

INTERPOLIMERI SPA

Consolidated financial statements as of 31-12-2016

	Company information	
Office in		Via Cap. G. Negri, 11 - Limena (PD)
Tax code		01830880280
EAR No.		PD 183448
VAT No.		01830880280
Share capital in Euro		10,000,000 fully paid-up
Legal form		SOCIETA' PER AZIONI (JOINT-STOCK COMPANY)
Main business sector (ATECO)		467620
Company in liquidation		no
Company with sole shareholder		no
Company subject to third-party management and coordination		no
Belonging to a group		yes
Name of the parent company		INTERPOLIMERI SPA
Country of the parent company		ITALY

All the amounts shown are expressed in euros

Consolidated balance sheet

	31-12-2016	31-12-2015
Balance sheet		
Assets		
B) Fixed assets		
I - Intangible fixed assets		
3) industrial patents and intellectual property rights	52,519	25,326
5) goodwill	622,920	743,835
6) assets under development and advances	25,745	
7) other	76,535	57,255
Total intangible fixed assets	777,719	826,416
II - Tangible fixed assets		
1) land and property	3,718	7,065
2) plants and machinery	11,856	4,098
3) industrial and commercial equipment	99,884	77,188
4) other assets	497,392	350,547
Total tangible fixed assets	612,850	438,898
III - Financial assets		
1) Equity investments in d-bis) other companies	1,070	940
Total equity investments	1,070	940
3) other securities	14,555	26,405
Total financial fixed assets	15,625	27,345
TTotal fixed assets (B)	1,406,194	1,292,659
C) Current assets		
I - Inventories		
4) Finished products and goods for resale	25,783,747	20,829,520
5) advances	8,079	9,377
Total stocks	25,791,826	20,838,897
II - Receivables		
1) trade receivables due within the following year	53,514,722	47,602,550
Total trade receivables	53,514,722	47,602,550
5-bis) tax credits due within the following year	53,140	406,433
Total tax credits	53,140	406,433
5-ter) advances on tax payments	290,648	262,013
5-quater) due from others due within the following year	321,838	568,338
due within the following year	14,932	11,643
Total receivables due from third parties	336,770	579,981
Total receivables	54,195,280	48,850,977
IV - Cash and cash equivalents		
1) bank and post office deposits	1,982,173	1,172,704
3) cash and equivalents on hand	3,916	8,564
Total Cash and cash equivalents	1,986,089	1,181,268
Total current assets (C)	81,973,195	70,871,142
D) Accruals and prepayments	190,598	144,558
Total assets	83,569,987	72,308,359

Liabilities

A) Shareholders' equity of the Group		
I - Capital	10,000,000	10,000,000
IV - Legal reserve	772,835	662,090
VI - Other reserves, with corresponding details		
Extraordinary reserve	7,473,631	5,450,461
Total other reserves	(1)	(2)
Total other reserves	7,473,630	5,450,459
IX - Operating profit (loss) of the year	1,140,911	2,127,252
Total shareholders' equity of the Group	19,387,376	18,239,801
Third-party shareholder's equity		
Capital and reserves relating to minority interests	610,656	501,123
Third-party profit (Loss) for the year	(25,520)	24,696
Total third-party shareholders' equity	585,136	525,819
Total consolidated shareholders' equity	19,972,512	18,765,620
B) Provisions for risks and charges		
1) severance & retirement pension (fund) and similar obligations	77,136	48,407
2) for taxes, also deferred	592	1,063
Total provisions for risks and charges	77,728	49,470
C) Staff severance indemnity	473,876	399,467
D) Payables		
4) payables due to banks		
due within the following year	37,823,728	27,972,164
due within the following year	4,321,689	3,387,135
Total Payables due to banks	42,145,417	31,359,299
7) trade payables		
due within the following year	18,731,931	19,717,074
Total Payables due to suppliers	18,731,931	19,717,074
tax payables		
due within the following year	963,811	936,115
Total tax payables	963,811	936,115
13) Payables due to social security and social welfare		
institutes due within the following year	170,413	131,442
Total payables due to pension and social security institutions	170,413	131,442
14) other payables		
due within the following year	763,277	949,172
due within the following year	270,000	
Total other payables	1,033,277	949,172
Total payables	63,044,849	53,093,102
E) Accruals and deferrals	1,022	700
Total liabilities	83,569,987	72,308,359

Consolidated income statement

	31-12-2016	31-12-2015
Income statement		
A) Value of production		
1) Sales and services revenues	168,036,467	150,785,274
5) other revenues and income grants for current others	4,570 442,486	9,650 332,033
Total other revenues and income	447,056	341,683
Total value of production	168,483,523	151,126,957
B) Cost of production		
6) for raw, ancillary and consumable materials and goods	155,081,166	142,215,859
7) for services	9,346,003	8,016,503
8) for use of third party assets	1,639,399	1,495,492
9) for the staff		
a) salaries and wages	2,523,983	1,787,755
b) social security contributions	637,522	473,432
c) staff severance indemnity	123,979	114,455
e) other costs	10,081	19,226
Total costs for the staff	3,295,565	2,394,868
10) amortisation, depreciation and write-downs		
a) depreciation of intangible assets	197,283	180,703
b) depreciation of tangible assets	174,000	158,825
d) depreciation of current loans and receivables and Cash and cash equivalents	83,037	182,458
Total amortisation, depreciation and impairment:	454,320	521,986
11) changes in raw, ancillary and consumable materials	(3,524,822)	(7,106,504)
14) sundry operating expenses	276,069	217,577
Total cost of production	166,567,700	147,755,781
Difference between value and cost of production (A - B)	1,915,823	3,371,176
C) Financial income and charges		
16) other financial income		
d) income different from previous ones		
other	355	1,542
Total other income	355	1,542
Total other financial income	355	1,542
17) interests and other financial charges		
charges	229,403	233,485
Total interests and other financial charges	229,403	233,485
17-bis) exchange rate gains and losses	(27)	41,700
Total financial income and charges (15 + 16- 17 + - 17-bis)	(229,075)	(190,243)
Result before taxes (A - B + - C + - D)	1,686,748	3,180,933
20) Current, deferred and prepaid taxes on the income for the year		
current taxes	585,816	1,045,825
deferred and prepaid taxes	(14,459)	(16,840)
Total current, deferred and prepaid taxes on the income for the year	571,357	1,028,985
21) Operating profit (loss) for the year	1,115,391	2,151,948
Result for the year for the group	1,140,911	2,127,252
Result for the year for third parties	(25,520)	24,696

Consolidated statement of cash flows - indirect method

	31-12-2016	31-12-2015
Consolidated statement of cash flows - indirect method		
A) Cash flow from operating activities (indirect method)		
Operating profit (loss) of the year	1,115,391	2,151,948
Income taxes for the year	571,357	1,028,985
Interest payable/(interest receivable)	229,075	190,244
(Gains)/Losses from the sale of assets	(16,292)	(3,248)
1) Profit (loss) for the year before income taxes, interests, dividends and gains /losses from disposals	1,899,531	3,367,929
Adjustments for non-monetary items without an offsetting counterpart in the net working capital		
Provisions	165,099	121,272
Amortisation for fixed assets	371,283	339,528
Write-downs due to lasting losses of value	83,037	182,458
Increase/decrease in value adjustment for non-monetary items	753	
Total adjustments for non-monetary items without offsetting counterpart in the net working capital	620,172	643,258
2) Cash flow before changes to the net working capital	2,519,703	4,011,187
Changes in net current assets		
Decrease/(increase) in inventories	(4,952,929)	(20,746,623)
Decrease/(increase) in trade receivables	(5,995,209)	(48,475,513)
Increase/(decrease) in trade payables	(985,143)	19,717,073
Decrease/(increase) in accrued income and prepaid expenses	(46,040)	(144,558)
Increase/(decrease) in accrued liabilities and deferred income	322	700
Other decreases/(Other increases) in net working capital	1,221,358	766,703
Total changes in net current assets	(10,757,641)	(48,882,218)
3) Cash flow before adjustments to the net working capital	(8,237,938)	(44,871,031)
Other adjustments		
Collected/(paid) interests	(229,075)	(190,244)
(Taxes on income duly paid)	(1,074,543)	(1,028,985)
(Use of provisions)	(61,961)	(65,963)
Total other adjustments	(1,365,579)	(1,285,192)
Cash flow from operating activities (A)	(9,603,517)	(46,156,223)
B) Cash flows from investment activity		
Tangible fixed assets		
(Investments)	(354,955)	(177,696)
Disinvestments	22,791	3,248
Intangible fixed assets		
(Investments)	(148,836)	(433,690)
Financial fixed assets		
(Investments)	(130)	(27,345)
Disinvestments	11,850	3,248
Cash flow from investment activity (B)	(469,280)	(635,483)
C) Cash flow from financing activity		
Third-party assets		
Increase/(decrease) in short-term payables due to banks	7,701,971	29,929,702
Raising finance	6,500,000	5,000,000
(Repayment of loans)	(3,415,853)	(3,570,403)
Equity		

Paid increase in share capital	91,499	16,613,674
Cash flow from financing activity (C)	10,877,617	47,972,973
Increase (decrease) of cash and cash equivalents (A ± B ± C)	804,820	1,181,267
Cash and cash equivalents at the beginning of the year		
Bank and post office deposits	1,172,704	
Cash and equivalents on hand	8,564	
Total cash and cash equivalents at the beginning of the year	1,181,268	
Cash and cash equivalents at the end of the year		
Bank and post office deposits	1,982,173	1,172,704
Cash and equivalents on hand	3,916	8,564
Total cash and cash equivalents at the end of the year	1,986,089	1,181,268