

Registre de Commerce et des Sociétés

Numéro RCS : B66608

Référence de dépôt : L170072575

Déposé et enregistré le 08/05/2017

VHJKEAX20170504T11484801_001

RCSL Nr. : B66608

Matricule : 1998 2226 069

eCDF entry date : 04/05/2017

ABRIDGED BALANCE SHEET

Financial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

UNITED TILES S.A.

17, Rue Beaumont
L-1219 Luxembourg

ASSETS

| | Reference(s) | Current year | Previous year |
|--|-----------------------|--------------------------|--------------------------|
| A. Subscribed capital unpaid | 1101 _____ | 101 _____ | 102 _____ |
| I. Subscribed capital not called | 1103 _____ | 103 _____ | 104 _____ |
| II. Subscribed capital called but unpaid | 1105 _____ | 105 _____ | 106 _____ |
| B. Formation expenses | 1107 _____ | 107 _____ | 108 _____ |
| C. Fixed assets | 1109 _____ | 109 <u>19.014.866,38</u> | 110 <u>19.014.866,38</u> |
| I. Intangible assets | 1111 _____ | 111 _____ | 112 _____ |
| II. Tangible assets | 1125 _____ | 125 _____ | 126 _____ |
| III. Financial assets | 1135 _____ <u>3-4</u> | 135 <u>19.014.866,38</u> | 136 <u>19.014.866,38</u> |
| D. Current assets | 1151 _____ | 151 <u>2.658.980,50</u> | 152 <u>12.527.266,06</u> |
| I. Stocks | 1153 _____ | 153 _____ | 154 _____ |
| II. Debtors | 1163 _____ | 163 <u>2.637.589,86</u> | 164 <u>11.054.509,08</u> |
| a) becoming due and payable within one year | 1203 _____ <u>5</u> | 203 <u>2.637.589,86</u> | 204 <u>11.054.509,08</u> |
| b) becoming due and payable after more than one year | 1205 _____ | 205 _____ | 206 _____ |
| III. Investments | 1189 _____ <u>6</u> | 189 _____ | 190 <u>1.466.025,00</u> |
| IV. Cash at bank and in hand | 1197 _____ | 197 <u>21.390,64</u> | 198 <u>6.731,98</u> |
| E. Prepayments | 1199 _____ | 199 _____ | 200 _____ |
| TOTAL (ASSETS) | | 201 <u>21.673.846,88</u> | 202 <u>31.542.132,44</u> |

The notes in the annex form an integral part of the annual accounts

CAPITAL, RESERVES AND LIABILITIES

| | Reference(s) | Current year | Previous year |
|--|----------------------------|--|--|
| A. Capital and reserves | | | |
| I. Subscribed capital | 1301 _____ 1303 _____ 7 | 301 _____ 21.639.575,88 303 _____ 14.018.500,00 | 302 _____ 31.445.937,44 304 _____ 25.182.102,00 |
| II. Share premium account | 1305 _____ | 305 _____ 17.171,98 | 306 _____ 17.171,98 |
| III. Revaluation reserve | 1307 _____ | 307 _____ | 308 _____ |
| IV. Reserves | 1309 _____ | 309 _____ 2.261.323,20 | 310 _____ 2.218.244,45 |
| V. Profit or loss brought forward | 1319 _____ | 319 _____ 3.985.340,26 | 320 _____ 1.781.783,47 |
| VI. Profit or loss for the financial year | 1321 _____ | 321 _____ 1.357.240,44 | 322 _____ 2.246.635,54 |
| VII. Interim dividends | 1323 _____ | 323 _____ | 324 _____ |
| VIII. Capital investment subsidies | 1325 _____ | 325 _____ | 326 _____ |
| B. Provisions | 1331 _____ | 331 _____ | 332 _____ |
| C. Creditors | | | |
| a) becoming due and payable within one year | 1435 _____ 1453 _____ | 435 _____ 34.271,00 453 _____ 34.271,00 | 436 _____ 96.195,00 454 _____ 96.195,00 |
| b) becoming due and payable after more than one year | 1455 _____ | 455 _____ | 456 _____ |
| D. Deferred income | 1403 _____ | 403 _____ | 404 _____ |
| TOTAL (CAPITAL, RESERVES AND LIABILITIES) | | 405 _____ 21.673.846,88 | 406 _____ 31.542.132,44 |

Registre de Commerce et des Sociétés

Numéro RCS : B66608

Référence de dépôt : L170072575

Déposé le 08/05/2017

VHJKEAX20170504T11484801_002

RCSL Nr. : B66608

Matricule : 1998 2226 069

eCDF entry date : 04/05/2017

PROFIT AND LOSS ACCOUNTFinancial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

UNITED TILES S.A.

17, Rue Beaumont
L-1219 Luxembourg**PROFIT AND LOSS ACCOUNT**

| | Reference(s) | Current year | Previous year |
|--|--------------|-----------------------|-----------------------|
| 1. Net turnover | 1701 _____ | 701 _____ | 702 _____ |
| 2. Variation in stocks of finished goods and in work in progress | 1703 _____ | 703 _____ | 704 _____ |
| 3. Work performed by the undertaking for its own purposes and capitalised | 1705 _____ | 705 _____ | 706 _____ |
| 4. Other operating income | 1713 _____ | 713 <u>140,00</u> | 714 <u>85,00</u> |
| 5. Raw materials and consumables and other external expenses | 1671 _____ | 671 <u>-26.546,52</u> | 672 <u>-18.465,67</u> |
| a) Raw materials and consumables | 1601 _____ | 601 _____ | 602 _____ |
| b) Other external expenses | 1603 _____ | 603 <u>-26.546,52</u> | 604 <u>-18.465,67</u> |
| 6. Staff costs | 1605 _____ | 605 _____ | 606 _____ |
| a) Wages and salaries | 1607 _____ | 607 _____ | 608 _____ |
| b) Social security costs | 1609 _____ | 609 _____ | 610 _____ |
| i) relating to pensions | 1653 _____ | 653 _____ | 654 _____ |
| ii) other social security costs | 1655 _____ | 655 _____ | 656 _____ |
| c) Other staff costs | 1613 _____ | 613 _____ | 614 _____ |
| 7. Value adjustments | 1657 _____ | 657 _____ | 658 _____ |
| a) in respect of formation expenses and of tangible and intangible fixed assets | 1659 _____ | 659 _____ | 660 _____ |
| b) in respect of current assets | 1661 _____ | 661 _____ | 662 _____ |
| 8. Other operating expenses | 1621 _____ | 621 <u>-2.849,90</u> | 622 _____ |

The notes in the annex form an integral part of the annual accounts

| | Reference(s) | Current year | Previous year |
|---|---------------|--------------|---------------|
| 9. Income from participating interests | 1715 | 1.600.000,00 | 1.037.031,88 |
| a) derived from affiliated undertakings | 1717 <u>8</u> | 1.600.000,00 | 1.000.000,00 |
| b) other income from participating interests | 1719 | | 37.031,88 |
| 10. Income from other investments and loans forming part of the fixed assets | 1721 | | 844.975,00 |
| a) derived from affiliated undertakings | 1723 | | |
| b) other income not included under a) | 1725 <u>9</u> | | 844.975,00 |
| 11. Other interest receivable and similar income | 1727 | 178.021,94 | 425.442,02 |
| a) derived from affiliated undertakings | 1729 | 178.021,94 | 425.442,02 |
| b) other interest and similar income | 1731 | | |
| 12. Share of profit or loss of undertakings accounted for under the equity method | 1663 | | |
| 13. Value adjustments in respect of financial assets and of investments held as current assets | 1665 | -336.790,83 | |
| 14. Interest payable and similar expenses | 1627 | | |
| a) concerning affiliated undertakings | 1629 | | |
| b) other interest and similar expenses | 1631 | | |
| 15. Tax on profit or loss | 1635 | | -3.210,00 |
| 16. Profit or loss after taxation | 1667 | 1.411.974,69 | 2.285.858,23 |
| 17. Other taxes not shown under items 1 to 16 | 1637 | -54.734,25 | -39.222,69 |
| 18. Profit or loss for the financial year | 1669 | 1.357.240,44 | 2.246.635,54 |

Registre de Commerce et des Sociétés

Numéro RCS : B66608

Référence de dépôt : L170072575

Déposé le 08/05/2017

UNITED TILES S.A.

Société anonyme

R.C.S. Luxembourg B 66 608

17, rue Beaumont

L-1219 LUXEMBOURG

Report of the réviseur d'entreprises agréé
and
annual accounts as at December 31, 2016



Tel. +352 45 123-1
www.bdo.lu

1, rue Jean Piret
Boîte Postale 351
L-2013 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the shareholders of
United Tiles S.A.
Société Anonyme
17, rue Beaumont
L-1219 Luxembourg

We have audited the accompanying annual accounts of United Tiles S.A., which comprise the balance sheet as at 31 December 2016 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the réviseur d'entreprises agréé's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the réviseur d'entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of United Tiles S.A. as at 31 December 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Luxembourg, 4 May 2017

BDO Audit
Cabinet de révision agréé
represented by

A handwritten signature in black ink, appearing to read 'Patrick Terazzi', written over a horizontal line.

Patrick Terazzi

UNITED TILES S.A.

Société anonyme
R.C.S. Luxembourg B 66 608

Notes on the annual accounts as at December 31, 2016

NOTE 1 **GENERAL**

UNITED TILES S.A. (the “Company”) was incorporated as a limited liability company (société anonyme) on October 1, 1998. Its registered office is located at 17 Rue Beaumont, L-1219 Luxembourg and the Company has been registered with the Register of Commerce of Luxembourg under Section B, number 66.608.

The Company is established for an unlimited period.

The purpose of the company is the holding, administration, development and management of participations in Luxembourg and in foreign companies. The Company may undertake any commercial, industrial and financial activities directly or indirectly connected to its purpose.

The Company’s accounting year begins on the first of January and ends on the thirty-first of December.

The Company is not required to establish consolidated accounts according to Article 314 of the Luxembourg Law of August 10, 1915, as amended, on commercial companies.

The annual accounts are included in the financial statements of Gruppo Ceramiche Ricchetti SpA (Italy), Strada delle Fornaci 20 (Modena); forming at once the largest and the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking. The consolidated financial statements can be obtained at the address of the parent company.

NOTE 2 **ACCOUNTING POLICIES**

Annual accounts presentation

The annual accounts are prepared in accordance with commercial company law and regulations and generally accepted accounting principles in the Grand Duchy of Luxembourg under the historical cost convention.

Comparability of the financial years

The Law of 18 December 2015, amending the Law of 19 December 2002 on the Register of Commerce and Companies and the accounting and annual accounts of undertakings, and the Grand-Ducal Regulation as of the same date, have revised the layout of the balance sheet and profit and loss account.

UNITED TILES S.A.

Société anonyme
R.C.S. Luxembourg B 66 608

Notes on the annual accounts as at December 31, 2016

To apply these new provisions, the allocation of accounts and the presentation of the annual accounts as of 31 December 2016 have been modified. In order to ensure comparability, the previous year's figures have been reclassified in the same way, without any impact on the result for the financial year 2015.

Foreign currencies

The Company holds its accounting records in Euro (EUR). The balance sheet and the profit and loss account are expressed in this currency.

Income and charges denominated in foreign currencies are converted into EUR at the exchange rate prevailing at the time of the transaction.

At the end of the financial year, short-term assets and liabilities are converted at the exchange rate prevailing at the year-end.

Formation expenses

Formation expenses are being amortised over a period of five years.

Financial assets

Financial assets are recorded at their purchase price. The purchase price includes charges and expenses in connection with the acquisition.

At the end of each financial year, a value adjustment is made on the basis of an evaluation of each individual asset, for any diminution in value, which is considered to be an impairment of value. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

Investments

Other transferable securities are carried out at the lower of cost or market value.

Debtors

Debtors are valued at their nominal value. A value adjustment is accounted for in case of a risk of non recoverability of the amount. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

Creditors

Creditors are valued at their nominal value.

UNITED TILES S.A.
Société anonyme
R.C.S. Luxembourg B 66 608

Notes on the annual accounts as at December 31, 2016

NOTE 3 **FINANCIAL FIXED ASSETS**

| | <u>Shares in affiliated undertakings</u> 2016 EUR | <u>Securities held as fixed assets</u> 2016 EUR |
|---|---|---|
| Purchase price at the beginning of the year | 20.243.942,28 | 2,00 |
| Purchase | - | - |
| Sales | - | - |
| Reimbursement | - | - |
| Purchase price at the end of the year | 20.243.942,28 | 2,00 |
| Value adjustment at the beginning of the year | -1.229.077,90 | 0,00 |
| Depreciation of the year | - | - |
| Reversal of the year | - | - |
| Value adjustment at the end of the year | -1.229.077,90 | 0,00 |
| Net book value at the end of the year | 19.014.864,38 | 2,00 |

The total amount of the financial assets are EUR 19.014.866,38 at December 31st, 2016 (2015: EUR 19.014.866,38).

NOTE 4 **PARTICIPATIONS ABOVE TWENTY PERCENT**

| Name, registered office | % hold | Capital and reserves EUR (*) | Result for the financial year 2016 EUR | Financial year end |
|---|---------------|--|---|-------------------------------|
| CINCA Companhia Industrial de Ceramica S.A. Rua Principal n° 39 4509-908 FIAES (P) | 95.31% | 39.853.273,52 | 738.666,31 | 31.12.2016 |

* including result of the financial year 2016

UNITED TILES S.A.
Société anonyme
R.C.S. Luxembourg B 66 608

Notes on the annual accounts as at December 31, 2016

NOTE 5 **DEBTORS**

The Company granted advances to affiliated undertakings for a total amount of EUR 2.576.000,00 bearing an interest rate of 5,25% calculated quarterly.

NOTE 6 **INVESTMENTS**

| | <u>2016</u> <u>EUR</u> |
|---|---------------------------|
| Purchase price at the beginning of the year | 2.102.757,22 |
| Purchase | - |
| Sales | -2.102.757,22 |
| | 0,00 |
| Purchase price at the end of the year | 0,00 |
| Value adjustment at the beginning of the year | -636.732,22 |
| Value adjustment of the year | 636.732,22 |
| Reversal of the year | - |
| | 0,00 |
| Net book value at the end of the year | 0,00 |

NOTE 7 **CAPITAL AND RESERVES**

The Company has an issued capital of EUR 14.018.500,00 divided into 48.760 shares, with a value of EUR 287,50 each one, all of which have been fully paid up.

| | 2016 | Increase | Decrease | 2015 |
|------------------------------------|---------------|--------------|---------------|---------------|
| Subscribed capital | 14.018.500,00 | 0,00 | 11.163.602,00 | 25.182.102,00 |
| Share premium and similar premiums | 17.171,98 | 0,00 | 0,00 | 17.171,98 |
| Reserves | 2.261.323,20 | 43.078,75 | 0,00 | 2.218.244,45 |
| Loss brought forward | 3.985.340,26 | 2.203.556,79 | 0,00 | 1.781.783,47 |
| Result for the financial year | 1.357.240,44 | 0,00 | 889.395,10 | 2.246.635,54 |
| Interim dividends | 0,00 | 0,00 | 0,00 | 0,00 |
| | 21.639.575,88 | 2.246.635,54 | 12.052.997,10 | 31.445.937,44 |
| Capital and reserves | | | | |

UNITED TILES S.A.

Société anonyme
R.C.S. Luxembourg B 66 608

Notes on the annual accounts as at December 31, 2016

Under Luxembourg law, the Company is required to transfer to a legal reserve a minimum of 5 % of its net profits each year until this reserve equals 10 % of the issued share capital. This reserve is not available for distribution.

NOTE 8 INCOME FROM FINANCIAL FIXED ASSETS

Income from financial fixed assets consists in dividends received from affiliated undertakings for a total amount of EUR 1.600.000,00 (2015: EUR 1.000.000,00).

NOTE 9 INCOME FROM FINANCIAL CURRENT ASSETS

As at 31 December 2016, there is no Income from financial current assets (2015: EUR 844.975,00).

NOTE 10 EMPLOYEES

The Company has no employee.

NOTE 11 COMMITMENTS

The Company has no commitments as at December 31st, 2016.

NOTE 12 ADVANCE OR LOANS GRANTED TO MEMBERS OF THE MANAGING AND SUPERVISORY BODIES

No director received any credit or advance from the Company within the financial year.

No advance or loan has been granted by the Company to members of the managing and supervisory bodies.

NOTE 13 **SUBSEQUENT EVENTS**

No significant subsequent event has occurred which require disclosure in the notes of the annual accounts as at 31 December 2016.