

MIRA INFORM REPORT

Report No. :	540146
Report Date :	22.11.2018

IDENTIFICATION DETAILS

Name :	BELLINTURF INDUSTRIAL (VIETNAM) COMPANY LIMITED
Registered Office :	Lot 111A, 112A, 113A, 115A, 116A, 117A, 118B-C, 119A-B, 120A-B, 121A-B, 122A-B, 123A-B, Long Giang IP, Tan Lap 1 Commune, Tan Phuoc District, Tien Giang Province
Country :	Viet Nam
Financials (as on) :	31.12.2017
Date of Incorporation :	25.11.2016
Com. Reg. No.:	1201538248
Legal Form :	Limited liability company
Line of Business :	Manufacturing artificial fibers and artificial grass
No. of Employees :	600

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

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)
Viet Nam	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

VIET NAM - ECONOMIC OVERVIEW

Vietnam is a densely populated developing country that has been transitioning since 1986 from the rigidities of a centrally planned, highly agrarian economy to a more industrial and market based economy, and it has raised incomes substantially. Vietnam exceeded its 2017 GDP growth target of 6.7% with growth of 6.8%, primarily due to unexpected increases in domestic demand, and strong manufacturing exports.

Vietnam has a young population, stable political system, commitment to sustainable growth, relatively low inflation, stable currency, strong FDI inflows, and strong manufacturing sector. In addition, the country is committed to continuing its global economic integration. Vietnam joined the WTO in January 2007 and concluded several free trade agreements in 2015-16, including the EU-Vietnam Free Trade Agreement (which the EU has not yet ratified), the Korean Free Trade Agreement, and the Eurasian Economic Union Free Trade Agreement. In 2017, Vietnam successfully chaired the Asia-Pacific Economic Cooperation (APEC) Conference with its key priorities including inclusive growth, innovation, strengthening small and medium enterprises, food security, and climate change. Seeking to diversify its opportunities, Vietnam also signed the Comprehensive and Progressive Agreement for the Transpacific Partnership in 2018 and continued to pursue the Regional Comprehensive Economic Partnership.

To continue its trajectory of strong economic growth, the government acknowledges the need to spark a 'second wave' of reforms, including reforming state-owned-enterprises, reducing red tape, increasing business sector transparency, reducing the level of non-performing loans in the banking sector, and increasing financial sector transparency. Vietnam's public debt to GDP ratio is nearing the government mandated ceiling of 65%.

In 2016, Vietnam cancelled its civilian nuclear energy development program, citing public concerns about safety and the high cost of the program; it faces growing pressure on energy infrastructure. Overall, the country's infrastructure fails to meet the needs of an expanding middle class. Vietnam has demonstrated a commitment to sustainable growth over the last several years, but despite the recent speed-up in economic growth the government remains cautious about the risk of external shocks.

Source : CIA

GENERAL INFORMATION

Given Information		Verification
Name	BELLINTURF INDUSTRIAL VIETNAM CO LTD	Not full
Address	Lot 121A, Long Giang IP, Tan Phuoc Dist, Tien Giang	Not full

SUBJECT IDENTIFICATION & LEGAL FORM

Current legal status

English Name	BELLINTURF INDUSTRIAL (VIETNAM) COMPANY LIMITED
Vietnamese Name	CONG TY TNHH CONG NGHIEP BELLINTURF VIET NAM
Type of Business	Limited liability company (FDI)
Year Established	2016
Project Code	5444152752
Date Of Issuance	25 Nov 2016
Place of Issuance	Tien Giang Industrial Zones Authority
Business Registration No.	1201538248
Date of Registration	25 Nov 2016
Place of Registration	Tien Giang Department of Planning and Investment
Registered Investment Capital	USD 90,000,000
Charter capital	USD 15,000,000
Investment Duration	41 years
Listed Company	No
Tax code	1201538248
Total Employees	600
Size	Medium

Historical Identification & Legal form

List	Changed Items	Date of changes
1	Subject has got former Registered Investment Capital: USD 45,000,000 Changed to: USD 90,000,000	03 Oct 2018

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- | | | |
|---|---|-------------|
| 2 | Subject has got former Charter capital: USD 10,000,000
Changed to: USD 15,000,000 | 03 Oct 2018 |
| 3 | Subject has got former Address: Lot 118B, 119A, 120A, 121A, 122A, 123A
Long Giang Industrial Zone, Tan Lap 1 Commune, Tan Phuoc District, Tien
Giang Province, Vietnam
Changed to: Lot 111A, 112A, 113A, 115A, 116A, 117A, 118B-C, 119A-B, 120A-
B, 121A-B, 122A-B, 123A-B, Long Giang IP, Tan Lap 1 Commune, Tan Phuoc
District, Tien Giang Province, Vietnam | 03 Oct 2018 |

ADDRESSES

Head Office
Address

Lot 111A, 112A, 113A, 115A, 116A, 117A, 118B-C, 119A-B, 120A-B,
121A-B, 122A-B, 123A-B, Long Giang IP, Tan Lap 1 Commune, Tan
Phuoc District, Tien Giang Province, Vietnam

Telephone
Email
Website

(84-273) 3731 888
info@bellinturf.com
<http://vi.bellinturf.com/>

DIRECTORS

- | | |
|--------------------|--|
| 1. NAME | Mr. YU KANG |
| Position | Chairman |
| Date of Birth | 05 Nov 1973 |
| ID Number/Passport | E11179373 |
| ID Issue Date | 05 Jan 2013 |
| ID Issue Place | Shan Dong, China |
| Permanent Address | No. 17 HongQiDong Road, Laishan Area, YanTai City, Shandong ,
China |
| Nationality | Chinese |
| 2. NAME | Mr. XIN QIANG |
| Position | General Director |
| Nationality | Chinese |

BUSINESS NATURE AND ACTIVITIES

Manufacturing artificial fibers and artificial grass.

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TRADE REFERENCE AND IMPORT - EXPORT ACTIVITIES

IMPORT:

Types of products Artificial resin fiber, machine and equipment
Market China, Hong Kong

EXPORT:

Market America, EU countries

BANKERS

BANK OF CHINA - HOCHIMINH CITY BRANCH

Address 19th, Sun Wah Tower, No. 115, Nguyen Hue Street, Ben Nghe Ward, 1
District, Ho Chi Minh City, Vietnam
Telephone (84-28) 3821 9949
Fax (84-28) 3821 9948

SHAREHOLDERS

NAME	QING DAO BELLINTURF INDUSTRIAL CO.,LTD
Business Registration	91370200690347780Y
Address	YouShiBo Village, Bei Guan Building, JiaoZhou City, Qing Dao, Shandong, China
Value of shares	USD 15,000,000
Percentage	100%

FINANCIAL DATA

BALANCE SHEET

Unit: One VND

Balance sheet date

FYE 31 Dec 2017

ASSETS

Current Assets	101,449,647,118
Inventories	19,071,455,917
Long-Term Assets	612,355,738,481

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TOTAL ASSETS		713,805,385,599
	LIABILITIES	
LIABILITIES		492,309,558,132
OWNER'S EQUITY		221,495,827,467
TOTAL LIABILITIES AND OWNER'S EQUITY		713,805,385,599

PROFIT & LOSS STATEMENT

	Description	FYE 31 Dec 2017
Total Sale		0
Net revenue		0
Profit after tax		-2,097,022,733

INDUSTRY DATA

The subject is classified in: Manufacture of rubber and plastics products (Division 22 of ISIC)

Items	Industry	Percentage	All Industries
1. Annual average capital of enterprises (Bil VND)	277,945	1.07%	26,049,661
2. Value of fixed asset and long term investment (Bil VND)	134,121	1.07%	12,551,024
3. Net turnover from business of enterprises (Bil VND)	283,433	1.63%	17,436,430
4. Profit before taxes of enterprises (Bil VND)	14,300	2.01%	711,975
5. Number of employees	302,952	2.16%	14,012,276
6. Number of acting enterprises by size of capital (Total)	5,040	1.00%	505,059
6.1 Under 0.5 bil. VND	229	0.40%	57,181
6.2 From 0.5 to under 1 bil. VND	266	0.50%	53,662
6.3 From 1 to under 5 bil. VND	1,608	0.79%	204,024
6.4 From 5 to under 10 bil. VND	736	1.05%	69,773

PAYMENT HISTORY & PERFORMANCE EXPERIENCES

Trade Morality	Normal
Liquidity	Low/Medium
Payment status	Slow but Correct
Financial Situation	Average
Development trend	Developing
Litigation data	No Record
Bankruptcy	No Record
Payment Methods	L/C, T/T
Sale Methods	To contracts
Public opinion	Normal

SUMMARY

As a foreign invested company, the subject was established in late 2016 by a Chinese firm, QING DAO BELLINTURF INDUSTRIAL CO.,LTD, a large artificial grass manufacturer owning some brands as Bellinturf, Cosan, Showwell. The subject was issued the project code 5444152752 by Tien Giang Industrial Zones Authority. In addition to the expansion of factory, the subject has recently increased both registered investment capital and charter capital to USD 90 million and USD 15 million respectively.

The subject specializes in manufacturing artificial fibers and artificial grass for export. The subject has completed the first construction phase in late 2017. At present, it mainly imports artificial resin fiber from investor and machinery, equipment from other partners in China, Hong Kong.

Financially, total assets recorded at VND 713,805 million; in which long-term assets took the majority in the previous year. Liabilities gained VND 492,310 million and the subject took advantages capital from its suppliers. In 2017, the subject was under construction and installation for production; thus, the subject did not generate revenues and profit was negative.

In conclusion, the subject is in the first time of operation. Its business is expected to be bright in the future. With current financial status, the subject has capacity to meet small payment commitments.

ECONOMIC INDICATORS

	2017	2016	2015
Population (Millions)	93.70	92.70	91.70
Gross Domestic Products (USD billions)	223	205.3	193
GDP Per Capita (USD/person/year)	2,385	2,215	2,109
GDP Growth (%)	6.81	6.21	6.68
- Agriculture, Forestry and Fishing Growth (%)	2.90	1.36	2.41

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- Industry and Construction Growth (%)	8.00	7.57	9.64
- Trade and Services Growth (%)	7.44	6.98	6.33

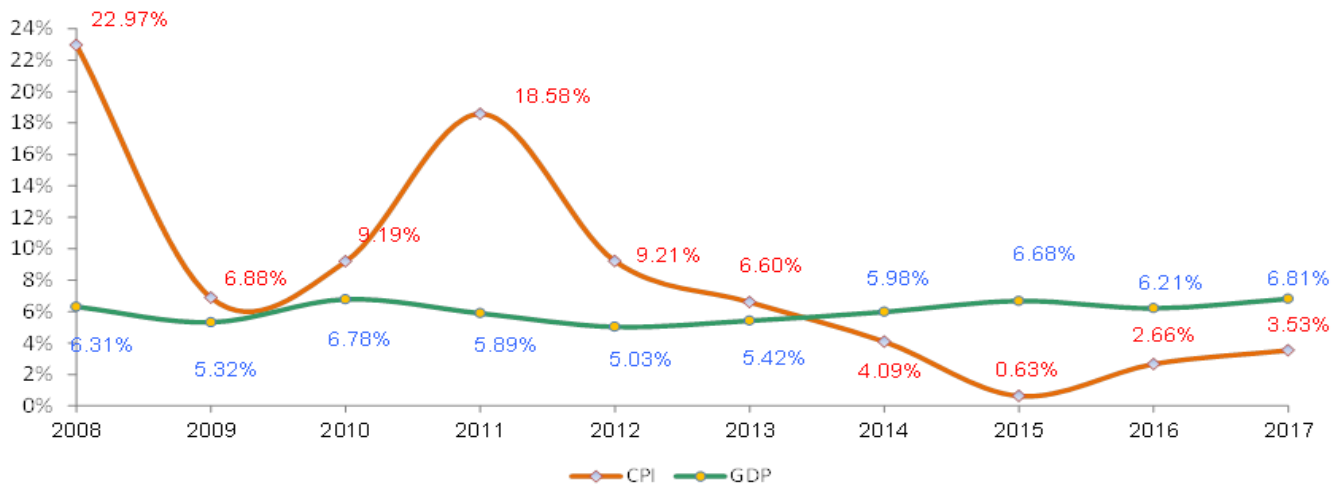


Figure 1: GDP vs. CPI trend in last ten years

• Trade Balance

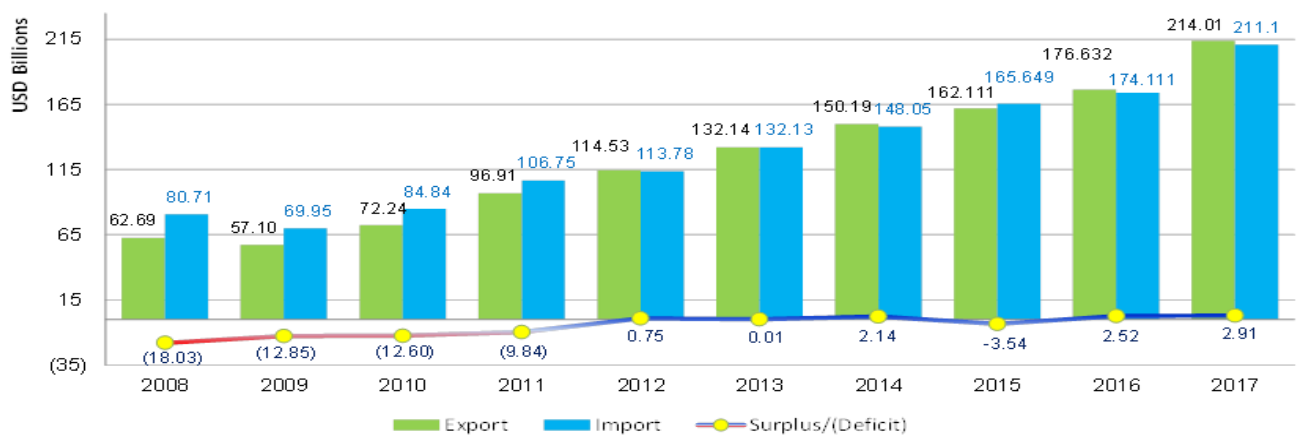


Figure 2: Import – Export balance in last ten years

• Import – Export Value by Major Type of Products

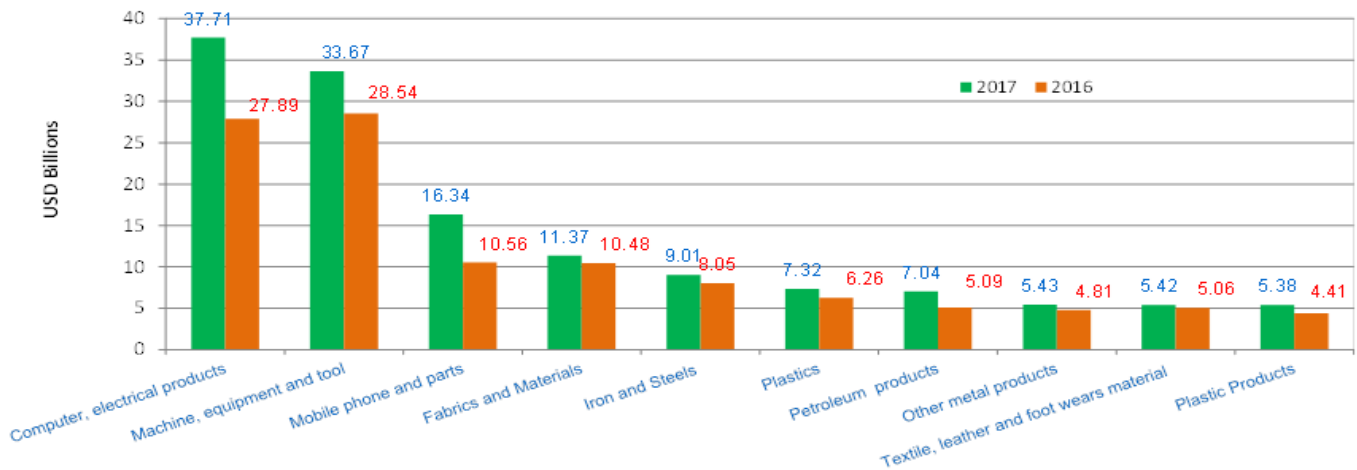


Figure 3: Top ten import products by value in 2016-2017

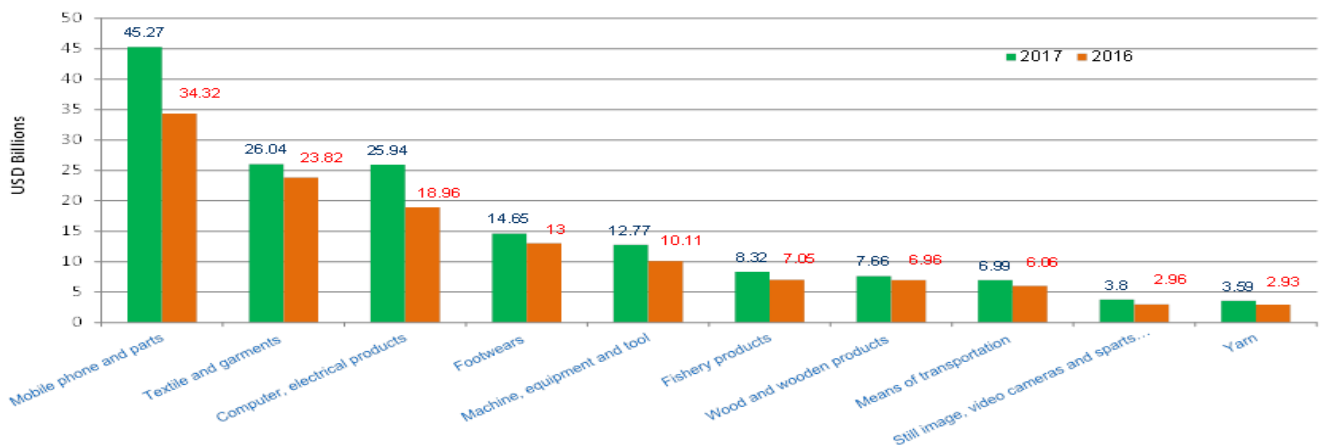


Figure 4: Top ten export products by value in 2016-2017

NOTICE:

- * Registered Investment Capital: Amount of money, assets, value paper... registered with local authorized to execute investment project and appear in Investment Certificate.
- * Charter capital: Amount of money, assets, value paper... contribution from shareholder(s) to form company and it appears in company charter, business registration certificate, and investment certificate.
- * Legal capital: The legal capital is minimum requirement of local authorized for enterprise(s) that doing some special businesses.
- * Paid-up capital: The amount of company's capital that has been paid by shareholder(s).
- * Annual average capital of enterprises: The average amount of resource (liabilities) in a year and in the same industry of group companies.
- * Financial Ratios Calculation:
 - Current liquidity ratio (Times) = Current Asset/Current Liabilities
 - Quick Liquidity ratio (Times) = (Current Asset - Inventory)/Current Liabilities
 - Inventory circle (Times) = Cost of Goods Sold / Inventory

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- Average receivable period (Days) = {Account Receivable (Trade Only = Receivable from customers + Short-term advances to suppliers) / Net revenue } * 365
- Utilizing Asset Performance (Times) = Net Sale / Total Assets
- Inventory/ Monthly Sale (%) = {Inventory / (Total Sales / 12)} * 100
- Shareholder Equity Ratio (%)= (Owner's Equity / Total Assets) * 100
- Total Loan/ Total Assets (%) = { (Short-term loans and financial leases + Long-term loans and financial leases) / Totals Assets } * 100
- Liability/ Total Asset (%)= (Liabilities / Total Assets) * 100
- Liability/ Owner's equity (%) = (Liabilities / Owner's Equity) * 100
- Ebit / Total asset (%) ROA = (Ebit / Total asset) * 100
- Ebit / Owner's equity (%) ROE = (Ebit / Owner's equity) * 100
- Ebit / Total revenue (%) NPM = (Ebit / Total revenue) * 100
- Gross Profit / Total revenue (%) GPM = (Gross Profit / Total revenue) * 100

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.33
UK Pound	1	INR 91.72
Euro	1	INR 81.69
VND	1	INR 0.0030

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)