

MIRA INFORM REPORT

Report No. :	532026
Report Date :	02.10.2018

IDENTIFICATION DETAILS

Name :	CHEMATEK SPA
Registered Office :	Via Meravigli 18 20123 Milano
Country :	Italy
Financials (as on) :	31.12.2016
Date of Incorporation :	25.06.1980
Com. Reg. No.:	MI1046931
Legal Form :	Joint stock company - SPA
Line of Business :	<ul style="list-style-type: none"> • Wholesale of chemical products • Distributes chemical products to the European chemical industry
No. of Employees :	33 (2016)

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 (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%. GDP growth is projected to slow slightly in 2018.

Source : CIA

SUMMARY

Company name Chematek SPA
Operative address Via Meravigli 18
20123 Milano
Italy
Status Active
Legal form Joint stock company - SPA
Registration number Trade register number: MI1046931
VAT-number IT05870170155

Year	2016	Mutation	2015	Mutation	2014
Fixed assets	11.864.462	59,95	7.417.587	9,48	6.775.546
Total receivables	6.650.434	-24,64	8.824.932	61,56	5.462.408
Total equity	4.948.712	2,26	4.839.291	3,00	4.698.231
Short term liabilities	19.573.296	36,28	14.362.559	4,52	13.740.828
Net result	299.392	112,25	141.059	20,74	116.828
Working capital	-4.329.645	-469,72	1.171.068	30,85	894.972
Quick ratio	0,66	-22,35	0,85	11,84	0,76

CONTACT INFORMATION

Company name Chematek SPA
Operative address Via Meravigli 18
20123 Milano
Italy
Correspondence address Via Meravigli 18
20123 Milano
Italy
Telephone number +39 029374435
Fax number +39 02 9374435
Website www.chematek.com

REGISTRATION

Registration number Trade register number: MI1046931
VAT-number IT05870170155
Status Active
Establishment date 1980-06-25

Legal form Joint stock company - SPA
Subscribed share capital EUR 3.000.000

ACTIVITIES

NACE 4675: Wholesale of chemical products
Goal Distributes chemical products to the European chemical industry

RELATIONS

Shareholders
ULTIMATE GLOBAL SHAREHOLDER
Name: MRS ZANDRA MAVOR ABERNETHY
Country: IT
Type: One or more named individuals or families
Share direct: 46.50%

SHAREHOLDERS
Name: MRS ZANDRA MAVOR ABERNETHY
Country: IT
Type: One or more named individuals or families
Share direct: 46.50%

Name: MR ALEXIS PAPANDREA
Country: GB
Type: One or more named individuals or families
Share direct: 26.75%

Name: MR ARMANDO CHRISTIAN PAPANDREA
Country: GB
Type: One or more named individuals or families
Share direct: 26.75%

Structure
SUBSIDIARIES
Name: CHEMATEK LATAM S.A.
National id number: 155593969
Country: PA
Type: Corporate
Share direct: 100.00%

Name: TOPSTAR INTERNATIONAL LTD
Country: CN
Type: Corporate

Share direct: 100.00%

Name: PAPA FINE CHEMICALS PTV LTD
Country: IN
Type: Corporate
Share direct: 99.50%

Name: CHEMATEK FRANCE
National id number: 492005863-00021
Address: 26 RUE DE LA SORGUE BLEUE
City: LE PONTET
Country: FR
Type: Corporate
Phone: +33 4 90 03 27 84
Fax: +33 4 90 39 05 42
Website: www.chematek.com
Share direct: 95.00%
Turnover: 2.16793206 mil. EUR
Total assets: 0.73376162 mil. EUR
Profit loss before tax: 0.24498133 mil. EUR
Profit loss after tax net income: 0.16731683 mil. EUR
Shareholders funds: 0.45697173 mil. EUR

Name: TRADERE S.R.L.
National id number: RE0185316
Address: VIA MARSALA 25
City: REGGIO NELL'EMILIA
Country: IT
Type: Corporate
Phone: +39 0522333464
Website: www.tradere.it
Share direct: 55.00%
Turnover: 0.1167348 mil. EUR
Total assets: 0.44192461 mil. EUR
Profit loss before tax: 0.01685234 mil. EUR
Profit loss after tax net income: 0.01184775 mil. EUR
Shareholders funds: 0.12048199 mil. EUR
Number of employees: 1

Name: CHEMATEK SOUTHERN AFRICA (PTY) LTD
Country: ZA
Type: Corporate
Share direct: 51.00%

MANAGEMENT

Management

Fullname: Mr Giovanni Papandrea
Type: Individual
Gender: Male
date of birth: 1940/06/27
Age: 78
Country: Italy
Number of involvements: 6
Function: Chairman of the Board of Directors
Level of responsibility: President / Chairman
Appointment date: 2017/04/21
Resignation date: 2020/04/21

Fullname: Mr Giovanni Papandrea
Type: Individual
Gender: Male
date of birth: 1940/06/27
Age: 78
Country: Italy
Number of involvements: 6
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2017/04/21
Resignation date: 2020/04/21

Fullname: Mr Giovanni Papandrea
Type: Individual
Gender: Male
date of birth: 1940/06/27
Age: 78
Country: Italy
Number of involvements: 6
Function: Chief Executive
Level of responsibility: Highest executive
Appointment date: 1997/11/28

Fullname: Mr Giuseppe Stefano Amico
Type: Individual
Gender: Male
date of birth: 1944/09/27
Age: 74
Country: Italy
Number of involvements: 7
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2017/04/21

Resignation date: 2020/04/21

Fullname: Mr Alexis Leslie Papandrea
Type: Individual
Gender: Male
date of birth: 1977/08/01
Age: 41
Country: Italy
Number of involvements: 3
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2017/04/21
Resignation date: 2020/04/21

Fullname: Mr Alexis Leslie Papandrea
Type: Individual
Gender: Male
date of birth: 1977/08/01
Age: 41
Country: Italy
Number of involvements: 3
Function: Manager
Level of responsibility: Manager
Appointment date: 2018/01/18

Fullname: Mr Armando Christian Papandrea
Type: Individual
Gender: Male
date of birth: 1972/06/13
Age: 46
Country: Italy
Number of involvements: 3
Function: Adviser
Level of responsibility: Other & unspecified
Appointment date: 2017/04/21
Resignation date: 2020/04/21

Fullname: Ms Giuseppina Vegezzi
Type: Individual
Gender: Female
date of birth: 1959/07/08
Age: 59
Country: Italy
Number of involvements: 2
Function: Proxy
Level of responsibility: Proxyholders; Representative
Appointment date: 2014/04/28

Fullname: Ms Alessandra Piceci
Type: Individual
Gender: Female
date of birth: 1959/02/11
Age: 59
Country: Italy
Number of involvements: 2
Function: Chairman of the Board of Statutory Auditors
Level of responsibility: President / Chairman; Auditor
Appointment date: 2017/05/17
Resignation date: 2020/05/17

EMPLOYEES

Year	2016	2015	2014	2013	2012
Annual	33	35	33	31	27

FINANCIAL ANALYSIS

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

KEY FIGURES

Year	2016	2015	2014	2013	2012
Quick ratio	0,66	0,85	0,76	0,87	0,85
Current ratio	0,78	1,08	1,07	1,09	1,06
Working capital/ balance total	-0,16	0,05	0,04	0,06	0,04
Equity / balance total	0,18	0,21	0,22	0,19	0,19
Equity / Fixed assets	0,42	0,65	0,69	0,63	0,60
Working capital	-4.329.645	1.171.068	894.972	1.366.704	875.094
Equity	4.948.712	4.839.291	4.698.231	4.281.401	4.066.133
Mutation equity	2,26	3,00	9,74	5,29	
Mutation short term liabilities	36,28	4,52	-6,23	8,68	
Return on total assets (ROA)	2,26	1,26	1,00	0,71	-1,99
Return on equity (ROE)	12,39	5,96	4,57	3,82	-10,32
Gross profit margin	4,24	4,49	3,00	2,38	2,08

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Net profit margin	1,04	0,47	0,44	0,44	0,32
Average collection ratio	1,47	2,09	1,93	1,78	1,97
Average payment ratio	4,33	3,40	4,85	2,82	4,17
Equity turnover ratio	5,83	6,20	5,64	6,10	6,52
Total assets turnover ratio	1,06	1,31	1,24	1,14	1,26
Fixed assets turnover ratio	2,43	4,05	3,91	3,82	3,93
Inventory conversion ratio	12,13	9,19	6,23	8,02	9,10
Turnover	28.828.370	30.005.949	26.517.188	26.115.319	26.502.344
Operating result	1.222.981	1.348.588	796.414	620.293	550.461
Net result after taxes	299.392	141.059	116.828	116.085	83.964
Cashflow	1.095.786	427.704	304.011	265.294	201.260
Gross profit	3.832.566	2.730.985	2.521.821	2.574.781	2.627.720
EBITDA	2.019.375	1.635.233	983.597	769.502	667.757

Summary

The 2016 financial result structure is a negative working capital of -4.329.645 euro, which is in agreement with -16 % of the total assets of the company.

The working capital has diminished with -469.72 % 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 0.78. 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 0.66. 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 1.171.068 euro, which is in agreement with 5 % of the total assets of the company.

The working capital has increased with 30.85 % 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 1.08. 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 0.85. A company with

a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

FINANCIAL STATEMENT

Auditor

Name: BDO ITALIA S.P.A.
date: 2017-05-26

Name: Calini Maria Luisa
date: 2017-05-17

Name: Campanini Matteo
date: 2017-05-17

Name: Franzioa Ennio
date: 2017-05-17

Name: Secchi Fabio
date: 2017-05-17

Last annual account

2016

Remark annual account

The company is obliged to file its financial statements.

Type of annual account

Corporate

Annual account

Chematek SPA
Via Meravigli 18
20123 Milano
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
Intangible fixed assets	570.354	1.317.604	1.393.252	1.413.116	751.008
Tangible fixed assets	10.111.011	4.916.886	4.570.512	4.599.785	4.187.078
Other fixed assets	1.183.097	1.183.097	811.782	825.711	1.799.920
Fixed assets	11.864.462	7.417.587	6.775.546	6.838.612	6.738.006
Total stock	2.376.140	3.265.756	4.259.544	3.255.304	2.911.040
Total receivables	6.650.434	8.824.932	5.462.408	9.265.338	6.356.589
Liquid funds	4.130.258	1.298.135	3.356.228	1.855.496	3.022.790
Other current assets	2.086.819	2.144.804	1.557.620	1.643.851	2.067.834
Current assets	15.243.651	15.533.627	14.635.800	16.019.989	14.358.253
Total assets	27.108.113	22.951.214	21.411.346	22.858.601	21.096.259

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Total equity	4.948.712	4.839.291	4.698.231	4.281.401	4.066.133
Provisions	186.630				
Long term liabilities	2.399.475	3.749.364	2.972.287	3.923.915	3.546.967
Accounts payable	10.804.293	4.746.251	4.756.024	6.056.306	4.901.850
Liabilities towards credit institutes	6.719.035	8.219.071	6.924.281	5.751.131	4.617.821
Other short term liabilities	2.049.968	1.397.237	2.060.523	2.845.848	3.963.488
Short term liabilities	19.573.296	14.362.559	13.740.828	14.653.285	13.483.159
Total liabilities	27.108.113	22.951.214	21.411.346	22.858.601	21.096.259

Summary

The total assets of the company increased with 18.11 % between 2015 and 2016.

The total asset increase is retrievable in the fixed asset growth of 59.95 %.

In 2016 the assets of the company were 43.77 % composed of fixed assets and 56.23 % by current assets. The assets are being financed by an equity of 18.26 %, and total debt of 81.74 %.

The total assets of the company increased with 7.19 % between 2014 and 2015.

The total asset increase is retrievable in the fixed asset growth of 9.48 %.

In 2015 the assets of the company were 32.32 % composed of fixed assets and 67.68 % by current assets. The assets are being financed by an equity of 21.09 %, and total debt of 78.91 %.

PROFIT AND LOSS

Year	2016	2015	2014	2013	2012
Revenues	27.734.456	28.918.153	25.407.357	25.028.924	25.896.886
Net turnover	28.828.370	30.005.949	26.517.188	26.115.319	26.502.344
Wages and salaries	1.812.181	1.647.889	1.547.668	1.639.527	1.378.672
Amorization and depreciation	796.394	286.645	187.183	149.209	117.296
Production costs	19.012.378	21.631.732	18.871.380	18.266.681	18.683.510
Operating result	1.222.981	1.348.588	796.414	620.293	550.461
Financial income	2.550	2.257	4.102	23.327	7.972
Financial expenses	612.207	1.062.478	585.798	480.211	978.063
Financial result	-609.657	-1.060.221	-581.696	-456.884	-970.091
Result on ordinary operations before taxes	613.324	288.367	214.718	163.409	-419.630
Taxation on the result of ordinary activities	313.932	161.759	190.752	178.130	194.112
Result of ordinary activities after taxes	299.392	126.608	23.966	-14.721	-613.742
Extraordinary income		14.838	94.881	136.583	709.304
Extraordinary expense		387	2.019	5.777	11.598
Extraordinary result before taxation		14.451	92.862	130.806	697.706

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Net result	299.392	141.059	116.828	116.085	83.964
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Summary The turnover of the company decreased by -3.92 % between 2015 and 2016.

The operating result of the company declined with -9.31 % between 2015 and 2016. This evolution implies an decrease of the company's economic profitability.

The result of these changes is an increase of the company's Economic Profitability of 79.37 % of the analysed period, being equal to 2.26 in the year 2016.

Despite the growth the assets turnover decreased, whose index evolved with -19.08 % to a level of 1.06.

The Net Result of the company increased by 112.25 % 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 107.89 % of the analysed period, being 12.39 in the year 2016.

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

The turnover of the company grew with 13.16 % between 2014 and 2015.

The operating result of the company grew with 69.33 % between 2014 and 2015. 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 26 % of the analysed period, being equal to 1.26 in the year 2015.

This growth has contributed to the increase in assets turnover, increasing by 5.65 % reaching 1.31.

The Net Result of the company increased by 20.74 % 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 30.42 % of the analysed period, being 5.96 in the year 2015.

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: 2016 Turnover last year: 28.828.370 EUR Result last year: 299.392 EUR TOTAL assets last year: 27.108.113 EUR Number of employees: 33 Number of shareholders: 3 Number of subsidiaries: 6 Number of branches: 0
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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.80
UK Pound	1	INR 94.88
Euro	1	INR 84.38
Euro	1	INR 84.26

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

INFORMATION DETAILS

Analysis Done by :	NIY
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)