

MIRA INFORM REPORT

| | |
|---------------|------------|
| Report No. : | 539639 |
| Report Date : | 17.11.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | KTY CHEMICALS SDN. BHD |
| Formerly Known As : | EAGLE BILLION SDN. BHD |
| Registered Office : | 61, Jalan Deva Pada, 10400 Georgetown, Pulau Pinang, Malaysia |
| Country : | Malaysia |
| Financials (as on) : | 31.12.2017 |
| Date of Incorporation : | 18.12.2006 |
| Com. Reg. No.: | 756612-X |
| Legal Form : | Private Limited |
| Line of Business : | The Subject is engaged in the trading in chemicals products. |
| No. of Employees : | 15 [2018] |

RATING & COMMENTS

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

MIRA's Rating :

B

| Credit Rating | Explanation | Rating Comments |
|---------------|-------------|---|
| B | Medium Risk | Business dealings permissible on a regular monitoring basis |

| | |
|-------------------------------|--------------------------|
| Maximum Credit Limit : | MYR 122,000 (USD 30,000) |
| Status : | Moderate |
| 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 (30.06.2018) | Current Rating (30.09.2018) |
|--------------|---------------------------------|--------------------------------|
| Malaysia | 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 |

MALAYSIA - ECONOMIC OVERVIEW

Malaysia, an upper middle-income country, has transformed itself since the 1970s from a producer of raw materials into a multi-sector economy. Under current Prime Minister NAJIB, Malaysia is attempting to achieve high-income status by 2020 and to move further up the value-added production chain by attracting investments in high technology, knowledge-based industries and services. NAJIB's Economic Transformation Program is a series of projects and policy measures intended to accelerate the country's economic growth. The government has also taken steps to liberalize some services sub-sectors. Malaysia is vulnerable to a fall in world commodity prices or a general slowdown in global economic activity.

The NAJIB administration is continuing efforts to boost domestic demand and reduce the economy's dependence on exports. Domestic demand continues to anchor economic growth, supported mainly by private consumption, which accounts for 53% of GDP. Nevertheless, exports - particularly of electronics, oil and gas, and palm oil - remain a significant driver of the economy. In 2015, gross exports of goods and services were equivalent to 73% of GDP. The oil and gas sector supplied about 22% of government revenue in 2015, down significantly from prior years amid a decline in commodity prices and diversification of government revenues. Malaysia has embarked on a fiscal reform program aimed at achieving a balanced budget by 2020, including rationalization of subsidies and the 2015 introduction of a 6% value added tax. Sustained low commodity prices throughout the period not only strained government finances, but also shrunk Malaysia's current account surplus and weighed heavily on the Malaysian ringgit, which was among the region's worst performing currencies during 2013-17. The ringgit hit new lows following the US presidential election amid a broader selloff of emerging market assets.

Bank Negara Malaysia (the central bank) maintains adequate foreign exchange reserves; a well-developed regulatory regime has limited Malaysia's exposure to riskier financial instruments, although it remains vulnerable to volatile global capital flows. In order to increase Malaysia's competitiveness, Prime Minister NAJIB raised possible revisions to the special economic and social preferences accorded to ethnic Malays under the New Economic Policy of 1970, but retreated in 2013 after he encountered significant opposition from Malay nationalists and other vested interests. In September 2013 NAJIB launched the new Bumiputra Economic Empowerment Program, policies that favor and advance the economic condition of ethnic Malays.

Malaysia signed the 12-nation Trans-Pacific Partnership (TPP) free trade agreement in February 2016, although the future of the TPP remains unclear following the US withdrawal from the agreement. Along with nine other ASEAN members, Malaysia established the ASEAN Economic Community in 2015, which aims to advance regional economic integration.

Source : CIA

EXECUTIVE SUMMARY

REGISTRATION NO. : 756612-X
COMPANY NAME : KTY CHEMICALS SDN. BHD.
FORMER NAME : EAGLE BILLION SDN. BHD. (25/01/2007)
INCORPORATION DATE : 18/12/2006
COMPANY STATUS : EXIST
LEGAL FORM : PRIVATE LIMITED
LISTED STATUS : NO

REGISTERED ADDRESS : 61, JALAN DEVA PADA, 10400 GEORGETOWN, PULAU PINANG,
MALAYSIA.
BUSINESS ADDRESS : 65, JALAN CENDERAWASIH 3, TAMAN CENDERAWASIH INDAH, 14300
NIBONG TEBAL, PULAU PINANG, MALAYSIA.

TEL.NO. : 04-5982428
FAX.NO. : 04-5941142
CONTACT PERSON : KHOR CHONG MENG (MANAGING DIRECTOR)

INDUSTRY CODE : 46691
PRINCIPAL ACTIVITY : TRADING IN CHEMICALS PRODUCTS
AUTHORISED CAPITAL : MYR 1,000,000.00 DIVIDED INTO
ORDINARY SHARE 1,000,000.00 OF MYR 1.00 EACH.

ISSUED AND PAID UP : MYR 1,000,000.00 DIVIDED INTO
CAPITAL : ORDINARY SHARES 1,000,000 CASH OF MYR 1.00 EACH.

SALES : MYR 13,964,280 [2017]
NET WORTH : MYR 3,190,738 [2017]

STAFF STRENGTH : 15 [2018]
BANKER (S) : EON BANK BHD
MALAYAN BANKING BHD
PUBLIC BANK BHD
UNITED OVERSEAS BANK (MALAYSIA) BHD
RHB BANK BHD

LITIGATION : CLEAR
DEFAULTER CHECK : CLEAR
FINANCIAL CONDITION : LIMITED
PAYMENT : SLOW BUT CORRECT
MANAGEMENT : AVERAGE
CAPABILITY

COMMERCIAL RISK : HIGH
CURRENCY EXPOSURE : N/A
GENERAL REPUTATION : SATISFACTORY
PROPOSED CREDIT LIMIT : MYR 122,000 (USD 30,000)

HISTORY / BACKGROUND

The Subject is a private limited company and is allowed to have a minimum of one and a maximum of forty-nine shareholders. As a private limited company, the Subject shall have a minimum one director. A private limited company is a separate legal entity from its shareholders. As a separate legal entity, the Subject is capable of owning assets, entering into contracts, sue or be sued by other companies. The liabilities of the shareholders are to the extent of the equity they have taken up and the creditors cannot claim on shareholders' personal assets even if the Subject is insolvent. The Subject is governed by the Companies Act, 1965 and the company must file its annual returns, together with its financial statements with the Registrar of Companies.

The Subject is principally engaged in the (as a / as an) trading in chemicals products.

The Subject is not listed on Bursa Malaysia (Malaysia Stock Exchange).

Former Address(es)

| Address | As At Date |
|--|------------|
| 2A, 1ST FLOOR, JALAN BK 4/2A, BANDAR KINRARA, 471000, MALAYSIA | 03/01/2007 |
| 1668, 1ST FLOOR, JALAN ATAS, 14300, PULAU PINANG, MALAYSIA | 05/12/2007 |
| 11A, TINGKAT 1, LORONG TEKUKUR INDAH 2, TAMAN TEKUKUR INDAH, 14300, PULAU PINANG, MALAYSIA | 14/04/2015 |
| 11, TINGKAT 1, JALAN SERINDIT, TAMAN SENTOSA, 14300, PULAU PINANG, MALAYSIA | 23/11/2009 |

Share Capital History

| Date | Authorised Shared Capital | Issue & Paid Up Capital |
|------------|---------------------------|-------------------------|
| 12/06/2014 | MYR 1,000,000.00 | MYR 1,000,000.00 |
| 26/07/2012 | MYR 1,000,000.00 | MYR 700,000.00 |
| 15/12/2010 | MYR 500,000.00 | MYR 500,000.00 |
| 01/09/2009 | MYR 500,000.00 | MYR 300,000.00 |
| 18/12/2006 | MYR 100,000.00 | MYR 2.00 |

The major shareholder(s) of the Subject are shown as follows :

Current Shareholder(s) :

| Name | Address | IC/PP/Loc No | Shareholding | (%) |
|-----------------------|---|---------------------------|--------------------------------|--------------------------|
| MR. KHOR CHONG MENG + | 27, LORONG BUKIT PANCHOR 5, TAMAN BUKIT PANCHOR, 14300 NIBONG TEBAL, PULAU PINANG, MALAYSIA. | 620211-07-5385 6374549 | 750,000.00 | 75.00 |
| MR. KHOR CHOO PEI + | 5, TINGKAT UDAN 2, OFF JALAN BUKIT PANCHOR, TAMAN PENTING MALAYSIA, 14300 NIBONG TEBAL, PULAU PINANG, MALAYSIA. | 861113-35-5137 | 250,000.00 | 25.00 |
| | | | ----- 1,000,000.00 ===== | ----- 100.00 ===== |

+ Also Director

| Former Shareholder(s) : Name | Country | IC/PP/Loc No | Shareholding | Last Updated |
|---------------------------------|----------|--------------------|--------------|-----------------|
| TAY BOON HOOI | MALAYSIA | 800812- 07-5645 | 100,000.00 | N/A |
| YAP ENG HONG | MALAYSIA | 730604- 01-6367 | 300,000.00 | 26/03/2018 |

DIRECTORS

DIRECTOR 1

Name Of Subject : MR. KHOR CHOO PEI
Address : 5, TINGKAT UDAN 2, OFF JALAN BUKIT PANCHOR, TAMAN PENTING MALAYSIA,
14300 NIBONG TEBAL, PULAU PINANG, MALAYSIA.
New IC No : 861113-35-5137
Date of Birth : 13/11/1986
Nationality : MALAYSIAN
Date of Appointment : 01/09/2009

INTEREST CHECK

Interest in companies : see below
Interest in business : see below
Former interest : none in our databank

INTEREST IN COMPANY

| N | Local No | Company | Designation | App Date | Shareholding No. | Shareholding % | Profit/(loss) After Tax | Financial Year | Status | As At |
|---|-----------|-------------------------|-------------|------------|------------------|----------------|-------------------------|----------------|--------|------------|
| 1 | 756612 X | KTY CHEMICALS SDN. BHD. | Director | 01/09/2009 | 250,000.00 | 25.00 | MYR243,808.00 | 2017 | - | 22/10/2018 |
| 2 | 112878 8U | NF AGRITECH SDN. BHD. | Director | 23/01/2015 | 1.00 | 50.00 | MYR(4,053.00) | 2016 | - | 22/10/2018 |

INTEREST IN BUSINESS

| No | Local No | Business | Designation | App Date | Shareholding (%) | Status | As At |
|----|------------|-------------------------|-------------|------------|------------------|----------------------|------------|
| 1 | PG0299312V | FUTURE ADVANCED VENTURE | PARTNERSHIP | 19/04/2012 | 33.00 | Expired (18/04/2013) | 23/10/2018 |

DIRECTOR 2

Name Of Subject : MR. KHOR CHONG MENG
Address : 27, LORONG BUKIT PANCHOR 5, TAMAN BUKIT PANCHOR, 14300 NIBONG
TEBAL, PULAU PINANG, MALAYSIA.
Other Address(es) : NO. 26, LORONG SERI PANCUR 4, TAMAN SERI PANCUR, MALAYSIA, 14300
NIBONG TEBAL, PULAU PINANG, MALAYSIA.
IC / PP No : 6374549
New IC No : 620211-07-5385
Date of Birth : 11/02/1962
Nationality : MALAYSIAN
Date of Appointment : 03/01/2007

INTEREST CHECK

Interest in companies : see below
Interest in business : see below
Former interest : see below

INTEREST IN COMPANY

| N | Local No | Company | Designation | App Date | Shareholding No. | % | Profit/(loss) After Tax | Financial Year | Stat us | As At |
|---|--------------|---------------------------------|-------------|------------|------------------|-------|-------------------------|----------------|---------|------------|
| 1 | 128557 5U | EVERGREEN BIOTECH (M) SDN. BHD. | Director | 27/08/2018 | 0.00 | - | - | 2016 | - | 22/10/2018 |
| 2 | 829632 D | GAP AGRITECH (M) SDN. BHD. | Director | 15/08/2008 | 10,000.00 | 33.33 | MYR(4,353.00) | 2016 | - | 22/10/2018 |
| 3 | 602934 T | GAP CHEMICALS (M) SDN. BHD. | Director | 31/10/2008 | 25,000.00 | 25.00 | MYR(23,194.00) | 2017 | - | 22/10/2018 |
| 4 | 756612 X | KTY CHEMICALS SDN. BHD. | Director | 03/01/2007 | 750,000.00 | 75.00 | MYR243,808.00 | 2017 | - | 22/10/2018 |
| 5 | 725120 X | MSK ORGANICS (M) SDN. BHD. | Director | 20/08/2009 | 20,000.00 | 20.00 | MYR(6,837.00) | 2014 | - | 22/10/2018 |
| 6 | 112878 8U | NF AGRITECH SDN. BHD. | Director | 23/01/2015 | 1.00 | 50.00 | MYR(4,053.00) | 2016 | - | 22/10/2018 |

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INTEREST IN BUSINESS

| No | Local No | Business | Designation | App Date | Shareholdin g (%) | Status | As At |
|----|----------------|--|-----------------|----------------|----------------------|-----------------------------|----------------|
| 1 | PG0184855V | MESRA ADVENTURE | PARTNERSHI P | 26/10/200 6 | 11.00 | Expired (14/12/2010) | 23/10/201 8 |
| 2 | PG0251727U | MESRA INGREDIENT S ENTERPRISE | PARTNERSHI P | 09/09/200 9 | 20.00 | Expired (13/09/2011) | 23/10/201 8 |
| 3 | PG0278861 W | MESRA LINK FARMING | PARTNERSHI P | 09/03/201 1 | 50.00 | - | 23/10/201 8 |
| 4 | IP0274464U | NF AGRITECH | PARTNERSHI P | 18/02/200 8 | 50.00 | - | 23/10/201 8 |

FORMER INTEREST

| No | Local No | Company | Designation | App Date | Withdrawn Date | Shareholdin g | Status |
|----|----------------|---|----------------------------|----------------|-------------------|------------------|---------------------------------------|
| 1 | 582165H | ASIA NUTRI- CHEMICAL (M) SDN. BHD. | Director | 06/06/200 2 | 08/08/200 2 | - | - |
| 2 | 451057H | EVERAY AGRITECH SDN. BHD. | Director | 17/07/200 2 | 03/09/200 7 | - | Disolved by Member Voluntary |
| 3 | 451057H | EVERAY AGRITECH SDN. BHD. | Shareholder | - | - | 150000.00 | Disolved by Member Voluntary |
| 4 | PG0203233 M | FOUR STAR ENTERPRIS E | SOLE PROPRIETORSHI P | 30/07/200 7 | 31/12/201 3 | - | Terminate d |
| 5 | AS0099697 M | KHOR & SONS REALTY & FARMING | PARTNERSHIP | 18/06/200 4 | 27/06/201 3 | - | Terminate d |
| 6 | 1017911M | MING CHUAN BIOTECH SDN. BHD. | Director | 21/09/201 2 | 31/12/201 6 | - | - |
| 7 | 1017911M | MING CHUAN BIOTECH SDN. BHD. | Shareholder | - | - | 50000 | - |

FORMER DIRECTOR(S)

| Name | Address | IC/PP No | Appointed Date | Withdrawn Date |
|------------------------------|--|----------------|----------------|----------------|
| TAY BOON HOOI | NO.11A TKT SERINDIT 2, TMN DESA JAWI, SUNGAI JAWI,P.P, SUNGAI JAWI, PULAU PINANG, MALAYSIA | 800812-07-5645 | 03/01/2007 | 02/04/2012 |
| NORASYIKIN BINTI MISKIRAN | NO.30, JALAN LANDAK ENAM 20/13F, SEKSYEN 20, SHAH ALAM, SELANGOR, MALAYSIA | 821230-10-5050 | 18/12/2006 | 04/01/2007 |
| HALIMI BIN SAKIJAN | NO.68,JALAN KUNANG-KUNANG 20/8, SEKSYEN 20, SHAH ALAM, SELANGOR | 771007-10-5899 | 18/12/2006 | 04/01/2007 |
| YAP ENG HONG | NO.63 JALAN WAWASAN UTAMA, TAMAN WAWASAN, TANGKAK, JOHOR, MALAYSIA | 730604-01-6367 | 03/01/2007 | 14/02/2018 |

Note : The above information was generated from our database.

MANAGEMENT

- 1) Name of Subject : KHOR CHONG MENG
Position : MANAGING DIRECTOR

AUDITOR

| Firm No | Firm Name | Address | As At Date |
|----------|-----------|---|------------|
| AF001936 | YCS & CO | 163-C-3, WISMA SERI PERAK, JALAN PERAK, 10150 GEORGETOWN, PULAU PINANG, MALAYSIA. | 31/12/2017 |

COMPANY SECRETARIES

- 1) Company Secretary : MR. ONG LIN HOE
IC / PP No : A2056349
New IC No : 711222-07-5405
Address : 34, JALAN LIM EOW THOON, 10400 GEORGETOWN, PULAU PINANG, MALAYSIA.
Date of Appointment : 15/04/2015

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BANKING

Banking relations are maintained principally with :

- 1) Name : EON BANK BHD
- 2) Name : MALAYAN BANKING BHD
- 3) Name : PUBLIC BANK BHD
- 4) Name : UNITED OVERSEAS BANK (MALAYSIA) BHD
- 5) Name : RHB BANK BHD

ENCUMBRANCE (S)

| Charge No | Creation Date | Charge Description | Chargee Name | Total Charge | Status |
|-----------|---------------|--|---|----------------|-------------|
| 1 | 30/05/2008 | N/A | MALAYAN BANKING BERHAD | - | Satisfied |
| 2 | 17/06/2008 | FACILITIES AGREEMENT | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Satisfied |
| 3 | 17/06/2008 | FACILITIES AGREEMENT | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Satisfied |
| 4 | 26/06/2008 | N/A | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Satisfied |
| 5 | 13/08/2008 | N/A | HONG LEONG BANK BERHAD | MYR 400,000.00 | Satisfied |
| 6 | 23/06/2010 | FACILITIES AGREEMENT | PUBLIC BANK BERHAD | - | Satisfied |
| 7 | 14/01/2011 | N/A | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Satisfied |
| 8 | 08/11/2012 | PLEDGE OF FIXED DEPOSIT & LETTER OF SET-OFF | RHB BANK BERHAD | - | Unsatisfied |
| 9 | 08/11/2012 | FACILITY AGREEMENT & FIRST LEGAL CHARGE | RHB BANK BERHAD | - | Unsatisfied |
| 10 | 03/09/2013 | FACILITIES AGREEMENT, SALE AGREEMENT, PURCHASE AGREEMENT & | ALLIANCE ISLAMIC BANK BERHAD | - | Unsatisfied |

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| | | | | | |
|----|------------|---|--|---|-------------|
| 11 | 09/09/2013 | LEGAL CHARGE MEMORANDUM OF DEPOSIT | ALLIANCE ISLAMIC BANK BERHAD | - | Unsatisfied |
| 12 | 24/10/2014 | FIRST PARTY FIRST LEGAL CHARGE | BANGKOK BANK BERHAD | - | Satisfied |
| 13 | 30/10/2014 | LETTER OF SET-OFF | BANGKOK BANK BERHAD | - | Satisfied |
| 14 | 24/02/2015 | FACILITY AGREEMENT, SALE AGREEMENT & FIRST LEGAL CHARGE | MAYBANK ISLAMIC BERHAD | - | Unsatisfied |
| 15 | 24/02/2015 | FACILITY AGREEMENT & SECOND LEGAL CHARGE | MAYBANK ISLAMIC BERHAD | - | Unsatisfied |
| 16 | 14/01/2016 | MEMORANDUM OF LEGAL CHARGE | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Unsatisfied |
| 17 | 02/03/2016 | LEGAL CHARGE | UNITED OVERSEAS BANK (MALAYSIA) BERHAD. | - | Unsatisfied |

CIVIL LITIGATION CHECK - SUBJECT COMPANY AS A DEFENDANT

** A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.*

No legal action was found in our databank.

No winding up petition was found in our databank.

CRIMINAL CHECK - SUBJECT COMPANY AS A DEFENDANT

** A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.*

No criminal record was found in our databank.

CIVIL LITIGATION CHECK - SUBJECT COMPANY AS A PLAINTIFF

** A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.*

No plaintiff record was found in our databank.

CRIMINAL RECORDS CHECK - SUBJECT COMPANY AS A PLAINTIFF

** A check has been conducted in our databank against the Subject whether the Subject has been involved in any litigation. Our databank consists of 99% of the wound up companies in Malaysia.*

No plaintiff record was found in our databank.

DEFAULTER CHECK AGAINST SUBJECT

** We have checked through the Subject in our defaulters' database which comprised of debtors that have been listed by our customers and debtors that have been placed or assigned to us for collection.*

No defaulter record & debt collection case was found in our defaulters' databank.

RED ALERT FROM CENTRAL BANK OF MALAYSIA

** A check has been conducted with the Central Bank of Malaysia whether the Subject has carried out any illegal or suspicious financial activities.*

The Subject has not been carried out any illegal money services business without licence under the Money Services Business Act 2011.

The Subject has not been placed under the Financial Consumer Alert list by the Central Bank of Malaysia.

INVESTOR ALERT BY SECURITIES COMMISSION MALAYSIA & BURSA MALAYSIA

* A check has been conducted with the Securities Commission Malaysia whether the Subject has involved in any unlicensed capital market activities under the Securities Laws and Bursa Malaysia should the Subject is listed as Practice Note (PN) 17 or Guidance Note (GN) 3.

The Subject has not been carried out any unlicensed capital market activities.

PAYMENT RECORD

SOURCES OF RAW MATERIALS:

Local : N/A
Overseas : N/A

The Subject refused to disclose its supplier.

The Subject refused to provide any name of trade/service supplier and we are unable to conduct any trade enquiry. However, from financial historical data we conclude that :

OVERALL PAYMENT HABIT

| | | | | | |
|------------------|-----|-----------------|-------|--------------------|-----|
| Prompt 0-30 Days | [] | Good 31-60 Days | [] | Average 61-90 Days | [] |
| Fair 91-120 Days | [] | Poor >120 Days | [X] | | |

CLIENTELE

| | | | |
|------------------|------------|------------|--------|
| Local | : YES | Percentage | : 100% |
| Domestic Markets | : MALAYSIA | | |
| Overseas | : NO | | |
| Credit Term | : N/A | | |
| Payment Mode | : CHEQUES | | |

OPERATIONS

Goods : CHEMICAL PRODUCT
Traded

Total Number of Employees:

| | | | | | |
|------|------|------|------|------|------|
| YEAR | 2018 | 2017 | 2016 | 2015 | 2014 |
|------|------|------|------|------|------|

| | | | | | |
|---------|-----|-----|-----|-----|-----|
| GROUP | N/A | N/A | N/A | N/A | N/A |
| COMPANY | 15 | 15 | 15 | 15 | 10 |

Branch : NO
Other Information:

The Subject is principally engaged in the (as a / as an) trading in chemicals products.

The Subject sells the products according to its customers' orders.

It sells agriculture, aquaculture, feed additives, animals health care products, industrial chemical and etc.

RECENT DEVELOPMENT

We have checked with the Malaysian National News Agency's (BERNAMA) database, but no recent development was noted during the time of inspection.

CURRENT INVESTIGATION

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : N/A
Client
Current Telephone Number : 04-5982428
Match : N/A
Address Provided by Client : 65 JALEN CENDERA WASIH 3, TAMAN CENDERA WASIH INDAH
14300 NIBONG TEBAL PENANG
Current Address : 65, JALAN CENDERAWASIH 3, TAMAN CENDERAWASIH INDAH,
14300 NIBONG TEBAL, PULAU PINANG, MALAYSIA.
Match : NO
Latest Financial Accounts : YES

Other Investigations

We contacted one of the staff from the Subject and he provided some information.

The address provided also can be used for the Subject.

FINANCIAL ANALYSIS

Profitability
Turnover : Increased [2013 - 2017]

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| | | | | | |
|-----------------------------|---|--------------|---|-------------|---|
| Profit/(Loss) Before Tax | : | Decreased | [| 2013 - 2017 |] |
| Return on Shareholder Funds | : | Unfavourable | [| 7.64% |] |
| Return on Net Assets | : | Acceptable | [| 20.37% |] |

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill built up over the years. The dip in profit could be due to the stiff market competition which reduced the Subject's profit margin. The unfavourable return on shareholders' funds could indicate that the Subject was inefficient in utilising its assets to generate returns.

Working Capital Control

| | | | | | |
|-----------------|---|--------------|---|----------|---|
| Stock Ratio | : | Acceptable | [| 62 Days |] |
| Debtor Ratio | : | Unfavourable | [| 130 Days |] |
| Creditors Ratio | : | Unfavourable | [| 94 Days |] |

The Subject kept adequate stocks to meet its normal business transactions without incurring excessive storage costs. The Subject's debtors ratio was high. The Subject should tighten its credit control and improve its collection period. The unfavourable creditors' ratio could be due to the Subject taking advantage of the credit granted by its suppliers. However this may affect the goodwill between the Subject and its suppliers and the Subject may inadvertently have to pay more for its future supplies.

Liquidity

| | | | | | |
|---------------|---|--------------|---|------------|---|
| Liquid Ratio | : | Acceptable | [| 0.82 Times |] |
| Current Ratio | : | Unfavourable | [| 1.11 Times |] |

The Subject's liquid ratio was slightly low. This could indicate that the Subject's working capital was slightly deficient. The Subject will have to improve its liquidity position either by obtaining short term financing or increase its paid up capital so that it can meet all its short term obligations as and when they fall due.

Solvency

| | | | | | |
|----------------|---|--------------|---|------------|---|
| Interest Cover | : | Unfavourable | [| 2.20 Times |] |
| Gearing Ratio | : | Unfavourable | [| 2.22 Times |] |

The Subject's interest cover was low. If its profits fall or when interest rate rises, it may not be able to meet all its interest payment. The Subject was highly geared, thus it had a high financial risk. The Subject was dependent on loans to finance its business needs. In times of economic downturn and / or high interest rate, the Subject will become less profitable and competitive than other firms in the same industry, which are lowly geared. This is because the Subject has to service the interest and to repay the loan, which will erode part of its profits. The profits will fluctuate depending on the Subject's turnover and the interest it needs to pay.

Overall Assessment :

Although the Subject's turnover had increased, its profits had declined over the same corresponding period. This could be due to the stiffer market competition and / or higher operating costs which lowered the Subject's profit margin. The Subject's liquidity was at an acceptable range. If the Subject is able to obtain further short term financing, it should be able to meet all its short term obligations. If there is a fall in the Subject's profit or any increase in interest rate, the Subject may not be able to generate sufficient cash-flow to service its interest. The Subject's gearing level was high and its going concern will be in doubt if there is no injection of additional shareholders' funds in times of economic downturn and / or high interest rates.

Overall financial condition of the Subject : LIMITED

MALAYSIA ECONOMIC / INDUSTRY OUTLOOK

| Major Economic Indicators: | 2014 | 2015 | 2016 | 2017* | 2018** |
|--|----------|----------|----------|----------|----------|
| Population (Million) | 30.0 | 31.0 | 31.6 | 32.1 | 32.9 |
| Gross Domestic Products (%) | 6.0 | 4.6 | 4.2 | 5.3 | 5.4 |
| Domestic Demand (%) | 6.4 | 6.2 | 4.3 | 6.3 | 6.4 |
| Private Expenditure (%) | 7.9 | 6.9 | 7.8 | 7.4 | 7.3 |
| Consumption (%) | 6.5 | 6.1 | 5.1 | 6.9 | 6.8 |
| Investment (%) | 12.0 | 8.1 | 10.0 | 9.3 | 8.9 |
| Public Expenditure (%) | 2.3 | 4.2 | 3.3 | 5.3 | 5.5 |
| Consumption (%) | 2.1 | 4.3 | 2.0 | 2.7 | 1.3 |
| Investment (%) | 2.6 | (1.0) | 1.1 | 3.4 | 3.8 |
| Balance of Trade (MYR Million) | 82,480 | 91,577 | 88,145 | 94,593 | 96,993 |
| Government Finance (MYR Million) | (37,414) | (37,194) | (38,401) | (39,887) | (39,790) |
| Government Finance to GDP / Fiscal Deficit (%) | (3.4) | (3.2) | (3.1) | (3.0) | (2.8) |
| Inflation (% Change in Composite CPI) | 3.2 | 4.0 | 2.1 | 3.5 | 3.0 |
| Unemployment Rate | 2.9 | 3.1 | 3.4 | 3.4 | 3.3 |
| Net International Reserves (MYR Billion) | 428 | 441 | 451 | 450 | 423 |
| Average Risk-Weighted Capital Adequacy Ratio (%) | 4.00 | 3.50 | - | - | - |
| Average 3 Months of Non-performing Loans (%) | 2.10 | 2.00 | 1.90 | - | - |
| Average Base Lending Rate (%) | 6.85 | 6.79 | 6.81 | 6.73 | - |
| Business Loans Disbursed(%) | 18.6 | 2.2 | - | - | - |
| Foreign Investment (MYR Million) | 43,486.6 | 43,435.0 | - | - | - |
| Consumer Loans (%) | - | - | - | - | - |
| Registration of New Companies (No.) | 49,203 | 45,658 | 43,255 | 47,871 | - |
| Registration of New Companies (%) | 6.1 | (7.2) | (5.3) | 10.7 | - |
| Liquidation of Companies (No.) | 33,226 | 34,667 | 36,778 | 38,632 | - |
| Liquidation of Companies (%) | 0.5 | 4.3 | 6.1 | 5.0 | - |
| Registration of New Business (No.) | 332,723 | 364,230 | 376,720 | 484,029 | - |
| Registration of New Business (%) | 1.0 | 9.0 | 3.0 | 29.0 | - |
| Business Dissolved (No.) | 26,966 | - | - | - | - |
| Business Dissolved (%) | 48.5 | - | - | - | - |
| Sales of New Passenger Cars (' 000 Unit) | 588.3 | 591.3 | 514.6 | 527.8 | - |
| Cellular Phone Subscribers (Million) | 44.0 | 44.2 | 44.0 | - | - |
| Tourist Arrival (Million Persons) | 27.4 | 25.7 | 30.2 | 30.1 | - |
| Hotel Occupancy Rate (%) | 63.6 | 58.8 | 61.2 | - | - |
| Credit Cards Spending (%) | 5.8 | 6.8 | 6.3 | - | - |
| Bad Cheque Offenders (No.) | - | - | - | - | - |
| Individual Bankruptcy (No.) | 22,351 | 18,457 | 19,588 | 18,227 | - |
| Individual Bankruptcy (%) | 1.7 | (17.4) | 6.1 | (7.0) | - |

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| INDUSTRIES (% of Growth): | 2014 | 2015 | 2016 | 2017* | 2018** |
|---|---------|---------|---------|--------|--------|
| Agriculture | 2.0 | 1.3 | (5.1) | 5.6 | 2.4 |
| Palm Oil | 6.7 | 7.0 | (12.7) | 11.8 | - |
| Rubber | (10.4) | (11.0) | (6.3) | 10.8 | - |
| Forestry & Logging | (4.2) | (7.2) | (3.0) | (15.0) | - |
| Fishing | 2.7 | 2.1 | 2.2 | 0.2 | - |
| Other Agriculture | 6.2 | 6.0 | 5.1 | 2.4 | - |
| Industry Non-Performing Loans (MYR Million) | 303.8 | 343.7 | 420.3 | - | - |
| % of Industry Non-Performing Loans | 1.4 | 1.5 | 1.8 | - | - |
| Mining | 3.3 | 5.3 | 2.2 | 0.5 | 0.9 |
| Oil & Gas | 3.0 | 3.5 | 4.5 | - | - |
| Other Mining | 46.6 | 47.1 | 42.6 | - | - |
| Industry Non-performing Loans (MYR Million) | 63.5 | 180.1 | 190.0 | - | - |
| % of Industry Non-performing Loans | 0.3 | 0.8 | 0.8 | - | - |
| Manufacturing # | 6.1 | 4.9 | 4.4 | 5.5 | 5.3 |
| Exported-oriented Industries | 7.1 | 6.5 | 4.3 | 6.5 | - |
| Electrical & Electronics | 11.8 | 9.2 | 6.8 | 9.3 | - |
| Rubber Products | (1.3) | 5.1 | 5.0 | 6.9 | - |
| Wood Products | 7.8 | 7.0 | 7.8 | 7.3 | - |
| Textiles & Apparel | 10.8 | 7.5 | 7.5 | 7.4 | - |
| Domestic-oriented Industries | 7.7 | 4.7 | 3.4 | 6.2 | - |
| Food, Beverages & Tobacco | 6.1 | 8.9 | 7.5 | 11.0 | - |
| Chemical & Chemical Products | 1.4 | 3.5 | 4.5 | 3.5 | - |
| Plastic Products | 2.7 | 3.9 | 5.1 | - | - |
| Iron & Steel | 2.8 | 1.6 | 2.2 | - | - |
| Fabricated Metal Products | 2.8 | 4.6 | 5.6 | 4.6 | - |
| Non-metallic Mineral | 6.9 | 6.8 | 6.3 | 5.4 | - |
| Transport Equipment | 14.4 | 5.2 | (3.1) | 4.7 | - |
| Paper & Paper Products | 4.7 | 3.2 | 5.4 | 5.8 | - |
| Crude Oil Refineries | 13.0 | 14.3 | 13.7 | - | - |
| Industry Non-Performing Loans (MYR Million) | 5,730.8 | 4,243.7 | 4,214.1 | - | - |
| % of Industry Non-Performing Loans | 25.6 | 19.0 | 18.5 | - | - |
| Construction | 11.7 | 8.2 | 7.4 | 7.6 | 7.5 |
| Industry Non-Performing Loans (MYR Million) | 1,666.4 | 1,638.0 | 1,793.9 | - | - |
| % of Industry Non-Performing Loans | 7.5 | 7.3 | 7.9 | - | - |
| Services | 6.6 | 5.1 | 5.6 | 5.9 | 5.8 |
| Electric, Gas & Water | 3.8 | 3.6 | 5.4 | 2.5 | 2.6 |
| Transport, Storage & Communication | 7.70 | 7.55 | 6.85 | 7.35 | 7.30 |
| Wholesale, Retail, Hotel & Restaurant | 7.70 | 6.65 | 6.65 | 7.05 | 6.65 |
| Finance, Insurance & Real Estate | 5.15 | 2.90 | 4.70 | 5.70 | 5.90 |
| Government Services | 6.3 | 4.0 | 4.9 | 4.4 | 4.5 |
| Other Services | 4.8 | 4.7 | 4.8 | 5.3 | 5.3 |
| Industry Non-Performing Loans (MYR Million) | 5,373.5 | 6,806.6 | 7,190.6 | - | - |
| % of Industry Non-Performing Loans | 24.1 | 30.5 | 31.5 | - | - |

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* Estimate / Preliminary

** Forecast

Based On Manufacturing Production Index

INDUSTRY ANALYSIS

MSIC

CODE

46691 : Wholesale of industrial chemicals

INDUSTRY TRADING

:

Malaysia's retail sales will likely grow 3.7% in 2017, slower than previously estimated 3.9%, as consumer sentiment remains weak amid rising cost of living in Southeast Asia's third largest economy.

The cut in forecast was the second of such revision by Retail Group Malaysia, a retail consulting firm, from an initial target of 5% retail sales expansion pace in 2017. The estimate follows a survey of members of Malaysia Retailers Association on their second quarter performance and outlook for the year. Retail sales grew 1.7% in 2016.

According to Retail Group Malaysia (RGM), Malaysian retailers have seen the sales expanded 4.9 % from April to June 2017, reversing a dismal performance in first three months 2017. For the first six months 2016, the retail sale growth rate was 2.5 %. However, the businesses in the next three months are not optimistic, estimating an average growth rate of 2.9 %. The department stores cum supermarket operators are expecting to return to red with a contraction of 2.5 %. Similarly, the department store operators expect their businesses to dip with a negative 1.5 %.

The rise of purchasing power will continue to fall behind the increase in prices of retail goods. More retail goods are expected to raise prices because of higher fuel prices in recent months.

The wholesale trade sub-sector index increased 5.9 % to 165.9 points year-on-year (y-o-y) driven mainly by other specialised wholesale (7.5 %), wholesale of agricultural raw materials and livestock (7.3 %) and wholesale of machinery, equipment and supplies (6.2 %).

Over 60% of Gross Domestic Product (GDP) is contributed by domestic consumption. Therefore the wholesale and retail sector plays a crucial role in driving Malaysia's growth over the next decade despite the ongoing global economic slowdown. By 2020, Malaysia's wholesale and retail sector is expected to boost the country's total Gross National Income (GNI) by RM156 billion, creating 454,190 new jobs.

OVERALL INDUSTRY OUTLOOK : Marginal Growth

CREDIT RISK EVALUATION & RECOMMENDATION

Incorporated in 2006, the Subject is a Private Limited company, focusing on trading in chemicals products. Having been in the industry for over a decade, the Subject has achieved a certain market share and has built up a satisfactory reputation in the market. It should have received supports from its regular customers. Presently, the issued and paid up capital of the Subject stands at MYR 1,000,000. The Subject does not have strong shareholders' backing. Without a strong shareholders' backing, the opportunity of the Subject to expand its business is limited.

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Investigation revealed that the Subject concentrates only on the local market. This narrow market segment has placed the Subject at high business risk and limits its business expansion opportunities. Any adverse changes to the local economy might have a negative impact on the Subject's business performance. The Subject's business operation is supported by 15 employees. Overall, we regard that the Subject's management capability is average. This indicates that the Subject has greater potential to improve its business performance and raising income for the Subject.

Financially, the Subject registered a higher turnover compared to previous year. However, its profits showed a reverse trend. The lower profit achieved was a result of higher operating cost and increased competition. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. The Subject managed to maintain an adequate liquidity level, indicating that the Subject has the ability to meet its financial obligations. The high gearing ratio clearly implied that the Subject was supported by more debt than equity. Thus, the Subject is exposed to high financial risk. Given a positive net worth standing at MYR 3,190,738, the Subject should be able to maintain its business in the near terms.

The poor payment habit may affect the goodwill between the Subject and its suppliers and the Subject may inadvertently have to pay more for its future supplies.

The industry has reached its maturity stage and only enjoying a marginal growth. The steady growth of the country's economy will further enhance the industry activities. Thus, the Subject's future performance is very much depend on its marketing strategies in order to retain its position in the market.

In view of the above, we recommend credit be granted to the Subject with close monitoring.

FINANCIALS

PROFIT AND LOSS ACCOUNT

THE FINANCIAL STATEMENTS WERE PREPARED IN ACCORDANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS(FRS)

KTY CHEMICALS SDN. BHD.

| Financial Year End | 2017-12-31 | 2016-12-31 | 2015-12-31 | 2014-12-31 | 2013-12-31 |
|-------------------------------------|--------------|--------------|-------------|-------------|-------------|
| Months | 12 | 12 | 12 | 12 | 12 |
| Consolidated | Company | Company | Company | Company | Company |
| Account | | | | | |
| Audited Account | YES | YES | YES | YES | YES |
| Unqualified | YES | YES | YES | YES | YES |
| Auditor's Report (Clean Opinion) | | | | | |
| Financial Type | FULL | FULL | FULL | FULL | FULL |
| Currency | MYR | MYR | MYR | MYR | MYR |
| TURNOVER | 13,964,280 | 12,453,166 | 10,122,887 | 8,680,741 | 8,812,567 |
| Total Turnover | 13,964,280 | 12,453,166 | 10,122,887 | 8,680,741 | 8,812,567 |
| Costs of Goods Sold | (11,521,169) | (10,015,078) | (8,034,186) | (6,833,896) | (7,156,702) |

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| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Gross Profit | 2,443,111 | 2,438,088 | 2,088,701 | 1,846,845 | 1,655,865 |
| PROFIT/(LOSS) FROM OPERATIONS | 354,418 | 505,531 | 49,890 | 168,334 | 333,733 |
| PROFIT/(LOSS) BEFORE TAXATION | 354,418 | 505,531 | 49,890 | 168,334 | 333,733 |
| Taxation | (110,610) | (115,558) | (37,979) | (72,252) | (104,652) |
| PROFIT/(LOSS) AFTER TAXATION | 243,808 | 389,973 | 11,911 | 96,082 | 229,081 |
| RETAINED PROFIT/(LOSS) BROUGHT FORWARD | | | | | |
| As previously reported | 1,946,930 | 1,556,957 | 1,275,893 | 1,179,461 | 950,380 |
| Prior year adjustment | - | - | 269,153 | - | - |
| As restated | 1,946,930 | 1,556,957 | 1,545,046 | 1,179,461 | 950,380 |
| PROFIT AVAILABLE FOR APPROPRIATION S | 2,190,738 | 1,946,930 | 1,556,957 | 1,275,543 | 1,179,461 |
| TRANSFER TO RESERVES - General | - | - | - | 350 | - |
| RETAINED PROFIT/(LOSS) CARRIED FORWARD | 2,190,738 | 1,946,930 | 1,556,957 | 1,275,893 | 1,179,461 |
| | = | = | = | = | = |
| INTEREST EXPENSE (as per notes to P&L) | | | | | |
| Bank overdraft | 34,165 | 29,002 | 12,205 | 19,552 | 13,658 |
| Bankers' acceptance | 114,474 | 146,205 | 125,068 | 127,928 | 114,148 |
| Hire purchase | - | - | 10,832 | 14,393 | 17,748 |
| Lease interest | 6,074 | 10,308 | - | - | - |
| Term loan / | 112,832 | 126,897 | 141,570 | 104,825 | 113,088 |

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| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Borrowing | | | | | |
| Trust receipts | 28,057 | 23,303 | 18,248 | 33,563 | 26,243 |
| Others | - | - | - | 5,585 | 11,390 |
| | ----- | ----- | ----- | ----- | ----- |
| | 295,602 | 335,715 | 307,923 | 305,846 | 296,275 |
| | ===== | ===== | ===== | ===== | ===== |
| | = | = | = | = | = |
| DEPRECIATION (as per notes to P&L) | 195,608 | 209,127 | 194,295 | 145,769 | 143,414 |
| | ----- | ----- | ----- | ----- | ----- |
| Total Amortization And Depreciation | 195,608 | 209,127 | 194,295 | 145,769 | 143,414 |
| | ===== | ===== | ===== | ===== | ===== |
| | = | = | = | = | = |
| BALANCE SHEET | | | | | |
| KTY CHEMICALS SDN. BHD. | | | | | |
| ASSETS | | | | | |
| EMPLOYED: | | | | | |
| FIXED ASSETS | 4,881,902 | 5,044,322 | 5,032,373 | 1,946,114 | 1,764,732 |
| LONG TERM INVESTMENTS/OTH ER ASSETS | | | | | |
| Associated companies Investments | - | - | - | - | 40,000 |
| | - | - | 30,000 | 30,000 | - |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL LONG TERM INVESTMENTS/OTH ER ASSETS | - | - | 30,000 | 30,000 | 40,000 |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL LONG TERM ASSETS | 4,881,902 | 5,044,322 | 5,062,373 | 1,976,114 | 1,804,732 |
| CURRENT ASSETS | | | | | |
| Stocks | 2,364,110 | 2,198,144 | 1,818,267 | 1,983,312 | 1,842,666 |
| Trade debtors | 4,977,217 | 4,776,730 | 3,846,919 | 3,189,984 | 3,178,446 |
| Other debtors, deposits & prepayments | 149,355 | 167,680 | 369,068 | 596,062 | 481,503 |
| Short term deposits | 809,256 | 784,325 | 767,586 | 743,008 | 749,091 |
| Amount due from associated companies | - | - | - | - | 460,000 |
| Amount due from director | 180,077 | 185,111 | - | 251,854 | 36,726 |
| Cash & bank balances | 357,352 | 195,314 | 210,333 | 262,701 | 253,513 |
| Others | - | 15,052 | 37,337 | 13,157 | - |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL CURRENT ASSETS | 8,837,367 | 8,322,356 | 7,049,510 | 7,040,078 | 7,001,945 |
| | ----- | ----- | ----- | ----- | ----- |

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| | | | | | |
|---|------------|------------|------------|-----------|-----------|
| TOTAL ASSET | 13,719,269 | 13,366,678 | 12,111,883 | 9,016,192 | 8,806,677 |
| | ===== | ===== | ===== | ===== | ===== |
| | == | == | == | == | == |
| CURRENT LIABILITIES | | | | | |
| Trade creditors | 2,974,012 | 2,952,732 | 2,412,757 | 1,542,644 | 1,653,739 |
| Other creditors & accruals | 428,463 | 221,829 | 239,319 | 191,595 | 517,404 |
| Hire purchase & lease creditors | - | - | 46,571 | 39,252 | 45,478 |
| Bank overdraft | 444,649 | 320,448 | 296,305 | 367,997 | 118,311 |
| Short term borrowings/Term loans | 434,508 | 508,086 | 452,507 | 313,555 | 297,310 |
| Other borrowings | 726,349 | 647,469 | 615,722 | 643,493 | 592,575 |
| Bill & acceptances payable | 2,880,833 | 2,789,091 | 2,106,240 | 2,344,027 | 2,229,017 |
| Amounts owing to director | - | 58,425 | 64,762 | 20,743 | 39,561 |
| Provision for taxation | 10,577 | - | - | - | 52,247 |
| Lease payables | 34,032 | 38,011 | - | - | - |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL CURRENT LIABILITIES | 7,933,423 | 7,536,091 | 6,234,183 | 5,463,306 | 5,545,642 |
| | ----- | ----- | ----- | ----- | ----- |
| NET CURRENT ASSETS/(LIABILITIE S) | 903,944 | 786,265 | 815,327 | 1,576,772 | 1,456,303 |
| | ----- | ----- | ----- | ----- | ----- |
| LONG TERM LIABILITIES | | | | | |
| Long term loans | 2,521,525 | 2,782,928 | 3,141,233 | 814,049 | 1,120,457 |
| Lease obligations | 60,162 | 88,288 | - | - | - |
| Hire purchase creditors | - | - | 167,203 | 160,844 | 229,420 |
| Deferred taxation | 13,421 | 12,441 | 12,307 | 32,947 | 31,697 |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL LONG TERM LIABILITIES | 2,595,108 | 2,883,657 | 3,320,743 | 1,007,840 | 1,381,574 |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL NET ASSETS | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| | ===== | ===== | ===== | ===== | ===== |
| | == | == | == | == | == |
| FINANCED BY: SHARE CAPITAL | | | | | |
| Ordinary share capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 700,000 |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL SHARE CAPITAL | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 700,000 |

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| | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| RESERVES | | | | | |
| Revaluation reserve | - | - | 269,153 | 269,153 | - |
| Retained profit/(loss) carried forward | 2,190,738 | 1,946,930 | 1,556,957 | 1,275,893 | 1,179,461 |
| | ----- | ----- | ----- | ----- | ----- |
| TOTAL RESERVES | 2,190,738 | 1,946,930 | 1,556,957 | 1,545,046 | 1,179,461 |
| | ----- | ----- | ----- | ----- | ----- |
| SHAREHOLDERS' FUNDS/EQUITY | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| | ===== | ===== | ===== | ===== | ===== |
| | == | == | == | == | == |
| FINANCIAL RATIO | | | | | |
| KTY CHEMICALS SDN. BHD. | | | | | |
| TYPES OF FUNDS | | | | | |
| Cash | 1,166,608 | 979,639 | 977,919 | 1,005,709 | 1,002,604 |
| Net Liquid Funds | (2,158,874) | (2,129,900) | (1,424,626) | (1,706,315) | (1,344,724) |
| Net Liquid Assets | (1,460,166) | (1,411,879) | (1,002,940) | (406,540) | (386,363) |
| Net Current Assets/(Liabilities) | 903,944 | 786,265 | 815,327 | 1,576,772 | 1,456,303 |
| Net Tangible Assets | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| Net Monetary Assets | (4,055,274) | (4,295,536) | (4,323,683) | (1,414,380) | (1,767,937) |
| PROFIT & LOSS ITEMS | | | | | |
| Earnings Before Interest & Tax (EBIT) | 650,020 | 841,246 | 357,813 | 474,180 | 630,008 |
| Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA) | 845,628 | 1,050,373 | 552,108 | 619,949 | 773,422 |
| BALANCE SHEET ITEMS | | | | | |
| Total Borrowings | 7,068,026 | 7,136,310 | 6,825,781 | 4,683,217 | 4,632,568 |
| Total Liabilities | 10,528,531 | 10,419,748 | 9,554,926 | 6,471,146 | 6,927,216 |
| Total Assets | 13,719,269 | 13,366,678 | 12,111,883 | 9,016,192 | 8,806,677 |
| Net Assets | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| Net Assets Backing | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| Shareholders' Funds | 3,190,738 | 2,946,930 | 2,556,957 | 2,545,046 | 1,879,461 |
| Total Share Capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 700,000 |
| Total Reserves | 2,190,738 | 1,946,930 | 1,556,957 | 1,545,046 | 1,179,461 |
| GROWTH RATIOS (Year on Year) (%) | | | | | |
| Revenue | 12.13 | 23.02 | 16.61 | (1.50) | (4.58) |
| Profit/(Loss) Before Tax | (29.89) | 913.29 | (70.36) | (49.56) | (24.16) |
| Profit/(Loss) After Tax | (37.48) | 3,174.06 | (87.60) | (58.06) | (29.60) |
| Total Assets | 2.64 | 10.36 | 34.33 | 2.38 | 22.56 |
| Total Liabilities | 1.04 | 9.05 | 47.65 | (6.58) | 25.14 |
| LIQUIDITY (Times) | | | | | |
| Cash Ratio | 0.15 | 0.13 | 0.16 | 0.18 | 0.18 |
| Liquid Ratio | 0.82 | 0.81 | 0.84 | 0.93 | 0.93 |
| Current Ratio | 1.11 | 1.10 | 1.13 | 1.29 | 1.26 |
| WORKING CAPITAL CONTROL (Days) | | | | | |

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| | | | | | |
|--------------------------------------|-------|-------|-------|-------|-------|
| Stock Ratio | 62 | 64 | 66 | 83 | 76 |
| Debtors Ratio | 130 | 140 | 139 | 134 | 132 |
| Creditors Ratio | 94 | 108 | 110 | 82 | 84 |
| SOLVENCY RATIOS | | | | | |
| (Times) | | | | | |
| Gearing Ratio | 2.22 | 2.42 | 2.67 | 1.84 | 2.46 |
| Liabilities Ratio | 3.30 | 3.54 | 3.74 | 2.54 | 3.69 |
| Times Interest Earned Ratio | 2.20 | 2.51 | 1.16 | 1.55 | 2.13 |
| Assets Backing Ratio | 3.19 | 2.95 | 2.56 | 2.55 | 2.68 |
| PERFORMANCE RATIO | | | | | |
| (%) | | | | | |
| Operating Profit Margin | 2.54 | 4.06 | 0.49 | 1.94 | 3.79 |
| Net Profit Margin | 1.75 | 3.13 | 0.12 | 1.11 | 2.60 |
| Return On Net Assets | 20.37 | 28.55 | 13.99 | 18.63 | 33.52 |
| Return On Capital Employed | 10.43 | 13.68 | 5.75 | 11.97 | 18.40 |
| Return On Shareholders' Funds/Equity | 7.64 | 13.23 | 0.47 | 3.78 | 12.19 |
| Dividend Pay Out Ratio (Times) | 0 | 0 | 0 | 0 | 0 |
| NOTES TO ACCOUNTS | | | | | |
| Contingent Liabilities | 0 | 0 | 0 | 0 | 0 |

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FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 71.80 |
| UK Pound | 1 | INR 91.92 |
| Euro | 1 | INR 81.46 |
| MYR | 1 | INR 17.14 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | NIY |
| 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)