

## MIRA INFORM REPORT

<b>Report No. :</b>	534368
<b>Report Date :</b>	10.10.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	ALFA TRADING LIMITED
<b>Registered Office :</b>	Level 12(D), Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 Labuan, Wilayah Persekutuan
<b>Country :</b>	Malaysia
<b>Date of Incorporation :</b>	17.04.2007
<b>Com. Reg. No.:</b>	LL04726
<b>Legal Form :</b>	Offshore Company
<b>Line of Business :</b>	The Subject is principally engaged in the administration services and offshore trading.
<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)

<b>MIRA's Rating :</b>	C
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Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

<b>Status :</b>	Offshore Company
<b>Payment Behaviour :</b>	Unknown
<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.

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**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
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.	: LL04726
COMPANY NAME	: ALFA TRADING LIMITED
FORMER NAME	: N/A
INCORPORATION DATE	: 17/04/2007
COMPANY STATUS	: EXIST
LEGAL FORM	: Offshore Company
LISTED STATUS	: NO
REGISTERED ADDRESS	: Level 12(D), Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 LABUAN, WILAYAH PERSEKUTUAN, MALAYSIA.
BUSINESS ADDRESS	: N/A
TEL.NO.	: N/A
FAX.NO.	: N/A
CONTACT PERSON	: N/A
INDUSTRY CODE	: 82
PRINCIPAL ACTIVITY	: ADMINISTRATION SERVICES AND OFFSHORE TRADING
SALES	: N/A
NET WORTH	: N/A
STAFF STRENGTH	: N/A
LITIGATION	: CLEAR
DEFAULTER CHECK	: CLEAR
FINANCIAL CONDITION	: N/A
PAYMENT	: N/A
MANAGEMENT	: N/A
CAPABILITY	
COMMERCIAL RISK	: N/A
CURRENCY EXPOSURE	: N/A
GENERAL REPUTATION	: N/A
INDUSTRY OUTLOOK	: AVERAGE GROWTH

## **HISTORY / BACKGROUND**

The Subject is principally engaged in the (as a / as an) administration services and offshore trading.

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

### **CHARACTERISTICS OF OFFSHORE COMPANIES**

To participate in the offshore activities and enjoy the special tax advantage provided under the Labuan Offshore Business Activity Tax Act 1990, an entity must be an offshore company.

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An offshore company in Labuan shall have the following characteristics:

- (a) It must be a company limited by shares (sec 14(3) of the Offshore Companies Act 1990);
- (b)
- (c) Any person may form an offshore company by subscribing to a memorandum;
- (c) It is required to engage a trust company which is a company registered under the Labuan Trust Companies Act 1990 to discharge its statutory duties since all documents required to be filed with the Labuan Financial Services Authority must be filed through a trust company;
- (d) There is no minimum capital requirement;
- (e) It can be alter its share capital by a special resolution (sec. 51(10) of the Offshore Companies Act 1990);
- (f) It can reduce its share capita special resolution (sec.51(10) of the Offshore Companies Act 1990);
- (g) It may purchase its own shares (sec. 48(2)(3) of the Offshore Companies Act 1990); and;
- (h) There is no restriction in issuing share warrants.

#### PROHIBITED ACTIVITES

Offshore companies are prohibited from carrying on the following activities:

- (a) the business of banking or insurance or any such similar business unless it is licensed so to do under the relevant laws currently in force in Malaysia;
- (b) it must only carry on business in, from or through Labuan;
- (c) it must not:
  - (1) except as permitted by the Offshore Banking Act 1990 or by the Labuan Financial Services Authority carry on business with a resident of Malaysia;
  - (2) except as permitted by the Offshore Banking Act 1990, carry on banking business;
  - (3) Except for defraying its administrative and statutory expenses and where Sec. 147 of the Offshore Companies Act 1990 applies, carry on business in Malaysian currency;
  - (4) Except as permitted by the Offshore Insurance Act 1990, carry on business as an insurance or a reinsurance company;
  - (5) Carry on shipping or petroleum operations in Malaysia; or
  - (6) Carry on any business of a trust company.

#### PERMITTED ACTIVIES

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An offshore company may do the following:

- (a) Make or maintain deposits with a person carrying on business within Malaysia;
- (b) Make or maintain professional contacts with any counsel and attorney, accountant, book-keeper, trust company, domestic company wholly owned by a trust company made available by the trust company to act or be appointed as a resident director or a resident secretary of an offshore company;
- (c) Prepare or maintain books and record with Malaysia;
- (d) Hold, within Malaysia, meetings of its directors or members;
- (e) Acquire or hold any lease of any property for the purpose of its operation or as accommodation for its offices or employees; or
- (f) Hold shares, debt obligations or other securities for the purposes of a transaction entered into in the ordinary course of business in connection with the lending of money.

Former Address(es)  
Address

As At  
Date  
N/A

FINANCIAL PARK COMPLEX, MAIN OFFICE TOWER, JALAN MERDEKA, LEVEL 6(D), 87011,  
WILAYAH PERSEKUTUAN, MALAYSIA

No shareholders was found in our databank at the time of investigation

## ***DIRECTOR***

No director found in our databank.

## ***MANAGEMENT***

No data found in our databank.

## ***AUDITOR***

No Auditor found in our databank

## ***COMPANY SECRETARIES***

1) Company : MS. CHEW MEE MEE

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Secretary  
IC / PP No : A1678403  
New IC No : 701223-10-6024  
Address : 1, LINGKARAN MERU VALLEY 2, MERU VALLEY GOLF & COUNTRY RESORT,  
JELAPANG MALAYSIA, 30020 IPOH, PERAK, MALAYSIA.

## **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. 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 staff from the registered office refused to disclose the Subject's suppliers.

### **CLIENTELE**

Local : N/A  
Overseas : N/A  
Credit Term : N/A  
Payment Mode : N/A

The staff from the registered office refused to disclose the Subject's clientele.

### **OPERATIONS**

Services : ADMINISTRATION SERVICES AND OFFSHORE TRADING

Branch : NO  
Other Information:

The Subject is principally engaged in the (as a / as an) administration services and offshore trading.

The staff from the registered office refused to disclose the Subject's 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 : N/A  
Client  
Current Telephone Number : N/A  
Match : N/A

Address Provided by Client : LEVEL 12 (D) MAIN OFFICE TOWER, FINANCIAL PARK LABUAN  
COMPLEX, JALAN MERDEKA 87000 LABUAN FEDERAL  
TERRITORY OF LABUAN MALAYSIA

Current Address : N/A  
Match : N/A

Latest Financial Accounts : NO

We have contacted the Subject's Company Secretary for the latest financial accounts. However they have rejected our request in view of the confidentiality of the documents

### Other Investigations

We were unable to contact the Subject and its directors.

We have contacted one of the staff from the Subject's registered office, Baxian Trust (Labuan) Limited. However, she refused to provide any information on the Subject as it is confidential and requested us to send all inquiries to the registered office.

The address provided belongs to the Subject's registered office.

The staff from Subject's registered office refused to disclose the Subject's number of employees and bankers.

## **FINANCIAL ANALYSIS**

No latest financial accounts are available at the Registry Office, thus we are not able to comment on the Subject's financial performance.

Overall financial condition of the Subject : N/A

## **MALAYSIA ECONOMIC / INDUSTRY OUTLOOK**

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

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**ALFA TRADING LIMITED - 534368**

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

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\* Estimate / Preliminary

\*\* Forecast

# Based On Manufacturing Production Index

## **INDUSTRY ANALYSIS**

MSIC

CODE

82 : OFFICE ADMINISTRATIVE, OFFICE SUPPORT AND OTHER BUSINESS SUPPORT ACTIVITIES

INDUSTRY BUSINESS SERVICES

:

The services sector is projected to grow by 5.4% in 2016 (2015: 5.7%), increasing its share to 54% of GDP (2015: 53.8%) with all subsectors continuing to expand. The services sector continues playing an important role in driving the Malaysia economy.

The services sector is projected to grow 5.8% in year 2018, increasing its share to 54.8% of GDP (2017: 5.9%; 54.5%) with all subsectors continuing to expand. The services sector recorded an increase of 6.1% during the first half of 2017 (January – June 2016: 5.4%) driven by improvement in wholesale and retail trade; food & beverages and accommodation; information and communication; and finance and insurance subsectors.

Value added of services sector increased further by 6.1% during the first half of 2017 (January – June 2016: 5.4%) mainly driven by strong domestic consumption activities. In 2017, the sector is expected to record 5.9% growth, accounting for 54.5% of GDP (2016: 5.6%; 54.3%). The final services group is projected to sustain at 6% (2016: 6%) led by the wholesale and retail trade as well as the food & beverages and accommodation subsectors. The intermediate services group is anticipated to grow 6.4% (2016: 5.5%) supported by the information and communication as well as finance and insurance subsectors. Meanwhile, government services subsector is expected to increase 4.4% (2016: 4.9%).

The wholesale and retail trade subsector recorded a stronger growth of 7% (January – June 2016: 5.9%) supported by higher consumer spending. The retail segment increased 9.6% (January – June 2016: 6.3%) driven by sales in non-specialised stores and other goods in specialised stores which recorded double-digit growth of 12.5% and 13.3%, respectively (January – June 2016: 8.3%; 8.4%). The wholesale segment grew 5.8% (January – June 2016: 8.4%) led by other specialised wholesale (9.7%), household goods (5.2%) as well as food, beverages and tobacco which rose 9.2% (January – June 2016: 3.4%; 6.6%; 8.1%). Meanwhile, the motor vehicle segment rebounded 2.2% (January – June 2016: -3.9%) following the introduction of new car models and rebates on a wide range of earlier models. This was reflected in sales of motor vehicles which turned around 2.2% to RM39.6 billion, while parts and accessories increased 5.4% to RM16.9 billion (January – June 2016: -7.1%; RM38.8 billion; 2.2%; RM16 billion). In 2017, the subsector is expected to expand further by 6.5% (2016: 6.2%). The food & beverages and accommodation subsector increased 7.2% (January – June 2016: 6.6%). The food & beverages segment expanded 7.9% (January – June 2016: 7.4%) driven by increased spending on dining at restaurants. Meanwhile, the accommodation segment grew 4.8% (January – June 2016: 4%) mainly supported by domestic tourism activities, opening of new budget hotels and aggressive online promotions. Tourist arrivals contracted 1.5% during the first eight months of 2017 (January – August 2016: 3.8%). Nevertheless, the introduction of new direct flights to the country as well as the hosting of the ASEAN Para Games, Formula 1 Petronas Malaysia Grand Prix and Shell Malaysia Motorcycle Grand Prix are expected to support growth of the segment. For the year, the subsector is projected to grow 7.6% (2016: 7.1%).

The information and communication subsector recorded a strong growth of 8.3% (January – June 2016: 8.6%).

The communication segment remained as the major contributor to growth, sustaining its pace at 9.3% (January –

June 2016: 9.8%) following aggressive promotional activities by telecommunication companies and introduction of new telephone models. Meanwhile, information segment grew 5.7% (January – June 2016: 3.6%) and computer services rose 6.4% (January – June 2016: 7%). The subsector is expected to sustain its strong growth momentum expanding 8.5% in 2017 (2016: 8.1%) supported by the launching of latest smartphone models, price reductions on earlier premium models and an increase in subscriptions to value added services offered by telecommunication companies.

The finance and insurance subsector expanded further by 4.3% (January – June 2016: 0.8%) led by financing activities. The finance segment increased strongly by 4.8% on account of higher growth in FISIM;1 and interest and fee-based incomes (January – June 2016: 0.02%). The insurance segment grew at a slower pace of 2.8% (January – June 2016: 3.4%) following moderate premium income. In 2017, the subsector is expected to grow 4.2% (2016: 2.5%).

The real estate and business services subsector increased 7.3% (January – June 2016: 6.7%). The business services segment recorded a growth of 8.4% (January – June 2016: 7.7%). Growth was driven by sustained demand for professional services, particularly engineering services in the construction sector, and legal and accounting services. Meanwhile, the real estate segment expanded 4.9% (January – June 2016: 4.6%). Growth was partly due to strong performance in the construction sector, incentives and rebates offered by developers, increase in civil servants' housing loan eligibility and flexibility in purchasing homes under 1Malaysia Civil Servants Housing (PPA1M) scheme. For the whole year, the subsector is anticipated to increase 7.2% (2016: 6.9%).

The utilities subsector increased at a slower pace of 2.2% (January – June 2016: 6.1%) due to lower demand from households following the waning effect of El Niño. The electricity and gas segment moderated 1.2% (January – June 2016: 5.8%).

The other services subsector increased 5.3% (January – June 2016: 4.6%) with private education and health expanding 6.5% and 5.4%, respectively (January – June 2016: 6.7%; 5.6%). As at end-July 2017, there were 495 private higher education institutions nationwide (end-July 2016: 496), comprising 10 foreign university branch campuses, 53 private universities and 35 university colleges as well as 397 private colleges. Meanwhile, the number of healthcare travellers in private hospitals recorded 494,326 (January – June 2016: 460,338) with patients from Indonesia constituting 55.5% or 274,244 of total healthcare travellers. For the year, the subsector is expected to expand 5.3% (2016: 4.8%) supported by strong demand for private education as well as high-quality and affordable healthcare services. Meanwhile, the government services subsector grew 4.8% (January – June 2016: 5.2%) supported by expenditure in emoluments. In 2017, the subsector is projected to increase 4.4% (2016: 4.9%).

The services sector remained the primary driver of the economy and leading generator of job opportunities, accounting for 54.3% of GDP, 17.6% of the country's total exports of goods and services and provided 8.8 million employment.

To sustain the role of the services sector as the key driver of growth, the Government will accelerate the implementation of the Services Sector Blueprint, and the Logistics and Trade Facilitation Masterplan. Within the services sector, the Government's emphasis is on the development of tourism, including medical tourism, logistics and venture capital industries.

OVERALL INDUSTRY OUTLOOK : Average Growth

## **CREDIT RISK EVALUATION & RECOMMENDATION**

During our investigation, we were unable to contact the Subject as well as its Directors. In view of this, the Subject's existence in the market is in doubt. Based on the above condition, the Subject is not qualified for credit assessment.

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## **FINANCIAL ACCOUNT**

No latest financial accounts are available at the Registry Office.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupee
US Dollar	1	INR 74.10
UK Pound	1	INR 96.99
Euro	1	INR 85.11
MYR	1	INR 17.87

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

**INFORMATION DETAILS**

Analysis Done by :	NIY
Report Prepared by :	SYL

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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)