

## MIRA INFORM REPORT

<b>Report No. :</b>	540832
<b>Report Date :</b>	21.11.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	GF MACHINING SOLUTIONS PTE. LTD.
<b>Formerly Known As :</b>	<ul style="list-style-type: none"> <li>• AGIE CHARMILLES (SOUTH EAST ASIA) PTE LTD</li> <li>• CHARMILLES TECHNOLOGIES (SOUTH EAST ASIA) PTE. LTD.</li> </ul>
<b>Registered Office :</b>	130, Joo Seng Road, 04-01, 368357
<b>Country :</b>	Singapore
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	20.10.1990
<b>Com. Reg. No.:</b>	199005164Z
<b>Legal Form :</b>	Private Limited (Limited By Share)
<b>Line of Business :</b>	The subject is engaged in the trading of industrial machinery and equipment.
<b>No. of Employees :</b>	35

### 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

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**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)
Singapore	A1	A1

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

**SINGAPORE - ECONOMIC OVERVIEW**

Singapore has a highly developed and successful free-market economy. It enjoys an open and corruption-free environment, stable prices, and a per capita GDP higher than that of most developed countries. Unemployment is very low. The economy depends heavily on exports, particularly of electronics, petroleum products, chemicals, medical and optical devices, pharmaceuticals, and on Singapore's vibrant transportation, business, and financial services sectors.

The economy contracted 0.6% in 2009 as a result of the global financial crisis, but has continued to grow since 2010. Growth from 2012-2017 was slower than during the previous decade, a result of slowing structural growth - as Singapore reached high-income levels - and soft global demand for exports. Growth recovered to 3.6% in 2017 with a strengthening global economy.

The government is attempting to restructure Singapore's economy to reduce its dependence on foreign labor, raise productivity growth, and increase wages amid slowing labor force growth and an aging population. Singapore has attracted major investments in advanced manufacturing, pharmaceuticals, and medical technology production and will continue efforts to strengthen its position as Southeast Asia's leading financial and technology hub. Singapore is a signatory of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and a party to the Regional Comprehensive Economic Partnership (RCEP) negotiations with nine other ASEAN members plus Australia, China, India, Japan, South Korea, and New Zealand. In 2015, Singapore formed, with the other ASEAN members, the ASEAN Economic Community.

Source : CIA

## **EXECUTIVE SUMMARY**

REGISTRATION NO.	: 199005164Z
COMPANY NAME	: <b>GF MACHINING SOLUTIONS PTE. LTD.</b>
FORMER NAME	: AGIE CHARMILLES (SOUTH EAST ASIA) PTE LTD (12/05/2014) CHARMILLES TECHNOLOGIES (SOUTH EAST ASIA) PTE. LTD. (24/04/1997)
INCORPORATION DATE	: 20/10/1990
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS	: NO
REGISTERED ADDRESS	: 130, JOO SENG ROAD, 04-01, 368357, SINGAPORE.
BUSINESS ADDRESS	: 130, JOO SENG ROAD, #04-01, 368357, SINGAPORE.
TEL.NO.	: 65-63804100
FAX.NO.	: 65-62840415
WEB SITE	: WWW.GFMS.COM
CONTACT PERSON	: CARLOS @ MANUEL GAZIO ( MANAGING DIRECTOR )
PRINCIPAL ACTIVITY	: TRADING OF INDUSTRIAL MACHINERY AND EQUIPMENT
ISSUED AND PAID UP CAPITAL	: 2,100,000.00 ORDINARY SHARE, OF A VALUE OF SGD 2,100,000.00
SALES	: SGD 47,508,659 [2017]
NET WORTH	: SGD 6,237,361 [2017]
STAFF STRENGTH	: 35 [2018]
LITIGATION	: CLEAR
FINANCIAL CONDITION	: FAIR
PAYMENT MANAGEMENT CAPABILITY	: REGULAR
	: AVERAGE
COMMERCIAL RISK	: LOW
CURRENCY EXPOSURE	: MODERATE
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 must have at least two directors. 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 and the company must file its annual returns, together with its financial statements with the Registrar of Companies.

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The Subject is principally engaged in the (as a / as an) trading of industrial machinery and equipment.

The immediate holding company of the Subject is EURAPIPE HOLDINGS PTE. LTD., a company incorporated in SINGAPORE.

The ultimate holding company of the Subject is GEORG FISCHER AG, a company incorporated in SWITZERLAND.

**Share Capital History**

Date	Issue & Paid Up Capital
30/08/2018	SGD 2,100,000.00

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

**Current Shareholder(s) :**

Name	Address	IC/PP/Loc No	Shareholding	(%)
EURAPIPE HOLDINGS PTE. LTD.	130, JOO SENG ROAD, 04-01 368357 ,SINGAPORE	201512945H	2,100,000.00	100.00
			----- 2,100,000.00 =====	----- 100.00 =====

+ Also Director

***DIRECTORS***

**DIRECTOR 1**

Name Of Subject : LAURENT XAVIER CASTELLA  
Address : RUE DE CORBIERES 26, 1630 BULLE, SWITZERLAND.  
Other Address(es) : HOUSE 104, GREEN HILLS, 418, EAST JINXIU ROAD, SHANGHAI, 200136, CHINA.  
IC / PP No : X1680856  
Nationality : SWISS  
Date of : 30/11/2012  
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 o	Local No	Company	Designati on	App Date	Sharehold ing No. %	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
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1	993743M	GF MACHINI NG SOLUTIO NS PTE LTD	Director	30/11/20 12	0.00	-	MYR(752,236 .00)	2016	-	26/07/20 18
2	19900516 4Z	GF MACHINI NG SOLUTIO NS PTE. LTD.	Director	30/11/20 12	0.00	-	SGD609,129. 00	2017	-	30/08/20 18

**DIRECTOR 2**

Name Of Subject : AITOR BUSTINDY ROALES  
Address : 8, RUE DU PRE DE LA FONTAINE, 1217 MERYIN, SWITZERLAND.  
IC / PP No : XDC330191  
Nationality : SPANIARD  
Date of : 16/01/2014  
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 No	Company	Designati on	App Date	Shareholdi ng No.	%	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	993743M	GF MACHINI NG SOLUTIO NS PTE LTD	Director	16/01/20 14	0.00	-	MYR(752,236 .00)	2016	-	26/07/20 18
2	19900516 4Z	GF MACHINI NG SOLUTIO NS PTE. LTD.	Director	16/01/20 14	0.00	-	SGD609,129. 00	2017	-	30/08/20 18

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**DIRECTOR 3**

Name Of Subject : CARLOS @ MANUEL GAZIO  
Address : 80, ST. PATRICK'S ROAD, 04-30, SEVENTY SAINT PATRICK'S, 424181,  
SINGAPORE.  
IC / PP No : G3152895Q  
Nationality : FRENCH  
Date of : 01/04/2015  
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 o	Local No	Company	Designati on	App Date	Sharehold ing No. %	Profit/(loss) After Tax	Financi al Year	Statu s	As At
1	19900516 4Z	GF MACHINI NG SOLUTIO NS PTE. LTD.	Director	01/04/20 15	0.00 -	SGD609,129 .00	2017	-	30/08/20 18

***MANAGEMENT***

1) Name of : CARLOS @ MANUEL GAZIO  
Subject  
Position : MANAGING DIRECTOR

***AUDITOR***

Firm No	Firm Name	Address	As At Date
	PRICEWATERHOUSECOOPERS LLP	N/A	31/12/2017

## **COMPANY SECRETARIES**

- 1) Company : TAN CHING CHEK  
Secretary  
IC / PP No : S1397070Z  
Address : 220, ORCHARD ROAD, 05-01, MIDPOINT ORCHARD, 238852, SINGAPORE.  
Date of Appointment : 01/09/2004
- 2) Company : LO SWEE OI  
Secretary  
IC / PP No : S1611477D  
Address : 220, ORCHARD ROAD, 05-01, MIDPOINT ORCHARD, 238852, SINGAPORE.  
Date of Appointment : 01/09/2004

## **BANKING**

No Banker found in our databank.

## **ENCUMBRANCE (S)**

No encumbrance was found in our databank at the time of investigation.

## **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.*

No legal action was found in our databank.

No winding up petition was found in our databank.

## **PAYMENT RECORD**

SOURCES OF RAW MATERIALS:

Local : YES

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Overseas : YES

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	[ X ]
Fair 91-120 Days	[ ]	Poor >120 Days	[ ]		

**CLIENTELE**

Local : YES  
Domestic Markets : SINGAPORE  
Overseas : YES  
Export Market : WORLDWIDE  
Credit Term : N/A  
Payment Mode : CHEQUES  
TELEGRAPHIC TRANSFER (TT)

**OPERATIONS**

Goods : INDUSTRIAL MACHINERY AND EQUIPMENT  
Traded

Total Number of Employees:  
YEAR 2018

GROUP N/A  
COMPANY 35

Branch : YES  
Other Information:

The Subject is principally engaged in the (as a / as an) trading of industrial machinery and equipment.

The Subject is dealing with Milling (HSM), High Performance Milling (HPM) machines, wire EDM machines, die sinker EDM, drilling EDM, Customer Services as well as automation process equipments and others.

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

## **CURRENT INVESTIGATION**

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : N/A  
Client  
Current Telephone Number : 65-63804100  
Match : N/A  
Address Provided by Client : 130 JOO SENG ROAD #04-01 368357 SINGAPORE  
Current Address : 130, JOO SENG ROAD, #04-01, 368357, SINGAPORE.  
Match : YES

### **Other Investigations**

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

The Subject refused to disclose its banker information.

## **FINANCIAL ANALYSIS**

### **Profitability**

Turnover	:	Increased	[	2015 - 2017	]
Profit/(Loss) Before Tax	:	Increased	[	2015 - 2017	]
Return on Shareholder Funds	:	Unfavourable	[	9.77%	]
Return on Net Assets	:	Acceptable	[	12.43%	]

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill built up over the years. The Subject's management have been efficient in controlling its operating costs. 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	:	Unfavourable	[	81 Days	]
Debtor Ratio	:	Unfavourable	[	89 Days	]
Creditors Ratio	:	Favourable	[	19 Days	]

The Subject could be incurring higher holding cost. As its capital was tied up in stocks, it could face liquidity problems. The Subject's debtors ratio was high. The Subject should tighten its credit control and improve its collection period. 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	:	Unfavourable	[	0.79 Times	]
Current Ratio	:	Unfavourable	[	1.28 Times	]

A low liquid ratio means that the Subject may be facing working capital deficiency. If the Subject cannot obtain additional financing or injection of fresh capital, it may face difficulties in meeting its short term obligations.

### **Solvency**

Interest Cover	:	Acceptable	[	5.29 Times	]
Gearing Ratio	:	Favourable	[	0.00 Times	]

The Subject's interest cover was slightly low. If there is no sharp fall in its profit or sudden increase in the interest rates, we believe the Subject is able to generate sufficient income to service its interest and repay the loans. The Subject had no gearing and hence it had virtually no financial risk. The Subject was financed by its shareholders' funds and internally generated fund. During the economic downturn, the Subject, having a zero gearing, will be able to compete better than those which are highly geared in the same industry.

**Overall Assessment :**

Generally, the Subject's performance has improved with higher turnover and profit. Due to its weak liquidity position, the Subject will be faced with problems in meeting all its short term obligations if no short term loan is obtained or additional capital injected into the Subject. The Subject had an acceptable interest cover. If there is no sudden sharp increase in interest rate or fall in the Subject's profit, we do believe the Subject is able to generate sufficient cash flow to service its interest payment. The Subject was a zero gearing company, it was solely dependant on its shareholders to provide funds to finance its business. The Subject has good chance of getting loans, if the needs arises.

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

## **SINGAPORE ECONOMIC / INDUSTRY OUTLOOK**

<b>Major Economic Indicators :</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017*</b>
Population (Million)	5.40	5.47	5.54	5.61	5.61
Gross Domestic Products ( % )	5.1	3.9	2.2	2.4	3.6
Consumer Price Index	2.4	1.0	(0.5)	(0.5)	0.6
Total Imports (Million)	466,762.0	463,779.1	407,767.9	398,372.0	403,300.0
Total Exports (Million)	513,391.0	518,922.7	476,285.4	468,552.0	466,900.0
Unemployment Rate (%)	1.9	1.9	1.9	2.1	-
Tourist Arrival (Million)	15.46	15.01	15.23	16.28	-
Hotel Occupancy Rate (%)	86.3	85.5	84.0	83.1	84.7
Cellular Phone Subscriber (Million)	1.97	1.98	1.99	-	-
Registration of New Companies (No.)	37,288	41,589	34,243	35,227	37,395
Registration of New Companies (%)	9.8	11.5	(17.7)	2.9	6.2
Liquidation of Companies (No.)	17,369	18,767	21,384	23,218	22,379
Liquidation of Companies (%)	(5.3)	8.0	13.9	8.6	(3.6)
Registration of New Businesses (No.)	22,893	35,773	28,480	27,120	22,148
Registration of New Businesses (%)	1.70	56.30	(20.39)	(4.78)	(18.33)
Liquidation of Businesses (No.)	22,598	22,098	26,116	35,866	24,344
Liquidation of Businesses (%)	0.5	(2.2)	18.2	37.3	(32.1)
Bankruptcy Orders (No.)	1,992	1,757	1,776	1,797	1,638
Bankruptcy Orders (%)	14.0	(11.8)	1.0	1.2	(8.9)
Bankruptcy Discharges (No.)	2,584	3,546	3,499	4,359	2,030
Bankruptcy Discharges (%)	37.4	37.2	(1.3)	24.6	(53.4)

**INDUSTRIES ( % of Growth ) :**

**Agriculture**

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Production of Principal Crops	1.78	4.29	3.04	-	-
Fish Supply & Wholesale	(3.8)	(8.6)	(8.5)	(9.9)	-
<b>Manufacturing #</b>					
Food, Beverages & Tobacco	97.9	99.4	100.0	103.7	110.3
Textiles	119.5	102.7	100.0	92.4	84.4
Wearing Apparel	334.1	212.6	100.0	83.4	88.2
Leather Products & Footwear	122.0	106.5	100.0	88.8	79.0
Wood & Wood Products	103.0	107.2	100.0	95.0	92.9
Paper & Paper Products	104.4	104.5	100.0	97.3	96.1
Printing & Media	113.8	105.968	100.0	85.1	73.1
Crude Oil Refineries	100.7	92.2	100.0	104.2	113.5
Chemical & Chemical Products	88.4	96.7	100.0	98.9	105.3
Pharmaceutical Products	101.421	109.4	100.0	113.8	96.0
Rubber & Plastic Products	109.497	109.2	100.0	91.4	93.7
Non-metallic Mineral	107.4	90.759	100.0	89.8	72.9
Basic Metals	77.2	99.3	100.0	106.2	108.3
Fabricated Metal Products	107.5	107.757	100.0	93.8	91.3
Machinery & Equipment	109.1	118.2	100.0	80.8	86.1
Electrical Machinery	87.4	97.871	100.0	101.5	111.7
Electronic Components	105.0	105.6	100.0	114.1	151.4
Transport Equipment	111.1	106.68	100.0	101.0	99.5
<b>Construction</b>					
Real Estate	25.40	22.00	-	-	-
	88.5	145.1	-	-	-
<b>Services</b>					
Electricity, Gas & Water	6.70	6.50	-	-	-
Transport, Storage & Communication	9.80	14.20	-	-	-
Finance & Insurance	3.30	6.00	-	7.40	-
Government Services	6.50	6.30	-	-	-
Education Services	3.10	5.98	-	2.40	-

\* Estimate / Preliminary

# Based on Index of Industrial Production (2015 = 100)

## **INDUSTRY ANALYSIS**

### **INDUSTRY : TRADING**

According to the Ministry of Trade and Industry, the wholesale & retail trade sector expanded to 3.0% in the fourth quarter of 2017, moderating from the 3.3% growth in the previous quarter. The wholesale trade segment was boosted by an improvement in foreign wholesale sales volume, which more than offset the weakness in domestic wholesale sales volume. For the whole of 2017, the sector expanded by 2.3%, faster than the 1.0% growth in 2016. The improvement in growth can be attributed to the wholesale segment.

The domestic wholesale sales volume fell by 1.1% in the fourth quarter 2017, reversing the 2.0% growth in the

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preceding quarter. The poorer outturn was led by declines in the sales volume of household equipment & furniture (-27%) and general wholesale merchandise (-19%), which outweighed the increase in the sales volume of telecommunications & computers (20%). For the whole of 2017, the domestic wholesale trade index expanded by 1.0%, a turnaround from the 2.7% decline in 2016.

On the other hand, foreign wholesale sales volume rose to 6.2% in the fourth quarter 2017, a step-up from the 5.1% growth in the preceding quarter. Growth was driven by expansions in the sales of petroleum & petroleum-related products (11%), telecommunications & computers (19%) and electronic components (16%). However, growth was partly offset by a 20% decline in the sales volume of metals, timber & construction materials. For the full year 2017, the foreign wholesale trade index rose by 3.6%, faster than the increase of 1.5% in the previous year.

Besides, retail sales volume rose by 2.1% in the fourth quarter 2017, improving from the 0.9% growth recorded in the third quarter. Growth was supported by improvements in both motor vehicle and non-motor vehicle sales volumes. While motor vehicle sales benefitted from an on-year increase in COE supply, growth in non-motor vehicle sales came on the back of an improvement in consumer sentiments. Notably, the sales volume of discretionary goods such as recreational goods, computer & telecommunication equipment and wearing apparel & footwear grew by 4.6%, 4.3 % and 3.1% respectively.

For the full year 2017, retail sales volume expanded by 1.3%, similar to the 1.5% growth recorded in 2016. Growth was driven by both motor vehicle sales and non-motor vehicle sales, which the former rising by 1.5% and the latter increasing by 1.3%. The rise in non-motor vehicle sales was underpinned by higher sales of discretionary goods. For instance, the sales volume of recreational goods (3.9%), watches & jewellery (2.4%), computer & telecommunications equipment (1.7%) and wearing apparel & footwear (1.5%) improved in 2017.

#### **OVERALL INDUSTRY OUTLOOK : MARGINAL GROWTH**

## **CREDIT RISK EVALUATION & RECOMMENDATION**

Incorporated in 1990, the Subject is a Private Limited company, focusing on trading of industrial machinery and equipment. The Subject has been in business for over two decades. It has built up a strong clientele base and good reputation will enable the Subject to further enhance its business in the near term. The Subject is expected to enjoy a stable market shares. A paid up capital of SGD 2,100,000 allows the Subject to expand its business more comfortably. With a strong backing from its holding company, the Subject enjoys timely financial assistance should the needs arise.

Over the years, the Subject has penetrated into both the local and overseas market. The Subject has positioned itself in the global market and is competing in the industry. Its stable clientele base will enable the Subject to further enhance its business in the near term. The Subject is operating on a medium scale and it has approximately 35 employees in its business operations. 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.

We noted that both the turnover and profits have increased compared to the previous year. The higher profit could be due to increase in turnover and better control over its operating costs. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. Due to its weak liquidity position, the Subject may face working capital deficiency in meeting its short term financial obligations if no fresh capital are injected into the Subject. Being a zero geared company, the Subject virtually has no financial risk as it is mainly dependent on its internal funds to finance its business. Given a positive net worth standing at SGD 6,237,361, the Subject should be able to maintain its business in the near

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terms.

The Subject's supplier are from both the local and overseas countries. This will eliminates the risk of dependency on deliveries from a number of key suppliers and insufficient quantities of its raw materials. Overall the Subject has a good control over its resources.

The Subject's payment habit is average. With its adequate working capital, the Subject should be able to pay its short term debts.

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 normally.

## **PROFIT AND LOSS ACCOUNT**

**THE FINANCIAL STATEMENTS WERE PREPARED IN ACCORDANCE WITH SINGAPORE FINANCIAL REPORTING STANDARDS.**

**GF MACHINING SOLUTIONS PTE. LTD.**

Financial Year End	2017-12-31	2016-12-31	2015-12-31
	12	12	12
Consolidated Account	Company	Company	Company
Audited Account	YES	YES	YES
Unqualified Auditor's Report (Clean Opinion)	YES	YES	YES
Financial Type	FULL	FULL	FULL
Currency	SGD	SGD	SGD
TURNOVER	47,508,659	45,752,530	39,811,231
Other Income	460,216	603,821	482,167
	-----	-----	-----
Total Turnover	47,968,875	46,356,351	40,293,398
Costs of Goods Sold	(34,369,817)	(33,425,773)	(28,115,294)
	-----	-----	-----
Gross Profit	13,599,058	12,930,578	12,178,104
	-----	-----	-----
PROFIT/(LOSS) FROM OPERATIONS	628,650	522,194	763,216
	-----	-----	-----
PROFIT/(LOSS) BEFORE TAXATION	628,650	522,194	763,216
Taxation	(19,521)	(20,156)	12,162
	-----	-----	-----
PROFIT/(LOSS) AFTER TAXATION	609,129	502,038	775,378
	-----	-----	-----
<b>RETAINED PROFIT/(LOSS) BROUGHT FORWARD</b>			
As previously reported	315,160	(186,878)	(962,256)
	-----	-----	-----
As restated	315,160	(186,878)	(962,256)
	-----	-----	-----

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**GF MACHINING SOLUTIONS PTE. LTD. - 540832**

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PROFIT AVAILABLE FOR APPROPRIATIONS	924,289	315,160	(186,878)
	-----	-----	-----
RETAINED PROFIT/(LOSS) CARRIED FORWARD	924,289	315,160	(186,878)
	=====	=====	=====
<b>INTEREST EXPENSE (as per notes to P&amp;L)</b>			
Loan from holding company	17,000	17,000	71,622
Others	129,511	130,189	208,904
	-----	-----	-----
	146,511	147,189	280,526
	=====	=====	=====
DEPRECIATION (as per notes to P&L)	94,006	151,602	147,205
	-----	-----	-----
Total Amortization And Depreciation	94,006	151,602	147,205
	=====	=====	=====

**BALANCE SHEET**

**GF MACHINING SOLUTIONS PTE. LTD.**

**ASSETS EMPLOYED:**

FIXED ASSETS	163,186	249,841	286,534
<b>LONG TERM INVESTMENTS/OTHER ASSETS</b>			
Deferred assets	29,223	14,596	35,447
Deposits	30,750	17,000	-
Others	-	-	198,006
	-----	-----	-----
TOTAL LONG TERM INVESTMENTS/OTHER ASSETS	59,973	31,596	233,453
	-----	-----	-----
TOTAL LONG TERM ASSETS	223,159	281,437	519,987
<b>CURRENT ASSETS</b>			
Stocks	10,580,806	8,845,224	7,473,957
Trade debtors	11,581,217	14,659,588	11,637,946
Other debtors, deposits & prepayments	1,369,820	1,019,560	901,009
Amount due from related companies	145,118	374,563	136,260
Cash & bank balances	4,027,965	1,487,640	3,903,076
Others	14,888	15,309	34,951
	-----	-----	-----
TOTAL CURRENT ASSETS	27,719,814	26,401,884	24,087,199
	-----	-----	-----
TOTAL ASSET	27,942,973	26,683,321	24,607,186
	=====	=====	=====
<b>CURRENT LIABILITIES</b>			
Trade creditors	1,824,150	1,826,165	2,194,396
Other creditors & accruals	1,534,574	2,044,977	1,873,051
Deposits from customers	2,683,024	911,999	1,627,865
Amounts owing to related companies	15,132,697	15,871,474	13,448,521
Other liabilities	531,167	409,584	385,623

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TOTAL CURRENT LIABILITIES	21,705,612	21,064,199	19,529,456
NET CURRENT ASSETS/(LIABILITIES)	6,014,202	5,337,685	4,557,743
TOTAL NET ASSETS	6,237,361	5,619,122	5,077,730
<b>FINANCED BY:</b>			
<b>SHARE CAPITAL</b>			
Ordinary share capital	2,100,000	2,100,000	2,100,000
TOTAL SHARE CAPITAL	2,100,000	2,100,000	2,100,000
<b>RESERVES</b>			
Exchange equalisation/fluctuation reserve	1,059,956	1,050,846	1,011,492
Retained profit/(loss) carried forward	924,289	315,160	(186,878)
Others	2,153,116	2,153,116	2,153,116
TOTAL RESERVES	4,137,361	3,519,122	2,977,730
SHAREHOLDERS' FUNDS/EQUITY	6,237,361	5,619,122	5,077,730

## **FINANCIAL RATIO**

### **GF MACHINING SOLUTIONS PTE. LTD.**

#### **TYPES OF FUNDS**

Cash	4,027,965	1,487,640	3,903,076
Net Liquid Funds	4,027,965	1,487,640	3,903,076
Net Liquid Assets	(4,566,604)	(3,507,539)	(2,916,214)
Net Current Assets/(Liabilities)	6,014,202	5,337,685	4,557,743
Net Tangible Assets	6,237,361	5,619,122	5,077,730
Net Monetary Assets	(4,566,604)	(3,507,539)	(2,916,214)

#### **PROFIT & LOSS ITEMS**

Earnings Before Interest & Tax (EBIT)	775,161	669,383	1,043,742
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	869,167	820,985	1,190,947

#### **BALANCE SHEET ITEMS**

Total Borrowings	0	0	0
Total Liabilities	21,705,612	21,064,199	19,529,456
Total Assets	27,942,973	26,683,321	24,607,186
Net Assets	6,237,361	5,619,122	5,077,730
Net Assets Backing	6,237,361	5,619,122	5,077,730
Shareholders' Funds	6,237,361	5,619,122	5,077,730
Total Share Capital	2,100,000	2,100,000	2,100,000
Total Reserves	4,137,361	3,519,122	2,977,730

#### **GROWTH RATIOS (Year on Year) (%)**

Revenue	3.84	14.92	-
---------	------	-------	---

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Profit/(Loss) Before Tax	20.39	(31.58)	-
Profit/(Loss) After Tax	21.33	(35.25)	-
Total Assets	4.72	8.44	-
Total Liabilities	3.05	7.86	-
<b>LIQUIDITY (Times)</b>			
Cash Ratio	0.19	0.07	0.20
Liquid Ratio	0.79	0.83	0.85
Current Ratio	1.28	1.25	1.23
<b>WORKING CAPITAL CONTROL (Days)</b>			
Stock Ratio	81	71	69
Debtors Ratio	89	117	107
Creditors Ratio	19	20	28
<b>SOLVENCY RATIOS (Times)</b>			
Gearing Ratio	0	0	0
Liabilities Ratio	3.48	3.75	3.85
Times Interest Earned Ratio	5.29	4.55	3.72
Assets Backing Ratio	2.97	2.68	2.42
<b>PERFORMANCE RATIO (%)</b>			
Operating Profit Margin	1.32	1.14	1.92
Net Profit Margin	1.28	1.10	1.95
Return On Net Assets	12.43	11.91	20.56
Return On Capital Employed	12.43	11.91	20.56
Return On Shareholders' Funds/Equity	9.77	8.93	15.27
Dividend Pay Out Ratio (Times)	0	0	0
<b>NOTES TO ACCOUNTS</b>			
Contingent Liabilities	0	0	0

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.32
UK Pound	1	INR 91.72
Euro	1	INR 81.69
SGD	1	INR 51.90

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

**INFORMATION DETAILS**

Analysis Done by :	VIV
Report Prepared by :	TPT

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**RATING EXPLANATIONS**

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

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

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

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