

## MIRA INFORM REPORT

<b>Report No. :</b>	517933
<b>Report Date :</b>	30.06.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	SUOLIFICIO SQUADRONI SRL
<b>Registered Office :</b>	Via Mar Baltico 64 63821 Porto Sant'Elpidio
<b>Country :</b>	Italy
<b>Financials (as on) :</b>	31.12.2016
<b>Date of Incorporation :</b>	04.10.1979
<b>Com. Reg. No.:</b>	FM0092696
<b>Legal Form :</b>	Limited liability company - SRL
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Manufacture of footwear</li> <li>• Subject engaged in the production and distribution of soles for footwear in thermoplastic material, polyvinyl chloride, ethylene-vinyl acetate and thermoplastic polyurethanes</li> </ul>
<b>No. of Employees :</b>	34 (2016)

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

<b>MIRA's Rating :</b>	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear

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**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Italy	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**ITALY - ECONOMIC OVERVIEW**

Italy's economy comprises a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, with a legacy of unemployment and underdevelopment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family-owned. Italy also has a sizable underground economy, which by some estimates accounts for as much as 17% of GDP. These activities are most common within the agriculture, construction, and service sectors.

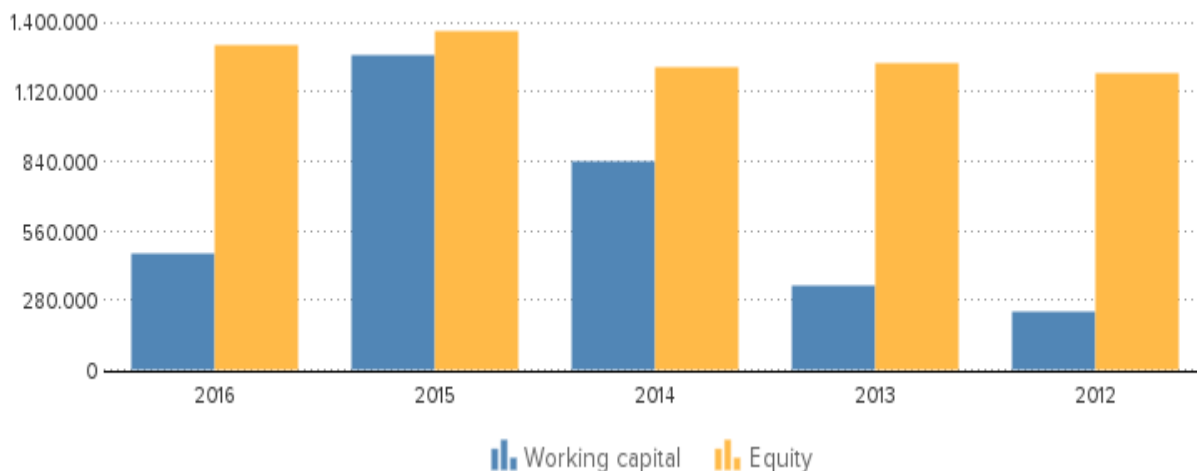
Italy is the third-largest economy in the euro zone, but its exceptionally high public debt and structural impediments to growth have rendered it vulnerable to scrutiny by financial markets. Public debt has increased steadily since 2007, reaching 131% of GDP in 2017. Investor concerns about Italy and the broader euro-zone crisis eased in 2013, bringing down Italy's borrowing costs on sovereign government debt from euro-era. The government still faces pressure from investors and European partners to sustain its efforts to address Italy's longstanding structural economic problems, including labor market inefficiencies, a sluggish judicial system, and a weak banking sector. Italy's economy returned to modest growth in late 2014 for the first time since 2011. In 2015-16, Italy's economy grew at about 1% each year, and in 2017 growth accelerated to 1.5% of GDP. In 2017, overall unemployment was 11.4%, but youth unemployment remained high at 37.1%.

Source : CIA

## SUMMARY

<b>Company name</b>	<b>Suolificio Squadroni SRL</b>
<b>Operative address</b>	Via Mar Baltico 64 63821 Porto Sant'Elpidio Italy
<b>Status</b>	Active
<b>Legal form</b>	Limited liability company - SRL
<b>Registration number</b>	FM0092696
<b>VAT-number</b>	IT00470060443

Year	2016	Mutation	2015	Mutation	2014
Fixed assets	2.881.466	23,75	2.328.477	-3,42	2.410.877
Total receivables	2.938.408	-5,68	3.115.236	-3,18	3.217.611
Total equity	1.305.773	-4,49	1.367.096	12,06	1.219.959
Short term liabilities	4.374.937	40,38	3.116.412	-11,12	3.506.151
Net result	138.673	-12,50	158.484	-13,88	184.023
Working capital	470.242	-62,86	1.266.110	50,16	843.166
Quick ratio	0,91	-24,79	1,21	13,08	1,07



## CONTACT INFORMATION

<b>Company name</b>	<b>Suolificio Squadroni SRL</b>
<b>Operative address</b>	Via Mar Baltico 64 63821 Porto Sant'Elpidio Italy
<b>Correspondence address</b>	Via Mar Baltico 64 63821 Porto Sant'Elpidio

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Telephone number Italy  
Website +39 0734993420  
www.squadroni.it

## **REGISTRATION**

Registration number Trade register number: FM0092696  
VAT-number IT00470060443  
Status Active  
Establishment date 1979-10-04  
Legal form Limited liability company - SRL  
Subscribed share capital EUR 93.600

## **ACTIVITIES**

NACE 1520: Manufacture of footwear  
Goal Engaged in the production and distribution of soles for footwear in themoplastic material, polyvinyl chloride, ethylene-vinyl acetate and thermoplastic polyurethanes

## **RELATIONS**

Shareholders  
ULTIMATE GLOBAL SHAREHOLDER  
Name: SUOLIFICIO SQUADRONI SRL  
National id number: FM0092696  
Address: VIA MAR BALTICO 64  
City: PORTO SANT'ELPIDIO  
Country: IT  
Phone: +39 0734993420  
Website: www.squadroni.it  
Type: Corporate  
Share direct: 100.00%  
Share total: 100.00%  
Turnover: 7.80761165 mil. EUR  
Total assets: 7.72223072 mil. EUR  
Profit loss before tax: 0.25381853 mil. EUR  
Profit loss after tax net income: 0.13867286 mil. EUR  
Shareholders funds: 1.30577324 mil. EUR

SHAREHOLDERS  
Name: MR GIANCARLO SQUADRONI

Address: VIA MAR MEDITERRANEO 28  
City: PORTO SANT'ELPIDIO  
Country: IT  
Type: One or more named individuals or families  
Share direct: 25.00%

Name: MR GIORGIO SQUADRONI  
Address: VIA MAR MEDITERRANEO 28  
City: PORTO SANT'ELPIDIO  
Country: IT  
Type: One or more named individuals or families  
Share direct: 25.00%

Name: MRS LUIGIA GELOSI  
Address: VIA MAR MEDITERRANEO 28  
City: PORTO SANT'ELPIDIO  
Country: IT  
Type: One or more named individuals or families  
Share direct: 25.00%

Name: MRS ROSANNA RUGGERI  
Address: VIA MAR MEDITERRANEO 28  
City: PORTO SANT'ELPIDIO  
Country: IT  
Type: One or more named individuals or families  
Share direct: 25.00%

**Structure**

SUBSIDIARIES  
Name: SQUADRONI PACIFIC LIMITED  
National id number: 2153558  
Country: HK  
Type: Corporate  
Status: UO+  
Share direct: 100.00%

**MANAGEMENT**

**Management**

Fullname: Mr Giancarlo Squadroni  
Type: Individual  
Gender: Male  
date of birth: 1944/07/08  
Age: 74  
Country: Italy  
Number of involvements: 1  
Function: Chairman of the Board of Directors  
Level of responsibility: President / Chairman

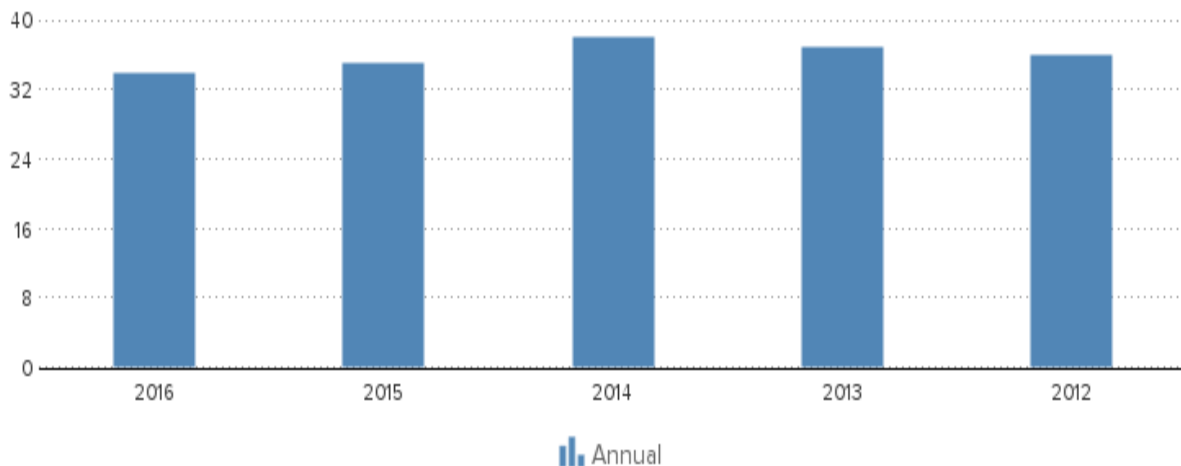
Appointment date: 1997/03/29

Fullname: Mr Giorgio Squadroni  
Type: Individual  
Gender: Male  
date of birth: 1949/10/02  
Age: 68  
Country: Italy  
Number of involvements: 2  
Function: Vice-Chairman of the Board of Directors  
Level of responsibility: Vice President / Vice Chairman  
Appointment date: 1997/03/29

Fullname: Mr Marco Squadroni  
Type: Individual  
Gender: Male  
date of birth: 1975/03/21  
Age: 43  
Country: Italy  
Number of involvements: 3  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2007/10/24

## **EMPLOYEES**

Year	2016	2015	2014	2013	2012
Annual	34	35	38	37	36



## **FINANCIAL ANALYSIS**

Trend	Fluctuating
Profitability	Positive
Solvability	Limited
Liquidity	Limited
Show amount in	Euro

## **KEY FIGURES**

Year	2016	2015	2014	2013	2012
Quick ratio	0,91	1,21	1,07	0,94	0,90
Current ratio	1,11	1,41	1,24	1,11	1,07
Working capital/ balance total	0,06	0,19	0,12	0,06	0,04
Equity / balance total	0,17	0,20	0,18	0,21	0,20
Equity / Fixed assets	0,45	0,59	0,51	0,55	0,51
Working capital	470.242	1.266.110	843.166	342.851	233.336
Equity	1.305.773	1.367.096	1.219.959	1.235.936	1.193.070
Mutation equity	-4,49	12,06	-1,29	3,59	
Mutation short term liabilities	40,38	-11,12	9,94	-2,07	
Return on total assets (ROA)	3,28	4,70	5,15	5,34	4,22
Return on equity (ROE)	19,44	23,08	28,55	24,93	20,67
Gross profit margin	5,12	5,94	5,82	6,34	5,56
Net profit margin	1,78	2,06	2,20	2,33	2,66
Average collection ratio	1,78	2,47	2,38	2,19	1,83
Average payment ratio	2,66	2,47	2,59	2,69	2,29
Equity turnover ratio	5,98	5,64	6,84	5,65	4,99
Total assets turnover ratio	1,01	1,15	1,23	1,21	1,02
Fixed assets turnover ratio	2,71	3,31	3,46	3,12	2,53
Inventory conversion ratio	9,08	12,81	13,80	13,21	10,41
Turnover	7.805.463	7.706.715	8.346.853	6.981.455	5.956.989
Operating result	399.428	457.720	485.633	442.942	331.204
Net result after taxes	138.673	158.484	184.023	162.866	158.404
Cashflow	928.223	1.338.649	1.451.305	1.272.951	1.024.233
Gross profit	2.292.489	2.723.363	2.776.907	2.532.734	2.221.049
EBITDA	1.188.978	1.637.885	1.752.915	1.553.027	1.197.033

### **Summary**

The 2016 financial result structure is a positive working capital of 470.242 euro, which is in agreement with 6 % of the total assets of the company.

The working capital has diminished with -62.86 % compared to previous year. The ratio, with respect to the total assets of the company has however, declined.

The deterioration between 2015 and 2016 has mainly been caused by a change of the current liabilities.

The current ratio of the company in 2016 was 1.11. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2016 of the company was 0.91. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

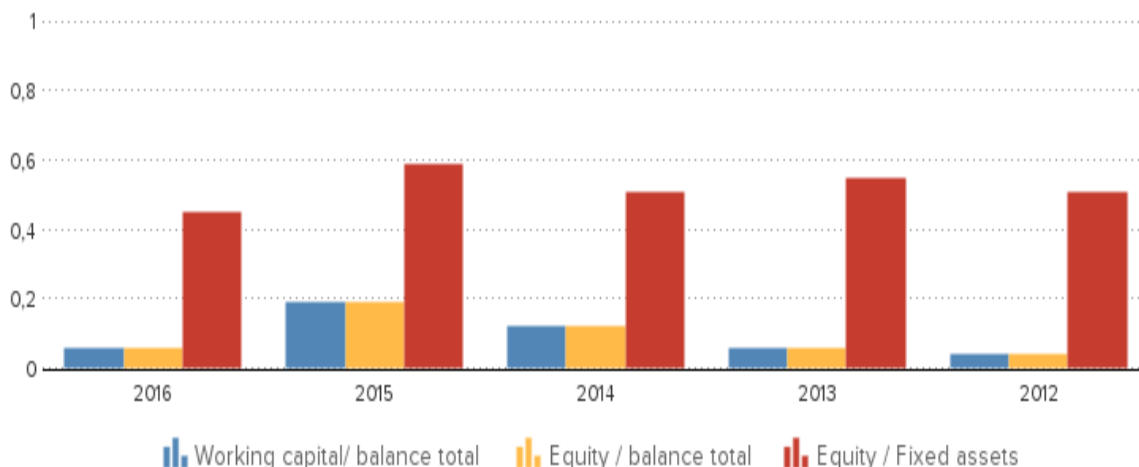
The 2015 financial result structure is a positive working capital of 1.266.110 euro, which is in agreement with 19 % of the total assets of the company.

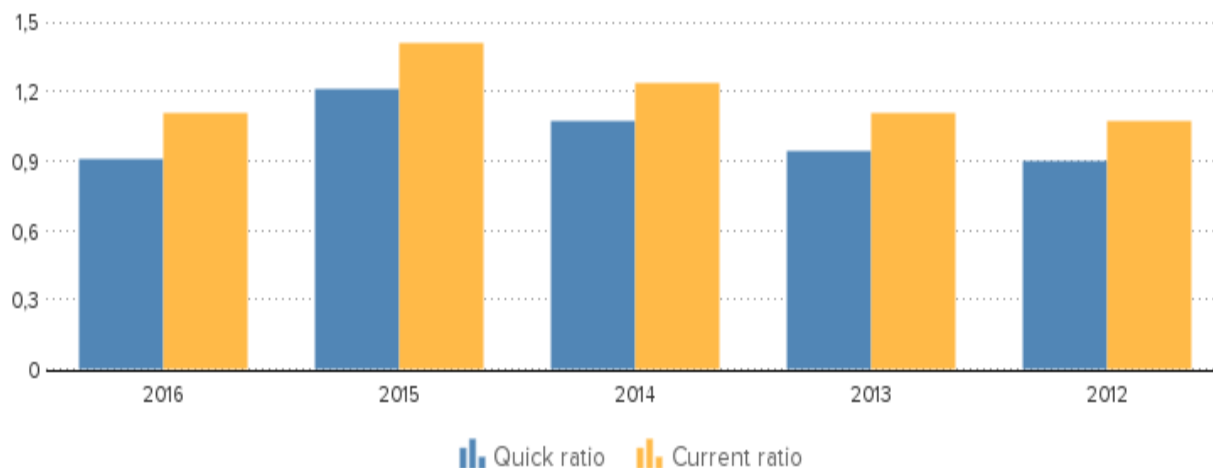
The working capital has increased with 50.16 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

The improvement between 2014 and 2015 has mainly been caused by a change of the current assets.

The current ratio of the company in 2015 was 1.41. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2015 of the company was 1.21. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.





## **FINANCIAL STATEMENT**

<b>Last annual account</b>	2016
<b>Remark annual account</b>	The company is obliged to file its financial statements.
<b>Type of annual account</b>	Corporate
<b>Annual account</b>	<b>Suolificio Squadroni SRL</b> Via Mar Baltico 64 63821 Porto Sant'Elpidio Italy

## **BALANCE**

Year	2016	2015	2014	2013	2012
End date	2016-12-31	2015-12-31	2014-12-31	2013-12-31	2012-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
<b>Intangible fixed assets</b>	<b>31.871</b>	<b>23.851</b>	<b>14.996</b>	<b>15.748</b>	<b>10.658</b>
<b>Tangible fixed assets</b>	<b>2.375.011</b>	<b>1.900.023</b>	<b>2.065.847</b>	<b>2.219.503</b>	<b>2.340.885</b>
Other fixed assets	474.584	404.603	330.034	449	455
<b>Fixed assets</b>	<b>2.881.466</b>	<b>2.328.477</b>	<b>2.410.877</b>	<b>2.235.700</b>	<b>2.351.998</b>
<b>Total stock</b>	<b>859.948</b>	<b>601.747</b>	<b>604.795</b>	<b>528.402</b>	<b>572.327</b>
<b>Total receivables</b>	<b>2.938.408</b>	<b>3.115.236</b>	<b>3.217.611</b>	<b>2.590.832</b>	<b>2.602.761</b>
Liquid funds	605.295	318.231	241.987	213.199	127.058
Other current assets	441.528	347.308	284.924	199.629	187.915
<b>Current assets</b>	<b>4.845.179</b>	<b>4.382.522</b>	<b>4.349.317</b>	<b>3.532.062</b>	<b>3.490.061</b>
<b>Total assets</b>	<b>7.726.645</b>	<b>6.710.999</b>	<b>6.760.194</b>	<b>5.767.762</b>	<b>5.842.059</b>
<b>Total equity</b>	<b>1.305.773</b>	<b>1.367.096</b>	<b>1.219.959</b>	<b>1.235.936</b>	<b>1.193.070</b>

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**SUOLIFICIO SQUADRONI SRL - 517933**

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<b>Long term liabilities</b>	<b>2.045.935</b>	<b>2.227.491</b>	<b>2.034.084</b>	<b>1.342.615</b>	<b>1.392.264</b>
Accounts payable	2.219.769	2.039.883	2.825.426	2.176.718	2.026.957
Liabilities towards credit institutes	1.792.322	820.391	467.001	708.035	1.087.285
Other short term liabilities	362.846	256.138	213.724	304.458	142.483
<b>Short term liabilities</b>	<b>4.374.937</b>	<b>3.116.412</b>	<b>3.506.151</b>	<b>3.189.211</b>	<b>3.256.725</b>
<b>Total liabilities</b>	<b>7.726.645</b>	<b>6.710.999</b>	<b>6.760.194</b>	<b>5.767.762</b>	<b>5.842.059</b>

**Summary**

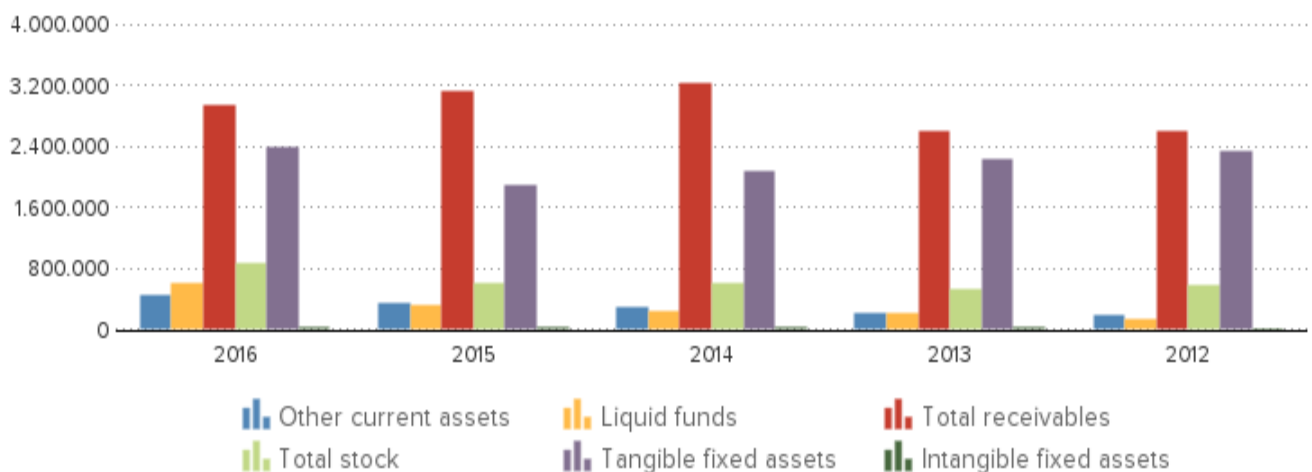
The total assets of the company increased with 15.13 % between 2015 and 2016.

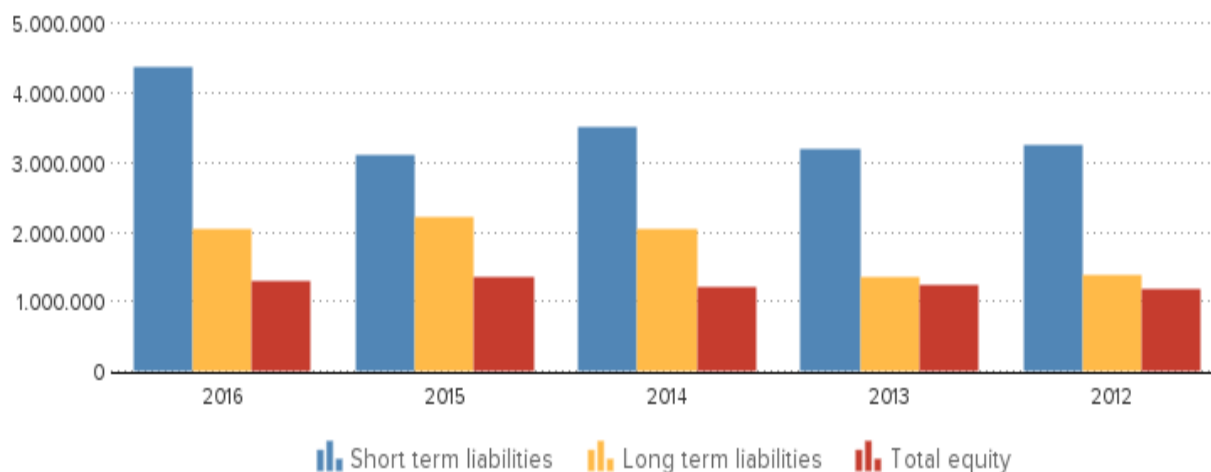
The total asset increase is retrievable in the fixed asset growth of 23.75 %.

In 2016 the assets of the company were 37.29 % composed of fixed assets and 62.71 % by current assets. The assets are being financed by an equity of 16.9 %, and total debt of 83.1 %.

The total assets remained the same between 2014 and 2015. Despite the fact that the total assets remained the same, the fixed assets decreased with -3.42 %.

In 2015 the assets of the company were 34.7 % composed of fixed assets and 65.3 % by current assets. The assets are being financed by an equity of 20.37 %, and total debt of 79.63 %.





## **PROFIT AND LOSS**

Year	2016	2015	2014	2013	2012
Revenues	7.424.020	6.734.553	7.528.183	6.575.036	5.616.410
<b>Net turnover</b>	<b>7.805.463</b>	<b>7.706.715</b>	<b>8.346.853</b>	<b>6.981.455</b>	<b>5.956.989</b>
Wages and salaries	1.100.448	1.069.141	1.020.035	972.529	984.578
Amorization and depreciation	789.550	1.180.165	1.267.282	1.110.085	865.829
Production costs	2.803.000	2.491.000	3.207.421	2.490.519	2.092.529
<b>Operating result</b>	<b>399.428</b>	<b>457.720</b>	<b>485.633</b>	<b>442.942</b>	<b>331.204</b>
Financial income	3.406	5.244	674	8.772	10.425
Financial expenses	149.015	147.440	138.022	143.597	95.011
Financial result	-145.609	-142.196	-137.348	-134.825	-84.586
<b>Result on ordinary operations before taxes</b>	<b>253.819</b>	<b>315.524</b>	<b>348.285</b>	<b>308.117</b>	<b>246.618</b>
Taxation on the result of ordinary activities	115.146	164.535	164.501	145.549	117.280
<b>Result of ordinary activities after taxes</b>	<b>138.673</b>	<b>150.989</b>	<b>183.784</b>	<b>162.568</b>	<b>129.338</b>
Extraordinary income		10.966	240	298	38.169
Extraordinary expense		3.471	1		9.103
Extraordinary result before taxation		7.495	239	298	29.066
<b>Net result</b>	<b>138.673</b>	<b>158.484</b>	<b>184.023</b>	<b>162.866</b>	<b>158.404</b>

### **Summary**

The turnover of the company grew with 1.28 % between 2015 and 2016.

The operating result of the company declined with -12.74 % between 2015 and 2016. This evolution implies an decrease of the company's economic profitability.

The result of these changes is a reduction of the company's Economic Profitability of -30.21 % of the analysed period, being

equal to 3.28 in the year 2016.

This fall has contributed to a asset turnover decrease, whose index evolved from -12.17 to a level of 1.01.

The Net Result of the company decreased by -12.5 % between 2015 and 2016.

The company's Financial Profitability has been positively affected by the financial activities in comparison to the EBITs behaviour. The result of these variations is a profitability increase of -15.77 % of the analysed period, being 19.44 in the year 2016. The company's financial profitability has been positively affected by its financial structure.

The turnover of the company decreased by -7.67 % between 2014 and 2015.

The operating result of the company declined with -5.75 % between 2014 and 2015. This evolution implies an decrease of the company's economic profitability.

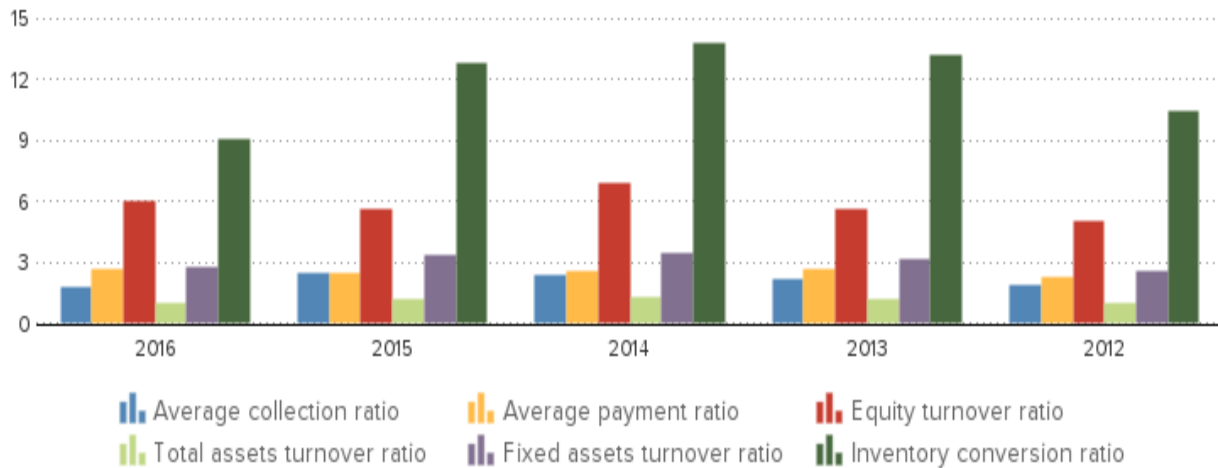
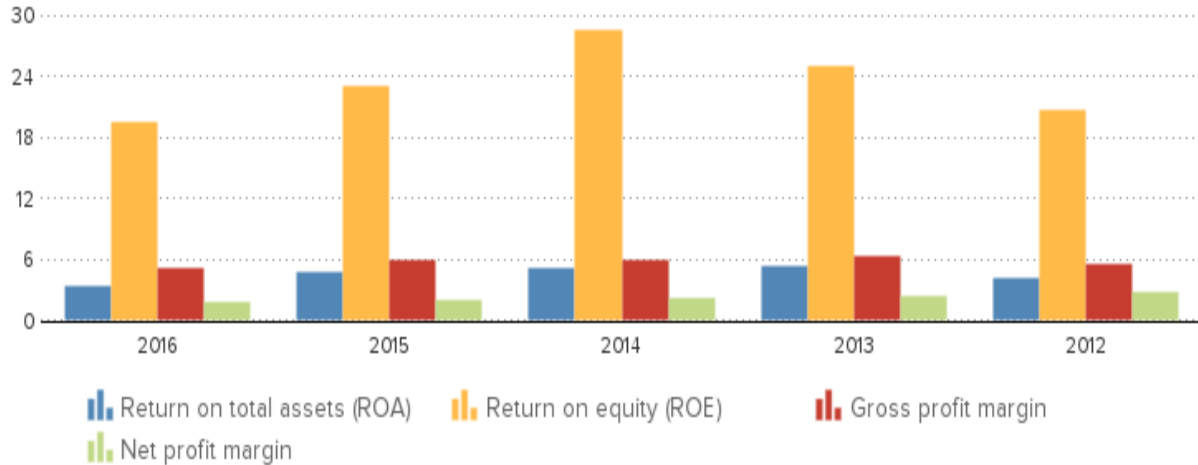
The result of these changes is a reduction of the company's Economic Profitability of -8.74 % of the analysed period, being equal to 4.7 in the year 2015.

This fall has contributed to a asset turnover decrease, whose index evolved from -6.5 to a level of 1.15.

The Net Result of the company decreased by -13.88 % between 2014 and 2015.

The company's Financial Profitability has been negatively affected by the financial activities in comparison to the EBITs behaviour. The result of these variations is a profitability reduction of -19.16 % of the analysed period, being 23.08 in the year 2015.

The company's financial profitability has been positively affected by its financial structure.



## **COUNTRY INFORMATION**

Population	60.7 million
GDP per capita	30507 USD
Country risk	Below average
Company risk	Low

## **PUBLICATIONS**

Remarks Status: Active

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Category: Medium sized company  
Last year: 2016  
Turnover last year: 7.805.463 EUR  
Result last year: 138.673 EUR  
TOTAL assets last year: 7.726.645 EUR  
Number of employees: 34  
Number of shareholders: 4  
Number of subsidiaries: 1  
Number of branches: 0

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.58
UK Pound	1	INR 89.93
Euro	1	INR 79.85
Euro	1	INR 80.10

**Note** : Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	TRU

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**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)