

Kyiv National University of Trade and Economics

Department of International Management

FINAL QUALIFICATION WORK

on the topic:

Efficiency of foreign economic (export, import) operations of EximCargoTrade LLC

2nd year students, 4th group
specialty 073 "Management"
specialization "Management
of foreign economic activity"

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Kyiv 2021

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ABSTRACT

Pantielieieva K. Efficiency of foreign economic (export, import) operations of EximCargoTrade LLC. - Manuscript.

Graduation qualification work of master's level of higher education in specialty 073 "Management of foreign economic activity" - KNTEU, Kyiv, 2021.

Work is devoted to a set of issues related to the effectiveness of foreign economic transactions of EximCargoTrade.

The main components of financial and foreign economic activity of the enterprise are analyzed, the main ways to improve the implementation of foreign economic operations at the enterprise are determined and, as a result, practical recommendations are developed to increase the efficiency of foreign economic operations of EximCargoTrade LLC. The expediency of implementation of the offered ways of increase of efficiency is analyzed.

Key words: *foreign trade operation, import, efficiency, analysis.*

INTRODUCTION

In the context of comprehensive globalization and internationalization, the foreign economic activity of the enterprise becomes an integral part of the modern economic system. Some companies see export activities as one of the ways to expand the market, import - as the creation of permanent contractual relations with foreign suppliers, international exhibition activities - as a way to promote the company in the global market and so on.

Export and import operations are the basis of foreign economic relations, they make up more than 90% of the total foreign trade of Ukrainian enterprises.

The relevance of the chosen research topic is the need for a comprehensive study of the order and features of export and import operations of the enterprise and identify ways to improve the efficiency of this activity. It is especially relevant for companies whose export and import activities are the main factor influencing the profitability of the company. Because the invention of ways to increase the efficiency of foreign economic operations of the enterprise is the key to the overall improvement of the financial condition of the enterprise, which, in turn, can positively affect the general situation of business in Ukraine.

The research is conducted on the materials of EximCargoTrade Limited Liability Company, which is one of the leaders in the supply of labware and laboratory equipment on the Ukrainian market. The vast majority of products the company imports due to the lack of production capacity of Ukrainian enterprises for the production of this type of product. Laboratory supplies and equipment are an integral part of the medical industry, which is one of the most important in the global COVID-19 pandemic. That is why the development of measures to improve the efficiency of foreign economic activity of the company is not only a means to increase profitability, but also an opportunity to offer Ukrainian consumers important products at affordable prices.

The purpose of the study is to develop a set of effective measures to increase the efficiency of foreign trade operations on the example of a typical import operation of EximCargoTrade LLC.

To achieve this goal, the following **tasks** were set:

- Analyze the financial and economic activity of EximCargoTrade LLC;
- Analyze the foreign economic activity of EximCargoTrade LLC;
- Investigate the effectiveness of foreign economic activity of EximCargoTrade LLC;
- Identify directions for improving the efficiency of foreign economic transactions of EximCargoTrade LLC;
- To develop a set of measures to increase the efficiency of foreign economic operations of EximCargoTrade LLC;
- To forecast the efficiency of foreign economic operations of EximCargoTrade LLC as a result of the implementation of the proposed measures.

The object of the study is practical ways to increase the efficiency of foreign economic operations of the enterprise on the example of the import operation of EximCargoTrade LLC.

The subject of the study is the development and implementation of a set of measures that will have direct positive affect for the efficiency of foreign economic operations on the example of typical import operations of EximCargoTrade LLC.

Scientific researches of such scientists as Tyurina N., Pedchenko G., Podolska V., Vlasyuk N. were used as a **theoretical basis** of research.

The **methodological basis** of the study was a set of general scientific and special methods of cognition.

Such general **scientific methods** as analysis and synthesis, scientific abstraction, system analysis, modeling and other special research methods were used in the development of measures to increase the efficiency of foreign economic operations of EximCargoTrade LLC.

The **empirical basis** of the study consisted of data from the company's financial statements, the company's official website, foreign trade contracts and more.

The **legal basis** of the study consisted of international and national regulations in the field of foreign economic activity, including the Customs Code of Ukraine, the Tax Code of Ukraine, the Law of Ukraine "On Foreign Economic Activity" etc.



CHAPTER 1. RESEARCH OF THE MECHANISM OF ORGANIZATION OF FOREIGN ECONOMIC ACTIVITY OF EXIMCARGOTRADE LLC

1.1. Analysis of financial and economic activity of EximCargoTrade LLC

Limited Liability Company "EximCargoTrade" (ECT LLC abbreviated) was registered on January 14, 2009 at the legal address: Ukraine, 03115, Kiev, Pobedy Avenue, 136, room 34. The director of the enterprise was Irina Morozova, but from August 11, 2021 Serhii Buchnev became the director of the enterprise after making changes to the organizational structure [1].

The main activity of the company, according to the Ukrainian Classifier of Economic Activities, is non-specialized wholesale [2]. Among other activities - the production of pharmaceuticals, the production of plastic packaging for goods, the production and processing of other glass products, including technical, the production of other technical ceramic products, the production of instruments and devices for measuring, testing and navigation, the activities of agents specializing in the trade of certain types goods, etc. [1]

The full list of activities of EximCargoTrade LLC, as well as other legal information, can be found in the company's legal dossier in Annex A.

An analysis of the financial and economic activities of the company was carried out to conduct an internal assessment of the company, its financial position, as well as the position on the marker. As a basis for calculations, data were taken from the Balance Sheet and the Financial Result Report of the enterprise from 2016 to 2020, which are presented in Annex B.

The results of calculations of the absolute deviation of Balance Sheet items in the "Asset" section (in short form) in the period 2016-2020 is shown in Annex C (Table C.1) [3, p.128].

Based on the calculations above, we can find the following conclusions:

- in the period 2016-2017 the largest increase was shown by the item "Accounts receivable by internal settlements" - by UAH 44 355 thousand, the smallest increase inherent in such an item as "Prepaid expenses" - by UAH 2 982 thousand;

- in the period 2017-2018 the largest increase was shown by the item "Accounts receivable for goods, works, services" - by UAH 20 895 thousand, the smallest increase inherent in such an item as "Accounts receivable by internal settlements" - by UAH 44 345 thousand;

- in the period 2018-2019 the largest increase was shown by the item "Current assets" - by UAH 39 396 thousand, the smallest growth characteristic of such an item as "fixed assets - demolition" - by UAH 591 thousand;

- in the period 2019-2020 the largest increase was shown by the article "Finished products" - by UAH 13 771 thousand, the smallest increase characteristic of such an item as "Accounts receivable for goods, works, services - net realizable value" - by UAH 31 231 thousand.

If we analyze the relative indicators of dynamics, then the most vividly changes are demonstrated by such an indicator as the growth rate. The calculation of this indicator for balance sheet items in the "Asset" section is also indicated in Annex C (Table C.1).

Based on the calculations above, we can draw the following conclusions:

- in the period 2016-2017 the highest positive growth rate is characteristic of the item "Other current accounts receivable" - 5700%, the highest negative growth rate is characteristic of the item "Accounts receivable under settlements with the budget" - 100%;

- in the period 2017-2018 the highest positive growth rate is characteristic of the item "Accounts receivable for goods, work, services" - 62%, the highest negative growth rate is characteristic of the item "Accounts receivable for internal settlements", as well as "Other current accounts receivable" - 100%;

- in the period 2018-2019 the highest positive growth rate is characteristic of the item "Other current receivables" - 82,600%, the highest negative growth rate is characteristic of the item "Intangible assets - residual value" - 38%;

- in the period 2019-2020 the highest positive growth rate is characteristic of the item "Finished goods" - 200%, the highest negative growth rate is characteristic of the item "Other current receivables" - 94%.

Similarly, the corresponding indicators were calculated for the "Liability" section in the balance sheet of EximCargoTrade LLC, which can also be found in Annex C (Table C.2) [3, p. 128].

Based on the calculations given in the Annex C (Table C.2), we can draw the following conclusions:

- in the period 2016-2017 the largest increase was shown by the item "Current obligations under settlements with the budget" - by UAH 44 443 thousand, the smallest increase inherent in such an item as "Prepaid expenses" - by UAH 13 880 thousand;

- in the period 2017-2018 the largest increase was shown by the item "Other long-term financial liabilities" - by UAH 11 655 thousand, the smallest increase inherent in such an item as "current liabilities for settlements with the budget" - by UAH 44 437 thousand;

- in the period 2018-2019 the largest increase was shown by the item "Long-term liabilities" - by UAH 43 348 thousand, the smallest increase inherent in such an item as "short-term loans from banks" - by UAH 11 042 thousand;

- in the period 2019-2020 the largest increase was shown by the item "Current liabilities" - by UAH 42 574 thousand, the smallest increase inherent in such an item as "Long-term liabilities" - by UAH 55 013 thousand.

Based on the calculations of the relative indicators of dynamics, also given in Annex C (Table C.2), we can draw the following conclusions [3, p. 191]:

- in the period 2016-2017 the highest positive growth rate is characteristic of the item "Current liabilities for settlements with the budget" - 634,900%, the largest negative growth rate is typical for the item "Long-term bank loans", as well as "Other current liabilities" - 100%;

- in the period 2017-2018 the highest positive growth rate is characteristic of the item "Accounts payable for goods, work, services" - 88%, the highest negative growth rate is characteristic of the item "Current settlement obligations" - 100%;

- in the period 2018-2019 the highest positive growth rate is characteristic of the item "Long-term liabilities" - 93%, the highest negative growth rate is characteristic of the item "Short-term bank loans" - 100%;

- in the period 2019-2020 the highest positive growth rate is characteristic of the item "Other current liabilities" - 540%, the highest negative growth rate is characteristic of the item "Long-term bank loans" - 100%.

Changes in relation to the Financial Result Report were also analyzed. Calculations of absolute growth are shown in Annex C (Table C.3).

Based on the calculations given in the Appendix C.3, we can draw the following conclusions:

- in the period 2016-2017 the greatest increase was shown by the item "Other financial income" - by UAH 44 197 thousand, the smallest increase characteristic of such an item as "cost of sales of products" - by UAH 31 016 thousand;

- in the period 2017-2018 the greatest increase was shown by the item "Elements of operating costs" - by UAH 126 405 thousand, the smallest increase inherent in such an item as "Other operating costs" - by UAH 71 233 thousand;

- in the period 2018-2019 the largest increase was shown by the item "Other operating expenses" - by UAH 48 908 thousand, the smallest increase inherent in such an item as "Other operating income" - by UAH 64 775 thousand;

- in the period 2019-2020 the largest increase was shown by the item "Cost of sales of products" - by UAH 93 208 thousand, the smallest increase inherent in such an item as "income from sales of products" - by UAH 116 452 thousand.

Also, calculations were made of the relative indicators of the dynamics, namely the growth rate. The following results were obtained [3, p. 191]:

- in the period 2016-2017 the highest positive growth rate is characteristic of the item "Other financial income" - 883940%, the highest negative growth rate is characteristic of the item "Other operating costs" - 87%;

- in the period 2017-2018 the highest positive growth rate is typical for the item "Other costs" - 21102%, the highest negative growth rate is typical for the item "Other financial income" - 100%;

- in the period 2018-2019 the highest positive growth rate is characteristic of the “Net profit” item - 477%, the highest negative growth rate is characteristic of the “Other income” item, as well as “Other costs” - 100%;

- in the period 2019-2020. the highest positive growth rate is characteristic of the item "Other income" - 167%, the highest negative growth rate is characteristic of the item "Other costs" - 100%.

At the next stage of assessing the indicators of financial and economic activity of LLC "EximCargoTrade", the indicators of business activity were analyzed [4-6]. They are shown in Table 1.1.

Table 1.1 - The results of calculating the main indicators of business activity of LLC EximCargoTrade in 2016-2020 [4-6]

Indicators	2016	2017	2018	2019	2020
<i>Solvency indicators</i>					
Ratio of urgent (absolute) liquidity	0,028	0,044	0,028	0,028	0,012
Overall coverage ratio	3,302	2,493	2,475	3,302	1,343
Intermediate coverage ratio	3,211	2,421	2,415	3,211	1,299
<i>State and structure of capital indicators</i>					
Ratio of provision with own circulating assets	-	-	-	-	-
	0,024	0,076	0,045	0,024	0,015
Ratio of financial autonomy	0,008	0,015	0,012	0,008	0,015
Debt ratio	0,992	0,985	0,988	0,992	0,985
Debt coverage ratio	0,008	0,015	0,012	0,008	0,016
Current debt ratio	0,267	0,355	0,373	0,267	0,683
Coefficient of maneuverability of equity capital	-	-	-	-	-
	2,779	4,478	3,378	2,779	0,868
<i>Indicators of turnover</i>					
The turnover of current assets	2,319	2,902	3,469	2,808	1,404
Stock turnover	-	-	-	-	-
	70,884	92,121	116,299	89,714	37,013
The turnover of accounts receivable	71,365	6,195	9,128	136,299	58,247
Duration of the operating cycle (days)	0,034	54,200	36,345	1,372	3,546
The turnover of accounts payable	6,514	10,732	14,134	8,548	3,610
Duration of the financial cycle (days).	-	-	-	-	-
	55,297	20,656	10,874	43,488	103,267
Productivity (turnover) of assets	2,028	2,535	3,106	2,495	1,246
<i>Profitability indicators</i>					
Profitability of assets	0,10%	0,18%	0,03%	0,13%	0,27%
Profitability of fixed assets	3,62%	3,26%	0,52%	3,37%	9,33%
Profitability of current assets	0,12%	0,20%	0,04%	0,14%	0,30%
Profitability of equity (loss ratio)	13,69%	15,94%	2,54%	13,71%	23,70%
Profitability of borrowed capital	0,10%	0,18%	0,03%	0,13%	0,27%
Profitability of turnover	0,05%	0,07%	0,01%	0,05%	0,21%

Based on the analysis, the following conclusions can be drawn about the business activity of EximCargoTrade LLC:

Solvency indicators:

- **Ratio of urgent (absolute) liquidity.** The normative value of the indicator is 0.2-1. Calculations show that in the period from 2016 to 2020 the value did not fall within the scope of the norm, which indicates that the company is inefficiently using available funds [4].
- **Overall coverage ratio.** The normative value is 1.0-3.0. As a result of calculations, we can see that in 2016 and 2019 the indicator went beyond the normative values. This suggests that there are too many circulating assets and they are idle. The company uses its own working capital ineffectively. At other times - in the period 2017-2018, as well as in 2020, the company uses its own working capital efficiently [4].
- **Intermediate coverage ratio.** The normative value is 0.7 - 0.8. As we can see, in the period 2016-2020. the value is significantly higher than the norm. This suggests that the circulating assets in their most liquid form are distributed ineffectively, there is a significant surplus of unused circulating assets [4].

Indicators of the state and structure of capital.

- **Ratio of provision with own circulating assets.** The standard value is 0.3-0.4. The company's indicator is significantly below the specified range in the period 2016-2020, which suggests that non-current assets are formed at the expense of debt, and not equity [5].
- **Ratio of financial autonomy.** The standard value is not less than 0.5. In the period 2016-2020. the indicator shows the part of equity in the context of the total capital of the enterprise. The fact that the values of this ratio are significantly lower than the standard indicates a decrease in the financial stability of the company [5].
- **Debt ratio.** The standard value is no more than 0.5. This indicator dismantles the share of debt in relation to the capital of the enterprise. In the period 2016-2020 this coefficient is higher than the standard, which also indicates a decrease in the financial stability of the enterprise [5].
- **Debt coverage ratio.** The standard value is 1-1.5. The indicator demonstrates the availability of own funds per unit of liabilities. During the calculation period, this ratio

was significantly lower than the standard. This suggests that the company will not be able to ensure the return of funds to creditors [5].

- **Current debt ratio.** This indicator allows you to estimate the share of short-term debt in relation to the total debt capital ratio. And we can conclude that short-term debt was around 20% -60% [5].

- **Coefficient of maneuverability of equity capital.** The indicator allows you to see the share of capital that is in circulation. The standard value is more than 0.5. As we can see from the calculations, the indicator has a negative value, which means that the company is not flexible in using its own funds [5].

Indicators of turnover:

- **The turnover of current assets.** The indicator allows you to assess the productivity of using current assets. As we see in the period 2016-2020. this indicator is growing, which indicates the efficiency of the use of working capital by the company [4].

- **Stock turnover.** This indicator is necessary to assess the rate of inventory turnover. For EximCargoTrade LLC the coefficient is growing in dynamics, which indicates that the turnover of inventory items is accelerating [4].

- **The turnover of accounts receivable.** Assessment of the rate of turnover of receivables. Until 2020, we can observe an increase in the indicator, but then - a significant drop in the value of the indicator. This suggests that in the period 2016-2019. the rate of accounts receivable turnover was growing, but in 2020 it dropped significantly - by 57% [4].

- **Duration of the operating cycle (days).** Shows the length of the operating cycle. In dynamics, we can trace the decrease in the length of the operating cycle in the period 2016-2020, which positively characterizes the operating activities of the company [4].

- **The turnover of accounts payable.** Shows the average time to pay off accounts payable. This indicator in the period 2016 - 2020. decreases, which indicates that the partners are lending to the company on more favorable terms [4].

- **Duration of the financial cycle (days).** Shows how long it takes an enterprise to release funds. The indicator is decreasing in dynamics. This is a positive trend, as it indicates that funds are being released faster [4].

- **Productivity (turnover) of assets.** It characterizes the ability of assets to produce a certain volume of products. The indicator decreases in the period 2016-2020, which indicates that the company is reducing its efficiency in the use of assets. Despite the fact that the turnover of working capital is very high, there is a significant imbalance in the work of non-working capital [4].

Profitability indicators:

- **Profitability of assets.** Shows the effectiveness of asset management. The indicator grows in the period 2016-2020, which indicates that the company is increasing the amount of income from assets. But the indicator itself is quite low, which suggests that the amount of income that the company generates from its assets is insignificant [6].

- **Profitability of fixed assets.** Shows the efficiency of non-current assets management. The indicator in 2016-2018 was negative, which indicated that non-current assets brought losses to the company, but in the period 2018-2020 the situation is improving, the indicator is growing in dynamics and this is an extremely positive trend [6].

- **Profitability of current assets.** Shows the effectiveness of working capital management. In the period 2016-2020, the ratio is quite low, which suggests that the company generates a small amount of income from its working capital [6].

- **Profitability of equity (loss ratio).** Shows the level of income earning from equity. The indicator in 2016-2020 varies unevenly. But in general, it shows an upward trend, which positively characterizes the company's ability to generate income from its equity capital [6].

- **Profitability of borrowed capital.** Shows the level of income from debt capital. The indicator in 2016-2020 grows slightly, and the indicator value is very low, which indicates that the company receives a small amount of income from short-term or long-term debt [6].

- **Profitability of turnover.** Shows the overall level of profitability of the company's business. As we can see, the value of the indicator is growing, but the value itself is minimal. This suggests that the company is making a small profit. But it is profitable [6].

To assess the financial and economic condition of EximCargoTrade LLC, an analysis of the dynamics of the company's assets and liabilities, as well as Financial

Result Report was carried out. In the course of this analysis, we see that in the period 2016-2020 the company is actively lending and in order to increase the number of current assets applies for long-term bank loans. Also, when analyzing the company's receivables, we see that the company's partners (for example, logistics companies and certification centers) over the years of cooperation allow EximCargoTrade LLC to work on a deferred payment basis, which increases the company's accounts receivable.

As for the financial results of the company and their changes, the net profit has been growing already during 2018-2020. Also, when analyzing other articles of the report, we see that other financial incomes of the company are increasing. This is a positive trend, which can be explained by changes in the organizational structure of the enterprise, as well as the specific financial period due to the COVID-19 pandemic.

The analysis of indicators of business activity of LLC "EximCargoTrade" in 2016-2020 was carried out for a deeper and more detailed analysis of the financial condition of the enterprise. It turned out that there is a certain surplus of working capital, which indicates that the financial system of the enterprise is not efficient enough. In addition, the bulk of the working capital is formed not at the expense of capital, but at the expense of debt. The enterprise is profitable, but its profitability ratio is rather low.

Based on these data, we can draw the following conclusion: at the moment, the financial position of LLC "EximCargoTrade" is relatively stable, the company generates a small amount of profit from its assets and liabilities. But for a more efficient operation of the company, a deep revision of the financial system is required.

1.2. Analysis of foreign economic activity of EximCargoTrade LLC

EximCargoTrade LLC is one of the leaders in the domestic market of labware and equipment, as well as an active participant in foreign trade operations in accordance with the Law of Ukraine "On Foreign Economic Activity" [7].

The company has been engaged in foreign economic activity since its registration. Most of goods sold on the Ukrainian market are imported, which will be discussed in more detail below [8].

As for export activities, it is not a specialization of the enterprise. EximCargoTrade LLC has an exporter's license but does not perform this type of transaction regularly. For demonstration it is necessary to address to fig. 1.1, which shows a comparison of exports and imports of EximCargoTrade LLC in 2020.

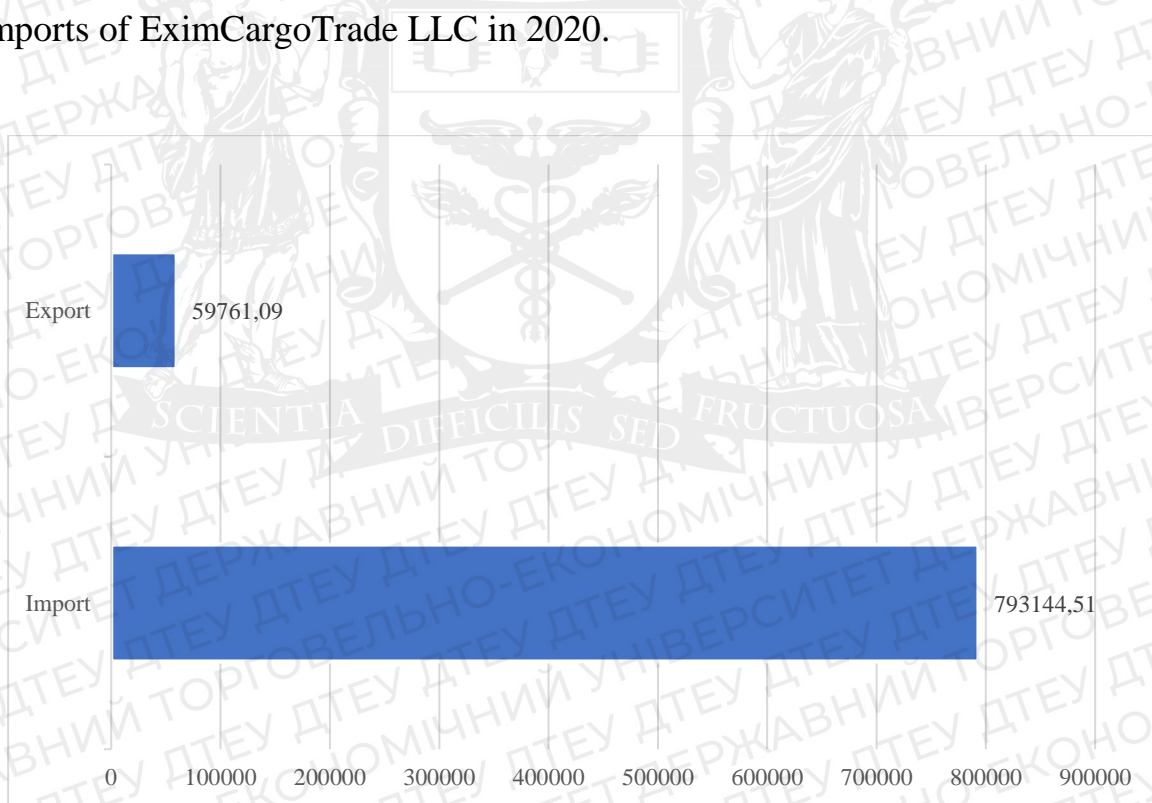


Fig. 1.1. – Comparison of exports and imports of LLC "EximCargoTrade" in 2020 (US dollars) [9]

Thus, we see that in 2020 the company imported 793 144.51 US dollars, while it exported 59 761.09 US dollars, which is 93% less. At the same time, only one type of

product was exported - means of protection / combat COVID-19, and China became the country of import.

At the beginning of 2020 in China, which is at the same time the main import country and an important trading partner for EximCargoTrade LLC, there was a significant shortage of products used to counter COVID-19 - masks, laboratory equipment for PCR tests, non-contact thermometers. At that time, domestic production of these goods could not meet domestic demand and some groups were purchased by China abroad. Such single operations became the main export of EximCargoTrade LLC in 2020 [6].

It is impossible to compare the company's exports in the period 2016-2019, because the company did not carry out export activities in those years.

Regarding imports, about 90% of the products sold by EximCargoTrade LLC on the Ukrainian market are imported [8]. The company's import by different product groups in the period 2016-2020 is shown in table. 1.2.

Table 1.2 - Import of EximCargoTrade LLC in 2016-2020 by main product groups (US dollars) [3, p. 128, 191]

Product group	2016	2017	2018	2019	2020
Labware	205367,75	229842,64	270774,06	263201,95	213117,92
Laboratory equipment and accessories	27846,04	32698,4	30482,94	43533,33	82724,97
Means of protection / combat COVID-19	0	0	0	0	377616,1
Dyes and clinical biochemistry	1983,6	1758,61	2036,64	2766,33	6662,41
Reagents and mediums	276,2	0	0	327,59	951,77
Measuring instruments and metrological equipment	15291,47	29658,07	27010,6	46044,8	76062,55
Meteorological instruments	326,41	4113,38	3572,48	8117	36008,76
Educational equipment	0	0	0	0	0
Total	251091,52	298071,12	333876,77	363991,09	793144,51

The Table 1.3 shows the distribution by product groups used directly by EximCargoTrade LLC and presented on the official website of the company [8].

For a clearer presentation in table 1.3 you can find the author's calculations of the dynamics of imports by product groups in the period 2016-2020.

Table 1.3 - The results of the calculation of indicators of import dynamics of EximCargoTrade LLC in 2016-2020 by main product groups (US dollars) [3, p. 128, 191]

Product group	Absolute deviation				Growth rate			
	2016-2017	2017-2018	2018-2019	2019-2020	2016-2017	2017-2018	2018-2019	2019-2020
Labware	24474,89	40931,42	-7572,11	-50084,03	12%	18%	-3%	-19%
Laboratory equipment and accessories	4852,36	-2215,46	13050,39	39191,64	17%	-7%	43%	90%
Means of protection / combat COVID-19	0	0	0	377616,1				100%
Dyes and clinical biochemistry	-224,99	278,03	729,69	3896,08	-11%	16%	36%	141%
Reagents and mediums	-276,2	0	327,59	624,18	-100%			191%
Measuring instruments and metrological equipment	14366,6	-2647,47	19034,2	30017,75	94%	-9%	70%	65%
Meteorological instruments	3786,97	-540,9	4544,52	27891,76	1160%	-13%	127%	344%
Educational equipment	0	0	0	0				
Total	46979,6	35805,65	30114,32	429153,42	19%	12%	9%	118%

Thus, we see that in 2017, imports increased by 19%, or 46 979.6 US dollars compared to 2016, a particularly rapid growth was observed in the group "Meteorological Instruments" - by 1160%. This increase can be explained by the fact that since 2017 the company is more active in purchasing goods abroad, rather than in the domestic market. We can see a negative increase for the group "Reagents and Mediums". In general, EximCargoTrade LLC buys this group of goods on the domestic market, but in 2017 the company purchased a consignment of goods abroad [8].

In 2018, imports increased by 12% or 35,805.65 US dollars compared to 2017. The largest increase was shown by the group "Labware" - 18%, due to increased demand in the domestic market, the least - "Meteorological instruments". In general, meteorological equipment is purchased under major tenders, which were not typical for 2018. In 2019, imports increased by 9% or by 30,114.32 US dollars. The largest increase is characteristic of the group "Meteorological devices" - 127%, the smallest - for the group "Labware" - -3%. In 2020, the increase in imports is significant - 118% or 429,153.42 US dollars, which is due to the emergence of a new product group for the company - "Means of protection / combat COVID-19". Despite the fact that the largest relative increase is characteristic

of the group "Meteorological devices", in absolute terms it is the group "Means of protection / combat COVID-19" is the most significant - 377,616 US dollars. Negative increase is typical for the group "Labware" - -19%. This is primarily due to the restructuring of the product group itself. For example, a product that previously belonged to the group "Labware" - Eppendorf test tube, is generally used in general laboratory activities. But from 2020, this product is used for PCR testing in Ukraine, which, accordingly, significantly affected the price of the product and moved to the product group "Means of protection / combat COVID-19".

Regarding the commodity structure of the company's imports, Fig. 1.2 shows the distribution of imports in 2020 by product groups of EximCargoTrade LLC [8, 9].

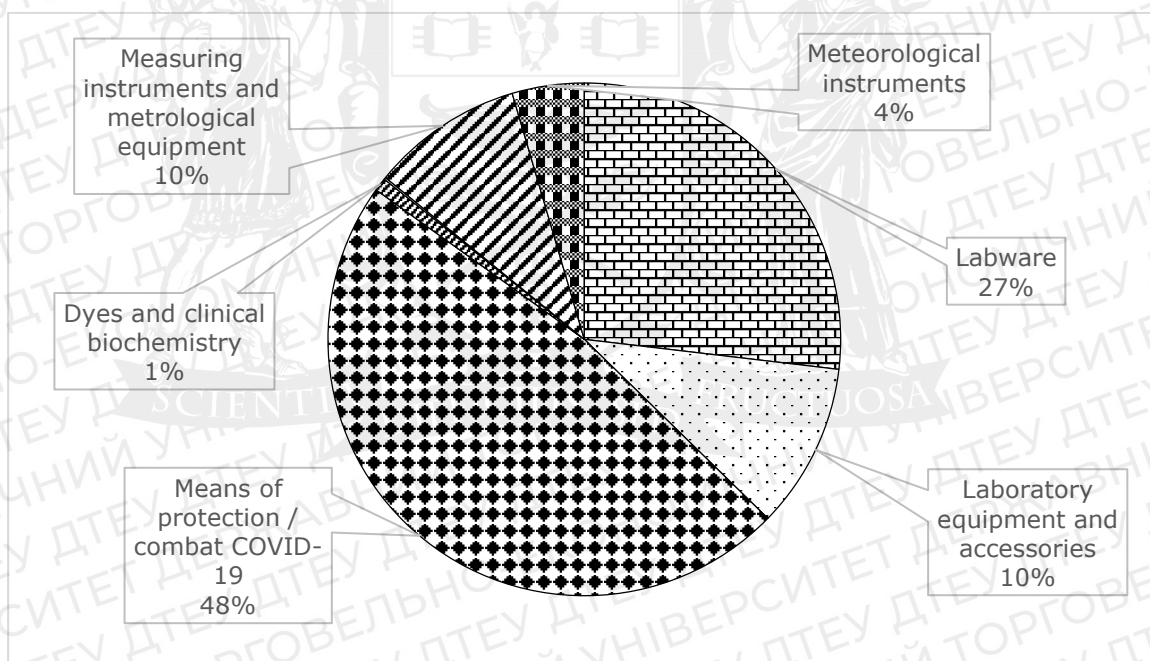


Fig. 1.2 – Commodity structure of the imports of EximCargoTrade LLC in 2020
[9]

Thus, we see that the largest share falls on the group "Means of protection / combat COVID-19" - 48%, followed by the main type of product of the company - "Labware". The smallest share is occupied by the group "Dyes and clinical biochemistry".

Regarding the geographical structure of the company's imports, Table 1.4 presents the calculation of the structure of imports of EximCargoTrade LLC by countries in 2020.

Table 1.4 – Geographical structure of EximCargoTrade LLC import in 2016-2020 (US dollars) [9]

Country	Amount of import	Structure
China	734451,82	93%
Germany	34977,67	4%
India	6900,36	1%
Italy	16814,66	2%
TOTAL	793144,51	100%

We can see that the company mainly cooperates with partners from 4 countries - China, Germany, India, Italy. The largest share in the structure is occupied by China – 734 451.82 US dollars or 93. Main group of import are laboratory utensils and equipment, means of protection / combat COVID-19, measuring instruments and meteorological accessories. About 4% or 34 977.67 US dollars in the structure of imports is occupied by Germany. From this country the company imports measuring instruments and meteorological accessories. 2% if the share of Italy. The main type of goods imported by EximCargoTrade LLC - means of protection / combat COVID-19. India has 1%. The main product groups imported by the company are dyes and clinical biochemistry.

The vast majority of the company's import operations were carried out on the terms of FOB, FCA, CPT Incoterms-2010 [10]. EximCargoTrade LLC also has other partners in the field of international transportation. These are mainly international logistics companies with a representative office in Ukraine. The partners assist the company in customs clearance in the exporting country, loading on the transport mean, international transportation, cargo insurance, unloading in Ukraine. EximCargoTrade LLC uses all types of transport available for international transportation - sea, rail, aviation, road for foreign trade operations.

The company also has its own customs broker for customs clearance in Ukraine. EximCargoTrade LLC cooperates with the Chamber of Commerce of Ukraine, the State Service of Ukraine for Medicines and Drug Control and other government agencies to issue various permits, certificates of origin, etc. [11-12]

Thus, we can see that the main among the foreign trade operations of EximCargoTrade LLC are import. In the period 2016-2020, the company significantly

increases the pace of import activity. The system of import activities which the company is represented on the market for 12 years is quite well established - the company has long-term cooperation with foreign suppliers from China, Germany, Italy and India, as well as partners in Ukraine who help support the company's foreign trade. companies, customs brokers, government agencies of Ukraine.

1.3. Research of efficiency of foreign economic operations of EximCargoTrade LLC

As we can see, EximCargoTrade LLC is active participant in foreign economic activity. But in order to determine whether such activities are appropriate in modern conditions it is necessary to calculate the efficiency of the company's import activities. To determine the efficiency of the company's import activities, it is proposed to consider a typical for the company foreign trade operation - the supply of laboratory glassware and plasticware [8]. Import operations of EximCargoTrade LLC can be divided into two groups: regular and irregular. For a deeper understanding, a classification of typical operations of EximCargoTrade LLC was developed in the table 1.5.

Table 1.5 — Classification of typical import operations of EximCargoTrade LLC [7, 13-15]

The name of the import operation		Characteristic	Paculiarities
Regular		Carried out regularly, scheduled, 1 time for a certain period of time (1 time per year / six months)	<ul style="list-style-type: none"> - a large number of product items in the order; - goods with low invoice value per unit (up to 1 dollar / unit); - a significant period of time for the operation (usually six months, a year); - long production time; - delivery by sea.
Irregular	Urgent	Carried out unscheduled, urgently, for a specific client / request in the domestic market	<ul style="list-style-type: none"> - 1-2 product items in the order; - goods with high invoice value; - a short period of time for the operation (up to 14 days); - short production time; - delivery by air.

Continuation of table 1.5

Irregular	Planned	Carried out planned and not urgently, usually small orders for the customer or the introduction of a new product in the market	<ul style="list-style-type: none"> - 2-10 product items in the order; - goods with different value at the invoice; - the average period of time for the operation (from one month to six months); - long term of production of goods; - delivery by sea or rail.
	Tender	Carried out in accordance with the terms of the tender order	<ul style="list-style-type: none"> - the number of positions in the order corresponds to the number of positions in the tender order; - goods with low invoice value; - the term of delivery and production is determined by the terms of the won tender; - delivery by means of that type of transport which will allow to deliver the goods in time.

But according to the above classification, it should be mentioned that in the process of carrying out the operation (any of the above) 3 different term are used:

1) **Operation** is a set of measures taken between the importer and exporter to deliver goods from the country of export to the country of import; foreign trade operation is impossible without a foreign trade contract [7];

2) **Order** is a request to manufacture, prepare or deliver goods within a certain, predetermined period [13]; the order as a document has no legal force (in the practice of EximCargoTrade LLC), because it is only a preliminary list of goods without a fixed price;

3) **Delivery** is the final stage of execution of the contract of sale, in which the transfer of goods by the seller to the buyer, the final financial settlement at the end of the transaction [14]; the process of sending the finished batch of goods in accordance with the previously agreed order; the order can be delivered by one or several deliveries under which separate commercial invoices are made out; the price of goods in commercial invoices is fixed and cannot be changed [15].

The dependence between all these terms is shown in Fig.1.3.

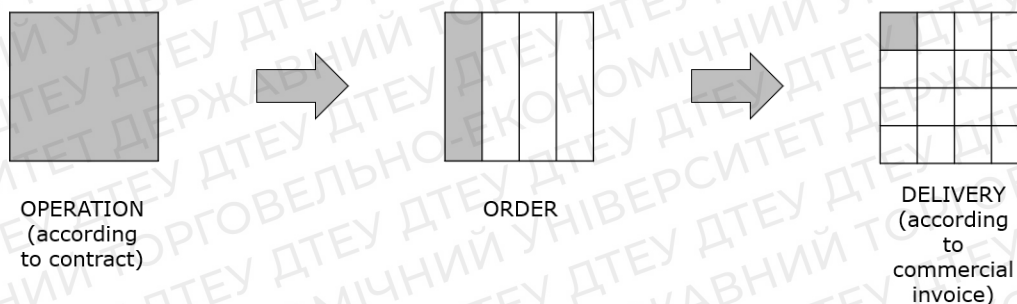


Fig. 1.3 – Dependence between the terms “Operation”, “Order” and “Delivery” [7, 13-15]

As for the proposed operation, it is regular. The draft foreign trade contract for this operation can be found in Annex D. General conditions for the operation are given in table 1.6.

Table 1.6 – Terms of import operation according to order №106 dated December 18, 2020 between “XXX” LTD and EximCargoTrade LLC

Type of operation	Imports
Goods	Laboratory glassware and plastic
Country of export	China
Supplier (exporter)	“XXX” LTD
Country of import	Ukraine
Terms of delivery	FOB Shanghai
Terms of payment	30% - in advance within 10 days after signing the commercial invoice 70% - within 10 days after receipt of the goods in the warehouse
The order number	№106
Order date	18/12/2020
Order amount	88 347.04 US dollars
Number of consignments of goods	5
Term of production (one batch of goods)	30 days
Type of transport to the border of Ukraine	marine
Delivery time to the border of Ukraine (one consignment of goods)	35 days
Transportation company	“YYY” LLC
Type of transport within the border of Ukraine	Automobile
Delivery time within the border of Ukraine (one consignment of goods) + customs clearance	2 days
Customs broker	“ZZZ” LLC

According to the table 1.6 we can see that the goods on order were divided into 5 batches. As a rule, the term of production of a large number of goods is significant - 120-200 days. To reduce it EximCargoTrade LLC and the “XXX” LTD came to the conclusion that it is necessary to optimize the supply of goods to order №106. It was decided to divide the order into 5 batches and ship one batch of goods each month.

Each delivery of a consignment of goods was carried out under different conditions: the cost of transport varied, as did the cost of insurance (which depends on the amount of the invoice). That is why it is impossible to determine the overall efficiency of the import operation. To do this, it is necessary to determine the efficiency of each import supply within the proposed operation and to determine the average efficiency, which will characterize the overall efficiency of this operation.

To calculate the efficiency of the import operation, the method of N. Tyurina is proposed [16]. The calculation algorithm (adapted to the delivery conditions of FOB) can be found in Annex E. To calculate according to this algorithm requires input data, which are given in table 1.7.

Table 1.7 - Import costs for the import operation to order №106 dated December 18, 2020 between XXX ltd and EximCargoTrade LLC [3, 16]

Shipping date	14.01.2021	05.02.2021	28.02.2021	04.04.2021	01.05.2021
Date of customs clearance	16.02.2021	12.03.2021	06.04.2021	12.05.2021	10.06.2021
Exchange rate (ER)	27,9671 ₴	27,7486 ₴	27,9390 ₴	27,6744 ₴	27,0906 ₴
Invoice value (V _i) which includes:	\$22 194,61	\$22 082,17	\$15 753,84	\$14 644,73	\$13 671,69
- value of plastic labware (V _{I(3926)})	\$988,30	\$770,00	\$3 249,60	\$2 058,30	\$2 944,35
- value of glass labware (V _{I(7017)})	\$21 206,31	\$21 312,17	\$12 504,24	\$12 586,43	\$10 727,34
Sea freight costs (C _{sf})	\$9 500,00	\$8 100,00	\$8 700,00	\$9 650,00	\$10 900,00
Insurance costs (0,4% of invoice) (C _i)	\$88,78	\$88,33	\$63,02	\$58,58	\$54,69
Costs within Ukraine borders (C _{wcb}) which includes:	43 314,33 ₴	55 599,88 ₴	51 377,87 ₴	46 188,85 ₴	44 028,46 ₴
- costs for unloading in Ukraine	12 864,87 ₴	12 764,36 ₴	12 851,94 ₴	12 730,22 ₴	12 461,68 ₴
- costs for auto delivery in Ukraine	15 381,91 ₴	15 261,73 ₴	15 366,45 ₴	15 220,92 ₴	14 899,83 ₴
- costs for salary (1,5% of invoice)	9310,81 ₴	9 191,17 ₴	6 602,27 ₴	6 079,24 ₴	5 555,74 ₴
- costs for storage (3% of invoice)	18621,61 ₴	18 382,62 ₴	13 204,53 ₴	12 158,47 ₴	11 111,21 ₴
- custom clearance costs	3 500,00 ₴	3 500,00 ₴	3 500,00 ₴	3 500,00 ₴	3 500,00 ₴
- additional costs in Ukraine	-	-	3 352,68 ₴	-	-
Income from selling the import goods (I _g)	1 447 976,36 ₴	1 420 318,64 ₴	881 903,56 ₴	910 928,37 ₴	855 537,14 ₴

Consider these components in more detail:

- **Shipping date.** The date determines the time when the supplier provided EximCargoTrade LLC with a notification that the goods had left China. It is the date of shipment that determines the rate of sea freight provided by “YYY” LLC.
- **Date of customs clearance.** The date determines the time of customs clearance on the territory of Ukraine. Customs payments are made on this day.
- **Invoice value.** The cost of all goods in the batch. Due to the fact that EximCargoTrade LLC already has long-term partners the supplier “XXX” LTD included the cost of loading and export customs clearance in the total cost of goods. In total, the order includes about 90 product items, but they can be divided into two groups: **plastic labware**, which in the customs territory of Ukraine is issued under the code UKT FEA **3926 90 97 90** (duty rate - **0%**), and **glass labware**, which in customs territory of Ukraine is issued under the code UKT FEA **7017 90 00 00** (duty rate - **10%**). This information will help to determine the basis for accrual of customs duties [17].
- **Sea freight costs.** The cost of transporting goods in a 40-foot container by sea, which is determined by the date of shipment.
- **Insurance costs.** The cost of insurance of transportation of goods from the moment of loading on the ship and until the moment of acceptance of the goods in the warehouse of EximCargoTrade LLC. The company does not use the services of insurance companies directly. The company has a permanent partner in the field of international maritime transport – “YYY” LLC. “YYY” LLC has its own insurance service, which is used by the company for cargo insurance. The standard rate of cargo insurance for sea transportation in “YYY” LLC is 0.4% of the invoice value.
- **Costs within Ukraine borders.** All costs that fall directly on the importer - EximCargoTrade LLC - under the terms of delivery FOB. These costs include:
 - costs for unloading in Ukraine* - the cost of unloading goods from the ship in the port of Odessa provided by «YYY» LLC. The value is fixed - 460 US dollars;
 - costs for auto delivery in Ukraine* - costs for delivery of cargo from the port of Odessa to customs (Kyiv) and - after customs clearance - to the warehouse of EximCargoTrade LLC

(Kyiv, Akademika Butlerova str., 6). The value is also fixed - 550 US dollars, and paid to US dollars

costs for salary and costs for storage - costs for wages and storage of goods in the warehouse for sale, fixed values, which were determined by economists of the enterprise - 1.5% and 3%;

custom clearance costs - costs for customs clearance of a batch of goods on the territory of Ukraine. The invoice will be issued by a customs broker of EximCargoTrade LLC – “ZZZ” LLC. The amount is fixed for 1 batch of goods – UAH 3 500;

additional costs in Ukraine - unplanned costs; during the current operation only once there were additional costs - the cost of storage in a temporary storage warehouse at customs due to inspection.

- **Income from selling the import goods.** Revenue from sales of goods on the domestic market. Calculated on the basis of wholesale and retail price, tender prices with discounts and compensations.

So the input data for the calculations of the efficiency of the import operation is selected. Calculations according to the N. Tyurina methodology are given Annex F.

So, the income (effect) of the import operation and the efficiency of the EximCargoTrade LLC in 2021. But to determine the overall efficiency of this operation, we calculate the following two indicators: the total effect of the import operation and the average efficiency ratio. The calculations are given in table 1.8

Table 1.8 – Calculations of average efficiency for the import operation to order №106 dated December 18, 2020 between XXX LTD and EximCargoTrade LLC [3]

Indicator	Method of calculation	Result
The total effect of the import operation	$E_{IO}^T = E_{IO}^{16.02} + E_{IO}^{12.03} + E_{IO}^{06.04} + E_{IO}^{12.05} + E_{IO}^{10.06}$	$E_{IO}^T = 223213,23 \text{ €} + 259481,05 \text{ €} + (-56 687,69 \text{ €}) + (-13 524,95 \text{ €}) + (-51 879,19 \text{ €}) = \mathbf{360 602,45 \text{ €}}$
Average efficiency of the import operation	$= \frac{KE_{IO}^{16.02} + KE_{IO}^{12.03} + KE_{IO}^{06.04} + KE_{IO}^{12.05} + KE_{IO}^{10.06}}{5}$	$\frac{KE_{IO}^A}{5} = \frac{1,18 + 1,22 + 0,94 + 0,99 + 0,94}{5} = \mathbf{1,05}$

Thus, according to the results of calculations, we see that in general, the import operation on order №106 was effective, because the efficiency of the operation was 1.05

(if the efficiency is bigger than 1, the operation is considered as effective). In the process of selling imported goods on the domestic market, EximCargoTrade LLC earned 360,602.45 UAH. But when analyzing individual indicators after calculating the efficiency of each delivery, we see those deliveries №3, 4 and 5 were unprofitable, costs were higher than sales revenue.

Unprofitable supplies №3, 4 and 5 can be explained by the following reasons:

- Significant logistics costs. The period in late 2020 - early 2021 is considered a kind of crisis in the global logistics market. At this time, the cost of transportation has increased significantly on the route China - Ukraine. If in 2018-2020 the cost of sea freight was about 20-25% of the invoice amount, now it is 85-90%, which, accordingly, increases the cost of the operation and negatively affects the efficiency of the operation [18].

- There were additional costs. In this case, additional costs arose only during the delivery №3. The goods imported by the company fall under the list of goods specified in the Sectoral Inspection Plan by the State Customs Service. Because of this, the customs are randomly inspected for imported goods. This risk is usually included in the cost of transportation, but when other costs are very high, inspections also can have a great influence on efficiency [19].

- COVID-19 pandemic. The cost of labor (both supplier and customer) has increased significantly due to staff shortages and remote work during the COVID-19 pandemic [20].

Thus, we can conclude that in general, the import operations of EximCargoTrade LLC in 2021 were effective (if we consider the efficiency on the example of a typical operation of the company). But some deliveries for order №106 were unprofitable, and the company lost money. This is primarily due to the fact that a significant share of the import price of the contract is occupied by logistics costs. Other reasons for the decline in efficiency include additional costs and the COVID-19 pandemic. And because of this, the issue of increasing the efficiency of foreign economic operations of EximCargoTrade LLC is relevant.

Conclusions to Chapter 1

In the process of studying the mechanism of organization of foreign economic operations of EximCargoTrade LLC, deep analysis of the financial and economic condition of the enterprise was conducted. Dynamics indicators for the main items of the Balance Sheet of the enterprise, as well as the Statement of financial performance were calculated. Indicators of business activity of the enterprise were also studied.

Based on these data, the following was found out: at the moment, the financial position of EximCargoTrade LLC is relatively stable, the company generates a small amount of profit from its assets and liabilities. But for a more efficient operation of the company a deep revision of the financial system is required.

The main indicators of import and export, commodity and geographical structure of imports and exports were studied to further determine the effectiveness of foreign trade operations of EximCargoTrade LLC.

So we can see that the main foreign trade operation of EximCargoTrade LLC is import. In the period 2016-2020 the company significantly increases the pace of import activity. The system of import activities which the company is represented on the market for 12 years is quite well established - the company has long-term cooperation with foreign suppliers from China, Germany, Italy and India, as well as partners in Ukraine who help support the company's foreign trade. companies, customs brokers, government agencies of Ukraine.

To directly calculate the efficiency of foreign trade operations, the typical import operation of EximCargoTrade LLC was taken into account. It was an operation to supply laboratory glassware and plasticware according to order №106

As the result of the investigation, we can see that the import operations of EximCargoTrade LLC in 2021 were effective (if we consider the efficiency on the example of a typical operation of the company). But some deliveries for order №106 were unprofitable, and the company lost money. This is primarily due to the fact that a significant share of the import price of the contract is occupied by logistics costs. Other reasons for the decline in efficiency include additional costs and the COVID-19

pandemic. And because of this it is needed to find the ways to increase the efficiency of EximCargoTrade LLC foreign trade operation.



CHAPTER 2. INCREASING THE EFFICIENCY OF FOREIGN ECONOMIC (EXPORT, IMPORT) OPERATIONS OF EXIMCARGOTRADE LLC

2.1. Determination and substantiation of efficiency increase directions of foreign economic (export, import) operations of LLC EximCargoTrade

In the process of studying the financial and economic, foreign economic activity of EximCargoTrade LLC, it was determined that the company has a number of "weak points" that are expected to affect the efficiency of foreign economic operations.

To identify the "weak points" and strengths of the company, it is proposed to conduct a SWOT analysis. This type of analysis of the enterprise is a very simple and convenient tool for determining the main factors influencing the efficiency of the enterprise. It is also easy to adapt to specific goals, which in this case allows the analysis, taking into account only the foreign economic activity of the enterprise [21].

SWOT-analysis allows to identify the strengths, weaknesses of the enterprise, opportunities and threats [21].

Strengths and weaknesses - internal factors that affect the company's activities directly. Knowledge of strengths and weaknesses will form a set of ways to increase the company's foreign economic activity, which would increase the impact of the company's strengths and reduce the impact of weaknesses [22].

Opportunities and threats are external factors that the company cannot directly influence, but can identify, analyze, use or avoid [22].

In the table. 2.1.1 the author's SWOT-analysis of foreign economic activity of EximCargoTrade LLC is given.

Thus, a SWOT-analysis was conducted, which when dismantling a set of measures to improve the efficiency of foreign trade operations of LLC "EximCargoTrade" allows you to determine how the company can:

- increase the positive effect of using their own strengths;
- minimize / eliminate the influence of weaknesses on foreign economic activity;
- use available opportunities in foreign markets;

- avoid / minimize the negative impact of threats on foreign markets.

Table 2.1 – SWOT-analysis of foreign economic activity of EximCargoTrade LLC [22-26]

Strength	Weaknesses
<ul style="list-style-type: none"> - significant experience in conducting import operations; a stable, proven mechanism for import operations - clear and timely fulfillment of obligations to partners - own software for the formation of shipping documentation 	<ul style="list-style-type: none"> - lack of financial stability - lack of risk management team / program - increasing the cost of production - a strong, but small team of foreign economic activity, a significant burden on one manager of foreign economic activity of the company
Opportunities	Threats
<ul style="list-style-type: none"> - a large number of potential partners in other countries; - a large number of potential partners in the field of logistics; - export activity; - other types of products on foreign markets that are not represented on the territory of Ukraine 	<ul style="list-style-type: none"> - logistics crisis (high rates of sea / rail / aviation freight) - change in consumer demand, trends (for example, recyclable laboratory glassware) - unforeseen risks caused by the COVID-19 pandemic

It should also be noted that EximCargoTrade LLC has been carrying out import activities for 12 years and has its own mechanism for conducting import operations. Due to the fact that the mechanism has not been revised for a long time (only adapted to changes in external conditions), the possibility of optimizing the mechanism of import operations should be considered [27].

Another important aspect of ensuring the efficiency of foreign trade operations in modern conditions is the IT component. Software for export-import operations allows:

- calculate the costs of foreign trade operations;
- track the path of cargo;
- generate shipping documents;
- analyze warehouse balances and calculate the volume of the order;
- analyze international markets;
- look for suppliers / buyers in foreign markets;
- to avoid the influence of the human factor, mistakes on the implementation of foreign trade operations [28, 29].

EximCargoTrade LLC has its own software to perform these functions, but it is should also be considered integrating a software system that will significantly increase the efficiency of foreign trade operations.

In addition, the company has its own pool of suppliers with whom it works for 2-12 years. Conditions of work with suppliers, such as payment terms, the mechanism of import, as well as the number of suppliers and a country - these are significant factors that indirectly affect the efficiency of foreign economic activity of the enterprise [30].

But if we look at the efficiency of import operations, which are basic in the enterprise, from an economic (or mathematical) point of view, we can see that the efficiency of imports directly depends on the cost of the operation. Accordingly, to increase the efficiency of imports of EximCargoTrade LLC should reduce the cost of this operation [31].

Consider the cost structure of LLC EximCargoTrade LLC on the example of the analyzed transaction to order №106 in the table 2.2.

Table 2.2 – The cost structure of the import transaction to order №106 of EximCargoTrade LLC [3]

	Delivery #1	Delivery #2	Delivery #3	Delivery #4	Delivery #5	Average
Invoice value	51%	53%	47%	44%	41%	47%
Freight costs	22%	19%	26%	29%	33%	26%
Insurance costs	0%	0%	0%	0%	0%	0%
Customs duty costs	7%	7%	6%	6%	6%	6%
VAT costs	16%	16%	16%	16%	16%	16%
Unloading costs	1%	1%	1%	1%	1%	1%
Auto delivery costs	1%	1%	2%	2%	2%	1%
Salary costs	1%	1%	1%	1%	1%	1%
Storage costs	2%	2%	1%	1%	1%	1%

Based on the analysis, we see that the largest share of costs is occupied by such costs as invoice value (47% - average indicator), freight costs (26% - average indicator), VAT costs (16% - average indicator). Thus, by reducing the amount of costs that account for the largest share of total costs, we will be able to increase the economic efficiency of import operations of the enterprise.

Also should be noted that EximCargoTrade LLC mainly carries out import operations, but has the ability to carry out export activities (the presence of a license of the subject of foreign economic activity and the presence of certain product items in the warehouse, the availability of product groups supplied only by Ukrainian manufacturers). That is why the expansion of the company's foreign economic opportunities should be considered as a separate aspect of efficiency.

Export activity has the following advantages:

- significant expansion of the market by entering foreign markets;
- the ability to make a profit due to the effect of scale;
- increasing the productivity of research and development budget;
- diversification of market opportunities of the company, entering new markets with new products;
- the ability to cover the costs of import activities from income from export activities [32-34].

That is why export activity should be considered as one of the most suitable ways to increase the overall efficiency of the company's foreign economic activity.

Thus, the main directions of increasing the efficiency of foreign trade operations of EximCargoTrade LLC were analyzed. First of all, company should focus on developing measures that will increase the economic efficiency of import operations (the main type of foreign economic activity of the enterprise). You should also pay attention to ways to increase the efficiency of the company's foreign economic activity, which do not have a direct impact on the economic efficiency indicator. Among them are the optimization of the mechanism of import operations, the choice of specialized software and other ways to use the strengths and capabilities of the enterprise and minimize the impact of weaknesses and threats. The possibility of obtaining additional income through the introduction of export activities should be singled out.

2.2. Development of a set of measures to increase the efficiency of foreign economic (export, import) operations of EximCargoTrade LLC

Improving the efficiency of foreign trade operations is a long-term complex process that involves the gradual introduction of a number of measures that will help the company make more profit from foreign economic activity.

In the process of analyzing the effectiveness of foreign trade activities of EximCargoTrade LLC, the main directions of increasing the foreign economic activity of the enterprise were identified.

First of all, enterprise should focus on measures that would increase the efficiency (profitability) of the main type of foreign economic activity of the enterprise - import operations. In this case, we are talking about reducing costs, which account for the largest share in total costs of the enterprise, namely invoice value, freight costs and VAT costs.

Regarding the reduction of the invoice value of the goods.

The analysis of the cost structure for the operation on order №106 was carried out. It has been learned that the largest share is occupied by such an item of costs as the cost of goods according to the invoice, it is this that has the greatest impact on the economic efficiency of the import operation [3].

The best way to reduce the cost of goods on an invoice is to search for a new supplier in the same or another country of export, who will be able to offer the same goods at a lower price, as well as on more favorable delivery terms for the importer [35].

To find a new supplier of glass and plastic laboratory glassware, EximCargoTrade LLC was invited to consider 4 foreign companies to replace «XXX» LTD, namely: Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China), SUNSHINE INTERNATIONAL (India), DWK Life Sciences Ltd (UK), Carl Roth (Poland distribution) [36-39].

It is necessary to conduct a thorough qualitative analysis of these companies in order to determine whether they will be able to offer the goods required by EximCargoTrade LLC. Let`s analyze why the company prefers to give preference to

laboratory glassware made of glass "XXX" LTD (for example, the commodity item "Conical flask"):

- The company provides goods made of durable chemical-resistant glass;
- The enterprise can manufacture goods according to the "volumetric grid" of LLC "EximCargoTrade";
- The enterprise can manufacture goods in accordance with GOST 25336-82 and TU U 23.1-36265663-001: 2016;
- The company has an ISO quality certificate for all products;
- The enterprise can manufacture products under the brand of EximCargoTrade LLC – EximLab [8, 40].

A similar list of criteria is determined for laboratory glassware made of plastic "XXX" LTD (for example, the commodity item "Tips for pipette dispensers"):

- The company provides goods made of durable polypropylene that can withstand temperatures over 120 °C;
- The enterprise can manufacture goods according to the "volumetric grid" of LLC "EximCargoTrade";
- The enterprise can manufacture goods according to TU U 22.2-36265663-002: 2016;
- The company has an ISO quality certificate for all products;
- The enterprise can manufacture products under the brand of EximCargoTrade LLC – EximLab [8, 40].

Based on the listed criteria, it carries out a point analysis of each product of each proposed supplier after studying the official websites of the manufacturers, which is presented in Annex G.

As we can see, in terms of the quality of EximCargoTrade, the most preferred product is the product of Carl Roth (Poland distribution). But, among other things, it is worth paying attention not only to the quality of the goods, but also to how long it will take to deliver the goods from the country of export to the country of import (Ukraine), provided that the cheapest type of transport is used.

So, delivery from China takes about 35-38 days (sea delivery from the port of Shanghai to the port of Odessa, road delivery to Kiev), delivery from India will take 30-33 days (sea delivery from the port of Mumbai to the port of Odessa, road delivery to Kiev), delivery from Great Britain will take 12-15 days (sea delivery from the port of Southampton to the port of Odessa, road delivery to Kiev), delivery from Poland will take 5-7 days (road delivery from Warsaw to Kiev). Thus, in terms of transit time, the supplier Carl Roth (Poland distribution) is also optimal [41].

But the main criteria on the basis of which the decision to change the supplier will be made is the economic profitability, which can be preliminary calculated based on the prices of the manufacturers on their official websites (all potential suppliers offer products on the terms of DDP delivery). Comparison of price proposals of potential suppliers is given in Table 2.3.

Table 2.3 — Price offers of potential suppliers of EximCargoTrade LLC [36-39]

Product	Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China)	SUNSHINE INTERNATIONAL (India)	DWK Life Sciences Ltd (Great Britain)	Carl Roth (Poland distribution)
Laboratory glassware price	2,00 USD	3,38 USD	2,86 USD	1,99 USD
Laboratory plasticware price	200,00 USD	250,00 USD	304,77 USD	242,47 USD

Since all suppliers offer products on DDP terms, in order to be able to include "XXX" LTD in the analysis, it is necessary to recalculate the total cost of the goods if the supplier did not send the goods to us on FOB Shanghai terms, as indicated in the contract, but on DDP Kiev terms.

To do this, you need to understand what components include the terms of delivery of DDP, namely: the cost of goods, export customs clearance of goods, loading onto a vehicle in the country of export, delivery to the port, loading on a ship, sea transportation, unloading from a ship, insurance of goods, delivery from port to warehouse, import customs clearance [10].

To calculate the price on the terms of DDP delivery, the data from table can be used. 1.7. Order No. 106 contains two product groups - plastic laboratory glassware and

glass laboratory glassware. It is necessary to find out what share each commodity group occupies in the total cost of each invoice for delivery and to recalculate each type of costs proportionally. The proportional recalculation is necessary in order to correctly calculate the customs payments, as well as the VAT, which the supplier will have to pay if the goods are delivered on the terms of DDP delivery.

The calculation results of price proposals for "XXX" LTD and potential suppliers of LLC "EximCargoTrade" on the terms of delivery DDP Kiev and are shown in Table 2.4.

Table 2.4 — Price proposals for "XXX" LTD and potential suppliers of LLC "EximCargoTrade" on the terms of delivery DDP Kiev [36-39]

Product	"XXX" LTD (China) - current supplier	Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China)	SUNSHINE INTER- NATIONAL (India)	DWK Life Sciences Ltd (Great Britain)	Carl Roth (Poland distribution)
Laboratory glassware price	0,56 USD	2,00 USD	3,38 USD	2,86 USD	1,99 USD
Laboratore placticware price	208,29 USD	200,00 USD	250,00 USD	304,77 USD	242,47 USD

Based on the calculated prices for the supplier "XXX" LTD, as well as on the basis of quotations from other suppliers, it is possible to compare prices to determine the optimal supplier. But the main indicator that will be used to determine the trading partner is the estimated efficiency of a potential transaction. Based on data on prices from potential suppliers, as well as on the basis of information on the total revenue from the sale of products in the domestic market, it is possible to calculate the estimated efficiency of the operation when choosing different trading partners. The calculation results are shown in Table 2.5.

Table 2.5 — Calculation of the potential efficiency of the import operation for order No. 106 when selecting potential suppliers of EximCargoTrade LLC

Product	"XXX" LTD (China) - current supplier	Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China)	SUNSHINE INTER- NATIONAL (India)	DWK Life Sciences Ltd (Great Britain)	Carl Roth (Poland distribution)
Laboratory glassware price	0,56 USD	2,00 USD	3,38 USD	2,86 USD	1,99 USD
Laboratore placticware price	208,29 USD	200,00 USD	250,00 USD	304,77 USD	242,47 USD
Laboratory glassware QTY	300000				
Laboratore placticware QTY	100				
Laboratory glassware TOTAL	168 000,00 USD	600 000,00 USD	1 014 000,00 USD	859 449,39 USD	596 128,73 USD
Laboratore placticware TOTAL	20 828,54 USD	20 000,00 USD	25 000,00 USD	30 476,93 USD	24 247,44 USD
TOTAL	188 828,54 USD	620 000,00 USD	1 039 000,00 USD	889 926,32 USD	620 376,17 USD
Income from selling the import goods	5 516 664,07 UAH				
Unloading at the importer's warehouse	7 500,00 UAH				
Import operation efficiency ratio	1,08	0,33	0,2	0,23	0,33

Thus, we see that the operation is effective only on condition of delivery from the current supplier LLC "EximCargoTrade" - "XXX" LTD. The indicator is 1.08. While, subject to delivery from other suppliers from other countries, the economic efficiency is less than 1, which means that these operations will be unprofitable for EximCargoTrade LLC at the current prices for the company's products [16].

And therefore, in order to increase the efficiency of the import operation of EximCargoTrade LLC, it is recommended not to change the supplier, but to resort to other methods of reducing the cost of goods on the invoice when working with current suppliers – «XXX» LTD.

This aspect directly depends on the relationship between supplier and buyer. And EximCargoTrade LLC has the opportunity to negotiate with its main supplier (the company has been working with "XXX" LTD for about 10 years) and to reduce the invoice value. But in order for the negotiations to be successful, the representative of EximCargoTrade LLC should be carefully prepared.

First, it is necessary to select a sufficiently qualified person to negotiate. It should be a specialist who knows English well, clearly understands the purpose of negotiations, has the gift of persuasion [42].

Enterprise should also pay attention to the peculiarities of the Chinese mentality. In China, the negotiation process is a "team sport." The Chinese opponent can invite his leader or a more experienced specialist to the talks. That is why it can get an additional advantage by warning the opponent and the question of who will be present at the negotiations, which will also allow the use of teamwork [43].

Secondly, it is important to clearly understand the purpose of the negotiations. Company should not expect a significant discount (20-30% of the cost of the invoice), now the normal discount in business practice is 5-10% of the cost of the invoice [44]. But it is important to find a number of strong arguments that would help the company to obtain such a discount (based on the SWOT-analysis). For example:

- long-term cooperation;
- payment of bills on time;
- a stable mechanism for import operations, no delays / problems on the part of the buyer (EximCargoTrade LLC);
- the ability to work with other suppliers;
- logistics crisis;
- COVID-19 pandemic, a large number face unforeseen risk.

Third, it is important to approach the negotiation process correctly. Offering a discount should not sound like a request, it is very important to maintain confidence and strength. Offering a discount is just one way to improve, strengthen the relationship with the supplier. Both the supplier and the buyer should be interested in this. The buyer can also offer certain concessions on his part, for example, pay not 30% of the invoice, but 40% or pay the rest of the funds before the specified time [45].

Thus, with the help of properly planned negotiations it is possible to get a 5-10% discount on the invoice value of goods.

As for reducing the cost of logistics costs, this process is quite difficult to control due to the prevailing logistics crisis in the world. Due to the global pandemic, there was an imbalance in the turnover of containers, which led to a significant increase in prices for all container shipments in the world. This is a global trend and all competitors in the market are in a corresponding position [46].

But despite this, there are a number of ways to reduce logistics costs:

- use an alternative type of transport, but in this case it is difficult to talk about finding a cheaper mode of transport, because EximCargoTrade LLC for regular orders always uses the cheapest mode of transport - sea;
- consider the possibility of consolidating cargo - consolidation makes it possible to reduce the share of logistics costs in the total cost of imports; the company can divide the order not into 5 deliveries, but into 2-3, which will reduce the share of logistics costs;
- planning and scheduling - in this case we are talking about the preliminary placement of the order in the transport company and the opportunity to agree with the logistics partner to reduce the cost of transportation (respectively, we expect 5-10% of the cost of transportation);
- search for a new partner in the field of international logistics - it is possible to analyze the market and find a partner who can offer a similar transportation service, but at a lower price [47-48].

Thus, a list of measures to reduce logistics costs was formed.

Regarding the reduction of value added tax costs, despite the fact that this cost item is very "inflexible", there is also the possibility of reduction.

In accordance with 193.1 "c" of Art. 193 of the Tax Code of Ukraine the goods which belong to medicines or medical devices, at crossing of customs border of Ukraine, are subject to the rate of the value added tax of 7%, instead of 20% [49].

In order to determine whether a product is a medical device or not, it must be added to the State Register of Medical Equipment and Medical Devices [50]. The procedure for maintaining the State Register of Medical Equipment and Medical Devices is specified in Order №251 of 12.08.2010 of the State Inspectorate for Quality Control of Medicines of the Ministry of Health of Ukraine [51]. According to this document, in order to add the goods to the Register, you must contact the Ministry of Health. It is important that the product complies with state technical regulations. To check the examination of the goods, and the results of this examination is issued a special document - a declaration of conformity [52]. It is in the presence of this document that it is possible to register goods at customs with a 7% VAT.

At the moment, the procedure of registration of imported products has already been launched by EximCargoTrade LLC, but due to the long process of examination, the company does not yet have declarations of conformity for all products. But by the end of the year, EximCargoTrade LLC should have the opportunity to do customs cleaning of laboratory glassware and plasticware with a VAT rate of 7%.

If we talk about reducing other costs, such as, for example, the cost of insurance, unloading, etc., then in this case, in our opinion, the best way to reduce these types of costs is to find new partners. First of all, in the field of logistics, because this partner provides services for international transportation, insurance, unloading, road delivery in Ukraine [53].

Thus, measures were considered that will increase the economic efficiency of import operations. But we should not underestimate those measures that do not have a direct impact on economic indicators, but make the company's foreign economic activity more effective in the long run. In order to determine such methods, you should refer to the previously conducted SWOT-analysis of the enterprise.

Table 2.6 presents the methods proposed by the author, which do not affect the economic efficiency of the direction.

Table 2.6 - Methods of increasing the efficiency of foreign trade operations of EximCargoTrade LLC (without direct impact on economic efficiency) [46, 54-56]

Strength	How to improve?
<ul style="list-style-type: none"> - significant experience in conducting import operations? a stable, proven mechanism for import operations - clear and timely fulfillment of obligations to partners - own software for the formation of shipping documentation 	<ul style="list-style-type: none"> - revision of the old schemes of import activity, optimization of the mechanism of implementation of import activity, aimed at reducing this process, reducing the amount of time for its implementation, etc.; - negotiations with partners aimed at obtaining additional favorable terms, for example, more acceptable terms of payment, which will save part of working capital; - search and implementation of complex programs for conducting foreign economic activity projects;

Continuation of Table 2.6

Opportunities	How to improve?
<ul style="list-style-type: none"> - a large number of potential partners in other countries; - a large number of potential partners in the field of logistics; - export activity; - other types of products on foreign markets that are not represented on the territory of Ukraine 	<ul style="list-style-type: none"> - search for new partners in other countries (except China); - search for new partners in the field of international logistics in Ukraine; - development of a mechanism for carrying out export activities; - search for new types of products that can be offered on the Ukrainian market.
Weaknesses	How to improve?
<ul style="list-style-type: none"> - lack of financial stability (imbalance of non-current and current assets) - lack of risk management team / program - increasing the cost of production - a strong, but small team of foreign economic activity, a significant burden on one manager of foreign economic activity of the company 	<ul style="list-style-type: none"> - development of a number of measures aimed at financial stabilization of the enterprise; - introduction of a separate team in the FEA department / introduction of a separate stage in the business process for the supply of imported products to prevent / avoid risks; - expansion of the FEA department.
Threats	How to improve?
<ul style="list-style-type: none"> - logistics crisis (high rates of sea / rail / aviation freight) - change in consumer demand, trends (for example, recyclable laboratory glassware) - unforeseen risks caused by the COVID-19 pandemic 	<ul style="list-style-type: none"> - constant monitoring of the situation on the logistics market, selection of not one logistics partner, but several for delivery of one order; - constant monitoring of consumer demand, attempts to get the most out of urgent deliveries of "hot" goods; - monitoring of state publications (including electronic ones) to prevent adverse factors related to COVID-19.

A separate measure should be taken to develop a mechanism for carrying out export activities. Export is one of the best opportunities to earn extra income. Especially with the condition that now some part of the goods is stored in warehouses (there is a decrease in consumer demand for some groups of goods due to the pandemic).

But in order to receive income from export activities, you need to create a separate business plan. From should take into account the following points:

- *Create a separate website, company accounts in international social networks.*

At the moment, EximCargoTrade LLC has its own website, but it is conducted in Ukrainian. That is why the company must create an English-language site specifically for future external customers. You should also create company pages on Facebook (yes, but in Ukrainian), LinkedIn, Twitter, etc.

- *Select a product to export.* These will primarily be residual products that are currently not available for sale on the domestic market. But you should pay attention to the fact that the product meets the requirements of ISO, make the appropriate certification if necessary (very often ISO certificates are offered by suppliers). It is also necessary to determine which products in the company's range are now popular in the world.

- *Determine the price of the product.* To do this, it is important to very carefully calculate all possible costs and the desired amount of profit. If possible, you should check other suppliers from other countries and compare price levels. If the price level of EximCargoTrade LLC is too high, you should think about the feasibility of export activities.

- *Find customers.* Now the company has its own customer base in Ukraine, but not in the world. That is why you have to look for sources to find customers in the world. The fastest way is to buy a specialized database. There are also a large number of free resources, such as lists of distributors of certain products in a country [59-60].

Yes, we see that exports can be a good way to earn extra income, but first it is important to conduct an in-depth analysis of the feasibility of implementing this measure and only then move on to implementation.

Thus, measures were proposed to increase the efficiency of foreign trade activities of EximCargoTrade LLC. First of all, the company is invited to take measures that will increase the efficiency of typical import operations. These include: reduction of the amount on the order №106 by 5% or more by negotiating with the supplier (but not changing the supplier); reduction of transportation costs by 5% by negotiating with the logistics partner of EximCargoTrade LLC or finding a new partner in the field of logistics; registration of goods in the order №106, entering the range in the State Register of medical equipment and medical devices and the implementation of customs clearance with 7% VAT.

2.3. Forecasting the efficiency of foreign economic (export, import) operations of LLC "EximCargoTrade" as a result of the implementation of the proposed measures

In the previous paragraph a set of measures that could potentially increase the efficiency of foreign trade operations of EximCargoTrade LLC was proposed. But to determine whether the proposed measures are appropriate, it is necessary to calculate the effectiveness of the same operation, but with the application of the proposed measures.

To do this, we turn to modeling and model the relevant operation in compliance with the previously proposed measures to improve the efficiency of the import operation, namely:


- 1) Negotiating with the supplier to agree on a discount of 5%;
- 2) Dividing the order into 2 deliveries;
- 3) Negotiating with a logistics partner to reduce the cost subject to prior booking of sea freight or search for another transport company to reduce logistics costs by 5%;
- 4) Addition of all items in the order to the State Register of Medical Equipment and Medical Devices and implementation of imported customs clearance with a VAT rate of 7%.

If these conditions are met we model the situation in which EximCargoTrade LLC will deliver the same goods to order №106. But we should pay attention to the next point.

As a rule, the division of the order for deliveries is carried out according to a certain "priority list". The FEA manager informs "XXX" LTD which order items need to be obtained in the first place (according to domestic demand, warehouse capacity, won tenders, etc.), after consulting with the sales department and warehouse. Whenever possible the supplier delivers positions in accordance with the specified priority. But the division is not only based on priority, but also on the volume component. Each delivery is one 40-foot marine container that holds about 50-60 m³ of goods in factory packaging [61]. That is why it is not possible to divide the order only by the amount of the invoice, it is important to keep the volumes that were shipped by the original order.

First, to calculate the efficiency, we determine the amount of invoices subject to an agreement on a discount of 5% or more. The results of the calculations are given in table 2.7

Table 2.7 — Calculation of the amount of invoices on the order №106 of EximCargoTrade LLC provided that the supplier “XXX” LTD provides a discount of 5% [44]

Date of customs clearance	16.02.2021	12.03.2021	06.04.2021	12.05.2021	10.06.2021
Invoice value (Vi) previous which includes:	\$22 194,61	\$22 082,17	\$15 753,84	\$14 644,73	\$13 671,69
- value of plastic labware (Vi(3926))	\$988,30	\$770,00	\$3 249,60	\$2 058,30	\$2 944,35
- value of glass labware (Vi(7017))	\$21 206,31	\$21 312,17	\$12 504,24	\$12 586,43	\$10 727,34
					
Invoice value (Vi) previous which includes:	\$21 084,88	\$20 978,06	\$14 966,15	\$13 912,49	\$12 988,11
- value of plastic labware (Vi(3926))	\$938,89	\$731,50	\$3 087,12	\$1 955,39	\$2 797,13
- value of glass labware (Vi(7017))	\$20 145,99	\$20 246,56	\$11 879,03	\$11 957,11	\$10 190,97

Secondly, it is proposed to ship order №106 not in the form of 5 batches, but in the form of only 2 batches. In our opinion, due to the fact that there is a significant disproportion in the division of the order into 5 batches at the invoice price. That is why it is expedient to unite parties from 14.01.2021 and 05.02.2021 one party that would be shipped on 05.02.2021 (batch №2.1), and parties from 28.02.2021, 04.04.2021, 01.05.2021 into a party that would be shipped 01.05.2021 (batch №2.2).


Thus, the author's division into batches is indicated in Table 2.8.

Table 2.8 — Redistribution of goods to order №106 EXIMCargoTrade LLC [47-48]

Shipping date	05.02.2021	01.05.2021
Date of customs clearance	12.03.2021	10.06.2021
Invoice value (Vi) which includes:	\$42 062,94	\$41 866,74
- value of plastic labware (Vi(3926))	\$1 670,39	\$7 839,64
- value of glass labware (Vi(7017))	\$40 392,56	\$34 027,10

Third, we determine the cost of sea freight in accordance with the condition that EximCargoTrade LLC will negotiate with a logistics partner or find another logistics partner to reduce the cost of shipping by about 5% or more. The calculations can be found in Table 2.9.

Table 2.9 — Calculation of the transportation costs on the order №106 of EximCargoTrade LLC provided that the logistics company “YYY” LLC provides a discount of 5% [47-48]

Shipping date	05.02.2021	01.05.2021
Date of customs clearance	12.03.2021	10.06.2021
Sea freight costs (CSF) per one 40FT container	\$8 100,00	\$10 900,00
		
Sea freight costs (CSF) per one 40FT container	\$7 695,00	\$10 355,00

Based on certain measures to increase efficiency, we determine other costs under the same conditions, which is shown on table 2.10.

Table 2.10 — Import costs for the import operation to order №106 dated December 18, 2020 between XXX ltd and EximCargoTrade LLC after using the measures to increase efficiency of import operation [44, 47-48]

Shipping date	05.02.2021	01.05.2021
Date of customs clearance	12.03.2021	10.06.2021
Exchange rate (ER)	27,7486 ₴	27,0906 ₴
Invoice value (Vi) which includes:	\$42 062,94	\$41 866,74
- value of plastic labware (VI(3926))	\$1 670,39	\$7 839,64
- value of glass labware (VI(7017))	\$40 392,56	\$34 027,10
Number of containers (N)	2	3
Sea freight costs (Csf)	\$15 390,00	\$31 065,00
Insurance costs (0,4% of invoice) (Ci)	\$336,50	\$502,40
Costs within Ukraine borders (CWCB) which includes:	56 052,17 ₴	133 123,30 ₴
- costs for unloading in Ukraine	25 528,71 ₴	37 385,03 ₴
- costs for auto delivery in Ukraine	30 523,46 ₴	44 699,49 ₴
- costs for salary (1,5% of invoice)	17 507,82 ₴	17 012,93 ₴
- costs for storage (3% of invoice)	35 015,63 ₴	34 025,85 ₴
Income from selling the import goods (IIG)	2 868 295,00 ₴	2 648 369,07 ₴

In the table 2.10 was also added indicator "Number of containers", which shows the number of containers that will be used to deliver goods to Ukraine from China. This

indicator helps to calculate the costs that are calculated on the cost of the container, namely sea freight costs, costs for unloading in Ukraine, costs for auto delivery in Ukraine.

Based on the calculated costs, we calculate the efficiency of the import operation according to the method of Tyurina. The calculations are shown in Annex H.

As a result of the calculations, we obtain the expected effect and efficiency of the simulated deliveries. Based on the results obtained, we calculate the total income and average efficiency, which are given in table 2.11.

Table 2.11 — Calculations of average efficiency for the import operation under contract №2 dated December 14, 2019 under order №106 dated December 18, 2020 between XXX LTD and EximCargoTrade LLC after using the measures to increase efficiency of import operation [3]

Indicator	Method of calculation	Result
The total effect of the import operation	$E_{IO}^T = E_{IO}^{12.03} + E_{IO}^{10.06}$	$E_{IO}^T = 872\,123,96 \text{ €} + 203\,110,53 \text{ €}$ $= 1\,075\,234,50 \text{ €}$
Average efficiency of the import operation	$KE_{IO}^A = \frac{KE_{IO}^{12.03} + KE_{IO}^{10.06}}{2}$	$KE_{IO}^A = \frac{1,44 + 1,08}{2} = 1,26$

Thus, according to the results of the calculations, we see that if you receive a discount of 5% from the supplier, redistribution of goods for 2 deliveries, receive a 5% discount on sea freight, as well as customs clearance with a VAT rate of 7% can significantly increase efficiency import operation.

Thus, relative to the initial operation, the effect of the operation increased by UAH 732,132.04, and the efficiency - by 21%. This suggests that the proposed measures are appropriate and can be used to increase the efficiency of foreign trade operation.

But the results are not accurate because:

- EximCargoTrade LLC can obtain higher discounts from a partner if the negotiations are conducted correctly;
- the component of sales revenue in the domestic market is floating, because this indicator depends on many factors - the number of wholesale and retail transactions, the ability to trade among sales managers, sales, the number of tenders won, etc .;

- The company is always faced with risks that it cannot expect, namely a global pandemic.

For measures that are not directly related to economic efficiency, it is very difficult to calculate their impact on foreign trade transactions in monetary or relative terms. But the approximate qualitative result to predict is possible, as shown in table 2.10.

Table 2.12 — Forecast for implementing the methods of increasing the efficiency of foreign trade operations of EximCargoTrade LLC (without direct impact on economic efficiency) [46, 54-58]

Event	Probable result
Revision of the old schemes of import activity, optimization of the mechanism of import activity, aimed at reducing this process, reducing the amount of time for its implementation, etc.	Optimization, reduction of the mechanism of import activity, which will allow to increase the control of EximCargoTrade LLC over the operation, as well as to reduce the time spent on the import operation; in the long run, it contributes to the stabilization of import supplies, improving relations with suppliers and customers.
Negotiations with partners aimed at obtaining additional favorable terms, such as more acceptable terms of payment, which will save part of working capital	Depending on what the partner can offer. If it is a supplier, then, for example, payment terms (15% subscription, 85% - after receiving the goods in Ukraine) will attract other working capital and invest them in other profitable projects. If it is a logistics partner, then, for example, pre-booking will allow you to deliver goods from the country of export to Ukraine, etc. without delay.
Search and implementation of complex programs for conducting foreign economic activity projects	It will allow to reduce the workload per employee of the FEA department and insure yourself against errors caused by the human factor. It will also allow you to increase the level of control over the situation and have up-to-date information at any stage of delivery.
Search for new partners in other countries (except China)	Opening of new markets and new opportunities for the company, opening of partner companies that will be able to offer better or cheaper goods.
Search for new partners in the field of international logistics in Ukraine	Finding a partner who could offer a set of solutions (which would not have specialization, but could offer any type of transport) at an affordable price and with favorable payment terms.
Development of a mechanism for carrying out export activities	Obtaining an additional source of income, forming your own brand in the world, entering new markets
Development of a number of measures aimed at financial stabilization of the enterprise	Improving the financial condition of the enterprise, normalizing the turnover of funds, which would allow to invest in new profitable projects and be more resistant to crises.

Continuation of table 2.12

Event	Probable result
Introduction of a separate team in the FEA department / introduction of a separate stage in the business process for the supply of imported products to prevent / avoid risks	An established risk management system that would reduce the costs associated with adverse market conditions and generate additional profits in the event of positive risks
Expansion of the FEA department	Forming a strong FEA team, where the workload would be evenly distributed, would allow for interchangeability and reduce the risk of errors / incorrect decisions.
Continuous monitoring of the situation in the logistics market, the choice of not one logistics partner, but several to deliver one order	Reduction of logistics costs, work with profitable projects (for example, charter flights), which have significantly reduced the share of logistics costs. "Hedging" the risk of delays or other adverse factors when working with multiple partners.
Monitoring of government publications (including electronic ones) to prevent adverse factors related to COVID-19	Avoidance of problems with delivery, customs clearance, which arise on the basis of a pandemic, such as closing borders, introducing additional checks on medical devices, etc. Obtaining additional income in the case of benefits.
Constant monitoring of consumer demand, efforts to get the most out of urgent deliveries of "hot" goods	Obtaining additional income from the factor of "urgency", when the consumer in the domestic market is willing to pay a higher price for delivery of goods in a very limited period of time.

Thus, in the process of forecasting the efficiency of foreign trade operations of EximCargoTrade LLC on the basis of the proposed measures it was determined that theoretically the use of the author's set of measures to increase the efficiency of foreign trade operations is effective. This was verified by calculating the effectiveness of the projected operation. Thus, the original operation of EximCargoTrade LLC by order №106 has an efficiency ratio of 1.05, while if you use a set of measures of the author, the efficiency ratio increases to 1.26.

The impact of measures that do not have a direct impact on the economic efficiency of foreign trade operations, but will be effective in the long run, was also predicted.

Conclusions to Chapter 2

Chapter 2 analyzed the main directions of improving the efficiency of foreign trade operations of EximCargoTrade LLC. First of all, companies should focus on developing measures that will increase the economic efficiency of import operations, which are the main type of foreign economic activity of the enterprise.

Among such measures:

- Reduction of the amount on the order №106 by 5% or more by negotiating with the supplier;
- Reduction of transportation costs by 5% by negotiating with the logistics partner of EximCargoTrade LLC or finding a new partner in the field of logistics;
- Registration of goods in the order №106, entering the range in the State Register of medical equipment and medical devices and the implementation of customs clearance with 7% VAT.

Company should also pay attention to ways to increase the efficiency of the company's foreign economic activity, which do not have a direct impact on the economic efficiency indicator. Among them are the optimization of the mechanism of import operations, the choice of specialized software and other ways to use the strengths and capabilities of the enterprise and minimize the impact of weaknesses and threats. The possibility of obtaining additional income through the introduction of export activities should be singled out.

Chapter 2 also predicted the efficiency of foreign economic operations of EximCargoTrade LLC. It was determined that the proposed measures will be able to increase the efficiency from 1.05 to 1.26. That is why these proposed measures are recommended for use in the practice of EximCargoTrade LLC. The impact of measures that do not have a direct impact on the economic efficiency of foreign trade operations, but will be effective in the long run, was also predicted.

CONCLUSIONS

In the final qualifying work, the ways of increase of efficiency of foreign economic operations of the enterprise on an example of activity of LLC EximCargoTrade were investigated.

At the first stage in the chapter 1 deep analysis of the financial and economic condition of the enterprise was conducted. Dynamics indicators for the main items of the Balance Sheet of the enterprise, as well as the Statement of financial performance were calculated. Indicators of business activity of the enterprise were also studied.

Based on these data, the following was found out: at the moment, the financial position of EximCargoTrade LLC is relatively stable, the company generates a small amount of profit from its assets and liabilities. But for a more efficient operation of the company a deep revision of the financial system is required.

The main indicators of import and export, commodity and geographical structure of imports and exports were studied to further determine the effectiveness of foreign trade operations of EximCargoTrade LLC.

In the chapter 1 are also investigated that the main foreign trade operation of EximCargoTrade LLC is import. In the period 2016-2020 the company significantly increases the pace of import activity. The system of import activities which the company is represented on the market for 12 years is quite well established - the company has long-term cooperation with foreign suppliers from China, Germany, Italy and India, as well as partners in Ukraine who help support the company's foreign trade. companies, customs brokers, government agencies of Ukraine.

To directly calculate the efficiency of foreign trade operations, the typical import operation of EximCargoTrade LLC was taken into account. It was an operation to supply laboratory glassware and plasticware according to order №106

As the result of the investigation, we can see that the import operations of EximCargoTrade LLC in 2021 were effective (if we consider the efficiency on the example of a typical operation of the company). But some deliveries for order №106 were unprofitable, and the company lost money. This is primarily due to the fact that a significant share of the import price of the contract is occupied by logistics costs. Other

reasons for the decline in efficiency include additional costs and the COVID-19 pandemic. And because of this it is needed to find the ways to increase the efficiency of EximCargoTrade LLC foreign trade operation.

Chapter 2 analyzed the main directions of improving the efficiency of foreign trade operations of EximCargoTrade LLC. First of all, companies should focus on developing measures that will increase the economic efficiency of import operations, which are the main type of foreign economic activity of the enterprise.

Among such measures:

- Reduction of the amount on the order №106 by 5% or more by negotiating with the supplier;
- Reduction of transportation costs by 5% by negotiating with the logistics partner of EximCargoTrade LLC or finding a new partner in the field of logistics;
- Registration of goods in the order №106, entering the range in the State Register of medical equipment and medical devices and the implementation of customs clearance with 7% VAT.

You should also pay attention to ways to increase the efficiency of the company's foreign economic activity, which do not have a direct impact on the economic efficiency indicator. Among them are the optimization of the mechanism of import operations, the choice of specialized software and other ways to use the strengths and capabilities of the enterprise and minimize the impact of weaknesses and threats. The possibility of obtaining additional income through the introduction of export activities should be singled out.

Chapter 2 also predicted the efficiency of foreign economic operations of EximCargoTrade LLC. It was determined that the proposed measures will be able to increase the efficiency from 1.05 to 1.26. That is why these proposed measures are recommended for use in the practice of EximCargoTrade LLC. The impact of measures that do not have a direct impact on the economic efficiency of foreign trade operations, but will be effective in the long run, was also predicted.

SUMMARY
TO THE FINAL QUALIFYING PAPER
“Efficiency of foreign trade operations of EximCargoTrade LLC”

Final qualifying paper: - 58p., Illustrations - 3, Tables - 20, appendices - 8, references – 61

The object of investigation practical ways to increase the efficiency of foreign economic operations of the enterprise on the example of the import operation of EximCargoTrade LLC.

The subject of investigation is the development and implementation of a set of measures that will have direct positive affect for the efficiency of foreign economic operations on the example of typical import operations of EximCargoTrade LLC.

Enterprise that is a basis for written final qualifying paper is EximCargoTrade LLC.

Purpose of final qualifying paper is to develop a set of effective measures to increase the efficiency of foreign trade operations on the example of a typical import operation of EximCargoTrade LLC.

Task:

- to analyze the financial and economic activity of EximCargoTrade LLC;
- to analyze the foreign economic activity of EximCargoTrade LLC;
- to investigate the effectiveness of foreign economic activity of EximCargoTrade LLC;
- to identify directions for improving the efficiency of foreign economic transactions of EximCargoTrade LLC;
- to develop a set of measures to increase the efficiency of foreign economic operations of EximCargoTrade LLC;
- to forecast the efficiency of foreign economic operations of EximCargoTrade LLC as a result of the implementation of the proposed measures.

Methods of research: analysis and synthesis, scientific abstraction, system analysis, modeling.

In the introduction to the final qualifying paper the current situation of foreign economic activity and the position of EximCargoTrade LLC is explained; the object of research, subject of research, significance and aim are defined. Main tasks of final qualifying paper are listed. Described the main methodological instruments used in the paper.

In the first part of the final qualifying paper “Research of the mechanism of organization of foreign economic activity of EximCargoTrade LLC” is investigated. The financial indicators of company’s operational activity examined. The foreign economic activity of the company is analyzed. The efficiency of typical economic operation is calculated.

In the second part of the paper “Increasing the efficiency of foreign economic (export, import) operations of EximCargoTrade LLC” is investigated. The measures for improvement of foreign economic operations are proposed. Forecast of efficiency of foreign economic activity after implementation of proposed events is calculated.

Conclusions and recommendations contains the generalization of the result of this paper. Brief presentation of the main measures for improvement of foreign economic operations are listed. The probable results after implementation of proposed events are indicated. The results of the whole diploma paper are summarized.

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Table A.1 – LEGAL DOSSIER OF EXIMCARGOTRADE LLC

Full name of the legal entity	Limited Liability Company EximCargoTrade
Abbreviation	ECT LLC
EDRPOU code	36265663
Legal entity status	Not in the process of termination
Registration date	14.01.2009
Authorized person	Serhii Buchnev
Type of ownership	Non-state property
Types of economic activities	<p>46.90 Non-specialized wholesale trade</p> <p>21.20 Manufacturing of pharmaceuticals</p> <p>22.22 Manufacturing of plastic packaging for goods</p> <p>23.19 Manufacturing and processing of other glass products, including technical glass products</p> <p>23.44 Manufacturing of other technical ceramic products</p> <p>26.51 Manufacturing of instruments and appliances for measuring, testing and navigation</p> <p>46.18 Agent practice specializing in the sale of specific products</p> <p>46.19 Agent practice in the sale of a wide variety of goods</p> <p>46.44 Wholesale trade of porcelain, glassware and cleaning products</p> <p>46.46 Wholesale trade of pharmaceutical goods</p> <p>46.49 Wholesale trade of other household goods</p> <p>46.51 Wholesale trade of computers, computer peripheral equipment and software</p> <p>46.52 Wholesale trade of electronic and telecommunications equipment and parts</p> <p>46.62 Wholesale trade of machine tools</p> <p>46.63 Wholesale trade of mining and civil engineering machinery</p> <p>46.66 Wholesale trade of other office machinery and equipment</p> <p>46.69 Wholesale trade of other machinery and equipment</p> <p>46.74 Wholesale trade of hardware, plumbing and heating equipment and supplies</p> <p>46.75 Wholesale trade of chemical products</p> <p>47.91 Mail order and Internet retail</p> <p>68.20 Renting and operating of own or leased real estate</p> <p>70.22 Business and management consulting</p> <p>73.20 Market research and public opinion research</p> <p>32.50 Manufacturing of medical and dental instruments and supplies</p>
Legal adress	Ukraine, 03115, Kiev, Pobedy Avenue, 136, room. 34

Table B.1 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2016)

Assets	01.01.2016	31.12.2016
I. Non-current assets		
Intangible assets:		
- residual value	6	6
- initial value	36	36
- accumulated depreciation	-30	-30
Unfinished construction	102	104
Fixed assets:		
- residual value	1408	1437
- initial value	3196	3262
- wear	-1788	-1825
Long-term biological assets:		
- fair (residual) value		
- initial value		
- accumulated depreciation		
Long-term financial investments:		
- which are accounted for using the equity method of other enterprises		
- other financial investments		
Long-term receivables		
Fair (residual) value of investment property		
Initial value of investment real estate		
Depreciation of investment property		
Deferred tax assets	85	86
Goodwill		
Other non-current assets		
Goodwill on consolidation		
Total for section I	1600	1633
II. Current assets		
Inventories	1354	1382
Current biological assets		
Unfinished production	160	164
Final product	3108	3171
Cargo	8056	8220
Promissory notes received		
Accounts receivable for goods, works, services:		
- net realizable value	34196	34894
- initial value	34196	34894
- reserve for doubtful debts		
Accounts receivable:		
- on a budget	841	858
- for issued advances		
- from accrued income		
- from internal calculations		
Other current receivables	748	763
Current financial investments		
Cash and cash equivalents:		
- in national currency	408	416
- incl. at the box office		
- in foreign currency		
Other current assets		
Total for section II	48871	49868
III. Deferred expenses	5430	5541
IV. Non-current assets and disposal groups		
Balance	55902	57043

Continuation of the Annex B

Table B.2 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2016)

Liabilities	01.01.2016	31.12.2016
I. Equity		
Share capital	147	150
Share capital		
Additional invested capital		
Other additional capital		
Reserve capital		
Retained earnings (uncovered loss)	276	282
Unpaid capital		
Withdrawn capital		
Accumulated exchange rate difference		
Total for section I	424	432
Minority interest		
II. Ensuring subsequent payments and payments		
Ensuring staff payments		
Other security		
The amount of insurance reserves		
The amount of reinsurers' shares in insurance reserves		
Targeted financing		
Total for section II		
III. Long-term liabilities		
Long-term bank credits	13602	13880
Other long-term financial liabilities	27077	27630
Deferred tax liabilities		
Other long-term liabilities		
Total for section III	40679	41509
IV. Current liabilities		
Short-term bank loans		
Current debt on long-term liabilities		
Promissory notes issued		
Accounts payable for goods, works, services	14734	15035
Current settlement liabilities:		
- from received advances		
- with a budget	7	7
- from extra-budgetary payments		
- from insurance	17	17
- on wages	37	37
- with participants		
- from internal calculations		
Liabilities related to non-current assets and disposal groups held for sale		
Other current commitments	5	5
Total for section IV	14799	15101
V. Deferred income		
Balance	55902	57043

Continuation of the Annex B

Table B.3 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2016)

I. FINANCIAL RESULTS		
Article	01.01.2016	31.12.2016
Income (revenue) from sales of products (goods, works, services)	120391	122848
VAT	8180	8347
Excise duty	0	0
Other deductions from income	0	0
Net income (revenue) from sales of products (goods, works, services)	112211	114501
Cost of sales of products (goods, works, services)	-95025	-96965
Gross profit:	0	0
- profit	17186	17537
- damage	0	0
Other operating income	8424	8596
Including income from initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Administrative expenses	-1496	-1526
Selling expenses	-4309	-4397
Other operating expenses	-10724	-10943
Including costs of initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Financial results from operating activities:	0	0
- profit	9082	9267
- damage	0	0
Income from equity participation	0	0
Other financial income	5	5
Other income	1	1
Financial expenses	-9010	-9194
Losses from equity participation	0	0
Other expenses	-1	-1
Profit (loss) from the impact of inflation on monetary items	0	0
Financial results from ordinary activities before tax:	0	0
- profit	77	78
- damage	0	0
Including gains on discontinued operations and / or gains on revaluation of non-current assets and disposal groups	0	0
Including loss from discontinued operations and / or loss from revaluation of non-current assets and disposal groups due to discontinuation of operations	0	0
Income tax on ordinary activities	-19	-20
Income from income tax on ordinary activities	0	0
Financial results from ordinary activities:	0	0
- profit	57	59
- damage	0	0
Extraordinary:	0	0
- income	0	0
- costs	0	0
Extraordinary income taxes	0	0
Minority interest	0	0
Clean:	0	0
- profit	57	59
- damage	0	0
Providing material incentives	0	0

Continuation of the Annex B

Table B.4 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2016)

II. ELEMENTS OF OPERATING COSTS		
Article	01.01.2016	31.12.2016
Material costs	95025	96965
salary expenses	2257	2303
Deductions for social events	838	856
Amortization	279	285
Other operating expenses	13154	13422
Together	111554	113830
	0	0
III. CALCULATION OF SHARE RETURN INDICATORS		
Article title	01.01.2016	31.12.2016
Average annual number of ordinary shares	0	0
Adjusted average annual number of common shares	0	0
Net profit (loss) per ordinary share	0	0
Adjusted net income (loss) per ordinary share	0	0
Dividends per simple share	0	0

Continuation of the Annex B

Table B.5 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2017)

Assets	01.01.2017	31.12.2017
I. Non-current assets		
Intangible assets:		
- residual value	6	25
- initial value	36	74
- accumulated depreciation	-30	-48
Unfinished construction	104	246
Fixed assets:		
- residual value	1437	3996
- initial value	3262	6700
- wear	-1825	-2704
Long-term biological assets:		
- fair (residual) value		
- initial value		
- accumulated depreciation		
Long-term financial investments:		
- which are accounted for using the equity method of other enterprises		
- other financial investments		
Long-term receivables		
Fair (residual) value of investment property		
Initial value of investment real estate		
Depreciation of investment property		
Deferred tax assets	86	202
Goodwill		
Other non-current assets		
Goodwill on consolidation		
Total for section I	1633	4469
II. Current assets		
Inventories	1382	1397
Current biological assets		
Unfinished production	164	228
Final product	3171	3918
Cargo	8220	7857
Promissory notes received		
Accounts receivable for goods, works, services:		
- net realizable value	34894	33808
- initial value	34894	33808
- reserve for doubtful debts		
Accounts receivable:		
- on a budget	858	
- for issued advances		
- from accrued income		
- from internal calculations		44355
Other current receivables	763	44257
Current financial investments		
Cash and cash equivalents:		
- in national currency	416	846
- incl. at the box office		
- in foreign currency		
Other current assets		
Total for section II	49868	48064
III. Deferred expenses	5541	2559
IV. Non-current assets and disposal groups		
Balance	57043	55093

Continuation of the Annex B

Table B.6 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2017)

Liabilities	01.01.2017	31.12.2017
I. Equity		
Share capital	150	150
Share capital		
Additional invested capital		
Other additional capital		
Reserve capital		
Retained earnings (uncovered loss)	282	666
Unpaid capital		
Withdrawn capital		
Accumulated exchange rate difference		
Total for section I	432	816
Minority interest		
II. Ensuring subsequent payments and payments		
Ensuring staff payments		
Other security		
The amount of insurance reserves		
The amount of reinsurers' shares in insurance reserves		
Targeted financing		
Total for section II		
III. Long-term liabilities		
Long-term bank credits	13880	
Other long-term financial liabilities	27630	35000
Deferred tax liabilities		
Other long-term liabilities		
Total for section III	41509	35000
IV. Current liabilities		
Short-term bank loans		10340
Current debt on long-term liabilities		
Promissory notes issued		
Accounts payable for goods, works, services	15035	8815
Current settlement liabilities:		
- from received advances		
- with a budget	7	44450
- from extra-budgetary payments		
- from insurance	17	44407
- on wages	37	75
- with participants		
- from internal calculations		44259
Liabilities related to non-current assets and disposal groups held for sale		
Other current commitments		
Total for section IV	15101	19277
V. Deferred income		
Balance	57043	55093

Continuation of the Annex B

Table B.7 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2017)

I. FINANCIAL RESULTS		
Article	01.01.2017	31.12.2017
Income (revenue) from sales of products (goods, works, services)	122848	155523
VAT	8347	13408
Excise duty	0	0
	0	0
Other deductions from income	0	0
Net income (revenue) from sales of products (goods, works, services)	114501	142115
Cost of sales of products (goods, works, services)	-96965	-127981
Gross profit:	0	0
- profit	17537	14134
- damage	0	0
Other operating income	8596	2304
Including income from initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Administrative expenses	-1526	-2332
Selling expenses	-4397	-3234
Other operating expenses	-10943	-1402
Including costs of initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Financial results from operating activities:	0	0
- profit	9267	9470
- damage	0	0
Income from equity participation	0	0
Other financial income	5	44202
Other income	1	56
Financial expenses	-9194	-9341
Losses from equity participation	0	0
Other expenses	-1	-59
Profit (loss) from the impact of inflation on monetary items	0	0
Financial results from ordinary activities before tax:	0	0
- profit	78	133
- damage	0	0
Including gains on discontinued operations and / or gains on revaluation of non-current assets and disposal groups	0	0
Including loss from discontinued operations and / or loss from revaluation of non-current assets and disposal groups due to discontinuation of operations	0	0
Income tax on ordinary activities	-20	-33
Income from income tax on ordinary activities	0	0
Financial results from ordinary activities:	0	0
- profit	59	100
- damage	0	0
Extraordinary:	0	0
- income	0	0
- costs	0	0
Extraordinary income taxes	0	0
Minority interest	0	0
Clean:	0	0
- profit	59	100
- damage	0	0
Providing material incentives	0	0

Continuation of the Annex B

Table B.8 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2017)

II. ELEMENTS OF OPERATING COSTS		
Characteristic	01.01.2017	31.12.2017
Material costs	96965	124093
salary expenses	2303	3444
Deductions for social events	856	1441
Amortization	285	685
Other operating expenses	13422	5286
Together	113830	134949
III. CALCULATION OF SHARE RETURN INDICATORS		
Article title	01.01.2017	31.12.2017
Average annual number of ordinary shares	0	0
Adjusted average annual number of common shares	0	0
Net profit (loss) per ordinary share	0	0
Adjusted net income (loss) per ordinary share	0	0
Dividends per simple share	0	0

Continuation of the Annex B

Table B.9 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2018)

Assets	01.01.2018	31.12.2018
I. Non-current assets		
Intangible assets:		
- residual value	25	21
- initial value	74	79
- accumulated depreciation	-48	-58
Unfinished construction	246	144
Fixed assets:		
- residual value	3996	3654
- initial value	6700	7019
- wear	-2704	-3365
Long-term biological assets:		
- fair (residual) value		
- initial value		
- accumulated depreciation		
Long-term financial investments:		
- which are accounted for using the equity method of other enterprises		
- other financial investments		
Long-term receivables		
Fair (residual) value of investment property		
Initial value of investment real estate		
Depreciation of investment property		
Deferred tax assets	202	187
Goodwill		
Other non-current assets		
Goodwill on consolidation		
Total for section I	4469	4006
II. Current assets		
Inventories	1397	1691
Current biological assets		
Unfinished production	228	243
Final product	3918	2677
Cargo	7857	8509
Promissory notes received		
Accounts receivable for goods, works, services:		
- net realizable value	33808	54703
- initial value	33808	54703
- reserve for doubtful debts		
Accounts receivable:		
- on a budget		127
- for issued advances		
- from accrued income		
- from internal calculations	44355	10
Other current receivables	44257	2
Current financial investments		
Cash and cash equivalents:		
- in national currency	846	769
- incl. at the box office		
- in foreign currency		
Other current assets		
Total for section II	48064	68731
III. Deferred expenses	2559	2598
IV. Non-current assets and disposal groups		
Balance	55093	75335

Continuation of the Annex B

Table B.10 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2018)

Liabilities	01.01.2018	31.12.2018
I. Equity		
Share capital	150	150
Share capital		
Additional invested capital		
Other additional capital		
Reserve capital		
Retained earnings (uncovered loss)	666	765
Unpaid capital		
Withdrawn capital		
Accumulated exchange rate difference		
Total for section I	816	915
Minority interest		
II. Ensuring subsequent payments and payments		
Ensuring staff payments		
Other security		
The amount of insurance reserves		
The amount of reinsurers' shares in insurance reserves		
Targeted financing		
Total for section II		
III. Long-term liabilities		
Long-term bank credits		
Other long-term financial liabilities	35000	46655
Deferred tax liabilities		
Other long-term liabilities		
Total for section III	35000	46655
IV. Current liabilities		
Short-term bank loans	10340	11042
Current debt on long-term liabilities		
Promissory notes issued		
Accounts payable for goods, works, services	8815	16593
Current settlement liabilities:		
- from received advances		
- with a budget	44450	13
- from extra-budgetary payments		
- from insurance	44407	33
- on wages	75	80
- with participants		
- from internal calculations	44259	4
Liabilities related to non-current assets and disposal groups held for sale		
Other current commitments		
Total for section IV	19277	27765
V. Deferred income		
Balance	55093	75335

Continuation of the Annex B

Table B.11 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2018)

I. FINANCIAL RESULTS		
Article	01.01.2018	31.12.2018
Income (revenue) from sales of products (goods, works, services)	155523	220287
VAT	13408	17717
Excise duty	0	0
	0	0
Other deductions from income	0	0
Net income (revenue) from sales of products (goods, works, services)	142115	202570
Cost of sales of products (goods, works, services)	-127981	-179554
Gross profit:	0	
- profit	14134	23016
- damage	0	0
Other operating income	2304	83414
Including income from initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Administrative expenses	-2332	-2571
Selling expenses	-3234	-6594
Other operating expenses	-1402	-72635
Including costs of initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Financial results from operating activities:	0	
- profit	9470	24630
- damage	0	0
Income from equity participation	0	0
Other financial income	44202	8
Other income	56	705
Financial expenses	-9341	-12804
Losses from equity participation	0	0
Other expenses	-59	-12509
Profit (loss) from the impact of inflation on monetary items	0	0
Financial results from ordinary activities before tax:	0	
- profit	133	30
- damage	0	0
Including gains on discontinued operations and / or gains on revaluation of non-current assets and disposal groups	0	0
Including loss from discontinued operations and / or loss from revaluation of non-current assets and disposal groups due to discontinuation of operations	0	0
Income tax on ordinary activities	-33	-8
Income from income tax on ordinary activities	0	0
Financial results from ordinary activities:	0	
- profit	100	22
- damage	0	0
Extraordinary:	0	
- income	0	0
- costs	0	0
Extraordinary income taxes	0	0
Minority interest	0	0
Clean:	0	
- profit	100	22
- damage	0	0
Providing material incentives	0	0

Continuation of the Annex

Table B.12 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2018)

II. ELEMENTS OF OPERATING COSTS		
Characteristic	01.01.2018	31.12.2018
Material costs	124093	173826
salary expenses	3444	4306
Deductions for social events	1441	1745
Amortization	685	599
Other operating expenses	5286	80878
Together	134949	261354
III. CALCULATION OF SHARE RETURN INDICATORS		
Article title	01.01.2018	31.12.2018
Average annual number of ordinary shares	0	0
Adjusted average annual number of common shares	0	0
Net profit (loss) per ordinary share	0	0
Adjusted net income (loss) per ordinary share	0	0
Dividends per simple share	0	0

Continuation of the Annex B

Table B.13 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2019)

Assets	01.01.2019	31.12.2019
I. Non-current assets		
Intangible assets:		
- residual value	21	13
- initial value	79	79
- accumulated depreciation	-58	-66
Unfinished construction	144	225
Fixed assets:		
- residual value	3654	3116
- initial value	7019	7072
- wear	-3365	-3956
Long-term biological assets:		
- fair (residual) value		
- initial value		
- accumulated depreciation		
Long-term financial investments:		
- which are accounted for using the equity method of other enterprises		
- other financial investments		
Long-term receivables		
Fair (residual) value of investment property		
Initial value of investment real estate		
Depreciation of investment property		
Deferred tax assets	187	187
Goodwill		
Other non-current assets		
Goodwill on consolidation		
Total for section I	4006	3541
II. Current assets		
Inventories	1691	2996
Current biological assets		
Unfinished production	243	355
Final product	2677	6876
Cargo	8509	17824
Promissory notes received		
Accounts receivable for goods, works, services:		
- net realizable value	54703	75659
- initial value	54703	75659
- reserve for doubtful debts		
Accounts receivable:		
- on a budget	127	1860
- for issued advances		
- from accrued income		
- from internal calculations	10	
Other current receivables	2	1654
Current financial investments		
Cash and cash equivalents:		
- in national currency	769	903
- incl. at the box office		
- in foreign currency		
Other current assets		
Total for section II	68731	108127
III. Deferred expenses	2598	12015
IV. Non-current assets and disposal groups		
Balance	75335	123683

Continuation of the Annex B

Table B.14 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2019)

Liabilities	01.01.2019	31.12.2019
I. Equity		
Share capital	150	150
Share capital		
Additional invested capital		
Other additional capital		
Reserve capital		
Retained earnings (uncovered loss)	765	787
Unpaid capital		
Withdrawn capital		
Accumulated exchange rate difference		
Total for section I	915	937
Minority interest		
II. Ensuring subsequent payments and payments		
Ensuring staff payments		
Other security		
The amount of insurance reserves		
The amount of reinsurers' shares in insurance reserves		
Targeted financing		
Total for section II		
III. Long-term liabilities		
Long-term bank credits		30095
Other long-term financial liabilities	46655	59908
Deferred tax liabilities		
Other long-term liabilities		
Total for section III	46655	90003
IV. Current liabilities		
Short-term bank loans	11042	
Current debt on long-term liabilities		
Promissory notes issued		
Accounts payable for goods, works, services	16593	32600
Current settlement liabilities:		
- from received advances		
- with a budget	13	15
- from extra-budgetary payments		
- from insurance	33	37
- on wages	80	81
- with participants		
- from internal calculations	4	
Liabilities related to non-current assets and disposal groups held for sale		
Other current commitments		10
Total for section IV	27765	32743
V. Deferred income		
Balance	75335	123683

Continuation of the Annex B

Table B.15 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2019)

I. FINANCIAL RESULTS		
Article	01.01.2019	31.12.2019
Income (revenue) from sales of products (goods, works, services)	220287	266367
VAT	17717	18099
Excise duty	0	0
Other deductions from income	0	0
Net income (revenue) from sales of products (goods, works, services)	202570	248268
Cost of sales of products (goods, works, services)	-179554	-210244
Gross profit:		
- profit	23016	38024
- damage	0	0
Other operating income	83414	18639
Including income from initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Administrative expenses	-2571	-3309
Selling expenses	-6594	-9533
Other operating expenses	-72635	-23727
Including costs of initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Financial results from operating activities:		
- profit	24630	20094
- damage	0	0
Income from equity participation	0	0
Other financial income	8	10
Other income	705	3
Financial expenses	-12804	-19935
Losses from equity participation	0	0
Other expenses	-12509	-2
Profit (loss) from the impact of inflation on monetary items	0	0
Financial results from ordinary activities before tax:		
- profit	30	170
- damage	0	0
Including gains on discontinued operations and / or gains on revaluation of non-current assets and disposal groups	0	0
Including loss from discontinued operations and / or loss from revaluation of non-current assets and disposal groups due to discontinuation of operations	0	0
Income tax on ordinary activities	-8	-43
Income from income tax on ordinary activities	0	0
Financial results from ordinary activities:		
- profit	22	127
- damage	0	0
Extraordinary:		
- income	0	0
- costs	0	0
Extraordinary income taxes	0	0
Minority interest	0	0
Clean:		
- profit	22	127
- damage	0	0
Providing material incentives	0	0

Continuation of the Annex B

Table B.16 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2019)

II. ELEMENTS OF OPERATING COSTS		
Characteristic	01.01.2019	31.12.2019
Material costs	173826	210244
salary expenses	4306	4993
Deductions for social events	1745	1855
Amortization	599	618
Other operating expenses	80878	29103
Together	261354	246813
III. CALCULATION OF SHARE RETURN INDICATORS		
Article title	01.01.2019	31.12.2019
Average annual number of ordinary shares	0	0
Adjusted average annual number of common shares	0	0
Net profit (loss) per ordinary share	0	0
Adjusted net income (loss) per ordinary share	0	0
Dividends per simple share	0	0

Continuation of the Annex B

Table B.17 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2020)

Assets	01.01.2020	31.12.2020
I. Non-current assets		
Intangible assets:		
- residual value	13	7
- initial value	79	84
- accumulated depreciation	-66	-77
Unfinished construction	225	710
Fixed assets:		
- residual value	3116	2407
- initial value	7072	7798
- wear	-3956	-5391
Long-term biological assets:		
- fair (residual) value		
- initial value		
- accumulated depreciation		
Long-term financial investments:		
- which are accounted for using the equity method of other enterprises		
- other financial investments		
Long-term receivables		
Fair (residual) value of investment property		
Initial value of investment real estate		
Depreciation of investment property		
Deferred tax assets	187	91
Goodwill		
Other non-current assets		
Goodwill on consolidation		
Total for section I	3541	3215
II. Current assets		
Inventories	2996	3328
Current biological assets		
Unfinished production	355	248
Final product	6876	20647
Cargo	17824	28290
Promissory notes received		
Accounts receivable for goods, works, services:		
- net realizable value	75659	44428
- initial value	75659	44599
- reserve for doubtful debts		-171
Accounts receivable:		
- on a budget	1860	1437
- for issued advances		1844
- from accrued income		
- from internal calculations		
Other current receivables	1654	93
Current financial investments		
Cash and cash equivalents:		
- in national currency	903	867
- incl. at the box office		
- in foreign currency		
Other current assets		
Total for section II	108127	101182
III. Deferred expenses	12015	7631
IV. Non-current assets and disposal groups		
Balance	123683	112028

Continuation of the Annex B

Table B.18 – BALANCE SHEET OF EXIMCARGOTRADE LLC (2020)

Liabilities	01.01.2020	31.12.2020
I. Equity		
Share capital	150	150
Share capital		
Additional invested capital		
Other additional capital		
Reserve capital		
Retained earnings (uncovered loss)	787	1571
Unpaid capital		
Withdrawn capital		
Accumulated exchange rate difference		
Total for section I	937	1721
Minority interest		
II. Ensuring subsequent payments and payments		
Ensuring staff payments		
Other security		
The amount of insurance reserves		
The amount of reinsurers' shares in insurance reserves		
Targeted financing		
Total for section II		
III. Long-term liabilities		
Long-term bank credits	30095	
Other long-term financial liabilities	59908	34990
Deferred tax liabilities		
Other long-term liabilities		
Total for section III	90003	34990
IV. Current liabilities		
Short-term bank loans		29994
Current debt on long-term liabilities		
Promissory notes issued		
Accounts payable for goods, works, services	32600	32239
Current settlement liabilities:		
- from received advances		12906
- with a budget	15	18
- from extra-budgetary payments		
- from insurance	37	31
- on wages	81	65
- with participants		
- from internal calculations		
Liabilities related to non-current assets and disposal groups held for sale		
Other current commitments	10	64
Total for section IV	32743	75317
V. Deferred income		
Balance	123683	112028

Continuation of the Annex B

Table B.19 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2020)

I. FINANCIAL RESULTS		
Article	01.01.2020	31.12.2020
Income (revenue) from sales of products (goods, works, services)	266367	149915
VAT	18099	3016
Excise duty	0	0
	0	0
Other deductions from income	0	0
Net income (revenue) from sales of products (goods, works, services)	248268	146899
Cost of sales of products (goods, works, services)	-210244	-117036
Gross profit:		
- profit	38024	29863
- damage	0	0
Other operating income	18639	11929
Including income from initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Administrative expenses	-3309	-3215
Selling expenses	-9533	-8008
Other operating expenses	-23727	-11041
Including costs of initial recognition of biological assets and agricultural products obtained as a result of agricultural activities	0	0
Financial results from operating activities:		
- profit	20094	19528
- damage	0	0
Income from equity participation	0	0
Other financial income	10	7
Other income	3	8
Financial expenses	-19935	-19123
Losses from equity participation	0	0
Other expenses	-2	0
Profit (loss) from the impact of inflation on monetary items	0	0
Financial results from ordinary activities before tax:		
- profit	170	420
- damage	0	0
Including gains on discontinued operations and / or gains on revaluation of non-current assets and disposal groups	0	0
Including loss from discontinued operations and / or loss from revaluation of non-current assets and disposal groups due to discontinuation of operations	0	0
Income tax on ordinary activities	-43	-105
Income from income tax on ordinary activities	0	0
Financial results from ordinary activities:		
- profit	127	315
- damage	0	0
Extraordinary:		
- income	0	0
- costs	0	0
Extraordinary income taxes	0	0
Minority interest	0	0
Clean:		
- profit	127	315
- damage	0	0
Providing material incentives	0	0

Continuation of the Annex B

Table B.20 – FINANCIAL RESULTS REPORT OF EXIMCARGOTRADE LLC (2020)

II. ELEMENTS OF OPERATING COSTS		
Characteristic	01.01.2020	31.12.2020
Material costs	210244	111855
salary expenses	4993	5072
Deductions for social events	1855	1923
Amortization	618	545
Other operating expenses	29103	19905
Together	246813	139300
III. CALCULATION OF SHARE RETURN INDICATORS		
Article title	01.01.2020	31.12.2020
Average annual number of ordinary shares	0	0
Adjusted average annual number of common shares	0	0
Net profit (loss) per ordinary share	0	0
Adjusted net income (loss) per ordinary share	0	0
Dividends per simple share	0	0

Annex C

Table C.1 – Calculation of dynamics indicators by balance sheet articles (asset) for 2016-2020 [3, p. 128, 191]

Assets	Absolute deviation				Growth rate			
	2016-2017	2017-2018	2018-2019	2019-2020	2016-2017	2017-2018	2018-2019	2019-2020
I. Non-current assets	0	0	0	0				
Intangible assets:	0	0	0	0				
- residual value	19	-4	-8	-6	317%	-16%	-38%	-46%
- initial value	38	5	0	5	106%	7%	0%	6%
- accumulated depreciation	-18	-10	-8	-11	60%	21%	14%	17%
Unfinished construction	142	-102	81	485	137%	-41%	56%	216%
Fixed assets:	0	0	0	0				
- residual value	2559	-342	-538	-709	178%	-9%	-15%	-23%
- initial value	3438	319	53	726	105%	5%	1%	10%
- wear	-879	-661	-591	-1435	48%	24%	18%	36%
Long-term biological assets:	0	0	0	0				
- fair (residual) value	0	0	0	0				
- initial value	0	0	0	0				
- accumulated depreciation	0	0	0	0				
Long-term financial investments:	0	0	0	0				
- which are accounted for using the equity method of other enterprises	0	0	0	0				
- other financial investments	0	0	0	0				
Long-term receivables	0	0	0	0				
Fair (residual) value of investment property	0	0	0	0				
Initial value of investment real estate	0	0	0	0				
Depreciation of investment property	0	0	0	0				
Deferred tax assets	116	-15	0	-96	135%	-7%	0%	-51%
Goodwill	0	0	0	0				
Other non-current assets	0	0	0	0				
Goodwill on consolidation	0	0	0	0				
Total for section I	2836	-463	-465	-326	174%	-10%	-12%	-9%

Continuation of the Annex C

Table C.2 – Calculation of dynamics indicators by balance sheet articles (asset) for 2016-2020 [3, p. 128, 191]

Assets	Absolute deviation				Growth rate			
	2016-2017	2017-2018	2018-2019	2019-2020	2016-2017	2017-2018	2018-2019	2019-2020
II. Current assets	0	0	0	0				
Inventories	15	294	1305	332	1%	21%	77%	11%
Current biological assets	0	0	0	0				
Unfinished production	64	15	112	-107	39%	7%	46%	-30%
Final product	747	-1241	4199	13771	24%	-32%	157%	200%
Cargo	-363	652	9315	10466	-4%	8%	109%	59%
Promissory notes received	0	0	0	0				
Accounts receivable for goods, works, services:	0	0	0	0				
- net realizable value	-1086	20895	20956	-31231	-3%	62%	38%	-41%
- initial value	-1086	20895	20956	-31060	-3%	62%	38%	-41%
- reserve for doubtful debts	0	0	0	-171				
Accounts receivable:	0	0	0	0				
- on a budget	-858	127	1733	-423	-100%		1365%	-23%
- for issued advances	0	0	0	1844				
- from accrued income	0	0	0	0				
- from internal calculations	44355	-44345	-10	0		-100%	-100%	
Other current receivables	43494	-44255	1652	-1561	5700%	-100%	82600%	-94%
Current financial investments	0	0	0	0				
Cash and cash equivalents:	0	0	0	0				
- in national currency	430	-77	134	-36	103%	-9%	17%	-4%
- incl. at the box office	0	0	0	0				
- in foreign currency	0	0	0	0				
Other current assets	0	0	0	0				
Total for section II	-1804	20667	39396	-6945	-4%	43%	57%	-6%
III. Deferred expenses	-2982	39	9417	-4384	-54%	2%	362%	-36%
IV. Non-current assets and disposal groups	0	0	0	0				
Balance	-1950	20242	48348	-11655	-3%	37%	64%	-9%

Continuation of the Annex C

Table C.3 – Calculation of dynamics indicators by balance sheet articles (liabilities) for 2016-2020 [3, p. 128, 191]

Liabilities	Absolute deviation				Growth rate			
	2016-2017	2017-2018	2018-2019	2019-2020	2016-2017	2017-2018	2018-2019	2019-2020
I. Equity	0	0	0	0				
Share capital	0	0	0	0	0%	0%	0%	0%
Share capital	0	0	0	0				
Additional invested capital	0	0	0	0				
Other additional capital	0	0	0	0				
Reserve capital	0	0	0	0				
Retained earnings (uncovered loss)	384	99	22	784	136%	15%	3%	100%
Unpaid capital	0	0	0	0				
Withdrawn capital	0	0	0	0				
Accumulated exchange rate difference	0	0	0	0				
Total for section I	384	99	22	784	89%	12%	2%	84%
Minority interest	0	0	0	0				
II. Ensuring subsequent payments and payments	0	0	0	0				
Ensuring staff payments	0	0	0	0				
Other security	0	0	0	0				
The amount of insurance reserves	0	0	0	0				
The amount of reinsurers' shares in insurance reserves	0	0	0	0				
Targeted financing	0	0	0	0				
Total for section II	0	0	0	0				
III. Long-term liabilities	0	0	0	0				
Long-term bank credits	-13880	0	30095	-30095	-100%			-100%
Other long-term financial liabilities	7370	11655	13253	-24918	27%	33%	28%	-42%
Deferred tax liabilities	0	0	0	0				
Other long-term liabilities	0	0	0	0				
Total for section III	-6509	11655	43348	-55013	-16%	33%	93%	-61%

Continuation of the Annex C

Table C.4 – Calculation of dynamics indicators by balance sheet articles (liabilities) for 2016-2020 [3, p. 128, 191]

Liabilities	Absolute deviation				Growth rate			
	2016-2017	2017-2018	2018-2019	2019-2020	2016-2017	2017-2018	2018-2019	2019-2020
IV. Current liabilities	0	0	0	0				
Short-term bank loans	10340	702	-11042	29994		7%	-100%	
Current debt on long-term liabilities	0	0	0	0				
Promissory notes issued	0	0	0	0				
Accounts payable for goods, works, services	-6220	7778	16007	-361	-41%	88%	96%	-1%
Current settlement liabilities:	0	0	0	0				
- from received advances	0	0	0	12906				
- with a budget	44443	-44437	2	3	634900%	-100%	15%	20%
- from extra-budgetary payments	0	0	0	0				
- from insurance	44390	-44374	4	-6	261118%	-100%	12%	-16%
- on wages	38	5	1	-16	103%	7%	1%	-20%
- with participants	0	0	0	0				
- from internal calculations	44259	-44255	-4	0		-100%	-100%	
Liabilities related to non-current assets and disposal groups held for sale	0	0	0	0				
Other current commitments	-5	0	10	54	-100%			540%
Total for section IV	4176	8488	4978	42574	28%	44%	18%	130%
V. Deferred income	0	0	0	0				
Balance	-1950	20242	48348	-11655	-3%	37%	64%	-9%

CONTRACT DRAFT OF EXIMCARGOTRADE LLC

К О Н Т Р А К Т № 2

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Kyiv
(Ukraine) December 14, 2019

Компанія «XXX» в особі **Mr. Chairman**, який діє на підставі **Статуту підприємства**, іменована надалі **«Продавець»**, з одного боку, та **ТОВ «ЕКСІМКАРГОТРЕЙД»**, Україна, 03115, просп. Перемоги, буд. 136, кім. 34

"XXX" Ltd. represented by **Mr. Chairman**, acting on the basis of the Charter of the enterprise, hereinafter referred to as **"Seller"**, on the one hand, and **EXIMCARGOTRADE LLC**, Ukraine, 03115, Pobedy ave., 136, 34

в особі виконавчого директора Субача Романа Валерійовича, який діє на підставі довіренності **№05032019_Д1 від 5 березня 2019 р.**, іменовані надалі **«Покупець»**, з іншого боку, далі іменовані **«Сторони»**, уклали цей Контракт про наступне:

represented by the **Executive Director Roman Subach**, acting on the basis of a **power of attorney №05032019_D1** dated March 5, 2019, hereinafter referred to as the **"Buyer"**, on the other hand, hereinafter referred to as the **"Parties"**, have entered into this Contract on the following:

1. Предмет контракту

1. Subject of the contract

1.1. Продавець зобов'язується продати, а Покупець оплатити та прийняти у власність наступний Товар:

1.1. The Seller undertakes to sell, and the Buyer undertakes to pay and take ownership of the following Goods:

вироби лабораторні (посуд лабораторний), виготовлений з пластику та скла.

laboratory products (labware), made of plastic and glass.

1.2. Сума контракту визначається сумою всіх комерційних інвойсів за даним контрактом.

1.2. The amount of the contract is determined by the sum of all commercial invoices to this contract.

2. Ціна Товару

2. Price of the Goods

2.1. Ціни, зазначені в комерційних інвойсах до цього контракту, остаточні і не підлягають зміні.

2.1. The prices stated in the commercial invoices before this contract are residual and are not subject to change.

2.2. Загальна вартість включає в себе: вартість Товару, вартість упаковки, маркування, запобігання товару від пошкоджень, оформлення всіх необхідних товаросупровідних документів, завантаження на борт транспортного засобу, вартість митних процедур в країні Продавцю

2.2. The total cost includes: cost of the Goods, cost of packing, marking, prevention of the goods from damages, registration of all necessary accompanying documents, loading on board the vehicle, cost of customs procedures in the country the Seller

3. Умови оплати

3. Terms of payment

3.1. Валюта контракту – долари США. Оплата за Товар здійснюється в доларах США.

3.1. The currency of the contract is US dollars. Payment for the Goods is made in US dollars.

3.2. Грошові кошти в розмірі 30% від вартості товару перераховуються на розрахунковий рахунок Продавця банківським переказом протягом 10 (десяти) днів після підписання інвойсу до цього контракту, 70% від вартості товару будуть перераховані на розрахунковий рахунок Продавця банківським переказом протягом 10 (десяти) днів після отримання Товару на склад Покупця.

3.2. Funds in the amount of 30% of the value of the goods is transferred to the current account of the Seller by bank transfer within 10 (ten) days after signing the invoice to this contract, 70% of the value of the goods will be transferred to the current account of the Seller by bank transfer within 10 (ten) days Goods to the Buyer's warehouse.

3.3. Датою оплати вважається дата списання 70% грошових коштів з розрахункового рахунку Покупця.

3.3. The date of payment is the date of debiting 70% of funds from the current account of the Buyer.

3.4. Комісійні банку, включаючи комісійні банкам - кореспондентам, оплачуються Продавцем.

3.4. Bank commissions, including commissions to correspondent banks, are paid by the Seller.

Continuation of the Annex D

4. Умови поставки Товару

- 4.1. Товар поставляється на умовах FOB Шанхай, згідно Інкотермс 2010.
4.2. Право власності на Товар переходить Покупцю після загрузки товару на борт транспортного судна в країні Продавця.

5. Упаковка та маркування

- 5.1. Товар поставляється в упаковці, яка повинна забезпечувати повне збереження Товару і охороняти товар від пошкодження при транспортуванні усіма видами транспорту з урахуванням перевалок, а також охороняти товар від атмосферних впливів.
5.2. Продавець несе повну відповідальність за будь-яке пошкодження або втрату Товару до моменту навантаження товару на транспортне судно, якщо таке пошкодження або втрата викликані невідповідною або неповноцінною упаковкою.

6. Якість і технічні характеристики товару

- 6.1. Продавець гарантує високу якість Товару, а також його відповідність до комерційного інвойсу до цього контракту.
6.2. У разі невідповідності Товару комерційному інвойсу, Сертифікату відповідності та / або наявності в Товарі дефектів, Продавець гарантує протягом 30 (тридцяти) днів за свій рахунок усунути ці дефекти або замінити дефектний Товар новим та зобов'язується оплатити доставку до складу Покупця.

7. Права та обов'язки Сторін

- 7.1. Продавець зобов'язаний:
7.1.1. Передати Покупцю Товар належної якості та в обумовленому цим контрактом кількості.
7.1.2. Забезпечити доставку на умовах зазначених в п.4.1. цього Контракту.
7.1.3. Перед відвантаженням вислати Покупцеві електронною поштою kip@eximlab.ua повідомлення про готовність товару до відправки і копії відвантажувальних документів, а саме:
- Рахунок
- Пакувальний лист
- Сертифікат походження
- Сертифікат якості
- Експортну декларацію.
Продавець надає разом з поставкою оригінали вищезазначених документів на відвантаження.

4. Terms of delivery of the Goods

- 4.1. The goods are delivered on the terms of **FOB Shanghai**, according to Incoterms 2010.
4.2. Ownership of the Goods passes to the Buyer after loading the goods on board the transport vessel in the Seller's country.

5. Packaging and labeling

- 5.1. The goods are delivered in packing which has to provide full safety of the Goods and to protect the goods from damage at transportation by all types of transport taking into account transshipments, and also to protect the goods from atmospheric influences.
5.2. The Seller shall be fully liable for any damage or loss of the Goods until the goods are loaded on the transport vessel, if such damage or loss is caused by improper or defective packaging.

6. Quality and technical characteristics goods

- 6.1. The Seller guarantees the high quality of the Goods, as well as its compliance with the commercial invoice to this contract.
6.2. In case of non-compliance of the Goods with the commercial invoice, Certificate of Conformity and / or defects in the Goods, the Seller guarantees within 30 (thirty) days to eliminate these defects or replace the defective Goods with new ones and undertakes to pay for delivery to the Buyer.

7. Rights and obligations of the Parties

- 7.1. The seller must:
7.1.1. To transfer to the Buyer the Goods of proper quality and in the quantity stipulated by this contract.
7.1.2. To provide delivery on the conditions specified in item 4.1. of this Contract.
7.1.3. Before shipment, send to the Buyer by e-mail kip@eximlab.ua notification of the readiness of the goods for dispatch and a copy of the shipping documents, namely:
- Account
- Packing list
- Certificate of origin
- Quality certificate
- Export declaration.
The seller provides with the delivery of the originals of the above documents for shipment.

Continuation of the Annex D

7.1.4. У день відвантаження повідомити Покупцеві про відвантаження Товару на адресу Покупця.

7.2. Покупець зобов'язаний:

7.2.1. Забезпечити розвантаження і приймання Товару за кількістю та якістю протягом 3 (трьох) діб з моменту його надходження на склад Покупця.

7.2.2. Повідомити Продавцю про помічені під час приймання або в процесі експлуатації недоліки проданого Товару, а також надати Акт про невідповідність Товару, складений службою Покупця, що виявила дефект, за підписом Директора з виробництва/Технічного директора.

7.2.3. Оплатити куплений Товар в терміни, встановлені в розділі 3 цього Контракту.

7.3. Покупець, якому переданий Товар неналежної якості, має право за своїм вибором вимагати від Продавця:

- Безкоштовної заміни дефектного Товару;
- Заміни Товару на Товар належної якості протягом 30 (тридцяти) днів від дати подання претензії;

7.4. Покупець має право пред'явити вимогу у зв'язку з недоліками Товару, при виявленні недоліків протягом гарантійного терміну.

8. Гарантійний термін

8.1. Продавець гарантує високу якість товару.

8.2. Гарантійний термін на Товар становить 24 місяці з приймання Товару, але не більше 28 місяців з дати відвантаження, протягом якого Покупець має право пред'явити претензії щодо якості Товару, в разі невідповідності Товару вимогам розділу 6 цього Контракту.

8.3. При виявленні будь-яких дефектів під час гарантійного терміну, Покупець повинен негайно проінформувати Продавця електронною поштою протягом 24 годин. У разі, якщо консультаційний сервіс Продавця не розв'язав проблему по телефону / електронною поштою, Продавець зобов'язаний протягом 3 днів відрядити своїх фахівців на завод Покупця для перевірки роботи забракованої частини і для усунення цих дефектів на прохання Покупця. Продавець зобов'язаний замінити дефектні частини на нові в можливі найкоротші терміни. Всі витрати, пов'язані з виконанням претензії, та усуненням дефектів відносяться на рахунок Продавця, за умови, що такі дефекти сталися не з вини Покупця.

7.1.4. On the day of shipment, notify the Buyer of the shipment of the Goods to the address of the Buyer.

7.2. The buyer must:

7.2.1. Ensure unloading and acceptance of the Goods in quantity and quality within 3 (three) days from the date of its receipt at the Buyer's warehouse.

7.2.2. Notify the Seller of the defects of the sold Goods noticed during acceptance or during operation, as well as provide a Certificate of Nonconformity of the Goods, drawn up by the Buyer's service, which found the defect, signed by the Production Director / Technical Director.

7.2.3. Pay for the purchased Goods within the time limits set forth in Section 3 of this Contract.

7.3. The Buyer, to whom the Goods of improper quality have been transferred, has the right to demand from the Seller at his choice:

- Free replacement of defective goods;
- Replacement of the Goods with Goods of proper quality within 30 (thirty) days from the date of filing the claim;

7.4. The Buyer has the right to make a claim in connection with the defects of the Goods, if any defects are found during the warranty period

8. Warranty period

8.1. The Seller guarantees high quality of the Goods.

8.2. The guarantee period for the Goods shall be 24 months from acceptance date, however latest 28 months from shipment date during which the Buyer shall have the right to make claims on quality of the Goods, in case the quality does not comply with the Chapter 6 of this Contract.

8.3. Should any defects be discovered within the warranty period, the Buyer shall notify the Seller as fast as possible by e-mail about such defects during 24 hours. In case consultant service of the Seller by phone/e-mail does not solve the problem, the Seller undertakes to send his specialists within 3 days to the Buyer's site for checking the operation of the faulty parts and for elimination of these defects on the Buyers request. The Seller is obligated to replace the defected parts with new ones as soon as possible.

All expenses connected with the claim and with the elimination of the defects are borne by the Seller if these defects are not the Buyers fault.

Continuation of the Annex D

9. Відповідальність сторін

9.1. За несвоєчасну поставку Товару Продавець сплачує Покупцю штраф в розмірі 2% від загальної вартості Контракту за кожний послідовний тиждень прострочення, але не більше 8% від загальної вартості Контракту.

9.2. Продавець відповідає за недоліки Товару, якщо не доведе, що недоліки Товару виникли після його передачі Покупцеві внаслідок порушення Покупцем правил користування Товаром або його зберігання.

9.3. У разі якщо серед документів, які супроводжують поставку, немає оригіналу Сертифіката походження, то Продавець сплачує Покупцю штраф 3% від загальної вартості Товару.

9.4. У разі, якщо відвантажувальні документи (рахунок-фактура і пакувальний лист), оформлені некоректно, що може вплинути або ускладнити митну очистку Товару, Продавець оплачує Покупцеві пеню в розмірі 3% від вартості контракту за кожний неправильно оформлений документ. Перелік необхідної інформації в документах:

Пакувальний лист

1. Посилання на номер і дату контракту
2. Вага нетто кожної позиції
3. Загальна вага Товару - нетто і брутто
4. Тип упаковки для піддонів та ящиків (дерев'яний, картонний, ґратчастий)
5. Кількість ящиків
6. Розмір кожного пакувального місця

Рахунок-фактура

1. Номер рахунку і дата його виписки
2. Посилання на номер і дату контракту
3. Загальна назва Товару (Предмет контракту)
4. Ціна за одиницю і загальна вартість Контракту (повна ідентичність прайс-листу контракту)
5. Умови поставки
6. Умови оплати
7. Замовлена кількість
8. Країна походження.

Подібне застосовується до технічної документації, інструкцій з експлуатації, каталогам і кресленнями, якщо вони не отримані Покупцем за тиждень до відвантаження Товару.

У разі, якщо всі інші документи, необхідні згідно Українського Законодавства, які перераховані в параграфі 7.1.3., оформлені некоректно, Продавець зобов'язується оплатити фактичну суму штрафу після отримання від Покупця відповідного рахунку-фактури.

9. Parties' responsibility

9.1. The Seller shall pay to the Buyer a penalty in the amount of 2% of the total contract value for each commencing week of week of delay, but not more then 8% of the total contract amount.

9.2. The Seller shall be responsible for the shortage of the Goods, if it fails to prove that such shortage of the Goods have arisen after its transfer to the Buyer due to the Buyer's breach of the rules for use or storage of the Goods.

9.3. In case there is no original of Certificate of origin among the documents with the delivery, the Seller will pay to the Buyer the fine in the amount of 3% of the total value of the Goods.

9.4. In case the shipping documents, (invoice and packing list) are not properly set up and affect or prevent customs clearance procedures, the Seller shall pay of 3% of the total value of the Contract for each incorrect document.

The list of required data in the documents:

Packing list

1. Reference to contract No and date of the contract
2. Net weight of each individual part
3. Total gross and net weight of the Goods
4. Type of package for pallets and boxes (wooden, carton or framed box)
5. Quantity of boxes
6. Size of each package

Invoice

1. Invoice number and date of issuing
2. Reference to contract No and date of the contract
3. General name of the Goods (Subject of the contract)
4. Unit price and total amount of the Goods (full correspondence to Price list of the Contract)
5. Terms of delivery
6. Terms of payment
7. Ordered quantity
8. Country of origin.

The same applies for the technical documentation, manuals, catalogus and drawings if they are not received one week prior to shipment of the Goods. For all other incorrect documents mentioned in paragraph 7.1.3. requested by the Ukrainian Law the Seller shall pay the actual fine against presentation of the actual invoice.

Continuation of the Annex D

Покупець має право зменшити на цю суму будь-який платіж на користь Продавця.

9.5. За письмовим запитом Покупця Продавець зобов'язаний надати прайс лист і калькуляцію ціни Товар переліченої в специфікації до контракту.

The Buyer has the right to deduct the corresponding amount directly from the invoice of the Seller.

9.5. Upon written request of the Buyer, the Seller is obliged to provide the price list and and cost calculation of the Goods listed in specification of the Contract.

10. Форс-мажор

10.1. Якщо відправка вантажу буде затримана з причин форс-мажору, Продавець повинен проінформувати Покупця по факсу не пізніше ніж через 2 (два) робочі дні з дня виникнення форс-мажорних обставин. Про відновлення нормальних обставин Продавець повинен проінформувати Покупця по факсу не пізніше ніж через 2 (два) робочі дні з дня виникнення відновлення нормальних обставин. На вимогу Покупця Продавець повинен надати докази форс-мажору (наприклад довідку (листа) із Торгово-промислової палати).

10.2. У разі форс-мажору узгоджені дати будуть відкладені на відповідний період. Якщо виконання контракту затримано через форс-мажорні обставини на більше ніж 3 (три) місяці, обидві сторони повинні узгодити нові умови відповідно з виниклими обставинами.

10.3. Форс-мажорними обставинами вважаються: крах поїздів, серйозні пожежі, вибухи, війни в будь-якій формі, повстання, страйки, а також всі інші серйозні події, які визнаються як форс-мажор відповідальним арбітражним судом або Торгово-промисловою палатою.

11. Арбітраж

11.1. Всі суперечки і розбіжності, які можуть виникнути з даного Контракту, будуть, по можливості, вирішуватися шляхом переговорів між сторонами.

11.2. Будь-який спір, що виникає за цим Контрактом або в зв'язку з ним, підлягає передачі на розгляд і остаточне вирішення в Міжнародному комерційному арбітражному суді при Торгово-промислової палаті України.

11.3. Сторони згодні з тим, що в процесі розгляду і вирішення спору буде застосовуватися регламент Міжнародного комерційного арбітражного суду при Торгово-промисловій палаті України. Кількість арбітрів – один.

11.4. В Міжнародному комерційному арбітражному суді застосовується матеріальне

10. Force-Majeure Circumstances

10.1. If the shipment will completely or partly be prevented out of reasons of a Force Major, the Seller is obliged to inform the Buyer by fax no later than 2 (two) days after these circumstances appeared. The re-establishment of the normal circumstances has to be communicated to the Buyer no later than 2 (two) days after these circumstances reestablished. Upon request of the Buyer, the Seller has to furnish proof of the Force Major (e.g. information (letter) from Chamber of commerce and industry).

10.2. In case of a Force Major the dates agreed upon will be postponed by an equal period. Should the performance of the contract be delayed for reasons of Force Major by more than 3 (three) months, both parties will agree new conditions with respect to the new given circumstances.

10.3. Cases of Force Major are nature of train catastrophes, serious fire, explosions, war in every form, revolts, strikes as well as other serious events which are accepted as Force Major by the responsible arbitration court or Chamber of Commerce and Industry.

11. Arbitration

11.1. All disputes and differences which may arise out of the present Contract will be settled as far as possible by means of negotiations between the Parties.

11.2. Any dispute arising out of or in connection with this Contract should be submitted for settlement to International Commercial Arbitration Court at the Ukrainian Chamber of Commerce and Industry.

11.3. Both Parties agree that the Rules of Procedure of International Commercial Arbitrage in Ukrainian Chamber of Commerce and Industry should be used during an arbitration process. The quantity of arbitrators shall be one.

11.4. Both Parties agree that Ukrainian Substantive Law and English language should be used during an arbitration process.

11.5. The place of arbitration – Kyiv, Ukraine.

Continuation of the Annex D

право України і використовується англійська мова.

11.5. Місцем арбітражу буде м. Київ, Україна.

12. Загальні умови

12.1. Контракт набуває чинності з дати його підписання обома сторонами і діє до 31.12.2023 року та в будь-якому випадку до повного виконання Сторонами своїх зобов'язань за цим Контрактом.

12.2. Справжній Контракт укладається в 2 (двох) примірниках українською та англійською мовами, при цьому обидва тексти є автентичними. У разі виникнення розбіжностей текст англійською мовою превалює.

12.3. Всі зміни і доповнення до цього контракту дійсні лише в тому випадку, якщо зроблені в письмовій формі і підписані обома сторонами.

12.4. Сканована копія даного контракту вважається юридично дійсною.

13. Юридичні і банківські реквізити сторін

ПРОДАВЕЦЬ

ПОКУПЕЦЬ

ТОВ «ЕКСІМКАРГОТРЕЙД»

Україна, 03115, просп. Перемоги, буд. 136, кім. 34

Адреса банку:

Рахунок № 26004439062

АТ «Райффайзен Банк Аваль»

Swift code: AVALUAUK

вул. Лескова 9, Київ 01011, Україна

ПОКУПЕЦЬ/THE BUYER

Субач Р.В./Mr.Roman
Subach

Виконавчий директор/
Executive Director

12. General conditions

12.1. The Contract becomes effective from the date of its signing by both parties and valid till 31.12.2023, but anywhere till the full execution of the obligations by the Parties.

12.2. The present Contract is made in 2 (two) copies each in the Ukrainian and English languages, both texts are authentic. In case of disputes English text prevails.

12.3. All amendments and additions to this Contract are valid only if made in writing and signed by both parties.

12.4. Scan copy of this contract is considered to be valid.

13. Legal addresses and bank details of the parties

THE SELLER

THE BUYER

EXIMCARGOTRADE LLC

Ukraine, 03115, Pobedy ave., 136, 34

Account No. 26004439062

Bank: "Raiffeisen Bank Aval" JSC

Swift code: AVALUAUK

Adress: 9, Leskova Str., Kiev 01011, Ukraine

ПРОДАВЕЦЬ/THE SELLER

Mr. Chairman

Table E.1 – Algorithm for calculating the efficiency of foreign trade operations according to Tyurina N. [16]

Stage	Indicator	Denotation	Method of calculation	Components
1	Invoice value of goods (due to FOB delivery terms)	V_I	$V_I = V_G + C_{PD} + C_L + C_{ECC}$	V_G – value of goods; C_{PD} – costs for goods delivery to the port of departure; C_L – costs for loading of goods; C_{ECC} – costs for export customs clearance.
2	Customs value of goods	V_C	$V_C = (V_I + C_{SF} + C_I) \times ER$	C_{SF} – sea freight costs; C_I – insurance costs; ER – exchange rate.
3	Sum of customs duty	CD	$CD = V_C \times CD_R$	CD_R – custom duty rate
4	Sum of value added tax	VAT	$VAT = (V_C + CD) \times VAT_R$	VAT_R – value added tax rate
5	Import prime costs	IPC	$IPC = V_C + CD + VAT + C_{WCB}$	C_{WCB} – costs within countries borders
6	Income from selling the import goods	I_{IG}	$I_{IG} = Q \times P_{DM}$	Q – quantity of goods; P_{DM} – price on domestic market.
7	Import operation effect	E_{IO}	$E_{IO} = I_{IG} - IPC$	
8	Import operation efficiency	KE_{IO}	$KE_{IO} = \frac{I_{IG}}{IPC}$	

**Table F.1 — Calculations of efficiency for the import operation according to order №106 dated December 18, 2020
between XXX LTD and EximCargoTrade LLC [16]**

Indicator	Delivery №1 (16.02.2021)	Delivery №2 (12.03.2021)	Delivery №3 (06.04.2021)	Delivery №4 (12.05.2021)	Delivery №5 (10.06.2021)
$V_I = V_G + C_{PD} + C_L + C_{ECC}$	$V_I = \$22194,61$	$V_I = \$22082,17$	$V_I = \$15753,84$	$V_I = \$14644,73$	$V_I = \$13671,69$
$V_C = (V_I + C_{SF} + C_I) \times ER$	$V_C = (\$22194,61 + \$9500,00) \times 27,9671 \text{ \textless} = 888\ 889,20 \text{ \textless}$	$V_C = (\$22082,17 + \$8100,00) \times 27,7486 \text{ \textless} = 839964,02 \text{ \textless}$	$V_C = (\$15753,84 + \$8700,00) \times 27,9390 \text{ \textless} = 684976,28 \text{ \textless}$	$V_C = (\$14644,73 + \$9650,00) \times 27,6744 \text{ \textless} = 673963,16 \text{ \textless}$	$V_C = (\$13671,69 + \$10900,00) \times 27,0906 \text{ \textless} = 667143,32 \text{ \textless}$
$CD = V_C \times CD_R$	$CD_{3926} = (\$988,30 + \$9500,00 \times \$988,30/\$22194,61) \times 0\% \times 27,9671 \text{ \textless} = 0 \text{ \textless}$	$CD_{3926} = (\$770,00 + \$8100,00 \times \$770,00/\$22082,17) \times 0\% \times 27,7486 \text{ \textless} = 0 \text{ \textless}$	$CD_{3926} = (\$3249,60 + \$8700,00 \times \$3249,60/\$15753,84) \times 0\% \times 27,9390 \text{ \textless} = 0 \text{ \textless}$	$CD_{3926} = (\$2058,30 + \$9650,00 \times \$2058,30/\$14644,73) \times 0\% \times 27,6744 \text{ \textless} = 0 \text{ \textless}$	$CD_{3926} = (\$2944,35 + \$10900,00 \times \$2944,35/\$13671,69) \times 0\% \times 27,0906 \text{ \textless} = 0 \text{ \textless}$
	$CD_{7017} = (\$21206,31 + \$9500,00 \times \$21206,31/\$22194,61) \times 10\% \times 27,9671 \text{ \textless} = 84930,80 \text{ \textless}$	$CD_{7017} = (\$21312,17 + \$8100,00 \times \$21312,17/\$22082,17) \times 10\% \times 27,7486 \text{ \textless} = 81067,47 \text{ \textless}$	$CD_{7017} = (\$12504,24 + \$8700,00 \times \$12504,24/\$15753,84) \times 10\% \times 27,9390 \text{ \textless} = 54368,38 \text{ \textless}$	$CD_{7017} = (\$12586,43 + \$9650,00 \times \$12586,43/\$14644,73) \times 10\% \times 27,6744 \text{ \textless} = 57923,84 \text{ \textless}$	$CD_{7017} = (\$10727,34 + \$10900,00 \times \$10727,34/\$13671,69) \times 10\% \times 27,0906 \text{ \textless} = 52346,66 \text{ \textless}$
$VAT = (V_C + CD) \times VAT_R$	$VAT = (888\ 889,20 \text{ \textless} + 84930,80 \text{ \textless}) \times 20\% = 194764,00 \text{ \textless}$	$VAT = (839964,02 \text{ \textless} + 81067,47 \text{ \textless}) \times 20\% = 184206,30 \text{ \textless}$	$VAT = (684976,28 \text{ \textless} + 54368,38 \text{ \textless}) \times 20\% = 147868,93 \text{ \textless}$	$VAT = (673963,16 \text{ \textless} + 57923,84 \text{ \textless}) \times 20\% = 146377,40 \text{ \textless}$	$VAT = (667143,32 \text{ \textless} + 52346,66 \text{ \textless}) \times 20\% = 143898,00 \text{ \textless}$
$IPC = V_C + CD + VAT + C_{WCB}$	$IPC = 888\ 889,20 \text{ \textless} + 84930,80 \text{ \textless} + 194764,00 \text{ \textless} + 43314,33 \text{ \textless} = 1224763,12 \text{ \textless}$	$IPC = 839964,02 \text{ \textless} + 81067,47 \text{ \textless} + 184206,30 \text{ \textless} + 55599,88 \text{ \textless} = 1160837,59 \text{ \textless}$	$IPC = 684976,28 \text{ \textless} + 54368,38 \text{ \textless} + 147868,93 \text{ \textless} + 51377,87 \text{ \textless} = 938591,25 \text{ \textless}$	$IPC = 673963,16 \text{ \textless} + 57923,84 \text{ \textless} + 146377,40 \text{ \textless} + 46188,85 \text{ \textless} = 924453,32 \text{ \textless}$	$IPC = 667143,32 \text{ \textless} + 52346,66 \text{ \textless} + 143898,00 \text{ \textless} + 44028,46 \text{ \textless} = 907416,33 \text{ \textless}$
$I_{IG} = Q \times P_{DM}$	$I_{IG} = 1447976,36 \text{ \textless}$	$I_{IG} = 1420318,64 \text{ \textless}$	$I_{IG} = 881903,56 \text{ \textless}$	$I_{IG} = 910928,37 \text{ \textless}$	$I_{IG} = 855537,14 \text{ \textless}$
$E_{IO} = I_{IG} - IPC$	$E_{IO} = 1447976,36 \text{ \textless} - 1224763,12 \text{ \textless} = 223213,23 \text{ \textless}$	$E_{IO} = 1420318,64 \text{ \textless} - 1160837,59 \text{ \textless} = 259481,05 \text{ \textless}$	$E_{IO} = 881903,56 \text{ \textless} - 938591,25 \text{ \textless} = -56\ 687,69 \text{ \textless}$	$E_{IO} = 910928,37 \text{ \textless} - 924453,32 \text{ \textless} = -13\ 524,95 \text{ \textless}$	$E_{IO} = 855537,14 \text{ \textless} - 907416,33 \text{ \textless} = -51\ 879,19 \text{ \textless}$
$KE_{IO} = \frac{I_{IG}}{IPC}$	$KE_{IO} = 1447976,36 \text{ \textless} / 1224763,12 \text{ \textless} = 1,18$	$KE_{IO} = 1420318,64 \text{ \textless} / 1160837,59 \text{ \textless} = 1,22$	$KE_{IO} = 881903,56 \text{ \textless} / 938591,25 \text{ \textless} = 0,94$	$KE_{IO} = 910928,37 \text{ \textless} / 924453,32 \text{ \textless} = 0,99$	$KE_{IO} = 855537,14 \text{ \textless} / 907416,33 \text{ \textless} = 0,94$

Annex G

Table G.1 — Comparison of the quality of products of potential suppliers of EximCargoTrade LLC [8, 36-40]

Criteria	Weight	Value					Weighted value				
		"XXX" LTD	Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China)	SUNSHINE INTERNATIONAL (India)	DWK Life Sciences Ltd (Great Britain)	Carl Roth (Poland distribution)	"XXX" LTD	Ningbo Yinzhou Joan Lab Equipment Co., Ltd. (China)	SUNSHINE INTERNATIONAL (India)	DWK Life Sciences Ltd (Great Britain)	Carl Roth (Poland distribution)
Glass labware											
Chemical resistant glass products	4	5	2	3	5	5	20	8	12	20	20
Compliance with the dimensional grid	3	5	5	3	3	5	15	15	9	9	15
The ability to manufacture according to GOST standards	5	5	3	0	1	1	25	15	0	5	5
ISO certified	5	5	0	0	5	5	25	25	0	0	25
Branded product	3	5	5	5	5	5	15	15	15	15	15
Total for glassware							100	78	36	49	80
Plastic labware											
Autoclavable polypropylene products	4	5	1	1	5	5	20	4	4	20	20
Compliance with the dimensional grid	3	5	5	3	3	5	15	15	9	9	15
Ability to manufacture according to TU standards	5	5	3	0	1	1	25	15	0	5	5
ISO certified	5	5	0	0	5	5	25	25	0	0	25
Branded product	3	5	5	5	5	5	15	15	15	15	15
Total for plasticware							100	74	28	49	80
Total							100	76	32	49	80

Annex H

Table H.1 — Calculations of efficiency for the import operation according to order №106 dated December 18, 2020 between XXX LTD and EximCargoTrade LLC after using the measures to increase efficiency of import operation [16, 44, 47-48]

Indicator	Delivery №2.1 (12.03.2021)	Delivery №2.2 (10.06.2021)
$V_I = V_G + C_{PD} + C_L + C_{ECC}$	$V_I = \$42\,062,94$	$V_I = \$41\,866,74$
$V_C = (V_I + C_{SF} + C_I) \times ER$	$V_C = (\$42\,062,94 + \$15\,390,00 + \$336,50) \times 27,7486 \text{ ₾} = 1\,603\,576,23 \text{ ₾}$	$V_C = (\$41\,866,74 + \$31\,065,00 + \$502,40) \times 27,0906 \text{ ₾} = 1\,989\,374,95 \text{ ₾}$
$CD = V_C \times CD_R$	$CD_{3926} = (\$1\,670,39 + \$15\,390,00 \times \$1\,670,39 / \$42\,062,94) \times 0\% \times 27,7486 \text{ ₾} = 0 \text{ ₾}$ $CD_{7017} = (\$40\,392,56 + \$15\,390,00 \times \$40\,392,56 / \$42\,062,94) \times 10\% \times 27,7486 \text{ ₾} = 153\,989,57 \text{ ₾}$	$CD_{3926} = (\$7\,839,64 + \$31\,065,00 \times (\$7\,839,64 / \$41\,866,74) \times 0\% \times 27,0906 \text{ ₾} = 0 \text{ ₾}$ $CD_{7017} = (\$34\,027,10 + \$31\,065,00 \times (\$34\,027,10 / \$41\,866,74) \times 10\% \times 27,0906 \text{ ₾} = 161\,686,02 \text{ ₾}$
$VAT = (V_C + CD) \times VAT_R$	$VAT = (1\,603\,576,23 \text{ ₾} + 153\,989,57 \text{ ₾}) \times 7\% = 123\,029,61 \text{ ₾}$	$VAT = (1\,989\,374,95 \text{ ₾} + 161\,686,02 \text{ ₾}) \times 7\% = 150\,574,27 \text{ ₾}$
$IPC = V_C + CD + VAT + C_{WCB}$	$IPC = 1\,603\,576,23 \text{ ₾} + 153\,989,57 \text{ ₾} + 123\,029,61 \text{ ₾} + 56\,052,17 \text{ ₾} = 1\,996\,171,03 \text{ ₾}$	$IPC = 1\,989\,374,95 \text{ ₾} + 161\,686,02 \text{ ₾} + 150\,574,27 \text{ ₾} + 133\,123,30 \text{ ₾} = 2\,445\,258,53 \text{ ₾}$
$I_{IG} = Q \times P_{DM}$	$I_{IG} = 2\,868\,295,00 \text{ ₾}$	$I_{IG} = 2\,648\,369,07 \text{ ₾}$
$E_{IO} = I_{IG} - IPC$	$E_{IO} = 2\,868\,295,00 \text{ ₾} - 1\,996\,171,03 \text{ ₾} = 872\,123,96 \text{ ₾}$	$E_{IO} = 2\,648\,369,07 \text{ ₾} - 2\,445\,258,53 \text{ ₾} = 203\,110,53 \text{ ₾}$
$KE_{IO} = \frac{I_{IG}}{IPC}$	$KE_{IO} = 2\,868\,295,00 \text{ ₾} / 1\,996\,171,03 \text{ ₾} = 1,44$	$KE_{IO} = 2\,648\,369,07 \text{ ₾} / 2\,445\,258,53 \text{ ₾} = 1,08$