

MIRA INFORM REPORT

Report No. :	524739
Report Date :	20.08.2018

IDENTIFICATION DETAILS

Name :	H.J. LANGDON & CO PTY LTD
Registered Office :	525 Mt Derrimut Rd, Derrimut, Vic 3030
Country :	Australia
Date of Incorporation :	01.10.1986
Legal Form :	Australian Proprietary Company
Line of Business :	The subject operates in the distribution of food and health ingredients.
No. of Employees :	130

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

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

ECGC Country Risk Classification List

Country Name	Previous Rating	Current Rating
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	(31.12.2017)	(01.04.2018)
Australia	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

AUSTRALIA - ECONOMIC OVERVIEW

Following two decades of continuous growth, low unemployment, contained inflation, very low public debt, and a strong and stable financial system, Australia enters 2018 facing a range of growth constraints, principally driven by the sharp fall in global prices of key export commodities. Demand for resources and energy from Asia and especially China is growing at a slower pace and sharp drops in export prices have impacted growth.

The services sector is the largest part of the Australian economy, accounting for about 70% of GDP and 75% of jobs. Australia was comparatively unaffected by the global financial crisis as the banking system has remained strong and inflation is under control.

Australia benefited from a dramatic surge in its terms of trade in recent years, although this trend has reversed due to falling global commodity prices. Australia is a significant exporter of natural resources, energy, and food. Australia's abundant and diverse natural resources attract high levels of foreign investment and include extensive reserves of coal, iron, copper, gold, natural gas, uranium, and renewable energy sources. A series of major investments, such as the US\$40 billion Gorgon Liquid Natural Gas Project, will significantly expand the resources sector.

Australia is an open market with minimal restrictions on imports of goods and services. The process of opening up has increased productivity, stimulated growth, and made the economy more flexible and dynamic. Australia plays an active role in the WTO, APEC, the G20, and other trade forums. Australia's free trade agreement (FTA) with China entered into force in 2015, adding to existing FTAs with the Republic of Korea, Japan, Chile, Malaysia, New Zealand, Singapore, Thailand, and the US, and a regional FTA with ASEAN and New Zealand. Australia continues to negotiate bilateral agreements with Indonesia, as well as larger agreements with its Pacific neighbors and the Gulf Cooperation Council countries, and an Asia-wide Regional Comprehensive Economic Partnership that includes the 10 ASEAN countries and China, Japan, Korea, New Zealand and India.

Source : CIA

COMPANY NAME

REGISTERED NAME H.J. LANGDON & CO PTY LTD
ACN: 006 641 701
ABN: 89 006 641 701

COMPANY SUMMARY

Established 1852
Incorporated 1986
Line of Business Distribution of food and health ingredients
Status Trading
Adverse Listings Nil

EXECUTIVE SUMMARY

Current financial details could not be obtained for the current enquiry.

For the last financial year ended 30 June 2017 the subject traded profitably and recorded revenue of \$130,000,000.

The subject was expecting to record growth for the last financial year ended 30 June 2018.

The subject maintains access to financing facilities with its bankers which are used to assist in funding working capital requirements.

In regards to asset backing the group is advised to own the premises located at the above listed trading address.

CORPORATE SEARCH

Company Type	Australian Proprietary Company	
INCORPORATED	1 October 1986	
REGISTERED ADDRESS	525 Mt Derrimut Rd DERRIMUT, VIC 3030	
SHARECAPITAL	\$3,073,502	
SHAREHOLDERS	TALMALMO INVESTMENTS P/L	Holds 1992502

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DIRECTORS	LANGDON, Nicholas John – Appointed: 14.06.2000 Resident overseas
	LANGDON, Christopher David – Appointed: 17.08.1992 63 Park St South Yarra, VIC 3141
	BROWNBILL, Ross Patrick – Appointed: 27.10.1986 49 Milton Pde MALVERN, VIC 3144
SECRETARY	BRENNAN, Amanda Mary

SECURITY INTERESTS

Effective 30 January 2012 the Personal Property Securities Register (PPSR) was introduced to give the different Commonwealth, State and Territory laws and registers regarding security interests in personal property under one national system.

As a result of PPS Reform a number of existing Commonwealth, State and Territory personal property security registers will close. Interests registered on existing security interest registers will be migrated to the national PPS Register. Subsequently Registered Charges are no longer lodged with the Australian Securities and Investments Commission (ASIC).

BUSINESS STRUCTURE

TRADING ADDRESS	525 Mt Derrimut Rd DERRIMUT, VIC 3030
TELEPHONE	(613) 8360 2600
FACSIMILE	(613) 8368 2365
WEBSITE	http://www.hjlangdon.com
EMAIL	info@hjlangdon.com
TRADING STYLE	LANGDON INGREDIENTS
SALES OFFICES	STRATHFIELD, NSW BERRINBA, QLD SINGAPORE SHANGHAI, CHINA

CONTROLLED ENTITY	HJ LANGDON & CO (NEW ZEALAND) LTD HJ LANGDON (THAILAND) LTD The subject also maintains subsidiaries in Malaysia, Singapore, South Africa and the UK.
HOLDING ENTITY	TALMALMO INVESTMENTS P/L
ULTIMATE HOLDING ENTITY	LANGDON GROUP P/L
BANK	HSBC BANK AUSTRALIA
EMPLOYEES	130

BACKGROUND

The subject was incorporated in Victoria on 1 October 1986 to commence operations under the current style.

Operations were founded by Henry Joseph Langdon in 1852.

In the 1890's H J Langdon's son Charles Langdon begins running the business

In the 1910's the first connections with Australia's infant wine industry established - an agency for Cholmondoley & Bosanquet South Australian Claret.

In the 1930's Richard Langdon takes over as managing director.

In the 1960's the subject is the first to introduce silicone to the Australian market as agents for Rhone-Poulenc. The silicone is used for the tiles on the Sydney Opera House. Coffee beans, herbs, chemicals, cellulose film, acetate and various oils are also imported. 1965 Office opens in Adelaide to service the wine industry

In the 1970's the focus on chemical business is replaced by greater emphasis on food ingredients, herbs and spices.

Chris Langdon joins the company in 1992. Acquires Stewart Foods in 1993 and Food Blenders in 1994. Nick Langdon joins the company in 1995 managing business development, health and international markets. During 1998 Waters Trading is acquired from Burns Philip,

The Auckland, New Zealand office was opened in 1996.

In 2001 the subject purchased the Lee McKeand herb & spice division.

In 2006 the subject acquires a share in Nutshack, a leading Australian retailer of nuts, confectionery, dried fruits & coffee. Also launched the Henry Langdon specialty food brand.

In 2007 the subject acquires Bakery Craft an ingredient supplier to the bakery, patisserie and food service industry in Victoria, Australia.

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In 2008 the subject expanded its business into the Asia-Pacific region with the opening of a new office in Singapore.

OPERATIONS

The subject operates in the distribution of food and health ingredients.

The subject's full product management capabilities include food and ingredient storage and distribution, contract manufacturing and packing, testing and technical support, and product innovation.

Food ingredients distributed include:

- Herbs, Spices & Blends
- Vegetable Ingredients
- Nuts, Fruits, Beans & Pulses
- Flavours, Colours & Sweeteners
- Fat Replacers
- Emulsifiers, Thickeners & Stabilisers
- Food & Beverage Chemicals
- Botanical & Medicinal Herbs
- Natural Products & Organics

Brands include:

Waters; brand of herbs and spices

Food Blenders; brand of functional products

Bakery Craft; supplying the baking industry

The Natural Food Trading Company; brand of natural, health products

Henry Langdon; brand of niche, gourmet food products

Langdon Coffee Merchants; Trading and supplying green coffee beans for roasters

ADVERSE

A search of records of on 10 August 2018 failed to trace any litigation listed against the subject at that date.

FINANCES

The subject is not required to lodge financial statements with the Australian Securities and Investments Commission.

During the current investigation contact with Company Secretary Amanda Brennan was unable to be established. Despite messages being left a reply is yet to be received.

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For the last financial year ended 30 June 2017 the subject traded profitably and recorded revenue of \$130,000,000.

The subject was expecting to record growth for the last financial year ended 30 June 2018.

For the year ended 30 June 2015 the subject recorded revenue of \$100,000,000.

For the year ended 30 June 2005, the subject recorded revenue of \$69,000,000. This compares to revenue of \$64,350,000 for the previous corresponding year ended 30 June 2004.

The subject maintains access to financing facilities with its bankers which are used to assist in funding working capital requirements.

In regards to asset backing the group is advised to own the premises located at the above listed trading address.

Fixed assets include plant and equipment valued at \$3,000,000.

TRADE SURVEY

A trade survey on the subject traced the following accounts:

(Freight on Board) Nominated supplier failed to respond to correspondence despite chasing.

(Gelita Australia) Purchases can exceed \$100,000 per month on 30 day terms. Payment is met in 30 days and the account is considered good having been known over 20 years.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.23
UK Pound	1	INR 89.37
Euro	1	INR 79.97
AUD	1	INR 51.00

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)