

## MIRA INFORM REPORT

<b>Report No. :</b>	517369
<b>Report Date :</b>	29.06.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	TECNOLEGNO S.R.L.
<b>Registered Office :</b>	Via Ugo Foscolo 9, 22060 Arosio
<b>Country :</b>	Italy
<b>Financials (as on) :</b>	31.12.2016
<b>Date of Incorporation :</b>	23.10.1979
<b>Com. Reg. No.:</b>	CO0166897
<b>Legal Form :</b>	Limited liability company - SRL
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Engaged in the production of wood products</li> <li>• Wholesale of wood, construction materials and sanitary equipment</li> </ul>
<b>No. of Employees :</b>	13

### 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

### NOTES :

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**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

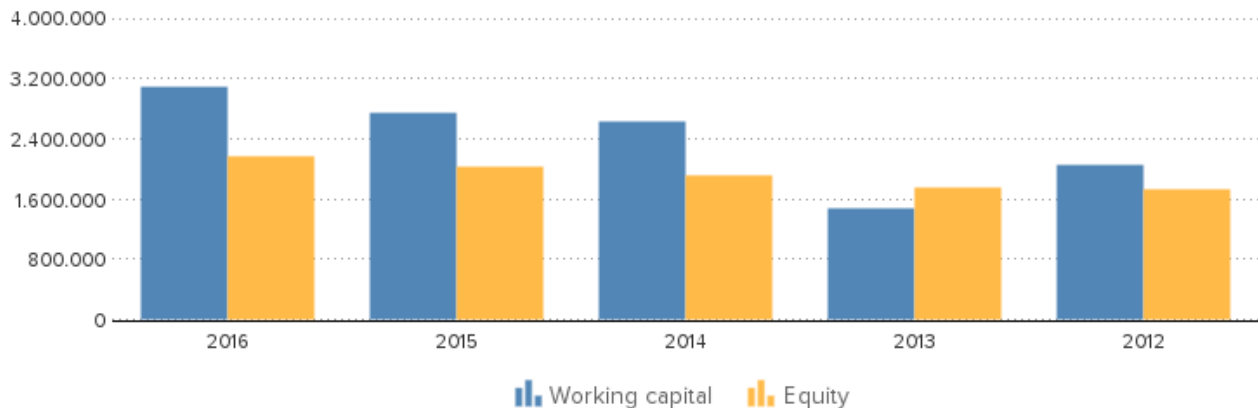
Italy's economy comprises a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, with a legacy of unemployment and underdevelopment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced 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>Tecnolegno S.R.L.</b>				
<b>Operative address</b>	Via Ugo Foscolo 9 22060 Arosio Italy				
<b>Legal form</b>	Limited liability company - SRL				
<b>Registration number</b>	Trade register number: CO0166897				
<b>VAT-number</b>	IT00808730139				
<b>Year</b>	<b>2016</b>	<b>Mutation</b>	<b>2015</b>	<b>Mutation</b>	<b>2014</b>
Fixed assets	1.338.597	-3,67	1.389.631	-4,54	1.455.679
Total equity	2.156.769	6,48	2.025.541	6,30	1.905.529
Short term liabilities	3.231.695	6,23	3.042.113	-9,21	3.350.670
Net result	131.231	9,35	120.009	-22,35	154.544
Working capital	3.083.160	12,24	2.746.957	4,09	2.638.963
Quick ratio	1,32	3,13	1,28	0,79	1,27



## CONTACT INFORMATION

<b>Company name</b>	Tecnolegno S.R.L.
<b>Operative address</b>	Via Ugo Foscolo 9 22060 Arosio Italy
<b>Correspondence address</b>	Via Ugo Foscolo 9 22060 Arosio Italy
<b>Telephone number</b>	+39 031762532
<b>Fax number</b>	+39 031 736828
<b>Email address</b>	info@tecnolegno.com
<b>Website</b>	www.tecnolegno.com

## **REGISTRATION**

Registration number	Trade register number: CO0166897
VAT-number	IT00808730139
Status	Active
Establishment date	1979-10-23
Legal form	Limited liability company - SRL
Subscribed share capital	EUR 93.600

## **ACTIVITIES**

NACE	4673: Wholesale of wood, construction materials and sanitary equipment
Goal	Engaged in the production of wood products

## **RELATIONS**

Shareholders	ULTIMATE GLOBAL SHAREHOLDER Name: MRS CRISTINA PROSERPIO Address: VIA ADDOLORATA 8 City: CARUGO Country: IT Type: One or more named individuals or families Share direct: 90.00%
	SHAREHOLDERS Name: MRS CRISTINA PROSERPIO Address: VIA ADDOLORATA 8 City: CARUGO Country: IT Type: One or more named individuals or families Share direct: 90.00%
	Name: MR GIUSEPPE FAUSTO PROSERPIO Address: VIA PASSALACQUA TROTTI 9 City: MARIANO COMENSE Country: IT Type: One or more named individuals or families Share direct: 5.00%
	Name: MRS ORNELLA BESANA Address: VIA PASSALACQUA TROTTI 9 City: MARIANO COMENSE

Country: IT  
Type: One or more named individuals or families  
Share direct: 5.00%

## **MANAGEMENT**

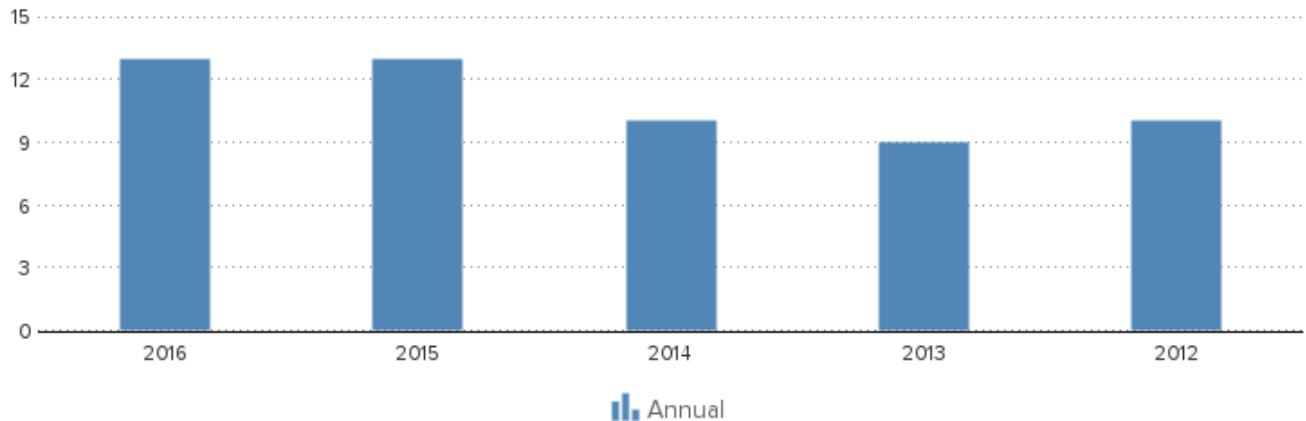
### **Management**

Fullname: Mr Giuseppe Fausto Proserpio  
Type: Individual  
Gender: Male  
date of birth: 1947/12/18  
Age: 70  
Country: Italy  
Number of involvements: 2  
Function: Director  
Level of responsibility: Member  
Appointment date: 2017/04/30  
Resignation date: 2021/12/31

Fullname: Mr Daniele Riccio  
Type: Individual  
Gender: Male  
date of birth: 1973/08/12  
Age: 44  
Country: Italy  
Number of involvements: 1  
Function: Director  
Level of responsibility: Member  
Appointment date: 2017/04/30  
Resignation date: 2021/12/31

## **EMPLOYEES**

<b>Year</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Annual	13	13	10	9	10



## FINANCIAL ANALYSIS

Trend	Constant
Profitability	Positive
Solvability	Sufficient
Liquidity	Positive
Show amount in	Euro

## KEY FIGURES

Year	2016	2015	2014	2013	2012
Quick ratio	1,32	1,28	1,27	1,14	1,45
Current ratio	1,95	1,90	1,79	1,63	2,20
Working capital/ balance total	0,40	0,38	0,35	0,28	0,39
Equity / balance total	0,28	0,28	0,26	0,33	0,32
Equity / Fixed assets	1,61	1,46	1,31	1,18	1,11
Working capital	3.083.160	2.746.957	2.638.963	1.474.721	2.062.710
Equity	2.156.769	2.025.541	1.905.529	1.750.986	1.722.486
Mutation equity	6,48	6,30	8,83	1,65	
Mutation short term liabilities	6,23	-9,21	43,26	36,30	
Return on total assets (ROA)	2,92	2,83	3,35	1,94	1,48
Return on equity (ROE)	10,35	10,02	13,08	5,86	4,56
Gross profit margin	3,38	2,05	2,32	4,96	4,19
Net profit margin	1,60	1,38	1,75	0,57	0,22
Average collection ratio	2,54	2,86	2,63	2,14	2,75
Average payment ratio				2,44	2,54
Equity turnover ratio	3,80	4,30	4,62	2,86	2,74
Total assets turnover ratio	1,07	1,21	1,18	0,95	0,89
Fixed assets turnover ratio	6,12	6,27	6,05	3,38	3,05

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Inventory conversion ratio	4,00	4,62	5,11	4,38	3,66
Turnover	8.198.531	8.712.894	8.810.245	5.008.218	4.720.558
Operating result	277.115	178.704	204.018	248.197	197.917
Net result after taxes	131.231	120.009	154.544	28.498	10.489
Cashflow	224.606	211.822	244.627	111.172	95.083
Gross profit	865.638	866.591	796.051	623.736	584.659
EBITDA	370.490	270.517	294.101	330.871	282.511
<b>Summary</b>					

The 2016 financial result structure is a positive working capital of 3.083.160 euro, which is in agreement with 40 % of the total assets of the company.

The working capital has increased with 12.24 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

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

The current ratio of the company in 2016 was 1.95. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2016 of the company was 1.32. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

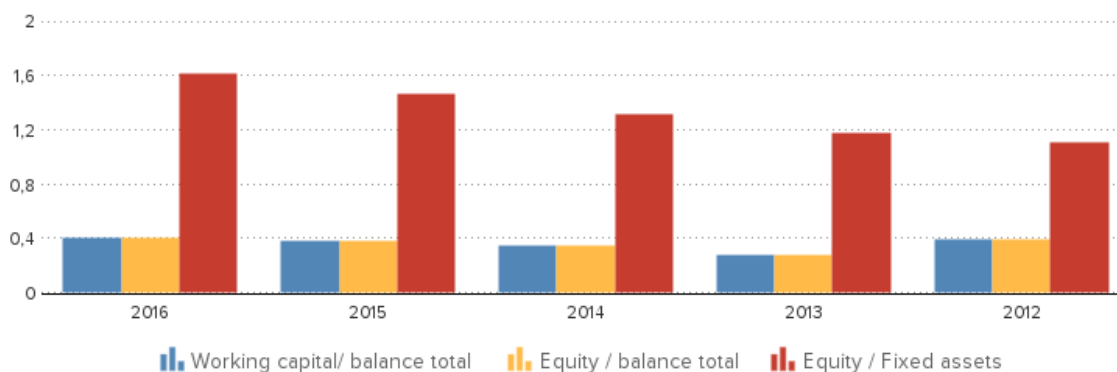
The 2015 financial result structure is a positive working capital of 2.746.957 euro, which is in agreement with 38 % of the total assets of the company.

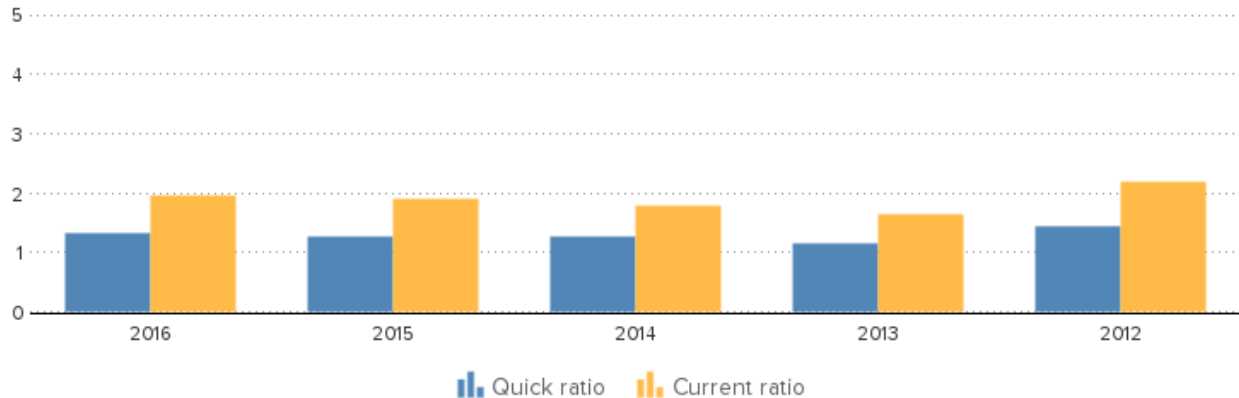
The working capital has increased with 4.09 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

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 1.9. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2015 of the company was 1.28. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.





## **FINANCIAL STATEMENT**

Last annual account	2016
Remark annual account	The company is obliged to file its financial statements.
Type of annual account	Corporate
Annual account	<b>Tecnolegno S.R.L.</b> Via Ugo Foscolo 9 22060 Arosio 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>6.259</b>	<b>10.130</b>	<b>10.189</b>	<b>11.468</b>	<b>12.393</b>
<b>Tangible fixed assets</b>	<b>1.332.075</b>	<b>1.379.238</b>	<b>1.445.227</b>	<b>1.470.825</b>	<b>1.534.502</b>
Other fixed assets	263	263	263	263	263
<b>Fixed assets</b>	<b>1.338.597</b>	<b>1.389.631</b>	<b>1.455.679</b>	<b>1.482.556</b>	<b>1.547.158</b>
<b>Total stock</b>	<b>2.051.320</b>	<b>1.885.109</b>	<b>1.723.715</b>	<b>1.142.645</b>	<b>1.290.573</b>
<b>Total receivables</b>				<b>2.050.554</b>	<b>1.857.579</b>
Liquid funds	494.918	300.277	290.033	413.208	309.506
Other current assets	3.768.617	3.603.684	3.975.885	207.233	321.081
<b>Current assets</b>	<b>6.314.855</b>	<b>5.789.070</b>	<b>5.989.633</b>	<b>3.813.640</b>	<b>3.778.739</b>
<b>Total assets</b>	<b>7.653.452</b>	<b>7.178.701</b>	<b>7.445.312</b>	<b>5.296.196</b>	<b>5.325.897</b>
<b>Total equity</b>	<b>2.156.769</b>	<b>2.025.541</b>	<b>1.905.529</b>	<b>1.750.986</b>	<b>1.722.486</b>
Provisions	14.977	11.841	27.322	330	1.149
<b>Long term liabilities</b>	<b>2.250.011</b>	<b>2.099.206</b>	<b>2.161.791</b>	<b>1.205.961</b>	<b>1.886.233</b>
Accounts payable				637.641	625.944
Liabilities towards credit institutes				1.598.125	996.323

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Other short term liabilities	3.231.695	3.042.113	3.350.670	103.153	93.762
<b>Short term liabilities</b>	<b>3.231.695</b>	<b>3.042.113</b>	<b>3.350.670</b>	<b>2.338.919</b>	<b>1.716.029</b>
<b>Total liabilities</b>	<b>7.653.452</b>	<b>7.178.701</b>	<b>7.445.312</b>	<b>5.296.196</b>	<b>5.325.897</b>
<b>Summary</b>	The total assets of the company increased with 6.61 % between 2015 and 2016.				

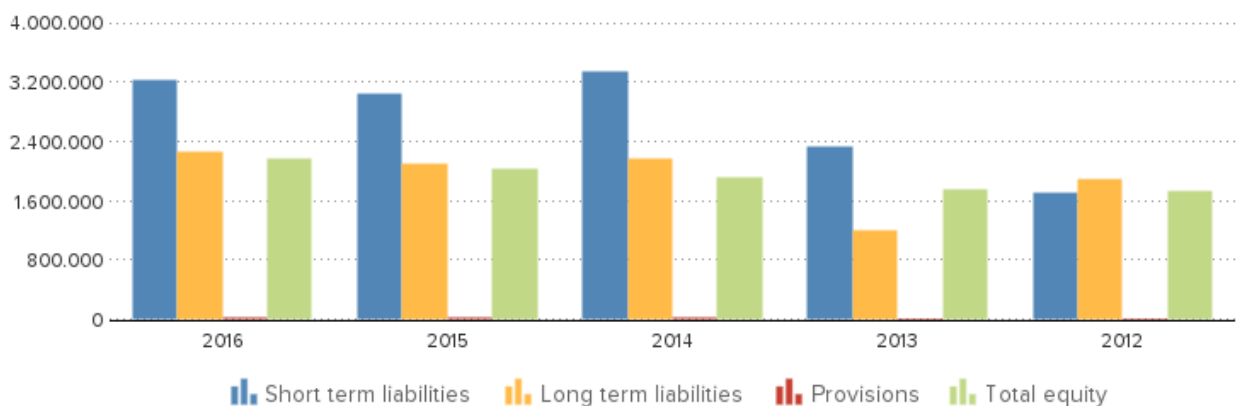
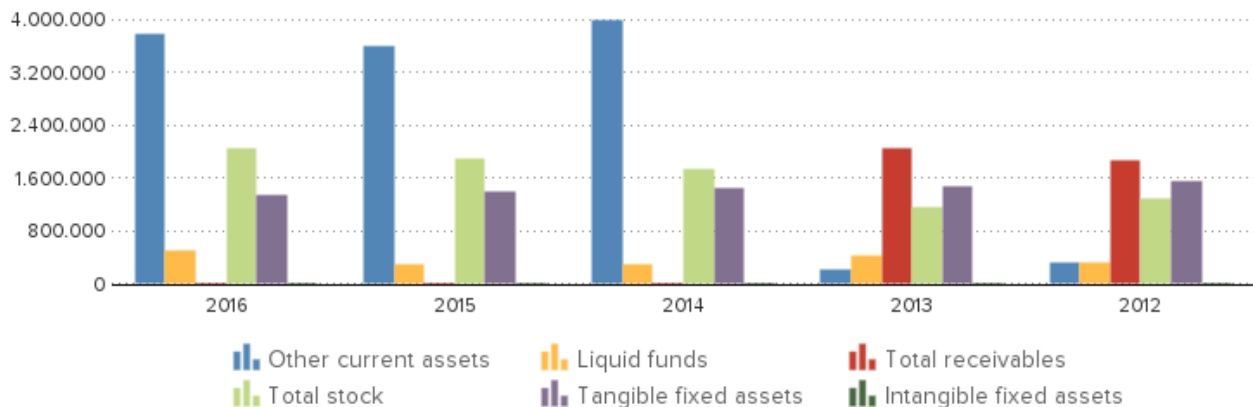
Despite the assets growth, the non current assets decreased with - 3.67 %.

In 2016 the assets of the company were 17.49 % composed of fixed assets and 82.51 % by current assets. The assets are being financed by an equity of 28.18 %, and total debt of 71.82 %.

The total assets of the company decreased with -3.58 % between 2014 and 2015.

This downturn is mainly retrievable in the fixed asset decrease of - 4.54 %.

In 2015 the assets of the company were 19.36 % composed of fixed assets and 80.64 % by current assets. The assets are being financed by an equity of 28.22 %, and total debt of 71.78 %.



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## **PROFIT AND LOSS**

Year	2016	2015	2014	2013	2012
Revenues	8.148.267	8.682.358	8.772.643	4.973.851	4.675.498
<b>Net turnover</b>	<b>8.198.531</b>	<b>8.712.894</b>	<b>8.810.245</b>	<b>5.008.218</b>	<b>4.720.558</b>
Wages and salaries	466.120	470.237	353.195	347.668	352.454
Amorization and depreciation	93.375	91.813	90.083	82.674	84.594
Production costs	5.764.205	6.838.755	7.030.234	3.635.404	3.292.826
<b>Operating result</b>	<b>277.115</b>	<b>178.704</b>	<b>204.018</b>	<b>248.197</b>	<b>197.917</b>
Financial income	185	26.251	13.074	7.652	1.115
Financial expenses	54.004	1.978	-32.073	153.269	120.445
Financial result	-53.819	24.273	45.147	-145.617	-119.330
<b>Result on ordinary operations before taxes</b>	<b>223.296</b>	<b>202.977</b>	<b>249.165</b>	<b>102.580</b>	<b>78.587</b>
Taxation on the result of ordinary activities	92.065	82.330	97.477	64.530	44.487
<b>Result of ordinary activities after taxes</b>	<b>131.231</b>	<b>120.647</b>	<b>151.688</b>	<b>38.050</b>	<b>34.100</b>
Extraordinary income		5.490	4.125	24.364	21.367
Extraordinary expense		6.128	1.269	33.916	44.978
Extraordinary result before taxation		-638	2.856	-9.552	-23.611
<b>Net result</b>	<b>131.231</b>	<b>120.009</b>	<b>154.544</b>	<b>28.498</b>	<b>10.489</b>
<b>Summary</b>					

The turnover of the company decreased by -5.9 % between 2015 and 2016.

The operating result of the company grew with 55.07 % between 2015 and 2016. This evolution implies an increase of the company's economic profitability.

The result of these changes is an increase of the company's Economic Profitability of 3.18 % of the analysed period, being equal to 2.92 in the year 2016.

Despite the growth the assets turnover decreased, whose index evolved with -11.57 % to a level of 1.07.

The Net Result of the company increased by 9.35 % between 2015 and 2016.

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 3.29 % of the analysed period, being 10.35 in the year 2016.

The company's financial structure has slowed down its financial profitability.

The turnover of the company decreased by -1.1 % between 2014 and 2015.

The operating result of the company declined with -12.41 % between 2014 and 2015. This evolution implies a decrease of the company's economic profitability.

The result of these changes is a reduction of the company's Economic Profitability of -15.52 % of the analysed period, being equal to 2.83 in the year 2015.

Despite the decline the assets turnover increased by 2.54 %

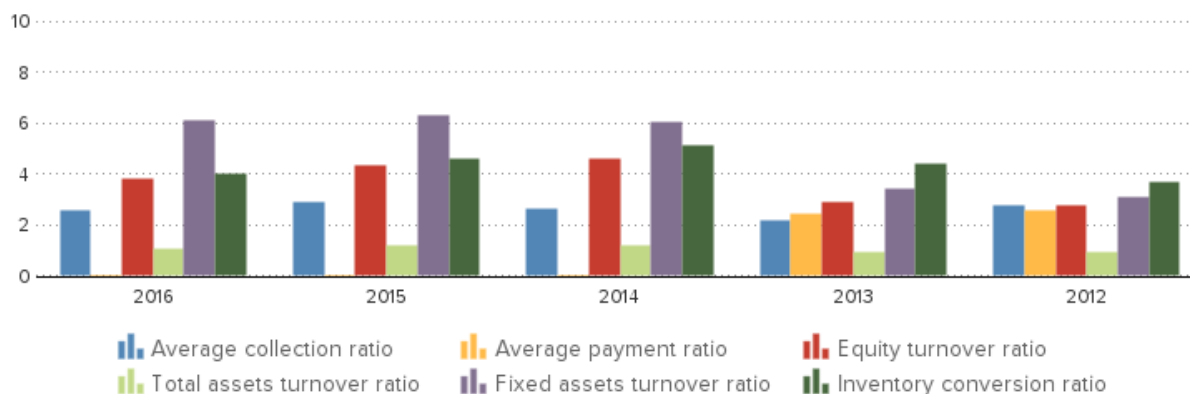
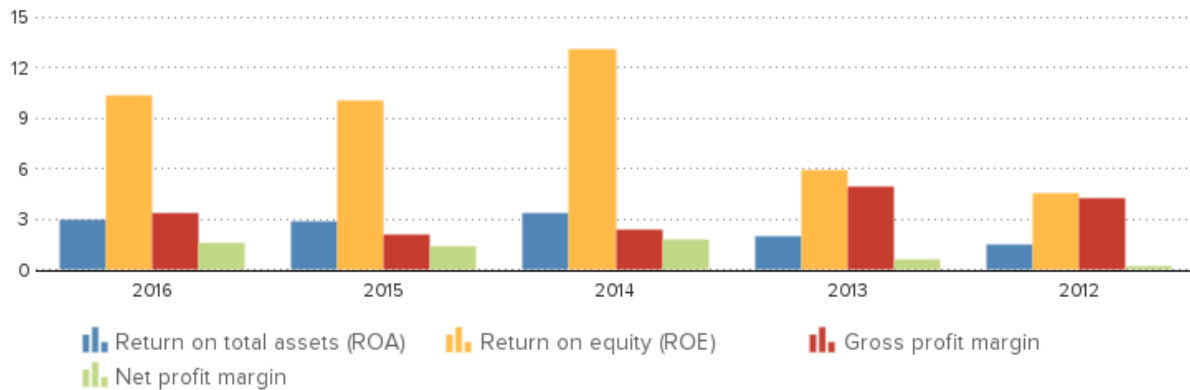
reaching 1.21.

The Net Result of the company decreased by -22.35 % 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 -23.39 % of the analysed period, being 10.02 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

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## **PUBLICATIONS**

### **Remarks**

Status: Active  
Category: Medium sized company  
Last year: 2016  
Turnover last year: 8.198.531 EUR  
Result last year: 131.231 EUR  
TOTAL assets last year: 7.653.452 EUR  
Number of employees: 13  
Number of shareholders: 3  
Number of subsidiaries: 0  
Number of branches: 0

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.94
UK Pound	1	INR 90.21
Euro	1	INR 79.93
Euro	1	INR 79.84

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

**INFORMATION DETAILS**

Analysis Done by :	VAR
Report Prepared by :	KET

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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)