

## MIRA INFORM REPORT

<b>Report No. :</b>	537374
<b>Report Date :</b>	01.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	DANYA FOODS LTD
<b>Registered Office :</b>	Al Kharj Road, Km 18, 2nd Industrial City, PO Box- 53164, Riyadh 11583
<b>Country :</b>	Saudi Arabia
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	18.05.1986
<b>Com. Reg. No.:</b>	1010054991
<b>Legal Form :</b>	Limited Liability Company
<b>Line of Business :</b>	Subject engaged in the production of dairy products, including cheese, sterilised cream, butter, long life milk and fruit juices
<b>No. of Employees :</b>	550

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A+
------------------------	----

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear

### NOTES :

**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.

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Saudi Arabia	A2	A2

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

**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.

**SAUDI ARABIA - ECONOMIC OVERVIEW**

Saudi Arabia has an oil-based economy with strong government controls over major economic activities. It possesses about 16% of the world's proven petroleum reserves, ranks as the largest exporter of petroleum, and plays a leading role in OPEC. The petroleum sector accounts for roughly 87% of budget revenues, 42% of GDP, and 90% of export earnings.

Saudi Arabia is encouraging the growth of the private sector in order to diversify its economy and to employ more Saudi nationals. Approximately 6 million foreign workers play an important role in the Saudi economy, particularly in the oil and service sectors; at the same time, however, Riyadh is struggling to reduce unemployment among its own nationals. Saudi officials are particularly focused on employing its large youth population.

In 2017, the Kingdom incurred a budget deficit estimated at 8.3% of GDP, which was financed by bond sales and drawing down reserves. Although the Kingdom can finance high deficits for several years by drawing down its considerable foreign assets or by borrowing, it has cut capital spending and reduced subsidies on electricity, water, and petroleum products and recently introduced a value-added tax of 5%. In January 2016, Crown Prince and Deputy Prime Minister MUHAMMAD BIN SALMAN announced that Saudi Arabia intends to list shares of its state-owned petroleum company, ARAMCO - another move to increase revenue and outside investment. The government has also looked at privatization and diversification of the economy more closely in the wake of a diminished oil market. Historically, Saudi Arabia has focused diversification efforts on power generation, telecommunications, natural gas exploration, and petrochemical sectors. More recently, the government has approached investors about expanding the role of the private sector in the health care, education and tourism industries. While Saudi Arabia has emphasized their goals of diversification for some time, current low oil prices may force the government to make more drastic changes ahead of their long-run timeline.

Source : CIA

## ***SUMMARY***

Company Name	: DANYA FOODS LTD
Country of Origin	: Saudi Arabia
Legal Form	: Limited Liability Company
Registration Date	: 18th May 1986
Commercial Registration Number	: 1010054991, Riyadh
Chamber Membership Number	: 28777
Issued Capital	: SR 24,000,000
Paid up Capital	: SR 24,000,000
Total Workforce	: 550
Activities	: Production of dairy products
Financial Condition	: Fair
Payments	: Regular
Operating Trend	: Steady
Person Interviewed	: Azzam Mohamed, Technical Manager

## **COMPANY NAME**

DANYA FOODS LTD

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Street : Al Kharj Road, Km 18  
Area : 2nd Industrial City  
  
PO Box : 53164  
  
Town : Riyadh 11583  
Country : Saudi Arabia  
  
Telephone : (966-11) 4981414 / 4981717  
Facsimile : (966-11) 4980628  
Mobile : (966-50) 9695190  
Email : [siy@arlafoods.com](mailto:siy@arlafoods.com)

### **Premises**

Subject operates from a large suite of offices, a warehouse and a factory that are owned and located in the Industrial Area of Riyadh.

### **Branch Office (s)**

<u>Location</u>	<u>Description</u>
<ul style="list-style-type: none"><li>PO Box: 9125 Jeddah 21633 Tel: (966-12) 6243000 Fax: (966-12) 6250922</li></ul>	Office premises & warehouse
<ul style="list-style-type: none"><li>PO Box: 4161 Dammam 31491 Tel: (966-13) 8591477 / 8594065 Fax: (966-13) 8578370</li></ul>	Office premises & warehouse

## ***KEY PRINCIPALS***

<u>Name</u>	<u>Position</u>
• Saleh Ibrahim Al Hijilan	Managing Director
• Eric Folden	General Manager
• Pier Bloom	Finance Manager
• Fadi Asaker	Marketing Manager
• P Segora	Sales Manager
• Azzam Mohamed	Technical Manager

## ***LEGAL FORM & OWNERS***

**Date of Establishment** : 18<sup>th</sup> May 1986

**Legal Form** : Limited Liability Company

**Commercial Reg. No.** : 1010054991, Riyadh

**Chamber Member No.** : 28777

**Issued Capital** : SR 24,000,000

**Paid up Capital** : SR 24,000,000

*Name of Shareholder (s)*

- Saleh Ibrahim Al Hijilan
- Arla Foods  
Skanderborgvej 277  
PO Box: 2400  
DK 8260 Viby J  
Denmark  
Tel: (45-89) 381000  
Fax: (45-86) 281691

## **OPERATIONS**

**Activities:** Engaged in the production of dairy products, including cheese, sterilised cream, butter, long life milk and fruit juices.

**Import Countries:** Denmark, Sweden, Norway and the United Kingdom

**Brand Names:** PUCK, LURPAK, THREE COWS, DANO, POWER COW, ARLA and DANYA

**Operating Trend:** Steady

Subject has a workforce of approximately 550 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: Saudi Riyals (SR)

	Year Ending 31/12/16:	Year Ending 31/12/17:
Total sales	SR 175,900,000	SR 182,000,000

Local sources consider subject's financial condition to be Fair.

The above financial figures are based on estimations by our local sources.

## **BANKERS**

- National Commercial Bank  
Airport Road  
PO Box: 2800  
Riyadh 11461  
Tel: (966-11) 4772281  
Fax: (966-11) 4730322

## **PAYMENT HISTORY**

Regular

**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.

## ***GENERAL COMMENTS***

The subject and its shareholders/owners have been searched in the following databases; Office of Foreign Assets Control (OFAC), United Nations Security Council Sanctions, Australian Sanctions List, US Consolidated Sanctions List, EU Financial Sanctions List and UK Financial Sanctions List and nothing adverse could be found on the exact names listed within the report.

Nothing detrimental was uncovered regarding the manner in which payment obligations are met and the company is deemed a fair trade risk.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.99
UK Pound	1	INR 94.10
Euro	1	INR 83.92
SAR	1	INR 19.55

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIS
<b>Report Prepared by :</b>	KET

**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.

**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)