

MIRA INFORM REPORT

Report No. :	536487
Report Date :	30.10.2018

IDENTIFICATION DETAILS

Name :	WELL TIME INDUSTRIAL CO.,LTD
Registered Office :	Plot BI 08-10 & BI 12-14A, Road 8, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, 7 District, Ho Chi Minh City
Country :	Viet Nam
Date of Incorporation :	1994
Legal Form :	Limited liability company (FDI)
Line of Business :	The subject specializes in manufacture of electric motor
No. of Employees :	240

RATING & COMMENTS

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

MIRA's Rating :	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
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.

ECGC Country Risk Classification List

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Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Viet Nam	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

VIET NAM - 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

GENERAL INFORMATION

	Given Information	Verification
Name	WELL TIME INDUSTRIAL CO LTD	Correct
Address	Lot B08-10 And BI 12-14A, Road 8, Tan Thuan Processing Area, Tan Thuan Dong Ward, Dist 7, HCM	Incorrect

IDENTIFICATION & LEGAL FORM

Current legal status

English Name	WELL TIME INDUSTRIAL CO.,LTD
Vietnamese Name	CONG TY TNHH VI THAI
Type of Business	Limited liability company (FDI)
Year Established	1994
Investment Certificate No	412023000051
Date Of Issuance	08 Nov 1994
Place of Issuance	Ho Chi Minh City Industrial and Processing Zones Authority
Registered Investment Capital	VND 150,000,000,000(~USD 7,700,000)
Charter capital	VND 124,000,000,000(~VND 6,200,000)
Investment Duration	50 Years
Listed Company	No
Tax code	0300743221
Total Employees	240

Historical Identification & Legal form

List	Changed Items
1	Subject has got former Investment Certificate No: 28/GP_KCX_HCM Changed to: 412023000051

ADDRESSES

Head Office

Address Plot BI 08-10 & BI 12-14A, Road 8, Tan Thuan Export Processing Zone,
Tan Thuan Dong Ward, 7 District, Ho Chi Minh City, Vietnam

Telephone (84-28) 3872 0112

Fax (84-28) 3872 9494

Email welltime_motor@vnn.vn

Note: The exact address of the subject is above

DIRECTORS

NAME	Mr. KUO, CHUNG-CHING
Position	Director
Permanent Address	No.11 Chung San 12 Road, Shih Te Village, Ta Ya Hsiang, Taichung , Taiwan
Nationality	Taiwanese

BUSINESS NATURE AND ACTIVITIES

The subject specializes in manufacture of electric motor

TRADE REFERENCE AND IMPORT - EXPORT ACTIVITIES

IMPORT:

- Market Taiwan

EXPORT:

- Market Brazil, India, Philippines

BANKERS

ICBC – INTERNATIONAL COMMERCIAL BANK OF CHINA

Address	No. 5B, Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Telephone	(84-28) 3822 5697
Fax	(84-28) 3822 5698

SHAREHOLDERS

1. NAME Mr. GUO, CHUNG-CHING

Date of Birth	15 Jun 1985
Nationality	Chinese
Value of shares	VND 83,080,000,000
Percentage	67%

2. NAME Mr. LIU PAO YO

Nationality	Chinese
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3. NAME Ms. LIN MEI LI

Nationality	Chinese
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4. NAME 7 other shareholders

FINANCIAL DATA

Financial Statements

BALANCE SHEET

Unit: One VND

Balance sheet date	FYE 31 Dec 2017	FYE 31 Dec 2016	FYE 31 Dec 2015
	ASSETS		
A – CURRENT ASSETS	60,750,583,103	74,132,315,747	78,957,869,035

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Inventories	2,373,814,015	2,633,425,216	2,695,448,699
B. LONG-TERM ASSETS	21,929,916,028	27,947,729,773	27,773,949,926
TOTAL ASSETS	82,680,499,131	102,080,045,520	106,731,818,961

LIABILITIES

A- LIABILITIES	13,904,770,116	20,211,709,275	15,986,458,034
B- OWNER'S EQUITY	68,775,729,015	81,868,336,245	90,745,360,927
TOTAL LIABILITIES AND OWNER'S EQUITY	82,680,499,131	102,080,045,520	106,731,818,961

PROFIT & LOSS STATEMENT

Description	FYE 31 Dec 2017	FYE 31 Dec 2016	FYE 31 Dec 2015
Total Sales	51,289,301,237	68,819,330,318	54,574,421,962
Net revenue	51,289,301,237	68,819,330,318	54,574,421,962
Profit after tax	-12,902,387,225	-9,860,773,030	-13,409,850,528

INDUSTRY DATA

The subject is classified in: Manufacture of electrical equipment (Division 27 of ISIC)

Items	Industry	Percentage	All Industries
1. Annual average capital of enterprises (Bil VND)	166,313	0.64%	26,049,661
2. Value of fixed asset and long term investment (Bil VND)	61,875	0.49%	12,551,024
3. Net turnover from business of enterprises (Bil VND)	236,572	1.36%	17,436,430
4. Profit before taxes of enterprises (Bil VND)	12,188	1.71%	711,975
5. Number of employees	178,432	1.27%	14,012,276
6. Number of acting enterprises by size of capital (Total)	1,380	0.27%	505,059
6.1 Under 0.5 bil. VND	59	0.10%	57,181
6.2 From 0.5 to under 1 bil. VND	69	0.13%	53,662
6.3 From 1 to under 5 bil. VND	362	0.18%	204,024
6.4 From 5 to under 10 bil. VND	170	0.24%	69,773

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PAYMENT HISTORY & PERFORMANCE EXPERIENCES

Trade Morality	Normal
Liquidity	High
Payment status	No Complaints
Financial Situation	Average
Development trend	Stable
Litigation data	No Record
Bankruptcy	No Record
Payment Methods	Cash, T/T, L/C
Sale Methods	To contracts
Public opinion	Normal

INTERPRETATION ON THE SCORES

The subject - **WELL TIME INDUSTRIAL CO.,LTD** was established in 1994. Now, the subject is operating under Investment Certificate No. 412023000051 with charter capital of VND 124,000,000,000(~VND 6,200,000). Mr. KUO, CHUNG-CHING is legal representative of subject.

The company is based at Plot BI 08-10 & BI 12-14A, Road 8, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, 7 District, Ho Chi Minh City, Vietnam.

The subject specializes in manufacture of electric motor for fan. The subject imports mainly material from Taiwan. Its products are sold to Brazil, India, Philippines.

From the balance sheet, net revenue was fluctuated slightly in 2015-2017 periods and recorded VND 51 billion in 2017. Profit after tax is negative for 3 consecutive years. Its capital structure was safe with 17% of liabilities and 83% of owner's equity. Liquidity ratios of the subject were higher than industry average ratios, showing that its payment capacity was stable.

In our opinion, subject has capacity to meet small financial commitments.

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

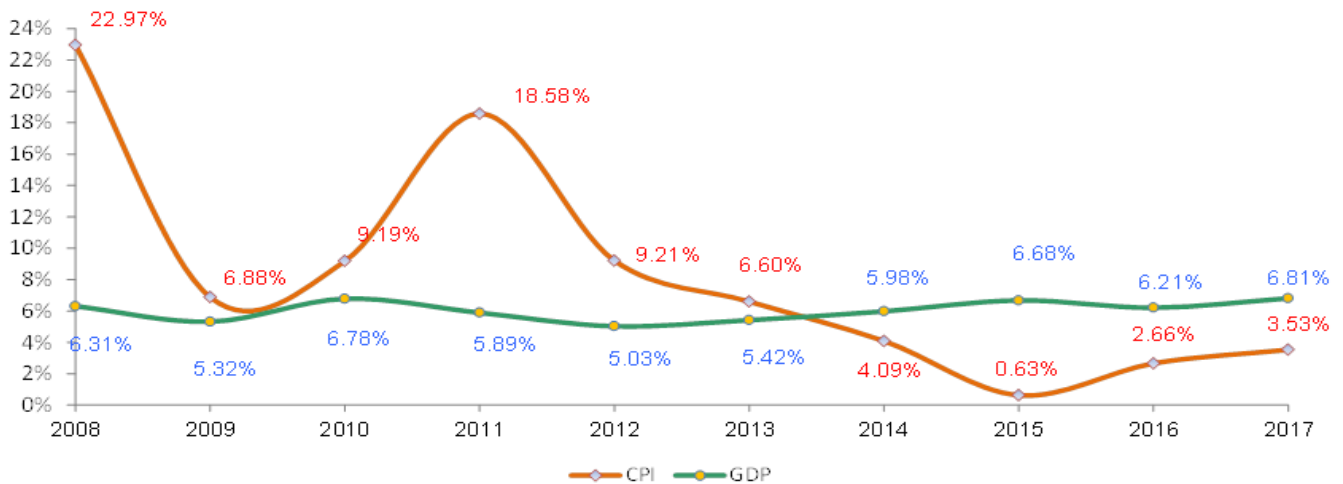


Figure 1: GDP vs. CPI trend in last ten years

• Trade Balance

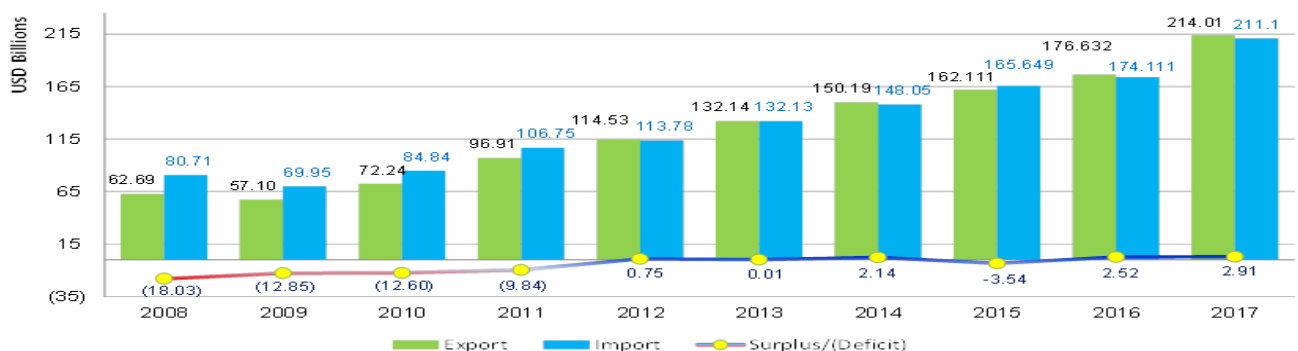


Figure 2: Import – Export balance in last ten years

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• **Import – Export Value by Major Type of Products**

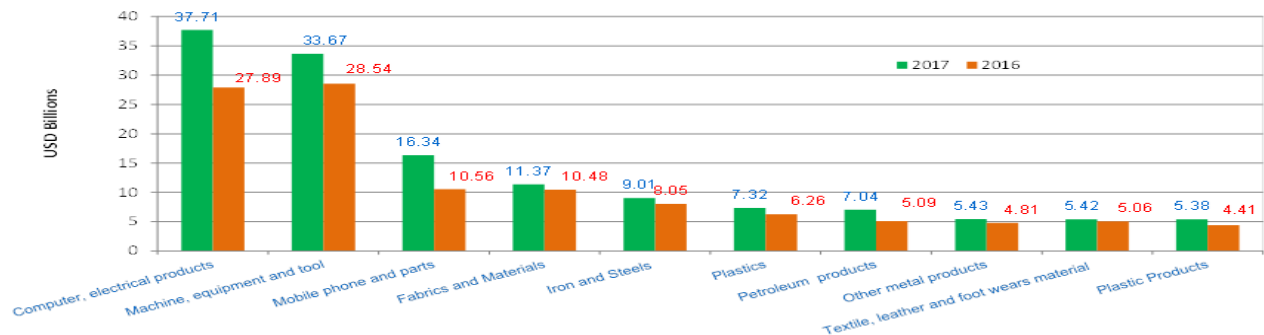


Figure 3: Top ten import products by value in 2016-2017

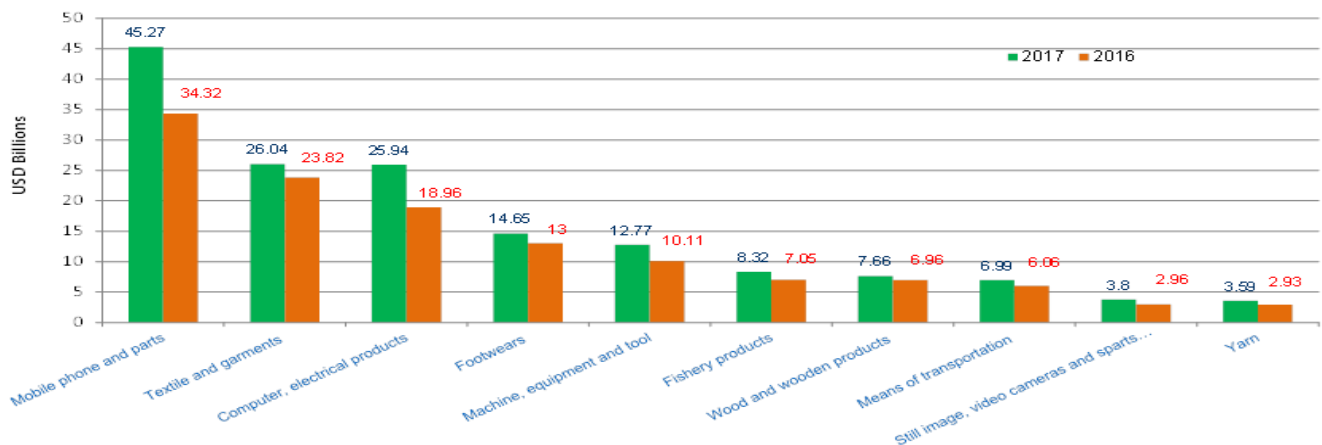


Figure 4: Top ten export products by value in 2016-2017

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*

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- $Inventory/ Monthly Sale (\%) = \{Inventory / (Total Sales / 12)\} * 100$
- $Shareholder Equity Ratio (\%) = (Owner's Equity / Total Assets) * 100$
- $Total Loan/ Total Assets (\%) = \{ (Short-term loans and financial leases + Long-term loans and financial leases) / Totals Assets \} * 100$
- $Liability/ Total Asset (\%) = (Liabilities / Total Assets) * 100$
- $Liability/ Owner's equity (\%) = (Liabilities / Owner's Equity) * 100$
- $Ebit / Total asset (\%) ROA = (Ebit / Total asset) * 100$
- $Ebit / Owner's equity (\%) ROE = (Ebit / Owner's equity) * 100$
- $Ebit / Total revenue (\%) NPM = (Ebit / Total revenue) * 100$
- $Gross Profit / Total revenue (\%) GPM = (Gross Profit / Total revenue) * 100$

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.42
UK Pound	1	INR 94.26
Euro	1	INR 83.69
VND	1	INR 0.0031

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	KET

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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)