

*English translation of Italian original.*

*In the event of any discrepancies, the Italian original, to be considered the official version, shall prevail.*

## Press Release

### **Argiletum Merchant S.p.A. (ex Methorios Capital S.p.A.)**

#### **Board of Directors approves the Consolidated Interim Report for the period ended 30 June 2017**

Consolidated Interim Figures ended 30 June 2017 have been prepared according to the IAS/IFRS accounting principles:

- Net Shareholders' Equity: € 10,265 thousand (€ 8,481 thousand at 31 December 2016)
- Net Financial Debt: € 1,078 thousand (€ 381 thousand at 31 December 2016)
- Operating Revenues: € 237 thousand (€ 579 thousand at 30 June 2016)
- Operating Income: negative for € 384 thousand (negative for € 4,453 thousand at 30 June 2016)
- Net Result: negative for € 174 thousand (negative for € 4,464 thousand at 30 June 2016)

**Rome, 31 October 2017** – The Board of Directors of Argiletum Merchant S.p.A., ex Methorios Capital S.p.A., (“Argiletum”, the “Company” or the “Holding Company” and together with the subsidiaries the “Group”) an independent advisory firm specializing in corporate finance transactions for SMEs and listed on the Alternext Paris, today approved Consolidated Interim Report at 30 June 2017 (from this point on the “Report”).

The Report has been prepared according to the IAS/IFRS accounting principles and it includes the results of Argiletum Merchant S.p.A. and of its subsidiaries: Sunstream S.A. and Methorios Capital Services Limited fully owned and Methorios Capital LLP controlled, directly and indirectly, at 100%.

Consolidated Net Shareholders' Equity increased from € 8.9 million at 31 December 2016 to € 10.7 million at 30 June 2017, mostly attributable to the increase of the Held for Sale reserve related to the increase of market value of the equity participation in Invest S.p.A.

Net Financial Debt as of 30 June 2017 improves from € 0.4 million in the 2016 annual report to at € 1.1 million as of 30 June 2017, mainly due to the decrease in bank payables for € 0.6 million.

From an economic perspective, the first six months of the financial year ended with a net loss of around € 0.2 million (€ 4.5 million at 30 June 2016) mainly due to lower write-downs on assets (zero compared to € 4,5 million at 30 June 2016), lower costs for services (€ 0.3 million compared to 0.5 million at 30 June 2016) and to lower personnel costs (€ 0.1 million against € 0.5 million at 30 June 2016).

Revenues from advisory activities, equal to € 0.2 million (€ 0.6 million at 30 June 2016) decreased mainly due to the period of corporate restructuring, which started in the previous fiscal year and led to a decrease in the senior staff culminated in the termination of employment of every executive previously working at the Parent Company.

The consolidated interim Balance Sheet and Income Statement are attached in the Appendix.

The Report is available on [www.methorios.it/en/investor-relation/dati-finanziari/](http://www.methorios.it/en/investor-relation/dati-finanziari/)

## **Events subsequent to 30 June 2017**

### Decrease in the Parent Company's share capital

On 4 August 2017, the Parent Company's Shareholders' Meeting, called to deliberate on the measures pursuant to article 2446 of the Italian Civil Code following the approval of the Annual Financial Report at 2016, resolved to cover the losses carried forward using available reserves and for the residual part by decreasing the share capital, which was reduced to € 7,971,199.65 (fully paid up).

### Change of the Parent Company's business name

On 4 August 2017, the Shareholders' Meeting, determined to signal its break with the previous administration, resolved to change the Parent Company's business name from Methorios Capital S.p.A. to Argiletum Merchant S.p.A.

### Appointment of the Parent Company's new Board of Statutory Auditors

On 5 May 2017, the Parent Company's Board of Statutory Auditors requested a Shareholders' Meeting be convened to appoint a new Board, given that all its members wished to be replaced. The Board deemed it necessary to resign in order to allow the new majority partner, Satis S.r.l., to appoint its own supervisory body.

On 4 August 2017, the Shareholders' Meeting appointed the Parent Company's new Board of Statutory Auditors made up of: Alessandro Ciccaglione (Chairman), Giancarlo Ardovini and Alessandro Mancini (Regular Auditors).

### Appointment of the Parent Company's new Chairman

On 29 September 2017, the Board of Directors appointed Mr. Luigi Barone as new Chairman.

## **Foreseeable Operating Trends**

As already highlighted in the Directors' Report of the 2016 Annual Report, the Parent Company underwent a period of substantial inactivity determined by the need to carry out a significant corporate restructuring, culminated in the termination of employment of all former executives and preparatory to a revival of advisory services. The Interim Report still reflects the context of low activity described above, however, starting from the second half of the year, the Company relaunched its core activity pursuing the guidelines of the Business Plan approved by the Board of Directors in June 2017.

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Argiletum Merchant S.p.A. – Argiletum is an advisory firm which represents a platform of a new open and independent generation specialized in corporate finance transactions for small and medium sized enterprises that focuses its activity in the area of M&A transactions, IPO listings and financial restructuring and recapitalizations, The company benefits from its expertise in the sectors of aerospace and defence, publishing and new media, information technology, gaming and betting, telecommunications, real estate, renewable energy, oil and gas exploration, production and distribution, life style and luxury, movie production and distribution, mining.

Drawing on the 20 years experience of its partners in the area of Corporate Finance and benefiting from the relationship network of its management, Argiletum has since its founding become the point of reference for SMEs in Italy.

Argiletum is an open advisory platform of a new generation that is unique in its independence from any banking institution and for its ability to develop long term relationships with its clients, offering services in tailor made structuring operations and the provision of assistance in addressing extraordinary situations, In addition to this activity, Argiletum invests in minority holdings in companies, be they clients and potential clients, both listed and private.

The shares ISIN code is IT 0004615396.

### **Listing Sponsor**

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## Argiletum Merchant Group:

### Consolidated Balance Sheet and Income Statement

#### Assets

<i>(Amounts in thousands of Euro)</i>	<b>30/06/2017</b>	<b>31/12/2016</b>
<u>Non-current assets</u>		
Property, plant and equipment	192	204
Goodwill and intangible assets with defined useful life		-
Equity investments in subsidiaries		-
Equity investments in associated companies		-
Equity investments in other companies	8,810	8,894
Other non-current receivables		22
<b>Total Non-Current Assets</b>	<b>9,002</b>	<b>9,120</b>
<u>Current assets</u>		
Inventories	-	-
Trade receivables	371	374
Other receivables	1,757	1,665
Assets held for trading	42	27
Other current assets	766	811
Tax receivables	54	52
Cash and cash equivalents	514	285
<b>Total Current Assets</b>	<b>3,505</b>	<b>3,214</b>
<b>Assets held for sale</b>	<b>4,809</b>	<b>3,660</b>
<b>Total Assets</b>	<b>17,316</b>	<b>15,994</b>

## Liabilities

<i>(Amounts in thousands of Euro)</i>	<b>30/06/2017</b>	<b>31/12/2016</b>
<u>Shareholders' equity</u>		
Share capital	22,622	22,012
Other reserves	(13,781)	(28)
IFRS reserve	610	610
Reserve for actuarial gains and losses	(123)	(123)
Consolidation reserve	(115)	(115)
Translation reserve	(144)	(651)
Held for sale reserve	1,370	(318)
Net result for the year	(174)	(12,906)
Shareholders' equity of non-controlling interests	-	-
<b>Total Shareholders' Equity</b>	<b>10,265</b>	<b>8,481</b>
<u>Non-current liabilities</u>		
Non-current financial payables	832	1,069
Other non-current payables	-	-
Provision for employee benefits	114	114
Other provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>946</b>	<b>1,183</b>
<u>Current liabilities</u>		
Current financial payables	801	1,033
Trade payables	1,135	1,147
Current tax payables	403	391
Other current payables	1,897	1,839
Other current liabilities	1,869	1,918
<b>Total Current Liabilities</b>	<b>6,105</b>	<b>6,329</b>
<b>Total Liabilities</b>	<b>7,051</b>	<b>7,513</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>17,316</b>	<b>15,994</b>

## INCOME STATEMENT

<i>(Amounts in thousands of Euro)</i>	<i>Period ending at 30.06.2017</i>	<i>Period ending at 30.06.2016</i>
Revenues	221	579
Write-ups on assets	16	-
<b>Revenues from operating activities</b>	<b>237</b>	<b>579</b>
Other income	17	1,241
Consumption of material and other	-	(1)
Services	(260)	(457)
Leasing and operational rentals	(27)	(122)
Personnel expenses	(90)	(482)
Other operating costs	(211)	(469)
Provisions for risks and charges and impairments	(34)	(302)
Loss of value of assets – Impairment losses	(6)	(4,510)
Amortization and depreciation	(10)	(27)
Portion of results from equity investments recognized using the shareholders' equity method	-	96
<b>EBIT</b>	<b>(384)</b>	<b>(4,453)</b>
Financial income	244	59
Financial expenses	(34)	(67)
<b>Net financial income (expenses)</b>	<b>210</b>	<b>(8)</b>
<b>EBT</b>	<b>(173)</b>	<b>(4,461)</b>
Income tax	(1)	(3)
Deferred taxes	-	-
<b>Net result</b>	<b>(174)</b>	<b>(4,464)</b>
of which pertaining to the Group	(174)	(4,462)
of which pertaining to non-controlling interests	-	(2)