

## MIRA INFORM REPORT

|               |            |
|---------------|------------|
| Report No. :  | 535817     |
| Report Date : | 23.10.2018 |

### IDENTIFICATION DETAILS

|                         |  |
|-------------------------|--|
| Name :                  | SAPPI ITALY OPERATIONS S.P.A.  |
| Registered Office :     | Via Roma 67, 35010 Carmignano di Brenta  |
| Country :               | Italy  |
| Financials (as on) :    | 31.12.2017   |
| Date of Incorporation : | 23.10.1985   |
| Com. Reg. No.:          | PD0197865  |
| Legal Form :            | Joint stock company - SPA  |
| Line of Business :      | Subject is engaged in the development, production, trading and marketing of technical papers and papers for special applications |
| No. of Employees :      | 352 [2017]   |

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

| 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 :**

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<br>(30.06.2018) | Current Rating<br>(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

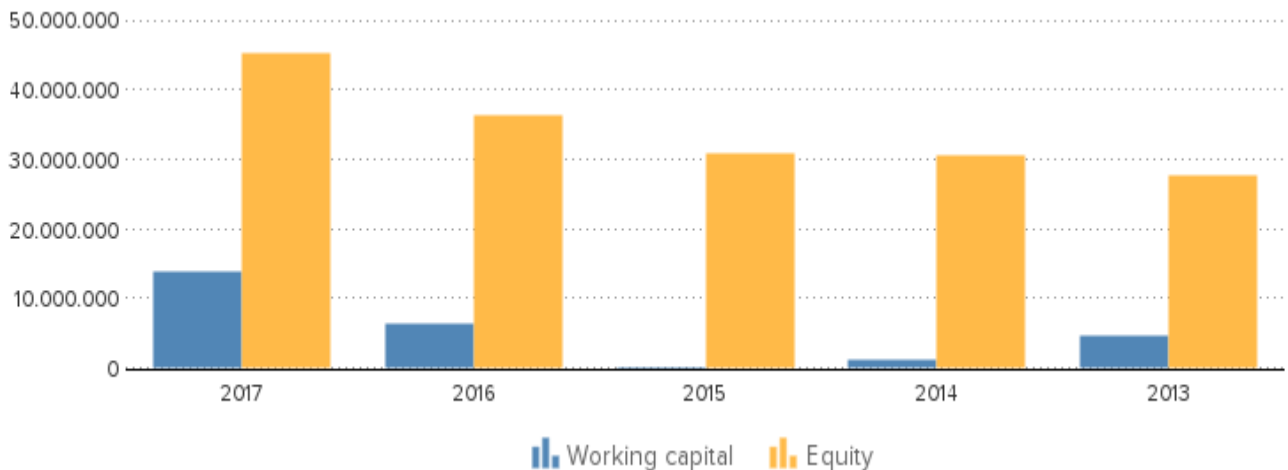
## COMPANY NAME

Name Sappi Italy Operations S.P.A.

## SUMMARY

**Company name** Sappi Italy Operations S.P.A.  
**Operative address** Via Roma 67  
35010 Carmignano di Brenta  
Italy  
**Status** Active  
**Specification** This company can meet all its obligations.  
**Legal form** Joint stock company - SPA  
**Registration number** Trade register number: PD0197865  
**VAT-number** IT02019440284

| Year                   | 2017       | Mutation | 2016       | Mutation  | 2015       |
|------------------------|------------|----------|------------|-----------|------------|
| Fixed assets           | 41.807.004 | -4,21    | 43.646.649 | 0,96      | 43.232.413 |
| Total receivables      | 30.593.200 | -0,69    | 30.804.691 | -4,87     | 32.383.003 |
| Total equity           | 45.337.380 | 25,09    | 36.243.943 | 17,73     | 30.784.912 |
| Short term liabilities | 48.012.631 | -17,67   | 58.313.893 | -14,11    | 67.892.153 |
| Net result             | 9.093.433  | 66,58    | 5.459.031  | 1.405,62  | 362.577    |
| Working capital        | 13.812.951 | 119,98   | 6.279.267  | 10.037,66 | 61.940     |
| Quick ratio            | 0,79       | 17,91    | 0,67       | 15,52     | 0,58       |



## **CONTACT INFORMATION**

|                        |  |
|------------------------|--|
| Company name           | Sappi Italy Operations S.P.A.                            |
| Operative address      | Via Roma 67<br>35010 Carmignano di Brenta<br>Italy       |
| Correspondence address | Via Roma 67<br>35010 Carmignano di Brenta<br>Italy       |
| Telephone number       | +39 0499423600   |
| Website                | <a href="http://www.champaper.com">www.champaper.com</a> |

## **REGISTRATION**

|                          |                                  |
|--------------------------|----------------------------------|
| Registration number      | Trade register number: PD0197865 |
| VAT-number               | IT02019440284                    |
| Status                   | Active                           |
| Establishment date       | 1985-10-23                       |
| Legal form               | Joint stock company - SPA        |
| Subscribed share capital | EUR 25.000.000                   |

## **ACTIVITIES**

|      |   |
|------|---|
| Goal | Engaged in the development, production, trading and marketing of technical papers and papers for special applications |
|------|---|

## **RELATIONS**

|              |   |
|--------------|---|
| Shareholders | ULTIMATE GLOBAL SHAREHOLDER<br>Name: SAPPI LIMITED<br>National id number: 1936/008963/06<br>Address: 108, Oxford Road, Rosebank<br>City: JOHANNESBURG<br>Country: ZA<br>Phone: +27 11 407 8111<br>Website: <a href="http://www.sappi.com">www.sappi.com</a><br>Type: Corporate<br>Turnover: 4485.85492412 mil. EUR<br>Total assets: 4444.35060175 mil. EUR<br>Profit loss before tax: 377.77403628 mil. EUR |
|--------------|---|

Profit loss after tax net income: 286.29512167 mil. EUR  
Shareholders funds: 1479.75614661 mil. EUR

**ULTIMATE DOMESTIC SHAREHOLDER**

Name: SAPPI ITALIA - S.R.L.  
National id number: MI1579562  
Address: VIA MELCHIORRE GIOIA 168  
City: MILANO  
Country: IT  
Phone: +39 0266988372  
Website: sappi.com  
Type: Corporate  
Share direct: 100.00%  
Share total: 100.00%  
Turnover: 2.53261069 mil. EUR  
Total assets: 2.32085394 mil. EUR  
Profit loss before tax: 0.12613333 mil. EUR  
Profit loss after tax net income: 0.06973319 mil. EUR  
Shareholders funds: 0.93377271 mil. EUR

**SHAREHOLDERS**

Name: SAPPI ITALIA - S.R.L.  
National id number: MI1579562  
Address: VIA MELCHIORRE GIOIA 168  
City: MILANO  
Country: IT  
Phone: +39 0266988372  
Website: sappi.com  
Type: Corporate  
Share direct: 100.00%  
Turnover: 2.53261069 mil. EUR  
Total assets: 2.32085394 mil. EUR  
Profit loss before tax: 0.12613333 mil. EUR  
Profit loss after tax net income: 0.06973319 mil. EUR  
Shareholders funds: 0.93377271 mil. EUR  
Number of employees: 20

**Structure**

**SUBSIDIARIES**

Name: GAS INTENSIVE SOC. CONSORTILE A  
RESPONSABILITA' LIMITATA  
National id number: MI1665404  
Address: VLE ELVEZIA 10/A  
City: MILANO  
Country: IT  
Type: Corporate  
Phone: +39 0236723999  
Share direct: 0.36%  
Turnover: 156.62475339 mil. EUR  
Total assets: 20.27016479 mil. EUR  
Profit loss before tax: -1.86953039 mil. EUR

Profit loss after tax net income: -2.43774705 mil. EUR  
Shareholders funds: 2.05747092 mil. EUR  
Number of employees: 3

Name: CONSORZIO TERA ENERGIA S.C.P.A. IN FORMA  
ABBREVIATA C.T.E. - S.C.P.A.  
National id number: BS0442291  
Address: VIA ALESSANDRO VOLTA 27/A  
City: SAN ZENO NAVIGLIO  
Country: IT  
Type: Corporate  
Phone: +39 0303539354  
Turnover: 36.12108346 mil. EUR  
Total assets: 16.10106467 mil. EUR  
Profit loss before tax: 0.01145835 mil. EUR  
Profit loss after tax net income: 0.00244059 mil. EUR  
Shareholders funds: 0.24042783 mil. EUR  
Number of employees: 1

## **MANAGEMENT**

### **Management**

Fullname: Mr Berend John Wiersum  
Type: Individual  
Gender: Male  
date of birth: 1955/10/06  
Age: 63  
Country: Belgium  
Number of involvements: 64  
Function: Chairman of the Board of Directors  
Level of responsibility: President / Chairman  
Appointment date: 2018/06/12  
Resignation date: 2019/09/30

Fullname: Mr Berend John Wiersum  
Type: Individual  
Gender: Male  
date of birth: 1955/10/06  
Age: 63  
Country: Belgium  
Number of involvements: 64  
Function: Adviser  
Level of responsibility: Other & unspecified  
Appointment date: 2018/06/12  
Resignation date: 2019/09/30

Fullname: Ms Susanne Oste

Type: Individual  
Gender: Female  
date of birth: 1968/03/16  
Age: 50  
Country: Switzerland  
Number of involvements: 2  
Function: Adviser  
Level of responsibility: Other & unspecified  
Appointment date: 2018/06/12  
Resignation date: 2019/09/30

Fullname: Dr. Steffen Wurdinger  
Type: Individual  
Gender: Male  
date of birth: 1960/08/06  
Age: 58  
Country: Belgium  
Number of involvements: 12  
Function: Adviser  
Level of responsibility: Other & unspecified  
Appointment date: 2018/06/12  
Resignation date: 2019/09/30

Fullname: Dr. Steffen Wurdinger  
Type: Individual  
Gender: Male  
date of birth: 1960/08/06  
Age: 58  
Country: Belgium  
Number of involvements: 12  
Function: Special Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/03/22

Fullname: Mr Andrea Aere  
Type: Individual  
Gender: Male  
date of birth: 1968/03/24  
Age: 50  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

Fullname: Ms Anna Bargi  
Type: Individual  
Gender: Female  
date of birth: 1967/01/01

Age: 51  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/11/15

Fullname: Mr Misa Bursac  
Type: Individual  
Gender: Male  
date of birth: 1979/02/07  
Age: 39  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/07

Fullname: Ms Barbara Busnardo  
Type: Individual  
Gender: Female  
date of birth: 1988/11/07  
Age: 29  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/03

Fullname: Mr Maurizio Cappellaro  
Type: Individual  
Gender: Male  
date of birth: 1960/02/18  
Age: 58  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2007/10/26

Fullname: Mr Mauro Chiacchi  
Type: Individual  
Gender: Male  
date of birth: 1963/06/02  
Age: 55  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative

Appointment date: 2016/05/03

Fullname: Mr Enrico Crida  
Type: Individual  
Gender: Male  
date of birth: 1973/10/05  
Age: 45  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/03

Fullname: Mr Paolo De Franchis  
Type: Individual  
Gender: Male  
date of birth: 1967/09/08  
Age: 51  
Country: Italy  
Number of involvements: 2  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2017/05/29

Fullname: Mr Andrea Ferramosca  
Type: Individual  
Gender: Male  
date of birth: 1969/10/08  
Age: 49  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/03

Fullname: Mr Ciprian Hanga  
Type: Individual  
Gender: Male  
date of birth: 1982/01/09  
Age: 36  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/03

Fullname: Mr Pierluigi Masi  
Type: Individual  
Gender: Male

date of birth: 1974/05/30  
Age: 44  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/07/19

Fullname: Mr Giulio Mezzi  
Type: Individual  
Gender: Male  
date of birth: 1955/05/24  
Age: 63  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

Fullname: Mr Mario Moretto  
Type: Individual  
Gender: Male  
date of birth: 1963/01/19  
Age: 55  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2011/03/24

Fullname: Mr Antonio Passarini  
Type: Individual  
Gender: Male  
date of birth: 1959/10/23  
Age: 59  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

Fullname: Ms Alessandra Pelagatti  
Type: Individual  
Gender: Female  
date of birth: 1965/10/29  
Age: 52  
Country: Italy  
Number of involvements: 2  
Function: Proxy

Level of responsibility: Proxyholders; Representative  
Appointment date: 2011/03/24

Fullname: Ms Marianna Rigon  
Type: Individual  
Gender: Female  
date of birth: 1981/04/01  
Age: 37  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

Fullname: Mr Paolo Felice Santambrogio  
Type: Individual  
Gender: Male  
date of birth: 1981/02/01  
Age: 37  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2018/08/03

Fullname: Mr Bernardo Giacomo Semadeni  
Type: Individual  
Gender: Male  
date of birth: 1974/12/11  
Age: 43  
Country: Switzerland  
Number of involvements: 2  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

Fullname: Mr Andrea Simioni  
Type: Individual  
Gender: Male  
date of birth: 1980/11/26  
Age: 37  
Country: Italy  
Number of involvements: 1  
Function: Proxy  
Level of responsibility: Proxyholders; Representative  
Appointment date: 2016/05/03

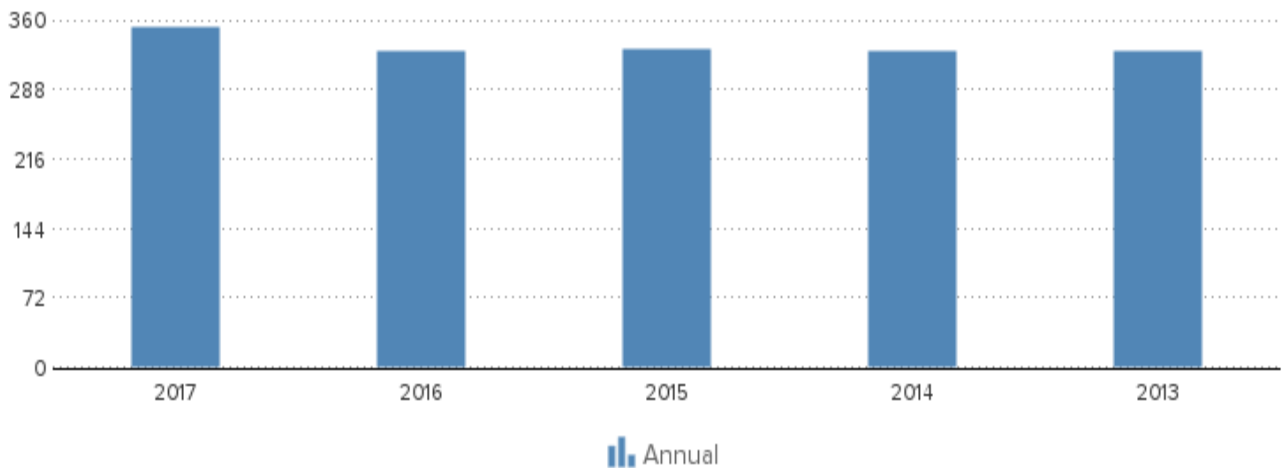
Fullname: Mr Pietro Bernasconi  
Type: Individual

Gender: Male  
date of birth: 1960/10/25  
Age: 58  
Country: Italy  
Number of involvements: 4  
Function: Chairman of the Board of Statutory Auditors  
Level of responsibility: President / Chairman; Auditor  
Appointment date: 2018/06/12  
Resignation date: 2020/09/30

Fullname: SAPPI ITALIA SRL  
Type: Company  
Country: Italy  
Number of involvements: 1  
Function: Sole Partner  
Level of responsibility: Unspecified executive  
Appointment date: 2018/02/28

## **EMPLOYEES**

| Year   | 2017 | 2016 | 2015 | 2014 | 2013 |
|--------|------|------|------|------|------|
| Annual | 352  | 328  | 330  | 327  | 328  |



## **FINANCIAL ANALYSIS**

|               |                      |
|---------------|----------------------|
| Trend         | Fluctuating          |
| Profitability | More than sufficient |
| Solvability   | Positive             |

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Liquidity Limited  
Show amount in Euro

## KEY FIGURES

| Year                            | 2017        | 2016        | 2015        | 2014        | 2013        |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| Quick ratio                     | 0,79        | 0,67        | 0,58        | 0,54        | 0,65        |
| Current ratio                   | 1,29        | 1,11        | 1,00        | 1,02        | 1,07        |
| Working capital/ balance total  | 0,13        | 0,06        | 0,00        | 0,01        | 0,04        |
| Equity / balance total          | 0,44        | 0,33        | 0,28        | 0,31        | 0,26        |
| Equity / Fixed assets           | 1,08        | 0,83        | 0,71        | 0,74        | 0,74        |
| Working capital                 | 13.812.951  | 6.279.267   | 61.940      | 1.148.875   | 4.672.849   |
| Equity                          | 45.337.380  | 36.243.943  | 30.784.912  | 30.422.336  | 27.684.634  |
| Mutation equity                 | 25,09       | 17,73       | 1,19        | 9,89        |             |
| Mutation short term liabilities | -17,67      | -14,11      | 23,01       | -13,37      |             |
| Return on total assets (ROA)    | 12,17       | 6,70        | 0,39        | 5,96        | 3,83        |
| Return on equity (ROE)          | 27,81       | 20,02       | 1,40        | 19,07       | 14,67       |
| Gross profit margin             | 6,77        | 4,07        | 0,93        | 4,77        | 3,25        |
| Net profit margin               | 4,98        | 3,05        | 0,20        | 1,66        | 1,60        |
| Average collection ratio        | 3,80        | 3,07        | 2,62        | 2,99        | 2,58        |
| Average payment ratio           | 5,96        | 5,81        | 5,50        | 6,04        | 4,62        |
| Equity turnover ratio           | 4,02        | 4,94        | 5,79        | 5,43        | 5,94        |
| Total assets turnover ratio     | 1,76        | 1,65        | 1,60        | 1,70        | 1,55        |
| Fixed assets turnover ratio     | 4,36        | 4,10        | 4,12        | 4,02        | 4,37        |
| Inventory conversion ratio      | 7,64        | 7,07        | 6,18        | 6,19        | 6,10        |
| Turnover                        | 182.415.951 | 179.016.079 | 178.204.543 | 165.125.583 | 164.548.879 |
| Operating result                | 12.356.647  | 7.277.576   | 1.656.716   | 7.873.032   | 5.354.297   |
| Net result after taxes          | 9.093.433   | 5.459.031   | 362.577     | 2.737.701   | 2.640.939   |
| Cashflow                        | 15.804.401  | 11.861.690  | 7.254.050   | 10.093.630  | 10.303.815  |
| Gross profit                    | 41.609.560  | 34.703.385  | 28.480.960  | 33.634.485  | 35.457.126  |
| EBITDA                          | 19.067.615  | 13.680.235  | 8.548.189   | 15.228.961  | 13.017.173  |

### Summary

The 2017 financial result structure is a positive working capital of 13.812.951 euro, which is in agreement with 13 % of the total assets of the company.

The working capital has increased with 119.98 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

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

The current ratio of the company in 2017 was 1.29. When the current ratio is below 1.5, the company may have problems meeting its short-term obligations.

The quick ratio in 2017 of the company was 0.79. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.

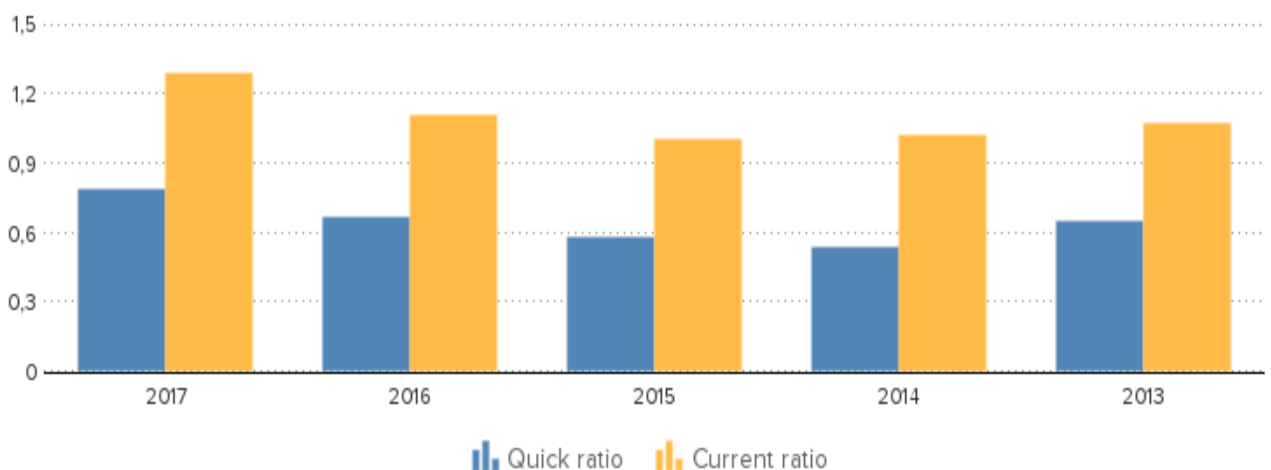
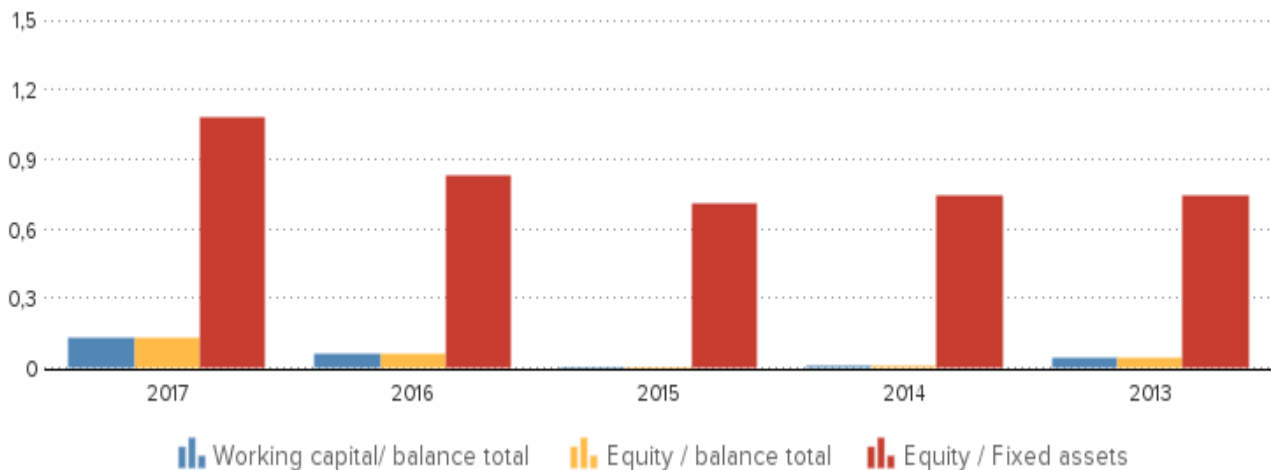
The 2016 financial result structure is a positive working capital of 6.279.267 euro, which is in agreement with 6 % of the total assets of the company.

The working capital has increased with 10037.66 % 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 1.11. 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 0.67. A company with a Quick Ratio of less than 1 cannot currently pay back its current liabilities.



## **FINANCIAL STATEMENT**

**Auditor**

Name: Catucci Nicola  
date: 2018-06-12

Name: Chiesa Davide  
date: 2018-06-12

Name: Gaudio Gianfranco  
date: 2018-06-12

Name: Ippoliti Paolo  
date: 2018-06-12

Name: KPMG S.P.A.  
date: 2018-06-12  
2017

**Last annual account**  
**Remark annual account**  
**Type of annual account**  
**Annual account**

The company is obliged to file its financial statements.  
Corporate  
**Sappi Italy Operations S.P.A.**  
Via Roma 67  
35010 Carmignano di Brenta  
Italy

## **BALANCE**

| <b>Year</b>                           | <b>2017</b>        | <b>2016</b>        | <b>2015</b>        | <b>2014</b>       | <b>2013</b>        |
|---------------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| <b>End date</b>                       | 2017-12-31         | 2016-12-31         | 2015-12-31         | 2014-12-31        | 2013-12-31         |
| Type of annual account                | Corporate          | Corporate          | Corporate          | Corporate         | Corporate          |
| <b>Intangible fixed assets</b>        | <b>88.859</b>      | <b>9.681</b>       | <b>39.421</b>      | <b>107.869</b>    | <b>177.303</b>     |
| <b>Tangible fixed assets</b>          | <b>41.717.016</b>  | <b>39.595.839</b>  | <b>39.151.863</b>  | <b>36.257.151</b> | <b>32.853.006</b>  |
| Other fixed assets                    | 1.129              | 4.041.129          | 4.041.129          | 4.694.876         | 4.604.838          |
| <b>Fixed assets</b>                   | <b>41.807.004</b>  | <b>43.646.649</b>  | <b>43.232.413</b>  | <b>41.059.896</b> | <b>37.635.147</b>  |
| <b>Total stock</b>                    | <b>23.877.529</b>  | <b>25.333.381</b>  | <b>28.818.430</b>  | <b>26.689.026</b> | <b>26.962.538</b>  |
| <b>Total receivables</b>              | <b>30.593.200</b>  | <b>30.804.691</b>  | <b>32.383.003</b>  | <b>27.346.106</b> | <b>35.596.994</b>  |
| Liquid funds                          | 3.850.202          | 4.730.282          | 889.115            | 162.425           | 2.034.108          |
| Other current assets                  | 3.504.651          | 3.724.806          | 5.863.545          | 2.145.345         | 3.795.030          |
| <b>Current assets</b>                 | <b>61.825.582</b>  | <b>64.593.160</b>  | <b>67.954.093</b>  | <b>56.342.902</b> | <b>68.388.670</b>  |
| <b>Total assets</b>                   | <b>103.632.586</b> | <b>108.239.809</b> | <b>111.186.506</b> | <b>97.402.798</b> | <b>106.023.817</b> |
| <b>Total equity</b>                   | <b>45.337.380</b>  | <b>36.243.943</b>  | <b>30.784.912</b>  | <b>30.422.336</b> | <b>27.684.634</b>  |
| Provisions                            | 1.026.448          | 10.000             | 512.938            | 920.000           | 89.000             |
| <b>Long term liabilities</b>          | <b>9.256.127</b>   | <b>13.671.973</b>  | <b>11.996.503</b>  | <b>10.866.435</b> | <b>14.534.362</b>  |
| Accounts payable                      | 26.711.879         | 21.049.311         | 27.975.328         | 21.253.796        | 26.295.552         |
| Liabilities towards credit institutes | 10.532.546         | 25.058.970         | 30.177.542         | 21.118.193        | 20.025.226         |

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|                               |                    |                    |                    |                   |                    |
|-------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| Other short term liabilities  | 10.768.206         | 12.205.612         | 9.739.283          | 12.822.038        | 17.395.043         |
| <b>Short term liabilities</b> | <b>48.012.631</b>  | <b>58.313.893</b>  | <b>67.892.153</b>  | <b>55.194.027</b> | <b>63.715.821</b>  |
| <b>Total liabilities</b>      | <b>103.632.586</b> | <b>108.239.809</b> | <b>111.186.506</b> | <b>97.402.798</b> | <b>106.023.817</b> |

**Summary**

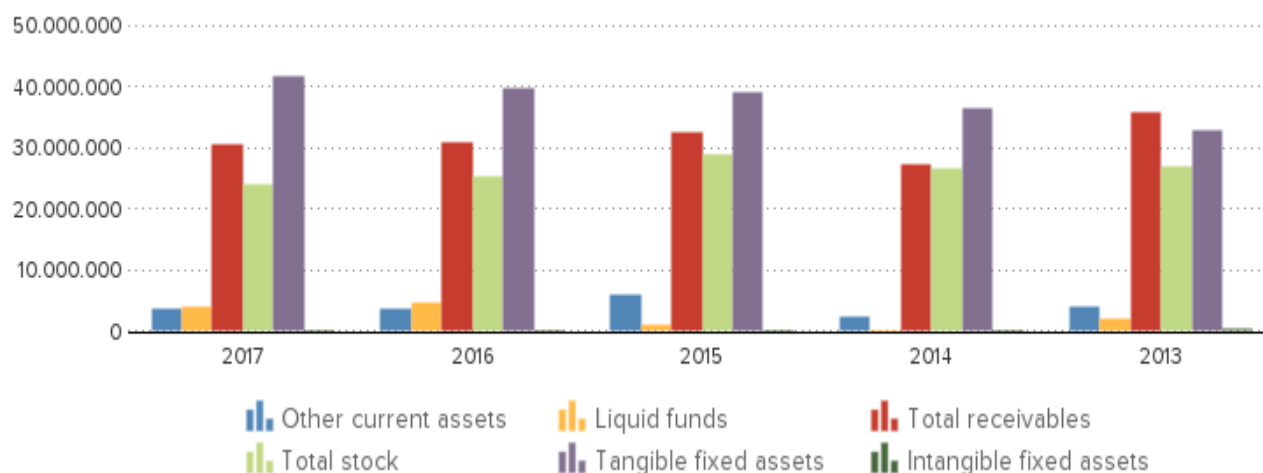
The total assets of the company decreased with -4.26 % between 2016 and 2017.

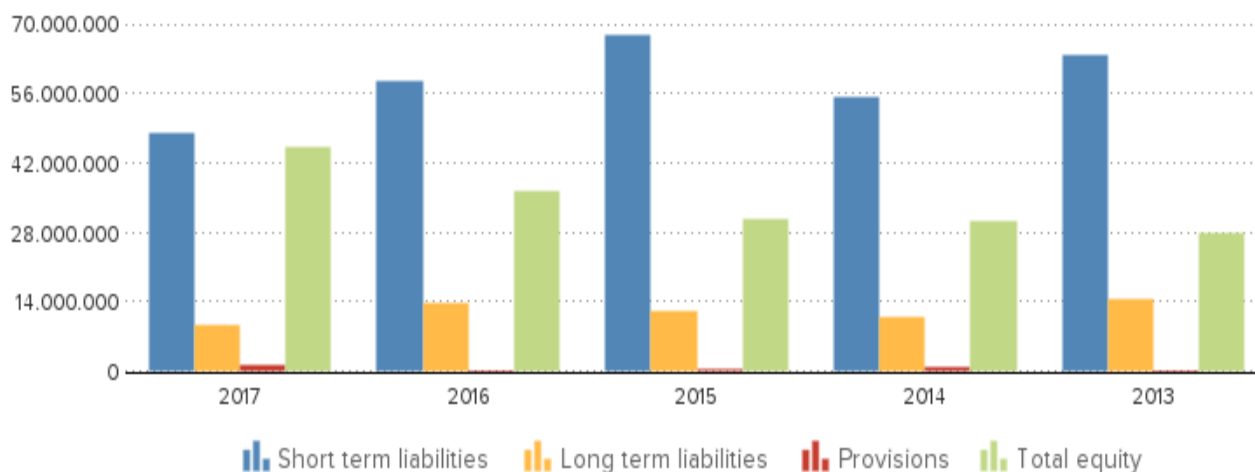
This total assets decrease has been reflected in a reduction of non current assets of -4.21 %.

In 2017 the assets of the company were 40.34 % composed of fixed assets and 59.66 % by current assets. The assets are being financed by an equity of 43.75 %, and total debt of 56.25 %.

The total assets of the company decreased with -2.65 % between 2015 and 2016.

In 2016 the assets of the company were 40.32 % composed of fixed assets and 59.68 % by current assets. The assets are being financed by an equity of 33.48 %, and total debt of 66.52 %.





## PROFIT AND LOSS

| Year  | 2017               | 2016               | 2015               | 2014               | 2013               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues  | 177.610.593        | 179.180.332        | 175.571.213        | 161.990.497        | 162.563.057        |
| <b>Net turnover</b>                               | <b>182.415.951</b> | <b>179.016.079</b> | <b>178.204.543</b> | <b>165.125.583</b> | <b>164.548.879</b> |
| Wages and salaries                                | 21.217.618         | 19.702.401         | 19.551.154         | 19.609.541         | 21.315.821         |
| Amorization and depreciation                      | 6.710.968          | 6.402.659          | 6.891.473          | 7.355.929          | 7.662.876          |
| Production costs                                  | 100.961.886        | 101.792.746        | 103.533.934        | 86.022.009         | 86.759.763         |
| <b>Operating result</b>                           | <b>12.356.647</b>  | <b>7.277.576</b>   | <b>1.656.716</b>   | <b>7.873.032</b>   | <b>5.354.297</b>   |
| Financial income                                  | 3.967.965          | 677.110            | 761.644            | 364.988            | 1.651              |
| Financial expenses                                | 3.715.790          | 697.552            | 1.986.929          | 2.436.057          | 1.295.527          |
| Financial result                                  | 252.175            | -20.442            | -1.225.285         | -2.071.069         | -1.293.876         |
| <b>Result on ordinary operations before taxes</b> | <b>12.608.822</b>  | <b>7.257.134</b>   | <b>431.431</b>     | <b>5.801.963</b>   | <b>4.060.421</b>   |
| Taxation on the result of ordinary activities     | 3.515.389          | 1.798.103          | 208.895            | 2.520.475          | 2.281.632          |
| <b>Result of ordinary activities after taxes</b>  | <b>9.093.433</b>   | <b>5.459.031</b>   | <b>222.536</b>     | <b>3.281.488</b>   | <b>1.778.789</b>   |
| Extraordinary income                              |                    |                    | 500.632            | 285.198            | 958.460            |
| Extraordinary expense                             |                    |                    | 360.591            | 828.985            | 96.310             |
| Extraordinary result before taxation              |                    |                    | 140.041            | -543.787           | 862.150            |
| <b>Net result</b>                                 | <b>9.093.433</b>   | <b>5.459.031</b>   | <b>362.577</b>     | <b>2.737.701</b>   | <b>2.640.939</b>   |

### Summary

The turnover of the company grew with 1.9 % between 2016 and 2017.

The operating result of the company grew with 69.79 % between 2016 and 2017. 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 81.64 % of the analysed period, being equal to 12.17 in the year 2017.

This growth has contributed to the increase in assets turnover, increasing by 6.67 % reaching 1.76.

The Net Result of the company increased by 66.58 % between 2016 and 2017.

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 38.91 % of the analysed period, being 27.81 in the year 2017.

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

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

The operating result of the company grew with 339.28 % 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 1617.95 % of the analysed period, being equal to 6.7 in the year 2016.

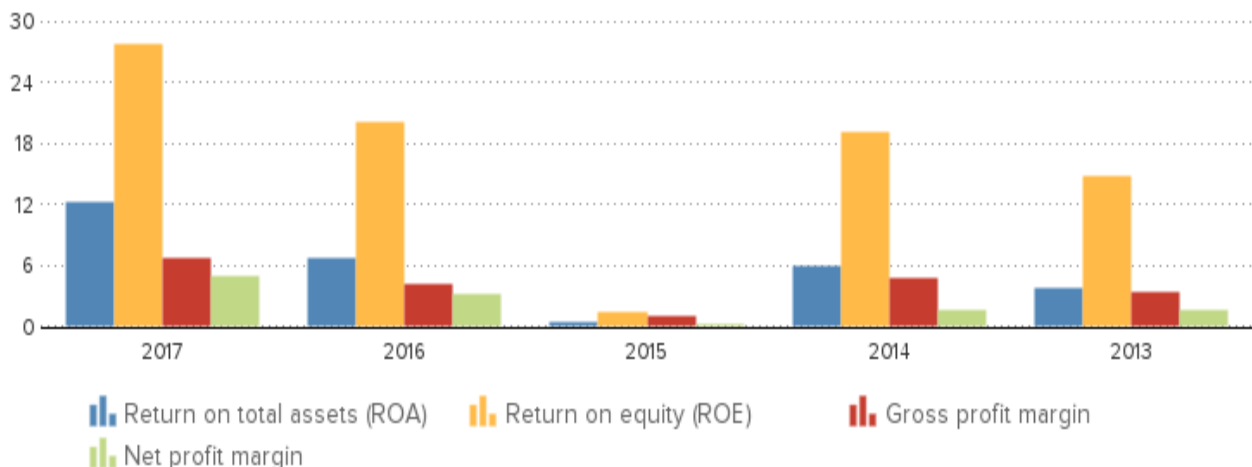
This growth has contributed to the increase in assets turnover, increasing by 3.12 % reaching 1.65.

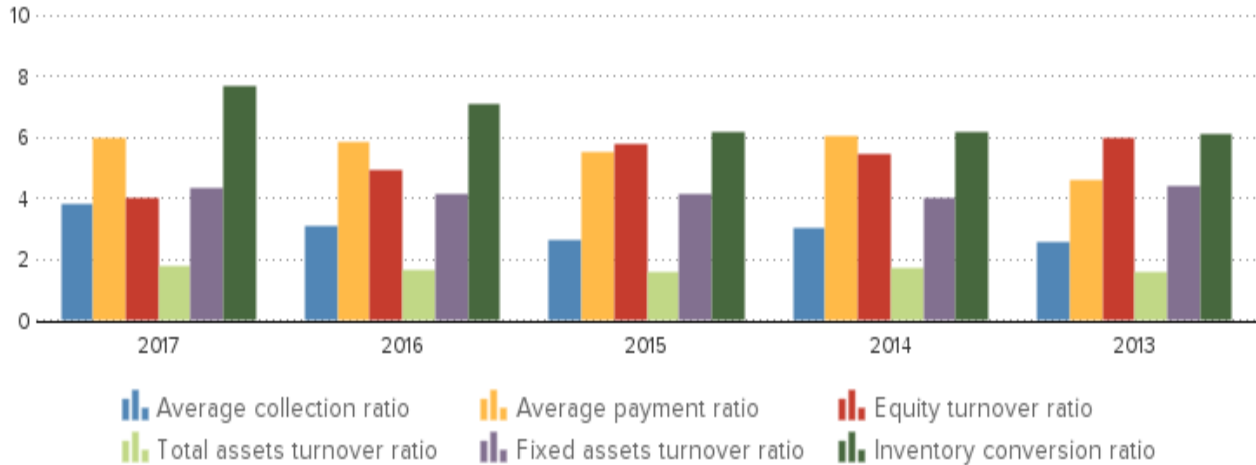
The Net Result of the company increased by 1405.62 % between 2015 and 2016.

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 1330 % of the analysed period, being 20.02 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: Very large company            |
|         | Last year: 2017                         |
|         | Turnover last year: 182.415.951 EUR     |
|         | Result last year: 9.093.433 EUR         |
|         | TOTAL assets last year: 103.632.586 EUR |
|         | Number of employees: 352                |
|         | Number of shareholders: 1               |
|         | Number of subsidiaries: 2               |
|         | Number of branches: 0                   |

**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 73.30     |
| UK Pound  | 1    | INR 95.93     |
| Euro      | 1    | INR 84.57     |
| Euro      | 1    | INR 84.47     |

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

**INFORMATION DETAILS**

|                      |     |
|----------------------|-----|
| Analysis Done by :   | NIS |
| Report Prepared by : | SYL |

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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)