

MINOAN ITALIA S.p.A.

Financial statements or the year ended December 31st 2017 (1/1–31/12/2017)

under the International Accounting Standards

Domicile : Palermo – Italy

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The amounts of the financial statements are presented in thousands of € unless explicitly stated otherwise. Any last digit discrepancies are due to rounding of the figures.

STATEMENT OF PROFIT or LOSS

<u>Continuing operations</u>	<u>The Company</u>	
	<u>1/1–31/12/2017</u>	<u>1/1–31/12/2016</u>
Revenue	10,355	10,384
Total operating costs	5,983	5,991
Operating profit before financing costs	4,372	4,393
Net finance result	25	30
Profit before taxes	4,397	4,423
Income tax	-180	-243
Profit of the year after taxes	4,217	4,180

STATEMENT OF FINANCIAL POSITION

	<u>The Company</u>	
	<u>31/12/2017</u>	<u>31/12/2016</u>
<u>ASSETS</u>		
<u>NON – CURRENT ASSETS</u>		
Tangible assets	135,632	141,450
TOTAL NON – CURRENT ASSETS	<u>135,632</u>	<u>141,450</u>
<u>CURRENT ASSETS</u>		
Trade and other receivables	16	–
Other current assets	65	1,398
Cash and cash equivalents	6,450	106
TOTAL CURRENT ASSETS	<u>6,531</u>	<u>1,504</u>
TOTAL ASSETS	<u>142,163</u>	<u>142,954</u>
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY</u>		
Share capital	123,300	129,900
Share premium	2,344	2,344
Legal reserve	709	484
Retained earnings	8,438	8,720
TOTAL EQUITY	<u>134,791</u>	<u>141,448</u>
<u>LIABILITIES</u>		
<u>NON – CURRENT LIABILITIES</u>		
Deferred tax liabilities	180	246
TOTAL NON – CURRENT LIABILITIES	<u>180</u>	<u>246</u>
<u>CURRENT LIABILITIES</u>		
Trade and other payables	6,604	512
Accrued expenses and deferred income	588	748
TOTAL CURRENT LIABILITIES	<u>7,192</u>	<u>1,260</u>
TOTAL LIABILITIES	<u>7,372</u>	<u>1,506</u>
TOTAL EQUITY AND LIABILITIES	<u>142,163</u>	<u>142,954</u>

COMPANY STATEMENT OF CHANGES IN EQUITY

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Legal Reserve</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance as at 1/1/2016	138,000	2,344	294	8,341	148,979
Changes in equity 1/1–31/12/2016					
Share capital reduction	-8,100				-8,100
Transfer between retained earnings and legal reserve			190	-190	–
Dividend distribution				-3,611	-3,611
Profit of the year after taxes				4,180	4,180
Balance as at 31/12/2016	129,900	2,344	484	8,720	141,448
Balance as at 1/1/2017	129,900	2,344	484	8,720	141,448
Changes in equity 1/1–31/12/2017					
Share capital reduction	-6,600				-6,600
Transfer between retained earnings and legal reserve			225	-225	–
Dividend distribution				-4,274	-4,274
Profit of the year after taxes				4,217	4,217
Balance as at 31/12/2017	123,300	2,344	709	8,438	134,791

STATEMENT OF CASH FLOWS

<u>Indirect Presentation Method</u>	<u>The Company</u>	
	<u>1/1–31/12/2017</u>	<u>1/1–31/12/2016</u>
<u>Cash Flows from Operating activities</u>		
Profit of the year before taxes	4,397	4,423
<i>Plus / (Less) adjustments for:</i>		
Depreciation	5,818	5,818
<i>Adjustments for changes in working capital or operating activities</i>		
Decrease in trade and other receivables	1,317	1,830
(Decrease) in liabilities (other than borrowings)	-141	-133
<i>(Less) :</i>		
Income taxes paid	-302	-259
Net cash generated by operating activities (a)	11,089	11,679
<u>Cash Flows from Investing activities</u>		
Net cash from investing activities (b)	–	–
<u>Cash Flows from Financing activities</u>		
Return of capital to shareholders	-471	-8,100
Dividends paid	-4,274	-3,611
Net cash (used in) financing activities (c)	-4,745	-11,711
Net (Decrease) / increase in cash and cash equivalents (a) + (b) + (c)	6,344	-32
Cash and cash equivalents at the beginning of the year	106	138
Cash and cash equivalents at the end of the year	6,450	106