CREDITWORTHINESS RATING REPORT

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PREDUZEĆE ZA TRGOVINU I USLUGE WIR CON DOO BEOGRAD LEŠTANE

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Bisnode

AAA

Creditworthiness Rating

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Creditworthiness Rating

What is creditworthiness rating?

Creditworthiness rating is above-average rating value of entities - economic operators. It is based on the entities' financial statements for the last business year and forecasts the safety of operations in the next twelve months.

Companies with excellent solvency operate above average and it is less likely that their transaction account will be frozen next year. To get excellent solvency rating a company must meet the following quality standards.

- at least one employee
- must be older than 5 years
- total revenue needs to exceed 5 million RSD
- needs to have at least 1 million RSD capital
- net profit margin needs to be at least 2 %
- blocking of the entity's transaction accounts for more than 60 days without interruption or more than 90 days with interruption (< 0,8% probability).

There is a 82% probability that entities with AAA creditworthiness rating will maintain the creditworthiness rating also in the next year.

Certification has become an established practice in the international environment and a method for entities to further consolidate their reputation and trust in domestic and foreign business environment. The holders of a certificate thus gain additional trust of their business partners.

The Bisnode Group has a long-term tradition in granting certificates of rating excellence in the following 12 European countries: Sweden, Norway, Finland, Denmark, Germany, Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Poland, Czech Republic and Hungary. In the next years, certification will be carried out at the level of the entire group of 19 European countries in which Bisnode operates.

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Registration data

Company name:	PREDUZEĆE ZA TRGOVINU I USLUGE WIR CON DOO BEOGRAD LEŠTANE
Address:	KRUŽNI PUT 1-Ć, 11309 LEŠTANE
Activity:	G 4676 WHOLESALE OF OTHER INTERMEDIATE PRODUCTS
Legal status:	LIMITED LIABILITY COMPANY
Co. reg. no.:	06719325
Tax no.:	101386892
Date of entry:	1/20/1993
Size:	SMALL

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Balance sheet

Data in 1000 RSD	2011	2012	2013
ASSETS			
Fixed assets	1,170	1,178	903
Current assets	41,712	43,145	45,799
Supplies	26,976	25,616	26,030
Claims	N/A	8,050	7,505
Cash and cash equivalents	N/A	8,742	12,263
LIABILITIES			
Capital	42,326	44,277	42,588
Long-term provisions	0	0	0
Long-term liabilities	0	0	0
Short-term liabilities	N/A	0	2,800
Liabilities	N/A	46	2
The average number of employees	7	7	8

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Income Statement

Data in 1000 RSD	2011	2012	2013
Revenues from sales	N/A	92,194	88,383
Cost of goods, materials and services	0	66,791	65,440
Wages, salaries and other employee expenses	N/A	6,837	6,892
Write-offs	70	349	321
Operating profit (EBIT)	11,605	9,434	10,020
Operating profit (EBITDA)	N/A	9,713	10,341
Financial revenues	83,328	49	658
Financial expenses	187	4	25
Total revenues	83,328	92,243	89,041
Total expenditures	71,760	85,121	81,511
Net profit	10,390	6,395	6,205

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Indicators

	2011	2012	2013
Participation rate of capital	N/A	96,254.34	2,129,400.00
Current ratio	75.02	937.93	11.13
Debt service	N/A	0.09	0.10
Credit exposure from operations	N/A	0.09	0.08
Current assets turnover	N/A	N/A	0.33
Operating margin	13.95	10.23	11.34
Net return on assets	27.00	14.67	13.63
Net return on equity	27.37	14.77	14.29
Net profit margin	12.47	6.93	6.97
Share of fixed assets in assets	N/A	2,560.86	45,150.00
Share of current assets in assets	N/A	93,793.47	2,289,950.00

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Graphic analysis

Participation rate of liabilities
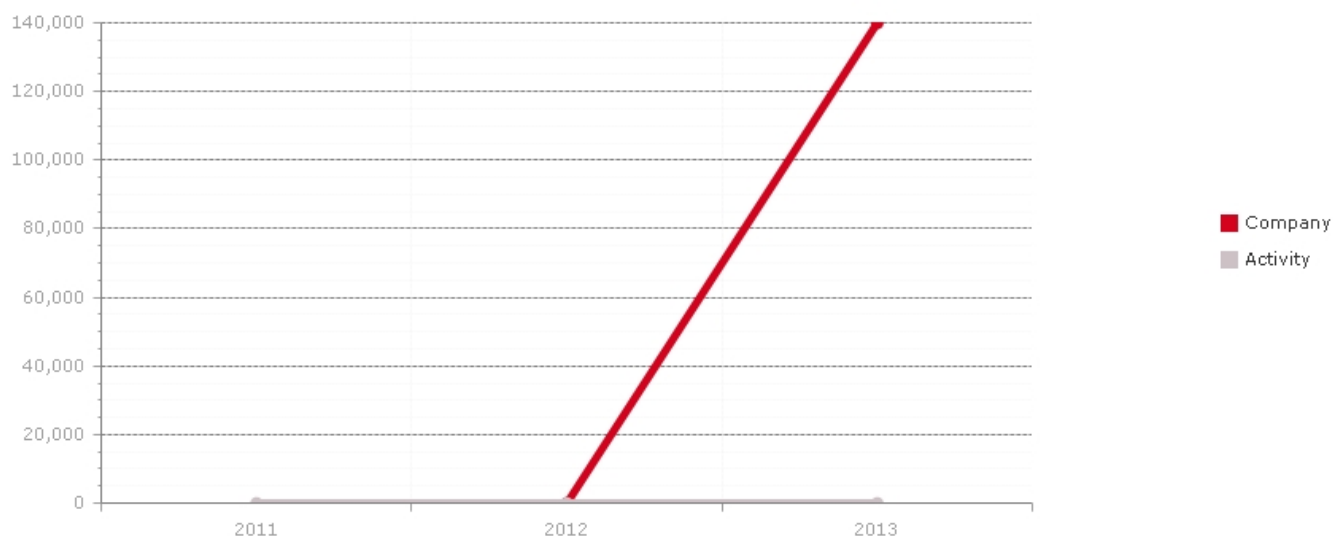
The participation rate of liabilities tells us the amount of assets financed by foreign capital. The higher the ratio, the better the company uses foreign sources for its financing (current and non-current liabilities). As a rule, foreign financing is cheaper than financing from own resources.
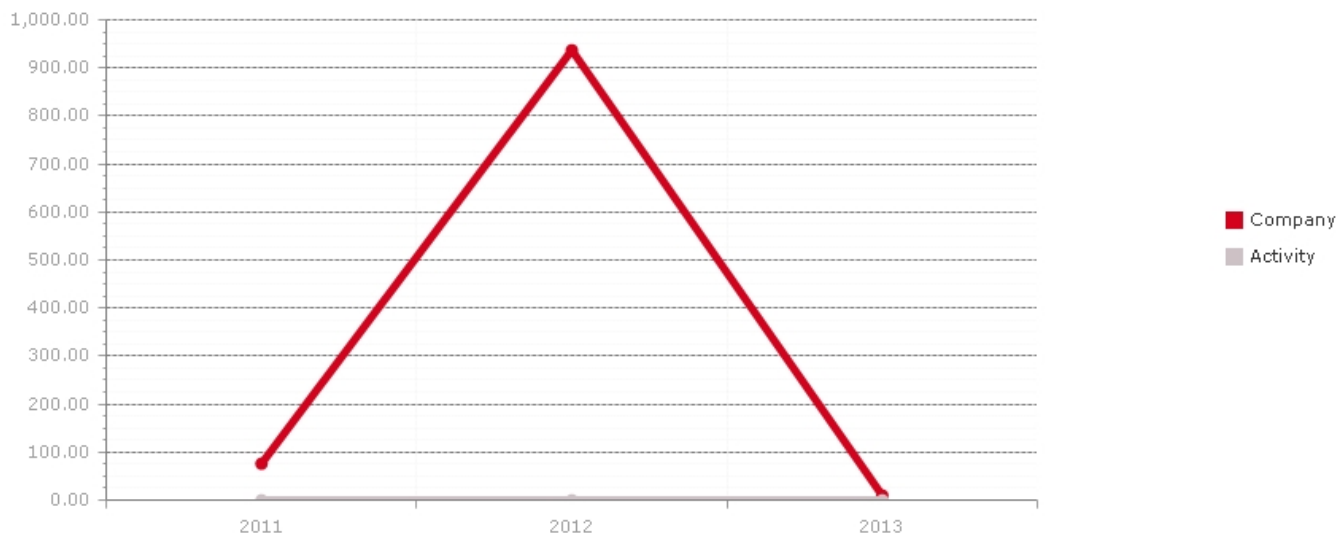
Calculation ratios

$$\text{Participation rate of liabilities} = \frac{\text{Financial and operating liabilities}}{\text{Liabilities}} \times 100$$

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Liquidity ratio

The liquidity ratio tells us the the coverage of current liabilities by current assets. The higher the value of the ratio, the easier it is for the company to settle its current liabilities. Liquidity is the company's ability to have at its disposal, within a short period of time, adequate liquid assets for timely payment of due liabilities.
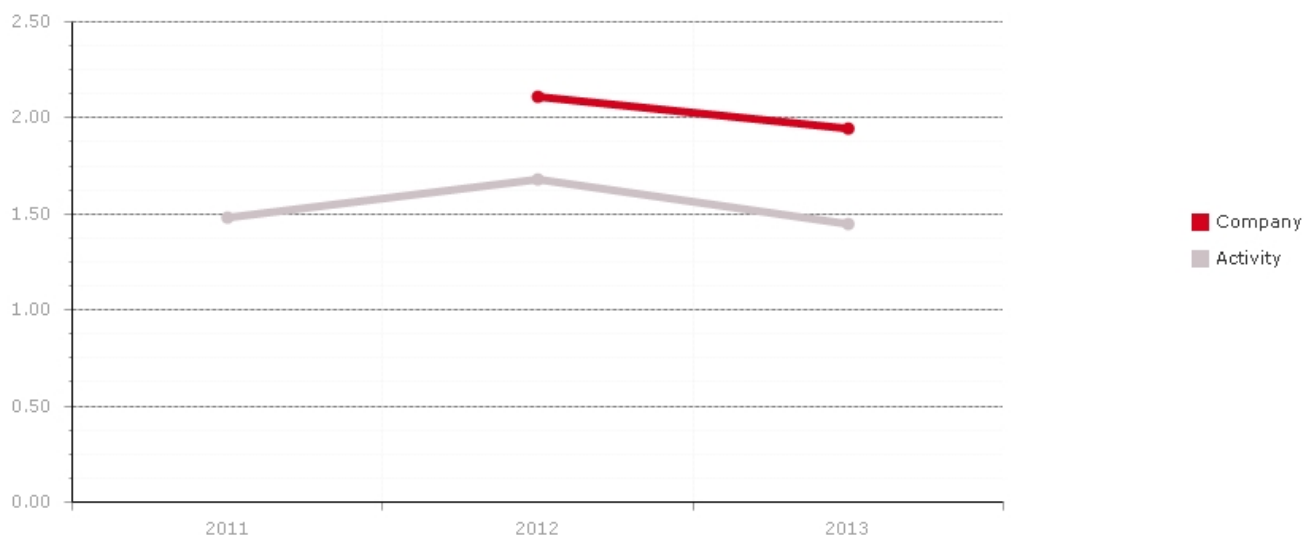
Calculation ratios

$$\text{Liquidity ratio (Quick ratio)} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

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Assets turnover ratio

The ratio measures the share of total revenues in assets and tells us the amount of total revenues generated by the company with the available assets. The higher the value of the ratio, the better the performance of the company and the shorter its turnover. The shorter the turnover, the better the liquidity of the company and the smaller the probability that it would experience liquidity problems. A shorter turnover means that assets require less time to be converted from non-liquid to liquid state.

Calculation ratios

$$\text{Assets turnover ratio} = \frac{\text{Total revenues (Sales)}}{(\text{Assets last year} + \text{Assets previous year}) / 2}$$

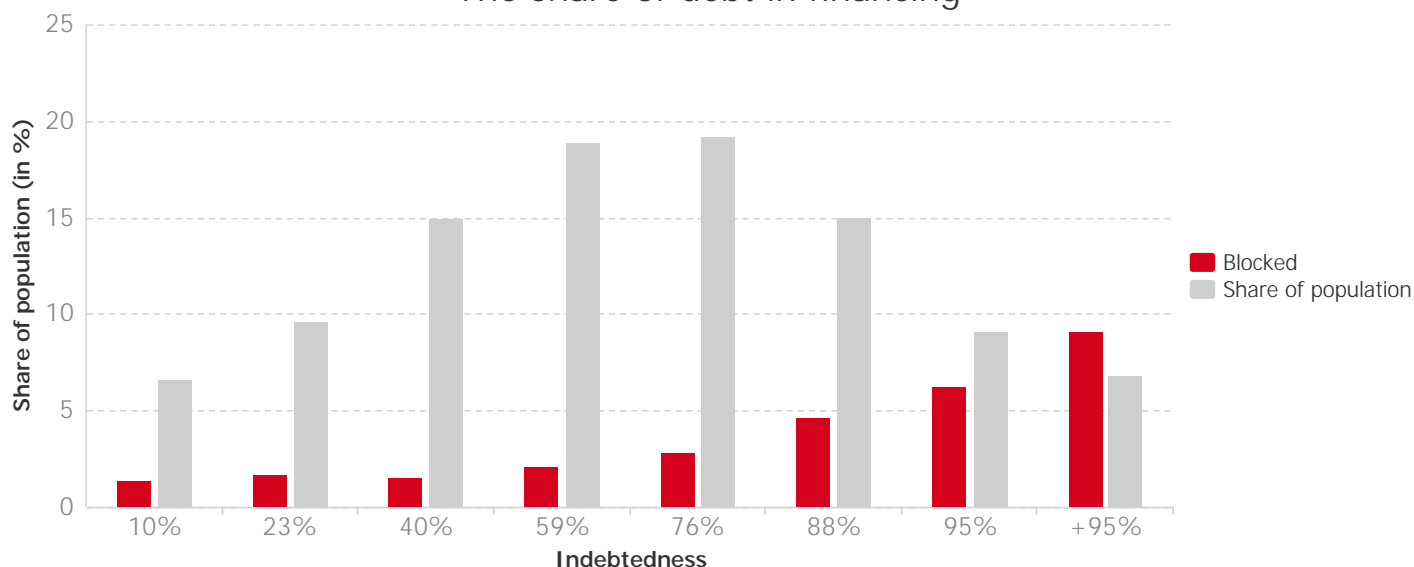AAA ®
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Methodology

The methodology for assessing creditworthiness rating is based on a combination of qualitative standards and statistical model. The analysis includes subjects with at least one employee, total revenues of at least RSD 1 million and a positive equity. Statistical model estimates the probability of blockage of the entity in the next year and a basis for assessing the creditworthiness rating. Final rating takes into account additional qualitative standards that are set for each rating level of creditworthiness.

The statistics of entity blockades in relation to a specific financial ratio represent a basis for preparing a statistical model.
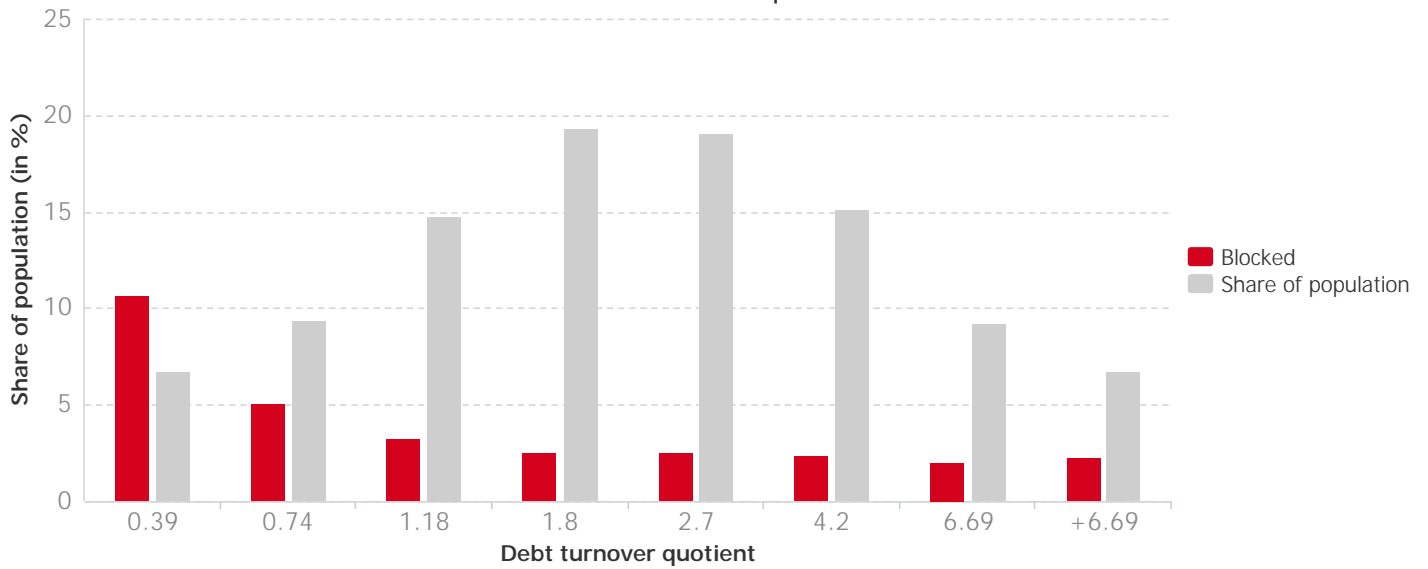
The share of debt in financing

Bar chart titled "The share of debt in financing". Y-axis: Share of population (in %), from 0 to 25. X-axis: Indebtedness, with categories 10%, 23%, 40%, 59%, 76%, 88%, 95%, +95%. Legend: Blocked (red), Share of population (grey).

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Debt turnover quotient

Chart — X-axis "Debt turnover quotient" with categories: 0.39, 0.74, 1.18, 1.8, 2.7, 4.2, 6.69, +6.69. Y-axis "Share of population (in %)" from 0 to 25. Legend: Blocked (red), Share of population (grey).

Credit exposure from operations

Chart — X-axis "Credit exposure from operations" with categories: N/A, 0%, 3%, 8%, 16%, 27%, 44%, 77%, +77%. Y-axis "Share of population (in %)" from 0 to 25. Legend: Blocked (red), Share of population (grey).

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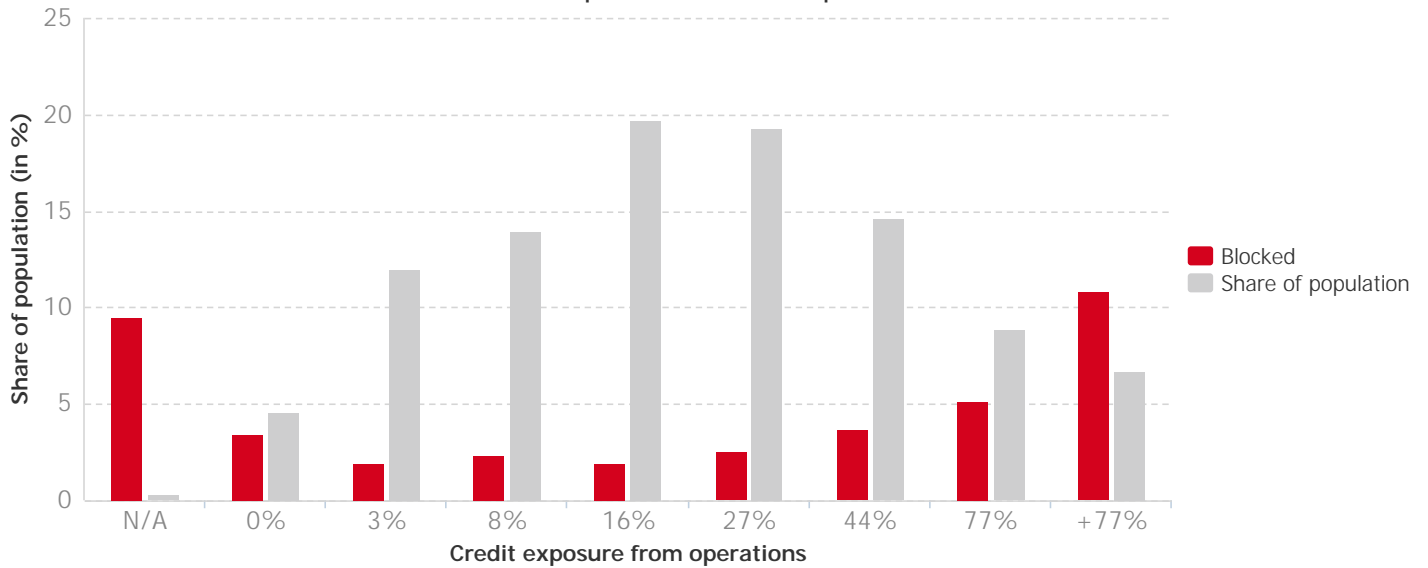
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Statistics

Comparison of the distribution of subjects with a creditworthiness rating and the population of entities that meet the criteria of at least one employee, at least 1 million RSD revenue, positive equity and no blockages in the previous year.

Comparison of size distribution of income shows that the AAA credit rating is dominated by companies with higher total revenues:

Comparison of distribution based on the income amount
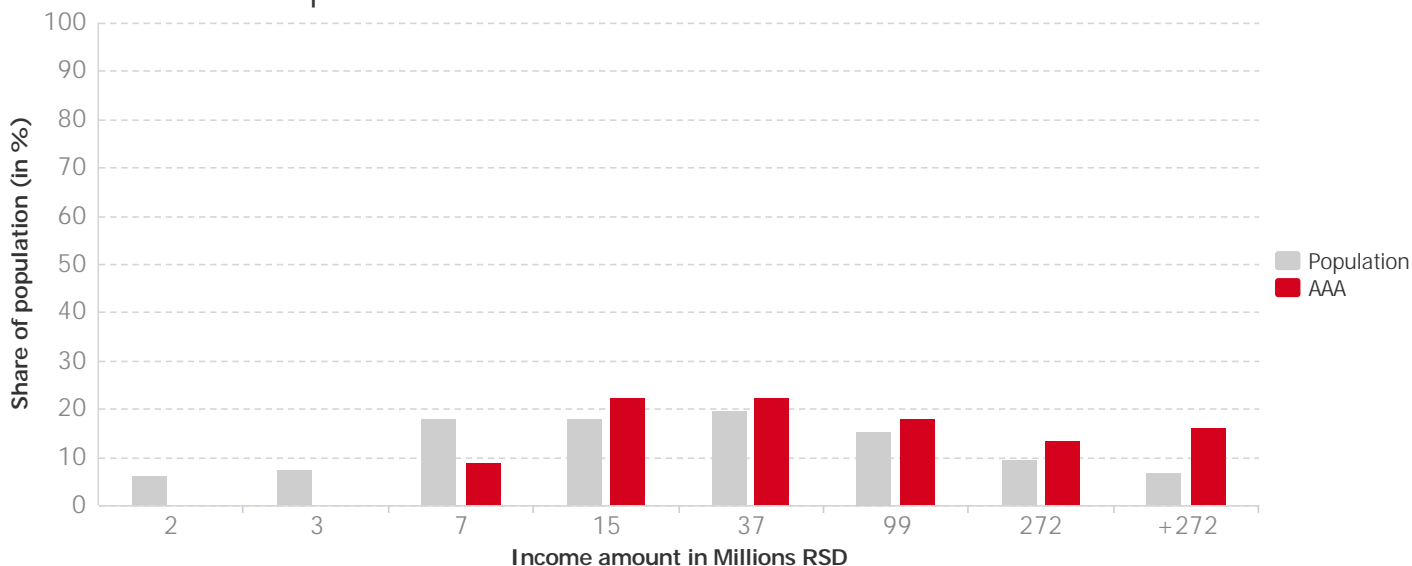
Distribution of the number of employees featured in the AAA creditworthiness rating is dominated by operators with a large number of employees:

Distribution by number of employees

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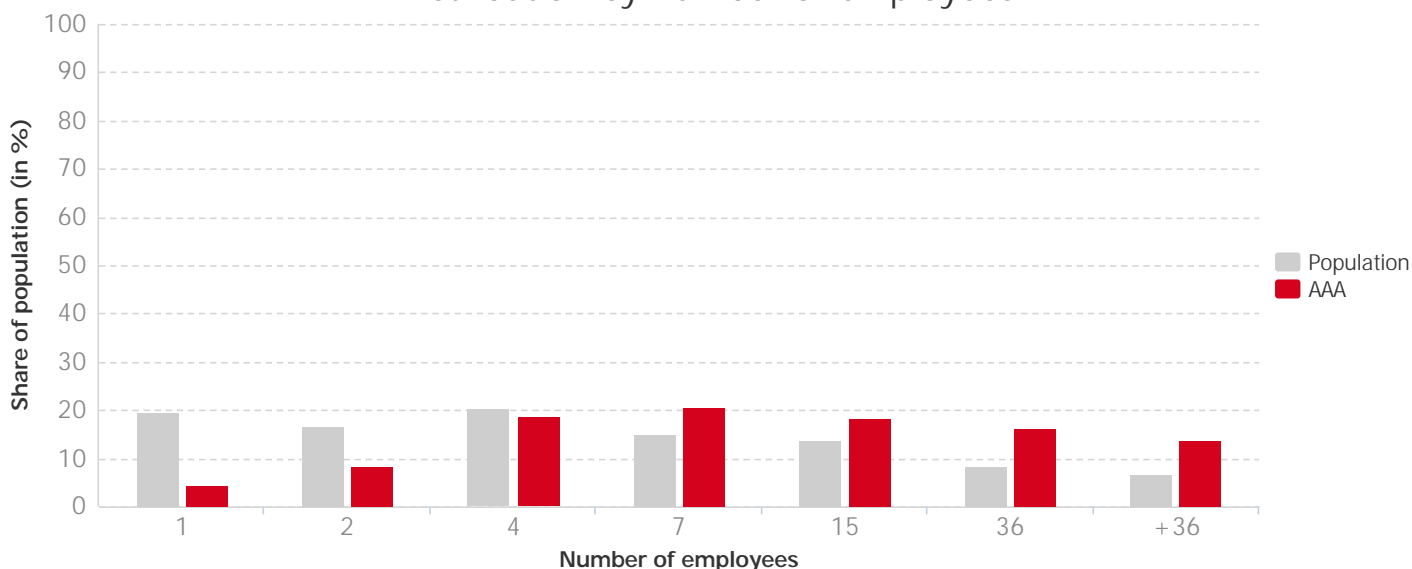
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Entities that have greater return on assets prevail in the AAA creditworthiness rating:

Distribution by return on assets (ROA)

Legend:
- Population (grey)
- AAA (red)

X-axis (Funds profitability): -10%, 1%, 6%, 17%, 37%, 78%, 130%, +130%
Y-axis (Share of population (in %)): 0 to 100

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About Bisnode

Bisnode d.o.o., is the leading provider of **digital** business information in the Serbian business sphere. Bisnode is part of the international group Bisnode AB, the largest European provider of business and credit rating information with the registered office in Stockholm, Sweden.

The company Bisnode Serbia is aware of the market needs. We develop business and information tools that can be used to make a comprehensive **assessment of market risk** and that of individual subjects. We meet the needs of the users for simple, up-to-date and user-friendly tools.

We have been a trustworthy partner for SMES and large companies, banks, insurance companies and leasing companies for 16 years. We participate in major business events. We are also the source of data for analyses and lists for business newspapers and magazines.

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