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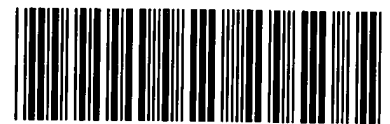
**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### STRATEGIC REPORT FOR THE 52 WEEKS ENDED 28 MARCH 2020

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The directors present their Strategic Report for the year ended 28 March 2020.

#### Business review

Burberry (Espana) Holdings Limited (the "Company") is a wholly owned subsidiary of Burberry Group plc (the "Group"). Its principal activity is to act as a holding company.

The Balance Sheet on page 8 of the financial statements shows that the Company is in a net asset position at the year end consistent with the prior year.

The Income Statement on page 7 reflects a £736,141 profit for the financial year (2019 - £nil).

#### Future developments

At the date of this report the directors do not anticipate any major changes in the Company's activities in the next year.

#### Principal risks and uncertainties

The management of the business and the execution of the Company's growth strategies are subject to a number of risks. The principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed on pages 92 to 119 of the Group's 2019/20 Annual Report which does not form part of this report.


#### Financial risk management

From the perspective of the Company, financial risk management is integrated with the financial risk management of the Group and is not managed separately. Accordingly, financial risk management of the Group, which include those of the Company, is discussed on pages 245 to 249 of the Group's 2019/20 Annual Report, which does not form part of this report.

#### Key performance indicators

The Group's directors manage the Group's operations on a consolidated basis using key performance indicators. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate. The development, performance and position of the Group is discussed in the Group Financial review section of the Group's 2019/20 Annual Report which does not form part of this report.

On behalf of the board

  
Ian Brimicombe (Jan 18, 2021 16:28 GMT)

**I Brimicombe**

Director

18 January 2021

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 28 MARCH 2020

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The directors present their report and the audited financial statements for the year ended 28 March 2020.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Dividends paid**

There were no dividends paid during the year (2019 - £nil).

#### **Results and dividends**

The Company's profit for the year, after taxation, amounted to £736,141 (2019 - £nil).

The directors do not recommend the payment of a final dividend (2019 - £nil).

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were as follows:

I Brimicombe  
N P Jones  
E C Rash

#### **Future developments**

Please refer to the Strategic Report on page 1 for the future developments of the Company.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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**Financial risk management**

Please refer to the Strategic Report on page 1 for the financial risk management of the Company.

**Qualifying third party indemnity provisions**

The Group purchased and maintained throughout the financial year and up to the date of signing the financial statements Directors' and Officers' liability insurance in respect of itself and its Group directors, including the directors of its subsidiaries.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


**Post balance sheet events**

Please refer to note 11 for post balance sheet events identified.

**Independent auditors**

PricewaterhouseCoopers LLP acted as auditor of the Company for the year ended 28 March 2020 and will be resigning as the Company's auditors following completion of these accounts. Pursuant to Section 485 of the Companies Act 2006, Ernst & Young LLP will be appointed as auditors of the Company for the year ended 27 March 2021.

On behalf of the board

  
Ian Brimicombe (Jan 18, 2021 16:28 GMT)

**I Brimicombe**  
Director  
18 January 2021

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY (ESPANA) HOLDINGS LIMITED

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#### **Report on the audit of the financial statements**

##### ***Opinion***

In our opinion, Burberry (Espana) Holdings Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 March 2020 and of its profit for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 28 March 2020, the Income Statement, the Statement of Changes in Equity for the 52 week period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### ***Independence***

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### ***Conclusions relating to going concern***

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

##### ***Reporting on other information***

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY (ESPANA) HOLDINGS LIMITED (CONTINUED)

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there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 28 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### ***Responsibilities for the financial statements and the audit***

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY (ESPANA) HOLDINGS  
LIMITED (CONTINUED)**

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**Other required reporting**

***Companies Act 2006 exception reporting***

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



**Catherine Schroeder (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
18 January 2021

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**INCOME STATEMENT  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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	Note	2020 £	2019 £
Impairment of investments in subsidiaries		(6,516,070)	-
Foreign exchange gains		6,170	-
<b>Operating loss</b>	4	<b>(6,509,900)</b>	-
Income from investments in subsidiaries	3	7,246,041	-
<b>Profit before taxation</b>	4	<b>736,141</b>	-
Tax on profit	5	-	-
<b>Profit for the financial year</b>		<b>736,141</b>	-

The Company had no other comprehensive income during the year other than that included in the Income Statement, and therefore no separate Statement of Comprehensive Income has been presented.

The above results are derived from continuing operations.

The notes on pages 10 to 18 form part of these financial statements.


**BURBERRY (ESPANA) HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05265289**

**BALANCE SHEET**  
**AS AT 28 MARCH 2020**

	Note	28 March 2020 £	30 March 2019 £
<b>Fixed assets</b>			
Investments in subsidiaries	6	21,598,535	28,114,605
		<b>21,598,535</b>	<b>28,114,605</b>
<b>Current assets</b>			
Trade and other receivables - amounts falling due within one year	7	7,246,041	-
Cash at bank and in hand		111,673	105,503
		<b>7,357,714</b>	<b>105,503</b>
Creditors - amounts falling due within one year	8	(9,603)	(9,603)
<b>Net current assets</b>		<b>7,348,111</b>	<b>95,900</b>
<b>Total assets less current liabilities</b>		<b>28,946,646</b>	<b>28,210,505</b>
<b>Net assets</b>		<b>28,946,646</b>	<b>28,210,505</b>
<b>Capital and reserves</b>			
Called up share capital	9	66,478,527	66,478,527
Share premium account		282,344,876	282,344,876
Profit and loss account		(319,876,757)	(320,612,898)
<b>Total equity</b>		<b>28,946,646</b>	<b>28,210,505</b>

The notes on pages 10 to 18 form part of these financial statements.

The financial statements on pages 7 to 18 were approved by the Board of Directors on 18 January 2021 and were signed on its behalf by:

  
 Ian Brimicombe (Jan 18, 2021 16:28 GMT)

**I Brimicombe**  
 Director

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 31 March 2019	66,478,527	282,344,876	(320,612,898)	28,210,505
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	736,141	736,141
<b>Total comprehensive income for the year</b>	-	-	736,141	736,141
<b>At 28 March 2020</b>	<b>66,478,527</b>	<b>282,344,876</b>	<b>(319,876,757)</b>	<b>28,946,646</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE 52 WEEKS ENDED 30 MARCH 2019**

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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2018	66,478,527	282,344,876	(320,612,898)	28,210,505
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>At 30 March 2019</b>	<b>66,478,527</b>	<b>282,344,876</b>	<b>(320,612,898)</b>	<b>28,210,505</b>

The notes on pages 10 to 18 form part of these financial statements.

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 MARCH 2020

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#### 1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

##### 1.1 Basis of preparation of financial statements

Burberry (Espana) Holdings Limited is a holding company. The Company which is private and limited by shares is incorporated and domiciled in the UK. The Company is registered in England and Wales and the address of its registered office is Horseferry House, Horseferry Road, London, SW1P 2AW.

The financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. As permitted under section 400 of the Companies Act 2006, group financial statements have not been prepared as the Company is itself a wholly owned subsidiary of another company (see note 10).

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

##### Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of some of the available disclosure exemptions permitted by FRS 101 in the financial statements, which are summarised below:

- the requirements of IFRS 7, 'Financial Instruments: Disclosures';
- the requirements of the following paragraphs of IAS 1 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  - 16 (statement of compliance with all IFRS);
  - 38 (present comparative information in respect of paragraph 79(a)(iv));
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 40A-D (requirements for a third statement of financial position);
  - 111 (cash flow statement information); and
  - 134-136 (capital management disclosures).
- the requirements of IAS 7 'Statement of Cash Flows';
- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- the requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation);
- the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

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## **BURBERRY (ESPANA) HOLDINGS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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#### **1. Accounting policies (continued)**

##### **1.2 New Standards adopted in the period**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 28 March 2020 that have had a material impact on the Company's financial statements.

##### **1.3 Going concern**

The directors have assessed the liquidity and future cash generation of the Company, the facilities available to it, and the principal risks and uncertainties the Company is subject to. On the basis of these assessments, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore consider it appropriate to continue to adopt the going concern basis of accounting in preparing the annual financial statements of the Company.

##### **1.4 Investments in subsidiaries**

Investments in subsidiaries are stated at cost, less any provisions to reflect impairment in value.

##### **1.5 Impairment of investments in subsidiaries**

Investments in subsidiaries are not subject to amortisation but are tested annually for impairment. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 MARCH 2020

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#### 1. Accounting policies (continued)

##### 1.6 Financial instruments

A financial instrument is initially recognised at fair value on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Subsequent to initial recognition, all financial assets and liabilities are stated at amortised cost using the effective interest rate method. The fair value of the financial assets and liabilities held at amortised cost approximate their carrying amount due to the use of market interest rates.

The Company's primary categories of financial instruments are listed below:

##### *Cash at bank and in hand*

On the Balance Sheet, cash at bank and in hand comprises cash held with banks.

##### *Trade and other receivables*

Trade and other receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. The receivables are held with the objective to collect the contractual cash flows and are therefore recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for the expected loss on receivables is established at inception. This is modified when there is a change in the credit risk and hence evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the movement in the provision is recognised in the Income Statement.

##### *Trade and other payables*

Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

##### 1.7 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### 1.8 Foreign currency translation

##### *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Sterling which is the Company's functional and presentation currency.

##### *Transactions in foreign currencies*

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date. Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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**1. Accounting policies (continued)**

**1.9 Dividend distributions**

Dividend distributions are recognised as a liability in the year in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

**1.10 Taxation**

Tax expense represents the sum of the tax currently payable and deferred tax charge.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The liability for current tax is calculated using tax rates which have been enacted or substantively enacted by the balance sheet date.

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## BURBERRY (ESPANA) HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 MARCH 2020

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#### 2. Key sources of estimation uncertainty and judgements

##### 2.1 Key sources of estimation uncertainty

Preparation of the financial statements in conformity with FRS 101 requires that management make certain estimates and assumptions that affect the reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best estimates at the date of the financial statements, deviate from actual circumstances, the original estimate and assumptions will be updated as appropriate in the period in which the circumstances change.

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The COVID-19 pandemic (COVID-19) has had a major impact on the global economy and could potentially have an impact on the carrying value of the assets held by the Company due to its operations as a holding company and the nature of its assets. At the date of signing these financial statements there is a significant uncertainty regarding the ultimate impact of COVID-19.

As a result, management have assessed the assets held by the Company at 28 March 2020 to identify any indicators of impairment. Where a potential impairment may have arisen as a result of COVID-19, or other circumstances that may impact the expected recoverability of the asset, an estimate of the expected recoverable value of the asset has been made and compared to the current carrying value of the asset, to estimate any impairment to be recorded.

Consistent with the pre COVID-19 environment, the key areas where estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are discussed below.

There were no key sources of estimation uncertainty arising in the current period or prior period.

##### 2.2 Key judgements in applying the Company's accounting policies

Judgements are those decisions made when applying accounting policies which have a significant impact on the amounts recognised in the Company's financial statements. Further details of the Company's accounting policies in relation to these areas are provided in note 1. Key judgements that have a significant impact on the amounts recognised in the Company's financial statements are discussed below.

There were no key judgements arising in the current period or prior period.

#### 3. Income from investments in subsidiaries

The Company received €8,451,058 (£7,246,041) in dividend income from Burberry Latin America Holdings S.L. (2019 - £nil).

#### 4. Profit before taxation

The directors did not receive any emoluments in respect of their services to the Company (2019 - £nil).

The Company has no employees (2019 - nil) and therefore no employee costs are included in these financial statements (2019 - £nil). The Company has not incurred any fees for non-audit services (2019 - £nil) and has not been recharged audit fees of £1,300 (2019 - £1,300) for the current year as these were paid by Burberry Limited.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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**5. Tax on profit**

Corporation tax is based on profit for the year and comprises:

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax at 19% (2019 - 19%)	-	-

**Factors affecting tax charge for the year**

UK Group companies do not charge/pay for group tax relief from other UK companies. As such, the Company does not recognise a tax (credit)/charge for any (losses)/profits to the extent that there are sufficient profits/(losses) within the UK Group companies to fully offset the Company's UK liability.

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below.

	2020 £	2019 £
Profit before taxation	736,141	-
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	139,867	-
<b>Effects of:</b>		
Impairment of investment	1,238,053	-
Non-taxable dividend income	(1,376,748)	-
Group relief surrendered for nil consideration	(1,172)	-
<b>Total tax charge for the year</b>	-	-

**Factors that may affect future tax charges.**

The main rate of corporation tax will remain at 19% from 1 April 2020, as legislated in the Finance Bill in 2020. There were no factors that may affect future tax charges.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 28 MARCH 2020**

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**6. Investments in subsidiaries**

	<b>Investments in subsidiaries £</b>
<b>Cost</b>	
At 31 March 2019	<b>275,440,931</b>
At 28 March 2020	<b>275,440,931</b>
<b>Accumulated impairment</b>	
At 31 March 2019	<b>247,326,326</b>
Charge for the period	<b>6,516,070</b>
At 28 March 2020	<b>253,842,396</b>
<b>Net book value</b>	
At 28 March 2020	<b>21,598,535</b>
At 30 March 2019	<b>28,114,605</b>

During the year, the Company impaired its investment in Burberry Latin America Holdings S.L. by £6,516,070 (2019 - £nil).

The Company has reviewed the recoverable value of its investments to identify if there is any indication of impairment of the carrying value. Where applicable, the recoverable amount has been estimated using management's best estimates of future cash generation of its investments, taking into account the effects of COVID-19.

The Company has not impaired the carrying value of its investments, other than as noted above, as their cash generation in the long term is considered sufficient to support the carrying value.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**6. Investments in subsidiaries (continued)**

In accordance with section 409 of the Companies Act 2006, a full list of related undertakings as at 28 March 2020, including their country of incorporation and percentage of share ownership, is disclosed below. All undertakings listed below are directly owned by the Company and operate in the country of incorporation.

Company name	Country of incorporation	Interest	Holding (%)
Burberry Latin America Holdings S.L. (1)	Spain	Ordinary shares 100	
Burberry (Spain) Retail S.L. (1)	Spain	Ordinary shares 100	

**Ref Registered office address**

(1) Calle Valencia 640, 08026, Barcelona, Spain

**7. Trade and other receivables - amounts falling due within one year**

	28 March 2020 £	30 March 2019 £
Amounts owed by fellow subsidiaries	<u>7,246,041</u>	<u>-</u>

Amounts owed by fellow subsidiaries of £7,246,041 (2019 - £nil) are unsecured, interest free and receivable on demand.

**Credit Risk**

The trade and other receivables balance comprises of intercompany trade receivables with companies within the Group. These Group companies are assessed at each reporting date as to their ability to repay outstanding balances.

At inception the receivable was recorded net of expected 12 month credit losses. As at 28 March 2020, the expected 12 month credit losses of receivables were negligible and hence there were no impairment of these. On 12 November 2020, the receivable was settled in full (see note 11).

**8. Creditors - amounts falling due within one year**

	28 March 2020 £	30 March 2019 £
Amounts owed to fellow subsidiaries	<u>9,603</u>	<u>9,603</u>

Amounts owed to fellow subsidiaries of £9,603 (2019 - £9,603) are unsecured, interest free and repayable on demand.

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**BURBERRY (ESPANA) HOLDINGS LIMITED**

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**9. Called up share capital**

	<b>28 March 2020 £</b>	<b>30 March 2019 £</b>
<b>Allotted, called up and fully paid</b>		
66,478,527 (2019 - 66,478,527) ordinary shares of £1 (2019 - £1) each	<b><u>66,478,527</u></b>	<b><u>66,478,527</u></b>

**10. Immediate and ultimate parent company**

The immediate parent undertaking is Burberry Haymarket Limited, which is registered in England and Wales.

The ultimate parent undertaking and controlling party is Burberry Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Burberry Group plc is registered in England and Wales and copies of the consolidated financial statements can be obtained from the Company Secretary at Burberry Group plc, Horseferry House, Horseferry Road, London, SW1P 2AW.

**11. Events after the balance sheet date**

On 11 September 2020, the Company passed a resolution to cancel and extinguish 66,478,526 issued ordinary shares of £1 each and to cancel and extinguish the share premium account of the Company. The capital reduction was completed on 18 September 2020.

On 12 November 2020, the Company declared an interim dividend of £7,246,041 to its parent, Burberry Haymarket Limited, and resolved to set-off the amount owed to Burberry Haymarket Limited for the interim dividend against amounts receivable from Burberry Haymarket Limited of £7,246,041 (see note 7).