

## MIRA INFORM REPORT

<b>Report No. :</b>	529800
<b>Report Date :</b>	20.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	MK TECHNOLOGY CO.,LTD
<b>Registered Office :</b>	Road Tinh Lo No. 825, Binh Tien 2 Hamlet, Duc Hoa Ha Commune, Duc Hoa District, Long An Province
<b>Country :</b>	Viet Nam
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	19.09.2018
<b>Com. Reg. No.:</b>	1101831443
<b>Legal Form :</b>	Limited liability company
<b>Line of Business :</b>	The subject specializes in trading chemicals in paper industry - Its registered items: Wholesale of other chemicals, except agricultural chemicals Manufacture of measuring, testing, navigating and control equipment Manufacture of soap and detergents, cleaning and polishing preparations Manufacture of other chemical products n.e.c Machining; treatment and coating of metals
<b>No. of Employees :</b>	Not Available

### RATING & COMMENTS

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

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

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow
<b>Litigation :</b>	Clear

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**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.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
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**

	<b>Given Information</b>	<b>Verification</b>
Name	MK TECHNOLOGY CO LTD	Incorrect
Address	Provincial Road 825, Binh Tien 2 Hamlet, Duc Hoa Ha Commune, Duc Hoa Dist, Long An	Incomplete

## **COMPANY IDENTIFICATION & LEGAL FORM**

Registered English Name	MK TECHNOLOGY CO.,LTD
Registered Vietnamese Name	CONG TY TNHH MK TECHNOLOGY
Registered Short name	MK TECHNOLOGY CO., LTD
Type of Business	Limited liability company
Year Established	2016
Business Registration No.	1101831443
Date of Registration	19 Sep 2016
Place of Registration	Long An Department of Planning and Investment
Charter capital	VND 1,500,000,000
Listed Company	No
Tax code	1101831443
Total Employees	N/A

## **ADDRESSES**

### **Head Office**

Address	Road Tinh Lo No. 825, Binh Tien 2 Hamlet, Duc Hoa Ha Commune, Duc Hoa District, Long An Province, Vietnam
Telephone	(84-272) 3779 304/ +84 903 171 343

*Note: The above tel cannot be contacted.*

## **DIRECTORS**

<b>NAME</b>	<b>Mr. NGUYEN DUC DUNG</b>
Position	Director
Date of Birth	11 Nov 1963
ID Number/Passport	079063000898
ID Issue Date	25 Mar 2016
ID Issue Place	Ho Chi Minh Department of Public Security
Permanent Address	No. 2/108K, Dinh Hamlet, Tan Xuan Commune, Hoc Mon District, Ho Chi Minh City, Vietnam
Nationality	Vietnamese
Tel/Mobile phone	+84 903 171 343

## **BUSINESS NATURE AND ACTIVITIES**

The subject specializes in trading chemicals in paper industry

- Its registered items:

Wholesale of other chemicals, except agricultural chemicals

Manufacture of measuring, testing, navigating and control equipment

Manufacture of soap and detergents, cleaning and polishing preparations

Manufacture of other chemical products n.e.c

Machining; treatment and coating of metals

Manufacture of starches and starch products

Manufacture of other food products n.e.c.

Manufacture of pulp, paper and paperboard

Manufacture of corrugated paper and paperboard and of containers of paper and paperboard

Other specialized construction activities

Wholesale of other machinery and equipment n.e.c

## **TRADE REFERENCE AND IMPORT - EXPORT ACTIVITIES**

### **IMPORT:**

- Types of products Chemical

### **EXPORT:**

*Note: Currently, the subject does not export*

## **BANKERS**

### **VIET NAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT - DUC HOA BRANCH**

Address Area 3, Duc Hoa Town, Duc Hoa District, Long An Province, Vietnam  
Telephone (84-272) 6590 999  
Fax (84-272) 6590 888

## **SHAREHOLDERS**

<b>1. NAME</b>	<b>Mr. NGUYEN DUC DUNG</b>
Position	Director
Date of Birth	11 Nov 1963
ID Number/Passport	079063000898
Issued on	25 Mar 2016
Issued Place	Ho Chi Minh Department of Public Security
Permanent Address	No. 2/108K, Dinh Hamlet, Tan Xuan Commune, Hoc Mon District, Ho Chi Minh City, Vietnam
Mobile phone	+84 903 171 343
Nationality	Vietnamese
Value of shares	VND 800,000,000
Percentage	53.33%

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<b>2. NAME</b>	<b>Mr. BUI QUANG LONG</b>
ID Number/Passport	025910562
Permanent Address	No. 35/9, Bac Lam Street, Ba Diem Commune, Hoc Mon District, Ho Chi Minh City, Vietnam
Nationality	Vietnamese
Value of shares	VND 700,000,000
Percentage	46.67%

## ***FINANCIAL STATEMENTS***

### **BALANCE SHEET**

**Unit: One VND**

<b>Balance sheet date</b>	<b>FYE 31 Dec 2017</b>	<b>FYE 31 Dec 2016</b>
<b>Audit status</b>	<b>Unaudited</b>	<b>Unaudited</b>
<b>ASSETS</b>		
<b>Current Assets</b>	<b>25,796,914,859</b>	<b>7,418,479,411</b>
<b>Inventories</b>	<b>7,088,091,016</b>	<b>5,690,464,120</b>
<b>Long-Term Assets</b>	<b>1,628,057,552</b>	<b>1,123,590,909</b>
<b>TOTAL ASSETS</b>	<b>27,424,972,411</b>	<b>8,542,070,320</b>
<b>LIABILITIES</b>		
<b>LIABILITIES</b>	<b>22,952,893,925</b>	<b>7,042,070,320</b>
<b>OWNER'S EQUITY</b>	<b>4,472,078,486</b>	<b>1,500,000,000</b>
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>27,424,972,411</b>	<b>8,542,070,320</b>

### **PROFIT & LOSS STATEMENT**

<b>Description</b>	<b>FYE 31 Dec 2017</b>	<b>FYE 31 Dec 2016</b>
<b>Total Sale</b>	<b>164,973,899,575</b>	<b>0</b>
<b>Net revenue</b>	<b>164,973,899,575</b>	<b>0</b>
<b>Profit after tax</b>	<b>2,972,078,486</b>	<b>0</b>

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**INDUSTRY DATA**

The subject is classified in: Wholesale trade except of motor vehicles and motorcycles (Division 46 of ISIC)

Items	Industry	Percentage	All Industries
1. Annual average capital of enterprises (Bil VND)	2,804,711	12.67%	22,144,211
2. Value of fixed asset and long term investment (Bil VND)	711,061	6.79%	10,466,760
3. Net turnover from business of enterprises (Bil VND)	4,002,762	26.78%	14,949,181
4. Profit before taxes of enterprises (Bil VND)	41,639	7.53%	552,747
5. Number of employees	1,212,601	9.43%	12,856,856
6. Number of acting enterprises by size of capital (Total)	119,480	27.00%	442,485
6.1 Under 0.5 bil. VND	886	5.02%	17,656
6.2 From 0.5 to under 1 bil. VND	2,041	8.72%	23,408
6.3 From 1 to under 5 bil. VND	28,494	19.54%	145,789
6.4 From 5 to under 10 bil. VND	28,582	32.28%	88,540

**PAYMENT HISTORY & PERFORMANCE  
EXPERIENCES**

Trade Morality	Normal
Liquidity	N/A
Payment status	N/A
Financial Situation	N/A
Development trend	N/A
Litigation data	No Record
Bankruptcy	No Record
Payment Methods	Bank transfer
Sale Methods	Wholesaler
Public opinion	N/A

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## **SUMMARY**

MK TECHNOLOGY CO.,LTD was established under business registration No. 1101831443. Now, it is operating under Business Registration Number 1101831443 with Charter Capital of VND 1.5 billion. Mr. NGUYEN DUC DUNG is known as a Director of this company.

The company is located at Road Tinh Lo No. 825, Binh Tien 2 Hamlet, Duc Hoa Ha Commune, Duc Hoa District, Long An Province, Vietnam and specializes in trading chemical for paper industry. The subject imports chemical from foreign markets then distributes to paper manufacturers in domestic market.

We contacted many times with subject through its telephone numbers but it is unavailable. We also asked other numbers of subject from Vietnamese operator center but there is no data.

Although the subject was established in Sep 2016 but it has just started business in Sep 2017; therefore it has no revenue in FY2016. The year of 2017 had a strong increase in business scale with total assets recorded VND 27.4 billion in 2017 compared to VND 8.5 billion in 2016 - more than double as much as those of year 2016. Also in this year, the growth of total sales was quite effective compared to total assets' growth. Besides, its current liabilities were covered quite well by current assets which assessed subject's liquidity was fairly satisfactory.

MK starts its business for the short time so the business situation seems not really stable. Currently, it is difficult to contact with subject, so caution is needed with all transactions in this time.

## **ECONOMIC INDICATORS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>
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

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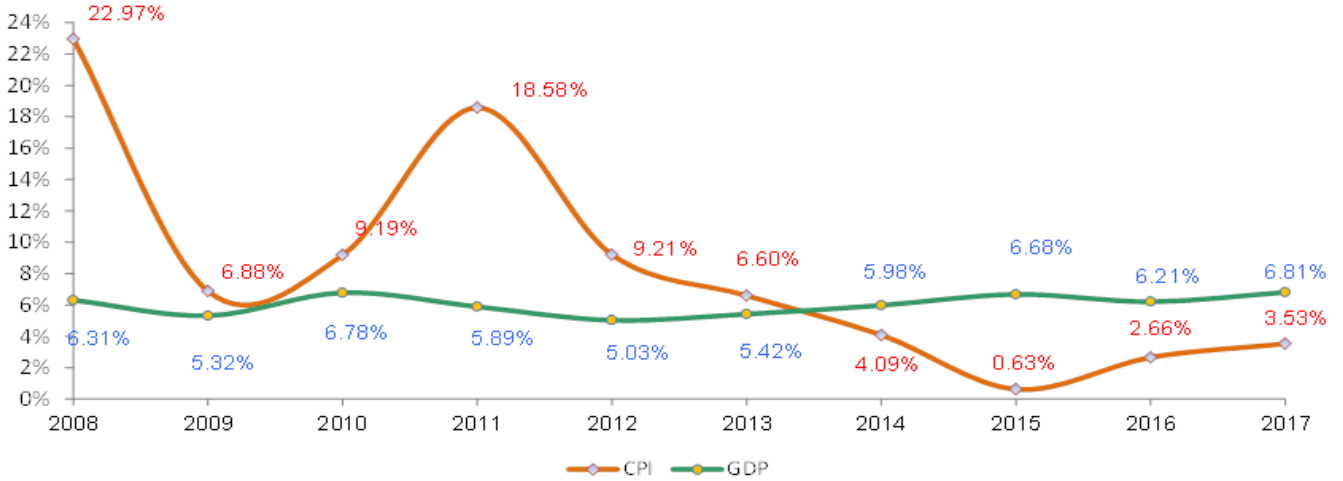


Figure 1: GDP vs. CPI trend in last ten years

**• Trade Balance**

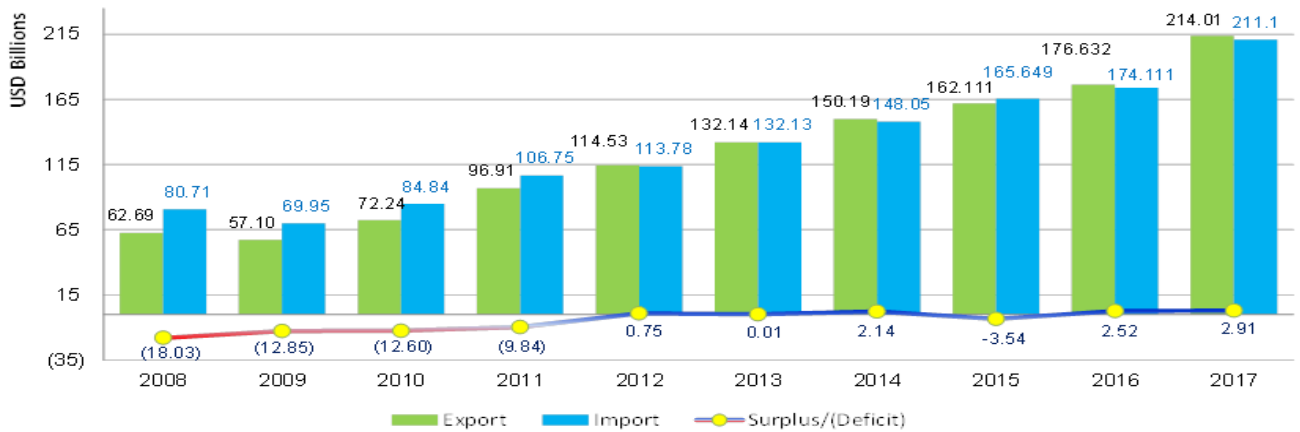


Figure 2: Import – Export balance in last ten years

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

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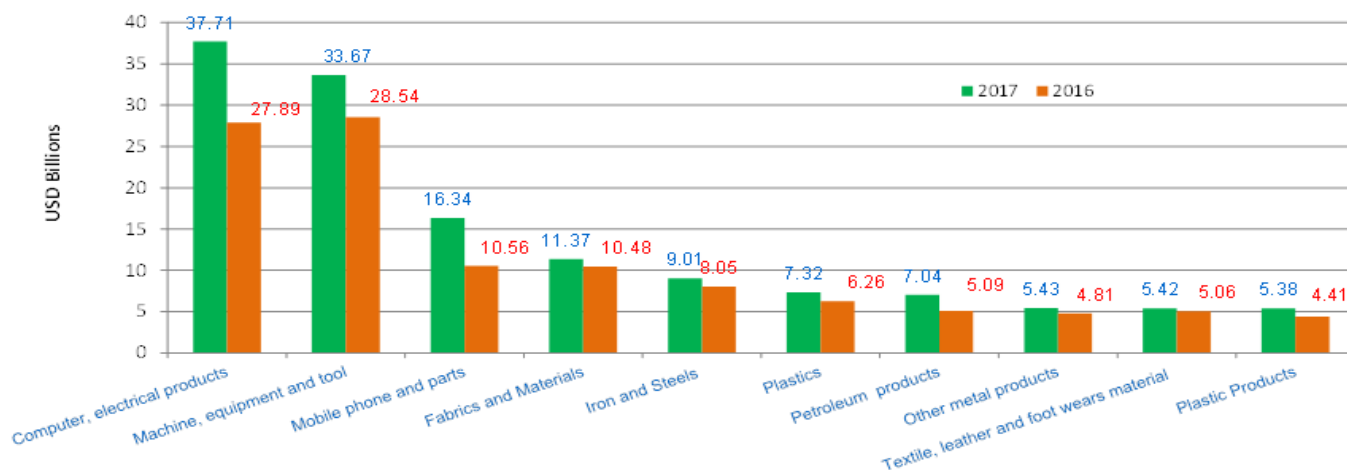


Figure 3: Top ten import products by value in 2016-2017

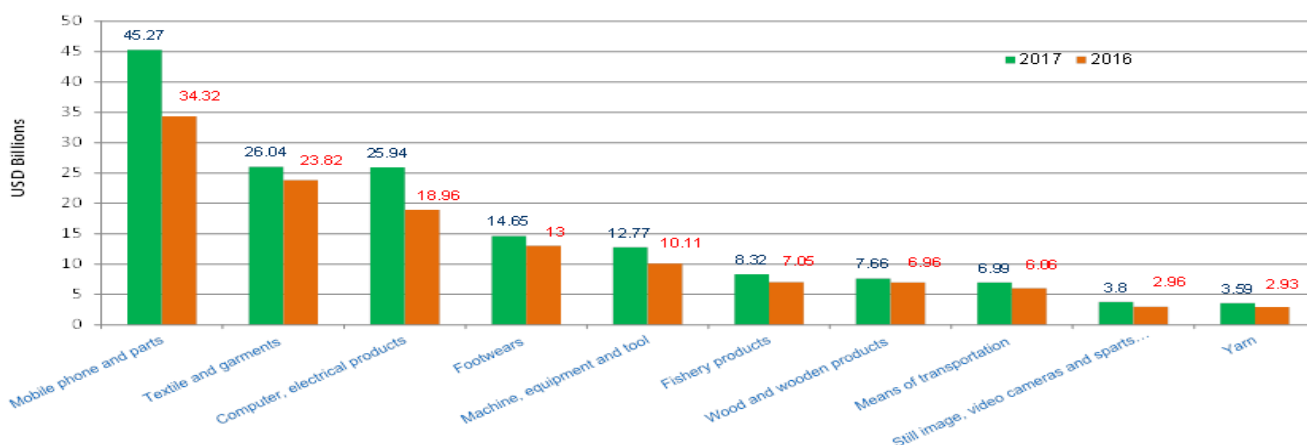


Figure 4: Top ten export products by value in 2016-2017

**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:**
  - $Current\ liquidity\ ratio\ (Times) = \frac{Current\ Asset}{Current\ Liabilities}$
  - $Quick\ Liquidity\ ratio\ (Times) = \frac{(Current\ Asset - Inventory)}{Current\ Liabilities}$

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- *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*

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupee
US Dollar	1	INR 72.68
UK Pound	1	INR 95.59
Euro	1	INR 84.90
VND	1	INR 0.0031

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

**INFORMATION DETAILS**

Analysis Done by :	VIVR
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)