

## MIRA INFORM REPORT

<b>Report No. :</b>	528895
<b>Report Date :</b>	14.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	ZEON ASIA PTE LTD
<b>Registered Office :</b>	331, North Bridge Road, 20-01/02, Odeon Towers, 188720
<b>Country :</b>	Singapore
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	04.12.1997
<b>Com. Reg. No.:</b>	199708247R
<b>Legal Form :</b>	Private Limited (Limited by Share)
<b>Line of Business :</b>	Subject is principally engaged in the wholesale of rubber, latex and chemicals.
<b>No. of Employees :</b>	10 [2018]

### RATING & COMMENTS

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

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

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	No Complaints
<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)
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.	: 199708247R
COMPANY NAME	: ZEON ASIA PTE LTD
FORMER NAME	: N/A
INCORPORATION DATE	: 04/12/1997
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS	: NO
REGISTERED ADDRESS	: 331, NORTH BRIDGE ROAD, 20-01/02, ODEON TOWERS, 188720, SINGAPORE.
BUSINESS ADDRESS	: 331 NORTH BRIDGE ROAD, #20-01/02, ODEON TOWERS, 188720, SINGAPORE.
TEL.NO.	: 65-63322338
FAX.NO.	: 65-63322339
CONTACT PERSON	: TOSHIHIRO INOUE ( DIRECTOR )
PRINCIPAL ACTIVITY	: WHOLESALE OF RUBBER,LATEX AND CHEMICALS
ISSUED AND PAID UP CAPITAL	: 500,000.00 ORDINARY SHARE, OF A VALUE OF SGD 500,000.00
SALES	: USD 192,552,068 [2017]
NET WORTH	: USD 17,893,279 [2017]
STAFF STRENGTH	: 10 [2018]
LITIGATION	: CLEAR
FINANCIAL CONDITION	: STRONG
PAYMENT	: AVERAGE
MANAGEMENT	: AVERAGE
CAPABILITY	
COMMERCIAL RISK	: LOW
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) wholesale of rubber, latex and chemicals.

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The immediate and ultimate holding company of the Subject is ZEON CORPORATION, a company incorporated in JAPAN.

Share Capital History

Date Issue & Paid Up Capital  
07/09/2018 SGD 500,000.00

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

Current Shareholder(s) :

Name	Address	IC/PP/Loc No	Shareholding	(%)
ZEON CORPORATION	SHIN MARUNOUCHI CENTRE BUILDING, 1-6-2, MARUNOUCHI, CHIYODA-KU, TOKYO, 100-8246 JAPAN	T05UF0352	500,000.00	100.00
			-----	-----
			500,000.00	100.00
			=====	=====

+ Also Director

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

Local No	Country	Company	Status	(%)	As At
810709A	MALAYSIA	ZEON ASIA MALAYSIA SDN. BHD.	-	100.00	31/12/2017
	INDIA	ZEON INDIA PTE. LTD	-	99.00	31/12/2017

***DIRECTORS***

DIRECTOR 1

Name Of Subject : TOSHIHIRO INOUE  
Address : 6-11-22, HONFUJISAWA, FUJISAWA, KANAGAWA, 251-0875, JAPAN.  
IC / PP No : TH9673362  
Nationality : JAPANESE  
Date of Appointment : 27/06/2013

INTEREST CHECK

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

INTEREST IN COMPANY

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**ZEON ASIA PTE LTD - 528895**

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N o	Local No	Compan y	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financi al Year	Statu s	As At
1	810709A	ZEON ASIA MALAYSIA SDN. BHD.	Director	11/07/2013	0.0 - 0	MYR517,874.00	2017	-	28/08/2018
2	199708247R	ZEON ASIA PTE LTD	Director	27/06/2013	0.0 - 0	USD3,457,461.00	2017	-	07/09/2018

**DIRECTOR 2**

Name Of Subject : KAZUYOSHI MATSUURA  
Address : 5-9-34-2, SUGAO MIYAMAE, KASAWAKI KANAGAWA PREF, JAPAN.  
IC / PP No : TR5048664  
Nationality : JAPANESE  
Date of Appointment : 01/08/2015

**INTEREST CHECK**

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

**INTEREST IN COMPANY**

N o	Local No	Compa ny	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financi al Year	Statu s	As At
1	199708247R	ZEON ASIA PTE LTD	Director	01/08/2015	0.0 - 0	USD3,457,461.00	2017	-	07/09/2018

**DIRECTOR 3**

Name Of Subject : JIRO OSAWA  
Address : 1, ALEXANDRA VIEW, 35-04 ASCENTIA SKY, 158748, SINGAPORE.  
IC / PP No : G3393422Q  
Nationality : JAPANESE  
Date of Appointment : 04/09/2017

**INTEREST CHECK**

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

**INTEREST IN COMPANY**

N	Local No	Company	Designation	App Date	Shareholding No. %	Profit/(loss) After Tax	Financial Year	Status	As At
1	19970824 7R	ZEON ASIA PTE LTD	Director	04/09/20 17	0.0 0	USD3,457,461 .00	2017	-	07/09/20 18

**MANAGEMENT**

- 1) Name of Subject : JIRO OSAWA  
Position : MANAGING DIRECTOR
- 2) Name of Subject : TOSHIHIRO INOUE  
Position : DIRECTOR

**AUDITOR**

Firm No	Firm Name	Address	As At Date
	ERNST & YOUNG LLP	N/A	31/12/2017

**COMPANY SECRETARIES**

- 1) Company Secretary : CHO FORM PO  
IC / PP No : S7367687H  
Address : 50, RAFFLES PLACE, 32-01, SINGAPORE LAND TOWER, 048623, SINGAPORE.  
Date of Appointment : 07/11/2013

## **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.*

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

## **CLIENTELE**

Local : YES  
Domestic Markets : SINGAPORE  
Overseas : YES

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Export Market : WORLDWIDE  
Credit Term : N/A  
Payment Mode : CHEQUES  
TELEGRAPHIC TRANSFER (TT)

## **OPERATIONS**

Goods : RUBBER,LATEX AND CHEMICALS  
Traded

Total Number of Employees:

YEAR	2018	2017	2016	2015	2014
GROUP	N/A	N/A	N/A	N/A	N/A
COMPANY	10	10	10	10	10

Branch : NO  
Other Information:

The Subject is principally engaged in the (as a / as an) wholesale of rubber,latex and chemicals.

The Subject sells rubber.

The Subject sells the products according to its customers' requirements.

## **CURRENT INVESTIGATION**

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : 6563322338

Client

Current Telephone Number : 65-63322338

Match : YES

Address Provided by Client : 331, NORTH BRIDGE ROAD, # 20-01/02 ODEON TOWERS, 188720

Current Address : 331 NORTH BRIDGE ROAD, #20-01/02, ODEON TOWERS, 188720,  
SINGAPORE.

Match : YES

Other Investigations

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

## **FINANCIAL ANALYSIS**

### Profitability

	:	Erratic	[	2013 - 2017	]
Profit/(Loss) Before Tax	:	Increased	[	2013 - 2017	]
Return on Shareholder Funds	:	Acceptable	[	19.32%	]
Return on Net Assets	:	Acceptable	[	22.00%	]

The fluctuating turnover reflects the fierce competition among the existing and new market players. The higher profit could be attributed to the increase in turnover. The Subject's management had generated acceptable return for its shareholders using its assets.

### Working Capital Control

Stock Ratio	:	Favourable	[	2 Days	]
Debtor Ratio	:	Favourable	[	39 Days	]
Creditors Ratio	:	Favourable	[	2 Days	]

The Subject's stocks were moving fast thus reducing its holding cost. This had reduced funds being tied up in stocks. The favourable debtors' days could be due to the good credit control measures implemented by the Subject. The Subject had a favourable creditors' ratio where the Subject could be taking advantage of the cash discounts and also wanting to maintain goodwill with its creditors.

### Liquidity

Liquid Ratio	:	Favourable	[	1.56 Times	]
Current Ratio	:	Unfavourable	[	1.59 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	:	Nil	[	0.00 Times	]
Gearing Ratio	:	Favourable	[	0.00 Times	]

The Subject's interest cover was nil as it did not pay any interest during the year. The Subject had no gearing and hence it had virtually no financial risk. The Subject was financed by its shareholders' funds and internally generated fund. During the economic downturn, the Subject, having a zero gearing, will be able to compete better than those which are highly geared in the same industry.

### Overall Assessment :

Although the turnover was erratic, the Subject had maintained a steady growth in its profit. This indicate the management's efficiency in controlling its costs and profitability. 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 did not make any interest payment during the year. The Subject was dependent on its shareholders' funds to finance its business needs. The Subject was a zero gearing company, it was solely dependant on its shareholders to provide funds to finance its business. The Subject has good chance of getting loans, if the needs arises.

Overall financial condition of the Subject : **STRONG**

## **SINGAPORE ECONOMIC / INDUSTRY OUTLOOK**

Major Economic Indicators :	2013	2014	2015	2016	2017*
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Population (Million)	5.40	5.47	5.54	5.61	5.61
Gross Domestic Products ( % )	5.1	3.9	2.2	2.4	3.6
Consumer Price Index	2.4	1.0	(0.5)	(0.5)	0.6
Total Imports (Million)	466,762.0	463,779.1	407,767.9	398,372.0	403,300.0
Total Exports (Million)	513,391.0	518,922.7	476,285.4	468,552.0	466,900.0
Unemployment Rate (%)	1.9	1.9	1.9	2.1	-
Tourist Arrival (Million)	15.46	15.01	15.23	16.28	-
Hotel Occupancy Rate (%)	86.3	85.5	84.0	83.1	84.7
Cellular Phone Subscriber (Million)	1.97	1.98	1.99	-	-
Registration of New Companies (No.)	37,288	41,589	34,243	35,227	37,395
Registration of New Companies (%)	9.8	11.5	(17.7)	2.9	6.2
Liquidation of Companies (No.)	17,369	18,767	21,384	23,218	22,379
Liquidation of Companies (%)	(5.3)	8.0	13.9	8.6	(3.6)
Registration of New Businesses (No.)	22,893	35,773	28,480	27,120	22,148
Registration of New Businesses (%)	1.70	56.30	(20.39)	(4.78)	(18.33)
Liquidation of Businesses (No.)	22,598	22,098	26,116	35,866	24,344
Liquidation of Businesses (%)	0.5	(2.2)	18.2	37.3	(32.1)
Bankruptcy Orders (No.)	1,992	1,757	1,776	1,797	1,638
Bankruptcy Orders (%)	14.0	(11.8)	1.0	1.2	(8.9)
Bankruptcy Discharges (No.)	2,584	3,546	3,499	4,359	2,030
Bankruptcy Discharges (%)	37.4	37.2	(1.3)	24.6	(53.4)
<b>INDUSTRIES ( % of Growth ) :</b>					
<b>Agriculture</b>					
Production of Principal Crops	1.78	4.29	3.04	-	-
Fish Supply & Wholesale	(3.8)	(8.6)	(8.5)	(9.9)	-
<b>Manufacturing #</b>					
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

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Transport Equipment	111.1	106.68	100.0	101.0	99.5
Construction	25.40	22.00	-	-	-
Real Estate	88.5	145.1	-	-	-
Services					
Electricity, Gas & Water	6.70	6.50	-	-	-
Transport, Storage & Communication	9.80	14.20	-	-	-
Finance & Insurance	3.30	6.00	-	7.40	-
Government Services	6.50	6.30	-	-	-
Education Services	3.10	5.98	-	2.40	-

\* Estimate / Preliminary

# Based on Index of Industrial Production (2015 = 100)

## **INDUSTRY ANALYSIS**

### **INDUSTRY 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 1997, the Subject is a Private Limited company, focusing on wholesale of rubber, latex and chemicals. The Subject has been in business for over two decades. It has built up a strong clientele base and satisfactory reputation will enable the Subject to further enhance its business in the near term. The Subject is expected to enjoy a stable market shares. Presently, the issued and paid up capital of the Subject stands at SGD 500,000. With a strong backing from its holding company, the Subject enjoys timely financial assistance should the needs arise.

Over the years, the Subject has penetrated into both the local and overseas market. The Subject has positioned itself in the global market and is competing in the industry. Its stable clientele base will enable the Subject to further enhance its business in the near term. Being a small company, the Subject's business operation is supported by 10 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.

We noted that both the turnover and profits have increased compared to the previous year. The higher profit could be due to increase in turnover and better control over its operating costs. Return on shareholders' funds of the Subject was at an acceptable range which indicated that the management was efficient in utilising its funds to generate income. The Subject is in good liquidity position with its current liabilities well covered by its current assets. Hence, it has sufficient working capital to meet its short term financial obligations. Being a zero geared company, the Subject virtually has no financial risk as it is mainly dependent on its internal funds to finance its business. Given a positive net worth standing at USD 17,893,279, the Subject should be able to maintain its business in the near terms.

The Subject's payment habit is average. With its adequate working capital, the Subject should be able to pay its short term debts.

The industry has reached its maturity stage and only enjoying a marginal growth. The steady growth of the country's economy will further enhance the industry activities. Thus, the Subject's future performance is very much depend on its marketing strategies in order to retain its position in the market.

Based on the above condition, we recommend credit be granted to the Subject promptly.

## **PROFIT AND LOSS ACCOUNT**

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

ZEON ASIA PTE LTD

Financial Year End	2017-12-31	2016-12-31	2015-12-31	2014-12-31	2013-12-31
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Months	12	12	12	12	12
Consolidated Account	GROUP	GROUP	GROUP	GROUP	GROUP
Audited Account Unqualified	YES	YES	YES	YES	YES
Auditor's Report (Clean Opinion)	YES	YES	YES	YES	YES
Financial Type	FULL	FULL	FULL	FULL	FULL
Currency	USD	USD	USD	USD	USD
TURNOVER	192,552,068	147,893,478	168,969,464	153,076,757	137,693,793
	-----	-----	-----	-----	-----
Total Turnover	192,552,068	147,893,478	168,969,464	153,076,757	137,693,793
Costs of Goods Sold	(185,606,411)	(142,449,533)	(163,216,467)	(147,603,262)	(132,542,766)
	-----	-----	-----	-----	-----
Gross Profit	6,945,657	5,443,945	5,752,997	5,473,495	5,151,027
	-----	-----	-----	-----	-----
PROFIT/(LOSS) FROM OPERATIONS	3,936,542	2,824,011	2,636,232	2,033,240	1,965,509
	-----	-----	-----	-----	-----
PROFIT/(LOSS) BEFORE TAXATION	3,936,542	2,824,011	2,636,232	2,033,240	1,965,509
Taxation	(479,081)	(490,819)	(466,834)	(352,973)	(288,312)
	-----	-----	-----	-----	-----
PROFIT/(LOSS) AFTER TAXATION	3,457,461	2,333,192	2,169,398	1,680,267	1,677,197
Minority interests	(744)	(585)	(150)	-	-
	-----	-----	-----	-----	-----
PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS	3,456,717	2,332,607	2,169,248	1,680,267	1,677,197
	-----	-----	-----	-----	-----
PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS	3,456,717	2,332,607	2,169,248	1,680,267	1,677,197
RETAINED PROFIT/(LOSS) BROUGHT FORWARD					
As previously reported	15,963,245	13,630,638	11,461,390	9,781,123	8,103,926
	-----	-----	-----	-----	-----
As restated	15,963,245	13,630,638	11,461,390	9,781,123	8,103,926
	-----	-----	-----	-----	-----

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**ZEON ASIA PTE LTD - 528895**

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PROFIT AVAILABLE FOR APPROPRIATIONS	19,419,962	15,963,245	13,630,638	11,461,390	9,781,123
DIVIDENDS - Ordinary (paid & proposed)	(2,000,000)	-	-	-	-
RETAINED PROFIT/(LOSS) CARRIED FORWARD	17,419,962	15,963,245	13,630,638	11,461,390	9,781,123
DEPRECIATION (as per notes to P&L)	136,127	12,436	12,110	10,633	14,668
AMORTIZATION	14,382	13,855	10,633	5,664	5,664
Total Amortization And Depreciation	150,509	26,291	22,743	16,297	20,332

**BALANCE SHEET**

**ZEON ASIA PTE LTD**

**ASSETS**

**EMPLOYED:**

FIXED ASSETS 1,709,467 13,865 22,240 25,844 16,973

**LONG TERM INVESTMENTS/OTHER ASSETS**

Investments - - 192,635 59,984 97,976

Investment securities 277,949 166,569 - - -

TOTAL LONG TERM INVESTMENTS/OTHER ASSETS 277,949 166,569 192,635 59,984 97,976

**INTANGIBLE ASSETS**

Others 28,420 39,252 36,640 33,984 39,648

TOTAL INTANGIBLE ASSETS 28,420 39,252 36,640 33,984 39,648

TOTAL LONG TERM ASSETS 2,015,836 219,686 251,515 119,812 154,597

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<b>CURRENT ASSETS</b>					
Stocks	803,279	630,570	665,970	1,495,235	1,640,872
Trade debtors	20,474,163	19,895,020	22,606,209	20,008,366	18,903,703
Other debtors, deposits & prepayments	255,717	157,551	116,903	103,034	99,847
Short term deposits	198,648	196,024	43,107	16,187	165,715
Amount due from holding company	17,611,436	16,184,717	12,292,140	10,599,921	16,009,305
Amount due from related companies	2,245,856	1,630,112	1,910,378	751,789	764,769
Cash & bank balances	1,400,044	1,117,381	1,083,845	1,290,883	2,409,398
Others	21,058	25,772	61,534	43,989	21,843
<b>TOTAL CURRENT ASSETS</b>	<b>43,010,201</b>	<b>39,837,147</b>	<b>38,780,086</b>	<b>34,309,404</b>	<b>40,015,452</b>
<b>TOTAL ASSET</b>	<b>45,026,037</b>	<b>40,056,833</b>	<b>39,031,601</b>	<b>34,429,216</b>	<b>40,170,049</b>
	=====	=====	=====	=====	=====
	==	==	==	==	==
<b>CURRENT LIABILITIES</b>					
Trade creditors	1,076,274	952,305	1,410,560	1,254,731	844,106
Other creditors & accruals	1,068,080	854,115	115,814	270,941	538,439
Amounts owing to holding company	9,699,302	8,067,580	11,886,225	11,011,304	14,609,537
Amounts owing to related companies	14,719,028	13,359,741	11,136,188	9,811,752	13,795,099
Provision for taxation	509,597	504,005	478,115	324,935	279,452
<b>TOTAL CURRENT LIABILITIES</b>	<b>27,072,281</b>	<b>23,737,746</b>	<b>25,026,902</b>	<b>22,673,663</b>	<b>30,066,633</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>15,937,920</b>	<b>16,099,401</b>	<b>13,753,184</b>	<b>11,635,741</b>	<b>9,948,819</b>
	-----	-----	-----	-----	-----
<b>LONG TERM LIABILITIES</b>					
Deferred taxation	1,637	1,637	1,637	1,720	1,745
Others	58,840	-	-	-	-
<b>TOTAL LONG TERM LIABILITIES</b>	<b>60,477</b>	<b>1,637</b>	<b>1,637</b>	<b>1,720</b>	<b>1,745</b>
	-----	-----	-----	-----	-----
<b>TOTAL NET ASSETS</b>	<b>17,893,279</b>	<b>16,317,450</b>	<b>14,003,062</b>	<b>11,753,833</b>	<b>10,101,671</b>
	=====	=====	=====	=====	=====
	==	==	==	==	==

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**FINANCED BY:**

**SHARE CAPITAL**

Ordinary share capital	301,296	301,296	301,296	301,296	301,296
<b>TOTAL SHARE CAPITAL</b>	<b>301,296</b>	<b>301,296</b>	<b>301,296</b>	<b>301,296</b>	<b>301,296</b>
<b>CAPITAL RESERVES</b>					
Exchange equalisation/fluctuation reserve	684	3,535	(3,095)	10,094	255
General reserve	-	-	74,073	(18,947)	18,997
Retained profit/(loss) carried forward	17,419,962	15,963,245	13,630,638	11,461,390	9,781,123
Others	167,593	46,374	-	-	-
<b>TOTAL RESERVES</b>	<b>17,588,239</b>	<b>16,013,154</b>	<b>13,701,616</b>	<b>11,452,537</b>	<b>9,800,375</b>
<b>MINORITY INTEREST</b>	<b>3,744</b>	<b>3,000</b>	<b>150</b>	<b>-</b>	<b>-</b>
<b>SHAREHOLDERS' FUNDS/EQUITY</b>	<b>17,893,279</b>	<b>16,317,450</b>	<b>14,003,062</b>	<b>11,753,833</b>	<b>10,101,671</b>

**FINANCIAL RATIO**

**ZEON ASIA PTE LTD**

**TYPES OF FUNDS**

Cash	1,598,692	1,313,405	1,126,952	1,307,070	2,575,113
Net Liquid Funds	1,598,692	1,313,405	1,126,952	1,307,070	2,575,113
Net Liquid Assets	15,134,641	15,468,831	13,087,214	10,140,506	8,307,947
Net Current Assets/(Liabilities)	15,937,920	16,099,401	13,753,184	11,635,741	9,948,819
Net Tangible Assets	17,864,859	16,278,198	13,966,422	11,719,849	10,062,023
Net Monetary Assets	15,074,164	15,467,194	13,085,577	10,138,786	8,306,202

**PROFIT & LOSS ITEMS**

Earnings Before Interest & Tax (EBIT)	3,936,542	2,824,011	2,636,232	2,033,240	1,965,509
Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	4,087,051	2,850,302	2,658,975	2,049,537	1,985,841

**BALANCE SHEET ITEMS**

Total Borrowings	0	0	0	0	0
Total Liabilities	27,132,758	23,739,383	25,028,539	22,675,383	30,068,378
Total Assets	45,026,037	40,056,833	39,031,601	34,429,216	40,170,049
Net Assets	17,893,279	16,317,450	14,003,062	11,753,833	10,101,671
Net Assets Backing	17,893,279	16,317,450	14,003,062	11,753,833	10,101,671
Shareholders' Funds	17,893,279	16,317,450	14,003,062	11,753,833	10,101,671

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Total Share Capital	301,296	301,296	301,296	301,296	301,296
Total Reserves	17,588,239	16,013,154	13,701,616	11,452,537	9,800,375
GROWTH RATIOS (Year on Year) (%)					
Revenue	30.20	(12.47)	10.38	11.17	8.07
Profit/(Loss) Before Tax	39.40	7.12	29.66	3.45	32.66
Profit/(Loss) After Tax	48.19	7.55	29.11	0.18	35.98
Total Assets	12.41	2.63	13.37	(14.29)	7.98
Total Liabilities	14.29	(5.15)	10.38	(24.59)	4.51
LIQUIDITY (Times)					
Cash Ratio	0.06	0.06	0.05	0.06	0.09
Liquid Ratio	1.56	1.65	1.52	1.45	1.28
Current Ratio	1.59	1.68	1.55	1.51	1.33
WORKING CAPITAL CONTROL (Days)					
Stock Ratio	2	2	1	4	4
Debtors Ratio	39	49	49	48	50
Creditors Ratio	2	2	3	3	2
SOLVENCY RATIOS (Times)					
Gearing Ratio	0	0	0	0	0
Liabilities Ratio	1.52	1.45	1.79	1.93	2.98
Times Interest Earned Ratio	0	0	0	0	0
Assets Backing Ratio	59.29	54.03	46.35	38.90	33.40
PERFORMANCE RATIO (%)					
Operating Profit Margin	2.04	1.91	1.56	1.33	1.43
Net Profit Margin	1.80	1.58	1.28	1.10	1.22
Return On Net Assets	22.00	17.31	18.83	17.30	19.46
Return On Capital Employed	21.89	17.26	18.77	17.25	19.38
Return On Shareholders'	19.32	14.30	15.49	14.30	16.60
Funds/Equity					
Dividend Pay Out Ratio (Times)	0.58	0	0	0	0
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 72.75
UK Pound	1	INR 94.62
Euro	1	INR 84.32
SGD	1	INR 52.43

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	PRA
<b>Report Prepared by :</b>	DNS

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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)