

MIRA INFORM REPORT

Report No. :	533998
Report Date :	12.10.2018

IDENTIFICATION DETAILS

Name :	QUANG PHU PINE JOINT STOCK COMPANY
Registered Office :	South Dong Ha Industrial Zone, Dong Ha City, Quang Tri Province,
Country :	Vietnam
Financials (as on) :	31.12.2017
Date of Incorporation :	09.09.2008
Com. Reg. No.:	3200290809
Legal Form :	Joint Stock Company
Line of Business :	Subject is specialized in processing turpentine.
No. of Employees :	About 70

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Vietnam	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

VIETNAM - ECONOMIC OVERVIEW

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

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

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

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

Source : CIA

SUBJECT IDENTIFICATION & LEGAL FORM

Current legal status	
English Name	QUANGPHU PINE JOINT STOCK COMPANY
Vietnamese Name	CONG TY CO PHAN THONG QUANG PHU
Type of Business	Joint stock company
Year Established	2008
Business Registration No.	3200290809
Date of Registration	09 Sep 2008
Place of Registration	Quang Tri Department of Planning and Investment
Charter capital	VND 15,000,000,000
Listed Company	No
Tax code	3200290809
Total Employees	About 70
Size	Small

Historical Identification & Legal form

List	Changed Items	Date of changes
1	Subject has got former Business Registration No: 3003000216 Changed to: 3200290809	N/A

ADDRESSES

Head Office	
Address	South Dong Ha Industrial Zone, Dong Ha City, Quang Tri Province, Vietnam
Telephone	(84-233) 3577268
Fax	(84-233) 3577568

DIRECTORS

NAME	Mr. DUONG VAN THOM
Position	Chairman cum General Director
Date of Birth	1962
ID Number/Passport	100519304
ID Issue Date	18 Apr 2007
ID Issue Place	Quang Ninh Department of Public Security
Permanent Address	Group 29C, Area 8, Quang Trung Ward, Uong Bi City, Quang Ninh Province, Vietnam
Nationality	Vietnamese

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

BUSINESS NATURE AND ACTIVITIES

The subject is specialized in processing turpentine.

TRADE REFERENCE AND IMPORT - EXPORT ACTIVITIES

IMPORT:	
Types of products	Materials
Market	Indonesia
Mode of payment	T/T, L/C
EXPORT:	
Types of products	Gum rosin and gum turpentine
Market	Japan, China, Korea, India, USA

BANKERS

1. VIET NAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE QUANG TRI BRANCH	
Address	No.236, Hung Vuong Boulevard, Dong Ha City, Quang Tri Province, Vietnam
Telephone	(84-233) 3550564
2. JOINT STOCK COMMERCIAL BANK FOR FOREIGN TRADE OF VIETNAM QUANG TRI BRANCH	
Address	No. 51, Tran Hung Dao Street, Dong Ha City, Quang Tri Province, Vietnam
Telephone	(84-233) 3555727
Fax	(84-233) 3555726

SHAREHOLDERS

1. NAME	(Translated) QUANG NINH PINE JOINT STOCK COMPANY
Business Registration	5700478344
Date of Registration	08 Jan 2004
Place of Registration	Quang Ninh Department of Planning and Investment
Charter Capital	VND 36,000,000,000
Tax code	5700478344

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Address	Bi Trung I Quarter, Phuong Dong Ward, Uong Bi City, Quang Ninh Province, Vietnam
Tel	(84-203) 3854273 / 3854965
Fax	(84-203) 3854263
Email	info@quangninhpine.com / gumrosin86@gmail.com
Website	http://quangninhpine.vn
Number of shares	90,000
Value of shares	VND 9,000,000,000
Percentage	60%
2. NAME	BEN HAI QUANG TRI FORESTRY ONE MEMBER CO.,LTD
Business Registration	3004000093
Address	Ho Xa Town, Vinh Linh District, Quang Tri Province, Vietnam
Number of shares	30,000
Value of shares	VND 3,000,000,000
Percentage	20%
3. NAME	Mr. NGUYEN VAN HO
ID Number/Passport	100127463
Permanent Address	Duc Chinh, Dong Trieu District, Quang Ninh Province, Vietnam
Nationality	Vietnamese
Number of Shares	30,000
Value of shares	VND 3,000,000,000
Percentage	20%

FINANCIAL DATA

BALANCE SHEET			
Unit: One VND			
Balance sheet date	FYE 31 Dec 2017	FYE 31 Dec 2016	FYE 31 Dec 2015
ASSETS			
Current Assets	85,900,855,465	58,355,167,664	71,386,000,000
Inventories	41,844,654,460	20,762,606,280	36,891,000,000
Long-Term Assets	12,393,660,925	13,933,242,191	16,176,000,000
TOTAL ASSETS	98,294,516,390	72,288,409,855	87,562,000,000
LIABILITIES			
LIABILITIES	62,887,185,655	32,932,019,381	48,675,000,000
OWNER'S EQUITY	35,407,330,735	39,356,390,474	38,887,000,000
TOTAL LIABILITIES AND OWNER'S EQUITY	98,294,516,390	72,288,409,855	87,562,000,000
PROFIT & LOSS STATEMENT			
Description	FYE 31 Dec 2017	FYE 31 Dec 2016	FYE 31 Dec 2015
Total Sale	253,418,296,686	279,823,042,445	338,410,000,000
Net revenue	253,329,497,626	279,812,266,445	338,162,000,000
Profit after tax	4,326,708,516	9,195,503,996	10,214,000,000

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

INDUSTRY DATA

The subject is classified in: Manufacture of rubber and plastics products (Division 22 of ISIC)			
Items	Industry	Percentage	All Industries
1. Annual average capital of enterprises (Bil VND)	252,358	1.14%	22,144,211
2. Value of fixed asset and long term investment (Bil VND)	117,577	1.12%	10,466,760
3. Net turnover from business of enterprises (Bil VND)	244,427	1.64%	14,949,181
4. Profit before taxes of enterprises (Bil VND)	10,540	1.91%	552,747
5. Number of employees	273,987	2.13%	12,856,856
6. Number of acting enterprises by size of capital (Total)	4,496	1.02%	442,485
6.1 Under 0.5 bil. VND	38	0.22%	17,656
6.2 From 0.5 to under 1 bil. VND	99	0.42%	23,408
6.3 From 1 to under 5 bil. VND	1,081	0.74%	145,789
6.4 From 5 to under 10 bil. VND	891	1.01%	88,540

PAYMENT HISTORY & PERFORMANCE EXPERIENCES

Trade Morality	Good
Liquidity	Medium
Payment status	Slow But Correct
Financial Situation	Above average
Development trend	Developing
Litigation data	No Record
Bankruptcy	No Record
Payment Methods	T/T, L/C
Sale Methods	Retailer and Wholesaler
Public opinion	Good

SUMMARY

The subject was established in 2008 as a joint stock company. Currently, it is operating under Business Registration No. 3200290809, granted by Quang Tri Department of Planning and Investment. Its charter capital maintains at VND 15,000,000,000.

Head office of the subject is located at South Dong Ha Industrial Zone, Dong Ha City, Quang Tri Province, Vietnam. It is specialized in processing turpentine. Its products are gum rosin and gum turpentine. To support production process, it imports materials from Indonesia. Its products are mainly exported to Japan, China, Korea,

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

India and USA.

Financially, in 2017, it gained VND 253,329 million in net revenue, decreasing compared to previous year. As a result, profit after tax was down. However, financial condition was generally above average.

• Economic Indicators

	2017	2016	2015
Population (Millions)	93.70	92.70	91.70
Gross Domestic Products (USD billions)	223	205.3	193
GDP Per Capita (USD/person/year)	2,385	2,215	2,109
GDP Growth (%)	6.81	6.21	6.68
- Agriculture, Forestry and Fishing Growth (%)	2.90	1.36	2.41
- Industry and Construction Growth (%)	8.00	7.57	9.64
- Trade and Services Growth (%)	7.44	6.98	6.33

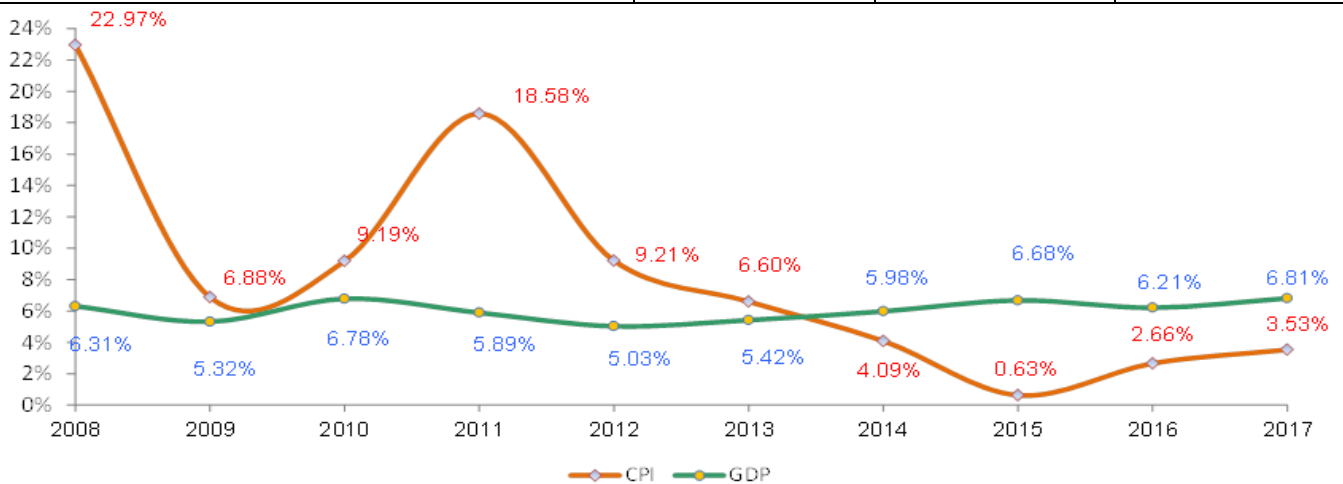


Figure 1: GDP vs. CPI trend in last ten years

• Trade Balance

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

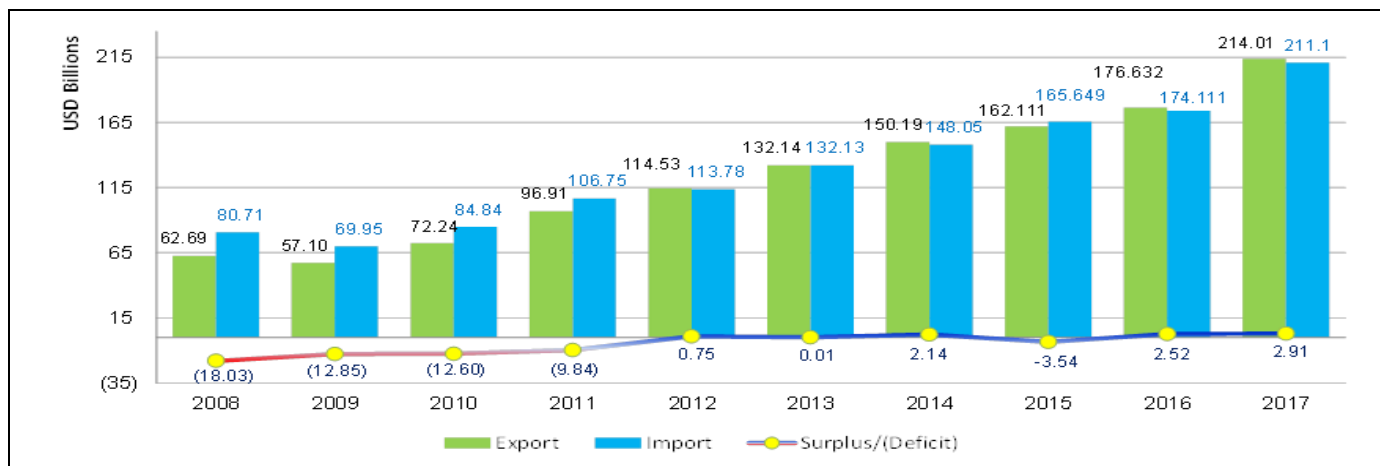


Figure 2: Import – Export balance in last ten years

• Import – Export Value by Major Type of Products

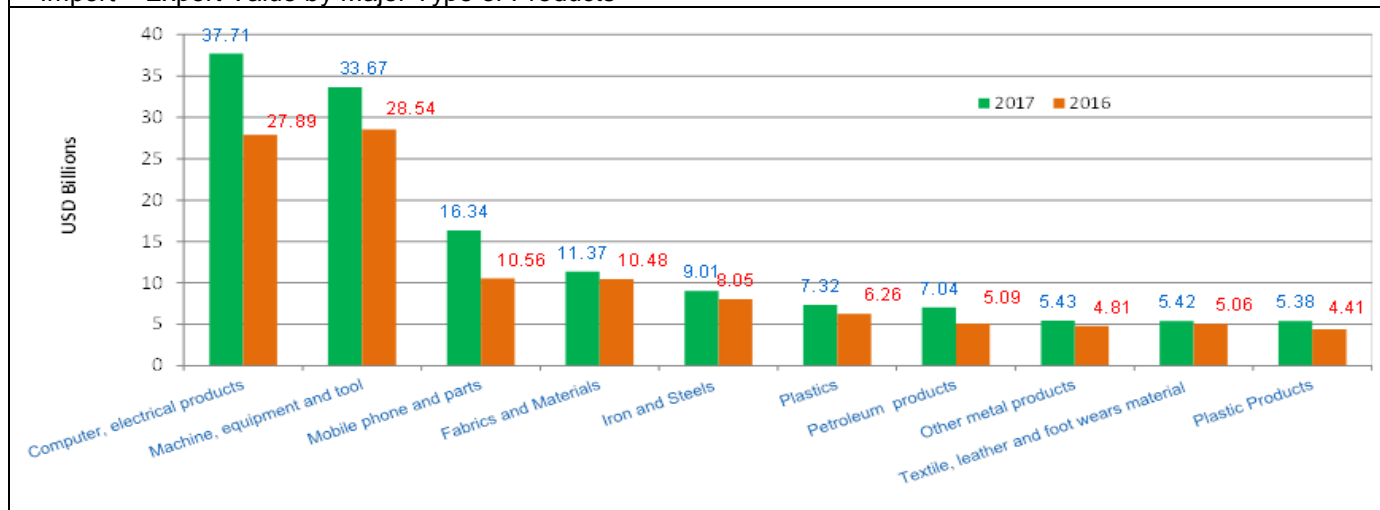


Figure 3: Top ten import products by value in 2016-2017

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

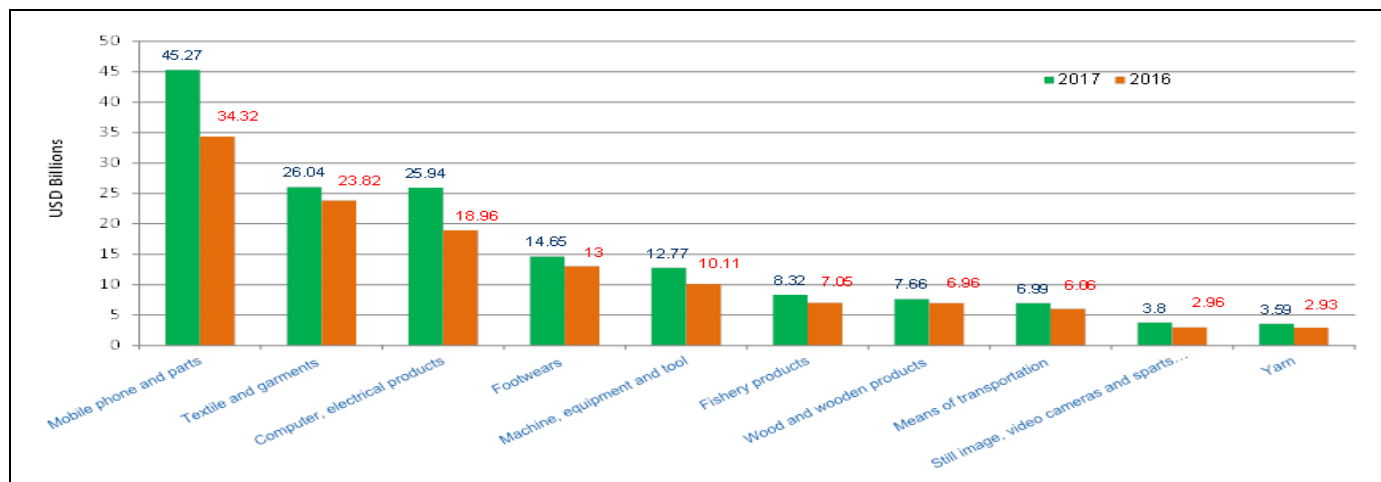


Figure 4: Top ten export products by value in 2016-2017

NOTICE:

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

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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 74.39
UK Pound	1	INR 98.30
Euro	1	INR 85.90
VND	1	INR 0.0032

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	POJ

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)