

MIRA INFORM REPORT

Report No. :	539985
Report Date :	22.11.2018

IDENTIFICATION DETAILS

Name :	MEMSTAR PTE. LTD.
Registered Office :	11, Kian Teck Drive, 628828
Country :	Singapore
Financials (as on) :	31.12.2017
Date of Incorporation :	06.05.2005
Com. Reg. No.:	200506193R
Legal Form :	Private Limited (Limited By Share)
Line of Business :	The subject is principally engaged in the manufacturing of polyvinylidene fluoride (pvdf) hollow fiber membranes, membrane products.
No. of Employees :	Not Available

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
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.

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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.	: 200506193R
COMPANY NAME	: MEMSTAR PTE. LTD.
FORMER NAME	: N/A
INCORPORATION DATE	: 06/05/2005
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS	: NO
REGISTERED ADDRESS	: 11, KIAN TECK DRIVE, 628828, SINGAPORE.
BUSINESS ADDRESS	: 11, KIAN TECK DRIVE,, 628828, SINGAPORE.
TEL.NO.	: 65-67752512
FAX.NO.	: 65-67752513
CONTACT PERSON	: GE HAILIN (DIRECTOR)
PRINCIPAL ACTIVITY	: MANUFACTURING OF POLYVINYLIDENE FLUORIDE (PVDF) HOLLOW FIBER MEMBRANES, MEMBRANE PRODUCTS
ISSUED AND PAID UP CAPITAL	: 13,078,871.00 ORDINARY SHARE, OF A VALUE OF SGD 45,958,239.79
SALES	: SGD 48,459,188 [2017]
NET WORTH	: SGD 97,136,403 [2017]
STAFF STRENGTH	: N/A
LITIGATION	: CLEAR
FINANCIAL CONDITION	: STRONG
PAYMENT MANAGEMENT CAPABILITY	: NO COMPLAINTS
	: AVERAGE
COMMERCIAL RISK	: LOW
CURRENCY EXPOSURE	: MODERATE
GENERAL REPUTATION	: GOOD
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) manufacturing of polyvinylidene fluoride (pvdf) hollow fiber membranes, membrane products.

The immediate holding company of the Subject is UNITED ENVIROTECH WATER RESOURCE PTE. LTD., a company incorporated in SINGAPORE.

The ultimate holding company of the Subject is CITIC GROUP CORPORATION, a company incorporated in SINGAPORE.

The intermediate holding company of the Subject is CITIC ENVIRONMENT LTD., a company incorporated in SINGAPORE.

Former Address(es)

Address

10 SCIENCE PARK RAOD, #02-10, 117684

**As At
Date
N/A**

Share Capital History

Date Issue & Paid Up Capital

16/11/2018 SGD 45,958,239.79

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

Current Shareholder(s) :

Name	Address	IC/PP/Loc No	Shareholding	(%)
UNITED ENVIROTECH WATER RESOURCE PTE. LTD.	80, ROBINSON ROAD, SINGAPORE	201117237D	13,078,871.00	100.00
			----- 13,078,871.00 =====	----- 100.00 =====

+ Also Director

The Subject's interest in other companies (Subsidiaries/Associates) are shown as follow :

Local No	Country	Company	Status	(%)	As At
	CHINA	MEMSTAR (GUANGZHOU) CO., LTD	-	100.00	31/12/2017
	CHINA	MEMSTAR (MIANYANG) CO., LTD	-	100.00	31/12/2017
201019995H	SINGAPORE	MEMSTAR WATER PTE. LTD.	-	100.00	31/12/2017

DIRECTORS

DIRECTOR 1

Name Of Subject : BRETT ANDREWS
Address : 38050, CAMINO SIERRA ROAD, TEMECULA, CA 92592, UNITED STATES.
IC / PP No : 447701566
Nationality : AMERICAN

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Date of : 07/09/2017
Appointment

INTEREST CHECK

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

INTEREST IN COMPANY

No	Local No	Company	Designation	App Date	Shareholding		Profit/(loss) After Tax	Financial Year	Status	As At
					No.	%				
1	20050619 3R	MEMSTAR PTE. LTD.	Director	07/09/20 17	0.00	-	SGD17,660,75 7.00	2017	-	16/11/20 18

DIRECTOR 2

Name Of Subject : GE HAILIN
Address : 21, HILLVIEW AVENUE, 06-09, GLENDALE PARK, 669556, SINGAPORE.
IC / PP No : S2609847E
Nationality : CHINESE
Date of : 06/05/2005
Appointment

INTEREST CHECK

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

INTEREST IN COMPANY

No	Local No	Company	Designation	App Date	Shareholding		Profit/(loss) After Tax	Financial Year	Status	As At
					No.	%				
1	20050619 3R	MEMSTAR PTE. LTD.	Director	06/05/20 05	0.00	-	SGD17,660,75 7.00	2017	-	16/11/20 18

DIRECTOR 3

Name Of Subject : PAN SHUHONG
Address : 207, RIVER VALLEY ROAD, 10-52, 238275, SINGAPORE.
IC / PP No : S6881522C

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Nationality : SINGAPOREAN
Date of : 30/04/2007
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	Compan y	Designati on	App Date	Sharehold ing No. %	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	20050619 3R	MEMST AR PTE. LTD.	Director	30/04/20 07	0.00 -	SGD17,660,75 7.00	2017	-	16/11/20 18

MANAGEMENT

1) Name of : GE HAILIN
Subject
Position : DIRECTOR

AUDITOR

Firm No	Firm Name	Address	As Date	At
	DELOITTE TOUCHE LLP	& N/A	31/12/2017	

COMPANY SECRETARIES

1) Company Secretary : KOH EE KOON
IC / PP No : S1246901B
Address : 6001, BEACH ROAD, 14-01, GOLDEN MILE TOWER, 199589, SINGAPORE.
Date of : 15/09/2015
Appointment

2) Company : KOH GEOK HOON

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Secretary
IC / PP No : S0188289I
Address : 6001, BEACH ROAD, 14-01, GOLDEN MILE TOWER, 199589, SINGAPORE.
Date of : 15/09/2015
Appointment

BANKING

No Banker found in our databank.

ENCUMBRANCE (S)

Charge No	Creation Date	Charge Description	Chargee Name	Total Charge	Status
C201504282	07/04/2015	N/A	DBS BANK LTD.	-	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.

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

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CLIENTELE

Local : YES
Domestic Markets : SINGAPORE
Overseas : YES
Export Market : ASIA PACIFIC
Credit Term : 30 - 60 DAYS
Payment Mode : CHEQUES
TELEGRAPHIC TRANSFER (TT)

OPERATIONS

Products manufactured : POLYVINYLIDENE FLUORIDE (PVDF) HOLLOW FIBER MEMBRANES,
MEMBRANE PRODUCTS

Branch : NO

Other Information:

The Subject is principally engaged in the (as a / as an) manufacturing of polyvinylidene fluoride (pvdf) hollow fiber membranes, membrane products.

The Subject specialises in research and development and a leading manufacturer and supplier of polyvinylidene fluoride hollow fibre membrane, membrane products and systems and is also a water and wastewater treatment solutions provider.

Its membrane products are used in both industrial and domestic/commercial applications. Industrial applications are the pressurized membrane modules and submerged membrane modules that are used in water/wastewater treatment, water reclamation, seawater desalination, food, pharmaceutical, chemical, power generation, petroleum, bio-separation and other separation processes.

The domestic/commercial applications include membrane water purifiers or integrated water purifying systems for households, commercial buildings, small businesses, hotels, schools, hospitals, etc.

CURRENT INVESTIGATION

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : 65 67752512

Client

Current Telephone Number : 65-67752512

Match : YES

Address Provided by Client : 11 KIAN TECK DRIVE 628828

Current Address : 11, KIAN TECK DRIVE,, 628828, SINGAPORE.

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Match : YES

Other Investigations

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

He refused to disclose the Subject's number of employees.

FINANCIAL ANALYSIS

Profitability

Turnover	:	Increased	[	2012 - 2017]
Profit(Loss) Before Tax	:	Increased	[	2012 - 2017]
Return on Shareholder Funds	:	Acceptable	[	18.18%]
Return on Net Assets	:	Acceptable	[	21.25%]

The Subject's turnover increased steadily as the demand for its products / services increased due to the goodwill built up over the years. The higher profit could be attributed to the increase in turnover. The Subject's management had generated acceptable return for its shareholders using its assets.

Working Capital Control

Stock Ratio	:	Favourable	[	25 Days]
Debtor Ratio	:	Unfavourable	[	227 Days]
Creditors Ratio	:	Favourable	[	54 Days]

The Subject's stocks were moving fast thus reducing its holding cost. This had reduced funds being tied up in stocks. 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	:	Favourable	[	1.92 Times]
Current Ratio	:	Unfavourable	[	1.97 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	[	95.80 Times]
Gearing Ratio	:	Favourable	[	0.08 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 :

Generally, the Subject's performance has improved with higher turnover and profit. 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

SINGAPORE ECONOMIC / INDUSTRY OUTLOOK

Major Economic Indicators :	2013	2014	2015	2016	2017*
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					
Production of Principal Crops	1.78	4.29	3.04	-	-
Fish Supply & Wholesale	(3.8)	(8.6)	(8.5)	(9.9)	-
Manufacturing #					
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

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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
Construction	25.40	22.00	-	-	-
Real Estate	88.5	145.1	-	-	-
Services					
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 MANUFACTURING

:

The manufacturing sector expanded by 4.8% in the fourth quarter, supported largely by robust output growth in the electronics and precision engineering clusters. For the whole of 2017, the manufacturing sector grew by 10%, accelerating from the 3.7% expansion in 2016. Growth was largely driven by the electronics and precision engineering clusters, even as the biomedical manufacturing, transport engineering and general manufacturing industries clusters contracted.

The electronics cluster grew by 24% in the fourth quarter 2017, largely due to the semiconductors segment, which expanded by 35%. Specifically, the semiconductors segment benefitted from robust global semiconductors demand, which was in turn driven by key end markets such as the smartphone market. At the same time, the computer peripherals segment registered healthy growth of 9.5%, supported by buoyant demand for printer-related products. On the other hand, the data storage and other electronic modules & components segments contracted by 25% and 7.5% respectively. For the full year, the electronics cluster expanded by 34% as the healthy performance of the semiconductors and computer peripherals segments more than offset the weakness in the data storage segment.

In fourth quarter 2017, the precision engineering cluster expanded to 20%, supported by both the precision modules & components (PMC) and machinery & systems (M&S) segments. Output in the PMC segment rose by 40% due to an increase in the production of dies, moulds, tools, jigs & fixture, optical instruments and metal precision components. Meanwhile, the M&S segment grew by 8.9% in tandem with healthy export demand for semiconductor manufacturing equipment. For the whole of 2017, the output of the precision engineering cluster

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rose by 18% on account of robust expansions in both segments.

The chemicals cluster grew by 12% in the fourth quarter 2017, with all segments recording growth. In particular, the petrochemicals segment grew by 23% on the back of production capacity expansions, while the petroleum segment expanded by 13% supported by higher refining margins. At the same time, the other chemicals and specialties segments posted growth of 8.1% and 6.2% respectively. For 2017 as a whole, the chemicals cluster expanded by 6.2%, supported by growth in all segments.

Besides, output of the general manufacturing industries cluster increased to 6.6% in the fourth quarter 2017, primarily due to the strong performance of the food, beverages & tobacco (FBT) segment, which grew by 18% on the back of a surge in the production of beverages products. On the other hand, the printing segment shrank by 11% due to weak demand for commercial printing, while output in the miscellaneous industries segment declined by 0.6% on account of a lower production of construction-related materials. For the whole of 2017, the general manufacturing industries cluster contracted by 1.6%, as output declines in the printing and miscellaneous industries segments outweighed output gains in the FBT segment.

Moreover, output of the transport engineering cluster fell by 7.8% in the fourth quarter 2017. The aerospace segment recorded robust growth of 13% due to a higher volume of repair and maintenance work from commercial airlines. However, this was more than offset by output declines in the marine & offshore engineering (M&OE) and land transport segments of 22% and 11% respectively. In particular, the M&OE segment remained weak on account of low levels of rig-building, shipbuilding and repair activities. For the full year 2017, the transport engineering cluster shrank by 6.9%, dragged down mainly by the M&OE segment.

The biomedical manufacturing cluster contracted by 28% in the fourth quarter 2017, weighed down by the pharmaceuticals segment (-37%) on the back of a drop in the production of active pharmaceutical ingredients and biological products. However, the medical technology segment, which grew at a healthy pace of 3.3%, provided some support to the cluster. For 2017 as a whole, output in the biomedical manufacturing cluster fell by 9.3%, led by the output decline in the pharmaceuticals segment.

OVERALL INDUSTRY OUTLOOK : MARGINAL GROWTH

CREDIT RISK EVALUATION & RECOMMENDATION

Incorporated in 2005, the Subject is a Private Limited company, focusing on manufacturing of polyvinylidene fluoride (pvdf) hollow fiber membranes, membrane products. Having been in the industry for over a decade, the Subject has achieved a certain market share and has built up a good reputation in the market. It should have received supports from its regular customers. The Subject is a large entity with strong capital position of SGD 45,958,240. We are confident with the Subject's business and its future growth prospect. Having strong support from its holding company has enabled the Subject to remain competitive despite the challenging business environment.

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. 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. Return on shareholders' funds of the Subject was at an acceptable 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

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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 SGD 97,136,403, the Subject should be able to maintain its business in the near 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.

MEMSTAR PTE. LTD.

Financial Year End	2017-12-31	2016-12-31
Months	12	12
Consolidated Account	Company	Company
Audited Account	YES	YES
Unqualified Auditor's Report (Clean Opinion)	YES	YES
Financial Type	FULL	FULL
Currency	SGD	SGD
TURNOVER	48,459,188	36,472,554
Other Income	3,945,502	3,733,600
	-----	-----
Total Turnover	52,404,690	40,206,154
Costs of Goods Sold	(25,133,827)	(19,084,472)
	-----	-----
Gross Profit	27,270,863	21,121,682
	-----	-----
PROFIT/(LOSS) FROM OPERATIONS	20,424,113	13,457,623
	-----	-----
PROFIT/(LOSS) BEFORE TAXATION	20,424,113	13,457,623
Taxation	(2,763,356)	(721,725)
	-----	-----
PROFIT/(LOSS) AFTER TAXATION	17,660,757	12,735,898
	-----	-----
RETAINED PROFIT/(LOSS) BROUGHT FORWARD		
As previously reported	33,517,406	20,781,508

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As restated	33,517,406	20,781,508
PROFIT AVAILABLE FOR APPROPRIATIONS	51,178,163	33,517,406
RETAINED PROFIT/(LOSS) CARRIED FORWARD	51,178,163	33,517,406
INTEREST EXPENSE (as per notes to P&L)		
Lease interest	2,618	2,618
Term loan / Borrowing	212,821	219,222
	215,439	221,840
DEPRECIATION (as per notes to P&L)	1,498,774	1,496,042
Total Amortization And Depreciation	1,498,774	1,496,042

BALANCE SHEET

MEMSTAR PTE. LTD.

ASSETS EMPLOYED:

FIXED ASSETS	15,463,536	16,954,801
LONG TERM INVESTMENTS/OTHER ASSETS		
Subsidiary companies	27,068,762	27,068,762
TOTAL LONG TERM INVESTMENTS/OTHER ASSETS	27,068,762	27,068,762
TOTAL LONG TERM ASSETS	42,532,298	44,023,563
CURRENT ASSETS		
Stocks	3,256,303	1,542,952
Trade debtors	30,112,670	15,964,992
Other debtors, deposits & prepayments	419,457	295,370
Amount due from related companies	84,792,368	84,408,571
Cash & bank balances	7,939,586	8,770,236
Others	-	15,929
TOTAL CURRENT ASSETS	126,520,384	110,998,050
TOTAL ASSET	169,052,682	155,021,613
CURRENT LIABILITIES		
Trade creditors	3,727,844	9,540,086
Other creditors & accruals	575,065	538,428
Hire purchase & lease creditors	22,006	22,006
Short term borrowings/Term loans	895,997	871,839
Amounts owing to related companies	57,135,522	56,181,025

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Provision for taxation	1,925,719	-
TOTAL CURRENT LIABILITIES	64,282,153	67,153,384
NET CURRENT ASSETS/(LIABILITIES)	62,238,231	43,844,666
LONG TERM LIABILITIES		
Long term loans	6,932,767	7,835,065
Lease obligations	1,804	23,810
Deferred taxation	699,555	533,708
TOTAL LONG TERM LIABILITIES	7,634,126	8,392,583
TOTAL NET ASSETS	97,136,403	79,475,646
SHARE CAPITAL		
Ordinary share capital	45,958,240	45,958,240
TOTAL SHARE CAPITAL	45,958,240	45,958,240
RESERVES		
Retained profit/(loss) carried forward	51,178,163	33,517,406
TOTAL RESERVES	51,178,163	33,517,406
SHAREHOLDERS' FUNDS/EQUITY	97,136,403	79,475,646

FINANCIAL RATIO

MEMSTAR PTE. LTD.

TYPES OF FUNDS

Cash	7,939,586	8,770,236
Net Liquid Funds	7,939,586	8,770,236
Net Liquid Assets	58,981,928	42,301,714
Net Current Assets/(Liabilities)	62,238,231	43,844,666
Net Tangible Assets	97,136,403	79,475,646
Net Monetary Assets	51,347,802	33,909,131

PROFIT & LOSS ITEMS

Earnings Before Interest & Tax (EBIT)	20,639,552	13,679,463
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	22,138,326	15,175,505

BALANCE SHEET ITEMS

Total Borrowings	7,852,574	8,752,720
Total Liabilities	71,916,279	75,545,967
Total Assets	169,052,682	155,021,613
Net Assets	97,136,403	79,475,646
Net Assets Backing	97,136,403	79,475,646

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Shareholders' Funds	97,136,403	79,475,646
Total Share Capital	45,958,240	45,958,240
Total Reserves	51,178,163	33,517,406
GROWTH RATIOS (Year on Year) (%)		
Revenue	32.86	1,031.34
Profit/(Loss) Before Tax	51.77	3,098.75
Profit/(Loss) After Tax	38.67	2,927.20
Total Assets	9.05	3.99
Total Liabilities	(4.80)	(13.99)
LIQUIDITY (Times)		
Cash Ratio	0.12	0.13
Liquid Ratio	1.92	1.63
Current Ratio	1.97	1.65
WORKING CAPITAL CONTROL (Days)		
Stock Ratio	25	15
Debtors Ratio	227	160
Creditors Ratio	54	182
SOLVENCY RATIOS (Times)		
Gearing Ratio	0.08	0.11
Liabilities Ratio	0.74	0.95
Times Interest Earned Ratio	95.80	61.66
Assets Backing Ratio	2.11	1.73
PERFORMANCE RATIO (%)		
Operating Profit Margin	42.15	36.90
Net Profit Margin	36.44	34.92
Return On Net Assets	21.25	17.21
Return On Capital Employed	19.70	15.56
Return On Shareholders' Funds/Equity	18.18	16.02

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 51.81

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	TPT

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RATING EXPLANATIONS

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

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

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

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