

MIRA INFORM REPORT

| | |
|---------------|------------|
| Report No. : | 522538 |
| Report Date : | 01.08.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | SAMEER AGRICULTURE & LIVESTOCK KENYA LTD. |
| Registered Office : | Olesoi Road, Off Lunga Lunga Road, Industrial Area, P. O. Box 102-0057, Nairobi |
| Country : | Kenya |
| Financials (as on) : | 2017 (Summarized) |
| Date of Incorporation : | 12.10.2007 |
| Com. Reg. No.: | C.145919 |
| Legal Form : | Limited Corporation |
| Line of Business : | Manufacture and supply of milk products and bottled water processing |
| No. of Employees : | 1500 |

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.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

ECGC Country Risk Classification List

| Country Name | Previous Rating (31.12.2017) | Current Rating (01.04.2018) |
|---------------------|---|--|
| Kenya | B1 | B2 |

| 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 |

KENYA - ECONOMIC OVERVIEW

Kenya is the economic, financial, and transport hub of East Africa. Kenya's real GDP growth has averaged over 5% for the last decade. Since 2014, Kenya has been ranked as a lower middle income country because its per capita GDP crossed a World Bank threshold. While Kenya has a growing entrepreneurial middle class and steady growth, its economic development has been impaired by weak governance and corruption. Although reliable numbers are hard to find, unemployment and under-employment are extremely high, and could be near 40% of the population. In 2013, the country adopted a devolved system of government with the creation of 47 counties, and is in the process of devolving state revenues and responsibilities to the counties.

Agriculture remains the backbone of the Kenyan economy, contributing one-third of GDP. About 75% of Kenya's population of roughly 48.5 million work at least part-time in the agricultural sector, including livestock and pastoral activities. Over 75% of agricultural output is from small-scale, rain-fed farming or livestock production. Tourism also holds a significant place in Kenya's economy. In spite of political turmoil throughout the second half of 2017, tourism was up 20%, showcasing the strength of this sector. Kenya has long been a target of terrorist activity and has struggled with instability along its northeastern borders. Some high visibility terrorist attacks during 2013-2015 (e.g., at Nairobi's Westgate Mall and Garissa University) affected the tourism industry severely, but the sector has rebounded strongly in 2016-2017 and appears poised to continue growing.

Inadequate infrastructure continues to hamper Kenya's efforts to improve its annual growth so that it can meaningfully address poverty and unemployment. The KENYATTA administration has been successful in courting external investment for infrastructure development. International financial institutions and donors remain important to Kenya's growth and development, but Kenya has also successfully raised capital in the global bond market issuing its first sovereign bond offering in mid-2014, with a second occurring in February 2018. The first phase of a Chinese-financed and constructed standard gauge railway connecting Mombasa and Nairobi opened in May 2017.

Underlying weaknesses were exposed in the banking sector in 2016 when the government was forced to take over three small and undercapitalized banks. In 2016, the government enacted legislation that limits interest rates banks can charge on loans and set a rate that banks must pay their depositors. This measure led to a sharp shrinkage of credit in the economy. A prolonged election cycle in 2017 hurt the economy, drained government resources, and slowed GDP growth. Drought-like conditions in parts of the country pushed 2017 inflation above 8%, but the rate had fallen to 4.5% in February 2018.

The economy, however, is well placed to resume its decade-long 5%-6% growth rate. While fiscal deficits continue to pose risks in the medium term, other economic indicators, including foreign exchange reserves, interest rates, current account deficits, remittances and FDI are positive. The credit and drought-related impediments were temporary. Now In his second term, President KENYATTA has pledged to make economic growth and development a centerpiece of his second administration, focusing on his "Big Four" initiatives of universal healthcare, food security, affordable housing, and expansion of manufacturing.

Source : CIA

SUBJECT'S NAME

Registered Name: **SAMEER AGRICULTURE & LIVESTOCK KENYA LTD.**
Requested Name: **SAMEER AGRICULTURE & LIVESTOCK KENYA LTD.**
Other Names: **DAIMA**

ADDRESS AND TELECOMMUNICATION

Physical Address: Olesoi Road, Off Lunga Lunga Road, Industrial Area,
Postal Address: P. o. Box 102-0057
Nairobi,
Country: Kenya
Phone: 254-20-555863/6/2385757/8016161
Fax: 254-20-556691/2678111
Email: info@sall.co.ke
Website: www.daimafrica.com

CREDIT OPINION

Financial Index as of December 2017 shows subject firm with a medium risk of credit. However, bank and credit information obtained reveal a history of prompt payments.

LEGAL

Legal Form: Limited Corporation
Date Incorporated: 12-Oct-2007
Reg. Number: C.145919
Nominal Capital: KES. 160,000,000
Subscribed Capital: KES. 160,000,000
Subscribed Capital is Subscribed in the following form:

| | Position | Shares |
|------------------------|-----------------|---------------|
| Naushad Noorali Merali | Chairman | |
| Anald Gopal Gagar | Director | |
| Martin John Ernest | Director | |
| Rajiv Joshi | Director | |
| Akif Hamid Butt | Director | |
| Madhusuddan Parikh | Director | |
| Robert Nyagaka | Manager | |

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

| | | |
|-----------------|-------------|-----|
| Richard Ngila | Manager | |
| Pradeep Sinha | Manager | |
| Dinesh Singhal | Manager | |
| Sameer Group | Shareholder | 50% |
| Rj Corp. India. | Shareholder | 50% |

RELATED COMPANIES

| | |
|----------------|-------------------------------|
| None | Parent company. |
| None | Subsidiary company. |
| None | Affiliated company. |
| Sameer Group | |
| Rj Corp. India | Shareholders of subject firm. |
| None | Branches of the firm |

OPERATIONS

Registered to operate manufacture and supply of milk products and bottled water processing

| | |
|----------------|--|
| Imports: | Asia |
| Exports: | None |
| Trademarks: | None |
| Terms of sale: | Cash (50%) and 25-90 days (50%), invoices. |

| | |
|---------------------|--|
| Main Customers: | Distributors, local agencies, supermarkets etc |
| Employees: | 1500 employees. |
| Vehicles: | Several motor vehicles. |
| Territory of sales: | Kenya |
| Location: | Owned premises, 100,000 square feet, |

AUDITORS AND INSURANCE

| | |
|--------------------|----------------------------|
| Auditors: | Information not available. |
| Insurance Brokers: | Information not available. |

FINANCE

| | |
|--------------------|-------------------------|
| Currency Reported: | Kenyan Shillings (KES.) |
| Fiscal Year End: | December 31, 2017 |

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Inflation: According to information given by independent sources,
the inflation at December 31st, 2017 was of 13%.

Financial Information not Submitted

Profit and Loss (expressed in KES.)

Sales **2017**
1,450,000,000

BANK

Bank Name: KCB BANK
Branch: Kenya
Comments: None

TRADE REFERENCES

Experiences: Good

NOTARIAL BONDS

None

COMMENTS/ ADDITIONAL INFORMATION

This information was obtained from outside sources other than the subject company itself and confirmed the above subject.

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 68.61 |
| UK Pound | 1 | INR 90.07 |
| Euro | 1 | INR 80.37 |
| KES | 1 | INR 0.68 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | DIV |
| Report Prepared by : | NIT |

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)