

MIRA INFORM REPORT

| | |
|----------------------|------------|
| Report No. : | 546164 |
| Report Date : | 22.12.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|----------------------------------|
| Name : | DOLLY BELL D.O.O. |
| Registered Office : | Bircaninova 27, RS 11000 Beograd |
| Country : | Serbia |
| Financials (as on) : | 31.12.2017 |
| Date of Incorporation : | 12.05.2015 |
| Legal Form : | Ltd. - Limited Liability company |
| Line of Business : | Hotels and similar accommodation |
| No. of Employees : | 31 [2017] |

RATING & COMMENTS

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

| | |
|------------------------|---|
| MIRA's Rating : | B |
|------------------------|---|

| Credit Rating | Explanation | Rating Comments |
|---------------|-------------|---|
| B | Medium Risk | Business dealings permissible on a regular monitoring basis |

| | |
|-------------------------------|-------------|
| Maximum Credit Limit : | USD 885,982 |
| Status : | Moderate |
| Payment Behaviour : | Slow |
| 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.

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ECGC Country Risk Classification List

| Country Name | Previous Rating (30.06.2018) | Current Rating (30.09.2018) |
|--------------|---------------------------------|--------------------------------|
| Serbia | B2 | 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 |

SERBIA - ECONOMIC OVERVIEW

Serbia has a transitional economy largely dominated by market forces, but the state sector remains significant in certain areas. The economy relies on manufacturing and exports, driven largely by foreign investment. MILOSEVIC-era mismanagement of the economy, an extended period of international economic sanctions, civil war, and the damage to Yugoslavia's infrastructure and industry during the NATO airstrikes in 1999 left the economy worse off than it was in 1990. In 2015, Serbia's GDP was 27.5% below where it was in 1989.

After former Federal Yugoslav President MILOSEVIC was ousted in September 2000, the Democratic Opposition of Serbia (DOS) coalition government implemented stabilization measures and embarked on a market reform program. Serbia renewed its membership in the IMF in December 2000 and rejoined the World Bank and the European Bank for Reconstruction and Development. Serbia has made progress in trade liberalization and enterprise restructuring and privatization, but many large enterprises - including the power utilities, telecommunications company, natural gas company, and others - remain state-owned. Serbia has made some progress towards EU membership, gaining candidate status in March 2012. In January 2014, Serbia's EU accession talks officially opened and, as of December 2017, Serbia had opened 12 negotiating chapters including one on foreign trade. Serbia's negotiations with the WTO are advanced, with the country's complete ban on the trade and cultivation of agricultural biotechnology products representing the primary remaining obstacle to accession. Serbia maintains a three-year Stand-by Arrangement with the IMF worth approximately \$1.3 billion that is scheduled to end in February 2018. The government has shown progress implementing economic reforms, such as fiscal consolidation, privatization, and reducing public spending.

Unemployment in Serbia, while relatively low (16% in 2017) compared with its Balkan neighbors, remains significantly above the European average. Serbia is slowly implementing structural economic reforms needed to ensure the country's long-term prosperity. Serbia reduced its budget deficit to 1.7% of GDP and its public debt to 71% of GDP in 2017. Public debt had more than doubled between 2008 and 2015. Serbia's concerns about inflation and exchange-rate stability preclude the use of expansionary monetary policy.

Major economic challenges ahead include: stagnant household incomes; the need for private sector job creation; structural reforms of state-owned companies; strategic public sector reforms; and the need for new foreign direct investment. Other serious longer-term challenges include an inefficient judicial system, high levels of corruption, and an aging population. Factors favorable to Serbia's economic growth include the economic reforms it is undergoing as part of its EU accession process and IMF agreement, its strategic location, a relatively inexpensive and skilled labor force, and free trade agreements with the EU, Russia, Turkey, and countries that are members of the Central European Free Trade Agreement.

Source : CIA

COMPANY NAME AND ADDRESS

DOLLY BELL D.O.O.
DOLLY BELL DOO BEOGRAD-SAVSKI VENAC

Bircaninova 27
RS 11000 Beograd

Tel: +381 36/210021, 210123
Fax: +381 36/210021, 210123

COMPANY SUMMARY

| | | |
|-------------------|---|-----------------|
| Legal form | Ltd. - Limited Liability company | |
| Established | 12.05.2015 | |
| Registered | National Identification Number: 21105171 PIB (Value Added Tax): 108981819 | |
| Establisher | INKOP (NIN: 07923295) Cuprija, Serbia | 100.00% |
| Basic capital | RSD 613,880,000 (31.12.2017) | |
| Management | Ljiljana Bozovic, Director, born 17.05.1976 Serbia Milan Miletic, Person authorized to represent, born 20.01.1985 Serbia | |
| Activity | Basic activity (according to National activity classification): Hotels and similar accommodation (55.10) | |
| Business Premises | Registered Address: Bircaninova 27, Beograd | |
| Motor pool | Data not available | |
| Staff | 2017 31 employees 2016 36 employees 2015 6 employees | |
| Revenue | 2017 revenue | RSD 100,529,000 |
| | 2016 revenue | RSD 60,978,000 |

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2015 revenue RSD 53,000

Real estate Subject company has some real estate, but further information are not available to us

FINANCIALS

| Balance Sheet <i>Unconsolidated</i> | RSD (x 1,000) | 31.12.2017 | 31.12.2016 | 31.12.2015 |
|--|----------------------|-------------------|-------------------|-------------------|
| FIXED ASSETS | | 827,072 | 822,706 | 469,588 |
| Subscribed capital unpaid | | 0 | 0 | 0 |
| Intangible fixed assets | | 569 | 632 | 0 |
| Tangible fixed assets | | 826,283 | 821,853 | 469,367 |
| Other fixed assets | | 220 | 221 | 221 |
| CURRENT ASSETS | | 41,439 | 51,202 | 53,724 |
| Inventories | | 12,082 | 33,511 | 41,896 |
| Accounts receivable | | 21,841 | 10,488 | 0 |
| Cash and cash equivalent | | 5,419 | 1,259 | 148 |
| Other current assets | | 2,097 | 5,944 | 11,680 |
| LOSS | | 0 | 0 | 0 |
| TOTAL ASSETS | | 868,511 | 873,908 | 523,312 |
| EQUITY | | 537,199 | 562,499 | 500,104 |
| Capital | | 613,880 | 613,880 | 509,542 |
| Subscribed capital unpaid | | 0 | 0 | 0 |
| Reserves | | 0 | 0 | 0 |
| Revalorization reserves | | 0 | 0 | 0 |
| Undistributed Income | | 0 | 0 | 0 |
| Loss | | 76,681 | 51,381 | 9,438 |
| Treasury shares | | 0 | 0 | 0 |
| LONG TERM RESERVATIONS | | 0 | 0 | 0 |
| LONG TERM LIABILITIES | | 0 | 660 | 0 |
| SHORT TERM LIABILITIES | | 331,312 | 310,749 | 23,208 |
| OTHER LIABILITIES | | 0 | 0 | 0 |
| TOTAL LIABILITIES | | 868,511 | 873,908 | 523,312 |
| Profit And Loss Account <i>Unconsolidated</i> | RSD (x 1,000) | 31.12.2017 | 31.12.2016 | 31.12.2015 |
| OPERATING REVENUES | | 97,869 | 58,312 | 0 |
| Sales of goods | | 97,457 | 57,297 | 0 |
| OPERATING EXPENSES | | 118,636 | 101,975 | 9,491 |
| Costs of goods sold | | 540 | 990 | 0 |
| Raw materials costs | | 57,073 | 49,962 | 1,717 |
| Salaries, wages and other | | 21,569 | 25,098 | 2,939 |

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| | | | |
|--|---------|---------|-------|
| personal indemnities | | | |
| Deprecation and provision costs | 20,606 | 4,558 | 71 |
| Other operating expenses | 29,756 | 32,451 | 4,977 |
| FINANCIAL REVENUES | 37 | 6 | 53 |
| FINANCIAL EXPENSES | 655 | 530 | 0 |
| Financial P/L | (618) | (524) | 53 |
| OTHER REVENUES | 2,623 | 2,660 | 0 |
| OTHER EXPENSES | 6,538 | 416 | 0 |
| Other P/L | (3,915) | 2,244 | 0 |
| Profit from regular business operations before tax | 0 | 0 | 0 |
| Loss from regular business operations before tax | 25,223 | 41,578 | 9,438 |
| Net profit of businesses to be ceased | 0 | 91 | 0 |
| Net loss of businesses to be ceased | 77 | 365 | 0 |
| Profit before taxation | 0 | 0 | 0 |
| Loss before taxation | 25,300 | 41,943 | 9,438 |
| Taxation on profit | 0 | 0 | 0 |
| Personal indemnities paid to employer | 0 | 0 | 0 |
| TOTAL REVENUES | 100,529 | 60,978 | 53 |
| TOTAL EXPENSES | 125,752 | 102,556 | 9,491 |
| PROFIT OF THE PERIOD | 0 | 0 | 0 |
| LOSS OF THE PERIOD | 25,300 | 41,943 | 9,438 |
| Number of employees | 31 | 36 | 6 |

| Ratios | RSD (x 1,000) | 31.12.2017 | 31.12.2016 | 31.12.2015 |
|-----------------------------------|---------------|------------|------------|------------|
| <i>Unconsolidated</i> | | | | |
| Financial stability ratio | 0.64 | 0.66 | 0.98 | |
| Equity ratio % | 61.85 | 64.37 | 95.57 | |
| Debt to equity (Worth) | 0.62 | 0.55 | 0.05 | |
| Liquidity ratio | 0.09 | 0.06 | 0.51 | |
| Current ratio | 0.10 | 0.14 | 1.81 | |
| Total assets turnover | 0.11 | 0.07 | 0.00 | |
| Average collection period in days | 81 | 66 | 0 | |
| Profit margin % | (25.85) | (71.93) | 0.00 | |
| Return on total assets % | (2.91) | (4.80) | (1.80) | |
| Return on equity % | (4.71) | (7.46) | (1.89) | |
| Total assets per employee (ths.) | 28,016.48 | 24,275.22 | 87,218.67 | |
| Equity per employee (ths) | 17,329.00 | 15,624.97 | 83,350.67 | |
| Total revenue per employee (ths.) | 3,157.06 | 1,619.78 | 0.00 | |
| Profit per employee (ths.) | 0.00 | 0.00 | 0.00 | |
| Loss per employee (ths.) | 816.13 | 1,165.08 | 1,573.00 | |
| Average net to salaries (ths.) | 57.98 | 58.10 | 40.82 | |

OTHER GENRAL INFORMATION

| | | |
|---------------------|---|---|
| Corporate structure | <u>Rep. Offices in Serbia:</u> Kopaonik bb, Kopaonik Rep. Offices abroad: none <u>Affiliates:</u> GRANIT-PESCAR, Ljig, Serbia (NIN:07099274) (24.99% owned by INKOP) Subsidiaries: not identified <u>Immediate parent company:</u> INKOP, Cuprija, Serbia: (NIN:07923295): 100.00% <u>Other functions and shares of Ljiljana Bozovic:</u> BIOORGANIKA - <u>removed from register</u> , Novi Sad, Serbia (NIN:20558474), establisher (50.00%) RAMID, Beograd, Serbia (NIN:21189324), establisher (50.00%) <u>Other functions and shares of Milan Miletic:</u> INKOP, Cuprija, Serbia (NIN:07923295), Director | |
| Inflation | 2017: | 3.00% |
| | 2016: | 1.10% |
| | 2015: | 1.40% |
| | 2014: | 2.10% |
| | 2013: | 7.70% |
| | 2012: | 7.30% |
| Bankers | KOMERCIJALNA BANKA A.D. Beograd Svetog Save 14 205-0000000227438-72 BANCA INTESA A.D. Beograd Milentija Popovica 7 b 160-0053800023226-66 UNICREDIT BANK SRBIJA A.D. Beograd Rajiceva 27-29 170-0030024400000-41 No unsettled liability was registered during last 12 months. | |
| Debt collection | Case Registered: | - |
| | Case Status: | There is no record of any debt collection action. |
| Mode of payment | Slow | |
| Credit opinion | Business connection is not denied, but it is necessary to take into account the big | |

amount of debt for the last accounting period. Credits require firm guarantees.

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 70.04 |
| UK Pound | 1 | INR 88.70 |
| Euro | 1 | INR 80.21 |
| RSD | 1 | INR 0.67 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | NIY |
| 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)