash, trade and other receivables, loans, and the positive fair value of derivatives. Financial assets are treated consistently with the category to which they belong in accordance with IAS 39 – Financial Instruments: Recognition and Measurement:

- Financial assets at fair value through profit or loss (including derivatives with a positive fair value, except if the derivative is designated as a hedging instrument)
- Loans and receivables (including trade and other receivables as well as loans)
- Held-to-maturity investments (not applicable)
- Available-for-sale financial assets (not applicable)

Financial liabilities of the Group comprise loans and other financial liabilities, trade and other payables, and the negative fair value of financial derivatives.

The following distinction is made according to IAS 39 for financial liabilities:

- Financial liabilities at fair value through profit or loss (including derivatives with a negative fair value, except if the derivative is designated as a hedging instrument)
- Other financial liabilities (including loans and other financial liabilities and trade and other payables)

Financial assets and liabilities are presented in the statement of financial position as current if they mature within one year and non-current if they mature after one year.

##### 2.2.9.1. Financial assets and liabilities at fair value through profit or loss

Financial assets carried at fair value with changes in fair value recognised in the statement of profit or loss are classified as such at initial recognition if:

- they were acquired from the outset with the intention of resale in the short term;
- they are derivatives not classified as hedges (derivatives held for trading);
- the Group has elected to include them in this category under the option allowed by IAS 39.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction on the principal or the most advantageous market at the measurement date.

In accordance with IFRS 13, the hierarchy of fair values reflecting the importance of data used in valuations comprises the following levels:

- **level 1** (unadjusted quoted prices): prices accessible to the entity at the measurement date on active markets, for identical assets or liabilities;
- **level 2** (observable data): data concerning the asset or liability, other than the market prices included in initial level 1 input, which are directly observable (such as a price) or indirectly observable (i.e. deducted from observable prices);
- **level 3** (non-observable data): data that are not observable on a market, including observable data that have been significantly adjusted (e.g. extrapolation of interest rate curves over long non-observable periods).

In compliance with IAS 39, the Group analyses all its contracts, of both a financial and non-financial nature, to identify the existence of any "embedded" derivatives. Any component of a contract that affects the cash flows of that contract in the same way as a stand-alone derivative corresponds to the definition of an embedded derivative. If they cannot be considered to be closely related to the host contract, embedded derivatives are accounted for separately from the host contract at inception date.

Derivatives are measured at fair value based on quoted prices and market data available from external sources. If no quoted prices are available, the Group may refer to recent comparable transactions or if no such transactions exist base its valuation on internal models that are recognised by market participants, giving priority to information directly derived from observable data, such as over-the-counter listings.

Changes in the fair value of these derivatives are recognised in profit or loss, unless they are designated as cash flow hedges. Changes in the fair value of such hedging instruments are recognised directly in equity (other comprehensive income), excluding the ineffective portion of the hedge.

In application of IFRS 13, the fair value of derivatives incorporates the counterparty credit risk for derivative assets and the own credit risk for derivative liabilities.

#### 2.2.9.2. Loans and receivables

Loans and financial receivables (trade and other receivables) are financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at their fair value, plus transaction costs, at the transaction date.

After their initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment loss (see note 2.2.9.3 below).

The effective interest method is a method of calculating the amortised cost of a financial asset (or a financial liability) and of allocating the interest income (or interest expense) over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset (or financial liability). The calculation includes transaction costs and all other premiums or discounts.

#### 2.2.9.3. Impairment of financial assets

At the year-end and at each interim reporting date, the Group assesses whether there is any objective evidence that an asset could have been impaired. If so, the Group estimates the asset's recoverable amount and records any necessary impairment as appropriate for the category of financial asset concerned.

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the impairment is measured as the difference between the asset's carrying amount and the discounted value of expected future cash flows, using the original effective interest rate of the financial instrument. The impairment is recognised in the statement of profit or loss. If the impairment loss decreases in a subsequent period, the amount of the decrease is reversed and transferred to the statement of profit or loss.

For trade receivables, impairment is recognised based on the probability of recovery assessed according to the type of receivable individually or by experience-based statistical methods.

#### 2.2.9.4. Other financial liabilities

Initially, other financial liabilities (including loans and other financial liabilities, trade and other payables) are measured at fair value plus transaction costs. Other financial liabilities are subsequently measured at amor-

tised cost using the effective interest method (as described in note 2.2.9.2 above).

#### 2.2.9.5. Cash and cash equivalents

Cash equivalents comprise highly liquid and short-term investments maturing within three months or less, and with negligible risk of fluctuation in value.

#### 2.2.9.6. Derecognition of financial assets and liabilities

The Group derecognises a financial asset when:

- the contractual rights to the cash flows generated by the asset expire; or
- the Group transfers the rights to receive contractual cash flows related to the financial asset through the transfer of substantially all of the risks and rewards associated with ownership of the asset.

Any interest created or retained by the Group in transferred financial assets is recorded as a separate asset or liability.

Financial liabilities are derecognised when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged, cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss from extinguishment of the original financial liability is recognised in the statement of profit or loss.

#### 2.2.10. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### 2.2.11. Equity

##### 2.2.11.1. Share issue expenses

Share issue expenses correspond exclusively to external costs expressly related to the capital increase. They are charged against the issue premium at their net-of-tax value.

Other expenses are classified as expenses of the period.

##### 2.2.11.2. Non-controlling interests

Non-controlling interests represent the shares of non-controlling shareholders (minority interests) in the equity of subsidiaries that are not fully owned by the Group.

On the acquisition date, non-controlling interests are either measured at fair value (full goodwill method) or in proportion to share of non-controlling

interests in the identifiable assets acquired and liabilities assumed in the business combination (partial goodwill method). Subsequently, non-controlling interests are adjusted for the appropriate proportion of subsequent profits and losses.

#### 2.2.12. Provisions other than employee benefits

The Group recognises provisions if the following three conditions are met:

- the Group has a present obligation (legal or constructive) towards a third party that arises from an event prior to the reporting date;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the obligation can be estimated reliably.

Provisions are determined based on the Group's best estimate of the expected cost necessary to settle the obligation. Estimates are based on management data from the information system, assumptions adopted by the Group, and if necessary experience of similar transactions, or in some cases based on independent expert reports. The various assumptions are reviewed for each closing of the accounts. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

#### 2.2.13. Employee benefits

The Group grants its employees post-employment benefits (pension plans, retirement indemnities, etc.) and other long-term benefits (e.g. long-service awards).

For post-employment benefits, a distinction is made between defined benefit plans and defined contribution plans.

##### 2.2.13.1. Post-employment benefits – Defined benefit plans

The obligations under defined-benefit plans are calculated by the projected unit credit method, which determines the present value of entitlements earned by employees at year-end under all types of plan, taking into consideration estimated future salary increases.

Such post-employment benefit obligations are measured using the following methods and main assumptions:

- retirement age, determined on the basis of the applicable rules for each plan, and the requirements to qualify for a full pension;
- career-end salary levels, with reference to employee seniority, projected salary levels at the time of retirement based on the expected effects of career advancement, and estimated trends in pension levels;
- forecast numbers of pensioners, determined based on employee turnover rates and applicable mortality tables;
- a discount rate that depends on the duration of the obligations, determined at the year-end date by reference to the market yield on high-quality corporate bonds or the rate on government bonds whose duration is coherent with the Group's commitments to employees.

The amount of the provision corresponds to the value of obligations less the fair value of the plan assets that cover those obligations.

The net expense recognised during the year for employee benefit obligations includes:

- in the statement of profit or loss:
  - the current service cost, corresponding to additional benefit entitlements earned during the year;
  - the net interest expense, corresponding to interest on obligations net of the return on plan assets, which is calculated using the same discount rate as for the obligations;
  - the past service cost, including the income or expense related to amendments or settlements of benefit plans or introduction of new plans;
  - the remeasurement gains and losses relating to long-term benefits.
- in the statement of other comprehensive income:
  - the remeasurement gains and losses relating to post-employment benefits;
  - the effect of the limitation to the asset ceiling if any.

##### 2.2.13.2. Post-employment benefits – Defined contribution plans

With respect to defined contribution plans, the contributions payable are recognised when employees have rendered the related services.

According to legal requirements applicable in Belgium, defined contribution pension plans are subject to minimum guaranteed rates of return. As such, these plans meet the conditions for classification as defined benefit plan in accordance with IAS 19 and they are accounted for as such.

##### 2.2.13.3. Other long-term benefits

Other long-term employee benefits, such as service awards, are also accounted for using the projected unit credit method. The accounting treatment differs however from the method applied for post-employment benefits, as actuarial gains and losses are recognised immediately in the statement of profit or loss.

#### 2.2.13.4. Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### 2.2.14. Assets classified as held for sale and related liabilities, and discontinued operations

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a sale to be highly probable, Company management should be committed to a plan to sell the asset (or disposal group), an active program to locate a buyer and complete the plan should be initiated, the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, the sale should be expected to be completed within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A discontinued operation is a component of the Group which either has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale

Assets that qualify as held for sale and related liabilities are presented separately from other assets and liabilities in the statement of financial position. Assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognised as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale. Prior period statements of financial position are not restated to reflect the classification of a non-current asset (or disposal groups) as held for sale.

For discontinued operations, a single net amount after taxes is presented in the statement of profit or loss and the comparative period is restated consistently.

#### 2.2.15. Revenue

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; and
- the amount of revenue can be measured reliably.

Sales of goods that result in award credits for customers are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value – the amount for which the award credits could be sold separately. Such consideration is not recognised as revenue at the time of the initial sale transaction – but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

Next to the sale of goods, the Group also generates revenue through the render of services for which the group receives a commission or a fee.

#### 2.2.16. Income taxes

Income taxes include the current tax expense (income) and the deferred tax expense (income), calculated in accordance with the applicable tax legislation.

In compliance with IAS 12 Income Taxes, current and deferred taxes are recognised in the statement of profit or loss, other comprehensive income or directly in equity consistently with the accounting for the underlying transaction.

The current tax expense (income) is the estimated amount of tax due on the taxable income for the period, calculated using the tax rates enacted at reporting date.

Deferred taxes result from temporary differences between the carrying amount of assets and liabilities and their tax basis. No deferred taxes are recognised for temporary differences generated by:

- the initial recognition of goodwill which is not tax deductible;
- the initial recognition of an asset or liability in a transaction which is not a business combination and does not affect the accounting profit or taxable profit (tax loss) at the transaction date;
- investments in subsidiaries and associates, investments in branches and interests in joint arrangements, when the Group controls the timing of reversal of the temporary differences, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the expected tax rate for the period in which the asset will be realised or the liability settled, based on tax rates (substantively) enacted at reporting date. If the tax rate changes, deferred taxes are adjusted to the new rate and the adjustment is recorded in the statement of profit or loss, unless it relates to an underlying for which changes in value are recognised in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised when it is probable that the Group will have sufficient taxable profit to utilise the benefit of the asset in the foreseeable future, or beyond that horizon, if there are deferred tax liabilities with the same maturity.

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#### 2.2.17. Non-recurring items

Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the Company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature.

The non-recurring items include the following components:

- gain on a bargain purchase (negative goodwill) in the context of a business combination;
- gains and losses on the sale of subsidiaries, joint operations, joint ventures, and associates that do not qualify as discontinued operations;
- acquisition costs of new businesses;
- major restructuring charges;
- impairment losses resulting from the shutdown of an activity;
- impairment losses resulting from testing of cash-generating units ('CGUs') for impairment (a CGU includes tangible assets, intangible assets and allocated goodwill, if any).

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#### 2.2.18. Statement of cash flows

The statement of cash flows is prepared according to the indirect method to reconcile the cash flows from operating activities. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid is presented as cash used in financing activities, while interest received and dividends received are presented as cash from investing activities. Income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group company has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group company have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

### 3. SEGMENT REPORTING

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the different classes of customers. No operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments under IFRS 8 – Operating Segments are as follows:

- FNG Roots;
- Brantano; and
- Miss Etam.

In the course of 2017, the Group has redefined its internal organisation structure and as such, it has determined that the Group is organised into the above operating segments, which are different from those published in the consolidated financial statement for the year ending on December 31, 2016. For comparison purposes, the 2016 information have been restated.

#### 3.1. Segment revenues and results

31/12/2017						
(in thousands of Euros)	FNG Roots	Miss Etam	Brantano	Inter-segment revenue between FNG Roots and Miss Etam	Inter-segment revenue between FNG Roots and Brantano	Group total
<b>Revenue</b>	<b>364.023</b>	<b>101.888</b>	<b>125.980</b>	<b>(42.096)</b>	<b>(67.056)</b>	<b>482.402</b>
Cost of merchandise	(220.424)	(40.454)	(63.940)	42.096	67.056	(215.329)
<b>Gross profit</b>	<b>143.599</b>	<b>61.434</b>	<b>62.041</b>	<b>0</b>	<b>0</b>	<b>267.074</b>
Employee benefit expense	(39.421)	(22.356)	(29.084)			(90.861)
Other operating expenses	(70.167)	(34.613)	(26.052)			(130.832)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>34.011</b>	<b>4.465</b>	<b>6.904</b>			<b>45.381</b>
Amortisation and depreciation expenses	(8.858)	(2.179)	(7.740)			(18.777)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>25.153</b>	<b>2.286</b>	<b>(836)</b>			<b>26.603</b>
Non-recurring items						(7.516)
<b>Operating profit/(loss) (EBIT)</b>						<b>19.087</b>
Financial income						2.548
Financial expenses						(13.216)
Exchange gains/(losses)						(647)
<b>Profit/(loss) before taxes</b>						<b>7.772</b>
Income taxes						(459)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>						<b>7.313</b>

31/12/2016						
(in thousands of Euros)	FNG Roots	Miss Etam	Brantano	Inter-segment revenue between FNG Roots and Miss Etam	Inter-segment revenue between FNG Roots and Brantano	Group total
<b>Revenue</b>	<b>140.873</b>	<b>98.703</b>	<b>42.053</b>	<b>(21.189)</b>	<b>(18.143)</b>	<b>242.298</b>
Cost of merchandise	(77.819)	(43.199)	(20.450)	21.189	18.143	38.025
<b>Gross profit</b>	<b>63.055</b>	<b>55.504</b>	<b>21.603</b>	<b>0</b>	<b>0</b>	<b>140.162</b>
Employee benefit expense	(16.358)	(21.226)	(10.118)			(47.702)
Other operating expenses	(31.978)	(31.369)	(8.272)			(71.618)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>14.719</b>	<b>2.909</b>	<b>3.213</b>			<b>20.841</b>
Amortisation and depreciation expenses	(6.437)	(1.598)	(1.433)			(9.468)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>8.281</b>	<b>1.311</b>	<b>1.780</b>			<b>11.374</b>
Non-recurring items						(7.688)
<b>Operating profit/(loss) (EBIT)</b>						<b>3.686</b>
Financial income						1.179
Financial expenses						(7.498)
<b>Profit/(loss) before taxes</b>						<b>(2.634)</b>
Income taxes						429
<b>PROFIT/(LOSS) FOR THE PERIOD</b>						<b>(2.205)</b>

The accounting policies of the reportable segments are the same as the Group's accounting policies described above. The revenue presented above is at year-end 2017 the only measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. No other detail is reviewed currently by the CODM, which are the executive committee (i.e. CEO and CFO). Information regarding revenue from major products is not relevant as all sales are generated from the same nature of products, being clothing and shoes.

### 3.2. Geographical information

The Group operates in two principal geographical areas – the Netherlands (country of domicile) and Belgium.

The Group's revenue by location of operations and information about its non-current assets (i.e. property, plant and equipment, intangible assets and goodwill) by location of assets are detailed below.

(in thousands of euros)	Revenue		Non-current assets	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
The Netherlands	169.255	165.669	179.731	230.348
Belgium	268.551	73.347	236.066	130.744
Other	44.597	3.283	9.852	94
<b>Total</b>	<b>482.402</b>	<b>242.298</b>	<b>425.649</b>	<b>361.186</b>

Non-current assets exclude non-current assets classified as held for sale, financial instruments and deferred taxes.

### 3.3. Other information

Segment revenue does not include customers contributing 10% or more to the Group's revenue for both 2017 and 2016.

## 4. BUSINESS COMBINATIONS AND CHANGES IN CONSOLIDATION SCOPE

### 4.1. 2017 acquisitions

On 31 December 2017, the Group acquired 100% of the voting rights in Mirus Group, a Belgian based retail group consisting of the following subsidiaries: GBO, Concept Fashion and Suitcase. The fair value of the total consideration transferred amounted to € 40.150 thousands, which was determined using a discounted cash flow model based on the expected cash flows to be generated in the new group.

These companies were acquired so as to continue the expansion of the Group's activities in the fashion retail industry.

The acquirees' assets acquired and liabilities assumed recognised in the consolidated statement of financial position at acquisition date, the amount of goodwill, as well as the net effect on the statement of cash flows are presented in the table below:

<b>Statement of financial position</b> (in thousands of euros)	<b>Mirus</b>
Intangible assets	20.350
Property, plant and equipment	2.103
Deferred tax assets	1.632
Inventories	6.674
Trade and other receivables	561
Current financial assets	56
Other current assets	306
Cash and cash equivalents	271
Provisions	0
Non current financial liabilities	(225)
Deferred tax liabilities	(5.144)
Current financial liabilities	(3.184)
Trade and other payables	(8.921)
Other current liabilities	(148)
Net assets acquired	14.330
Non-controlling interests	0
Total consideration	(40.150)
<b>Goodwill</b>	<b>25.820</b>



<b>Statement of financial position</b> (in thousands of euros)		<b>Mirus</b>
Total consideration		40.150
Financed in cash	20.900	
Deferred consideration	19.250	
Cash and cash equivalent acquired		(271)
<b>Net cash outflow in investing activities</b>		<b>20.629</b>

As a result of the acquisition accounting, the Group has allocated the purchase price (consideration paid), and has calculated the fair values of the assets acquired and liabilities assumed, in accordance with generally applied valuation rules. The purchase price was mainly allocated to intangible assets (trade-names, supplier list and key-money).

Goodwill arose because the consideration for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The resulting goodwill is not tax deductible.

The gross contractual amount of the trade receivables and other receivables amounts to € 561 thousands.

There were no significant costs related to the business combinations amount.

The amounts above in the reporting ended 31 December 2017 with respect to fair value of net assets acquired and goodwill are provisional as not all fair value measurements have been finalised.

As the acquisition was finalised on 31 December 2017, there was no contribution of the businesses acquired to the consolidated revenue and consolidated profit of the Group for the year ended 31 December 2017. However, a commercial relationship existed between the Group and Mirus before the acquisition date, which generated already revenue to the Group before the acquisition date.

#### 4.2. 2016 acquisitions

The Group closed the following business combinations (acquisition of control) in 2016:

- On 26 July 2016, acquisition of 100% of the voting rights in FNG Group NV, a Belgian based retail group. The fair value of the total consideration transferred amounted to € 171.949 thousands, which was paid entirely through the issue of 107.468.190 shares in the Company on 9, 12 and 29 September 2016 (see also note 5.9.2).
- On 14 September 2016, acquisition of 100% of the voting rights in BrantNew, a Belgian holding controlling Brantano. The fair value of the total consideration transferred amounted to € 7.020 thousands, which was paid entirely through the issue of 20.012.500 shares in the Company on 12 October 2016. In addition 15.625.000 shares were issued to pay for the € 25.000 receivable from R&S Finance Belgium to Brantano (see also note 5.9.2).
- On 31 December 2016, acquisition of 100% of the voting rights in Steps Nederland B.V. and Superstar B.V. (together "Steps/Superstar"), a retail group active in The Netherlands. The fair value of the total consideration amounted to € 6.600 thousands, which was compensated with an outstanding receivable at closing 2016.

These companies were acquired so as to continue the expansion of the Group's activities in the fashion retail industry.

The acquirees' assets acquired and liabilities assumed recognised in the consolidated statement of financial position at acquisition date, the amount of goodwill, as well as the net effect on the statement of cash flows are presented in the table below:

<b>Statement of financial position</b> (in thousands of euros)	<b>FNG</b>	<b>BrantNew</b>	<b>Steps Superstar</b>	<b>Total</b>
Intangible assets	196.884	20.076	24.507	241.467
Property, plant and equipment	31.336	10.075	0	41.411
Non-current financial assets	29	144	39	212
Deferred tax assets	6.513	6.930	4.049	17.492
Inventories	37.480	53.600	1.443	92.523
Trade and other receivables	40.844	1.914	6.617	49.375
Other current assets	2.369	1.082	252	3.703
Cash and cash equivalents	34.283	1.271	1.361	36.915
Provisions	(237)	(1.839)	(67)	(2.143)
Non current financial liabilities	(123.614)	(25.000)	0	(148.614)
Deferred tax liabilities	(33.754)	(6.934)	(6.127)	(46.815)
Current financial liabilities	(12.500)	(25.196)	0	(37.696)
Trade and other payables	(31.559)	(25.885)	(59.662)	(117.106)
Other current liabilities	(1.197)	(1.840)	(572)	(3.610)
Net assets acquired	146.878	8.397	(28.159)	127.115
Non-controlling interests	0	0	0	0
Total consideration	(171.949)	(7.020)	(6.600)	(185.569)
<b>Goodwill</b>	<b>25.071</b>		<b>34.759</b>	<b>59.831</b>
<b>(Gain on a bargain purchase)</b>		<b>(1.377)</b>		<b>(1.377)</b>

<b>Statement of cash flows</b> (in thousands of euros)	<b>FNG</b>	<b>BrantNew</b>	<b>Steps Superstar</b>	<b>Total</b>
Total consideration	171.949	7.020	6.600	185.569
Financed through a share issue	171.949	7.020	0	178.969
Financed through outstanding receivable	0	0	6.600	6.600
Financed in cash	0	0	0	0
Cash and cash equivalent acquired	(34.283)	(1.271)	(1.361)	(36.915)
<b>Net cash outflow in investing activities</b>	<b>(34.283)</b>	<b>(1.271)</b>	<b>(1.361)</b>	<b>(36.915)</b>

As a result of the acquisition accounting, the Group has allocated the purchase price (consideration paid), and has calculated the fair values of the assets acquired and liabilities assumed, in accordance with generally applied valuation rules. The purchase price was mainly allocated to intangible assets (trade-names, trademarks and key-money) and deferred tax assets and liabilities.

The fair value of the consideration financed through the share issues (see note 5.9.2) has been determined based on a peer review of EBITDA multiples.

Goodwill arose in the acquisition of FNG and Steps/Superstar because the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The resulting goodwill is not tax deductible.

The gross contractual amount of the trade receivables and other receivables amounts to € 49.375 thousands.

There were no significant costs related to the business combinations amount. However, in the context of the share issues to finance the business combinations, costs were incurred for an amount of € 1.147 thousands and have been recognised as deduction of the related capital increase in the statement of changes in equity.

Since the acquisition date, the contribution of the businesses acquired to the consolidated revenue and consolidated profit of the Company for the year ended 31 December 2016 amounts to € 187.052 thousands and € 5.322 thousands, respectively. As the acquisition of Steps/Superstar only occurred on 31 December 2016, no results were contributed by these companies.

If the businesses were acquired on 1 January 2016, the consolidated revenue for the year ended 31 December 2016 would have increased by € 232.389 thousands.

#### 4.3. Disposal of subsidiaries

In the course of 2017, the Group disposed of Rainbow Garment.

The following table details the assets and liabilities over which control was lost, the consideration received, the loss on disposal and the net cash inflow on disposal:

<b>Statement of financial position</b> (in thousands of euros)		<b>Rainbow Garment</b>
Goodwill		5.489
Trade and other receivables		25.070
Other current assets		146
Trade and other payables		-20
Net assets disposed of		30.685
Total consideration		(26.278)
<b>Loss on disposal</b>		<b>(4.407)</b>

<b>Statement of cash flows</b> (in thousands of euros)		<b>Rainbow Garment</b>
Total consideration		26.278
Received in cash	17.243	
Deferred consideration	9.035	
Cash and cash equivalent disposed of		0
<b>Net cash inflow in investing activities</b>		<b>17.243</b>

The consideration transferred has been determined based on the net asset (mainly consisting of receivables), excluding the goodwill allocated to the business.

The loss on disposal is included in the non-recurring items in the consolidated income statement (see note 6.5).

## 5. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 5.1 Goodwill

(in thousands of euros)	<b>31/12/2017</b>	<b>31/12/2016</b>
Cost	80.162	59.831
Accumulated impairment losses	0	0
<b>Goodwill</b>	<b>80.162</b>	<b>59.831</b>

<b>Statement of cash flows</b> (in thousands of euros)	
<b>Balance at 31 December 2015</b>	<b>0</b>
Additions through business combinations	59.831
<b>Balance at 31 December 2016</b>	<b>59.831</b>
Additions through business combinations	25.820
Derecognised on disposal	(5.489)
<b>Balance at 31 December 2017</b>	<b>80.162</b>

The acquisition of BrantNew resulted in a gain on a bargain purchase amounting to € 1.377 thousands which is recognized in the consolidated statement of comprehensive income for the year ended December 31, 2016 under the non-recurring items.

The additions in 2017 relate to the acquisition of Mirus (see note 4.1), which was allocated to the cash-generating unit Brantano.

The derecognised component on disposal relates to the disposal of Rainbow Garment (see note 4.3).

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- FNG Roots: Fashion clothes; and
- Brantano: Footwear and fashion clothes for internal and external brands.

The carrying amount of goodwill was allocated to cash-generating units as follows:

(in thousands of euros)	31/12/2017	31/12/2016
FNG Roots	54.342	59.831
Brantano	25.820	0
<b>Goodwill</b>	<b>80.162</b>	<b>59.831</b>

The recoverable amount of the cash-generating units is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period.

The key assumptions used in the computation of the recoverable amount are as follows:

- FNG Roots
  - Discount rate (WACC): 9,76%
  - Growth rate 2017 - 2022: 4%
  - LT growth rate: 1,5%
- Brantano
  - Discount rate (WACC): 9,76% for the existing business and 29,28% for the new business acquired in 2017
  - Growth rate 2017 - 2022: 14% (including the businesses newly acquired in 2017)
  - LT growth rate: 1%

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. The sensitivity analysis performed by management consist of following changes to the key assumptions:

Discount rate (Wacc) : + and - 1,0%

LT Growth rate: + and - 1,0%

LT Growth rate: + and - 0,5% & discount rate + and - 0,5%

	LT Growth rate: + and - 1,0%	Discount rate: + and - 1,0%	LT Growth rate: + and - 0,5% & discount rate + and - 0,5%
FNG Roots	no impairment	no impairment	no impairment
Brantano	no impairment	no impairment	no impairment

As such, management assesses that no impairment risk exists.

## 5.2. Intangible assets

(in thousands of euros)	31/12/2017	31/12/2016
Acquisition cost	279.560	245.831
Accumulated amortisation and impairment	(4.248)	(1.575)
<b>Intangible assets</b>	<b>275.313</b>	<b>244.256</b>
of which:		
Software	7.562	5.858
Tradenames and trademarks	233.970	233.225
Customer lists and suppliers lists	30.942	2.500
Key money	2.838	2.673

Carrying amount (in thousands of euros)	Software	Tradenames and trademarks	Customer lists and supplier lists	Key money	Total
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>1.174</b>	<b>0</b>	<b>0</b>	<b>1.174</b>
Additions	810	0	2.500	26	3.335
Additions through business combinations	6.297	232.051	0	3.119	241.467
Disposals	(12)	0	0	(133)	(145)
Amortisation expense	(1.237)	0	0	(338)	(1.575)
<b>Balance at 31 December 2016</b>	<b>5.858</b>	<b>233.225</b>	<b>2.500</b>	<b>2.673</b>	<b>244.256</b>

Carrying amount (in thousands of euros)	Software	Tradenames and trademarks	Customer lists and supplier lists	Key money	Total
Additions	2.965	561	9.533	0	13.059
Additions through business combinations	49	303	18.909	1.089	20.350
Disposals	0	(179)	0	(412)	(591)
Amortisation expense	(2.279)	0	0	(185)	(2.464)
Impairment losses	0	0	0	(327)	(327)
Other	969	61	0	0	1.030
<b>Balance at 31 December 2017</b>	<b>7.562</b>	<b>233.970</b>	<b>30.942</b>	<b>2.838</b>	<b>275.313</b>

(in thousands of euros)	Software	Tradenames and trademarks	Customer lists and supplier lists	Key money	Total
Cost at 31 December 2016	7.095	233.225	2.500	3.012	245.831
Accumulated amortisation and impairments	(1.237)	0	0	(338)	(1.575)
<b>Carrying amount at 31 December 2016</b>	<b>5.858</b>	<b>233.225</b>	<b>2.500</b>	<b>2.673</b>	<b>244.256</b>
Cost at 31 December 2017	11.022	233.970	30.942	3.626	279.560
Accumulated amortisation and impairments	(3.460)	0	0	(788)	(4.248)
<b>Carrying amount at 31 December 2017</b>	<b>7.562</b>	<b>233.970</b>	<b>30.942</b>	<b>2.838</b>	<b>275.313</b>

"Software" includes software acquired or developed by external suppliers and capitalised internal development costs.

"Tradenames and trademarks" have been either acquired or resulting from business combinations.

The additions in "Customer lists and supplier lists" relate to supplier lists acquired in 2017.

"Key money" have been acquired through business combinations and represents the favourable lease conditions of secured store locations.

The additions through business combinations relate to the acquisition of Mirus (see note 4.1).

The tradenames, trademarks, customer lists and supplier lists have an indefinite useful life, due to their nature. As such, they are subject to an annual impairment test. The key assumptions were as follows:

- FNG Roots
  - Discount rate (WACC): 9,76%
  - Growth rate 2017 - 2022: 4%
  - LT growth rate: 1,5%
- Brantano
  - Discount rate (WACC): 9,76% for the existing business and 29,28% for the new business acquired in 2017
  - Growth rate 2017 - 2022: 14% (including the businesses newly acquired in 2017)
  - LT growth rate: 1%

### 5.3. Property, plant and equipment

(in thousands of euros)	31/12/2017	31/12/2016
Acquisition cost	106.114	64.157
Accumulated depreciation and impairment	(35.940)	(7.058)
<b>Property, plant and equipment</b>	<b>70.175</b>	<b>57.099</b>
of which:		
Buildings	20.304	19.910
Leasehold improvements and other store furniture	36.766	16.068
Machinery and installations	10.348	19.918
Assets under construction	2.157	1.204
Other		

Carrying amount (in thousands of euros)	Buildings	Leasehold improvements and other store furniture	Machinery and installations	Assets under construction	Total
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>6.243</b>	<b>146</b>	<b>0</b>	<b>6.389</b>
Additions	2.226	4.248	10.160	1.229	17.863
Additions through business combinations	19.634	8.253	13.521	2	41.411
Disposals	(221)	(266)	(157)	(27)	(672)
Depreciation expense	(1.730)	(2.411)	(3.752)	0	(7.893)
<b>Balance at 31 December 2016</b>	<b>19.910</b>	<b>16.068</b>	<b>19.918</b>	<b>1.204</b>	<b>57.099</b>
Additions	3.281	23.936	2.456	1.265	30.938
Additions through business combinations	0	2.096	7	0	2.103
Disposals	(427)	(2.130)	(72)	0	(2.629)
Depreciation expense	(2.619)	(10.856)	(2.837)	0	(16.312)
Exchange differences	0	(3)	(2)	0	(5)
Other	160	7.655	(8.521)	(311)	(1.017)
<b>Balance at 31 December 2017</b>	<b>20.304</b>	<b>36.766</b>	<b>10.948</b>	<b>2.157</b>	<b>70.175</b>

(in thousands of euros)	Buildings	Leasehold improvements and other store furniture	Machinery and installations	Assets under construction	Total
Cost at 31 December 2016	21.610	17.675	23.669	1.204	64.157
Accumulated amortisation and impairments	(1.700)	(1.607)	(3.751)	0	(7.058)
<b>Carrying amount at 31 December 2016</b>	<b>19.910</b>	<b>16.068</b>	<b>19.918</b>	<b>1.204</b>	<b>57.099</b>
Cost at 31 December 2017	24.742	57.224	21.992	2.157	106.114
Accumulated amortisation and impairments	(4.438)	(20.458)	(11.044)	0	(35.940)
<b>Carrying amount at 31 December 2017</b>	<b>20.304</b>	<b>36.766</b>	<b>10.948</b>	<b>2.157</b>	<b>70.175</b>

The carrying amount of assets held under finance leases is presented in the following table:

<b>Held under finance lease</b> (in thousands of euros)	
Balance at 31 December 2015	0
Balance at 31 December 2016	13.860
<b>Balance at 31 December 2017</b>	<b>13.322</b>

These assets held under finance lease relate to the corporate building in Mechelen, Belgium. The lease term of this building is 15 years and includes a purchase option. The related lease commitments are disclosed in note 5.12 on borrowings.

#### 5.4. Inventories

(in thousands of euros)	31/12/2017	31/12/2016
Raw materials and furnitures	1.184	1.383
Work in progress	2.464	3.504
Goods for resale	82.071	87.739
<b>Gross carrying amount</b>	<b>85.719</b>	<b>92.626</b>
Write-downs (impairment)	(2.932)	(5.686)
<b>Net carrying amount</b>	<b>82.787</b>	<b>86.941</b>

The cost of inventories recognised as an expense during the year was € 215.329 thousands (2016: € 102.137 thousands).

The cost of inventories recognised as an expense in 2017 includes € 1.318 thousands of additional write-downs and € 3.217 thousands of reversals of write-downs of inventory in 2017 as they became recoverable.

The cost of inventories recognised as an expense includes € 1.152 thousands in respect of reversals of write-downs of inventory in 2016 as they became recoverable.

No inventories are expected to be recovered after 12 months.

#### 5.5. Trade and other receivables

(in thousands of euros)	31/12/2017	31/12/2016
<b>Trade receivables</b>		
Trade receivables from third parties	65.429	21.682
Write-downs on trade receivables	(1.140)	0
<b>Total trade receivables</b>	<b>64.290</b>	<b>21.682</b>
<b>Other receivables</b>		
Receivable from third parties	4.732	1.513
Receivables from related parties	579	1.779
<b>Total other receivables</b>	<b>5.312</b>	<b>3.293</b>
<b>Total trade and other receivables</b>	<b>69.601</b>	<b>24.975</b>

All the trade receivables mentioned above are denominated in euros.

As a result of the strong financial results in 2016, we have been able to negotiate better conditions with our suppliers regarding payment terms which was translated into more flexibility in credit terms with our suppliers. This allowed the Group to offer also better credit terms to its customers in 2017. Considering the growth of the Group in 2017, management considers that the current level of the trade receivables and payables is better reflecting the activities of the Group, while this was not entirely the case in 2016, which was a transition year, integrating all the acquired businesses.

The movement in working capital relating to trade and other receivables, as presented in the consolidated cash flow statement, is impacted by the disposal of Rainbow Garment as disclosed in note 4.3.

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The aged analysis of receivables past due but not impaired is presented below:

(in thousands of euros)	31/12/2017	31/12/2016
Not yet due	60.768	7.740
Up to 60 days	556	1.617
61 to 90 days	316	456
> 90 days	2.650	11.869
<b>Total</b>	<b>64.290</b>	<b>21.682</b>

The recoverability of the receivables outstanding for more than 90 days should be viewed together with the payables with the same customer or parties related to the customer, which are exceeding these receivables.

For an analysis of the credit risk, we refer to note 7.2.2 below.

The movement in the allowance for doubtful debts can be detailed as follows:

Movement in the impairment provision (in thousands of euros)	Trade receivables	
	31/12/2017	31/12/2016
<b>At 1 January</b>	<b>0</b>	<b>(29)</b>
Impairment write downs	(1.140)	0
Reversal of write downs	0	29
<b>At 31 December</b>	<b>(1.140)</b>	<b>0</b>

## 5.6. Other financial assets and other assets

The other financial assets consist of the remaining amount receivable from the sale of the previous subsidiary of the Group, Rainbow Garment. The consideration for this sale amounts to € 26.278 thousands, of which € 17.243 thousands was already received in cash. The sale generated a loss on disposal recognised in non-recurring items, see note 6.5. The other assets (non-current and current) can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Rental accruals	1.269	1.092
Interest accruals	0	0
Other	2.784	2.021
<b>Total other assets</b>	<b>4.053</b>	<b>3.113</b>
of which:		
Non-current	0	0
Current	4.053	3.113

The caption "Other" consists mainly of prepaid expenses relating to the operating activities of the Group.

## 5.7. Cash and cash equivalents

Cash and cash equivalents include following components:

(in thousands of euros)	31/12/2017	31/12/2016
Cash at bank and in hand	90.470	65.437
Short-term bank deposits	0	1.470
<b>Total cash and cash equivalents</b>	<b>90.470</b>	<b>66.907</b>

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

## 5.8. Deferred taxes

The deferred taxes recognised in the consolidated statement of financial position are as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Deferred tax assets	16.321	18.000
Deferred tax liabilities	(47.235)	(45.682)

The nature of the sources of deferred tax assets and liabilities recognised in the statement of financial position are detailed in the following table:

(in thousands of euros)	Assets		Liabilities	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
Property, plant and equipment	859	701	(696)	(694)
Intangible assets	0	0	(45.943)	(45.084)
Inventories	0	0	(1.154)	(274)
Other financial assets	0	0	(316)	(437)
Employee Benefits	16	106	0	0
<b>Deferred taxes relating to temporary differences</b>	<b>875</b>	<b>807</b>	<b>(48.109)</b>	<b>(46.489)</b>
Tax losses carried forward	16.321	18.000	0	0
<b>Deferred taxes relating to tax losses and tax credits</b>	<b>16.321</b>	<b>18.000</b>	<b>0</b>	<b>0</b>
<b>Total recognised deferred taxes</b>	<b>17.195</b>	<b>18.807</b>	<b>(48.109)</b>	<b>(46.489)</b>
Offsetting	(875)	(807)	875	807
<b>Total, net</b>	<b>16.321</b>	<b>18.000</b>	<b>(47.235)</b>	<b>(45.682)</b>



The movements in deferred tax assets and liabilities have been recognised as follows:

(in thousands of euros)	2017	2016
Deferred tax assets	18.000	977
Deferred tax liabilities	(45.682)	0
<b>Balance at 1 January</b>	<b>(27.681)</b>	<b>977</b>
Changes:		
Recognised in income statement	181	498
Recognised in other comprehensive income	(64)	0
Acquisitions through business combinations	(3.512)	(29.322)
Other	162	166
<b>Balance at 31 December</b>	<b>(30.914)</b>	<b>(27.681)</b>
Of which:		
Deferred tax assets	16.321	18.000
Deferred tax liabilities	(47.235)	(45.682)

At closing 2017, the Group has unused tax losses for which no deferred taxes are recognised for a total amount of € 4,762 thousands. These tax losses do not have an expiry date.

## 5.9. Share capital

### 5.9.1. Capital management

The Group manages its capital to maintain a strong level of capital in order to sustain development of the business and confidence of creditors while optimising return on capital for shareholders. This ensures that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of its debt and equity balance and its REBITDA (as defined in note 2.1).

The Group is not subject to any externally imposed capital requirements except those provided for by law. The Group's management reviews the capital structure of the Group on a regular basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group's objectives, policies and processes for managing capital have remained unchanged over the past few years.

### 5.9.2. Capital transactions

#### Number of shares

<b>Balance at 31 December 2015</b>		<b>5</b>
Share issue through contribution in kind - Reverse acquisition - R&S Finance B.V.	5/01/16	10.000.000
Existing shares FNG NV - Reverse acquisition R&S Finance B.V.	5/01/16	3.367.129
Acquisition shares R&S Finance B.V. - Reverse acquisition R&S Finance B.V.	5/01/16	(5)
Share issue through contribution in kind - FNG acquisition	9/09/16	104.367.393
Share issue through contribution in kind - FIPH	12/09/16	3.010.000
Share issue through contribution in kind - FNG squeeze-out	29/09/16	90.797
Share issue through contribution in kind - BrantNew acquisition	12/10/16	20.012.500
Share split	13/10/16	(133.805.427)
Share issue through contribution in cash	7/12/16	1.000.000
<b>Balance at 31 December 2016</b>		<b>8.042.392</b>
Share issue through contribution in cash	19/12/17	937.500
<b>Balance at 31 December 2017</b>		<b>8.979.892</b>

Since January 1, 2016, the following alterations to the Company's issued capital took place:

- On 5 January 2016, FNG N.V. issued 1 Priority Share (linked to an amendment of the voting rights) and 10.000.000 new class A shares. This issuance was done in the framework of the acquisition of all shares in the capital of R&S Finance B.V. (which was renamed to Miss Etam Holding B.V. in 2017) through a so-called reverse listing transaction (the R&S Transaction). FNG N.V. has acquired all the shares in the capital of R&S Finance B.V. against issuance of

10.000.000 A shares to FIPH B.V., who was the sole shareholder of R&S Finance B.V. prior to the R&S Transaction. As part of the R&S Transaction, FIPH B.V. has also acquired the Priority Share which was issued on 5 January 2016. Rens van de Schoor (FIPH B.V.) and the founders of FNG Group NV (Anja Maes, Manu Bracke and Dieter Penninckx) agreed to combine their shareholdings in a separate structure. In addition, they negotiated a transfer of the priority share from FIPH B.V. to Greenway District BVBA on December 9, 2016 for € 500 thousands. As a result of the issuance on 5 January 2016, FNG N.V. has placed (i) 3.367.128 ordinary shares (listed on Euronext Amsterdam as of 20 January 2016), (ii) 10.000.000 class A shares and (iii) 1 Priority Share.

- On 9 September 2016, FNG N.V.
  - issued 104.367.393 new ordinary shares in connection with the settlement of the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of the respective holders of securities in FNG Group NV who tendered such securities in the Exchange Offer in accordance with their entitlement to such shares;
  - converted the 10.000.000 class A shares held by FIPH B.V. into 10.000.000 ordinary shares, and FIPH B.V. transferred these 10.000.000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to FIPH B.V.'s securities account;
  - As a result of the issuance and conversion on 9 September 2016 FNG N.V. has placed (i) 117.734.521 ordinary shares, and (ii) 1 Priority Share.
- On 12 September 2016, FNG N.V. issued 3.010.000 ordinary shares to FIPH B.V. against the contribution by FIPH B.V. of its 175.000 shares in FNG Group NV outside the Exchange Offer (FIPH B.V. was not permitted under Belgian law to tender its shares in FNG Group NV in the Exchange Offer), and FIPH B.V. transferred these 3.010.000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to FIPH B.V.'s securities account. As a result of the issuance on 12 September 2016 FNG N.V. has placed (i) 120.744.521 ordinary shares, and (ii) 1 Priority Share.
- On 29 September 2016, FNG N.V. issued 90.797 ordinary shares in connection with the settlement of the squeeze-out proceedings following and in connection with the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of (i) the respective holders of securities in FNG Group NV who tendered such securities in the squeeze-out in accordance with their entitlement to such shares and (ii) the Deposit and Consignment Office (Deposito- en Consignatiekas). As a result of the issuance on 29 September 2016 FNG N.V. has placed (i) 120.835.318 ordinary shares, and (ii) 1 Priority Share.
- On 12 October 2016, FNG N.V. issued 20.012.500 new class A shares following the exercise of the Brantano Call Option by FNG N.V. as consideration for all outstanding shares in BrantNew BVBA (see note 4), one share in Brantano NV and a receivable for a principal amount of € 25.000 thousands plus any accrued but unpaid interest from BrantNew BVBA. The share issue occurred at the average value of the share of the Company in the 90 days before the share issue and adjusted for the illiquidity of the market. As a result of the issuance on 12 October 2016 FNG N.V. has placed (i) 120.835.318 ordinary shares, (ii) 20.012.500 class A shares and (iii) 1 Priority Share.
- On 13 October 2016:
  - FNG N.V. issued 2 new class A shares in the framework of the Reverse Stock Split (as defined hereinafter) in order to ensure that the total number of issued shares in FNG N.V.'s capital will be divisible by 20. As a result of the issuance on 13 October 2016 FNG N.V. has placed (i) 120.835.320 ordinary shares, (ii) 20.012.500 class A shares and (iii) 1 Priority Share.
  - the reverse stock split (the "Reverse Stock Split"), resolved upon by the general meeting of FNG N.V. on 13 July 2016 (amendment to the articles of association of FNG N.V.), became effective. FNG N.V.'s authorized share capital was altered for the purpose of consolidating the ordinary shares and class A shares in such a way that:
    - every 20 ordinary shares in FNG N.V.'s capital (each having a nominal value of € 0,08) is consolidated into 1 ordinary share; and
    - every 20 class A shares in FNG N.V.'s capital (each having a nominal value of € 0,08) is consolidated into 1 class A share,
- Under the simultaneous decrease of the nominal value of each ordinary share and each class A share in FNG N.V.'s capital created pursuant to the aforementioned consolidation to € 0,08 (a reverse stock split). As a result of the Reverse Stock Split on 13 October 2016 FNG N.V. has placed (i) 6.041.766 ordinary shares, (ii) 1.000.625 class A shares and (iii) 1 Priority Share.
- On 7 and 8 December 2016, FNG N.V. issued 1.000.000 class A shares through a private placement for a total amount of € 32.000 thousands. As a result of the issuance on 7 and 8 December 2016 FNG N.V. has placed (i) 6.041.766 ordinary shares, (ii) 2.000.625 class A shares and (iii) 1 Priority Share.
- On 9 October 2017, FNG NV converted 1.208.353 class A shares into ordinary shares. As a result of this, FNG N.V. has placed (i) 7.250.119 ordinary shares, (ii) 792.272 class A shares and (iii) 1 Priority Share.

On 19 December 2017, FNG N.V. issued 937.500 class A shares through a private placement for a total amount of € 30.000 thousands. As a result of this issuance, FNG N.V. has placed (i) 7.250.119 ordinary shares, (ii) 1.729.772 class A shares and (iii) 1 Priority Share. The Company issued 5 warrants. Each investor who subscribed to the private placement of € 30.000.000 in December 2017 received 1 warrant. The warrants may be exercised by such investors if the highest average closing price of an ordinary share listed on Euronext Amsterdam is lower than € 35,20 during any period of five consecutive trading days on Euronext Amsterdam within a specific period. In such case, the investors will have the right to subscribe to an additional number of class A shares, to be determined in accordance with the terms and conditions of the warrants. Upon exercise, these warrants could potentially result in 151.429 additional shares.

#### • 5.9.3. Shareholders

The share capital of the Company amounts to € 718 thousands and is represented by 8.797.892 shares, which includes one priority share, each with a nominal value of € 0,08.

The shareholders of the Company (as notified to the AFM (Dutch financial Market Regulator) as per 10 April 2018) are detailed as follows:

Greenway District BVBA (FNG founders Mr Dieter Penninckx (current CEO of FNG N.V.), Mrs Anja Maes and Mr Emmanuel Bracke)	58,3%
FNG STAK	7,14%
Saffelberg Investments NV	5,66%
FIPH B.V.	5,91%
Société Fédérale de Participations et d'Investissement (SFPI)	4,74%
Biloba Holding BVBA	4,45%
VMF Luxembourg SA	4,27%
Torfs Import Service NV	5,14%
Others	4,39%

#### 5.10. Provisions

The provisions presented in the consolidated statement of financial position can be detailed as follows:

(in thousands of euros)	Restructuring	Onerous contracts	Other provisions	Total
<b>Balance at 31 December 2016</b>	<b>1.390</b>	<b>197</b>	<b>684</b>	<b>2.271</b>
Additions	374	0	1.308	1.682
Reversals	(1.191)	0	(602)	(1.793)
Uses	(145)	(130)	(213)	(488)
Other	0	(67)	67	0
<b>Balance at 31 December 2017</b>	<b>428</b>	<b>0</b>	<b>1.244</b>	<b>1.672</b>
Of which current provisions	428	0	888	1.316
Of which non-current provisions	0	0	357	357

In 2016, the restructuring provision related to the then on-going restructuring process at Brantano, consisting mainly of termination benefits. This was substantially completed during 2017, with a provision of € 199 thousands remaining at year end. Additional provisions were recognised during 2017 in respect of the restructuring of Steps Nederland B.V.

The other provisions relate mainly to claims from employees, individual termination benefits and a provision for expected returns of goods.

#### 5.11. Post-employment benefit obligations

The Group operates defined contribution plans and defined benefit plans.

For the defined contribution plans, we refer to note 6.2 on employee benefit expenses.

The defined contribution plans in Belgium are legally subject to minimum guaranteed returns. As such, these plans meet the conditions for classification as defined benefit plan and are recognised as such in the consolidated statement of financial position. However, due to the insignificant amount, the Group has decided not to disclose all the disclosures as required by IAS 19 – Employee Benefits.

All senior employees and management of the BrantNew sub-group have access to these scheme. The death, disability and healthcare benefits granted to employees of the Company are covered by external insurance companies, where premiums are paid annually and charged to the income statement as they were incurred.

As a consequence of the (Belgian) Law of 18 December 2015, minimum returns are guaranteed by the employer as follows:

- for the contributions paid as from 1 January 2016, a new variable minimum return based on rates of the Belgian government bonds, with a minimum of 1,75% and a maximum of 3,75%. In view of the low rates of the Belgian government bonds in the last years, the return has been initially set to 1,75%;
- for the contributions paid until end December 2015, the previously applicable legal returns (3,25% and 3,75% respectively on the employer and employee contributions) continue to apply until retirement date of the participants.

## 5.12. Borrowings

The borrowings as presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2017	31/12/2016
Bonds	93.305	68.137
Bank debts	131.904	93.636
Other borrowings	10.138	16.004
<b>Total borrowings</b>	<b>235.346</b>	<b>177.777</b>
of which:		
Non-current	178.750	142.414
Current	56.596	35.363

The Company's bonds can be detailed as follows:

- On 1 March 2012 FNG Group NV issued 289 senior unsecured and dematerialised bonds with a nominal value of € 50 thousands each (for a total amount of € 14.450 thousands) offered for subscription through a private placement. The general meeting of bondholders of 20 December 2014 decided on several amendments to the bonds, among which amendments to the financial covenants. These bonds are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Group NV decided on 29 December 2014 to issue 250 unsubordinated and dematerialised bonds with a nominal value of € 100 thousands each (for a total nominal amount of € 25.000 thousands). The bonds were issued through a private placement and are listed on Alternext Brussels and bear an annual interest rate of 4,625%.
- The board of directors of FNG Group NV decided on 26 January 2015 to issue 100 subordinated registered bonds with a nominal value of € 50 thousands each (for a total nominal amount of € 5.000 thousands). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Group NV decided on 20 March 2015 to issue 1.000 subordinated dematerialised bonds with a nominal value of € 5 thousands each (for a total nominal amount of € 5.000 thousands). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Benelux Holding NV decided on 5 July 2016 to issue 200 senior unsecured bonds with a nominal value of € 100 thousands each (for a total nominal amount of € 20.000 thousands). The bonds were issued through a private placement and are listed on Alternext Brussels and bear an annual interest rate of 5,50%.
- Next to the previous issue of bonds, the board of directors of FNG Benelux Holding decided on 19 June 2017 to issue additional bonds for a total nominal value of € 25.000 thousands. The bonds issued have the same characteristics as the ones issued in July 2016.

The bank debts consist mainly of the club deal:

- FNG Group NV and other members of the FNG group entered into a € 131.000 thousands facilities agreement, originally dated 28 July 2014 and as amended and restated on 19 June 2015 and as further amended on 24 March 2016 and as further amended and restated on 29 March 2017 with ING Belgium NV/SA, Rabobank, BNP Paribas Fortis NV/SA, Belfius Bank NV/SA and ING Bank N.V. The club deal bears a floating interest rate of EURIBOR 3M + margin. Of the amount of €131.000 thousands, € 31.000 thousands was undrawn at closing 2017.

Other borrowings consist mainly of the following loans:

- In October 2016, the Group entered into mezzanine loan for a total amount of € 10.000 thousands with external partners carrying a floating interest rate (EURIBOR 3M + margin) and with a maturity date in December 2020.

For information regarding the pledges, we refer to note 8.4.2.

Reconciliation to statement of cash flows:

31/12/2017 (in thousands of euros)	Opening carrying amount	Cash flows	Other movements			Closing carrying amount
			Business combination	Reclasses	Other	
Non-current borrowings						
Bonds	68.137	25.000	0	0	168	93.305
Bank debts	58.273	16.809	225	0	0	75.308
Other borrowings	16.004	(3.138)	0	(2.729)	0	10.138
Current borrowings						
Bonds	0	0	0	0	0	0
Bank debts	35.363	18.049	3.184	0	0	56.596
Other borrowings	0	0	0	0	0	0
<b>Total liabilities from financing activities</b>	<b>177.777</b>	<b>56.720</b>	<b>3.409</b>	<b>2.729</b>	<b>168</b>	<b>235.346</b>

### 5.13. Other financial liabilities

The other financial liabilities as presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2017	31/12/2016
Finance lease liabilities	12.431	12.431
Deferred consideration business combination	19.250	0
Other loans	4.453	5.000
Derivative instruments	951	920
<b>Total other financial liabilities</b>	<b>37.085</b>	<b>18.352</b>
of which:		
Non-current	17.208	18.328
Current	19.877	23

The deferred consideration related to business combination relates to the acquisition of Mirus in 2017, see also note 4.1.

The other loans for an amount of € 4.453 thousands with a maturity of 5 years and carries an embedded derivative relating to the return on the loan, which is separated and measured at fair value through profit or loss (see note 5.15). The main conditions of this loan are as follows:

- The return payable to the debtor depends on the realised EBITDA of the Company in the financial year prior to loan repayment. Payment of the return is done only if the EBITDA exceeds € 5.000 thousands in the previous financial year. The return is equal to the realised EBITDA less € 5.000 thousands, multiplied by 1,4. The maximum return will be no more than € 7.000 thousands.
- The loan has a maturity of 5 years until 31 May 2020, and must be repaid at maturity. The shareholder can as from 1 June 2018 (up to no more than 3 months after the annual financial statements of the Company are made available for the previous financial year) as well as from 1 June 2019 (up to no more than 3 months after the annual financial statements of the Company are made available for the previous financial year) ask for repayment of up to 50% of the loan (and the pro rata return).
- In certain exceptional circumstances, the debtor can choose to convert its loan (principal plus return) to shares in the Company, which will apply (i) if the Company realises a negative EBITDA in the second year (2016/2017) or in a subsequent year; (ii) if the management of the Company does not fulfil its task in a way that can reasonably be expected from it; or (iii) if there is failure to comply with the information obligation contained in the agreement (after notice of default and a recovery period). The conversion into shares would occur in such a way that the share interest of the debtor in the Company resulting from the conversion, will by 33,3% of the total interest in the Company.

For more details regarding the derivative instruments, we refer to note 5.16.

The finance lease commitments, which includes the bargain purchase option, relating to the building in Mechelen are disclosed in the following table:

(in thousands of Euros)	31/12/2017	31/12/2016
Not later than 1 year	894	428
Later than 1 year and not later than 5 years	4.472	3.578
Later than 5 years	9.368	10.934
Less: future finance charges	(2.304)	(2.508)
<b>Present value of minimum lease payments</b>	<b>12.431</b>	<b>12.431</b>

(in thousands of Euros)	31/12/2017	31/12/2016
Not later than 1 year	627	155
Later than 1 year and not later than 5 years	3.349	2.606
Later than 5 years	8.456	9.670
<b>Present value of minimum lease payments</b>	<b>12.431</b>	<b>12.431</b>

For additional information on liquidity risk, see note 7.2.3.

#### 5.14. Trade and other payables

The trade and other payables can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Trade payables	77.486	50.548
Payables relating to fixed assets	240	1.020
Other payables relating to employees	8.359	5.538
Tax payables, other than income tax	5.737	12.389
Customer loyalty liabilities	565	3.121
Payables to related parties	1.803	
Other	2.090	2.624
<b>Total trade and other payables</b>	<b>96.287</b>	<b>75.241</b>
of which:		
<b>Current</b>	<b>96.287</b>	<b>75.241</b>

The customer loyalty liabilities relate to the estimate of awards granted to customers.

The increase in trade payables are mainly a result of favourable credit terms obtained from suppliers.

#### 5.15. Other current liabilities

The other current liabilities consist of the following components:

(in thousands of euros)	31/12/2017	31/12/2016
Accrued expenses and deferred income	6.901	6.740
<b>Total other liabilities</b>	<b>6.901</b>	<b>6.740</b>

## 5.16. Derivative instruments

The derivative instruments recognised in the consolidated statement of financial position under "Other financial assets" and "Other financial liabilities" can be detailed as follows:

(in thousands of euros)	Fair value		Notional amounts	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
Floors	0	14	0	31.813
<b>Total other financial assets</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>31.813</b>
of which:				
Non-current	0	0	0	0
Current	0	14	0	31.813

(in thousands of euros)	Fair value		Notional amounts	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
Embedded derivative - Coltaparte	775	475	5.000	5.000
Interest rate swap	176	445	26.328	56.958
<b>Total other financial liabilities</b>	<b>951</b>	<b>920</b>	<b>31.328</b>	<b>61.958</b>
of which:				
Non-current	0	897	0	26.328
Current	951	23	31.328	35.630

The embedded derivative relates to the shareholder's loan disclosed in note 5.13.

These derivative instruments are used to hedge the interest rate risk of the borrowings presented in note 5.13. As these instruments do not exactly meet the conditions for hedge accounting in accordance with IAS 39 – Financial Instruments: Recognition and Measurement, they are classified as instruments held for trading measured at fair value through profit or loss.

## 6. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 6.1. Revenue

Revenue increased from € 242.298 thousands at year-end 2016 to € 482.402 thousands at year-end 2017 as a result of the continued integration of all the business acquired in 2016. Furthermore, revenue includes an amount of € 10 million for other services rendered in 2017.

### 6.2. Employee benefit expense

Employee benefit expense can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Short-term benefits	88.514	46.220
Defined contribution plans	2.347	1.482
<b>Total employee benefit expense</b>	<b>90.861</b>	<b>47.702</b>

The majority of the employees of the Group are covered by defined contribution pension plans. The contributions are calculated based on the annual salary or, the annual salary up to a ceiling and the annual salary in excess of this ceiling.

The defined contribution plans in Belgium are legally subject to minimum guaranteed returns. As such, these plans meet the conditions for classification as defined benefit plan in accordance with IAS 19 – Employee Benefits (see note 5.11).

The number of full-time equivalents is detailed below:

	31/12/2017	31/12/2016
The Netherlands	1.189	883
Belgium	1.082	1.125
Other	72	61
<b>Total FTE</b>	<b>2.343</b>	<b>2.069</b>

### 6.3. Other operating expenses

Other operating expenses can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Rental expenses	44.541	30.365
Expenses related to sales	32.191	13.550
Marketing expenses	13.309	8.888
Logistics	12.254	6.598
Maintenance expenses	1.842	6.004
IT expenses	4.227	2.264
Office expenses	4.200	778
Consultancy and advisory fees	4.973	1.852
Housing expenses	8.622	0
Other expenses	4.674	1.320
<b>Total other operating expenses</b>	<b>130.832</b>	<b>71.618</b>

Rental expenses mainly relate to rent of buildings in which the individual stores are located. We refer to note 8.4.1 for more information the operating lease commitments.

The expenses relating to sales refers to fixed and variable fees in the context of shop-in-shop systems. The Group enters into strategic alliances which enables the Group to optimize its position in all the markets in which it operates.

### 6.4. Amortisation and depreciation expenses

(in thousands of euros)	31/12/2017	31/12/2016
Amortisation of intangible assets	2.464	1.575
Depreciation of property, plant and equipment	16.312	7.893
<b>Total amortisation and depreciation expenses</b>	<b>18.777</b>	<b>9.468</b>

### 6.5. Non-recurring items

Non-recurring items can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Listing expenses	0	(5.388)
Revalued inventories sold	0	(3.364)
Loss on disposal of business	(4.407)	0
Loss on disposal of fixed assets	(2.712)	0
Gain on a bargain purchase	0	1.377
Impairment losses	0	(473)
Other	(397)	160
<b>Total non-recurring items</b>	<b>(7.516)</b>	<b>(7.688)</b>



In 2017, the loss on disposal of business relate to the disposal of the subsidiary Rainbow Garment, see note 4.3 for more information.

In 2016, the main item of the non-recurring items related to the listing expenses of the reverse listing transaction. On 5 January 2016, the Company has listed its shares on Euronext Amsterdam through the reverse listing of Dico International. The revalued inventories sold relate to the revaluation at fair value of inventories in the context of the acquisition of FNG. These inventories were sold by year-end 2016. The gain on a bargain purchase relates to the acquisition of BrantNew, see also note 4.

#### 6.6. Financial result

(in thousands of euros)	31/12/2017	31/12/2016
Interest income	2.452	126
Change in fair value of contingent consideration	0	406
Fair value changes related to derivative instruments	0	382
Other financial income	96	264
<b>Total financial income</b>	<b>2.548</b>	<b>1.179</b>
(in thousands of euros)	31/12/2017	31/12/2016
Interest expenses on bonds	(3.021)	(3.541)
Interest expenses on bank debts	(5.996)	(3.783)
Interest expenses on finance lease liabilities	(450)	(136)
Fair value changes related to derivative instruments	(126)	0
Other financial expenses	(3.623)	(38)
<b>Total financial expenses</b>	<b>(13.216)</b>	<b>(7.498)</b>
<b>Financial result</b>	<b>(10.688)</b>	<b>(6,320)</b>

#### 6.7. Income taxes

Income tax recognised in the statement of comprehensive income can be detailed as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Current taxes in respect of the current year	(1.063)	(80)
Current taxes in respect of prior years	423	11
Deferred taxes	181	498
<b>Total income taxes</b>	<b>(459)</b>	<b>429</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(in thousands of euros)	31/12/2017	31/12/2016
Profit/(Loss) before taxes	7.772	(2.634)
Income tax expense calculated at 25%	(1.943)	658
Adjustments recognised in the current year in relation to the current tax of prior years	423	11
Effect of expenses that are not deductible	(273)	(1.955)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(4.708)	1.759
Effect of different tax rates in foreign jurisdictions	4.604	(185)
Effect of change in tax rates on deferred tax balances	1.238	0
Other	200	141
<b>Total income taxes</b>	<b>(459)</b>	<b>429</b>

On 22 December 2017, the Belgian Parliament has approved the Belgian tax reform bill. As such, the Belgian tax reform has been substantively enacted for IFRS (IAS 12) on 22 December 2017. Consequently, the deferred tax impact of the Belgian tax reform, which reduces the corporate income tax rate from 33,99% in 2017 to 29,58% in 2019 and 25% in 2020, must be recognised in the consolidated financial statements for the year ended 31 December 2017 for

IFRS reporters.

## 6.8. Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(in thousands of Euros)	31/12/2017	31/12/2016
<b>Net profit attributable to ordinary shares - Basic earnings per share</b>	7.313	(2.205)
Effect of dilutive instruments	0	0
<b>Net profit attributable to ordinary shares - Diluted earnings per share</b>	7.313	(2.205)
<b>Weighted average number of ordinary shares outstanding during the year - Basic earnings per share</b>	8.073.214	2.601.038
Effect of dilutive instruments	4.978	0
<b>Weighted average number of ordinary shares outstanding during the year - Dilutive earnings per share</b>	8.078.192	2.601.038
Earnings per share (in Euros):		
Basic earnings per share	0,91	(0,84)
Diluted earnings per share	0,91	(0,84)

The weighed average number of ordinary shares have been restated for 2016 due to a consistent computaion of the weighted average number of shares implemented in 2017.

At closing 2017, the Company issued 5 warrants in the context of the share issue effected in December 2017 (see note 5.9). This can result in 151.429 additional shares. At closing 2016, the Company had no dilutive instruments.

## 7. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

### 7.1. Overview of financial instruments and fair values

#### 7.1.1. Categories of financial instruments

The following table provides the category in which financial assets and financial liabilities are classified in accordance with IAS 39 – Financial Instruments: Recognition and Measurement.

(in thousands of euros)	IAS 39 Category	31/12/2017	31/12/2016
Trade receivables	Loans and receivables	64.290	21.682
Other financial assets			
Deferred consideration - Sale of business	Loans and receivables	9.035	0
Derivative instruments	Held for trading	0	14
Cash and cash equivalents	Loans and receivables	90.470	66.907
<b>Total financial assets</b>		<b>163.795</b>	<b>88.603</b>
Non-current borrowings			
Bonds	At amortised cost	93.305	68.137
Bank debts	At amortised cost	75.308	64.135
Other borrowings	At amortised cost	10.138	10.142
Current borrowings			
Bank debts	At amortised cost	56.596	29.501
Other borrowings	At amortised cost	0	5.862
Trade and other payables			
Trade payables	At amortised cost	77.486	50.548
Payables relating to fixed assets	At amortised cost	240	1.020

(in thousands of euros)	IAS 39 Category	31/12/2017	31/12/2016
Other financial liabilities			
Finance lease liabilities	At amortised cost	12.431	12.431
Deferred consideration business combination	At fair value	19.250	0
Other loans	At amortised cost	4.453	5.000
Derivative instruments	Held for trading	951	920
<b>Total financial liabilities</b>		<b>350.158</b>	<b>247.697</b>

#### 7.1.2. Fair value of financial instruments

The only financial instruments carried at fair value in the statement of financial position are the derivative instruments, measured at fair value through profit or loss (see note 5.16) and the deferred consideration upon acquisition of Mirus (see note 4).

The derivative instruments recognised as financial liabilities in the statement of financial position consist of interest rate swaps and an embedded derivative instrument relating to the Coltaparte loan (as mentioned in note 5.16).

The fair value hierarchy of the interest rate swaps is categorised as level 2 and is computed using a discounted cash flow analysis. Future cash flows are estimated based on forward rates and yield curves derived from quoted rates matching the characteristics of the contracts (quoted forward exchange rates and/or quoted interest rates), discounted at a rate that reflects the credit risk of the counterparties, which meet the criteria for classifications as level 2 inputs (directly or indirectly observable inputs).

The fair value hierarchy of the embedded derivative instrument is level 3 as the main inputs used in the valuation are not observable. A 1% increase/decrease in the probability-adjusted revenues and profits while holding all other variables constant would increase/decrease the carrying amount of the derivative liability by € 75 thousands. The fair value of the deferred consideration upon acquisition of Mirus is considered to approximate its nominal amount as the consideration is payable within the next twelve months.

Except as detailed in the following table, the Company considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

31/12/2017			
(in thousands of euros)	Carrying amount	Fair value	Fair value level
Non-current financial liabilities			
Bonds	93.305	95.959	level 2
Bank debts	75.308	75.308	level 2
Other borrowings	10.138	10.138	level 2
Finance lease liabilities	11.804	11.597	level 2
Other loans	4.453	4.453	level 2
Current financial liabilities			
Bank debts	56.596	56.596	level 2
Finance lease liabilities	627	627	level 2
<b>Total</b>	<b>252.231</b>	<b>254.678</b>	

31/12/16			
(in thousands of euros)	Carrying amount	Fair value	Fair value level
Non-current financial liabilities			
Bonds	68.137	77.338	level 2
Bank debts	64.135	64.135	level 2
Other borrowings	10.142	10.142	level 2
Finance lease liabilities	12.431	11.648	level 2
Other loans	5.000	5.000	level 2
Current financial liabilities			
Bonds	0	0	level 2
Bank debts	29.501	29.501	level 2
Finance lease liabilities	0	0	level 2
<b>Total</b>	<b>189.346</b>	<b>197.764</b>	

The fair values of the financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements:

(in thousands of euros)

<b>Balance at 1 January 2017</b>	<b>475</b>
Change in fair value	300
<b>Balance at 31 December 2017</b>	<b>775</b>

## 7.2. Financial risk management

### 7.2.1. Market risk

#### 7.2.1.1. Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts and floor contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table presents a breakdown of the financial liabilities based on the nature of the interest rate:

(in thousands of euros)	31/12/2017	31/12/2016
Fixed rate	135.123	101.572
Floating rate	131.904	93.636
<b>Total financial liabilities</b>	<b>267.028</b>	<b>195.208</b>

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit and equity for the year ended 31 December 2017 would decrease/increase by € 409 thousands (2016: € 354 thousands). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

#### 7.2.1.2. Foreign exchange risk

At December 31, 2017, if the EUR had weakened 1% against the USD with all other variables held constant, the impact on the consolidated statement of comprehensive income would not be significant.

### 7.2.2. Credit risk

Credit risk is the risk that one party to an agreement will cause a financial loss to another party by failing to discharge its obligation. Credit risk covers trade receivables, cash and cash equivalents, short-term deposits and derivative instruments.

The Group believes that the credit risk relating to retail is limited because sales in the stores are immediately settled in cash. Credit risk is limited to wholesale operations from which the majority of the accounts receivable is insured (with a credit insurer). Furthermore, the Group is not exposed to any material credit risk with regard to any individual customer or counterparty, as no single customer claims a dominant part of total revenue. As such, no impairment is recognised for these receivables.

Cash and cash equivalent and short-term deposits are invested with highly reputable banks and financial institutions.

The maximum credit risk to which the Group is theoretically exposed as at the balance sheet date is the carrying amount of the financial assets.

For an analysis of the ageing of the receivables, we refer to note 5.5. Based on the ongoing credit evaluation performed, no financial assets were subject to impairment.

### 7.2.3. Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group's main sources of cash inflows are currently obtained through capital increases and external financing through bond issues and bank debts.

The following table details the Group's remaining contractual maturity of its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

#### 31/12/2017

(in thousands of euros)	Bonds	Bank debts	Finance lease liabilities	Other borrowings	Total
Within one year	5.453	51.096	894	0	57.444
>1 and <5 years	66.402	15.101	3.578	15.138	96.112
>5 and <10 years	46.435	60.433	3.578	0	111.339
>10 and <15 years	0	0	6.685	0	4.896
>15 years	0	0	0	0	0

#### 31/12/2016

(in thousands of euros)	Bonds	Bank debts	Finance lease liabilities	Other borrowings & other loans	Total
Within one year	4.078	30.300	428	2.661	37.467
>1 and <5 years	64.980	68.688	3.578	18.343	155.589
>5 and <10 years	20.550	0	4.472	0	25.022
>10 and <15 years	0	0	6.462	0	6.462
>15 years	0	0	0	0	0

The Group has access to financing facilities as described in note 5.12. Furthermore, the Group has access to undrawn facilities for a total amount € 21.169 thousands for working capital financing.

All liabilities mentioned in the tables above are secured liabilities.

The bonds and the bank debts are subject to covenants, mainly relating to financial ratios such as net senior debt to EBITDA, leverage ratio, interest cover ratio and the level of equity. At closing 2017, there was no breach of covenants (where the testing of bankcovenants became irrelevant as the bank debt has been repaid on 28 february 2018)

## 8. OTHER DISCLOSURES

### 8.1. Consolidation scope

The companies included in the consolidation scope at the end of the reporting period are presented in the following table based on the operating segments to which they relate:

Name	Country	% equity interest	
		31/12/2017	31/12/2016
<b>FNG Roots</b>			
FNG N.V.	Belgium	100%	100%
FNG Holding N.V.	Belgium	100%	0%
FNG Finance Belgium BVBA	Belgium	100%	100%
FNG Beheer NL BVBA	Belgium	100%	100%
FNG Beheer BE B.V.	Netherlands	100%	100%

Name	Country	% equity interest	
		31/12/2017	31/12/2016
FNG International Holding NV	Belgium	100%	100%
FNG Benelux Holding NV	Belgium	100%	100%
FNG Group NV	Belgium	100%	100%
NS Development NV	Belgium	100%	100%
FNG Finance B.V.	Netherlands	100%	100%
Rainbow Garment Ltd	Hong Kong	0%	100%
Fashion IP B.V.	Netherlands	100%	100%
FNG International NV	Belgium	100%	100%
Van Hassels BVBA	Belgium	100%	100%
Fred & Ginger Retail Belgium NV	Belgium	100%	100%
Claudia Sträter Belgium BVBA	Belgium	100%	100%
CKS Retail Belgium NV	Belgium	100%	100%
CKS Brand Stores BVBA	Belgium	100%	0%
CKS SIS BVBA	Belgium	100%	0%
CKS TZ BVBA	Belgium	100%	0%
M.A.D. Collections NV	Belgium	100%	100%
Expresso Belgium BVBA	Belgium	100%	100%
Steps Retail Belgium BVBA	Belgium	100%	100%
FNG Spain SL	Spain	100%	100%
2BUY CS B.V.	Netherlands	100%	100%
CS Modehuizen B.V.	Netherlands	100%	100%
CKS Retail NL B.V.	Netherlands	100%	100%
CS Luxembourg S.A.	Luxembourg	100%	100%
FNG Group Nederland NV	Belgium	100%	100%
Steps Nederland B.V.	Netherlands	100%	100%
Steps Onroerend Goed B.V.	Netherlands	100%	100%
Steps Huur B.V.	Netherlands	100%	100%
Superstar B.V.	Netherlands	100%	100%
FNG Group Nederland B.V.	Netherlands	100%	100%
Expresso Fashion B.V.	Netherlands	100%	100%
New Fashions B.V.	Netherlands	100%	100%
Expresso Fashion Web B.V.	Netherlands	100%	100%
Fashion Buying Platform Holding BVBA	Belgium	100%	100%
Colveta AG	Switzerland	100%	100%
Colveta Ltd	Hong Kong	100%	100%
GBO Hong Kong Ltd	Hong Kong	100%	0%
<b>Miss Etam</b>			
Miss Etam Holding B.V. (previously R&S Finance B.V.)	Netherlands	100%	100%
Miss Etam Group B.V.	Netherlands	100%	100%
Miss Etam Services B.V.	Netherlands	100%	100%
Miss Etam Operations B.V.	Netherlands	100%	100%
ME&P Retail Rent B.V.	Netherlands	100%	100%
ME&P Retail IP B.V.	Netherlands	100%	100%
FNG Retail Services B.V.	Netherlands	100%	100%
<b>Brantano</b>			
Brantnew BVBA	Belgium	100%	100%
Brantano NV	Belgium	100%	100%
Mirus International NV	Belgium	100%	0%
Suitcase NV	Belgium	100%	0%
Concept Fashion Group NV	Belgium	100%	0%
Concept Fashion Store BVBA	Belgium	100%	0%
Concept Fashion Store XL BVBA	Belgium	100%	0%

## 8.2. Related party transactions

FNG N.V. is the parent of the Group ("the Company").

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below. The amounts payable to, and receivable from, related parties are based on market conditions.

The related parties presented below are identified as:

- The shareholders of the Company;
- Other related parties, i.e. companies (jointly) controlled by the parent or a member of key management; and
- Key management personnel.

### 8.2.1. Trading transactions

The following transactions occurred during the reporting periods:

(in thousands of euros)	Purchase of services	
	31/12/17	31/12/16
Shareholders	568	256
Other related parties	821	558
<b>Total</b>	<b>1.388</b>	<b>814</b>

These services mainly relate to consulting services and rental payments.

The following balances with related parties were outstanding at the end of the reporting period:

(in thousands of euros)	Amounts owed by related parties		Amounts owed to related parties	
	31/12/17	31/12/16	31/12/17	31/12/16
Shareholders	579	1.779	1.905	324
Other related parties	0	100	17	0
<b>Total</b>	<b>579</b>	<b>1.879</b>	<b>1.922</b>	<b>324</b>

The amounts owed to shareholders in 2017 consist of current accounts with FIPH, shareholder of the Group. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

### 8.2.2. Other transactions

Next to the above mentioned transactions, the acquisition of BrantNew (see note 4.2) in 2016 should be considered as a related party transaction as BrantNew was a company controlled by FIPH B.V., shareholder of the Company through Rens van de Schoor. Furthermore, the acquisition of Steps/Superstar (see note 4.2) should also be considered as a related party transactions as Steps/Superstar were entities controlled by Steps Holding B.V. and Superstar Holding B.V., both companies controlled by Rens van de Schoor through NLB Fashion (in 2017 renamed to FNG Retail Services B.V.).

Rens van de Schoor (FIPH B.V.) and the founders of FNG Group NV (Anja Maes, Manu Bracke and Dieter Penninckx) agreed to combine their shareholdings in a separate structure. In addition, they negotiated a transfer of the priority share on December 9, 2016 for € 500 thousands.

Next to the above, the Group grants short-term loans (maximum term of 5 months) to FIPH with a maximum facility of € 19,000 thousands.

### 8.2.3. Loans from and to related parties

(in thousands of euros)	Loans to related parties		Loans from related parties	
	31/12/17	31/12/16	31/12/17	31/12/16
Shareholders	0	0	12.431	12.431
Other related parties	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>12.431</b>	<b>12.431</b>

The shareholder's loan in 2017 and 2016 for an amount of € 12.431 thousands relates to the finance lease of the building in Mechelen. We refer to note 5.13 for more detailed information on the finance lease liability.

#### 8.2.4. Compensation of key management personnel

Key management personnel of the Group includes all members of the Board of Directors of the Company, as well as the executive management.

The members of the executive management are responsible for the management, the organisation and the control of their respective department, within the limits of the budget and the strategy approved by the board of directors. The executive management is also in charge of the preparation of the strategic planning. The executive management is entrusted with the management of the Company and the execution of the board of directors' decisions. The executive management is composed of 2 members and includes the chief executive officer (CEO) for full year and the chief financial officer (CFO) until 31 July 2017.

The table below presents the compensation of all members of key management personnel by type of compensation:

(in thousands of euros)	31/12/17	31/12/16
Short-term benefits	573	435
Post-employment benefits	0	0
<b>Total</b>	<b>573</b>	<b>435</b>

#### 8.3. Contingent assets and liabilities

At 31 December 2017 and 2016, there were no material contingent assets or liabilities. Total exposure does not exceed € 500 thousands.

#### 8.4. Commitments

##### 8.4.1. Operating lease commitments

Operating leases relate to leases of stores (average lease term of 6 years), company cars (average lease term of 4 years) and IT equipment. The Group does not have an option to purchase the leased assets at the expiry of the lease periods. For the period ended 31 December 2017, minimum lease payments for a total amount of € 44.541 thousands have been recognised in the statement of comprehensive income (2016: € 30.365 thousands). There were no significant contingent rentals, nor sub-lease payments received.

The following table presents the non-cancellable operating lease commitments:

(in thousands of Euros)	31/12/2017	31/12/2016
Not later than 1 year	56.874	27.374
Later than 1 year and not later than 5 years	101.689	92.341
Later than 5 years	23.525	12.208
<b>Total</b>	<b>182.088</b>	<b>131.923</b>

##### 8.4.2. Facilities and guarantees

The Group has access to facilities for bank guarantees and financing of working capital with a maximum of € 21.169 thousands. As per reporting date, bank guarantees relating to the lease of real estate (mainly stores) had been issued at the request of the Group for a total amount of € 8.937 thousands.

Furthermore, in the context of the borrowings, following elements are pledged for a total amount of € 140.813 thousands:

- Shares in subsidiaries;
- Inventories,
- Receivables,
- Property, plant and equipment,
- IP rights,
- Bank deposits.



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#### 8.4.3. Other commitments

There were no other commitments at year-end 2017, nor 2016.

#### 8.5. Events after the reporting period

On March 6, the Group announced the refinancing of its bank debts on 28 February through its subsidiary FNG Holding NV. The total commitments of the new club deal amount to a maximum of € 240.000 thousands. As such, the different outstanding bank debts will be replaced and aggregated into one global credit facility, which would allow the Group to centralise all its financing.

Furthermore, the Group announced that it will anticipatively reimburse part of the bonds for an amount of € 25.000 thousands, which were issued in 2014 and would have matured in 2021. The reimbursement is finalised by April 15, 2018.

On March 14, 2018 the Group announced that it explores the possibility to relocate its headquarters and domicile to Mechelen, Belgium. In this context, the Group considers a second listing of its shares on Euronext Brussels.

## FNG N.V. COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2017

### BALANCE SHEET

ASSETS (in thousands of euros)	Note	31/12/17	31/12/16
<b>Non-current assets</b>		<b>201.796</b>	<b>197.350</b>
Investments in participating interests	3.1.	176.788	172.341
Intercompany loans	3.2.	25.000	25.000
Deferred tax assets		8	9
<b>Current assets</b>		<b>75.188</b>	<b>39.849</b>
Intercompany receivables	3.2.	75.146	39.670
Other current assets		30	125
Cash and cash equivalents		13	54
<b>TOTAL ASSETS</b>		<b>276.985</b>	<b>237.199</b>
<b>EQUITY AND LIABILITIES</b> (in thousands of euros)			
<b>Equity attributable to owners of the parent</b>		<b>273.218</b>	<b>236.101</b>
Share capital	3.3.1.	718	643
Share premium		265.356	235.627
Other reserves		(4.410)	(4.410)
Retained earnings		11.554	4.241
<b>TOTAL EQUITY</b>	3.3.	<b>273.218</b>	<b>236.101</b>
<b>Current liabilities</b>		<b>3.767</b>	<b>1.098</b>
Intercompany payables	3.2.	1.610	773
Trade and other payables		1.202	300
Current tax payable		955	0
Other current liabilities		0	25
<b>Total liabilities</b>		<b>3.767</b>	<b>1.098</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>276.985</b>	<b>237.199</b>

### PROFIT AND LOSS ACCOUNT

(in thousands of euros)	2017	2016
Management fee	0	(25)
Recharged expenses	0	0
Other operating expenses	(837)	(10)
<b>Total expenses</b>	<b>(837)</b>	<b>(35)</b>
Financial income	4.662	0
Financial expenses	(3)	0
<b>Net finance expense</b>	<b>4.659</b>	<b>0</b>
Share of profit of participating interests, after income tax	4.447	4.321
<b>Profit before taxes</b>	<b>8.268</b>	<b>4.286</b>
Income taxes	(955)	9
<b>PROFIT FOR THE PERIOD</b>	<b>7.313</b>	<b>4.295</b>

## NOTES TO THE COMPANY FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

The financial information of FNG N.V. (KvK 16014685) are included in the consolidated financial statements of FNG N.V.

### 2. GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

#### 2.1. Basis of preparation

The statutory financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Dutch Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Dutch Civil Code to prepare the statutory financial statements, using the same accounting policies as in the consolidated financial statements. Valuation is based on recognition and measurement requirements of accounting standards as endorsed adopted by the European Union (i.e. only IFRS as adopted for use by the EU at the date of authorisation for issue of the financial statements) as explained further in the notes to the consolidated financial statements.

#### 2.2. Significant accounting policies

##### 2.2.1. Financial fixed assets

Participating interests (subsidiaries, joint ventures and associates) are measured on the basis of the equity method.

##### 2.2.2. Shareholders' equity

The translation reserve and other legal reserves were previously formed under, and are still recognised in accordance with, the Dutch Civil Code.

##### 2.2.3. Profit of participating interests

The share of profit of participating interests consists of the share of the Company in the results of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests, themselves, are not recognised.

### 3. NOTES TO THE SPECIFIC ITEMS OF THE BALANCE SHEET

#### 3.1. Investments in participating interests

A summary of the movements in the investments in participating interests is given below:

(in thousands of euros)

<b>Balance at 31 December 2015</b>	<b>0</b>
Profit participating interest	4.321
Investments	176.022
Disinvestments	(8.002)
<b>Balance at 31 December 2016</b>	<b>172.341</b>
Profit participating interest	4.447
<b>Balance at 31 December 2017</b>	<b>176.788</b>

Reference is made to note 8.1 of the consolidated financial statements for an overview of the investments in participating interests.

The investments in 2016 related mainly to the acquisitions of FNG Group N.V. (€ 171.949 thousands), BrantNew (€ 7.020 thousands) and R&S Finance B.V., currently named Miss Etam Holding B.V. (€ -2.972 thousands).

The disinvestments in 2016 related mainly to the contribution in kind of FNG Group in R&S Benelux (€ 175.845 thousands), the contribution of Brantano in R&S Benelux (€ 8.002 thousands) and the contribution of R&S Finance (renamed to Miss Etam Holding B.V.) in R&S Benelux (€ -3.150 thousands).

### 3.2. Intercompany receivables and payables

The intercompany receivables and payables recognised under current assets and liabilities mainly concern current account positions with group companies for which no further agreements have been made about the term to maturity or repayment.

In October 2016 FNG N.V. entered into a € 25.000 thousands loan with Brantnew BVBA. The loan has to be repaid in full by the group company at 12 January 2021. The interest rate per year is 9%. This loan was transferred by Brantnew BVBA to FNG Benelux Holding N.V., but the conditions remain the same.

Interest expense for a total amount of € 4,662 thousands was recognized in the profit and loss account in respect of this loan.

### 3.3. Shareholders' equity

Movements in the shareholders' equity are shown in the following table.

	Attributable to owners of the parent				TOTAL EQUITY
	Share capital	Share premium	Other reserves	Retained earnings	
(in thousands of euros)					
<b>Balance at 31 December 2015</b>	<b>269</b>	<b>3.004</b>	<b>(3.264)</b>	<b>(54)</b>	<b>(45)</b>
Total comprehensive income of the period	0	0	0	4.295	4.295
Reverse listing 05-01-2016	800	(3.772)	0	0	(2.972)
Issue of share capital	10.279	225.691	0	0	235.969
Transaction costs for equity issue	0	0	(1.146)	0	(1.146)
Reverse share split	(10.705)	10.705	0	0	0
<b>Balance at 31 December 2016</b>	<b>643</b>	<b>235.627</b>	<b>(4.410)</b>	<b>4.241</b>	<b>236.101</b>
Total comprehensive income of the period	0	0	0	7.313	7.313
Issue of share capital	75	29.925	0	0	30.000
Transaction costs for equity issue	0	(196)	0	0	(196)
Reverse share split	0	0	0	0	0
<b>Balance at 31 December 2017</b>	<b>718</b>	<b>265.356</b>	<b>(4.410)</b>	<b>11.554</b>	<b>273.218</b>

The reverse listing transaction on 5 January 2016 relates to the acquisition of R&S Finance (a Euronext Amsterdam listed company) by FNG N.V. (previously R&S Retail Group and before that Dico International N.V.). However, the acquisition is actually a reverse acquisition from an economical point of view and accounted for as such.

For the purpose of the Company's financial statements, the comparative statements presented in these financial statements per 31 December 2015. are those of Dico International, the legal acquirer.

The shareholder's equity of the Company reconciles to the consolidated equity as follows:  
(in thousands of euros)

<b>Statutory equity at 31 December 2016</b>	<b>236.101</b>
Purchase price adjustments relating to acquisition of FNG (2016)	(2.489)
Gain on a bargain purchase relating to the acquisition of BrantNew (2016)	1.377
<b>Consolidated equity at 31 December 2016</b>	<b>234.988</b>

<b>Statutory equity at 31 December 2017</b>	<b>273.218</b>
Purchase price adjustments relating to acquisition of FNG (2016)	(2.489)
Gain on a bargain purchase relating to the acquisition of BrantNew (2016)	1.377
Transaction costs for equity issue underlying companies	(10)
<b>Consolidated equity at 31 December 2017</b>	<b>272.096</b>

The statutory comprehensive income for the period of the Company reconciles with the consolidated comprehensive income as presented in the consolidated financial statements.

#### 3.3.1. Share capital

The Company's authorised share capital amounts to € 718 thousands and is divided into 8.979.892 shares, each with a nominal value of € 0,08. The number of outstanding and fully paid shares at the end of the financial year amounted to 8.979.892 shares (2016: 8.042.392 shares). For a further explanation of the share capital, we refer to note 5.9 of the consolidated financial statements.

### 3.4. Appropriation of profits

#### For the financial year 2017

The results for 2017 will be added to the retained earnings, with due regard to the necessary movements in the statutory reserves.

#### For the financial year 2016

The profit over 2016 has been added to the retained earnings, with due regard to the necessary movements in the statutory reserves.

### 3.5. Contingencies and liabilities not included in the balance sheet

Contingencies and liabilities not included in the balance sheet are not applicable on the level of FNG N.V. For the consolidated contingencies and liabilities not included in the balance sheet, reference is made to note 8.3 of the consolidated financial statements.

### 3.6. Employee information

FNG N.V. did not employ any employees in 2016 and 2017.

#### 3.6.1. Key management remuneration

#### Board of directors

The remuneration of the members of the Board of Directors consists of a fixed compensation.

(in thousands of euros)	Short-term benefit	
	31/12/2017	31/12/2016
D. Penninckx	225	225
L.H. van de Schoor	123	210
<b>Total</b>	<b>348</b>	<b>435</b>

#### Supervisory Board

The individual members of the Supervisory Board received the following remuneration:

(in thousands of euros)	31/12/2017	31/12/2016
G. van Ossel	8	0
E. Verbaere	16	20
E. Lathouwers	0	0
<b>Total</b>	<b>24</b>	<b>20</b>

It is E. Lathouwers explicit demand, not to have a remuneration for his work in the Supervisory Board.

### 3.7. Risk management with regard to financial instruments

With respect to risk management pertaining to financial instruments reference is made to the explanation given in the consolidated financial statements.

### 3.8. Auditor fees paid to the auditors

The audit fees charged by Mazars Paardekooper Hoffman Accountants N.V. in the financial year under review are shown in the following table.

	Mazars Paardekooper Hoffman NV		Other Mazars member firms		Total	
(in thousands of euros)	2017	2016	2017	2016	2017	2016
Audit	265	143	0	0	265	143
Other audit services	11	0	0	0	11	0
Tax services	0	0	0	0	0	0
Other non-audit services	0	0	0	0	0	0
<b>Total liabilities from financing activities</b>	<b>276</b>	<b>143</b>	<b>0</b>	<b>0</b>	<b>276</b>	<b>143</b>

The other audit-related activities concern the limited review procedures on the Bond Offering Memorandum during June 2017 relating to the special purpose financial information dated 31 December 2016.

### 3.9. Events after balance sheet date

For the significant events which occurred after the reporting date, we refer to note 8.5 of the consolidated financial statements.

### 3.10. Commitments

Effective 1 January 2017, FNG N.V. is the head of the fiscal unity for corporate income tax and VAT purposes with the following companies:

- Miss Etam Holding B.V. (excluded in the VAT fiscal unit)
- Miss Etam Group B.V.
- Miss Etam Services B.V.
- Miss Etam Operations B.V.
- ME&P Retail IP B.V.
- Miss Etam Retail Rent B.V. (excluded in the VAT fiscal unit)
- FNG Retail Services B.V.

Current taxes are settled and accounted for within the fiscal unity and settled via intercompany current account with the parent company.

The fiscal unity makes these companies jointly and severally liable for tax liabilities of the fiscal unity.

### 3.11. Group companies and participating interests

The consolidated financial statements include the financial data of FNG N.V. and of the group companies as listed in note 8.1 of the consolidated financial statements.

## OTHER INFORMATION

The statutory regulations concerning the appropriation of result are presented in Article 36 of the company's articles of association:

36.1. [...], the profit of the Company over the accounting year shall be used in the following order:

- 
- 
- a. Management determines which part of the profit shall be added to the reserves of the Company;
  - b. From the remaining profit, an amount equal to the nominal value of the priority share shall be added to the priority share;
  - c. [...], the remaining profit shall be made available to the General Meeting for distribution to the ordinary shares and the shares of class A.

36.2. Distribution of the profit shall occur, [...], after the notification of the financial statements presenting that the distribution is legitimate.



## INDEPENDENT AUDITOR'S REPORT

To the shareholders and supervisory board of  
FNG N.V.

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2017 INCLUDED IN THE ANNUAL REPORT

#### OUR OPINION

We have audited the financial statements 2017 of FNG N.V., based in Zoetermeer. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of FNG N.V. as at 31 December 2017, and of its result and its cash flows for 2017 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of FNG N.V. as at 31 December 2017, and of its result for 2017 in accordance with Part 5 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2017;
2. the following statements for 2017: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2017;
2. the company profit and loss account for 2017; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### BASES FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of FNG N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

Wettelijke naam: FNG Accountants – joint BV Rotterdam  
Tijl, van 2018 2: 21 page – [info@fng.nl](mailto:info@fng.nl)

Registered Professional Members Accountants N.V.  
Rijksweg 100, 2611 XZ Zoetermeer (071) 7500000







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

#### **MATERIALITY**

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 6.0 million. The materiality is based on 1.26 % of revenue. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of EUR 181,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

#### **SCOPE OF THE GROUP AUDIT**

FNG N.V. heads a group of companies. The financial information of these companies is included in the consolidated financial statements of FNG N.V.

Considering our ultimate responsibility for the group audit, we are responsible for the direction, supervision and performance of the group audit. In this context we have determined the nature and extent of the audit procedures for components of the group. Determining factors are the significance and/or risk-profile of the group entities or activities.

- we, as group auditors, have performed audit procedures at the group entities FNG N.V., Miss Etam Holding B.V. and holding companies including the relevant purchase price allocation of Mirus Group as well as the annual impairment assessment on the intangibles at FNG N.V. level;
- we used the work of other auditors of the entities FNG Group N.V., FNG Holding N.V., BrandNew BVBA and their subsidiaries in Belgium and the Netherlands, and the entity Fashion Buying Platform N.V. and its subsidiaries in Switzerland and Hong Kong. We have sent group instructions to the component auditors and have visited component teams to assess the audit work performed;
- we performed review procedures or specific audit procedures at other group entities.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.



#### OUR KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### ACQUISITION OF GROUP ENTITIES

Per 31 December 2017, FNG N.V. has acquired Minus Group, a Belgian based retail group consisting of the following subsidiaries: GBO, Concept fashion and Suitcase, which has been disclosed in Note 4.1.

The assessment of the acquisition is of great significance in our audit given the nature and size of the amounts including the date of acquiring the control over the entities. Management has prepared the purchase price allocation (PPA) per entity which involves subjective elements to determine the fair values of the underlying assets like the tradenames, supplier list, Weighted Average-Cost of Capital (WACC) amongst others. Subsequently, management has made a conversion between local statutory GAAP (BE GAAP) to the group accounting principles on IFRS.

We assessed the agreements underlying the acquisition to determine the date of acquiring the control taken into account all known facts and circumstances. For the PPA we assessed the reasonability of the assumptions used by management in which we have used, among other things, our internal valuation specialists. Our work includes instructing the component auditor to provide audit comfort on the opening balance (book value) per acquisition date including the IFRS conversion and we have reviewed the work performed. Furthermore, we evaluated if the acquisition has been properly reflected and disclosed in the financial statements in accordance with IFRS.

#### VALUATION OF INTANGIBLES ASSETS, INCLUDING GOODWILL

The amounts of goodwill and intangible assets with an indefinite life are subject to an annual impairment test under IFRS which is included in the disclosures about goodwill (Note 5.1) and intangible assets (Note 5.2).

The impairment tests were important for our audit as the related asset amounts are significant and the assessment process itself is complex and includes management judgement on the underlying assumptions.



We assessed the proper allocation of the intangibles to the cash generating units, made the comparison of the assumptions used last year with the actual results (so-called 'backtesting'), assessed the reasonability of the assumptions used by management and its volatility in the sensitivity analysis amongst others. Our audit procedures included, amongst others, using the work of our internal valuation specialists to assist us in verifying the assumptions and methodologies used by FNG N.V.

#### REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management board's report;
- the supervisory board report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

##### ENGAGEMENT

We were engaged by the Annual General Meeting of shareholders as auditor of FNG N.V. since the audit for the year 2010 and have operated as statutory auditor ever since that date.

##### NO PROHIBITED NON-AUDIT SERVICES

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.



## DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

### RESPONSIBILITIES OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The supervisory board is responsible for overseeing the company's financial reporting process.

### OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- concluding on the appropriateness of management's 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 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 conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

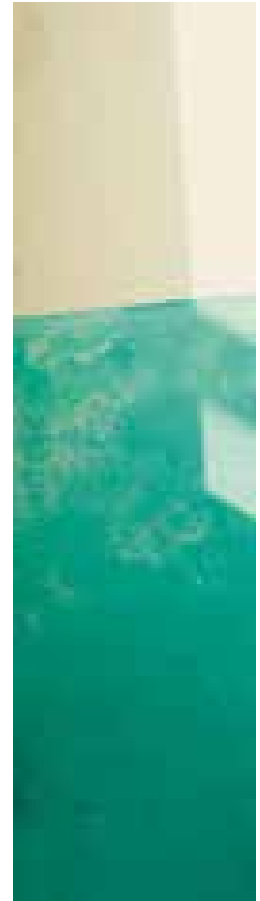
We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, 30 April 2018

**MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS N.V.**

Original has been signed by: O. Opotter RA



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**B. ANNUAL REPORT OF FNG N.V. FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016, INCLUDING THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF FNG N.V. AND THE AUDITOR'S REPORT**

**Warning:** Please note that the annual report of FNG N.V. for the financial year ended 31 December 2016 does not comply with the Alternative Performance Measures (APM) Guidelines of ESMA. More information in this respect can be found in Section VII. (Selected consolidated financial information) of the Prospectus.

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**FNG**



# ANNUAL REPORT 2016

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<b>4</b>	<b>MESSAGE FROM THE CEO &amp; FNG FOUNDERS</b>
<b>6</b>	<b>FAST FACTS</b>
<b>8</b>	<b>REPORT OF EXECUTIVE BOARD</b>
9	KEY FIGURES
10	MAJOR EVENTS 2016
13	GENERAL STRATEGY
17	MARKET DEVELOPMENTS
20	REVIEW OF BUSINESS
23	EMPLOYEES AND ORGANIZATION
24	CORPORATE SOCIAL RESPONSIBILITY
26	FUTURE OUTLOOK AND SUBSEQUENT EVENTS
29	RISKS AND RISK MANAGEMENT
32	GOVERNANCE AND RESPONSIBILITY STATEMENT
<b>34</b>	<b>SUPERVISORY BOARD REPORT</b>
<b>36</b>	<b>FINANCIAL STATEMENTS 2016</b>

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**Contact**

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**Publisher**

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[www.fng.eu](http://www.fng.eu)



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**ANNUAL  
REPORT  
2016**

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# MESSAGE FROM THE CEO & FNG FOUNDERS



2016 was a year with major achievements for FNG N.V. (“FNG”) in the Benelux fashion, apparel and shoe market. FNG acquired a strong brands portfolio with Miss Etam, FNG Group’s brands and Brantano.

FNG’s buy-and-build strategy focuses on realizing synergies and economies of scale through the integration and optimization of business processes and the innovation of brands and store concepts, clicks & bricks. A strategy that pays off.

#### **EMOTIONAL PRODUCTS, RATIONALLY MANAGED**

FNG wants to offer shrewd answers to the challenges that the fashion retail market brings each day. Key for every premium fashion retailer is to offer consumers the right product, at the right moment, in the right location. A sleek organization that realizes this, produces best-in-class results: higher sales volumes, better margins and stronger operating cash flows.

#### **MANAGING THE FULL VALUE CHAIN SUCCESSFULLY**

One dress passes through more than 200 pairs of hands before it reaches the wardrobe of the end consumer. This journey starts from a mood board to a design sheet, and passes through the model makers for patronage and sizing, via the purchasing team to the production sites throughout the world, and ultimately via a logistics network until it reaches the (web)shop. Ordered today, delivered tomorrow. A complex process.

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This is why FNG is a fully vertically integrated company. Development of premium brands requires room for creativity that forms an integral part of a tightly steered process. FNG has offices in Belgium and the Netherlands that rise to the challenge of being a well-oiled machine each and every day, and this at the service of the diverse shop formulas that it puts onto the market. Integrated sourcing and design leads to attractive margins, which is why FNG has such strong styling teams for each brand and a direct link with the production sites via purchasing offices in Turkey, India and Hong Kong.

#### **BRAND PORTFOLIO MANAGEMENT CREATES OPPORTUNITIES**

FNG consciously builds a brand portfolio of fashion and retail brands. FNG markets a complementary portfolio of brands such as Brantano, Miss Etam, Claudia Sträter, CKS, Fred & Ginger, Espresso, Steps, etc. FNG has more than 500 concept stores in the Benelux across these brands.

The fact that not every item can be top-selling is offset by rotation: FNG brings more than 10 collections per brand onto the market each year. Also not every store location is 'top' for every brand. FNG's answer: "Active portfolio management", where it is possible to quickly and flexibly switch between store formulas, so that talented people can remain employed and rental liabilities are optimally managed – that is the key to success.

#### **ACT OMNI-CHANNEL TO SERVE OUR CUSTOMERS BEST**

Consumer behaviour is changing faster than ever before. Consumers are embracing new technology ever faster, and are becoming better and better informed.

FNG's answer is an omni-channel focus. This is more than focus on e-commerce. The youngest generation of consumers doesn't even know the difference between online and offline shopping. Brands profit from the opportunities resulting from the increased number of contact moments with the consumer that purchases from you, whether it be online or offline. Every moment of contact is an opportunity for upselling.

"Nothing sells like service" - FNG does this by investing substantially in contemporary store concepts, and by coaching our sales people in our stores to become our ambassadors. This calls for continued attention for training, guidance and inspiration.

Finally, there is the macro-economic context of a Western European fashion, apparel and shoe market that is undergoing such a big wave of consolidation. FNG wants to play an important role as consolidator in the Benelux and to reap the benefits of rapid integration of the acquired brands/companies.

In the next few years, FNG aims to continue to play an important role as consolidator in the Benelux market with an important focus on achieving synergy between the acquired brands.

**Dieter Penninckx | CEO**

**Anja Maes | Creative Director**

**Manu Bracke | Operations Director**

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# FAST FACTS

**Company name:**

FNG N.V.

**Legal Form:**

public limited liability company

**Registered Office:**

Amsterdam

**Address:**

Oostweg 2, 2723 RH Zoetermeer, The Netherlands

**Trade Register Number:**

16014685 (Chamber of Commerce, Netherlands)

**Date of incorporation:**

29/12/1953

**Country of incorporation:**

The Netherlands

**Financial Year:**

January 1 – December 31

**Quotation Market:**

Euronext Amsterdam ("FNG")

**Authorized Share Capital:**

EUR 2,152,843.12

**Issued Share Capital:**

EUR 643,391.36

**Shares outstanding:**

8,042,392 shares (6,041,766 ordinary listed shares,  
2,000,625 unlisted class A shares and 1 priority share)

**Shares ISIN Code:**

NL0012047849 – Euronext Symbol: FNG

**FNG Management / Founders:**

D. Penninckx

A. Maes

E. Bracke

**Directors:**

D. Penninckx

L. H. van de Schoor

**Members of the Supervisory Board:**

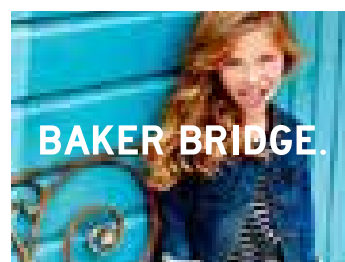
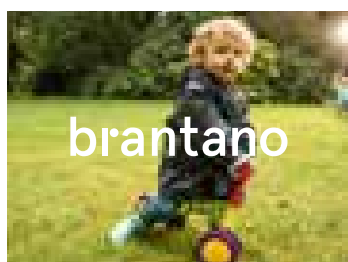
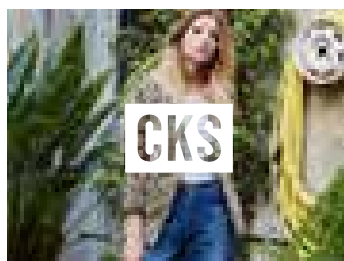
E. Verbaere

G. van Ossel

E. Lathouwers

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## FNG'S BRAND PORTFOLIO



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# **REPORT OF EXECUTIVE BOARD**

The performance in 2016 reflects the successful execution of the FNG-strategy, as well as the growth plans.

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## KEY FIGURES

**> 500**

own concept stores

**> 3,000**

employees

**≈ 460,000,000**

turnover

**> 10**

brands

**> 1,500**

multi-brand stores

**≈ 5,000,000**

Benelux customers

Pro forma figures (local GAAP) as if the different groups of FNG, i.e. Miss Etam Group, Brantano Group and the Original FNG Group, were part of FNG during the entirety of financial year 2016:

	2016 (EUR)
Revenue	459,833
Ebitda	37,620
Total assets as of year-end	560,442
Equity attributable to equity holders of the company	234,988
Number of shares as of year-end	8,042,392

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## MAJOR EVENTS 2016

### ACQUISITION OF THE MISS ETAM GROUP

On 5 January 2016, FNG N.V. (at the time named "N.V. Dico International") acquired all of the shares in the capital of R&S Finance B.V. through a so-called reverse listing transaction. On that same day, it changed its name to "R&S Retail Group N.V." In 2015, R&S Finance B.V. acquired the exploitation of the brands Miss Etam and Promiss, after the bankruptcy of the Etam Group. On 18 January 2017, R&S Retail Group N.V. changed its name to FNG N.V.

### ACQUISITION OF THE ORIGINAL FNG GROUP

On 24 March 2016, FNG N.V. (at the time named "R&S Retail Group N.V.") has announced its intention to launch a voluntary conditional public take-over bid on all shares and warrants issued by FNG Group NV. The Exchange Offer was settled on 9 September 2016. On 29 August 2016 FNG N.V. initiated the squeeze-out procedure. As a result of the Exchange Offer and subsequent squeeze-out, FNG Group NV became a 100% subsidiary of FNG N.V.

### ACQUISITION OF THE BRANTANO GROUP

On 14 September 2016, the Brantano Group became part of FNG. Brantano is one of Belgium's largest and most famous shoes retail chains under the brand name "Brantano".

### PRIVATE PLACEMENT

On November 24, 2016, FNG acquired new capital of EUR 32 million under a private placement of 1,000,000 unlisted Class A shares, bringing the total number of outstanding shares to 8,042,392.

**FNG** =

*Miss Etam*

+

**FNG**  
g r o u p

+

brantano





Ginger



CKS

ANNUAL REPORT FNG — 2016

12

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## GENERAL STRATEGY

The strategy of FNG is focused on:

- i. creating value by managing a complementary brand portfolio via buy and build,
- ii. optimizing corporate processes and using synergies,
- iii. a heavy emphasis on the omnichannel approach, and
- iv. a lean result-focused organization with a unique corporate culture.

In a time when some traditional (mostly monobrand) fashion retailers are struggling, due to increased international competition, pressure on the margins and strong online sales growth, FNG is able to create value.

### **BUY & BUILD: BRAND VALUE & BRAND PORTFOLIO MANAGEMENT**

Every brand has a unique and strong identity aligned to its target consumer group. Value is created by investing wisely in building strong brands by marketing and retail concept development.

FNG's brand portfolio is very diversified in terms of style groups, sizing and price points. Some brands are primarily retail brands (Brantano, Miss Etam), other are more product brands (e.g. Fred & Ginger, CKS, Espresso, Claudia Sträter).

FNG optimises its brands and retail formulas to serve the customer best. Brands also cross-sell internally and can for instance be sold in another brand's store.

Brand portfolio management is key in FNG's risk management. Fashion cannot be approached as pure science. Therefore, to minimize collection risk, FNG's fashion brands release 10 up to 15 collections a year. Moreover, the complementary brand portfolio gives FNG the advantage to manage its "store liabilities" (lease, social & other contractual liabilities). Running 2, 3 or more different brand stores in one single city, its brand portfolio gives FNG the flexibility to change smoothly from one concept to another if necessary.

### **BUSINESS PROCESS OPTIMIZATION, SYNERGIES AND KNOW-HOW SHARING**

FNG's founders have a Master in Engineering, and process optimization has always been a key point of attention during the development of the company.

FNG focuses on efficiency with regards to the back office. Inventory accuracy, intelligent allocation of the products, and cost efficient logistics supported by excellent ICT are key. FNG's ICT platform is developed so that it can support future acquired retail chains.

FNG realizes hard synergies by sharing services such as Finance, HR, Logistics and IT across brands. HQ (headquarter) and DC (the state-of-the-art Distribution Centre in Zoetermeer) resources are shared. A lean staff at the headquarters, servicing the stores in an efficient and well-organized manner, enables higher profitability for the group. Moreover, the purchase of services and non-trading goods in the area of IT, HR, administration and "other costs" (utilities, licenses, rent, maintenance, etc...) are grouped and optimised. This leads to benefits of scale, creating purchase benefits and hence lower costs.

More hard synergies are realized in buying and sales. FNG has a buying platform with own offices in Turkey, India and Hong Kong, supporting the brands to source their products in an efficient way. FNG's buying platform purchases goods directly from the production sites. Higher combined volumes lead to a stronger negotiation position towards suppliers and to a substantial improvement of the gross margin.

Sales management for larger accounts is coordinated at group level and creates a unique position towards these accounts, i.e. Wehkamp, Zalando, Bol.com, Inno, Bijenkorf, ... In retail sales, the focus on instore productivity enables a maximum impact of the sales force at minimal cost. And as store rents are under pressure in a lot of Benelux cities, FNG has a focus on negotiating the optimal rents, ensuring that each store will contribute at a healthy level to the group.

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Important soft synergies between brands can be identified such as sharing know-how and best practises, human resource management & talent pooling, etc...

From a corporate finance point of view, FNG centralizes the group financing, from classic bank financing, to bond emissions and equity funding. The listing of the shares of FNG N.V. provides opportunities to attract external capital to finance the growth of the group. In addition, acquisitions can be fully paid by shares, or new emissions can be placed to finance acquisitions.

#### **OMNICHANNEL, DATA AND DIGITAL**

The digital revolution is happening at an incredible pace. FNG keeps up by investing in its sales and marketing digital platforms as well as in a flexible and integrated supply chain. These investments help the brands to market and sell their products in a way that is adapted to the consumer's behaviour and preference.

Knowing your customer is critical in being successful as a fashion retailer. FNG puts a lot of energy and effort in knowing its customer and managing 'big data', which results in dedicated marketing communication based on this consumer behaviour.



**F.R.E.D. Concept Store**

Examples of these include capabilities such as segmented marketing campaigns (up to one-on-one segmentation), individual web page merchandising, individual styling services, virtual stock that can be sold via different channels, individual delivery options for online sales, etc... Through investing in online and omni-channel sales, FNG currently makes a significant amount of its revenue online, i.e. up to 25% of total revenues for Miss Etam.

Since a couple of years, retail and product brands blend more and more. The strategy used by FNG focuses on a seamless shopper experience, regardless of the channel of sales. Shoppers experience the same branding ("look and feel") online as well as in the stores.

#### **PEOPLE & ENVIRONMENT**

FNG's experienced management has a strong focus on people and environment. FNG focuses on corporate & social responsibility. The signing of the Covenant of Sustainable Clothing and Textile is one of the examples, but in particular by centralizing production and having about 50 own employees in the production countries, FNG wants to ensure compliance.



Fred & Ginger



Ginger Gent

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## MARKET DEVELOPMENTS

### GLOBAL FASHION AND FOOTWEAR MARKET

The global apparel and footwear market continues to provide steady growth despite weakening performances in Brazil and Russia and softer growth in China. A sustained recovery in Western Europe remains elusive, while the Middle East and Africa further illustrates its strong growth potential providing a significant boost to global apparel and footwear sales.

#### Outlook for Western Europe showing tentative signs of improvement

The Western European apparel & shoe market is a consumer-driven cyclical market has been under pressure over the past decade. Western Europe experienced negligible growth again in 2015, however, with the exception of Greece and Italy, there are signs of a turnaround as momentum builds in markets such as Turkey, Norway and Spain. As performance within the region varies, future growth appears fragile.

#### Proliferation of sportswear and comfort dressing continues

Wellness lifestyle trends, combined with dynamic growth of performance and sports-inspired apparel and footwear has led to an inexorable shift towards comfort dressing on a day-to-day basis. Noticeably, sports footwear continues to drive growth as consumers demand functionality and comfort in their everyday shoes.

#### Childrenswear dominates growth in apparel

Growth in childrenswear surpasses both men and womenswear in 2015 for the third consecutive year, driven by fashion's infiltration into the category alongside favourable demographics and aspirational consumption in emerging markets.

### MAIN MARKETS OF FNG: BENELUX

This Section describes the markets in which FNG operates. The main geographies are the Netherlands (53% of sales) and Belgium (42% of sales). FNG is also active on the business to business market in Spain, France and Germany.



CKS Antwerpen

The most important banners are Miss Etam (women outerwear in the Netherlands) and Brantano (footwear complemented with outerwear for the whole family in Belgium). They both are omni-channel retailers, operating stores as well as a webshop.

Hereafter an overview is given of the most important trends first in the overall retail trade, followed by developments in the clothing industry, a description of the consequences of omni channel, and finally an overview of trends specific to women's fashion.

### THE NETHERLANDS

#### Retail trade

FNG is active in the retail trade. This sector comprises companies offering products to consumers.

The overall economic climate is very important for the retail trade. In the Netherlands, the economic recovery started in 2014 and the outlook continues to be positive. In March 2017 the consumer confidence has reached the highest level since June 2007. In 2015 and 2016 consumer spending grew with 1.8 and 1.7% respectively, with a forecasted growth of 2.1% in 2017 and 1.6% in 2018.

As a result, the Dutch retail trade has seen its volume grow by 2.3% in 2015 and 1.4% in 2016. For 2017 and 2018 the forecasted volume growth amounts to 1.5% and 1.3% respectively.

This is a very positive evolution as the retail trade experienced several bad years in a row. Since the crisis in 2009, consumers held off on spending and the low confidence in the economy translated into declining revenue for the entire sector. In 2015, consumer spending remained 2.7% below the pre-crisis levels, while sales volumes were 10% lower than 8 years ago. Not only purchasing power has declined significantly, the contraction of the housing market has also affected consumer spending.



CKS Maastricht

In addition, the growth of the internet has had a major impact on the retail sector. Year after year online sales increased and in Q4 2016, according to [Thuiswinkel.org](http://Thuiswinkel.org), 16% of consumer product purchases are done online. The trend towards an increasing proportion of online sales within the retail market is expected to continue.

A few companies were able to benefit from this, but for most of the traditional retail companies the changes came too fast. Many offline-only companies were struggling or went bankrupt. However, there are quite some success stories and companies that grow against the trend and realize healthy profit margins. These are mostly players that excel in the area of multichannel, or omni channel. Consumers nowadays are 'channel agnostic', and expect a brand experience to be consistent at all times, irrespective of the way in which that experience is created. Whether a customer is introduced to a brand on his mobile phone, tablet or laptop, the experience should be the same or at least compare to a physical store visit.

#### Fashion & footwear

The Dutch fashion industry is clearly benefiting from the economic recovery. In 2016 sales volume grew for the second year in a row. The whopping fourth quarter volume growth of 9.6% resulted in a volume growth of 3% for the year 2016 overall, more than double the 1.3% growth in 2015. In 2017 and 2018 the forecasted volume growth amounts to 1.7 and 1.5% respectively.

These figures illustrate that retail fashion has recovered later than the retail trade overall. Whereas basic necessities continued to be purchased even in the crisis years, the fashion industry suffered heavier blows.

Even once the purchasing power had started to increase, people have not immediately started to spend more on fashion; paying off debt, saving or buying a home still took priority over luxury spending. But after modest growth in 2015, in 2016 fashion retail grew faster than the overall retail trade.

Unfortunately this positive news needs to be placed in perspective: fierce competition and a rising dollar are putting pressure on the margins. Profit margins have declined from 5.5% in the pre-crisis years to -0.8% in 2016.

The good news is that in 2016 fashion retailers managed to increase their prices, after price decreases in 2014 and 2015. (Source: ABN AMRO: Retail sector forecast 23rd March 2017)

According to Euromonitor, e-commerce is now accounting for 14.9% of all Dutch clothing sales, just below the 16% share of overall product sales.

#### Women's fashion

Over the past years, women's fashion has performed worse or in the best case the same as the overall fashion industry. When comparing women's fashion to other segments of the fashion sector (and the sector as a whole), it did not perform better in any year, and in many years, women's fashion experienced the greatest loss in revenue year on year. Revenue trends were quite negative for a few years in a row.

Women's fashion is slightly more vulnerable to seasonal changes than men's and children's fashion, and the peaks are therefore slightly higher in the best-performing months. The outliers in sales are in March and October, when the summer collection and winter collection are released, respectively.

Revenue growth (in % relative to previous year/period)							
	2010	2011	2012	2013	2014	2015	2016
Women's fashion	0.0	-7.9	-6.0	-4.5	-1.7	-4.3	-2.0
Men's fashion	0.7	-3.7	-6.8	-2.9	-0.4	1.6	2.1
Baby and children's fashion	-1.4	-5.3	-3.6	-3.2	0.4	-0.7	6.4
Body fashion	-8.8	-5.6	-4.2	-3.2	0.7	3.6	6.9
<b>Total fashion industry</b>	<b>-0.1</b>	<b>-6.2</b>	<b>-6.0</b>	<b>-3.7</b>	<b>-1.4</b>	<b>-1.2</b>	<b>1.9</b>

Source: [INretail/GfK](http://INretail/GfK) FashionScan



## BELGIUM

### Retail trade

While the Belgian economy was hit far less hard by the financial crisis than the Dutch one, the current economic recovery in the Netherlands is outperforming the Belgian one on all dimensions.

For instance, the Belgian 2015 and 2016 economic growth of 1.5% and 1.2% respectively were below the Dutch growth rates of 2.0% and 2.2%. In 2016 Belgium also had one of the highest inflation rates within the Eurozone: 1.8% vs. 0.2%.

The forecasted economic growth remains modest: 1.4% in 2016 and 1.5-1.6% in 2018 and 2019.

As a result, the Belgian retail trade is also underperforming the Dutch. In 2016, Belgian non-food retail saw its sales shrink by 0.7% (source: *GfK Retailscan*).

The shift to online is also slower in Belgium than in the Netherlands. In 2016, 8% of product retail sales was online, compared to 12% in the Netherlands (sources: *GfK for BeCommerce* and *Thuiswinkel.org*). But the current growth rate of Belgian e-commerce is among the highest in Europe, so that Belgium is expected to reduce the gap with the Netherlands.

### Fashion & footwear

The Belgian fashion and footwear market is performing even worse than non-food retail overall. In 2016 the euro sales declined by 3.2%.



Brantano Mechelen

The biggest losses were reported for outerwear women (-2.7%) and kids (-3.8%). Sport shoes (+4.5%) was the best performing segment in 2016. (Source: *GfK*)

The footwear market accounts for just under 22% of the total Belgian fashion market (Source: *Euromonitor*).

### Consolidation in the retail landscape

A final prominent trend of the past few years is the consolidation that is currently happening in the retail landscape. Independent retailers are experiencing increasing pressure now that large, international chains are expanding. Joint purchasing, distribution and marketing led to significant financial benefits for chains, and the average independent entrepreneur cannot compete against this. By joining forces, better bargaining positions are created against suppliers, in turn leading to improved purchasing conditions. Consolidation also leads to economies of scale, for example in terms of logistics, IT and Human Resources. Experience teaches us that employees stay longer and have more development opportunities in larger retail organization. As a result, talent remains with the companies longer, who benefit from this in many different ways. Finally, cooperation allows for the sharing of knowledge, experience and best practices. All this underpins the consolidation trend in the retail industry, which is expected to only develop further. Unless a small business is significantly distinctive and knows how to profile himself well locally, he will in many cases lose to the chains. This is one of the factors that will play a role in the changing retail landscape over the next years.

## REVIEW OF BUSINESS

### FINANCIALS

FNG closed the 2016 financial year with strong results. As a result of the successful acquisitions of the Miss Etam Group, the Original FNG Group and the Brantano Group, FNG realised a significant revenue growth, EBITDA and free cash flows.

### LTM PRO FORMA CONSOLIDATED RESULTS

The LTM ("Last Twelve Months") pro forma consolidated results of FNG, assuming that the aforementioned acquisitions had been made at the beginning of the year 2016, show a revenue of EUR 459.8 million and a REBITDA of EUR 37.6 million.

More than 50% of the total revenues on a yearly basis were realized by the Original FNG Group. The Miss Etam Group realized a turnover of EUR 99 million (21.5% of total revenues) and the Brantano Group EUR 123 million (26.7% of total revenues). The FNG-strategy works for the Miss Etam Group and Brantano Group. After a thorough reorganization, both companies realized a successful turnaround, resulting in EBITDA-levels on yearly basis of respectively EUR 2.9 million and EUR 4.4 million.

### ACTUAL CONSOLIDATED FINANCIALS

Consolidated Figures (IFRS): The Original FNG Group was consolidated for 6 months and the Brantano Group for 4 months, since both entities were only acquired in July 2016, respectively September 2016.

Revenue increased with EUR 169 million compared to 2015, up to an amount of EUR 242 million. EBITDA amounts to EUR 20.8 million, which is an increase of EUR 19.0 million compared to prior year (2015: EUR 1.8 million).

The net result shows an improvement as the loss of EUR 3.0 million in 2015 decreased to EUR 2.2 million for 2016. Moreover, the loss for 2016 contains significant costs made for the acquisitions and restructuring programs performed. The solvability ratio, defined as equity versus total equity and liabilities increased from -/-11% at 31 December 2015 to 42% at 31 December 2016.

The current ratio, defined as current assets including cash divided by current liabilities, also increased from 124% at 31 December 2015 to 153% at 31 December 2016.

### Statement of comprehensive income

<i>(in thousands of euros)</i>	2016*	2015**	pro forma LTM 2016***
Revenue	242.298	73.029	459.833
Cost of merchandise	(102.137)	(32.548)	(213.541)
<b>Gross profit</b>	<b>140.162</b>	<b>40.481</b>	<b>246.292</b>
Employee benefit expense	(47.702)	(14.694)	(82.419)
Other operating expenses	(71.618)	(23.995)	(126.253)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>20.841</b>	<b>1.792</b>	<b>37.620</b>
Amortisation and depreciation expenses	(9.468)	(882)	(28.702)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>11.374</b>	<b>910</b>	<b>8.917</b>
Non-recurring items	(7.688)	(4.090)	(3.832)
<b>Operating profit/(loss) (EBIT)</b>	<b>3.686</b>	<b>(3.179)</b>	<b>5.085</b>
Financial expenses	(6.319)	(770)	(9.390)
<b>Profit/(loss) before taxes</b>	<b>(2.634)</b>	<b>(3.950)</b>	<b>(4.305)</b>
Income taxes	429	977	2.915
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(2.205)</b>	<b>(2.972)</b>	<b>(1.390)</b>

- (1) Consolidated figures (IFRS): The Original FNG Group was consolidated for 6 months and Brantano for 4 months, since both groups were only acquired in July 2016, respectively September 2016.  
 (2) Published annual 2015 figures of R&S Finance B.V. (Miss Etam).  
 (3) Pro forma (non-audited) figures (local GAAP) as if the different groups of the Group FNG, i.e. Miss Etam Group, Brantano Group and the Original FNG Group, were part of the Group FNG during the entirety of financial year 2016.

## FINANCING

Per 31 December 2016, the total financial debt, including bond and bank debts amounts to EUR 178 million. This is excluding other loans of EUR 18.3 million (including the real estate leasing of FNG headquarter offices in Belgium). The average effective interest rate percentage on the loans outstanding in 2016, including the financial instruments linked to these monetary loans, amounts to 4.90%.

The primary financing ratios, as stated in the standing bank credit facilities, are:

- For the Miss Etam Group a 30% solvability ratio
- For the Brantano Group a 25% solvability ratio
- For the Original FNG Group a minimal equity of EUR 60 million and a maximal leverage ratio (Net senior debt versus EBITDA) of 2.75. This will be 3.0 in 2017.

There has been significant headroom at the end of the year 2016.

## TAXATION

As FNG is present in multiple countries, the company is confronted with different tax regimes. FNG organises its tax affairs in a conservative manner, taking into account what is fiscally permitted based on local and international legislation and legal precedents.

## TAX ON PROFITS

The effective tax burden on current year result is 16% which is more or less in line with the group's (weighted) average tax rate.



F.R.E.D. Concept Store

## TAX LOSSES CARRIED FORWARD

FNG has a significant amount of tax losses carried forward available for future compensation and it is expected that these will be realized in the coming years. The total amount of tax losses carried forward as of 31 December 2016, for which a tax asset is recognized, amounts to EUR 18.0 million.

## RESEARCH AND DEVELOPMENT

Technology is changing the retail market faster as initially expected. FNG is therefore also investing heavily in its online platform and efficient solutions for the retail market, such as the automated logistic platform which gives FNG an advantage in the market. Besides, FNG is continuously investing in innovation, design of clothes, branding and new concepts for their stores.

## UNEQUAL DISTRIBUTION OF SEATS

During the financial period 2016 as well as on the date of this Annual Report the number of seats in the Executive Board are not equally divided between both genders. For the fulfilment of any future vacancies, several factors will be taken into consideration, amongst others the intention for an at least 30 percent representation of each gender in the Executive Board.



FNG headquarters Mechelen

© Luca Beel

## EMPLOYEES AND ORGANIZATION



Ginger Gent

FNG believes in inspiring the more than 3,000 people that work for them. Corporate DNA include key values as respect, can do mentality, no-nonsense management and out-of-the-box thinking.

The company is organised in business units. Each business unit focuses on the core value chain of one brand, including styling, buying, merchandising, sales and marketing. These are the profit centres. Every business units goal is to deliver a profit & loss contribution for its brand, while the shared services units are there to serve the profit centres.

The majority (approx. 2,550) of the employees are sales people in the different brand stores. More than 500 employees work in the headquarters of FNG in Belgium and the Netherlands, and about 50 people are employed in the local buying offices in Turkey, India and Hong Kong.

### HEADCOUNT

	The Netherlands	Belgium	Other	Total
In number				
31-12-2016	1,800	1,255	72	3,127

### CONCEPT STORES (including shop in shop)

	The Netherlands	Belgium	Other	Total
31-12-2016	301	211	12	524

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## CSR – CORPORATE SOCIAL RESPONSIBILITY

### VISION

FNG is aware of the potential impact of their products and production processes on society and the environment. FNG wants its articles to be produced in a fair and honest manner, with respect for the people who work hard and commit their time and effort to creating them. FNG in Belgium and the Netherlands is working together with the Fair Wear Foundation and BSCI to offer support and monitor workforces throughout the entire production chain. The Dutch brands have also signed the 'Convenant Duurzame Kleding en Textiel', an agreement for sustainable practices in the clothing and textile industry.

### PEOPLE

#### FNG Code of Conduct

FNG has drafted a Code of Conduct that new suppliers are informed of and obliged to follow at all times in their collaborations with FNG. The primary points in the FNG Code of Conduct focus on:

1. Following all legal requirements
2. No forced labour
3. Legal work contracts
4. Freedom to join a union
5. No child labour
6. No discrimination
7. Treatment of employees
8. A safe and healthy workplace
9. Remuneration policy
10. Environmental and product safety
11. Animal welfare

### Monitoring and audit systems

#### in production countries/local offices

The production of FNG brands outside the Benelux region is supported through local offices in India, China and Turkey.

The purchasers and CSR coordinators in the Benelux region work together with their colleagues from these local offices, leading to smoother communication with suppliers and frequent visits to the production locations. Furthermore, in India, China and Turkey, a local CSR office will begin working to implement CSR projects pursued by FNG in the production locations. This will enable FNG to build stronger and more reliable relationships with suppliers.

### Charities

By providing clothing, footwear and financial donations, FNG helps various social initiatives and in doing so, FNG contributes to fighting poverty and to scientific research into health. In Belgium, FNG supports Wereld Missie Hulp (a worldwide help organization), Stichting tegen Kanker (fighting cancer), Kinderkankerfonds (fighting childhood cancer), School zonder Pesten (stopping bullying in schools), Innocenti (working to eliminate hunger in the poorest countries in the world) and other charities. In the Netherlands, these charities include Dress for Success (providing women with professional attire, support and career guidance), Voedselbank and Hoop voor Morgen (both of which provide food for those who cannot afford it), KWF (fighting cancer) and Look Good ... Feel Better (which helps cancer patients with their appearance).

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## **PLANET**

### **RSL**

The products that FNG releases to the market need to fulfil the requirements of REACH legislation; these laws forbid the use of damaging chemicals in products that are sold in Europe. All applicable chemicals are specified in the FNG Restricted Substances List (RSL). This list is continuously adjusted and updated to meet the stipulations of the latest legislation. Suppliers working with FNG are required to follow these rules. FNG performs random tests on the products as part of the commitment to the REACH legislation.

### **Corporate Product Policy**

As well as being committed to avoiding negative effects as a result of its business activities, FNG goes a step further, focusing on making a positive social and ecological impact. As such, FNG has developed a Materials Policy in which guidelines, demands and preferences for the ethical purchase of materials are described.



Ginger Gent

### **Operations**

Both the production and sending of articles and the lighting of shops and offices demand significant amounts of energy. Furthermore, production requires enormous water usage and there is unavoidable waste created in the production process. FNG therefore focuses on Energy & Climate, Water, and Waste through a number of measures in their head offices as well as shops and stores (where cardboards, glass, plastics, metals and textile materials are separated for recycling and clothing hangers, boxes, etc. are reused,...)

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## FUTURE OUTLOOK AND SUBSEQUENT EVENTS

### GENERAL

Although a number of economic indicators are on an upward trend, the shoe and fashion retail market still has its challenges. FNG's efforts will be focused on improving the operational and financial performance of the group, by executing the transformation programmes, optimizing the business processes and realizing synergies, as well as implementing the purchasing platforms for all brands.

FNG will continue to strive for increases in turnover and the company results, with a focus on the current portfolio of brands. More concretely, FNG expects growth in turnover both online and in stores, and growth in their figures as a result of reorganizations implemented in 2015 and 2016 at Miss Etam, Steps and Brantano, a result of which non-return store turnover was avoided.

In mid-2016, the new concept for Brantano was presented. The new concept is more feminine, modern and provides approximately 200m<sup>2</sup> of clothing. The range of shoes remains just as large, with more clothing being made available. The new concept adds experience to Brantano's core values. Today, the new Brantano concept has been introduced in more than 40 stores and has proven to be successful. Following the positive evaluations of the test stores in 2016, at the beginning of 2017, an investment programme began to implement the concept at the remaining stores. The aim is to have at least 100 stores with the new concept within three years. Most stores will remain in their current locations, but FNG shall also look at moving stores to better locations or to larger buildings in the neighbourhood. This programme will result in an investment of more than EUR 50 million.

For the coming period, FNG will continue to focus on creating value to optimize company processes and realizing synergies, through which the level of return will significantly rise.

The historical track record at FNG shows a company cash flow (EBITDA) equal to 10–15% of the turnover. This level is a long-term goal for the group. As such, the FNG purchase platform, with offices in Turkey, India and Hong Kong, is being invested in to a greater degree for all brands.

In the coming years, the quasi-fully automatic logistics platform for Miss Etam will be used for all clothing brands for the group.

FNG shall, of course, stay committed to its buy-and-sell strategy and will also continue to play its role as a consolidator in the fashion retail landscape over the coming years.

### SUBSEQUENT EVENTS

#### Name Change and appointment of Supervisory Board Members

On 18 January 2017, R&S Retail Group N.V. announced its name change to FNG N.V. and the appointment of Mr Dieter Penninckx as director and CEO of FNG N.V., and Mr Emiel Lathouwers and Mr Gino Van Ossel as members of the Supervisory Board of FNG N.V.

#### Notes issue

FNG Benelux Holding NV, an indirect subsidiary of FNG N.V., has successfully placed an additional € 25,000 thousands notes issue through a private placement. The € 25,000 thousands 5.5% notes due 7 July 2023 issued on 7 July 2016, shall be issued by FNG Benelux Holding NV on 7 July 2017, and shall be listed on Alternext Brussels.

#### Acquisitions in process

FNG is acquiring two new fashion companies:

#### Suitcase

Suitcase is an online curated personal style advice and wardrobing service for men. By acquiring Suitcase, FNG would enter the men's fashion segment and would enlarge its online presence.

#### Concept Fashion

Concept Fashion owns 15 multi-brand stores located in out-of-town locations in Flanders. Concept Fashion sells women and men's fashion and offers a wide range of designer clothes.

FNG has the intention to structure Suitcase and Concept Fashion as a new pillar in the structure chart of FNG (next to the Miss Etam Group, the Original FNG Group, the Brantano Group and the Buying Platform).





Miss Etam



Steps

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## RISKS AND RISK MANAGEMENT

A business must take some risks to create value. Having a risk management policy allows FNG to take risks in a managed and controlled manner. FNG makes strategic, operational, financial, and reputational risks controllable by carefully weighing risks and returns against each other.

Effective risk management is integrated into FNG's daily operations. FNG deploys a top-down risk management policy in which strategic risk management is executed at corporate level and operational risk management by the operational units. Responsibility for operational risk management lies primarily with brand and functional management. The Executive Board however bears the ultimate responsibility for managing the risks the company faces.

### RISK MANAGEMENT AND INTERNAL CONTROL

Ongoing identification and assessment of risks is part of FNG's governance and periodic business review. The Executive Board and the Audit Committee periodically review these risks and the related mitigation controls and procedures. These bodies provide complementary insights into existing and emerging risks that are subsequently included in the policies. FNG's policies influence the formation of controls and procedures, and the focus of business planning and performance process.

### RISK APPETITE

Factors which determine FNG's risk appetite include the international spread of its business, the robustness of its balance sheet, strength of cash flows, and a commitment to conservative financial management. FNG's risk appetite varies per objective and risk category:

- **Strategic:** Taking strategic risks is an inherent part of how FNG does business. In pursuing growth as a strategic ambition, FNG is prepared to take risks in a responsible way taking account of the stakeholders' interests.
- **Operational:** Depending on the type of operational risk, FNG takes a cautious to averse approach. FNG gives the highest priority to ensuring the safety of its employees and customers, delivering the highest level of service and protecting the company's reputation.
- **Financial:** FNG pursues a conservative financial strategy, including a balanced combination of self-insurance and commercial insurance coverage.
- **Compliance:** FNG is averse to the risk of non-compliance with relevant laws or regulations, or non-compliance with own codes, contractual agreements, and covenants.
- **Fraudulent and unethical behaviour:** FNG and all associates are committed to acting with honesty, integrity, and respect. FNG is fully averse to risks relating to fraudulent behaviour and applies a zero-tolerance policy.

### MAIN RISKS

The following risk overview highlights the main risks which might prevent FNG achieving its strategic, operational, and financial objectives. The risks described are not an exhaustive list of the risks FNG faces. There may be additional risks which do not constitute a direct threat in the short-term, or risks which management deems immaterial or otherwise common to most companies, but which could at some time have a material adverse effect on FNG's financial position, results, operations, or liquidity.



CKS Wall of style

## STRATEGIC

### Risk description

#### Competitive environment and economic conditions

The environment and economic conditions in the fashion retail market are characterised by intense competition between existing players. Moreover, competition from online retailing companies are also disrupting the current retail market.

### Risk management

- Invest extensively in online retail platforms
- Ensure geographic and brand diversification
- Buy-and-build strategy to obtain synergies and lower the base costs

#### Political environment

The majority of the fabrication and purchases are done in foreign countries, such as Bulgari, Turkey, China, India and Bangladesh. Changes in the political environment of these countries could impact the business of FNG.

- Ensure geographic and brand diversification
- The use of own purchasing platforms in Turkey, India and Hong Kong

## OPERATIONAL

### Risk description

#### Safety and liability

Safety of FNG's clients and employees are one of the top priorities of FNG. The risk exists that an employee or a client of FNG get harmed during the performance of his work or with visiting one of FNG's stores.

### Risk management

- Adhere to health and safety procedures relating to employees and customers
- Invest in maintenance to ensure clean and secured stores
- Training and development to focus on personal safety and safety measures

#### Obsolete stock

The products of FNG are highly depending on trends in the market resulting in a risk of a high level of inventory which can't be sold anymore.

- Ensure geographic and brand diversification
- FNG wide exchange system of inventory
- Own purchasing platforms in Turkey, India and Hong Kong
- Stock take procedures and value assessments
- Customer oriented marketing and discount campaigns

#### Interruptions & business continuity

Given the increasing use of mobile communication and the professionalism of cybercriminals, the company must focus constantly on continuity of ICT systems and on ensuring the security of crucial information and sensitive customer data (e.g. payment card details, passwords). The theft of crucial or sensitive data could result in reputation damage, information leakage to competitors, as well as claims against the company.

- Comply with PCI DSS (Payment Card Industry Data Security Standard)
- Invest in ICT platform and related security policy
- Centralise ICT systems allowing central enforcement of security measures
- Take multiple measures to secure confidentiality and integrity of data



F.R.E.D. Concept Store

### Fraud & Integrity

Ethics and integrity are important conditions for confidence. The risk exist that unethical behaviour will result in loss of money and moreover in the loss of reputation.

- Implement code of ethics and whistle-blower policy
- Ensure Executive Board and senior management demonstrate 'tone at the top'
- Implement a zero-tolerance strategy
- Encourage non-cash payments

### FINANCIAL

#### Risk description

##### Financing

Access to external financing is crucial for continuity. A liquidity risk could arise if external financing is not available to FNG when refinancing is required.

#### Risk management

- Agree long-term loans
- Enable early refinancing and a spread with different expiration dates for external loans
- Consult regularly with external debt providers to discuss the ongoing business, results, and strategy

##### Interest rate risks

FNG has a significant external debt subject to variable interest rates, thereby exposing the company to fluctuations in interest rates. A significant increase in variable interest rates would have a negative impact on results.

- Seek a mix of fixed and variable interest rates for financing operations, combined with the use of interest rate instruments
- Adopt an interest rate policy in which at least half of the bank debt is covered by interest rate derivatives with a maximum volatility per annum

### COMPLIANCE AND REPORTING

#### Risk description

##### Financial statement does not give a true and fair view

If misstatements are made such that the financial statements do not give a true and fair view of the company's financial position, financial performance, and cash flows, users of the financial statements would be incorrectly informed.

#### Risk management

- Maintaining common accounting policies, reporting processes, and standard chart of accounts
- Monitor critical access and segregation of duties

##### Non-compliance with European and national laws

Changes in the legal and regulatory environment tend to increase the risk of non-compliance with local, national, and international laws and regulations, as well as tax legislation. Failure to comply with applicable regulations could lead to fines, claims, and reputational damage.

- Involve local external specialists where necessary (e.g. tax)

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# GOVERNANCE AND RESPONSIBILITY STATEMENT

## GOVERNANCE

FNG stands for good corporate governance with proper supervision and transparent reporting. The Managing Board and the Supervisory Board take responsibility for corporate governance at FNG. Any major changes to its structure and to compliance with the Dutch Corporate Governance Code will be submitted for discussion to the General Meeting of Shareholders as separate agenda items. FNG's corporate governance structure, including the performance of the General Meeting of Shareholders and its principal powers, the rules for appointing and replacing members of the Managing Board and Supervisory Board, the rules for amending the Articles of Association and the powers granted in the event of the issue or repurchase of shares, as well as a description of how FNG complies with the Corporate Governance Code, are set out in detail on the website [www.fng.eu](http://www.fng.eu). FNG does not have any protection constructions in place, except for the priority share as further explained below.

## ARTICLE 10 OF THE EU TAKE-OVER DIRECTIVE DECREE

### Shares

The issued share capital of FNG N.V. amounts to EUR 643,391.36, consisting of 8,042,392 shares (6,041,766 ordinary listed shares, 2,000,625 unlisted Class A shares and 1 priority share). Each share carries one vote. The shares are listed on Euronext Amsterdam ("FNG").

### Unlisted Class A Shares

The unlisted Class A shares are not listed on Euronext Amsterdam. The unlisted Class A shares carry equal rights as the ordinary shares.

### Priority share

The priority share is owned by Greenway District BVBA. This priority share grants Greenway District BVBA (controlled by Mr Dieter Penninckx, Ms Anja Maes and Mr Manu Bracke) special rights in respect of FNG N.V., including a binding nomination for the appointment of directors and officers.

## DUTCH CORPORATE GOVERNANCE CODE

FNG complies fully with the Code on the basis of the "comply or explain" principle. The General Meeting of Shareholders held in 2016 discussed the way in which FNG complies with the Dutch Corporate Governance Code. FNG interprets the following differently:

### Best practice provisions II.2.13 and II.2.14

*The overview of the remuneration report is not in line with the named best practice provisions. The Management Board solely receives a fixed management fee. The same applies to the only member of the Supervisory Board.*

### Best practice provision II.3.3

*Noting the current size of the Supervisory Board no formal introduction plan is implemented for its members. The Company though takes care that new members of the Supervisory Board will have sufficient understanding of the Company. In January 2017, FNG appointed two new Supervisory Board members.*

### Best practice provision II.4.3

*Noting the current size of the Company it has no "secretary of the company".*

### Best practice provision II.5.1

*Noting the current size of the Company it has no separate core committees within the Supervisory Board.*

### Best practice provisions II.3.3-3.4

*The Management Board member has a potential conflict of interest, being the indirect director and indirect shareholder of NLB Fashion B.V. with whom a cooperation exists in the field of webshop photography. Nevertheless the Management Board member takes part in discussions and decisions regarding transactions between the Company and NLB Fashion B.V. Significant transactions will be approved by the Supervisory Board. Next to that all transactions qualifying under 2:107a BW will be submitted to the General Meeting.*

#### **Best practice provisions II.6.1-6.2**

*As there is only one member of the Supervisory board during 2016 the named best practice provisions of the Dutch Corporate Governance Code are not applied by the Company.*

#### **Best practice provisions IV.1.1**

*In the Articles of Association is deviated from the principle that the General Meeting of a non two-tier status company may pass a resolution to cancel the binding nature of a nomination for the appointment of a member of the management board or of the supervisory board and/or a resolution to dismiss a member of the management board or of the supervisory board by an absolute majority of the votes cast. It may be provided that this majority should represent a given.*

#### **Best practice provisions IV.3.1**

*Noting the current size of the Company not for all meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences a provision is made for all shareholders to follow these meetings and presentations in real time via webcast.*

#### **Best practice provisions IV.3.13**

*The Company has not yet formulated an outline policy on bilateral contracts with the shareholder.*

#### **Best practice provisions IV.3.3**

*The Company has no internal audit department as defined in named best practice provision.*

### **RESPONSIBILITY STATEMENT**

The Managing Board hereby states that, to the best of its knowledge: The financial statements for the financial year 2016 give a true and fair view of the assets, liabilities, financial position and earnings of FNG N.V. and the consolidated group companies. The Report of the Managing Board gives a true and fair view of the position of FNG N.V. at the reporting date and of the development and performance during the financial year 2016 of the group and its affiliated companies whose financial information is set out in the financial statements.



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1. The Report of the Managing Board sets out the main features of the management and control systems, as well as the essential risks facing the company in 2016. The Managing Board declares that it accepts responsibility for the design and effectiveness of the internal risk management and control systems tailored to FNG. The Managing Board declares that, to the best of its knowledge:

1. no major failings in the risk management and control system have been discovered in the financial year under review;
2. no significant changes or major improvements to the risk management and control system are planned;
3. the internal financial reporting control system provides reasonable assurance that the financial reports are free of material misstatement; and
4. it also concludes that the internal risk management and control systems operated effectively in the year under review.

The risk management and control systems in place, significantly reduce the risk of incorrect decisions being made, control processes being deliberately circumvented, and laws and regulations not being complied with. However, it is virtually impossible to identify, or fully document and manage, all risks at all times. As a consequence, the existing systems will never provide an absolute level of assurance against the failure to achieve targets, nor will they be able to prevent all instances of material misstatement, including loss, fraud or violations of laws and regulations.

2. In 2016, no transactions were conducted between FNG and natural persons or legal entities holding at least 10% of the shares in FNG N.V., other than disclosed in note 8.2 of the financial statements.
3. There were no significant transactions in 2016 involving conflicting interests between the members of the Supervisory Board and/or the members of the Managing Board of FNG.

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# SUPERVISORY BOARD REPORT

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In accordance with legislation and the Articles of Association of the company, it is the task of the Supervisory Board to supervise the policy of the Managing Board, the governance structure and the activities of the company, as well as to offer advice.

In performing its tasks, the Supervisory Board weighs the interests of all stakeholders, within and outside the organisation, against each other, including the aspects of corporate social responsibility and long-term value creation relevant to the organisation.

In this report, the Supervisory Board reports on its work in 2016. The Supervisory Board recommends the General Meeting of Shareholders to adopt the 2016 Annual Accounts.

## SUPERVISORY BOARD MEMBERS

The sole member of the Supervisory Board at year-end 2016 was Mr Verbaere.

**E.M.M.L.C. Verbaere (59)** is appointed as member of the Supervisory Board in 2016 and will retire or be nominated for re-appointment at the 2020 annual general meeting.

**Nationality:** Belgium

**Gender:** Male

**Function:** Expert on the level of corporate finance and Co-founder of VD&P Corporate Finance

**Other functions and companies** in which Mr Verbaere is currently active are:

Company	Function
Finimax BVBA	Manager
Gande NV	Director
VD&P Corporate Finance NV	Director
Quest for Partners BVBA	Manager
Reserved BVBA	Manager
Solar Energy Conversion Power Corporation NV	Director

In the year under review, Mr Verbaere was a member of the board of directors of FNG Group NV, in which capacity he did not receive any compensation.

The sole member of the Supervisory Board in the year under review is independent in accordance with the guidelines of the Dutch Corporate Governance Code.

## Appointment and Retirement schedule

The retirement schedule for the Supervisory Board is as follows:

- E.M.M.L.C. Verbaere will retire or be nominated for re-appointment at the 2020 annual general meeting
- G. van Ossel (appointed in January 2017) will retire or be nominated for re-appointment at the 2021 annual general meeting
- E. Lathouwers (appointed in January 2017) will retire or be nominated for re-appointment at the 2021 annual general meeting

## MEETINGS

In 2016, the Supervisory Board held regular meetings with the Managing Board. During these meetings, the sole Supervisory Board member was fully informed of the financial, operational and strategic developments, and objectives. As usual, discussions were held on many topics including the budget for 2017, corporate governance, the Managing Board remuneration structure and important investment decisions.

In 2016, special consideration was given to:

- The acquisition and integration of Miss Etam and Brantano
- The acquisition of FNG Group NV
- The company financing
- The business plans future years



In addition to these meetings the sole Supervisory Board member had regular interactions with the Managing Board on general developments within the company, such as the corporate strategy and the main risks of the business and the result of the assessment by the management board of the design and effectiveness of the internal risk management and control systems. The Supervisory Board determined that FNG's external auditor Mazars is independent. During this meeting the Supervisory Board discussed the method of working and the general policy of the Managing Board.

#### **EVALUATION MANAGING BOARD AND SELF-EVALUATION SUPERVISORY BOARD**

The Supervisory Board has concluded that the conditions in which the Managing Board had to work in 2016 were turbulent. Moreover, the Managing Board devoted a great deal of time and energy to the strategic evaluation, financing operation, business acquisitions and integration. Attention was paid to the operational management of the business activities and the integration of the acquired brands into FNG as well implementing each other processes and platforms. Moreover further integration and achieving synergies are still possible and necessary. The Supervisory Board believes that the Managing Board made sufficiently good progress towards achieving structural improvements in results and in branding the various concepts.

Notwithstanding, for next year further improvements need to be made on the execution of the best practices of the Dutch Corporate Governance Code on the level of the Managing Board, as well as the Supervisory Board. In addition, the Supervisory Board recommends to implement a formal internal audit function.

Moreover, the Supervisory Board concludes that it is good G. van Ossel and E. Lathouwers are added to the Supervisory Board. This will further improve the performance and the tasks of the supervisory board.



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#### **GENERAL MEETING OF SHAREHOLDERS**

In 2016, 3 General Meetings of Shareholders were held. During these meetings, the 2015 Annual Accounts were adopted, and the remuneration structure for the Managing Board and Supervisory Board was approved.

#### **CORPORATE GOVERNANCE**

FNG complies with the Dutch Corporate Governance Code on the basis of the "comply or explain" principle. A description of the corporate governance structure and the way in which FNG complies with the code is further explained in the Governance paragraph of the annual report.

#### **PROPOSAL TO THE SHAREHOLDERS**

We are pleased to present the company's Annual Accounts for 2016. Mazars has issued an unqualified auditor's opinion for the annual accounts. The annual accounts have been drawn up in accordance with the reporting requirements and have been discussed in the presence of the external auditor. Based on this, the Supervisory Board proposes to the General Meeting of Shareholders to approve the 2016 Annual Accounts, to grant discharge to the Managing Board members for liability for their management in 2016, and to grant discharge to the Supervisory Board for liability for their supervision in 2016.

#### **ACKNOWLEDGEMENTS**

The Board would like to thank the Executive Board, the management and all FNG employees for their dedication, creativity, and constructive collaboration in FNG's challenging circumstances in 2016.

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# FINANCIAL STATEMENTS

For the year ended 31 December 2016

## TABLE OF CONTENTS

<b>38 CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>	<b>53 5. NOTES RELATING TO THE STATEMENT OF FINANCIAL POSITION</b>
<b>39 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>	53 5.1 Goodwill
<b>40 CONSOLIDATED STATEMENT OF CASH FLOWS</b>	54 5.2 Intangible assets
<b>41 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>	55 5.3 Property, plant & equipment
<b>42 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b>	56 5.4 Inventories
42 1. General information	56 5.5. Trade and other receivables
42 2. Group accounting policies	57 5.6. Other Assets
42 2.1. Statement of compliance and basis for preparation	57 5.7 Cash and cash equivalents
43 2.2. Summary of significant accounting policies	57 5.8 Deferred taxes
<b>50 3. SEGMENT REPORTING</b>	58 5.9. Share capital
50 3.1. Segment revenues and results	60 5.10. Provisions
51 3.2. Geographical information	60 5.11. Post-employment benefit obligations
51 3.3. Other information	60 5.12. Borrowings
<b>51 4. BUSINESS COMBINATIONS AND CHANGES IN CONSOLIDATION SCOPE</b>	61 5.13. Other financial liabilities
51 4.1. 2016 acquisitions	62 5.14. Trade and other payables
52 4.2. 2015 acquisitions	62 5.15. Other current liabilities
	62 5.16. Derivative instruments
	<b>63 6. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>
	63 6.1. Revenue
	63 6.2. Employee benefit expense
	63 6.3. Other operating expenses
	63 6.4. Amortisation and depreciation expenses
	64 6.5. Non-recurring items
	64 6.6. Financial result
	64 6.7. Income taxes
	65 6.8. Earnings per share

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## **65 7. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS**

- 65 7.1. Overview of financial instruments and fair values
- 66 7.2. Financial risk management

## **68 8. OTHER DISCLOSURES**

- 68 8.1. Consolidation scope
- 69 8.2. Related party transactions
- 70 8.3. Contingent assets and liabilities
- 70 8.4. Commitments
- 70 8.5. Events after the reporting period

## **71 COMPANY FINANCIAL STATEMENTS**

### **71 BALANCE SHEET**

### **72 PROFIT AND LOSS ACCOUNT**

### **73 NOTES TO THE COMPANY FINANCIAL STATEMENTS**

- 1. General information
- 2. General accounting principles for the preparation of the financial statements
  - 73 2.1. Basis of preparation
  - 73 2.2. Significant accounting policies
- 73 3. Notes to the specific items of the balance sheet
  - 73 3.1. Investments in participating interests
  - 73 3.2. Intercompany receivables and payables
  - 74 3.3. Shareholders' equity
  - 74 3.4. Appropriation of profits

- 74 3.5. Contingencies and liabilities not included in the balance sheet
- 75 3.6. Employee information
- 75 3.7. Risk management with regard to financial instruments
- 75 3.8. Auditor fees paid to the auditors
- 75 3.9. Events after balance sheet date
- 75 3.10. Commitments
- 75 3.11. Group companies and participating interests

## **75 OTHER INFORMATION**

## **76 INDEPENDENT AUDITOR'S REPORT**

ASSETS (in thousands of euros)				
CONSOLIDATED STATEMENT OF FINANCIAL POSITION		Note	31/12/16	31/12/15
<b>Non-current assets</b>			<b>379.187</b>	<b>8.540</b>
Goodwill	5.1.		59.831	0
Intangible assets	5.2.		244.256	1.174
Property, plant and equipment	5.3.		57.099	6.389
Deferred tax assets	5.8.		18.000	977
<b>Current assets</b>			<b>182.176</b>	<b>19.145</b>
Inventories	5.4.		86.941	6.958
Trade and other receivables	5.5.		24.975	7.027
Income tax receivables			226	0
Other financial assets	5.16.		14	0
Other current assets	5.6.		3.113	3.801
Cash and cash equivalents	5.7.		66.907	1.358
<b>TOTAL ASSETS</b>			<b>561.362</b>	<b>27.685</b>
<b>EQUITY AND LIABILITIES (in thousands of euros)</b>		<b>Note</b>	<b>31/12/16</b>	<b>31/12/15</b>
<b>Equity attributable to owners of the parent</b>			<b>234.988</b>	<b>(2.972)</b>
Share capital	5.9.		643	0,005
Share premium			235.595	0
Other reserves			3.927	0
Retained earnings			(5.178)	(2.972)
<b>Total equity</b>			<b>234.988</b>	<b>(2.972)</b>
<b>Non-current liabilities</b>			<b>206.912</b>	<b>15.175</b>
Provisions	5.10.		175	0
Post-employment benefit obligations	5.11.		312	0
Borrowings	5.12.		142.414	0
Other financial liabilities	5.13.		18.328	15.175
Deferred tax liabilities	5.8.		45.682	0
<b>Current liabilities</b>			<b>119.463</b>	<b>15.482</b>
Provisions	5.10.		2.096	1.252
Borrowings	5.12.		35.363	1.968
Trade and other payables	5.14.		75.241	11.642
Other financial liabilities	5.13.		23	0
Other current liabilities	5.15.		6.740	621
<b>Total liabilities</b>			<b>326.374</b>	<b>30.657</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>561.362</b>	<b>27.685</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Note	2016	2015
Revenue	3.1./6.1.	242.298	73.029
Cost of merchandise		(102.137)	(32.548)
<b>Gross profit</b>		<b>140.162</b>	<b>40.481</b>
Employee benefit expense	6.2.	(47.702)	(14.694)
Other operating expenses	6.3.	(71.618)	(23.995)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>		<b>20.841</b>	<b>1.792</b>
Amortisation and depreciation expenses	6.4.	(9.468)	(882)
<b>Recurring operating profit/(loss) (REBIT)</b>		<b>11.374</b>	<b>910</b>
Non-recurring items <sup>1</sup>	6.5.	(7.688)	(4.090)
<b>Operating profit/(loss) (EBIT)</b>		<b>3.686</b>	<b>(3.179)</b>
Financial income	6.6.	1.179	38
Financial expenses	6.6.	(7.498)	(809)
<b>Profit/(loss) before taxes</b>		<b>(2.634)</b>	<b>(3.950)</b>
Income taxes	6.7.	429	977
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(2.205)</b>	<b>(2.972)</b>
<b>Other comprehensive income</b>		<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME OF THE PERIOD</b>		<b>(2.205)</b>	<b>(2.972)</b>
Basic and diluted earnings/(loss) per share (in €)	6.8.	(0,84)	(5,94)
Profit/(loss) for the period attributable to the owners of the Company		(2.205)	(2.972)
Profit/(loss) for the period attributable to the non-controlling interests		0	0
Total comprehensive income for the period attributable to the owners of the Company		(2.205)	(2.972)
Total comprehensive income for the period attributable to the non-controlling interests		0	0

<sup>1</sup> Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the company due to their size or nature.

## CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	Note	2016	2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating result		3.686	(3.179)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortisation expenses	6.4	9.468	882
Provisions		(812)	1.252
Gain on a bargain purchase	4	(1.377)	0
Changes in working capital:			
Inventories		12.539	6.042
Trade and other receivables		31.640	(8.528)
Other current assets		4.391	0
Trade and other payables		(48.626)	12.437
Other current liabilities		1.680	1.197
<b>Cash generated from operations</b>		<b>12.589</b>	<b>10.103</b>
<b>Taxes paid</b>		<b>0</b>	<b>0</b>
<b>Net cash generated from operating activities</b>		<b>12.589</b>	<b>10.103</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received		2.739	0
Purchases of PP&E		(17.863)	(1.445)
Purchases of Intangible assets		(3.335)	0
Proceeds from disposal of PPE		672	0
Proceeds from disposal of intangible assets		145	0
Loans granted		0	(2.300)
Acquisition of subsidiaries, net of cash acquired	4	36.915	(20.000)
<b>Net cash provided by/(used in) investing activities</b>		<b>19.273</b>	<b>(23.745)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity instruments of the Company (net of issue costs)	5.9	30.854	0
Proceeds from borrowings		18.800	20.000
Reimbursements of borrowings		(8.469)	(5.000)
Interest paid		(7.498)	0
<b>Net cash provided by/(used in) financing activities</b>		<b>33.687</b>	<b>15.000</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>65.549</b>	<b>1.358</b>
<b>CASH AND CASH EQUIVALENTS at beginning of year</b>		<b>1.358</b>	<b>0</b>
Net effect of currency translation on cash and cash equivalents		0	0
<b>CASH AND CASH EQUIVALENTS at end of year</b>		<b>66.907</b>	<b>1.358</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent				TOTAL EQUITY
	Share capital	Share premium	Other reserves	Retained earnings	
(in thousands of euros)					
Balance at 1 May 2015	0,005	0	0	0	0,005
Total comprehensive income of the period	0	0	0	(2.972)	(2.972)
Balance at 31 December 2015	0,005	0	0	(2.972)	(2.972)
Total comprehensive income of the period	0	0	0	(2.205)	(2.205)
Reverse listing 05-01-2016	1.069	(800)	5.073	0	5.342
Issue of share capital	10.279	225.691	0	0	235.969
Transaction costs for equity issue	0	0	(1.146)	0	(1.146)
Reverse share split	(10.705)	10.705	0	0	0
Balance at 31 December 2016	643	235.595	3.927	(5.178)	234.988

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

FNG N.V. (the "Company") is a public limited liability company (naamloze vennootschap) governed by Dutch Law, with registered office at Oostweg 2, 2723 RH Zoetermeer, The Netherlands. The registered office is also the principal place of business. The Company's shares are listed on Euronext Amsterdam and the Group has more than 3,000 employees (in headcounts).

FNG N.V. is the new name of R&S Retail Group N.V., as a result of the decision approved by the General Meeting of Shareholders of 18 January 2017. R&S Retail Group was the name of the new group resulting from the acquisition of R&S Finance B.V. by Dico International in 2015. As Dico International was a non-operating company, the comparative figures per 31 December 2015 as published in these consolidated financial statements are those of R&S Finance B.V. (see also paragraph 2.2.1.2 below).

The Company's consolidated financial statements include:

- the accounts of companies directly or indirectly controlled by the Company, which are fully consolidated; and
- its investments in associates, which are accounted for under the equity method.

All these economic entities are collectively referred to as the "Group".

The Group is a strong growing Benelux-fashion group with activities all over Europe. The Group designs and distributes clothing and shoes for women, children and men through own concept-stores at top locations in Belgium and the Netherlands and through a network of multi-trademark stores in domestic and foreign countries.

The Group's consolidated financial statements at 31 December 2016 were prepared under the responsibility of the Management Board and Supervisory Board and authorised for issue by the Management Board and the Supervisory Board on 29 June 2017.

### 2. GROUP ACCOUNTING POLICIES

#### 2.1. Statement of compliance and basis for preparation

The Group's consolidated financial statements for the year ended 31 December 2016 have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS").

The financial statements have been prepared on the basis of the historical cost method. Any exceptions to the historical cost method are disclosed in the accounting policies described hereafter.

The Group's consolidated financial statements are presented in thousands of Euros, unless stated otherwise. Euro is also the functional currency of the company and all other entities of the Group.

These consolidated financial statements do not include any information or disclosures that, not requiring presentation due to their qualitative significance, have been determined as immaterial or of no relevance pursuant to the concepts of materiality or relevance defined in the IFRS conceptual framework, insofar as the Group's consolidated financial statements, taken as a whole, are concerned.

Furthermore, the consolidated financial statements include "Alternative Performance Measures" (APM) which are not defined as such under IFRS. The Group uses the EBITDA measure in its decision-making, because it provides information useful to assess the Group's performance, solvency and liquidity. This measure should not be viewed in isolation or as an alternative to the measures presented according to the IFRS.

EBITDA (earnings before interest and depreciation and amortisation) is calculated by excluding from the profit/loss for the year before taxes the financial results (detailed in note 6.6) and the depreciation and amortisation expenses and impairment losses on assets.

#### 2.1.1. Standards and amendments issued and applicable for the year ended 31 December 2016

The following IFRS standards, interpretations and amendments that became effective for the first time for the year ended 31 December 2016, did not have a significant impact on the consolidated financial statements for the year ended 31 December 2016:

- Improvements to IFRS (2010-2012)
- Improvements to IFRS (2012-2014)
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception
- Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- Amendments to IAS 1 Presentation of Financial Statements – Disclosure Initiative
- Amendments to IAS 16 and IAS 38 Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to IAS 16 and IAS 41 Agriculture – Bearer Plants
- Amendments to IAS 19 Employee Benefits – Employee Contributions
- Amendments to IAS 27 Separate Financial Statements – Equity Method

#### 2.1.2. Standards and amendments issued but not yet effective

The following IFRS standards, interpretations and amendments that have been issued but that are not yet effective, have not been applied to the consolidated IFRS financial statements for the year ended 31 December 2016:

- IFRS 9 Financial Instruments and subsequent amendments (applicable for annual periods beginning on or after 1 January 2018)
- IFRS 14 Regulatory Deferral Accounts (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- IFRS 15 Revenue from Contracts with Customers (applicable for annual periods beginning on or after 1 January 2018)
- IFRS 16 Leases (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in the EU)
- Improvements to IFRS (2014-2016) (applicable for annual periods beginning on or after 1 January 2017 or 2018, but not yet endorsed in the EU)
- Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- Amendments to IFRS 4 Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (the effective date has been deferred indefinitely, and therefore the endorsement in the EU has been postponed)
- Amendments to IAS 7 Statement of Cash Flows – Disclosure Initiative (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in the EU)
- Amendments to IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in the EU)
- Amendments to IAS 40 Transfers of Investment Property (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- IFRIC 22 Foreign Currency Transactions and Advance Consideration (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)

The standards, amendments and interpretations listed above are expected not to have an impact on the consolidated financial statements of the Group, except for the standards mentioned below.

IFRS 9 *Financial Instruments* is to be applied to annual periods beginning on or after 1 January 2018, when it will replace IAS 39 *Financial Instruments: Recognition and Measurement*. The new standard has been comprehensively revised in various parts, including in respect of the recognition and measurement of financial assets and financial liabilities. The standard



is divided into three parts: classification and measurement, hedge accounting and impairment.

IFRS 9 requires financial assets to be classified in three different measurement categories: amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is made at the time the asset is initially recognised based on the characteristics of the asset and the company's business model.

In the case of financial liabilities, there are no significant changes compared to IAS 39. The main change is for liabilities measured at fair value. In this case the part of the change in fair value attributable to a change in the credit risk of the liability is to be presented in other comprehensive income rather than in profit or loss, unless this would create an accounting mismatch.

The second part relates to hedge accounting. IFRS 9 requires additional disclosures concerning risk management and the effects of hedge accounting. In the main, the new principles provide the conditions for a fairer picture of a company's management of financial risks to be reported.

Finally, new principles have been introduced regarding impairment of financial assets using a model based on expected losses. IFRS 9 requires the Company to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables.

The Group has begun its evaluation of the effects of the new standard, but does not expect significant impacts.

IFRS 15 *Revenue from Contracts with Customers* is to be applied for the reporting periods beginning on 1 January 2018 or later. The new standard defines a five-step model to recognize revenue based on contracts with customers and replaces the current standards IAS 18 *Revenue* and IAS 11 *Construction Contracts* as well as their interpretations. The timing of the revenue recognition can take place over time or at a point of time, depending on the transfer of control.

During 2016, the Group performed a first assessment of IFRS 15, which will still be subject to changes arising from a more detailed ongoing analysis. The main aspects of this first assessment are mentioned below.

The Group sells goods. The Group expects the revenue recognition to occur at a point in time when a customer obtains control of the goods. The Group sells its products to its customers directly, through distributors or agents. This can result in a different moment to recognize revenue. However, based on the first assessment, the Group does not expect a significant impact of the application of IFRS 15.

Application of IFRS 15 will be mandatory for financial years beginning on or after 1 January 2018. The Group is currently reviewing all significant contracts with its customers in order to be able to determine the potential impact of the new standard on recognition of revenue from sales contracts (in terms of valuation and timing of revenue recognition).

Furthermore, the new disclosures included in IFRS 15 are more detailed than those currently applicable under IAS 18.

The Group plans to apply the new standard in its consolidated financial statements for the year ending December 31, 2018. However, the Group has not yet decided which method of application it will apply for the transition, i.e. full retrospective or cumulative catch-up as this depends on the practical operational aspects.

IFRS 16 *Leases* will be effective for the reporting periods beginning on 1 January 2019 or later, if adopted by the European Union. The new standard will replace the current standard IAS 17 *Leases*. In accordance with the new standard, the lessee will recognize assets and liabilities for the rights and obligations created by leases. The new standard will increase interest-bearing liabilities and property, plant and equipment in the consolidated financial statements of the Group. In addition, the rental expenses recognized in profit or loss will decrease and depreciation and amortization as well as interest expenses will increase. This will affect operating profit. The impact of this new standard is currently being assessed. The Group expects main impacts for leases currently classified as operating leases and for which the Group acts as a lessee. As at December 31, 2016, the

Group has non-cancellable undiscounted operating lease commitments of € 131.478 thousands, which are detailed in note 8.4.

## 2.2. Summary of significant accounting policies

The following accounting methods have been applied consistently through all the periods presented in the consolidated financial statements.

### 2.2.1. Significant management judgments and estimates

The preparation of the financial statements requires the use of judgments, best estimates and assumptions in recognising and measuring assets and liabilities, income and expenses, considering positive and negative contingencies existing at year-end. Amounts reported by the Group in future financial statements could differ significantly from current estimates due to changes in these assumptions or economic conditions.

The most significant management judgements and estimates are described below.

#### 2.2.1.1. Going concern

As at 31 December 2016, the Group had a liquidity position of € 66.907 thousands consisting of cash and cash equivalents. Taking into account this liquidity position as well as the refinancing facility of € 131.000 thousands on 29 March 2017, our board of directors is of the opinion that our liquidity position is sufficient to continue our current operations at least for the next reporting periods.

#### 2.2.1.2. Reverse listing transaction and comparative statements

On 5 January 2016, Dico International (a Euronext Amsterdam listed non-operating company) acquired legally 100% of the shares of R&S Finance B.V. (an operating entity) by issuing 1 priority share (granting special rights in respect of R&S Finance B.V., including a binding nomination for the appointment of directors and officers) and 10 million new Class A shares to FIPH B.V. However, this acquisition is actually a reverse acquisition in accordance with the accounting principles as the shareholders of R&S Finance B.V. became the majority and controlling shareholders of the new combined Group, named R&S Retail Group (renamed to FNG).

As Dico International did not qualify as a business in accordance with IFRS 3 – Business Combinations, the transaction is not a business combination and is therefore not within the scope of IFRS 3. Because the analysed transaction is not within the scope of IFRS 3, the IFRS Interpretations Committee concluded that such a transaction is a share-based payment transaction which should be accounted for in accordance with IFRS 2 – Share-based Payment. In accordance with IFRS 2, the difference in the fair value of the shares issued by the accounting acquirer (i.e. R&S Finance B.V.) and the fair value of the accounting acquiree's identifiable net assets (i.e. Dico International) represents a service received by the accounting acquirer, which is considered to be a payment for a service of a stock exchange listing for its shares.

The consolidated financial statements 2016 of FNG N.V. are basically a continuation of the 2015 financial statements of R&S Finance B.V., as Dico International did not have any operating activities since several years. Therefore, the comparative statements 2015 presented in these consolidated financial statements are the ones of R&S Finance B.V. However R&S Finance B.V. has an extended accounting year (for the first year's financial statements) for legal statutory purposes, but for consolidation purposes interim figures as presented in the half-year financial statements per 30 June 2016 are included for comparative purposes.

#### 2.2.1.3. Business combinations

On 26 July 2016, the Company acquired the FNG Group. The acquisition was considered as a business combination and disclosed as such in note 4.1.

The Company assessed who was the acquirer in the business combination as required by the acquisition method in accordance with IFRS 3 – *Business Combinations*. Based on all relevant facts and circumstances, the Company concluded that the Company (previously R&S Retail Group) was the acquirer based on the assessment of control in accordance with IFRS 10 – Consolidated Financial Statements. One of the most important elements to conclude was the existence of a priority share in the Company which gave

the Company the control over all relevant activities of the acquiree.

On 14 September 2016, the Group acquired the shares of BrantNew, a Belgian holding controlling Brantano (see note 4.1). The acquisition was considered a business combination in accordance with IFRS 3.

The Group acquired on August 4, 2016 the shares in Steps/Superstar. However, the control was not yet transferred to the Group at that date as there were some important suspensive conditions that the previous shareholder needed to comply with. As such, management judges that control over Steps/Superstar was only obtained when all conditions attached to the acquisition were met, i.e. December 31, 2016 (as mentioned in note 4.1).

#### 2.2.1.4. Impairment of assets

We review the carrying amount of intangible assets with indefinite lives for potential impairment on a periodic basis and also whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. We review the carrying value of tangible assets and intangible assets with definitive lives for potential impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. We determine impairment by comparing the recoverable amount to its carrying value. If impairment is identified, a loss is recorded equal to the excess of the asset's carrying amount over its recoverable amount.

For impaired assets, we recognize a loss equal to the difference between the carrying amount of the asset and its recoverable amount. The recoverable amount, being the higher of the fair value less costs to sell and value in use, is based on discounted future cash flows of the asset using a discounted rate commensurate with the risk. Estimates of future cost savings, based on what we believe to be reasonable and supportable assumptions and projections, require management's judgement. Actual results could vary from these estimates. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

#### 2.2.1.5. Pensions and other long-term and post-employment benefits

The value of pensions and other long-term and post-employment benefit obligations is based on actuarial valuations that are sensitive to all the actuarial assumptions used, particularly concerning discount rates, inflation rates and wage increase rates. These assumptions are updated annually. The Group considers the actuarial assumptions used at 31 December 2016 appropriate and well-founded, but future changes in these assumptions could have a significant effect on the amount of the obligations and the Group's equity and net profit. However, as the impact on the financial statements is not significant, the Company has decided not to include all the disclosures in accordance with IAS 19 – *Employee Benefits* (see also note 5.11).

#### 2.2.1.6. Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### 2.2.1.7. Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. All derivative financial instruments are, in accordance with IFRS 7, classified as level 2. This means valuation methods are used for which all inputs that have a significant effect on the recorded fair value are observable in the market, either directly or indirectly.

#### 2.2.2. Consolidation methods

A list of subsidiaries and associates is presented in note 8.1.

##### 2.2.2.1. Subsidiaries

Subsidiaries are companies in which the Group exercises exclusive control and are fully consolidated. The Group controls an entity when the three following conditions are fulfilled:

- it holds power over the entity;
- it is exposed, or has rights, to variable returns from its involvement with the entity;
- it has the ability to use its power over the investee to affect the amount of the investor's returns.

The Group considers all facts and circumstances when assessing control. All substantive potential voting rights exercisable, including by another party, are also taken into consideration. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When the Group gains control of a subsidiary, the transaction is a business combination treated in accordance with the policy described in note 2.2.3.

When the Group loses control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary from the consolidated statement of financial position with a gain or loss recognised in the statement of profit or loss. The Group recognises any investment retained in the former subsidiary when control is lost and subsequently accounts for it under the equity method if the former subsidiary qualifies as an associate or a joint venture, or at fair value if the investment in the former subsidiary qualifies as a financial asset.

Any acquisition or disposal of an investment that does not affect control over a subsidiary is considered as a transaction between shareholders with any impacts recognised in equity.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions and balances between entities of the Group are eliminated in full in the consolidated financial statements.

##### 2.2.2.2. Associates

An associate is an entity in which the Group exercises significant influence on financial and operational policies without having exclusive or joint control. Significant influence is presumed to exist when the Group's investment is at least 20%.

Investments in associates are accounted for by the equity method. They are carried in the statement of financial position at historical cost, adjusted for the share in net assets generated after the acquisition, less any impairment. The share in the net profit or loss for the period is reported in "Share in profit of associates" in the statement of profit or loss.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale.

### 2.2.3. Business combinations and goodwill

In accordance with IFRS 3, business combinations are measured and recognised under the acquisition method.

At the date of acquisition, the identifiable assets acquired and liabilities assumed, measured at fair value, and any non-controlling interests (minority interest) in the company acquired ("acquiree") are recorded separately from goodwill.

Goodwill is measured as the difference between:

- the sum of the following items:
  - the acquisition-date fair value of the consideration transferred to acquire control, including any contingent consideration (e.g. earn-outs) that is measured at fair value at acquisition date,
  - the value of non-controlling interests in the acquiree being measured either at fair value (full goodwill method) or at their share in the fair value of the net assets of the acquiree (partial goodwill method) on a case-by-case basis, and
  - for acquisitions achieved in stages, the acquisition-date fair value of the Group's share in the acquired entity before it acquired control; and
- the net value of the assets acquired and liabilities assumed, measured at fair value at the acquisition date.

When this difference is negative, it is immediately recognised as a gain in the statement of profit or loss.

After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is indeed not amortised, but impairment tests are carried out as soon as there is an indication of possible impairment, and at least annually, as described in note 2.2.8.

Costs incurred by the Group to effect a business combination (acquisition-related costs) are immediately expensed, except with respect to issuance costs of debt or equity securities that are recognised in compliance with IAS 32 and IAS 39.

The accounting for a business combination, including the fair value measurement of assets acquired and liabilities assumed, is finalised within twelve months from the acquisition date.

IFRS 3 does not apply to business combinations under common control, which are examined on a case-by-case basis to determine the appropriate accounting treatment.

### 2.2.4. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### 2.2.5. Intangible assets

Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and if the cost of the asset can be measured reliably. The probability of expected future economic benefits represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset using reasonable and supportable assumptions.

Intangible assets are measured initially at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates and any directly attributable cost of preparing the asset for its intended use. If an intangible asset is acquired in a business combination, the cost of that intangible asset is its fair value at the acquisition date.

Intangible assets under construction are carried at cost, less any recognised impairment losses.

After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over their estimated useful life. Amortisation begins when the asset is capable of operating in the manner intended by management.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Recognition of costs in the carrying amount of an intangible asset ceases when the asset is in the condition necessary for it to be capable of operating in the manner intended by the Group.

Subsequent expenditure on intangible assets is capitalised only if it increases the future economic benefits associated with the specific asset. Other expenditure is expensed as incurred.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets mainly comprise:

- software, which is amortised on a straight-line basis over its useful life;
- tradenames and trademarks acquired separately or in the context of business combinations;
- customer lists;
- key money; and
- intangible assets under construction.

The expected useful lives for the main intangible assets are as follows:

• software	3 to 5 years
• key money	5 to 10 years
• tradenames and trademarks	indefinite
• customer lists	indefinite

### 2.2.6. Property, plant and equipment

#### 2.2.6.1. Initial measurement

Property, plant and equipment are recognised as assets at acquisition or construction cost if and only if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably.

The cost of an item of property, plant and equipment comprises its purchase or construction price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of facilities developed in-house includes all labour and materials costs, and all other production costs attributable to the construction of the asset.

When a part of an asset has a different useful life from the overall asset's useful life, it is identified as an asset component and depreciated over a specific period.

Borrowing costs attributable to the financing of an asset incurred during the construction period are included in the cost of the asset provided it is a qualifying asset as defined by IAS 23 Borrowing costs.

#### 2.2.6.2. Subsequent measurement

After initial recognition, property, plant and equipment owned by the Group are depreciated using the straight-line method and are carried on the state-

ment of financial position at cost less accumulated depreciation and impairment. Depreciation begins when the asset is capable of operating in the manner intended by management and is charged to profit or loss, unless it is included in the carrying amount of another asset. The components of an item of property, plant and equipment with a significant cost and different useful lives are recognised separately. The residual value and the useful life of property, plant and equipment are reviewed at least at the end of each reporting period. The depreciation method is also reviewed annually.

The expected useful lives for the main facilities are as follows:

• Buildings	10 to 20 years
• Lease improvements	based on underlying lease terms
• Machinery and installations	5 to 10 years
• Store and other furnitures, fixture and fittings	5 to 10 years
• Motor vehicles	2 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### 2.2.7. Leases

In the course of its business, the Group uses assets made available to it under lease contracts. These contracts are analysed in the light of the situations described and indicators supplied in IAS 17 Leases in order to determine whether they are finance leases or operating leases.

##### 2.2.7.1. Finance leases

Contracts that effectively transfer to the lessee substantially all risks and rewards inherent to ownership of the leased item are classified as finance leases. The main indicators examined in determining whether substantially all the risks and rewards are transferred by an agreement are the following:

- the ratio of the lease term to the leased asset's economic life;
- total discounted future minimum lease payments as a ratio of the fair value of the leased asset;
- whether ownership is transferred to the lessee by the end of the lease;
- whether a purchase option is bargain;
- the features specific to the leased asset.

Assets held under finance leases are derecognised from the lessor's statement of financial position and included in the relevant category of property, plant and equipment in the lessee's financial statements. Such assets are depreciated over their useful life, or the term of the lease contract when this is shorter and it is not expected that the lessee will obtain ownership of the asset. A corresponding financial liability is recognised by the lessee, and a financial asset by the lessor.

If the Group enters into a sale and leaseback agreement resulting in a finance lease, this is recognised in accordance with the principles described above. If the transfer price is higher than the asset's book value, the surplus is deferred and recognised as income on straight-line basis over the lease term.

##### 2.2.7.2. Operating leases

Lease agreements that do not qualify as finance leases are classified and recognised as operating leases. Rental charges are recognised over the lease term on a straight-line basis.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

#### 2.2.8. Impairment of goodwill, intangible assets and property, plant and equipment

At the year-end and at each interim reporting date, in accordance with IAS 36 Impairment of Assets, the Group assesses whether there is an indication that an asset could have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. A CGU represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows generated from other assets.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation can be identified.

Recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, an impairment loss is immediately recognised for the difference in the statement of profit or loss.

An impairment test is also carried out at least once a year on CGUs or groups of CGUs to which goodwill or an intangible asset with an indefinite useful life has been allocated. In such case, the impairment test is carried out as follows:

- The Group measures impairment by comparing the carrying amount of the CGU(s), including goodwill, with their recoverable amount. The recoverable amount of the CGU is the higher of fair value less costs of disposal and value in use.
- Value in use is calculated based on projected future cash flows:
  - over a horizon that is coherent with the CGU's useful life and/or operating life; and
  - discounted at a rate that reflects the risk profile of the CGU – the discount rate(s) used are based on the weighted average cost of capital (WACC) for each CGU.
- Fair value is calculated as the asset's potential selling price less costs necessary for its sale.
- When the recoverable amount of a CGU is lower than its carrying amount, an amount equal to the difference is recognised as an impairment loss. This loss is allocated first to goodwill, and any surplus is allocated to the other assets of the related CGU.

These calculations may be influenced by several variables:

- changes in regulations and market prices;
- changes in interest rates and market risk premiums;
- market levels and the Group's market share;
- the useful lives of facilities;
- the growth rates used beyond the medium-term plans and the terminal values taken into consideration.

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss. An impairment loss allocated to goodwill is irreversible.

#### 2.2.9. Financial assets and liabilities

Financial assets of the Group mainly include cash, trade and other receivables, loans, and the positive fair value of derivatives. Financial assets are treated consistently with the category to which they belong in accordance with IAS 39 – Financial Instruments: Recognition and Measurement:

- Financial assets at fair value through profit or loss (including derivatives with a positive fair value, except if the derivative is designated as a

hedging instrument)

- Loans and receivables (including trade and other receivables as well as loans)
- Held-to-maturity investments (not applicable)
- Available-for-sale financial assets (not applicable)

Financial liabilities of the Group comprise loans and other financial liabilities, trade and other payables, and the negative fair value of financial derivatives. The following distinction is made according to IAS 39 for financial liabilities:

- Financial liabilities at fair value through profit or loss (including derivatives with a negative fair value, except if the derivative is designated as a hedging instrument)
- Other financial liabilities (including loans and other financial liabilities and trade and other payables)

Financial assets and liabilities are presented in the statement of financial position as current if they mature within one year and non-current if they mature after one year.

#### 2.2.9.1. Financial assets and liabilities at fair value through profit or loss

Financial assets carried at fair value with changes in fair value recognised in the statement of profit or loss are classified as such at initial recognition if:

- they were acquired from the outset with the intention of resale in the short term;
- they are derivatives not classified as hedges (derivatives held for trading);
- the Group has elected to include them in this category under the option allowed by IAS 39.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction on the principal or the most advantageous market at the measurement date.

In accordance with IFRS 13, the hierarchy of fair values reflecting the importance of data used in valuations comprises the following levels:

- level 1 (unadjusted quoted prices): prices accessible to the entity at the measurement date on active markets, for identical assets or liabilities;
- level 2 (observable data): data concerning the asset or liability, other than the market prices included in initial level 1 input, which are directly observable (such as a price) or indirectly observable (i.e. deducted from observable prices);
- level 3 (non-observable data): data that are not observable on a market, including observable data that have been significantly adjusted (e.g. extrapolation of interest rate curves over long non-observable periods).

In compliance with IAS 39, the Group analyses all its contracts, of both a financial and non-financial nature, to identify the existence of any "embedded" derivatives. Any component of a contract that affects the cash flows of that contract in the same way as a stand-alone derivative corresponds to the definition of an embedded derivative. If they cannot be considered to be closely related to the host contract, embedded derivatives are accounted for separately from the host contract at inception date.

Derivatives are measured at fair value based on quoted prices and market data available from external sources. If no quoted prices are available, the Group may refer to recent comparable transactions or if no such transactions exist base its valuation on internal models that are recognised by market participants, giving priority to information directly derived from observable data, such as over-the-counter listings.

Changes in the fair value of these derivatives are recognised in profit or loss, unless they are designated as cash flow hedges. Changes in the fair value of such hedging instruments are recognised directly in equity (other comprehensive income), excluding the ineffective portion of the hedge.

In application of IFRS 13, the fair value of derivatives incorporates the counterparty credit risk for derivative assets and the own credit risk for derivative liabilities.

#### 2.2.9.2. Loans and receivables

Loans and financial receivables (trade and other receivables) are financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at their fair value, plus transaction costs, at the transaction date.

After their initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment loss (see note 2.2.9.3 below).

The effective interest method is a method of calculating the amortised cost of a financial asset (or a financial liability) and of allocating the interest income (or interest expense) over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset (or financial liability). The calculation includes transaction costs and all other premiums or discounts.

#### 2.2.9.3. Impairment of financial assets

At the year-end and at each interim reporting date, the Group assesses whether there is any objective evidence that an asset could have been impaired. If so, the Group estimates the asset's recoverable amount and records any necessary impairment as appropriate for the category of financial asset concerned.

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the impairment is measured as the difference between the asset's carrying amount and the discounted value of expected future cash flows, using the original effective interest rate of the financial instrument. The impairment is recognised in the statement of profit or loss. If the impairment loss decreases in a subsequent period, the amount of the decrease is reversed and transferred to the statement of profit or loss.

For trade receivables, impairment is recognised based on the probability of recovery assessed according to the type of receivable individually or by experience-based statistical methods.

#### 2.2.9.4. Other financial liabilities

Initially, other financial liabilities (including loans and other financial liabilities, trade and other payables) are measured at fair value plus transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method (as described in note 2.2.9.2 above).

#### 2.2.9.5. Cash and cash equivalents

Cash equivalents comprise highly liquid and short-term investments maturing within three months or less, and with negligible risk of fluctuation in value.

#### 2.2.9.6. Derecognition of financial assets and liabilities

The Group derecognises a financial asset when:

- the contractual rights to the cash flows generated by the asset expire; or
- the Group transfers the rights to receive contractual cash flows related to the financial asset through the transfer of substantially all of the risks and rewards associated with ownership of the asset.

Any interest created or retained by the Group in transferred financial assets is recorded as a separate asset or liability.

Financial liabilities are derecognised when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged, cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss from extinguishment of the original financial liability is recognised in the statement of profit or loss.

## 2.2.10. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

## 2.2.11. Equity

### 2.2.11.1. Share issue expenses

Share issue expenses correspond exclusively to external costs expressly related to the capital increase. They are charged against the issue premium at their net-of-tax value.

Other expenses are classified as expenses of the period.

### 2.2.11.2. Non-controlling interests

Non-controlling interests represent the shares of non-controlling shareholders (minority interests) in the equity of subsidiaries that are not fully owned by the Group.

On the acquisition date, non-controlling interests are either measured at fair value (full goodwill method) or in proportion to share of non-controlling interests in the identifiable assets acquired and liabilities assumed in the business combination (partial goodwill method). Subsequently, non-controlling interests are adjusted for the appropriate proportion of subsequent profits and losses.

## 2.2.12. Provisions other than employee benefits

The Group recognises provisions if the following three conditions are met:

- the Group has a present obligation (legal or constructive) towards a third party that arises from an event prior to the reporting date;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the obligation can be estimated reliably.

Provisions are determined based on the Group's best estimate of the expected cost necessary to settle the obligation. Estimates are based on management data from the information system, assumptions adopted by the Group, and if necessary experience of similar transactions, or in some cases based on independent expert reports. The various assumptions are reviewed for each closing of the accounts. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

## 2.2.13. Employee benefits

The Group grants its employees post-employment benefits (pension plans, retirement indemnities, etc.) and other long-term benefits (e.g. long-service awards).

For post-employment benefits, a distinction is made between defined benefit plans and defined contribution plans.

### 2.2.13.1. Post-employment benefits – Defined benefit plans

The obligations under defined-benefit plans are calculated by the projected unit credit method, which determines the present value of entitlements earned by employees at year-end under all types of plan, taking into consideration estimated future salary increases.

Such post-employment benefit obligations are measured using the following methods and main assumptions:

- retirement age, determined on the basis of the applicable rules for each plan, and the requirements to qualify for a full pension;
- career-end salary levels, with reference to employee seniority, projected salary levels at the time of retirement based on the expected effects of career advancement, and estimated trends in pension levels;
- forecast numbers of pensioners, determined based on employee turnover rates and applicable mortality tables;
- a discount rate that depends on the duration of the obligations, determined at the year-end date by reference to the market yield on high-quality corporate bonds or the rate on government bonds whose duration is coherent with the Group's commitments to employees.

The amount of the provision corresponds to the value of obligations less the fair value of the plan assets that cover those obligations.

The net expense recognised during the year for employee benefit obligations includes:

- in the statement of profit or loss:
  - the current service cost, corresponding to additional benefit entitlements earned during the year;
  - the net interest expense, corresponding to interest on obligations net of the return on plan assets, which is calculated using the same discount rate as for the obligations;
  - the past service cost, including the income or expense related to amendments or settlements of benefit plans or introduction of new plans;
  - the remeasurement gains and losses relating to long-term benefits.
- in the statement of other comprehensive income:
  - the remeasurement gains and losses relating to post-employment benefits;
  - the effect of the limitation to the asset ceiling if any.

### 2.2.13.2. Post-employment benefits – Defined contribution plans

With respect to defined contribution plans, the contributions payable are recognised when employees have rendered the related services.

According to legal requirements applicable in Belgium, defined contribution pension plans are subject to minimum guaranteed rates of return. As such, these plans meet the conditions for classification as defined benefit plan in accordance with IAS 19 and they are accounted for as such.

### 2.2.13.3. Other long-term benefits

Other long-term employee benefits, such as service awards, are also accounted for using the projected unit credit method. The accounting treatment differs however from the method applied for post-employment benefits, as actuarial gains and losses are recognised immediately in the statement of profit or loss.

### 2.2.13.4. Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### 2.2.14. Assets classified as held for sale and related liabilities, and discontinued operations

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the

sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a sale to be highly probable, Company management should be committed to a plan to sell the asset (or disposal group), an active program to locate a buyer and complete the plan should be initiated, the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, the sale should be expected to be completed within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A discontinued operation is a component of the Group which either has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale

Assets that qualify as held for sale and related liabilities are presented separately from other assets and liabilities in the statement of financial position. Assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognised as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale. Prior period statements of financial position are not restated to reflect the classification of a non-current asset (or disposal groups) as held for sale.

For discontinued operations, a single net amount after taxes is presented in the statement of profit or loss and the comparative period is restated consistently.

#### 2.2.15. Revenue

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; and
- the amount of revenue can be measured reliably.

Sales of goods that result in award credits for customers are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value – the amount for which the award credits could be sold separately. Such consideration is not recognised as revenue at the time of the initial sale transaction – but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

#### 2.2.16. Income taxes

Income taxes include the current tax expense (income) and the deferred tax expense (income), calculated in accordance with the applicable tax legislation.

In compliance with IAS 12 Income Taxes, current and deferred taxes are recognised in the statement of profit or loss, other comprehensive income or directly in equity consistently with the accounting for the underlying transaction.

The current tax expense (income) is the estimated amount of tax due on the taxable income for the period, calculated using the tax rates enacted at reporting date.

Deferred taxes result from temporary differences between the carrying amount of assets and liabilities and their tax basis. No deferred taxes are

recognised for temporary differences generated by:

- the initial recognition of goodwill which is not tax deductible;
- the initial recognition of an asset or liability in a transaction which is not a business combination and does not affect the accounting profit or taxable profit (tax loss) at the transaction date;
- investments in subsidiaries and associates, investments in branches and interests in joint arrangements, when the Group controls the timing of reversal of the temporary differences, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the expected tax rate for the period in which the asset will be realised or the liability settled, based on tax rates (substantively) enacted at reporting date. If the tax rate changes, deferred taxes are adjusted to the new rate and the adjustment is recorded in the statement of profit or loss, unless it relates to an underlying for which changes in value are recognised in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised when it is probable that the Group will have sufficient taxable profit to utilise the benefit of the asset in the foreseeable future, or beyond that horizon, if there are deferred tax liabilities with the same maturity.

#### 2.2.17. Non-recurring items

Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature.

The non-recurring items include the following components:

- gain on a bargain purchase (negative goodwill) in the context of a business combination;
- gains and losses on the sale of subsidiaries, joint operations, joint ventures, and associates that do not qualify as discontinued operations;
- acquisition costs of new businesses;
- major restructuring charges;
- impairment losses resulting from the shutdown of an activity;
- impairment losses resulting from testing of cash-generating units ('CGUs') for impairment (a CGU includes tangible assets, intangible assets and allocated goodwill, if any).

#### 2.2.18. Statement of cash flows

The statement of cash flows is prepared according to the indirect method to reconcile the cash flows from operating activities. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid is presented as cash used in financing activities, while interest received and dividends received are presented as cash from investing activities. Income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group company has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group company have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

### 3. SEGMENT REPORTING

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the different classes of customers. No operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments under IFRS 8 – Operating Segments are as follows:

- **B2B:** activities involving transactions between the Group and intermediate companies; and
- **B2C:** activities involving transactions between the Group and the final customer.

#### 3.1. Segment revenues and results

(in thousands of Euros)	31/12/2016		
	B2B	B2C	Group total
Revenue, including inter-segment revenue	94.509	191.246	285.755
of which inter-segment revenue	(43.456)	0	(43.456)
<b>Revenue</b>	<b>51.053</b>	<b>191.246</b>	<b>242.298</b>
Cost of merchandise	23.547	(78.589)	(102.137)
<b>Gross profit</b>	<b>27.506</b>	<b>112.657</b>	<b>140.162</b>
Employee benefit expense	(5.051)	(42.651)	(47.702)
Other operating expenses	(13.162)	(58.456)	(71.618)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>9.293</b>	<b>11.549</b>	<b>20.841</b>
Amortisation and depreciation expenses	(3.883)	(5.585)	(9.468)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>5.410</b>	<b>5.965</b>	<b>11.374</b>
Non-recurring items			(7.688)
<b>Operating profit/(loss) (EBIT)</b>			<b>3.686</b>
Financial income			1.179
Financial expenses			(7.498)
<b>Profit/(loss) before taxes</b>			<b>(2.634)</b>
Income taxes			429
<b>PROFIT/(LOSS) FOR THE PERIOD</b>			<b>(2.205)</b>

(in thousands of Euros)	31/12/2015		
	B2B	B2C	Group total
Revenue, including inter-segment revenue	5.121	67.908	73.029
of which inter-segment revenue	0	0	0
<b>Revenue</b>	<b>5.121</b>	<b>67.908</b>	<b>73.029</b>
Cost of merchandise	(2.382)	(30.165)	(32.548)
<b>Gross profit</b>	<b>2.738</b>	<b>37.743</b>	<b>40.481</b>
Employee benefit expense	(114)	(14.580)	(14.694)
Other operating expenses	(1.748)	(22.247)	(23.995)
<b>Recurring operating profit/(loss) before amortisation and depreciation expense (REBITDA)</b>	<b>876</b>	<b>916</b>	<b>1.792</b>
Amortisation and depreciation expenses	0	(882)	(882)
<b>Recurring operating profit/(loss) (REBIT)</b>	<b>876</b>	<b>34</b>	<b>910</b>
Non-recurring items			(4.090)
<b>Operating profit/(loss) (EBIT)</b>			<b>(3.179)</b>
Financial income			38
Financial expenses			(809)
<b>Profit/(loss) before taxes</b>			<b>(3.950)</b>
Income taxes			977
<b>PROFIT/(LOSS) FOR THE PERIOD</b>			<b>(2.972)</b>



The accounting policies of the reportable segments are the same as the Group's accounting policies described above. The revenue presented above is at year-end 2016 the only measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. No other detail is reviewed currently by the CODM, which are the executive committee (i.e. CEO and CFO). Information regarding revenue from major products is not relevant as all sales are generated from the same nature of products, being clothing and shoes.

### 3.2. Geographical information

The Group operates in two principal geographical areas – the Netherlands (country of domicile) and Belgium. The Group's revenue by location of operations and information about its non-current assets by location of assets are detailed below.

(in thousands of euros)	Revenue		Non-current assets	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
The Netherlands	165.669	73.029	230.348	7.563
Belgium	73.347	0	130.744	0
Other	3.283	0	94	0
<b>Total</b>	<b>242.298</b>	<b>73.029</b>	<b>361.186</b>	<b>7.563</b>

Non-current assets exclude non-current assets classified as held for sale and financial instruments.

### 3.3. Other information

Segment revenue does not include customers contributing 10% or more to the Group's revenue for both 2016 and 2015.

## 4. BUSINESS COMBINATIONS AND CHANGES IN CONSOLIDATION SCOPE

### 4.1. 2016 acquisitions

The Group closed the following business combinations (acquisition of control) in 2016:

- On 26 July 2016, acquisition of 100% of the voting rights in FNG Group NV, a Belgian based retail group. The fair value of the total consideration transferred amounted to € 171.949 thousands, which was paid entirely through the issue of 107.468.190 shares in the Company on 9, 12 and 29 September 2016 (see also note 5.9.2).
- On 14 September 2016, acquisition of 100% of the voting rights in BrantNew, a Belgian holding controlling Brantano. The fair value of the total consideration transferred amounted to € 7.020 thousands, which was paid entirely through the issue of 4.387.500 shares in the Company on 12 October 2016. In addition 15.625.000 shares were issued to pay for the € 25.000 receivable from R&S Finance Belgium to Brantano (see also note 5.9.2).
- On 31 December 2016, acquisition of 100% of the voting rights in Steps Nederland B.V. and Superstar B.V. (together "Steps/Superstar"), a retail group active in The Netherlands. The fair value of the total consideration amounted to € 6.600 thousands, which was compensated with an outstanding receivable at closing 2016.

These companies were acquired so as to continue the expansion of the Group's activities in the fashion retail industry.

The acquirees' assets acquired and liabilities assumed recognised in the consolidated statement of financial position at acquisition date, the amount of goodwill, as well as the net effect on the statement of cash flows are presented in the table below:

Statement of financial position (in thousands of euros)	FNG Group	BrantNew	Steps Superstar	Total
Intangible assets	196.884	20.076	24.507	241.467
Property, plant and equipment	31.336	10.075	0	41.411
Non-current financial assets	29	144	39	212
Deferred tax assets	6.513	6.930	4.049	17.492
Inventories	37.480	53.600	1.443	92.523
Trade and other receivables	40.844	1.914	6.617	49.375
Other current assets	2.369	1.082	252	3.703
Cash and cash equivalents	34.283	1.271	1.361	36.915
Provisions	(237)	(1.839)	(67)	(2.143)
Non current financial liabilities	(123.614)	(25.000)	0	(148.614)
Deferred tax liabilities	(33.754)	(6.934)	(6.127)	(46.815)
Current financial liabilities	(12.500)	(25.196)	0	(37.696)
Trade and other payables	(31.559)	(25.885)	(59.662)	(117.106)
Other current liabilities	(1.197)	(1.840)	(572)	(3.610)
<b>Net assets acquired</b>	<b>146.878</b>	<b>8.397</b>	<b>(28.159)</b>	<b>127.115</b>
Non-controlling interests	0	0	0	0
<b>Total consideration</b>	<b>(171.949)</b>	<b>(7.020)</b>	<b>(6.600)</b>	<b>(185.569)</b>
<b>Goodwill</b>	<b>25.071</b>		<b>34.759</b>	<b>59.831</b>
<b>(Gain on a bargain purchase)</b>		<b>(1.377)</b>		<b>(1.377)</b>

Statement of cash flows (in thousands of euros)	FNG Group	BrantNew	Steps Superstar	Total
Total consideration	171.949	7.020	6.600	185.569
Financed through a share issue	171.949	7.020	0	178.969
Financed through outstanding receivable	0	0	6.600	6.600
Financed in cash	0	0	0	0
Cash and cash equivalent acquired	(34.283)	(1.271)	(1.361)	(36.915)
<b>Net cash outflow in investing activities</b>	<b>(34.283)</b>	<b>(1.271)</b>	<b>(1.361)</b>	<b>(36.915)</b>

As a result of the acquisition accounting, the Company has allocated the purchase price (consideration paid), and has calculated the fair values of the assets acquired and liabilities assumed, in accordance with generally applied valuation rules. The purchase price was mainly allocated to intangible assets (tradenames, trademarks and key-money) and deferred tax assets and liabilities.

The fair value of the consideration financed through the share issues (see note 5.9.2) has been determined based on a peer review of EBITDA multiples.

Goodwill arose in the acquisition of FNG Group and Steps/Superstar because the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The resulting goodwill is not tax deductible.

The gross contractual amount of the trade receivables and other receivables amounts to € 49.375 thousands.

There were no significant costs related to the business combinations amount. However, in the context of the share issues to finance the business combinations, costs were incurred for an amount of € 1.147 thousands and have been recognised as deduction of the related capital increase in the statement of changes in equity.

The amounts above in the reporting ended 31 December 2016 with respect to fair value of net assets acquired and goodwill are provisional as not all fair value measurements have been finalised.

Since the acquisition date, the contribution of the businesses acquired to the consolidated revenue and consolidated profit of the Company for the year ended 31 December 2016 amounts to € 187.052 thousands and € 5.322 thousands, respectively. As the acquisition of Steps/Superstar only occurred on 31 December 2016, no results were contributed by these companies. If the businesses were acquired on 1 January 2016, the consolidated revenue for the year ended 31 December 2016 would have increased by € 217.535 thousands.

#### 4.2. 2015 acquisitions

The Group closed the following business combination in 2015: On 1 May 2015, acquisition of 100% of the voting rights in Miss Etam, a Dutch based retail group. The fair value of the total consideration transferred amounted to € 20.000 thousands, which was paid in cash.

The acquirees' assets acquired and liabilities assumed recognised in the consolidated statement of financial position at acquisition date, the amount of goodwill, as well as the net effect on the statement of cash flows are presented in the tables below:

Statement of financial position	Miss Etam
Intangible assets	1.174
Property, plant and equipment	5.826
Inventories	13.000
Net assets acquired	20.000
Total consideration	(20.000)
Goodwill	0
Statement of cash flows	Miss Etam
Total consideration	20.000
Financed through a share issue	0
Financed in cash	20.000
Cash and cash equivalent acquired	0
Net cash outflow in investing activities	20.000

The costs related to the business combination are disclosed in note 6.5.

The provisional goodwill computed in 2015 was not adjusted after the acquisition date as there was no new (additional) information.

Since the acquisition date, the contribution of the business acquired to the consolidated revenue of the Company for the year ended 31 December 2015 amounted to € 73.029 thousands.

## 5. NOTES RELATING TO THE STATEMENT OF FINANCIAL POSITION

### 5.1 Goodwill

(In thousands of euros)	31/12/2016	31/12/2015
Cost	59.831	0
Accumulated impairment losses	0	0
<b>Goodwill</b>	<b>59.831</b>	<b>0</b>
<b>Cost (in thousands of euros)</b>		
Balance at 1 January 2015	0	
Balance at 31 December 2015	0	
Additions through business combinations	59.831	
<b>Balance at 31 December 2016</b>	<b>59.831</b>	
<b>Accumulated amortisation and impairment (in thousands of euros)</b>		
Balance at 1 January 2015	0	
Balance at 31 December 2015	0	
<b>Balance at 31 December 2016</b>	<b>0</b>	
<b>Carrying amount (in thousands of euros)</b>		
Balance at 1 January 2015	0	
Balance at 31 December 2015	0	
<b>Balance at 31 December 2016</b>	<b>59.831</b>	

Goodwill has been provisionally allocated for impairment testing purposes to the following cash-generating units:

- FNG
- Steps/Superstar

The acquisition of BrantNew resulted in a gain on a bargain purchase amounting to € 1.377 thousands which is recognized in the consolidated statement of comprehensive income under the non-recurring items.

The carrying amount of goodwill was allocated to cash-generating units as follows:

(In thousands of euros)	31/12/2016	31/12/2015
FNG Group	25.071	0
Steps / Superstar	34.759	0
Goodwill	59.831	0

As the goodwill relates to business combinations occurred during the current accounting period, management judges that there is no impairment as the forecasts and assumptions to be used in the impairment testing have not changed compared to the exercise done at the respective acquisition dates.

Although an impairment test has been conducted for FNG Group. This was based on the enterprise value, which was based on a multiple of EBITDA. The enterprise value is considered to be a measure of recoverable amount (i.e. fair value less costs to sell).

## 5.2 Intangible assets

(In thousands of euros)	31/12/2016		31/12/2015	
Acquisition cost	245.831		1.174	
Accumulated amortisation and impairment	(1.575)		0	
<b>Intangible assets</b>	<b>244.256</b>		<b>1.174</b>	
of which:				
Software	5.858		0	
Tradenames and trademarks	233.225		1.174	
Customer lists	2.500		0	
Key money	2.673		0	

Cost (in thousands of euros)	Software	Tradenames and trademarks	Customer lists	Key money	Total
<b>Balance at 1 January 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions through business combinations	0	1.174	0	0	1.174
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>1.174</b>	<b>0</b>	<b>0</b>	<b>1.174</b>
Additions	810	0	2.500	26	3.335
Additions through business combinations	6.297	232.051	0	3.119	241.467
Disposals	(12)	0	0	(133)	(145)
Other	0	0	0	0	0
<b>Balance at 31 December 2016</b>	<b>7.095</b>	<b>233.225</b>	<b>2.500</b>	<b>3.012</b>	<b>245.831</b>

Accumulated amortisation and impairment (in thousands of euros)	Software	Tradenames and trademarks	Customer lists	Key money	Total
<b>Balance at 1 January 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Amortisation expense	(1.237)	0	0	(338)	(1.575)
<b>Balance at 31 December 2016</b>	<b>(1.237)</b>	<b>0</b>	<b>0</b>	<b>(338)</b>	<b>(1.575)</b>

Carrying amount (in thousands of euros)	Software	Tradenames and trademarks	Customer lists	Key money	Total
Balance at 1 January 2015	0	0	0	0	0
Balance at 31 December 2015	0	1.174	0	0	1.174
<b>Balance at 31 December 2016</b>	<b>5.858</b>	<b>233.225</b>	<b>2.500</b>	<b>2.673</b>	<b>244.256</b>

"Software" includes software acquired or developed by external suppliers and capitalised internal development costs.

"Tradenames and trademarks" have been either acquired or resulting from business combinations.

"Customer lists" have been acquired through a separate asset deal, which was not considered a business combination as defined by IFRS3.

"Key money" have been acquired through business combinations and represents the favourable lease conditions of secured store locations.

The tradenames, trademarks and customer lists have an indefinite useful life, due to their nature. As such, they are normally subject to an annual impairment test. However, as these assets relate to business combinations occurred during the current accounting period, management judges that there is no impairment as the assumptions to be used in the impairment testing have not changed compared to the exercise done at the respective acquisition dates.

The key assumptions were as follows:

- FNG Group:
  - Discount rate (WACC): 10%
  - Growth rate: 1%
- BrantNew:
  - Discount rate (WACC): 15%
  - Growth rate: 1%
- Steps/Superstar:
  - Discount rate (WACC): 15%
  - Growth rate: 1%

There were no pledges relating to the intangible assets.

### 5.3 Property, plant & equipment

(In thousands of euros)	31/12/2016	31/12/2015
Acquisition cost	64.157	7.271
Accumulated depreciation and impairment	(7.058)	(882)
<b>Property, plant and equipment</b>	<b>57.099</b>	<b>6.389</b>
of which:		
Buildings	19.910	0
Leasehold improvements and other store furniture	16.068	6.243
Machinery and installations	19.918	146
Assets under construction	1.204	0

Cost (in thousands of euros)	Buildings	Leasehold improvements and other store furniture	Machinery and installations	Assets under construction	Total
<b>Balance at 1 January 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions	0	1.295	150	0	1.445
Additions through business combinations	0	5.826	0	0	5.826
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>7.121</b>	<b>150</b>	<b>0</b>	<b>7.271</b>
Additions	2.226	4.248	10.160	1.229	17.863
Additions through business combinations	19.634	8.253	13.521	2	41.411
Disposals	(251)	(1.948)	(162)	(27)	(2.389)
<b>Balance at 31 December 2016</b>	<b>21.610</b>	<b>17.675</b>	<b>23.669</b>	<b>1.204</b>	<b>64.157</b>

Accumulated depreciation and impairment (in thousands of euros)	Buildings	Leasehold improvements and other store furniture	Machinery and installations	Assets under construction	Total
<b>Balance at 1 January 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense	0	(878)	(4)	0	(882)
<b>Balance at 31 December 2015</b>	<b>0</b>	<b>(878)</b>	<b>(4)</b>	<b>0</b>	<b>(882)</b>
Depreciation expense	(1.730)	(2.411)	(3.752)	0	(7.893)
Disposals	30	1.682	5	0	1.717
<b>Balance at 31 December 2016</b>	<b>(1.700)</b>	<b>(1.607)</b>	<b>(3.751)</b>	<b>0</b>	<b>(7.058)</b>

Carrying amount (in thousands of euros)	Buildings	Leasehold improvements and other store furniture	Machinery and installations	Assets under construction	Total
Balance at 1 January 2015	0	0	0	0	0
Balance at 31 December 2015	0	6.243	146	0	6.389
<b>Balance at 31 December 2016</b>	<b>19.910</b>	<b>16.068</b>	<b>19.918</b>	<b>1.204</b>	<b>57.099</b>

The carrying amount of assets held under finance leases is presented in the following table:

Held under finance lease (In thousands of euros)	
Balance at 1 January 2015	0
Balance at 31 December 2015	0
<b>Balance at 31 December 2016</b>	<b>13.860</b>

These assets held under finance lease mainly relate to the corporate building in Mechelen, Belgium. The lease term of this building is 15 years and includes a purchase option. The related lease commitments are disclosed in note 5.13 on borrowings.

#### 5.4 Inventories

(in thousands of euros)	31/12/2016	31/12/2015
Raw materials and furnitures	1.383	0
Work in progress	3.504	0
Goods for resale	87.739	8.321
<b>Gross carrying amount</b>	<b>92.626</b>	<b>8.321</b>
Write-downs (impairment)	(5.686)	(1.363)
<b>Net carrying amount</b>	<b>86.941</b>	<b>6.958</b>

The cost of inventories recognised as an expense during the year was € 102.137 thousands (2015: € 32.548 thousands). The cost of inventories recognised as an expense includes € 1.152 thousands in respect of reversals of write-downs of inventory in 2016 as they became recoverable and € 1.363 thousands in respect of write-downs of inventory to net realisable value in 2015. No inventories are expected to be recovered after 12 months. There are no pledges relating to the inventories.

#### 5.5. Trade and other receivables

Trade and other receivables (in thousands of euros)	31/12/2016	31/12/2015
<b>Trade receivables</b>		
Trade receivables from third parties	21.682	843
Write-downs on trade receivables	0	(29)
<b>Total trade receivables</b>	<b>21.682</b>	<b>814</b>
<b>Other receivables</b>		
Receivable from third parties	1.513	2.264
Receivables from related parties	1.779	3.949
<b>Total other receivables</b>	<b>3.293</b>	<b>6.213</b>
<b>Total trade and other receivables</b>	<b>24.975</b>	<b>7.027</b>

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The aged analysis of receivables past due but not impaired is presented below:

(in thousands of euros)	31/12/2016	31/12/2015
Not yet due	7.740	717
Up to 60 days	1.617	22
61 to 90 days	456	76
> 90 days	11.869	0
<b>Total</b>	<b>21.682</b>	<b>814</b>

The recoverability of the receivables outstanding for more than 90 days should be viewed together with the payables with the same customer or parties related to the customer, which are exceeding these receivables. For an analysis of the credit risk, we refer to note 7.2.2 below.

The movement in the allowance for doubtful debts can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
<b>At 1 January</b>	<b>(29)</b>	<b>0</b>
Impairment write downs	0	(29)
Reversal of write downs	29	0
<b>At 31 December</b>	<b>0</b>	<b>(29)</b>

## 5.6. Other Assets

The other assets (non-current and current) can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Rental accruals	1.092	2.400
Interest accruals	0	750
Other	2.021	651
<b>Total other assets</b>	<b>3.113</b>	<b>3.801</b>
of which:		
Non-current	0	0
Current	3.113	3.801

The caption "Other" consists mainly of prepaid expenses relating to the operating activities of the Group.

## 5.7 Cash and cash equivalents

Cash and cash equivalents include following components:

(in thousands of euros)	31/12/2016	31/12/2015
Cash at bank and in hand	65.437	1.358
Short-term bank deposits	1.470	0
<b>Total cash and cash equivalents</b>	<b>66.907</b>	<b>1.358</b>

## 5.8 Deferred taxes

The deferred taxes recognised in the consolidated statement of financial position are as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Deferred tax assets	18.000	977
Deferred tax liabilities	(45.682)	0

The nature of the sources of deferred tax assets and liabilities recognised in the statement of financial position are detailed in the following table:

In thousands of euros	Assets		Liabilities	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Property, plant and equipment	701	0	(694)	0
Intangible assets	0	0	(45.084)	0
Inventories	0	0	(274)	0
Other financial assets	0	0	(437)	0
Employee Benefits	106	0	0	0
<b>Deferred taxes relating to temporary differences</b>	<b>807</b>	<b>0</b>	<b>(46.489)</b>	<b>0</b>
Tax losses carried forward	18.000	977	0	
<b>Deferred taxes relating to tax losses and tax credits</b>	<b>18.000</b>	<b>977</b>	<b>0</b>	<b>0</b>
<b>Total recognised deferred taxes</b>	<b>18.807</b>	<b>977</b>	<b>(46.489)</b>	<b>0</b>
Offsetting	(807)	0	807	0
<b>Total, net</b>	<b>18.000</b>	<b>977</b>	<b>(45.682)</b>	<b>0</b>

The movements in deferred tax assets and liabilities have been recognised as follows:

(in thousands of euros)	2016	2015
Deferred tax assets	977	0
Deferred tax liabilities	0	0
<b>Balance at 1 January</b>	<b>977</b>	<b>0</b>
Changes:		
- Recognised in income statement	498	977
- Recognised in other comprehensive income	0	0
- Acquisitions through business combinations	(29.322)	0
- Other	166	0
<b>Balance at 31 December</b>	<b>(27.681)</b>	<b>977</b>
Of which:		
- Deferred tax assets	18.000	977
- Deferred tax liabilities	(45.682)	0

There are no deductible temporary differences, unused tax losses and unused tax credits for which no deferred taxes are recognised.

## 5.9. Share capital

### 5.9.1. Capital management

The Company manages its capital to maintain a strong level of capital in order to sustain development of the business and confidence of creditors while optimising return on capital for shareholders. This ensures that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of its debt and equity balance and its EBITDA (as defined in note 2.1). The Group is not subject to any externally imposed capital requirements except those provided for by law. The Group's management reviews the capital structure of the Group on a regular basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group's objectives, policies and processes for managing capital have remained unchanged over the past few years.

### 5.9.2. Capital transactions

Number of shares		
<b>Balance at 1 May 2015</b>		<b>5</b>
<b>Balance at 31 December 2015</b>		<b>5</b>
Share issue through contribution in kind - Reverse acquisition - R&S Finance B.V.	5/01/16	10.000.000
Existing shares FNG NV - Reverse acquisition R&S Finance B.V.	5/01/16	3.367.129
Acquisition shares R&S Finance B.V. - Reverse acquisition R&S Finance B.V.	5/01/16	(5)
Share issue through contribution in kind - FNG acquisition	9/09/16	104.367.393
Share issue through contribution in kind - FIPH	12/09/16	3.010.000
Share issue through contribution in kind - FNG squeeze-out	29/09/16	90.797
Share issue through contribution in kind - BrantNew acquisition	12/10/16	20.012.500
Share split	13/10/16	(133.805.427)
Share issue through contribution in cash	7/12/16	1.000.000
<b>Balance at 31 December 2016</b>		<b>8.042.392</b>



Since the last annual report, the following alterations to the Company's issued capital took place:

- On 5 January 2016, FNG N.V. issued 1 Priority Share (linked to an amendment of the voting rights) and 10.000.000 new class A shares. This issuance was done in the framework of the acquisition of all shares in the capital of R&S Finance B.V. through a so-called reverse listing transaction (the R&S Transaction). FNG N.V. has acquired all the shares in the capital of R&S Finance B.V. against issuance of 10.000.000 A shares to FIPH B.V., who was the sole shareholder of R&S Finance B.V. prior to the R&S Transaction. As part of the R&S Transaction, FIPH B.V. has also acquired the Priority Share which was issued on 5 January 2016. Rens van de Schoor (FIPH B.V.) and the founders of FNG Group NV (Anja Maes, Manu Bracke and Dieter Penninckx) agreed to combine their shareholdings in a separate structure. In addition, they negotiated a transfer of the priority share from FIPH B.V. to Greenway District BVBA on December 9, 2016 for €500 thousands. As a result of the issuance on 5 January 2016, FNG N.V. has placed (i) 3.367.128 ordinary shares (listed on Euronext Amsterdam as of 20 January 2016), (ii) 10.000.000 class A shares and (iii) 1 Priority Share.
- On 9 September 2016, FNG N.V.
  - issued 104.367.393 new ordinary shares in connection with the settlement of the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of the respective holders of securities in FNG Group NV who tendered such securities in the Exchange Offer in accordance with their entitlement to such shares;
  - converted the 10.000.000 class A shares held by FIPH B.V. into 10.000.000 ordinary shares, and FIPH B.V. transferred these 10.000.000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to FIPH B.V.'s securities account;
  - As a result of the issuance and conversion on 9 September 2016 FNG N.V. has placed (i) 117.734.521 ordinary shares, and (ii) 1 Priority Share.
- On 12 September 2016, FNG N.V. issued 3.010.000 ordinary shares to FIPH B.V. against the contribution by FIPH B.V. of its 175.000 shares in FNG Group NV outside the Exchange Offer (FIPH B.V. was not permitted under Belgian law to tender its shares in FNG Group NV in the Exchange Offer), and FIPH B.V. transferred these 3.010.000 ordinary shares to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to FIPH B.V.'s securities account. As a result of the issuance on 12 September 2016 FNG N.V. has placed (i) 120.744.521 ordinary shares, and (ii) 1 Priority Share.
- On 29 September 2016, FNG N.V. issued 90.797 ordinary shares in connection with the settlement of the squeeze-out proceedings following and in connection with the Exchange Offer to ABN AMRO Bank N.V. for inclusion in the Collective Deposit ("verzameldepot"), with such shares to be credited to Bank Degroof Petercam NV for further credit to the securities accounts of (i) the respective holders of securities in FNG Group NV who tendered such securities in the squeeze-out in accordance with their entitlement to such shares and (ii) the Deposit and Consignment Office (Deposito- en Consignatiekas). As a result of the issuance on 29 September 2016 FNG N.V. has placed (i) 120.835.318 ordinary shares, and (ii) 1 Priority Share.
- On 12 October 2016, FNG N.V. issued 20.012.500 new class A shares following the exercise of the Brantano Call Option by FNG N.V. as consideration for all outstanding shares in BrantNew BVBA, one share in Brantano NV and a receivable for a principal amount of € 25.000 thousands plus any accrued but unpaid interest from BrantNew BVBA. The share issue occurred at the average value of the share of the Company in the 90 days before the share issue and adjusted for the illiquidity of the market. As a result of the issuance on 12 October 2016 FNG N.V. has placed (i) 120.835.318 ordinary shares, (ii) 20.012.500 class A shares and (iii) 1 Priority Share.
- On 13 October 2016:
  - FNG N.V. issued 2 new class A shares in the framework of the Reverse Stock Split (as defined hereinafter) in order to ensure that the total number of issued shares in FNG N.V.'s capital will be divisible by 20. As a result of the issuance on 13 October 2016 FNG N.V. has placed (i) 120.835.320 ordinary shares, (ii) 20.012.500 class A shares and (iii) 1 Priority Share.
  - the reverse stock split (the "Reverse Stock Split"), resolved upon by the general meeting of FNG N.V. on 13 July 2016 (amendment to the articles of association of FNG N.V.), became effective. FNG N.V.'s authorized share capital was altered for the purpose of consolidating the ordinary shares and class A shares in such a way that:
    - every 20 ordinary shares in FNG N.V.'s capital (each having a nominal value of € 0,08) is consolidated into 1 ordinary share; and
    - every 20 class A shares in FNG N.V.'s capital (each having a nominal value of € 0,08) is consolidated into 1 class A share,
  - Under the simultaneous decrease of the nominal value of each ordinary share and each class A share in FNG N.V.'s capital created pursuant to the aforementioned consolidation to € 0,08 (a reverse stock split). As a result of the Reverse Stock Split on 13 October 2016 FNG N.V. has placed (i) 6.041.766 ordinary shares, (ii) 1.000.625 class A shares and (iii) 1 Priority Share.
- On 7 and 8 December 2016, FNG N.V. issued 1.000.000 class A shares through a private placement for a total amount of € 32.000 thousands. As a result of the issuance on 7 and 8 December 2016 FNG N.V. has placed (i) 6.041.766 ordinary shares, (ii) 2.000.625 class A shares and (iii) 1 Priority Share. The proceeds net of issue costs are equal to € 30.854 thousands.

### 5.9.3. Shareholders

The share capital of the Company amounts to € 643 thousands and is represented by 8.042.392 shares, of which one priority share, each with a nominal value of € 0,08. The shareholders of the Company are detailed as follows:

Greenway District BVBA (FNG founders Mr Dieter Penninckx, Ms Anja Maes and Mr Manu Bracke)	58,3%
Mr L.H. van de Schoor	7,14%
Saffelberg Investments NV	6,66%
Belfius Insurance NV	4,47%
Biloba Holding B.V.	4,45%
VMF Luxembourg SA	4,27%
Torfs Import Services	4,26%
Others	5,48%
Free Float	4,97%

## 5.10. Provisions

The provisions presented in the consolidated statement of financial position can be detailed as follows:

(in thousands of euros)	Restructuring	Onerous contracts	Other provisions	Total
<b>Balance at 1 January 2016</b>	<b>0</b>	<b>510</b>	<b>742</b>	<b>1.252</b>
Additions	0	272	713	985
Additions through business combinations	1.731	0	412	2.143
Reversals	(341)	(585)	(1.183)	(2.109)
<b>Balance at 31 December 2016</b>	<b>1.390</b>	<b>197</b>	<b>684</b>	<b>2.271</b>
Of which current provisions	1.390	197	509	2.096
Of which non-current provisions	0	0	175	175

Restructuring provision relates to the on-going restructuring process at Brantano, mainly consisting of termination benefits. The other provisions relate mainly to claims from employees, individual termination benefits and a provision for expected returns of goods.

## 5.11. Post-employment benefit obligations

The Group operates defined contribution plans and defined benefit plans.

For the defined contribution plans, we refer to note 6.2 on employee benefit expenses.

The defined contribution plans in Belgium are legally subject to minimum guaranteed returns. As such, these plans meet the conditions for classification as defined benefit plan and are recognised as such in the consolidated statement of financial position. However, due to the insignificant amount, the Group has decided not to disclose all the disclosures as required by IAS 19 – Employee Benefits.

All senior employees and management of the BrantNew sub-group have access to these scheme. The death, disability and healthcare benefits granted to employees of the Company are covered by external insurance companies, where premiums are paid annually and charged to the income statement as they were incurred. As a consequence of the (Belgian) Law of 18 December 2015, minimum returns are guaranteed by the employer as follows:

- for the contributions paid as from 1 January 2016, a new variable minimum return based on rates of the Belgian government bonds, with a minimum of 1.75% and a maximum of 3.75%. In view of the low rates of the Belgian government bonds in the last years, the return has been initially set to 1.75;
- for the contributions paid until end December 2015, the previously applicable legal returns (3.25% and 3.75% respectively on the employer and employee contributions) continue to apply until retirement date of the participants.

## 5.12. Borrowings

The borrowings as presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2016	31/12/2015
Bonds	68.137	0
Bank debts	93.636	1.968
Other borrowings	16.004	0
<b>Total borrowings</b>	<b>177.777</b>	<b>1.968</b>
<i>of which:</i>		
<i>Non-current</i>	142.414	0
<i>Current</i>	35.363	1.968

The Company's bonds can be detailed as follows:

- On 1 March 2012 FNG Group NV issued 289 senior unsecured and dematerialised bonds with a nominal value of € 50 thousands each (for a total amount of € 14.450 thousands) offered for subscription through a private placement. The general meeting of bondholders of 20 December 2014 decided on several amendments to the bonds, among which amendments to the financial covenants. These bonds are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Group NV decided on 29 December 2014 to issue 250 unsubordinated and dematerialised bonds with a nominal value of € 100 thousands each (for a total nominal amount of € 25.000 thousands). The bonds were issued through a private placement and are listed on Alternext Brussels and bear an annual interest rate of 4,625%.
- The board of directors of FNG Group NV decided on 26 January 2015 to issue 100 subordinated registered bonds with a nominal value of € 50 thousands each (for a total nominal amount of € 5.000 thousands). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Group NV decided on 20 March 2015 to issue 1.000 subordinated dematerialised bonds with a nominal value of € 5 thousands each (for a total nominal amount of € 5.000 thousands). The bonds were issued through a private placement and are not listed on any market and bear an annual interest rate of 7,45%.
- The board of directors of FNG Benelux Holding NV decided on 5 July 2016 to issue 200 senior unsecured bonds with a nominal value of € 100 thousands each (for a total nominal amount of € 20.000 thousands). The bonds were issued through a private placement and are listed on Alternext Brussels and bear an annual interest rate of 5,50%.

The bank debts consist mainly of the club deal:

- FNG Group NV and other members of the FNG group entered into a € 131.000 thousands facilities agreement, originally dated 28 July 2014 and as amended and restated on 19 June 2015 and as further amended on 24 March 2016 and as further amended and restated on 29 March 2017 with ING Belgium NV/SA, Rabobank, BNP Paribas Fortis NV/SA, Belfius Bank NV/SA and ING Bank N.V. The club deal bears a floating interest rate of EURIBOR 3M + margin. Of the amount of € 131.000 thousands, € 31.000 was undrawn at closing 2016.
- Other borrowings consist mainly of the following loans:
  - In October 2016, the Group entered into mezzanine loan for a total amount of € 10.000 thousands with external partners carrying a floating interest rate (EURIBOR 3M + margin) and with a maturity date in December 2020.
  - A loan for an amount of € 3.000 thousands with an external partner carrying a rate of 1% and with no defined maturity date.

For additional information on liquidity risk, see note 7.2.3.

### 5.13. Other financial liabilities

The other financial liabilities as presented in the consolidated statement of financial position consist of the following items:

(in thousands of euros)	31/12/2016	31/12/2015
Finance lease liabilities	12.431	0
Shareholder's loans	0	10.000
Other loans	5.000	5.000
Derivative instruments	920	175
<b>Total other financial liabilities</b>	<b>18.352</b>	<b>15.175</b>
of which:		
Non-current	18.328	15.175
Current	23	0

The other loans for an amount of € 5.000 thousands with a maturity of 5 years carries an embedded derivative relating to the return on the loan, which is separated and measured at fair value through profit or loss (see note 5.16). The main conditions of this loan are as follows:

- The return payable to the debtor depends on the realised EBITDA of the Company in the financial year prior to loan repayment. Payment of the return is done only if the EBITDA exceeds € 5.000 thousands in the previous financial year. The return is equal to the realised EBITDA less € 5.000 thousands, multiplied by 1.4. The maximum return will be no more than € 7.000 thousands.
- The loan has a maturity of 5 years until 31 May 2020, and must be repaid at maturity. The shareholder can as from 1 June 2018 (up to no more than 3 months after the annual financial statements of the Company are made available for the previous financial year) as well as from 1 June 2019 (up to no more than 3 months after the annual financial statements of the Company are made available for the previous financial year) ask for repayment of up to 50% of the loan (and the pro rata return).
- In certain exceptional circumstances, the debtor can choose to convert its loan (principal plus return) to shares in the Company, which will apply (i) if the Company realises a negative EBITDA in the second year (2016/2017) or in a subsequent year; (ii) if the management of the Company does not fulfil its task in a way that can reasonably be expected from it; or (iii) if there is failure to comply with the information obligation contained in the agreement (after notice of default and a recovery period). The conversion into shares would occur in such a way that the share interest of the debtor in the Company resulting from the conversion will be 33.3% of the total interest in the Company.

For more details regarding the derivative instruments, we refer to note 5.16.

The finance lease commitments, which includes the bargain purchase option, relating to the building in Mechelen are disclosed in the following table:

(in thousands of euros)	31/12/2016	31/12/2015
Not later than 1 year	428	0
Later than 1 year and not later than 5 years	3.578	0
Later than 5 years	10.934	0
Less: future finance charges	(2.508)	0
<b>Present value of minimum lease payments</b>	<b>12.431</b>	<b>0</b>

(in thousands of euros)	31/12/2016	31/12/2015
Not later than 1 year	155	0
Later than 1 year and not later than 5 years	2.606	0
Later than 5 years	9.670	0
<b>Present value of minimum lease payments</b>	<b>12.431</b>	<b>0</b>

For additional information on liquidity risk, see note 7.2.3.

#### 5.14. Trade and other payables

The trade and other payables can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Trade payables	50.548	6.168
Payables relating to fixed assets	1.020	0
Other payables relating to employees	5.538	3.850
Tax payables, other than income tax	12.389	1.623
Customer loyalty liabilities	3.121	0
Other	2.624	0
<b>Total trade and other payables</b>	<b>75.241</b>	<b>11.642</b>
<i>Of which:</i>		
<b>Current</b>	<b>75.241</b>	<b>11.642</b>

The customer loyalty liabilities relate to the estimate of awards granted to customers.

#### 5.15. Other current liabilities

The other current liabilities consist of the following components:

(in thousands of euros)	31/12/2016	31/12/2015
Accrued expenses and deferred income	6.740	621
<b>Total other liabilities</b>	<b>6.740</b>	<b>621</b>

#### 5.16. Derivative instruments

The derivative instruments recognised in the consolidated statement of financial position under "Other financial assets" and "Other financial liabilities" can be detailed as follows:

(in thousands of euros)	Fair value		Notional amounts	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Floors	14	0	31.813	0
<b>Total other financial assets</b>	<b>14</b>	<b>0</b>	<b>31.813</b>	<b>0</b>
<i>of which:</i>				
Non-current	0		0	
Current	14		31.813	

(in thousands of euros)	Fair value		Notional amounts	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Embedded derivative - Coltaparte	475	175	5.000	5.000
Interest rate swap	445	0	56.958	0
<b>Total other financial liabilities</b>	<b>920</b>	<b>175</b>	<b>61.958</b>	<b>5.000</b>
<i>of which:</i>				
Non-current	897	175	26.328	0
Current	23	0	35.630	5.000

The embedded derivative relates to the other loan disclosed in note 5.13.

The floors and interest rate swaps are used to hedge the interest rate risk of the borrowings presented in note 5.12. As these instruments do not exactly meet the conditions for hedge accounting in accordance with IAS 39 – *Financial Instruments: Recognition and Measurement*, they are classified as instruments held for trading measured at fair value through profit or loss.

## 6. NOTES RELATING TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 6.1. Revenue

Revenue increased from € 73.029 thousands at year-end 2015 to € 242.298 thousands at year-end 2016 as a result of the business combinations effected in 2016.

### 6.2. Employee benefit expense

Employee benefit expense can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Short-term benefits	46.220	14.166
Defined contribution plans	1.482	528
<b>Total employee benefit expense</b>	<b>47.702</b>	<b>14.694</b>

The majority of the employees of the Group are covered by defined contribution pension plans. The contributions are calculated based on the annual salary or, the annual salary up to a ceiling and the annual salary in excess of this ceiling.

The defined contribution plans in Belgium are legally subject to minimum guaranteed returns. As such, these plans meet the conditions for classification as defined benefit plan in accordance with IAS 19 – *Employee Benefits* (see note 5.11).

The number of full-time equivalents is detailed below:

	31/12/2016	31/12/2015
The Netherlands	883	443
Belgium	1.125	0
Other	61	0
<b>Total FTE</b>	<b>2.069</b>	<b>443</b>

### 6.3. Other operating expenses

Other operating expenses can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Rental expenses	30.365	13.178
Expenses related to third party sales	13.550	1.717
Marketing expenses	8.888	2.828
Logistics	6.598	1.877
Maintenance expenses	6.004	2.676
IT expenses	2.264	949
Other expenses	3.949	770
<b>Total other operating expenses</b>	<b>71.618</b>	<b>23.995</b>

Rental expenses mainly relate to rent of buildings in which the individual stores are located. We refer to note 8.4.1 for more information the operating lease commitments.

The expenses relating to third party sales refers to fixed and variable fees in the context of shop-in-shop systems.

The company enters into strategic alliances which enables the Company to optimize its position in all the markets in which it operates.

Other operating expenses are mainly composed of consultancy and advisory fees, office expenses, bank charges and other administrative expenses.

### 6.4. Amortisation and depreciation expenses

(in thousands of euros)	31/12/2016	31/12/2015
Amortisation of intangible assets	1.575	0
Depreciation of property, plant and equipment	7.893	882
<b>Total amortisation and depreciation expenses</b>	<b>9.468</b>	<b>882</b>

## 6.5. Non-recurring items

Non-recurring items can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Acquisition-related expenses	0	(4.090)
Listing expenses	(5.388)	0
Revalued inventories sold	(3.364)	0
Gain on a bargain purchase	1.377	0
Other	(313)	0
<b>Total non-recurring items</b>	<b>(7.688)</b>	<b>(4.090)</b>

The main item of the non-recurring items is relating to the listing expenses of the reverse listing transaction. On 5 January 2016, the Company has listed its shares on Euronext Amsterdam through the reverse listing of Dico International.

The revalued inventories sold relate to the revaluation at fair value of inventories in the context of the acquisition of FNG. These inventories were sold by year-end 2016.

The gain on a bargain purchase relates to the acquisition of BrantNew, see also note 4.

In 2015, the non-recurring items consist of the acquisition-related expenses in the context of the business combination of Miss Etam.

## 6.6. Financial result

(in thousands of euros)	31/12/2016	31/12/2015
Interest income	126	38
Change in fair value of contingent consideration	406	0
Fair value changes related to derivative instruments	382	0
Other financial income	264	0
<b>Total financial income</b>	<b>1.179</b>	<b>38</b>
(in thousands of euros)	31/12/2016	31/12/2015
Interest expenses on bonds	(3.541)	0
Interest expenses on bank debts	(3.783)	(809)
Interest expenses on finance lease liabilities	(136)	0
Other financial expenses	(38)	0
<b>Total financial expenses</b>	<b>(7.498)</b>	<b>(809)</b>

## 6.7. Income taxes

Income tax recognised in the statement of comprehensive income can be detailed as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Current taxes in respect of the current year	(80)	0
Current taxes in respect of prior years	11	0
Deferred taxes	498	977
<b>Total income taxes</b>	<b>429</b>	<b>977</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(in thousands of euros)	31/12/2016	31/12/2015
Profit/(Loss) before taxes	(2.634)	(3.950)
Income tax expense calculated at 25%	658	987
Adjustments recognised in the current year in relation to the current tax of prior years	11	0
Effect of expenses that are not deductible	(1.955)	0
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	1.759	0
Effect of different tax rates in foreign jurisdictions	(185)	0
Other	141	(10)
<b>Total income taxes</b>	<b>429</b>	<b>977</b>

## 6.8. Earnings per share

The earnings and weighted average number of shares used in the calculation of basic earnings per share are as follows:

(in thousands of Euros)	31/12/2016	31/12/2015
<b>Net profit attributable to shares - Basic earnings per share</b>	(2.205)	(2.972)
Effect of dilutive instruments	0	0
<b>Net profit attributable to shares - Diluted earnings per share</b>	(2.205)	(2.972)
<b>Weighted average number of shares outstanding during the year - Basic earnings per share*</b>	2.613.644	500.001
Effect of dilutive instruments	0	0
<b>Weighted average number of shares outstanding during the year - Diluted earnings per share*</b>	2.613.644	500.001
Earnings per share (in Euros):		
<i>Basic earnings per share</i>	(0,84)	(5,94)
<i>Diluted earnings per share</i>	(0,84)	(5,94)

\* Total of ordinary share, class A shares and priority share after the reverse stock split in 2016 (see note 5.9.2) The 2015 number of shares has, for comparison reasons, also been adjusted for the reverse stock split.

At 31 December 2016 and 2015, the Company had no dilutive instruments.

## 7. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

### 7.1. Overview of financial instruments and fair values

#### 7.1.1. Categories of financial instruments

The following table provides the category in which financial assets and financial liabilities are classified in accordance with IAS 39 – *Financial Instruments: Recognition and Measurement*.

(in thousands of euros)	IAS 39 Category	31/12/16	31/12/15
Trade receivables	Loans and receivables	21.682	814
Other financial assets	Held for trading	14	0
Cash and cash equivalents	Loans and receivables	66.907	1.358
<b>Total financial assets</b>		<b>88.603</b>	<b>2.172</b>
Non-current financial liabilities			
<i>Bonds</i>	At amortised cost	68.137	0
<i>Bank debts</i>	At amortised cost	64.135	0
<i>Other borrowings</i>	At amortised cost	10.142	0
<i>Finance lease liabilities</i>	At amortised cost	12.431	0
<i>Shareholder's loan</i>	At amortised cost	0	10.000
<i>Other loans</i>	At amortised cost	5.000	5.000
Current financial liabilities			
<i>Bank debts</i>	At amortised cost	29.501	1.968
<i>Other loans</i>	At amortised cost	5.862	0
Trade and other payables			
<i>Trade payables</i>	At amortised cost	50.548	6.168
<i>Payables relating to fixed assets</i>	At amortised cost	1.020	0
Other financial liabilities			
<i>Derivative instruments</i>	Held for trading	920	175
<b>Total financial liabilities</b>		<b>247.697</b>	<b>23.311</b>

### 7.1.2. Fair value of financial instruments

The only financial instruments carried at fair value in the statement of financial position are the derivative instruments, measured at fair value through profit or loss (see note 5.16). The fair value of these derivatives are categorised as a level 2 fair value measurement and is computed using a discounted cash flow analysis. Future cash flows are estimated based on forward rates and yield curves derived from quoted rates matching the characteristics of the contracts (quoted forward exchange rates and/or quoted interest rates), discounted at a rate that reflects the credit risk of the counterparties, which meet the criteria for classifications as level 2 inputs (directly or indirectly observable inputs).

Except as detailed in the following table, the Company considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

31/12/16			
(in thousands of euros)	Carrying amount	Fair value	Fair value level
Non-current financial liabilities			
<i>Bonds</i>	68.137	77.338	level 2
<i>Bank debts</i>	64.135	64.135	level 2
<i>Other borrowings</i>	10.142	10.142	level 2
<i>Finance lease liabilities</i>	12.431	11.648	level 2
<i>Other loans</i>	5.000	5.000	level 2
Current financial liabilities			
<i>Bonds</i>	0	0	level 2
<i>Bank debts</i>	29.501	29.501	level 2
<i>Finance lease liabilities</i>	0	0	level 2
<b>Total</b>	<b>189.346</b>	<b>197.764</b>	

31/12/15			
(in thousands of euros)	Carrying amount	Fair value	Fair value level
Non-current financial liabilities			
<i>Shareholder's loan</i>	10.000	10.000	level 2
<i>Other loans</i>	5.000	5.000	level 2
Current financial liabilities			
<i>Bank debts</i>	1.968	1.968	level 2
<b>Total</b>	<b>16.968</b>	<b>16.968</b>	

The fair values of the financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

## 7.2. Financial risk management

### 7.2.1. Market risk

#### 7.2.1.1. Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts and floor contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table presents a breakdown of the financial liabilities based on the nature of the interest rate:

(in thousands of euros)	31/12/2016	31/12/2015
Fixed rate	101.572	0
Floating rate	93.636	1.968
<b>Total borrowings</b>	<b>195.208</b>	<b>1.968</b>

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit and equity for the year ended 31 December 2016 would decrease/increase by € 354 thousands. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.



#### 7.2.1.2. Foreign exchange risk

The Company is currently only exposed to limited foreign currency risk, mainly the USD (less than 10% of total purchases of goods).

At December 31, 2016, if the EUR had weakened 1% against the USD with all other variables held constant, the loss for the period would have been € 150 thousands higher.

#### 7.2.2. Credit risk

Credit risk is the risk that one party to an agreement will cause a financial loss to another party by failing to discharge its obligation. Credit risk covers trade receivables, cash and cash equivalents, short-term deposits and derivative instruments.

The Company believes that the credit risk relating to retail is limited because sales in the stores are immediately settled in cash. Credit risk is limited to wholesale operations from which the majority of the accounts receivable is insured (with a credit insurer). Furthermore, the company is not exposed to any material credit risk with regard to any individual customer of counterparty, as no single customer claims a dominant part of total revenue. As such, no impairment is recognised for these receivables.

Cash and cash equivalent and short-term deposits are invested with highly reputable banks and financial institutions.

The maximum credit risk to which the Company is theoretically exposed as at the balance sheet date is the carrying amount of the financial assets.

For an analysis of the ageing of the receivables, we refer to note 5.5. Based on the ongoing credit evaluation performed, no financial assets were subject to impairment.

#### 7.2.3. Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's main sources of cash inflows are currently obtained through capital increases and external financing through bond issues and bank debts.

The following table details the Company's remaining contractual maturity of its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

##### 31/12/2016

(in thousands of euros)	Bonds	Bank debts	Finance lease liabilities	Shareholder's loan	Other borrowings & other loans	Total
Within one year	4.078	30.300	428	0	2.661	37.467
>1 and <5 years	64.980	68.688	3.578	0	18.343	155.589
>5 and <10 years	20.550	0	4.472	0	0	25.022
>10 and <15 years	0	0	6.462	0	0	6.462
>15 years	0	0	0	0	0	0

The Group has access to financing facilities as described in note 5.13. Furthermore, the Group has access to undrawn facilities for a total amount € 31.000

##### 31/12/2015

(in thousands of euros)	Bonds	Bank debts	Finance lease liabilities	Shareholder's loan	Other borrowings & other loans	Total
Within one year	0	1.968	0	0	0	1.968
>1 and <5 years	0	0	0	10.000	5.000	15.000
>5 and <10 years	0	0	0	0	0	0
>10 and <15 years	0	0	0	0	0	0
>15 years	0	0	0	0	0	0

thousands in the context of the club deal and an undrawn credit facility for a total amount of € 43.750 thousands for working capital financing.

All liabilities mentioned in the tables above are secured liabilities.

The bonds and the bank debts are subject to covenants, mainly relating to financial ratios such as net senior debt to EBITDA, leverage ratio, interest cover ratio and the level of equity. At closing 2016, there was no breach of covenants.

## 8. OTHER DISCLOSURES

### 8.1. Consolidation scope

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name	Country	% equity interest	
		31/12/2016	31/12/2015
<b>FNG Group</b>			
FNG Finance Belgium BVBA	Belgium	100%	0%
FNG Beheer NL BVBA	Belgium	100%	0%
FNG Beheer BE B.V.	Netherlands	100%	0%
FNG International Holding NV	Belgium	100%	0%
FNG Benelux Holding NV	Belgium	100%	0%
FNG Group NV	Belgium	100%	0%
NS Development NV	Belgium	100%	0%
FNG Finance B.V.	Netherlands	100%	0%
Rainbow Garment Ltd	Hong Kong	100%	0%
Fashion IP B.V.	Netherlands	100%	0%
FNG International NV	Belgium	100%	0%
Van Hassels BVBA	Belgium	100%	0%
Fred & Ginger Retail Belgium NV	Belgium	100%	0%
Claudia Sträter Belgium BVBA	Belgium	100%	0%
CKS Retail Belgium NV	Belgium	100%	0%
M.A.D. Collections NV	Belgium	100%	0%
Expresso Belgium BVBA	Belgium	100%	0%
Steps Retail Belgium BVBA	Belgium	100%	0%
FNG Spain SL	Spain	100%	0%
2BUY CS B.V.	Netherlands	100%	0%
CS Modehuizen B.V.	Netherlands	100%	0%
CKS Retail NL B.V.	Netherlands	100%	0%
CS Luxembourg S.A.	Luxembourg	100%	0%
FNG Group Nederland NV	Belgium	100%	0%
Steps Nederland B.V.	Netherlands	100%	0%
Steps Onroerend Goed B.V.	Netherlands	100%	0%
Steps Huur B.V.	Netherlands	100%	0%
Superstar B.V.	Netherlands	100%	0%
FNG Group Nederland B.V.	Netherlands	100%	0%
Expresso Fashion B.V.	Netherlands	100%	0%
New Fashions B.V.	Netherlands	100%	0%
Expresso Fashion Web B.V.	Netherlands	100%	0%
<b>R&amp;S Finance</b>			
R&S Finance B.V.	Netherlands	100%	100%
Miss Etam Group B.V.	Netherlands	100%	100%
Miss Etam Services B.V.	Netherlands	100%	100%
Miss Etam Operations B.V.	Netherlands	100%	100%
ME&P Retail Rent B.V.	Netherlands	100%	100%
ME&P Retail IP B.V.	Netherlands	100%	100%
NLB Retail Services B.V.	Netherlands	100%	100%
<b>BrantNew</b>			
Brantnew BVBA	Belgium	100%	0%
Brantano NV	Belgium	100%	0%
<b>Fashion Buying Platform Holding</b>			
Fashion Buying Platform Holding BVBA	Belgium	100%	0%
Colveta AG	Switzerland	100%	0%
Colveta Ltd	Hong Kong	100%	0%

The shares held in Steps/Superstar are subject to a pledge relating to the bank debts.

Fashion Buying Platform Holding BVBA is not an acquisition of the period, but was created during 2016. Colveta AG and Colveta Ltd were already part of FNG Group sub-group, but have been transferred in 2016 to the Fashion Buying Platform Holding sub-group.

## 8.2. Related party transactions

FNG N.V. is the parent of the Group ("the Company") and the ultimate controlling party is Greenway District BVBA as mentioned in note 5.9.3.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below. The amounts payable to, and receivable from, related parties are based on market conditions.

The related parties presented below are identified as:

- The shareholders of the Company;
- Other related parties, i.e. companies (jointly) controlled by the parent or a member of key management; and
- Key management personnel.

### 8.2.1. Trading transactions

The following transactions occurred during the reporting periods:

(in thousands of euros)	Purchase of services	
	31/12/16	31/12/15
Shareholders	256	0
Other related parties	558	0
<b>Total</b>	<b>814</b>	<b>0</b>

These services mainly relate to consulting services and rental payments.

The following balances with related parties were outstanding at the end of the reporting period:

(in thousands of euros)	Amounts owed by related parties		Amounts owed to related parties	
	31/12/16	31/12/15	31/12/16	31/12/15
Shareholders	1.779	3.949	324	0
Other related parties	100	0	0	0
<b>Total</b>	<b>1.879</b>	<b>3.949</b>	<b>324</b>	<b>0</b>

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

### 8.2.2. Other transactions

Next to the above mentioned transactions, also the acquisition of BrantNew (see note 4) should be considered as a related party transaction as BrantNew was a company controlled by FIPH B.V., current shareholder of the Company through Rens van de Schoor. Furthermore, the acquisition of Steps/Superstar (see note 4) should also be considered a related party transactions as Steps/Superstar were entities controlled by Steps Holding B.V. and Superstar Holding B.V., both companies controlled by Rens van de Schoor through NLB Fashion.

Rens van de Schoor (FIPH B.V.) and the founders of FNG Group NV (Anja Maes, Manu Bracke and Dieter Penninckx) agreed to combine their shareholdings in a separate structure. In addition, they negotiated a transfer of the priority share on December 9, 2016 for € 500 thousands.

### 8.2.3. Loans from and to related parties

The shareholder's loan in 2016 for an amount of € 12.431 thousands relates to the finance lease of the building in Mechelen. We refer to note 5.13 for more detailed information on the finance lease liability.

(in thousands of euros)	Loans to related parties		Loans from related parties	
	31/12/16	31/12/15	31/12/16	31/12/15
Shareholders	0	0	12.431	10.000
Other related parties	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>12.431</b>	<b>10.000</b>

#### 8.2.4. Compensation of key management personnel

Key management personnel of the Group includes all members of the Board of Directors of the Company, as well as the executive management.

The members of the executive management are responsible for the management, the organisation and the control of their respective department, within the limits of the budget and the strategy approved by the board of directors. The executive management is also in charge of the preparation of the strategic planning. The executive management is entrusted with the management of the Company and the execution of the board of directors' decisions. The executive management is composed of 2 members and includes the chief executive officer (CEO) and the chief financial officer (CFO).

The table below presents the compensation of all members of key management personnel by type of compensation:

(in thousands of euros)	31/12/16	31/12/15
Short-term benefits	435	140
Post-employment benefits	0	0
<b>Total</b>	<b>435</b>	<b>140</b>

#### 8.3. Contingent assets and liabilities

At 31 December 2016 and 2015, there were no material contingent assets or liabilities. Total exposure does not exceed €500 thousands.

#### 8.4. Commitments

##### 8.4.1. Operating lease commitments

Operating leases relate to leases of stores (average lease term of 6 years), company cars (average lease term of 4 years) and IT equipment. The Company does not have an option to purchase the leased assets at the expiry of the lease periods. For the period ended 31 December 2016, minimum lease payments for a total amount of € 30.365 thousands have been recognised in the statement of comprehensive income (2015: € 13.178 thousands). There were no significant contingent rentals, nor sub-lease payments received.

The following table presents the non-cancellable operating lease commitments:

##### 8.4.2. Facility and guarantees

(in thousands of euros)	31/12/2016	31/12/2015
Not later than 1 year	27.374	15.391
Later than 1 year and not later than 5 years	92.341	46.643
Later than 5 years	12.208	2.421
<b>Total</b>	<b>131.923</b>	<b>64.454</b>

The Group has access to facilities for bank guarantees and financing of working capital with a maximum of € 43.750 thousands. As per balance sheet date, bank guarantees relating to rent for real estate had been issued at the request of the Group for a total amount of € 7.155 thousands.

##### 8.4.3. Other commitments

There were no other commitments at year-end 2016, nor 2015.

#### 8.5. Events after the reporting period

On 29 March 2017, the Group refinanced its bank debts through a new financing agreement, called Club Deal for a total amount of € 131 million.

On 21 April 2017, the Group announced that it has the intention to acquire 100% of the shares of Suitcase, an online platform of personal styling offering. The acquisition allows the Group to expand its offering on men's fashion and its online offering. Suitcase offers a current assortment of men's fashion using high-quality personal fashion advisory.

On 11 May 2017, the Group announced that it has the intention to acquire 100% of the shares of Concept Fashion, which has 15 multi-brand stores in Flanders. This acquisition fits in the strategy of the Group to invest in brands for men and women in out-of-town locations.

Both acquisitions meet the conditions to be considered as business combinations. As such, the acquisition method is applied at the acquisition date. However, the application of the acquisition method is currently still in process and therefore, the Company cannot disclose sufficient reliable information.

FNG Benelux Holding NV, an indirect subsidiary of FNG N.V., has successfully placed an additional € 25.000 thousands notes issue through a private placement. The € 25.000 thousands 5.5% notes due 7 July 2023 issued on 7 July 2016, shall be issued by FNG Benelux Holding NV on 7 July 2017, and shall be listed on Alternext Brussels.

**FNG N.V.**  
**COMPANY FINANCIAL STATEMENTS - BALANCE SHEET**  
For the year ended 31 December 2016

<b>ASSETS</b> (in thousands of euros)	<b>Note</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Non-current assets</b>		<b>197.350</b>	<b>0</b>
Investments in participating interests	3.1.	172.341	0
Intercompany loans	3.2.	25.000	0
Deferred tax assets		9	0
<b>Current assets</b>		<b>39.849</b>	<b>7</b>
Intercompany receivables	3.2.	39.670	0
Other current assets		125	0
Cash and cash equivalents		54	7
<b>TOTAL ASSETS</b>		<b>237.199</b>	<b>7</b>
<b>EQUITY AND LIABILITIES</b> (in thousands of euros)	<b>Note</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Equity attributable to owners of the parent</b>		<b>236.101</b>	<b>(45)</b>
Share capital	3.3.1.	643	269
Share premium		235.969	3.004
Other reserves		(4.410)	(3.264)
Retained earnings		4.241	(54)
<b>TOTAL EQUITY</b>	3.3.	<b>236.101</b>	<b>(45)</b>
<b>Current liabilities</b>		<b>1.098</b>	<b>52</b>
Intercompany payables	3.2.	773	13
Trade and other payables		300	39
Other current liabilities		25	0
<b>Total liabilities</b>		<b>1.098</b>	<b>52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>237.199</b>	<b>7</b>

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## STATEMENT OF COMPREHENSIVE INCOME

Statement of comprehensive income (in thousands of euros)	2016	2015
Management fee	(25)	0
Recharged expenses	0	(54)
Other operating expenses	(10)	0
<b>Total expenses</b>	<b>(35)</b>	<b>(54)</b>
Financial income	0	0
Financial expenses	0	0
<b>Net finance expense</b>	<b>0</b>	<b>0</b>
Share of profit of participating interests	4.321	0
<b>Profit / (loss) before taxes</b>	<b>4.286</b>	<b>(54)</b>
Income taxes	9	0
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	<b>4.295</b>	<b>(54)</b>

## NOTES TO THE COMPANY FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

The financial information of FNG N.V. (KvK 16014685) are included in the consolidated financial statements of FNG N.V.

### 2. GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

#### 2.1. Basis of preparation

The statutory financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Dutch Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Dutch Civil Code to prepare the statutory financial statements, using the same accounting policies as in the consolidated financial statements. Valuation is based on recognition and measurement requirements of accounting standards as endorsed adopted by the European Union (i.e. only IFRS as adopted for use by the EU at the date of authorisation for issue of the financial statements) as explained further in the notes to the consolidated financial statements.

#### 2.2. Significant accounting policies

##### 2.2.1. Financial fixed assets

Participating interests (subsidiaries, joint ventures and associates) are measured on the basis of the equity method.

##### 2.2.2. Shareholders' equity

The translation reserve and other legal reserves were previously formed under, and are still recognised in accordance with, the Dutch Civil Code.

##### 2.2.3. Profit of participating interests

The share of profit of participating interests consists of the share of the Company in the results of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests, themselves, are not recognised.

### 3. NOTES TO THE SPECIFIC ITEMS OF THE BALANCE SHEET

#### 3.1. Investments in participating interests

A summary of the movements in the investments in participating interests is given below:

(in thousands of euros)

<b>Balance at 1 January 2015</b>	<b>0</b>
<b>Balance at 31 December 2015</b>	<b>0</b>
Profit participating interest	4.321
Investments	176.022
Desinvestments	(8.002)
<b>Balance at 31 December 2016</b>	<b>172.341</b>

Reference is made to note 8.1 of the consolidated financial statements for an overview of the investments in participating interests.

The investments in 2016 relate mainly to the acquisitions of FNG Group N.V. (€ 171.949 thousands), BrantNew (€ 7.020 thousands) and R&S Finance B.V. (€ -2.972 thousands).

The desinvestments in 2016 relate to the contribution in kind by BrantNew in FNG Benelux Holding NV (€ 8.002 thousands). This transaction should be considered as an internal restructuring.

#### 3.2. Intercompany receivables and payables

The intercompany receivables and payables recognised under current assets and liabilities mainly concern current account positions with group companies for which no further agreements have been made about the term to maturity or repayment.

In October 2016 FNG N.V. entered into a € 25,000 thousands loan with a BrantNew BVBA. The loan has to be repaid in full by the group company at 12 January 2021. The interest rate per year is 9%. There are no significant intercompany elements in the Company's profit and loss accounts.

### 3.3. Shareholders' equity

Movements in the shareholders' equity are shown in the following table.

	Attributable to owners of the parent				TOTAL EQUITY
	Capital	Share premium	Other reserves	Retained earnings	
(in thousands of euros)					
Balance at 1 January 2015	269	3.004	(3.267)	(0)	6
Total comprehensive income of the period	0	0	0	(54)	(54)
Transactions with shareholders	0	0	3	0	3
Balance at 31 December 2015	269	3.004	(3.264)	(54)	(45)
Total comprehensive income of the period	0	0	0	4.295	4.295
Reverse listing 05-01-2016	800	(3.772)	0	0	(2.972)
Issue of share capital	10.279	225.691	0	0	235.969
Transaction costs for equity issue	0	0	(1.146)	0	(1.146)
Reverse share split	(10.705)	10.705	0	0	0
Balance at 31 December 2016	643	235.627	(4.410)	4.241	236.101

The reverse listing transaction on 5 January 2016 relates to the acquisition of R&S Finance (a Euronext Amsterdam listed company) by FNG N.V. (previously R&S Retail Group and before that Dico International N.V.). However, the acquisition is actually a reverse acquisition from an economical point of view and accounted for as such. For the purpose of the Company's financial statements, the comparative statements presented in these financial statements are those of Dico International, the legal acquirer.

The shareholder's equity of the Company reconciles to the consolidated equity as follows:

#### 3.3.1. Share capital

<b>Statutory equity at 31 December 2016</b>	<b>236.101</b>
Purchase price adjustments relating to acquisition of FNG	(2.489)
Gain on a bargain purchase	1.377
<b>Consolidated equity at 31 December 2016</b>	<b>234.988</b>

The statutory comprehensive income for the period of the Company reconciles to the consolidated comprehensive income as follows:

<b>Statutory comprehensive income 2016</b>	<b>4.295</b>
Listing costs relating to the reserved listing	(5.388)
Purchase price adjustments relating to acquisition of FNG	(2.489)
Gain on a bargain purchase relating to the acquisition of BrantNew	1.377
<b>Consolidated comprehensive income 2016</b>	<b>(2.205)</b>

The Company's authorised share capital amounts to € 643 thousands and is divided into 8.042.392 shares, each with a nominal value of € 0,08. The number of outstanding and fully paid shares at the end of the financial year amounted to 8.042.392 shares (2015: 3.367.129 shares). For a further explanation of the share capital, we refer to note 5.9 of the consolidated financial statements.

### 3.4. Appropriation of profits

For the financial year 2015

The profit over 2015 has been added to the retained earnings, with due regard to the necessary movements in the statutory reserves.

For the financial year 2016

The results for 2016 will be added to the retained earnings, with due regard to the necessary movements in the statutory reserves.

### 3.5. Contingencies and liabilities not included in the balance sheet

Contingencies and liabilities not included in the balance sheet are not applicable on the level of FNG N.V. For the consolidated contingencies and liabilities not included in the balance sheet, reference is made to note 8.3 of the consolidated financial statements.



### 3.6. Employee information

FNG N.V. did not employ any employees in 2015 and 2016.

#### 3.6.1. Key management remuneration

#### Board of directors

The remuneration of the members of the Board of Directors consists of a fixed compensation.

(in thousands of euros)	Short-term benefit	
	31/12/2016	31/12/2015
D. Penninckx	225	0
L.H. van de Schoor	210	140
<b>Total</b>	<b>435</b>	<b>140</b>

#### Supervisory Board

The individual members of the Supervisory Board received the following remuneration:

(in thousands of euros)	31/12/2016
G. van Ossel	0
E. Verbaere	20
E. Lathouwers	0
<b>Total</b>	<b>20</b>

### 3.7. Risk management with regard to financial instruments

With respect to risk management pertaining to financial instruments reference is made to the explanation given in the consolidated financial statements.

### 3.8. Auditor fees paid to the auditors

The audit fees charged by Mazars Paardekooper Hoffman NV in the financial year under review are shown in the following table.

(In thousands of euros)	Mazars Paardekooper Hoffman NV		Other Mazars member firms		Total	
	2016	2015	2016	2015	2016	2015
Audit of FNG and its subsidiaries	143	5	-	-	143	5
Tax services	-	-	-	-	-	-
Other non-audit services	-	-	-	-	-	-
<b>Total</b>	<b>143</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>143</b>	<b>5</b>

### 3.9. Events after balance sheet date

For the significant events which occurred after the reporting date, we refer to note 8.5 of the consolidated financial statements.

### 3.10. Commitments

Effective 1 January 2017, FNG N.V. is the head of the fiscal unity for corporate income tax purposes with the following companies:

- R&S Finance B.V. (excluded in the VAT fiscal unity), Miss Etam Group B.V., Miss Etam Services B.V., Miss Etam Operations B.V., ME&P Retail IP B.V., Miss Etam Retail Rent B.V., FNG Retail Services B.V.

Current taxes are settled and accounted for within the fiscal unity and settled via intercompany current account with the parent company.

The fiscal unity makes these companies jointly and severally liable for tax liabilities of the fiscal unity.

### 3.11. Group companies and participating interests

The consolidated annual accounts include the financial data of FNG N.V. and of the group companies as listed in note 8.1 of the consolidated financial statements.

## OTHER INFORMATION

The statutory regulations concerning the appropriation of result are presented in Article 36 of the company's articles of association:

36.1. [...], the profit of the Company over the accounting year shall be used in the following order:

- Management determines which part of the profit shall be added to the reserves of the Company;
- From the remaining profit, an amount equal to the nominal value of the priority share shall be added to the priority share;
- [...], the remaining profit shall be made available to the General Meeting for distribution to the ordinary shares and the shares of class A.

36.2. Distribution of the profit shall occur, [...], after the notification of the financial statements presenting that the distribution is legitimate.



## INDEPENDENT AUDITOR'S REPORT

To the shareholders and supervisory board of  
FNG N.V.

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2016 INCLUDED IN THE ANNUAL REPORT

#### OUR OPINION

We have audited the financial statements 2016 of FNG N.V., based in Zoetermeer. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of FNG N.V. as at 31 December 2016, and of its result and its cash flows for 2016 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of FNG N.V. as at 31 December 2016, and of its result for 2016 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2016 ;
2. the following statements for 2016: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2016 ;
2. the company profit and loss account for 2016; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of FNG N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

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MAZARS PAARDEKOOPEL HOFFMAN ACCOUNTANTS N.V.  
WITH ITS REGISTERED OFFICE IN ROTTERDAM (KVK ROTTERDAM NR. 24402415).





### **MATERIALITY**

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 2.4 million. The materiality is based on 1% of revenue. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of EUR 73,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

### **SCOPE OF THE GROUP AUDIT**

FNG N.V. heads a group of companies. The financial information of these companies is included in the consolidated financial statements of FNG N.V.

Considering our ultimate responsibility for the group audit, we are responsible for the direction, supervision and performance of the group audit. In this context we have determined the nature and extent of the audit procedures for components of the group. Determining factors are the significance and/or risk-profile of the group entities or activities:

- we have performed audit procedures ourselves at group entities FNG N.V., R&S Finance B.V. and holding companies including the relevant purchase price allocation of FNG Group N.V. and Brantnew N.V.;
- we used the work of other auditors when auditing entity FNG Group N.V., BrantNew BVBA and its subsidiaries in Belgium and the entity Fashion Buying Platform N.V. and its subsidiaries in Switzerland. We have sent group instructions to the component auditors and have visited all component teams to assess the audit work performed;
- we performed review procedures or specific audit procedures at other group entities.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

### **OUR KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



### **REVERSE LISTING**

On 5 January 2016, N.V. Dico International (later on renamed to FNG N.V.) acquired the shares of R&S Finance B.V. by an issuance of 10 million shares. This acquisition has been disclosed in the financial statements as a reversed listing in the group accounting principles paragraph 2.2.1.2.

The assessment of this transaction is of significance in our audit because the accounting treatment is complex and influenced by subjective elements, such as the stock-based listing costs and the determination of the value of the acquired company. Our audit work includes evaluating the reasonableness of the assumptions used by management, in which we have used, among other things, our internal valuation specialists. We also assessed whether the transaction is properly reflected and disclosed in the financial statements in accordance with IFRS.

### **ACQUISITION OF GROUP ENTITIES AND IFRS CONVERSION**

During the financial year 2016, FNG N.V. has acquired the entities FNG Group N.V., BrantNew BVBA, Steps Nederland B.V. and Superstar B.V. which has been disclosed in Note 4.1. As a result of the acquisition, the group entities had to implement the group accounting principles of FNG N.V. which is IFRS.

The assessment of the acquisitions is of great significance in our audit given the nature and size of the amounts including the date of acquiring the control over the entities. Management has prepared the purchase price allocation (PPA) per entity which involves subjective elements to determine the fair values of the underlying assets like the tradenames, inventory, Weighted Average Cost of Capital (WACC) amongst others. Subsequently, management has made a conversion between local statutory GAAP (BE GAAP) to the group accounting principles on IFRS.

We assessed the agreements underlying the acquisition to determine the date of acquiring the control taken into account all known facts and circumstances. For the PPA we assessed the reasonability of the assumptions used by management in which we have used, among other things, our internal valuation specialists. Our work includes instructing the component auditors to provide comfort on the opening balance (book value) per acquisition date including the IFRS conversion and we have reviewed the work performed. Furthermore, we evaluated if the acquisition has been properly reflected and disclosed in the financial statements in accordance with IFRS.



## **REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT**

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management board's report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **ENGAGEMENT**

We were engaged by the Annual General Meeting of shareholders as auditor of FNG N.V. (previously called N.V. Dico International) since the audit for the year 2010 and have operated as statutory auditor ever since that date.

## **DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS**

### **RESPONSIBILITIES OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The supervisory board is responsible for overseeing the company's financial reporting process.



## **OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's 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 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 conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.



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

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

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, 4 July 2017

**MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS N.V.**

Original has been signed by: O. Opzitter RA









Claudia Sträter



CKS

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**C. THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF R&S FINANCE B.V. FOR THE PERIOD FROM 1 MAY 2015 UNTIL 31 DECEMBER 2015, AND THE AUDITOR'S REPORT**

**R&S Finance B.V.**

Interim geconsolideerd financieel overzicht

Periode 1 mei t/m 31 december 2015

R&S Finance B.V.  
Oostweg 2, 2723 RH  
Zoetermeer

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## ***Inhoud***

Interim geconsolideerde balans per 31 december 2015.....	3
Interim geconsolideerde winst- en verliesrekening periode 1 mei t/m 31 december 2015 .....	4
Interim geconsolideerd kasstroomoverzicht periode 1 mei t/m 31 december 2015 .....	5
Interim geconsolideerd mutatieoverzicht eigen vermogen per 31 december 2015.....	5
Toelichting op de Interim geconsolideerd financieel overzicht per 31 december 2015 .....	6
1. Informatie inzake de vennootschap .....	6
2. Gehanteerde grondslagen bij de opstelling van de jaarrekening .....	6
3. Gehanteerde grondslagen balans .....	8
4. Gehanteerde grondslagen winst- en verliesrekening .....	10
5. Acquisitie.....	13
Toelichting balans .....	14
6.1. Immateriële vaste activa .....	14
6.2. Materiële vaste activa .....	14
6.3. Latente belastingvorderingen .....	14
6.4. Voorraden .....	15
6.5. Handelsdebiteuren, overige vorderingen en overlopende activa .....	15
6.6. Liquide middelen.....	16
6.7. Eigen vermogen.....	16
6.8. Leningen.....	16
6.9. Voorzieningen .....	17
6.10. Handelsschulden en overige te betalen posten .....	17
Toelichting winst en verliesrekening .....	19
7.1. Netto-omzet.....	19
7.2. Overige beheerskosten.....	19
7.3. Overige kosten .....	20
7.4. Financiële baten en lasten .....	20
7.5. Belastingen.....	20
8. Toelichting kasstroomoverzicht .....	20
9. Risico's.....	21
10. Niet uit de balans blijvende verplichtingen .....	23
11. Remuneratie bestuurders .....	23
12. Verbonden partijen.....	23

## Interim geconsolideerde balans per 31 december 2015

	Toelichting	2015
<b>Vaste activa</b>		<b>€ 8.540.403</b>
Immateriële vaste activa	6.1	€ 1.173.700
Materiële vaste activa	6.2	€ 6.389.323
Latente belastingvorderingen	6.3	€ 977.380
<b>Vlottende activa</b>		<b>€ 19.144.565</b>
Voorraden	6.4	€ 6.958.007
Handelsdebiteuren, overige vorderingen en overlopende activa	6.5	€ 10.828.227
Liquide middelen	6.6	€ 1.358.331
<b>Totaal Activa</b>		<b>€ 27.684.968</b>
<b>Eigen vermogen toe te rekenen aan aandeelhouders van de vennootschap</b>		<b>€ -2.972.134</b>
Geplaatst kapitaal	6.7	€ 5
Resultaat boekjaar	6.7	€ -2.972.139
<b>Langlopende verplichtingen</b>		<b>€ 15.000.000</b>
Leningen	6.8	€ 15.000.000
<b>Kortlopende verplichtingen</b>		<b>€ 15.657.102</b>
Voorzieningen	6.9	€ 1.251.893
Handelsschulden en overige te betalen posten	6.10	€ 14.405.209
<b>Totaal passiva</b>		<b>€ 27.684.968</b>

**Interim geconsolideerde winst- en verliesrekening periode 1 mei t/m 31 december 2015**

	Toelichting	2015
Netto-omzet	7.1	€ 73.029.123
Kostprijs van de omzet		€ -32.547.750
<i>Brutomarge</i>		€ 40.481.374
Verkoop- en distributiekosten		€ -4.588.603
Overige beheerskosten	7.2	€ -34.893.552
Transitiekosten	7.3	€ -4.092.000
<i>Bedrijfsresultaat</i>		€ -3.092.781
Financiële baten en lasten	7.4	€ -856.737
<i>Resultaat voor belastingen</i>		€ -3.949.518
Belastingen	7.5	€ 977.380
<b>Resultaat na belastingen toe te rekenen aan aandeelhouders van de vennootschap</b>		€ -2.972.139
Niet - gerealiseerde resultaten		€ -
<b>Totale gerealiseerde en niet-gerealiseerde resultaten na belastingen</b>		€ -2.972.139

## Interim geconsolideerd kasstroomoverzicht periode 1 mei t/m 31 december 2015

Kasstroom	Toelichting	2015
<i>Kasstroom uit operationele activiteiten</i>		
Winst voor belastingen uit voortgezette bedrijfsactiviteiten		-€ 2.972.139
Aanpassingen voor het aansluiten van de winst aan de netto kasstroom		
Correcties voor niet-kasgerelateerde mutaties		
Afschrijvingen	6.2	€ 881.905
Mutatie in voorzieningen	6.9	€ 1.251.893
Mutatie in latente belastingvorderingen	6.3	-€ 977.380
Mutaties werkkapitaal:		
Mutatie in voorraden	6.4	€ 6.041.998
Mutatie in handelsdebiteuren, overige vorderingen en overlopende activa	6.5	-€ 8.528.227
Mutatie in overlopende passiva	6.10	€ 12.437.369
Mutatie in rekeningcourantschulden aan kredietinstellingen	6.10	€ 1.967.840
		<b>€ 10.103.259</b>
<b>Kasstroom uit operationele activiteiten</b>		
<i>Kasstroom uit investeringsactiviteiten</i>		
Acquisitie boedel Miss Etam	5	-€ 20.000.000
Investerings in immateriële en materiële vaste activa	6.2	-€ 1.444.928
Uitgegeven leningen	6.8	-€ 2.300.000
		<b>-€ 23.744.928</b>
<i>Kasstroom uit financieringsactiviteiten</i>		
Opgenomen leningen	6.8	€ 20.000.000
		-€ 5.000.000
Aflossing van leningen	6.8	
		<b>€ 15.000.000</b>
<b>Kasstroom uit financieringsactiviteiten</b>		
Liquide middelen per 1 mei 2015		€ 0
Liquide middelen per 31 december 2015		€ 1.358.331
Mutatie liquide middelen		€ 1.358.331

## Interim geconsolideerd mutatieoverzicht eigen vermogen per 31 december 2015

	Geplaatst kapitaal	Onverdeeld resultaat	Totaal eigen vermogen
Oprichting per 1 mei 2015	€ 5	€ -	€ 5
Totaalresultaat boekjaar	€ -	€ -2.972.139	€ -2.972.139
<b>Stand per 31 December 2015</b>	<b>€ 5</b>	<b>€ -2.972.139</b>	<b>€ -2.972.134</b>

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## **Toelichting op de Interim geconsolideerd financieel overzicht per 31 december 2015**

### **1. Informatie inzake de vennootschap**

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. is opgemaakt door het bestuur van de vennootschap op 29 maart 2016. R&S Finance B.V. is statutair gevestigd aan de Oostweg 2, 2723 RH, Zoetermeer, Nederland.

De voornaamste activiteiten van de vennootschap is het houden van een retail keten en het creëren van waarde door optimalisering van bedrijfsprocessen. Daarbij speelt het online kanaal een belangrijke rol.

Per 1 mei 2015 heeft FIPH B.V., opgericht op 26 maart 2015, via een koopovereenkomst met de curator de activa, zijnde de voorraden, bedrijfsmiddelen (inventaris distributiecentrum en winkels) en handelsnaam Miss Etam en Promiss uit de boedel van Etam Group Holding overgenomen.

Genoemde activa zijn vervolgens via een activa passiva transactie aan de 100% deelneming van FIPH B.V., zijnde R&S Finance B.V. (voorheen NLB Invest Co. B.V., opgericht 4 mei 2015) overgedragen. Effectief heeft R&S Finance B.V. hierdoor per 1 mei 2015 de doorstart gerealiseerd van de bekende Nederlandse damesmodeketen Miss Etam.

De cijfers worden door R&S Finance verantwoord met ingang van 1 mei 2015 aangezien op die datum reeds was voorgenomen de activa en passiva in een separate vennootschap onder te brengen en was R&S Finance B.V. reeds in oprichting. Daarnaast was vanaf 1 mei 2015 sprake van common control doordat FIPH B.V. de aandeelhouder is. Op basis van bovenstaande heeft R&S Finance B.V. van de optie gebruikt gemaakt onder IFRS om de afwijkende datum voor de transactie te hanteren.

Op 18 november 2015 is aangekondigd dat R&S Retail Group N.V. (voorheen N.V. Dico International) overeenstemming heeft bereikt met FIPH B.V. over de verwerving van 100% van de aandelen met bijbehorende stemrechten van R&S Finance B.V., waarvan de daadwerkelijke uitgifte en levering van aandelen op 5 januari 2016 heeft plaatsgevonden. Hierdoor is R&S Finance B.V. per 5 januari 2016 een onderdeel van de R&S Retail Group N.V.

### **2. Gehanteerde grondslagen bij de opstelling van de jaarrekening**

#### ***International Financial Reporting Standards***

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. is opgesteld in overeenstemming met International Financial Reporting Standards, zoals aanvaard voor gebruik binnen de Europese Unie (EU-IFRS). De door R&S Finance B.V. toegepaste waarderingsgrondslagen zijn in overeenstemming met de op 31 december 2015 van kracht zijnde door de EU aanvaarde IFRS en uitspraken van de International Financial Reporting Interpretation Committee (IFRIC).

#### ***Continuïteit van de activiteiten***

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. toont een verlies van € 2.972.139 over de periode 1 mei 2015 tot en met 31 december 2015 en een negatief eigen vermogen van € 2.972.134. Dit wordt met name veroorzaakt door de transitiekosten die zijn gemaakt na de overname van de activa en de handelsnaam van Miss Etam uit de boedel van Etam Group Holding om de doorstart te realiseren. De huidige resultaten liggen in lijn met het business plan van R&S Finance en de financiering middels de leningen van FIPH B.V. en Coltaparte B.V. aangevuld met de werkkapitaalfinanciering van ABN Amro en ING zijn voldoende om de continuïteit van R&S Finance B.V. en haar dochtermaatschappijen het komende jaar te waarborgen. Derhalve is bij het opstellen van de Interim geconsolideerd financieel overzicht van R&S Finance B.V. de continuïteitsveronderstelling gehanteerd.



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### **Grondslagen voor de consolidatie**

In de Interim geconsolideerd financieel overzicht worden de financiële gegevens van R&S Finance B.V. en alle ondernemingen waarin R&S Finance B.V. overheersende zeggenschap uitoefent, volledig geconsolideerd. Er is sprake van overheersende zeggenschap indien R&S Finance B.V. onderhevig is aan, en rechten heeft op, variabele rendementen en de mogelijkheid heeft om haar overheersende zeggenschap te gebruiken om het bedrag van deze rendementen te beïnvloeden. Consolidatie van nieuw verworven groepsmaatschappijen geschiedt vanaf het moment van verkrijging van zeggenschap. De consolidatie geschiedt op het moment dat de zeggenschap niet meer uitgeoefend kan worden. In de geconsolideerde cijfers vindt eliminatie plaats van intercompany schuldverhoudingen en intercompany resultaten. De in de consolidatie opgenomen groepsmaatschappijen betreffen:

- Miss Etam Group B.V. 100% deelneming
- ME&P Retail Rent B.V. 100% deelneming
- Miss Etam Services B.V. 100% deelneming
- Miss Etam Operations B.V. 100% deelneming
- ME & P Retail IP B.V. 100% deelneming
- NLB Retail Services B.V. 100% deelneming

### **Uitgangspunten bij het opstellen van de Interim geconsolideerd financieel overzicht**

Voor de opstelling van de Interim geconsolideerd financieel overzicht is gebruik gemaakt van de richtlijnen conform IAS 34, waarbij gekozen is voor de optie van volledige financial statements.

Door de overname uit de boedel van de Etam Group Holding, betreft het eerste boekjaar van R&S Finance B.V. een verlengd boekjaar van 1 mei 2015 tot en met 31 december 2016. Derhalve zijn er geen vergelijkende cijfers over voorgaande periode(n) opgenomen.

De Interim geconsolideerd financieel overzicht wordt gepresenteerd in euro's. De Interim geconsolideerd financieel overzicht is opgesteld op basis van historische kosten met uitzondering van de op reële waarde overgenomen activa. Voor verkoop aangehouden vaste activa worden gewaardeerd op de laagste waarde van de boekwaarde en de reële waarde minus verkoopkosten.

De opstelling van de Interim geconsolideerd financieel overzicht in overeenstemming met EU-IFRS vereist dat de leiding oordelen vormt en schattingen en veronderstellingen maakt die van invloed zijn op de gerapporteerde waarde van activa en verplichtingen en van de baten en lasten. De schattingen en daaraan ten grondslag liggende veronderstellingen zijn gebaseerd op ervaringen en andere factoren, die als redelijk worden beschouwd. De uitkomsten van de schattingen vormen de basis voor de boekwaarde van activa en verplichtingen die niet op eenvoudige wijze uit andere bronnen blijken. De daadwerkelijke uitkomsten kunnen afwijken van deze schattingen. De schattingen en onderliggende veronderstellingen worden voortdurend beoordeeld. Herzieningen van schattingen worden opgenomen in de periode waarin de schatting wordt herzien, indien de herziening alleen voor die periode gevolgen heeft. Herziening in de verslagperiode en toekomstige perioden vindt plaats indien de herziening ook gevolgen heeft voor toekomstige perioden.

De hierna uiteengezette grondslagen voor financiële verslaggeving zijn consistent toegepast voor de gepresenteerde perioden in deze vennootschappelijke Interim geconsolideerd financieel overzicht.

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#### ***Omrekening vreemde valuta's***

De presentatie en functionele valuta van R&S Finance B.V. is de Euro. Transacties in vreemde valuta worden verantwoord tegen de wisselkoersen die op de datum van transactie gelden. Activa en passiva in vreemde valuta op de balansdatum worden omgerekend tegen de wisselkoersen die op de balansdatum gelden. Hieruit voortvloeiende koersverschillen worden direct in de winst- en verliesrekening opgenomen.

### **3. Gehanteerde grondslagen balans**

#### ***Immateriële vaste activa***

De eerste waardering van immateriële vaste activa vindt plaats tegen kostprijs, waarbij de kostprijs van immateriële vaste activa die zijn verkregen via een acquisitie gelijk is aan de reële waarde ten tijde van de acquisitie. Binnen de onderneming is enkel sprake van immaterieel vast actief met een onbepaalde levensduur. Dit betreft de met acquisities verworven handelsnamen. Op elke verslagdatum wordt beoordeeld of er sprake is van een bijzondere waardevermindering en wordt daarnaast de gebruiksduur beoordeeld en eventueel aangepast op basis van nieuwe inzichten.

#### ***Materiële vaste activa***

Materiële vaste activa worden gewaardeerd tegen aanschaffingswaarde onder aftrek van cumulatieve lineaire afschrijvingen en bijzondere waardeverminderingen/impairments. Afschrijving vindt plaats op basis van de verwachte economische levensduur.

De volgende gemiddelde afschrijvingspercentages worden gehanteerd:

- Distributiecentrum 20%
- (Winkel) inventaris 14,3% - 20%
- IT 33%

Indien zich zodanige feiten of omstandigheden voordoen dat aanwijzing ontstaat dat de realiseerbare waarde van het actief daalt beneden de boekwaarde dan vindt een afwaardering plaats ten laste van het resultaat (impairment). Tevens wordt de gebruiksduur jaarlijks beoordeeld en eventueel aangepast op basis van nieuwe inzichten.

#### ***Latente belastingvorderingen***

Onder latente belastingvorderingen worden opgenomen vorderingen uit hoofde van beschikbare fiscale verliescompensatie en uitgestelde belastingvorderingen welke voortvloeien uit tijdelijke verschillen tussen commerciële en fiscale vermogens. Waardering vindt plaats tegen nominale waarde. Latente belastingvorderingen uit hoofde van toekomstige verliescompensatie worden slechts dan in de balans genomen indien het waarschijnlijk is dat in de toekomst voldoende fiscale winst ter beschikking komt om verrekening mogelijk te maken.

#### ***Bijzondere waardevermindering van financiële activa***

De groep beoordeelt op elke verslagdatum of er objectieve aanwijzingen zijn voor bijzondere waardeverminderingen van een financieel actief of een groep financiële activa. Een financieel actief of een groep van financiële activa wordt slechts dan geacht een bijzondere waardevermindering te hebben ondergaan als er objectieve aanwijzingen zijn voor bijzondere waardeverminderingen ten gevolge van een of meer gebeurtenissen die zich hebben voorgedaan na de eerste opname van het actief (een 'tot verlies leidende gebeurtenis') en die tot verlies leidende gebeurtenis (of gebeurtenissen) een effect heeft (of hebben) op de geschatte toekomstige kasstromen van het financieel actief of de groep van financiële activa dat betrouwbaar kan worden geschat.

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### ***Vorderingen en leningen***

Vorderingen en leningen worden gewaardeerd tegen de geamortiseerde kostprijs op basis van de effectieve rentemethode, waar nodig onder aftrek van een voorziening voor het risico van oninbaarheid. Afwaardering van vorderingen vindt plaats op het moment dat onvoldoende uitzicht bestaat op het innen van de betreffende vordering. Afwaarderingen worden verantwoord in de winst- en verliesrekening.

Vorderingen betreffen onder meer handelsvorderingen, leningen en overige vorderingen. Ingeval het verschil tussen de geamortiseerde kostprijs en de nominale waarde niet materieel is, worden de leningen en vorderingen gewaardeerd tegen de nominale waarde.

### ***Vorraden***

Vorraden worden gewaardeerd tegen kostprijs of lagere opbrengstwaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en vermeerderd met bijkomende directe kosten. De opbrengstwaarde wordt gevormd door de geschatte verkoopprijs in de normale bedrijfsvoering onder aftrek van de geschatte kosten van afwikkeling van de verkoop. Voor risico van derving en afprijzing wordt een voorziening gevormd, welke periodiek wordt beoordeeld.

### ***Liquide middelen***

Deze post wordt gevormd door het totaal van de (in de winkels) aanwezige kasgelden en tegoeden in rekeningencourant bij banken. Bankschulden worden opgenomen onder de kortlopende verplichtingen. De liquide middelen worden gewaardeerd tegen nominale waarde.

### ***Eigen vermogen***

De gewone aandelen van R&S Finance B.V. worden aangemerkt als eigen vermogen. De aankoopprijs van ingekochte aandelen wordt op de overige reserves in mindering gebracht totdat zij worden ingetrokken of herplaatst. Het aan houders van gewone aandelen uit te keren dividend wordt als verplichting opgenomen op het moment waarop de algemene vergadering van aandeelhouders het dividendvoorstel goedkeurt.

### ***Voorzieningen***

Voorzieningen worden opgenomen voor alle in rechte afdwingbare dan wel feitelijke verplichtingen die zijn ontstaan vóór balansdatum, waarvan de omvang of het moment van afwikkeling onzeker is doch redelijkerwijs is te schatten. Voorzieningen worden verantwoord tegen nominale waarde tenzij het effect van de tijdswaarde materieel is, dan worden voorzieningen verantwoord tegen contante waarde. Dan wordt de toename van de voorziening die wordt veroorzaakt door tijdsverloop verantwoord als rentelast.

### ***Pensioenen***

De pensioenregeling is ondergebracht bij de Stichting Bedrijfstakpensioenfonds voor de Detailhandel. De pensioenregeling is naar haar aard een toegezegd-pensioenregeling, waarbij de bepaling van de verplichtingen plaatsvindt op basis van de 'Defined Contribution' method. De vennootschap heeft in het geval van een tekort bij het pensioenfonds geen verplichting tot het doen van aanvullende bijdragen anders dan hogere toekomstige premies. De betaalde pensioenpremies worden verwerkt in de winst-en-verliesrekening. Per 31 december 2015 bedroeg de dekkingsgraad van het pensioenfonds 106,1%.

### ***Huur (lease)verplichtingen***

Ingeval van lease van activa waarbij de economische risico's van het eigendom aan het lessee toebehoren (financiële leases) worden de activa bij aanvang van het leasecontract in de balans opgenomen en gewaardeerd tegen de reële waarde van het geleasede actief (zijnde de prijs die bij contante betaling zou moeten worden voldaan) of, indien lager, de contante waarde van de minimale toekomstige leasetermijnen, waarbij contant making geschiedt tegen de in het leasecontract vermelde rentevoet. De minimale toekomstige leasebetalingen worden gesplitst in een rentebestanddeel en een aflossingsdeel

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zodanig dat er sprake is van een constante rentevoet ten opzichte van de uitstaande schuld. Het kortlopende gedeelte van de financiële leaseverplichting is opgenomen onder de kortlopende schulden. Leases die niet kwalificeren als financiële lease worden behandeld als operationele leases. In rekening gebrachte leasetermijnen worden aangemerkt als kosten. Alle afgesloten huurcontracten zijn beoordeeld op eventuele "ingesloten leasecontracten".

#### **Financiële verplichtingen**

Bij de eerste opname van kortlopende schulden worden deze opgenomen tegen reële waarde verminderd met (in geval van een financiële verplichting die niet tegen reële waarde, met verwerking van waardeveranderingen in de winst-en-verliesrekening, is opgenomen) de direct daaraan toe te rekenen transactiekosten.

Financiële verplichtingen behoren tot de handelsportefeuille, indien deze zijn verworven of aangegaan met het doel deze verplichtingen op korte termijn te verkopen. Deze categorie wordt na de eerste waardering gewaardeerd tegen reële waarde zonder aftrek van eventuele transactiekosten bij vervreemding. Baten of lasten die voortvloeien uit veranderingen in de reële waarde worden verwerkt in de winst-en-verliesrekening.

De overige kortlopende schulden worden na de eerste waardering gewaardeerd tegen de geamortiseerde kostprijs volgens de effectieve-rentemethode. Winst of verlies wordt in de winst-en-verliesrekening opgenomen zodra de verplichtingen niet langer op de balans worden opgenomen, alsmede via het amortisatieproces.

#### **Leningen**

Na de eerste opname worden de rentedragende leningen en overige financieringsverplichtingen gewaardeerd tegen de geamortiseerde kostprijs onder toepassing van de effectieve-rentemethode. Winsten en verliezen worden opgenomen in de winst- en verliesrekening zodra de verplichtingen niet langer op de balans worden opgenomen, alsmede via het amortisatieproces onder toepassing van de effectieve-rentemethode.

De berekening van de geamortiseerde kostprijs omvat een eventueel (dis)agio en directe transactiekosten en provisies. De amortisatie wordt opgenomen in de financieringskosten in de winst- en verliesrekening.

### **4. Gehanteerde grondslagen winst- en verliesrekening**

#### **Netto-omzet**

Onder netto-omzet wordt verstaan de aan derden voor levering van handelsgoederen berekende bedragen onder aftrek van omzetbelasting en verleende (betalings-) kortingen.

Opbrengsten worden als gerealiseerd beschouwd wanneer het economisch risico van het eigendom van de goederen is overgegaan naar de koper en de opbrengsten betrouwbaar kunnen worden gemeten.

#### **Kostprijs van de omzet**

Hieronder worden begrepen de aanschaffingskosten c.q. kosten van (additionele) vervaardiging van de in de omzet begrepen goederen en diensten onder aftrek van ontvangen (betalings-) kortingen en vermeerderd met de direct toerekenbare externe kosten van inkoop en aanvoer, zoals transport-, verzekerings- en douanekosten. Onder de kostprijs van de omzet wordt tevens verantwoord de afwaardering van voorraden tot lagere opbrengstwaarde.

#### **Verkoopkosten**

Dit betreft kosten direct samenhangend met de verkoop-, promotie- en reclameactiviteiten.

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### **Personeelsbeloningen**

Personeelsbeloningen worden verantwoord in de periode waarin de arbeidsprestaties door de werknemers worden geleverd. Indien de vennootschap lange termijn beloningen toekent aan werknemers worden de kosten daarvan aan de periode van de daaraan gerelateerde arbeidsprestaties toegerekend.

De onderneming kent momenteel geen personeelsopties.

### **Financiële baten en lasten**

Financieringsbaten en -lasten worden toegerekend aan de periode waarop deze betrekking hebben. Rentebaten worden tijdsevenredig verantwoord onder toepassing van de effectieve rentemethode.

### **Belastingen op het resultaat**

De over het boekjaar verschuldigde en verrekenbare belasting is de naar verwachting te betalen belasting over de belastbare winst over het boekjaar, berekend aan de hand van belastingtarieven die zijn vastgesteld op balansdatum dan wel waartoe materieel al op balansdatum is besloten, evenals correcties op de over voorgaande jaren verschuldigde belasting.

De voorziening voor uitgestelde belastingverplichtingen wordt gevormd op basis van de balansmethode, waarbij een voorziening getroffen wordt voor tijdelijke verschillen tussen de boekwaarde van activa en verplichtingen ten behoeve van de financiële verslaggeving en de fiscale boekwaarde van die posten.

Er wordt uitsluitend een uitgestelde belastingvordering opgenomen voor zover het waarschijnlijk is dat er in de toekomst belastbare winsten beschikbaar zullen zijn die voor de realisatie van de actiefpost kunnen worden aangewend. Het bedrag van de uitgestelde belastingvorderingen wordt verlaagd voor zover het niet langer waarschijnlijk is dat het daarmee samenhangende belastingvoordeel zal worden gerealiseerd.

### **Resultaatsneming**

Opbrengsten worden als gerealiseerd beschouwd wanneer het economisch risico is overgedragen aan een derde en het waarschijnlijk is dat de economische voordelen zullen toekomen aan de onderneming en de opbrengsten betrouwbaar kunnen worden vastgesteld. Bij de bepaling van het resultaat wordt uitgegaan van de historische kostprijs, tenzij uitdrukkelijk anders is aangegeven. Opbrengsten en kosten worden toegerekend aan de periode waarop zij betrekking hebben. Intercompany winsten en verliezen worden geëlimineerd.

### **Kasstroomoverzicht**

Het kasstroomoverzicht wordt opgesteld volgens de indirecte methode. Ontvangsten en betalingen met betrekking tot belastingen worden opgenomen onder de kasstroom van de operationele activiteiten. Uitgekeerde dividenden worden opgenomen onder de kasstroom uit financieringsactiviteiten.

### **Effect van nieuwe boekhoudstandaarden**

De IASB en de IFRIC hebben nieuwe standaarden, aanpassingen in bestaande standaarden en interpretaties uitgebracht die nog niet van kracht zijn of nog niet door de Europese Unie zijn bekrachtigd.

R&S Finance B.V. heeft de nieuwe en aangepaste IFRS- en IFRIC-interpretaties ingevoerd die vanaf 2015 van kracht zijn.

De volgende standaarden, wijzigingen op standaarden en interpretaties zijn in 2015 nog niet van kracht en zijn daarom niet toegepast op de jaarrekening. De vennootschap is op basis van de huidige inzichten niet van plan deze standaarden en interpretaties vervroegd toe te passen en heeft de omvang van het te verwachten effect nog niet bepaald. De voor de vennootschap mogelijk belangrijkste veranderingen kunnen als volgt worden samengevat:

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- *Presentatie van de jaarrekening:* aanpassingen van toepassing vanaf 1 januari 2016 die verduidelijkingen omvatten op:
    - o het gebruik van het begrip "materialiteit";
    - o de presentatie van specifieke posten in de balans, winst- en verliesrekening en het overzicht van het totaalresultaat;
    - o de flexibiliteit in de volgorde van de toelichtingen;
    - o de presentatie van het aandeel van de geassocieerde deelnemingen en joint ventures in het overzicht overig totaalresultaat;
    - o toelichtingsvereiste samenhangen met additionele subtotalen in de balans, winst- en verliesrekening en het overzicht totaalresultaat.
  - Hiermee zal in de toekomst rekening worden gehouden bij het maken van de toelichtingen.
  - *IFRS 9 Financiële instrumenten:* classificatie en waardering is van toepassing op boekjaren die ingaan op of na 1 januari 2018. De EU heeft deze standaard nog niet overgenomen. Deze nieuwe verslaggevingsstandaard behandelt onder meer de bijzondere waardevermindervingsverliezen van financiële instrumenten en vervangt de oude standaard IAS 39. IFRS 9 voorziet in een nieuw model voor bijzondere waardevermindervingsverliezen gebaseerd op de 'verwachte' verliezen in plaats van de 'opgelopen' verliezen zoals voorgeschreven in IAS 39.
  - *IFRS 15 'Revenue from Contracts with Customers'* geeft een raamwerk voor verantwoording van opbrengsten en zal de huidige standaarden voor opbrengsten (IAS18) en onderhanden werken (IAS11) vervangen. De standaard is van toepassing vanaf 1 januari 2018. Gezien de aard van de onderneming (detailhandel) en huidige omzetstromen zal deze standaard, naar verwachting, geen grote invloed hebben op de cijfers.
  - *IFRS 16 'Leases'* heeft betrekking op de nieuw uitgegeven maar nog niet door de EU aanvaarde richtlijnen inzake leases. De standaard is van toepassing vanaf 1 januari 2019. Het doel van de standaard is te waarborgen dat leasees en lessors relevante informatie in de toelichting opnemen die de gerelateerde transacties getrouw weergeven. Deze informatie biedt gebruikers van de jaarrekening inzicht in de impact van leases op de financiële positie, de financiële resultaten en kasstromen van de onderneming. De Groep onderzoekt momenteel de mogelijke impact van deze nieuwe standaard.

## 5. Acquisitie

Per 26 mei 2015 heeft R&S Finance B.V. voor € 20.000.000 de volgende activa van FIPH B.V. overgenomen die afkomstig zijn uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V. Dit bedrag is door leningen gefinancierd:

Acquisitie boedel Miss Etam		Toelichting waardering
Inventaris winkels	€ 2.355.300	Gewaardeerd op basis van onderliggende taxatierapporten
Inventaris Distributiecentrum	€ 3.471.000	Gewaardeerd op basis van onderliggende taxatierapporten
Vorraden	€ 15.564.215	Gewaardeerd tegen kostprijs inkoopwaarde
Voorziening incourantheid	€ -2.564.215	Voorziening incourantheid
	€ 13.000.000	
Handelsnaam Miss Etam / Promiss	€ 1.173.700	Verkrijgingsprijs
<b>Stand per 26 mei 2015</b>	<b>€ 20.000.000</b>	

Bij de overname van de activa uit de boedel van Miss Etam zijn de huurovereenkomsten van winkels en het distributiecentrum geen onderdeel van de boedel. Deze huurovereenkomsten zijn afzonderlijk met de verhuurders afgesloten.

De reële waarde van de immateriële vaste activa per 31 december 2015 is schattenderwijze bepaald bij deze overname, de resulterende positieve of negatieve goodwill is derhalve nog niet definitief bepaald. Per 31 december 2015 bedraagt de goodwill nihil.

R&S Finance B.V. is opgericht per 4 mei 2015 en heeft per 26 mei 2015 de activa van FIPH B.V. gekocht. De omzet is echter vanaf 1 mei 2015 verantwoord aangezien op die datum reeds was voorgenomen de activa en passiva in een separate vennootschap onder te brengen en was R&S Finance B.V. reeds in oprichting. Daarnaast was vanaf 1 mei 2015 sprake van common control doordat FIPH B.V. de aandeelhouder is. Op basis van bovenstaande heeft R&S Finance B.V. van de optie gebruikt gemaakt onder IFRS om de afwijkende datum voor de transactie te hanteren.

## Toelichting balans

### 6.1. Immateriële vaste activa

Immateriële vaste activa	31 december 2015
Stand per 1 mei 2015	€ -
Acquisitie merknaam 'Miss Etam & Promiss'	€ 1.173.700
Stand per 31 december 2015	€ 1.173.700

De geactiveerde merknaam 'Miss Etam & Promiss' is per 26 mei 2015 door R&S Finance B.V. van FIPH B.V. geacquireerd naar aanleiding van de overname uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V. door FIPH B.V. Bij de vaststelling van de verkrijgingsprijs is bij de waardering tevens gekeken naar de sterkte van het merk (brand royalty rate en probability brand existence), de kosten om de merknaam 'Miss Etam & Promiss' te onderhouden en de onderliggende risicofactoren die tot uitdrukking zijn gebracht in de kortingspercentages.

### 6.2. Materiële vaste activa

Materiële vaste activa	Inventaris	Distributiecentrum	IT	Totaal
Overname per 1 mei 2015	€ 2.355.300	€ 3.471.000	€ -	€ 5.826.300
Investerings 2015	€ 1.180.410	€ 114.318	€ 150.200	€ 1.444.928
Afschrijvingen	€ -399.691	€ -478.042	€ -4.172	€ -881.905
Stand per 31 december 2015	€ 3.136.019	€ 3.107.276	€ 146.028	€ 6.389.323

#### Inventaris

Onder inventaris behoort de inrichting van de winkels.

#### Distributiecentrum

Onder distributiecentrum behoort de gehele inrichting van het distributiecentrum. Hieronder wordt verstaan alle afzonderlijk geïnstalleerde voorzieningen alsook onafscheidelijk met het gebouw verbonden voorzieningen.

#### IT

Onder IT worden verstaan de investeringen in hard- en software.

Per 26 mei 2015 heeft R&S Finance B.V. de inventaris en inrichting distributiecentrum overgenomen van FIPH B.V. tegen de reële waarde naar aanleiding van de overname uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V.

### 6.3. Latente belastingvorderingen

De latente belastingvorderingen per 31 december 2015 bedragen € 977.380. Dit betreffen compensabele operationele verliezen die op basis van de verwachte positieve operationele resultaten in de komende jaren gecompenseerd kunnen worden. De verwachting is dat de looptijd van deze latente belastingvordering langer dan één jaar zal zijn. Gezien deze verwachting en de onzekerheid van de timing van de compensatie van de verliezen is de latente belastingvordering als lange termijn vordering geclassificeerd.



#### 6.4. Voorraden

Vorraden	31 december 2015
Vorraad	€ 8.321.443
Voorziening incurante voorraden	€ -1.363.436
<b>Stand per 31 december 2015</b>	<b>€ 6.958.007</b>

De voorraden betreffen uitsluitend detailhandels-voorraden. Voorraden worden gewaardeerd tegen kostprijs of lagere opbrengstwaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en vermeerderd met bijkomende directe kosten. De voorziening betreft de afwaardering van de voorraden tot lagere opbrengstwaarde (afprijzingsrisico) hoofdzakelijk veroorzaakt door ouderdom en modegevoeligheid van de voorraad.

#### 6.5. Handelsdebiteuren, overige vorderingen en overlopende activa

Vorderingen	31 december 2015
Debiteuren	€ 814.161
Vordering curator	€ 2.263.821
Vordering gelieerde maatschappijen	€ 3.949.098
Overige vorderingen en overlopende activa	€ 3.051.147
Vooruitbetaalde rente	€ 750.000
<b>Stand per 31 december 2015</b>	<b>€ 10.828.227</b>

Voorziening dubieuze debiteuren	31 december 2015
Stand per 1 mei 2015	€ -
Toevoegingen	€ -28.909
Onttrekkingen	€ -
Vrijval	€ -
<b>Stand per 31 december 2015</b>	<b>€ -28.909</b>

Debiteuren bestaan uit vorderingen inzake leveringen aan online ondernemingen en vorderingen inzake de onderhuur van overgenomen winkelruimtes. De vorderingen zijn kortlopend van aard, hetgeen ook tot uitdrukking komt in de ouderdomsanalyse.

In dagen	0-30	30-60	60-90	90>	Totaal
Debiteuren	€ 716.792	€ 21.841	€ 75.528	€ -	€ 814.161

Het niet vervallen deel van de debiteuren bedraagt € 716.792. De vordering op de curator betreft de overeengekomen financiële afwikkeling van de overname uit de boedel Etam Groep Retail B.V. en Etam Groep Holding B.V.

De vordering gelieerde maatschappijen betreft een door R&S Finance B.V. verstrekte lening aan een gelieerde onderneming. De rente over deze lening bedraagt 2,75%. De looptijd bedraagt minder dan 1 jaar. Overige vorderingen en overlopende activa bestaan voornamelijk uit vooruitbetaalde huren (€ 2,4 mln).

## 6.6. Liquide middelen

Liquide middelen	31 december 2015
Liquide middelen	€ 1.358.331
<b>Stand per 31 december 2015</b>	<b>€ 1.358.331</b>

De liquide middelen per 31 december 2015 zijn vrij beschikbaar.

## 6.7. Eigen vermogen

Eigen vermogen	31 december 2015
Geplaatst kapitaal	€ 5
Resultaat boekjaar	€ -2.972.139
<b>Stand per 31 december 2015</b>	<b>€ -2.972.134</b>

De nominale waarde van het aandeel bedraagt € 1 en het aantal aandelen bedraagt 5. De aandelen zijn volgestort.

## 6.8. Leningen

Leningen	31 december 2015
<b>Stand per 1 mei 2015</b>	<b>€ -</b>
Toevoegingen gedurende het jaar	€ 20.000.000
Aflossingen	€ -5.000.000
<b>Stand per 31 december 2015</b>	<b>€ 15.000.000</b>

Per 31 december 2015 heeft R&S Finance B.V. de beschikking over de volgende leningen:

- *FIPH B.V.*: Lening van EUR 10,0 mln met een rentepercentage van 6%  
Dit betreft een lening door de aandeelhouder met een looptijd van 2 jaar, waarbij de rente jaarlijks met drie procentpunten stijgt. De rentecondities van de FIPH lening wijzigen per 1 januari 2016 van 6% naar 9%. Deze lening is per 29 maart 2016 afgelost en vervangen voor een nieuwe lening (zie 6.10).
- *Coltaparte B.V.*: Achtergestelde lening per 12 juni 2015 van EUR 5 mln met een rentepercentage van 0%  
Dit betreft een lening waaraan de volgende condities zijn verbonden:
  - De lening is achtergesteld bij alle niet achtergestelde schuldverplichtingen van R&S Finance B.V. uit hoofde van financiering.
  - Coltaparte profiteert mee met de verwachte positieve resultaten van R&S Finance B.V. De bonus is afhankelijk van de gerealiseerde EBITDA. Uitkering van de bonus volgt uitsluitend indien de EBITDA groter is dan € 5 mln in het voorafgaande boekjaar. De maximale bonus zal ten hoogste € 7,0 mln bedragen.
  - De lening heeft een looptijd van 5 jaar tot 31 mei 2020. Coltaparte kan interim (voor het eerst na 3 jaar, dus na 1 juni 2018) maximaal 50% van de lening (en de bonus) opeisen;

- In bepaalde uitzonderlijke gevallen kan Coltaparte B.V., kiezen haar lening te converteren in aandelen, van toepassing indien R&S Finance B.V. een negatieve EBITDA realiseert;

De in de leningsovereenkomst begrepen bonus is beoordeeld als embedded derivaat, die gewaardeerd is tegen reële waarde met waardewijzigingen door de winst- en verliesrekening. Initieel heeft de onderneming de lening gewaardeerd tegen reële waarde waarbij de verwachte kasstromen contant zijn gemaakt tegen een rente van 6%. Dit percentage is gelijk aan het percentage dat verschuldigd is over de andere achtergestelde leningen.

Vanwege het feit dat de lening in juni 2015 afgesloten is, en het feit dat de huidige prestaties van R&S Finance B.V. in lijn liggen met het business plan wijkt de fair value per 31 december 2015 niet materieel af van de reële waarde per 12 juni 2015. Gezien het businessplan en huidige operationele resultaten is het niet de verwachting dat Coltaparte gebruik zal kunnen maken van conversierecht, derhalve zijn zowel de lening als het embedded derivaat per 31 december 2015 gerubriceerd als langlopende verplichting.

## 6.9. Voorzieningen

Voorzieningen	31 december 2015
Stand per 1 mei 2015	€ -
Toevoegingen	€ 1.251.893
Onttrekkingen	€ -
Vrijval	€ -
Stand per 31 december 2015	€ 1.251.893

De post voorzieningen betreffen grotendeels voorzieningen voor verlieslatende contracten van € 0,7 mln die is gevormd voor die contracten waarvan de onvermijdbare kosten hoger zijn dan de uit het contract verwachte opbrengsten. Het betreffen voornamelijk huurcontracten van winkels die naar verwachting een langdurige negatieve kasstroom zullen hebben en derhalve worden afgestoten in 2016. Bij het bepalen van de onvermijdbare kosten is uitgegaan van een inschatting van de tot verwachte sluitingsdatum nog te betalen huurbedragen, een inschatting (indien van toepassing) van de bij sluiting aan de verhuurder te betalen huurafkoopsommen en de verwachte onvermijdbare ontruimingskosten. Deze post is niet contant gemaakt gezien de korte looptijd.

Tevens is een voorziening getroffen voor de afwikkeling van de juridische kosten en de curator van € 0,4 mln. De overige voorziening van € 0,2 mln is opgenomen inzake eventuele claims voor de afhandeling van de overname van huurcontracten.

## 6.10. Handelsschulden en overige te betalen posten

Handelsschulden en overige te betalen posten	31 december 2015
Crediteuren	€ 6.168.293
Overige belastingen en premies sociale verzekeringen en schulden ter zake van pensioenen	€ 2.781.604
Rekeningcourantschulden aan kredietinstellingen	€ 1.967.840
Overige schulden en overlopende passiva	€ 3.312.472
Rente derivaat lening	€ 175.000
Stand per 31 december 2015	€ 14.405.209

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*Overige belastingen en premies sociale verzekeringen en schulden ter zake van pensioenen*

Betreffen met name de te betalen loonheffingen, te betalen omzetbelasting en te betalen pensioenen.

*Rekeningcourantschulden aan kredietinstellingen*

Dit betreft de werkkapitaalfinanciering die R&S Finance met de ING en ABN Amro heeft afgesloten. Ten behoeve van deze faciliteit dient R&S Finance B.V. aan de volgende ratio's te voldoen:

- *Solvabiliteitsratio*: De solvabiliteitsratio dient minimaal 30% te bedragen;
- *Eigen vermogen*: De som van het gestort aandelenkapitaal, agio en achtergestelde leningen bedraagt minimaal € 14.000.000;
- *Investerings*: Het totaalbedrag aan investeringen per jaar dient niet hoger te zijn dan 2,4% van de omzet van de groep.

Per 29 maart 2016 is de oorspronkelijke lening van € 10 mln geherfinancierd via een nieuwe achtergestelde lening, tegen 3-maands Euribor +6%. Hiermee voldoet R&S Finance B.V. aan de gestelde bank ratio's.

*Overige schulden en overlopende passiva*

De overige schulden en overlopende passiva bestaan voornamelijk uit nog te betalen uitzendkrachten, vakantiegeld inclusief sociale lasten en nog te ontvangen facturen voor goederen.

*Rente derivaat lening*

Voor de rente derivaat lening wordt verwezen naar paragraaf 6.8 leningen.

## Toelichting winst en verliesrekening

### 7.1. Netto-omzet

De netto-omzet bedraagt € 73.029.123 en heeft betrekking op kassaverkopen winkels en webwinkels via 'bricks & clicks'.

### 7.2. Overige beheerskosten

Overige beheerskosten	Periode 1 mei t/m 31 december 2015	
Personeelskosten	€	13.972.263
Huurkosten	€	13.177.865
Huisvestingskosten	€	2.676.241
Afschrijving	€	881.905
Fees allianties	€	1.717.037
Overige beheerskosten	€	2.468.241
<b>Totaal</b>	<b>€</b>	<b>34.893.552</b>

De personeelskosten kunnen als volgt worden uitgesplitst:

Personeelskosten	Periode 1 mei t/m 31 december 2015	
Salarissen	€	8.231.959
Pensioenlasten	€	527.581
Sociale lasten	€	1.108.452
Externe inhuur	€	4.104.270
<b>Totaal</b>	<b>€</b>	<b>13.972.263</b>

In de periode 1 mei t/m 31 december 2015 waren er gemiddeld 443 personen in dienst bij R&S Finance B.V. en haar dochtermaatschappijen, waarvan 327 FTE in de winkels en 115 FTE op het hoofdkantoor. De winkels hebben per 1 juli 2015 veel gebruik gemaakt van uitzendkrachten, dit is gedurende het jaar ingevuld door eigen FTE's.

De huurkosten van € 13.177.865 betreffen de vergoedingen voor de huren van winkels en het distributiecentrum. Huurkortingen worden over de gehele looptijd van het huurcontract verdeeld.

Huisvestingskosten van totaal € 2.676.241 omvatten onder andere kosten voor onderhoud, energie, schoonmaak etc.

Fee allianties van € 1.717.037 betreffen vergoedingen voor online (webshop) verkopen door derden.

De overige beheerskosten bedragen € 2.468.241 en bestaan uit hoofdkantoor gerelateerde kosten waaronder overige personeelskosten (€ 0,6 mln), huisvestingskosten hoofdkantoor (€ 0,6 mln), kantoor & ICT kosten (0,9 mln) en advies en overige kosten (€ 0,4 mln).

### 7.3. Overige kosten

De overige kosten voor de periode 1 mei 2015 tot en met 31 december 2015 bedragen € 4.092.000 en betreffen transitiekosten. Dit zijn de makelaarskosten voor de overname van winkel contracten, bankkosten en advieskosten voor de doorstart van de Miss Etam winkels. Tevens omvat deze post de kosten voor verliesgevende contracten waarvoor een voorziening is getroffen, zie noot 6.9.

### 7.4. Financiële baten en lasten

De financiële baten en lasten hebben betrekking op de betaalde rentevergoedingen ten aanzien van de verstrekte leningen door FIPH B.V., de reële waardering van de Coltaparte lening en ontvangsten ten aanzien van de verstrekte lening aan NLB Fashion B.V.

Financiële baten en lasten	Periode 1 mei t/m 31 december 2015	
Financiële baten	€	38.314
Financiële lasten	€	-895.051
<b>Totaal</b>	<b>€</b>	<b>-856.737</b>

### 7.5. Belastingen

R&S Finance B.V. en haar dochtermaatschappijen heeft fiscale verliezen die zijn ontstaan in de periode van 1 mei tot en met 31 december 2015, waarvan de verwachting is dat deze kunnen worden verrekend met toekomstige belastbare winsten. Derhalve is voor deze verliezen is een latente belastingvordering van opgenomen. De belastingen over de periode 1 mei tot met 31 december in de winst- en verliesrekening en de latente belastingvordering in de balans zijn als volgt berekend:

Belastingen			
Resultaat vóór belastingen	-3.949.518		
20% van eerste € 200.000	-200.000	20%	-40.000
25% over > € 200.000	-3.749.518	25%	-937.380
<b>Totaal</b>			<b>-977.380</b>

## 8. Toelichting kasstroomoverzicht

#### Kasstroom uit operationele activiteiten

De netto kasstroom uit operationele activiteiten bedroeg in 2015 € 10.103.259, welke sterk wordt beïnvloed door de inbreng van de voorraden vanuit de Miss Etam Group Holding boedel.

#### Kasstroom uit investeringsactiviteiten

De netto kasstroom uit investeringsactiviteiten bedroeg in 2015 -€ 23.744.928 en had betrekking op de overdracht van de uit de Miss Etam Group Holding verkregen activa door FIPH B.V. aan R&S Finance B.V. en investeringen in materiele vaste activa gedurende de periode 1 mei 2015 tot en met 31 december 2015.

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#### **Kasstroom uit financieringsactiviteiten**

De inkomende kasstroom uit financieringsactiviteiten bedroeg in 2015 € 15.000.000, welke te maken heeft met ontvangen en verstrekte leningen.

### **9. Risico's**

#### *Strategische risico*

De strategie die R&S Finance B.V. heeft gekozen, is onlosmakelijk verbonden met het nemen van risico's. De belangrijkste risico's worden hierbij gevormd door de conjuncturele omstandigheden, de consumentenbestedingen en de vastgoedmarkt. Een eventuele neergang van de economie zal zijn weerslag hebben op het besteedbaar inkomen in Nederland en daarbuiten, hetgeen in elk geval gevolgen zal hebben voor R&S Finance B.V. door afnemende omzet in haar online en offline winkelformules.

#### *Organisatorisch risico*

De organisatie is in sterke mate afhankelijk van enkele sleutelfiguren, waaronder in elk geval de bestuurder.

#### *Juridisch risico*

R&S Finance B.V. kan voor haar acties aansprakelijk worden gesteld. Hoewel R&S Finance B.V. op het moment van publicatie van deze Interim geconsolideerd financieel overzicht niet bekend is met enige (dreigende) materiële procedures, kan R&S Finance B.V. voor eventueel tekortschietende dienstverlening of andere mogelijke schade aansprakelijk worden gesteld. Dergelijke aansprakelijkheidsprocedures kunnen in het algemeen hoge kosten met zich meebrengen.

#### *Kredietrisico*

De verkopen in eigen winkels worden contant afgewikkeld, zodat hierover geen risico wordt gelopen. Op het moment dat onzekerheid bestaat omtrent het innen van (een gedeelte van) een vordering wordt een voorziening voor oninbaarheid gevormd voor het bedrag waaromtrent onzekerheid bestaat. Aanwending van de voorziening vindt plaats zodra onvoldoende uitzicht bestaat op het innen van de vordering.

#### *Fiscaal risico*

Een wijziging van fiscale wet- of regelgeving, jurisprudentie of standpunten van de belastingdienst in Nederland kan negatieve invloed hebben op de (toekomstige) resultaten van R&S Finance B.V.

#### *Valuta risico*

Als onderdeel van het markrisico, heeft R&S Finance B.V. het valutarisico onderkend. Alle verkopen binnen R&S Finance B.V. vinden plaats in euro's. Voor haar inkoop activiteiten was in de periode 1 mei 2015 tot en met 31 december 2015 10%-15% van haar inkoopvolume in USD's. Hiervoor zijn geen valutatermijncontracten afgesloten. Eventuele koersverschillen worden direct verantwoord in de winst- en verliesrekening, welke voor genoemde periode circa € 18.000 bedroeg.

#### *Financiële risico's*

R&S Finance B.V. streeft naar een gezonde financiële positie. Als onderdeel van het budgetterings- en monitoringproces wordt per werkmaatschappij (Operations en Services) gestuurd op strakke doelstellingen met betrekking tot werkkapitaal en investeringsuitgaven. Daarnaast gelden doelstellingen voor EBITDA en de verhouding daarvan tot de netto schuld (de zogenaamde Netto Schuld/EBITDA ofwel 'leverage' ratio).

De financiering van het concern vindt plaats met rentedragende schulden door FIPH B.V. en Coltaparte B.V. Met de ING en ABN Amro bestaat alleen een werkkapitaalfinanciering.

#### *Liquiditeitsrisico*

Liquiditeitsrisico is het risico dat men over onvoldoende middelen beschikt om aan de directe verplichtingen te voldoen. Indien R&S Finance B.V. nieuwe verplichtingen aangaat, zou dit kunnen leiden tot een hoger liquiditeitsrisico. Beheersing van het liquiditeitsrisico vindt plaats door te streven naar voldoende liquiditeitsbuffer, en door zorg te dragen voor voldoende cashflow. Beheersing van de cashflow vindt plaats door strikt cashflow management, door minimum rendementseisen te stellen aan nieuwe investeringen en winkelopeningen, alsmede door actief management van het werkkapitaal.

Ultimo 2015 bestaan leningovereenkomsten die een totaal aan maximale kredietfaciliteiten omvatten van €15,0 mln. Hiervan moet € 10,0 mln worden terugbetaald voor 29 april 2017.

#### *Reële waarde financiële activa en verplichtingen*

	Reële waarde/ boek waarde
<b>Financiële activa</b>	<b>2015</b>
Debiteuren	€ 814.161
Vordering gelieerde maatschappijen	€ 3.949.098
Overige (lang- en kort lopende) vorderingen	€ 5.314.968
Liquide middelen	€ 1.358.331
<b>Totaal</b>	<b>€ 11.436.558</b>

	Reële waarde/ boek waarde
<b>Financiële verplichtingen</b>	<b>2015</b>
Achtergestelde leningen	€ 14.250.000
Rekeningcourantschulden aan kredietinstellingen	€ 1.967.840
Crediteuren	€ 6.168.293
Overige schulden	€ 6.094.076
<b>Totaal</b>	<b>€ 28.480.209</b>

Bovenstaand overzicht geeft inzicht in de reële waarde van de financiële instrumenten binnen R&S Finance B.V. De reële waarde van de financiële instrumenten wordt gelijk geacht aan de boekwaarde vanwege de volgende feiten:

- De lening gelieerde maatschappijen betreft kortlopende vorderingen, waar gedurende 2015 al aflossingen op plaats hebben gevonden;
- De overige (lang- en kortlopende) vorderingen omvat een afgestemde vordering op de curator (€ 2,3 mln) en vooruitbetaalde huren (€ 2,4 mln);
- Tevens zijn alle posten, inclusief debiteuren, beoordeeld op de inbaarheid en zijn daar waar nodig voorzieningen getroffen;
- De balanswaarde van de liquide middelen, crediteuren en overige schulden benadert naar het oordeel van R&S Finance B.V. de reële waarde, mede gezien het kortlopend karakter van deze posten;
- Onder rekeningcourantschulden aan kredietinstellingen zijn alle per 31 december 2015 bij banken opgenomen gelden verantwoord. Omdat deze regeling recent is afgesloten is de reële waarde gelijk aan de kostprijs van de lening.
- Voor de reële waarde van de achtergestelde lening Coltaparte B.V. ten bedrage van € 5 mln wordt verwezen naar het overzicht leningen, paragraaf 6.8.



## 10. Niet uit de balans blijkende verplichtingen

### *Huurverplichtingen*

De waarde van de bestaande huurverplichtingen met betrekking tot onroerend goed (winkels en distributiecentrum) kan als volgt worden onderverdeeld naar looptijd:

Huurverplichtingen	31 december 2015
Betalingen verschuldigd binnen 1 jaar	€ 15.391.000
Betalingen verschuldigd binnen 2-5 jaar	€ 46.642.660
Betalingen verschuldigd later dan 5 jaar	€ 2.420.608
<b>Totaal</b>	<b>€ 64.454.268</b>

### *Juridische aspecten*

Per balansdatum is de groep partij in juridische zaken. Op basis van inschattingen van het financiële risico zijn hiervoor, wanneer noodzakelijk geacht, verplichtingen/voorzieningen gevormd.

## 11. Remuneratie bestuurders

De bezoldiging voor de bestuurder over de periode 1 mei tot en met 31 december 2015 bedraagt € 140.000.

## 12. Verbonden partijen

### *Groepsmaatschappijen*

Onderstaand volgt een opsomming van de groepsmaatschappijen die in de geconsolideerde cijfers van R&S Finance B.V. zijn begrepen:

- Miss Etam Group B.V. 100% deelneming
- ME&P Retail Rent B.V. 100% deelneming
- Miss Etam Services B.V. 100% deelneming
- Miss Etam Operations B.V. 100% deelneming
- ME & P Retail IP B.V. 100% deelneming
- NLB Retail Services B.V. 100% deelneming

### *Overige verbonden partijen*

Als overige verbonden partijen van R&S Finance B.V. zijn te onderscheiden;

- Aandeelhouders FIPH B.V., 100%
- Bestuurders dhr. L.H. van de Schoor (tevens CEO NLB Fashion BV)
- Overige verbonden partijen Coltaparte B.V. (Investeerder)
- NLB Fashion B.V.
- Key management Salariskosten bedragen € 700.000 op jaarbasis

De transacties met de verbonden partijen zijn uiteengezet in paragraaf 6.5 (lening gelieerde maatschappijen) en paragraaf 6.8 (leningen). Er hebben zich geen andere transacties voorgedaan met de verbonden partijen.

---

### 13. Gebeurtenissen na balansdatum

- Op 18 november 2015 is aangekondigd dat N.V. Dico International overeenstemming heeft bereikt met FIPH B.V. over de verwerving van 100% van de aandelen met bijbehorende stemrechten van R&S Finance B.V. Op 29 december 2015 is een Buitengewone Algemene Vergadering van Aandeelhouders ('BAVA') gehouden waarin de volgende besluiten zijn genomen:
  - o Besluit om R&S Finance over te nemen tegen betaling van 10.000.000 aandelen.
  - o Wijziging van de naam N.V. Dico International in R&S Retail Group N.V.De daadwerkelijke uitgifte en levering van aandelen R&S Finance B.V. aan R&S Retail Group N.V. heeft op 5 januari 2016 plaatsgevonden.
- Op 24 maart 2016 heeft R&S Retail Group N.V. (Euronext Amsterdam: RNS) aangekondigd dat zij het voornemen heeft om een vrijwillig en voorwaardelijk openbaar bod tot omruiling uit te brengen op alle aandelen en warrants die niet reeds in het bezit zijn van R&S of met R&S verbonden personen, uitgegeven door de Belgische vennootschap FNG Group NV (Euronext Brussel, Vrije Markt: FNG).



## CONTROLEVERKLARING VAN DE ONAFHANKELIJKE ACCOUNTANT

Aan het bestuur en  
Algemene vergadering van aandeelhouders van  
R&S Finance B.V.,  
Zoetermeer

Wij hebben de in dit rapport opgenomen financiële overzichten van R&S Finance B.V. gecontroleerd. Deze financiële overzichten bestaan uit de balans per 31 december 2015, de winst-en-verliesrekening over de periode 1 mei 2015 tot en met 31 december 2015, het overzicht van gerealiseerde en niet-gerealiseerde resultaten, het mutatieoverzicht eigen vermogen en het kasstroomoverzicht over de periode 1 mei 2015 tot en met 31 december 2015 met de toelichting, waarin zijn opgenomen een overzicht van de belangrijke grondslagen voor financiële verslaggeving en overige toelichtingen.

### VERANTWOORDELIJKHEID VAN HET BESTUUR

Het bestuur van de vennootschap is verantwoordelijk voor het opmaken van de jaarrekening die het vermogen en het resultaat getrouw dient weer te geven in overeenstemming met International Financial Reporting Standards zoals aanvaard binnen de Europese Unie. Het bestuur is tevens verantwoordelijk voor een zodanige interne beheersing als het bestuur noodzakelijk acht om het opmaken van de financiële overzichten overzicht mogelijk te maken zonder afwijkingen van materieel belang als gevolg van fraude of fouten.

### VERANTWOORDELIJKHEID VAN DE ACCOUNTANT

Onze verantwoordelijkheid is het geven van een oordeel over de financiële overzichten op basis van onze controle. Wij hebben onze controle verricht in overeenstemming met Nederlands recht, waaronder de Nederlandse controlestandaarden. Dit vereist dat wij voldoen aan de voor ons geldende ethische voorschriften en dat wij onze controle zodanig plannen en uitvoeren dat een redelijke mate van zekerheid wordt verkregen dat de financiële overzichten geen afwijkingen van materieel belang bevatten.

Een controle omvat het uitvoeren van werkzaamheden ter verkrijging van controle-informatie over de bedragen en de toelichtingen in de financiële overzichten. De geselecteerde werkzaamheden zijn afhankelijk van de door de accountant toegepaste oordeelsvorming, met inbegrip van het inschatten van de risico's dat de financiële overzichten een afwijking van materieel belang bevatten als gevolg van fraude of fouten.

Bij het maken van deze risico-inschattingen neemt de accountant de interne beheersing in aanmerking die relevant is voor opstellen de financiële overzichten door de vennootschap, gericht op het opstellen van controlewerkzaamheden die passend zijn in de omstandigheden. Deze risico-inschattingen hebben echter niet tot doel een oordeel tot uitdrukking te brengen over de effectiviteit van de interne beheersing van de vennootschap.

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Een controle omvat tevens het evalueren van de geschiktheid van de gebruikte grondslagen voor financiële verslaggeving en van de redelijkheid van de door het bestuur van de vennootschap gemaakte schattingen, alsmede een evaluatie van het algehele beeld van de financiële overzichten.

Wij zijn van mening dat de door ons verkregen controle-informatie voldoende en geschikt is om een onderbouwing voor ons oordeel te bieden.

#### **OORDEEL**

Naar ons oordeel geven de financiële overzichten een getrouw beeld van de grootte en de samenstelling van het vermogen van R&S Finance B.V. per 31 december 2015 en van het resultaat en de kasstromen over de periode 1 mei 2015 tot en met 31 december 2015 in overeenstemming met International Financial Reporting Standards zoals aanvaard binnen de Europese Unie.

#### **BENADRIJING VAN ONZEKERHEID OMTRENT DE CONTINUÏTEIT**

Wij vestigen de aandacht op de paragraaf "continuïteit van de activiteiten" in de toelichting van de jaarrekening, waarin uiteengezet is dat de vennootschap een netto verlies van ad € 2.972.139 over 2015 heeft geleden en dat per 31 december 2015 er sprake is van een negatief eigen vermogen ad € 2.972.134. Deze condities, samen met andere omstandigheden zoals uiteengezet de paragraaf "continuïteit van de activiteiten", duiden op het bestaan van een onzekerheid van materieel belang op grond waarvan gerede twijfel zou kunnen bestaan over de continuïteitsveronderstelling van de vennootschap. Deze situatie doet geen afbreuk aan ons oordeel.

#### **BASIS VOOR FINANCIËLE VERSLAGGEVING EN BEPERKING IN GEBRUIK EN VERSPREIDINGSKRING**

De financiële overzichten zijn opgesteld voor de directie en de aandeelhouders met als doel R&S Finance B.V. in staat te stellen deze op te nemen in de prospectus zoals omschreven in onze opdrachtbevestiging d.d. 11 maart 2016. Hierdoor zijn de financiële overzichten mogelijk niet geschikt voor andere doeleinden. Onze controleverklaring is derhalve uitsluitend bestemd voor R&S Finance B.V. en dient niet te worden verspreid aan of te worden gebruikt door anderen. Deze beperking doet geen afbreuk aan ons oordeel.

Rotterdam, 7 april 2016

**MAZARS PAARDEKOOPEL HOFFMAN N.V.**



G. Gijder RA

## R&S Finance B.V.

Interim geconsolideerd financieel overzicht

Periode 1 mei t/m 31 december 2015

R&S Finance B.V.

Ordnung 1, 201181



**MAZARS**

MAZARS VERBODEN TOEGANG BIJ  
Gesamenheit voor intern gebruik

## Inhoud

Interim geconsolideerde balans per 31 december 2015 .....	3
Interim geconsolideerde winst- en verliesrekening periode 1 mei t/m 31 december 2015 .....	4
Interim geconsolideerd kasstroomoverzicht periode 1 mei t/m 31 december 2015 .....	5
Interim geconsolideerd mutatieoverzicht eigen vermogen per 31 december 2015 .....	5
Toelichting op de interim geconsolideerd financieel overzicht per 31 december 2015 .....	6
1. Informatie inzake de vennootschap .....	6
2. Gehanteerde grondslagen bij de opstelling van de jaarrekening .....	6
3. Gehanteerde grondslagen balans .....	8
4. Gehanteerde grondslagen winst- en verliesrekening .....	10
5. Acquisitie .....	13
Toelichting balans .....	14
6.1. Immateriële vaste activa .....	14
6.2. Materiële vaste activa .....	14
6.3. Latente belastingveranderingen .....	14
6.4. Voorraden .....	15
6.5. Handelskredieturen, overige vorderingen en overlopende activa .....	15
6.6. Liquide middelen .....	16
6.7. Eigen vermogen .....	16
6.8. Leningen .....	16
6.9. Voorzieningen .....	17
6.10. Handelschulden en overige te betalen posten .....	17
Toelichting winst en verliesrekening .....	18
7.1. Netto omzet .....	18
7.2. Overige beheerskosten .....	19
7.3. Overige kosten .....	20
7.4. Financiële kosten en lasten .....	20
7.5. Belastingen .....	20
8. Toelichting kasstroomoverzicht .....	20
9. Risico's .....	21
10. Niet uit de balans blijvende verplichtingen .....	23
11. Remuneratie bestuurders .....	23
12. Verbonden partijen .....	23

# Interim geconsolideerde balans per 31 december 2015

		Tussentijd	2015
<b>Vaste activa</b>		€	8.340.400
Immateriële vaste activa	0.1	€	1.175.700
Immateriële vaste activa	0.2	€	6.169.123
Lerende belastingverminderingen	0.3	€	977.580
<b>Vloeiende activa</b>		€	18.144.565
Voorraden	0.4	€	1.858.507
Handelskredietbrieven, overige vorderingen en overlopende activa	0.5	€	10.828.227
Liquide middelen	0.6	€	1.358.331
<b>Totaal Activa</b>		€	27.684.965
<b>Eigen vermogen toe te rekenen aan aandeelhouders van de vennootschap</b>		€	-2.970.188
Geplaatst kapitaal	0.7	€	5
Resultaat boekjaar	0.8	€	-2.970.188
<b>Langlopende verplichtingen</b>		€	15.000.000
Leningen	0.9	€	15.000.000
<b>Kortlopende verplichtingen</b>		€	13.477.163
Voorzieningen	0.10	€	1.253.893
Handelskrediet en overige te betalen posten	0.20	€	12.223.270
<b>Totaal passiva</b>		€	27.684.965

Interim geconsolideerde winst- en verliesrekening periode 1 mei t/m 31 december 2015

	Tyefunctie	2015
Winst- en verliesrekening	7.1	€ 79.029.113
Winst- en verliesrekening		€ -51.347.700
Winst- en verliesrekening		€ 40.481.174
Verkoop- en distributiekosten		€ -4.348.400
Overige beheerskosten	7.2	€ -54.893.152
Transportkosten	7.3	€ -4.091.000
Bedrijfsresultaat		€ -3.062.300
Financiële baten en lasten	7.4	€ -828.717
Resultaat voor belastingen		€ -3.891.017
Belastingen	7.5	€ 971.380
Resultaat na belastingen toe te rekenen aan aandeelhouders van de vennootschap		€ -2.919.637
Niet-geconsolideerde resultaten		€ -
Totale geconsolideerde en niet-geconsolideerde resultaten na belastingen		€ -2.919.637



# Interim geconsolideerd kasstroomoverzicht periode 1 mei t/m 31 december 2015

Kasstroom	Tussentijd	2015
<b>Kasstroom uit operationele activiteiten</b>		
Winst voor belastingen uit voortgezet bedrijfsactiviteiten		€ 1.872.139
Aanpassingen voor het aansluiten van de winst aan de netto kasstroom		
Correcties voor niet kasgeoriënteerde mutaties		
Afschrijvingen	6.2	€ 881.900
Mutatie in voorraden	6.9	€ 1.251.899
Mutatie in betaalde belastingverdringen	6.1	€ 977.380
Mutatie werkkapitaal		
Mutatie in voorraden	6.4	€ 1.041.988
Mutatie in handelskredietreuen, overige vorderingen en overlopende activa	6.5	€ 1.528.127
Mutatie in overlopende passiva	6.10	€ 12.437.369
Mutatie in rekeningsovereenkomsten van kredietinstellingen	6.10	€ 1.987.840
		<b>€ 18.109.159</b>
<b>Kasstroom uit operationele activiteiten</b>		
<b>Kasstroom uit investeringsactiviteiten</b>		
Aankoop van bedrijfsmiddelen	9	€ 30.000.000
Investeringen in immateriële en materiële vaste activa	6.2	€ 1.444.828
Uitgegeven leningen	6.4	€ 1.800.000
		<b>€ 33.244.828</b>
<b>Kasstroom uit financieringsactiviteiten</b>		
Opgenomen leningen	6.8	€ 30.000.000
Aflossing van leningen	6.8	€ 1.000.000
		<b>€ 29.000.000</b>
<b>Kasstroom uit financieringsactiviteiten</b>		
Liquide middelen per 1 mei 2015		€ 0
Liquide middelen per 31 december 2015		€ 1.258.171
Mutatie liquide middelen		€ 1.258.171

## Interim geconsolideerd mutatieoverzicht eigen vermogen per 31 december 2015

	Geplaatst kapitaal	Overgedeelde resultaat	Totaal eigen vermogen
Oprichting per 1 mei 2015	€ 0	€ 0	€ 0
Totaalwinst/verlies boekjaar	€ 0	€ -2.972.139	€ -2.972.139
Totaal per 31 december 2015	€ 0	€ -2.972.139	€ -2.972.139

## Toelichting op de Interim geconsolideerd financieel overzicht per 31 december 2015

### 1. Informatie inzake de vennootschap

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. is opgesteld door het bestuur van de vennootschap op 29 maart 2016. R&S Finance B.V. is statutair gevestigd aan de Oostweg 2, 1713 RH, Zoetermeer, Nederland.

De voornaamste activiteiten van de vennootschap is het houden van een retail keten en het creëren van waarde door optimalisering van bedrijfsprocessen. Daarbij speelt het online kanaal een belangrijke rol.

Per 1 mei 2015 heeft FIFH B.V., opgericht op 26 maart 2015, via een koopovereenkomst met de curator de activa, zijnde de voorraden, bedrijfsmiddelen (inventaris distributiecentrum en winkels) en handelsnaam Miss Etam en Promiss uit de boedel van Etam Group Holding overgenomen.

Geopende activa zijn vervolgens via een actieve passieve transactie aan de 100% deelneming van FIFH B.V., zijnde R&S Finance B.V. (voorheen R&S Invest Co. B.V., opgericht 4 mei 2015) overgedragen. Effectief heeft R&S Finance B.V. hierdoor per 1 mei 2015 de doortart gerealiseerd van de bekende Nederlandse damesmodellen Miss Etam.

De cijfers worden door R&S Finance verantwoord met ingang van 1 mei 2015 aangevuld op die datum reeds was voorgenomen de activa en passiva in een separate vennootschap onder te brengen en was R&S Finance B.V. reeds in oprichting. Daarnaast was vanaf 1 mei 2015 sprake van common control doordat FIFH B.V. de aandeelhouder is. Op basis van bovenstaande heeft R&S Finance B.V. van de optie gebruik gemaakt onder IFRS om de afwijkende datum voor de transactie te hanteren.

Op 18 november 2015 is aangekondigd dat R&S Retail Group N.V. (voorheen N.V. Dico International) overeenstemming heeft bereikt met FIFH B.V. over de vererving van 100% van de aandelen met bijbehorende stemrechten van R&S Finance B.V., waarvan de daadwerkelijke uitgifte en levering van aandelen op 30 januari 2016 heeft plaatsgevonden. Hierdoor is R&S Finance B.V. per 30 januari 2016 een onderdeel van de R&S Retail Group N.V.

### 2. Gehanteerde grondslagen bij de opstelling van de jaarrekening

#### International Financial Reporting Standards

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. is opgesteld in overeenstemming met International Financial Reporting Standards, zoals aangenomen voor gebruik binnen de Europese Unie (EU-IFRS). De door R&S Finance B.V. toegepaste waarderingsgrondslagen zijn in overeenstemming met de op 31 december 2015 van kracht zijnde door de EU aangenomen IFRS en uitspraken van de International Financial Reporting Interpretation Committee (IFRIC).

#### Continuïteit van de activiteiten

De Interim geconsolideerd financieel overzicht van R&S Finance B.V. toont een verlies van € 2.972.129 over de periode 1 mei 2015 tot en met 31 december 2015 en een negatief eigen vermogen van € 2.972.134. Dit wordt met name veroorzaakt door de transitiekosten die zijn gemaakt na de overname van de activa en de handelsnaam van Miss Etam uit de boedel van Etam Group Holding om de doortart te realiseren. De huidige resultaten liggen in lijn met het business plan van R&S Finance en de financiering middels de leningen van FIFH B.V. en Collaparte B.V. aangevuld met de werkkapitaal financiering van ABN Amro en ING zijn voldoende om de continuïteit van R&S Finance B.V. en haar dochtermaatschappijen het komende jaar te waarborgen. Derhalve is bij het opstellen van de Interim geconsolideerd financieel overzicht van R&S Finance B.V. de continuïteitveronderstelling gehanteerd.

R&S Finance B.V.

Audited

**MAATZ**  
HANS MAATZ  
Gedirecteerd voor de jaarrekening 2015

#### **Grondslagen voor de consolidatie**

In de interim geconsolideerd financieel overzicht worden de financiële gegevens van R&S Finance B.V. en alle ondernemingen waarin R&S Finance B.V. overheersende zeggenschap uitoefent, volledig geconsolideerd. Er is sprake van overheersende zeggenschap indien R&S Finance B.V. onderhevig is aan, en rechten heeft op, variabele rendementen en de mogelijkheid heeft om haar overheersende zeggenschap te gebruiken om het bedrag van deze rendementen te beïnvloeden. Consolidatie van nieuwe versorven groepsmatenschappen geschiedt vanaf het moment van verkrijging van zeggenschap. De consolidatie geschiedt op het moment dat de zeggenschap niet meer uitgeoefend kan worden. In de geconsolideerde cijfers vindt eliminatie plaats van intercompany schuldverhoudingen en intercompany resultaten. De in de consolidatie opgenomen groepsmatenschappen betreffen:

- Miss Etam Group B.V.	100% deelneming
- M&P Retail Rent B.V.	100% deelneming
- Miss Etam Services B.V.	100% deelneming
- Miss Etam Operations B.V.	100% deelneming
- M&P Retail IP B.V.	100% deelneming
- NLR Retail Services B.V.	100% deelneming

#### **Uitgangspunten bij het opstellen van de interim geconsolideerd financieel overzicht**

Voor de opstelling van de interim geconsolideerd financieel overzicht is gebruik gemaakt van de richtlijnen conform IAS 34, waarbij gekozen is voor de optie van volledige financial statements.

Door de overname uit de boedel van de Etam Group Holding, betreft het eerste boekjaar van R&S Finance B.V. een verlengd boekjaar van 1 mei 2015 tot en met 31 december 2016. Derhalve zijn er geen vergelijkende cijfers over voorgaande periode(n) opgenomen.

De interim geconsolideerd financieel overzicht wordt gepresenteerd in euro's. De interim geconsolideerd financieel overzicht is opgesteld op basis van historische kosten met uitzondering van de op netto waarde overgenomen activa. Voor verkoop aangehouden vaste activa worden gewaardeerd op de laagste waarde van de boekwaarde en de netto waarde minus verkoopkosten.

De opstelling van de interim geconsolideerd financieel overzicht is in overeenstemming met EU-IFRS vereist dat de leiding oordelen vormt en schattingen en veronderstellingen maakt die van invloed zijn op de gerapporteerde waarde van activa en verplichtingen en van de baten en lasten. De schattingen en daaraan ten grondslag liggende veronderstellingen zijn gebaseerd op ervaringen en andere factoren, die als redelijk worden beschouwd. De uitkomsten van de schattingen vormen de basis voor de boekwaarde van activa en verplichtingen die niet op eenvoudige wijze uit andere bronnen blijken. De daadwerkelijke uitkomsten kunnen afwijken van deze schattingen. De schattingen en onderliggende veronderstellingen worden voortdurend beoordeeld. Herzieningen van schattingen worden opgenomen in de periode waarin de schatting wordt herzien, indien de herziening alleen voor die periode gevolgen heeft. Herziening in de verslagperiode en toekomstige perioden vindt plaats indien de herziening ook gevolgen heeft voor toekomstige perioden.

De hierna uiteengezette grondslagen voor financiële verslaggeving zijn consistent toegepast voor de gepresenteerde perioden in deze vennootschappelijke interim geconsolideerd financieel overzicht.

R&S Finance B.V.

Auditied

**KPMG**  
MEMBER OF THE PwC NETWORK  
Gedownload door: [naam] op: [datum]

#### Omschrijving vreemde valuta's

De presentatie en functionele valuta van R&S Finance B.V. is de Euro. Transacties in vreemde valuta worden verantwoord tegen de wisselkoersen die op de datum van transactie gelden. Activa en passiva in vreemde valuta op de balansdatum worden omgerekend tegen de wisselkoersen die op de balansdatum gelden. Hieruit voortvloeiende koersverschillen worden direct in de winst- en verliesrekening opgenomen.

### 3. Gehanteerde grondslagen balans

#### Immateriële vaste activa

De eerste waardering van immateriële vaste activa vindt plaats tegen kostprijs, waarbij de kostprijs van immateriële vaste activa die zijn verkregen via een acquisitie gelijk is aan de netto waarde ten tijde van de acquisitie. Binnen de onderneming is enkel sprake van immaterieel vast actief met een onbepaalde levensduur. Dit betreft de met acquisities verworven handelsnamen. Op elke verslagdatum wordt beoordeeld of er sprake is van een bijzondere waardevermindering en wordt daarnaast de gebruiksduur beoordeeld en eventueel aangepast op basis van nieuwe inzichten.

#### Materiële vaste activa

Materiële vaste activa worden gewaardeerd tegen aanschaffingswaarde onder aftrek van cumulatieve lineaire afschrijvingen en bijzondere waardeverminderingen/impairments. Afschrijving vindt plaats op basis van de verwachte economische levensduur.

De volgende gemiddelde afschrijvingspercentages worden gehanteerd:

- Distributiecentrum	30%
- (Winkel) inventaris	14,3% - 30%
- IT	32%

Indien zich zodanige feiten of omstandigheden voordoen dat aanwijzing ontstaat dat de realiseerbare waarde van het actief daalt beneden de boekwaarde dan vindt een afwaardering plaats ten laste van het resultaat (impairment). Tevens wordt de gebruiksduur jaarlijks beoordeeld en eventueel aangepast op basis van nieuwe inzichten.

#### Latente belastingvorderingen

Onder latente belastingvorderingen worden opgenomen vorderingen uit hoofde van beschikbare fiscale verliescompensatie en uitgestelde belastingvorderingen welke voortvloeien uit tijdelijke verschillen tussen commerciële en fiscale vermogens. Waardering vindt plaats tegen nominale waarde. Latente belastingvorderingen uit hoofde van toekomstige verliescompensatie worden slechts dan in de balans genomen indien het waarschijnlijk is dat in de toekomst voldoende fiscale winst ter beschikking komt om verrekening mogelijk te maken.

#### Bijzondere waardevermindering van financiële activa

De groep beoordeelt op elke verslagdatum of er objectieve aanwijzingen zijn voor bijzondere waardeverminderingen van een financieel actief of een groep financiële activa. Een financieel actief of een groep van financiële activa wordt slechts dan geacht een bijzondere waardevermindering te hebben ondergaan als er objectieve aanwijzingen zijn voor bijzondere waardeverminderingen ten gevolge van een of meer gebeurtenissen die zich hebben voorgedaan na de eerste opname van het actief (een 'tot verlies leidende gebeurtenis') en die tot verlies leidende gebeurtenis (of gebeurtenissen) een effect heeft (of hebben) op de geschette toekomstige kasstromen van het financieel actief of de groep van financiële activa dat betrouwbare kan worden geschat.

#### **Vorderingen en leningen**

Vorderingen en leningen worden gewaardeerd tegen de gesamortiseerde koopprijs op basis van de effectieve rentemethode, waar nodig onder aftrek van een voorziening voor het risico van oninbaarheid. Afschrijving van vorderingen vindt plaats op het moment dat onvoldoende uitzicht bestaat op het innen van de betreffende vordering. Afschrijvingen worden verantwoord in de winst- en verliesrekening.

Vorderingen betreffen onder meer handelsvorderingen, leningen en overige vorderingen. Ingeval het verschil tussen de gesamortiseerde koopprijs en de nominale waarde niet materieel is, worden de leningen en vorderingen gewaardeerd tegen de nominale waarde.

#### **Voorraden**

Voorraden worden gewaardeerd tegen kostprijs of lagere opbrengstwaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en vermeerderd met bijkomende directe kosten. De opbrengstwaarde wordt gevormd door de geschatte verkoopprijs in de normale bedrijfsvoering onder aftrek van de geschatte kosten van afwikkeling van de verkoop. Voor risico van derving en afrijving wordt een voorziening gevormd, welke periodiek wordt beoordeeld.

#### **Liquide middelen**

Dere post wordt gevormd door het totaal van de (in de winkels) aanwezige kasgelden en tegoeden in rekening-courant bij banken. Bankschulden worden opgenomen onder de kortlopende verplichtingen. De liquide middelen worden gewaardeerd tegen nominale waarde.

#### **Eigen vermogen**

De gewone aandelen van R&S Finance B.V. worden aangemerkt als eigen vermogen. De aankoopprijs van ingekochte aandelen wordt op de overige reserves in mindering gebracht totdat zij worden ingetrokken of herplaatst. Het aan houders van gewone aandelen uit te keren dividend wordt als verplichting opgenomen op het moment waarop de algemene vergadering van aandeelhouders het dividendvoorstel goedkeurt.

#### **Voorzieningen**

Voorzieningen worden opgenomen voor alle in rechte afdwingbare dan wel feitelijke verplichtingen die zijn ontstaan vóór balansdatum, waarvan de omvang of het moment van afwikkeling onzeker is doch redelijkerwijs is te schatten. Voorzieningen worden verantwoord tegen nominale waarde tenzij het effect van de tijds waarde materieel is, dan worden voorzieningen verantwoord tegen constante waarde. Dan wordt de toename van de voorziening die wordt veroorzaakt door tijdverloop verantwoord als rentelast.

#### **Pensioenen**

De pensioenregeling is ondergebracht bij de Stichting Bedrijfstakpensioenfonds voor de Detailhandel. De pensioenregeling is naar haar aard een toegesigd-pensioenregeling, waarbij de bepaling van de verplichtingen plaatsvindt op basis van de "Defined Contribution" method. De vennootschap heeft in het geval van een tekort bij het pensioenfonds geen verplichting tot het doen van aanvullende bijdragen anders dan hogere toekomstige premies. De betaalde pensioenpremie's worden verwerkt in de winst en verliesrekening. Per 31 december 2015 bedroeg de dekkinggraad van het pensioenfonds 106,1%.

#### **Lease (lease)verplichtingen**

Ingeval van lease van activa waarbij de economische risico's van het eigendom aan het leasee toebehoren (financiële lease) worden de activa bij aanvang van het leasecontract in de balans opgenomen en gewaardeerd tegen de reële waarde van het geleasede actief (zijnde de prijs die bij contante betaling zou moeten worden voldaan) of, indien lager, de constante waarde van de minimale toekomstige leasetermijnen, waarbij contant making geschiedt tegen de in het leasecontract vermelde rentevoet. De minimale toekomstige leasebetalingen worden gesplitst in een rentebestanddeel en een aflossingsdeel.

zodanig dat er sprake is van een constante rentevoet ten opzichte van de uitstaande schuld, met kortlopende gedeelte van de financiële leaseverplichting is opgenomen onder de kortlopende schulden. Leases die niet kwalificeren als financiële lease worden behandeld als operationele leases. In rekening gebrachte leasetermijnen worden aangemerkt als kosten. Alle afgesloten huurcontracten zijn beoordeeld op eventuele "ingesloten leasecontracten".

#### **Financiële verplichtingen**

Bij de eerste opname van kortlopende schulden worden deze opgenomen tegen reële waarde verminderd met (in geval van een financiële verplichting die niet tegen reële waarde, met verwerking van waardeveranderingen in de winst-en-verliesrekening, is opgenomen) de direct daaraan toe te rekenen transactiekosten.

Financiële verplichtingen behoren tot de handelsportefeuille, indien deze zijn verworven of aangegaan met het doel deze verplichtingen op korte termijn te verkopen. Deze categorie wordt na de eerste waardering gewaardeerd tegen reële waarde zonder aftrek van eventuele transactiekosten bij verresending. Saldo's of lussen die voortvloeien uit veranderingen in de reële waarde worden verwerkt in de winst-en-verliesrekening.

De overige kortlopende schulden worden na de eerste waardering gewaardeerd tegen de gemortiseerde kostprijs volgens de effectieve-rentemethode. Winst of verlies wordt in de winst-en-verliesrekening opgenomen zodra de verplichtingen niet langer op de balans worden opgenomen, alsnede via het amortisatieproces.

#### **Leningen**

Na de eerste opname worden de rentedragende leningen en overige financieringsverplichtingen gewaardeerd tegen de gemortiseerde kostprijs onder toepassing van de effectieve-rentemethode. Winsten en verliezen worden opgenomen in de winst- en verliesrekening zodra de verplichtingen niet langer op de balans worden opgenomen, alsnede via het amortisatieproces onder toepassing van de effectieve-rentemethode. De berekening van de gemortiseerde kostprijs omvat een eventueel (dis)agio en directe transactiekosten en provisies. De amortisatie wordt opgenomen in de financieringskosten in de winst- en verliesrekening.

### **4. Gehanteerde grondslagen winst- en verliesrekening**

#### **Netto-omzet**

Onder netto-omzet wordt verstaan de aan derden voor levering van handelsgoederen berekende bedragen onder aftrek van omzetbelasting en verleende (betalings-) kortingen. Opbrengsten worden als gerealiseerd beschouwd wanneer het economisch risico van het eigendom van de goederen is overgegaan naar de koper en de opbrengsten betrouwbaar kunnen worden gemeten.

#### **Kostprijs van de omzet**

Hieronder worden begrepen de aanschaffingskosten (i.e. kosten van (additionele) vervaardiging van de in de omzet begrepen goederen en diensten onder aftrek van ontvangsten (betalings-) kortingen en verminderd met de direct toerekenbare externe kosten van inkoop en aanvoer, zoals transport-, verzekerings- en douanekosten. Onder de kostprijs van de omzet wordt tevens verstaan de afwaardering van voorraden tot lagere opbrengstwaarde.

#### **Verkoopkosten**

Dit betreft kosten direct samenhangend met de verkoop-, promotie- en reclameactiviteiten.

#### **Personeelsbeloningen**

Personeelsbeloningen worden verantwoord in de periode waarin de arbeidsprestaties door de werknemers worden geleverd. Indien de vennootschap lange termijn beloningen toekent aan werknemers worden de kosten daarvan aan de periode van de daaraan gerelateerde arbeidsprestaties toegerekend.

De onderneming kent momenteel geen personeelsopties.

#### **Financiële baten en kosten**

Financieringsbaten en -kosten worden toegerekend aan de periode waarop deze betrekking hebben. Renteopbaten worden tijdsevenredig verantwoord onder toepassing van de effectieve rentemethode.

#### **Belastingen op het resultaat**

De over het boekjaar verschuldigde en verrekenbare belasting is de naar verwachting te betalen belasting over de belastbare winst over het boekjaar, berekend aan de hand van belastingtarieven die zijn vastgesteld op balansdatum dan wel waartoe materieel al op balansdatum is besloten, evenals correcties op de over voorgaande jaren verschuldigde belasting.

De voorziening voor uitgestelde belastingverplichtingen wordt gevormd op basis van de balansmethode, waarbij een voorziening getroffen wordt voor tijdelijke verschillen tussen de boekwaarde van activa en verplichtingen ten behoeve van de financiële verlagening en de fiscale boekwaarde van die posten.

Er wordt uitgaande van een uitgestelde belastingvordering opgenomen voor zover het waarschijnlijk is dat er in de toekomst belastbare winsten beschikbaar zullen zijn die voor de realisatie van de uitgestelde belastingvordering worden aangewend. Het bedrag van de uitgestelde belastingvordering wordt verlaagd voor zover het niet langer waarschijnlijk is dat het daarmee samenhangende belastingvoordeel zal worden gerealiseerd.

#### **Resultaatsvorming**

Opbrengsten worden als gerealiseerd beschouwd wanneer het economisch risico is overgedragen aan een derde en het waarschijnlijk is dat de economische voordelen zullen toekomen aan de onderneming en de opbrengsten betrouwbaar kunnen worden vastgesteld. Bij de bepaling van het resultaat wordt uitgegaan van de historische kostprijs, tenzij uitdrukkelijk anders is aangegeven. Opbrengsten en kosten worden toegerekend aan de periode waarop zij betrekking hebben. Intercompany winsten en verliezen worden geëlimineerd.

#### **Kaastroomoverzicht**

Het kaastroomoverzicht wordt opgesteld volgens de indirecte methode. Ontvangsten en betalingen met betrekking tot belastingen worden opgenomen onder de kasstroom van de operationele activiteiten. Uitgaande dividenden worden opgenomen onder de kasstroom uit financieringsactiviteiten.

#### **Effect van nieuwe boekhoudstandaarden**

De IASB en de IFRIC hebben nieuwe standaarden, aanpassingen in bestaande standaarden en interpretaties uitgebracht die nog niet van kracht zijn of nog niet door de Europese Unie zijn bekrachtigd.

R&S Finance B.V. heeft de nieuwe en aangepaste IFRS- en IFRIC-interpretaties ingevoerd die vanaf 2015 van kracht zijn.

De volgende standaarden, wijzigingen op standaarden en interpretaties zijn in 2015 nog niet van kracht en zijn daarom niet toegepast op de jaarrekening. De vennootschap is op basis van de huidige inzichten niet van plan deze standaarden en interpretaties verzoegd toe te passen en heeft de omvang van het te verwachten effect nog niet bepaald. De voor de vennootschap mogelijk belangrijkste veranderingen kunnen als volgt worden samengevat:

R&S Finance B.V.

Audit

 **RSM**  
de Nederlandsche  
Maatschappij van  
Registratie- en  
Rekenkamer

- Presentatie van de jaarrekening: aanpassingen van toepassing vanaf 1 januari 2016 die verhelderingen omvatten op:
  - o het gebruik van het begrip "materialiteit";
  - o de presentatie van specifieke posten in de balans, winst- en verliesrekening en het overzicht van het totaalresultaat;
  - o de flexibiliteit in de volgorde van de toelichtingen;
  - o de presentatie van het aandeel van de geassocieerde deelnemingen en joint ventures in het overzicht overig totaalresultaat;
  - o toelichtingsverste samenhangen met additionele subtotalen in de balans, winst- en verliesrekening en het overzicht totaalresultaat.
- Hiermee zal in de toekomst rekening worden gehouden bij het maken van de toelichtingen.
- IFRS 9 Financiële instrumenten: classificatie en waardering is van toepassing op boekjaren die ingaan op of na 1 januari 2018. De EU heeft deze standaard nog niet overgenomen. Deze nieuwe verslaggevingstandaard behandelt onder meer de bijzondere waardeverminderingverliezen van financiële instrumenten en vervangt de oude standaard IAS 39. IFRS 9 voorziet in een nieuw model voor bijzondere waardeverminderingverliezen gebaseerd op de 'verwachte' verliezen in plaats van de 'opgelopen' verliezen zoals voorgeschreven in IAS 39.
- IFRS 15 'Revenue from Contracts with Customers' geeft een raamwerk voor verantwoording van opbrengsten en zal de huidige standaarden voor opbrengsten (IAS 18) en onderhanden werken (IAS 11) vervangen. De standaard is van toepassing vanaf 1 januari 2018. Gezien de aard van de onderneming (detailhandel) en huidige omzetstromen zal deze standaard, naar verwachting, geen grote invloed hebben op de cijfers.
- IFRS 16 'Leases' heeft betrekking op de nieuw uitgegeven maar nog niet door de EU aangenomen richtlijn inzake leases. De standaard is van toepassing vanaf 1 januari 2019. Het doel van de standaard is te waarborgen dat leaseers en lessors relevante informatie in de toelichting opnemen die de gerelateerde transacties getrouw weergeven. Deze informatie biedt gebruikers van de jaarrekening inzicht in de impact van leases op de financiële positie, de financiële resultaten en kasstromen van de onderneming. De Groep onderzoekt momenteel de mogelijke impact van deze nieuwe standaard.



## 5. Acquisitie

Per 26 mei 2015 heeft R&S Finance B.V. voor € 20.000.000 de volgende activa van IFPH B.V. overgenomen die afkomstig zijn uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V. Dit bedrag is door leningen gefinancierd.

Acquisitie boedel Miss Etam		Toelichting waardering
Inventaris winkels	€ 2.255.300	Gewaardeerd op basis van onderliggende leasereportages
Inventaris Distributiecentrum	€ 3.471.000	Gewaardeerd op basis van onderliggende leasereportages
Vorraden	€ 15.544.213	Gewaardeerd tegen kostprijs inclusief waarde
Voorziening Incourantheid	€ -2.564.213	Voorziening Incourantheid
	€ 13.000.000	
Handelnaam Miss Etam / Promiss	€ 1.173.700	Verrijgingsprijs
<b>Staat per 26 mei 2015</b>	<b>€ 20.000.000</b>	

Bij de overname van de activa uit de boedel van Miss Etam zijn de huurovereenkomsten van winkels en het distributiecentrum geen onderdeel van de boedel. Deze huurovereenkomsten zijn afzonderlijk met de verhuurders afgesloten.

De netto waarde van de immateriële vaste activa per 31 december 2015 is schattingsoverwiegend bepaald bij deze overname, de resulterende positieve of negatieve goodwill is derhalve nog niet definitief bepaald. Per 31 december 2015 bedraagt de goodwill nihil.

R&S Finance B.V. is opgericht per 4 mei 2015 en heeft per 26 mei 2015 de activa van IFPH B.V. gekocht. De omzet is echter vanaf 1 mei 2015 verantwoord aangegeven op die datum reeds was voorgenomen de activa en passiva in een separate vennootschap onder te brengen en was R&S Finance B.V. reeds in oprichting. Daarnaast was vanaf 1 mei 2015 sprake van common control doordat IFPH B.V. de aandeelhouders is. Op basis van bovenstaande heeft R&S Finance B.V. van de optie gebruik gemaakt onder IFPS om de afsluitende datum voor de transactie te hanteren.

## Toelichting balans

### 6.1. Immateriële vaste activa

Immateriële vaste activa	31 december 2015
Stand per 1 mei 2015	€ -
Acquisitie merknaam 'Miss Etam & Promis'	€ 1.178.300
Stand per 31 december 2015	€ 1.178.300

De geacriveerde merknaam 'Miss Etam & Promis' is per 26 mei 2015 door R&S Finance B.V. van FPH B.V. geacquireerd naar aanleiding van de overname uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V. door FPH B.V. Bij de vaststelling van de verkrijgingsprijs is bij de waardering tevens gekeken naar de sterkte van het merk (brand royalty rate en probability brand existence), de kosten om de merknaam 'Miss Etam & Promis' te onderhouden en de onderliggende risicofactoren die tot uitstraling zijn gebracht in de kortingspercentages.

### 6.2. Materiële vaste activa

Materiële vaste activa	Inventaris	Distributiecentrum	IT	Totaal
Overname per 1 mei 2015	€ 3.835.000	€ 3.471.000	€ -	€ 7.306.000
Investerings 2015	€ 1.180.400	€ 134.718	€ 156.200	€ 1.471.318
Afschrijvingen	€ -359.801	€ -478.041	€ -4.173	€ -841.915
Stand per 31 december 2015	€ 4.655.599	€ 3.127.678	€ 152.028	€ 7.935.305

#### Inventaris

Onder inventaris behoort de inrichting van de winkels.

#### Distributiecentrum

Onder distributiecentrum behoort de gehele inrichting van het distributiecentrum. Hieronder wordt verstaan alle afzonderlijk geïnstalleerde voorwerpen alsook onafscheidelijk met het gebouw verbonden woordenningen.

#### IT

Onder IT worden verstaan de investeringen in hard- en software.

Per 26 mei 2015 heeft R&S Finance B.V. de inventaris en inrichting distributiecentrum overgenomen van FPH B.V. tegen de reële waarde naar aanleiding van de overname uit de boedel van Etam Groep Retail B.V. en Etam Groep Holding B.V.

### 6.3. Latente belastingvorderingen

De latente belastingvorderingen per 31 december 2015 bedragen € 977.380. Dit betreffen compensabele operationele verliezen die op basis van de verwachte positieve operationele resultaten in de komende jaren gecompenseerd kunnen worden. De verwachting is dat de looptijd van deze latente belastingvordering langer dan één jaar zal zijn. Gezien deze verwachting en de onzekerheid van de timing van de compensatie van de verliezen is de latente belastingvordering als lange termijn vordering geclassificeerd.

#### 6.4. Voorraden

Voorraden	31 december 2015
Voorraad	€ 8.371.418
Voorziening opvarende voorraden	€ -1.903.436
Stand per 31 december 2015	€ 6.467.982

De voorraden betreffen uitsluitend detailhandels-voorraden. Voorraden worden gewaardeerd tegen kostprijs of lagere opbrengstswaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en vermindert met bijkomende directe kosten. De voorziening betreft de afwaardering van de voorraden tot lagere opbrengstswaarde (afprijsingsrisico) hoofdzakelijk veroorzaakt door ouderdom en modegevoeligheid van de voorraad.

#### 6.5. Handelsdebiteuren, overige vorderingen en overlopende activa

Vorderingen	31 december 2015
Debiteuren	€ 814.181
Vordering curator	€ 7.763.821
Vordering geleende maatschappijen	€ 1.549.038
Overige vorderingen en overlopende activa	€ 3.051.147
Vooruitbetaalde huren	€ 750.000
Stand per 31 december 2015	€ 13.828.187

Voorziening debiteuren	31 december 2015
Stand per 1 mei 2015	€ -
Toeslagen	€ -28.909
Groenningen	€ -
Uitput	€ -
Stand per 31 december 2015	€ -28.909

Debiteuren bestaan uit vorderingen inruile leveringen aan online ondernemingen en vorderingen inruile de onderhuur van overgenomen winkelruimtes. De vorderingen zijn kortlopend van aard, hetgeen ook tot uitdrukking komt in de ouderdomsanalyse.

In dagen	0-30	30-60	60-90	90+	Totaal
Debiteuren	€ 716.732	€ 11.940	€ 75.509	€ -	€ 814.181

Het niet vervallen deel van de debiteuren bedraagt € 716.732. De vordering op de curator betreft de overnemen financiële afwikkeling van de overname uit de boedel Elam Groep Retail B.V. en Elam Groep Holding B.V.

De vordering geleende maatschappijen betreft een door R&S Finance B.V. verstrekte lening aan een geleende onderneming. De rente over deze lening bedraagt 1,75%. De looptijd bedraagt minder dan 1 jaar. Overige vorderingen en overlopende activa bestaan voornamelijk uit vooruitbetaalde huren (3,24 min).

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 DEKKER, PAAPEL, VAN DER ZANDEN & PAAPEL  
 ACCOUNTANTS, ADVISORISCH, FISCAL, EN RECHTSPRAKELIJK

## 6.6. Liquide middelen

Liquide middelen	31 december 2015
Liquide middelen	€ 1.358.330
Stand per 31 december 2015	€ 1.358.330

De liquide middelen per 31 december 2015 zijn vrij beschikbaar.

## 6.7. Eigen vermogen

Eigen vermogen	31 december 2015
Geplaatst kapitaal	€ 5
Resultaat boekjaar	€ -2.873.134
Stand per 31 december 2015	€ -2.873.134

De nominale waarde van het aandeel bedraagt € 1 en het aantal aandelen bedraagt 5. De aandelen zijn volgestort.

## 6.8. Leningen

Leningen	31 december 2015
Stand per 1 mei 2015	€ -
Toeslagen gedurende het jaar	€ 20.000.000
Aflossingen	€ -5.000.000
Stand per 31 december 2015	€ 15.000.000

Per 31 december 2015 heeft R&S Finance B.V. de beschikking over de volgende leningen:

- *FPM B.V.*: Lening van EUR 10,0 mln met een rentepercentage van 6%  
Dit betreft een lening door de aandeelhouder met een looptijd van 2 jaar, waarbij de rente jaarlijks met drie procentpunten stijgt. De rentecondities van de FPM lening wijzigden per 1 januari 2016 van 6% naar 9%. Deze lening is per 29 maart 2016 afgelost en vervangen voor een nieuwe lening (zie 6.10).
- *Collaparte B.V.*: Achtergestelde lening per 12 juni 2015 van EUR 5 mln met een rentepercentage van 0%  
Dit betreft een lening waaraan de volgende condities zijn verbonden:
  - De lening is achtergesteld bij alle niet achtergestelde schuldverplichtingen van R&S Finance B.V. uit hoofde van financiering.
  - Collaparte profiteert mee met de verwachte positieve resultaten van R&S Finance B.V. De bonus is afhankelijk van de gerealiseerde EBITDA. Uitkering van de bonus volgt uitsluitend indien de EBITDA groter is dan € 5 mln in het voorafgaande boekjaar. De maximale bonus zal ten hoogste € 7,0 mln bedragen.
  - De lening heeft een looptijd van 5 jaar tot 31 mei 2020. Collaparte kan interim (voor het eerst na 3 jaar, dus na 1 juni 2018) maximaal 50% van de lening (en de bonus) openen.

- In bepaalde uitzonderlijke gevallen van Collaparte B.V., kiezen haar lening te converteren in aandelen, van toepassing indien R&S Finance B.V. een negatieve EBITDA realiseert;

De in de leningsovereenkomst begrepen bonus is beschouwd als embedded derivate, die gewaardeerd is tegen reële waarde met waardewijzigingen door de winst- en verliesrekening. Initieel heeft de onderneming de lening gewaardeerd tegen reële waarde waarbij de verwachte kasstromen constant zijn gemaakt tegen een rente van 8%. Dit percentage is gelijk aan het percentage dat verschuldigd is over de andere achtergestelde leningen.

Vanwege het feit dat de lening in juni 2015 afgesloten is, en het feit dat de huidige prestaties van R&S Finance B.V. in lijn liggen met het business plan wijkt de fair value per 31 december 2015 niet materieel af van de reële waarde per 12 juni 2015. Gezien het businessplan en huidige operationele resultaten is het niet de verwachting dat Collaparte gebruik zal kunnen maken van conversierecht, derhalve zijn zowel de lening als het embedded derivate per 31 december 2015 gerepliceerd als langlopende verplichting.

## 6.9. Voorzieningen

Voorzieningen	31 december 2015
Stand per 1 mei 2015	€ -
Toevoegingen	€ 1.251.891
Ontbrekingen	€ -
Verval	€ -
Stand per 31 december 2015	€ 1.251.891

De post voorzieningen betreffen grotendeels voorzieningen voor verliezende contracten van € 0,7 mln die is gevormd voor de contracten waarvan de overnijdbare kosten hoger zijn dan de uit het contract verwachte opbrengsten. Het betreffen voornamelijk huurcontracten van winkels die naar verwachting een langdurige negatieve kasstroom zullen hebben en derhalve worden afgestoten in 2016. Bij het bepalen van de overnijdbare kosten is uitgegaan van een inschatting van de tot verwachte sluitingsdatum nog te betalen huurbedragen, een inschatting (indien van toepassing) van de bij sluiting aan de verhuurder te betalen huurschoonkosten en de verwachte overnijdbare opleidingskosten. Deze post is niet constant gemaakt gezien de korte looptijd.

Tevens is een voorziening getroffen voor de afwikkeling van de juridische kosten en de curator van € 0,4 mln. De overige voorziening van € 0,2 mln is opgenomen inzake eventuele claims voor de afhandeling van de overname van huurcontracten.

## 6.10. Handelsschulden en overige te betalen posten

Handelsschulden en overige te betalen posten	31 december 2015
Crediteuren	€ 6.158.793
Diverse belastingen en premies sociale verzekeringen en schulden ter zake van pensioenen	€ 1.781.404
Belastingvoorschotten aan belastingautoriteiten	€ 1.967.440
Overige schulden en overige te betalen posten	€ 3.312.472
Rente derivate lening	€ 175.000
Stand per 31 december 2015	€ 14.495.109

*Overige belastingen en premies sociale verzekeringen en schulden ter zake van personen*  
Betreffen met name de te betalen loonheffingen, te betalen omzetbelasting en te betalen pensioenen.

*Rekeningcourantschulden aan kredietinstellingen*

Dit betreft de werkkapitaalfinanciering die R&S Finance met de ING en ABN-Amro heeft afgesloten. Ten behoeve van deze faciliteit dient R&S Finance B.V. aan de volgende ratio's te voldoen:

- *Schulditefficiëntie:* De schulditefficiëntie dient minimaal 10% te bedragen;
- *Eigen vermogen:* De som van het gestort aandelenkapitaal, agio en achtergestelde leningen bedraagt minimaal € 14.000.000;
- *Investerings:* Het totaalbedrag aan investeringen per jaar dient niet hoger te zijn dan 2,4% van de omzet van de groep.

Per 29 maart 2016 is de oorspronkelijke lening van € 10 mln gefinancierd via een nieuwe achtergestelde lening, tegen 3-maands Euribor +6%. Hiermee voldoet R&S Finance B.V. aan de gestelde bank ratio's.

*Overige schulden en overlopende passiva*

De overige schulden en overlopende passiva bestaan voornamelijk uit nog te betalen uitzendingskosten, vakantiegeld inclusief sociale lasten en nog te ontvangen facturen voor goederen.

*Rente derivaat lening*

Voor de rente derivaat lening wordt verwezen naar paragraaf 6.8 leningen.

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M&P Accountants & Adviseurs  
Gemeenschap voor het MKB

## Toelichting winst en verliesrekening

### 7.1. Netto-omzet

De netto-omzet bedraagt € 73.029.113 en heeft betrekking op kasoverkopen winkels en webwinkels via 'tricks & clicks'.

### 7.2. Overige beheerskosten

Overige beheerskosten	Periode 1 mei t/m 31 december 2015
Personeelskosten	€ 13.993.269
Huurkosten	€ 13.177.865
Huvestingskosten	€ 2.676.241
Afschrijving	€ 881.000
Fees affiliates	€ 1.717.037
Overige beheerskosten	€ 2.468.241
<b>Totaal</b>	<b>€ 34.895.752</b>

De personeelskosten kunnen als volgt worden uitgesplitst:

Personeelskosten	Periode 1 mei t/m 31 december 2015
Salaries	€ 8.270.909
Pensioenkosten	€ 527.581
Sociale lasten	€ 1.008.452
Indirecte loon	€ 4.186.290
<b>Totaal</b>	<b>€ 13.993.269</b>

In de periode 1 mei t/m 31 december 2015 waren er gemiddeld 443 personen in dienst bij R&S Finance B.V. en haar dochtermaatschappijen, waarvan 327 FTE in de winkels en 115 FTE op het hoofdkantoor. De winkels hebben per 1 juli 2015 veel gebruik gemaakt van uitzendkrachten, dit is gedurende het jaar ingevuld door eigen FTE's.

De huurkosten van € 13.177.865 betreffen de vergoedingen voor de huren van winkels en het distributiecentrum. Huurkortingen worden over de gehele looptijd van het huurcontract verdeeld.

Huvestingskosten van totaal € 2.676.241 omvatten onder andere kosten voor onderhoud, energie, schoonmaak etc.

Fees affiliates van € 1.717.037 betreffen vergoedingen voor online (webshop) verkopen door derden.

De overige beheerskosten bedragen € 2.468.241 en bestaan uit hoofdkantoor gerelateerde kosten waaronder overige personeelskosten (€ 0,6 mln), huvestingskosten hoofdkantoor (€ 0,6 mln), kantoor & ICT kosten (0,9 mln) en advies en overige kosten (€ 0,4 mln).

### 7.3. Overige kosten

De overige kosten voor de periode 1 mei 2015 tot en met 31 december 2015 bedragen € 4.092.000 en betreffen transitiekosten. Dit zijn de makelaarskosten voor de overname van winkel contracten, bankkosten en advieskosten voor de doortart van de Miss Etam winkels. Tevens omvat deze post de kosten voor verleigende contracten waarvoor een voorlening is getroffen, die moet 5,5.

### 7.4. Financiële baten en lasten

De financiële baten en lasten hebben betrekking op de betaalde rentevergoedingen ten aanzien van de verstrekte leningen door FIPH B.V., de reële waardering van de Collaparte lening en ontvangsten ten aanzien van de verstrekte lening aan NLS Fashion B.V.

Financiële baten en lasten	Periode 1 mei t/m 31 december 2015	
Financiële baten	€	36.114
Financiële lasten	€	-856.051
Totaal	€	-819.937

### 7.5. Belastingen

B&S Finance B.V. en haar dochtermaatschappijen heeft fiscale verliezen die zijn ontstaan in de periode van 1 mei tot en met 31-december 2015, waarvan de verwachting is dat deze kunnen worden verrekend met toekomstige belastbare winsten. Derhalve is voor deze verliezen is een latente belastingvordering van opgenomen. De belastingen over de periode 1 mei tot met 31 december in de winst- en verliesrekening en de latente belastingvordering in de balans zijn als volgt berekend:

Belastingen			
Resultaat vóór belastingen	-1.545.518		
20% van eerste € 200.000	-200.000	20%	-40.000
20% over > € 200.000	-1.345.518	20%	-269.104
Totaal			-309.104

## 8. Toelichting kasstroomoverzicht

#### Kasstroom uit operationele activiteiten

De netto kasstroom uit operationele activiteiten bedroeg in 2015 € 10.103.256, welke sterk wordt beïnvloed door de inbreng van de voorraden vanuit de Miss Etam Group Holding Boedel.

#### Kasstroom uit investeringsactiviteiten

De netto kasstroom uit investeringsactiviteiten bedroeg in 2015 -€ 23.744.018 en had betrekking op de overdracht van de uit de Miss Etam Group Holding verkregen activa door FIPH B.V. aan B&S Finance B.V. en investeringen in materiële vaste activa gedurende de periode 1 mei 2015 tot en met 31 december 2015.

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Gedownload door de heer J. van der ...



#### Kasstroom uit financieringsactiviteiten

De inkomende kasstroom uit financieringsactiviteiten bedroeg in 2015 € 15.000.000, welke te maken heeft met ontvangen en verstrekte leningen.

### 9. Risico's

#### Strategische risico's

De strategie die R&S Finance B.V. heeft gekozen, is onlosmakelijk verbonden met het nemen van risico's. De belangrijkste risico's worden hierbij gevormd door de conjuncturele omstandigheden, de consumentenbestedingen en de vastgoedmarkt. Een eventuele neergang van de economie zal zijn weerslag hebben op het besteedbaar inkomen in Nederland en daarbuiten, hetgeen in elk geval gevolgen zal hebben voor R&S Finance B.V. door afnemende omzet in haar online en offline winkelformules.

#### Organisatorisch risico

De organisatie is in sterke mate afhankelijk van enkele sleutelfiguren, waaronder in elk geval de bestuurder.

#### Juridisch risico

R&S Finance B.V. kan voor haar acties aansprakelijk worden gesteld. Hoewel R&S Finance B.V. op het moment van publicatie van deze interim geconsolideerd financieel overzicht niet bekend is met enige (dreigende) materiële procedures, kan R&S Finance B.V. voor eventueel tekortvallende dienstverlening of andere mogelijke schade aansprakelijk worden gesteld. Dergelijke aansprakelijkheidsprocedures kunnen in het algemeen hoge kosten met zich meebrengen.

#### Kredietrisico

De verkopen in eigen winkels worden constant afgewikkeld, zodat hierover geen risico wordt gekopen. Op het moment dat opeisbaarheid bestaat omtrent het innen van (een gedeelte van) een vordering wordt een voorziening voor opeisbaarheid gevormd voor het bedrag waartoe opeisbaarheid bestaat. Aansluiting van de voorziening vindt plaats zodra onvoldoende uitzicht bestaat op het innen van de vordering.

#### Fiscaal risico

Een wijziging van fiscale wet- of regelgeving, jurisprudentie of standpunten van de belastingdienst in Nederland kan negatieve invloed hebben op de (toekomstige) resultaten van R&S Finance B.V.

#### Valutarisico

Als onderdeel van het marktrisico, heeft R&S Finance B.V. het valutarisico onderkend. Alle verkopen binnen R&S Finance B.V. vinden plaats in euro's. Voor haar inkoop activiteiten was in de periode 1 mei 2015 tot en met 31 december 2015 10%-15% van haar inkoopvolume in USD's. Hiervoor zijn geen valutatermijncontracten afgesloten. Eventuele koersverschillen worden direct verantwoord in de winst- en verliesrekening, welke voor genoemde periode circa € 18.000 bedroeg.

#### Financiële risico's

R&S Finance B.V. streeft naar een goede financiële positie. Als onderdeel van het budgetterings- en monitoringproces wordt per werkmatschappij (Operations en Services) gestuurd op strikte doelstellingen met betrekking tot werkkapitaal en investeringsuitgaven. Daarnaast worden doelstellingen voor EBITDA en de verhouding daarvan tot de netto schuld (de zogenaamde Netto Schuld/EBITDA ofwel "leverage" ratio).

De financiering van het concern vindt plaats met rentebedragende schulden door FPH B.V. en Coöperatie B.V. Met de ING en ABN Amro bestaat alleen een werkkapitaalfinanciering.

R&S Finance B.V.

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**MEWMAN**  
MAZARS  
HARRY HANDEWIJN, GERTMAN DE  
GROENINGE VOOR MEWMAN  
Page 21

Liquideiteitsrisico is het risico dat men over onvoldoende middelen beschikt om aan de directe verplichtingen te voldoen. Indien R&S Finance B.V. nieuwe verplichtingen aangaat, zou dit kunnen leiden tot een hoger liquideiteitsrisico. Beheersing van het liquideiteitsrisico vindt plaats door te streven naar voldoende liquideiteitsbuffer, en door zorg te dragen voor voldoende cashflow. Beheersing van de cashflow vindt plaats door strikt cashflow management, door minimum rendementseisen te stellen aan nieuwe investeringen en aankoopoperaties, alsmede door actief management van het werkkapitaal.

Studien werden der Bundeswehr in der Regel aus verschiedenen Gründen

Financiële activa	2013	Reële waarde/ boek waarde
Debitoren	€ 804.101	
verandering geleende maatschappijen	€ 1.949.098	
Overige (lang- en kortlopende) veranderingen	€ 1.214.968	
Liquide middelen	€ 1.958.101	
<b>Totaal</b>	<b>€ 53.480.558</b>	

	Reële waarde/ boek waarde
<b>Financiële verplichtingen</b>	<b>2021</b>
Aankoopverplichtingen	€ 14.260.000
Betalingsovereenkomsten van inkoopverplichtingen	€ 1.057.840
Crediteuren	€ 5.168.283
Overige schulden	€ 4.094.076
<b>Totaal</b>	<b>€ 20.580.200</b>

- De lening geïnvorde maatschappijen betreft kortlopende vorderingen, waar gedurende 2015 aflossingen op plaats hebben gevonden;
- De overige (lang- en kortlopende) vorderingen omvat een aflopende vordering op de curator (X 2,3 mln) en voorsittbare buren (X 2,4 mln);
- Tevens zijn alle posten, inclusief debiteuren, beoordeeld op de inbaarheid en zijn daar waar nodig voorzieningen getroffen;
- De balansiwaarde van de liquide middelen, crediteuren en overige schulden benadert naar het oordeel van R&S Finance B.V. de reële waarde, mede gezien het kortlopend karakter van deze posten;
- Onder rekeningcourant-schulden aan kredietinstellingen zijn alle per 31 december 2015 bij banken opgenomen gelden verantwoord. Omdat deze regeling recent is afgesloten is de reële waarde gelijk aan de boekwaarde van de lening;
- Voor de reële waarde van de achtergestelde lening Collaparts B.V. ten bedrage van € 3 mln wordt verwezen naar het overzicht leningen, paragraaf 5.8.

## 10. Niet uit de balans blijvende verplichtingen

### Huurverplichtingen

De waarde van de bestaande huurverplichtingen met betrekking tot onroerend goed (winkel en distributiecentrum) kan als volgt worden onderverdeeld naar looptijd:

Huurverplichtingen	31 december 2015
Betalings verschuldigd binnen 1 jaar	€ 11.391.000
Betalings verschuldigd binnen 2-5 jaar	€ 46.642.000
Betalings verschuldigd later dan 5 jaar	€ 2.420.608
<b>Totaal</b>	<b>€ 60.454.208</b>

### Juridische aspecten

Per balansdatum is de groep partij in juridische zaken. Op basis van inschattingen van het financiële risico zijn hiervoor, wanneer noodzakelijk geacht, verplichtingen/voorzieningen gevormd.

## 11. Remuneratie bestuurders

De bezoldiging voor de bestuurder over de periode 1 mei tot en met 31 december 2015 bedraagt € 140.000.

## 12. Verbonden partijen

### Groepmaatschappijen

Onderstaand volgt een opsomming van de groepmaatschappijen die in de geconsolideerde cijfers van R&S Finance B.V. zijn begrepen:

- Miss Stam Group B.V. 100% deelneming
- M&P Retail Rent B.V. 100% deelneming
- Miss Stam Services B.V. 100% deelneming
- Miss Stam Operations B.V. 100% deelneming
- M&P Retail IP B.V. 100% deelneming
- NLS Retail Services B.V. 100% deelneming

### Overige verbonden partijen

Als overige verbonden partijen van R&S Finance B.V. zijn te onderscheiden:

- Aandeelhouders FIPH B.V., 100%
- Bestuurders dhr. L.J.C. van de Schoor (tevens CEO NLS Fashion BV)
- Overige verbonden partijen Collapsie B.V. (investeerder)
- NLS Fashion B.V.
- Key management Salariskosten bedragen € 700.000 op jaarbasis

De transacties met de verbonden partijen zijn uiteengezet in paragraaf 6.5 (lening geleende maatschappijen) en paragraaf 6.8 (leningen). Er hebben zich geen andere transacties voorgedaan met de verbonden partijen.

### 13. Gebeurtenissen na balansdatum

- Op 18 november 2015 is aangekondigd dat N.V. Dico International overeenstemming heeft bereikt met FPH B.V. over de verwerving van 100% van de aandelen met bijbehorende stemrechten van R&S Finance B.V. Op 29 december 2015 is een Buitengewone Algemene Vergadering van Aandeelhouders ("BAG") gehouden waarin de volgende besluiten zijn genomen:
  - o Besluit om R&S Finance over te nemen tegen betaling van 10.000.000 aandelen.
  - o Wijziging van de naam N.V. Dico International in R&S Retail Group N.V.De oorspronkelijke uitgifte en levering van aandelen R&S Finance B.V. aan R&S Retail Group N.V. heeft op 20 januari 2016 plaatsgevonden.
- Op 24 maart 2016 heeft R&S Retail Group N.V. (Euronext Amsterdam: RNS) aangekondigd dat zij het voornemen heeft om een vrijwillig en voorwaardelijk openbaar bod tot omzetting uit te brengen op alle aandelen en warrants die niet reeds in het bezit zijn van R&S of met R&S verbonden personen, uitgegeven door de Belgische vennootschap FNG Group NV (Euronext Brussel, Vrije Markt: FNG).

R&S Finance B.V.

Accijnd

  
R&S  
R&S RETAIL GROUP N.V.  
Euronext Amsterdam

D. ANNUAL REPORT OF MISS ETAM OPERATIONS B.V. FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016, INCLUDING THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF MISS ETAM OPERATIONS B.V. AND THE AUDITOR'S REPORT

Koninkrijk	63281673
Datum van afsluiting	31 DEC 2017
Datum vaststelling	16/11/2017

6/k

**Jaarverslag 2016**

van Miss Etam Operations B.V.

Statutaire vestigingsplaats: Zoetermeer

Feitelijke vestigingsplaats: Zoetermeer

Adres: Oostweg 2, 2723 RH Zoetermeer

KVK nummer: 855172137



## Inhoudsopgave

Bestuursverslag	2
Balans per 31 december 2016	8
Winst-en-verliesrekening over 2016	10
Kassinstroomoverzicht 2016	11
Toelichting op de balans en winst- en verliesrekening	12
Toelichting op de balans	18
Toelichting op de winst- en verliesrekening	25
Overige gegevens	27

 **MAZARS**  
MAZARS PANDEROOPEL HOFMAN ACCOUNTANTS NV  
Bewaardermerkt voor identificatie doeleinden

## Bestuursverslag

### Doorstart Miss Etam

Per 4 mei heeft FIPH B.V. opgericht op 26 maart 2015, via een koopovereenkomst met de curator de activa, zijnde de voorraden, bedrijfsmiddelen (invertoes distributiecentrum en winkels) en handelsnaam Miss Etam en Promiss uit de boedel van Etam Group Holding overgenomen.

Genoemde activa zijn vervolgens via een activa passiva transactie aan de 100% deelneming van FIPH B.V., zijnde R&S Finance B.V. (voorheen NLB Invest Co. B.V., opgericht 4 mei 2015) overgedragen. Effectief heeft R&S Finance B.V. hierdoor per 4 mei 2015 de doorstart gerealiseerd van de bekende Nederlandse damesmodeketen Miss Etam. Op dezelfde datum heeft R&S Finance B.V. de handelsvoorraden en de inventaris van het distributiecentrum overgedragen aan Miss Etam Operations B.V.

De cijfers worden door Miss Etam Operations B.V. verantwoord met ingang van 1 mei 2015 aangezien op die datum reeds was voorgenomen de activa en passiva in een separate vennootschap onder te brengen en was Miss Etam Operations B.V. reeds in oprichting. Daarnaast was vanaf 1 mei 2015 sprake van common control doordat FIPH B.V. de aandeelhouder is. Op basis van bovenstaande heeft Miss Etam Operations B.V. van de optie gebruik gemaakt onder om de afwijkende datum voor de transactie te hanteren.

Door de overname uit de boedel van de Etam Group Holding, betreft het eerste boekjaar van Miss Etam Operations B.V. een verlengd boekjaar van 1 mei 2015 tot en met 31 december 2016. Derhalve zijn er geen vergelijkende cijfers in de winst- en verliesrekening over voorgaande periode(n) opgenomen.

### Activiteiten

De belangrijkste activiteiten van de vennootschap zijn de handel in en verkoop van damesmode op de Nederlandse markt, zowel via 96 fysieke winkels als webshops.

De vennootschap creëert (onder andere) waarde door optimalisering van bedrijfsprocessen. Daarbij speelt het online kanaal een belangrijke rol.

### Groeps- juridische structuur en groepsactiviteiten

Miss Etam Operations B.V. is een directe dochteronderneming van Miss Etam Group B.V. welke op haar beurt een dochtervennootschap is van R&S Finance B.V. die weer een dochtervennootschap is van FNG Benelux Holding NV. FNG Benelux Holding NV is een dochtervennootschap van FNG International NV die op haar beurt een 100% dochteronderneming is van FNG N.V. (voormalig R&S Retail Group N.V.)

FNG N.V. is een sterk groeiende Benelux-modegroep met activiteiten in heel Europa. FNG ontwerpt en verdeelt kleding en schoenen voor zowel dames, kinderen als heren via eigen concept-stores op locaties in België en Nederland, maar ook via een netwerk van multi-merken winkels in binnen- en buitenland. FNG is een beursgenoteerde vennootschap bij de officiële markt van Euronext Amsterdam en heeft meer dan 3000 medewerkers die samen een omzet van ca. 500 miljoen euro realiseren.

De strategie van FNG is buy-and-build in een consoliderende markt. FNG realiseert meerwaarde door het bouwen en verwerven van retail- en fashion-ketens en door optimalisering van bedrijfsprocessen en creatie van synergieën in de back-office. De Benelux-modegroep heeft met merken als Fred & Ginger, GKS, Claudia Sträter, Miss Etam, Espresso, Promiss, Baker Bridge, Brantano en Steps een sterk gediversifieerde merkenportfolio uitgebouwd. De merken zijn internationaal te koop in meer dan 500 eigen concept stores, shop-in-shop omers en meer dan 1500 multimerkenwinkels.



MAZARS

MAZARS FAARDENKOOPER KOFFMANN ACCOUNTANTS NV

Nieuwmarkt voor identificatiedoelinden

#### Ontwikkelingen 2015 en 2016

Miss Etam heeft zich, net als andere in de modebranche opererende ondernemingen, in 2015 en 2016 niet kunnen onttrekken aan de economische tegenwind.

#### Winst- en verliesrekening 2016 Miss Etam Operations B.V.

##### Verkort

( In duizenden euro's )

	2016	2016	2015
	20 maanden	12 maanden	8 maanden
Netto omzet	171.732	98.703	73.029
Kosten van handelsgoederen	<u>75.727</u>	<u>43.198</u>	<u>32.529</u>
Marge	96.005	55.505	40.500
Kosten	<u>99.154</u>	<u>55.682</u>	<u>43.472</u>
Verlies	<u>-3.150</u>	<u>-178</u>	<u>-2.972</u>

Om de positieve resultaatontwikkeling te laten zien in 2016 ten opzichte van 2015 is bovenstaande tabel opgesteld waarin het verengde boekjaar 2016 (20 maanden) is opgesplitst in het kalenderjaar 2016 (12 maanden) en doorstart jaar 2015 ( 8 maanden: 1 mei 2015 tot en met 31 december 2015). Hieruit blijkt dat het verlies in 2016 sterk is afgenomen ten opzichte van het doorstart jaar 2015.

Het resultaat 2015 is voor € 4.092 negatief beïnvloed als gevolg van eenmalige transactiekosten na de doorstart van Miss Etam. Dit zijn de makelaarskosten als gevolg van de overname van de winkelcontracten, bankkosten en advieskosten voor de doorstart van de Miss Etam winkels. Tevens omvat deze post de kosten voor vertieslatende contracten waarvoor een voorziening is getroffen.

Gecorrigeerd voor eenmalige kosten is het genormaliseerde resultaat na belasting over het boekjaar 2016, 20 maanden na de doorstart, € 70 negatief. Komende vanuit een faillissement is dit een goede prestatie en ligt zelfs boven de verwachtingen van het business plan welke is opgesteld ten tijde van de doorstart.



#### **Solvabiliteit**

De solvabiliteit (eigen vermogen gedeeld door totaal vermogen) op 31 december 2016 is negatief 15,5% als gevolg van het negatieve resultaat 2016. De solvabiliteit dient eigenlijk op R&S Finance B.V. (geconsolideerd) niveau te worden beoordeeld omdat hierop de financiering (o.a. met achtergestelde leningen) is afgesloten. Op R&S Finance (geconsolideerd) niveau bedraagt de solvabiliteit 41,56% ultimo december 2016.

#### **Liquiditeit**

Uit de liquiditeit, zijnde de verhouding tussen vlottende activa en de kortlopende schulden, blijkt in hoeverre een onderneming aan haar financiële verplichtingen kan voldoen.

De current ratio (vlottende activa + liquide middelen) gedeeld door kortlopende schulden bedraagt op 31 december 2016 afgerond 0,70. De quick ratio (verhouding vorderingen, effecten en liquide middelen / kortlopende schulden) bedraagt afgerond 0,44.

#### **Financiering**

De huidige en toekomstige financiering van Miss Etam Operations is gedekt door de rekening courant financiering van ABN Amro en ING tot en met juni 2017. Op 27 juni 2017 is de rekening courant faciliteit uitgebreid naar € 22,5 miljoen en is de overeenkomst met ABN en ING afgesloten voor nog eens 3 jaar.

#### **Toekomstverwachting**

De omzetonwikkeling van Miss Etam is gedurende 2015 en 2016 positief. Met name de omzet via het internet kent substantiële groei en leidt tot een positief verwachtingspatroon naar de toekomst toe. Ook de like-for-like omzet en marge in de winkels groeide zowel in 2015 als 2016. Ook hier is de verwachting dat, mits er verder wordt geïnvesteerd in de keten, de positieve resultaatontwikkeling aanhoudt. Voor 2017 wordt er een omzettoename van 3% verwacht zijnde € 102 miljoen met een verwachte EBITDA van € 5 miljoen. Dit zal worden gerealiseerd met een verbeterd productaanbod, opening van extra winkels, upgraden van bestaande winkels en met de introductie van een klantenloyaliteitsprogramma.

#### **Continuïteit**

Op basis van de positieve resultaatontwikkeling en toekomstverwachting en de continuïteit van de financiering zoals hierboven uitvoerig wordt toegelicht, is het management van mening dat de continuïteit van de vennootschap is gewaarborgd. Derhalve is de jaarrekening opgesteld op basis van de continuïteitsveronderstelling.

## Risico's

De belangrijkste risico's voor de vennootschap zijn het kredietrisico, liquiditeitsrisico en het marktrisico. Het beleid van de vennootschap om deze risico's te beperken, luidt als volgt:

### *Kredietrisico*

De activiteiten van de vennootschap kenmerken zich vooral door contant en bancair (PIN) betalingsverkeer. Naast de verkopen via de eigen webwinkel, welke transacties bancair worden afgewikkeld, realiseert de vennootschap verkopen via een derden-webshop. Het kredietrisico ziet voornamelijk toe op vorderingen uit hoofde van verkopen via de derden-webshop. De vennootschap bewaakt voortdurend deze vorderingen en acht het kredietrisico beperkt. Het risico is verder afgedekt door middel van een kredietverzekering voor de grootste derden-partij.

### *Liquiditeitsrisico*

Periodiek worden liquiditeitsbegrotingen opgesteld. Door tussentijdse monitoring en eventuele bijsturing worden liquiditeitsrisico's beheerst. In de liquiditeitsbegrotingen wordt rekening gehouden met beperkte beschikbaarheid van liquide middelen waaronder verstrekte bankgaranties.

### *Marktrisico*

Het marktrisico voor de vennootschap hangt samen met de algemene economische situatie en met de van de kledingbranche in het bijzonder. De vennootschap probeert het marktrisico te beperken door intensieve maandelijkse beoordeling van resultaten en ontwikkelingen.

#### Personeel en organisatie

Miss Etam handelt volgens de volgende kernwaarden:



Miss Etam zit verspreid door het hele land. In zo'n 95 filialen doen onze verkoopmedewerkers en teamcoördinatoren er alles aan om het onze klanten naar de zin te maken. Vanaf begin tot einde van een shopessie zijn zij verantwoordelijk voor een fijne fashion beleving. Ze geven stijl- en kleuradvies en inspireren de klant door de laatste modelrends te showen en de mooiste combinaties te laten zien. Miss Etam had op 31 december 2016 in totaal 699 verkoopmedewerkers en teamcoördinatoren (totaal 381,4 fte) in dienst.

Miss Etam is georganiseerd in de volgende afdelingen: Styling, Buying & Merchandising, Sales and Marketing, Warehousing and Distribution, en ondersteunende afdelingen. Het verkooppersoneel van de Miss Etam winkels is in dienst bij Miss Etam Operations B.V. De huurkosten van de winkels, hoofdkantoor en logistiek centrum worden rechtstreeks in Miss Etam Operations B.V. verantwoord. De kosten van alle overige Miss Etam vennootschappen (Miss Etam Services B.V., FNG Retail Services B.V., R&S Finance B.V., Miss Etam Group B.V. en ME&P Retail IP B.V.) worden volledig doorbelast aan Miss Etam Operations B.V.

#### Maatschappelijk verantwoord ondernemen

Miss Etam is zich bewust van de potentiële impact van haar producten en productieprocessen op de samenleving en haar omgeving. Miss Etam wil dat haar producten op een eerlijke manier worden geproduceerd, met respect voor de mensen die er hard aan gewerkt hebben, die hun tijd en inspanning hebben gestopt hebben om deze producten te produceren. Miss Etam werkt nauw samen met de Fair Wear Foundation and BSCI die de hele productieketen ondersteunen en monitoren. Daarnaast heeft Miss Etam het convenant: "Duurzame kleding en Textiel". Een overeenkomst inzake duurzaamheidsactiviteiten binnen de kleding- en textielbranche.

Miss Etam heeft een "Code of Conduct" om nieuwe leveranciers te informeren over- en te verplichten de Code op te volgen ten alle tijde in de samenwerking met Miss Etam. De belangrijkste punten van de code zijn:

1. Volgen van alle juridische eisen
2. Geen gedwongen arbeid
3. Juridische arbeidsovereenkomsten
4. De vrijheid om lid te worden van een vakbond
5. Geen kinderarbeid
6. Geen discriminatie
7. Omgang met werknemers
8. Een veilige en gezonde werkplek
9. Beloningsbeleid
10. Milieu en productveiligheid
11. Dierenwelzijn

Miss Etam focust zich tevens op energie & klimaat en afval door aantal maatregelen op het hoofdkantoor en in de winkels (waar karton, glas, plastic, metaal en textiel van elkaar worden gescheiden ten behoeve van recycling en klerenhangars en dozen worden hergebruikt).

#### Gelijke verdeling man/vrouw in de directie

De directie van Miss Etam Operations B.V. heeft kennis genomen van de wettelijke als gevolg waarvan een grote onderneming een evenwichtige man/vrouw verdeling in acht moet nemen in die zin dat tenminste 30% van de posities moet worden gehouden door vrouwen en tenminste 30% door mannen. Daarbij streeft de onderneming naar een groter aantal vrouwen in managementposities. De directie van Miss Etam Operations B.V. is op dit moment niet evenredig samengesteld. Primair is kennis, ervaring en vaardigheden het belangrijkste bij de selectie van een bestuurder. Bij de aanstelling van de huidige bestuurder bleek er geen vrouwelijke kandidaat te zijn die over hetzelfde kennis-, ervaring- en vaardigheden niveau beschikt. In de toekomst zal nader worden bezien of en op welke wijze, aan het wettelijke vereiste invulling kan worden gegeven.

Zoetermeer, 16 november 2017

Miss Etam Operations B.V.

Bestuurders

FNG Beheer NL BVBA en  
Beide vertegenwoordigd door:

Miss Etam Group B.V.

de heer D. Penninx



## Balans

(na verwerking van het resultaat)

### Activa

(in duizenden euro's)		31 december 2016	1 mei 2015
<b>Vaste activa</b>			
<i>Materiële vaste activa</i>	(1)		
- Bedrijfsgebouwen en terreinen		1.419	0
- Andere vaste bedrijfsmiddelen		2.528	2.355
		3.947	2.355
<b>Vlottende activa</b>			
<i>Handelsvoorraden</i>	(2)	6.065	13.000
<i>Vorderingen</i>	(3)		
- Handelsdebiteuren		815	0
- Vorderingen op groepsmaatschappijen		678	0
- Overige vorderingen en overlopende activa		491	0
		1.984	0
<i>Liquide middelen</i>	(4)	8.323	0
		16.372	13.000
<b>Totaal activa</b>		<b>20.319</b>	<b>15.355</b>



**MAZARS**

8

MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS NV  
 Toesingermarkt voor Identificatie Doeleinden

Passiva

(In duizenden euro's)		31 december 2016		1 mei 2015	
<b>Eigen vermogen</b>	(5)				
Gepiaatsf kapitaal		0,001		0,001	
Overige reserves		(3.150)		0	
			(3.150)		0,001
<b>Kortlopende schulden</b>	(6)				
Handelsschulden en overige te betalen kosten					
- Schulden aan kredietinstellingen		3.611		0	
- Schulden aan leveranciers en handelskredieten		2.259		0	
- Schulden aan groepsmaatschappijen		9.800		15.355	
- Belastingen en premies sociale verzekeringen		5.061		0	
- Schulden ter zake van pensioenen		86		0	
- Overige schulden en overlopende passiva		2.652		0	
			23.469		15.355
<b>Totaal passiva</b>			<b>20.319</b>		<b>15.355</b>


**MAZARS**  
 MAZARS PAARDERKÖPER HOFFMAN ACCOUNTANTS NV  
 Gewaarnmarkt voor Identificatiedoeleinden

9

## Winst-en-verliesrekening

(In duizenden euro's)		vanaf 1 mei 2015 tot en met 31 december 2015	
Netto omzet	(7)	171.732	
Som der bedrijfsopbrengsten			171.732
Kosten van handelsgoederen		75.728	
Lonen en salarissen	(8)	15.763	
Sociale lasten en pensioenen	(9)	2.605	
Afschrijvingen op materiële veste activa	(10)	1.134	
Overige bedrijfskosten	(11)	80.686	
Som der bedrijfslasten			175.916
Bedrijfsresultaat			(4.186)
Financiële baten en lasten			0
Resultaat voor belastingen			(4.186)
Belastingen	(12)		1.036
Aandeel in resultaat van deelnemingen			0
Resultaat na belastingen			(3.150)

## Kasstroomoverzicht

(In duizenden euro's)	vanaf 1 mei 2015 tot en met 31 december 2016	
Kasstroom uit operationele activiteiten		
Resultaat na belastingen		(3.150)
Aanpassingen voor: - afschrijvingen en waardeverminderingen (10)		1.134
Veranderingen in werkkapitaal: - (toename)/afname handelsvorderingen (3) - (toename)/afname overige vorderingen en overlopende activa (3) - (toename)/afname voorraden (2) - toename/(afname) handelsschulden (6) - toename/(afname) belastingen en sociale premies (6) - toename/(afname) schulden aan groepsmaatschappijen (6) - toename/(afname) overige schulden en overlopende passiva (8)	(815) (1.169) 6.935 2.259 5.147 (5.555) 2.820	9.422
Kasstroom uit bedrijfsoperaties		7.406
Ontvangen (betaalde Interest ) /dividend	0	
Kasstroom uit operationele activiteiten		7.406
Kasstroom uit investeringsactiviteiten		
Acquisitie (deel) boedel Miss Etam (1,2)	(15.355)	
Investerings in materiële vaste activa (2)	(2.893)	
Desinvesteringen in materiële vaste activa (2)	199	
Kasstroom uit investeringsactiviteiten		(18.049)
Kasstroom uit financieringsactiviteiten		
Ontvangsten en aflossingen uit langlopende schulden en bankkrediet (6)	3.611	
Financiering boedel Etam in rekening courant R&S Finance B.V.(6)	15.355	
Kasstroom uit financieringsactiviteiten		18.966
Netto-kasstroom		8.323
Toename / (afname) geldmiddelen (4)		8.323



## Toelichting op de balans en winst- en verliesrekening

### Algemeen

De vennootschap heeft de jaarrekening opgesteld volgens de wettelijke bepalingen van Titel 9 Boek 2 Burgerlijk Wetboek en de stellige uitspraken van de Richtlijnen voor de jaarverslaggeving, die uitgegeven zijn door de Raad van de Jaarverslaggeving. De jaarrekening is opgemaakt op 16 oktober 2017. De statutaire vestigingsplaats van Miss Etam Operations B.V. is Zoetermeer. Het feitelijke vestigingsadres is Oostweg 2, 2723 RH Zoetermeer. Het KVK nummer is 855172137.

### Boekjaar en vergelijkende cijfers

Door de overname uit de failliete boedel van de Etam Group Holding, betreft het eerste boekjaar van Miss Etam Operations B.V. een verlengd boekjaar van 1 mei 2015 tot en met 31 december 2016. Derhalve zijn er geen vergelijkende cijfers in de winst en verliesrekening over voorgaande periode(n) opgenomen.

### Activiteiten van de vennootschap

De belangrijkste activiteiten van de vennootschap zijn de handel in en verkoop van damesmode op de Nederlandse markt, zowel via 96 fysieke winkels als webshops.

De vennootschap creëert (onder andere) waarde door optimalisering van bedrijfsprocessen. Daarbij speelt het online kanaal een belangrijke rol.

### Continuïteit van de activiteiten

Miss Etam heeft zich, net als andere in de modebranche opererende ondernemingen, ook in 2016 niet kunnen onttrekken aan de economische tegenwind.

Op 9 september 2016 heeft de R&S Retail Group N.V. door middel van een openbaar ruilbod, alle aandelen verworven van de FNG Group N.V. FNG is een Belgisch modehuis met verschillende modeconcepten (Fred & Ginger, CKS, Claudia Sträter, Expresso). Als gevolg van deze overname kwam Miss Etam Operations B.V. te hangen onder een Benelux modeconcern met een omzet van circa € 500 miljoen. In januari 2017 is de naam van R&S Retail Group N.V. gewijzigd in FNG N.V. FNG N.V. is een beursgenoteerde vennootschap bij de officiële markt van Euronext Amsterdam.

Ten behoeve van het verkrijgen van inzicht in de ontwikkeling van de financiële performance van Miss Etam Operations B.V. is er een vergelijking opgesteld opgesteld tussen de eerste 8 maanden (vanaf de doorstart) in 2015 en 12 maanden in 2016. De cijfers over de eerste 8 maanden in 2015 zijn ontleend aan het tussentijds financieel overzicht 2015 van R&S Finance BV welke is opgesteld ten behoeve van de reversed listing van R&S Finance BV.

Het resultaat 2015 is voor € 4.092 negatief beïnvloed als gevolg van eenmalige transitiekosten na de doorstart van Miss Etam. Dit zijn de makelaarskosten als gevolg van de overname van de winkelcontracten, bankkosten en advieskosten voor de doorstart van de Miss Etam winkels. Tevens omvat deze post de kosten voor verliezende contracten waarvoor een voorziening is getroffen.

Gecorrigeerd voor deze eenmalige kosten is het genormaliseerde resultaat na belasting over het boekjaar 2016, 20 maanden na de doorstart, € 70 negatief. Komende vanuit een faillissement is dit een goede

**MAZARS**  
MAZARS PAAKDEKOPPER HOFMEESTER ACCOUNTANTS NV  
Waarmerkt voor identificatie doeleinden

12

prestatie en ligt zelfs boven de verwachtingen van het business plan welke is opgesteld ten tijde van de doorstart.

De omzetonwikkeling van Miss Etam is gedurende 2015 en 2016 positief. Met name de omzet via het internet kent substantiële groei en leidt tot een positief verwachtingspatroon naar de toekomst toe. Ook de like-for-like omzet en marge in de winkels groeide zowel in 2015 als 2016. Ook hier is de verwachting dat, mits er verder wordt geïnvesteerd in de keten, de positieve resultaatontwikkeling aanhoudt. Voor 2017 wordt er een omzettoename van 3% verwacht zijnde € 102 miljoen met een verwachte EBITDA van € 5 miljoen. Dit zal worden gerealiseerd met een verbeterd productaanbod, opening van extra winkels, upgraden van bestaande winkels en met de introductie van een klantenloyaliteitsprogramma.

De huidige en toekomstige financiering van Miss Etam Operations is gedekt door de rekening courant financiering van ABN Amro en ING tot en met juni 2017. Op 27 juni 2017 is de rekening courant faciliteit uitgebreid naar € 22,5 miljoen en is de overeenkomst met ABN en ING afgesloten voor nog eens 3 jaar.

Op basis van de positieve resultaatontwikkeling en toekomstverwachting en de continuerend van de financiering zoals hierboven uitvoerig wordt toegelicht, is het management van mening dat de continuïteit van de vennootschap is gewaarborgd. Derhalve is de jaarrekening opgesteld op basis van de continuïteitsveronderstelling.

## Waarderingsgrondslagen

Activa en verplichtingen worden in het algemeen gewaardeerd tegen de verkrijgings- of vervaardigingsprijs of de actuele waarde. Indien geen specifieke waarderingsgrondslag is vermeld vindt waardering plaats tegen de verkrijgingsprijs. In de balans, de winst-en-verliesrekening en het kasstroomoverzicht zijn referenties opgenomen. Met deze referenties wordt verwezen naar de toelichting.

## Oordelen en schattingen

Bij de toepassing van de grondslagen en regels voor het opstellen van de jaarrekening vormt de directie van de vennootschap zich diverse oordelen en schattingen. De belangrijkste oordelen en schattingen inclusief de betreffende veronderstellingen welke ten grondslag liggen aan de continuïteit beoordeling, voorzieningen voor onbetaalde debiteuren, voorziening inaccourante voorraden, waardering van materiële vaste activa, specifiek toekomstige realisatie hiervan en te verantwoorden bijzondere waardeverminderingen. De daadwerkelijke uitkomsten kunnen afwijken van deze schattingen. De schattingen en onderliggende veronderstellingen worden voortdurend beoordeeld. Herzieningen van schattingen worden opgenomen in de periode waarin de schatting wordt herzien.

## Groepsverhoudingen

De vennootschap FNG N.V. te Amsterdam staat aan het hoofd van de groep waaronder Miss Etam Operations B.V. valt. FNG N.V. consolideert de financiële gegevens van Miss Etam Operations B.V. in haar geconsolideerde jaarrekening waarvan afschriften bij het Handelsregister van de Kamer van Koophandel te Amsterdam zijn te verkrijgen.

## Salderen

Een actief en een post van het vreemd vermogen worden gesaldeerd in de jaarrekening opgenomen uitsluitend indien en voor zover

- een deugdelijk juridisch instrument beschikbaar is om het actief en de post van het vreemd vermogen gesaldeerd en simultaan af te wikkelen; en
- het stellige voornemen bestaat om het saldo als zodanig of beide posten simultaan af te wikkelen.

## Financiële instrumenten

Onder financiële instrumenten worden zowel primaire financiële instrumenten zoals vorderingen, effecten en schulden, als financiële derivaten verstaan.

Voor de grondslagen van de primaire financiële instrumenten wordt verwezen naar de behandeling per balanspost.

## Materiële vaste activa

De materiële vaste activa worden gewaardeerd tegen de kostprijs (verknijgingsprijs of vervaardigingsprijs), minus eventuele investeringssubsidies, verminderd met de cumulatieve afschrijvingen en inden van toepassing cumulatieve bijzondere waardevermindervingsverliezen. Er zijn geen rentekosten in de tegen de vervaardigingsprijs gewaardeerde materiële vaste activa opgenomen.

De materiële vaste activa worden als volgt lineair afgeschreven op basis van de geschatte economische levensduur rekening houdend met de restwaarde:

- Gebouwen en terreinen over 5-7 jaar
- De andere vaste bedrijfsmiddelen over 5-10 jaar

De vennootschap beoordeelt op iedere balansdatum of er aanwijzingen zijn dat een vast actief aan een bijzondere waardevermindering onderhevig kan zijn. Indien dergelijke indicaties aanwezig zijn, wordt voor het individuele actief te bepalen, wordt de realiseerbare waarde bepaald van de kasstroomgenererende eenheid waartoe het actief behoort.

Van een bijzondere waardevermindering is sprake als de boekwaarde van een actief hoger is dan de realiseerbare waarde; de realiseerbare waarde is de hoogste van de opbrengstwaarde en de bedrijfswaarde. Een bijzonder-waardevermindervingsverlies wordt direct als last verwerkt in de winst- en verliesrekening onder gelijktijdige verlagening van de boekwaarde van het betreffende actief.

## Voorraden

De voorraden handelsgoederen worden gewaardeerd tegen verkrijgingsprijs of vervaardigingsprijs dan wel de lagere opbrengstwaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en verminderd met bijkomende directe kosten. De voorziening betreft de afwaardering van de voorraden tot lagere opbrengstwaarde (afprijsingsrisico) hoofdzakelijk veroorzaakt door ouderdom en modegevoeligheid van de voorraad.

## Vorderingen

De vorderingen worden bij eerste verwerking opgenomen tegen de reële waarde en vervolgens gewaardeerd tegen de geamortiseerde kostprijs minus benodigde voorziening voor onzekerheid.

## Liquide middelen

Onder liquide middelen worden verstaan kasmiddelen, de tegoeden op bankrekeningen en wissels en cheques. Deposito's worden onder liquide middelen opgenomen indien zij in feite – zij het eventueel met opoffering van rentebalen – ter onmiddellijke beschikking staan. Liquide middelen die (naar verwachting) langer dan twaalf maanden niet ter beschikking staan van de vennootschap, worden als financiële vaste activa geëncijreerd. Liquide middelen worden gewaardeerd tegen nominale waarde.

## Classificatie eigen vermogen en vreemd vermogen

In de jaarrekening wordt een financieel instrument geëlassificeerd overeenkomstig de juridische realiteit. Rente, dividenden, batien en lasten met betrekking tot een (deel van een) financieel instrument worden in de jaarrekening opgenomen afhankelijk van de classificatie van het financieel instrument als financiële verplichting respectievelijk als eigen-vermogensinstrument.

## Pensioenen

### Nederlandse pensioenregelingen

Op de Nederlandse pensioenregelingen zijn de bepalingen van de Nederlandse Pensioenwet van toepassing en worden op verplichte, contractuele of vrijwillige basis premies aan pensioenfonden en verzekeringssmaatschappijen betaald door Miss Etam Operations B.V. De pensioenregeling van de werknemers is ondergebracht bij de Stichting Bedrijfstakpensioenfonds Detailhandel. De pensioenregeling kan worden beschouwd als een toegezegd pensioenregeling gebaseerd op middelen. De dekkinggraad voor 2016 is 107% (2015: 106,1%).

De premies worden verantwoord als personeelkosten zodra deze verschuldigd zijn. Voortbetaalde premies worden opgenomen als overlopende activa indien dit tot een terugstorting leidt of tot een vermindering van toekomstige betalingen. Nog niet betaalde premies worden als verplichting op de balans opgenomen. Op 31 december 2016 zijn er geen andere verplichtingen anders dan de balanspositie.

### Acute belastingen

De belastingen worden berekend op basis van het verantwoorde resultaat uitgaande van het geldende belastingtarief, rekening houdend met fiscaal vrijgestelde posten en geheel of gedeeltelijk niet-aftrekbare kosten. De belastingvorderingen en -verplichtingen worden gesaldeerd indien is voldaan aan de algemene voorwaarden voor saldering.

Latente belastingvorderingen die ontstaan door beschikbare voorwaartse verliescompensatie worden opgenomen voor zover het waarschijnlijk is dat een fiscale winst beschikbaar zal zijn voor verrekening.

 **MAZARS**  
MAZARS PRAXIS KOOPER HOFFMAN ACCOUNTANTS NV  
Kantoor voor identificatie doeleinden

15

## Kortlopende schulden

Bij de eerste opname van kortlopende schulden worden deze opgenomen tegen reële waarde verminderd met de direct daaraan toe te rekenen transactiekosten. De overige kortlopende schulden worden na de eerste waardering gewaardeerd tegen de gemiddelde kostprijs volgens de effectieve-rentemethode. Winst of verlies worden in de winst-en-verliesrekening opgenomen zodra de verplichtingen niet langer op de balans worden opgenomen, alsmede via het amortisatie proces.

## Niet langer in de balans opnemen van financiële activa en verplichtingen

Een financieel instrument wordt niet langer in de balans opgenomen indien een transactie ertoe leidt dat alle of nagenoeg alle rechten op economische voordelen en alle of nagenoeg alle risico's met betrekking tot de positie aan een derde zijn overgedragen.

## Leasing

De beoordeling of een overeenkomst een lease bevat, vindt plaats op grond van de economische realiteit op het tijdstip van het aangaan van het contract. Het contract wordt aangemerkt als een leaseovereenkomst als de nakoming van de overeenkomst afhankelijk is van het gebruik van een specifiek actief of de overeenkomst het recht van het gebruik van een specifiek actief omvat.

## Grondslagen voor bepaling van het resultaat

Het resultaat wordt bepaald als het verschil tussen de opbrengstwaarde van de geleverde prestaties en de kosten en andere lasten over het jaar. De opbrengsten op transacties worden verantwoord in het jaar waarin zij zijn gerealiseerd.

## Opbrengstverantwoording

### Algemeen

Onder netto-omzet wordt verstaan de opbrengst uit verkoop van damesmode onder aftrek van kortingen en van over de omzet geheven belastingen.

### Verkoop van damesmode

Opbrengst uit verkoop van damesmode wordt in de winst-en-verliesrekening verwerkt zodra alle belangrijke rechten op economische voordelen alsmede alle belangrijke risico's met betrekking tot het eigendom van de damesmode zijn overgedragen aan de koper, het bedrag van de opbrengst op betrouwbare wijze kan worden bepaald en ontvangst van de opbrengst waarschijnlijk is.

### Rente

Renteopbrengsten worden tijdsevenredig in de winst-en-verliesrekening verwerkt rekening houdend met de effectieve rentevoet van de desbetreffende actiefpost, indien hun bedrag bepaalbaar is en hun ontvangst waarschijnlijk.

## Kosten

### Algemeen

De kosten worden bepaald met inachtneming van de hiervoor reeds vermelde grondslagen van waardering en toegerekend aan het verslagjaar waarop zij betrekking hebben. (Voorzienbare) verplichtingen en mogelijke verliezen die hun oorsprong vinden voor het einde van het boekjaar worden in acht genomen. Indien zij voor het opmaken van de jaarrekening bekend zijn geworden en overigens wordt voldaan aan de voorwaarden voor het opnemen van voorzieningen.

### Kosten van handelsgoederen

Hieronder worden begrepen de aanschaffingskosten d.w.z. kosten van (additionele) vervaardiging van de in de omzet begrepen goederen en diensten onder aftrek van ontvangen (betalings-) kortingen en vermeerderd met de direct toerekenbare externe kosten van aankoop en aanvoer, zoals transport-, verzekerings- en douanekosten. Onder de kostprijs van de omzet wordt tevens verantwoord de afwaardering van voorraden tot lagere opbrengstwaarde.

### Rente

Rente wordt toegerekend aan de opeenvolgende verslagperiodes naar rato van de resterende hoofdsom. Periodieke rentelasten en soortgelijke lasten komen ten laste van het jaar waarover zij verschuldigd worden.

### Toelichting op het kasstroomoverzicht

Het kasstroomoverzicht is opgesteld volgens de indirecte methode.  
De vennootschap maakt in 2018 voor het eerst een kasstroomoverzicht.

De geldmiddelen in het kasstroomoverzicht bestaan uit de liquide middelen.

Ontvangsten en uitgaven uit hoofde van interest, ontvangen dividenden en winstbelastingen zijn opgenomen onder de kasstroom uit operationele activiteiten. Betaalde dividenden zijn opgenomen onder de kasstroom uit financieringsactiviteiten.

## Toelichting op de balans

### Materiële vaste activa (1)

Het verloop van de materiële vaste activa is als volgt:

(In duizenden euro's)	Gebouwen en terreinen	Andere vaste bedrijfs- middelen	Totaal
<b>Overname per 1 mei 2015:</b>	0	2.355	2.355
Investeringen	1.701	1.192	2.893
Desinvesteringen (Boekwaarde)	(152)	(47)	(199)
Afschrijvingen	(130)	(972)	(1.102)
<b>Boekwaarde per 31 december 2016</b>	<b>1.418</b>	<b>2.528</b>	<b>3.947</b>
<b>Stand per 31 december 2016</b>			
Aanschaffingswaarde	1.526	3.480	5.006
Cumulatieve afschrijvingen en waardeverminderingen	(107)	(952)	(1.059)
<b>Boekwaarde per 31 december 2016</b>	<b>1.419</b>	<b>2.528</b>	<b>3.947</b>

#### Gebouwen en terreinen

Betreft de verbouwingskosten van de gehuurde winkels.

#### Andere vaste bedrijfsmiddelen

Onder andere vaste bedrijfsmiddelen behoort onder andere de inrichting van de winkels.

De materiële vaste activa worden als volgt lineair afgeschreven op basis van de geschatte economische levensduur rekening houdend met de restwaarde:

- Gebouwen en terreinen over 5-7 jaar
- De andere vaste bedrijfsmiddelen over 5-10 jaar

#### Vorraden (2)

(In duizenden euro's)	31-12-2016	01-05-2015
Grond- en hulpstoffen	0	0
Handelsgoederen	6.065	13.000
<b>Totaal</b>	<b>6.065</b>	<b>13.000</b>

Onder de voorraden is een bedrag van € 1.327.157 (2015: € 2.564.215) opgenomen als voorziening incurante voorraad. De voorziening betreft de afwaardering van de voorraden tot lagere opbrengstwaarde (afprijsingsrisico) hoofdzakelijk veroorzaakt door ouderdom en modegevoeligheid van de voorraad. De voorraden betreffen uitsluitend detailhandels-voorraden. Voorraden worden gewaardeerd tegen kostprijs of lagere opbrengstwaarde. De kostprijs bestaat uit de inkoopprijs onder aftrek van inkoopkortingen en vermeerderd met bijkomende directe kosten. Op de voorraden rust pandrecht ten behoeve van de bank.

#### Vorderingen (3)

(In duizenden euro's)	31-12-2016	01-05-2015
Handelsdebiteuren	815	0
Vorderingen op groepsmaatschappijen	678	0
Overige vorderingen en overlopende activa	491	0
<b>Totaal</b>	<b>1.984</b>	<b>0</b>

Op de handelsdebiteuren rust pandrecht ten behoeve van de bank. Alle vorderingen hebben een looptijd van korter dan 1 jaar.

#### Liquide middelen (4)

(In duizenden euro's)	31-12-2016	01-05-2015
Kas	558	0
Bank	6.849	0
Gelden onderweg	916	0
<b>Totaal</b>	<b>8.323</b>	<b>0</b>

De liquide middelen staan ter vrije beschikking van de vennootschap.



#### Eigen vermogen (5)

Het verloop van de afzonderlijke posten van het Eigen vermogen is als volgt.

(in duizenden euro's)	Gewone aandelen	Overige reserves	Totaal
Stand per 1 mei 2015	0,001	0	0,001
Resultaat boekjaar 2015/2016	0	(3.150)	(3.150)
Stand per 31 december 2015	0,001	(3.150)	(3.150)

#### Geplaatst kapitaal

Het totaal aantal geplaatste en volgestorte gewone aandelen is 1 met een nominale waarde van € 1.

#### Resultaatbestemming 2016 naar overige reserves

De Algemene Vergadering van Aandeelhouders heeft besloten het negatieve resultaat ad € 3.150 te onttrekken aan de overige reserves. De directie heeft dit besluit in de jaarrekening verwerkt.

#### Handelsschulden en overige te betalen posten (6)

(in duizenden euro's)	31-12-2016	01-05-2015
Schulden aan kredietinstellingen	3.611	0
Schulden aan leveranciers en handelskredieten	2.259	0
Schulden aan groepsmaatschappijen	9.800	15.355
Belastingen en premies sociale verzekeringen	5.061	0
Schulden ter zake van pensioenen	86	0
Overige schulden	2.022	0
Overlopende passiva	630	0
Totaal	23.469	15.355

Alle handelsschulden en overige te betalen posten (met uitzondering van de rekening courant groepsmaatschappijen) hebben een kortlopend (< 1 jaar) karakter.

De schulden aan groepsmaatschappijen betreffen schulden aan R&S Finance B.V. en FNG Retail Services B.V.. Over de rekening-courant is geen rente (2015: geen) in rekening gebracht omdat het allemaal vennootschappen binnen de fiscale eenheid betreft en omdat de marktrente op dit moment zeer laag is.

Het langlopende deel (> 1 jaar) van de schulden aan groepsmaatschappijen bedraagt € 8.012 op 31 december 2016.

Miss Etam Operations B.V. maakt onderdeel uit van een kredietfaciliteit voor de gehele groep met als hoofdeniteit R&S Finance B.V.). Als onderdeel van deze kredietfaciliteit staat Miss Etam Operations B.V. tevens garant. Tegenover de door de bank verstrekte kredietfaciliteit is als zekerheid verstrekt.

- het pandrecht op roerende materiële vaste activa;
- het pandrecht op handelsdebiteuren;
- het pandrecht op voorraden.

De post overige schulden is als volgt te specificeren

(In duizenden euro's)	31-12-2016	01-05-2015
Nog te ontvangen facturen	1.075	0
Vooruitontvangen huurkering	452	0
E-Gift cards in omloop	115	0
Overige	380	0
<b>Totaal</b>	<b>2.022</b>	<b>0</b>

De post overlopende passiva is als volgt te specificeren:

(In duizenden euro's)	31-12-2016	01-05-2015
Te betalen vakantiegeld	284	0
Te betalen vakantiedagen	135	0
Te betalen nettoloon	155	0
Te betalen sociale lasten en pensioen	56	0
<b>Totaal</b>	<b>630</b>	<b>0</b>

## Financiële instrumenten

### Algemeen

De in deze toelichting opgenomen gegevens verschaffen informatie die behulpzaam is bij het schatten van de omvang van risico's die verbonden zijn aan zowel de in de balans opgenomen als de niet in de balans opgenomen financiële instrumenten.

De primaire financiële instrumenten van de vennootschap, anders dan derivaten, dienen ter financïering van de operationele activiteiten van de vennootschap of vloeien direct uit deze activiteiten voort.

Het belangrijkste risico uit hoofde van de financiële instrumenten van de vennootschap is het liquiditeitsrisico. Het beleid van de vennootschap om deze risico's te beperken, luidt als volgt.

### Kredietrisico

Het kredietrisico is beperkt aangezien er enkel sprake is van kas en creditcardtransacties bij verkopen. De vennootschap handelt enkel met kredietwaardige partijen en heeft procedures opgesteld om de kredietwaardigheid te bepalen. Tevens heeft de vennootschap richtlijnen opgesteld om de omvang van het kredietrisico bij elke financiële instelling en debiteur te beperken. Bovendien bewaakt de vennootschap voortdurend haar vorderingen. Door de bovenstaande maatregelen is het kredietrisico voor de vennootschap beperkt.

### Liquiditeitsrisico

Periodiek worden liquiditeitsbegrotingen opgesteld. Door tussentijdse monitoring en eventuele bijsturing worden liquiditeitsrisico's beheerst. In de liquiditeitsbegrotingen wordt rekening gehouden met beperkte beschikbaarheid van liquide middelen waaronder bankgaranties.

De vennootschap is hoofdzakelijk gefinancierd middels rekening-courant financiering door de moedermaatschappij.

### Liquide middelen, vorderingen en kortlopende schulden

Gezien de korte looptijd van deze instrumenten benadert de boekwaarde de reële waarde.

## Niet in de balans opgenomen regelingen en verplichtingen

### Aansprakelijkheid

Per 1 januari 2016 zijn de vennootschappen onderdeel van een I-scale eenheid vennootschapsbelasting

waarvan R&S Finance B.V. het hoofd is.

Als zodanig zijn de vennootschappen hoofdelijk aansprakelijk voor de schulden van de fiscale eenheid. Miss Etam Operations b.v. heeft voor een bedrag van € 2,4 mrd aan huurgaranties afgegeven.

### Huur- en operationele lease (de vennootschap als lessee)

De vennootschap heeft jaarlijkse huur- en operationele leaseverplichtingen ad respectievelijk € 14.740.000 en € 323.000. De resterende termijnen bedragen gemiddeld respectievelijk 39 en 25 maanden maanden.

De resterende totale huurverplichtingen bedragen € 60.409.000

Deze verplichtingen zijn als volgt verdeeld:

1 jaar <	14.740.000
< 1 jaar > 5 jaar	42.450.000
> 5 jaar	3.219.000
<b>Totaal</b>	<b>60.409.000</b>

De resterende totale leaseverplichtingen bedragen € 542.172

Deze verplichtingen zijn als volgt verdeeld:

1 jaar <	248.671
< 1 jaar > 5 jaar	293.501
> 5 jaar	0
<b>Totaal</b>	<b>542.172</b>

## Verbonden partijen

### Groepsmaatschappijen

Onderstaand volgt een opsomming van de groepsmaatschappijen binnen de kring R&S Finance B.V.

- Miss Etam Group B.V.
- ME&P Retail Rent B.V.
- Miss Etam Services B.V.
- Miss Etam Operations B.V.
- ME & P Retail IP B.V.
- FNG Retail Services B.V.

### Overige verbonden partijen

Op 5 januari 2016 is de aandeelhouder van R&S Finance B.V. gewijzigd van FIPH B.V. naar FNG N.V.

Op 6 jun. 2016 is de aandeelhouder van R&S Finance B.V. gewijzigd van FNG N.V. naar FNG Benelux Holding N.V.

Overige verbonden partijen van Miss Etam Operations B.V.

Bestuurders	FNG Beheer BVBA vertegenwoordigd door D. Penninckx (tevens CEO FNG NV)
Inkoopkantoor Europa	FNG International (tevens lening U/G)
Inkoopkantoor Azië	Colveta HK
Inkoopkantoor Turkije	Colveta AG

Er hebben zich geen andere transacties voorgedaan met de verbonden partijen, met uitzondering van FNG en Colveta, waarmee een crediteuren/inkooprelatie bestaat.

## Gebeurtenissen na balansdatum

Geen.

## Toelichting op de winst-en-verliesrekening

### Netto-omzet (7)

(in duizenden euro's)	2016
Retail	157.796
Wholesale	13.936
<b>Totaal</b>	<b>171.732</b>

De omzet wordt volledig in Nederland gerealiseerd

### Lonen en salarissen (8)

(in duizenden euro's)	2016
Lonen en salarissen	15.763
<b>Totaal</b>	<b>15.763</b>

### Sociale lasten en pensioenen (9)

(in duizenden euro's)	2016
Pensioenlasten	580
Overige sociale lasten	2.025
<b>Totaal</b>	<b>2.605</b>

De pensioenregeling van de werknemers is ondergebracht bij de Stichting Bedrijfstakpensioenfonds Detailhandel. De pensioenregeling kan worden beschouwd als een toegezegd pensioenregeling gebaseerd op middelloon. De dekkingsgraad voor 2016 is 107% (2015: 106,1%)

### Personeelsbestand

Bij de vennootschap waren in 2016 gemiddeld 381,4 (FTE) werknemers, berekend op fulltime basis. Alle werknemers zijn werkzaam in Nederland. Het betreft winkelverkoop personeel van M ss Etam. De bezoldiging voor de bestuurder bedraagt € 210.000 op jaarbasis

### Afschrijvingen (10)

(in duizenden euro's)	2016
Matenële vaste activa	1.134
<b>Totaal</b>	<b>1.134</b>

#### Overige bedrijfskosten (11)

(in duizenden euro's)	2016
Huisvestingskosten	30.939
Beheerskosten	35.148
Verkoopkosten	11.887
Overige personeelskosten	586
Algemene kosten	1.151
<b>Totaal</b>	<b>79.711</b>

#### Accountantskosten

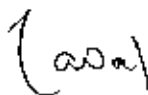
De vennootschap maakt voor wat betreft de vermelding van accountants honoraria gebruik van de vrijstelling ex artikel 2:362a lid 3. Een overzicht van de accountants honoraria is opgenomen in de geconsolideerde jaarrekening van FNG N.V..

#### Belastingen (12)

Het toepasselijke belastingtarief bedraagt 25%. Het effectieve belastingtarief voor Miss Etam Operations BV bedraagt 24,75% over het boekjaar 2016.


### Ondertekening van de jaarrekening

Zoetermeer, 16 november 2017



Miss Etam Operations B.V.

Bestuurder:  
FNG Beheer NL BVBA en Miss Etam Group B.V.  
Beide vertegenwoordigd door:  
de heer D. Penninckx

 **MAZARS**  
MAZARS PLAUDERDOORN NOTARIS ACCOUNTANTS NV  
Kantoormarkt voor identificatietoelinden

26

## Overige gegevens

### Statutaire winstbestemmingsregeling

De winstbestemming vindt plaats overeenkomstig artikel 20 van de statuten.

Artikel 20.1. De algemene vergadering is bevoegd tot bestemming van de winst die door de vaststelling van de jaarrekening is bepaald, voorzover het eigen vermogen groter is dan de reserves die krachtens de wet moeten worden aangehouden.

Artikel 20.2. Een besluit dat strekt tot uitkering heeft geen gevolgen zolang het bestuur geen goedkeuring heeft verleend. Het bestuur weigert slechts de goedkeuring indien het weet of redelijkerwijs behoort te voorzien dat de vennootschap na uitkering niet zal kunnen blijven voortgaan met het betalen van haar opeisbare schulden.

Artikel 20.3. Bij de berekening van iedere uitkering tellen de aandelen die de vennootschap in haar kapitaal houdt niet mee.

Artikel 20.4. Bij de berekening van het bedrag, dat op ieder aandeel zal worden uitgekeerd, komt slechts het bedrag van de verplichte stortingen op de nominale waarde van de aandelen in aanmerking. Van de vorige zin kan telkens met instemming van alle aandeelhouders worden afgeweken.

 **MAZARS**  
MAZARS PARROUX DORVILLE HOFFMAN ACCOUNTANTS NV  
waarmerkt voor identificatie doeleinden

27





MAZARS

De directie van  
Miss Etam Operations B.V.  
Postbus 101  
2700 AC ZOETERMEER

Rotterdam, 24 november 2017

**Betreft:** Jaarstukken 2016 Miss Etam Operations B.V.

Geachte heer Penninckx,

Hierbij doen wij u de jaargegevens 2016, over de periode 1 mei 2015 tot en met 31 december 2016, van Miss Etam Operations B.V. (jaarrekening, bestuursverslag en de overige gegevens) toekomen, met daarin opgenomen onze controleverklaring, in tweevoud. Wij hebben één exemplaar van de controleverklaring voorzien van een originele handtekening. Dit exemplaar is ten behoeve van eigen gebruik. De overige exemplaren van de controleverklaring zijn voorzien van de naam van onze accountantspraktijk en de naam van de accountant, echter zonder persoonlijke handtekening. Wij verzoeken u bij openbaarmaking van de controleverklaring gebruik te maken van de exemplaren van de controleverklaring die niet zijn voorzien van een persoonlijke handtekening.

Met betrekking tot de jaarstukken 2016 dienen de volgende procedures nog te worden afgewerkt.

- ondertekening van de jaarrekening 2016 van Miss Etam Operations B.V. door alle directieleden. Graag ontvangen wij na ondertekening één exemplaar van u retour;
- vaststelling van de jaarrekening 2016 van Miss Etam Operations B.V. door de algemene vergadering. De notulen dienen ondertekend te worden;
- deponering van de publicatiestukken en het jaarverslag 2016 van Miss Etam Operations B.V. bij het Handelsregister van de Kamer van Koophandel te Woerden, binnen acht dagen na vaststelling van de jaarrekening 2016 door de aandeelhouders, doch uiterlijk twaalf maanden na afloop van het boekjaar. Als vaststelling van de jaarrekening 2016 dan nog niet heeft plaatsgevonden, dient vermelding van dit feit plaats te vinden. De namen van alle directieleden zijn daarop reeds vermeld. Indien een directielid de originele jaarrekening niet heeft ondertekend, dient de reden daarvan zowel op de originele jaarrekening als op de publicatiestukken vermeld te worden. De deponering van het bestuursverslag mag worden vervangen door ter-inzage-lagging ten kantore van uw vennootschap, mits daarvan aan het Handelsregister mededeling wordt gedaan.

Wij wijzen u erop dat het niet nakomen van de wettelijke publicatieverplichting een economisch delict is waarvoor een boete opgelegd kan worden. Tevens kan dit leiden tot bestuurdersaansprakelijkheid.

WATERMAN HUIS RD - Postbus 33133 - 3001 KC ROTTERDAM  
Tel. 068 837 19 92 - [Onno.Oeyndt@mazars.nl](mailto:Onno.Oeyndt@mazars.nl)

MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS NV  
SHANTON 111117 1318 ROTTERDAM (VER ROTTERDAM 00 440145)

**Praxity**  
VERBODEN TOEGANG  
VERBODEN TOEGANG

24 november 2017

Om misbruik van uw handtekening te voorkomen, adviseren wij u de publicatiestukken niet te ondertekenen.

Ook wijzen wij u erop dat u voor het openbaar maken van onze controleverklaring onze voorafgaande uitdrukkelijke toestemming nodig hebt. Onder openbaarmaking wordt verstaan: het beschikbaar stellen van onze controleverklaring voor het publiek, dan wel aan een ruime kring van belanghebbenden (zoals bijvoorbeeld door deponering bij het Handelsregister). Bij deze geven wij toestemming om onze controleverklaring openbaar te maken, mits:

- de opgemaakte jaarrekening ongewijzigd wordt vastgesteld;
- de openbaarmaking plaatsvindt niet anders dan tezamen met de jaarrekening waarop onze controleverklaring betrekking heeft;
- de openbaarmaking plaatsvindt binnen een maand na datum van deze brief.

Indien u de jaarstukken en onze controleverklaring openbaar maakt via het internet, dient u te waarborgen dat de jaarrekening goed is afgescheiden van andere informatie op de internet-site. Afscheiding kan bijvoorbeeld plaatsvinden door de jaarrekening in niet-bewerkbare vorm als een afzonderlijk bestand op te nemen of door een waarschuwing op te nemen indien de lezer de jaarrekening verlaat ("u verlaat de beveiligde door de accountant gecontroleerde jaarrekening").

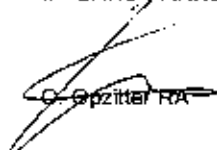
Voor het verstrekken van onze controleverklaring aan slechts één of enkele belanghebbenden (niet zijnde openbaarmaking derhalve) geven wij u onze toestemming, mits de opgemaakte jaarrekening ongewijzigd wordt vastgesteld en onze controleverklaring niet anders dan tezamen met de jaarrekening waarop deze betrekking heeft wordt verstrekt.

Overigens wijzen wij erop dat indien tot de datum van de algemene vergadering omstandigheden blijken die aanpassing van de jaarstukken noodzakelijk maken, een dergelijke aanpassing nog vóór de vergadering moet worden gemaakt. Uiteraard vervalt in die situatie onze hierboven gegeven toestemming voor de openbaarmaking (in ruime kring) en de verstrekking (in beperkte kring) van onze controleverklaring. De toestemming voor openbaarmaking en verstrekking vervalt ook, indien zich na de algemene vergadering omstandigheden voordoen die afbreuk doen aan het beeld dat de jaarstukken oproepen en die vereisen dat wij de situatie heroverwegen.

Wij vertrouwen erop u hiermede van dienst te zijn geweest.

Hoogachtend,

**MAZARS PAARDEKÖOPER HOFFMAN ACCOUNTANTS N.V.**

  
O. Spitzler RA

## **CONTROLEVERKLARING VAN DE ONAFHANKELIJKE ACCOUNTANT**

Aan de directie van  
Miss Etam Operations B.V.

### **VERKLARING OVER DE IN HET JAARVERSLAG OPGENOMEN JAARREKENING 2016**

#### **ONS OORDEEL**

Wij hebben de jaarrekening voor de periode 1 mei 2015 tot en met 31 december 2016 van Miss Etam Operations B.V. te Zoetermeer gecontroleerd.

Naar ons oordeel geeft de in dit jaarverslag opgenomen jaarrekening een getrouw beeld van de grootte en de samenstelling van het vermogen van Miss Etam Operations B.V. per 31 december 2016 en van het resultaat over de periode 1 mei 2015 tot en met 31 december 2016 in overeenstemming met Titel 9 Boek 2 BW.

De jaarrekening bestaat uit:

1. de balans per 31 december 2016;
2. de winst-en-verliesrekening over de periode 1 mei 2015 tot en met 31 december 2016;  
en
3. de toelichting met een overzicht van de gehanteerde grondslagen voor financiële verslaggeving en andere toelichtingen.

#### **DE BASIS VOOR ONS OORDEEL**

Wij hebben onze controle uitgevoerd volgens het Nederlands recht, waaronder ook de Nederlandse controlestandaarden vallen. Onze verantwoordelijkheden op grond hiervan zijn beschreven in de sectie 'Onze verantwoordelijkheden voor de controle van de jaarrekening'.

Wij zijn onafhankelijk van Miss Etam Operations B.V. zoals vereist in de Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) en andere voor de opdracht relevante onafhankelijkheidsregels in Nederland. Verder hebben wij voldaan aan de Verordening gedrags- en beroepsregels accountants (VGBA).

Wij vinden dat de door ons verkregen controle-informatie voldoende en geschikt is als basis voor ons oordeel.

## **VERKLARING OVER DE IN HET JAARVERSLAG OPGENOMEN ANDERE INFORMATIE**

Naast de jaarrekening en onze controleverklaring daarbij, omvat het jaarverslag andere informatie, die bestaat uit:

- het directieverslag;
- de overige gegevens.

Op grond van onderstaande werkzaamheden zijn wij van mening dat de andere informatie:

- met de jaarrekening verenigbaar is en geen materiële afwijkingen bevat,
- alle informatie bevat die op grond van Titel 9 Boek 2 BW is vereist.

Wij hebben de andere informatie gelezen en hebben op basis van onze kennis en ons begrip, verkregen vanuit de jaarrekeningcontrole of anderszins, overwogen of de andere informatie materiële afwijkingen bevat.

Met onze werkzaamheden hebben wij voldaan aan de vereisten in Titel 9 Boek 2 BW en de Nederlandse Standaard 720. Deze werkzaamheden hebben niet dezelfde diepgang als onze controlewerkzaamheden bij de jaarrekening.

De directie is verantwoordelijk voor het opstellen van de andere informatie, waaronder de directieverslag en de overige gegevens in overeenstemming met Titel 9 Boek 2 BW

## **BESCHRIJVING VAN VERANTWOORDELIJKHEDEN MET BETREKKING TOT DE JAARREKENING**

### **VERANTWOORDELIJKHEDEN VAN DE DIRECTIE VOOR DE JAARREKENING**

De directie is verantwoordelijk voor het opmaken en getrouw weergeven van de jaarrekening in overeenstemming met Titel 9 Boek 2 BW van het in Nederland geldende Burgerlijk Wetboek (BW). In dit kader is de directie verantwoordelijk voor een zodanige interne beheersing die de directie noodzakelijk acht om het opmaken van de jaarrekening mogelijk te maken zonder afwijkingen van materieel belang als gevolg van fouten of fraude.

Bij het opmaken van de jaarrekening moet de directie afwegen of de onderneming in staat is om haar werkzaamheden in continuïteit voort te zetten. Op grond van genoemde verslaggevingsstelsel moet de directie de jaarrekening opmaken op basis van de continuïteitsveronderstelling, tenzij de directie het voornemen heeft om de vennootschap te liquideren of de bedrijfsactiviteiten te beëindigen of als beëindiging het enige realistische alternatief is.

De directie is verantwoordelijk voor het uitoefenen van toezicht op het proces van financiële verslaggeving van de vennootschap.

## **ONZE VERANTWOORDELIJKHEDEN VOOR DE CONTROLE VAN DE JAARREKENING**

Onze verantwoordelijkheid is het zodanig plannen en uitvoeren van een controleopdracht dat wij daarmee voldoende en geschikte controle-informatie verkrijgen voor het door ons af te geven oordeel.

Onze controle is uitgevoerd met een hoge mate maar geen absolute mate van zekerheid waardoor het mogelijk is dat wij tijdens onze controle niet alle materiële fouten en fraude ontdekken.

Afwijkingen kunnen ontstaan als gevolg van fraude of fouten en zijn materieel indien redelijkerwijs kan worden verwacht dat deze, afzonderlijk of gezamenlijk, van invloed kunnen zijn op de economische beslissingen die gebruikers op basis van deze jaarrekening nemen. De materialiteit beïnvloedt de aard, timing en omvang van onze controlewerkzaamheden en de evaluatie van het effect van onderkende afwijkingen op ons oordeel.

Wij hebben deze accountantscontrole professioneel kritisch uitgevoerd en hebben waar relevant professionele oordeelsvorming toegepast in overeenstemming met de Nederlandse controlestandaarden, ethische voorschriften en de onafhankelijkheidseisen. Onze controle bestond onder andere uit:

- het identificeren en inschatten van de risico's dat de jaarrekening afwijkingen van materieel belang bevat als gevolg van fouten of fraude, het in reactie op deze risico's bepalen en uitvoeren van controlewerkzaamheden en het verkrijgen van controle-informatie die voldoende en geschikt is als basis voor ons oordeel. Bij fraude is het risico dat een afwijking van materieel belang niet ontdekt wordt groter dan bij fouten. Bij fraude kan sprake zijn van samenspanning, valsheid in geschrifte, het opzettelijk nalaten transacties vast te leggen, het opzettelijk verkeerd voorstellen van zaken of het doorbreken van de interne beheersing;
- het verkrijgen van inzicht in de interne beheersing die relevant is voor de controle met als doel controlewerkzaamheden te selecteren die passend zijn in de omstandigheden. Deze werkzaamheden hebben niet als doel om een oordeel uit te spreken over de effectiviteit van de interne beheersing van de entiteit;
- het evalueren van de geschiktheid van de gebruikte grondslagen voor financiële verslaggeving en het evalueren van de redelijkheid van schattingen door de directie en de toelichtingen die daarover in de jaarrekening staan;
- het vaststellen dat de door de directie gehanteerde continuïteitsveronderstelling aanvaardbaar is. Tevens het op basis van de verkregen controle-informatie vaststellen of er gebeurtenissen en omstandigheden zijn waardoor gerede twijfel zou kunnen bestaan of de onderneming haar bedrijfsactiviteiten in continuïteit kan voortzetten. Als wij concluderen dat er een onzekerheid van materieel belang bestaat, zijn wij verplicht om aandacht in onze controleverklaring te vestigen op de relevante gerelateerde toelichtingen in de jaarrekening. Als de toelichtingen inadequaat zijn, moeten wij onze verklaring aanpassen. Onze conclusies zijn gebaseerd op de controle-informatie die verkregen is tot de datum van onze controleverklaring. Toekomstige gebeurtenissen of omstandigheden kunnen er echter toe leiden dat een onderneming haar continuïteit niet langer kan handhaven;
- het evalueren van de presentatie, structuur en inhoud van de jaarrekening en de daarin opgenomen toelichtingen; en
- het evalueren of de jaarrekening een getrouw beeld geeft van de onderliggende transacties en gebeurtenissen.



Wij communiceren met de directie onder andere over de geplande reikwijdte en timing van de controle en over de significante bevindingen die uit onze controle naar voren zijn gekomen, waaronder eventuele significante tekortkomingen in de interne beheersing.

Wij bevestigen aan de directie dat wij de relevante ethische voorschriften over onafhankelijkheid hebben nageleefd. Wij communiceren ook met de directie over alle relaties en andere zaken die redelijkerwijs onze onafhankelijkheid kunnen beïnvloeden en over de daarmee verband houdende maatregelen om onze onafhankelijkheid te waarborgen

Rotterdam, 24 november 2017

**MAZARS PAARDEKOOPEL HOFFMAN ACCOUNTANTS N.V.**

w.g. O. Opzitter RA

**E. UNAUDITED CONSOLIDATED INCOME STATEMENT OF FNG GROUP NV FOR THE PERIOD  
1 APRIL 2015 - 31 MARCH 2016**

	FNG Group	CONSO 3
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	Toel.	Codes	01/04/15 – 31/03/16
<b>Bedrijfsopbrengsten</b> .....		70/74	256.942.324,46 ....
Omzet .....	4.14	70	255.703.596,65.....
Voorraad goederen in bewerking en gereed product en bestellingen in uitvoering: toename (afname) ..... (+)/(-)		71	-1.083.190,96 ....
Geproduceerde vaste activa .....		72	.....
Andere bedrijfsopbrengsten .....		74	2.321.918,76.....
<b>Bedrijfskosten</b> .....		60/64	241.432.309,41 ....
Handelsgoederen, grond- en hulpstoffen .....		60	126.426.567,59.....
Inkopen .....		600/8	119.264.934,54 ....
Voorraad: afname (toename) ..... (+)/(-)		609	7.161.633,05.....
Diensten en diverse goederen .....		61	69.826.656,31 .....
Bezoldigingen, sociale lasten en pensioenen ..... (+)/(-)	4.14	62	32.470.397,07 .....
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....		630	12.257.341,31 .....
Waardeverminderingen op voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) ..... (+)/(-)		631/4	87.867,98 .....
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen) ..... (+)/(-)		635/7	13.081,08 .....
Andere bedrijfskosten .....		640/8	350.398,07.....
Als herstructureringskosten geactiveerde bedrijfskosten ..... (-)		649	.....
Afschrijvingen op positieve consolidatieverschillen .....		9960	.....
<b>Bedrijfswinst (Bedrijfsverlies)</b> ..... (+)/(-)		9901	15.510.015,05
<b>Financiële opbrengsten</b> .....		75	86.430,90 .....
Opbrengsten uit financiële vaste activa .....		750	.....
Opbrengsten uit vlottende activa .....		751	.....
Andere financiële opbrengsten .....		752/9	86.430,90.....
<b>Financiële kosten</b> .....		65	6.082.458,38 .....
Kosten van schulden .....		650	5.404.898,59 ....
Afschrijvingen op positieve consolidatieverschillen .....		9961	.....
Waardeverminderingen op vlottende activa andere dan voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) ..... (+)/(-)		651	.....
Andere financiële kosten .....		652/9	677.559,79 ....
<b>Winst (Verlies) uit de gewone bedrijfsuitoefening, vóór belasting</b> ..... (+)/(-)		9902	9.513.997,57....

	FNG Group	CONSO 3
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	Toel.	Codes	01/04/15 – 31/03/16
<b>Uitzonderlijke opbrengsten</b> .....		76	115.064,89 ...
Terugneming van afschrijvingen en van waardeverminderingen op immateriële en materiële vaste activa.....		760	5.479,40 ....
Terugneming van afschrijvingen op consolidatieverschillen.....		9970	.....
Terugneming van waardeverminderingen op financiële vaste activa.....		761	.....
Terugneming van voorzieningen voor uitzonderlijke risico's en kosten .....		762	4.362,19 ...
Meerwaarden bij de realisatie van vaste activa .....		763	4.783,06 ...
Andere uitzonderlijke opbrengsten .....	4.14	764/9	100.440,24 ...
<b>Uitzonderlijke kosten</b> .....		66	611.113,21 ....
Uitzonderlijke afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....		660	105.154,22 ...
Uitzonderlijke afschrijvingen op positieve consolidatieverschillen .....		9962	.....
Waardeverminderingen op financiële vaste activa .....		661	.....
Voorzieningen voor uitzonderlijke risico's en kosten: toevoegingen (bestedingen) .....		662	.....
Minderwaarden bij de realisatie van vaste activa .....		663	350.958,99 ....
Andere uitzonderlijke kosten.....	4.14	664/8	155.000,00 ...
Als herstructureringskosten geactiveerde uitzonderlijke kosten .....		669	.....
In het resultaat opgenomen negatieve consolidatieverschillen .....		9963	.....
<b>Winst (Verlies) van het boekjaar vóór belasting</b> ..... (+)/(-)		9903	9.017.939,25 ....
<b>Ottrekking aan de uitgestelde belastingen en de belastinglatenties</b> .....		780	33.288,51 .....
<b>Overboeking naar de uitgestelde belastingen en de belastinglatenties</b> .....		680	.....
<b>Belastingen op het resultaat</b> <sup>1</sup> .....		67/77	4.663.152,83 ....
Belastingen .....	4.14	670/3	4.664.700,14 ...
Regularisering van belastingen en terugneming van voorzieningen voor belastingen .....		77	1.547,31 ...
<b>Winst (Verlies) van het boekjaar</b> .....		9904	4.388.074,92 .....
<b>Aandeel in de winst (het verlies) van de vennootschappen waarop vermogensmutatie is toegepast</b> .....		9975	.....
<b>Geconsolideerde winst (verlies)</b> .....		9976	4.388.074,92 ....
Aandeel van derden .....		99761	.....
Aandeel van de groep .....		99762	4.388.074,92 ..



**F. AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF FNG GROUP NV FOR THE EXTENDED FINANCIAL YEAR FROM 1 APRIL 2015 - 31 DECEMBER 2016 AND THE AUDITOR'S REPORT**

	FNG Group	CONSO 2.1
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**GECONSOLIDEERDE BALANS NA WINSTVERDELING**

	Toel.	Codes	31/12/2016	31/03/2015
<b>ACTIVA</b>				
<b>VASTE ACTIVA</b> .....		20/28	<u>178.485.750,90 ....</u>	<u>134.266.158,38 ....</u>
<b>Oprichtingskosten</b> .....	4.7	20	4.682.462,78 .....	4.374.092,53 .....
<b>Immateriële vaste activa</b> .....	4.8	21	147.447.281,52 ....	108.139.168,38 .....
<b>Positieve consolidatieverschillen</b> .....	4.12	9920	.....	.....
<b>Materiële vaste activa</b> .....	4.9	22/27	22.639.141,71 .....	19.759.661,40 .....
Terreinen en gebouwen .....		22	4.577.840,21 .....	14.539.818,32 .....
Installaties, machines en uitrusting .....		23	889.693,07 .....	1.151.284,11 .....
Meubilair en rollend materieel .....		24	17.083.064,91 .....	3.504.967,09 .....
Leasing en soortgelijke rechten .....		25	88.076,75 .....	461.523,33 .....
Overige materiële vaste activa .....		26	466,77 .....	102.068,55 .....
Activa in aanbouw en vooruitbetalingen .....		27	.....	.....
<b>Financiële vaste activa</b> .....	4.1-4.4/4.10	28	3.716.864,88 .....	1.993.236,07 .....
Vennootschappen waarop vermogensmutatie is toegepast .....	4.10	9921	.....	.....
Deelnemingen .....		99211	.....	.....
Vorderingen .....		99212	.....	.....
Andere ondernemingen .....	4.10	284/8	3.716.864,88 .....	1.993.236,07 .....
Deelnemingen, aandelen en deelbewijzen .....		284	.....	.....
Vorderingen .....		285/8	3.716.864,88 .....	1.993.236,07 .....
<b>VLOTTENDE ACTIVA</b> .....		29/58	<u>101.800.200,93 ....</u>	<u>113.677.511,37 ....</u>
<b>Vorderingen op meer dan één jaar</b> .....		29	.....	120.000,00 ....
Handelsvorderingen .....		290	.....	.....
Overige vorderingen .....		291	.....	120.000,00 .....
<b>Voorraden en bestellingen in uitvoering</b> .....		3	41.632.479,31 .....	35.711.730,32 ....
Voorraden <sup>2</sup> .....		30/36	38.128.075,69 .....	32.935.400,70 .....
Grond- en hulpstoffen .....		30/31	1.383.480,92 ..	531.750,88 ....
Goederen in bewerking .....		32	.....	.....
Gereed product .....		33	.....	.....
Handelsgoederen .....		34	35.115.336,13 ...	32.403.649,82 ...
Onroerende goederen bestemd voor verkoop .....		35	.....	.....
Vooruitbetalingen .....		36	1.629.258,64 ....	.....
Bestellingen in uitvoering .....		37	3.504.403,62 .....	2.776.329,62 .....
<b>Vorderingen op ten hoogste één jaar</b> .....		40/41	17.725.225,43 .....	33.308.176,48 .....
Handelsvorderingen .....		40	14.403.501,77 .....	31.160.511,12 .....
Overige vorderingen .....		41	3.321.723,66 .....	2.147.665,36 .....
<b>Geldbeleggingen</b> .....		50/53	272.850,53 .....	703.574,88 .....
Eigen aandelen .....		50	.....	123.574,88 .....
Overige beleggingen .....		51/53	272.850,53...	580.000,00 .....
<b>Liquide middelen</b> .....		54/58	38.641.003,61 .....	42.045.138,53 .....
<b>Overlopende rekeningen</b> .....		490/1	3.528.641,75 ....	1.788.891,16 ....
<b>TOTAAL VAN DE ACTIVA</b> .....		20/58	280.285.951,83	247.943.669,75

	FNG Group		CONSO 2.2
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	Toel.	Codes	31/12/2016	31/03/2015
<b>PASSIVA</b>				
<b>EIGEN VERMOGEN</b>				
<b>Kapitaal</b>		10/15	<u>78.104.005,18....</u>	<u>79.649.814,70 .....</u>
Geplaatst kapitaal		10	22.152.184,25 .....	22.152.184,25 .....
Niet-opgevraagd kapitaal		100	22.152.184,25.....	22.152.184,25.....
		101	.....	.....
<b>Uitgiftepremies</b>		11	24.502.527,02 ...	24.502.527,02 ...
<b>Herwaarderingsmeerwaarden</b>		12	.....	.....
<b>Geconsolideerde reserves</b> ..... (+)/(-)	4.11	9910	31.131.305,71.....	32.677.115,23
<b>Negatieve consolidatieverschillen</b> .....	4.12	9911	317.988,20 .....	317.988,20 .....
<b>Omrekeningsverschillen</b> ..... (+)/(-)		9912	.....	.....
<b>Kapitaalsubsidies</b> .....		15	.....	.....
<b>BELANGEN VAN DERDEN</b>				
<b>Belangen van derden</b> .....		9913	.....	.....
<b>VOORZIENINGEN, UITGESTELDE BELASTINGEN EN BELASTINGLATENTIES</b>				
<b>Voorzieningen voor risico's en kosten</b> .....		16	<u>6.604.487,48 .....</u>	<u>6.388.551,35 .....</u>
Pensioenen en soortgelijke verplichtingen .....		160/5	234.578,31 .....	228.127,43 .....
Belastingen .....		160	.....	.....
Grote herstellings- en onderhoudswerken .....		161	.....	.....
Overige risico's en kosten .....		162	.....	.....
		163/5	234.578,31	228.127,43.
<b>Uitgestelde belastingen en belastinglatenties</b> .....	4.6	168	6.369.909,17....	6.160.423,92....
<b>SCHULDEN</b>				
<b>Schulden op meer dan één jaar</b> .....	4.13	17/49	<u>195.577.459,17 ....</u>	<u>161.905.303,70 ....</u>
Financiële schulden .....		17	115.222.061,85 ...	82.695.348,63 .....
Achtergestelde leningen .....		170/4	115.222.061,85.....	82.695.348,63.....
Niet-achtergestelde obligatieleningen .....		170	24.447.061,79 ..	25.331.100,00 ..
Leasingschulden en soortgelijke schulden .....		171	25.000.000,00 ..	25.000.000,00 ..
Kredietinstellingen .....		172	.....	66.975,63 ..
Overige leningen .....		173	65.637.500,02 ..	32.022.273,00 ..
Handelsschulden .....		174	137.500,04 ..	275.000,00 ..
Leveranciers .....		175	.....	.....
Te betalen wissels .....		1750	.....	.....
Ontvangen vooruitbetalingen op bestellingen .....		1751	.....	.....
Overige schulden .....		176	.....	.....
		178/9	.....	.....
<b>Schulden op ten hoogste één jaar</b> .....	4.13	42/48	<u>73.132.642,52 .....</u>	<u>77.413.607,10 .....</u>
Schulden op meer dan één jaar die binnen het jaar vervallen .....		42	11.087.500,00.....	20.437.688,73.....
Financiële schulden .....		43	1.324.907,72 .....	16.223.869,14 .....
Kredietinstellingen .....		430/8	1.324.907,72 .....	16.223.869,14 ....
Overige leningen .....		439	.....	.....
Handelsschulden .....		44	51.916.776,86.....	32.508.409,63.....
Leveranciers .....		440/4	51.605.075,36 ..	32.081.719,59 ..
Te betalen wissels .....		441	311.701,50 ..	426.690,04 ..
Ontvangen vooruitbetalingen op bestellingen .....		46	335.035,75 .....	.....
Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten .....		45	6.121.401,90.....	7.673.296,83.....
Belastingen .....		450/3	1.444.435,01 .....	2.746.472,78 .....
Bezoldigingen en sociale lasten .....		454/9	4.676.966,89 .....	4.926.824,05 .....
Overige schulden .....		47/48	2.347.020,29 .....	570.342,77 .....
<b>Overlopende rekeningen</b> .....		492/3	<u>7.222.754,80 .....</u>	<u>1.796.347,97 .....</u>
<b>TOTAAL VAN DE PASSIVA</b>		10/49	280.285.951,83	247.943.669,75

## GECONSOLIDEERDE RESULTATENREKENING

Toel.	Codes	01/04/15 – 31/12/16	01/04/14 - 31/03/15
<b>Bedrijfsopbrengsten</b> .....	70/74	445.857.584,88 ....	254.594.656,21 ....
Omzet .....	4.14 70	440.765.535,23.....	242.505.015,95.....
Voorraad goederen in bewerking en gereed product en bestellingen in uitvoering: toename (afname) .....(+)/(-)	71	-277.747,67 ....	9.189.326,84 .....
Geproduceerde vaste activa .....	72	.....	.....
Andere bedrijfsopbrengsten .....	74	5.369.797,32.....	2.900.313,42.....
<b>Bedrijfskosten</b> .....	60/64	436.290.485,00 ....	239.180.350,25 ....
Handelsgoederen, grond- en hulpstoffen .....	60	229.540.081,94.....	129.869.768,12.....
Inkopen .....	600/8	233.831.572,29 ...	129.567.229,96 .....
Voorraad: afname (toename) .....(+)/(-)	609	-4.291.490,35... 53.227.046,16.....	302.538,16
Diensten en diverse goederen .....	61	117.041.068,67 .....	67.082.228,96 .....
Bezoldigingen, sociale lasten en pensioenen .....(+)/(-)	4.14 62	56.418.381,77 .....	29.749.271,85 .....
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....	630	32.289.646,84 .....	11.823.620,14 .....
Waardeverminderingen op voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) .....(+)/(-)	631/4	62.648,87 .....	206.000,81 .....
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen) .....(+)/(-)	635/7	13.121,08.....	13.081,08.....
Andere bedrijfskosten .....	640/8	925.535,83.....	436.379,29 .....
Als herstructureringskosten geactiveerde bedrijfskosten .....	649	.....	.....
Afschrijvingen op positieve consolidatieverschillen .....	9960	.....	.....
<b>Bedrijfswinst (Bedrijfsverlies)</b> .....(+)/(-)	9901	9.567.099,88.....	15.414.305,96
<b>Financiële opbrengsten</b> .....	75	1.549.689,37 ..	373.373,19 ....
Opbrengsten uit financiële vaste activa .....	750	.....	.....
Opbrengsten uit vlottende activa .....	751	.....	.....
Andere financiële opbrengsten .....	752/9	1.549.689,37.	373.373,19...
<b>Financiële kosten</b> .....	65	12.262.516,77 .....	4.903.907,04 .....
Kosten van schulden .....	650	10.056.268,46....	4.398.911,63.....
Afschrijvingen op positieve consolidatieverschillen .....	9961	.....	.....
Waardeverminderingen op vlottende activa andere dan voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) .....(+)/(-)	651	.....	.....
Andere financiële kosten .....	652/9	2.206.248,31..	504.995,41 ....
<b>Winst (Verlies) uit de gewone bedrijfsuitoefening, vóór belasting</b> .....(+)/(-)	9902	-1.145.727,52....	10.883.772,11....

FNG Group	CONSO 3
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Toel.	Codes	01/04/15 – 31/12/16	01/04/14 - 31/03/15
<b>Uitzonderlijke opbrengsten</b> .....	76	157.633,44 ...	155.377,17 .....
Terugneming van afschrijvingen en van waardeverminderingen op immateriële en materiële vaste activa .....	760	5.479,40...	154.304,00.....
Terugneming van afschrijvingen op consolidatieverschillen.....	9970	.....	.....
Terugneming van waardeverminderingen op financiële vaste activa.....	761	.....	.....
Terugneming van voorzieningen voor uitzonderlijke risico's en kosten .....	762	4.362,19...	.....
Meerwaarden bij de realisatie van vaste activa .....	763	66.728,48...	1.073,17...
Andere uitzonderlijke opbrengsten .....	4.14 764/9	81.063,37...	.....
<b>Uitzonderlijke kosten</b> .....	66	1.205.480,84 ...	661.850,50 ....
Uitzonderlijke afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....	660	322.048,55...	177.798,79...
Uitzonderlijke afschrijvingen op positieve consolidatieverschillen .....	9962	.....	.....
Waardeverminderingen op financiële vaste activa .....	661	.....	.....
Voorzieningen voor uitzonderlijke risico's en kosten: toevoegingen (bestedingen) .....	662	.....	.....
Minderwaarden bij de realisatie van vaste activa .....	663	751.574,29...	2.373,82...
Andere uitzonderlijke kosten .....	4.14 664/8	131.858,00....	481.677,89....
Als herstructureringskosten geactiveerde uitzonderlijke kosten .....	669	.....	.....
In het resultaat opgenomen negatieve consolidatieverschillen .....	9963	.....	.....
<b>Winst (Verlies) van het boekjaar vóór belasting</b> ..... (+)/(-)	9903	-2.193.574,92 ...	10.377.298,78 ..
<b>Onttrekking aan de uitgestelde belastingen en de belastinglatenties</b> .....	780	5.184.622,24.....	.....
<b>Overboeking naar de uitgestelde belastingen en de belastinglatenties</b> .....	680	.....	2.777.527,55 .....
<b>Belastingen op het resultaat</b> .....	67/77	4.599.544,45 .....	1.669.471,86 .....
Belastingen .....	4.14 670/3	4.601.091,76...	1.669.750,05...
Regularisering van belastingen en terugneming van voorzieningen voor belastingen .....	77	1.547,31....	278,19..
<b>Winst (Verlies) van het boekjaar</b> .....	9904	-1.608.497,12 ....	5.930.299,37 ....
<b>Aandeel in de winst (het verlies) van de vennootschappen waarop vermogensmutatie is toegepast</b> .....	9975	.....	.....
<b>Geconsolideerde winst (verlies)</b> .....	9976	-1.608.497,12 ....	5.930.299,37 ....
Aandeel van derden .....	99761	.....	.....
Aandeel van de groep .....	99762	-1.608.497,12.	5.930.299,37 ..



**Verslag van de bedrijfsrevisor aan de Raad van Bestuur van FIG Group NV over de  
beoordeling van de geconsolideerde balans - en resultatenrekening  
over het boekjaar eindigend op 31 december 2014 (periode van 21 maanden)**

**Inleiding**

Wij hebben de beoordeling uitgevoerd van de bijhorende geconsolideerde balans- en resultatenrekening van FIG Group NV (de "Vereniging") en haar dochterondernemingen per 31 december 2014 (periode van 21 maanden).

**Verantwoordelijkheid van het bestuursorgaan**

Het bestuursorgaan is verantwoordelijk voor het opstellen en de presentatie van deze geconsolideerde balans en resultatenrekening in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel. Deze verantwoordelijkheid omvat onder meer: het opstellen, implementeren en in stand houden van een interne controle met betrekking tot het opstellen en de getrouwe weergave van de geconsolideerde balans- en resultatenrekening die geen afwijkingen van materieel belang, als gevolg van fraude of het maken van fouten bevat. Onze verantwoordelijkheid bestaat erin een conclusie te formuleren over deze geconsolideerde balans- en resultatenrekening op basis van de door ons uitgevoerde beoordeling.

**Reikwijdte van de beoordeling**

Wij hebben onze beoordeling uitgevoerd overeenkomstig ISRE 2400 (opdrachten tot het uitvoeren van een beoordeling van financiële overzichten door de onafhankelijke auditor van de entiteit). Een beoordeling van financiële informatie bestaat uit het uitvoeren van inschrijvingen, in hoofdzaak bij personen verantwoordelijk voor financiële en boekhoudkundige aangelegenheden, alsmede uit het uitvoeren van cijferanalyses en andere beoordelingswerkzaamheden. De reikwijdte van een beoordeling is aanzienlijk geringer dan die van een overeenkomstig de Internationale Controlestandaarden uitgevoerde controle. Om die reden stelt de beoordeling ons niet in staat om zekerheid te verkrijgen van alle aangelegenheden van materieel belang die naar aanleiding van een controle aan het licht zouden komen. Bijgevolg brengen wij geen controle-oordeel tot uitdrukking.

Kantoorbezoekweg 112B  
9001 Geraardsdorp - Oost-Vlaanderen  
Tel + 32 9 243 60 20  
Fax + 32 9 221 13 75

Beugeltype vereniging die de rechtsvorm van een B.V.B.A. heeft aangenomen - sociale zekerheid ingeregeld in het kader van de ZFW



www.figurad.be  
info@figurad.be  
BTW BE 0423 100 644  
Bank: KBC 737-6175571-44



**FIGURAD**

Stichting 1912-2000

### Conclusie

Op basis van onze beoordeling is niets onder onze aandacht gekomen dat ons er toe aanzet van mening te zijn dat de bijgevoegde geconsolideerde balans- en resultatenrekening per 31 december (periode van 12 maanden) niet in alle van materieel zijnde opzichten zijn opgesteld in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiekader.

Gent, 30 mei 2017

Federale Bedrijfsrevisoren Buro BVBA  
vertegenwoordigd door

Ann Van Vlaenderen  
Vennoot

**G. UNAUDITED CONSOLIDATED INCOME STATEMENT OF FNG GROUP NV FOR THE PERIOD  
1 JANUARY 2016 - 31 DECEMBER 2016**

	FNG Group		CONSO 3
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**GECONSOLIDEERDE RESULTATENREKENING**

	Toel.	Codes	01/01/16 – 31/12/16
<b>Bedrijfsopbrengsten</b> .....		70/74	279.696.529,84 ....
Omzet .....	4.14	70	276.068.008,18 .....
Voorraad goederen in bewerking en gereed product en bestellingen in uitvoering: toename (afname) ..... (+)/(-)		71	-388.148,45 ....
Geproduceerde vaste activa .....		72	.....
Andere bedrijfsopbrengsten .....		74	4.016.670,12 .....
<b>Bedrijfskosten</b> .....		60/64	273.104.241,36 ....
Handelsgoederen, grond- en hulpstoffen .....		60	150.804.398,18 .....
Inkopen .....		600/8	123.113.249,53 ...
Voorraad: afname (toename) ..... (+)/(-)		609	27.691.148,65 .....
Diensten en diverse goederen .....		61	66.247.256,84 .....
Bezoldigingen, sociale lasten en pensioenen ..... (+)/(-)	4.14	62	31.775.417,55 .....
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....		630	23.558.835,16 .....
Waardeverminderingen op voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) ..... (+)/(-)		631/4	70.213,96 .....
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen) ..... (+)/(-)		635/7	40,00 .....
Andere bedrijfskosten .....		640/8	648.079,68 .....
Als herstructureringskosten geactiveerde bedrijfskosten ..... (-)		649	.....
Afschrijvingen op positieve consolidatieverschillen .....		9960	.....
<b>Bedrijfswinst (Bedrijfsverlies)</b> ..... (+)/(-)		9901	6.592.288,49 .....
<b>Financiële opbrengsten</b> .....		75	738.176,81 .....
Opbrengsten uit financiële vaste activa .....		750	.....
Opbrengsten uit vlottende activa .....		751	.....
Andere financiële opbrengsten .....		752/9	738.176,81 ...
<b>Financiële kosten</b> .....		65	8.689.982,73 .....
Kosten van schulden .....		650	6.883.783,48...
Afschrijvingen op positieve consolidatieverschillen .....		9961	.....
Waardeverminderingen op vlottende activa andere dan voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) ..... (+)/(-)		651	.....
Andere financiële kosten .....		652/9	1.806.199,25.
<b>Winst (Verlies) uit de gewone bedrijfsuitoefening, vóór belasting</b> ..... (+)/(-)		9902	-1.359.517,43....

FNG Group	CONSO 3
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Toel.	Codes	01/01/16 – 31/12/16
<b>Uitzonderlijke opbrengsten</b> .....	76	377.614,48 .....
Terugneming van afschrijvingen en van waardeverminderingen op immateriële en materiële vaste activa .....	760	.....
Terugneming van afschrijvingen op consolidatieverschillen .....	9970	.....
Terugneming van waardeverminderingen op financiële vaste activa .....	761	.....
Terugneming van voorzieningen voor uitzonderlijke risico's en kosten .....	762	4.362,19...
Meerwaarden bij de realisatie van vaste activa .....	763	61.945,42...
Andere uitzonderlijke opbrengsten .....	4.14 764/9	311.306,87...
<b>Uitzonderlijke kosten</b> .....	66	.....
Uitzonderlijke afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa .....	660	.....
Uitzonderlijke afschrijvingen op positieve consolidatieverschillen .....	9962	.....
Waardeverminderingen op financiële vaste activa .....	661	.....
Voorzieningen voor uitzonderlijke risico's en kosten: toevoegingen (bestedingen) .....	662	.....
Minderwaarden bij de realisatie van vaste activa .....	663	.....
Andere uitzonderlijke kosten .....	4.14 664/8	.....
Als herstructureringskosten geactiveerde uitzonderlijke kosten .....	669	.....
In het resultaat opgenomen negatieve consolidatieverschillen .....	9963	.....
<b>Winst (Verlies) van het boekjaar vóór belasting</b> .....	9903	-981.902,95 .....
<b>Onttrekking aan de uitgestelde belastingen en de belastinglatenties</b> .....	780	.....
<b>Overboeking naar de uitgestelde belastingen en de belastinglatenties</b> .....	680	.....
<b>Belastingen op het resultaat</b> .....	67/77	-2.854.308,09 .....
Belastingen .....	4.14 670/3	-2.854.308,09..
Regularisering van belastingen en terugneming van voorzieningen voor belastingen .....	77	.....
<b>Winst (Verlies) van het boekjaar</b> .....	9904	1.872.385,14 .....
<b>Aandeel in de winst (het verlies) van de vennootschappen waarop vermogensmutatie is toegepast</b> .....	9975	.....
<b>Geconsolideerde winst (verlies)</b> .....	9976	1.872.385,14 .....
Aandeel van derden .....	99761	.....
Aandeel van de groep .....	99762	1.872.385,14..



**H. AUDITED STATUTORY FINANCIAL STATEMENTS OF BRANTANO NV FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 AND THE AUDITOR'S REPORT**

40	20/09/2017	BE 0432.980.383	47	EUR		
NAT.	Datum neerlegging	Nr.	Blz.	D.	17627.00153	VOL 1.1

**JAARREKENING EN ANDERE OVEREENKOMSTIG HET  
WETBOEK VAN VENNOOTSCHAPPEN NEER TE LEGGEN  
DOCUMENTEN**

**IDENTIFICATIEGEGEVENS**

Naam: **BRANTANO**

Rechtsvorm: Naamloze vennootschap

Adres: KWADELAPSTRAAT

Nr: 2

Bus:

Postnummer: 9320

Gemeente: Erembodegem

Land: België

Rechtspersonenregister (RPR) - Rechtbank van Koophandel van

Gent, afdeling Dendermonde

Internetadres:

Ondernemingsnummer

BE 0432.980.383

Datum van de neerlegging van de oprichtingsakte OF van het recentste stuk dat de datum van bekendmaking van de oprichtingsakte en van de akte tot statutenwijziging vermeldt.

31-01-2017

JAARREKENING IN EURO goedgekeurd door de algemene vergadering van

22-06-2017

met betrekking tot het boekjaar dat de periode dekt van

01-01-2016

tot

31-12-2016

Vorig boekjaar van

01-01-2015

tot

31-12-2015

De bedragen van het vorige boekjaar zijn identiek met die welke eerder openbaar werden gemaakt.

Nummers van de secties van het standaardmodel die niet werden neergelegd omdat ze niet dienstig zijn:

VOL 6.1, VOL 6.2.1, VOL 6.2.2, VOL 6.2.5, VOL 6.3.4, VOL 6.4.2, VOL 6.5.1, VOL 6.5.2, VOL 6.17, VOL 6.18.2, VOL 6.20, VOL 9

Nr.	BE 0432.980.383	VOL 2.1
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**LIJST VAN DE BESTUURDERS, ZAAKVOERDERS EN  
COMMISSARISEN EN VERKLARING BETREFFENDE EEN  
AANVULLENDE OPDRACHT VOOR NAZICHT OF CORRECTIE**

**LIJST VAN DE BESTUURDERS, ZAAKVOERDERS EN COMMISSARISEN**

VOLLEDIGE LIJST met naam, voornamen, beroep, woonplaats (adres, nummer, postnummer en gemeente) en functie in de onderneming

**ROMAN & STERN MANAGEMENT B.V.**

NL0562.756.584

Jan Olphert Vaillantlaan 48

1086 ZA Amsterdam

NEDERLAND

Begin van het mandaat: 01-03-2016

Einde van het mandaat: 08-05-2019

Gedelegeerd bestuurder

Direct of indirect vertegenwoordigd door:

**VAN DE SCHOOR** Laurentius

Bestuurder

Jan Olphert Vaillantlaan 48

1086 ZA Amsterdam

NEDERLAND

**VAN WEYENBERGH** Stefaan

Kapittelstraat 77

9310 Moorsel

BELGIË

Begin van het mandaat: 08-05-2013

Einde van het mandaat: 01-03-2016

Bestuurder

**BONDROIT** Nico

Roskamstraat 7/B

9820 Merelbeke

BELGIË

Begin van het mandaat: 08-05-2013

Einde van het mandaat: 08-05-2019

Bestuurder

**STAELENS** Kurt

August de Feijterstraat 55

1740 Ternat

BELGIË

Begin van het mandaat: 01-08-2014

Einde van het mandaat: 29-02-2016

Gedelegeerd bestuurder

**DE SMEDT** Peter

Mechelsebaan 272

2570 Duffel

BELGIË

Begin van het mandaat: 01-08-2014

Einde van het mandaat: 08-05-2019

Bestuurder

**ERNST & YOUNG BEDRIJFSREVISOREN BCVBA (B160)**

BE 0446.334.711

Moutstraat 54

9000 Gent

BELGIË

Begin van het mandaat: 13-05-2015

Einde van het mandaat: 09-05-2018

Commissaris

Direct of indirect vertegenwoordigd door:

**VAN DOOREN** Marnix

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Nr.	BE 0432.980.383	VOL 2.1
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Bedrijfsrevisor  
Moutstraat 54  
9000 Gent  
BELGIË

Nr.	BE 0432.980.383	VOL 2.2
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## VERKLARING BETREFFENDE EEN AANVULLENDE OPDRACHT VOOR NAZICHT OF CORRECTIE

Het bestuursorgaan verklaart dat geen enkele opdracht voor nazicht of correctie werd gegeven aan iemand die daar wettelijk niet toe gemachtigd is met toepassing van de artikelen 34 en 37 van de wet van 22 april 1999 betreffende de boekhoudkundige en fiscale beroepen.

De jaarrekening werd niet geverifieerd of gecorrigeerd door een externe accountant of door een bedrijfsrevisor die niet de commissaris is.

In bevestigend geval, moeten hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke externe accountant of bedrijfsrevisor en zijn lidmaatschapsnummer bij zijn Instituut, evenals de aard van zijn opdracht:

- A. Het voeren van de boekhouding van de onderneming\*,
- B. Het opstellen van de jaarrekening\*,
- C. Het verifiëren van de jaarrekening en/of
- D. Het corrigeren van de jaarrekening.

Indien taken bedoeld onder A. of onder B. uitgevoerd zijn door erkende boekhouders of door erkende boekhouders-fiscalisten, kunnen hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke erkende boekhouder of erkende boekhouder-fiscalist en zijn lidmaatschapsnummer bij het Beroepsinstituut van erkende Boekhouders en Fiscalisten, evenals de aard van zijn opdracht.

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\* Facultatieve vermelding.

Nr.	BE 0432.980.383	VOL 3.1
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## JAARREKENING

### BALANS NA WINSTVERDELING

	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>ACTIVA</b>				
<b>OPRICHTINGSKOSTEN</b>	6.1	20		
<b>VASTE ACTIVA</b>		21/28	<b><u>12.138.608</u></b>	<b><u>9.052.118</u></b>
<b>Immateriële vaste activa</b>	6.2	21	<b>227.600</b>	<b>191.717</b>
<b>Materiële vaste activa</b>	6.3	22/27	<b>11.876.168</b>	<b>8.783.859</b>
Terreinen en gebouwen		22	164.550	199.497
Installaties, machines en uitrusting		23	1.970.416	2.327.255
Meubilair en rollend materieel		24	123.245	142.819
Leasing en soortgelijke rechten		25		
Overige materiële vaste activa		26	8.647.112	6.114.288
Activa in aanbouw en vooruitbetalingen		27	970.845	
<b>Financiële vaste activa</b>	6.4/6.5.1	28	<b>34.841</b>	<b>76.542</b>
Verbonden ondernemingen	6.15	280/1		30.987
Deelnemingen		280		30.987
Vorderingen		281		
Ondernemingen waarmee een deelnemingsverhouding bestaat	6.15	282/3		
Deelnemingen		282		
Vorderingen		283		
Andere financiële vaste activa		284/8	34.841	45.555
Aandelen		284		
Vorderingen en borgtochten in contanten		285/8	34.841	45.555
<b>VLOTTENDE ACTIVA</b>		29/58	<b><u>44.471.978</u></b>	<b><u>38.922.106</u></b>
<b>Vorderingen op meer dan één jaar</b>		29	<b>100.000</b>	<b>100.000</b>
Handelsvorderingen		290		
Overige vorderingen		291	100.000	100.000
<b>Voorraden en bestellingen in uitvoering</b>		3	<b>38.022.808</b>	<b>34.228.595</b>
Voorraden		30/36	38.022.808	34.228.595
Grond- en hulpstoffen		30/31		
Goederen in bewerking		32		
Gereed product		33		
Handelsgoederen		34	37.578.194	34.076.029
Onroerende goederen bestemd voor verkoop		35		
Vooruitbetalingen		36	444.614	152.565
Bestellingen in uitvoering		37		
<b>Vorderingen op ten hoogste één jaar</b>		40/41	<b>3.701.492</b>	<b>3.147.256</b>
Handelsvorderingen		40	3.145.617	3.145.655
Overige vorderingen		41	555.875	1.602
<b>Geldbeleggingen</b>	6.5.1/6.6	50/53		
Eigen aandelen		50		
Overige beleggingen		51/53		
<b>Liquide middelen</b>		54/58	<b>1.715.881</b>	<b>674.474</b>
<b>Overlopende rekeningen</b>	6.6	490/1	<b>931.798</b>	<b>771.781</b>
<b>TOTAAL VAN DE ACTIVA</b>		20/58	<b>56.610.587</b>	<b>47.974.224</b>

Nr.	BE 0432.980.383	VOL 3.2
-----	-----------------	---------

	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>PASSIVA</b>				
<b>EIGEN VERMOGEN</b>				
<b>Kapitaal</b>	6.7.1	10/15	<b>16.216.340</b>	<b>-29.021.485</b>
Geplaatst kapitaal		10	<b>19.000.000</b>	<b>145.977.524</b>
Niet-opgevraagd kapitaal		100	19.000.000	145.977.524
		101		
<b>Uitgiftepremies</b>		11		
<b>Herwaarderingsmeerwaarden</b>		12		
<b>Reserves</b>		13	<b>1.076.850</b>	<b>34.208.170</b>
Wettelijke reserve		130	389.526	389.526
Onbeschikbare reserves		131		
Voor eigen aandelen		1310		
Andere		1311		
Belastingvrije reserves		132		
Beschikbare reserves		133	687.324	33.818.644
<b>Overgedragen winst (verlies)</b>	(+)/(-)	14	<b>-3.860.511</b>	<b>-209.207.179</b>
<b>Kapitaalsubsidies</b>		15		
<b>Voorschot aan de vennoten op de verdeling van het netto-actief</b>		19		
<b>VOORZIENINGEN EN UITGESTELDE BELASTINGEN</b>		16	<b>4.683.022</b>	<b>5.775.611</b>
<b>Voorzieningen voor risico's en kosten</b>		160/5	<b>4.683.022</b>	<b>5.775.611</b>
Pensioenen en soortgelijke verplichtingen		160	112.297	130.406
Fiscale lasten		161		
Grote herstellings- en onderhoudswerken		162		1.919.931
Milieuverplichtingen		163		
Overige risico's en kosten	6.8	164/5	4.570.725	3.725.274
<b>Uitgestelde belastingen</b>		168		
<b>SCHULDEN</b>		17/49	<b>35.711.225</b>	<b>71.220.098</b>
<b>Schulden op meer dan één jaar</b>	6.9	17	<b>5.000</b>	<b>14.879.991</b>
Financiële schulden		170/4		13.832.093
Achtergestelde leningen		170		
Niet-achtergestelde obligatieleningen		171		
Leasingschulden en soortgelijke schulden		172		
Kredietinstellingen		173		
Overige leningen		174		13.832.093
Handelsschulden		175		
Leveranciers		1750		
Te betalen wissels		1751		
Ontvangen vooruitbetalingen op bestellingen		176		
Overige schulden		178/9	5.000	1.047.898
<b>Schulden op ten hoogste één jaar</b>	6.9	42/48	<b>34.499.035</b>	<b>54.974.833</b>
Schulden op meer dan één jaar die binnen het jaar vervallen		42		
Financiële schulden		43	17.500.000	0
Kredietinstellingen		430/8	17.500.000	0
Overige leningen		439		
Handelsschulden		44	11.423.257	12.297.746
Leveranciers		440/4	11.423.257	12.297.746
Te betalen wissels		441		
Ontvangen vooruitbetalingen op bestellingen		46		
Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten	6.9	45	5.564.622	7.015.250
Belastingen		450/3	778	808.073
Bezoldigingen en sociale lasten		454/9	5.563.844	6.207.177
Overige schulden		47/48	11.155	35.661.836
<b>Overlopende rekeningen</b>	6.9	492/3	<b>1.207.190</b>	<b>1.365.275</b>
<b>TOTAAL VAN DE PASSIVA</b>		10/49	<b>56.610.587</b>	<b>47.974.224</b>

Nr.	BE 0432.980.383	VOL 4
-----	-----------------	-------

## RESULTATENREKENING

	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>Bedrijfsopbrengsten</b>		70/76A	<b>123.298.914</b>	<b>137.912.425</b>
Omzet	6.10	70	121.721.495	135.754.402
Voorraad goederen in bewerking en gereed product en bestellingen in uitvoering: toename (afname) (+)/(-)		71		
Geproduceerde vaste activa		72		
Andere bedrijfsopbrengsten	6.10	74	1.577.419	2.158.023
Niet-recurrente bedrijfsopbrengsten	6.12	76A		
<b>Bedrijfskosten</b>		60/66A	<b>124.848.210</b>	<b>143.958.381</b>
Handelsgoederen, grond- en hulpstoffen		60	61.530.883	78.237.785
Aankopen		600/8	65.033.048	74.798.323
Voorraad: afname (toename) (+)/(-)		609	-3.502.165	3.439.462
Diensten en diverse goederen		61	27.919.623	29.912.346
Bezoldigingen, sociale lasten en pensioenen (+)/(-)	6.10	62	31.049.768	32.534.332
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa		630	3.307.372	3.903.857
Waardeverminderingen op voorraden, op bestellingen in uitvoering en op handelsvorderingen: toevoegingen (terugnemingen) (+)/(-)	6.10	631/4	46.349	
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen) (+)/(-)	6.10	635/8	-2.482.829	-957.149
Andere bedrijfskosten	6.10	640/8	915.093	327.209
Als herstructureringskosten geactiveerde bedrijfskosten (-)		649		
Niet-recurrente bedrijfskosten	6.12	66A	2.561.952	
<b>Bedrijfswinst (Bedrijfsverlies) (+)/(-)</b>		9901	<b>-1.549.297</b>	<b>-6.045.956</b>
<b>Financiële opbrengsten</b>		75/76B	<b>2.246.918</b>	<b>3.090.519</b>
Recurrente financiële opbrengsten		75	2.246.918	3.090.519
Opbrengsten uit financiële vaste activa		750		
Opbrengsten uit vlottende activa		751		271.940
Andere financiële opbrengsten	6.11	752/9	2.246.918	2.818.579
Niet-recurrente financiële opbrengsten	6.12	76B		
<b>Financiële kosten</b>		65/66B	<b>4.563.423</b>	<b>62.764.723</b>
Recurrente financiële kosten	6.11	65	4.287.308	2.365.612
Kosten van schulden		650	4.176.188	2.006.010
Waardeverminderingen op vlottende activa andere dan voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) (+)/(-)		651		
Andere financiële kosten		652/9	111.120	359.602
Niet-recurrente financiële kosten	6.12	66B	276.116	60.399.111
<b>Winst (Verlies) van het boekjaar vóór belasting (+)/(-)</b>		9903	<b>-3.865.802</b>	<b>-65.720.160</b>
<b>Onttrekking aan de uitgestelde belastingen</b>		780		
<b>Overboeking naar de uitgestelde belastingen</b>		680		
<b>Belastingen op het resultaat (+)/(-)</b>	6.13	67/77	<b>-5.291</b>	<b>4.906</b>
Belastingen		670/3	5.539	16.496
Regularisering van belastingen en terugneming van voorzieningen voor belastingen		77	10.830	11.590
<b>Winst (Verlies) van het boekjaar (+)/(-)</b>		9904	<b>-3.860.511</b>	<b>-65.725.066</b>
<b>Onttrekking aan de belastingvrije reserves</b>		789		
<b>Overboeking naar de belastingvrije reserves</b>		689		
<b>Te bestemmen winst (verlies) van het boekjaar (+)/(-)</b>		9905	<b>-3.860.511</b>	<b>-65.725.066</b>

Nr.	BE 0432.980.383	VOL 5
-----	-----------------	-------

## RESULTAATVERWERKING

		Codes	Boekjaar	Vorig boekjaar
<b>Te bestemmen winst (verlies)</b>	<b>(+)/(-)</b>	9906	<b>-213.067.690</b>	<b>-209.207.179</b>
Te bestemmen winst (verlies) van het boekjaar	(+)/(-)	9905	-3.860.511	-65.725.066
Overgedragen winst (verlies) van het vorige boekjaar	(+)/(-)	14P	-209.207.179	-143.482.113
<b>Onttrekking aan het eigen vermogen</b>		791/2	<b>209.207.179</b>	
aan het kapitaal en aan de uitgiftepremies		791	209.207.179	
aan de reserves		792		
<b>Toevoeging aan het eigen vermogen</b>		691/2		
aan het kapitaal en aan de uitgiftepremies		691		
aan de wettelijke reserve		6920		
aan de overige reserves		6921		
<b>Over te dragen winst (verlies)</b>	<b>(+)/(-)</b>	14	<b>-3.860.511</b>	<b>-209.207.179</b>
<b>Tussenkost van de vennoten in het verlies</b>		794		
<b>Uit te keren winst</b>		694/7		
Vergoeding van het kapitaal		694		
Bestuurders of zaakvoerders		695		
Werknemers		696		
Andere rechthebbenden		697		



Nr.	BE 0432.980.383	VOL 6.2.3
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**TOELICHTING**  
**STAAT VAN DE IMMATERIËLE VASTE ACTIVA**

	Codes	Boekjaar	Vorig boekjaar
<b>CONCESSIES, OCTROOIEN, LICENTIES, KNOWHOW, MERKEN EN SOORTGELIJKE RECHTEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8052P	XXXXXXXXXX	558.509
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8022	180.000	
Overdrachten en buitengebruikstellingen	8032	4.950	
Overboekingen van een post naar een andere (+)/(-)	8042		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8052	733.559	
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8122P	XXXXXXXXXX	366.792
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8072	144.117	
Teruggenomen	8082		
Verworven van derden	8092		
Afgeboekt na overdrachten en buitengebruikstellingen	8102	4.950	
Overgeboekt van een post naar een andere (+)/(-)	8112		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8122	505.959	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	211	227.600	

Nr.	BE 0432.980.383	VOL 6.2.4
-----	-----------------	-----------

	Codes	Boekjaar	Vorig boekjaar
<b>GOODWILL</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8053P	XXXXXXXXXX	2.790.347
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8023		
Overdrachten en buitengebruikstellingen	8033	2.790.347	
Overboekingen van een post naar een andere (+)/(-)	8043		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8053		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8123P	XXXXXXXXXX	2.790.347
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8073		
Teruggenomen	8083		
Verworven van derden	8093		
Afgeboekt na overdrachten en buitengebruikstellingen	8103	2.790.347	
Overgeboekt van een post naar een andere (+)/(-)	8113		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8123		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	212		

Nr.	BE 0432.980.383	VOL 6.3.1
-----	-----------------	-----------

# STAAT VAN DE MATERIEËLE VASTE ACTIVA

	Codes	Boekjaar	Vorig boekjaar
<b>TERREINEN EN GEBOUWEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8191P	XXXXXXXXXX	678.027
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8161	2.530	
Overdrachten en buitengebruikstellingen	8171	52.799	
Overboekingen van een post naar een andere (+)/(-)	8181		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8191	627.757	
<b>Meerwaarden per einde van het boekjaar</b>	8251P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8211		
Verworven van derden	8221		
Afgeboekt	8231		
Overgeboekt van een post naar een andere (+)/(-)	8241		
<b>Meerwaarden per einde van het boekjaar</b>	8251		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8321P	XXXXXXXXXX	478.529
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8271	32.369	
Teruggenomen	8281		
Verworven van derden	8291		
Afgeboekt na overdrachten en buitengebruikstellingen	8301	47.691	
Overgeboekt van een post naar een andere (+)/(-)	8311		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8321	463.208	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	22	164.550	

Nr.	BE 0432.980.383	VOL 6.3.2
-----	-----------------	-----------

	Codes	Boekjaar	Vorig boekjaar
<b>INSTALLATIES, MACHINES EN UITRUSTING</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8192P	XXXXXXXXXX	7.305.913
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8162	909.223	
Overdrachten en buitengebruikstellingen	8172	489.342	
Overboekingen van een post naar een andere (+)/(-)	8182		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8192	7.725.794	
<b>Meerwaarden per einde van het boekjaar</b>	8252P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8212		
Verworven van derden	8222		
Afgeboekt	8232		
Overgeboekt van een post naar een andere (+)/(-)	8242		
<b>Meerwaarden per einde van het boekjaar</b>	8252		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8322P	XXXXXXXXXX	4.978.658
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8272	1.252.487	
Teruggenomen	8282		
Verworven van derden	8292		
Afgeboekt na overdrachten en buitengebruikstellingen	8302	475.767	
Overgeboekt van een post naar een andere (+)/(-)	8312		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8322	5.755.379	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	23	1.970.416	

Nr.	BE 0432.980.383	VOL 6.3.3
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	Codes	Boekjaar	Vorig boekjaar
<b>MEUBILAIR EN ROLLEND MATERIEEL</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8193P	XXXXXXXXXX	1.731.609
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8163	48.437	
Overdrachten en buitengebruikstellingen	8173	67.144	
Overboekingen van een post naar een andere (+)/(-)	8183		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8193	1.712.903	
<b>Meerwaarden per einde van het boekjaar</b>	8253P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8213		
Verworven van derden	8223		
Afgeboekt	8233		
Overgeboekt van een post naar een andere (+)/(-)	8243		
<b>Meerwaarden per einde van het boekjaar</b>	8253		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8323P	XXXXXXXXXX	1.588.790
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8273	67.631	
Teruggenomen	8283		
Verworven van derden	8293		
Afgeboekt na overdrachten en buitengebruikstellingen	8303	66.764	
Overgeboekt van een post naar een andere (+)/(-)	8313		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8323	1.589.658	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	24	123.245	

Nr.	BE 0432.980.383	VOL 6.3.5
-----	-----------------	-----------

	Codes	Boekjaar	Vorig boekjaar
<b>OVERIGE MATERIËLE VASTE ACTIVA</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8195P	XXXXXXXXXX	48.108.375
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8165	5.284.114	
Overdrachten en buitengebruikstellingen	8175	8.479.742	
Overboekingen van een post naar een andere (+)/(-)	8185		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8195	44.912.746	
<b>Meerwaarden per einde van het boekjaar</b>	8255P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8215		
Verworven van derden	8225		
Afgeboekt	8235		
Overgeboekt van een post naar een andere (+)/(-)	8245		
<b>Meerwaarden per einde van het boekjaar</b>	8255		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8325P	XXXXXXXXXX	41.994.087
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8275	1.810.767	
Teruggenomen	8285		
Verworven van derden	8295		
Afgeboekt na overdrachten en buitengebruikstellingen	8305	7.539.220	
Overgeboekt van een post naar een andere (+)/(-)	8315		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8325	36.265.634	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	26	8.647.112	

Nr.	BE 0432.980.383	VOL 6.3.6
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	Codes	Boekjaar	Vorig boekjaar
<b>ACTIVA IN AANBOUW EN VOORUITBETALINGEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8196P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8166	970.845	
Overdrachten en buitengebruikstellingen	8176		
Overboekingen van een post naar een andere (+)/(-)	8186		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8196	970.845	
<b>Meerwaarden per einde van het boekjaar</b>	8256P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8216		
Verworven van derden	8226		
Afgeboekt	8236		
Overgeboekt van een post naar een andere (+)/(-)	8246		
<b>Meerwaarden per einde van het boekjaar</b>	8256		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8326P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8276		
Teruggenomen	8286		
Verworven van derden	8296		
Afgeboekt na overdrachten en buitengebruikstellingen	8306		
Overgeboekt van een post naar een andere (+)/(-)	8316		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8326		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	27	<b>970.845</b>	

Nr.	BE 0432.980.383	VOL 6.4.1
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# STAAT VAN DE FINANCIËLE VASTE ACTIVA

	Codes	Boekjaar	Vorig boekjaar
<b>VERBONDEN ONDERNEMINGEN - DEELNEMINGEN EN AANDELEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8391P	XXXXXXXXXX	210.236.174
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen	8361	1.050.000	
Overdrachten en buitengebruikstellingen	8371	211.286.174	
Overboekingen van een post naar een andere (+)/(-)	8381		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8391		
<b>Meerwaarden per einde van het boekjaar</b>	8451P	XXXXXXXXXX	25
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8411		
Verworven van derden	8421		
Afgeboekt	8431	25	
Overgeboekt van een post naar een andere (+)/(-)	8441		
<b>Meerwaarden per einde van het boekjaar</b>	8451		
<b>Waardeverminderingen per einde van het boekjaar</b>	8521P	XXXXXXXXXX	210.205.212
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8471		
Teruggenomen	8481		
Verworven van derden	8491		
Afgeboekt na overdrachten en buitengebruikstellingen	8501	210.205.212	
Overgeboekt van een post naar een andere (+)/(-)	8511		
<b>Waardeverminderingen per einde van het boekjaar</b>	8521		
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8551P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar (+)/(-)</b>	8541		
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8551		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	280		
<b>VERBONDEN ONDERNEMINGEN - VORDERINGEN</b>			
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	281P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Toevoegingen	8581		
Terugbetalingen	8591		
Geboekte waardeverminderingen	8601		
Teruggenomen waardeverminderingen	8611		
Wisselkoersverschillen (+)/(-)	8621		
Overige mutaties (+)/(-)	8631		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	281		
<b>GECUMULEERDE WAARDEVERMINDERINGEN OP VORDERINGEN PER EINDE BOEKJAAR</b>	8651		



Nr.	BE 0432.980.383	VOL 6.4.3
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	Codes	Boekjaar	Vorig boekjaar
<b>ANDERE ONDERNEMINGEN - DEELNEMINGEN EN AANDELEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8393P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen	8363		
Overdrachten en buitengebruikstellingen	8373		
Overboekingen van een post naar een andere	8383		
	(+)/(-)		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8393		
<b>Meerwaarden per einde van het boekjaar</b>	8453P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8413		
Verworven van derden	8423		
Afgeboekt	8433		
Overgeboekt van een post naar een andere	8443		
	(+)/(-)		
<b>Meerwaarden per einde van het boekjaar</b>	8453		
<b>Waardeverminderingen per einde van het boekjaar</b>	8523P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8473		
Teruggenomen	8483		
Verworven van derden	8493		
Afgeboekt na overdrachten en buitengebruikstellingen	8503		
Overgeboekt van een post naar een andere	8513		
	(+)/(-)		
<b>Waardeverminderingen per einde van het boekjaar</b>	8523		
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8553P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>	(+)/(-)		
Niet-opgevraagde bedragen per einde van het boekjaar	8543		
	8553		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	284		
<b>ANDERE ONDERNEMINGEN - VORDERINGEN</b>			
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	285/8P	XXXXXXXXXX	45.555
<b>Mutaties tijdens het boekjaar</b>			
Toevoegingen	8583		
Terugbetalingen	8593	10.714	
Geboekte waardeverminderingen	8603		
Teruggenomen waardeverminderingen	8613		
Wisselkoersverschillen	8623		
Overige mutaties	8633		
	(+)/(-)		
	(+)/(-)		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	285/8	34.841	
<b>GECUMULEERDE WAARDEVERMINDERINGEN OP VORDERINGEN PER EINDE BOEKJAAR</b>	8653		

Nr.	BE 0432.980.383	VOL 6.6
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# **GELDBELEGGINGEN EN OVERLOPENDE REKENINGEN (ACTIVA)**

## **OVERIGE GELDBELEGGINGEN**

### **Aandelen en geldbeleggingen andere dan vastrentende beleggingen**

Aandelen - Boekwaarde verhoogd met het niet-opgevraagde bedrag

Aandelen - Niet-opgevraagd bedrag  
Edele metalen en kunstwerken

### **Vastrentende effecten**

Vastrentende effecten uitgegeven door kredietinstellingen

### **Termijnrekeningen bij kredietinstellingen**

Met een resterende looptijd of opzegtermijn van  
hoogstens één maand  
meer dan één maand en hoogstens één jaar  
meer dan één jaar

Hierboven niet-opgenomen overige geldbeleggingen

Codes	Boekjaar	Vorig boekjaar
51		
8681		
8682		
8683		
52		
8684		
53		
8686		
8687		
8688		
8689		

## **OVERLOPENDE REKENINGEN**

### **Uitsplitsing van de post 490/1 van de activa indien daaronder een belangrijk bedrag voorkomt**

Rechten UCS  
Over te dragen kosten marketing

Boekjaar
325.920
289.883

Nr.	BE 0432.980.383	VOL 6.7.1
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## STAAT VAN HET KAPITAAL EN DE AANDEELHOUDERSSTRUCTUUR

### STAAT VAN HET KAPITAAL

#### Maatschappelijk kapitaal

Geplaatst kapitaal per einde van het boekjaar  
Geplaatst kapitaal per einde van het boekjaar

Codes	Boekjaar	Vorig boekjaar
100P	XXXXXXXXXX	145.977.524
100	19.000.000	

Wijzigingen tijdens het boekjaar

Inbreng in natura  
Incorporatie beschikbare reserves  
Aanzuivering van de geleden verliezen

Samenstelling van het kapitaal

Soorten aandelen  
Aandelen zonder vermelding van nominale waarde

Codes	Bedragen	Aantal aandelen
	49.098.335	3.987.241
	33.131.320	0
	-209.207.179	0
	19.000.000	15.841.971
8702	XXXXXXXXXX	15.841.971
8703	XXXXXXXXXX	

Aandelen op naam

Gedematerialiseerde aandelen

#### Niet-gestort kapitaal

Niet-opgevraagd kapitaal  
Opgevraagd, niet-gestort kapitaal  
Aandeelhouders die nog moeten volstorten

Codes	Niet-opgevraagd bedrag	Opgevraagd, niet-gestort bedrag
101		XXXXXXXXXX
8712	XXXXXXXXXX	

#### Eigen aandelen

Gehouden door de vennootschap zelf  
Kapitaalbedrag  
Aantal aandelen  
Gehouden door haar dochters  
Kapitaalbedrag  
Aantal aandelen

#### Verplichtingen tot uitgifte van aandelen

Als gevolg van de uitoefening van conversierechten  
Bedrag van de lopende converteerbare leningen  
Bedrag van het te plaatsen kapitaal  
Maximum aantal uit te geven aandelen  
Als gevolg van de uitoefening van inschrijvingsrechten  
Aantal inschrijvingsrechten in omloop  
Bedrag van het te plaatsen kapitaal  
Maximum aantal uit te geven aandelen

#### Toegestaan, niet-geplaatst kapitaal

Codes	Boekjaar
8721	
8722	
8731	
8732	
8740	
8741	
8742	
8745	
8746	
8747	
8751	

#### Aandelen buiten kapitaal

Verdeling  
Aantal aandelen  
Daaraan verbonden stemrecht  
Uitsplitsing volgens de aandeelhouders  
Aantal aandelen gehouden door de vennootschap zelf  
Aantal aandelen gehouden door haar dochters

Codes	Boekjaar
8761	
8762	
8771	
8781	

Nr.	BE 0432.980.383	VOL 6.7.2
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# **AANDEELHOUDERSSTRUCTUUR VAN DE ONDERNEMING OP DE DATUM VAN DE JAARAFSLUITING**

zoals die blijkt uit de kennisgevingen die de onderneming heeft ontvangen overeenkomstig het Wetboek van vennootschappen, artikel 631 §2 laatste lid en artikel 632 §2 laatste lid; de wet van 2 mei 2007 betreffende de openbaarmaking van belangrijke deelnemingen, artikel 14 vierde lid; en het koninklijk besluit van 21 augustus 2008 houdende nadere regels betreffende bepaalde multilaterale handelsfaciliteiten, artikel 5.

NAAM van de personen die maatschappelijke rechten van de onderneming in eigendom hebben, met vermelding van het ADRES (van de maatschappelijke zetel, zo het een rechtspersoon betreft) en van het ONDERNEMINGSNUMMER, zo het een onderneming naar Belgisch recht betreft	Aangehouden maatschappelijke rechten			
	Aard	Aantal stemrechten		%
		Verbonden aan effecten	Niet verbonden aan effecten	
BrantNew bvba BE 0645.846.982 Prins Boudewijnlaan 5/10 2550 Kontich <b>BELGIË</b>	15.841.970 aandelen	0	0	99,99
R&S Finance Belgium bvba BE 0645.866.778 Prins Boudewijnlaan 5/10 2550 Kontich <b>BELGIË</b>	1 aandeel	0	0	0,01

Nr.	BE 0432.980.383	VOL 6.8
-----	-----------------	---------

# **VOORZIENINGEN VOOR OVERIGE RISICO'S EN KOSTEN**

**UITSPLITSING VAN DE POST 164/5 VAN DE PASSIVA INDIEN DAARONDER EEN BELANGRIJK BEDRAG**

## **VOORKOMT**

Spaarbonnen  
Ontslag  
Personeelsgeschil

Boekjaar
3.005.485
1.390.240
175.000

Nr.	BE 0432.980.383
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VOL 6.9
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# **STAAT VAN DE SCHULDEN EN OVERLOPENDE REKENINGEN (PASSIVA)**

## **UITSPLITSING VAN DE SCHULDEN MET EEN OORSPRONKELIJKE LOOPTIJD VAN MEER DAN ÉÉN JAAR, NAARGELANG HUN RESTERENDE LOOPTIJD**

### **Schulden op meer dan één jaar die binnen het jaar vervallen**

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

Codes	Boekjaar
8801	
8811	
8821	
8831	
8841	
8851	
8861	
8871	
8881	
8891	
8901	
42	
8802	
8812	
8822	
8832	
8842	
8852	
8862	
8872	
8882	
8892	
8902	
8912	
8803	
8813	
8823	
8833	
8843	
8853	
8863	
8873	
8883	
8893	
8903	5.000
8913	5.000

### **Totaal der schulden op meer dan één jaar die binnen het jaar vervallen**

### **Schulden met een resterende looptijd van meer dan één jaar doch hoogstens 5 jaar**

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

### **Totaal der schulden met een resterende looptijd van meer dan één jaar doch hoogstens 5 jaar**

### **Schulden met een resterende looptijd van meer dan 5 jaar**

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

### **Totaal der schulden met een resterende looptijd van meer dan 5 jaar**

Codes	Boekjaar
8921	
8931	
8941	
8951	
8961	
8971	
8981	
8991	
9001	
9011	
9021	
9051	
9061	
8922	17.500.000

## **GEWAARBORGDE SCHULDEN**

### **Door Belgische overheidsinstellingen gewaarborgde schulden**

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Schulden met betrekking tot bezoldigingen en sociale lasten  
Overige schulden

### **Totaal van de door Belgische overheidsinstellingen gewaarborgde schulden**

### **Schulden gewaarborgd door zakelijke zekerheden gesteld of onherroepelijk beloofd op activa van de onderneming**

Financiële schulden

Nr.	BE 0432.980.383	VOL 6.9
-----	-----------------	---------

Codes	Boekjaar
8932	
8942	
8952	
8962	17.500.000
8972	
8982	
8992	
9002	
9012	
9022	
9032	
9042	
9052	
9062	17.500.000

Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten  
Belastingen  
Bezoldigingen en sociale lasten  
Overige schulden  
**Totaal der schulden gewaarborgd door zakelijke zekerheden gesteld of onherroepelijk beloofd op activa van de onderneming**

Codes	Boekjaar
9072	
9073	778
450	
9076	
9077	5.563.844

**SCHULDEN MET BETREKKING TOT BELASTINGEN, BEZOLDIGINGEN EN SOCIALE LASTEN**  
**Belastingen**  
Vervallen belastingschulden  
Niet-vervallen belastingschulden  
Geraamde belastingschulden  
**Bezoldigingen en sociale lasten**  
Vervallen schulden ten aanzien van de Rijksdienst voor Sociale Zekerheid  
Andere schulden met betrekking tot bezoldigingen en sociale lasten

Boekjaar
462.367

**OVERLOPENDE REKENINGEN**  
**Uitsplitsing van de post 492/3 van de passiva indien daaronder een belangrijk bedrag voorkomt**  
Toe te rekenen kosten marketing

Nr.	BE 0432.980.383	VOL 6.10
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## BEDRIJFSRESULTATEN

	Codes	Boekjaar	Vorig boekjaar
<b>BEDRIJFSOPBRENGSTEN</b>			
<b>Netto-omzet</b>			
Uitsplitsing per bedrijfscategorie			
Uitsplitsing per geografische markt			
<b>Andere bedrijfsopbrengsten</b>			
Exploitatiesubsidies en vanwege de overheid ontvangen compenserende bedragen	740		
<b>BEDRIJFSKOSTEN</b>			
<b>Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister</b>			
Totaal aantal op de afsluitingsdatum	9086	893	1.026
Gemiddeld personeelsbestand berekend in voltijdse equivalenten	9087	825,4	887,6
Aantal daadwerkelijk gepresteerde uren	9088	1.178.068	1.247.231
<b>Personeelskosten</b>			
Bezoldigingen en rechtstreekse sociale voordelen	620	24.693.486	25.785.454
Werkgeversbijdragen voor sociale verzekeringen	621	5.458.093	5.960.347
Werkgeverspremies voor bovenwettelijke verzekeringen	622		
Andere personeelskosten	623	898.188	788.531
Ouderdoms- en overlevingspensioenen	624		
<b>Voorzieningen voor pensioenen en soortgelijke verplichtingen</b>			
Toevoegingen (bestedingen en terugnemingen) (+)/(-)	635	-18.109	-950
<b>Waardeverminderingen</b>			
Op voorraden en bestellingen in uitvoering			
Geboekt	9110		
Teruggenomen	9111		
Op handelsvorderingen			
Geboekt	9112	46.349	
Teruggenomen	9113		
<b>Voorzieningen voor risico's en kosten</b>			
Toevoegingen	9115	50.292	151.350
Bestedingen en terugnemingen	9116	2.533.121	1.108.499
<b>Andere bedrijfskosten</b>			
Bedrijfsbelastingen en -taksen	640	364.157	292.791
Andere	641/8	550.936	34.418
<b>Uitzendkrachten en ter beschikking van de onderneming gestelde personen</b>			
Totaal aantal op de afsluitingsdatum	9096		
Gemiddeld aantal berekend in voltijdse equivalenten	9097	9,7	11,2
Aantal daadwerkelijk gepresteerde uren	9098	18.790	21.768
Kosten voor de onderneming	617	475.150	448.404



Nr.	BE 0432.980.383
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VOL 6.11
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## FINANCIËLE RESULTATEN

### RECURRENTE FINANCIËLE OPBRENGSTEN

#### Andere financiële opbrengsten

Door de overheid toegekende subsidies, aangerekend op de resultatenrekening

Kapitaalsubsidies

Interestsubsidies

Uitsplitsing van de overige financiële opbrengsten

Kortingen

Koersverschillen

Intresten termijnrekeningen en R/C

### RECURRENTE FINANCIËLE KOSTEN

#### Afschrijving van kosten bij uitgifte van leningen

#### Geactiveerde interesten

#### Waardeverminderingen op vlottende activa

Geboekt

Teruggenomen

#### Andere financiële kosten

Bedrag van het disconto ten laste van de onderneming bij de verhandeling van vorderingen

#### Voorzieningen met financieel karakter

Toevoegingen

Bestedingen en terugnemingen

#### Uitsplitsing van de overige financiële kosten

Bankkosten

Diversen

Koersverschillen

Codes	Boekjaar	Vorig boekjaar
9125		
9126		
	2.222.170	2.573.060
	24.723	245.451
	25	67
6501		
6503		
6510		
6511		
653		
6560		
6561		
	58.886	28.782
	564	1
	51.670	330.819

Nr.	BE 0432.980.383	VOL 6.12
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**OPBRENGSTEN EN KOSTEN VAN UITZONDERLIJKE OMVANG OF UITZONDERLIJKE MATE VAN VOORKOMEN**

	Codes	Boekjaar	Vorig boekjaar
<b>NIET-RECURRENTE OPBRENGSTEN</b>	76		
<b>Niet-recurrente bedrijfsopbrengsten</b>	76A		
Terugneming van afschrijvingen en van waardeverminderingen op immateriële en materiële vaste activa	760		
Terugneming van voorzieningen voor uitzonderlijke bedrijfsrisico's en -kosten	7620		
Meerwaarden bij de realisatie van immateriële en materiële vaste activa	7630		
Andere niet-recurrente bedrijfsopbrengsten	764/8		
<b>Niet-recurrente financiële opbrengsten</b>	76B		
Terugneming van waardeverminderingen op financiële vaste activa	761		
Terugneming van voorzieningen voor uitzonderlijke financiële risico's en kosten	7621		
Meerwaarden bij de realisatie van financiële vaste activa	7631		
Andere niet-recurrente financiële opbrengsten	769		
<b>NIET-RECURRENTE KOSTEN</b>	66	<b>2.838.067</b>	<b>60.399.111</b>
<b>Niet-recurrente bedrijfskosten</b>	66A	<b>2.561.952</b>	
Niet-recurrente afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa	660		
Voorzieningen voor uitzonderlijke bedrijfsrisico's en -kosten: toevoegingen (bestedingen) (+)/(-)	6620	1.390.240	
Minderwaarden bij de realisatie van immateriële en materiële vaste activa	6630	741.467	
Andere niet-recurrente bedrijfskosten	664/7	430.245	
Als herstructureringskosten geactiveerde niet-recurrente bedrijfskosten (-)	6690		
<b>Niet-recurrente financiële kosten</b>	66B	<b>276.116</b>	<b>60.399.111</b>
Waardeverminderingen op financiële vaste activa	661		22.470.517
Voorzieningen voor uitzonderlijke financiële risico's en kosten: toevoegingen (bestedingen) (+)/(-)	6621		
Minderwaarden bij de realisatie van financiële vaste activa	6631	276.116	36.378.182
Andere niet-recurrente financiële kosten	668		1.550.412
Als herstructureringskosten geactiveerde niet-recurrente financiële kosten (-)	6691		

Nr.	BE 0432.980.383	VOL 6.13
-----	-----------------	----------

## BELASTINGEN EN TAKSEN

### BELASTINGEN OP HET RESULTAAT

#### Belastingen op het resultaat van het boekjaar

Verschuldigde of betaalde belastingen en voorheffingen  
Geactiveerde overschotten van betaalde belastingen en voorheffingen  
Geraamde belastingssupplementen

#### Belastingen op het resultaat van vorige boekjaren

Verschuldigde of betaalde belastingssupplementen  
Geraamde belastingssupplementen of belastingen waarvoor een voorziening werd gevormd

#### Belangrijkste oorzaken van de verschillen tussen de winst vóór belastingen, zoals die blijkt uit de jaarrekening, en de geraamde belastbare winst

Verworpen uitgaven  
Minderwaarde op participaties

Codes	Boekjaar
9134	5.539
9135	5.539
9136	
9137	
9138	
9139	
9140	
	1.275.548
	276.116

#### Invloed van de niet-recurrente resultaten op de belastingen op het resultaat van het boekjaar

Boekjaar

### Bronnen van belastinglatenties

Actieve latenties  
Gecumuleerde fiscale verliezen die aftrekbaar zijn van latere belastbare winsten  
Andere actieve latenties

Passieve latenties  
Uitsplitsing van de passieve latenties

Codes	Boekjaar
9141	19.720.250
9142	19.720.250
9144	

### BELASTING OP DE TOEGEVOEGDE WAARDE EN BELASTINGEN TEN LASTE VAN DERDEN

#### In rekening gebrachte belasting op de toegevoegde waarde

Aan de onderneming (aftrekbaar)  
Door de onderneming

#### Ingehouden bedragen ten laste van derden als

Bedrijfsvoorheffing  
Roerende voorheffing

Codes	Boekjaar	Vorig boekjaar
9145	18.735.639	21.071.063
9146	32.361.297	38.491.701
9147	4.064.342	4.324.331
9148	6	11

Nr.	BE 0432.980.383
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VOL 6.14
----------

# NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN

## DOOR DE ONDERNEMING GESTELDE OF ONHERROEPELIJK BELOOFDE PERSOONLIJKE ZEKERHEDEN ALS WAARBORG VOOR SCHULDEN OF VERPLICHTINGEN VAN DERDEN

### Waarvan

Door de onderneming geëndosseerde handelseffecten in omloop  
Door de onderneming getrokken of voor aval getekende handelseffecten  
Maximumbedrag ten belope waarvan andere verplichtingen van derden door de onderneming zijn gewaarborgd

### ZAKELIJKE ZEKERHEDEN

#### Zakelijke zekerheden die door de onderneming op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van de onderneming

Hypotheken  
Boekwaarde van de bezwaarde activa  
Bedrag van de inschrijving  
Pand op het handelsfonds - Bedrag van de inschrijving  
Pand op andere activa - Boekwaarde van de in pand gegeven activa  
Zekerheden op de nog te verwerven activa - Bedrag van de betrokken activa

#### Zakelijke zekerheden die door de onderneming op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van derden

Hypotheken  
Boekwaarde van de bezwaarde activa  
Bedrag van de inschrijving  
Pand op het handelsfonds - Bedrag van de inschrijving  
Pand op andere activa - Boekwaarde van de in pand gegeven activa  
Zekerheden op de nog te verwerven activa - Bedrag van de betrokken activa

#### GOEDEREN EN WAARDEN GEHOUDEN DOOR DERDEN IN HUN NAAM MAAR TEN BATE EN OP RISICO VAN DE ONDERNEMING, VOOR ZOVER DEZE GOEDEREN EN WAARDEN NIET IN DE BALANS ZIJN OPGENOMEN

#### BELANGRIJKE VERPLICHTINGEN TOT AANKOOP VAN VASTE ACTIVA

#### BELANGRIJKE VERPLICHTINGEN TOT VERKOOP VAN VASTE ACTIVA

#### TERMIJNVERRICHTINGEN

Gekochte (te ontvangen) goederen

Verkochte (te leveren) goederen

Gekochte (te ontvangen) deviezen

Verkochte (te leveren) deviezen

Codes	Boekjaar
9149	
9150	
9151	
9153	
9161	
9171	
9181	45.100.000
9191	
9201	
9162	
9172	
9182	
9192	
9202	
9213	
9214	
9215	
9216	

#### VERPLICHTINGEN VOORTVLOEIEND UIT DE TECHNISCHE WAARBORGEN VERBONDEN AAN REEDS GEPRESTEERDE VERKOPEN OF DIENSTEN

Boekjaar

#### BEDRAG, AARD EN VORM VAN BELANGRIJKE HANGENDE GESCHILLEN EN ANDERE BELANGRIJKE VERPLICHTINGEN

Boekjaar

Nr.	BE 0432.980.383	VOL 6.14
-----	-----------------	----------

Boekjaar

**REGELING INZAKE HET AANVULLEND RUST- OF OVERLEVINGSPENSIOEN TEN BEHOEVE VAN DE PERSONEELS- OF DIRECTIELEDEN**

**Beknopte beschrijving**

De onderneming heeft (een) aanvullend(e) rust- of overlevingspensioen(en) met vaste bijdrage voor haar werknemers met een vast arbeidscontract van onbepaalde duur. Het plan wordt beheerd door een externe verzekeringsmaatschappij. Bij wet zijn de gestorte bijdragendoor werkgever/werknemer onderworpen aan een minimum gewaarborgd rendement van 3,25%/3,75% op de reserves opgebouwd tot 31 december 2015 en 1,75% op de storting van 1 januari 2016. Het minimum rendement wordt gewaarborgd door de werkgever. Op basis van de beschikbare informatie, is de opgebouwde reserve toereikend om de verplichting van de werkgever af te dekken.

**Genomen maatregelen om de daaruit voortvloeiende kosten te dekken**

**PENSIOENEN DIE DOOR DE ONDERNEMING ZELF WORDEN GEDRAGEN**

**Geschat bedrag van de verplichtingen die voortvloeien uit reeds gepresteerd werk**

Basis en wijze waarop dit bedrag wordt berekend

Code	Boekjaar
9220	

**AARD EN FINANCIËLE GEVOLGEN VAN MATERIËLE GEBEURTENISSEN DIE ZICH NA BALANSDATUM HEBBEN VOORGEDAAN EN DIE NIET IN DE RESULTATENREKENING OF BALANS WORDEN WEERGEGEVEN**

Boekjaar

**AAN- OF VERKOOPVERBINTENISSEN DIE DE VENNOOTSCHAP ALS OPTIESCHRIJVER VAN CALL- EN PUTOPTIES HEEFT**

Boekjaar

**AARD, ZAKELIJK DOEL EN FINANCIËLE GEVOLGEN VAN BUITENBALANS REGELINGEN**

Mits de risico's of voordelen die uit dergelijke regelingen voortvloeien van enige betekenis zijn en voor zover de openbaarmaking van dergelijke risico's of voordelen noodzakelijk is voor de beoordeling van de financiële positie van de vennootschap

Boekjaar

**ANDERE NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN MET INBEGRIJ VAN DEZE DIE NIET KUNNEN WORDEN BECIJFERD**

Boekjaar

Nr.	BE 0432.980.383	VOL 6.15
-----	-----------------	----------

**BETREKKINGEN MET VERBONDEN ONDERNEMINGEN, GEASSOCIEERDE ONDERNEMINGEN EN DE ANDERE ONDERNEMINGEN WAARMEE EEN DEELNEMINGSVERHOUDING BESTAAT**

	Codes	Boekjaar	Vorig boekjaar
<b>VERBONDEN ONDERNEMINGEN</b>			
<b>Financiële vaste activa</b>	280/1		<b>30.987</b>
Deelnemingen	280		30.987
Achtergestelde vorderingen	9271		
Andere vorderingen	9281		
<b>Vorderingen</b>	9291	<b>1.909.244</b>	<b>1.870.098</b>
Op meer dan één jaar	9301		
Op hoogstens één jaar	9311	1.909.244	1.870.098
<b>Geldbeleggingen</b>	9321		
Aandelen	9331		
Vorderingen	9341		
<b>Schulden</b>	9351	<b>3.644.493</b>	<b>50.523.171</b>
Op meer dan één jaar	9361		14.872.491
Op hoogstens één jaar	9371	3.644.493	35.650.681
<b>Persoonlijke en zakelijke zekerheden</b>			
Door de onderneming gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van verbonden ondernemingen	9381		
Door verbonden ondernemingen gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van de onderneming	9391		
<b>Andere betekenisvolle financiële verplichtingen</b>	9401		
<b>Financiële resultaten</b>			
Opbrengsten uit financiële vaste activa	9421		
Opbrengsten uit vlottende activa	9431		271.940
Andere financiële opbrengsten	9441		
Kosten van schulden	9461	3.868.538	2.004.980
Andere financiële kosten	9471		
<b>Realisatie van vaste activa</b>			
Verwezenlijkte meerwaarden	9481		
Verwezenlijkte minderwaarden	9491		36.378.182
<b>GEASSOCIEERDE ONDERNEMINGEN</b>			
<b>Financiële vaste activa</b>	9253		
Deelnemingen	9263		
Achtergestelde vorderingen	9273		
Andere vorderingen	9283		
<b>Vorderingen</b>	9293		
Op meer dan één jaar	9303		
Op hoogstens één jaar	9313		
<b>Schulden</b>	9353		
Op meer dan één jaar	9363		
Op hoogstens één jaar	9373		
<b>Persoonlijke en zakelijke zekerheden</b>			
Door de onderneming gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van geassocieerde ondernemingen	9383		
Door geassocieerde ondernemingen gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van de onderneming	9393		
<b>Andere betekenisvolle financiële verplichtingen</b>	9403		
<b>ANDERE ONDERNEMINGEN WAARMEE EEN DEELNEMINGSVERHOUDING BESTAAT</b>			
<b>Financiële vaste activa</b>	9252		
Deelnemingen	9262		
Achtergestelde vorderingen	9272		
Andere vorderingen	9282		
<b>Vorderingen</b>	9292		
Op meer dan één jaar	9302		
Op hoogstens één jaar	9312		
<b>Schulden</b>	9352		
Op meer dan één jaar	9362		

Nr.	BE 0432.980.383	VOL 6.15
-----	-----------------	----------

Op hoogstens één jaar

Codes	Boekjaar	Vorig boekjaar
9372		

#### TRANSACTIES MET VERBONDEN PARTIJEN BUITEN NORMALE MARKTVOORWAARDEN

Vermelding van dergelijke transacties indien zij van enige betekenis zijn, met opgave van het bedrag van deze transacties, de aard van de betrekking met de verbonden partij, alsmede andere informatie over de transacties die nodig is voor het verkrijgen van inzicht in de financiële positie van de vennootschap

Bij gebrek aan wettelijke criteria die toelaten om transacties met verbonden partijen buiten de normale marktvoorwaarden te inventariseren, kon geen enkele informatie worden opgenomen.

Boekjaar
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Nr.	BE 0432.980.383	VOL 6.16
-----	-----------------	----------

## FINANCIËLE BETREKKINGEN MET

**BESTUURDERS EN ZAAKVOERDERS, NATUURLIJKE OF RECHTSPERSONEN DIE DE ONDERNEMING RECHTSTREEKS OF ONRECHTSTREEKS CONTROLEREN ZONDER VERBONDEN ONDERNEMINGEN TE ZIJN, OF ANDERE ONDERNEMINGEN DIE DOOR DEZE PERSONEN RECHTSTREEKS OF ONRECHTSTREEKS GECONTROLEERD WORDEN**

### **Uitstaande vorderingen op deze personen**

Voornaamste voorwaarden betreffende de vorderingen, interestvoet, looptijd, eventueel afgeloste of afgeschreven bedragen of bedragen waarvan werd afgezien

### **Waarborgen toegestaan in hun voordeel**

### **Andere betekenisvolle verplichtingen aangegaan in hun voordeel**

**Rechtstreekse en onrechtstreekse bezoldigingen en ten laste van de resultatenrekening toegekende pensioenen, voor zover deze vermelding niet uitsluitend of hoofdzakelijk betrekking heeft op de toestand van een enkel identificeerbaar persoon**

Aan bestuurders en zaakvoerders

Aan oud-bestuurders en oud-zaakvoerders

Codes	Boekjaar
9500	
9501	
9502	
9503	
9504	

## **DE COMMISSARIS(SEN) EN DE PERSONEN MET WIE HIJ (ZIJ) VERBONDEN IS (ZIJN)**

### **Bezoldiging van de commissaris(sen)**

**Bezoldiging voor uitzonderlijke werkzaamheden of bijzondere opdrachten uitgevoerd binnen de vennootschap door de commissaris(sen)**

Andere controleopdrachten

Belastingadviesopdrachten

Andere opdrachten buiten de revisorale opdrachten

**Bezoldiging voor uitzonderlijke werkzaamheden of bijzondere opdrachten uitgevoerd binnen de vennootschap door personen met wie de commissaris(sen) verbonden is (zijn)**

Andere controleopdrachten

Belastingadviesopdrachten

Andere opdrachten buiten de revisorale opdrachten

Codes	Boekjaar
9505	58.573
95061	44.560
95062	
95063	
95081	
95082	1.175
95083	

**Vermeldingen in toepassing van het artikel 133, paragraaf 6 van het Wetboek van vennootschappen**



Nr.	BE 0432.980.383	VOL 6.18.1
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## VERKLARING BETREFFENDE DE GECONSOLIDEERDE JAARREKENING

Inlichtingen te verstrekken door elke onderneming die onderworpen is aan de bepalingen van het Wetboek van vennootschappen inzake de geconsolideerde jaarrekening

**Inlichtingen die moeten worden verstrekt door de onderneming indien zij dochteronderneming of gemeenschappelijke dochteronderneming is**

Naam, volledig adres van de zetel en, zo het een onderneming naar Belgisch recht betreft, het ondernemingsnummer van de moederonderneming(en) en de aanduiding of deze moederonderneming(en) een geconsolideerde jaarrekening, waarin haar jaarrekening door consolidatie opgenomen is, opstelt (opstellen) en openbaar maakt (maken)\*:

FNG Group  
 Consoliderende moederonderneming - Grootste geheel  
 NL008184835B01  
 Oostweg 2  
 2723 RH Zoetermeer  
 NEDERLAND

Indien de moederonderneming(en) (een) onderneming(en) naar buitenlands recht is (zijn), de plaats waar de hiervoor bedoelde geconsolideerde jaarrekening verkrijgbaar is\*:

Zoetermeer  
 Oostweg 2  
 2723 RH Zoetermeer  
 NEDERLAND

---

\* Wordt de jaarrekening van de onderneming op verschillende niveaus geconsolideerd, dan worden deze gegevens verstrekt, enerzijds voor het grootste geheel en anderzijds voor het kleinste geheel van ondernemingen waarvan de vennootschap als dochter deel uitmaakt en waarvoor een geconsolideerde jaarrekening wordt opgesteld en openbaar gemaakt.

Nr.	BE 0432.980.383	VOL 6.19
-----	-----------------	----------

## Waarderingsregels

BRANTANO N.V.  
 -----  
 RPR Dendermonde 58.393  
 Ondernemingsnummerr BE 0432.980.383

### WAARDERINGSREGELS

#### Algemene beginselen

De waarderingsregels worden vastgesteld overeenkomstig de bepalingen van het KB van 30 januari 2001 tot uitvoering van het wetboek van vennootschappen en de wet op de boekhouding van de ondernemingen. De waarderingsregels werden ten opzichte van het vorig boekjaar gewijzigd als volgt :

1. De afwaarderingsmethodiek van traagterende voorraden werd, in de nieuwe economische context van het bedrijf, verfijnd op basis van statistische gegevens.
2. De aanschaffingswaarde van de voorraad op de balans houdt sinds 1 januari 2016 rekening met een aantal bijkomende kosten (invoerrechten, transportkosten aankoop).

De resultatenrekening wordt niet op belangrijke wijze beïnvloed door opbrengsten en kosten die aan een ander boekjaar moeten worden toegerekend.

De cijfers van de opeenvolgende boekjaren zijn niet vergelijkbaar wegens:

1. Voormelde wijziging in waarderingsregels.
2. Terugnname van de voorziening voor groot onderhoud en herstellingen in 2016.
3. Belangrijke niet-recurrente operationele kosten in 2016.

Per saldo hebben bovenvermelde 3 zaken een positieve impact van € 5.518.666,53 op boekjaar 2016.

#### Bijzondere waarderingsregels

##### 1.Oprichtingskosten en immateriele vaste activa

De oprichtingskosten worden lineair afgeschreven over een periode van 5 jaar. De kosten verbonden aan de overname van het handelsfonds van de nieuwe winkels en de concessierechten zijn opgenomen tegen hun waarde berekend op basis van de degressieve methode over een termijn van 10 jaar. De fusiegoodwill verbonden aan de overname van de N.V. Berca Lux wordt afgeschreven over een periode van 9 jaar rekening houdend met de duurtijd van de handelshuurovereenkomst.

##### 2.Materiële vaste activa

De materiële vaste activa worden gewaardeerd tegen hun aanschaffingswaarde. De bijkomende kosten worden geboekt ten laste van de resultatenrekening. De materiële vaste activa worden afgeschreven volgens het regime van de degressieve afschrijvingen. Krachtens het Koninklijk Besluit van 28 juni 1983, mogen de personenauto's, auto's voor dubbel gebruik en minibussen niet genieten van het regime van de degressieve afschrijvingen. Deze voertuigen zijn vanaf die tijd dan ook afgeschreven volgens de lineaire methode. Vanaf het boekjaar 1991 wordt er in de wettelijke jaarrekening lineair afgeschreven voor de vaste activa waarvan het gebruik aan derden is afgestaan door de belastingplichtige die de vaste activa afschrijft. Bij de afsluiting van de jaarrekeningen, werden de volgende afschrijvingspercentages toegepast :

	Degressief	Lineair
	-----	-----
- Gebouwen	5 %	--
- Inrichtingen	10 %	--
- Installaties & machines	20 %	--
- Personenwagens	--	20 %
- Meubilair	20 %	--

##### 3.Financiële vaste activa (aandelen)

De aandelen werden geboekt tegen hun aanschaffingsprijs. Zij worden elk jaar afzonderlijk gewaardeerd aan de hand van de boekhoudkundige netto vermogenswaarde van de aandelen, de vermoedelijke contractuele waarde bij verkoop of volgens de criteria die bij de aankoop van de aandelen werden aangewend wanneer de deelneming werd verkregen tegen een prijs die afwijkt van haar boekwaarde. Waardeverminderingen worden toegepast wanneer de geraamde waarde, berekend zoals hiervoor uiteengezet, lager uitvalt dan de boekwaarde en wanneer, naar de mening van de raad van bestuur, de waardevermindering van duurzame aard is, wat door de positie, de rentabiliteit en de vooruitzichten van de deelneming wordt verantwoord. De waardeverminderingen worden teruggenomen wanneer de geraamde waarde hoger is dan de boekwaarde die rekening hield met de waardevermindering en voor zover, naar de mening van de raad van bestuur, het verschil van duurzame aard is.

##### 4.Vorraden

De handelsgoederen worden gewaardeerd tegen de aanschaffingsprijs (FIFO), inclusief een aantal bijkomende kosten (invoerrechten, transportkosten aankoop). De waardeverminderingen worden als volgt toegepast :

- Tussen 0 en 6 maanden : afwaardering van 2,5 % op de aankoopwaarde;
- Tussen 6 en 12 maanden : afwaardering van 5 % op de aankoopwaarde;
- Tussen 12 en 18 maanden : afwaardering van 10 % op de aankoopwaarde;
- Tussen 18 en 36 maanden : afwaardering van 35 % op de aankoopwaarde;
- > 36 maanden : afwaardering van 50 % op de aankoopwaarde.

##### 5.Vorderingen

De vorderingen worden gewaardeerd tegen hun nominale waarde of hun aanschaffingsprijs. Waardeverminderingen worden toegepast indien de realisatiewaarde, naar de mening van de raad van bestuur, lager uitvalt dan de boekwaarde en wanneer de waardevermindering door de raad van bestuur van duurzame aard wordt beoordeeld.

##### 6.Liquide middelen en geldbeleggingen

De geldbeleggingen en liquide middelen worden gewaardeerd aan nominale waarde. Op geldbeleggingen worden waardeverminderingen toegepast wanneer de realisatiewaarde op datum van afsluiting lager is dan de aanschaffingswaarde.

##### 7.Voorzieningen

Bij de afsluiting van elk boekjaar stelt de raad van bestuur met voorzichtigheid, oprechtheid, en goede trouw, de voorzieningen vast.

##### 8.Schulden

Schulden worden opgenomen tegen hun nominale waarde.

##### 9.Overlopende rekeningen

Overlopende rekeningen omvatten pro-rata van kosten en opbrengsten die betrekking hebben op het verstrekken of het volgende boekjaar. Zij worden geboekt tegen hun nominale waarde.

##### 10.Vreemde valuta

Schulden, vorderingen en tegoeden worden op het einde van het boekjaar omgerekend aan de slotkoers. Wisselkoersverschillen en omrekeningsverschillen worden in de resultatenrekening opgenomen. Een positief omrekeningsverschil uit de herwaardering aan slotkoers wordt

Nr.	BE 0432.980.383	VOL 6.19
-----	-----------------	----------

overeenkomstig het voorzichtigheidsbeginsel op een overlopende passiefrekening geboekt.

11. VERANTWOORDING VAN DE TOEPASSING VAN DE WAARDERINGSREGELS IN DE VERONDERSTELLING VAN CONTINUÏTEIT (art. 96,6° W.Venn.)

Uit de balans per 31 december 2016 blijkt een overgedragen verlies, bijgevolg verantwoordt wij hierna waarom wij in de jaarrekening waarderingsregels toepassen in de veronderstelling van continuïteit van de onderneming. Om de continuïteit van de onderneming te kunnen waarborgen, zijn in 2016 de volgende stappen gezet:

Als gevolg van het faillissement van de toenmalige eigenaar van Brantano (Macintosh Retail Group) in december 2015 werd een nieuwe eigenaar gezocht en gevonden voor Brantano. Brantano werd op 29/1/2016 overgenomen door BrantNew BVBA, een overnamevehikel van de retailspecialisten Dieter Penninckx, Wouter Torfs en Rens Van De Schoor. Op 29 augustus 2016 werd BrantNew BVBA op haar beurt overgenomen door de Nederlandse beursgenoteerde retail groep FNG Groep NV (voorheen R&S Retail Groep genaamd). Per einde 2016 behoort Brantano aldus opnieuw tot een grote Benelux retail groep.

Het is dankzij deze overname dat Brantano haar eigen vermogen kon herstellen en toegang kreeg tot extra middelen om de nodige investeringen in winkels te doen zodat de rentabiliteit ook kan herstellen.

Het eigen vermogen werd in december 2016 versterkt dankzij de omzetting van leningen van BrantNew BVBA in kapitaal ten belope van 49.098.335,05 euro. Tegelijk werden de overgedragen verliezen gecompenseerd met de andere componenten van het eigen vermogen. Het eigen vermogen bedraagt eind 2016 aldus 16,2 mio euro, of 28,7% van het balanstotaal. Het eigen vermogen kan hierdoor terug als gezond worden beschouwd (eind 2015 was het eigen vermogen nog negatief ten belope van 29,0 mio).

Er werd daarnaast voor gezorgd dat Brantano toegang heeft tot een bankfinanciering van maximaal 35,5 miljoen euro ter financiering van werkkapitaalpieken doorheen het jaar en investeringen in remodeling. Om de rentabiliteit van Brantano te herstellen moet de winkelomgeving van alle winkels die voldoen aan minimale rentabiliteits- en locatie criteria, de komende jaren immers worden vernieuwd.

Voor de winkels die niet voldoen aan minimale rentabiliteits- en locatie criteria werd in 2016 gezocht naar een gepaste oplossing. De verkoop van 19 winkels aan Chaussea dient in deze optiek te worden gezien. Daarnaast werd ook duidelijk gesteld welke winkels dienen te worden gesloten en voor welke een alternatieve locatie wordt gezocht.

De vernieuwing van de winkelomgeving en de toevoeging van kledij moet de omzet per m² zwaar doen verhogen, wat de rentabiliteit terug op peil moet brengen. In het najaar van 2016 werd dit getest in 8 winkels, met positieve resultaten als gevolg. De verdere roll-out van het nieuwe concept is momenteel aan de gang.

Daarnaast wordt ook gewerkt om de brutomarge te verhogen. Dit zal verwezenlijkt worden door minder promotionele acties te voeren en meer te focussen op beleving in de winkel, maar ook door verdere focus op het 3D voetmeets concept en communicatie op maat van de klant (CRM).

Er zal ten slotte blijven gewerkt worden op een verlaging van de kostenstructuur.

Op basis van voormelde maatregelen inzake rentabiliteit, liquiditeit en solvabiliteit zijn wij als bestuurders van oordeel dat de liquiditeit van de vennootschap niet in gevaar is en dat bijgevolg de waarderingsregels van de vennootschap moeten worden toegepast onder de hypothese van continuïteit.

**BRANTANO**  
**Naamloze Vennootschap**  
**Kwadelapstraat 2**  
**9320 EREMBODEGEM**

**RPR Dendermonde 58.393**  
**Ondernemingsnummer BE 0432.980.383**

## **JAARVERSLAG**

Dames en Heren,

Hierbij heeft de Raad van Bestuur het genoegen, ingevolge de bepalingen van artikelen 95 en 96 van het Wetboek van Vennootschappen, U verslag uit te brengen over de activiteiten tijdens het boekjaar 2016 en de jaarrekening, afgesloten per 31 december 2016 aan uw goedkeuring voor te leggen.

Alle regels inzake de vennootschapswetgeving en boekhoudwetgeving werden hierbij in acht genomen.

### 1. JAARREKENING

<b>ACTIVA</b>		
Immateriële vaste activa	227.600,01	0,40%
Materiële vaste activa	11.876.167,68	20,98%
Financiële vaste activa	34.840,56	0,06%
Vorderingen op meer dan 1 jaar	100.000,00	0,18%
Voorraden en bestellingen in uitvoering	38.022.808,03	67,17%
Vorderingen op ten hoogste 1 jaar	3.701.491,73	6,54%
Liquide Middelen	1.715.881,01	3,03%
Overlopende rekeningen	931.797,57	1,64%
Totaal der activa	56.610.586,59	100,00%

<b>PASSIVA</b>		
Kapitaal	19.000.000,00	33,57%
Reserves	1.076.850,42	1,90%
Overgedragen winst/verlies	- 3.860.510,89	-6,82%
Voorzieningen en uitgestelde belastingen	4.683.021,97	8,27%
Schulden op meer dan 1 jaar	5.000,00	0,01%
Schulden op ten hoogste 1 jaar	34.499.034,75	60,94%
Overlopende rekeningen	1.207.190,34	2,13%
Totaal der passiva	56.610.586,59	100,00%

De belangrijkste actiefposten van Brantano zijn haar materiële vaste activa (inrichting van de winkels) ten belope van €11,9 miljoen en de voorraden (voornamelijk schoenen) ten belope van €38 miljoen. De belangrijkste passiefposten van het bedrijf zijn het eigen vermogen ten belope van €16,2 miljoen, en de korte termijn schulden ten belope van €34,5 miljoen (voornamelijk handelsschulden van €11,4 miljoen, personeelsschulden van €5,6 miljoen en een banklening van €17,5 miljoen).

<b>RESULTATENREKENING</b>	
Bedrijfsopbrengsten	123.298.913,55
Bedrijfskosten	-124.848.210,44
Bedrijfsresultaat	-1.549.296,89
Financieel resultaat	-2.316.505,30
Uitzonderlijk resultaat	
Onttrekking aan uitgestelde belastingen	
Belastingen	5.291,30
Onttrekking aan de belastingvrije reserve	
Te bestemmen verlies van het boekjaar	--3.860.510,89

Het bedrijfsresultaat is negatief in 2016 ingevolge de blijvende sterke concurrentie en het feit dat de nieuwe aandeelhouders in de loop van 2016 een meerjarig turn-around programma hebben opgestart waarvan de geplande positieve effecten slechts mettertijd zichtbaar zullen kunnen worden. Het financieel resultaat is negatief in 2016 wegens de interestlasten op schulden.

## 2. BELANGRIJKE GEBEURTENISSEN DIE NA HET EINDE VAN HET BOEKJAAR HEBBEN PLAATS GEVONDEN (art. 96, 2°W. Venn.)

Er hebben geen belangrijke gebeurtenissen na het einde van het boekjaar plaatsgevonden.

## 3. BELANGRIJKE GEBEURTENISSEN BUITEN BALANS

Er zijn geen belangrijke buiten balans verplichtingen.

## 4. EIGEN AANDELEN

De onderneming heeft geen eigen aandelen in bezit.

## 5. VERRICHTINGEN IN HET KADER VAN ARTIKEL 523 VAN HET WETBOEK VAN VENNOOTSCHAPPEN

Er zijn geen verrichtingen in het kader van artikel 523 van het wetboek van vennootschappen gebeurd.

## 6. WINSTVERDELING

Rekening houdend met hetgeen voorafgaat, stellen wij voor om het verlies van het boekjaar (€ 3.860.510,89) integraal over te dragen naar het volgende boekjaar.

## 7. BESCHRIJVING VAN BELANGRIJKE RISICO'S EN ONZEKERHEDEN (art. 96, 1°W. Venn.)

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Brantano is actief in de zeer competitieve schoenen retailmarkt. Het is daarom evident dat Brantano in het huidige economische klimaat de evolutie van het consumentenvertrouwen en de stijgende concurrentie van online verkopers sterk in de gaten blijft houden en de maatregelen zal treffen die nodig blijken.

Daarnaast is het als een bedrijf actief in de mode-sector duidelijk dat het meer modieuze deel van de voorraad, als gevolg van de snel wijzigende mode tendensen, steeds onderhevig is aan het risico om minder waard te worden.

Door de concurrentie is er druk op de verkoopprijzen en is het mogelijk dat de vennootschap haar verkoopprijzen moet doen dalen om competitief te blijven en om het marktaandeel stabiel te houden.

Wat betreft de risico's in verband met de financiële positie en resultaten van het bedrijf, verwijzen wij naar punt 12. hieronder.

#### 8. INLICHTINGEN OVER DE OMSTANDIGHEDEN DIE DE ONTWIKKELING VAN DE VENNOOTSCHAP AANMERKELIJK KUNNEN BEINVLOEDEN (art. 96, 3°W. Venn.)

Er zijn geen ontwikkelingen die de ontwikkeling van de vennootschap aanmerkelijk kunnen beïnvloeden.

#### 9. ONDERZOEK EN ONTWIKKELING (art. 96, 4°W. Venn.)

Gezien de aard van de onderneming worden er geen werkzaamheden doorgevoerd op gebied van onderzoek en ontwikkeling.

#### 10. FINANCIËLE INSTRUMENTEN

De voornaamste financiële instrumenten van de vennootschap zijn kortlopende bankleningen. De belangrijkste doelstelling van deze financiële instrumenten is het verschaffen van financiering voor de activiteiten van de onderneming (werkkapitaal + investeringen).

Daarnaast heeft de onderneming eveneens verschillende andere financiële activa en passiva zoals vorderingen en schulden, die rechtstreeks afkomstig zijn uit haar activiteiten. Het kredietrisico van de onderneming is beperkt gezien de meeste klanten aan de kassa betalen.

De vennootschap doet haar aankopen deels in landen die niet in de eurozone gelegen zijn. Dit is echter heel beperkt. Er wordt daardoor een beperkt wisselkoersrisico gelopen dat niet wordt ingedekt met financiële instrumenten.

#### 11. BESTAAN VAN BIJKANTOREN VAN DE VENNOOTSCHAP

De vennootschap heeft geen bijkantoren.

#### 12. VERANTWOORDING VAN DE TOEPASSING VAN DE WAARDERINGSREGELS IN DE VERONDERSTELLING VAN CONTINUÏTEIT (art. 96,6°W.Venn.)

Uit de balans per 31 december 2016 blijkt een overgedragen verlies, bijgevolg verantwoorden wij hierna waarom wij in de jaarrekening waarderingsregels toepassen in de veronderstelling van continuïteit van de onderneming.

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Om de continuïteit van de onderneming te kunnen waarborgen, zijn in 2016 de volgende stappen gezet :

Als gevolg van het faillissement van de toenmalige eigenaar van Brantano (Macintosh Retail Group) in december 2015 werd een nieuwe eigenaar gezocht en gevonden voor Brantano. Brantano werd op 29/1/2016 overgenomen door BrantNew BVBA, een overnamevehikel van de retailspecialisten Dieter Penninckx, Wouter Torfs en Rens Van De Schoor. Op 29 augustus 2016 werd BrantNew BVBA op haar beurt overgenomen door de Nederlandse beursgenoteerde retail groep FNG Groep NV (voorheen R&S Retail Groep genaamd). Per einde 2016 behoort Brantano aldus opnieuw tot een grote Benelux retail groep.

Het is dankzij deze overname dat Brantano haar eigen vermogen kon herstellen en toegang kreeg tot extra middelen om de nodige investeringen in winkels te doen zodat de rentabiliteit ook kan herstellen.

Het eigen vermogen werd in december 2016 versterkt dankzij de omzetting van leningen van BrantNew BVBA in kapitaal ten belope van 49.098.335,05 euro. Tegelijk werden de overgedragen verliezen gecompenseerd met de andere componenten van het eigen vermogen. Het eigen vermogen bedraagt eind 2016 aldus 16,2 mio euro, of 28,7% van het balanstotaal. Het eigen vermogen kan hierdoor terug als gezond worden beschouwd (eind 2015 was het eigen vermogen nog negatief ten belope van 29,0 mio).

Er werd daarnaast voor gezorgd dat Brantano toegang heeft tot een bankfinanciering van maximaal 35,5 miljoen euro ter financiering van werkkapitaalpieken doorheen het jaar en investeringen in remodeling. Om de rentabiliteit van Brantano te herstellen moet de winkelomgeving van alle winkels die voldoen aan minimale rentabiliteits- en locatie criteria, de komende jaren immers worden vernieuwd.

Voor de winkels die niet voldoen aan minimale rentabiliteits- en locatie criteria werd in 2016 gezocht naar een gepaste oplossing. De verkoop van 19 winkels aan Chaussea dient in deze optiek te worden gezien. Daarnaast werd ook duidelijk gesteld welke winkels dienen te worden gesloten en voor welke een alternatieve locatie wordt gezocht.

De vernieuwing van de winkelomgeving en de toevoeging van kledij moet de omzet per m<sup>2</sup> zwaar doen verhogen, wat de rentabiliteit terug op peil moet brengen. In het najaar van 2016 werd dit getest in 8 winkels, met positieve resultaten als gevolg. De verdere roll-out van het nieuwe concept is momenteel aan de gang.

Daarnaast wordt ook gewerkt om de brutomarge te verhogen. Dit zal verwezenlijkt worden door minder promotionele acties te voeren en meer te focussen op beleving in de winkel, maar ook door verdere focus op het 3D voetmeet concept en communicatie op maat van de klant (CRM).

Er zal ten slotte blijven gewerkt worden op een verlaging van de kostenstructuur.

Op basis van voormelde maatregelen inzake rentabiliteit, liquiditeit en solvabiliteit zijn wij als bestuurders van oordeel dat de liquiditeit van de vennootschap niet in gevaar is en dat bijgevolg de waarderingsregels van de vennootschap moeten worden toegepast onder de hypothese van continuïteit.

Wij vragen U de jaarrekening te willen goedkeuren en ons kwijting te verlenen voor het uitgeoefende mandaat gedurende het voorbije boekjaar.

Tot slot danken wij alle medewerkers, die zich in het voorbije boekjaar hebben ingezet voor de verdere ontwikkeling van de onderneming.

Erembodegem, .. maart 2017

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DE RAAD VAN BESTUUR

Nico Bondroit

Peter De Smedt

Roman & Stern BV  
Vertegenwoordigd door  
Rens van der Schoor



## Verslag van de commissaris aan de algemene vergadering van de vennootschap Brantano NV over het boekjaar afgesloten op 31 december 2016

Overeenkomstig de wettelijke en statutaire bepalingen, brengen wij u verslag uit in het kader van ons mandaat van commissaris. Dit verslag omvat ons oordeel over de balans op 31 december 2016, over de resultatenrekening van het boekjaar afgesloten op 31 december 2016 en over de toelichting (alle stukken gezamenlijk "de Jaarrekening") en omvat tevens ons verslag betreffende overige door wet- en regelgeving gestelde eisen.

### Verslag over de Jaarrekening - Oordeel zonder voorbehoud

Wij hebben de controle uitgevoerd van de Jaarrekening van Brantano NV ("de Vennootschap") over het boekjaar afgesloten op 31 december 2016, opgesteld op grond van het in België van toepassing zijnde boekhoudkundig referentiestelsel, met een balans totaal van € 56.610.586,59 en waarvan de resultatenrekening afsluit met een verlies van het boekjaar van € 3.860.510,89.

### Verantwoordelijkheid van het bestuursorgaan voor het opstellen van de Jaarrekening

Het bestuursorgaan is verantwoordelijk voor het opstellen van de Jaarrekening die een getrouw beeld geeft in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel. Deze verantwoordelijkheid omvat: het opzetten, implementeren en in stand houden van een interne controle met betrekking tot het opstellen en de getrouwe weergave van de Jaarrekening die geen afwijkingen van materieel belang als gevolg van fraude of het maken van fouten bevat; het kiezen en toepassen van geschikte waarderingsregels; en het maken van boekhoudkundige schattingen die onder de gegeven omstandigheden redelijk zijn.

### Verantwoordelijkheid van de commissaris

Het is onze verantwoordelijkheid een oordeel over deze Jaarrekening tot uitdrukking te brengen op basis van onze controle. Wij hebben onze controle volgens de internationale auditstandaarden ("International Standards on Auditing" - "ISA's") zoals deze in België werden aangenomen uitgevoerd. Die standaarden vereisen dat wij aan de deontologische vereisten voldoen alsook de controle plannen en uitvoeren teneinde een redelijke mate van zekerheid te verkrijgen dat de Jaarrekening geen afwijkingen van materieel belang bevat.

Een controle omvat werkzaamheden ter verkrijging van controle-informatie over de in de Jaarrekening opgenomen bedragen en toelichtingen. De geselecteerde werkzaamheden zijn afhankelijk van de beoordeling door de commissaris, met inbegrip van diens inschatting van de risico's van een afwijking van materieel belang in de Jaarrekening als gevolg van fraude of van fouten.



**Verslag van de commissaris van 14 juni 2017 over de Jaarrekening  
van Brantano NV over het boekjaar  
afgesloten op 31 december 2016 (vervolg)**

Bij het maken van die risico-inschatting neemt de commissaris de bestaande interne controle van de Vennootschap in aanmerking die relevant is voor het opstellen door de Vennootschap van de Jaarrekening die een getrouw beeld geeft, ten einde controlewerkzaamheden op te zetten die in de gegeven omstandigheden geschikt zijn, maar die niet gericht zijn op het geven van een oordeel over de effectiviteit van de bestaande interne controle van de Vennootschap. Een controle omvat tevens een evaluatie van de geschiktheid van de gehanteerde waarderingsregels en van de redelijkheid van de door het bestuursorgaan gemaakte schattingen, alsmede een evaluatie van de presentatie van de Jaarrekening als geheel.

Wij hebben van het bestuursorgaan en van de aangestelden van de Vennootschap de voor onze controle vereiste ophelderingen en inlichtingen verkregen en wij zijn van mening dat de door ons verkregen controle-informatie voldoende en geschikt is om daarop ons oordeel te baseren.

*Conclue zonder voorbehoud*

Naar ons oordeel geeft de Jaarrekening een getrouw beeld van het vermogen en van de financiële toestand van de Vennootschap per 31 december 2016, alsook van haar resultaten over het boekjaar dat op die datum is afgesloten, in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel.

**Verslag betreffende overige door wet- en regelgeving gestelde eisen**

Het bestuursorgaan is verantwoordelijk voor het opstellen en de inhoud van het jaarverslag over de Jaarrekening, in overeenstemming met artikel 96 van het Wetboek van vennootschappen ("W. Venn"), het naleven van de wettelijke en bestuursrechtelijke voorschriften die van toepassing zijn op het voeren van de boekhouding, alsook voor het naleven van het W. Venn en van de statuten van de Vennootschap.

In het kader van ons mandaat en overeenkomstig de Belgische bijkomende norm bij de in België van toepassing zijnde ISA's, is het onze verantwoordelijkheid om, in alle van materieel belang zijnde opzichten, de naleving van bepaalde wettelijke en reglementaire verplichtingen na te gaan. Op grond hiervan, doen wij de volgende bijkomende verklaringen die niet van aard zijn om de draagwijdte van ons oordeel over de Jaarrekening te wijzigen:

- Het jaarverslag over de Jaarrekening opgesteld overeenkomstig de artikelen 95 en 96 van het W. Venn en naar te leggen overeenkomstig artikel 100 van het W. Venn, behandelt, zowel qua vorm als qua inhoud, de door de wet vereiste inlichtingen, stemt overeen met de Jaarrekening en bevat geen van materieel belang zijnde inconsistenties ten aanzien van de informatie waarover wij beschikken in het kader van onze opdracht.
- De sociale balans, naar te leggen overeenkomstig artikel 100 van het W. Venn, behandelt, zowel qua vorm als qua inhoud, de door de wet vereiste inlichtingen, en bevat geen van materieel belang zijnde inconsistenties op basis van de informatie waarover wij beschikken in ons controledossier.
- Onverminderd formele aspecten van ondergeschikt belang, werd de boekhouding gevoerd overeenkomstig de in België van toepassing zijnde wettelijke en bestuursrechtelijke voorschriften.





Verslag van de commissaris van 14 juni 2017 over de Jaarrekening  
van Branlens NV over het boekjaar  
afgesloten op 31 december 2016 (vervolg)

- De resultaatverwerking, die aan de algemene vergadering wordt voorgesteld, stemt overeen met de wettelijke en statutaire bepalingen.
- Wij dienen u geen verrichtingen of beslissingen mede te delen die in overtreding met de statuten of het Wetboek van vennootschappen zijn gedaan of genomen behalve dat de jaarrekening en het jaarverslag ons niet werden overgemaakt binnen de wettelijk verplichte termijnen waardoor de wettelijk verplichte termijnen inzake de terbeschikkingstelling van de jaarrekening, het jaarverslag en het commissarisverslag aan de algemene vergadering niet gerespecteerd konden worden.

Gent, 14 juni 2017

Ernst & Young Bedrijfsrevisoren BCvBA  
Commissaris  
vertegenwoordigd door

Marnix Van Dooren  
Vennoot\*  
\* Handtend in naam van een EVBA

Ref.: 17MVS0120

Nr.	BE 0432.980.383	VOL 10
-----	-----------------	--------

## SOCIALE BALANS

Nummers van de paritaire comités die voor de onderneming bevoegd zijn: 311

### Staat van de tewerkgestelde personen

Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister

Tijdens het boekjaar	Codes	Totaal	1. Mannen	2. Vrouwen
<b>Gemiddeld aantal werknemers</b>				
Voltijds	1001	425,2	78,4	346,8
Deeltijds	1002	557	39,1	517,9
Totaal in voltijdse equivalenten (VTE)	1003	825,4	105,1	720,3
<b>Aantal daadwerkelijk gepresteerde uren</b>				
Voltijds	1011	609.311	120.441	488.870
Deeltijds	1012	568.757	39.141	529.616
Totaal	1013	1.178.068	159.582	1.018.486
<b>Personeelskosten</b>				
Voltijds	1021	13.441.622	2.478.418	10.963.204
Deeltijds	1022	17.608.146	1.236.048	16.372.098
Totaal	1023	31.049.768	3.714.466	27.335.302
<b>Bedrag van de voordelen bovenop het loon</b>	1033	756.351	101.171	655.180

Tijdens het vorige boekjaar	Codes	P. Totaal	1P. Mannen	2P. Vrouwen
Gemiddeld aantal werknemers in VTE	1003	887,6	113,6	774
Aantal daadwerkelijk gepresteerde uren	1013	1.247.231	171.104	1.076.127
Personeelskosten	1023	32.534.332	3.949.236	28.585.096
Bedrag van de voordelen bovenop het loon	1033	552.449	73.919	478.530

Nr.	BE 0432.980.383	VOL 10
-----	-----------------	--------

**Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister (vervolg)**

Op de afsluitingsdatum van het boekjaar	Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
<b>Aantal werknemers</b>	105	391	502	756,1
<b>Volgens de aard van de arbeidsovereenkomst</b>				
Overeenkomst voor een onbepaalde tijd	110	378	471	723,7
Overeenkomst voor een bepaalde tijd	111	5	7	7,6
Overeenkomst voor een duidelijk omschreven werk	112			
Vervangingsovereenkomst	113	8	24	24,8
<b>Volgens het geslacht en het studieniveau</b>				
Mannen	120	72	35	97,3
lager onderwijs	1200	1	3	2,9
secundair onderwijs	1201	49	27	68,5
hoger niet-universitair onderwijs	1202	19	3	21,3
universitair onderwijs	1203	3	2	4,6
Vrouwen	121	319	467	658,8
lager onderwijs	1210	3	9	9,7
secundair onderwijs	1211	251	409	547,9
hoger niet-universitair onderwijs	1212	50	47	84,7
universitair onderwijs	1213	15	2	16,5
<b>Volgens de beroepscategorie</b>				
Directiepersoneel	130			
Bedienden	134	370	477	716,5
Arbeiders	132	18	16	29,8
Andere	133	3	9	9,8

**Uitzendkrachten en ter beschikking van de onderneming gestelde personen**

Tijdens het boekjaar	Codes	1. Uitzendkrachten	2. Ter beschikking van de onderneming gestelde personen
Gemiddeld aantal tewerkgestelde personen	150	9,7	
Aantal daadwerkelijk gepresteerde uren	151	18.790	
Kosten voor de onderneming	152	475.150	

Nr.	BE 0432.980.383	VOL 10
-----	-----------------	--------

**Tabel van het personeelsverloop tijdens het boekjaar**

**Ingetreden**

**Aantal werknemers waarvoor de onderneming tijdens het boekjaar een DIMONA-verklaring heeft ingediend of die tijdens het boekjaar werden ingeschreven in het algemeen personeelsregister**

**Volgens de aard van de arbeidsovereenkomst**

- Overeenkomst voor een onbepaalde tijd
- Overeenkomst voor een bepaalde tijd
- Overeenkomst voor een duidelijk omschreven werk
- Vervangingsovereenkomst

Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
205	267	488	488,6
210	37	72	89,7
211	222	387	369,6
212			
213	8	29	29,3

**Uitgetreden**

**Aantal werknemers met een in de DIMONA-verklaring aangegeven of een in het algemeen personeelsregister opgetekende datum waarop hun overeenkomst tijdens het boekjaar een einde nam**

**Volgens de aard van de arbeidsovereenkomst**

- Overeenkomst voor een onbepaalde tijd
- Overeenkomst voor een bepaalde tijd
- Overeenkomst voor een duidelijk omschreven werk
- Vervangingsovereenkomst

**Volgens de reden van beëindiging van de overeenkomst**

- Pensioen
- Werkloosheid met bedrijfstoelag
- Afdanking
- Andere reden
- Waarvan: het aantal werknemers dat als zelfstandige ten minste op halftijdse basis diensten blijft verlenen aan de onderneming

Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
305	325	563	598,7
310	83	143	188,3
311	237	393	386,4
312			
313	5	27	24
340	1		1
341		1	0,9
342	36	66	84,7
343	288	496	512,1
350			

Nr.	BE 0432.980.383	VOL 10
-----	-----------------	--------

**Inlichtingen over de opleidingen voor de werknemers tijdens het boekjaar**

	Codes	Mannen	Codes	Vrouwen
<b>Totaal van de formele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5801	109	5811	608
Aantal gevolgde opleidingsuren	5802	2.782	5812	10.745
Nettokosten voor de onderneming	5803	128.528	5813	317.774
waarvan brutokosten rechtstreeks verbonden met de opleiding	58031	126.733	58131	308.659
waarvan betaalde bijdragen en stortingen aan collectieve fondsen	58032	1.794	58132	9.115
waarvan ontvangen tegemoetkomingen (in mindering)	58033		58133	
<b>Totaal van de minder formele en informele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5821	17	5831	148
Aantal gevolgde opleidingsuren	5822	1.400	5832	9.423
Nettokosten voor de onderneming	5823	36.226	5833	243.659
<b>Totaal van de initiële beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5841	2	5851	1
Aantal gevolgde opleidingsuren	5842	1.002	5852	248
Nettokosten voor de onderneming	5843	10.359	5853	3.472

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**I. AUDITED STATUTORY FINANCIAL STATEMENTS OF BRANTANO NV FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 AND THE AUDITOR'S REPORT**

40	08/06/2016	BE 0432.980.383	46	EUR		
NAT.	Datum neerlegging	Nr.	Blz.	D.	16165.00245	VOL 1.1

**JAARREKENING IN EURO**

Naam: **BRANTANO**

Rechtsvorm: Naamloze vennootschap

Adres: KWADELAPSTRAAT

Nr: 2

Bus:

Postnummer: 9320

Gemeente: Erembodegem

Land: België

Rechtspersonenregister (RPR) - Rechtbank van Koophandel van

Gent, afdeling Dendermonde

Internetadres:

Ondernemingsnummer

BE 0432.980.383

Datum van de neerlegging van de oprichtingsakte OF van het recentste stuk dat de datum van bekendmaking van de oprichtingsakte en van de akte tot statutenwijziging vermeldt.

12-01-2015

Jaarrekening goedgekeurd door de algemene vergadering van

11-05-2016

met betrekking tot het boekjaar dat de periode dekt van

01-01-2015

tot

31-12-2015

Vorig boekjaar van

01-01-2014

tot

31-12-2014

De bedragen van het vorige boekjaar zijn identiek met die welke eerder openbaar werden gemaakt.

Zijn gevoegd bij deze jaarrekening:

Nummers van de secties van het standaardmodel die niet werden neergelegd omdat ze niet dienstig zijn:

VOL 5.1, VOL 5.2.1, VOL 5.2.4, VOL 5.3.4, VOL 5.3.6, VOL 5.4.2, VOL 5.5.2, VOL 5.16, VOL 5.17.2

VOLLEDIGE LIJST met naam, voornamen, beroep, woonplaats (adres, nummer, postnummer en gemeente) en functie in de onderneming, van de BESTUURDERS, ZAAKVOERDERS EN COMMISSARISSEN

**VAN WEYENBERGH** Stefaan

Kapittelstraat 77  
9310 Moorsel  
BELGIË

Begin van het mandaat: 08-05-2013

Einde van het mandaat: 01-03-2016

Bestuurder

**BONDROIT** Nico

Roskamstraat 7/B  
9820 Merelbeke  
BELGIË

Begin van het mandaat: 08-05-2013

Einde van het mandaat: 08-05-2019

Bestuurder

**STAELENS** Kurt

August de Feijterstraat 55  
1740 Ternat

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BELGIË

Begin van het mandaat: 01-08-2014

Einde van het mandaat: 29-02-2016

Gedelegeerd bestuurder

**DE SMEDT Peter**

Mechelsebaan 272

2570 Duffel

BELGIË

Begin van het mandaat: 01-08-2014

Einde van het mandaat: 08-05-2019

Bestuurder

**ERNST & YOUNG BEDRIJFSREVISOREN BCVBA (B160)**

BE 0446.334.711

Moutstraat 54

9000 Gent

BELGIË

Begin van het mandaat: 13-05-2015

Einde van het mandaat: 09-05-2018

Commissaris

Direct of indirect vertegenwoordigd door:

**VAN DOOREN Marnix**

Bedrijfsrevisor

Moutstraat 54

9000 Gent

BELGIË

Nr.	BE 0432.980.383	VOL 1.2
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## VERKLARING BETREFFENDE EEN AANVULLENDE OPDRACHT VOOR NAZICHT OF CORRECTIE

Het bestuursorgaan verklaart dat geen enkele opdracht voor nazicht of correctie werd gegeven aan iemand die daar wettelijk niet toe gemachtigd is met toepassing van de artikelen 34 en 37 van de wet van 22 april 1999 betreffende de boekhoudkundige en fiscale beroepen.

De jaarrekening werd niet geverifieerd of gecorrigeerd door een externe accountant of door een bedrijfsrevisor die niet de commissaris is.

In bevestigend geval, moeten hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke externe accountant of bedrijfsrevisor en zijn lidmaatschapsnummer bij zijn Instituut, evenals de aard van zijn opdracht:

- A. Het voeren van de boekhouding van de onderneming\*,
- B. Het opstellen van de jaarrekening\*,
- C. Het verifiëren van de jaarrekening en/of
- D. Het corrigeren van de jaarrekening.

Indien taken bedoeld onder A. of onder B. uitgevoerd zijn door erkende boekhouders of door erkende boekhouders-fiscalisten, kunnen hierna worden vermeld: naam, voornamen, beroep en woonplaats van elke erkende boekhouder of erkende boekhouder-fiscalist en zijn lidmaatschapsnummer bij het Beroepsinstituut van erkende Boekhouders en Fiscalisten, evenals de aard van zijn opdracht.

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\* Facultatieve vermelding.

**BALANS NA WINSTVERDELING**

	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>ACTIVA</b>				
<b>VASTE ACTIVA</b>		20/28	<b><u>9.052.118</u></b>	<b><u>61.373.708</u></b>
<b>Oprichtingskosten</b>	5.1	20		
<b>Immateriële vaste activa</b>	5.2	21	<b>191.717</b>	<b>327.178</b>
<b>Materiële vaste activa</b>	5.3	22/27	<b>8.783.859</b>	<b>10.632.398</b>
Terreinen en gebouwen		22	199.497	221.185
Installaties, machines en uitrusting		23	2.327.255	3.306.336
Meubilair en rollend materieel		24	142.819	212.963
Leasing en soortgelijke rechten		25		
Overige materiële vaste activa		26	6.114.288	6.891.914
Activa in aanbouw en vooruitbetalingen		27		
<b>Financiële vaste activa</b>	5.4/5.5.1	28	<b>76.542</b>	<b>50.414.133</b>
Verbonden ondernemingen	5.14	280/1	30.987	50.379.650
Deelnemingen		280	30.987	50.379.650
Vorderingen		281		
Ondernemingen waarmee een deelnemingsverhouding bestaat	5.14	282/3		
Deelnemingen		282		
Vorderingen		283		
Andere financiële vaste activa		284/8	45.555	34.482
Aandelen		284		
Vorderingen en borgtochten in contanten		285/8	45.555	34.482
<b>VLOTTENDE ACTIVA</b>		29/58	<b><u>38.922.106</u></b>	<b><u>51.712.094</u></b>
<b>Vorderingen op meer dan één jaar</b>		29	<b>100.000</b>	<b>4.694.863</b>
Handelsvorderingen		290		
Overige vorderingen		291	100.000	4.694.863
<b>Voorraden en bestellingen in uitvoering</b>		3	<b>34.228.595</b>	<b>37.714.942</b>
Vorraden		30/36	34.228.595	37.714.942
Grond- en hulpstoffen		30/31		
Goederen in bewerking		32		
Gereed product		33		
Handelsgoederen		34	34.076.029	37.515.492
Onroerende goederen bestemd voor verkoop		35		
Vooruitbetalingen		36	152.565	199.450
Bestellingen in uitvoering		37		
<b>Vorderingen op ten hoogste één jaar</b>		40/41	<b>3.147.256</b>	<b>8.085.689</b>
Handelsvorderingen		40	3.145.655	3.985.036
Overige vorderingen		41	1.602	4.100.653
<b>Geldbeleggingen</b>	5.5.1/5.6	50/53		
Eigen aandelen		50		
Overige beleggingen		51/53		
<b>Liquide middelen</b>		54/58	<b>674.474</b>	<b>725.792</b>
<b>Overlopende rekeningen</b>	5.6	490/1	<b>771.781</b>	<b>490.809</b>
<b>TOTAAL VAN DE ACTIVA</b>		20/58	<b>47.974.224</b>	<b>113.085.802</b>

Nr.	BE 0432.980.383	VOL 2.2
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	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>PASSIVA</b>				
<b>EIGEN VERMOGEN</b>		10/15	<b>-29.021.485</b>	<b>36.703.581</b>
<b>Kapitaal</b>	5.7	10	<b>145.977.524</b>	<b>145.977.524</b>
Geplaatst kapitaal		100	145.977.524	145.977.524
Niet-opgevraagd kapitaal		101		
<b>Uitgiftepremies</b>		11		
<b>Herwaarderingsmeerwaarden</b>		12		
<b>Reserves</b>		13	<b>34.208.170</b>	<b>34.208.170</b>
Wettelijke reserve		130	389.526	389.526
Onbeschikbare reserves		131		
Voor eigen aandelen		1310		
Andere		1311		
Belastingvrije reserves		132		
Beschikbare reserves		133	33.818.644	33.818.644
<b>Overgedragen winst (verlies) (+)/(-)</b>		14	<b>-209.207.179</b>	<b>-143.482.113</b>
<b>Kapitaalsubsidies</b>		15		
<b>Voorschot aan de vennoten op de verdeling van het netto-actief</b>		19		
<b>VOORZIENINGEN EN UITGESTELDE BELASTINGEN</b>		16	<b>5.775.611</b>	<b>6.864.830</b>
<b>Voorzieningen voor risico's en kosten</b>		160/5	<b>5.775.611</b>	<b>6.864.830</b>
Pensioenen en soortgelijke verplichtingen		160	130.406	131.356
Belastingen		161		
Grote herstellings- en onderhoudswerken		162	1.919.931	1.975.279
Overige risico's en kosten	5.8	163/5	3.725.274	4.758.194
<b>Uitgestelde belastingen</b>		168		
<b>SCHULDEN</b>		17/49	<b>71.220.098</b>	<b>69.517.391</b>
<b>Schulden op meer dan één jaar</b>	5.9	17	<b>14.879.991</b>	<b>14.989.465</b>
Financiële schulden		170/4	13.832.093	13.832.093
Achtergestelde leningen		170		
Niet-achtergestelde obligatieleningen		171		
Leasingschulden en soortgelijke schulden		172		
Kredietinstellingen		173		
Overige leningen		174	13.832.093	13.832.093
Handelsschulden		175		
Leveranciers		1750		
Te betalen wissels		1751		
Ontvangen vooruitbetalingen op bestellingen		176		
Overige schulden		178/9	1.047.898	1.157.373
<b>Schulden op ten hoogste één jaar</b>		42/48	<b>54.974.833</b>	<b>51.872.694</b>
Schulden op meer dan één jaar die binnen het jaar vervallen	5.9	42		
Financiële schulden		43	0	0
Kredietinstellingen		430/8	0	0
Overige leningen		439		
Handelsschulden		44	12.297.746	15.333.863
Leveranciers		440/4	12.297.746	15.333.863
Te betalen wissels		441		
Ontvangen vooruitbetalingen op bestellingen		46		
Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten	5.9	45	7.015.250	6.706.993
Belastingen		450/3	808.073	849.421
Bezoldigingen en sociale lasten		454/9	6.207.177	5.857.572
Overige schulden		47/48	35.661.836	29.831.838
<b>Overlopende rekeningen</b>	5.9	492/3	<b>1.365.275</b>	<b>2.655.232</b>
<b>TOTAAL VAN DE PASSIVA</b>		10/49	<b>47.974.224</b>	<b>113.085.802</b>

Nr.	BE 0432.980.383	VOL 3
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## RESULTATENREKENING

	Toel.	Codes	Boekjaar	Vorig boekjaar
<b>Bedrijfsopbrengsten</b>		70/74	<b>137.912.425</b>	<b>138.565.996</b>
Omzet	5.10	70	135.754.402	136.533.230
Voorraad goederen in bewerking en gereed product en bestellingen in uitvoering: toename (afname) (+)/(-)		71		
Geproduceerde vaste activa		72		
Andere bedrijfsopbrengsten	5.10	74	2.158.023	2.032.766
<b>Bedrijfskosten</b>		60/64	<b>143.958.381</b>	<b>141.660.181</b>
Handelsgoederen, grond- en hulpstoffen		60	78.237.785	74.344.676
Aankopen		600/8	74.798.323	80.566.687
Voorraad: afname (toename) (+)/(-)		609	3.439.462	-6.222.011
Diensten en diverse goederen		61	29.912.346	30.660.113
Bezoldigingen, sociale lasten en pensioenen (+)/(-)	5.10	62	32.534.332	31.928.811
Afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa		630	3.903.857	3.566.124
Waardeverminderingen op voorraden, op bestellingen in uitvoering en op handelsvorderingen: toevoegingen (terugnemingen) (+)/(-)		631/4		287.014
Voorzieningen voor risico's en kosten: toevoegingen (bestedingen en terugnemingen) (+)/(-)	5.10	635/7	-957.149	118.917
Andere bedrijfskosten	5.10	640/8	327.209	754.525
Als herstructureringskosten geactiveerde bedrijfskosten (-)		649		
<b>Bedrijfswinst (Bedrijfsverlies) (+)/(-)</b>		9901	<b>-6.045.956</b>	<b>-3.094.184</b>
<b>Financiële opbrengsten</b>		75	<b>3.090.519</b>	<b>4.647.706</b>
Opbrengsten uit financiële vaste activa		750		1.167.883
Opbrengsten uit vlottende activa		751	271.940	512.042
Andere financiële opbrengsten	5.11	752/9	2.818.579	2.967.781
<b>Financiële kosten</b>	5.11	65	<b>2.365.612</b>	<b>6.278.171</b>
Kosten van schulden		650	2.006.010	6.255.504
Waardeverminderingen op vlottende activa andere dan voorraden, bestellingen in uitvoering en handelsvorderingen: toevoegingen (terugnemingen) (+)/(-)		651		
Andere financiële kosten		652/9	359.602	22.668
<b>Winst (Verlies) uit de gewone bedrijfsuitoefening vóór belasting (+)/(-)</b>		9902	<b>-5.321.048</b>	<b>-4.724.650</b>
<b>Uitzonderlijke opbrengsten</b>		76		
Terugneming van afschrijvingen en van waardeverminderingen op immateriële en materiële vaste activa		760		
Terugneming van waardeverminderingen op financiële vaste activa		761		
Terugneming van voorzieningen voor uitzonderlijke risico's en kosten		762		
Meerwaarden bij de realisatie van vaste activa		763		
Andere uitzonderlijke opbrengsten	5.11	764/9		
<b>Uitzonderlijke kosten</b>		66	<b>60.399.111</b>	<b>138.764.076</b>
Uitzonderlijke afschrijvingen en waardeverminderingen op oprichtingskosten, op immateriële en materiële vaste activa		660		
Waardeverminderingen op financiële vaste activa		661	22.470.517	131.674.423
Voorzieningen voor uitzonderlijke risico's en kosten: toevoegingen (bestedingen) (+)/(-)		662		
Minderwaarden bij de realisatie van vaste activa		663	36.378.182	
Andere uitzonderlijke kosten	5.11	664/8	1.550.412	7.089.653
Als herstructureringskosten geactiveerde uitzonderlijke kosten (-)		669		
<b>Winst (Verlies) van het boekjaar vóór belasting (+)/(-)</b>		9903	<b>-65.720.160</b>	<b>-143.488.725</b>
<b>Onttrekking aan de uitgestelde belastingen</b>		780		
<b>Overboeking naar de uitgestelde belastingen</b>		680		

Nr.	BE 0432.980.383				VOL 3
		Toel.	Codes	Boekjaar	Vorig boekjaar
<b>Belastingen op het resultaat</b>	<b>(+)/(-)</b>	5.12	67/77	<b>4.906</b>	<b>-6.612</b>
Belastingen			670/3	16.496	17.406
Regularisering van belastingen en terugnemning van voorzieningen voor belastingen			77	11.590	24.018
<b>Winst (Verlies) van het boekjaar</b>	<b>(+)/(-)</b>		9904	<b>-65.725.066</b>	<b>-143.482.113</b>
<b>Onttrekking aan de belastingvrije reserves</b>			789		
<b>Overboeking naar de belastingvrije reserves</b>			689		
<b>Te bestemmen winst (verlies) van het boekjaar (+)/(-)</b>			9905	<b>-65.725.066</b>	<b>-143.482.113</b>

Nr.	BE 0432.980.383	VOL 4
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## RESULTAATVERWERKING

		Codes	Boekjaar	Vorig boekjaar
<b>Te bestemmen winst (verlies)</b>	<b>(+)/(-)</b>	9906	<b>-209.207.179</b>	<b>-143.482.113</b>
Te bestemmen winst (verlies) van het boekjaar	(+)/(-)	9905	-65.725.066	-143.482.113
Overgedragen winst (verlies) van het vorige boekjaar	(+)/(-)	14P	-143.482.113	
<b>Onttrekking aan het eigen vermogen</b>		791/2		
aan het kapitaal en aan de uitgiftepremies		791		
aan de reserves		792		
<b>Toevoeging aan het eigen vermogen</b>		691/2		
aan het kapitaal en aan de uitgiftepremies		691		
aan de wettelijke reserve		6920		
aan de overige reserves		6921		
<b>Over te dragen winst (verlies)</b>	<b>(+)/(-)</b>	14	<b>-209.207.179</b>	<b>-143.482.113</b>
<b>Tussenkost van de vennoten in het verlies</b>		794		
<b>Uit te keren winst</b>		694/6		
Vergoeding van het kapitaal		694		
Bestuurders of zaakvoerders		695		
Andere rechthebbenden		696		



Nr.	BE 0432.980.383	VOL 5.2.2
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**TOELICHTING**  
**STAAT VAN DE IMMATERIËLE VASTE ACTIVA**

	Codes	Boekjaar	Vorig boekjaar
<b>CONCESSIES, OCTROOIEN, LICENTIES, KNOWHOW, MERKEN EN SOORTGELIJKE RECHTEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8052P	XXXXXXXXXX	558.509
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8022		
Overdrachten en buitengebruikstellingen	8032		
Overboekingen van een post naar een andere (+)/(-)	8042		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8052	558.509	
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8122P	XXXXXXXXXX	231.332
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8072	135.460	
Teruggenomen	8082		
Verworven van derden	8092		
Afgeboekt na overdrachten en buitengebruikstellingen	8102		
Overgeboekt van een post naar een andere (+)/(-)	8112		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8122	366.792	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	211	191.717	

Nr.	BE 0432.980.383	VOL 5.2.3
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	Codes	Boekjaar	Vorig boekjaar
<b>GOODWILL</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8053P	XXXXXXXXXX	2.790.347
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8023		
Overdrachten en buitengebruikstellingen	8033		
Overboekingen van een post naar een andere (+)/(-)	8043		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8053	2.790.347	
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8123P	XXXXXXXXXX	2.790.347
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8073		
Teruggenomen	8083		
Verworven van derden	8093		
Afgeboekt na overdrachten en buitengebruikstellingen	8103		
Overgeboekt van een post naar een andere (+)/(-)	8113		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8123	2.790.347	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	212		

Nr.	BE 0432.980.383	VOL 5.3.1
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# STAAT VAN DE MATERIËLE VASTE ACTIVA

	Codes	Boekjaar	Vorig boekjaar
<b>TERREINEN EN GEBOUWEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8191P	XXXXXXXXXX	663.961
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8161	14.066	
Overdrachten en buitengebruikstellingen	8171		
Overboekingen van een post naar een andere (+)/(-)	8181		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8191	678.027	
<b>Meerwaarden per einde van het boekjaar</b>	8251P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8211		
Verworven van derden	8221		
Afgeboekt	8231		
Overgeboekt van een post naar een andere (+)/(-)	8241		
<b>Meerwaarden per einde van het boekjaar</b>	8251		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8321P	XXXXXXXXXX	442.776
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8271	35.753	
Teruggenomen	8281		
Verworven van derden	8291		
Afgeboekt na overdrachten en buitengebruikstellingen	8301		
Overgeboekt van een post naar een andere (+)/(-)	8311		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8321	478.529	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	22	199.497	

Nr.	BE 0432.980.383	VOL 5.3.2
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	Codes	Boekjaar	Vorig boekjaar
<b>INSTALLATIES, MACHINES EN UITRUSTING</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8192P	XXXXXXXXXX	6.942.641
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8162	505.396	
Overdrachten en buitengebruikstellingen	8172	142.124	
Overboekingen van een post naar een andere (+)/(-)	8182		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8192	7.305.913	
<b>Meerwaarden per einde van het boekjaar</b>	8252P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8212		
Verworven van derden	8222		
Afgeboekt	8232		
Overgeboekt van een post naar een andere (+)/(-)	8242		
<b>Meerwaarden per einde van het boekjaar</b>	8252		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8322P	XXXXXXXXXX	3.636.305
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8272	1.355.085	
Teruggenomen	8282		
Verworven van derden	8292		
Afgeboekt na overdrachten en buitengebruikstellingen	8302	12.732	
Overgeboekt van een post naar een andere (+)/(-)	8312		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8322	4.978.658	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	23	<u>2.327.255</u>	

Nr.	BE 0432.980.383	VOL 5.3.3
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	Codes	Boekjaar	Vorig boekjaar
<b>MEUBILAIR EN ROLLEND MATERIEEL</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8193P	XXXXXXXXXX	1.702.116
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8163	33.349	
Overdrachten en buitengebruikstellingen	8173	3.856	
Overboekingen van een post naar een andere (+)/(-)	8183		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8193	1.731.609	
<b>Meerwaarden per einde van het boekjaar</b>	8253P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8213		
Verworven van derden	8223		
Afgeboekt	8233		
Overgeboekt van een post naar een andere (+)/(-)	8243		
<b>Meerwaarden per einde van het boekjaar</b>	8253		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8323P	XXXXXXXXXX	1.489.153
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8273	103.355	
Teruggenomen	8283		
Verworven van derden	8293		
Afgeboekt na overdrachten en buitengebruikstellingen	8303	3.717	
Overgeboekt van een post naar een andere (+)/(-)	8313		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8323	1.588.790	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	24	142.819	

Nr.	BE 0432.980.383	VOL 5.3.5
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	Codes	Boekjaar	Vorig boekjaar
<b>OVERIGE MATERIËLE VASTE ACTIVA</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8195P	XXXXXXXXXX	47.277.863
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen, met inbegrip van de geproduceerde vaste activa	8165	1.524.342	
Overdrachten en buitengebruikstellingen	8175	693.830	
Overboekingen van een post naar een andere (+)/(-)	8185		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8195	48.108.375	
<b>Meerwaarden per einde van het boekjaar</b>	8255P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8215		
Verworven van derden	8225		
Afgeboekt	8235		
Overgeboekt van een post naar een andere (+)/(-)	8245		
<b>Meerwaarden per einde van het boekjaar</b>	8255		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8325P	XXXXXXXXXX	40.385.949
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8275	2.274.203	
Teruggenomen	8285		
Verworven van derden	8295		
Afgeboekt na overdrachten en buitengebruikstellingen	8305	666.065	
Overgeboekt van een post naar een andere (+)/(-)	8315		
<b>Afschrijvingen en waardeverminderingen per einde van het boekjaar</b>	8325	41.994.087	
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	26	6.114.288	

Nr.	BE 0432.980.383	VOL 5.4.1
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# STAAT VAN DE FINANCIËLE VASTE ACTIVA

	Codes	Boekjaar	Vorig boekjaar
<b>VERBONDEN ONDERNEMINGEN - DEELNEMINGEN EN AANDELEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8391P	XXXXXXXXXX	246.614.356
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen	8361		
Overdrachten en buitengebruikstellingen	8371	36.378.182	
Overboekingen van een post naar een andere	8381		
(+)/(-)			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8391	210.236.174	
<b>Meerwaarden per einde van het boekjaar</b>	8451P	XXXXXXXXXX	25
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8411		
Verworven van derden	8421		
Afgeboekt	8431		
Overgeboekt van een post naar een andere	8441		
(+)/(-)			
<b>Meerwaarden per einde van het boekjaar</b>	8451	25	
<b>Waardeverminderingen per einde van het boekjaar</b>	8521P	XXXXXXXXXX	196.234.731
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8471	22.470.517	
Teruggenomen	8481		
Verworven van derden	8491		
Afgeboekt na overdrachten en buitengebruikstellingen	8501	8.500.036	
Overgeboekt van een post naar een andere	8511		
(+)/(-)			
<b>Waardeverminderingen per einde van het boekjaar</b>	8521	210.205.212	
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8551P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>	8541		
(+)/(-)			
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8551		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	280	30.987	
<b>VERBONDEN ONDERNEMINGEN - VORDERINGEN</b>			
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	281P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Toevoegingen	8581		
Terugbetalingen	8591		
Geboekte waardeverminderingen	8601		
Teruggenomen waardeverminderingen	8611		
Wisselkoersverschillen	8621		
Overige mutaties	8631		
(+)/(-)			
(+)/(-)			
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	281		
<b>GECEMULEERDE WAARDEVERMINDERINGEN OP VORDERINGEN PER EINDE BOEKJAAR</b>	8651		

Nr.	BE 0432.980.383	VOL 5.4.3
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	Codes	Boekjaar	Vorig boekjaar
<b>ANDERE ONDERNEMINGEN - DEELNEMINGEN EN AANDELEN</b>			
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8393P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Aanschaffingen	8363		
Overdrachten en buitengebruikstellingen	8373		
Overboekingen van een post naar een andere	8383		
	(+)/(-)		
<b>Aanschaffingswaarde per einde van het boekjaar</b>	8393		
<b>Meerwaarden per einde van het boekjaar</b>	8453P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8413		
Verworven van derden	8423		
Afgeboekt	8433		
Overgeboekt van een post naar een andere	8443		
	(+)/(-)		
<b>Meerwaarden per einde van het boekjaar</b>	8453		
<b>Waardeverminderingen per einde van het boekjaar</b>	8523P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>			
Geboekt	8473		
Teruggenomen	8483		
Verworven van derden	8493		
Afgeboekt na overdrachten en buitengebruikstellingen	8503		
Overgeboekt van een post naar een andere	8513		
	(+)/(-)		
<b>Waardeverminderingen per einde van het boekjaar</b>	8523		
<b>Niet-opgevraagde bedragen per einde van het boekjaar</b>	8553P	XXXXXXXXXX	
<b>Mutaties tijdens het boekjaar</b>	(+)/(-)		
Niet-opgevraagde bedragen per einde van het boekjaar	8543		
	8553		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	284		
<b>ANDERE ONDERNEMINGEN - VORDERINGEN</b>			
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	285/8P	XXXXXXXXXX	<b>34.482</b>
<b>Mutaties tijdens het boekjaar</b>			
Toevoegingen	8583	11.072	
Terugbetalingen	8593		
Geboekte waardeverminderingen	8603		
Teruggenomen waardeverminderingen	8613		
Wisselkoersverschillen	8623		
Overige mutaties	8633		
	(+)/(-)		
	(+)/(-)		
<b>NETTOBOEKWAARDE PER EINDE VAN HET BOEKJAAR</b>	285/8	<b>45.555</b>	
<b>GECUMULEERDE WAARDEVERMINDERINGEN OP VORDERINGEN PER EINDE BOEKJAAR</b>	8653		



Nr.	BE 0432.980.383	VOL 5.5.1
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## INLICHTINGEN OMTRENT DE DEELNEMINGEN

### DEELNEMINGEN EN MAATSCHAPPELIJKE RECHTEN IN ANDERE ONDERNEMINGEN

Hieronder worden de ondernemingen vermeld waarin de onderneming een deelneming bezit (opgenomen in de posten 280 en 282 van de activa), alsmede de andere ondernemingen waarin de onderneming maatschappelijke rechten bezit (opgenomen in de posten 284 en 51/53 van de activa) ten belope van ten minste 10 % van het geplaatste kapitaal.

NAAM, volledig adres van de ZETEL en, zo het een onderneming naar Belgisch recht betreft, het ONDERNEMINGSNUMMER	Aangehouden maatschappelijke rechten			Gegevens geput uit de laatst beschikbare jaarrekening			
	rechtstreeks		dochter	Jaarrekening per	Munt-code	Eigen vermogen	Nettoresultaat
	Aantal	%	%			(+ ) of (-) (in eenheden)	
<b>BRANTANO LUXEMBOURG</b> LU Naamloze vennootschap Avenue J.F. Kennedy 45 9503 Luxembourg <b>LUXEMBOURG</b>  Aandelen op naam	1.249	99,92	0	31-12-2015	EUR	-1.091.958	-199.170
<b>MUYS</b> BE 0421.798.164 Naamloze vennootschap Brakelsesteenweg 160 9406 Outer <b>BELGIË</b>  Aandelen op naam	432.248	99,99	0	31-03-2015	EUR	20.743.372	-20.058.167
<b>BRANTANO ASIA</b> HK Naamloze vennootschap Unit 1018-1019 Peninsula Centre Mody Road 67 Kowloon <b>HONGKONG</b>  Aandelen aan toonder	150	100	0	31-12-2014	HKD	16.809.753	10.406.878
<b>SCAPINO BV</b> NLB Buitenlandse onderneming Industrieweg 28 9403 AB Assen <b>NEDERLAND</b>  Aandelen op naam	1.800.000	100	0	31-12-2014	EUR	2.520.000	-12.255.000

Nr.	BE 0432.980.383	VOL 5.6
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# **GELDBELEGGINGEN EN OVERLOPENDE REKENINGEN (ACTIVA)**

## **OVERIGE GELDBELEGGINGEN**

### **Aandelen**

Boekwaarde verhoogd met het niet-opgevraagde bedrag  
Niet-opgevraagd bedrag

### **Vastrentende effecten**

Vastrentende effecten uitgegeven door kredietinstellingen

### **Termijnrekeningen bij kredietinstellingen**

Met een resterende looptijd of opzegtermijn van  
hoogstens één maand  
meer dan één maand en hoogstens één jaar  
meer dan één jaar

Hierboven niet-opgenomen overige geldbeleggingen

Codes	Boekjaar	Vorig boekjaar
51		
8681		
8682		
52		
8684		
53		
8686		
8687		
8688		
8689		

## **OVERLOPENDE REKENINGEN**

**Uitsplitsing van de post 490/1 van de activa indien daaronder een belangrijk bedrag voorkomt**

Rechten UCS

Boekjaar
325.920

Nr.	BE 0432.980.383	VOL 5.7
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## STAAT VAN HET KAPITAAL EN DE AANDEELHOUDERSSTRUCTUUR

### STAAT VAN HET KAPITAAL

#### Maatschappelijk kapitaal

Geplaatst kapitaal per einde van het boekjaar  
Geplaatst kapitaal per einde van het boekjaar

Codes	Boekjaar	Vorig boekjaar
100P	XXXXXXXXXX	145.977.524
100	145.977.524	

Wijzigingen tijdens het boekjaar

Samenstelling van het kapitaal  
Soorten aandelen  
Aandelen zonder vermelding van nominale waarde

Codes	Bedragen	Aantal aandelen
	145.977.524	11.854.730
8702	XXXXXXXXXX	11.854.730
8703	XXXXXXXXXX	

Aandelen op naam  
Aandelen aan toonder en/of gedematerialiseerde aandelen

#### Niet-gestort kapitaal

Niet-opgevraagd kapitaal  
Opgevraagd, niet-gestort kapitaal  
Aandeelhouders die nog moeten volstorten

Codes	Niet-opgevraagd bedrag	Opgevraagd, niet-gestort bedrag
101		XXXXXXXXXX
8712	XXXXXXXXXX	

#### Eigen aandelen

Gehouden door de vennootschap zelf  
Kapitaalbedrag  
Aantal aandelen  
Gehouden door haar dochters  
Kapitaalbedrag  
Aantal aandelen

#### Verplichtingen tot uitgifte van aandelen

Als gevolg van de uitoefening van conversierechten  
Bedrag van de lopende converteerbare leningen  
Bedrag van het te plaatsen kapitaal  
Maximum aantal uit te geven aandelen  
Als gevolg van de uitoefening van inschrijvingsrechten  
Aantal inschrijvingsrechten in omloop  
Bedrag van het te plaatsen kapitaal  
Maximum aantal uit te geven aandelen

#### Toegestaan, niet-geplaatst kapitaal

Codes	Boekjaar
8721	
8722	
8731	
8732	
8740	
8741	
8742	
8745	
8746	
8747	
8751	

#### Aandelen buiten kapitaal

Verdeling  
Aantal aandelen  
Daaraan verbonden stemrecht  
Uitsplitsing volgens de aandeelhouders  
Aantal aandelen gehouden door de vennootschap zelf  
Aantal aandelen gehouden door haar dochters

Codes	Boekjaar
8761	
8762	
8771	
8781	

## AANDEELHOUDERSSTRUCTUUR VAN DE ONDERNEMING OP DE DATUM VAN DE JAARAFSLUITING, ZOALS DIE BLIJKT UIT DE KENNISGEVINGEN DIE DE ONDERNEMING HEEFT ONTVANGEN

Situatie per 31/12/2015

Nr.	BE 0432.980.383	VOL 5.7
-----	-----------------	---------

Macintosh Intragroup Services  
 -----  
 Rijksweg 376  
 3630 Maasmechelen  
 BE0468.558.696  
 11.854.729 aandelen

Macintosh International BV  
 -----  
 Amerikalaan 100  
 6199 AE Maastricht  
 KVK 14629843  
 1 aandeel

Situatie per 29/01/2016  
 -----

BrantNew bvba  
 -----  
 Prins Boudewijnlaan 5 bus 10  
 2550 Kontich  
 BE0645.846.982  
 11.854.729 aandelen

R&S Finance Belgium bvba  
 -----  
 Prins Boudewijnlaan 5 bus 10  
 2550 Kontich  
 BE0645.866.778  
 1 aandeel

Nr.	BE 0432.980.383	VOL 5.8
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# **VOORZIENINGEN VOOR OVERIGE RISICO'S EN KOSTEN**

## **UITSPLITSING VAN DE POST 163/5 VAN DE PASSIVA INDIEN DAARONDER EEN BELANGRIJK BEDRAG VOORKOMT**

Personeelsgeschil  
Sluitingen Winkels  
Spaarbonnen

Boekjaar
175.000
15.067
3.535.207

Nr.	BE 0432.980.383	VOL 5.9
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# STAAT VAN DE SCHULDEN EN OVERLOPENDE REKENINGEN (PASSIVA)

## UITSPLITSING VAN DE SCHULDEN MET EEN OORSPRONKELIJKE LOOPTIJD VAN MEER DAN EEN JAAR, NAARGELANG HUN RESTERENDE LOOPTIJD

### Schulden op meer dan één jaar die binnen het jaar vervallen

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

Codes	Boekjaar
8801	
8811	
8821	
8831	
8841	
8851	
8861	
8871	
8881	
8891	
8901	
42	
8802	13.832.093
8812	
8822	
8832	
8842	
8852	13.832.093
8862	
8872	
8882	
8892	
8902	
8912	13.832.093
8803	
8813	
8823	
8833	
8843	
8853	
8863	
8873	
8883	
8893	
8903	1.047.898
8913	1.047.898

### Totaal der schulden op meer dan één jaar die binnen het jaar vervallen

### Schulden met een resterende looptijd van meer dan één jaar doch hoogstens 5 jaar

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

### Totaal der schulden met een resterende looptijd van meer dan één jaar doch hoogstens 5 jaar

### Schulden met een resterende looptijd van meer dan 5 jaar

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Overige schulden

### Totaal der schulden met een resterende looptijd van meer dan 5 jaar

## GEWAARBORGDE SCHULDEN

### Door Belgische overheidsinstellingen gewaarborgde schulden

Financiële schulden  
Achtergestelde leningen  
Niet-achtergestelde obligatieleningen  
Leasingschulden en soortgelijke schulden  
Kredietinstellingen  
Overige leningen  
Handelsschulden  
Leveranciers  
Te betalen wissels  
Ontvangen vooruitbetalingen op bestellingen  
Schulden met betrekking tot bezoldigingen en sociale lasten  
Overige schulden

### Totaal van de door Belgische overheidsinstellingen gewaarborgde schulden

### Schulden gewaarborgd door zakelijke zekerheden gesteld of onherroepelijk beloofd op activa van de onderneming

Financiële schulden

Codes	Boekjaar
8921	
8931	
8941	
8951	
8961	
8971	
8981	
8991	
9001	
9011	
9021	
9051	
9061	
8922	

Nr.	BE 0432.980.383	VOL 5.9
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Codes	Boekjaar
Achtergestelde leningen	8932
Niet-achtergestelde obligatieleningen	8942
Leasingschulden en soortgelijke schulden	8952
Kredietinstellingen	8962
Overige leningen	8972
Handelsschulden	8982
Leveranciers	8992
Te betalen wissels	9002
Ontvangen vooruitbetalingen op bestellingen	9012
Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten	9022
Belastingen	9032
Bezoldigingen en sociale lasten	9042
Overige schulden	9052
<b>Totaal der schulden gewaarborgd door zakelijke zekerheden gesteld of onherroepelijk beloofd op activa van de onderneming</b>	9062

#### SCHULDEN MET BETREKKING TOT BELASTINGEN, BEZOLDIGINGEN EN SOCIALE LASTEN

##### Belastingen

- Vervallen belastingschulden
- Niet-vervallen belastingschulden
- Geraamde belastingschulden

##### Bezoldigingen en sociale lasten

- Vervallen schulden ten aanzien van de Rijksdienst voor Sociale Zekerheid
- Andere schulden met betrekking tot bezoldigingen en sociale lasten

Codes	Boekjaar
9072	
9073	808.073
450	
9076	
9077	6.207.177

#### OVERLOPENDE REKENINGEN

##### Uitsplitsing van de post 492/3 van de passiva indien daaronder een belangrijk bedrag voorkomt

- Toe te rekenen kosten marketing

Boekjaar
807.086

Nr.	BE 0432.980.383	VOL 5.10
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## BEDRIJFSRESULTATEN

### BEDRIJFSOPBRENGSTEN

#### Netto-omzet

Uitsplitsing per bedrijfscategorie

Uitsplitsing per geografische markt

#### Andere bedrijfsopbrengsten

Exploitatiesubsidies en vanwege de overheid ontvangen compenserende bedragen

### BEDRIJFSKOSTEN

#### Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister

Totaal aantal op de afsluitingsdatum  
Gemiddeld personeelsbestand berekend in voltijdse equivalenten  
Aantal daadwerkelijk gepresteerde uren

#### Personeelskosten

Bezoldigingen en rechtstreekse sociale voordelen  
Werkgeversbijdragen voor sociale verzekeringen  
Werkgeverspremies voor bovenwettelijke verzekeringen  
Andere personeelskosten  
Ouderdoms- en overlevingspensioenen

#### Voorzieningen voor pensioenen en soortgelijke verplichtingen

Toevoegingen (bestedingen en terugnemingen) (+)/(-)

#### Waardeverminderingen

Op voorraden en bestellingen in uitvoering  
Geboekt  
Teruggenomen  
Op handelsvorderingen  
Geboekt  
Teruggenomen

#### Voorzieningen voor risico's en kosten

Toevoegingen  
Bestedingen en terugnemingen

#### Andere bedrijfskosten

Bedrijfsbelastingen en -taksen  
Andere

#### Uitzendkrachten en ter beschikking van de onderneming gestelde personen

Totaal aantal op de afsluitingsdatum  
Gemiddeld aantal berekend in voltijdse equivalenten  
Aantal daadwerkelijk gepresteerde uren  
Kosten voor de onderneming

Codes	Boekjaar	Vorig boekjaar
740		
9086	1.026	1.019
9087	887,6	867,4
9088	1.247.231	1.236.862
620	25.785.454	25.543.927
621	5.960.347	6.000.223
622		
623	788.531	384.661
624		
635	-950	26.969
9110		
9111		
9112		287.014
9113		
9115	151.350	160.811
9116	1.108.499	41.894
640	292.791	315.628
641/8	34.418	438.896
9096		
9097	11,2	14,8
9098	21.768	29.236
617	448.404	598.982



Nr.	BE 0432.980.383	VOL 5.11
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## FINANCIËLE EN UITZONDERLIJKE RESULTATEN

### FINANCIËLE RESULTATEN

#### Andere financiële opbrengsten

Door de overheid toegekende subsidies, aangerekend op de resultatenrekening

Kapitaalsubsidies

Interestsubsidies

Uitsplitsing van de overige financiële opbrengsten

Kortingen

Koersverschillen

Intresten termijnrekeningen en R/C

#### Afschrijving van kosten bij uitgifte van leningen en van disagio

#### Geactiveerde intercalaire interesten

#### Waardeverminderingen op vlottende activa

Geboekt

Teruggenomen

#### Andere financiële kosten

Bedrag van het disconto ten laste van de onderneming bij de verhandeling van vorderingen

#### Voorzieningen met financieel karakter

Toevoegingen

Bestedingen en terugnemingen

#### Uitsplitsing van de overige financiële kosten

Bankkosten

Diversen

Koersverschillen

Codes	Boekjaar	Vorig boekjaar
9125		
9126		
	2.573.060	2.790.658
	245.451	174.896
	67	2.227
6501		
6503		
6510		
6511		
653		
6560		
6561		
	28.782	22.835
	1	7
	330.819	-174

### UITZONDERLIJKE RESULTATEN

#### Uitsplitsing van de andere uitzonderlijke opbrengsten

#### Uitsplitsing van de andere uitzonderlijke kosten

Waardevermindering op intercompany vorderingen

Boekjaar
1.550.412

Nr.	BE 0432.980.383	VOL 5.12
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## BELASTINGEN EN TAKSEN

### BELASTINGEN OP HET RESULTAAT

#### Belastingen op het resultaat van het boekjaar

Verschuldigde of betaalde belastingen en voorheffingen  
Geactiveerde overschotten van betaalde belastingen en voorheffingen  
Geraamde belastingssupplementen

#### Belastingen op het resultaat van vorige boekjaren

Verschuldigde of betaalde belastingssupplementen  
Geraamde belastingssupplementen of belastingen waarvoor een voorziening werd gevormd

#### Belangrijkste oorzaken van de verschillen tussen de winst vóór belastingen, zoals die blijkt uit de jaarrekening, en de geraamde belastbare winst

Verworpen uitgaven  
Minderwaarde op participaties

Codes	Boekjaar
9134	16.496
9135	16.496
9136	
9137	
9138	
9139	
9140	
	1.202.379
	58.848.699

### Invloed van de uitzonderlijke resultaten op de belastingen op het resultaat van het boekjaar

#### Bronnen van belastinglatenties

Actieve latenties  
Gecumuleerde fiscale verliezen die aftrekbaar zijn van latere belastbare winsten  
Andere actieve latenties  
Latentie nav overgedragen DBI aftrek

Passieve latenties  
Uitsplitsing van de passieve latenties

Codes	Boekjaar
9141	17.404.541
9142	16.295.052
	1.109.489
9144	

### BELASTING OP DE TOEGEVOEGDE WAARDE EN BELASTINGEN TEN LASTE VAN DERDEN

#### In rekening gebrachte belasting op de toegevoegde waarde

Aan de onderneming (aftrekbaar)  
Door de onderneming

#### Ingehouden bedragen ten laste van derden als

Bedrijfsvoorheffing  
Roerende voorheffing

Codes	Boekjaar	Vorig boekjaar
9145	21.071.063	23.935.309
9146	38.491.701	40.856.878
9147	4.324.331	4.544.903
9148	11	551

Nr.	BE 0432.980.383	VOL 5.13
-----	-----------------	----------

# NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN

## DOOR DE ONDERNEMING GESTELDE OF ONHERROEPELIJK BELOOFDE PERSOONLIJKE ZEKERHEDEN ALS WAARBORG VOOR SCHULDEN OF VERPLICHTINGEN VAN DERDEN

### Waarvan

- Door de onderneming geëndosseerde handelseffecten in omloop
- Door de onderneming getrokken of voor aval getekende handelseffecten
- Maximumbedrag ten belope waarvan andere verplichtingen van derden door de onderneming zijn gewaarborgd

### ZAKELIJKE ZEKERHEDEN

#### Zakelijke zekerheden die door de onderneming op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van de onderneming

- Hypotheken
  - Boekwaarde van de bezwaarde activa
  - Bedrag van de inschrijving
- Pand op het handelsfonds - Bedrag van de inschrijving
- Pand op andere activa - Boekwaarde van de in pand gegeven activa
- Zekerheden op nog te verwerven activa - Bedrag van de betrokken activa

#### Zakelijke zekerheden die door de onderneming op haar eigen activa werden gesteld of onherroepelijk beloofd als waarborg voor schulden en verplichtingen van derden

- Hypotheken
  - Boekwaarde van de bezwaarde activa
  - Bedrag van de inschrijving
- Pand op het handelsfonds - Bedrag van de inschrijving
- Pand op andere activa - Boekwaarde van de in pand gegeven activa
- Zekerheden op nog te verwerven activa - Bedrag van de betrokken activa

#### GOEDEREN EN WAARDEN GEHOUDEN DOOR DERDEN IN HUN NAAM MAAR TEN BATE EN OP RISICO VAN DE ONDERNEMING, VOOR ZOVER DEZE GOEDEREN EN WAARDEN NIET IN DE BALANS ZIJN OPGENOMEN

#### BELANGRIJKE VERPLICHTINGEN TOT AANKOOP VAN VASTE ACTIVA

#### BELANGRIJKE VERPLICHTINGEN TOT VERKOOP VAN VASTE ACTIVA

### TERMIJNVERRICHTINGEN

#### Gekochte (te ontvangen) goederen

#### Verkochte (te leveren) goederen

#### Gekochte (te ontvangen) deviezen

#### Verkochte (te leveren) deviezen

#### VERPLICHTINGEN VOORTVLOEIEND UIT DE TECHNISCHE WAARBORGEN VERBONDEN AAN REEDS GEPRESTEERDE VERKOPEN OF DIENSTEN

#### BELANGRIJKE HANGENDE GESCHILLEN EN ANDERE BELANGRIJKE VERPLICHTINGEN

#### IN VOORKOMEND GEVAL, BEKNOPT BESCHRIJVING VAN DE REGELING INZAKE HET AANVULLEND RUST- OF OVERLEVINGSPENSIOEN TEN BEHOEVE VAN DE PERSONEELS- OF DIRECTIELEDEN, MET OPGAVE VAN DE GENOMEN

Codes	Boekjaar
9149	
9150	
9151	
9153	
9161	
9171	
9181	
9191	
9201	
9162	
9172	
9182	29.842.000
9192	18.132.224
9202	
9213	
9214	
9215	579.661
9216	

Nr.	BE 0432.980.383	VOL 5.13
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**MAATREGELEN OM DE DAARUIT VOORTVLOEIENDE KOSTEN TE DEKKEN**

**PENSIOENEN DIE DOOR DE ONDERNEMING ZELF WORDEN GEDRAGEN**

**Geschat bedrag van de verplichtingen die voortvloeien uit reeds gepresteerd werk**  
Basis en wijze waarop dit bedrag wordt berekend

Code	Boekjaar
9220	

**AARD EN ZAKELIJK DOEL VAN BUITENBALANS REGELINGEN**

Mits de risico's of voordelen die uit dergelijke regelingen voortvloeien van enige betekenis zijn en voor zover de openbaarmaking van dergelijke risico's of voordelen noodzakelijk is voor de beoordeling van de financiële positie van de vennootschap; indien vereist moeten de financiële gevolgen van deze regelingen voor de vennootschap eveneens worden vermeld

**ANDERE NIET IN DE BALANS OPGENOMEN RECHTEN EN VERPLICHTINGEN**

Nr.	BE 0432.980.383	VOL 5.14
-----	-----------------	----------

**BETREKKINGEN MET VERBONDEN ONDERNEMINGEN EN MET ONDERNEMINGEN WAARMEE EEN DEELNEMINGSVERHOUDING BESTAAT**

	Codes	Boekjaar	Vorig boekjaar
<b>VERBONDEN ONDERNEMINGEN</b>			
<b>Financiële vaste activa</b>	280/1	<b>30.987</b>	<b>50.379.650</b>
Deelnemingen	280	30.987	50.379.650
Achtergestelde vorderingen	9271		
Andere vorderingen	9281		
<b>Vorderingen op verbonden ondernemingen</b>	9291	<b>1.870.098</b>	<b>12.680.551</b>
Op meer dan één jaar	9301		4.594.863
Op hoogstens één jaar	9311	1.870.098	8.085.689
<b>Geldbeleggingen</b>	9321		
Aandelen	9331		
Vorderingen	9341		
<b>Schulden</b>	9351	<b>50.523.171</b>	<b>45.645.869</b>
Op meer dan één jaar	9361	14.872.491	13.832.093
Op hoogstens één jaar	9371	35.650.681	31.813.777
<b>Persoonlijke en zakelijke zekerheden</b>			
Door de onderneming gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van verbonden ondernemingen	9381		
Door verbonden ondernemingen gesteld of onherroepelijk beloofd als waarborg voor schulden of verplichtingen van de onderneming	9391		
<b>Andere betekenisvolle financiële verplichtingen</b>	9401		
<b>Financiële resultaten</b>			
Opbrengsten uit financiële vaste activa	9421		1.167.883
Opbrengsten uit vlottende activa	9431	271.940	512.042
Andere financiële opbrengsten	9441		
Kosten van schulden	9461	2.004.980	6.253.686
Andere financiële kosten	9471		
<b>Realisatie van vaste activa</b>			
Verwezenlijkte meerwaarden	9481		
Verwezenlijkte minderwaarden	9491	36.378.182	
<b>ONDERNEMINGEN WAARMEE EEN DEELNEMINGSVERHOUDING BESTAAT</b>			
<b>Financiële vaste activa</b>	282/3		
Deelnemingen	282		
Achtergestelde vorderingen	9272		
Andere vorderingen	9282		
<b>Vorderingen</b>	9292		
Op meer dan één jaar	9302		
Op hoogstens één jaar	9312		
<b>Schulden</b>	9352		
Op meer dan één jaar	9362		
Op hoogstens één jaar	9372		

**TRANSACTIES MET VERBONDEN PARTIJEN BUITEN NORMALE MARKTVOORWAARDEN**

Vermelding van dergelijke transacties indien zij van enige betekenis zijn, met opgave van het bedrag van deze transacties, de aard van de betrekking met de verbonden partij, alsmede andere informatie over de transacties die nodig is voor het verkrijgen van inzicht in de financiële positie van de vennootschap

Bij gebrek aan wettelijke criteria die toelaten om transacties met verbonden partijen buiten normale marktvoorwaarden te inventariseren, kon geen enkele informatie worden opgenomen.

Boekjaar
0

Nr.	BE 0432.980.383	VOL 5.15
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## FINANCIËLE BETREKKINGEN MET

**BESTUURDERS EN ZAAKVOERDERS, NATUURLIJKE OF RECHTSPERSONEN DIE DE ONDERNEMING RECHTSTREEKS OF ONRECHTSTREEKS CONTROLEREN ZONDER VERBONDEN ONDERNEMINGEN TE ZIJN, OF ANDERE ONDERNEMINGEN DIE DOOR DEZE PERSONEN RECHTSTREEKS OF ONRECHTSTREEKS GECONTROLEERD WORDEN**

### **Uitstaande vorderingen op deze personen**

Voorwaarden betreffende de uitstaande vorderingen

### **Waarborgen toegestaan in hun voordeel**

Voornaamste voorwaarden van de toegestane waarborgen

### **Andere betekenisvolle verplichtingen aangegaan in hun voordeel**

Voornaamste voorwaarden van deze verplichtingen

**Rechtstreekse en onrechtstreekse bezoldigingen en ten laste van de resultatenrekening toegekende pensioenen, voor zover deze vermelding niet uitsluitend of hoofdzakelijk betrekking heeft op de toestand van een enkel identificeerbaar persoon**

Aan bestuurders en zaakvoerders

Aan oud-bestuurders en oud-zaakvoerders

Codes	Boekjaar
9500	
9501	
9502	
9503	
9504	

## **DE COMMISSARIS(SEN) EN DE PERSONEN MET WIE HIJ (ZIJ) VERBONDEN IS (ZIJN)**

### **Bezoldiging van de commissaris(sen)**

**Bezoldiging voor uitzonderlijke werkzaamheden of bijzondere opdrachten uitgevoerd binnen de vennootschap door de commissaris(sen)**

Andere controleopdrachten

Belastingadviesopdrachten

Andere opdrachten buiten de revisorale opdrachten

**Bezoldiging voor uitzonderlijke werkzaamheden of bijzondere opdrachten uitgevoerd binnen de vennootschap door personen met wie de commissaris(sen) verbonden is (zijn)**

Andere controleopdrachten

Belastingadviesopdrachten

Andere opdrachten buiten de revisorale opdrachten

Codes	Boekjaar
9505	57.200
95061	22.940
95062	
95063	
95081	
95082	
95083	

**Vermeldingen in toepassing van het artikel 133, paragraaf 6 van het Wetboek van vennootschappen**

Nr.	BE 0432.980.383	VOL 5.17.1
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## VERKLARING BETREFFENDE DE GECONSOLIDEERDE JAARREKENING

### Inlichtingen te verstrekken door elke onderneming die onderworpen is aan de bepalingen van het Wetboek van vennootschappen inzake de geconsolideerde jaarrekening

De onderneming heeft geen geconsolideerde jaarrekening en geconsolideerd jaarverslag opgesteld, omdat zij daarvan vrijgesteld is om de volgende reden(en)

De onderneming is zelf dochteronderneming van een moederonderneming die een geconsolideerde jaarrekening, waarin haar jaarrekening door consolidatie opgenomen is, opstelt en openbaar maakt

In voorkomend geval, motivering dat aan alle voorwaarden tot vrijstelling, opgenomen in artikel 113, paragrafen 2 en 3 van het Wetboek van vennootschappen, is voldaan

Niet van toepassing (Zie commentaar in jaarverslag)

Naam, volledig adres van de zetel en, zo het een onderneming naar Belgisch recht betreft, het ondernemingsnummer van de moederonderneming die de geconsolideerde jaarrekening opstelt en openbaar maakt, op grond waarvan de vrijstelling is verleend

Niet van toepassing (Zie commentaar in jaarverslag)

nvt

NEDERLAND

### INLICHTINGEN DIE MOETEN WORDEN VERSTREKT DOOR DE ONDERNEMING INDIEN ZIJ DOCHTERONDERNEMING OF GEMEENSCHAPPELIJKE DOCHTERONDERNEMING IS

Naam, volledig adres van de zetel en, zo het een onderneming naar Belgisch recht betreft, het ondernemingsnummer van de moederonderneming(en) en de aanduiding of deze moederonderneming(en) een geconsolideerde jaarrekening, waarin haar jaarrekening door consolidatie opgenomen is, opstelt (opstellen) en openbaar maakt (maken)\*:

Macintosh International BV

NL803883869B01

Amerikalaan 100

6199 AE Maastricht Airport

NEDERLAND

\* Wordt de jaarrekening van de onderneming op verschillende niveaus geconsolideerd, dan worden deze gegevens verstrekt, enerzijds voor het grootste geheel en anderzijds voor het kleinste geheel van ondernemingen waarvan de onderneming als dochter deel uitmaakt en waarvoor een geconsolideerde jaarrekening wordt opgesteld en openbaar gemaakt.

Nr.	BE 0432.980.383	VOL 6
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## SOCIALE BALANS

Nummers van de paritaire comités die voor de onderneming bevoegd zijn: 311

### Staat van de tewerkgestelde personen

Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister

Tijdens het boekjaar	Codes	Totaal	1. Mannen	2. Vrouwen
<b>Gemiddeld aantal werknemers</b>				
Voltijds	1001	455,9	87,7	368,2
Deeltijds	1002	602,7	40,8	561,9
Totaal in voltijdse equivalenten (VTE)	1003	887,6	113,6	774
<b>Aantal daadwerkelijk gepresteerde uren</b>				
Voltijds	1011	641.361	132.761	508.600
Deeltijds	1012	605.870	38.343	567.527
Totaal	1013	1.247.231	171.104	1.076.127
<b>Personeelskosten</b>				
Voltijds	1021	14.011.338	2.695.315	11.316.022
Deeltijds	1022	18.522.995	1.253.921	17.269.074
Totaal	1023	32.534.332	3.949.236	28.585.096
<b>Bedrag van de voordelen bovenop het loon</b>	1033	552.449	73.919	478.530

Tijdens het vorige boekjaar	Codes	P. Totaal	1P. Mannen	2P. Vrouwen
Gemiddeld aantal werknemers in VTE	1003	867,4	107,7	759,7
Aantal daadwerkelijk gepresteerde uren	1013	1.236.862	165.531	1.071.331
Personeelskosten	1023	31.928.811	3.642.780	28.286.031
Bedrag van de voordelen bovenop het loon	1033	554.607	74.031	480.576



Nr.	BE 0432.980.383	VOL 6
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**Werknemers waarvoor de onderneming een DIMONA-verklaring heeft ingediend of die zijn ingeschreven in het algemeen personeelsregister (vervolg)**

Op de afsluitingsdatum van het boekjaar	Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
<b>Aantal werknemers</b>	105	453	573	869,3
<b>Volgens de aard van de arbeidsovereenkomst</b>				
Overeenkomst voor een onbepaalde tijd	110	423	528	811,5
Overeenkomst voor een bepaalde tijd	111	20	12	24,4
Overeenkomst voor een duidelijk omschreven werk	112			
Vervangingsovereenkomst	113	10	33	33,4
<b>Volgens het geslacht en het studieniveau</b>				
Mannen	120	90	36	114,3
lager onderwijs	1200	1	3	2,8
secundair onderwijs	1201	61	29	80,5
hoger niet-universitair onderwijs	1202	23	2	24,8
universitair onderwijs	1203	5	2	6,2
Vrouwen	121	363	537	755
lager onderwijs	1210	4	8	9,8
secundair onderwijs	1211	288	474	634,8
hoger niet-universitair onderwijs	1212	55	51	91,2
universitair onderwijs	1213	16	4	19,2
<b>Volgens de beroepscategorie</b>				
Directiepersoneel	130			
Bedienden	134	426	551	825,8
Arbeiders	132	23	17	35,6
Andere	133	4	5	7,9

**Uitzendkrachten en ter beschikking van de onderneming gestelde personen**

Tijdens het boekjaar	Codes	1. Uitzendkrachten	2. Ter beschikking van de onderneming gestelde personen
Gemiddeld aantal tewerkgestelde personen	150	11,2	
Aantal daadwerkelijk gepresteerde uren	151	21.768	
Kosten voor de onderneming	152	448.404	

Nr.	BE 0432.980.383	VOL 6
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**Tabel van het personeelsverloop tijdens het boekjaar**

**Ingetreden**

**Aantal werknemers waarvoor de onderneming tijdens het boekjaar een DIMONA-verklaring heeft ingediend of die tijdens het boekjaar werden ingeschreven in het algemeen personeelsregister**

**Volgens de aard van de arbeidsovereenkomst**

- Overeenkomst voor een onbepaalde tijd
- Overeenkomst voor een bepaalde tijd
- Overeenkomst voor een duidelijk omschreven werk
- Vervangingsovereenkomst

Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
205	390	578	656
210	68	88	128,3
211	314	442	486,1
212			
213	8	48	41,6

**Uitgetreden**

**Aantal werknemers met een in de DIMONA-verklaring aangegeven of een in het algemeen personeelsregister opgetekende datum waarop hun overeenkomst tijdens het boekjaar een einde nam**

**Volgens de aard van de arbeidsovereenkomst**

- Overeenkomst voor een onbepaalde tijd
- Overeenkomst voor een bepaalde tijd
- Overeenkomst voor een duidelijk omschreven werk
- Vervangingsovereenkomst

**Volgens de reden van beëindiging van de overeenkomst**

- Pensioen
- Werkloosheid met bedrijfstoeslag
- Afdanking
- Andere reden
- Waarvan: het aantal werknemers dat als zelfstandige ten minste op halftijdse basis diensten blijft verlenen aan de onderneming

Codes	1. Voltijds	2. Deeltijds	3. Totaal in voltijdse equivalenten
305	373	588	646,4
310	63	88	124,5
311	307	445	480,2
312			
313	3	55	41,7
340		1	0,6
341		3	1,9
342	23	20	38,6
343	350	564	605,3
350			

Nr.	BE 0432.980.383	VOL 6
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**Inlichtingen over de opleidingen voor de werknemers tijdens het boekjaar**

	Codes	Mannen	Codes	Vrouwen
<b>Totaal van de formele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5801	105	5811	643
Aantal gevolgde opleidingsuren	5802	1.588	5812	7.878
Nettokosten voor de onderneming	5803	118.911	5813	434.240
waarvan brutokosten rechtstreeks verbonden met de opleiding	58031	117.016	58131	424.917
waarvan betaalde bijdragen en stortingen aan collectieve fondsen	58032	1.895	58132	9.323
waarvan ontvangen tegemoetkomingen (in mindering)	58033		58133	
<b>Totaal van de minder formele en informele voortgezette beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5821	25	5831	663
Aantal gevolgde opleidingsuren	5822	1.437	5832	14.665
Nettokosten voor de onderneming	5823	26.836	5833	291.878
<b>Totaal van de initiële beroepsopleidingsinitiatieven ten laste van de werkgever</b>				
Aantal betrokken werknemers	5841	2	5851	3
Aantal gevolgde opleidingsuren	5842	2.503	5852	2.299
Nettokosten voor de onderneming	5843	15.946	5853	16.370

Nr.	BE 0432.980.383	VOL 7
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## WAARDERINGSREGELS

BRANTANO N.V.  
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 RPR Dendermonde 58.393  
 Ondernemingsnummerr BE 0432.980.383

### WAARDERINGSREGELS

#### Algemene beginselen

De waarderingsregels worden vastgesteld overeenkomstig de bepalingen van het KB van 30 januari 2001 tot uitvoering van het wetboek van vennootschappen en de wet op de boekhouding van de ondernemingen. De waarderingsregels werden ten opzichte van het vorig boekjaar niet gewijzigd. De resultatenrekening wordt niet op belangrijke wijze beïnvloed door opbrengsten en kosten die aan een ander boekjaar moeten worden toegerekend. De cijfers van de opeenvolgende boekjaren zijn vergelijkbaar.

#### Bijzondere waarderingsregels

##### 1.Oprichtingskosten en immateriele vaste activa

De oprichtingskosten worden lineair afgeschreven over een periode van 5 jaar. De kosten verbonden aan de overname van het handelsfonds van de nieuwe winkels en de concessierechten zijn opgenomen tegen hun waarde berekend op basis van de degressieve methode over een termijn van 10 jaar. De fusiegoodwill verbonden aan de overname van de N.V. Berca Lux wordt afgeschreven over een periode van 9 jaar rekening houdend met de duurtijd van de handelshuurovereenkomst.

##### 2.Materiële vaste activa

De materiële vaste activa worden gewaardeerd tegen hun aanschaffingswaarde. De bijkomende kosten worden geboekt ten laste van de resultatenrekening. De materiële vaste activa worden afgeschreven volgens het regime van de degressieve afschrijvingen. Krachtens het Koninklijk Besluit van 28 juni 1983, mogen de personenauto's, auto's voor dubbel gebruik en minibussen niet genieten van het regime van de degressieve afschrijvingen. Deze voertuigen zijn vanaf die tijd dan ook afgeschreven volgens de lineaire methode. Vanaf het boekjaar 1991 wordt er in de wettelijke jaarrekening lineair afgeschreven voor de vaste activa waarvan het gebruik aan derden is afgestaan door de belastingplichtige die de vaste activa afschrijft. Bij de afsluiting van de jaarrekeningen, werden de volgende afschrijvingspercentages toegepast :

	Degressief	Lineair
	-----	-----
- Gebouwen	5 %	--
- Inrichtingen	10 %	--
- Installaties & machines	20 %	--
- Personenwagens	--	20 %
- Meubilair	20 %	--

##### 3.Financiële vaste activa (aandelen)

De aandelen werden geboekt tegen hun aanschaffingsprijs. Zij worden elk jaar afzonderlijk gewaardeerd aan de hand van de boekhoudkundige netto vermogenswaarde van de aandelen, de vermoedelijke contractuele waarde bij verkoop of volgens de criteria die bij de aankoop van de aandelen werden aangewend wanneer de deelneming werd verkregen tegen een prijs die afwijkt van haar boekwaarde. Waardeverminderingen worden toegepast wanneer de geraamde waarde, berekend zoals hiervoor uiteengezet, lager uitvalt dan de boekwaarde en wanneer, naar de mening van de raad van bestuur, de waardevermindering van duurzame aard is, wat door de positie, de rentabiliteit en de vooruitzichten van de deelneming wordt verantwoord. De waardeverminderingen worden teruggenomen wanneer de geraamde waarde hoger is dan de boekwaarde die rekening hield met de waardevermindering en voor zover, naar de mening van de raad van bestuur, het verschil van duurzame aard is.

##### 4.Voorraden

De handelsgoederen worden gewaardeerd tegen de aanschaffingsprijs (FIFO). De waardeverminderingen worden als volgt toegepast :  
 - klassieke artikelen (d.w.z. artikelen welke regelmatig worden bevoorradad) : geen enkele waardevermindering wordt toegepast behalve in geval van beschadiging.  
 - mode-artikelen : een waardevermindering wordt geboekt op de mode-artikelen. De te boeken waardevermindering wordt berekend op basis van het seizoen waarvoor de goederen werden aangekocht.  
 De berekening gebeurt als volgt :  
 Berekening op basis van seizoen :  
 - lopend seizoen (SO) : geen afwaardering;  
 - seizoen SO - 1 : afwaardering van 25 % op de voorraadwaarde;  
 - seizoen SO - 2 : afwaardering van 50 % op de voorraadwaarde;  
 - seizoen SO - 3 : afwaardering van 50 % op de voorraadwaarde;  
 - seizoen SO - 4 en vroeger : afwaardering van 100 % op de voorraadwaarde.

##### 5.Vorderingen

De vorderingen worden gewaardeerd tegen hun nominale waarde of hun aanschaffingsprijs. Waardeverminderingen worden toegepast indien de realisatiewaarde, naar de mening van de raad van bestuur, lager uitvalt dan de boekwaarde en wanneer de waardevermindering door de raad van bestuur van duurzame aard wordt beoordeeld.

##### 6.Liquide middelen en geldbeleggingen

De geldbeleggingen en liquide middelen worden gewaardeerd aan nominale waarde. Op geldbeleggingen worden waardeverminderingen toegepast wanneer de realisatiewaarde op datum van afsluiting lager is dan de aanschaffingswaarde.

##### 7.Voorzieningen

Bij de afsluiting van elk boekjaar stelt de raad van bestuur met voorzichtigheid, oprechtheid, en goede trouw, de voorzieningen vast.

##### 8.Schulden

Schulden worden opgenomen tegen hun nominale waarde.

##### 9.Overlopende rekeningen

Overlopende rekeningen omvatten pro-rata van kosten en opbrengsten die betrekking hebben op het verstreken of het volgende boekjaar. Zij worden geboekt tegen hun nominale waarde.

##### 10.Vreemde valuta

Schulden, vorderingen en tegoeden worden op het einde van het boekjaar omgerekend aan de slotkoers. Wisselkoersverschillen en omrekeningsverschillen worden in de resultatenrekening opgenomen. Een positief omrekeningsverschil uit de herwaardering aan slotkoers wordt overeenkomstig het voorzichtigheidsbeginsel op een overlopende passiefrekening geboekt.

##### 11.VERANTWOORDING VAN DE TOEPASSING VAN DE WAARDERINGSREGELS IN DE VERONDERSTELLING VAN CONTINUITEIT (art. 96,6° W.Venn.)

Uit de balans per 31 december 2015 blijkt een overgedragen verlies, bijgevolg verantwoord wij hierna waarom wij in de jaarrekening waarderingsregels toepassen in de veronderstelling van continuïteit van de onderneming.

Nr.	BE 0432.980.383	VOL 7
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Het eigen vermogen daalde van 36,7 mio euro eind 2014 naar -29,0 mio eind 2015 als gevolg van een negatief resultaat over het boekjaar van 65,7 mio euro.

Het negatieve resultaat over 2015 was voor het grootste deel (60,4 mio euro) te wijten aan het afwaarderen van :

1. de financiële participaties die Brantano aanhield en
2. gereclateerde vorderingen op die vennootschappen.

Deze activa dienden afgeboekt te worden enerzijds als gevolg van de gedwongen verkoop ervan onder hun boekwaarde of anderzijds door het feit dat ze eind 2015 failliet werden verklaard in de nasleep van het faillissement van de toenmalige eigenaar van Brantano, Macintosh Retail Group. Dit had geen cash-out als gevolg (en dus geen nadelig effect op onze liquiditeitspositie) maar impacteerde wel zwaar het eigen vermogen.

Als gevolg van het faillissement van de toenmalige eigenaar van Brantano (Macintosh Retail Group) in december 2015 werd naar een nieuwe eigenaar gezocht en gevonden voor Brantano. Brantano werd op 29/1/2016 overgenomen door BrantNew BVBA, een overnamevehikel van de retailspecialisten Dieter Penninckx, Wouter Torfs en Rens Van De Schoor. Doordat het faillissement van de toenmalige eigenaar in december 2015 plaatsvond en de nieuwe eigenaars pas in januari 2016 eigenaar werden van Brantano kon in december geen kapitaalsverhoging meer gebeuren om het eigen vermogen terug op peil te brengen.

Om op korte termijn de liquiditeit van de vennootschap te verzekeren, zorgde de nieuwe eigenaar ervoor dat gelijktijdig met de aankoop van Brantano ook een kredietlijn van 15 mio euro werd bekomen van een aantal banken zodat Brantano aan al haar betalingsverplichtingen kan blijven voldoen en de continuïteit van de vennootschap hierdoor op geen enkel moment in het gedrang kan komen.

Op 31 december 2015 had Brantano een belangrijke lange termijnschuld (13,9 mio euro) en korte termijnschuld (35,6 mio euro) openstaan aan haar toenmalige zuster vennootschap Macintosh Intragroup Services NV. Op overnamedatum bedroeg deze totale schuld nog 46,2 mio euro. en nam de overnemer deze schuld integraal over van Macintosh Intragroup Services. Om op langere termijn de solvabiliteit van Brantano te herstellen, zal een belangrijk deel van deze schuld in 2016 zo snel mogelijk worden omgezet in kapitaal. Dit is op heden nog niet gebeurd aangezien nog uitsluitend dient bekomen te worden over eventuele fiscale gevolgen hiervan. Zolang deze kapitaalsverhoging niet is gebeurd, dient de volledige schuld als quasi kapitaal te worden beschouwd aangezien de nieuwe eigenaars deze leningen op 29 januari 2016 hebben omgezet in een achtergestelde lening op lange termijn, waarbij zij er zich toe verbinden om deze lening van 46,2 mio euro niet op te eisen tot en met 29 januari 2021. Deze verbintenis is geformaliseerd in 2 achtergestelde leningsdocumenten tussen Brantano NV en BrantNew BVBA de dato 29/01/2016. Naast het herstel van de solvabiliteit door een incorporatie van een deel van de lening van BrantNew in het kapitaal, wordt onderzocht om het kapitaal ook op andere manieren te versterken (aantrekken vers kapitaal) en om de bestaande kredietlijn significant te verhogen. Dit is nodig gezien het stevige investeringsprogramma in de vernieuwing van de Brantano-winkels in 2016, 2017 en 2018.

Naast de uitzonderlijke verliezen, werd in 2015 een verlies uit de gewone bedrijfsuitoefening geleden van 5,3 mio euro. Dit verlies is de resultante van de jarenlange onder-investering in het winkelnetwerk van Brantano. Omwille van de verouderde winkelomgeving werd korting een te dominante factor om de omzet op peil te houden. De omzet kon daardoor stabiel worden gehouden, maar de bruto-marge kwam zwaar onder druk. In 2015 werd dit nog versterkt als gevolg van korte termijn maatregelen die werden getroffen om zo snel en zoveel mogelijk cash te genereren ter vermindering van het faillissement van Macintosh Retail Group. De negatieve impact van de verouderde winkelomgeving wordt aangetoond door het feit dat de omzet van de 2 winkels waar Brantano in 2015 de winkelomgeving vernieuwde (Sint-Joris-Winge en Aalst) significant toenam hoewel er werd gewerkt met dezelfde voorraad en marketing als de andere winkels, waar de omzet ongeveer stabiel bleef.

Anderzijds werd er de voorbije jaren wel geïnvesteerd in een uitbreiding van het magazijn, nieuwe kassa's en de soft- en hardware om voeten en schoenen in 3D te kunnen meten. Deze investeringen moeten Brantano in staat stellen een echte omni-channel speler te zijn en zo haar klanten steeds optimaal te bedienen onafhankelijk van het kanaal dat ze kiezen.

Om de rentabiliteit van Brantano te herstellen zal de winkelomgeving van alle winkels die voldoen aan minimale rentabiliteits- en locatie criteria, de komende jaren worden vernieuwd. Voor de winkels die daar niet aan voldoen zal gezocht worden naar een gepaste oplossing. Daarnaast zal ook worden getest om kledij (kennis ingebracht door nieuwe eigenaars) aan het bestaand winkelconcept toe te voegen.

De vernieuwing van de winkelomgeving en de toevoeging van kledij moet de omzet per m² zwaar kunnen verhogen, wat de rentabiliteit terug op peil moet brengen. Uit de free cashflow projectie voor 2016 en 2017 blijkt dat de financiering hiervan niet tot liquiditeitsproblemen zal leiden. Daarnaast wordt ook gewerkt om de bruto-marge te verhogen. Dit zal verwezenlijkt worden door minder promotionele acties te voeren en meer te focussen op beleving in de winkel, maar ook door verdere focus op het 3D voetmeets concept en communicatie op maat van de klant (CRM). Er zal ten slotte blijven gewerkt worden op een verlagend van de kostenstructuur.

Op basis van voormelde maatregelen inzake rentabiliteit, liquiditeit en solvabiliteit zijn wij als bestuurders van oordeel dat de liquiditeit van de vennootschap niet in gevaar is en dat bijgevolg de waarderingsregels van de vennootschap moeten worden toegepast onder de hypothese van continuïteit.

Tenslotte, aangezien de jaarrekening van de vennootschap per 31 december 2015 een negatief eigen vermogen vertoont, hebben wij als raad van bestuur op 25 april 2016 de procedure van artikel 633 van het Wetboek van Vennootschappen toegepast. Op basis van het speciaal verslag conform artikel 633 van de raad van bestuur hebben de aandeelhouders op de Buitengewone Algemene Vergadering van 26 april 2016 beslist om de activiteiten van de vennootschap verder te zetten, rekening houdende met de voormelde reeds uitgevoerde en nog geplande herstelmaatregelen.

**BRANTANO**  
**Naamloze Vennootschap**  
**Kwadelapstraat 2**  
**9320 EREMBODEGEM**

**RPR Dendermonde 58.393**  
**Ondernemingsnummer BE 0432.980.383**

## **JAARVERSLAG**

Dames en Heren,

Hierbij heeft de Raad van Bestuur het genoegen, ingevolge de bepalingen van artikelen 95 en 96 van het Wetboek van Vennootschappen, U verslag uit te brengen over de activiteiten tijdens het boekjaar 2015 en de jaarrekening, afgesloten per 31 december 2015 aan uw goedkeuring voor te leggen.

Alle regels inzake de vennootschapswetgeving en boekhoudwetgeving werden hierbij in acht genomen.

### 1. JAARREKENING

<b>ACTIVA</b>		
Immateriële vaste activa	191.717,37	0,40%
Materiële vaste activa	8.783.859,15	18,31%
Financiële vaste activa	76.541,74	0,16%
Vorderingen op meer dan 1 jaar	100.000,00	0,21%
Voorraden en bestellingen in uitvoering	34.228.594,62	71,35%
Vorderingen op ten hoogste 1 jaar	3.147.256,43	6,56%
Liquide Middelen	674.473,80	1,40%
Overlopende rekeningen	771.781,11	1,61%
Totaal der activa	47.974.224,22	100,00%

<b>PASSIVA</b>		
Kapitaal	145.977.523,64	304,28%
Reserves	34.208.170,32	71,30%
Overgedragen winst/verlies	- 209.207.178,95	-436,08%
Voorzieningen en uitgestelde belastingen	5.775.611,32	12,04%
Schulden op meer dan 1 jaar	14.879.990,79	31,02%
Schulden op ten hoogste 1 jaar	54.974.832,55	114,59%
Overlopende rekeningen	1.365.274,55	2,85%
Totaal der passiva	47.974.224,22	100,00%

<b>RESULTATENREKENING</b>	
Bedrijfsopbrengsten	137.912.425,28
Bedrijfskosten	-143.958.381,19
Bedrijfsresultaat	-6.045.955,91
Financieel resultaat	724.907,46
Uitzonderlijk resultaat	-60.399.111,07
Onttrekking aan uitgestelde belastingen	
Belastingen	-4.906,37
Onttrekking aan de belastingvrije reserve	
Te bestemmen verlies van het boekjaar	-65.725.065,89

De resultaten en financiële positie worden verder besproken onder punt 11. van dit jaarverslag.

## 2. BELANGRIJKE GEBEURTENISSEN DIE NA HET EINDE VAN HET BOEKJAAR HEBBEN PLAATS GEVONDEN (art. 96, 2° W. Venn.)

Macintosh Retail Group, holding boven Brantano NV, werd op 30 december 2015 failliet verklaard, waardoor de aandelen van Brantano NV te koop werden gesteld. Er werd met de BVBA BrantNew een overnemer gevonden die op 29/01/2016 de totaliteit van de aandelen van Brantano heeft overgenomen. Deze overnemer nam ook de bestaande korte- en lange termijn intergroepslening ten belope van 46,2 mio euro over van Macintosh Intragroup Services NV, en zette deze leningen om in een achtergestelde lening op lange termijn (zie ook punt 11. hieronder). De overnemer zorgde ook voor een nieuwe kredietlijn van 15 mio euro bij een aantal banken om de liquiditeit van Brantano te blijven garanderen. De bestaande pandgeving bleef omwille van dit nieuwe krediet bestaan.

De financiële participaties (incl. eventuele vorderingen erop) in Scapino BV, Muys NV en Brantano Asia Limited werden verkocht na jaareinde (Muys NV en Brantano Asia Limited) of werden waardeloos omwille van een faillissement begin 2016 (Scapino BV). Met de negatieve financiële impact hiervan werd in de jaarrekening van 2015 reeds rekening gehouden in de rubriek "uitzonderlijke kosten".

## 3. EIGEN AANDELEN

Per 31 december 2015 heeft de onderneming geen eigen aandelen in bezit.

## 4. VERRICHTINGEN IN HET KADER VAN ARTIKEL 523 VAN HET WETBOEK VAN VENNOOTSCHAPPEN

Er zijn geen verrichtingen in het kader van artikel 523 van het wetboek van vennootschappen gebeurd.

## 5. WINSTVERDELING

Rekening houdend met hetgeen voorafgaat, stellen wij voor het resultaat als volgt te verdelen :

Te bestemmen verlies van het boekjaar	65.725.065,89
Toevoeging aan de wettelijke reserve	
Vergoeding van het kapitaal	
Toevoeging aan het eigen vermogen	
Onttrekking aan de overige reserves	
Toevoeging aan de overgedragen resultaten	65.725.065,89

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## 6. BESCHRIJVING VAN BELANGRIJKE RISICO'S EN ONZEKERHEDEN (art. 96, 1°W. Venn.)

Het is evident dat Brantano in het huidige economische klimaat de evolutie van het consumentenvertrouwen en de stijgende concurrentie van online verkopers sterk in de gaten blijft houden en de maatregelen zal treffen die nodig blijken.

Daarnaast is het als een bedrijf actief in de mode-sector duidelijk dat het meer modieuze deel van de voorraad, als gevolg van de snel wijzigende mode tendensen steeds onderhevig is aan het risico minder waard te worden.

Door de concurrentie is er druk op de verkoopprijzen en is het mogelijk dat de vennootschap haar verkoopprijzen moet doen dalen om competitief te blijven en om het marktaandeel stabiel te houden.

Wat betreft de risico's in verband met de financiële positie en resultaten van het bedrijf, verwijzen wij naar punt 11. hieronder.

## 7. INLICHTINGEN OVER DE OMSTANDIGHEDEN DIE DE ONTWIKKELING VAN DE VENNOOTSCHAP AANMERKELIJK KUNNEN BEINVLOEDEN (art. 96, 3° W. Venn.)

De overnemer heeft zich ertoe verbonden te zoeken naar manieren om het kapitaal te versterken en extra externe financiering aan te trekken, gezien het de bedoeling is van de overnemer zwaar te investeren in de vernieuwing van de Brantano-winkels in 2016, 2017 en 2018. Deze investeringen moeten ertoe leiden dat de resultaten van de vennootschap aanzienlijk verbeteren.

## 8. ONDERZOEK EN ONTWIKKELING (art. 96, 4°W. Venn.)

Gezien de aard van de onderneming worden er geen werkzaamheden uitgevoerd op gebied van onderzoek en ontwikkeling.

## 9. FINANCIËLE INSTRUMENTEN

De voornaamste financiële instrumenten van de vennootschap zijn korte en lange termijn intergroepsleningen, en kortlopende bankleningen. De belangrijkste doelstelling van deze financiële instrumenten is het verschaffen van financiering voor de activiteiten van de onderneming.

Daarnaast heeft de onderneming eveneens verschillende andere financiële activa en passiva zoals vorderingen en schulden, die rechtstreeks afkomstig zijn uit haar activiteiten. Het kredietrisico van de onderneming is beperkt gezien de meeste klanten aan de kassa betalen.

De vennootschap doet haar aankopen deels in landen die niet in de eurozone gelegen zijn. Om zich in te dekken tegen het hierdoor gelopen wisselkoersrisico, maakt de vennootschap gebruik van afgeleide financiële instrumenten, met name voor de indekking van wisselkoersen.

## 10. BESTAAN VAN BIJKANTOREN VAN DE VENNOOTSCHAP

De vennootschap heeft geen bijkantoren.

## 11. VERANTWOORDING VAN DE TOEPASSING VAN DE WAARDERINGSREGELS IN DE VERONDERSTELLING VAN CONTINUÏTEIT (art. 96.6° W.Venn.)

Uit de balans per 31 december 2015 blijkt een overgedragen verlies, bijgevolg verantwoorden wij hierna waarom wij in de jaarrekening waarderingsregels toepassen in de veronderstelling van continuïteit van de onderneming.



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Het negatieve resultaat over 2015 was voor het grootste deel (60,4 mio euro) te wijten aan het afwaarderen van :

1. de financiële participaties die Brantano aanhield en
2. gerelateerde vorderingen op die vennootschappen.

Deze activa dienden afgeboekt te worden enerzijds als gevolg van de gedwongen verkoop ervan onder hun boekwaarde of anderzijds door het feit dat ze eind 2015 failliet werden verklaard in de nasleep van het faillissement van de toenmalige eigenaar van Brantano, Macintosh Retail Group. Dit had geen cash-out als gevolg (en dus geen nadelig effect op onze liquiditeitspositie) maar impacteerde wel zwaar het eigen vermogen.

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Om op korte termijn de liquiditeit van de vennootschap te verzekeren, zorgde de nieuwe eigenaar ervoor dat gelijktijdig met de aankoop van Brantano ook een kredietlijn van 15 mio euro werd bekomen van een aantal banken zodat Brantano aan al haar betalingsverplichtingen kan blijven voldoen en de continuïteit van de vennootschap hierdoor op geen enkel moment in het gedrang kan komen.

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Anderzijds werd er de voorbije jaren wel geïnvesteerd in een uitbreiding van het magazijn, nieuwe kassa's en de soft- en hardware om voeten en schoenen in 3D te kunnen meten. Deze investeringen moeten Brantano in staat stellen een echte omni-channel speler te zijn en zo haar klanten steeds optimaal te bedienen onafhankelijk van het kanaal dat ze kiezen.

Om de rentabiliteit van Brantano te herstellen zal de winkelomgeving van alle winkels die voldoen aan minimale rentabiliteits- en locatie criteria, de komende jaren worden vernieuwd. Voor de winkels die daar niet aan voldoen zal gezocht worden naar een gepaste oplossing. Daarnaast zal ook worden getest om kledij (kennis ingebracht door nieuwe eigenaars) aan het bestaand winkelconcept toe te voegen.

De vernieuwing van de winkelomgeving en de toevoeging van kledij moet de omzet per m<sup>2</sup> zwaar kunnen verhogen, wat de rentabiliteit terug op peil moet brengen. Uit de free cashflow projectie voor 2016 en 2017 blijkt dat de financiering hiervan niet tot liquiditeitsproblemen zal leiden.

Daarnaast wordt ook gewerkt om de bruto-marge te verhogen. Dit zal verwezenlijkt worden door minder promotionele acties te voeren en meer te focussen op beleving in de winkel, maar ook door verdere focus op het 3D voetmeet concept en communicatie op maat van de klant (CRM).

Er zal ten slotte blijven gewerkt worden op een verlaging van de kostenstructuur.

Op basis van voormelde maatregelen inzake rentabiliteit, liquiditeit en solvabiliteit zijn wij als bestuurders van oordeel dat de liquiditeit van de vennootschap niet in gevaar is en dat bijgevolg de waarderingsregels van de vennootschap moeten worden toegepast onder de hypothese van continuïteit.

Tenslotte, aangezien de jaarrekening van de vennootschap per 31 december 2015 een negatief eigen vermogen vertoont, hebben wij als raad van bestuur op 25 april 2016 de procedure van artikel 633 van het Wetboek van Vennootschappen toegepast. Op basis van het speciaal verslag conform artikel 633 van de raad van bestuur hebben de aandeelhouders op de Buitengewone Algemene Vergadering van 26 april 2016 beslist om de activiteiten van de vennootschap verder te zetten, rekening houdende met de voormelde reeds uitgevoerde en nog geplande herstelmaatregelen.

## 12. GECONSOLIDEERDE JAARREKENING

Macintosh Retail Group, ultieme holding boven Brantano NV, werd op 30 december 2015 failliet verklaard, waardoor de aandelen van Brantano NV te koop werden gesteld. Gezien Macintosh Retail Groep bijgevolg geen geconsolideerde jaarrekening meer zal publiceren, hebben wij bekeken of Brantano NV zelf consolidatieplichtig wordt. De vennootschap heeft per 31 december 2015 vier deelnemingen en overschrijdt de criteria voor eerste consolidatie. Evenwel wordt geopteerd om niet te consolideren omdat 1 deelneming in vereffening of faillissement is (Scapino BV) en twee andere deelnemingen midden januari 2016 verkocht zijn (Muys NV en Brantano Asia Ltd) en de activiteit van de resterende deelneming (Brantano Luxembourg SA) klein is ten opzichte van Brantano NV.

Wij vragen U de jaarrekening te willen goedkeuren en ons kwijting te verlenen voor het uitgeoefende mandaat gedurende het voorbije boekjaar.

Tot slot danken wij alle medewerkers, die zich in het voorbije boekjaar hebben ingezet voor de verdere ontwikkeling van de onderneming.

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Erembodegem, 28 april 2016

DE RAAD VAN BESTUUR

Roman & Stern Management B.V.,

bestuurder

vertegenwoordigd door Rens van de Schoor  
vaste vertegenwoordiger

Nico Bondroit

bestuurder

Peter De Smedt  
Bestuurder



Ernst & Young  
Beleidsadviseur  
Rechtspraak - Belastingen  
Wetgeving  
E 19000-001

Ernst & Young Global Limited  
Tax & Finance Department  
4700

## Verslag van de commissaris aan de algemene vergadering van de vennootschap Brantano NV over het boekjaar afgesloten op 31 december 2015

Overeenkomstig de wettelijke en statutaire bepalingen, brengen wij u verslag uit in het kader van ons mandaat van commissaris. Dit verslag omvat ons oordeel over de balans op 31 december 2015, over de resultatenrekening van het boekjaar afgesloten op 31 december 2015 en over de toelichting (alle stukken gezamenlijk de "Jaarrekening") en omvat tevens ons verslag betreffende overige door wet- en regelgeving gestelde eisen.

### Verslag over de Jaarrekening - oordeel zonder voorbehoud

Wij hebben de controle uitgevoerd van de Jaarrekening van Brantano NV ("de Vennootschap") over het boekjaar afgesloten op 31 december 2015, opgesteld op grond van het in België van toepassing zijnde boekhoudkundig referentiestelsel met een balanstotaal van € 47.974.224,22 en waarvan de resultatenrekening afsluit af met een verlies van het boekjaar van € 65.725.065,89.

### Verantwoordelijkheid van het bestuursorgaan voor het opstellen van de Jaarrekening

Het bestuursorgaan is verantwoordelijk voor het opstellen van de Jaarrekening die een getrouw beeld geeft in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel. Deze verantwoordelijkheid omvat: het opzetten, implementeren en in stand houden van een interne controle met betrekking tot het opstellen en de getrouwe weergave van de Jaarrekening die geen afwijkingen van materieel belang als gevolg van fraude of het maken van fouten bevat; het kiezen en toepassen van geschikte waarderingsregels; en het maken van boekhoudkundige schattingen die onder de gegeven omstandigheden redelijk zijn.

### Verantwoordelijkheid van de commissaris

Het is onze verantwoordelijkheid een oordeel over deze Jaarrekening tot uitdrukking te brengen op basis van onze controle. Wij hebben onze controle volgens de internationale auditstandaarden ("International Standards on Auditing" - "ISAs") uitgevoerd. Die standaarden vereisen dat wij aan de deontologische vereisten voldoen alsook de controle plannen en uitvoeren teneinde een redelijke mate van zekerheid te verkrijgen dat de Jaarrekening geen afwijkingen van materieel belang bevat.

Een controle omvat werkzaamheden ter verkrijging van controle-informatie over de in de Jaarrekening opgenomen bedragen en toelichtingen. De geselecteerde werkzaamheden zijn afhankelijk van de beoordeling door de commissaris, met inbegrip van diens inschatting van de risico's van een afwijking van materieel belang in de Jaarrekening als gevolg van fraude of van fouten.

Ernst & Young Global Limited, een vennootschap met beperkte aansprakelijkheid  
1000, België  
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Ernst & Young Global Limited is een lid van het netwerk van lidmaatschapsorganisaties van Ernst & Young Global Limited, een vennootschap met beperkte aansprakelijkheid

**Verslag van de commissaris van 2 mei 2016 over de Jaarrekening  
van Brantano NV over het boekjaar afgesloten op 31 december 2015 (vervolg)**

Bij het maken van die risico-inschatting neemt de commissaris de bestaande interne controle van de Vennootschap in aanmerking die relevant is voor het opstellen door de Vennootschap van de Jaarrekening, die een getrouw beeld geeft, ten einde controlewerkzaamheden op te zetten die in de gegeven omstandigheden geschikt zijn, maar die niet gericht zijn op het geven van een oordeel over de effectiviteit van de bestaande interne controle van de Vennootschap. Een controle omvat tevens een evaluatie van de geschiktheid van de gehanteerde waarderingsregels en van de redelijkheid van de door het bestuursorgaan gemaakte schattingen, alsmede een evaluatie van de presentatie van de Jaarrekening als geheel.

Wij hebben van het bestuursorgaan en van de aangestelden van de Vennootschap de voor onze controle vereiste ophelderingen en inlichtingen verkregen en wij zijn van mening dat de door ons verkregen controle-informatie voldoende en geschikt is om daarop ons oordeel te baseren.

*Oordeel zonder voorbehoud*

Naar ons oordeel geeft de Jaarrekening een getrouw beeld van het vermogen en van de financiële toestand van de Vennootschap per 31 december 2015 alsook van haar resultaten over het boekjaar dat op die datum is afgesloten, in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel.

*Benadrukking van bepaalde aangelegenheden*

Zonder afbreuk te doen aan ons hierboven tot uitdrukking gebracht oordeel, vestigen wij de aandacht op toelichting VOL 7 in de jaarrekening, waarin het bestuursorgaan de continuïteit van de activiteiten van de vennootschap verantwoordt, de geplande maatregelen tot herstel van de financiële toestand en resultaten beschrijft, en aldus de toepassing van waarderingsregels onder de hypothese van continuïteit justifyeert. De veronderstelling van continuïteit is afhankelijk van de effectieve realisatie van de vooropgestelde herstelmaatregelen, en de mate waarin de vennootschap kan rekenen op bijkomende financiële steun van haar aandeelhouders en/of toegang krijgt tot andere financieringsbronnen om het remodelingprogramma van de winkels uit te voeren. Er werden geen aanpassingen gedaan met betrekking tot de waardering of de classificatie van bepaalde balansposten die noodzakelijk zouden kunnen blijken indien de vennootschap niet meer in staat zou zijn haar activiteiten verder te zetten.

**Verslag betreffende overige door wet- en regelgeving gestelde eisen**

Het bestuursorgaan is verantwoordelijk voor het opstellen en de inhoud van het jaarverslag over de Jaarrekening, in overeenstemming met artikel 96 van het Wetboek van vennootschappen, evenals het naleven van de wettelijke en bestuursrechtelijke voorschriften die van toepassing zijn op het voeren van de boekhouding, alsook voor het naleven van het Wetboek van vennootschappen en van de statuten van de vennootschap.



**Verslag van de commissaris van 2 mei 2016 over de Jaarrekening  
van Brantano NV over het boekjaar afgesloten op 31 december 2015 (vervolg)**

In het kader van ons mandaat en overeenkomstig de van toepassing zijnde bijkomende norm uitgegeven door het Instituut van de Bedrijfsrevisoren, zoals gepubliceerd in het Belgisch Staatsblad op 28 augustus 2013 (de "Bijkomende Norm"), is het onze verantwoordelijkheid om bepaalde procedures uit te voeren aangaande de naleving, in alle van materieel belang zijnde opzichten, van bepaalde wettelijke en reglementaire verplichtingen, zoals gedefinieerd in de Bijkomende Norm. Op grond hiervan doen wij de volgende bijkomende verklaringen die niet van aard zijn om de draagwijdte van ons oordeel over de Jaarrekening te wijzigen:

- ▶ Het jaarverslag over de Jaarrekening behandelt de door de wet vereiste inlichtingen, steunt overeen met de Jaarrekening en bevat geen van materieel belang zijnde inconsistenties ten aanzien van de informatie waarover wij beschikken in het kader van onze opdracht.
- ▶ Onverminderd formele aspecten van ondergeschikt belang, werd de boekhouding gevoerd overeenkomstig de in België van toepassing zijnde wettelijke en bestuursrechtelijke voorschriften.
- ▶ De resultaatverwerking, die aan de algemene vergadering wordt voorgesteld, stemt overeen met de wettelijke en statutaire bepalingen.
- ▶ Hoewel de vennootschap en haar dochterondernemingen de criteria overschrijden voor de verplichte opmaak van een geconsolideerde jaarrekening, heeft het bestuursorgaan voor de redenen vermeld in het jaarverslag geopteerd om geen geconsolideerde jaarrekening samen te stellen. De jaarrekening en het jaarverslag werden ons niet overgemaakt binnen de wettelijk voorziene termijnen, waardoor de termijnen inzake de terbeschikkingstelling van de jaarrekening, het jaarverslag en het commissarisverslag aan de algemene vergadering niet gerespecteerd konden worden. Behoudens voormelde punten, dienen wij u geen verrichtingen of beslissingen mede te delen die in overtreding met de statuten of het Wetboek van vennootschappen zijn gedaan of genomen.

Gent, 2 mei 2016

Ernst & Young Bedrijfsrevisoren BCvBA  
Commissaris  
vertegenwoordigd door



Marnix Van Dooren  
Vennoot\*  
\* Handelend in naam van een BVBA

Ref. : 16MVD0177

**J. OVERVIEW OF COMPILED CONSOLIDATED FIGURES FOR THE GROUP ENDING ON  
31 DECEMBER 2015, 2016 AND 2017**

(in thousands of euros)	2015				
	<i>FNG Roots</i>	<i>Miss Elam (8 months)</i>	<i>Brantano</i>	<i>Intense elimination</i>	<i>Compiled</i>
Revenue	256.942	79.029	117.912		453.883
Cost of merchandise	-126.427	-32.548	-78.238		-237.212
<b>Gross profit</b>	<b>130.515</b>	<b>46.481</b>	<b>39.674</b>		<b>216.671</b>
Employee benefit expense	-32.470	-34.694	-32.534		-99.699
Other operating expenses	-70.778	-23.995	-29.382		-124.155
<b>Adjusted EBITDA</b>	<b>27.267</b>	<b>8.792</b>	<b>-2.242</b>		<b>33.817</b>
Amortisation and depreciation expenses	-12.757	-882	-3.904		-17.543
<b>Adjusted EBIT</b>	<b>14.510</b>	<b>790</b>	<b>-6.146</b>		<b>19.154</b>
Adjustments to the EBIT (One-off results)					-64.985
<b>EBIT</b>					<b>-45.831</b>
Fin result					-6.042
<b>Profit before tax</b>					<b>-51.873</b>
Taxes					-3.658
<b>Net profit</b>					<b>-55.531</b>

**Sources for compiled figures 2015**

*FNG Roots*

*Miss Elam*

*Brantano*

Management accounts: annex 1

Reported 2015 figures in annual report 2016 + explanatory note in annual account 2016: annex 2

Audited annual accounts 2015: annex 3

(in thousands of euros)	2016				
	<i>FNG Roots</i>	<i>Miss Elam</i>	<i>Brantano and BrantNew</i>	<i>Intense elimination</i>	<i>Compiled</i>
Revenue	279.887	98.703	123.427	-41.993	459.835
Cost of merchandise	-150.804	-43.598	-61.531	41.993	-213.940
<b>Gross profit</b>	<b>129.083</b>	<b>55.105</b>	<b>61.896</b>		<b>307.894</b>
Employee benefit expense	-31.775	-19.594	-31.050		-82.419
Other operating expenses	-66.895	-33.001	-26.757		-126.653
<b>Adjusted EBITDA</b>	<b>30.413</b>	<b>2.509</b>	<b>4.895</b>		<b>37.827</b>
Amortisation and depreciation expenses	-23.629	-1.599	-3.474		-28.702
<b>Adjusted EBIT</b>	<b>6.784</b>	<b>910</b>	<b>1.421</b>		<b>9.115</b>
Adjustments to the EBIT (One-off results)					-3.632
<b>EBIT</b>					<b>5.483</b>
Fin result					-9.390
<b>Profit before tax</b>					<b>-3.907</b>
Taxes					3.915
<b>Net profit</b>					<b>-0.492</b>

**Sources for compiled figures 2016**

*FNG Roots*

*Miss Elam*

*Brantano*

Management accounts: annex 4

explanatory note in annual account 2016: annex 2

Annual accounts 2016: annex 3

	2017				
	<i>FNG Roots</i>	<i>Miss Elm</i>	<i>Brantano</i>	<i>Interco elimination</i>	<i>Compiled</i>
<i>(in thousands of euros)</i>					
Revenue	364,073	103,888	125,980	-109,489	484,452
Cost of merchandise	-326,434	-46,454	-63,940	109,489	-327,339
Gross profit	141,149	61,434	62,041		264,674
Employee benefit expense	-39,421	-32,356	-29,084		-90,861
Other operating expenses	-36,167	-34,613	-26,013		-130,833
Adjusted EBITDA	34,011	4,465	6,904		45,381
Amortisation and depreciation expenses	-8,858	-3,179	-3,740		-15,777
Adjusted EBIT	25,153	2,286	-836		26,603
Adjustments to the EBIT (One-off results)					-7,516
EBIT					19,087
Fin. result					-13,315
Profit before tax					7,772
Taxes					-456
Net profit					7,316



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# ANNEXES

**I. Articles of Association of FNG NV, in place as of 22 June 2018**

**II. The Corporate Governance Charter of FNG NV, in place as of 22 June 2018**

**III. Glossary of Alternative Performance Measures (APM)**

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**FNG NV**

Naamloze vennootschap  
Bautersemstraat 68A  
2800 Mechelen

0697.824.730  
RPR Antwerpen, afdeling Mechelen

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**STATUTEN PER 22 JUNI 2018**

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**HOOFDSTUK 1 - AARD VAN DE VENNOOTSCHAP**

**1. Naam - Vorm**

De vennootschap neemt de vorm aan van een naamloze vennootschap. De naam van de vennootschap luidt: "FNG".

De vennootschap heeft de hoedanigheid van een naamloze vennootschap die een openbaar beroep doet of heeft gedaan op het spaarwezen.

**2. Zetel**

De maatschappelijke zetel van de vennootschap is gevestigd te 2800 Mechelen, Bautersemstraat 68A. De zetel mag zonder statutenwijziging naar elke andere plaats in België worden overgebracht door eenvoudig besluit van de raad van bestuur, bekendgemaakt in de bijlagen bij het Belgisch Staatsblad. De vennootschap mag, bij eenvoudig besluit van de raad van bestuur, zowel in België als in het buitenland, administratieve zetels, exploitatiezetels, kantoren, bijhuizen, filialen, dochtervennootschappen of agentschappen oprichten.

**3. Doel**

De vennootschap heeft tot doel, zowel voor haar eigen rekening als voor rekening van derden, zowel in België als in het buitenland, alleen of in samenwerking met derden:

- alles wat rechtstreeks of onrechtstreeks betrekking heeft op het oordeelkundig beheer van roerend en onroerend patrimonium, zoals onder meer onroerende goederen verwerven, laten bouwen, laten opschikken, laten uitrusten of ombouwen;
- het waarnemen van functies of mandaten van bestuurder, zaakvoerder, directeur, commissaris of vereffenaar in andere vennootschappen, verenigingen of instellingen;
- het verstrekken van leningen, voorschotten, kredieten en zekerheden aan of voor derden, zowel aandeelhouders, bestuurders als loutere derden en het intekenen op alle financiële instrumenten;
- het nemen van belangen, hetzij door aankoop, inbreng of elke andere wijze, in alle vennootschappen, ondernemingen, samenwerkingsverbanden, beroepsverenigingen of groeperingen, bestaande of op te richten, zowel in België als in het buitenland, ongeacht hun doel. Zij mag voor eigen rekening optreden als beleggingsvennootschap of holding;
- het verlenen van diensten en adviezen aan personen en bedrijven op het vlak van organisatie en in commerciële aangelegenheden, met betrekking tot management, marketing, bedrijfsbeheer of investeringspolitiek.

De vennootschap mag, in België en in het buitenland, alle industriële, handels-, financiële, roerende en onroerende verrichtingen verwezenlijken die rechtstreeks of onrechtstreeks haar onderneming kunnen uitbreiden of bevorderen. Zij mag alle roerende en onroerende goederen verwerven, zelfs als deze rechtstreeks noch onrechtstreeks verband houden met het doel van de vennootschap. Zij mag zich borg stellen of zakelijke of persoonlijke zekerheden verlenen ten voordele van vennootschappen, rechtspersonen of particulieren, en dit in de meest ruime zin.

Zij kan, op welke wijze ook, belangen nemen in alle verenigingen, zaken, ondernemingen of vennootschappen die eenzelfde, gelijkaardig of verwant doel nastreven of die haar onderneming kunnen bevorderen of de afzet van haar producten of diensten kunnen vergemakkelijken, en ze kan ermee samenwerken of fuseren.

**4. Duur**

De vennootschap is opgericht voor een onbepaalde duur vanaf haar oprichting. Zij kan slechts ontbonden worden bij besluit van de algemene vergadering genomen mits naleving van de vereisten

voorzien in artikel 558 van het Wetboek van vennootschappen.

## **HOOFDSTUK 2 - KAPITAAL - AANDELEN**

### **5. Kapitaal**

Het geplaatst maatschappelijk kapitaal bedraagt zevenhonderd achttienduizend driehonderd eenennegentig euro en zesendertig eurocent (EUR 718.391,36).

Het is verdeeld in acht miljoen negenhonderd negenenzeventig duizend achthonderd tweeënnegentig (8.979.892) aandelen, zonder vermelding van nominale waarde.

### **6. Kapitaalverhoging**

De algemene vergadering, beraadslagend overeenkomstig artikel 558 van het Wetboek van vennootschappen, kan het geplaatst kapitaal verhogen of verminderen.

Bij elke kapitaalverhoging, waartoe wordt overgegaan door de algemene vergadering of waartoe wordt overgegaan door de raad van bestuur, in uitvoering van een machtiging gegeven door de algemene vergadering, zullen de aandelen waarop in geld wordt ingeschreven eerst aangeboden worden aan de aandeelhouders, naar evenredigheid van hun aandelenbezit, gedurende een bepaalde tijdsduur en volgens de door de algemene vergadering, of door het raad van bestuur in het kader van het toegestane kapitaal, opgestelde voorwaarden.

Echter, in afwijking van het voorgaande, mag de algemene vergadering of de raad van bestuur in het kader van het toegestane kapitaal, in het belang van de vennootschap en indien aan de voorwaarden voorzien in de artikels 595 en volgende van het Wetboek van vennootschappen voldaan is, het voorkeurrecht beperken of afschaffen. De raad van bestuur is bevoegd om het voorkeurrecht te beperken of af te schaffen ten voordele van een of meerdere bepaalde personen, anders dan leden van het personeel van de vennootschap of van een van haar filialen.

De raad van bestuur heeft in ieder geval de bevoegdheid om met alle derden, aan de bepalingen en de voorwaarden die hij zelf bepaalt, overeenkomsten te sluiten die bestemd zijn om de inschrijving van alle of een deel van de aandelen te verzekeren.

Indien de algemene vergadering besluit om een uitgiftepremie te vragen, dient deze op een onbeschikbare reserverekening te worden geboekt die slechts kan worden verminderd of weggeboekt door een besluit van de algemene vergadering genomen overeenkomstig artikel 558 van het Wetboek van vennootschappen. De uitgiftepremie zal in dezelfde mate als het maatschappelijk kapitaal de waarborg voor derden uitmaken.

Bij vermindering van het geplaatst kapitaal moeten de aandeelhouders die zich in gelijke omstandigheden bevinden gelijk worden behandeld en dienen de overige bepalingen, vervat in de artikels 612 tot 614 van het Wetboek van vennootschappen, te worden geëerbiedigd.

### **7. Toegestane kapitaal**

De raad van bestuur is bevoegd om gedurende een periode van vijf jaar te rekenen van de bekendmaking van de beslissing van de algemene vergadering van 5 juni 2018 in de Bijlagen tot het Belgisch Staatsblad het geplaatst kapitaal in één of meer malen te verhogen met een bedrag van maximum zevenhonderd achttienduizend drie honderd eenennegentig euro en zessendertig eurocent (EUR 718.391,36). Deze bevoegdheid van de raad van bestuur geldt tevens voor kapitaalverhogingen door omzetting van reserves.

Naast de uitgifte van aandelen, converteerbare obligaties en warrants mogen de kapitaalverhogingen beslist door de raad van bestuur ook geschieden door de uitgifte van aandelen zonder stemrecht, van aandelen met een preferent dividend en liquidatievoorrecht en van converteerbare aandelen die onder bepaalde voorwaarden converteren in een kleiner of groter aantal gewone aandelen.

Deze bevoegdheid van de raad van bestuur kan worden hernieuwd.

De raad van bestuur is in het kader van dit artikel bevoegd om in het belang van de vennootschap en mits eerbiediging van de voorwaarden bepaald in artikel 595 en volgende van het Wetboek van vennootschappen het voorkeurrecht dat de wet aan de aandeelhouders toekent, op te heffen of te beperken. De raad van bestuur is bevoegd het voorkeurrecht te beperken of op te heffen ten gunste van een of meer bepaalde personen, andere dan personeelsleden van de vennootschap of haar dochtervennootschappen.

Ter gelegenheid van de verhoging van het geplaatst kapitaal, binnen de grenzen van het toegestaan kapitaal, heeft de raad van bestuur de bevoegdheid een uitgiftepremie te vragen. Indien de raad van bestuur daartoe besluit, dient deze uitgiftepremie op een onbeschikbare reserverekening te worden geboekt die slechts kan worden verminderd of afgeboekt bij een besluit van de algemene vergadering

genomen op de wijze die vereist is voor de wijziging van de statuten.

De raad van bestuur heeft de bevoegdheid om de statuten van de Vennootschap te wijzigen in overeenstemming met de kapitaalverhoging die binnen het kader van haar bevoegdheid werd beslist.

De algemene vergadering van 5 juni 2018 heeft verder, in overeenstemming met artikel 607, tweede paragraaf, 2° van het Wetboek van vennootschappen, uitdrukkelijk de bevoegdheid toegekend aan de raad van bestuur om het geplaatst kapitaal te verhogen in één of meerdere keren, vanaf de datum dat de vennootschap de mededeling van de Autoriteit voor Financiële Diensten en Markten ontvangt dat haar kennis is gegeven van een openbaar overnamebod op de effecten van de vennootschap, door inbrengen in geld met opheffing of beperking van het voorkeurrecht van de bestaande aandeelhouders of door inbrengen in natura, en/of door de uitgifte van effecten met stemrechten die al dan niet het kapitaal vertegenwoordigen, of de uitgifte van effecten die recht geven om in te schrijven op of dergelijke effecten te verwerven, ook indien deze effecten of rechten niet bij voorkeur worden aangeboden aan de aandeelhouders naar evenredigheid van het kapitaal dat is vertegenwoordigd door hun aandelen. In dergelijk geval moet de transactie voldoen aan de voorwaarden voorzien in artikel 607, tweede paragraaf, 2° a) tot c) van het Wetboek van vennootschappen. Deze bevoegdheid is toegekend voor een periode van drie jaar vanaf 5 juni 2018 en kan worden hernieuwd.

#### **8. Oproeping tot bijstorten**

De oproepingen tot bijstorting of volstorting van aandelen worden eigenmachtig door de raad van bestuur beslist en verricht, in functie van de behoeften van de vennootschap. De raad van bestuur informeert de aandeelhouders over een besluit tot volstorting overeenkomstig de bepalingen van het Wetboek van vennootschappen i.v.m. de bijeenroeping van een algemene vergadering.

Vrijwillige vervroegde bijstorting of volstorting is mogelijk en wordt beschouwd als een volwaardige kapitaalbreng. Niet-volgestorte aandelen zijn volledig winstgerechtigd.

De minimumtermijn voor stortingen zal niet minder dan 30 dagen bedragen, te berekenen vanaf de datum van de tweede publicatie van de opvraging in de kranten of vanaf de datum van de aangetekende brief aan de aandeelhouders indien deze later valt.

De aandeelhouder die binnen de door de raad van bestuur bepaalde termijn niet voldaan heeft aan het verzoek door de raad van bestuur tot volstorting, zal van rechtswege en zonder verdere kennisgeving aan de vennootschap een nalatigheidinterest verschuldigd zijn gelijk de wettelijke interesten, vermeerderd met 2 procentpunten en, de uitoefening van de rechten verbonden aan de aandelen die niet volgestort werden, worden van rechtswege geschorst.

Indien de aandeelhouder geen gevolg geeft aan de ingebrekestelling die door de raad van bestuur wordt verzonden bij aangetekende brief na verloop van de door de raad van bestuur bepaalde termijn, verklaart de eerstvolgende raad van bestuur dat de rechten van de aandeelhouder vervallen zijn en verkoopt de betrokken aandelen op de meest gepaste wijze, onverminderd het recht van de vennootschap de niet voldane storting alsook schadevergoeding t.o.v. de aandeelhouder te vorderen.

#### **9. Aard van de aandelen**

De niet volgestorte aandelen zijn op naam.

De volgestorte aandelen en de andere effecten van de vennootschap zijn op naam of gedematerialiseerd.

De titularis kan op elk ogenblik op zijn kosten de omzetting vragen van zijn effecten in effecten op naam of in gedematerialiseerde effecten.

Het gedematerialiseerd effect wordt vertegenwoordigd door een boeking op rekening, op naam van de eigenaar of de houder, bij een erkende rekeninghouder of bij een vereffeningsinstelling.

Op de vennootschapszetel wordt voor elke categorie effecten op naam een register bijgehouden. Elke titularis van effecten kan kennisnemen van het register met betrekking tot zijn effecten.

#### **10. Rechten verbonden aan de aandelen**

De aandelen zijn ondeelbaar ten aanzien van de vennootschap. De vennootschap erkent slechts een eigenaar per aandeel.

Wanneer het aandeel toebehoort aan blote eigenaars en vruchtgebruikers worden alle rechten, ingegrepen het stemrecht, uitgeoefend door de vruchtgebruiker(s).

Indien een aandeel aan verschillende eigenaars toebehoort, kan de vennootschap de uitoefening van de eraan verbonden rechten schorsen, totdat een enkele persoon ten aanzien van de vennootschap is aangewezen als eigenaar van het aandeel.

Dezelfde regel is van toepassing bij splitsing van het eigendomsrecht van een aandeel in naakte ei-

gendum en vruchtgebruik, om welke reden ook.

In geval van onenigheid tussen de rechthebbenden of van hoogdringendheid, kan de voorzitter van de rechtbank van koophandel, op verzoek van een van hen, een gezamenlijke mandataris aanwijzen.

De erfgenamen, rechthebbenden en schuldeisers van een aandeelhouder kunnen onder geen enkel voorwendsel de verzegeling uitlokken van de goederen en waarden van de vennootschap, noch de verdeling, de licitatie of veiling van het maatschappelijke fonds niet vragen, noch zich op gelijk welke wijze ook inlaten met haar bestuur of administratie.

Het stemrecht van de in onderpand gegeven aandelen wordt uitgeoefend door de eigenaar van het onderpand, tenzij anders bepaald in het onderpandcontract.

De bepalingen van dit artikel zijn eveneens van toepassing op de obligaties, oprichtersbewijzen en warrants uitgegeven door de vennootschap.

De rechten en verplichtingen behorende tot aandelen blijven ermee verbonden, onafgezien van de uitgevoerde overdrachten.

#### **11. Verkrijging van eigen aandelen**

De vennootschap mag haar eigen aandelen of winstbewijzen of certificaten die daarop betrekking hebben, verwerven of hierover beschikken in overeenstemming met de artikelen 620 en volgende van het Wetboek van vennootschappen. De algemene vergadering van 5 juni 2018 heeft de raad van bestuur uitdrukkelijk gemachtigd om, overeenkomstig de bepalingen van artikel 620 en volgende van het Wetboek van vennootschappen, haar eigen aandelen, winstbewijzen of certificaten te verwerven door aankoop of ruil of te vervreemden, zonder dat een voorafgaand besluit van de algemene vergadering is vereist, rechtstreeks of door een persoon die handelt in eigen naam maar voor rekening van de vennootschap, of door een rechtstreekse dochtervennootschap in de zin van artikel 627 van het Wetboek van vennootschappen, indien de verkrijging of vervreemding noodzakelijk is ter vermijding van een dreigend ernstig nadeel voor de vennootschap. Deze machtiging geldt voor een periode van drie jaar vanaf de bekendmaking van deze beslissing in de Bijlagen van het Belgisch Staatsblad en kan worden hernieuwd.

De algemene vergadering van 5 juni 2018 heeft de raad van bestuur bovendien gemachtigd om het krachtens de artikelen 620§1 en 622§2 van het Wetboek van vennootschappen maximum toegelaten aantal aandelen door aankoop of ruil te verkrijgen en te vervreemden, rechtstreeks of door een persoon die handelt in eigen naam maar voor rekening van de vennootschap, of door een rechtstreekse dochtervennootschap in de zin van artikel 627 van het Wetboek van vennootschappen, aan een vergoeding die niet lager mag zijn dan 50% van de gemiddelde slotkoers van het aandeel gedurende de 10 voorgaande beursdagen en die niet hoger mag zijn dan 150% van de gemiddelde slotkoers van het aandeel gedurende de 10 voorgaande beursdagen. De machtiging geldt voor een periode van vijf jaar van het besluit van de algemene vergadering van 5 juni 2018.

De raad van bestuur is daarenboven tevens gemachtigd om overeenkomstig artikel 630§1 van het Wetboek van vennootschappen, over te gaan, rechtstreeks of onrechtstreeks door een dochtervennootschap of door een persoon die handelt in eigen naam maar voor rekening van die dochtervennootschap of de vennootschap zoals bepaald in artikel 630§1 van het Wetboek van vennootschappen, tot de in pandneming van eigen aandelen, winstbewijzen of certificaten die daarop betrekking hebben en dit overeenkomstig de hierboven bepaalde voorwaarden en duur voor inkoop en vervreemding van eigen aandelen. Overeenkomstig artikel 620§2 van het Wetboek van vennootschappen dient de vennootschap, voor zolang zij genoteerd is of zolang haar effecten zijn toegelaten op een MTF zoals bedoeld in artikel 2, 4° van de wet van 2 augustus 2002 betreffende het toezicht op de financiële sector en de financiële diensten, voor zover deze werkt met minstens een dagelijkse verhandeling en met een centraal orderboek, de Autoriteit voor Financiële Diensten en Markten in kennis te stellen van verkrijgingen die zij overweegt met toepassing van artikel 620§1 van het Wetboek van vennootschappen. De raad van bestuur is tevens gemachtigd om de aandelen van de vennootschap te vervreemden overeenkomstig artikel 622§2, 1° van het Wetboek van vennootschappen.

#### **12. Obligaties en warrants**

De vennootschap mag obligaties uitgeven bij beslissing van de raad van bestuur die het type en de voordelen, de wijze en het tijdstip van terugbetaling, en al de andere voorwaarden van de uitgifte bepaalt.

Tot de uitgifte van converteerbare obligaties of van warrants, kan worden besloten door de algemene



vergadering of door de raad van bestuur in het kader van het toegestane kapitaal, overeenkomstig de bepalingen van het Wetboek van vennootschappen.

De raad van bestuur is gemachtigd om, in het belang van de vennootschap en mits naleving van de voorwaarden voorzien door het Wetboek van vennootschappen, het door de wet erkende voorkeursrecht van de aandeelhouders af te schaffen of te beperken, en datzelfde in het belang van een of meer bepaalde personen, ander dan de leden van het personeel van de vennootschap of van een van haar filialen.

### **HOOFDSTUK 3 - BESTUUR EN CONTROLE**

#### **13. Samenstelling van de raad van bestuur**

De vennootschap wordt bestuurd door een raad van bestuur samengesteld uit minimum drie (3) bestuurders, natuurlijke personen of rechtspersonen, al dan niet aandeelhouders. Zij worden benoemd voor een termijn van ten hoogste zes (6) jaar door de algemene vergadering der aandeelhouders en zijn te allen tijde door haar afzetbaar. Ze zijn herbenoembaar.

De meerderheid van de bestuurders zal worden benoemd onder de kandidaten voorgedragen door Dieter Penninckx en/of Anja Maes en/of Emmanuel Bracke (elk een "Referentieaandeelhouder"), zolang zij, individueel of gezamenlijk, rechtstreeks of onrechtstreeks via met hen verbonden personen of vennootschappen in de zin van artikel 11 van het Wetboek van vennootschappen, ten minste vijftien procent (15%) van de aandelen in de vennootschap aanhouden.

Indien de Referentieaandeelhouders (individueel of gezamenlijk, rechtstreeks of onrechtstreeks via met hen verbonden personen of vennootschappen in de zin van artikel 11 van het Wetboek van vennootschappen) minder dan vijftien procent (15%) van de aandelen in de vennootschap aanhouden, doch meer dan vijf procent (5%) zullen zij gerechtigd zijn om kandidaten voor te dragen voor drie bestuursmandaten.

In geval van voortijdige vacature in de schoot van de raad van bestuur, om welke reden ook, hebben de overblijvende bestuurders het recht voorlopig in de vacature te voorzien totdat de algemene vergadering een nieuwe bestuurder benoemt. De definitieve benoeming wordt als agendapunt opgenomen voor de eerstvolgende algemene vergadering. Elke bestuurder die zo benoemd wordt, zal het mandaat van bestuurder die hij vervangt beëindigen.

De raad van bestuur kan onder zijn leden een voorzitter benoemen. Bij ontstentenis van benoeming of bij afwezigheid van de voorzitter wordt het voorzitterschap waargenomen door de oudste in jaren onder de aanwezige bestuurders.

Indien een rechtspersoon tot bestuurder wordt benoemd, is zij verplicht een of meer natuurlijke personen aan te duiden die individueel dan wel gezamenlijk bevoegd zullen zijn om haar te vertegenwoordigen voor alle handelingen die het bestuur betreffen. Deze vaste vertegenwoordiger wordt overeenkomstig artikel 61§2 van het Wetboek van vennootschappen aangeduid.

Het mandaat van de uittreedende bestuurders die niet herbenoemd zijn, neemt een einde onmiddellijk na de algemene vergadering die tot de benoeming van bestuurders is overgegaan.

#### **14. Vergaderingen**

De raad van bestuur wordt samengeroepen telkens als het belang van de vennootschap het vergt door de voorzitter of door een gedelegeerd bestuurder of twee bestuurders, samen handelend.

De oproepingen vermelden plaats, datum, uur en agenda van de vergadering.

De oproepingen gebeuren per brief, e-mail of op een andere schriftelijke wijze en worden, behoudens hoogdringendheid, minstens twee (2) volle kalenderdagen voor de datum voorzien van de vergadering per brief, e-mail of op een andere schriftelijke wijze verstuurd.

In uitzonderlijke omstandigheden, wanneer de hierna vermelde oproepingstermijn niet werkzaam is, kan de oproepingstermijn korter zijn. Indien noodzakelijk kan de oproeping telefonisch gebeuren in aanvulling op de hierboven vermelde wijze van oproeping.

Er dient minstens een vergadering gehouden te worden per kwartaal.

De regelmatigheid van de bijeenroeping dient niet te worden gerechtvaardigd indien alle bestuurders aanwezig of regelmatig vertegenwoordigd zijn en zich akkoord verklaren met de agenda.

Elke aanwezige of vertegenwoordigde bestuurder wordt geacht regelmatig opgeroepen te zijn geweest.

Een bestuurder kan er eveneens aan verzaken zich te beroepen op het ontbreken of de onregelmatigheid van de oproeping en dit voor of na de vergadering waarop hij niet aanwezig is.

De vergaderingen worden gehouden in België of in het buitenland op de plaats aangeduid in de op-

roepingen.

De vergaderingen kunnen tevens geldig worden gehouden via telefoon- of videoconferentie. In dergelijk geval, wordt de vergadering geacht te zijn gehouden op de zetel van de vennootschap indien ten minste een bestuurder fysiek aanwezig was op de zetel van de vennootschap.

#### **15. Beslissingen**

Behalve in geval van overmacht, kan de raad van bestuur slechts geldig beraadslagen en besluiten nemen indien tenminste de helft van zijn leden aanwezig of vertegenwoordigd is. Verhinderde bestuurders kunnen schriftelijk stemmen. Indien deze voorwaarde niet is vervuld, kan een nieuwe vergadering worden samengeroepen die geldig zal beraadslagen en beslissen over de agendapunten van de vorige vergadering, ongeacht het aantal aanwezige of vertegenwoordigde leden. Deze nieuwe vergadering kan ten vroegste veertien dagen na de eerste vergadering plaatsgrijpen.

Over de punten die niet op de agenda werden vermeld, kan de raad van bestuur slechts geldig beraadslagen met de instemming van de voltallige raad van bestuur en voor zover alle bestuurders persoonlijk aanwezig of vertegenwoordigd zijn.

Elke beslissing van de raad wordt genomen met gewone meerderheid der stemmen van de tegenwoordige of vertegenwoordigde bestuurders, en bij onthouding van een of meer onder hen, met de meerderheid van de andere bestuurders. Bij staking van stemmen is de stem van degene die de vergadering voorzit doorslaggevend.

In uitzonderlijke gevallen wanneer de dringende noodzakelijkheid en het belang van de vennootschap zulks vereisen, kunnen de besluiten van de raad van bestuur worden genomen bij eenparig schriftelijk akkoord van de bestuurders. Deze procedure kan echter niet worden gevolgd voor de vaststelling van de jaarrekening of de aanwending van het toegestane kapitaal. Het schriftelijk voorstel en de schriftelijke instemming van de bestuurders worden gekleefd in een speciaal register.

Iedere bestuurder kan per brief, per e-mail of op eender welke schriftelijke wijze aan een medebestuurder volmacht geven om hem op een bepaalde vergadering van de raad of een vergadering met dezelfde agenda te vertegenwoordigen en er in zijn plaats te stemmen. De volmachtgever wordt in dat geval geacht aanwezig te zijn. De inhoud van de volmacht wordt vastgelegd door de raad van bestuur.

#### **16. Tegenstrijdig belang**

Behoudens in de uitzonderingsgevallen bedoeld in het Wetboek van vennootschappen dient een bestuurder die, rechtstreeks of onrechtstreeks, een belang van vermogensrechtelijke aard heeft dat strijdig is met een beslissing of verrichting die tot de bevoegdheid behoort van de raad van bestuur, de raad daarvan op de hoogte te stellen en zich te conformeren aan de bepalingen van het Wetboek van vennootschappen. In een dergelijk geval mag dat lid van de raad van bestuur niet deelnemen aan de beraadslaging van de raad van bestuur over deze verrichtingen of beslissingen noch aan de stemming hierover.

#### **17. Notulen**

De besluiten van de raad van bestuur worden in notulen opgenomen en ondertekend door de voorzitter van de vergadering, de secretaris en de meerderheid van de aanwezige leden. Deze notulen worden in een bijzonder register opgetekend of ingebonden. De schriftelijke volmachten worden eraan gehecht.

De afschriften of uittreksels die in rechte of elders dienen voorgelegd te worden, worden door de voorzitter, de gedelegeerde bestuurder of door twee bestuurders ondertekend.

#### **18. Bestuursbevoegdheid**

De raad van bestuur is bekleed met de meest uitgebreide macht om alle handelingen te verrichten, die nuttig, dienstig of noodzakelijk zijn voor de verwezenlijking van het doel van de vennootschap, met uitzondering van die handelingen, die door de wet of door de statuten aan de algemene vergadering voorbehouden zijn.

De raad van bestuur kan aan een lasthebber, zelfs indien deze geen aandeelhouder of bestuurder is, zijn bevoegdheden voor bijzondere of bepaalde aangelegenheden opdragen.

De raad van bestuur kan in zijn midden en onder zijn verantwoordelijkheid een of meer adviserende comités oprichten. Hun samenstelling en opdracht worden omschreven door de raad van bestuur.

#### **19. Dagelijks bestuur**

De raad van bestuur of, indien een directiecomité werd ingesteld en de raad van bestuur zich de bevoegdheid niet heeft voorbehouden om het dagelijks bestuur te delegeren, het directiecomité, mag het dagelijks bestuur van de vennootschap, het bestuur van een of meer sectoren van haar activiteiten of de uitvoering van de beslissingen van de raad aan een of meer bestuurders, directeurs of volmachts-

dragers, al dan niet aandeelhouders, delegeren.

Elk persoon die belast is met het dagelijks bestuur kan aan een lasthebber, zelfs indien deze geen aandeelhouder of bestuurder is, zijn bevoegdheden voor bijzonder en bepaalde aangelegenheden overdragen.

De raad, evenals de gevolmachtigden voor het dagelijks bestuur binnen het kader van dit bestuur, mogen eveneens specifieke bevoegdheden aan een of meer personen, van hun keus toekennen.

#### **20. Vertegenwoordigingsbevoegdheid**

De vennootschap wordt ten overstaan van derden, voor het gerecht en in de akten, met inbegrip van deze voor dewelke de tussenkomst van een openbaar ambtenaar of een notaris vereist is, geldig vertegenwoordigd, hetzij door twee bestuurders samen optredend, hetzij door het afzonderlijk optreden van een gedelegeerd bestuurder (ook buiten de grenzen van het dagelijks bestuur).

Een gedelegeerd bestuurder is eveneens individueel bevoegd om de vennootschap te vertegenwoordigen, wanneer deze laatste wordt benoemd tot bestuurder of vereffenaar van een andere vennootschap.

Indien een directiecomité ingesteld wordt overeenkomstig artikel 524bis van het Wetboek van vennootschappen, zal de vennootschap in en buiten rechte worden vertegenwoordigd door twee gezamenlijk optredende leden van het directiecomité; zij moeten ten aanzien van derden geen bewijs van een voorafgaand besluit van het directiecomité voorleggen.

Binnen het kader van het dagelijks bestuur, is de vennootschap tevens geldig vertegenwoordigd door een gevolmachtigde tot dit bestuur. Ze is bovendien, binnen het kader van hun mandaat, geldig verbonden door bijzondere gevolmachtigden. Bovendien kan de vennootschap in het buitenland vertegenwoordigd worden door iedere persoon uitdrukkelijk daartoe aangesteld door de raad van bestuur.

#### **21. Directiecomité**

Ingeval van oprichting van een directiecomité door de raad van bestuur overeenkomstig artikel 524bis van het Wetboek van vennootschappen, zullen de bevoegdheden en de werking van het directiecomité onderworpen zijn aan de hiernavolgende bepalingen.

Het directiecomité neemt alle bevoegdheden over van de raad van bestuur, met uitzondering van het algemeen beleid van de vennootschap alsook alle handelingen die op grond van het Wetboek van vennootschappen aan de raad van bestuur zijn voorbehouden.

Het directiecomité telt minstens drie leden die al dan niet bestuurders zijn en welke door de raad van bestuur worden benoemd. Indien een rechtspersoon wordt aangewezen tot lid van het directiecomité, dient dit lid overeenkomstig artikel 61§2 van het Wetboek van vennootschappen een vaste vertegenwoordiger te benoemen die belast wordt met de uitvoering van de opdracht in naam en voor rekening van de rechtspersoon.

De raad van bestuur bepaalt de duur van de opdracht van het lid van het directiecomité. Indien het aantal leden van het directiecomité, om welke reden ook, daalt beneden het statutair minimum en zolang de raad van bestuur de vacature niet opvult, blijven de leden van het directiecomité, waarvan de opdracht is verstrekt, in functie.

De raad van bestuur mag onder de leden van dit comité een voorzitter benoemen. De vergaderingen van het directiecomité worden bijeengeroepen door de voorzitter of twee van zijn leden, samen handelend. De bijeenroeping van de vergaderingen, de beraadslagingen alsook het opstellen van de noten ervan gebeurt overeenkomstig de bepalingen van deze statuten die van toepassing zijn op de raad van bestuur.

Het lid van het directiecomité dat, rechtstreeks of onrechtstreeks, een belang van vermogensrechtelijke aard heeft dat strijdt met een beslissing of een verrichting die tot de bevoegdheid van het directiecomité behoort, moet zich conformeren aan de bepalingen van artikel 524ter van het Wetboek van vennootschappen. In een dergelijk geval mag dit lid van het directiecomité niet deelnemen aan de beraadslaging van het directiecomité over deze verrichtingen of beslissingen noch aan de stemming hierover.

De opdracht van lid van het directiecomité is onbezoldigd, behoudens andersluidend besluit van de raad van bestuur.

De raad van bestuur is belast met het toezicht op het directiecomité. Deze laatste zal op regelmatige wijze rapporteren aan de raad van bestuur, volgens de modaliteiten die door de raad van bestuur worden bepaald.

#### **22. Vergoedingen**

Het mandaat van bestuurders is onbezoldigd, behoudens andersluidend besluit van de algemene ver-

gadering.

### **23. Controle**

De controle op de financiële toestand, op de jaarrekening en op de regelmatigheid van de verrichtingen weer te geven in de jaarrekening kan worden toevertrouwd aan een of meer commissarissen benoemd door de algemene vergadering voor een hernieuwbare termijn van drie jaar.

De commissarissen worden benoemd door de algemene vergadering van aandeelhouders, onder de leden, natuurlijke personen of rechtspersonen, van het Instituut der Bedrijfsrevisoren. Indien een rechtspersoon wordt aangewezen tot commissaris, dient ze overeenkomstig artikel 61§2 van het Wetboek van Vennootschappen een vaste vertegenwoordiger te benoemen die belast wordt met de uitvoering van de opdracht in naam en voor rekening van deze rechtspersoon.

De algemene vergadering bepaalt het aantal commissarissen en stelt hun bezoldiging vast. Op straffe van schadevergoeding kunnen zij tijdens hun opdracht alleen om wettige reden door de algemene vergadering worden ontslagen, mits eerbiediging van de procedure beschreven in artikel 135 van het Wetboek van vennootschappen.

Wordt geen commissaris benoemd, dan heeft ieder aandeelhouder individueel de onderzoeks- en controlebevoegdheid van een commissaris. Hij kan zich laten vertegenwoordigen door een accountant. De vergoeding van de accountant komt ten laste van de vennootschap indien hij met haar instemming werd benoemd, of indien deze vergoeding te haren taste werd gelegd krachtens een rechterlijke beslissing. In deze gevallen worden de opmerkingen van de accountant medegedeeld aan de vennootschap.

De commissarissen kunnen inzage eisen van de boeken, de briefwisseling, de notulen en in het algemeen van alle geschriften van de vennootschap op de maatschappelijke zetel. Elk semester bezorgt de raad van bestuur hen een samenvattende staat van de activa en passiva van de vennootschap. De commissarissen kunnen zich, bij het uitoefenen van hun functie en op hun kosten, laten bijstaan door aangestelde of andere personen waarvoor zij verantwoordelijk zijn.

Zolang de vennootschap evenwel kan genieten van de uitzonderingsbepaling voorzien bij artikel 141, 2° van het Wetboek van vennootschappen, heeft iedere aandeelhouder conform artikel

166 van het Wetboek van vennootschappen individueel de onderzoeks- en controlebevoegdheid van een commissaris.

De algemene vergadering van aandeelhouders heeft steeds het recht een commissaris te benoemen en dit ongeacht de wettelijke criteria.

## **HOOFDSTUK 4 - ALGEMENE VERGADERING**

### **24. Jaarvergadering - Buitengewone algemene vergadering**

De regelmatig samengestelde algemene vergadering vertegenwoordigt de gemeenschap van de aandeelhouders. De besluiten van de algemene vergadering zijn bindend voor alle aandeelhouders, zelfs voor de afwezigen of zij die tegenstemden.

Elk jaar wordt er een algemene vergadering gehouden, op de zetel van de vennootschap of op een andere in de bijeenroeping aangeduide plaats. Deze vergadering wordt gehouden op de derde vrijdag van de maand mei van ieder jaar om elf (11) uur. Indien deze dag een wettelijke feestdag is, wordt de vergadering op de eerstvolgende werkdag gehouden.

Op de agenda van de gewone algemene vergadering worden ten minste de volgende items geplaatst: de bespreking van het jaarverslag en desgevallend het verslag van de commissaris(sen), de bespreking en de goedkeuring van de jaarrekening en de bestemming van de nettowinst, de kwijting aan de bestuurders en desgevallend de commissaris(sen), en in voorkomend geval, de benoeming van de bestuurders en de commissaris(sen).

De houders van warrants, obligaties en converteerbare obligaties, hebben het recht om op de zetel van de vennootschap kennis te nemen van de door de algemene vergadering genomen beslissingen.

Een bijzondere of buitengewone algemene aandeelhoudersvergadering mag bijeengeroepen worden telkens als het belang van de vennootschap zulks vereist.

### **25. Oproeping**

De raad van bestuur of de commissaris(sen) roepen de algemene vergadering bijeen.

De raad van bestuur en iedere commissaris afzonderlijk kunnen steeds een bijzondere of een buitengewone algemene vergadering bijeenroepen; zij moeten ze bijeenroepen wanneer een of meer aandeelhouders die alleen of gezamenlijk een/vijfde (1/5) van het maatschappelijk kapitaal vertegenwoordigen, het vragen.

De oproepingen vermelden steeds de agenda evenals de voorstellen tot besluit en andere gegevens voor geschreven door, en geschieden overeenkomstig de toepasselijke bepalingen van het Wetboek van vennootschappen.

Een kopie van de oproepingen wordt aan bestuurders en de eventuele commissarissen verzonden.

De stukken die overeenkomstig artikel 535 van het Wetboek van vennootschappen ter beschikking moeten worden gesteld van de aandeelhouders, worden meegezonden met de oproepingsbrieven aan de aandeelhouders op naam, de bestuurders en de commissaris.

De oproepingen die aan de houders van effecten op naam gericht worden, worden geacht te zijn gedaan op datum van de verzending.

Elke algemene vergadering waarop alle effecten vertegenwoordigd zijn evenals de bestuurders en de commissaris(sen), kan geldig beraadslagen en beslissen zonder dat het bewijs moet worden geleverd dat de formaliteiten met betrekking tot de oproeping werden vervuld.

Zolang de aandelen van de vennootschap verhandeld worden op een gereguleerde markt als bedoeld in artikel 4 van het Wetboek van vennootschappen, hebben de aandeelhouders het recht om voorstellen te doen over agendapunten of voorstellen tot besluit te formuleren overeenkomstig de toepasselijke bepalingen van het Wetboek van vennootschappen.

#### **26. Deelneming aan de vergadering**

Om tot de algemene vergadering te worden toegelaten moeten effectenhouders uiterlijk op de zesde dag voorafgaand aan de vergadering aan de vennootschap of de door haar aangestelde persoon melden dat zij willen deelnemen aan de vergadering.

Zolang de aandelen van de vennootschap verhandeld worden op een gereguleerde markt als bedoeld in artikel 4 van het Wetboek van vennootschappen, wordt het recht om deel te nemen aan de vergadering en om er het stemrecht uit te oefenen slechts verleend op grond van de boekhoudkundige registratie van de aandelen op naam van de aandeelhouder, op de veertiende dag vóór de algemene vergadering, om vierentwintig uur (Belgisch uur), hetzij (i) door hun inschrijving in het register van de aandelen op naam van de vennootschap of (ii) door hun inschrijving op de rekeningen van een erkende rekeninghouder of van een vereffeningsinstelling, ongeacht het aantal aandelen dat de aandeelhouder bezit op de dag van de algemene vergadering, en op voorwaarde dat de aandeelhouder de aanvullende instructies van de raad van bestuur heeft gevolgd.

#### **27. Vertegenwoordiging**

Elke aandeelhouder kan zich op de algemene vergadering door een gevolmachtigde - al of niet aandeelhouder - laten vertegenwoordigen bij schriftelijke volmacht overeenkomstig de toepasselijke bepalingen van het Wetboek van vennootschappen. Een lasthebber mag meer dan een aandeelhouder vertegenwoordigen.

Mede-eigenaars, respectievelijk vruchtgebruikers en naakte eigenaars dienen zich door een en dezelfde persoon te laten vertegenwoordigen.

De onbekwame en de rechtspersonen mogen nochtans door hun wettelijke of statutaire vertegenwoordigers of organen worden vertegenwoordigd of bijgestaan, zelfs indien deze zelf geen aandeelhouders zijn.

Bij bijzonder besluit van de raad van bestuur, vermeld in de oproeping, kunnen de aandeelhouders worden toegestaan op afstand te stemmen vóór de algemene vergadering, door middel van een door de vennootschap vastgesteld en ter beschikking gesteld formulier, overeenkomstig de toepasselijke bepalingen van het Wetboek van vennootschappen of de bepalingen in uitvoering daarvan genomen.

De raad van bestuur mag naast de minimumgegevens bepaald in het Wetboek van vennootschappen, bijkomende informatie opleggen die moet worden opgenomen in het formulier om te stemmen. De raad van bestuur stelt, binnen de grenzen van het Wetboek van vennootschappen of de bepalingen in uitvoering daarvan genomen, de procedure vast die moet worden gevolgd voor het stemmen op afstand.

#### **28. Stemrecht**

Elk aandeel geeft recht op een stem. De houders van obligaties, converteerbare obligaties en warrants mogen de algemene vergadering bijwonen, doch enkel met raadgevende stem.

#### **29. Beraadslaging**

Geen enkele vergadering kan beraadslagen over punten die niet op de agenda vermeld zijn, tenzij alle aandeelhouders aanwezig of vertegenwoordigd zijn, en de beslissing wat deze punten betreft met unanimiteit van stemmen genomen wordt.

### **30. Meerderheid**

Behoudens in de gevallen voorzien bij de wet of in deze statuten, beraadslaagt en besluit de vergadering bij gewone meerderheid van stemmen, ongeacht het aantal van de op de vergadering bijeenbrachte aandelen.

Een onthouding wordt als een negatieve stem beschouwd.

In geval van staking van stemmen wordt het voorstel afgewezen.

### **31. Bureau**

De algemene vergadering wordt voorgezeten door de voorzitter van de raad van bestuur, of, in diens afwezigheid, door de oudste aanwezige bestuurder. De voorzitter stelt de secretaris aan en de vergadering kiest twee stemopnemers, die geen aandeelhouders moeten zijn.

### **32. Notulen**

De notulen van de algemene vergadering worden ondertekend door de leden van het bureau en deze aandeelhouders die erom vragen. De notulen bevatten de gegevens vereist door het Wetboek van vennootschappen en worden openbaar gemaakt overeenkomstig de toepasselijke bepalingen hiervan.

Afschriften of uittreksels van de notulen worden ondertekend door de voorzitter van de raad van bestuur, een gedelegeerd bestuurder of twee bestuurders, samen handelend.

## **HOOFDSTUK 5 - BOEKJAAR- JAARREKENING- WINSTVERDELING**

### **33. Boekjaar**

Het boekjaar vangt aan op 1 januari en eindigt op 31 december van ieder jaar.

### **34. Bestemming van de winst**

Geen uitkering kan geschieden indien, op de datum van de afsluiting van het laatste boekjaar het netto-actief, zoals blijkt uit de jaarrekening, is gedaald of ten gevolge van de uitkering zou dalen beneden het bedrag van het gestort kapitaal, of indien dit hoger is, van het opgevraagde kapitaal, vermeerderd met alle reserves die volgens de wet of de statuten niet mogen worden uitgekeerd.

De nettowinst van het boekjaar wordt vastgesteld overeenkomstig de wettelijke bepalingen terzake.

Jaarlijks wordt van de nettowinst vijf procent (5%) vooraf genomen tot vorming van de wettelijke reserve. Deze voorafneming is niet meer verplicht, wanneer dit reservefonds een/tiende (1/10) van het maatschappelijk kapitaal bereikt.

Het saldo wordt ter beschikking gesteld van de algemene vergadering die, op voorstel van de raad van bestuur, de bestemming ervan bepaalt, rekening houdend met de wettelijke beperkingen terzake.

### **35. Dividenden**

De uitbetaling van dividenden toegekend door de algemene vergadering geschiedt op de plaats en op het tijdstip, vastgesteld door de raad van bestuur.

Niet-geïnde dividenden uitgekeerd aan aandelen op naam verjaren ten gunste van de vennootschap door verloop van vijf jaar vanaf de datum van inbetalingstelling.

De raad van bestuur mag op het resultaat van het boekjaar, overeenkomstig artikel 618 van het Wetboek van vennootschappen, op eigen verantwoordelijkheid besluiten tot de uitkering van interimdividenden en er de uitbetalingsmodaliteiten van bepalen.

## **HOOFDSTUK 6 - ONTBINDING - VEREFFENING**

### **36. Verliezen**

Wanneer ten gevolge van geleden verlies het netto-actief is gedaald tot minder dan de helft van het geplaatst kapitaal, moeten de bestuurders de vraag van de ontbinding van de vennootschap en eventueel andere maatregelen voorleggen aan de algemene vergadering, onder de voorwaarden voorzien door het Wetboek van vennootschappen.

Wanneer het netto-actief ten gevolge van het geleden verlies gedaald is tot minder dan een vierde van het geplaatst kapitaal, kan tot de ontbinding worden besloten door een vierde van de ter vergadering uitgebrachte stemmen.

Wanneer het netto-actief is gedaald tot beneden het wettelijk minimumbedrag, kan iedere belanghebbende de ontbinding van de vennootschap in rechte vorderen. In voorkomend geval kan de rechtbank aan de vennootschap een termijn toestaan om haar toestand te regulariseren.

### **37. Ontbinding - Vereffening**

In geval van ontbinding van de vennootschap, om welke reden of op welk tijdstip ook, geschiedt de vereffening in één akte overeenkomstig de bepalingen van het Wetboek van vennootschappen dan wel door één of meerdere vereffenaar(s) benoemd door de algemene vergadering. De vereffenaar(s) tre-

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den/treedt slechts in functie na bevestiging van hun/zijn benoeming door de rechtbank van koophandel. Bij gebreke van benoeming van (een) vereffenaar(s), worden de leden van de raad van bestuur als vereffenaars beschouwd ten aanzien van derden.

De vereffenaars vormen een college. Te dien einde beschikken/beschikt de vereffenaar(s) over de meest uitgebreide machten overeenkomstig de toepasselijke bepalingen van het Wetboek van vennootschappen, behoudens beperkingen opgelegd door de algemene vergadering.

De vereffenaar(s) zijn/is gehouden de algemene vergadering bijeen te roepen telkens wanneer de aandeelhouders die één vijfde van het maatschappelijk kapitaal vertegenwoordigen het vragen.

De algemene vergadering bepaalt de vergoeding van de vereffenaar(s).

### **38. Verdeling**

Na aanzuivering van alle schulden, lasten en kosten van de vereffening, wordt het netto-actief vooreerst aangewend om, in geld of in natura, het volgestorte en nog niet-terugbetaalde bedrag van de aandelen terug te betalen.

Het eventueel overschot wordt in gelijke delen verdeeld onder al de aandelen.

Indien de netto-opbrengst niet volstaat om alle aandelen terug te betalen, betalen de vereffenaars bij voorrang de aandelen uit die in meerdere mate zijn volgestort totdat ze op gelijke voet staan met de aandelen die in mindere mate werden volgestort of doen ze ten laste van deze laatste een aanvullende oproeping van kapitaal.

## **HOOFDSTUK 7 - ALGEMENE BEPALINGEN**

### **39. Woonstkeuze**

Ieder in het buitenland gedomicilieerde bestuurder, dagelijks bestuurder, directeur, lid van het directiecomité of vereffenaar doet gedurende de uitoefening van zijn mandaat woonstkeuze op de zetel van de vennootschap, waar alle dagvaarding en betekeningen betreffende de zaken van de vennootschap en de verantwoordelijkheid voor zijn bestuur, geldig op zijn naam kunnen worden gedaan, met uitzondering van de oproepingen die zullen verstuurd overeenkomstig deze statuten.

De houders van effecten op naam zijn verplicht de vennootschap kennis te geven van elke verandering van woonplaats. Bij ontstentenis van kennisgeving worden zij geacht te wonen op hun laatst gekende woonplaats.

### **40. Geschillen**

Alle geschillen tussen de vennootschap, haar aandeelhouders, houders van winstbewijzen, warrant-houders, obligatiehouders, bestuurders, dagelijks bestuurders, directeurs, leden van het directiecomité, commissarissen en vereffenaars met betrekking tot de zaken van de vennootschap of de interpretatie en uitvoering van onderhavige statuten, zullen worden beslecht door de rechtbanken van het gerechtelijk arrondissement waar zich de zetel van de vennootschap bevindt.

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## II. The Corporate Governance Charter of FNG NV, in place as of 22 June 2018

### FNG NV

Limited liability company ("*Société Anonyme/Naamloze Vennootschap*") incorporated under the laws of Belgium

Public company within the meaning of article 438 of the Belgian Company Code ("*ayant fait appel public à l'épargne/die een openbaar beroep doet of heeft gedaan op het spaarwezen*")

Bautersemstraat 68A  
2800 Mechelen  
Belgium

VAT No. BE0697.824.730

Register of Legal Entities Antwerp, section Mechelen

# FNG

## Corporate Governance Charter

of 22 June 2018

## TABLE OF CONTENTS

INTRODUCTION .....	4
1. Structure and organization of FNG .....	6
1.1 General information and legal structure .....	6
1.2 Governance structure.....	6
1.3 Website of the Company .....	7
2. share capital and shareholders .....	7
2.1 Share capital.....	7
2.2 Form of shares .....	7
2.3 Identity of the major shareholders of the Company and description of their voting rights, special control rights and any shareholders agreements, if any .....	7
2.4 Any other direct or indirect relationship between the Company, its subsidiaries and its major shareholders .....	8
2.5 Authorised capital .....	8
2.6 Share redemption .....	9
2.7 Existing stock option plans .....	10
2.8 Shareholders' Meetings .....	10
2.9 Agenda of the Shareholders' Meetings .....	10
3. FNG's board of directors .....	11
3.1 Role, powers and responsibilities of the Board.....	11
3.1.1 Role .....	11
3.1.2 Responsibilities .....	12
3.2 Composition of the Board - appointment - duration .....	13
3.3 Independent Directors .....	14
3.4 Gender Diversity .....	14
3.5 Individual requirements of the directors.....	14
3.6 Induction.....	14
3.7 Evaluation.....	15
3.8 Board meetings .....	15
3.9 Special meeting of non-executive directors .....	16
3.10 Access to management .....	16
3.11 Access to advisors .....	16
3.12 Information for directors .....	16
3.13 The remuneration of directors.....	17
3.14 Remuneration of the CEO and Executive Committee.....	17
3.15 Corporate governance in the annual report.....	18
3.16 Representation of the Company by its directors .....	18
4. Chairman of the board .....	19
4.1 Appointment .....	19
4.2 Powers and responsibilities.....	19
5. Company Secretary .....	19

6.	Executive Management .....	20
6.1	Chief Executive Officer ("CEO") .....	20
6.1.1	Appointment .....	20
6.1.2	Role .....	20
6.1.3	Responsibilities .....	20
6.2	Executive Committee .....	21
6.2.1	Role .....	21
6.2.2	Powers .....	21
6.2.3	Composition .....	22
6.2.4	Secretary .....	22
6.2.5	Operation .....	23
6.2.6	Interaction with the Board .....	23
6.3	Representation of the Company by the Executive Management .....	24
6.4	Appointment .....	24
6.5	Remuneration of the members of the Executive Management .....	24
6.6	Evaluation .....	24
7.	Board committees .....	24
7.1	Nomination and Remuneration Committee .....	24
7.1.1	Role .....	24
7.1.2	Powers .....	24
7.1.3	Composition .....	25
7.1.4	Secretary .....	25
7.1.5	Operation .....	25
7.1.6	Reporting and Assessment .....	26
7.2	Audit Committee .....	26
7.2.1	Role and powers .....	26
7.2.2	Composition .....	28
7.2.3	Secretary .....	28
7.2.4	Operation .....	29
7.2.5	Reporting and Assessment .....	29
8.	Conflicts of interest .....	30
9.	Rules preventing market abuse .....	31
10.	miscellaneous .....	31
10.1	Changes to the Corporate Governance Charter .....	31
10.2	Priority .....	31
10.3	Governing law and jurisdiction .....	31
Annex:	Dealing Code .....	31

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## INTRODUCTION

On 12 March 2009 the Belgian Corporate Governance Committee published its 2009 edition of the Belgian Code on Corporate Governance (the "CGC"), which is a code of best practice applying to listed companies on non-binding basis ("*comply or explain*" approach).

As a company incorporated under Belgian law and listed on Euronext Brussels, FNG NV ("**FNG**" or the "**Company**") has adopted the CGC as its reference code and is committed to follow the nine corporate governance principles set forth in the CGC, *i.e.* :

- i. The company shall adopt a clear governance structure.
- ii. The company shall have an effective and efficient board that takes decisions in the corporate interest.
- iii. All directors shall demonstrate integrity and commitment.
- iv. The company shall have a rigorous and transparent procedure for the appointment and evaluation of the board and its members.
- v. The board of directors shall set up specialised committees.
- vi. The company shall define a clear executive management structure.
- vii. The company shall remunerate directors and executive managers fairly and responsibly.
- viii. The company shall enter into a dialogue with shareholders and potential shareholders based on a mutual understanding of objectives and concerns.
- ix. The company shall ensure adequate disclosure of its corporate governance.

As required by CGC, FNG has prepared this Corporate Governance Charter in order to describe the main aspects of its corporate governance policy. This Corporate Governance Charter was approved by the Company's board of directors in this meeting of 22 June 2018 and shall be updated from time to time.

However, the board of directors is of the opinion that it is justified that the Company does not adhere to certain principles of the Belgian Code on Corporate Governance, considering the nature and size of the Company. Such deviations include:

- directors are appointed for a duration of 6 years instead of 4 years;
- at the date of this Corporate Governance Charter, the Company only has two independent directors; it is the intention to appoint an additional independent director at short notice;
- the Nomination and Remuneration Committee is currently composed of two non-executive directors and the CEO;
- the Audit Committee is currently composed of two non-executive directors;
- the Audit Committee should meet at least two (2) times a year instead of four (4) times a year.

The Corporate Governance Charter is available, together with FNG's Articles of Association, on FNG's website ([www.fng.eu](http://www.fng.eu)) and will be updated as required in case of any change made to FNG's corporate governance policy.

In addition, FNG will provide, in its annual report, a corporate governance statement containing factual information relating to its corporate governance policy, including changes to the Corporate Governance Charter together with relevant events that took place during the year under review. If necessary, the board of directors shall provide explanations where it has deviated from the provisions laid down in the Corporate Governance Charter or the Corporate Governance Code and why it has done so.

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The Company can be reached at the following address :

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E-mail : [dieter.penninck@fng.eu](mailto:dieter.penninck@fng.eu)

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## 1. STRUCTURE AND ORGANIZATION OF FNG

### 1.1 General information and legal structure

FNG NV is a limited liability company ("*société anonyme*" / "*naamloze vennootschap*") organized and existing under the laws of Belgium. It is a public company within the meaning of article 438 of the Belgian Company Code ("*société ayant fait appel public à l'épargne*" / "*vennootschap die een openbaar beroep doet of heeft gedaan op het spaarwezen*").

FNG is listed on Euronext Brussels (FNG) since 29 June 2018.

FNG is a fast-growing Benelux fashion group with activities across the entire European continent. FNG designs and distributes clothing and shoes for ladies, kids and gentlemen through its own concept stores at high-end locations in Belgium and the Netherlands, but also via a network of multi brand stores in Belgium and abroad.

### 1.2 Governance structure

The Company has opted for a "two-tier" governance structure. As a result, the Company's principal governance structure is based on a distinction between:

- the Company's executive committee ("*comité de direction*" / "*directiecomité*") (hereafter, the "**Executive Committee**") within the meaning of Article 524*bis* of the Belgian Company Code, which is in charge of the management (including daily management) of the Company, within the framework of the general strategy defined by, and under the supervision of, the Company's board of directors;
- the Company's board of directors (hereafter, the "**Board**"), which is in charge of the definition of the Company's general strategy, the supervision of the Executive Committee and the exercise of the specific powers attributed to it by the Belgian Company Code, the Articles of Association and this Corporate Governance Charter.

The Executive Committee's terms of reference including its responsibilities, duties, composition and operation are set out hereafter in Article 6.2.

The Board's terms of reference including its responsibilities, duties, composition and operation are set out hereafter in Article 3.

The Board appointed a Chairman (who must always be different from the CEO('s) or CFO) and can appoint a Company Secretary whose responsibilities are described hereafter in respectively Articles 4 and 5.

By decision of the Board, a person who must not be a director may be given a particular mandate to act on behalf of the Company.

The Board has delegated the Company's daily management to one managing director ("*administrateur délégué*" / "*gedelegeerd bestuurder*"), which is also referred to as the CEO. His powers are further described in Article 6.1.

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The Board has established an Audit Committee and a Nomination and Remuneration Committee. These Committees have an advisory function. They assist the Board in specific situations it being understood that the final decision making power remains with the Board. Their functioning is described hereafter in Articles 7.2 and 7.1.

### **1.3 Website of the Company**

The Board ensures that all information which the Company is obliged to publish pursuant to legal provisions (including the Belgian Company Code) and this Corporate Governance Charter is posted on and updated in a clearly recognizable part of the Company's website separate from the commercial information.

Any amendments to this Corporate Governance Charter must be promptly reflected in the Company's website. The domain name of the Company's website is [www.fng.eu](http://www.fng.eu).

## **2. SHARE CAPITAL AND SHAREHOLDERS**

### **2.1 Share capital**

The detailed number of FNG shares currently outstanding and the amount of FNG issued and paid-up capital can be found on [www.fng.eu](http://www.fng.eu).

### **2.2 Form of shares**

FNG shares can be held as either registered shares or dematerialized shares at the discretion of shareholders.

For registered shares, the names and addresses of all shareholders or holders of a right of usufruct or pledge are recorded in the shareholder register. On request, holders of registered shares will be provided with an extract from the register at their expense.

Any shareholder can request the conversion of his shares into another form at its own expenses.

Any requests should be made in writing and sent by ordinary mail, duly signed to the registered office of FNG for the attention of the Chairman of the Board.

### **2.3 Identity of the major shareholders of the Company and description of their voting rights, special control rights and any shareholders agreements, if any**

Each natural or legal person acquiring or transferring shares of FNG, is required to notify FNG and the Financial Services and Markets Authority in Belgium ("*Autoriteit voor financiële diensten en markten*" / "*Autorité des services et marchés financiers*") ("**FSMA**") each time their shareholding crosses, as a result of an acquisition or transfer, a threshold of five percent (5 %) or a multiple of five percent (5 %).

To the best of the Company's knowledge, based on (i) the transparency declarations most recently received by the Company pursuant to Title II of the law of 2 May 2007 and the Royal Decree of 14 February 2008 on the disclosure of major holdings and (ii) information available from private placement, the shareholders' structure is as follows on 22 June 2018:

Shareholder	Number of shares	% outstanding shares
Mr Dieter Penninckx, Ms Anja Maes, Mr Emmanuel Bracke and Mr Emiel Lathouwers, directly and indirectly via Greenway District BVBA and 3NG NV	82,111,389	58.3%
Saffelberg Investments NV	455,424	5.66%
G.C. Pilon, indirectly via FIPH B.V.	525,000	5.91%
Belfius Insurance NV	381,250	4.74%
Holding Biloba BVBA	5,239,687	4.45%
VMF Luxembourg S.A.	5,160,000	4.27%
Torfs Import Service NV	456,607	5.14%
FNG STAK	574,500	7.14%
PMV-Tina Comm. V	468,750	5.22%

This overview is based on the amount of shares as notified to the AFM (Dutch financial markets regulator) as at 22 June 2018, and could therefore not be accurate anymore.

The number of shares and percentage of voting rights attached to the shares set out in the table concern the number of shares and percentage of voting rights attached to the shares as indicated in, and at the time of, the most recent transparency notification of the relevant principal shareholder. Therefore the number of shares and percentage of voting rights attached to the shares set out in the table may not correspond to the actual number of shares and the actual percentage of voting rights attached to the shares on 22 June 2018. In addition, even if a relevant shareholder did not transfer any of its shares since the transparency notification to the AFM, the number of shares and percentage of voting rights attached to the shares set out in the table could have been impacted by the reverse stock split and any other capital movements of FNG NV, and could therefore not be accurate anymore. Each shareholder is entitled to one vote per share.

The above table is kept up-to-date based on the most recent transparency notification to the Company. It is recommended to always consult the most recent overview on the Company's website [www.fng.eu](http://www.fng.eu).

#### **2.4 Any other direct or indirect relationship between the Company, its subsidiaries and its major shareholders**

No direct or indirect relationships exist(ed) between the Company or one of its subsidiaries and its major shareholders.

#### **2.5 Authorised capital**

The general meeting of 5 June 2018 has granted the Board the authority to increase the Company's share capital, in one or more transactions, for a total amount of seven hundred eighteen thousand three hundred ninety-one euros thirty-six cent (EUR 718,391.36), for a period of five years as of the publication of the



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general meeting's decision in the annexes to the Belgian State Gazette. This authority may also be used for capital increases by way of incorporation of reserves.

In addition to the issue of shares, convertible bonds and warrants, capital increases resolved upon by the Board may also occur by way of issue of non-voting shares, shares with preferential right to dividends and liquidation proceeds and of convertible shares which convert in a larger or smaller number of ordinary shares under certain circumstances.

This authority can be renewed.

Within the framework of the authorised capital, the Board is authorised to limit or cancel the preferential right of the existing shareholders, in the interest of the Company and in accordance with the provisions of Article 595 and following of the Belgian Company Code. The Board may cancel or limit the preferential right to the benefit of one or more specific persons, who are not employees of the Company or its subsidiaries.

On the occasion of a capital increase within the limits of the authorised capital, the Board can order the payment of a share premium. In this case, the premium must be booked in a non-distributable reserve which can only be decreased or cancelled pursuant to a decision of the general meeting at which the quorum and majority required to amend the Articles of Association are met.

Further, the general meeting of 5 June 2018 has expressly authorised the Board to increase the share capital in one or more transactions, following a notification by the FSMA that the latter has been informed of a public takeover bid on the Company's securities, by means of contributions in cash with cancellation or limitation of the existing shareholders' preferential right or by contributions in kind and/or by issuing securities carrying voting rights, which may or may not represent the share capital, or by issuing securities giving right to subscribe to or acquire such securities, whether or not these securities are offered to the existing shareholders in proportion to the share capital represented by their shares. The transaction needs to comply with the requirements of Article 607, second paragraph, 2° of the Belgian Company Code. This authorisation is granted for a period of three years as from 5 June 2018 and can be renewed.

## **2.6 Share redemption**

The Company has been authorised by means of a decision of the general meeting of 5 June 2018, to acquire its own shares or bonus shares or certificates which relate thereto, or to divest them in accordance with the Articles 620 and following of the Company Code.

The general meeting of 5 June 2018 has explicitly granted the authority to the Board, in accordance with the provisions of Article 620 and following of the Company Code, to acquire by sale or exchange its own shares, bonus shares or certificates which relate thereto or to divest those, without the requirement of a prior decision of the general meeting, either directly or through a person which acts in its own name but on behalf of the company, or through a direct subsidiary in the meaning of Article 627 of the Company Code, if the acquisition or divestment is necessary to avoid a threatening serious disadvantage for the company. This power is valid for a period of three years as from the publication of this decision in the Annexes to the Belgian State Gazette, i.e. until 5 June 2021, and can be renewed.

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The general meeting of 5 June 2018 has moreover granted the Board the power to acquire by sale or exchange the maximum number of shares, bonus shares or certificates which relate thereto as set forth in Article 620§1 and 622§2 of the Company Code, and to divest those, either directly or through a person which acts in its own name but on behalf of the company, or through a direct subsidiary in the meaning of Article 627 of the Company Code, against a consideration which cannot be lower than 50% of the average closing share price over the ten (10) preceding trading days and cannot be higher than 150% of the average closing share price over the ten (10) preceding trading days. This power is valid for a period of 5 years as from the resolution of the general meeting of 5 June 2018, i.e. until 5 June 2023.

The Board is furthermore also empowered in accordance with Article 630§1 of the Company Code, to take a pledge, directly or indirectly through a subsidiary or a person who acts in its own name but on behalf of that subsidiary or the company, as stipulated in Article 630§1 of the Company Code, on its own shares, bonus shares or certificates which relate thereto and this in accordance with the conditions and duration for acquisition and divestment of own shares set forth above. In accordance with Article 620§2 of the Company Code the company should, for as long as it is listed or as long as its securities are admitted to an MTF as defined in Article 2, 4° of the Law of 2 August 2002 on the supervision of the financial sector and the financial services, to the extent that it works with at least one daily trading and with a central order book, inform the FSMA of acquisitions that it is considering by application of Article 620§1 of the Company Code. The Board is furthermore empowered to divest shares or certificates of the company in accordance with Article 622§2, 1° of the Company Code.

## **2.7 Existing stock option plans**

The Company has not yet set up any stock option plans for its employees, directors and consultants, as well as for persons who in the scope of their professional activity have made themselves useful to the Company.

## **2.8 Shareholders' Meetings**

FNG encourages its shareholders to participate in its Shareholders' Meetings. In order to facilitate this, voting may take place by proxy voting. Agendas and all other relevant information are available on the Company's website in advance of Shareholders' Meetings.

The annual Shareholders' Meeting of FNG is held each year on the third Friday of May at 11 AM. If this date is a public holiday, the meeting is held at the next working day.

For all further information regarding Shareholders' Meetings (including organization, quorum and majority requirement) reference is made to the Articles of Association of the Company and the specific section of the Company's website describing the shareholders' rights to participate and vote at the Shareholders' Meeting and containing a timetable on periodic information and Shareholders' Meetings.

Notices of all Shareholders' Meetings and all related documents, such as specific Board and auditor's report, are published on [www.fng.eu](http://www.fng.eu).

## **2.9 Agenda of the Shareholders' Meetings**

One or more shareholders together representing at least 3% of the share capital of the Company, may place additional items to be discussed on the agenda, and submit draft resolutions on subjects for discussion

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included or to be included in the agenda, but only at the time of the first calling of a Shareholders' Meeting.

The shareholder must prove that, on the date on which he submits a draft resolution or topic, he holds the required share capital and this by submitting a certificate of registration of the relevant shares in the share register of the Company or by submitting a certificate from a recognised demat institution or clearing institution showing that the corresponding number of dematerialised shares is registered in his name in the account.

The Company should receive the written request for inclusion in the agenda, and the text of the topics to be discussed and/or draft resolutions, along with proof that the applicant holds at least 3% of the capital, as described above, at the email address to be communicated in the notice or by post at its registered office, no later than on the 22<sup>nd</sup> day preceding the Shareholders' Meeting. The shareholder(s) must specify a postal or e-mail address in their request. The Company shall confirm the receipt of the request within 48 hours of receipt.

If the Company has received additional issues and/or proposed resolutions, it shall publish the new agenda and the draft resolutions as per the statutory requirements no later than on the 15<sup>th</sup> day preceding the date of the Shareholders' Meeting. A completed proxy form, and if applicable, a completed form to vote by letter shall in such case be provided on the Company website.

The proposed topics and/or draft resolutions may only be considered at the relevant Shareholders' Meeting if the relevant shareholder(s) still hold(s) 3% of the capital on the record date and this has been registered, as per Article 536§2 of the Company Code, on the record date, i.e. on the fourteenth day preceding the Shareholders' Meeting (at 12 PM (Belgian time)).

### **3. FNG'S BOARD OF DIRECTORS**

#### **3.1 Role, powers and responsibilities of the Board**

##### **3.1.1 Role**

As provided by article 521 of the Belgian Company Code, the Company is headed by a Board acting as a collegial body.

The Board's role is to pursue the long-term success of the Company by providing entrepreneurial leadership and enabling risks to be assessed and managed. The Board decides on the Company's values and strategy, its risk appetite and key policies. The Board needs to make sure that the Company's disposes of the necessary financial and human resources to meet its objectives.

The Board is of the opinion that the above includes a primary focus on long-term financial returns, while remaining sensitive to the interests of the stakeholders who are essential to a successful business: the Company's partners, shareholders and employees as well as the community and the environment in which the Company operates.

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### 3.1.2 Responsibilities

The Company has opted for a “two-tier” governance structure. Therefore, the principal governance structure of the Company is based on the distinction between the Executive Committee and the Board, as set out under Article 1.2.

In light of the above and as provided for by article 522 of the Belgian Company Code, the Board is the ultimate decision-making body in the Company, except with respect to such matters which are reserved to the Shareholders’ Meeting by law or by the Company’s Articles of Association or are delegated to the Executive Committee.

Such powers and responsibilities include among others :

- to approve and oversee the Company’s principal objectives and strategy, as recommended by the CEO;
- to appoint and dismiss the members of the managing director(s), the CEO, the CFO and the Company Secretary and the members of the Executive Committee;
- to determine the power and responsibilities of the managing director(s), the CEO and the CFO;
- to appoint and dismiss members of the board committees and their chairmen;
- to review and approve the annual and six-monthly, financial and consolidated statements, and where required by law, present those to the Shareholders’ Meeting;
- to review, evaluate and approve the Company’s budget, forecasts, major resource allocation and capital investments;
- to monitor and evaluate the Company’s performance against the strategic goals, plans and budgets set;
- to determine the structure, the powers and duties of the Executive Committee and to supervise and evaluate the Executive Committee’s performance;
- to convene the Shareholders’ Meetings and submit resolutions for approval; and
- to oversee the Company’s policy with respect to corporate communications, it being understood that communication on behalf of the Company to the outside world is reserved to the Chairman of the Board and the CEO, with the right of delegation.

With respect to its monitoring responsibilities the Board shall :

- review executive management performance and the realisation of the Company’s strategy;
- monitor and review the effectiveness of the board committees;
- take all necessary measures to ensure the integrity and timely disclosure of the Company’s financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders;
- approve a framework of internal control and risk management set up by the executive management;
- review the implementation of this framework, taking into account the review made by the Audit Committee;
- supervise the performance of the external auditor and supervise the internal audit function, taking into account the review made by the Audit Committee; and
- describe the main features of the Company’s internal control and risk management systems.

Any system of internal control and risk management will be in line with the size of the Company.

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### 3.2 Composition of the Board - appointment - duration

The Company is managed by the Board, consisting of a minimum of three (3) directors, who can be individuals or legal entities and who need not be shareholders. The directors are appointed for a term of no more than six (6) years by the Shareholders' Meeting, which is entitled to dismiss them at any time. The actual number of directors and their term may vary depending on the needs of the Company.

Pursuant to Article 13 of the Articles of Association, the majority of the directors is appointed amongst the candidates proposed by Dieter Penninckx and/or Anja Maes and/or Emmanuel Bracke (each a "**Principal Shareholder**"), for as long as they, individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code, hold at least fifteen percent (15%) of the shares in the Company. If the Principal Shareholders (individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 11 of the Belgian Company Code) hold less than fifteen percent (15%) of the shares in the Company, but more than five percent (5%), they shall have the right to propose candidates for at least three directorships."

Without prejudice to applicable legal provisions, proposals for the appointment of directors should be communicated to the Board at least 40 days before the annual Shareholders' Meeting, so as to allow the Nomination and Remuneration Committee to investigate and discuss such proposal and to advise the Board accordingly.

Whenever a legal entity is appointed as a director, it must specifically appoint an individual as its permanent representative, chosen from among its shareholders, managers, directors or employees, and who will carry out the office of director in the name and on behalf of such behalf. The legal entity may not revoke its permanent representative without simultaneously appointing a successor. The appointment and termination of the office of the permanent representative are governed by the same disclosure rules as if he/she were exercising the office on his/ her own behalf.

The directors may be re-elected for a new term subject to the provisions hereafter regarding independent directors. Before proposing any director for re-election the Board shall take into account the evaluations made by the Nomination and Remuneration Committee.

The duties of directors who are not appointed for a new term terminate immediately after the Shareholders' Meeting which decided on any re-election.

Should any of the offices of director become vacant, whatever the reason may be, the remaining directors shall have the right to temporarily fill such vacancy until the next Shareholders' Meeting, which shall make a final appointment. In the case of more than one vacancy, the remaining directors shall have the right to fill all such vacancies simultaneously.

As long as the Shareholders' Meeting or the Board has not filled a vacancy, whatever the reason may be, the director whose term has expired continues to carry out his/her duties if it is necessary for the Board to consist of the legal minimum number of members.

The composition of the Board will be balanced considering the respective skills, experience, knowledge of each of the Board members, gender diversity and diversity in general.

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Adequacy of size and composition will be regularly assessed by the Board upon the initiative of the Chairman and upon recommendation of the Nomination and Remuneration Committee.

### **3.3 Independent Directors**

At least half of the directors must be non-executive directors and at least two (2) of them must be independent.

All independent directors appointed in accordance with the Company Code shall meet the criteria set out in article 526ter of the Company Code.

The Company shall disclose in the corporate governance statement of the annual financial report which directors it considers to be independent directors and the reasons why it considers nevertheless a director as being independent even if one or more of the criteria set out above are not met.

### **3.4 Gender Diversity**

The Board considers gender diversity an important topic, in which it is willing to invest in the future. Gender diversity should be achieved throughout the entire group.

As for the composition of the Board of Directors, the Board recommends a percentage of 30% of women at the Board. It is the intention of the Board to propose women for the office of director to the Shareholders' Meeting, if possible. The Nomination and Remuneration Committee shall strive to the selection of men and women for the office of director in order to achieve the goal of 30% women at the board.

### **3.5 Individual requirements of the directors**

The directors shall be specifically chosen for their particular professional experience, knowledge and skills upon a recommendation of the Nomination and Remuneration Committee. Any proposal for the appointment of a director by the Shareholders' Meeting shall be accompanied by a recommendation from the Board, based upon such Committee's advice.

Directors undertake that they have sufficient time to exercise their duties, taking into consideration the number and importance of their other commitments. They shall not hold more than five (5) directorships in listed companies, including the directorship in FNG, provided that the Board can advise the Shareholders' Meeting to deviate from this rule. Changes in the directorships held by the directors shall immediately be reported to the Chairman of the Board.

The directors are individually responsible for acquiring and maintaining their skills and knowledge so as to allow them to carry out their function in the Board and its Committees.

### **3.6 Induction**

The Chairman shall ensure that the newly appointed directors receive an appropriate induction to ensure their contribution to the Company and the Committees to whom they belong.

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### **3.7 Evaluation**

Periodically, the Board will undertake a formal evaluation of its own size, composition and performance and that of its Committees and of its interaction with the executive management, in order to (i) assess how the Board and its Committees operate, (ii) check whether important issues are suitable prepared and discussed, (iii) evaluate whether each director makes a constructive contribution to the decision making, (iv) check the Board's or Committee's current composition against the Board's or Committee's desired composition. Such evaluation will be done at least once every three (3) year by the Nomination and Remuneration Committee at the initiative of the Chairman and, if required, with the assistance of external advisors.

The directors shall not attend the discussions on their evaluation.

The number of Board and Committee meetings and the individual attendance record of directors shall be disclosed in the corporate governance statement of the annual report.

### **3.8 Board meetings**

The Board shall meet as frequently as the interests of the Company shall require, but in any case not less than four (4) times a year. The date, hour and place of such meetings will be agreed upon by the Board, upon a proposal of the Chairman, for the next financial year at the last Board meeting of each financial year.

If an urgent issue arises, the Board can meet by a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Moreover, where duly justified by emergency and by the corporate interest of the Company, decisions may be adopted, without a meeting, by the unanimous written consent of the directors. However, the procedure may not be used for the approval of the annual accounts or the use of the authorised capital.

In addition, special meetings of the Board may be called and held at any time upon the call of the Chairman or by the CEO or two directors, by giving written notice to each director at least two (2) business days before the meeting. Where duly justified by emergency and by the corporate interest of the Company, the above notice period of two (2) business days may be waived by the unanimous consent of the directors expressed in writing. If necessary, the convocation of the meeting can also be done by telephone call. If all directors are present or represented at such meeting, they shall be deemed to have waived the above notice period.

Board meetings are based on a detailed agenda specifying the topics for decision and those for information. Board members have the power to raise any question which they consider appropriate concerning the Company and its operations.

The Board can only deliberate if a majority of its members are present or represented, each director can appoint another member of the Board to represent him and vote in his name. Any director can represent more than one other director. Decisions are made by a simple majority of votes cast.

At the request of any director and subject to the approval of the Board, any third party may be invited to attend the whole or any part of a Board meeting.

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The Company Secretary or a person appointed for such purposes drafts minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and, if any, the reservations which were voiced by dissenting directors. The minutes will be approved by the Chairman and subsequently by the Board.

Directors should arrange their personal and business affairs so as to avoid conflicts of interest with the Company.

### **3.9 Special meeting of non-executive directors**

Once a year, the non-executive directors shall meet without the presence of the CEO or any other executive director. In such meeting the non-executive directors shall assess their relationship with the executive directors; no formal board decisions can be taken at such meeting.

### **3.10 Access to management**

The Chairman of the Board shall establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

Non-executive members of the Board shall not intervene directly in the operations of the Company other than in exceptional circumstances and on a “needs only” basis.

Non-executive members of the Board ordinarily shall not give instructions to, or interfere with the activities of Company management and employees. By exception to this principle, members of the Audit Committee shall at all times have full and free access to the CFO and any other employee to whom they may require access in order to carry out their responsibilities.

### **3.11 Access to advisors**

The Board and the Committees shall have the authority, at the reasonable expense of the Company, to retain such independent accounting, financial, legal and other advisors as they deem necessary or appropriate to carry out their mandate after informing and consultation with the Chairman of the Board with due consideration for the financial consequences for the Company.

### **3.12 Information for directors**

Directors have access to all corporate information needed to fulfil their fiduciary duties. This right of access is subject, in the case of personal information concerning employees of the Company, to applicable privacy laws.

Directors will only use the information they receive for the purpose of exercising their duties and must preserve the confidentiality of such information. To this effect they will be required to sign confidentiality undertakings before the commencement of their mandate.



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### **3.13 The remuneration of directors**

Only the non-executive directors shall receive a remuneration for the fulfilment of their office of director. Without prejudice to the remuneration of the persons entrusted with daily management (CEO), which is decided by the Board, the other directors will not receive any remuneration in consideration of their membership of the Board.

The non-executive directors (including the independent directors) cannot receive a performance related remuneration in their capacity as director. Upon advice of the Nomination and Remuneration Committee, the Board may propose to the Shareholders' Meeting to deviate from the latter principle in case in the Board's reasonable opinion the granting of any performance related remuneration would be necessary to attract or retain independent directors with the most relevant experience and expertise.

Notwithstanding the above, all directors (including those who are not independent) may be granted warrants issued by the Company.

The Nomination and Remuneration Committee recommends the level of remuneration for directors, including the Chairman of the Board, subject to approval by the Board and, subsequently, by the Shareholders' Meeting.

The Nomination and Remuneration Committee benchmarks directors' compensation against peer companies to ensure that it is competitive.

The Board sets and revises, from time to time, the rules and level of compensation for directors carrying out a special mandate or sitting on one of the Committees and the rules for reimbursement of director's business related out-of-pocket expenses. Remuneration for directors will be disclosed to shareholders in accordance with applicable laws and stock exchange rules.

### **3.14 Remuneration of the CEO and Executive Committee**

The agreements entered into with the CEO or with members of the Executive Committee should mention the criteria applied to determine the variable remuneration, if any. Such variable remuneration may only be paid if the criteria for the period indicated are satisfied. The agreements shall also contain specific provisions concerning the premature termination of the contract.

Unless expressly approved otherwise by the Shareholders' Meeting, in cases where the variable remuneration relates to more than one-fourth of the annual remuneration, at least one-fourth of the variable remuneration granted to the CEO and the members of the Executive Committee should be based on predetermined and objectively measurable performance criteria over a period of at least two years, and at least another one-fourth should be based on predetermined and objectively measurable performance criteria over a period of at least three years.

The severance pay in case of early termination of the contract with the CEO or a member of the Executive Committee shall in principle not exceed twelve (12) months' basic and variable remuneration.

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Special prior approval by the next annual Shareholders' Meeting shall be required before payment of severance pay exceeding twelve (12) months' basic and variable remuneration, or eighteen (18) months' basic and variable remuneration, upon the reasoned recommendations of the Nomination and Remuneration Committee to this effect. Such a request must be notified to the works council at least 30 days before the date of publication of the convening notice for the next annual Shareholders' Meeting, or if no works council exists, to the employee representatives on the committee for prevention and protection at work or, if there is none, to the union delegation.

At the request, as the case may be, of one of the parties in the works council, or respectively, the employee representatives on the committee for prevention and protection at work, or the trade union delegation, they shall make a recommendation to the Shareholders' Meeting. The request for a recommendation must be submitted at least 20 days before the date of convening the Shareholders' Meeting. The recommendation shall be submitted no later than the date of publication of the convening notice, and published on the website of the Company. In any case, if the person vacating office has not met the performance criteria referred to in his agreement, the severance pay should not exceed the basic remuneration for twelve (12) months, and the variable remuneration shall not be taken into account.

### **3.15 Corporate governance in the annual report**

As set out in article 95 and 96 of the Company Code, each year the Board draws up a report in which they account for their management over the previous year.

This report shall also contain a corporate governance statement in accordance with article 96§ 2 of the Company Code describing all relevant corporate governance events that took place during the year under review. The corporate governance statement shall include at least the elements listed in Annex F of the CGC.

If the Company does not fully comply with one or more provisions of the CGC, it shall explain the reasons thereof in this corporate governance statement.

### **3.16 Representation of the Company by its directors**

The Company is validly represented by any two (2) of its directors acting jointly, or by the managing director, acting alone. For acts within the scope of their specific powers, the Company is also validly represented by special representatives who are appointed by the Board.

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## **4. CHAIRMAN OF THE BOARD**

### **4.1 Appointment**

The Board elects the Chairman of the Board from amongst its members. For the appointment of the Chairman of the Board, the Nomination and Remuneration Committee will prepare a job specification, including an assessment of the commitment expected, recognizing the need for availability in the event of crises. The CEO will not be the Chairman of the Board.

### **4.2 Powers and responsibilities**

The Chairman of the Board is responsible for the proper and efficient functioning of the Board.

The Chairman of the Board is responsible for the leadership of the Board. He takes the necessary measures to develop a climate of trust within the Board, contributing to open discussion, constructive dissent and support for the decisions of the Board. The Chairman of the Board promotes effective interaction between the Board and the executive management. He establishes a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

The Chairman of the Board determines the agenda of the Board meetings after consultation with the CEO (and taking into account the request from the directors) and chairs Board meetings.

He ensures that directors receive prior to each meeting complete timely and accurate information and where necessary, between meetings.

The Chairman of the Board will also make sure that all directors receive the same Board information and that there is sufficient time for consideration and discussion before making decisions.

The Chairman of the Board will ensure that new directors receive an appropriate induction to the Company prior to joining the Board.

The Chairman of the Board, together with the CEO, represents the Board from a public relations standpoint to the shareholders and the public at large and chairs the shareholders' meetings. The Chairman of the Board, together with the CEO, will serve as interface between the Board and major shareholders of the Company on matters of corporate governance.

## **5. COMPANY SECRETARY**

The Board of Directors can appoint a Company Secretary and can also decide to dismiss him/her at any time.

The Company Secretary shall advise the Board on all governance matters. S/He shall assist the Chairman of the Board in the logistics associated with the affairs of the Board (information, agenda, etc.).

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## **6. EXECUTIVE MANAGEMENT**

The Company's executive management is composed of the CEO and other members of the Executive Committee (the "**Executive Management**").

### **6.1 Chief Executive Officer ("CEO")**

#### **6.1.1 Appointment**

The Board of Directors appoints and removes the person(s) in charge of daily management ("*persoon belast met dagelijks bestuur*" / "*personne chargée de la gestion journalière*"), which shall also be referred to as the Chief Executive Officer(s) (or CEO(s)).

#### **6.1.2 Role**

The role of the CEO(s) of FNG is, together with the other members of the Executive Committee, to implement the mission, strategy and targets set by the Board and to represent the Company with its major partners, the financial community, the government and the public. The CEO(s) report(s) directly to the Board.

#### **6.1.3 Responsibilities**

As the chief executive manager of FNG, the CEO(s), with the assistance of Executive Committee, is/are responsible for:

- examining, analysing and proposing to the Board strategic business opportunities that can contribute to the further growth of the group;
- executing the decisions of the Board;
- preparing proposals to the Nomination and Remuneration Committee concerning the appointment, remuneration and evaluation of the members of the management team;
- setting up, chairing and leading the management team;
- managing the members of the management team as they discharge of their individual responsibilities, as determined by the CEO(s);
- determining the objectives to be achieved by the management;
- communicating with the outside world;
- ensuring the day-to-day management of the Company and accounting to the Board for such management at regular intervals;
- maintaining a continuous dialogue and interaction with the members of the Board in an atmosphere of openness and a climate of trust;
- maintaining excellent relationships with important customers, suppliers and the authorities.

In addition, the CEO(s) must enable the Board and the Chairman to exercise their responsibilities as directors. The CEO(s) must therefore:

- prepare proposals on topics for which decision-making is the preserve of the Board;
- meet the Chairman of the Board at regular intervals, consult him/her and involve him/her in strategic projects from the outset;
- provide the Board with all the possible relevant information it needs to exercise its powers.

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The Board allocates to the CEO(s) the powers that are appropriate and necessary for the correct discharge of its tasks and responsibilities. The CEO(s) is accountable to the Board for the discharge of the tasks and responsibilities allocated to him/her.

## **6.2 Executive Committee**

### **6.2.1 Role**

The Executive Committee is charged with the management of the Company, with the exception of the determination of the Company's strategy, the supervision of the Executive Committee, and the powers explicitly reserved to the Board and the Shareholders' Meeting, by law, the Articles of Association or this Corporate Governance Charter.

In general, the role of the Executive Committee is to run the Company in accordance with the values, strategies, policies, plans and budgets endorsed by the Board. The Executive Committee shall be collectively responsible for the Company's management and the general affairs of the Company's business. In discharging its duties, the Executive Committee shall be guided by the interests of the Company and its business; it shall take into account the relevant interests of all those involved in the Company, including the Company's shareholders. The Executive Committee is responsible for the quality of its own performance.

In the exercise of this role, the Executive Committee is responsible for complying with all relevant legislation and regulations, the Articles of Association and this Corporate Governance Charter.

### **6.2.2 Powers**

The Executive Committee is responsible for, inter alia:

- studying, defining and preparing, under the leadership of the CEO, the strategic options and proposals that may contribute to the development of the Company. This responsibility includes amongst others:
  - strategic planning: analysing the strategies, business plans and budgets and developing a plan and budget for proposal to, discussion with and approval by the Board;
  - organisation: organising activities consistent with the Company's strategy and recommending changes to the Board when necessary;
  - external development: making recommendations to the Board for the entering into, revision or termination of any alliance, spin-offs or mergers, investments, acquisitions and divestitures or any transaction which in the judgment of the CEO should be decided by the Board because of the nature or importance of the risks involved;
- developing proposals for policies to be submitted to Board's approval and implementing such policies, which include amongst others:
  - financial management: financial strategy policies including funding and solvency matters;
  - without prejudice to the tasks of the Audit Committee, risk management: policies related to the risk profile of the Company, systems to identify, assess, manage and monitor financial and other risks;
  - business conduct: key policies on private investments, general business conduct, etc;

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- any other matter where the Board or the CEO consider that the Board should set a policy;
  - under the leadership of the CEO, ensuring the management of the Company by:
    - developing and implementing policies that fall within the Executive Committee’s remit;
    - giving direction, guidance and support to the Company;
    - be responsible and accountable for the complete, timely, reliable and accurate preparation of the Company’s financial statements, in accordance with the accounting standards and policies of the Company;
    - present the Board with a balanced and understandable assessment of the Company’s financial situation;
    - provide the Board in due time with all information necessary for the Board to carry out its duties;
    - approving or deciding the entering into, revision or termination of any alliance, spin-offs or mergers, investments, acquisitions and divestitures, which are not reserved to the Board;
    - monitoring: performance as against strategic goals, plans and budgets; and compliance with applicable laws, regulations and policies and standards;
    - managing and organising the support functions covering matters such as: human resources (implementing group wide human resources strategy, policies and standards) and legal, compliance and tax matters;
  - risk management: managing the different risks within the framework of the risk policies; this includes setting up risk management systems and internal controls;
  - reporting: preparing the external financial statements, as well as other financial and non-financial external reports and management information;
  - internal and external communication, including investor relations;
  - audit: without prejudice to the tasks of the Audit Committee, deciding whether to set up, and if so, setting up of internal audit systems and concurring with the nomination of the statutory auditor;
  - assisting the CEO in fulfilling his other responsibilities;
  - exercising other powers and duties entrusted by the Board in specific matters determined by the Board upon proposal by the CEO.

The Executive Committee may sub-delegate its specific powers and responsibilities.

### **6.2.3 Composition**

The Executive Committee is composed of at least three (3) members, including the CEO(s). The Executive Committee shall be chaired by the/a CEO.

The members of the Executive Committee, whether or not directors, are appointed on proposal of the Chairman of the Board and may be dismissed by the Board at any time.

The Executive Committee shall meet regularly. The CEO(s) will report to the Chairman of the Board.

### **6.2.4 Secretary**

The secretary of the Executive Committee or another person designated by the Chairman of the meeting prepares a report on the findings and recommendations of the meeting of the Executive Committee. The report needs to be signed by all members present or represented at the meeting. The secretary sends the report to all the members of the Board as soon as possible after a meeting.

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### **6.2.5 Operation**

Meetings of the Executive Committee are in principle called by the Chairman of the Executive Committee. Each member of the Executive Committee may request that a meeting be called.

Except in cases requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the members of the Nomination and Remuneration Committee at least three (3) calendar days in advance of the meeting.

A meeting is validly constituted if at least the majority of the members of the Executive Committee is present or represented. Members of the Executive Committee may grant a power of attorney to another member of the Executive Committee to represent him/her at the meeting.

Decisions are taken by a majority of votes cast by the members of the Executive Committee. The Executive Committee invites other persons to attend its meetings, at its discretion.

### **6.2.6 Interaction with the Board**

The members of the Executive Committee shall timely provide the Board with information, if possible in writing on all facts and developments concerning the Company which the Board may need to function as required and to properly carry out its duties.

The CEO (or, in the event the CEO should not be able to attend a meeting of the Board, another representative of the Executive Committee designated by him/her) shall report at every meeting of the Board on the material deliberations and material decisions of the previous meeting(s) of the Executive Committee. The Board may at any time invite members of the Executive Committee to attend the meetings of the Board to question them on the policy they pursue.

The Executive Committee shall draft at the end of each fiscal year a proposal for a budget and a business plan of the Company for the next fiscal year. The proposal for a budget and a business plan shall be submitted to the Board by the CEO no later than 1 December. The Board may invite the members of the Executive Committee to Board meetings to question them on the content of the budget and business plan and to request additional information.

The Executive Committee shall each year in March draft an annual activity report which contains the information that should be included in the annual report, to be drawn up by the Board in accordance with Article 95 and 96 of the Belgian Companies Code. This annual activity report shall be submitted to the Board by the CEO no later than 31 March. The Board may invite the members of the Executive Committee to Board meetings to question them on the content of the annual activity report and to request additional information.

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### **6.3 Representation of the Company by the Executive Management**

The Company is duly represented by the CEO, in all matters relating to day-to-day management. In case there is more than one CEO, each CEO can act individually unless the Board has decided that they should act jointly. A CEO can delegate authority for daily management matters to one or more persons (irrespective whether or not they are employees).

In the areas of competence of the Executive Committee, the Company is duly represented by each member of the Executive Committee, acting solely.

### **6.4 Appointment**

The members of the Executive Management are appointed on the basis of a recommendation by the Nomination and Remuneration Committee.

### **6.5 Remuneration of the members of the Executive Management**

The remuneration of the members of the Executive Management is determined by the Board on the basis of recommendations of the Nomination and Remuneration Committee which shall benchmark such remuneration to ensure that it is competitive and allows to attract the best person for the job.

### **6.6 Evaluation**

Each year, the Nomination and Remuneration Committee evaluates the performance of the members of the Executive Management and makes proposals to the Board for the targets to be achieved by the members of the Executive Management in the following year.

## **7. BOARD COMMITTEES**

Apart from the Executive Committee, the Board is assisted by several Committees to analyse specific issues, i.e. the Audit Committee and the Nomination and Remuneration Committee.

### **7.1 Nomination and Remuneration Committee**

#### **7.1.1 Role**

The Nomination and Remuneration Committee makes recommendations to the Board on the appointment and remuneration of the members of the Board, the CEO(s), and other members of the Executive Committee.

#### **7.1.2 Powers**

The Nomination and Remuneration Committee is authorised to:

- (a) For the purpose of appointments and assessments:
  - prepare selection criteria and procedures for the appointment of members of the Board, the CEO(s), and the other members of the Executive Committee;



- review appropriate candidates for vacant directorships as proposed by the CEO(s) or a shareholder in accordance with the Articles of Association;
- review appropriate candidates for vacant top executive management positions as proposed by the CEO(s);
- prepare reappointment proposals;
- periodically evaluate the size and composition of the Board and, if applicable, prepare recommendations for changes to its size and composition.

(b) With respect to the remuneration policy :

- prepare proposals to the Board concerning the remuneration policy for directors and executive managers, as well as, where appropriate, on the resulting proposals to be submitted by the Board to the Shareholders' Meeting;
- prepare proposals to the Board concerning the remuneration of directors and executive managers, including, depending on the situation, variable remuneration and long term incentives, whether or not stock related, in the form of stock options or other financial instruments and regarding the arrangements on early termination, and where applicable on the resulting proposals to be submitted by the Board to the Shareholders' Meeting.

#### **7.1.3 Composition**

The Nomination and Remuneration Committee comprises at least two (2) directors and the CEO. All members of the Nomination and Remuneration Committee must be non-executive directors, a majority of whom must be independent, save for the CEO. The composition of the Nomination and Remuneration Committee may deviate from the above if, in the reasonable opinion of the Board, a different composition can bring more relevant experience and expertise to the Committee.

The members of the Nomination and Remuneration Committee are appointed and may be dismissed at any time by the Board. The duration of the appointment of a member of the Nomination and Remuneration Committee must not exceed the duration of his/her directorship.

The Nomination and remuneration Committee is chaired by the Chairman of the Board or by another non-executive director appointed by the Committee.

#### **7.1.4 Secretary**

The secretary of the Nomination and Remuneration Committee or another person designated by the Chairman of the meeting prepares a report on the findings and recommendations of the meeting of the Nomination and Remuneration Committee. The secretary sends the report to all the members of the Board as soon as possible after a meeting.

#### **7.1.5 Operation**

The Nomination and Remuneration Committee meets as frequently as is necessary for the efficient operation of the Nomination and Remuneration Committee and is called at least twice a year. The meetings are as far as possible arranged in advance for each year.

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Meetings of the Nomination and Remuneration Committee are in principle called by the Chairman of the Nomination and Remuneration Committee. Each member of the Nomination and Remuneration Committee may request that a meeting be called.

Except in cases requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the members of the Nomination and Remuneration Committee at least seven (7) calendar days in advance of the meeting.

A meeting is validly constituted if it is attended in person by at least two (2) members.

Decisions are taken by a majority of votes cast by the members of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee invites other persons to attend its meetings, at its discretion.

No individual director shall be present at the meeting of the Nomination and Remuneration Committee at which his/her own remuneration is discussed nor shall an individual director be involved in any decision concerning his/her own remuneration.

#### **7.1.6 Reporting and Assessment**

The Nomination and Remuneration Committee provides the Board regularly with clear information about the discharge of its functions. It submits a remuneration report to the Board and informs the Board about any areas in which the Nomination and Remuneration Committee considers action or improvement to be necessary. The Nomination and Remuneration Committee prepares recommendations concerning the necessary steps to be taken.

The Nomination and Remuneration Committee reviews its terms of reference and its own effectiveness regularly (and at least every two (2) to three (3) years). It reports on its assessment to the Board and submits to the Board proposals for changes where necessary.

The Nomination and Remuneration Committee should consider proposals with regard to the appointment of directors. In particular, the CEO(s) shall be entitled to submit proposals to, and to be adequately consulted by the Nomination and Remuneration Committee, especially when dealing with issues related to executive directors or Executive Management.

### **7.2 Audit Committee**

#### **7.2.1 Role and powers**

The Audit Committee supervises financial reporting and the observance of administrative, legal and fiscal procedures and the follow-up of financial and operational audits and advises on the choice and remuneration of the external auditor. The Audit Committee, which reports directly to the Board, has a supervisory and advisory role.

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Without prejudice the legal responsibilities of the Board, the roles of the Audit Committee shall include the following:

- (a) Informing the Board of Directors of the result of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts and explaining how the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts has contributed to the integrity of the financial reporting and the role of the Audit Committee in such process.
- (b) Monitoring the financial reporting process and making recommendations or proposals to ensure the integrity of the process:
  - the Audit Committee ensures that financial reporting gives a truthful, honest and clear picture of the situation and prospects of the Company, on both an individual and consolidated basis;
  - the Audit Committee checks the accuracy, completeness and consistency of financial information before it is announced;
  - the Audit Committee assesses the choice of accounting policies and the impact of new accountancy rules;
  - the Audit Committee discusses significant matters relating to financial reporting both with the executive managers and the external auditor.
- (c) Monitoring the effectiveness of the Company's internal control and risk management systems, as well as, if there is an internal audit, monitoring the internal audit and its effectiveness:
  - the Audit Committee evaluates at least once a year the effectiveness of the internal control and risk management system installed by the executive management;
  - the Audit Committee also examines the statements relating to internal control and risk management included in the Corporate Governance Statement of the Company;
  - the Audit Committee investigates the specific arrangements to enable staff to express concerns in confidence about any irregularities in financial reporting and other areas (whistle-blower arrangements). The Audit Committee ensures that all the staff of the Company and its subsidiaries are aware of such arrangements;
  - the Audit Committee decides on the appointment and dismissal of the internal auditor. The Audit Committee approves annual budgets and the internal audit budget. The responsibilities of the Audit Committee also include evaluation of the effectiveness of the internal audit function and the follow-up given by executive management to the findings and recommendations made by the internal auditor.
- (d) Monitoring the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the annual and consolidated accounts, including the follow-up on any questions and recommendations made by the external auditor:
  - the Audit Committee supervises the relationship between the Company and the external auditor and makes recommendations to the Board of Directors concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor;
  - the Audit Committee monitors the external auditor's schedule and ensures the effectiveness of the external audit process. The Audit Committee examines the extent to which the executive management complies with the recommendations made by the external auditor in its management letter.

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- (e) Reviewing and monitoring the independence of the external auditor, in particular in the light of the provisions of the Company Code:
    - the Audit Committee supervises the independence of the external auditor, in particular in the light of the provisions of the Company Code;
    - the Audit Committee examines which additional (non-audit) services have been entrusted to the external auditor and the scope of such services. The Audit Committee determines and updates a formal policy with regard to the types of additional services that : a) are excluded; b) are permissible after verification by the Committee and c) are permissible without being referred to the Committee, taking account of the specific requirements of the Company Code.
  - (f) Making recommendations to the Board of Directors with regard to the appointment of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts:
    - the Audit Committee supervises the relationship between the Company and the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts and makes recommendations to the Board of Directors concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts.

#### **7.2.2 Composition**

The Audit Committee consists of at least two (2) directors. All members of the Audit Committee are non-executive directors, with a majority of independent directors. At least one (1) of the members who are independent directors shall have the necessary expertise in the field of accounting and audit. Subject to the legal requirements set out in article 562*bis* of the Belgian Company Code, the composition of the Audit Committee may deviate from the above if, in the reasonable opinion of the Board, a different composition can bring more relevant expertise to the Committee.

The members of the Audit Committee are appointed on the proposal of the Chairman of the Board and may be dismissed by the Board at any time. The duration of the appointment of a member of the Audit Committee must not exceed the duration of his/her directorship.

The Audit Committee is chaired by one of the members of the Audit Committee appointed by the Committee. The Chairman of the Board may not chair the Audit Committee, unless decided otherwise by the Board.

The members of the Audit Committee shall have sufficient relevant expertise, in particular in accounting, auditing and finance, to effectively discharge their functions.

#### **7.2.3 Secretary**

The Company Secretary or a person appointed for such purposes is also the secretary of the Audit Committee. The secretary of the Audit Committee prepares a report on the findings and recommendations of the meetings of the Audit Committee. The secretary sends the report to the Chairman of the Board as soon as possible after a meeting.

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#### **7.2.4 Operation**

The Audit Committee meets as frequently as necessary to ensure effective operation of the Audit Committee, but at least two (2) times a year. An annual schedule is determined for meetings of the Audit Committee. The meetings are preferably held shortly before meetings of the Board.

Meetings at the Audit Committee are in principle called by the Chairman of the Audit Committee. Each member of the Audit Committee may convene a meeting of the Audit Committee.

Except in case requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the members of the Audit Committee at least [seven (7)] calendar days in advance of the meeting.

A meeting is validly constituted if it is attended in person by at least two (2) members.

The decisions of the Audit Committee in its supervisory and advisory role are taken by a majority of the votes cast.

The Audit Committee invites other people to attend its meetings at its discretion. The CEO attends the meetings of the Audit Committee, except if the Audit Committee decides otherwise. The Audit Committee meets the external and internal auditors at least twice a year, in order to discuss with them matters relating to its terms of reference and any matters arising from the audit process, and in particular any material weakness in the internal control.

The internal auditor has unlimited access to the Chairman of the Audit Committee to discuss matters concerning the internal audit of the Company.

#### **7.2.5 Reporting and Assessment**

The Audit Committee provides the Board with clear regular information about the exercise of its duties and at least when the Board draws up the annual accounts, the consolidated annual accounts and, where applicable, the condensed financial statements intended for publication. It informs the Board about all areas in which action or improvement is necessary in the opinion of the Audit Committee. The Audit Committee produces recommendations concerning the necessary steps that need to be taken. The audit review and the reporting on that review should cover the Company and its subsidiaries as a whole.

The Audit Committee reviews its terms of reference and its own effectiveness regularly (and at least every two (2) to three (3) years). It reports on its evaluation to the Board and submits to the Board proposals for changes where necessary.

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## **8. CONFLICTS OF INTEREST**

All members of the Board and the Executive Management are expected to act at all times in the interest of the Company and its subsidiaries.

Each member of the Board and of the Executive Committee shall:

- exercise his or her function in a sound, sensible and ethical manner;
- not request or accept, either directly or indirectly, substantial donations for his or her own benefit;
- not develop any capacity whatsoever, or activities which are, directly or indirectly, in competition with the activities of the Company;
- not provide third parties with unjustified advantages at the expense of the Company;
- not seize, either directly or indirectly, an advantage or business opportunity to which the Company is entitled, for its own benefit;
- respect the confidentiality of information and deliberation during and after its membership of the Board and/or of the Executive Committee.

Each member of the Board or each member of the Executive Committee shall immediately report any potential conflict of interests to the Chairman and to the other members of the Board or of the Executive Committee, as the case may be. The members concerned must provide the Chairman and the other members of the Board or of the Executive Committee, as the case may be, with all information relevant to the conflict. The Chairman of the Board or of the Executive Committee will determine whether a reported (potential) conflict of interests qualifies as a conflict of interests.

If such is the case, a member of the Board or of the Executive Committee, as the case may be, shall not participate in the discussions or decision-taking process of the Board or of the Executive Committee, as the case may be, on a subject or transaction in relation to which he has a conflict of interests with the Company. Such transaction, if approved, must be concluded on terms customary in the sector concerned and be approved, in case of a decision by the Executive Committee, by the Board.

Without prejudice to the foregoing, each member of the Board or of the Executive Committee who is faced, directly or indirectly, with a financial interest conflicting with a decision or transaction within the competence of the Board or the Executive Committee, within the meaning of Article 523, or Article 524ter of the Belgian Companies Code, as the case may be, shall inform the other members of the Board or of the Executive Committee thereof prior to the deliberations. Its declaration, as well as its justification, must be included in the minutes of the relevant meeting of the Board or of the Executive Committee. The relevant member of the Board or of the Executive Committee must inform the statutory auditor of its conflict of interest. With a view to publication in the annual report, the Board or the Executive Committee must set out in its minutes the nature of the decision or transaction and the justification thereof, including the financial consequences of the decision or transaction for the Company.

The Chairman shall procure that all these transactions involving conflicts of interests will be referred to in the annual report, with a declaration that the provisions in this Corporate Governance Charter have been complied with.

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## **9. RULES PREVENTING MARKET ABUSE**

A dealing code, attached hereto as Annex I (the "Dealing Code"), ensures that all employees, and particularly the members of the Board do not abuse, nor place themselves under suspicion of abusing, and maintain the confidentiality of inside information that they may have or be thought to have, especially in periods leading up to an announcement of financial results or of price-sensitive events or decisions.

To implement and monitor this Dealing Code, the Board shall designate one or more compliance officers who shall have the rights and obligations set out in the Dealing Code.

## **10. MISCELLANEOUS**

### **10.1 Changes to the Corporate Governance Charter**

The Board may amend this Corporate Governance Charter from time to time without prior notice. It may also decide at any time to deviate from this Charter subject to disclosure thereof in the corporate governance statement of the annual report.

Any such modification or deviation will be published on the Company's website.

Third parties shall not derive any rights from such modification or deviation.

### **10.2 Priority**

In case of any contradiction between a provision of this Corporate Governance Charter and an applicable mandatory law or regulation, such law or regulation shall supersede the provisions of this Corporate Governance Charter.

### **10.3 Governing law and jurisdiction**

This Corporate Governance Charter shall be governed by and construed in accordance with Belgian law.

The courts of Mechelen (Belgium) shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Corporate Governance Charter.

### **Annex: Dealing Code**

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**FNG**

Limited liability company ("*Société Anonyme/Naamloze Vennootschap*")  
incorporated under the laws of Belgium

Public company within the meaning of article 438 of the Belgian Company Code  
("*ayant fait appel public à l'épargne/die een openbaar beroep doet of heeft gedaan op het spaarwezen*")

Bautersemstraat 68  
2800 Mechelen  
Belgium

VAT BE 0697.824.730  
Register of Legal Entities Antwerp, subsection Mechelen

**Dealing Code**

**22 June 2018**



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## INTRODUCTION

In the normal course of business, all persons employed by the FNG Group (as defined hereinafter) may use or have access to Inside Information (as defined hereinafter). Such persons have an important ethical and legal obligation not to engage in acts prohibited under Applicable Laws (as defined hereinafter).

Insider Dealing, unlawful disclosure of Inside Information and Market Manipulation are criminal acts: the persons concerned and companies of the FNG Group may be subject to criminal and/or administrative sanctions, as well as civil liability. Besides these possible sanctions, there is also a risk of serious harm to reputation of such persons and of the FNG Group.

The FNG Group has adopted this Dealing Code to prevent violations of Applicable Laws by employees, representatives and directors of the FNG Group and to avoid even the appearance of improper conduct by such persons.

The purpose of the Code is twofold: (i) to inform all those concerned within the FNG Group of their key duties under Applicable Laws as regards the prohibition of Insider Dealing and unlawful disclosure of Inside Information (Chapter 2), the prohibition of Market Manipulation (Chapter 3) and transactions by Persons Discharging Managerial Responsibilities and Persons Closely Associated with them (Chapter 4); and (ii) to establish additional safeguards for Dealings by Directors and Key Employees (as defined hereinafter) (Chapter 5).

This Dealing Code has been adopted by the Board of Directors of FNG on 22 June 2018 to prevent the illegal use of inside information by directors, executive management and staff members.

Any questions relating to the interpretation or implementation of this Dealing Code should be submitted to the Compliance Officer.

The Board of FNG may review this Dealing Code from time to time and make such changes as it deems necessary and appropriate.

The Board of Directors

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## 1. DEFINITIONS

In this Code, unless expressly indicated otherwise, the following terms will have the following meaning:

<b>Applicable Laws</b>	<ul style="list-style-type: none"><li>(i) Regulation (EU) n°596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended from time to time (hereinafter the "<b>MAR</b>");</li><li>(ii) Law of 2 August 2002 on the monitoring of the financial sector and financial services as amended from time to time (hereinafter the "<b>WFT</b>");</li><li>(iii) any other applicable law or regulation relating to the subject matter of this Dealing Code.</li></ul>
<b>Compliance Officer</b>	The person appointed to monitor the compliance of Directors and Key Employees with this Dealing Code, or the person who replaces him/her in his/her absence.
<b>Deal/Dealing</b>	<ul style="list-style-type: none"><li>(i) Any sale or purchase of, or agreement to sell or purchase, any Financial Instruments issued by FNG;</li><li>(ii) Entering into a contract for value differences or any other contract of which the intention is to secure a profit or avoid a loss with respect to the price fluctuations of Financial Instruments of FNG;</li><li>(iii) Acceptance or exercise of a stock option of FNG, and the disposal of shares of FNG stemming from the exercise of a stock option;</li><li>(iv) Acquisition, disposal or exercise of rights, including put and call options, and warrants of FNG;</li><li>(v) Cancellation or amendment of an order concerning a Financial Instrument of FNG.</li></ul>
<b>Dealing Code</b>	The present dealing code.
<b>Director</b>	A member of the Board of Directors of FNG or of the Board of Directors of a Subsidiary.
<b>Employee(s)</b>	Member(s) of the contractual personnel of FNG and employee(s) of the FNG Subsidiaries.
<b>Financial Instrument</b>	Any financial instrument within the meaning of Article 2, (1) of the WFT.

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<b>FNG</b>	FNG, a public limited liability company under Belgian law, having its registered office at Boutersemstraat 68A, 2800 Mechelen and registered with the Register of Legal Entities under the number 0697.824.730.
<b>FNG Group</b>	FNG and its Subsidiaries.
<b>FSMA</b>	The Belgian Financial Services and Markets Authority ( <i>Autoriteit voor Financiële Diensten en Markten/L'Autorité des services et marchés financiers</i> ).
<b>Inside Information</b>	<p>Any information which (i) has not been made public, (ii) is of a precise nature, (iii) is directly or indirectly related to one or more issuers of Financial Instruments or to one or more Financial Instruments, and which (iv) if it were made public, would be likely to have a significant effect on the prices of those Financial Instruments or on the price of related derivative Financial Instruments.</p> <p>In any event, it is assumed that such information would be likely to have a significant effect on the prices of the Financial Instruments or on the price of related derivative Financial Instruments, if a reasonable investor is likely to use this information as part of the basis of his or her investment decisions.</p> <p>The information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Financial Instruments or the related derivative Financial Instrument. In this respect in the case of a protracted process that is intended to bring about, or that results in, particular circumstances or a particular event, those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information.</p> <p>An intermediate step in a protracted process shall be deemed to be inside information if, by itself, it satisfies the criteria of Inside Information as referred to above.</p>

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**Insider Dealing**

Possessing Inside Information and using that Inside Information by:

- (a) acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, the Financial Instruments to which this Inside Information relates;
- (b) cancelling or amending an order concerning a Financial Instrument to which the information relates where the order was placed before the person concerned possessed the Inside Information.

The use of the recommendations or inducements provided by a person possessing Insider Information amounts to Insider Dealing where the person using the recommendation or inducement knows or ought to know that it is based upon Inside Information.

Where the concerned person is a legal person, this definition shall also apply to the natural persons who participate in the decision to carry out activities for the account of the legal person concerned.

**Key Employee**

Employee(s) or other persons who, in view of their position or employment within the FNG Group, may frequently possess Inside Information, and whose names are exhaustively set out in one (or more) of the lists drawn up (by the management of FNG) and regularly updated by the Compliance Officer.

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**Market Manipulation**

1. Carrying out a transaction, placing an order to trade or any other behavior which (a) gives, or is likely to give, false or misleading signals about the supply of, demand for, or price of, a Financial Instrument; or (b) secures, or is likely to secure, the price of one or several Financial Instruments at an abnormal or artificial level; unless the person entering into a transaction, placing an order to trade or engaging in any other behavior establishes that such transaction, order or behavior have been carried out for legitimate reasons, and conform with an accepted market practice within the meaning of Article 2, (2) WFT;
2. Carrying out a transaction, placing an order to trade or any other activity or behavior which affects or may affect the price of one or several Financial Instruments, which employs fictitious device or any other form of deception or contrivance;
3. Disseminating information through the media, including the internet, or by any other means, which gives or is likely to give false or misleading signals as to the supply of, demand for, or price of, a Financial Instrument, or secures, or is likely to secure, the price of one or several Financial Instruments at an abnormal or artificial level, including the dissemination of rumors, where the person concerned knew or should have known that the information was false or misleading;
4. Transmitting false or misleading information or providing false or misleading inputs in relation to a benchmark where the person who made the transmission or provided the input knew or ought to have known that it was false or misleading, or any other behavior which manipulates the calculation of a benchmark.

The behaviors listed in Article 12§2 of the MAR shall, inter alia, be considered as Market Manipulation.

Where the concerned person is a legal person, this definition shall also apply to the natural persons who participate in the decision to carry out activities for the account of the legal person concerned.

**Person Closely Associated**

- (i) The spouse, or the partner who is legally equivalent to a spouse, of a Person Discharging Managerial Responsibilities;
- (ii) a dependent child;
- (iii) a relative who has shared the same household for at

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	<p>least one year on the date of the transaction concerned; or</p> <p>(iv) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a Person Discharging Managerial Responsibilities, or with the above-mentioned persons, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person; or the economic interests of which are substantially equivalent to those of such a person.</p>
<b>Person Discharging Managerial Responsibilities</b>	<p>Any person within FNG who:</p> <p>(a) is a member of the administrative, management or supervisory body of FNG; or</p> <p>(b) a senior executive who is not part of any of the abovementioned bodies, who has regular access to Inside Information which is directly or indirectly related to FNG, and who has the power to take managerial decisions which have an impact on the FNG' future developments and business prospects.</p>
<b>Related Financial Instrument</b>	<p>Any financial instrument which is related to a specific Financial Instrument in one of the following ways:</p> <p>a) it can be converted into or replace the Financial Instrument concerned;</p> <p>b) it grants the holder the right to acquire or apply for the Financial Instrument concerned;</p> <p>c) it has been issued or guaranteed by the issuer or guarantor of the Financial Instrument concerned, if an important correlation exists between the prices of both instruments;</p> <p>d) it is a certificate which represents or is equivalent to the Financial Instrument concerned;</p> <p>e) its financial return, in accordance with the conditions of issue, is specifically linked to the evolution of the exchange rate of the Financial Instrument concerned.</p>
<b>Subsidiary</b>	<p>Any subsidiary of the Company as defined in article 6, 2° of the Belgian Company Code.</p>

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## **2. PROHIBITION OF INSIDER DEALING AND UNLAWFUL DISCLOSURE OF INSIDE INFORMATION**

### **2.1 No legal advice**

This Dealing Code, particularly this chapter, "Prohibition on Insider Dealing and unlawful disclosure of Inside Information", is limited to an overview of some key duties under Applicable Laws, insofar as they relate to the Financial Instruments issued by FNG. It does not constitute legal advice and may not be relied upon as such. All Employees are personally responsible for ensuring that their conduct is at all times in full compliance with Applicable Laws, and must seek personal legal advice where appropriate.

### **2.2 Prohibitions**

Persons who possess Inside Information are prohibited from:

- a) engaging or attempting to engage in Insider Dealing;
- b) unlawfully disclosing Inside Information with others, unless this occurs in the context of the normal exercise of an employment, a profession or duties, or disclosing those recommendations or inducements onwards where the disclosing person know or ought to know that it was based on Inside Information;
- c) recommending that another person engages in Insider Dealing or inducing another person to engage in Insider Dealing, by:
  - (i) recommending, on the basis of that information, that another person acquires or disposes of Financial Instruments to which that information relates, or induces that person to make such an acquisition or disposal, or
  - (ii) recommending, on the basis of that information, that another person cancels or amends an order concerning a Financial Instrument to which that information relates, or induces that person to make such a cancellation or amendment.

However, it shall not be deemed from the mere fact that a person is in possession of Inside Information that that person has used that information and has thus engaged in Insider Dealing on the basis of an acquisition or disposal:

- a) where that person conducts a transaction to acquire or dispose of Financial Instruments and that transaction is carried out in the discharge of an obligation that has become due in good faith and not to circumvent the prohibition against insider dealing and:
  - (i) that obligation results from an order placed or an agreement concluded before the person concerned possessed Inside Information; or
  - (ii) that transaction is carried out to satisfy a legal or regulatory obligation that arose, before the person concerned possessed Inside Information,
- b) where such person has obtained that Inside Information in the conduct of a public takeover or merger with a company and uses that Inside Information solely for the purpose of proceeding with that merger or public takeover, provided that at the point of approval of the merger or acceptance of the offer by the shareholders of that company, any Inside Information has been made public or has otherwise ceased to constitute Inside Information; this exception shall not apply to stake-building.

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The mere fact that a person uses its own knowledge that it has decided to acquire or dispose of Financial Instruments in the acquisition or disposal of those Financial Instruments shall not of itself constitute use of Inside Information.

Nevertheless, an infringement of the prohibition of Insider Dealing may still be deemed to have occurred if the FSMA established that there was an illegitimate reason for the order to trade, transactions or behaviors concerned.

### **2.3 Concerned persons**

The prohibitions referred to above shall apply to any person who possesses Inside Information as a result of:

- a) being a member of the administrative, management or supervisory bodies of FNG;
- b) having a holding in the capital of FNG;
- c) having access to the information through the exercise of an employment, profession or duties;
- d) being involved in criminal activities; or
- e) circumstances other than those mentioned above where that person knows or ought to know that it is Inside Information.

### **2.4 Prosecution and sanctions**

Violations of the prohibitions set out above, under II, may lead to both administrative and criminal sanctions.

Anyone infringing such prohibitions may be found guilty of an administrative offence. The FSMA has the power to prosecute the administrative offence, and to that end enjoys wide powers of investigation. It can impose the following maximum administrative pecuniary sanctions: (i) in respect of a natural person, EUR 5,000,000 and (ii) in respect of a legal person, EUR 15,000,000 or, if higher, 15% of the total annual turnover of the legal person. The relevant total annual turnover shall be determined based on the last annual accounts drawn up by the boards of directors. If the legal person has no turnover, the relevant total annual turnover shall refer to the corresponding type of income determined either in accordance with the relevant accounting directives, or, if they do not apply to the legal person, in accordance with the law of the state in which the concerned legal person has its statutory office. If the legal person is a parent company or a subsidiary of a parent company who must draw up consolidated accounts, the relevant total annual turnover shall be based on the last consolidated accounts approved by the boards of directors of the ultimate parent company.

If the infringement has resulted in profits or has permitted to avoid losses, this maximum amount may be increased to three times the amount of the profits gained or losses avoided.

To be found guilty of an administrative offence, for each of the prohibited actions, the person concerned must have known, or should have known, that the information in his possession was Inside Information. In contrast to criminal prosecution, in case of an administrative violation, it is irrelevant whether the person who has Inside Information actually uses it to his advantage in his transactions: as soon as someone has Inside Information, each transaction is prohibited, regardless of whether the transaction was motivated by Inside Information.



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Criminal prosecution may be brought for violation of the prohibitions set out above, if perpetrated by so-called primary and secondary insiders. Primary insiders are the classic corporate insiders who have Inside Information: directors, members of the management committee, auditors, shareholders and any other persons who have access to the Inside Information because of their employment, profession or functions. Primary insiders may be criminally prosecuted if they infringe upon any of the prohibitions set out above while they know or reasonably should know that the information in their possession is Inside Information. A secondary insider is anyone who is in possession of Inside Information which directly or indirectly originates from a primary insider (which includes information obtained from other secondary insiders). Secondary insiders may be criminally prosecuted if they infringe upon any of the prohibitions set out above while being consciously in possession of the information concerned, and while they know or reasonably should know that the information in their possession is Inside Information. Moreover, even natural persons who are involved in the decision to execute a transaction or to place an order on behalf of a legal person who qualifies as a primary or secondary insider are considered primary or secondary insiders.

The power to prosecute someone for a criminal offence of Insider Dealing is bestowed on the Public Prosecutor (however, the FSMA has the power to intervene during the criminal proceedings).

Criminal infringement of the provisions set out under 2.2 a) and c) above is punishable with a criminal fine currently ranging between EUR 50 to EUR 10,000 (to be multiplied by 8 as additional penalties (*centimes additionnels/opcentiemen*)).

Criminal infringement of the provisions set out under 2.2 b) above is punishable with imprisonment from three months up to one year and with a criminal fine currently ranging between EUR 50 to EUR 10,000 (to be multiplied by 8 as additional penalties (*centimes additionnels/opcentiemen*)).

In addition, the perpetrator may be sentenced to pay a sum equal to a maximum of three times the financial profits directly or indirectly resulting from the infringement. Furthermore, a prohibition may also be imposed to exercise certain mandates (such as that of a board member, commissioner or manager of a company) and specific confiscation measures may be pronounced.

For a criminal sentence, a causal link must be established between the fact that a person has Inside Information and the transaction.

## **2.5 General application**

The above-mentioned prohibitions not only apply to Financial Instruments issued by FNG, but also have a general field of application.

It cannot be excluded therefore that information obtained within the FNG Group may be Inside Information with regard to the Financial Instruments of other (Belgian or foreign) listed companies. Directors and Employees of the FNG Group must therefore also be aware that they may be found guilty of Insider Dealing with regard to the Financial Instruments of other companies by using Inside Information obtained within the FNG Group.

For this reason, it is strongly recommended not to Deal in the (Related) Financial Instruments of direct or indirect listed competitors of FNG.

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### **3. PROHIBITION OF MARKET MANIPULATION**

#### **3.1 Prohibitions**

A person shall not engage or attempt to engage in Market Manipulation.

#### **3.2 Prosecution and sanctions**

Violations of the prohibitions set out above, under I, may lead to both administrative and criminal prosecution.

Anyone infringing upon such prohibitions may be found guilty of an administrative offence. The FSMA has the power to prosecute the administrative offence, and enjoys wide investigative powers to that end. It can impose the following maximum administrative pecuniary sanctions: (i) in respect of a natural person, EUR 5,000,000 and (ii) in respect of a legal person, EUR 15,000,000 or, if higher, 15% of the total annual turnover of the legal person. The relevant total annual turnover shall be determined based on the last annual accounts approved by the boards of directors. If the legal person has no turnover, the relevant total annual turnover shall refer to the corresponding type of income determined either in accordance with the relevant accounting directives, or, if they do not apply to the legal person, in accordance with the law of the state in which the concerned legal person has its statutory office. If the legal person is a parent company or a subsidiary of a parent company who must draw up consolidated accounts, the relevant total annual turnover shall be based on the last consolidated accounts approved by the boards of directors of the ultimate parent company.

If the infringement has resulted in profits or has permitted to avoid losses, this maximum amount may be increased to three times the amount of the profits gained or losses avoided.

The power to prosecute for a criminal offense regarding Market Manipulation is bestowed on the Public Prosecutor (the FSMA has the power, however, to intervene during the criminal proceedings). Each criminal infringement is punishable with imprisonment from one month up to four years and with a criminal fine which varies between EUR 300 and EUR 10,000 (to be multiplied by 8 as additional penalties (*centimes additionnels/opcentiemen*)). Furthermore, specific confiscations may be pronounced.

### **4. TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM**

#### **4.1 List of Persons Discharging Managerial Responsibilities and Persons Closely Associated with them**

The Compliance Officer shall draw up a list of all Persons Discharging Managerial Responsibilities and Persons Closely Associated with them.

The Compliance Officer shall inform the persons considered as Persons Discharging Managerial Responsibilities of their inclusion on this list.

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#### **4.2 Notification obligation**

Persons Discharging Managerial Responsibilities, as well as Persons Closely Associated with them, shall notify FNG and the FSMA, of every transaction conducted on their own account, relating to the shares or debt instruments of FNG or to derivatives or other Financial Instruments issued by FNG linked thereto.

Such notifications shall be made promptly and no later than three (3) business days after the date of the transaction.

This obligation applies once the total amount of transactions executed by the Person Discharging Managerial Responsibilities or the Person Closely Associated has reached the threshold of EUR 5,000 within a calendar year, calculated by adding without netting all transactions. In such case, any subsequent transaction will have to be notified in accordance with the above-mentioned paragraph.

Each Person Discharging Managerial Responsibilities shall notify the Persons Closely Associated with him/her of the above-mentioned obligation in writing and shall keep a copy of this notification.

#### **4.3 Concerned transactions**

For the purpose of the above-mentioned notification obligation, transactions that must be notified shall include all transactions listed in Article 10.2 of the Commission Delegated Regulation (EU) 2016/522 of 17 December 2015, as well as:

- a) the pledging or lending of Financial Instruments issued by FNG by or on behalf of a Person Discharging Managerial Responsibilities or a Person Closely Associated with such a person;
- b) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a Person Discharging Managerial Responsibilities or a Person Closely Associated with such a person, including where discretion is exercised;
- c) transactions made under a life insurance policy, where:
  - (i) the policyholder is a Person Discharging Managerial Responsibilities or a Person Closely Associated with such a person,
  - (ii) the investment risk is borne by the policyholder, and
  - (iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

For the purposes of point a), a pledge, or a similar security interest, of Financial Instruments in connection with the depositing of the Financial Instruments issued by FNG in a custody account does not need to be notified, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility.

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#### **4.4 Content and mode of notification**

The notification of a transaction must contain the following information:

- the name of the Person Discharging Managerial Responsibilities or, where applicable, the name of the Person Closely Associated with him;
- the reason of the notification;
- the mention of FNG as issuer;
- a description and the identifier of the Financial Instrument issued by FNG;
- the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the exercise of share option program or to the specific examples of transactions set out above;
- the date and place of the transaction(s); and
- price and volume of the transaction(s). In the case of a pledge whose terms provide for its value to change, this should be disclosed together with its value at the date of the pledge.

The notification of a transaction to FNG and to the FSMA is done online through an application developed by the FSMA, as explained in the Quick User Guide of the FSMA attached as [Annex 1](#).

The FSMA publishes the above-mentioned information on its website.

#### **4.5 Closed period**

Without prejudice to the prohibitions contained in Chapters 2 and 3, a Person Discharging Managerial Responsibilities shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of FNG or to derivatives or other Financial Instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report.

Without prejudice to the prohibitions contained in Chapters 2 and 3, FNG may allow a Person Discharging Managerial Responsibilities within it to trade on its own account or for the account of a third party during a closed period either:

- a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or
- b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

#### **4.6 Prosecution and sanctions**

Violations of the notification obligation set out above, under 4.2, may lead to administrative sanctions. The FSMA has the power to prosecute the administrative offence, and to that end enjoys wide powers of investigation. It can impose the following maximum administrative pecuniary sanctions: (i) in respect of a natural person, EUR 500,000 and (ii) in respect of a legal person, EUR 1,000,000. If the infringement has resulted in profits or has permitted to avoid losses, this maximum amount may be increased to three times the amount of the profits gained or losses avoided.

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## **5. DEALING BY DIRECTORS AND KEY EMPLOYEES**

### **5.1 Introduction**

The FNG Group considers Directors and Key Employees to be persons who are likely to be in possession of Inside Information on a regular basis. They must be particularly vigilant with respect to their duties under the Applicable Laws. This chapter of the Dealing Code imposes additional duties upon such Directors and Key Employees in view of the FNG Group's reputation for integrity and to avoid even the appearance of improper conduct.

Compliance with the rules of this chapter, however, does not relieve the Director or Key Employee concerned of their duty to ensure that their Dealings comply at all times with the Applicable Laws.

For the avoidance of any doubt, Directors and Key Employees that qualify as Persons Discharging Managerial Responsibilities or Persons Closely Associated with such persons must also respect the obligations provided in Chapter 4.

### **5.2 List of Key Employees**

For each case of Inside Information, the names of Key Employees having access thereto are exhaustively set out in insider list(s), which are drawn up and regularly updated by the Compliance Officer, and which can be obtained for consultation from the Compliance Officer. Separate lists will therefore be drawn up for each case of Inside Information.

The insider list(s) must contain at least the following elements:

- (i) the identity of the Key Employees and other persons having access to Inside Information,
- (ii) the reason for including that person on the insider list,
- (iii) the date and time at which that person obtained access to Inside Information,
- (iv) the date on which the insider list was drawn up.

The insider list(s) must be updated whenever (i) there is a change in the reason for including a person on the insider list, (ii) there is a new person who has access to Inside Information and needs, therefore, to be added to the insider list and (iii) a person ceases to have access to Inside Information. Each update shall specify the date and time when the change triggering the update occurred.

The list(s) must be submitted to the FSMA as soon as possible upon its request, and must be retained for a period of at least five years after it is drawn up or updated.

By acknowledging this Dealing Code, Directors and Key Employees are informed of the Insider Dealing and unlawful disclosure of Inside Information rules and the sanctions related to an offence.

Each Key Employee whose name is added to or removed from the insider list(s) will be immediately informed.

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### **5.3 Clearance to Deal**

Directors and Key Employees must not Deal without advising the Compliance Officer in advance and receiving clearance. If the Compliance Officer is absent and in case the person who is replacing him/her has not been designated, the Directors and Key Employees may not Deal without informing the Chairman of the Board of Directors in advance and obtaining clearance. The Compliance Officer must not Deal without advising the Chairman of the Board of Directors in advance and obtaining clearance from him/her.

Clearance for a particular Deal must be granted or refused within three working days as of the reception of the request, and, if granted, is given for a period of 20 days following the day on which notice of clearance was obtained by the Director or Key Employee concerned.

The Director or Key Employee concerned must inform the Compliance Officer of his Deal during the course of the day following the day on which he was Dealing. If this day is a Saturday, Sunday or a legal holiday, he must inform the Compliance Officer on the next working day. If such information is not received, FNG will assume that the Deal was not executed.

All requests for clearance and all grants or refusals of clearance are communicated by e-mail.

The Compliance Officer maintains a written file, consisting of: (i) any request for clearance received; (ii) any clearance given or refused; and (iii) any notification of Deals executed. Written confirmation must be given to the Director or Key Employee concerned of any request or notification received and of any clearance given or refused.

As an exception to the rule that clearance must be requested and obtained for each Deal, Directors and Key Employees must not request this clearance in cases where their Dealing results from the exercise by a third party of the rights that the latter has vis-à-vis these Directors or Key Employees to either acquire the (Related) Financial Instruments of FNG under a call option obtained from the Director / Key Employee concerned prior to the date of this Dealing Code, or to transfer the (Related) Financial Instruments of FNG under a put option obtained from the Director / Key Employee concerned prior to the date of this Dealing Code.

### **5.4 Refusal to give clearance**

Clearance to Deal may not be given:

- (a) in any Closed Period as defined in Chapter 5.5;
- (b) at any time when the Compliance Officer is informed by the CEO that it can be reasonably expected that FNG will need to publish information in accordance with Articles 15 and 16 of the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments admitted to trading on a regulated market, within the period of one week following the intended Dealing, even if the person requesting clearance has no knowledge of the matter concerned. The CEO shall take such decision after consultation with the Chairman of the Audit Committee; however, in case of emergency, the CEO can take such decision alone;
- (c) at any other time when the Compliance Officer otherwise has reason to believe that the intended Dealing is in breach of this Code.

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## 5.5 Closed Periods

Directors and Key Employees must not Deal during the following periods (each of them a "**Closed Period**");

- (a) the period of two months immediately preceding the preliminary announcement of the annual results and extending through (and including) the business day after the announcement, or, if shorter, the period starting on the last day of the relevant financial year and extending through (and including) the business day after the announcement;
- (b) the period of 30 days immediately preceding the preliminary announcement of the interim results and extending through (and including) the business day after the announcement, or, if shorter, the period starting on the last day of the relevant interim period and extending through (and including) the business day after the announcement.;
- (c) from the moment of publication and extending through (and including) the business day following such publication, of other information that must be published in accordance with Articles 15 and 16 of the Royal Decree of 14 November 2007 regarding the duties of issuers of Financial Instruments admitted to trading on a regulated market.

At the end of each financial year, the CFO will give notice of the Closed Periods under (a) and (b) for the following financial year. Any changes thereto (as a result of changes in the financial calendar or otherwise), in the course of the financial year, will be notified at once.

Directors and Key Employees must instruct their investment managers or other persons dealing on their behalf not to Deal during Closed Periods, except for transactions (i) undertaken by persons professionally arranging or executing transactions on behalf of Directors and Key Employees in full discretion or (ii) pursuant to an irrevocable order given before the Closed Period. Directors and Key Employees must ensure that subsidiaries over which they have control (within the meaning of Article 5 of the Belgian Company Code) do not to Deal during Closed Periods.

Directors and Key Employees must make every effort to prevent persons associated with them (as described in the definition of Persons Closely Associated with them) from Dealing during Closed Periods.

## 5.6 Other restrictions

Directors and Key Employees may not Deal out of short-term considerations.

Directors and Key Employees may not, on the basis of Inside Information in their possession, recommend to any other person not to Deal.

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## **6. FINAL PROVISIONS**

FNG shall ensure that all persons employed by the FNG Group shall be informed of the existence and content of this Dealing Code, and that its provisions shall be enforceable on them.

In addition, all Directors and Key Employees shall be required to confirm that they understand and agree to comply with Applicable Laws and this Dealing Code by signing a certificate in the form as attached hereto, and submit it to the Compliance Officer.

Without prejudice to other remedies available at law, any violation of the provisions of the Applicable Laws and of this Dealing Code may constitute a ground for the termination of employment for serious cause with the FNG Group on the part of contractual employees of FNG and employees of the Subsidiaries.



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**CERTIFICATION**

The undersigned hereby certifies that he/she/it has read, understands, and agrees to comply with the FNG Group Dealing Code and any subsequent version of or adaptation to the latter.

In addition, the undersigned acknowledges to be informed of the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

Finally, provided the undersigned has been informed by FNG to be considered as Person Discharging Managerial Responsibilities, the undersigned expressly acknowledges to have been notified of the specific obligations relating to this status.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

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**Annexes:**

Annex 1 - Quick User Guide of the FSMA for notification of transactions by Persons Discharging Managerial Responsibilities

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# Notification of managers' transactions via eMT

## Quick User Guide for declarers

### Table of Contents

1. Creating an account.....	2
2. Logging in with an account.....	3
3. The FiMiS platform .....	4
4. New Survey.....	5
5. Declarer section.....	6
6. Transaction section .....	6
7. Submitting the notification .....	8
8. Additional steps: listed company and the FSMA.....	8

#### Link to eMT – FiMiS

<https://portal-fimis.fsma.be/>

#### Having technical problems with the eMT - FiMiS application?

Contact the FSMA service desk via [servicedesk@fsma.be](mailto:servicedesk@fsma.be)

#### Questions about access to eMT – FiMiS?

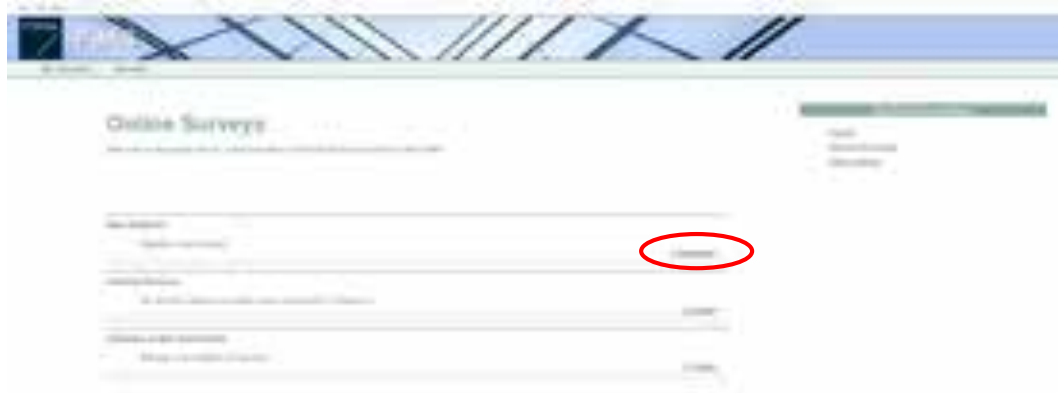
Contact the secretariat of the Market Surveillance service via +32 2 220 59 50 or [soc.fin@fsma.be](mailto:soc.fin@fsma.be)

#### Do you have substantive questions about notifying transactions?

Contact the Market Surveillance service +32 2 220 59 00 or [info.fin@fsma.be](mailto:info.fin@fsma.be)

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## 1. Creating an account



*Figure 1: Start page for online surveys in FiMiS*

The eMT application to notify managers' transactions is part of FiMiS, the secure online platform.

Users need an account to access the FiMiS platform. Declarers who do not have an account can **create** one on the above-mentioned start page by clicking on 'Register'.



*Figure 2: New notifying person*

After this has been done, the **personal details** have to be filled in. Please note that the information requested will differ depending on the nature of the notifying person:

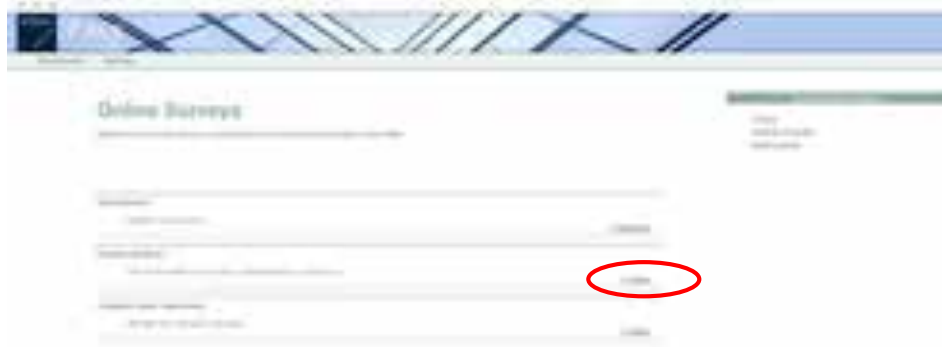
- If the notifying person is a natural person, his or her details have to be filled in.

- If the notifying person is a **legal person**, the details of the contact person who creates an account on behalf of the legal person have to be filled in. The name of the legal person will be filled in at a later stage in the section of the webform ('Survey') about the notifying person (see point 5). This allows for notifications to be filed with the same account for a natural person-declarer and for one or more legal person-declarers, and even makes it possible to notify transactions in different listed companies.

Bear in mind that only one account can be linked to each e-mail address.

This step (point 1) needs to be performed only once, at the first use. After that, the procedure can be started from the next step (point 2).

## 2. Logging in with an account



*Figure 3: Start page for online surveys in FiMiS*

If an account has already been created, the user can access FiMiS by clicking on 'Login' under 'Existing declarer'.



*Figure 4: Logging in with an existing account*

In the screenshot above, the user has to fill in the **e-mail address and the password** that were entered when the account was created.

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### 3. The FiMiS platform

The FiMiS platform consists of two sections: 'My eDossier' and 'Surveys'.



*Figure 5: The My eDossier section*

The 'My eDossier' section gives a list of the surveys that have been submitted through this account.

By clicking on 'New Survey' under 'I Want To', the user can create a **new survey**. This is further explained in point 4.



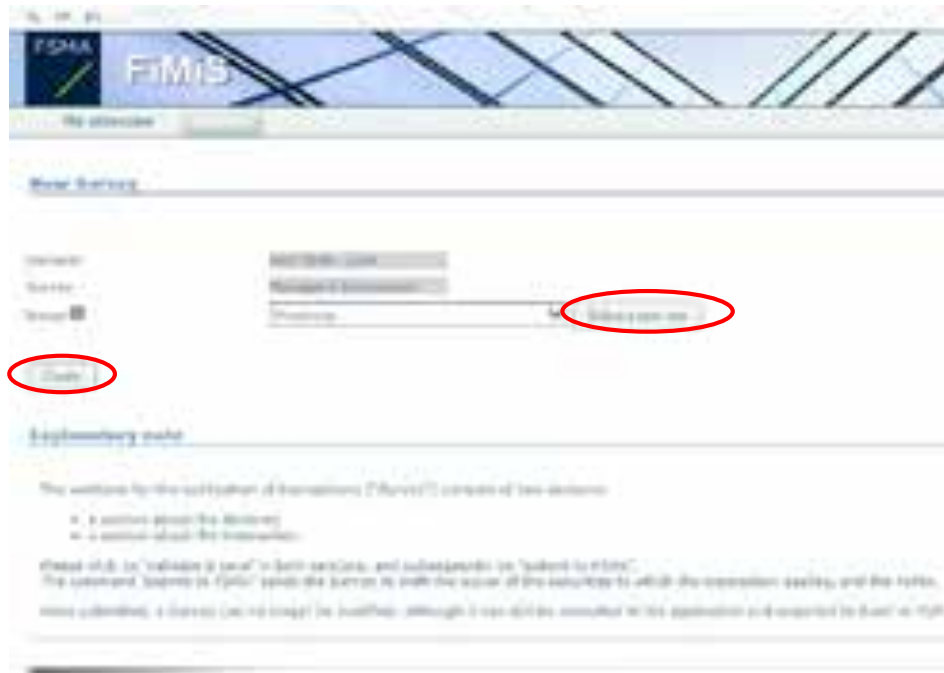
*Figure 6: The Surveys section*

The 'Surveys' section contains a **list** of previously filed notifications as well as a **search function** that allows users to filter on, among other things, listed company ('Dossier'), type of 'Survey' (in this case 'Manager's transaction') or notifying person ('Regarding').

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#### 4. New Survey

Once a user has clicked on 'New Survey' under 'I Want To' (see point 3.), he or she will see the following screen.



*Figure 7: Submitting a new survey*

For an **initial survey**, no issuer will appear in the dropdown menu. The user must click on 'Select a new one'. The application stores the chosen listed companies, so that for **subsequent surveys**, the user can simply select them from the dropdown menu.

If the declarer is a **legal person**, the name of the contact person acting on behalf of the legal person will appear in the 'Declarer' field. The name of the legal person itself will be filled in only at a later subsequent stage (see point 5.).

The user must then click on 'Create'.

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## 5. Declarer section

*Figure 8: Declarer section*

The **declarer's** details are to be entered on this screen. The application automatically fills in the details that were entered at the last notification, so that in certain cases the user has nothing more to fill in or adapt.

The text box below must be left empty if the declarer (notifying person) is a **person discharging managerial responsibilities**. If the declarer is **associated with** a manager, however, then the name of the manager must be mentioned in the text box below. If the notifying person is associated with several managers, extra text boxes can be added using the plus sign.

By clicking on '**Validate & Save**', the information entered will be saved but not yet submitted to the listed company and the FSMA.

## 6. Transaction section

*Figure 9: Transaction section*

The **transaction details** are to be entered on this screen. The application will once again fill in some information automatically from the last transaction entered.

If the answer to the question whether the notification refers to **multiple transactions** is '**No**', then the fields under 'Transaction details' must be left empty. If the answer is '**Yes**', the fields must be filled in



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and at least two transactions must be notified (that is, two lines). An extra line can be added for each extra transaction using the plus sign.

By clicking on '**Validate & Save**', the information entered is saved. It has not yet been submitted to the listed company and the FSMA. As long as the notification has not been submitted, the user can retrieve it at a later time and **make changes to it**.



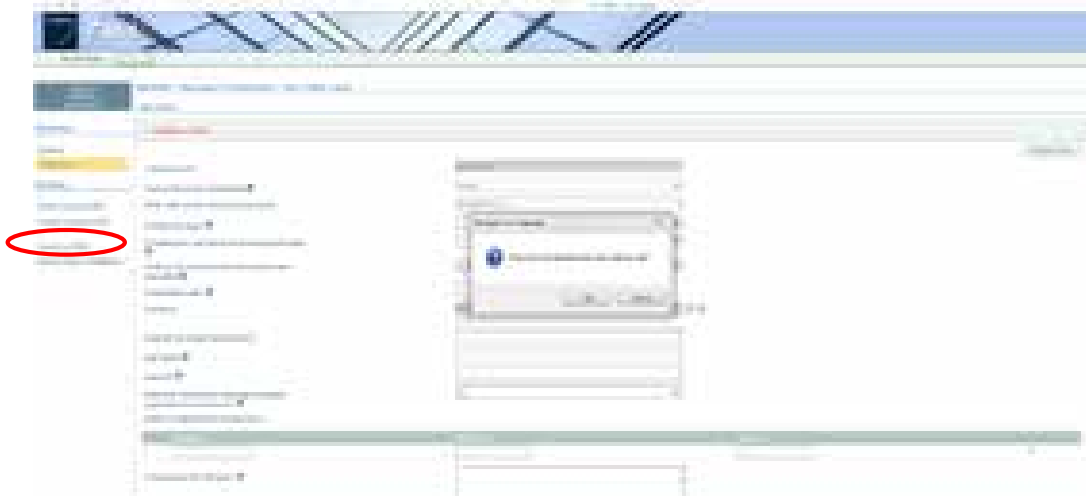
*Figure 10: Transaction section - error message*

If the information entered is contrary to the **validation rules**, the message 'Validation report' will appear at the top of the screen when you click on 'Validate & Save'. Click on the arrow to the left of 'Validation report' to see the reasons for the error message.

By clicking on '**Validate & Save**', the information entered is saved. It has not yet been submitted to the listed company and the FSMA. As long as the notification has not been submitted, the user can retrieve it at a later time and **make changes to it**.

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## 7. Submitting the notification



*Figure 11: Submitting the notification*

If the user clicks on '**Submit to FSMA**', a pop-up screen will appear warning the user that the survey will become read-only and can no longer be modified. If the user clicks on OK, the notification is submitted.

The user will then be returned automatically to the 'Surveys' section (see point 3).

The online application will send a **confirmation email** to the user's email address and to the staff of the listed company to which the notified transaction refers.

## 8. Additional steps: the listed company and the FSMA

Once a notification has been submitted ('Submit to FSMA'), the **listed company** will be able to see it in its own account. The listed company must confirm the notification to the FSMA. If desired, a listed company can enter notifications for its declarers via its online application.

Only after a notification has been confirmed by the listed company will it be published on the FSMA **website**.

### III. Glossary of Alternative Performance Measures (APM)

Name	Definition	Purpose
<b>Adjusted EBIT</b>	Earnings before interest and taxes before One-off results	To measure the profit from operations corrected for One-off results. The One-off results are excluded for a better understanding of the underlying sustainable performance of the Company due to their size or nature.
<b>Adjusted EBIT as a % of sales / Adjusted EBIT Margin</b>	Earnings before interest and taxes before One-off results divided by total revenue	To evaluate the average profitability from operations corrected for One-off results. As a percentage it is more easy to compare the profitability over different periods
<b>Adjusted EBITDA</b>	Earnings before interest, taxes, depreciations and amortizations before One-off results	To measure the cashflow from operations corrected for One-off results. The One-off results are excluded for a better understanding of the underlying sustainable performance of the Company due to their size or nature.
<b>Adjusted EBITDA as a % of sales / Adjusted EBITDA Margin</b>	Earnings before interest, taxes, depreciations and amortizations before One-off results divided by total revenue	To evaluate the average cashflow from operations corrected for One-off results. As a percentage it is more easy to compare the cashflows over different periods
<b>EBIT</b>	Earnings before interest and taxes	To measure the profit from operations, One-off results included
<b>EBIT as a % of sales</b>	Earnings before interest and taxes divided by total revenue	To evaluate the average profitability from operations . As a percentage it is more easy to compare the profitability over different periods
<b>EBITDA</b>	Earnings before interest, taxes, depreciations and amortizations	To measure the cashflow from the operations, One-off results included
<b>EBITDA as a % of sales</b>	Earnings before interest, taxes, depreciations and amortizations divided by total revenue	To evaluate the average cashflow from operations. As a percentage it is more easy to compare the cashflows over different periods
<b>Gross profit</b>	The difference between revenue and cost of goods sold	To measure the amount that is earned from the sale of its goods before the application of additional selling and administrative expenses. It reveals how money is left over, after paying for the goods sold, to cover operations, capital expenditure, debt repayment and all other business expenses
<b>Gross profit margin</b>	The Gross profit divided by total revenue	To evaluate the average profitability of selling goods, without taking into account selling or other costs
<b>Leverage Ratio</b>	Net financial debt divided by Adjusted EBITDA	To evaluate the companies' financing methods, or the ability to meet its financial obligations.
<b>Net financial debt</b>	The sum of current and non-current borrowings minus cash and cashequivalents. The financial liabilities are not included in this KPI.	To measure the business's overall financial situation and its leverage and risk.
<b>One-off results</b>	One-off results are either income or expenses which do not occur regularly as part of the normal activities of the company.	The One-off results are presented separately because they are important for the understanding of the underlying sustainable performance of the Company due to their size or nature.

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