

## MIRA INFORM REPORT

<b>Report No. :</b>	531465
<b>Report Date :</b>	27.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	CTS SINGAPORE PTE. LTD.
<b>Registered Office :</b>	3, Anson Road, 07-01 Springleaf Tower, 079909
<b>Country :</b>	Singapore
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	09.02.1979
<b>Com. Reg. No.:</b>	197900344D
<b>Legal Form :</b>	Private Limited (Limited By Share)
<b>Line of Business :</b>	Subject is principally engaged in the trading of electronic components, quartz crystals.
<b>No. of Employees :</b>	21 [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>	Satisfactory
<b>Payment Behaviour :</b>	Slow but Correct
<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.	: 197900344D
COMPANY NAME	: <b>CTS SINGAPORE PTE. LTD.</b>
FORMER NAME	: N/A
INCORPORATION DATE	: 09/02/1979
COMPANY STATUS	: EXIST
LEGAL FORM	: PRIVATE LIMITED (LIMITED BY SHARE)
LISTED STATUS	: NO
REGISTERED ADDRESS	: 3, ANSON ROAD, 07-01 SPRINGLEAF TOWER, 079909, SINGAPORE.
BUSINESS ADDRESS	: 6 SERANGOON NORTH AVE 5 #04-09, 554910, SINGAPORE.
TEL.NO.	: 65-65517551
FAX.NO.	: 65-64816375
WEB SITE	: WWW.CTSCORP.COM
CONTACT PERSON	: JEFFREY GULBRANSON ( DIRECTOR )
PRINCIPAL ACTIVITY	: TRADING OF ELECTRONIC COMPONENTS, QUARTZ CRYSTALS
ISSUED AND PAID UP CAPITAL	: 3,458,954.00 ORDINARY SHARE, OF A VALUE OF SGD 27,330,750.00
SALES	: USD 11,885,601 [2017]
NET WORTH	: USD 23,476,473 [2017]
STAFF STRENGTH	: 21 [2018]
LITIGATION	: CLEAR
FINANCIAL CONDITION	: STRONG
PAYMENT MANAGEMENT CAPABILITY	: SLOW BUT CORRECT
	: AVERAGE
COMMERCIAL RISK	: LOW
CURRENCY EXPOSURE	: MODERATE
GENERAL REPUTATION	: GOOD
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) trading of electronic components, quartz crystals.

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**Former Address(es)**

**Address**

14, ANG MO KIO INDUSTRIAL PARK 2, 569503

**As At  
Date  
N/A**

**Share Capital History**

**Date Issue & Paid Up Capital**

24/09/2018 SGD 27,330,750.00

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

**Current Shareholder(s) :**

Name	Address	IC/PP/Loc No	Shareholding	(%)
CTS ELECTRONICS HONG KONG LTD	6TH FLOOR, ALEXANDRA HOUSE, 18 CHATER ROAD, CENTRAL HONG KONG	T18UF5075	3,458,954.00	100.00
			----- 3,458,954.00	----- 100.00
			=====	=====

+ Also Director

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

Local No	Country	Company	Status	(%)	As At
	INDIA	CTS INDIA PRIVATE LIMITED	-	99.00	31/12/2017

***DIRECTORS***

**DIRECTOR 1**

Name Of Subject : JEFFREY GULBRANSON  
Address : 14552, WINDWARD DRIVE, GRANGER INDIANA, 46530, UNITED STATES.  
IC / PP No : 44418020  
Nationality : AMERICAN  
Date of Appointment : 09/12/2015

**INTEREST CHECK**

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

**INTEREST IN COMPANY**

No	Local No	Company	Designation	App Date	Shareholding	Profit/(loss) After Tax	Financial	Stat us	As At
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					No.	%		Year		
1	19790034 4D	CTS SINGAPO RE PTE. LTD.	Director	09/12/20 15	0.0 0	-	USD2,322,81 0.00	2017	-	24/09/20 18

**DIRECTOR 2**

Name Of Subject : PAULINE ANG HOOI YEONG  
Address : 3, ANSON ROAD, 07-01, SPRINGLEAF TOWER, 079909, SINGAPORE.  
Other Address(es) : 20, PINE GROVE, 01-05, CAVENDISH PARK, 597595, SINGAPORE.  
IC / PP No : S0011559B  
Nationality : SINGAPOREAN  
Date of : 15/06/1995  
Appointment

**INTEREST CHECK**

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

**INTEREST IN COMPANY**

N	Local No	Company	Designati on	App Date	Shareholdi ng No	%	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	19720023 8N	CRU ASIA LIMITED	Secretary	01/01/20 11	0.0 0	-	-	-	-	07/09/20 17
2	19790034 4D	CTS SINGAPO RE PTE. LTD.	Director Secretary	15/06/19 95 06/04/19 79	0.0 0	-	USD2,322,810. 00	2017	-	24/09/20 18
3	20082029 9E	LINING SPORTS SINGAPO RE PTE. LTD.	Secretary	01/01/20 09	0.0 0	-	SGD(2,779,64 8.00)	2011	-	01/02/20 13
4	20100583 2C	MSP TRACTO RS PTE. LTD.	Secretary	22/04/20 10	0.0 0	-	-	2011	-	10/01/20 18

**DIRECTOR 3**

Name Of Subject : ANDREW JEFFREY WARREN  
Address : 397 WOODVALE AVENUE, DEERFIELD, ILLINOIS, 60015, UNITED STATES.  
IC / PP No : 488777069

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Nationality : AMERICAN  
Date of : 27/03/2017  
Appointment

**INTEREST CHECK**

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

INTEREST IN COMPANY

N	Local No	Company	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	19790034 4D	CTS SINGAPO RE PTE. LTD.	Director	27/03/20 17	0.0 - 0	USD2,322,81 0.00	2017	-	24/09/20 18

**DIRECTOR 4**

Name Of Subject : WILLIAM M CAHILL  
Address : 446 S PARK, WESTMONT, ILLINOIS, 60559, UNITED STATES.  
IC / PP No : 44738109  
Nationality : AMERICAN  
Date of : 09/12/2015  
Appointment

**INTEREST CHECK**

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

INTEREST IN COMPANY

N	Local No	Company	Designati on	App Date	Shareholdi ng No. %	Profit/(loss) After Tax	Financ ial Year	Stat us	As At
1	19790034 4D	CTS SINGAPO RE PTE. LTD.	Director	09/12/20 15	0.0 - 0	USD2,322,81 0.00	2017	-	24/09/20 18

***MANAGEMENT***

1) Name of : JEFFREY GULBRANSON  
Subject

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Position : DIRECTOR

## **AUDITOR**

<b>Firm No</b>	<b>Firm Name</b>	<b>Address</b>	<b>As At Date</b>
	GRANT THORNTON AUDIT LLP	N/A	31/12/2017

## **COMPANY SECRETARIES**

- 1) Company Secretary : PAULINE ANG HOOI YEONG  
IC / PP No : S0011559B  
Address : 3, ANSON ROAD, 07-01, SPRINGLEAF TOWER, 079909, SINGAPORE.  
Date of Appointment : 06/04/1979
- 2) Company Secretary : WAN LIH MIIN  
IC / PP No : S7338847C  
Address : 169, STIRLING ROAD, 03-1169, STIRLING VIEW, 140169, SINGAPORE.  
Date of Appointment : 28/05/2018

## **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 : YES  
Overseas : YES

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

## **OPERATIONS**

Goods : ELECTRONIC COMPONENTS, QUARTZ CRYSTALS  
Traded

Total Number of Employees:  
YEAR 2018 2014

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GROUP : N/A  
COMPANY : 21 150

Branch : NO  
Other Information:

The Subject is principally engaged in the (as a / as an) trading of electronic components, quartz crystals.

The Subject deals with the followings:

- Quartz Crystals
- Hybrid Clock Oscillators/TCXO
- Voltage Controlled Oscillators
- Thick Film Hybrid Assembly Modules
- RF Modules

## **CURRENT INVESTIGATION**

Latest fresh investigations carried out on the Subject indicated that :

Telephone Number Provided By : N/A  
Client  
Current Telephone Number : 65-65517551  
Match : N/A  
Address Provided by Client : N/A  
Current Address : 6 SERANGOON NORTH AVE 5 #04-09, 554910, SINGAPORE.  
Match : N/A

### **Other Investigations**

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

The Subject refused to disclose its bankers.

## **FINANCIAL ANALYSIS**

### **Profitability**

Turnover	:	Decreased	[	2012 - 2017	]
Profit/(Loss) Before Tax	:	Decreased	[	2012 - 2017	]
Return on Shareholder Funds	:	Unfavourable	[	9.89%	]
Return on Net Assets	:	Acceptable	[	12.48%	]

The continuous fall in turnover could be due to the lower demand for the Subject's products / services. The dip in profit could be due to the stiff market competition which reduced the Subject's profit margin. The unfavourable return on shareholders' funds could indicate that the Subject was inefficient in utilising its assets to generate

returns.

**Working Capital Control**

Stock Ratio	:	Favourable	[	4 Days	]
Debtor Ratio	:	Favourable	[	3 Days	]
Creditors Ratio	:	Unfavourable	[	101 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 unfavourable creditors' ratio could be due to the Subject taking advantage of the credit granted by its suppliers. However this may affect the goodwill between the Subject and its suppliers and the Subject may inadvertently have to pay more for its future supplies.

**Liquidity**

Liquid Ratio	:	Favourable	[	8.46 Times	]
Current Ratio	:	Favourable	[	8.50 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 :**

The Subject's performance deteriorated over the years with lower turnover and profit. 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*
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	-	-

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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
Transport Equipment	111.1	106.68	100.0	101.0	99.5
<b>Construction</b>					
Real Estate	25.40	22.00	-	-	-
	88.5	145.1	-	-	-
<b>Services</b>					
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	-

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\* 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 1979, the Subject is a Private Limited company, focusing on trading of electronic components, quartz crystals. The Subject has been in business for over two decades. It has built up a strong clientele base and

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good reputation will enable the Subject to further enhance its business in the near term. The Subject is expected to enjoy a stable market shares. The Subject refused to disclose its bankers. A paid up capital of SGD 27,330,750 allows the Subject to expand its business more comfortably. With a strong backing from its shareholder, 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. The Subject's business operation is supported by 21 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.

The Subject's business performance showed a reverse trend as both its turnover and pre-tax profit have decreased compared to the previous year. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. 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 23,476,473, the Subject should be able to maintain its business in the near terms.

The Subject's supplier are from both the local and overseas countries. This will eliminate the risk of dependency on deliveries from a number of key suppliers and insufficient quantities of its raw materials. Overall the Subject has a good control over its resources.

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 normally.

## ***PROFIT AND LOSS ACCOUNT***

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

#### **CTS SINGAPORE PTE. LTD.**

Financial Year End	2017-12-31	2016-12-31
Months	12	12
Consolidated Account	Company	Company
Audited Account	YES	YES
Unqualified Auditor's Report (Clean Opinion)	YES	YES
Financial Type	FULL	FULL
Currency	USD	USD
TURNOVER	11,885,601	11,993,552
Other Income	105,629	412,652
	-----	-----

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Total Turnover	11,991,230	12,406,204
Costs of Goods Sold	(8,339,540)	(8,332,807)
	-----	-----
Gross Profit	3,651,690	4,073,397
	-----	-----
PROFIT/(LOSS) FROM OPERATIONS	2,930,015	3,126,662
	-----	-----
PROFIT/(LOSS) BEFORE TAXATION	2,930,015	3,126,662
Taxation	(607,205)	(648,838)
	-----	-----
PROFIT/(LOSS) AFTER TAXATION	2,322,810	2,477,824
	-----	-----
<b>RETAINED PROFIT/(LOSS) BROUGHT FORWARD</b>		
As previously reported	12,712,505	10,234,681
	-----	-----
As restated	12,712,505	10,234,681
	-----	-----
PROFIT AVAILABLE FOR APPROPRIATIONS	15,035,315	12,712,505
DIVIDENDS - Ordinary (paid & proposed)	(7,400,000)	-
	-----	-----
RETAINED PROFIT/(LOSS) CARRIED FORWARD	7,635,315	12,712,505
	=====	=====
DEPRECIATION (as per notes to P&L)	85,564	79,450
	-----	-----
Total Amortization And Depreciation	85,564	79,450
	=====	=====

## **BALANCE SHEET**

### **CTS SINGAPORE PTE. LTD.**

#### **ASSETS EMPLOYED:**

FIXED ASSETS	74,328	153,910
<b>LONG TERM INVESTMENTS/OTHER ASSETS</b>		
Deferred assets	-	191,460
Others	2,240	2,240
	-----	-----
TOTAL LONG TERM INVESTMENTS/OTHER ASSETS	2,240	193,700
	-----	-----
TOTAL LONG TERM ASSETS	76,568	347,610
<b>CURRENT ASSETS</b>		
Stocks	135,991	140,111
Trade debtors	101,109	147,868
Other debtors, deposits & prepayments	36,316	44,004
Short term deposits	22,200,000	16,700,000
Amount due from holding company	3,621,371	3,618,395
Amount due from subsidiary companies	43,472	9,821,257
Cash & bank balances	382,882	578,487

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TOTAL CURRENT ASSETS	26,521,141	31,050,122
TOTAL ASSET	26,597,709	31,397,732
<b>CURRENT LIABILITIES</b>		
Trade creditors	2,306,072	1,909,058
Other creditors & accruals	226,252	223,406
Amounts owing to subsidiary companies	136,322	269,769
Provision for taxation	450,200	441,836
TOTAL CURRENT LIABILITIES	3,118,846	2,844,069
NET CURRENT ASSETS/(LIABILITIES)	23,402,295	28,206,053
<b>LONG TERM LIABILITIES</b>		
Deferred taxation	2,390	-
TOTAL LONG TERM LIABILITIES	2,390	-
TOTAL NET ASSETS	23,476,473	28,553,663
<b>FINANCED BY:</b>		
<b>SHARE CAPITAL</b>		
Ordinary share capital	15,841,158	15,841,158
TOTAL SHARE CAPITAL	15,841,158	15,841,158
<b>RESERVES</b>		
Retained profit/(loss) carried forward	7,635,315	12,712,505
TOTAL RESERVES	7,635,315	12,712,505
SHAREHOLDERS' FUNDS/EQUITY	23,476,473	28,553,663

## **FINANCIAL RATIO**

### **CTS SINGAPORE PTE. LTD.**

#### **TYPES OF FUNDS**

Cash	22,582,882	17,278,487
Net Liquid Funds	22,582,882	17,278,487
Net Liquid Assets	23,266,304	28,065,942
Net Current Assets/(Liabilities)	23,402,295	28,206,053
Net Tangible Assets	23,476,473	28,553,663
Net Monetary Assets	23,263,914	28,065,942

#### **PROFIT & LOSS ITEMS**

Earnings Before Interest & Tax (EBIT)	2,930,015	3,126,662
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Earnings Before Interest, Taxes, Depreciation And Amortization (EBITDA)	3,015,579	3,206,112
<b>BALANCE SHEET ITEMS</b>		
Total Borrowings	0	0
Total Liabilities	3,121,236	2,844,069
Total Assets	26,597,709	31,397,732
Net Assets	23,476,473	28,553,663
Net Assets Backing	23,476,473	28,553,663
Shareholders' Funds	23,476,473	28,553,663
Total Share Capital	15,841,158	15,841,158
Total Reserves	7,635,315	12,712,505
<b>GROWTH RATIOS (Year on Year) (%)</b>		
Revenue	(0.90)	(30.39)
Profit/(Loss) Before Tax	(6.29)	650.55
Profit/(Loss) After Tax	(6.26)	965.64
Total Assets	(15.29)	(15.62)
Total Liabilities	9.75	(72.71)
<b>LIQUIDITY (Times)</b>		
Cash Ratio	7.24	6.08
Liquid Ratio	8.46	10.87
Current Ratio	8.50	10.92
<b>WORKING CAPITAL CONTROL (Days)</b>		
Stock Ratio	4	4
Debtors Ratio	3	5
Creditors Ratio	101	84
<b>SOLVENCY RATIOS (Times)</b>		
Gearing Ratio	0	0
Liabilities Ratio	0.13	0.10
Times Interest Earned Ratio	0	0
Assets Backing Ratio	1.48	1.80
<b>PERFORMANCE RATIO (%)</b>		
Operating Profit Margin	24.65	26.07
Net Profit Margin	19.54	20.66
Return On Net Assets	12.48	10.95
Return On Capital Employed	12.48	10.95
Return On Shareholders' Funds/Equity	9.89	8.68
Dividend Pay Out Ratio (Times)	3.19	0
<b>NOTES TO ACCOUNTS</b>		
Contingent Liabilities	0	0

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.71
UK Pound	1	INR 95.76
Euro	1	INR 85.36
SGD	1	INR 53.19

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	POJ

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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)