

## MIRA INFORM REPORT

<b>Report No. :</b>	539122
<b>Report Date :</b>	16.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	SOON HENG TIMBER INDUSTRIES SDN. BHD
<b>Registered Office :</b>	Lot 2446, Batu 2, Jalan Minyak Beku, 83000 Batu Pahat, Johor, Malaysia.
<b>Country :</b>	Malaysia
<b>Financials (as on) :</b>	31.07.2017
<b>Date of Incorporation :</b>	01.08.2006
<b>Com. Reg. No.:</b>	742781-V
<b>Legal Form :</b>	Private Limited
<b>Line of Business :</b>	The Subject is principally engaged in the trading of timber, sawn timber, woods and its related products.
<b>No. of Employees :</b>	Not Available

**RATING & COMMENTS**

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

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<b>Litigation :</b>	Clear

**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto: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.	: 742781-V
COMPANY NAME	: SOON HENG TIMBER INDUSTRIES SDN. BHD.
FORMER NAME	: N/A
INCORPORATION DATE	: 01/08/2006
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED
LISTED STATUS	: NO
REGISTERED ADDRESS	: LOT 2446, BATU 2, JALAN MINYAK BEKU, 83000 BATU PAHAT, JOHOR, MALAYSIA.
BUSINESS ADDRESS	: LOT 2446, BATU 2, JALAN MINYAK BEKU, 83000 BATU PAHAT, JOHOR, MALAYSIA.
TEL.NO.	: 07-4318855
FAX.NO.	: 07-4387325
CONTACT PERSON	: NG KOK SENG ( DIRECTOR )
INDUSTRY CODE	: 46631
PRINCIPAL ACTIVITY	: TRADING OF TIMBER, SAWN TIMBER, WOODS AND ITS RELATED PRODUCTS
AUTHORISED CAPITAL	: MYR 400,000.00 DIVIDED INTO ORDINARY SHARE 400,000.00 OF MYR 1.00 EACH.
ISSUED AND PAID UP CAPITAL	: MYR 400,000.00 DIVIDED INTO ORDINARY SHARES 400,000 CASH OF MYR 1.00 EACH.
SALES	: MYR 33,211,218 [2017]
NET WORTH	: MYR 4,795,691 [2017]
STAFF STRENGTH	: N/A
BANKER (S)	: MALAYAN BANKING BHD
LITIGATION	: CLEAR
DEFAULTER CHECK	: CLEAR
FINANCIAL CONDITION	: STRONG
PAYMENT	: Regular
MANAGEMENT	: AVERAGE
CAPABILITY	
COMMERCIAL RISK	: MODERATE
CURRENCY EXPOSURE	: N/A
GENERAL REPUTATION	: SATISFACTORY
INDUSTRY OUTLOOK	: MARGINAL GROWTH

## **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 of timber, sawn timber, woods and its related products.

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

### Former Address(es)

Address	As At Date
16, JALAN MENKUDU, TAMAN MAKMUR, 83000, JOHOR, MALAYSIA	24/02/2011

### Share Capital History

Date	Authorised Shared Capital	Issue & Paid Up Capital
01/12/2009	MYR 400,000.00	MYR 400,000.00
15/04/2008	MYR 250,000.00	MYR 250,000.00
18/08/2007	MYR 100,000.00	MYR 100,000.00
01/08/2006	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. NG KOK SENG +	2, JALAN PUNAK, TAMAN BATU PAHAT, 83000 BATU PAHAT, JOHOR, MALAYSIA.	810412-01-5933	320,000.00	80.00
MR. NG KOK WEE +	2, JALAN PUNAK, TAMAN BATU PAHAT, 83000 BATU PAHAT, JOHOR, MALAYSIA.	930111-01-6613	80,000.00	20.00
			----- 400,000.00 =====	----- 100.00 =====

+ Also Director

### Former Shareholder(s) :

Name	Country	IC/PP/Loc No	Shareholding	Last Updated
NG KOK KEONG	MALAYSIA	821208-01-5403	200,000.00	N/A

## **DIRECTORS**

### DIRECTOR 1

Name Of Subject : MR. NG KOK WEE  
Address : 2, JALAN PUNAK, TAMAN BATU PAHAT, 83000 BATU PAHAT, JOHOR, MALAYSIA.  
New IC No : 930111-01-6613  
Date of Birth : 11/01/1993  
Nationality : MALAYSIAN  
Date of : 15/08/2016  
Appointment

### INTEREST CHECK

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

### INTEREST IN COMPANY

N	Local	Company	Designati	App	Shareholding	Profit/(loss)	Financ	Stat	As At	
o	No		on	Date	No.	After Tax	ial	us		
					%		Year			
1	74278 1V	SOON HENG TIMBER INDUSTRI ES SDN. BHD.	Director	15/08/20 16	80,000.0 0	20.0 0	MYR1,334,79 7.00	2017	-	22/10/20 18
2	94500 2T	TRANS NETWORK K SDN. BHD.	Sharehol der	-	125,000. 00	50.0 0	MYR(277,533. 00)	2012	-	22/10/20 18

### DIRECTOR 2

Name Of Subject : MR. NG KOK SENG  
Address : 2, JALAN PUNAK, TAMAN BATU PAHAT, 83000 BATU PAHAT, JOHOR, MALAYSIA.  
Other Address(es) : NO. 6 JALAN B/H 2, TAMAN BANANG HEIGHTS, 83000 BATU PAHAT, JOHOR,  
MALAYSIA.  
New IC No : 810412-01-5933  
Nationality : MALAYSIAN  
Date of : 01/08/2006  
Appointment

**SOON HENG TIMBER INDUSTRIES SDN. BHD - 539122**

**PAGE NO. : 7**

**INTEREST CHECK**

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

**INTEREST IN COMPANY**

N o	Local No	Company	Designation	App Date	Shareholding No.	Shareholding %	Profit/(loss) After Tax	Financial Year	Status	As At
1	962498U	GTS WOOD INDUSTRIES SDN. BHD.	Shareholder	-	62,500.00	12.50	MYR(2,164.00)	2016	Disolved by Registrar	22/10/2018
2	742781V	SOON HENG TIMBER INDUSTRIES SDN. BHD.	Director	01/08/2006	320,000.00	80.00	MYR1,334,797.00	2017	-	22/10/2018

**INTEREST IN BUSINESS**

N o	Local No	Business	Designation	App Date	Shareholding (%)	Status	As At
1	JR0038976K	AVIVO TRADING	PARTNERSHIP	02/07/2013	50.00	Terminated (08/03/2015)	23/10/2018
2	JM0384345A	HOOBER TRADING	SOLE PROPRIETORSHIP	18/06/2004	100.00	Expired (16/07/2004)	23/10/2018
3	JM0331846X	MACO WOOD ENTERPRISE	PARTNERSHIP	18/06/2004	33.00	Terminated (12/09/2003)	23/10/2018
4	JM0420605H	SOON HENG TIMBER INDUSTRIES	PARTNERSHIP	10/01/2005	50.00	Expired (28/01/2009)	23/10/2018
5	JM0466456K	ZAMRIA ENTERPRIS E	PARTNERSHIP	06/10/2006	50.00	Terminated (05/09/2014)	23/10/2018

**FORMER INTEREST**

No	Local No	Company	Designation	App Date	Withdrawn Date	Shareholding	Status
1	1037481H	AVIVO MARKETING SDN. BHD.	Director	08/03/2013	30/11/2017	-	-
2	962498U	GTS WOOD	Director	03/10/2011	20/10/2011	-	Disolved by

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

INDUSTRIES SDN.  
BHD.

Registrar

## **FORMER DIRECTOR(S)**

Name	Address	IC/PP No	Appointed Date	Withdrawn Date
NG KOK KEONG	NO. 2,, JALAN PUNAK,, TAMAN BATU PAHAT,, BATU PAHAT, JOHOR, MALAYSIA	821208-01-5403	01/08/2006	15/08/2016

Note : The above information was generated from our database.

## **MANAGEMENT**

- 1) Name of Subject : NG KOK SENG  
Position : DIRECTOR

## **AUDITOR**

Firm No	Firm Name	Address	As At Date
AF0886	CHENG & CO.	150A, JALAN SULTANAH, 83000 BATU PAHAT, JOHOR, MALAYSIA.	31/07/2017

## **COMPANY SECRETARIES**

- 1) Company Secretary : MS. LEONG HOY YIN  
IC / PP No : A1739559  
New IC No : 701122-04-5138  
Address : 33, JALAN PUTERI INDAH TENGAH, TAMAN PUTERI INDAH, 83000 BATU PAHAT, JOHOR, MALAYSIA.  
Date of Appointment : 01/08/2006

## **BANKING**

Banking relations are maintained principally with :

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

1) Name : MALAYAN BANKING BHD

## **ENCUMBRANCE (S)**

Charge No	Creation Date	Charge Description	Chargee Name	Total Charge	Status
1	21/07/2008	N/A	AMBANK (M) BERHAD	-	Satisfied
2	20/09/2010	N/A	AMBANK (M) BERHAD	-	Satisfied
3	06/05/2016	SECURITY OVER DEPOSIT	ALLIANCE ISLAMIC BANK BERHAD	-	Unsatisfied
4	22/01/2018	ASSIGNMENT & CHARGE	AMBANK ISLAMIC BERHAD	-	Unsatisfied
2018-001	11/07/2018	MEMORANDUM OF DEPOSIT	ALLIANCE ISLAMIC BANK BERHAD	-	Unsatisfied
5	03/10/2018	N/A	RHB ISLAMIC BANK 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 information.

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	[ X ]	Average 61-90 Days	[ ]
Fair 91-120 Days	[ ]	Poor >120 Days	[ ]		

### **CLIENTELE**

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

### **OPERATIONS**

Goods : TIMBER, SAWN TIMBER, WOODS AND ITS RELATED PRODUCTS  
Traded

Branch : NO  
Other Information:

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

The Subject is principally engaged in the (as a / as an) trading of timber, sawn timber, woods and its related products.

The Subject sells the products based on customer's demands and requirement.

The Subject refused to disclose further information on its business operation.

## **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 : 07-4318855

Client

Current Telephone Number : 07-4318855

Match : YES

Address Provided by Client : LOT 2446, BATU 2, JALAN MINYAK BEKU, 83000 BATU PAHAT, JOHOR, MALAYSIA

Current Address : LOT 2446, BATU 2, JALAN MINYAK BEKU, 83000 BATU PAHAT, JOHOR, MALAYSIA.

Match : YES

Latest Financial Accounts : YES

Other Investigations

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

The Subject refused to disclose its number of employees.

## **FINANCIAL ANALYSIS**

Profitability

Turnover	: Increased	[ 2013 - 2017 ]
Profit/(Loss) Before Tax	: Decreased	[ 2013 - 2017 ]
Return on Shareholder Funds	: Acceptable	[ 27.83% ]
Return on Net Assets	: Favourable	[ 35.30% ]

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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 Subject's management had generated acceptable return for its shareholders using its assets.

**Working Capital Control**

Stock Ratio	:	Favourable	[	30 Days	]
Debtor Ratio	:	Favourable	[	34 Days	]
Creditors Ratio	:	Favourable	[	30 Days	]

The Subject's stocks were moving fast thus reducing its holding cost. This had reduced funds being tied up in stocks. The favourable debtors' days could be due to the good credit control measures implemented by the Subject. The Subject had a favourable creditors' ratio where the Subject could be taking advantage of the cash discounts and also wanting to maintain goodwill with its creditors.

**Liquidity**

Liquid Ratio	:	Favourable	[	1.36 Times	]
Current Ratio	:	Favourable	[	2.16 Times	]

A minimum liquid ratio of 1 should be maintained by the Subject in order to assure its creditors of its ability to meet short term obligations and the Subject was in a good liquidity position. Thus, we believe the Subject is able to meet all its short term obligations as and when they fall due.

**Solvency**

Interest Cover	:	Favourable	[	20.49 Times	]
Gearing Ratio	:	Favourable	[	0.13 Times	]

The interest cover showed that the Subject was able to service the interest. The favourable interest cover could indicate that the Subject was making enough profit to pay for the interest accrued. The Subject was lowly geared thus it had a low financial risk. The Subject was mainly financed by its shareholders' funds and internally generated funds. In times of economic slowdown / downturn, the Subject being a lowly geared company, will be able to compete better than those companies which are highly geared in the same industry.

**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 was in good liquidity position with its total current liabilities well covered by its total current assets. With its current net assets, the Subject should be able to repay its short term obligations. With the favourable interest cover, the Subject could be able to service all the accrued interest without facing any difficulties. The Subject as a lowly geared company, will be more secured compared to those highly geared companies. It has the ability to meet all its long term obligations.

Overall financial condition of the Subject : **STRONG**

**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

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**SOON HENG TIMBER INDUSTRIES SDN. BHD - 539122**

**PAGE NO. : 14**

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)	-
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	-	-

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**SOON HENG TIMBER INDUSTRIES SDN. BHD - 539122**

**PAGE NO. : 15**

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	-	-

\* Estimate / Preliminary

\*\* Forecast

# Based On Manufacturing Production Index

## **INDUSTRY ANALYSIS**

MSIC  
CODE

46631 : Wholesale of logs, sawn timber, plywood, veneer and related products

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 of timber, sawn timber, woods and its related 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 400,000. We considered that the Subject's business position in the market is much dependent on the efforts of its directors.

Over the years, the Subject should have build up its clientele base and received supports from its regular customers. Investigation revealed that the Subject's interest lies mostly in the local market. 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

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

reverse trend. The lower profit achieved was a result of higher operating cost and increased competition. Return on shareholders' funds of the Subject was at a favourable range which indicated that the management was efficient in utilising its funds to generate income. The Subject is in good liquidity position with its current liabilities well covered by its current assets. Hence, it has sufficient working capital to meet its short term financial obligations. Being a lowly geared company, the Subject is exposed to low financial risk as it is mainly dependent on its internal funds to finance its business needs. Given a positive net worth standing at MYR 4,795,691, the Subject should be able to maintain its business in the near terms.

Overall, the Subject's payment habit is good as the Subject has a good credit control and it could be taking advantage of the cash discounts while maintaining a good reputation with its creditors.

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.

Based on the above condition, we recommend credit be granted to the Subject promptly.

## **FINANCIALS**

### PROFIT AND LOSS ACCOUNT

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

SOON HENG TIMBER INDUSTRIES SDN. BHD.

Financial Year End	2017-07-31	2016-07-31	2015-07-31	2014-07-31	2013-07-31
Months	12	12	12	12	12
Consolidated Account	Company	Company	Company	Company	Company
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	33,211,218	26,835,114	22,150,140	10,459,648	10,066,137
Other Income	-	-	17,646	3,386	-
Total Turnover	33,211,218	26,835,114	22,167,786	10,463,034	10,066,137
Costs of Goods Sold	(27,826,535)	(22,007,922)	(19,005,688)	(8,472,685)	(8,247,522)
Gross Profit	5,384,683	4,827,192	3,162,098	1,990,349	1,818,615
PROFIT/(LOSS) FROM OPERATIONS	1,610,043	2,261,962	1,094,856	482,605	282,916
PROFIT/(LOSS)	1,610,043	2,261,962	1,094,856	482,605	282,916

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

BEFORE TAXATION					
Taxation	(275,246)	(568,456)	(302,362)	(124,682)	(72,139)
PROFIT/(LOSS) AFTER TAXATION	1,334,797	1,693,506	792,494	357,923	210,777
RETAINED PROFIT/(LOSS) BROUGHT FORWARD					
As previously reported	3,060,894	2,167,388	1,374,894	1,016,971	806,194
As restated	3,060,894	2,167,388	1,374,894	1,016,971	806,194
PROFIT AVAILABLE FOR APPROPRIATION S	4,395,691	3,860,894	2,167,388	1,374,894	1,016,971
DIVIDENDS - Ordinary (paid & proposed)	-	(800,000)	-	-	-
RETAINED PROFIT/(LOSS) CARRIED FORWARD	4,395,691	3,060,894	2,167,388	1,374,894	1,016,971
INTEREST EXPENSE (as per notes to P&L)					
Bank overdraft	16,630	-	-	11	32
Bankers' acceptance	3,164	-	-	-	-
Hire purchase	-	-	20,254	6,706	10,020
Lease interest	62,817	30,827	-	-	-
Term loan / Borrowing	-	126,000	12,348	12,501	25,738
Others	-	-	-	16	9
DEPRECIATION (as per notes to P&L)	421,014	342,424	289,890	207,401	176,987

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**SOON HENG TIMBER INDUSTRIES SDN. BHD - 539122**

**PAGE NO. : 19**

Total Amortization And Depreciation	421,014	342,424	289,890	207,401	176,987
	=	=	=	=	=

**BALANCE SHEET**

**SOON HENG TIMBER INDUSTRIES SDN. BHD.**

**ASSETS**

**EMPLOYED:**

FIXED ASSETS	1,228,046	902,635	874,514	469,370	509,173
TOTAL LONG TERM ASSETS	1,228,046	902,635	874,514	469,370	509,173
CURRENT ASSETS					
Stocks	2,724,775	1,769,493	1,520,774	1,409,364	294,954
Trade debtors	3,095,265	2,658,840	3,551,654	2,093,966	1,687,573
Other debtors, deposits & prepayments	110,308	113,839	49,453	22,850	21,850
Short term deposits	144,410	140,000	-	-	100,000
Amount due from director	46,686	-	-	-	70,468
Cash & bank balances	950,853	576,024	506,473	312,203	374,740
Others	297,853	-	-	-	-
TOTAL CURRENT ASSETS	7,370,150	5,258,196	5,628,354	3,838,383	2,549,585
TOTAL ASSET	8,598,196	6,160,831	6,502,868	4,307,753	3,058,758
	=	=	=	=	=

**CURRENT  
LIABILITIES**

Trade creditors	2,273,618	1,003,257	1,241,638	2,128,202	992,728
Other creditors & accruals	365,271	191,965	1,668,365	237,812	156,882
Hire purchase & lease creditors	-	-	207,027	61,844	91,971
Bank overdraft	64,642	199,218	-	-	-
Short term borrowings/Term loans	-	-	-	68,534	152,420
Bill & acceptances payable	250,000	-	-	-	-
Amounts owing to director	-	305,984	300,011	-	51,439
Provision for taxation	-	365,281	180,781	28,781	1,200
Lease payables	452,995	305,111	-	-	-

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**SOON HENG TIMBER INDUSTRIES SDN. BHD - 539122**

**PAGE NO. : 20**

TOTAL CURRENT LIABILITIES	3,406,526	2,370,816	3,597,822	2,525,173	1,446,640
NET CURRENT ASSETS/(LIABILITIES)	3,963,624	2,887,380	2,030,532	1,313,210	1,102,945
LONG TERM LIABILITIES					
Long term loans	-	-	-	-	138,267
Lease obligations	321,333	329,121	-	-	-
Hire purchase creditors	-	-	332,808	2,836	52,030
Deferred taxation	74,646	-	4,850	4,850	4,850
TOTAL LONG TERM LIABILITIES	395,979	329,121	337,658	7,686	195,147
TOTAL NET ASSETS	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
=====	=====	=====	=====	=====	=====
SHARE CAPITAL					
Ordinary share capital	400,000	400,000	400,000	400,000	400,000
TOTAL SHARE CAPITAL	400,000	400,000	400,000	400,000	400,000
RESERVES					
Retained profit/(loss) carried forward	4,395,691	3,060,894	2,167,388	1,374,894	1,016,971
TOTAL RESERVES	4,395,691	3,060,894	2,167,388	1,374,894	1,016,971
SHAREHOLDERS' FUNDS/EQUITY	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
=====	=====	=====	=====	=====	=====
FINANCIAL RATIO					
SOON HENG TIMBER INDUSTRIES SDN. BHD.					
TYPES OF FUNDS					
Cash	1,095,263	716,024	506,473	312,203	474,740
Net Liquid Funds	780,621	516,806	506,473	312,203	474,740
Net Liquid Assets	1,238,849	1,117,887	509,758	(96,154)	807,991
Net Current Assets/(Liabilities)	3,963,624	2,887,380	2,030,532	1,313,210	1,102,945
Net Tangible Assets	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
Net Monetary Assets	842,870	788,766	172,100	(103,840)	612,844

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

<b>PROFIT &amp; LOSS ITEMS</b>					
Earnings Before Interest & Tax (EBIT)	1,692,654	2,418,789	1,127,458	501,839	318,715
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	2,113,668	2,761,213	1,417,348	709,240	495,702
<b>BALANCE SHEET ITEMS</b>					
Total Borrowings	635,975	528,339	539,835	133,214	434,688
Total Liabilities	3,802,505	2,699,937	3,935,480	2,532,859	1,641,787
Total Assets	8,598,196	6,160,831	6,502,868	4,307,753	3,058,758
Net Assets	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
Net Assets Backing	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
Shareholders' Funds	4,795,691	3,460,894	2,567,388	1,774,894	1,416,971
Total Share Capital	400,000	400,000	400,000	400,000	400,000
Total Reserves	4,395,691	3,060,894	2,167,388	1,374,894	1,016,971
<b>GROWTH RATIOS (Year on Year) (%)</b>					
Revenue	23.76	21.15	111.77	3.91	(19.76)
Profit/(Loss) Before Tax	(28.82)	106.60	126.86	70.58	(41.08)
Profit/(Loss) After Tax	(21.18)	113.69	121.41	69.81	(42.37)
Total Assets	39.56	(5.26)	50.96	40.83	6.22
Total Liabilities	40.84	(31.39)	55.38	54.27	(1.89)
<b>LIQUIDITY (Times)</b>					
Cash Ratio	0.32	0.30	0.14	0.12	0.33
Liquid Ratio	1.36	1.47	1.14	0.96	1.56
Current Ratio	2.16	2.22	1.56	1.52	1.76
<b>WORKING CAPITAL CONTROL (Days)</b>					
Stock Ratio	30	24	25	49	11
Debtors Ratio	34	36	59	73	61
Creditors Ratio	30	17	24	92	44
<b>SOLVENCY RATIOS (Times)</b>					
Gearing Ratio	0.13	0.15	0.21	0.08	0.31
Liabilities Ratio	0.79	0.78	1.53	1.43	1.16
Times Interest Earned Ratio	20.49	15.42	34.58	26.09	8.90
Assets Backing Ratio	11.99	8.65	6.42	4.44	3.54
<b>PERFORMANCE RATIO (%)</b>					
Operating Profit Margin	4.85	8.43	4.94	4.61	2.81
Net Profit Margin	4.02	6.31	3.58	3.42	2.09
Return On Net Assets	35.30	69.89	43.91	28.27	22.49
Return On Capital Employed	32.20	60.63	36.23	27.21	18.70
Return On Shareholders' Funds/Equity	27.83	48.93	30.87	20.17	14.88
Dividend Pay Out Ratio (Times)	-	0.47	-	-	-

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.



---

**MIRA INFORM PRIVATE LIMITED**

605, Palmspring, Near D'Mart, Link Road,

Malad (West), Mumbai - 400 064. INDIA

Tel : 91-22-40448000 (44 lines)

Fax : 91-22-40448045 / 40448046

E-mail : mira@mirainform.com

info@mirainform.com

Website : <http://www.mirainform.com><http://www.miraglobalcheck.com><http://www.miraglobalcollections.com>

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.16
UK Pound	1	INR 93.95
Euro	1	INR 81.83
MYR	1	INR 17.12

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

**INFORMATION DETAILS**

Analysis Done by :	DIV
Report Prepared by :	KET

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**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)