

MIRA INFORM REPORT

| | |
|----------------------|------------|
| Report No. : | 534356 |
| Report Date : | 15.10.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|--|
| Name : | ADCOAL RESOURCES PTE. LTD. |
| Registered Office : | 105, Cecil Street, 06-01, The Octagon, 069534 |
| Country : | Singapore |
| Financials (as on) : | 31.03.2017 |
| Date of Incorporation : | 12.12.2007 |
| Com. Reg. No.: | 200722878E |
| Legal Form : | Private Limited (Limited By Share) |
| Line of Business : | The Subject is principally engaged in trading of coal and commodities. |
| No. of Employees : | 1 [2018] |

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.

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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. | : 200722878E |
| COMPANY NAME | : ADCOAL RESOURCES PTE. LTD. |
| FORMER NAME | : N/A |
| INCORPORATION DATE | : 12/12/2007 |
| COMPANY STATUS | : EXIST |
| LEGAL FORM | : PRIVATE LIMITED (LIMITED BY SHARE) |
| LISTED STATUS | : NO |
| REGISTERED ADDRESS | : 105, CECIL STREET, 06-01, THE OCTAGON, 069534, SINGAPORE. |
| BUSINESS ADDRESS | : 105, CECIL STREET, 06-01, THE OCTAGON, 069534, SINGAPORE. |
| TEL.NO. | : 65-68279633 |
| FAX.NO. | : 65-68279601 |
| CONTACT PERSON | : TONY ADAM (DIRECTOR) |
| PRINCIPAL ACTIVITY | : TRADING OF COAL AND COMMODITIES |
| ISSUED AND PAID UP CAPITAL | : 197,200.00 ORDINARY SHARE, OF A VALUE OF SGD 197,206.00 |
| SALES | : USD 10,657,437 [2017] |
| NET WORTH | : USD 191,710 [2017] |
| STAFF STRENGTH | : 1 [2018] |
| LITIGATION | : CLEAR |
| FINANCIAL CONDITION | : LIMITED |
| PAYMENT MANAGEMENT CAPABILITY | : SLOW BUT CORRECT |
| | : AVERAGE |
| COMMERCIAL RISK | : MODERATE |
| 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.

The Subject is principally engaged in the (as a / as an) trading of coal and commodities.

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The immediate and ultimate holding company of the Subject is ADAM & COAL RESOURCES PVT. LTD., a company incorporated in INDIA.

Share Capital History

Date Issue & Paid Up Capital
12/10/2018 SGD 197,206.00

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

Current Shareholder(s) :

| Name | Address | IC/PP/Loc No | Shareholding | (%) |
|---------------------------------|--|--------------|------------------------------|--------------------------|
| ADAM & COAL RESOURCES PVT. LTD. | 14, BAGIRATHI AMMAL STREET, SRINIVASA AVENUE, R.A. PURAM, CHENNAI-600028, TAMIL NADU 600028, INDIA | T08UF1618 | 197,200.00 | 100.00 |
| | | | ----- 197,200.00 ===== | ----- 100.00 ===== |

+ Also Director

DIRECTORS

DIRECTOR 1

Name Of Subject : SUNITHA D/O N. S. JAKSHAN
Address : 14, JALAN DERMAWAN, POPULAR ESTATE, 668959, SINGAPORE.
IC / PP No : S6802078F
Nationality : SINGAPOREAN
Date of : 15/01/2008
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 | 20072287 8E | ADCOAL RESOURC ES PTE. | Director | 15/01/20 08 | 0.00 - | USD(78,857. 00) | 2017 | - | 12/10/20 18 |

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LTD.

DIRECTOR 2

Name Of Subject : R.PREMNATH
Address : 14, JALAN DERMAWAN POPULAR ESTATE, 668959, SINGAPORE.
IC / PP No : S2180611J
Nationality : SINGAPOREAN
Date of : 12/12/2007
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 | Company | Designati on | App Date | Shareholdi ng No. % | Profit/(loss) After Tax | Financ ial Year | Stat us | As At |
|--------|----------------|--------------------------------------|-----------------|----------------|---------------------------|----------------------------|-----------------------|------------|----------------|
| 1 | 20072287 8E | ADCOAL RESOURC ES PTE. LTD. | Director | 12/12/20 07 | 0.00 - | USD(78,857. 00) | 2017 | - | 12/10/20 18 |

DIRECTOR 3

Name Of Subject : TONY ADAM
Address : 16/30, URUR OLCOT KUPPAM ROAD, 5TH AVENUE, BESANT NAGAR, CHENNAI-
600090, TAMIL NADU, INDIA.
IC / PP No : Z1760001
Nationality : INDIAN
Date of : 06/03/2010
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 | Shareholdi ng | Profit/(loss) After Tax | Financ ial | Stat us | As At |
|--------|----------|---------|-----------------|-------------|------------------|----------------------------|---------------|------------|-------|
|--------|----------|---------|-----------------|-------------|------------------|----------------------------|---------------|------------|-------|

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| | | | | | No. | % | | Year | | |
|---|----------------|--------------------------------------|----------|----------------|------|---|--------------------|------|---|----------------|
| 1 | 20072287 8E | ADCOAL RESOURC ES PTE. LTD. | Director | 06/03/20 10 | 0.00 | - | USD(78,857. 00) | 2017 | - | 12/10/20 18 |

MANAGEMENT

- 1) Name of Subject : R PREMNATH
Position : MANAGING DIRECTOR
- 2) Name of Subject : TONY ADAM
Position : DIRECTOR

AUDITOR

| Firm No | Firm Name | Address | As At Date |
|---------|----------------|---------|------------|
| | PINEBRIDGE LLP | N/A | 31/03/2017 |

COMPANY SECRETARIES

- 1) Company Secretary : YONG KING FATT
IC / PP No : S7280646H
Address : 334, KANG CHING ROAD, 09-252, 610334, SINGAPORE.
Date of Appointment : 29/12/2017

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

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* 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 : N/A
Overseas : N/A

The Subject refused to disclose its suppliers.

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

CLIENTELE

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

OPERATIONS

Goods : COAL AND COMMODITIES
Traded

Total Number of Employees:
YEAR 2018

GROUP N/A
COMPANY 1

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Branch : NO
Other Information:

The Subject is principally engaged in the (as a / as an) trading of coal and commodities.

The Subject refused to disclose its operation.

CURRENT INVESTIGATION

Latest fresh investigations carried out on the Subject indicated that :

| | | |
|------------------------------|---|---|
| Telephone Number Provided By | : | N/A |
| Client | : | |
| Current Telephone Number | : | 65-68279633 |
| Match | : | N/A |
| Address Provided by Client | : | THE OCTAGON #06-01, 105 CECIL STREET (S) 069534 |
| Current Address | : | 105, CECIL STREET, 06-01, THE OCTAGON, 069534, SINGAPORE. |
| Match | : | YES |

Other Investigations

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

The Subject refused to comment on the huge decrease in its turnover.

The Subject refused to disclose its bankers.

FINANCIAL ANALYSIS

Profitability

| | | | | | |
|-----------------------------|---|--------------|---|-------------|---|
| Turnover | : | Decreased | [| 2013 - 2017 |] |
| Profit/(Loss) Before Tax | : | Decreased | [| 2013 - 2017 |] |
| Return on Shareholder Funds | : | Unfavourable | [| (41.13%) |] |
| Return on Net Assets | : | Unfavourable | [| (39.31%) |] |

The continuous fall in turnover could be due to the lower demand for the Subject's products / services. The Subject incurred losses during the year due to the inefficient control of its operating costs. The Subject's unfavourable returns on shareholders' funds indicate the management's inefficiency in utilising its assets to generate returns.

Working Capital Control

| | | | | | |
|-----------------|---|--------------|---|----------|---|
| Debtor Ratio | : | Unfavourable | [| 135 Days |] |
| Creditors Ratio | : | Unfavourable | [| 117 Days |] |

The Subject's debtors ratio was high. The Subject should tighten its credit control and improve its collection period. The unfavourable creditors' ratio could be due to the Subject taking advantage of the credit granted by its suppliers. However this may affect the goodwill between the Subject and its suppliers and the Subject may

inadvertently have to pay more for its future supplies.

Liquidity

| | | | | | |
|---------------|---|--------------|---|------------|---|
| Liquid Ratio | : | Favourable | [| 1.06 Times |] |
| Current Ratio | : | Unfavourable | [| 1.06 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 | : | Unfavourable | [| (21.52 Times) |] |
| Gearing Ratio | : | Favourable | [| 0.34 Times |] |

The Subject incurred losses in the year. It did not generate sufficient income to service its interest. If the situation does not improve, the Subject may be vulnerable to default in servicing the interest. 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 :

The Subject's losses could be attributed to the lower turnover which in turn could be the result of unfavourable market conditions. 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. The Subject's interest cover was negative, indicating that it did not generate sufficient income to service its interest. If its result does not show impressive improvements or succeed obtaining short term financing or capital injection, it may not be able to service its interest and repay the loans. 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 : LIMITED

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) |

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| | | | | | |
|---------------------------------|--------|--------|--------|--------|--------|
| 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 |
| 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

| | | | | | |
|-------------|-------|-------|---|---|---|
| Real Estate | 25.40 | 22.00 | - | - | - |
| | 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 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 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 2007, the Subject is a Private Limited company, focusing on trading of coal and commodities. Having been in the industry for over a decade, the Subject has achieved a certain market share and has built up a satisfactory reputation in the market. It should have received supports from its regular customers. The Subject have a strong support from its holding company. However, the Subject does not have a strong capital position. Without a strong capital, the Subject may face difficulties to expand its business compared to other large corporation.

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

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further enhance its business in the near term. The Subject's business operation is supported by 1 employees. 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.

Due to the challenging market conditions, the Subject's business performance seems to be deteriorating and losses incurred. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. The Subject is in good liquidity position with its current liabilities well covered by its current assets. Hence, it has sufficient working capital to meet its short term financial obligations. Being a lowly geared company, the Subject is exposed to low financial risk as it is mainly dependent on its internal funds to finance its business needs.

The poor payment habit may affect the goodwill between the Subject and its suppliers and the Subject may inadvertently have to pay more for its future supplies.

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.

In view of the above, we recommend credit be granted to the Subject with close monitoring.

PROFIT AND LOSS ACCOUNT

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

ADCOAL RESOURCES PTE. LTD.

| Financial Year End | 2017-03-31 | 2016-03-31 | 2015-03-31 | 2014-03-31 | 2013-03-31 |
|--|------------|------------|------------|------------|------------|
| Months | 12 | 12 | 12 | 12 | 12 |
| Consolidated Account | Company | Company | Company | Company | Company |
| Audited Account | YES | YES | YES | YES | YES |
| Unqualified Auditor's Report (Clean Opinion) | YES | YES | YES | YES | YES |
| Financial Type | FULL | FULL | FULL | FULL | FULL |
| Currency | USD | USD | USD | USD | USD |
| TURNOVER | 10,657,437 | 20,984,787 | 35,669,779 | 46,365,569 | 29,617,519 |
| Other Income | 21,376 | 12,951 | 250,000 | 2,589 | 4,073 |
| Total Turnover | 10,678,813 | 20,997,738 | 35,919,779 | 46,368,158 | 29,621,592 |
| PROFIT/(LOSS) FROM OPERATIONS | (78,857) | 794,311 | 2,478,074 | 3,029,996 | 1,698,532 |
| SHARE OF PROFITS/(LOSSES) OF ASSOCIATED | - | - | - | - | 14,652 |

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COMPANIES

| | | | | | |
|---|----------|-----------|-------------|-------------|-------------|
| PROFIT/(LOSS) BEFORE TAXATION | (78,857) | 794,311 | 2,478,074 | 3,029,996 | 1,713,184 |
| Taxation | - | (113,076) | (392,585) | (504,918) | (327,259) |
| PROFIT/(LOSS) AFTER TAXATION | (78,857) | 681,235 | 2,085,489 | 2,525,078 | 1,385,925 |
| RETAINED PROFIT/(LOSS) BROUGHT FORWARD | | | | | |
| As previously reported | 120,278 | 339,043 | 3,554 | 53,476 | 315,246 |
| As restated | 120,278 | 339,043 | 3,554 | 53,476 | 315,246 |
| PROFIT AVAILABLE FOR APPROPRIATIONS | 41,421 | 1,020,278 | 2,089,043 | 2,578,554 | 1,701,171 |
| DIVIDENDS - Ordinary (paid & proposed) | - | (900,000) | (1,750,000) | (2,575,000) | (1,647,695) |
| RETAINED PROFIT/(LOSS) CARRIED FORWARD | 41,421 | 120,278 | 339,043 | 3,554 | 53,476 |
| INTEREST EXPENSE (as per notes to P&L) | | | | | |
| Hire purchase | 3,501 | 3,605 | 3,538 | 3,844 | 2,457 |
| Others | - | - | 15,967 | 28,333 | - |
| | 3,501 | 3,605 | 19,505 | 32,177 | 2,457 |
| DEPRECIATION (as per notes to P&L) | 29,790 | 29,789 | 29,790 | 29,790 | 24,188 |
| Total Amortization And Depreciation | 29,790 | 29,789 | 29,790 | 29,790 | 24,188 |

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BALANCE SHEET

ADCOAL RESOURCES PTE. LTD.

ASSETS

EMPLOYED:

| | | | | | |
|---------------------------------------|-----------|-----------|-----------|------------|-----------|
| FIXED ASSETS | 29,790 | 59,580 | 89,369 | 119,159 | 148,949 |
| TOTAL LONG TERM ASSETS | 29,790 | 59,580 | 89,369 | 119,159 | 148,949 |
| CURRENT ASSETS | | | | | |
| Stocks | - | - | - | 5,409,697 | - |
| Trade debtors | 3,937,645 | 3,631,057 | 7,882,500 | 4,601,489 | 2,369,084 |
| Other debtors, deposits & prepayments | 13,153 | 2,295 | 25,446 | 26,277 | 25,209 |
| Cash & bank balances | 58,406 | 134,202 | 152,752 | 226,116 | 347,523 |
| TOTAL CURRENT ASSETS | 4,009,204 | 3,767,554 | 8,060,698 | 10,263,579 | 2,741,816 |
| TOTAL ASSET | 4,038,994 | 3,827,134 | 8,150,067 | 10,382,738 | 2,890,765 |
| = | = | = | = | = | = |

CURRENT LIABILITIES

| | | | | | |
|----------------------------------|-----------|-----------|-----------|------------|-----------|
| Trade creditors | 3,411,952 | 3,244,309 | 7,084,575 | 9,425,834 | 2,321,129 |
| Other creditors & accruals | 226,967 | 8,528 | 8,846 | 168,947 | 2,820 |
| Hire purchase & lease creditors | 12,204 | 12,669 | 12,433 | 13,557 | 13,742 |
| Provision for taxation | 142,455 | 225,461 | 476,838 | 630,179 | 343,893 |
| TOTAL CURRENT LIABILITIES | 3,793,578 | 3,490,967 | 7,582,692 | 10,238,517 | 2,681,584 |
| NET CURRENT ASSETS/(LIABILITIES) | 215,626 | 276,587 | 478,006 | 25,062 | 60,232 |

LONG TERM LIABILITIES

| | | | | | |
|-------------------------|--------|--------|--------|--------|---------|
| Lease obligations | - | - | - | - | 105,416 |
| Hire purchase creditors | 53,706 | 65,600 | 78,043 | 90,378 | - |

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| | | | | | |
|--|---------|---------|---------|---------|---------|
| TOTAL LONG TERM LIABILITIES | 53,706 | 65,600 | 78,043 | 90,378 | 105,416 |
| TOTAL NET ASSETS | 191,710 | 336,167 | 567,375 | 144,221 | 209,181 |
| FINANCED BY: | | | | | |
| SHARE CAPITAL | | | | | |
| Ordinary share capital | 150,289 | 150,289 | 150,289 | 50,289 | 50,289 |
| TOTAL SHARE CAPITAL | 150,289 | 150,289 | 150,289 | 50,289 | 50,289 |
| RESERVES | | | | | |
| Retained profit/(loss) carried forward | 41,421 | 120,278 | 339,043 | 3,554 | 53,476 |
| TOTAL RESERVES | 41,421 | 120,278 | 339,043 | 3,554 | 53,476 |
| SHAREHOLDERS' FUNDS/EQUITY | 191,710 | 270,567 | 489,332 | 53,843 | 103,765 |

FINANCIAL RATIO

ADCOAL RESOURCES PTE. LTD.

TYPES OF FUNDS

| | | | | | |
|----------------------------------|---------|---------|---------|-------------|----------|
| Cash | 58,406 | 134,202 | 152,752 | 226,116 | 347,523 |
| Net Liquid Funds | 58,406 | 134,202 | 152,752 | 226,116 | 347,523 |
| Net Liquid Assets | 215,626 | 276,587 | 478,006 | (5,384,635) | 60,232 |
| Net Current Assets/(Liabilities) | 215,626 | 276,587 | 478,006 | 25,062 | 60,232 |
| Net Tangible Assets | 191,710 | 336,167 | 567,375 | 144,221 | 209,181 |
| Net Monetary Assets | 161,920 | 210,987 | 399,963 | (5,475,013) | (45,184) |

PROFIT & LOSS ITEMS

| | | | | | |
|---|----------|---------|-----------|-----------|-----------|
| Earnings Before Interest & Tax (EBIT) | (75,356) | 797,916 | 2,497,579 | 3,062,173 | 1,715,641 |
| Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA) | (45,566) | 827,705 | 2,527,369 | 3,091,963 | 1,739,829 |

BALANCE SHEET ITEMS

| | | | | | |
|-------------------|-----------|-----------|-----------|------------|-----------|
| Total Borrowings | 65,910 | 78,269 | 90,476 | 103,935 | 119,158 |
| Total Liabilities | 3,847,284 | 3,556,567 | 7,660,735 | 10,328,895 | 2,787,000 |

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| | | | | | |
|---|-----------|-----------|-----------|------------|-----------|
| Total Assets | 4,038,994 | 3,827,134 | 8,150,067 | 10,382,738 | 2,890,765 |
| Net Assets | 191,710 | 336,167 | 567,375 | 144,221 | 209,181 |
| Net Assets Backing | 191,710 | 270,567 | 489,332 | 53,843 | 103,765 |
| Shareholders' Funds | 191,710 | 270,567 | 489,332 | 53,843 | 103,765 |
| Total Share Capital | 150,289 | 150,289 | 150,289 | 50,289 | 50,289 |
| Total Reserves | 41,421 | 120,278 | 339,043 | 3,554 | 53,476 |
| GROWTH RATIOS (Year on Year) (%) | | | | | |
| Revenue | (49.21) | (41.17) | (23.07) | 56.55 | 335.21 |
| Profit/(Loss) Before Tax | (109.93) | (67.95) | (18.22) | 76.86 | 618.85 |
| Profit/(Loss) After Tax | (111.58) | (67.33) | (17.41) | 82.19 | 534.01 |
| Total Assets | 5.54 | (53.04) | (21.50) | 259.17 | 470.15 |
| Total Liabilities | 8.17 | (53.57) | (25.83) | 270.61 | 1,869.82 |
| LIQUIDITY (Times) | | | | | |
| Cash Ratio | 0.02 | 0.04 | 0.02 | 0.02 | 0.13 |
| Liquid Ratio | 1.06 | 1.08 | 1.06 | 0.47 | 1.02 |
| Current Ratio | 1.06 | 1.08 | 1.06 | 1.00 | 1.02 |
| WORKING CAPITAL CONTROL (Days) | | | | | |
| Stock Ratio | 0 | 0 | 0 | 43 | 0 |
| Debtors Ratio | 135 | 63 | 81 | 36 | 29 |
| Creditors Ratio | 117 | 56 | 72 | 74 | 29 |
| SOLVENCY RATIOS (Times) | | | | | |
| Gearing Ratio | 0.34 | 0.29 | 0.18 | 1.93 | 1.15 |
| Liabilities Ratio | 20.07 | 13.14 | 15.66 | 191.83 | 26.86 |
| Times Interest Earned Ratio | (21.52) | 221.34 | 128.05 | 95.17 | 698.27 |
| Assets Backing Ratio | 1.28 | 2.24 | 3.78 | 2.87 | 4.16 |
| PERFORMANCE RATIO (%) | | | | | |
| Operating Profit Margin | (0.74) | 3.79 | 6.95 | 6.54 | 5.78 |
| Net Profit Margin | (0.74) | 3.25 | 5.85 | 5.45 | 4.68 |
| Return On Net Assets | (39.31) | 237.36 | 440.20 | 2,123.25 | 820.17 |
| Return On Capital Employed | (29.25) | 228.74 | 430.76 | 1,940.81 | 769.61 |
| Return On Shareholders' Funds/Equity | (41.13) | 251.78 | 426.19 | 4,689.71 | 1,335.64 |
| Dividend Pay Out Ratio (Times) | 0 | 1.32 | 0.84 | 1.02 | 1.19 |
| NOTES TO ACCOUNTS | | | | | |
| Contingent Liabilities | 0 | 0 | 0 | 0 | 0 |

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FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 73.80 |
| UK Pound | 1 | INR 97.65 |
| Euro | 1 | INR 85.55 |
| SGD | 1 | INR 53.69 |

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

INFORMATION DETAILS

| | |
|----------------------|-----|
| Analysis Done by : | NIS |
| 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)