

MIRA INFORM REPORT

Report No. :	537992
Report Date :	01.11.2018

IDENTIFICATION DETAILS

Name :	KEM COLOR S.P.A.
Registered Office :	Str Cebrosa 58 10036 Settimo Torinese
Country :	Italy
Financials (as on) :	31.12.2017
Date of Incorporation :	20.04.1989
Com. Reg. No.:	TO0731934
Legal Form :	Joint stock company - SPA
Line of Business :	<ul style="list-style-type: none"> • Manufacture of dyes and pigments • Subject engaged in the production of dyestuffs and chemical products
No. of Employees :	20 (2017)

RATING & COMMENTS

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

MIRA's Rating : A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

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

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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.

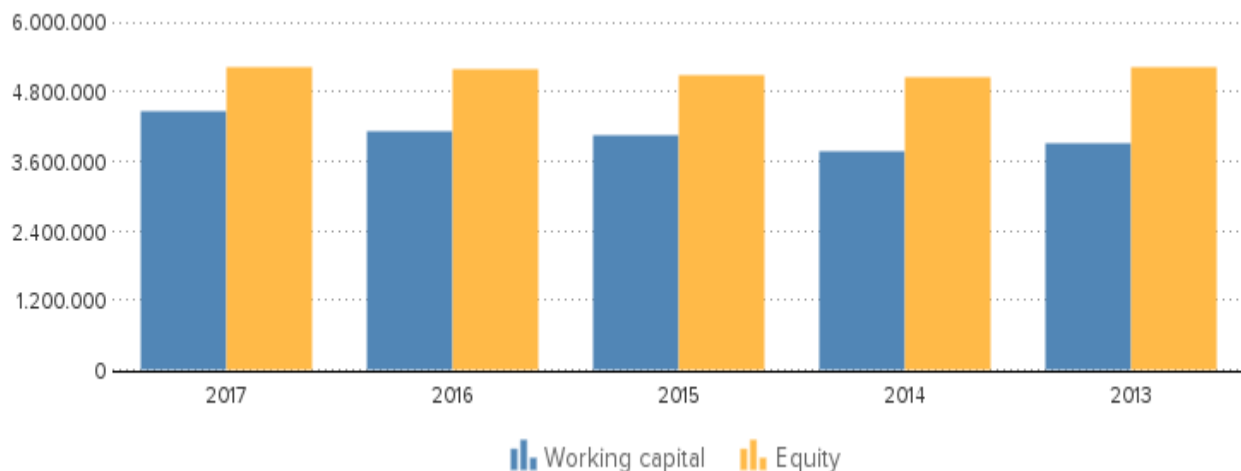
Italy is the third-largest economy in the euro zone, but its exceptionally high public debt and structural impediments to growth have rendered it vulnerable to scrutiny by financial markets. Public debt has increased steadily since 2007, reaching 131% of GDP in 2017. Investor concerns about Italy and 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%. GDP growth is projected to slow slightly in 2018.

Source : CIA

SUMMARY

Company name	KEM Color S.P.A.
Operative address	Str Cebrosa 58 10036 Settimo Torinese Italy
Status	Active
Legal form	Joint stock company - SPA
Registration number	Trade register number: TO0731934
VAT-number	IT05738240018

Year	2017	Mutation	2016	Mutation	2015
Fixed assets	1.658.246	-6,04	1.764.867	-1,92	1.799.474
Total receivables	4.201.319	3,70	4.051.359	-11,94	4.600.732
Total equity	5.238.748	0,70	5.202.275	2,01	5.099.929
Short term liabilities	5.206.197	14,53	4.545.573	-22,22	5.844.130
Net result	336.476	-16,37	402.342	895,90	40.400
Working capital	4.465.028	8,81	4.103.491	1,65	4.036.846
Quick ratio	0,93	-4,12	0,97	5,43	0,92



CONTACT INFORMATION

Company name	KEM Color S.P.A.
Operative address	Str Cebrosa 58 10036 Settimo Torinese Italy
Correspondence address	Str Cebrosa 58

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10036 Settimo Torinese
Italy
Telephone number +39 0118977387
Fax number +39 011 8977387
Website www.kemcolor.it

REGISTRATION

Registration number Trade register number: TO0731934
VAT-number IT05738240018
Status Active
Establishment date 1989-04-20
Legal form Joint stock company - SPA
Subscribed share capital EUR 2.300.000

ACTIVITIES

NACE 2012: Manufacture of dyes and pigments
Goal Engaged in the production of dyestuffs and chemical products

RELATIONS

Shareholders
ULTIMATE GLOBAL SHAREHOLDER
Name: ESTUDIOS Y DESARROLLOS NICOVAL SL
National id number: B61520730
Address: CALLE OPTICA, 11 2 2
City: CASTELLBISBAL
Country: ES
Phone: +34 937723558
Type: Corporate
Turnover: 0.0333528 mil. EUR
Total assets: 9.24706407 mil. EUR
Profit loss before tax: 1.65644268 mil. EUR
Profit loss after tax net income: 1.62399791 mil. EUR
Shareholders funds: 9.16227041 mil. EUR

ULTIMATE DOMESTIC SHAREHOLDER

Name: KEM COLOR S.P.A.
National id number: TO0731934
Address: STR CEBROSA 58
City: SETTIMO TORINESE
Country: IT
Phone: +39 0118977387
Fax: +39 011 8977387
Website: www.kemcolor.it
Type: Corporate
Share direct: 100.00%
Share total: 100.00%
Turnover: 12.29050716 mil. EUR
Total assets: 11.33161413 mil. EUR
Profit loss before tax: 0.42534327 mil. EUR
Profit loss after tax net income: 0.3364764 mil. EUR
Shareholders funds: 5.2387478 mil. EUR

SHAREHOLDERS

Name: COLORANTES INDUSTRIALES SA
National id number: A46201430
Address: CALLE EN PROYECTO NUMERO 6 (POL. INDUSTRIAL
MASIA DEL CONDE)
City: LORIGUILLA
Country: ES
Phone: +34 937711830
Website: www.colorantesindustriales.com
Type: Corporate
Share direct: 45.00%
Turnover: 27.67448661 mil. EUR
Total assets: 29.59227267 mil. EUR
Profit loss before tax: 5.69174637 mil. EUR
Profit loss after tax net income: 5.18870692 mil. EUR
Shareholders funds: 26.56604463 mil. EUR
Number of employees: 36

Name: MR FABRIZIO DI CESARE
Address: VIA SPERANZA 85
City: SAN MAURO TORINESE
Country: IT
Type: One or more named individuals or families
Share direct: 25.00%

Name: MR ANTONIO DI CESARE
Country: IT
Type: One or more named individuals or families
Share direct: 20.00%

Name: SELF OWNED

Structure

Type: Self ownership
Share direct: 10.00%

SUBSIDIARIES

Name: EUROCOLOR S.P.A.
National id number: RA0194075
Address: VIA EMILIA PONENTE 593
City: CASTEL BOLOGNESE
Country: IT
Type: Corporate
Phone: +39 0546650040
Website: www.eurocolorspa.eu
Share direct: 35.00%
Turnover: 18.90269995 mil. EUR
Total assets: 16.52631288 mil. EUR
Profit loss before tax: 0.92750304 mil. EUR
Profit loss after tax net income: 0.62631224 mil. EUR
Shareholders funds: 5.7218948 mil. EUR
Number of employees: 34

Name: EUROCOLOR - SOCIETA' CONSORTILE A
RESPONSABILITA' LIMITATA
National id number: RA0207594
Address: VIA EMILIA PONENTE 593
City: CASTEL BOLOGNESE
Country: IT
Type: Corporate
Share direct: 30.00%
Turnover: 10.05586949 mil. EUR
Total assets: 0.41691001 mil. EUR
Profit loss before tax: 0 mil. EUR
Profit loss after tax net income: 0 mil. EUR
Shareholders funds: 0.0368957 mil. EUR
Number of employees: 1

MANAGEMENT

Management

Fullname: Mr Giulio Chidichino
Type: Individual
Gender: Male
date of birth: 1941/11/17
Age: 76
Number of involvements: 6
Function: Chairman of the Board of Directors
Level of responsibility: President / Chairman
Appointment date: 2016/07/05
Resignation date: 2018/12/31

Fullname: Mr Giulio Chidichino
Type: Individual
Gender: Male
date of birth: 1941/11/17
Age: 76
Number of involvements: 6
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2016/07/05
Resignation date: 2018/12/31

Fullname: Mr Antonio Di Cesare
Type: Individual
Gender: Male
date of birth: 1950/07/31
Age: 68
Country: Italy
Number of involvements: 3
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2016/07/05
Resignation date: 2018/12/31

Fullname: Mr Antonio Di Cesare
Type: Individual
Gender: Male
date of birth: 1950/07/31
Age: 68
Country: Italy
Number of involvements: 3
Function: Chief Executive Officer
Level of responsibility: Highest executive
Appointment date: 2016/07/05
Resignation date: 2018/12/31

Fullname: Mr Fabrizio Di Cesare
Type: Individual
Gender: Male
date of birth: 1979/03/29
Age: 39
Country: Italy
Number of involvements: 2
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2016/07/05
Resignation date: 2018/12/31

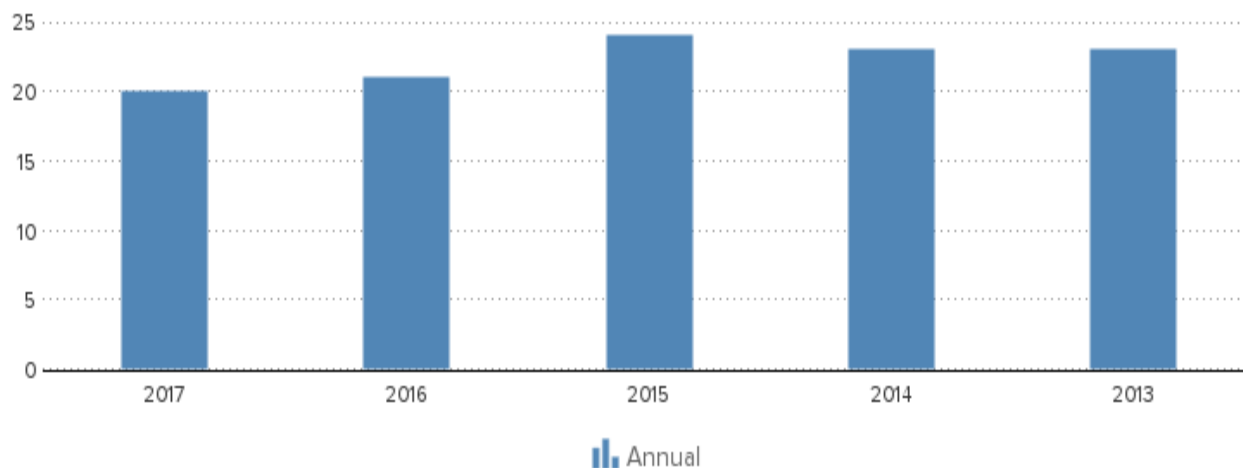
Fullname: Mr Fabrizio Di Cesare
Type: Individual
Gender: Male
date of birth: 1979/03/29
Age: 39
Country: Italy
Number of involvements: 2
Function: Special Proxy
Level of responsibility: Proxyholders; Representative
Appointment date: 2008/03/13

Fullname: Mr Fabrizio Di Cesare
Type: Individual
Gender: Male
date of birth: 1979/03/29
Age: 39
Country: Italy
Number of involvements: 2
Function: Chief Executive Officer
Level of responsibility: Highest executive
Appointment date: 2016/07/05
Resignation date: 2018/12/31

Fullname: Mr Pier Luigi Battaglia
Type: Individual
Gender: Male
date of birth: 1945/07/27
Age: 73
Country: Italy
Number of involvements: 5
Function: Chairman of the Board of Statutory Auditors
Level of responsibility: President / Chairman; Auditor
Appointment date: 2018/07/10
Resignation date: 2019/12/31

EMPLOYEES

Year	2017	2016	2015	2014	2013
Annual	20	21	24	23	23



FINANCIAL ANALYSIS

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

KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	0,93	0,97	0,92	0,77	1,16
Current ratio	1,86	1,90	1,69	1,59	2,03
Working capital/ balance total	0,39	0,39	0,35	0,31	0,41
Equity / balance total	0,46	0,50	0,44	0,42	0,55
Equity / Fixed assets	3,16	2,95	2,83	2,74	2,82
Working capital	4.465.028	4.103.491	4.036.846	3.761.190	3.891.455
Equity	5.238.748	5.202.275	5.099.929	5.059.531	5.238.621
Mutation equity	0,70	2,01	0,80	-3,42	
Mutation short term liabilities	14,53	-22,22	-8,23	69,27	
Return on total assets (ROA)	3,75	5,52	0,69	0,51	2,44
Return on equity (ROE)	8,12	11,06	1,57	1,20	4,43
Gross profit margin	1,75	3,81	1,40	2,47	1,36
Net profit margin	2,74	3,31	0,33	0,67	1,13
Average collection ratio	2,36	2,67	2,09	1,73	2,55

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Average payment ratio	2,92	3,00	2,65	2,67	2,56
Equity turnover ratio	2,35	2,33	2,39	2,18	1,83
Total assets turnover ratio	1,08	1,17	1,04	0,92	1,01
Fixed assets turnover ratio	7,41	6,88	6,78	5,96	5,18
Inventory conversion ratio	2,55	2,88	2,70	2,12	2,92
Turnover	12.286.360	12.138.328	12.197.122	11.026.321	9.611.619
Operating result	215.550	462.234	170.701	272.631	130.656
Net result after taxes	336.476	402.342	40.400	73.905	108.417
Cashflow	733.243	722.174	209.845	242.204	305.207
Gross profit	1.924.652	2.024.739	1.388.605	1.338.733	1.597.084
EBITDA	612.317	782.066	340.146	440.930	327.446

Summary

The 2017 financial result structure is a positive working capital of 4.465.028 euro, which is in agreement with 39 % of the total assets of the company.

The working capital has increased with 8.81 % compared to previous year. The ratio with respect to the total assets of the company remains unchanged.

The improvement between 2016 and 2017 has mainly been caused by a change of the current liabilities.

The current ratio of the company in 2017 was 1.86. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2017 of the company was 0.93. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

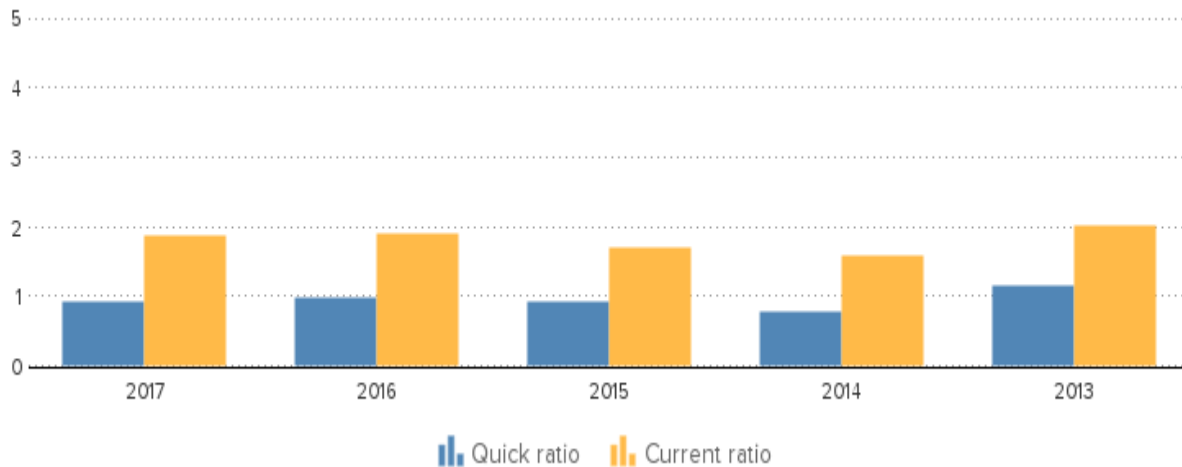
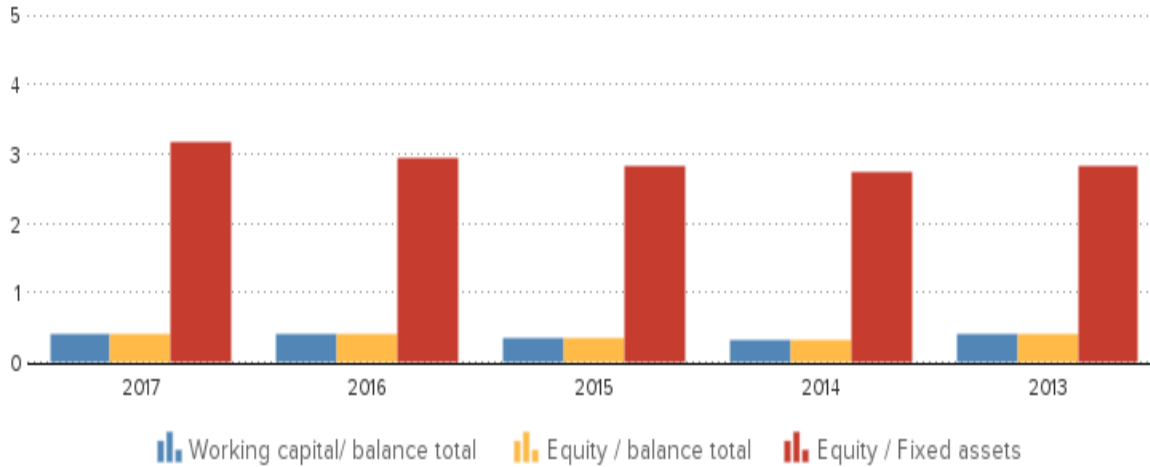
The 2016 financial result structure is a positive working capital of 4.103.491 euro, which is in agreement with 39 % of the total assets of the company.

The working capital has increased with 1.65 % 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 1.9. 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 0.97. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.



FINANCIAL STATEMENT

Auditor

Name: Agnelli Loredana
date: 2018-07-10

Name: Battaglia Alessandro
date: 2018-07-10

Name: Bianchi Lino
date: 2018-07-10

Name: DSP AUDIT S.R.L.
date: 2018-07-10

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	Name: De Marchi Enrico
	date: 2018-07-10
Last annual account	2017
Remark annual account	The company is obliged to file its financial statements.
Type of annual account	Corporate
Annual account	KEM Color S.P.A. Str Cebrosa 58 10036 Settimo Torinese Italy

BALANCE

Year	2017	2016	2015	2014	2013
End date	2017-12-31	2016-12-31	2015-12-31	2014-12-31	2013-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
Intangible fixed assets	51.637	106.731	163.082	209.753	208.502
Tangible fixed assets	331.591	383.118	359.893	370.314	390.723
Other fixed assets	1.275.018	1.275.018	1.276.499	1.268.499	1.256.499
Fixed assets	1.658.246	1.764.867	1.799.474	1.848.566	1.855.724
Total stock	4.816.578	4.217.610	4.513.211	5.206.196	3.289.178
Total receivables	4.201.319	4.051.359	4.600.732	4.135.776	3.748.396
Liquid funds	133.268	86.648	135.327	3.801	9.157
Other current assets	520.060	293.447	631.706	783.453	606.822
Current assets	9.671.225	8.649.064	9.880.976	10.129.226	7.653.553
Total assets	11.329.471	10.413.931	11.680.450	11.977.792	9.509.277
Total equity	5.238.748	5.202.275	5.099.929	5.059.531	5.238.621
Provisions	143.455	131.274	125.532	118.818	110.710
Long term liabilities	741.071	534.809	610.859	431.407	397.848
Accounts payable	2.099.394	1.524.074	2.366.840	2.015.165	2.024.433
Liabilities towards credit institutes	1.974.813	2.161.545	3.054.698	3.985.664	1.436.437
Other short term liabilities	1.131.990	859.954	422.592	367.207	301.228
Short term liabilities	5.206.197	4.545.573	5.844.130	6.368.036	3.762.098
Total liabilities	11.329.471	10.413.931	11.680.450	11.977.792	9.509.277

Summary The total assets of the company increased with 8.79 % between 2016 and 2017.

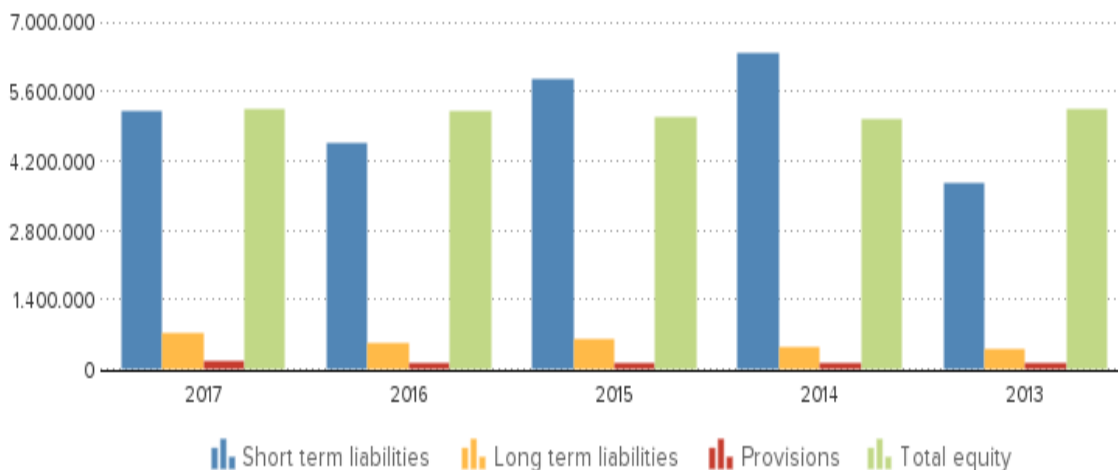
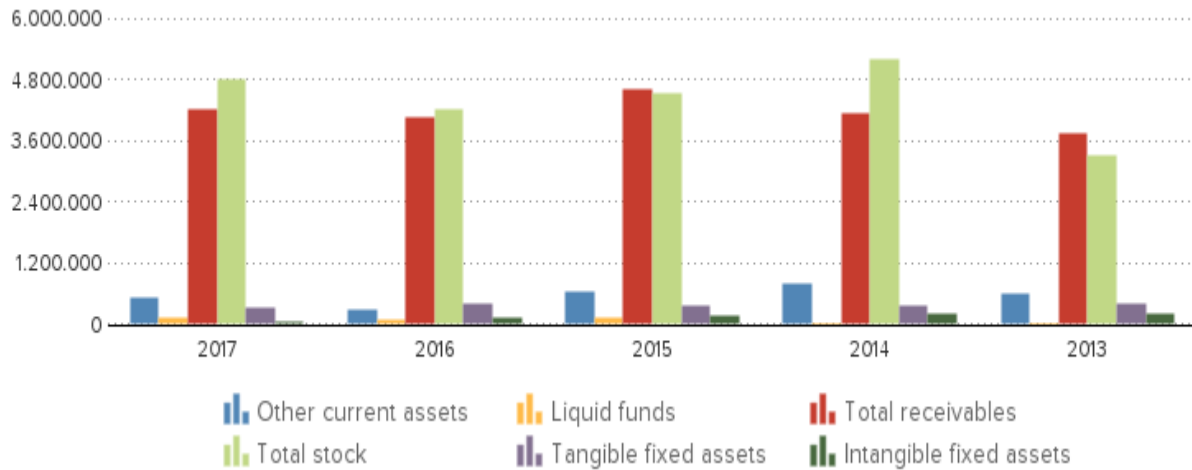
Despite the assets growth, the non current assets decreased with - 6.04 %.

In 2017 the assets of the company were 14.64 % composed of fixed assets and 85.36 % by current assets. The assets are being financed by an equity of 46.24 %, and total debt of 53.76 %.

The total assets of the company decreased with -10.84 % between 2015 and 2016.

This total assets decrease has been reflected in a reduction of non current assets of -1.92 %.

In 2016 the assets of the company were 16.95 % composed of fixed assets and 83.05 % by current assets. The assets are being financed by an equity of 49.95 %, and total debt of 50.05 %.



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PROFIT AND LOSS

Year	2017	2016	2015	2014	2013
Revenues	12.165.991	12.025.272	12.094.158	10.922.900	9.445.022
Net turnover	12.286.360	12.138.328	12.197.122	11.026.321	9.611.619
Wages and salaries	1.071.757	1.083.235	1.077.694	1.064.555	1.150.375
Amorization and depreciation	396.767	319.832	169.445	168.299	196.790
Production costs	8.154.398	8.085.132	8.709.121	7.520.751	6.364.033
Operating result	215.550	462.234	170.701	272.631	130.656
Financial income	192.779	173.543	173.291	96.288	75.197
Financial expenses	-17.014	60.505	263.798	308.383	-26.094
Financial result	209.793	113.038	-90.507	-212.095	101.291
Result on ordinary operations before taxes	425.343	575.272	80.194	60.536	231.947
Taxation on the result of ordinary activities	88.867	172.930	39.795	-13.370	123.529
Result of ordinary activities after taxes	336.476	402.342	40.399	73.906	108.418
Extraordinary income			1		
Extraordinary expense				1	1
Extraordinary result before taxation			1	-1	-1
Net result	336.476	402.342	40.400	73.905	108.417

Summary

The turnover of the company grew with 1.22 % between 2016 and 2017.

The operating result of the company declined with -53.37 % between 2016 and 2017. 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 -32.07 % of the analysed period, being equal to 3.75 in the year 2017.

This fall has contributed to a asset turnover decrease, whose index evolved from -7.69 to a level of 1.08.

The Net Result of the company decreased by -16.37 % between 2016 and 2017.

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 -26.58 % of the analysed period, being 8.12 in the year 2017.

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

The turnover of the company remained the same between 2015 and 2016.

The operating result of the company grew with 170.79 % between

2015 and 2016. This evolution implies an increase of the company's economic profitability.

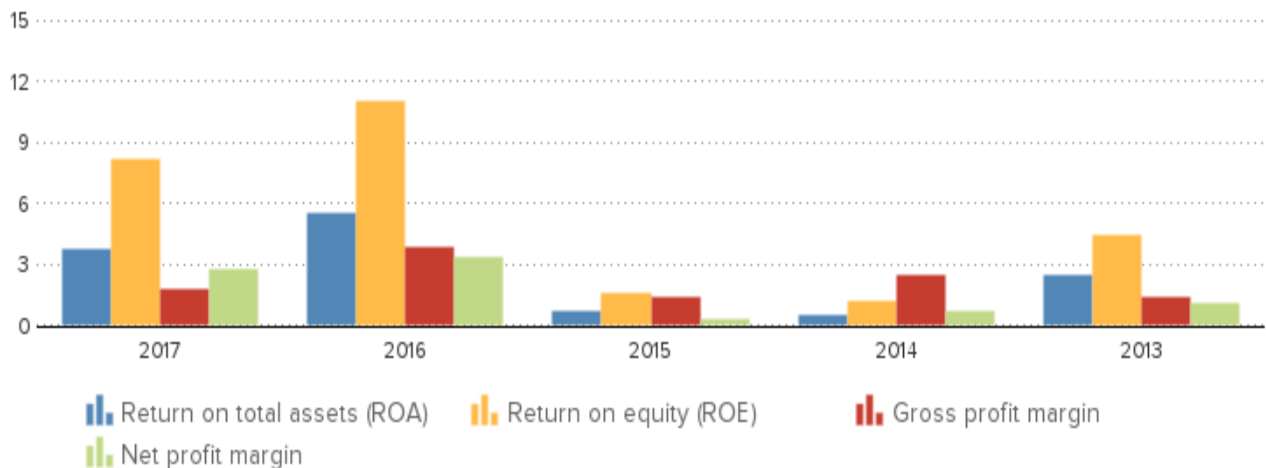
The result of these changes is an increase of the company's Economic Profitability of 700 % of the analysed period, being equal to 5.52 in the year 2016.

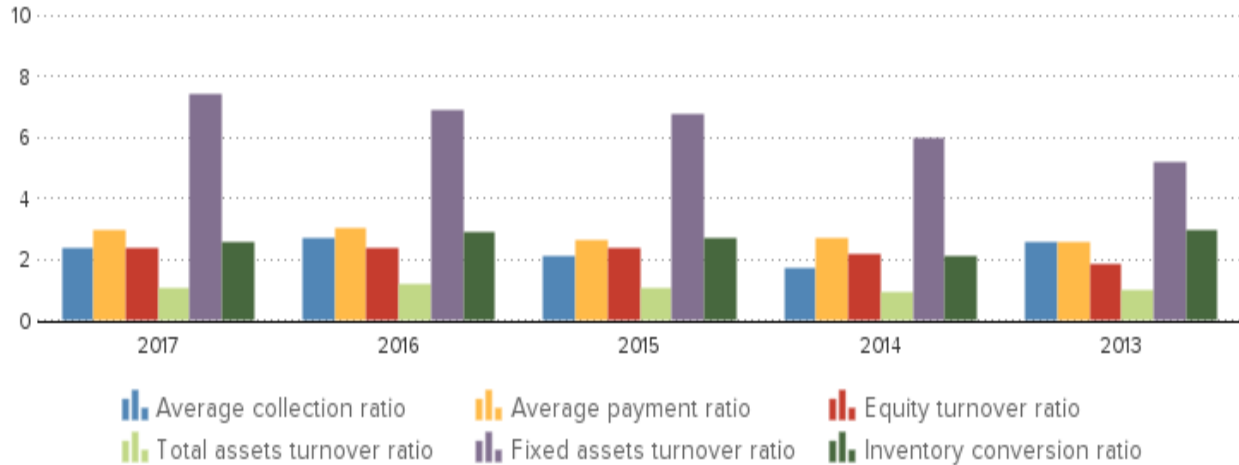
This growth has contributed to the increase in assets turnover, increasing by 12.5 % reaching 1.17.

The Net Result of the company increased by 895.9 % 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 604.46 % of the analysed period, being 11.06 in the year 2016.

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





COUNTRY INFORMATION

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

PUBLICATIONS

Remarks	Status: Active Category: Large company Last year: 2017 Turnover last year: 12.286.360 EUR Result last year: 336.476 EUR TOTAL assets last year: 11.329.471 EUR Number of employees: 20 Number of shareholders: 4 Number of subsidiaries: 2 Number of branches: 0
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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.99
UK Pound	1	INR 94.10
Euro	1	INR 83.92
Euro	1	INR 83.68

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	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)