

MIRA INFORM REPORT

Report No. :	529163
Report Date :	18.09.2018

IDENTIFICATION DETAILS

Name :	MEGAIKSI MEGAX SHPS
Registered Office :	Ts. Dadiani Street 34, Building 12, Flat 46, Gldani-Nadzaladevi District, Tbilisi 0180
Country :	Georgia
Financials (as on) :	31.12.2017 [Summarized]
Date of Incorporation :	27.09.2012
Com. Reg. No.:	400060429
Legal Form :	Limited Liability Company
Line of Business :	Trading as importers, wholesalers and retailers of household furniture.
No. of Employees :	65 [2018]

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

Maximum Credit Limit :	USD 95,000
Status :	Satisfactory
Payment Behaviour :	No Complaints
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.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Georgia	C1	C1

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

GEORGIA - ECONOMIC OVERVIEW

Georgia's main economic activities include cultivation of agricultural products such as grapes, citrus fruits, and hazelnuts; mining of manganese, copper, and gold; and producing alcoholic and nonalcoholic beverages, metals, machinery, and chemicals in small-scale industries. The country imports nearly all of its needed supplies of natural gas and oil products. It has sizeable hydropower capacity that now provides most of its electricity needs.

Georgia has overcome the chronic energy shortages and gas supply interruptions of the past by renovating hydropower plants and by increasingly relying on natural gas imports from Azerbaijan instead of from Russia. Construction of the Baku-Tbilisi-Ceyhan oil pipeline, the South Caucasus gas pipeline, and the Baku-Tbilisi-Kars railroad are part of a strategy to capitalize on Georgia's strategic location between Europe and Asia and develop its role as a transit hub for gas, oil, and other goods.

Georgia's economy sustained GDP growth of more than 10% in 2006-07, based on strong inflows of foreign investment, remittances, and robust government spending. However, GDP growth slowed following the August 2008 conflict with Russia, and sunk to negative 4% in 2009 as foreign direct investment and workers' remittances declined in the wake of the global financial crisis. The economy rebounded in the period 2010-17, but FDI inflows, the engine of Georgian economic growth prior to the 2008 conflict, have not recovered fully. Unemployment remains persistently high.

The country is pinning its hopes for faster growth on a continued effort to build up infrastructure, enhance support for entrepreneurship, simplify regulations, and improve professional education, in order to attract foreign investment and boost employment, with a focus on transportation projects, tourism, hydropower, and agriculture. Georgia had historically suffered from a chronic failure to collect tax revenues; however, since 2004 the government has simplified the tax code, increased tax enforcement, and cracked down on petty corruption, leading to higher revenues. The government has received high marks from the World Bank for improvements in business transparency. Since 2012, the Georgian Dream-led government has continued the previous administration's low-regulation, low-tax, free market policies, while modestly increasing social spending and amending the labor code to comply with International Labor Standards. In mid-2014, Georgia concluded an association agreement with the EU, paving the way to free trade and visa-free travel. In 2017, Georgia signed Free Trade Agreement (FTA) with China as part of Tbilisi's efforts to diversify its economic ties. Georgia is seeking to develop its Black Sea ports to further facilitate East-West trade.

Source : CIA

EXECUTIVE SUMMARY

COMMERCIAL NAME	Megaiksi MEGAX ShPS Megaiksi MEGAX Shazguduli Pasukhismbgeblobis Sazagadoeba		
STREET	Al. Kazbegi Avenue 12		
AREA	Vake-Saburtalo District		
TOWN	Tbilisi 0160		
COUNTRY	Georgia		
TELEPHONE	(995 32) 230 9191 (995 32) 230 6767 / 272 8178 / 243 0424 / Mobile (995 568) 522 929 (Guga Sokhadze) / (995 568) 518 787 (Lika Davitashvili)		
FAX	(995 32) 230 9191 (995 32) 272 8178		
E-MAIL	info@belhouse.ge guga@belhouse.ge / lika@belhouse.ge		
ACTIVITIES	Trading as importers, wholesalers and retailers of household furniture.		
EXECUTIVE	Tsago Saganelidze	Managing Director	
WORKFORCE	65	10/09/2018	subject
ESTABLISHED YEAR	2012		
MAIN REGISTRATION NO.	400060429 (NATIONAL ID. NO.)		
LEGAL FORM	Limited Liability Company		
STATUS	Active		
REGISTERED CAPITAL	GEL		500,000
CREDIT OPINION	We consider it is acceptable to deal with subject		
MAXIMUM CREDIT	USD		95,000

IDENTIFICATION

COMMERCIAL NAME	Megaiksi MEGAX ShPS
NAME IN THE LOCAL LANGUAGE	Megaiksi MEGAX Shazguduli Pasukhismbgeblobis Sazagadoeba
ALSO KNOWN AS	Megaiksi MEGAX Ltd, MEGAX Ltd
TRADING STYLES	BelHouse

PRINCIPAL PLACE OF BUSINESS

STREET	Al. Kazbegi Avenue 12
AREA	Vake-Saburtalo District
TOWN	Tbilisi 0160
COUNTRY	Georgia
COUNTRY CODE	GE

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TELEPHONE	(995 32) 230 9191 (995 32) 230 6767 / 272 8178 / 243 0424 / Mobile (995 568) 522 929 (Guga Sokhadze) / (995 568) 518 787 (Lika Davitashvili)
FAX	(995 32) 230 9191 (995 32) 272 8178
E-MAIL	info@belhouse.ge guga@belhouse.ge / lika@belhouse.ge
PREMISES DESCRIPTION	Administrative office
TYPE OF OCCUPATION	Rented
REGISTERED ADDRESS	Ts. Dadiani Street 34, Building 12, Flat 46, Gldani-Nadazaladevi District, Tbilisi 0180, Georgia.

LEGAL DATA

ESTABLISHED YEAR	2012		
INCORPORATION DATE	27/09/2012		
MAIN REGISTRATION NO.	400060429 (NATIONAL ID. NO.)		
NATIONAL ID. NO.	400060429	REGISTERED AT	THE NATIONAL AGENCY OF PUBLIC REGISTRY
REGISTRATION PLACE	Tbilisi		
REGISTERED CAPITAL	GEL	500,000	
PAID-UP CAPITAL	GEL	500,000	
LEGAL FORM	Limited Liability Company		
OWNERSHIP TYPE	Private		
STATUS	Active		
STATUS DATE	11/09/2018		

OWNERSHIP STRUCTURE

1. NAME	Besik Gabrichidze
RELATION TYPE	Shareholder
SHARE PERCENTAGE	60%
NATIONALITY	Georgia
ID. NO.	01010008029
GENDER	Male
2. NAME	Zurab Machanakaladze
RELATION TYPE	Shareholder
SHARE PERCENTAGE	20%

NATIONALITY	Georgia
ID. NO.	04001001991
GENDER	Male
3. NAME	Mariami Melikidze
RELATION TYPE	Shareholder
SHARE PERCENTAGE	10%
NATIONALITY	Georgia
ID. NO.	01020007675
GENDER	Female
4. NAME	Zaakir Rustamovi
RELATION TYPE	Shareholder
SHARE PERCENTAGE	10%
NATIONALITY	Georgia
ID. NO.	24001001529
GENDER	Male

HISTORY

BACKGROUND

Subject was established in Georgia on 27 September 2012. Initially, subject's shareholding structure was as following:

- Zurab Machankaladze (50%, Georgian national / Personal No.: 04001001991)
- Irma Mujiri (25%, Georgian national / Personal No.: 33001010496)
- Mariami Melikidze (25%, Georgian national / Personal No.: 01020007675).

In 2015, subject's shareholding structure changed to the following:

- Zurab Machankaladze (50%, Georgian national / Personal No.: 04001001991)
- Kakha Gabrichidze (30%, Georgian national / Personal No.: 01010006619)
- Mariami Melikidze (10%, Georgian national / Personal No.: 01020007675)
- Zaakir Rustamov (10%, Georgian national / Personal No.: 24001001529).

On 25 December 2016, subject's shareholding structure changed to the following:

- Besik Gabrichidze (80%, Georgian national / Personal No.: 01010008029)
- Mariami Melikidze (10%, Georgian national / Personal No.: 01020007675)
- Zaakir Rustamov (10%, Georgian national / Personal No.: 24001001529).

On 25 July 2018 subject's shareholding structure changed to the present.

Subject formerly was located at S.Tsintsadze Street 12, Vake-Saburtalo District, Tbilisi 0160, Mobile (995 574) 024 747 (Mr. Giorgi).

WORKFORCE

KEY PERSONNEL

1.			POSITION
NAME	Tsago Saganelidze		Managing Director
NATIONALITY	Georgia		
ID. NO.	04001011888		
GENDER	Male		
2.			POSITION
NAME	Guga Sokhadze		Head of Marketing Department
NATIONALITY	Georgia		
GENDER	Male		
3.			POSITION
NAME	Lika Davitashvili		Accountant
NATIONALITY	Georgia		
GENDER	Female		

WORKFORCE	PERIOD	NOTES
65	10/09/2018	subject
62	16/08/2017	subject

OPERATIONS

ACTIVITIES

ACTUAL ACTIVITIES	Trading as importers, wholesalers and retailers of household furniture.
IMPORT COUNTRIES	Poland, Ukraine, Turkey and Belarus.
EXPORT COUNTRIES	N/A.
NACE CODE (REV. 2)	DESCRIPTION
4759	Retail sale of furniture, lighting equipment and other household articles in specialised stores.

FACILITIES

Rented premises comprising administrative offices, a retail outlet and storage facilities located at the heading address as well as 2 retail outlets located in Tbilisi and 1 retail outlet in Batumi (see 'Branch Offices' below).

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BRANCH OFFICES

1. NAME Megaiksi MEGAX ShPS
RELATION TYPE Retail Outlet
ADDRESS S. Tsintsadze Street 14, Vake-Saburtalo District, Tbilisi 0160.
TOWN Tbilisi
COUNTRY Georgia
COUNTRY CODE GE

2. NAME Megaiksi MEGAX ShPS
RELATION TYPE Retail Outlet
ADDRESS Z. Gorgiladze Street 88, City Mall, III Floor, Batumi 6000.
TOWN Batumi
COUNTRY Georgia
COUNTRY CODE GE

3. NAME Megaiksi MEGAX ShPS
RELATION TYPE Retail Outlet
ADDRESS Lubiana 11, Tbilisi
TOWN Tbilisi
COUNTRY Georgia
COUNTRY CODE GE

RELATED COMPANIES

1. NAME Elplusi ShPS
RELATION TYPE Associate
ADDRESS XVII m/r, Block 28, Apartment 21
TOWN Rustavi
COUNTRY Georgia
COUNTRY CODE GE
REGISTRATION DATE 31/03/2017
REGISTRATION NO. ID Code: 416333532
OWNERSHIP Managing Director: Giorgi Tavadze. Shareholders: Vakhtang Chumbashvili (50%),
Besik Gabrichidze (50%).

2. NAME Alpa Plusi ShPS
RELATION TYPE Associate
ADDRESS Akaki Tseretlis Avenue 101, 1st Floor, Didube-Chughurei District
TOWN Tbilisi
COUNTRY Georgia
COUNTRY CODE GE
REGISTRATION DATE 30/09/2016
REGISTRATION NO. ID Code: 402039405
OWNERSHIP Managing Director: Giorgi Tavadze. Shareholders: Vakhtang Chumbashvili (50%),

Besik Gabrichidze (50%).

3. NAME Vesta ShPS
RELATION TYPE Associate
ADDRESS Robakidzi Street 7, I Building, Floor 4, Flat 8, Didube-Chughureti District
TOWN Tbilisi
COUNTRY Georgia
COUNTRY CODE GE
REGISTRATION DATE 21/01/2011
REGISTRATION NO. ID Code: 404884979
OWNERSHIP Managing Director: Soso Chavleishvili. Shareholders: Marina Intskirveli (50%),
Khatuna Svanidze (25%), Mariami Melikidze (25%).

GENERAL INFORMATION

BANKERS

1. BANK NAME TBC BANK
WEBSITE www.tbcbank.ge

2. BANK NAME VTB Bank of Georgia
WEBSITE www.vtb.com

3. BANK NAME Liberty Bank (Georgia)
WEBSITE www.libertybank.ge

4. BANK NAME Procredit Bank JSC
WEBSITE www.procredit-holding.com

FINANCIAL INFORMATION

FINANCIAL YEAR 31-Dec
ENDS

SUBJECT COMPANY KEY FINANCIAL DATA

NOTES Private companies are not required to publish or disclose balance sheets. The subject interviewed offered the following information:

CURRENCY	GEL	GEL	GEL	GEL
PERIOD ENDED	31/12/2018	31/12/2017	31/12/2016	31/12/2015
LENTH OF PERIOD	12	12	12	12
RELIABILITY LEVEL	projected	estimated	estimated	estimated
TURNOVER	15000000	12000000	9800000	6500000
NET PROFIT (LOSS)			1700000	
REMARKS	Net profit not given but stated to be 10% of the sales.			

PAYMENT INFORMATION

MODE OF PAYMENT	No complaints have been heard regarding payments from local suppliers or banks.
CREDIT OPINION	We consider it is acceptable to deal with subject.
SECTION REMARKS	It is normal accepted practice for international suppliers to deal on secured terms with the local buyers.

SPECIAL REMARKS

INTERVIEWED PERSON	Lika Davitashvili
REMARKS ON GIVEN NAME	The company name which you provided is incorrect. For the subject's correct registered name refer to "IDENTIFICATION" (COMMERCIAL NAME) section.
REMARKS ON GIVEN ADDRESS	The address given by you applies to subject's registered office address. For the subject's administrative office address refer to "PRINCIPAL PLACE OF BUSINESS" section.
NOTE	DESCRIPTION OF RELIABILITY LEVELS IN FINANCIAL INFORMATION SECTION: ACTUAL - Figures are acquired from official sources. ESTIMATED - Figures are acquired directly from subject company. PROJECTED - Figures are the assumptions of current/next financial period. MODELLED - Figures are derived from sector averages.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.55
UK Pound	1	INR 94.94
Euro	1	INR 84.40
GEL	1	INR 27.66

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

INFORMATION DETAILS

Analysis Done by :	NIS
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)