

MIRA INFORM REPORT

Report No. :	531326
Report Date :	27.09.2018

IDENTIFICATION DETAILS

Name :	A&Q GENERAL TRADING COMPANY LIMITED
Registered Office :	No. 66, Ngan Son Street, Group 5, Vinh Trai Ward, Lang Son City, Lang Son Province
Country :	Vietnam
Financials (as on) :	31.12.2017
Date of Incorporation :	26.04.2010
Com. Reg. No.:	4900528181
Legal Form :	Limited Liability Company
Line of Business :	The subject is engaged in temporary import and re-export of frozen food, dried food, agricultural products. In addition, it trades fruits.
No. of Employees :	3

RATING & COMMENTS

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

MIRA's Rating :	D
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Credit Rating	Explanation	Rating Comments
D	High Risk	Business dealing not recommended or on secured terms only

Status :	Stopped Operating
Payment Behaviour :	--
Litigation :	--

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 (31.12.2017)	Current Rating (01.04.2018)
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	A&Q GENERAL TRADING COMPANY LIMITED
Vietnamese Name	CONG TY TNHH KINH DOANH THUONG MAI TONG HOP A&Q
Short name	A&Q GT CO.,LTD
Type of Business	Limited Liability Company
Year Established	2010
Business Registration No.	4900528181
Date of Registration	26 Apr 2010
Place of Registration	Lang Son Department of Planning and Investment
Charter capital	VND 10,000,000,000
Listed Company	No
Tax code	4900528181
Total Employees	3
Size	Small

Historical Identification & Legal form

List	Changed Items	Date of changes
	Subject has got former Charter capital: VND 3,000,000,000 Changed to: VND 10,000,000,000	29 Oct 2013

ADDRESSES

Head Office

Address	No. 66, Ngan Son Street, Group 5, Vinh Trai Ward, Lang Son City, Lang Son Province, Vietnam
Telephone	(84-205) 3870 381
Fax	(84-205) 3870 381
Email	congtyaq@gmail.com

Representative office in Ha Noi

Address	No. 34, Lane 151, Hong Ha Road, Phuc Xa Ward, Ba Dinh District, Ha Noi City, Vietnam
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DIRECTORS

1. NAME	Mr. NGUYEN ANH QUAN
Position	Director
Date of Birth	21 May 1959
ID Number/Passport	080680375

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ID Issue Date	04 Mar 1999
ID Issue Place	Lang Son Department of Public Security
Permanent Address	No. 66, Ngan Son Street, Group 5, Vinh Trai Ward, Lang Son City, Lang Son Province, Vietnam
Nationality	Vietnam
2. NAME	Mr. NGUYEN DUY HUNG
Position	Deputy Director
Date of Birth	15 Oct 1979
ID Number/Passport	081037682
Permanent Address	Cement Factory Collective, Mai Pha Commune, Lang Son City, Lang Son Province, Vietnam
Nationality	Vietnamese
Tel/Mobile phone	+84 984422888

BUSINESS NATURE AND ACTIVITIES

The subject is engaged in temporary import and re-export of frozen food, dried food, agricultural products. In addition, it trades fruits.

Registered business lines:

Warehousing and storage
Service activities incidental to land and rail transportation
Wholesale of metals and metal ores
Wholesale of construction materials, installation supplies
Wholesale of waste and scrap and other products n.e.c
Non-specialized wholesale trade
Other retail sale in non-specialized stores
Retail sale of food stuff in specialized stores
Retail sale of computer, computer peripheral equipment, software and telecommunication equipment in specialized stores
Retail sale of hardware, paints, glass and other construction installation equipment in specialized stores
Retail sale of electrical household appliances, furniture and lighting equipment and other household articles n.e.c in specialized stores
Retail sale of games and toys in Specialized stores
Retail sale of clothing, footwear and leather articles in specialized stores
Construction of buildings
Construction of roads and railways
Other specialized construction activities
Wholesale on a fee or contract basis
Wholesale of agricultural raw materials (except wood, bamboo) and live animals
Wholesale of food
Wholesale of beverages
Wholesale of textiles, clothing, footwear
Wholesale of other household products
Wholesale of computer, computer peripheral equipment and software
Wholesale of electronic and telecommunications equipment and supplies

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Wholesale of agricultural machinery, equipment and supplies
Wholesale of other machinery and equipment n.e.c
Other retail sale of new goods in specialized stores
Retail sale via stalls and market of other goods
Other land transport of passenger
Freight transport by road
Activities of employment placement agencies

TRADE REFERENCE AND IMPORT - EXPORT ACTIVITIES

IMPORT:

Types of products Agricultural products, frozen food, fruits
Market China, India, Norway, Australia...

EXPORT:

Market China

BANKERS

1. SAIGON THUONG TIN COMMERCIAL JOINT STOCK BANK LANG SON BRANCH

Address No. 8, Ngo Quyen Street, Lang Son City, Lang Son Province, Vietnam
Telephone (84-205) 3716324
Fax (84-205) 3716325

2. MILITARY COMMERCIAL JOINT STOCK BANK - LANG SON BRANCH

Address No. 88-90, Tran Dang Ninh Street, Hoang Van Thu Ward, Lang Son
City, Lang Son Province, Vietnam
Telephone (84-205) 6265555
Fax (84-205) 6253333

SHAREHOLDERS

1. NAME

Mr. NGUYEN ANH QUAN
Position Director
Date of Birth 21 May 1959
ID Number/Passport 080680375
Issued on 04 Mar 1999
Issued Place Lang Son Department of Public Security
Permanent Address No. 66, Ngan Son Street, Group 5, Vinh Trai Ward, Lang Son City, Lang

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Nationality	Son Province, Vietnam
Value of shares	Vietnam
Percentage	VND 9,000,000,000
	90%
2. NAME	Mr. NGUYEN DUY HUNG
Position	Deputy Director
Date of Birth	15 Oct 1979
ID Number/Passport	081037682
Permanent Address	Cement Factory Collective, Mai Pha Commune, Lang Son City, Lang Son Province, Vietnam
Mobile phone	+84 984422888
Nationality	Vietnamese
Value of shares	VND 1,000,000,000
Percentage	10%

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	67,417,715,920	148,276,943,476	194,549,801,924
Inventories	0	0	0
Long-Term Assets	22,287,492	10,036,385,789	10,055,792,799
TOTAL ASSETS	67,440,003,412	158,313,329,265	204,605,594,723
LIABILITIES			
LIABILITIES	57,079,935,767	148,019,050,614	194,349,854,764
OWNER'S EQUITY	10,360,067,645	10,294,278,651	10,255,739,959
TOTAL LIABILITIES AND OWNER'S EQUITY	67,440,003,412	158,313,329,265	204,605,594,723

PROFIT & LOSS STATEMENT

Description	FYE 31 Dec 2017	FYE 31 Dec 2016	FYE 31 Dec 2015
Total Sale	1,188,288,975,364	1,146,178,290,500	1,896,798,008,807
Net revenue	1,188,288,975,364	1,146,178,290,500	1,896,798,008,807
Profit after tax	88,985,074	38,538,692	78,672,989

INDUSTRY DATA

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

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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	Fair
Liquidity	Medium
Payment status	--
Financial Situation	Below average
Development trend	Negative
Litigation data	No Record
Bankruptcy	No Record
Payment Methods	T/T
Sale Methods	To contracts
Public opinion	Normal

INTERPRETATION ON THE SCORES

A&Q GENERAL TRADING COMPANY LIMITED was formed in 2010 by Mr. Nguyen Anh Quan and Mr. Nguyen Duy Hung that are its keys members. Its charter capital is registered at VND 10 billion.

Head office of the subject is located at No. 66, Ngan Son Street, Group 5, Vinh Trai Ward, Lang Son City, Lang Son Province, which is also private house of Mr. Nguyen Anh Quan.

The subject is chiefly engaged in service of temporary import for re-export. Its main goods are frozen food, dried food, and agricultural products that are imported from many countries such as India, Norway, Australia, etc. The export market is China only. In addition, it also imports fruits from China and provides to the domestic market.

Based on the financial data, the subject earned VND 1,188 billion in total sales in 2017, increased slightly by 3.7% compared with that in 2016. Profit after tax also gained a sharp growth of 131% to reach VND 89 million. However, the subject often took outside capital to do business. Although liabilities decreased to VND 57 billion in 2017, they still accounted for 84.64% of total assets and 550.96% of the owner's equity. Its capital structure was not safe.

In our interview, Mr. Nguyen Duy Hung, Deputy Director said that the subject has stopped operating for a few

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months. It is completing the procedures for closing the tax code. Therefore, caution is needed for any transactions with the subject.

• **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

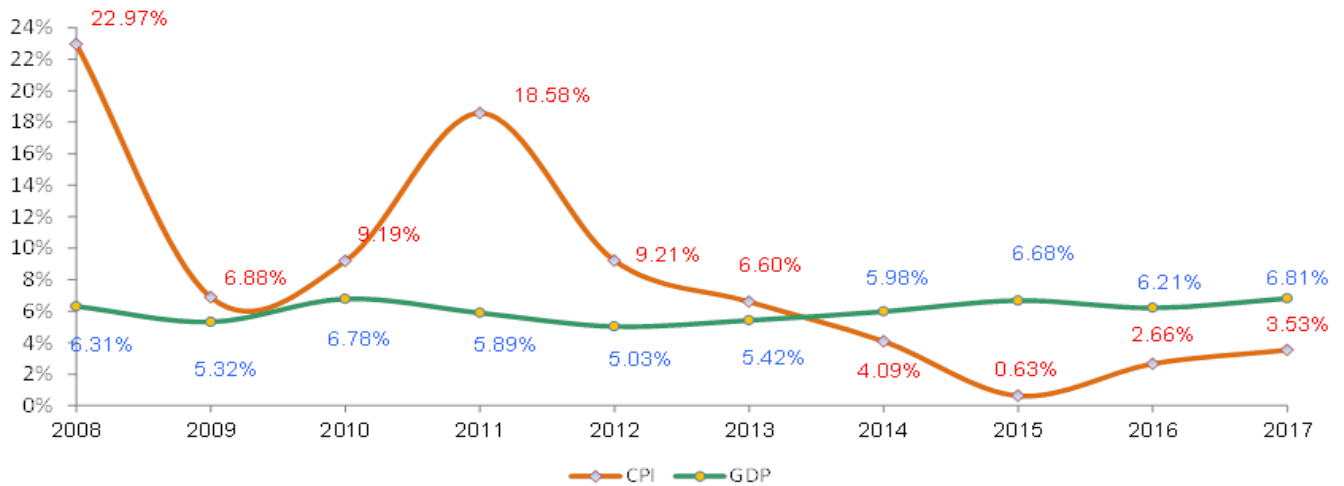


Figure 1: GDP vs. CPI trend in last ten years

• **Trade Balance**

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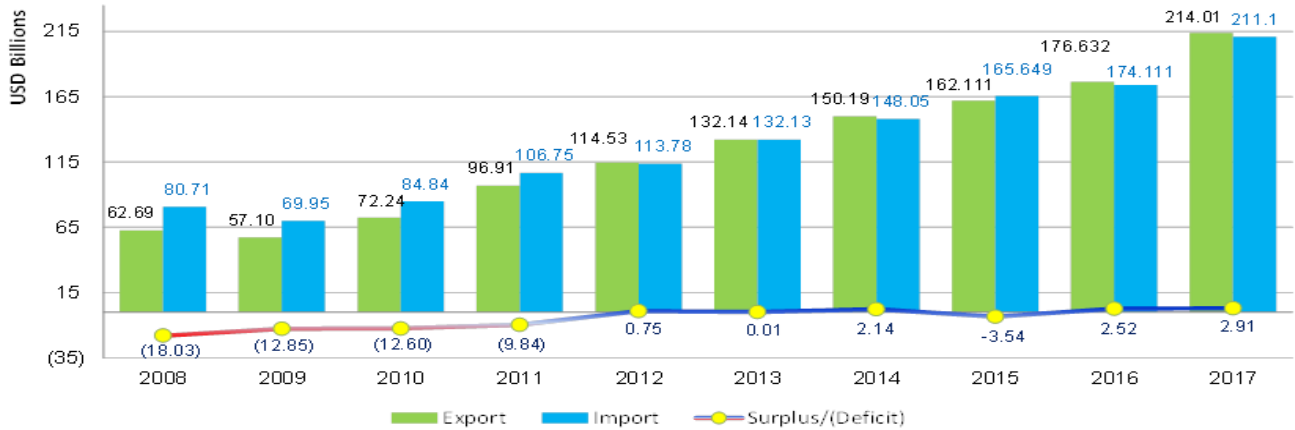


Figure 2: Import – Export balance in last ten years

• Import – Export Value by Major Type of Products

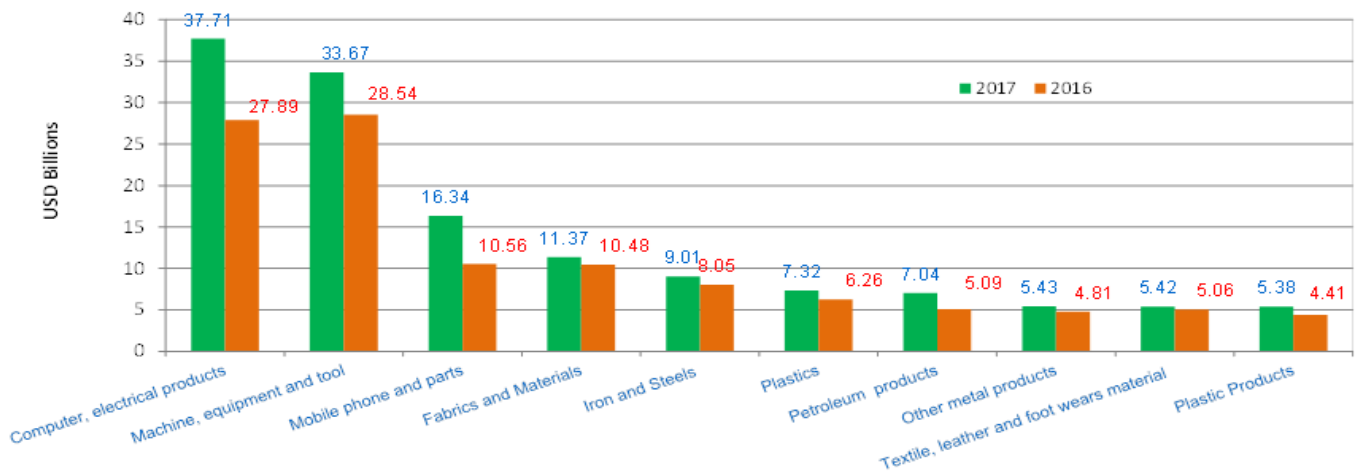


Figure 3: Top ten import products by value in 2016-2017

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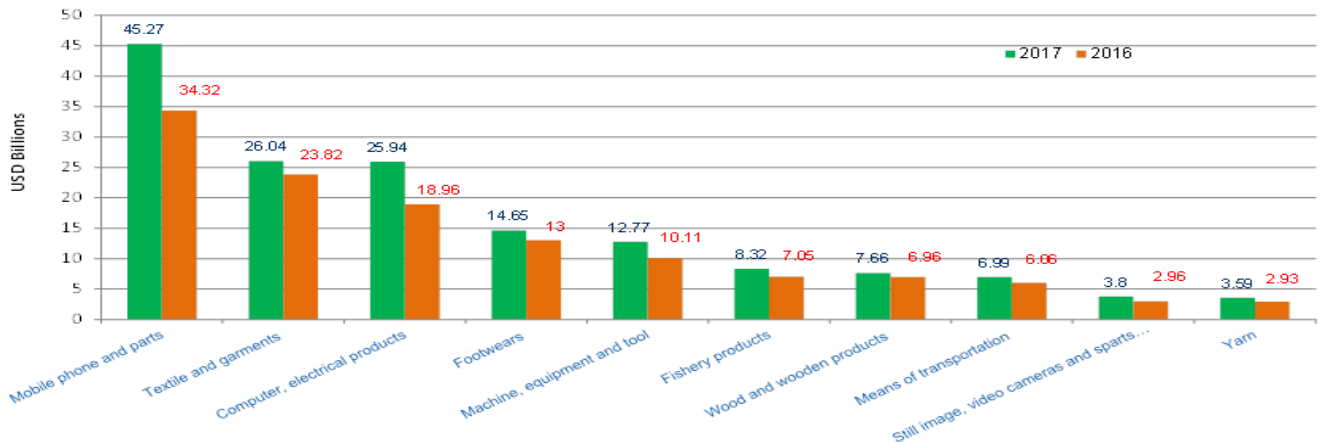


Figure 4: Top ten export products by value in 2016-2017

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*

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.72
UK Pound	1	INR 95.77
Euro	1	INR 85.54
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 :	TPT

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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)