

SIDERQUIMICA INDUSTRIA E COMERCIO DE PRODUTOS QUIMICOS S.A. - 544187

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MIRA INFORM REPORT

| | |
|---------------|------------|
| Report No. : | 544187 |
| Report Date : | 14.12.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|--|
| Name : | SIDERQUIMICA INDUSTRIA E COMERCIO DE PRODUTOS QUIMICOS S.A. |
| Registered Office : | Rodovia Br 376 - 22591 - Sao Marcos, 83.090-360 - Sao Jose Dos Pinhais/Pr |
| Country : | Brazil |
| Financials (as on) : | 31.12.2017 |
| Date of Incorporation : | 21.10.1993 |
| Legal Form : | Privately Held Corporation |
| Line of Business : | The subject is engaged in the manufacture of industrial chemicals, such as: lubricants, anticorrosive substances, hydraulic fluids and products for the steel, textile, plastic, paper and glass industries. |
| No. of Employees : | 150 |

RATING & COMMENTS

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

MIRA's Rating : C

| Credit Rating | Explanation | Rating Comments |
|---------------|------------------|---|
| C | Medium High Risk | Business dealings permissible preferably on secured basis |

| | |
|---------------------|----------|
| Status : | Moderate |
| Payment Behaviour : | Slow |
| Litigation : | Clear |

NOTES :

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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 (30.06.2018) | Current Rating (30.09.2018) |
|--------------|---------------------------------|--------------------------------|
| Brazil | A2 | A2 |

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

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BRAZIL - ECONOMIC OVERVIEW

Brazil is the eighth-largest economy in the world, but is recovering from a recession in 2015 and 2016 that ranks as the worst in the country's history. In 2017, Brazil's GDP grew 1%, inflation fell to historic lows of 2.9%, and the Central Bank lowered benchmark interest rates from 13.75% in 2016 to 7%.

The economy has been negatively affected by multiple corruption scandals involving private companies and government officials, including the impeachment and conviction of Former President Dilma ROUSSEFF in August 2016. Sanctions against the firms involved — some of the largest in Brazil — have limited their business opportunities, producing a ripple effect on associated businesses and contractors but creating opportunities for foreign companies to step into what had been a closed market.

The succeeding TEMER administration has implemented a series of fiscal and structural reforms to restore credibility to government finances. Congress approved legislation in December 2016 to cap public spending. Government spending growth had pushed public debt to 73.7% of GDP at the end of 2017, up from over 50% in 2012. The government also boosted infrastructure projects, such as oil and natural gas auctions, in part to raise revenues. Other economic reforms, proposed in 2016, aim to reduce barriers to foreign investment, and to improve labor conditions. Policies to strengthen Brazil's workforce and industrial sector, such as local content requirements, have boosted employment, but at the expense of investment.

Brazil is a member of the Common Market of the South (Mercosur), a trade bloc that includes Argentina, Paraguay and Uruguay - Venezuela's membership in the organization was suspended In August 2017. After the Asian and Russian financial crises, Mercosur adopted a protectionist stance to guard against exposure to volatile foreign markets and it currently is negotiating Free Trade Agreements with the European Union and Canada.

Source : CIA

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COMPANY NAME

SIDERQUIMICA INDUSTRIA E COMERCIO DE PRODUTOS QUIMICOS S.A.

ADDRESSES:

MAIN ADDRESS:

ZIP CODE/CITY:

RODOVIA BR 376 - 22591 - SAO MARCOS,
83.090-360 - SAO JOSE DOS PINHAIS/PR

PHONE:

41 2105-3838

E-MAIL:

bill@siderquimica.com.br

WEB SITE:

www.siderquimica.com.br

EMARK:

THE INFORMED ADDRESS IS OLD. THE CORRECT ONE IS STATED
ABOVE

BRANCHES:

ADDRESS:

ZIP CODE/CITY:

RUA BUSINESS PARK, 97, GALPAO 05 - ITROUPAVA CENTRAL,
89069-145 BLUMENAU /SC

LEGAL DATA:

MAIN ACTIVITIES:

MANUFACTURE OF INDUSTRIAL CHEMICALS.

LEGAL FORM:

Privately Held Corporation

INCORPORATION DATE:

21/10/1993

REGISTER DATE:

21/10/1993

BALANCE SHEET FILING DATE:

31/12

TAX CONTRIBUTOR NUMBER (CNPJ):

73.586.976/0001-61

STATE REGISTER:

10507440-90

SHARE CAPITAL:

R\$ 85.130.611,00

BOARD OF DIRECTORS:

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STEFANO BONETTI
RAUL DIAS JUNIOR

PRESIDENT DIRECTOR
DIRECTOR

AUTHORIZED USE OF SIGNATURE

THE DIRECTORS ARE AUTHORIZED TO SIGN ON BEHALF OF THE COMPANY.

SHAREHOLDERS / PARTNERS:

| | |
|---|-------------------|
| BUTTERFLY REAL ESTATE | R\$ 65.412.000,00 |
| S. BONETTI PARTICIPAÇÕES SOCIETÁRIAS LTDA | R\$ 18.262.242,00 |
| STEFANO BONETTI | R\$ 145.636,00 |

AFFILIATES / SUBSIDIARIES:

A SCAN THROUGH OUTSIDE SOURCES SHOWED THE SUBJECT AND/OR DIRECTORS HAS/HAVE THE FOLLOWING UNCONFIRMED HOLDINGS:

ROCHESA S/A TINTAS E VERNIZES
FOUR COMMANDERS GESTAO E REPRESENTACAO COMERCIAL
LTDA
ZANKA 106 PARTICIPACOES EMPRESARIAIS S/A
SQTECH DESENVOLVIMENTO DE PRODUTOS QUIMICOS LTDA
BONETTI IMOVEIS LTDA
MASFENIS PARTICIPACOES SOCIETARIAS LTDA
QUAKER CHEMICAL OPERACOES LTDA
TA LIMPO PRODUTOS DE HIGIENE E LIMPEZA LTDA
DREMAN CONSULTORIA E PARTICIPACOES LTDA

COMPANY'S BACKGROUND

THE SUBJECT WAS ESTABLISHED ON OCTOBER 21, 1993 AS SIDERQUÍMICA INDÚSTRIA E COMÉRCIO DE PRODUTOS QUÍMICOS LTDA. TO BE ENGAGED IN THE SAID LINE OF BUSINESS. FEBRUARY 08 2000 IT ADOPTED THE ABOVE MENTIONED NAME AND UP TO DATE IT IS STILL OPERATING WITHIN THE GENERAL SCENE REPORTED HEREIN.

BUSINESS ADDRESS HAS CHANGED FROM (RODO VIA BR 376 KM 625 S/N POSTAL 218 MIRINGUAVA MIRIM, PINHAIS PR) TO THE PRESENT REGISTERED ONE.

IN JUNE 1995 SUBJECT TOOK OVER THE SPLIT PART OF THE NET EQUITY OF SANQUIMICA PRODUTOS QUIMICOS LTDA., CNPJ 77.790.319/0001-92.

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ON FEBRUARY 2000, THE LEGAL FORM WAS CHANGED FROM LIMITED LIABILITY COMPANY TO PRIVATELY HELD CORPORATION.

TRADE NAME: "SIDERQUIMICA"

SHAREHOLDERS:

S.BONETTI PARTICIPAÇÕES SOCIETÁRIAS LTDA: HEADQUARTERED AT RODOVIA BR-376, KM 22,5, MIRINGUAVA MIRIM, S.J. DOS PINHAIS/PR. CNPJ 05.448.620/0001-01

STEFANO BONETTI: ITALIAN, MARRIED, ENTREPRENEUR, HOLDER OF DOCUMENTS RNE 0.686.154 SE/DPMAF/DPF AND CPF 444.358.949-04, RESIDENTIAL ADDRESS AT RUA DR. ALBINO FARRACHA DE CASTRO, 216, JARDIM COROADOS, ZIP CODE 82010-640, CURITIBA/PR.

FURTHER DETAILS ABOUT THE SUBJECT'S HISTORY ARE SO FAR NOT KNOWN.

REMARKS:

WHEN CONTACTING THE SUBJECT WE INTERVIEWED MS. MILENA, FINANCIAL DEPARTMENT, WHO INFORMED THAT WOULD NOT DISCLOSE ANY KIND OF INFORMATION UNLESS THE INQUIRING PARTY'S NAME WAS DISCLOSED.

IF IT IS POSSIBLE TO DISCLOSE THE NAME OF THE INTERESTED SUPPLIER OF THE SUBJECT, WE MAY RESUME OUR CONTACTS AND TRY TO OBTAIN FURTHER INFORMATION.

THE DATA CONTAINED HEREIN WERE OBTAINED FROM OUTSIDE SOURCES, OUR DATABASE AND OFFICIAL. NO FURTHER DATA WAS AVAILABLE WITH SEVERAL SOURCES USUALLY INVESTIGATED.

PUBLIC RECORDS INFORMATION:

NO DETRIMENTAL FILES WERE FOUND.

FINANCIAL INFORMATION

GENERAL BALANCE SHEETS AS OF 31/12/2017, 31/12/2016 AND 31/12/2015.
(FIGURES ARE IN REAIS).

ASSETS

| CURRENT: | 31/12/2017 | 31/12/2016 | 31/12/2015 |
|-----------------|-------------------|-------------------|-------------------|
| CASH AND BANKS | 513.027,00 | 173.845,00 | 3.714.357,59 |
| CLIENTS | 12.948.013,00 | 20.113.079,00 | 33.924.275,92 |
| INVENTORY | 22.624.126,00 | 25.320.074,00 | 36.986.262,84 |
| OTHER CREDITS | | | 2.242.160,22 |

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| | | | |
|-------------------------------|---------------|----------------|----------------|
| RECOVERABLE TAXES | 2.684.898,00 | 2.897.408,00 | 3.049.392,52 |
| IMPORTS IN PROGRESS | | | 948.950,82 |
| ADVANCES | 4.044.848,00 | 2.701.179,00 | |
| PREPAID EXPENSES | 411.342,00 | 705.982,00 | 1.627.215,59 |
| | ----- | ----- | ----- |
| TOTAL CURRENT ASSETS | 43.226.254,00 | 51.911.567,00 | 82.492.615,50 |
| LONG-TERM RECEIVABLES: | | | |
| INTERCOMPANY CREDITS | 25.176.264,00 | 24.494.905,00 | 31.000.000,00 |
| ACCOUNTS RECEIVABLE | 469.690,00 | 484.392,00 | 3.351.533,44 |
| DEFERRED TAXES | 19.767.810,00 | 19.767.810,00 | |
| | ----- | ----- | ----- |
| TOTAL LONG-TERM RECEIVABLES | 45.413.764,00 | 44.747.107,00 | 34.351.533,44 |
| FIXED ASSETS: | | | |
| INVESTMENTS | | | 119.562,30 |
| FIXED ASSETS | 8.929.502,00 | 5.541.290,00 | 6.076.163,52 |
| INTANGIBLE | 64.360,00 | 197.528,00 | 206.364,38 |
| | ----- | ----- | ----- |
| TOTAL FIXED ASSETS | 8.993.862,00 | 5.738.818,00 | 6.402.090,20 |
| | ===== | ===== | ===== |
| TOTAL ASSETS | 97.633.880,00 | 102.397.492,00 | 123.246.239,14 |
| LIABILITIES: | | | |
| CURRENT: | | | |
| | 31/12/2017 | 31/12/2016 | 31/12/2015 |
| SUPPLIERS | 12.455.350,00 | 14.609.972,00 | 26.743.514,20 |
| LOANS AND FINANCING | 1.544.456,00 | 5.835.615,00 | 16.163.384,16 |
| LABOR OBLIGATIONS | 1.689.895,00 | 1.522.103,00 | 498.737,13 |
| TAXES & CONTRIBUTIONS | 780.701,00 | 190.318,00 | 93.854,62 |
| OTHER | 2.309.114,00 | 497.956,00 | 392.243,30 |
| | ----- | ----- | ----- |
| TOTAL CURRENT LIABILITIES | 18.779.516,00 | 22.655.964,00 | 43.891.733,41 |
| LONG TERM LIABILITIES: | | | |
| LOANS AND FINANCING | 58.585.366,00 | 58.936.201,00 | 39.632.320,77 |
| TAXES AND CONTRIBUTIONS | | 37.175.830,00 | 29.074.513,52 |
| INSTALLMENTS TAXES PAYABLE | 40.550.340,00 | | |
| | ----- | ----- | ----- |
| TOTAL LONG TERM LIABILITIES | 99.135.706,00 | 96.112.031,00 | 68.706.834,29 |
| NET EQUITY: | | | |
| SHARE CAPITAL | 19.718.611,00 | 19.718.611,00 | 19.718.611,00 |

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| | | | |
|-----------------------|----------------|----------------|----------------|
| LEGAL RESERVES | 412.636,00 | 412.636,00 | 412.636,26 |
| ACCRUED PROFIT (LOSS) | -40.412.589,00 | -36.501.750,00 | -9.483.575,82 |
| | ----- | ----- | ----- |
| TOTAL NET EQUITY | -20.281.342,00 | -16.370.503,00 | 10.647.671,44 |
| | ===== | ===== | ===== |
| TOTAL LIABILITIES | 97.633.880,00 | 102.397.492,00 | 123.246.239,14 |

PROFIT AND LOSS ACCOUNTS AS OF 31/12/2017, 31/12/2016 AND 31/12/2015.
(FIGURES ARE IN REAIS).

| | 31/12/2017 | 31/12/2016 | 31/12/2015 |
|-----------------------------|----------------|----------------|----------------|
| GROSS SALES | 205.344.578,00 | 205.659.277,00 | 224.380.238,16 |
| (-) TAXES ON SALES | 40.157.487,00 | 39.279.880,00 | 41.864.576,00 |
| | ----- | ----- | ----- |
| NET SALES | 165.187.091,00 | 166.379.397,00 | 182.515.662,16 |
| (-) COST OF SOLD GOODS | 115.895.626,00 | 115.444.312,00 | 136.634.579,44 |
| | ----- | ----- | ----- |
| GROSS PROFIT | 49.291.465,00 | 50.935.085,00 | 45.881.082,72 |
| OPERATING REVENUE (EXPENSE) | -44.778.784,00 | -39.023.512,00 | -31.799.357,63 |
| FINANCIAL REVENUE (EXPENSE) | -8.423.521,00 | 4.200.497,00 | -15.775.181,36 |
| | ----- | ----- | ----- |
| OPERATIONAL PROFIT (LOSS) | -3.910.840,00 | 16.112.070,00 | -1.693.456,27 |
| | ----- | ----- | ----- |
| NET PROFIT (LOSS) | -3.910.840,00 | 16.112.070,00 | -1.693.456,27 |

MONTHLY SALES

| | 2017 | 2016 | 2015 |
|-----------|-------------------|--------------------|--------------------|
| | ----- | ----- | ----- |
| JANUARY | R\$ 16.838.208,51 | R\$ 15.645.178,85 | R\$ 23.560.997,66 |
| FEBRUARY | | R\$ 16.236.162,45 | R\$ 20.118.081,99 |
| MARCH | | R\$ 19.023.051,28 | R\$ 23.902.576,50 |
| APRIL | | R\$ 16.620.689,20 | R\$ 21.828.999,48 |
| MAY | | R\$ 17.608.182,88 | R\$ 18.915.754,97 |
| JUNE | | R\$ 19.272.505,34 | R\$ 19.885.299,18 |
| JULY | | R\$ 17.682.038,64 | R\$ 18.759.079,45 |
| AUGUST | | R\$ 18.841.150,76 | R\$ 15.821.069,78 |
| SEPTEMBER | | R\$ 18.746.036,20 | R\$ 17.358.099,53 |
| OCTOBER | | R\$ 16.528.963,22 | R\$ 17.177.252,09 |
| NOVEMBER | | R\$ 17.663.343,48 | R\$ 14.859.746,24 |
| DECEMBER | | R\$ 11.791.974,56 | R\$ 12.913.281,29 |
| TOTAL | R\$ 16.838.208,51 | R\$ 205.659.276,86 | R\$ 225.100.238,16 |

RATIOS:

| | 31/12/2017 | 31/12/2016 | 31/12/2015 |
|------------------------------|------------|------------|------------|
| QUICK RATIO | 1,10 | 1,17 | 1,04 |
| CURRENT RATIO | 2,30 | 2,29 | 1,88 |
| ACCOUNTS RECEIVABLE TURNOVER | 12,76 | TIME 8,27 | TIME 5,38 |
| | | | TIME |

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|---------------------------------|--------|------|------|--------|------|------|--------|------|
| DAYS' SALES IN RECEIVABLES | 28,22 | S | DAYS | 43,52 | S | DAYS | 66,91 | S |
| INVENTORY TURNOVER | 5,12 | | TIME | 4,56 | | TIME | 3,69 | TIME |
| ACCOUNTS PAYABLE PERIOD | 38,69 | S | DAYS | 45,56 | S | DAYS | 70,46 | S |
| RETURN ON ASSETS | 1,69 | | TIME | 1,62 | | TIME | 1,48 | TIME |
| SALES TURNOVER ON NET EQUITY | -8,14 | S | TIME | -10,16 | S | TIME | 17,14 | TIME |
| NET WORTH TIE-UP | -,44 | | | -,34 | | | ,57 | S |
| INDEBTEDNESS | -5,81 | | | -7,26 | | | 10,57 | |
| EQUITY RATIO | -20,77 | % | % | -15,99 | % | % | 8,64 | % |
| WORKING CAPITAL RATIO | 130,18 | % | % | 129,13 | % | % | 87,95 | % |
| GENERAL SOLVENCY | ,83 | | | ,86 | | | 1,09 | |
| RETURN ON NET EQUITY | 19,28 | % | % | -98,42 | % | % | -15,90 | % |
| RETURN ON SALES (PROFIT MARGIN) | -2,37 | % | % | 9,68 | % | % | -,93 | % |
| GROSS PROFIT MARGIN | 29,84 | % | % | 30,61 | % | % | 25,14 | % |
| OPERATIONAL RESULT | -2,37 | % | % | 9,68 | % | % | -,93 | % |
| SALES TURNOVER ON LIABILITIES | 8,80 | TIME | TIME | 7,34 | TIME | TIME | 4,16 | TIME |
| FOREIGN CURRENCY ON ASSETS | | S | | | S | | | S |
| FOREIGN CURRENCY ON LIABILITIES | | | | | | | | |

COMMENTS ON THE FINANCIAL INFORMATION:

FOLLOWS ATTACHED WORKSHEET WITH MAIN FINANCIAL RATIOS.

THE FIGURES AVAILABLE SHOW AN UNBALANCED FINANCIAL STANDING. THE LEVEL OF INDEBTEDNESS IS VERY HIGH (WITH NEGATIVE NET EQUITY) BUT IT HAS GOOD LIQUIDITY RATIOS AND POSITIVE WORKING CAPITAL, CONSIDERED SUFFICIENT TO COVER THE SHORT TERM DEBTS. SALES DROPPED AND POSTED NEGATIVE RESULT.

REMARKS:

THE COMPANY DID NOT PROVIDE ANY CLARIFICATION ABOUT SUCH VARIATION IN THE NET EQUITY OR ABOUT THE HIGH NET PROFIT.

REAL ESTATE:

NOT AVAILABLE

VEHICLES:

NOT AVAILABLE

MACHINES:

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NOT AVAILABLE

INSURANCE

THE COMPANY'S POLICY IS TO CONTRACT INSURANCE COVERAGE FOR THE PROPERTY GOODS BY AMOUNTS CONSIDERED SUFFICIENT TO COVER ANY RISKS. THE INSURANCE HIRED COVERS FIRE, MATERIAL DAMAGE AND PERSONAL INJURY, CIVIL LIABILITY AND THEFT.

BANKING REFERENCES

BANCO ITAU S/A

REMARKS: IN BRAZIL THE BANKS ARE PROHIBITED BY LAW TO PROVIDE INFORMATION OR ANY KIND OF COMMENTS ABOUT THEIR CLIENTS. DUE TO THIS LAW PROHIBITION WE ARE UNABLE TO PROVIDE ANY BANKING DETAILS.

ACCORDING TO THE CENTRAL BANK OF BRAZIL OFFICIAL REPORT, THE COMPANY HAS NO RETURNED CHECKS UP TO DATE. (IN THE TERMS OF "CIRCULAR 1682 BRAZILIAN CENTRAL BANK").

ACTIVITIES COMMENTS

THE SUBJECT IS ENGAGED IN THE MANUFACTURE OF INDUSTRIAL CHEMICALS, SUCH AS: LUBRICANTS, ANTICORROSIVE SUBSTANCES, HYDRAULIC FLUIDS AND PRODUCTS FOR THE STEEL, TEXTILE, PLASTIC, PAPER AND GLASS INDUSTRIES.

THE SUBJECT MAY ALSO IMPORT, EXPORT AND PARTICIPATE IN OTHER BUSINESSES.

NATIONAL INDUSTRY CLASSIFICATION CODE(S) (CNAE):
20.99-1-99 - MANUFACTURE OF OTHER CHEMICAL PRODUCTS N.E.C.

IMPORT AND EXPORT:

IMPORTS FROM:
EUROPE, CHINA AND JAPAN.

EXPORTS TO:
MERCOSUR.

MAIN CLIENTS:

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DOMESTIC CLIENTS:

COTEMINAS
FLORISA
IGARAS PAPEIS
INTERNATIONAL PAPER
JOHLER
KLABIN
KOHLER
MALHAS MENEGOTTI
SUZANO PAPEL E CELULOSE
TEKA TECELAGEM
TROMBINI
VOTORANTIM CELULOSE E PAPEL

STAFF:

THE COMPANY HAS: 150 EMPLOYEES

CONCEPT AND FULFILMENT

THE SUBJECT IS A COMPANY IN BUSINESS SINCE 1993. SO FAR IT HAS A CLEAR TRADE HISTORY AND GOOD PAYMENT BEHAVIOUR. IT IS A FAMILY-RUN COMPANY AND BOTH THE COMPANY AND THE PRINCIPALS ENJOY A FAVORABLE REPUTATION AMONG LOCAL TRADE SOURCES.

THE COMPANY HAS TRADE RELATIONS WITH SEVERAL SUPPLIERS IN BRAZIL. THE SUPPLIERS EXTEND CREDIT FACILITIES TO THE SUBJECT IN TERMS AND AMOUNTS ACCORDING TO THE COMPANY'S NEEDS AND SO FAR NO PAYMENT PROBLEMS ARE NOTED.

MAIN SUPPLIERS:

DOMESTIC SUPPLIERS:

A. AZEVEDO IND. E COM. DE OLEOS LTDA
AKZO NOBEL LTDA.
ARCH QUIMICA BRASIL LTDA
BANDEIRANTE BRAZMO IND. E COM. LTDA
BASF S/A
BLUESTAR SILICONES BRASIL LTDA
BORDEN QUÍMICA S/A
BRENNTAG QUÍMICA BRASIL LTDA
BRESSAN IND. COM. EMBALAGENS
BUCKMAN LABORATÓRIOS LTDA
BUSCHLE & LEPPER S/A
CELANESE CHEMICALS
CERALIT S/A

PHONE:

11 3806-4800
11 4591-8800
11 4028-8036
47 3438-6721
11 4343-2958
19 3874-8068
41 3212-1600
47 2105-1000
51 3466-8765
19 3864-5000
41 3275-7577
11 5683-7427
19 3281-1488

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| | |
|--|--------------|
| CLARIANT S/A | 11 5683-7553 |
| COINBRA FRUTESP S/A | 17 3344-6056 |
| DOW CORNING DO BRASIL LTDA. | 19 3887-9797 |
| DOW QUÍMICA S/A | 11 5188-9162 |
| DU PONT DO BRASIL S/A | 11 4166-8135 |
| FOOTHILLS IND. E COM. LTDA | 11 5033-2888 |
| GE-OSI IND. DE SILICONES LTDA | 11 4789-8321 |
| INNOVA S/A | 11 5507-6227 |
| IPIRANGA COMERCIAL QUÍMICA S/A | 0800-5102418 |
| IQ SOLUÇÕES & QUIMICA S/A | 0800-7017741 |
| LANXESS LTDA | 11 3741-1539 |
| M. CASSAB COM. E IND. LTDA | |
| MAKENI CHEMICALS COM. IND. QUIMICA. LTDA | 11 4360-6400 |
| MOMENTIVE PERFORMANCE LTDA | 11 4534-9600 |
| OXITENO S/A IND. COM. | 11 3177-6666 |
| PETROBRAS DISTRIBUIDORA S/A-BR | 47 3348-6735 |
| QUAKER CHEMICAL IND. COM. S/A | 21 3305-1800 |
| RIGESA CELULOSE, PAPEL E EMBALAGENS | 47 3221-5333 |
| ROYALPLAST IND. E COMÉRCIO LTDA | 11 6462-2600 |
| SNF DO BRASIL LTDA | 11 2303-4290 |
| SOLVAY QUÍMICA LTDA | 11 3708-5276 |
| SULATLANTICA IMP. E EXP. LTDA | 21 2471-4923 |
| SULATLANTICA IMP. E EXP. LTDA | 21 2471-4923 |
| SYNTEKO S/A | 41 2105-7526 |
| ULTRAFERTIL S/A | 13 3362-0317 |
| UNA PROSIL LTDA | 11 4898-8090 |
| WACKER QUIMICA DO BRASIL LTDA | 11 4789-8320 |

PAYMENT HISTORY:

14 SUPPLIERS REPORTED PAYMENTS:
TOTAL AMOUNT: R\$ 3.632.321,00

AMOUNT OF INVOICES PAID: 112
TOTAL OF PROMPT PAYMENTS: 98,8%
TOTAL OF DELAYED PAYMENTS: 1,2%

HIGHEST INVOICE: R\$ 507.073,00
HIGHEST CREDIT: R\$ 507.073,00

FINAL OPINION

BASED ON THE GENERAL INFORMATION AVAILABLE IT IS BELIEVED THAT GOOD TRADE RELATIONS MAY BE ESTABLISHED. CREDIT FACILITIES MAY BE EXTENDED WITHIN TERMS AND AMOUNTS

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ADEQUATE TO THE COMPANY'S FINANCIAL STRENGTH.

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FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 71.54 |
| UK Pound | 1 | INR 90.31 |
| Euro | 1 | INR 81.34 |
| BRL | 1 | INR 18.47 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | NIS |
| Report Prepared by : | TPT |

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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)