



بيت المشورة للاستشارات المالية
Bait Al-Mashura Finance Consultations



BM FINTECH
KNOW THE FUTURE



FINANCIAL PLANNING & STRATEGY FORMATION

AI-generated Insights That Provides Foresight to Management & Professionals in an Accurate, Timely and Impactful Manner.

Date of Report: **01 May 2023**
Company: **Sample Company**
Industry: **Civil Engineering Construction works**



TABLE OF CONTENTS

Key Sections:

DISCLAIMER

1. Financial Insights
2. Financial Profile
3. Financial Drivers
4. Cause-and-Effect Analysis
5. Potential Impact on Future Cashflows
6. Action Steps - Summary
7. Key Financial Metrics
8. Key Financial Ratios - Summary
9. Reference I - Financial Ratios Explanation
10. Reference II - How to Use the Report

DISCLAIMER: The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain figures in the financial statements may have been adjusted for analytical classification purposes in accordance with the methodology and research processes.

Copyright ©2023, MyFinB. No parts of this publication may be copied, duplicated or distributed without the consent of MyFinB.



#1 : DIGITAL TRANSFORMATION
#1: ARTIFICIAL INTELLIGENCE
#1: PREDICTIVE ANALYTICS



بيت المشورة للاستشارات المالية
Bait Al-Mashura Finance Consultations



BM FINTECH
KNOW THE FUTURE

DISCLAIMER

The use of this report insights is at the sole discretion and risk of the participating firms. The Solutions Provider (MyFinB and CEAI) do not guarantee the accuracy, completeness, or reliability of the report insights, and shall not be liable for any loss, damage, or expense arising out of or in connection with the use of such insights.

The Solutions Provider (MyFinB and CEAI) shall not be held responsible for any errors, omissions, or inaccuracies in the report insights or any actions taken based on such insights. The report insights are provided on an "as is" basis without any warranty of any kind, express or implied.

The participating firms acknowledge and agree that the report insights generated are based on data provided by the participating firms and the algorithms of the AI system used in generating the insights. The report insights do not constitute professional advice or services, and the participating firms are solely responsible for their own decisions and actions.

The Solutions Provider (MyFinB and CEAI) shall not be liable for any direct, indirect, special, incidental, or consequential damages arising out of or in connection with the use of the report insights, including but not limited to any lost profits, business interruption, or loss of data.

By participating in this pilot, the participating firms agree to release and hold harmless the Solutions Provider (MyFinB and CEAI) from any and all claims, damages, or liabilities arising out of or in connection with the use of the report insights.

This disclaimer shall be governed by and construed in accordance with the laws of Singapore.

DISCLAIMER: The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain figures in the financial statements may have been adjusted for analytical classification purposes in accordance with the methodology and research processes.

Copyright ©2023, MyFinB. No parts of this publication may be copied, duplicated or distributed without the consent of MyFinB.

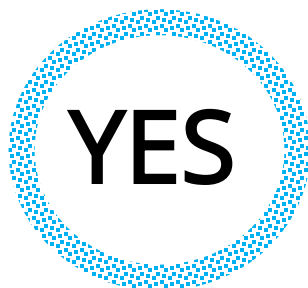
FINANCIAL INSIGHTS

COMPANY INFORMATION

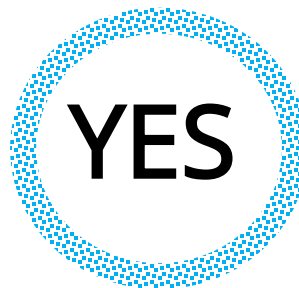
Date of Report: 1 May 2023

Company Name: Sample Company		Registration Number: 201601723Z	Country: Singapore
SSIC Code: 62022	Industry: Civil Engineering Construction works	Latest Financial Year: 2022	Currency: USD

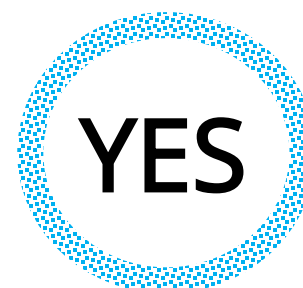
Sufficient equity to pay liabilities?



Is the firm profitable?



Is the firm growing?



FUNDAMENTAL AREAS TO LOOK AT

ISSUES RELATING TO BUSINESS PERFORMANCE

Costs have abated and under control during the period.

The firm witnessed good improvement in profit margins over the year.

The firm experienced a reasonable level of sales growth. There had been positive demand for its goods and services.

IMPACT OF STRATEGIES ON SHAREHOLDER VALUE

The solvency risk profile of the firm of the firm was fairly high due to the firm's moderate liability exposure relative to its equity position. If the firm's shareholder funds are overwhelmed by its liability levels, it could be faced with valuation risk.

The firm's profitability significantly increased compared to the previous period.

The shareholders attained substantially below average returns based on their investments during the period. Firm's underlying valuation would not be impressive to stakeholders.

RISK AREAS TO WATCH FOR

The level of sales for the firm experienced a reasonable increase. This would indicate that there was a positive demand for its goods and services. The positive sales growth appear to be driven by both its market positioning and price points.

The firm registered a faster liability growth than its sales growth during the period. The drive for expansion appeared to be driven by aggressive gearing process, rather than margins and pricing management.

Appears to have somewhat low dependency on short-term creditors to support working capital needs.

EFFECTIVENESS OF RESOURCES

There was a moderate growth of the firm's asset base during the period. It appeared to be in an expansionary mode via asset growth.

In comparison with the previous period, the firm experienced a significant increase in terms of its profitability.

The assets have generated above average profit growth for the firm over the period.

The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain figures in the financial statements may have been adjusted for analytical classification purposes in accordance with the methodology and research processes.

FINANCIAL PROFILE

Based on Financial Year

2022

Was the company able to generate higher sales?

YES

Sales Growth 8.7%

This indicates where the firm's topline is growing or not and to find out if there are any structural or cyclical factors affecting it.

Did sales move faster than cost growth?

YES

Growth Cost/Sales -10.1%

This gives a broad picture if the costs are growing in line with the growth in sales or if the firm is exposed to higher cost structure even if the sales is growing.

Was the company financially strong generally?

YES

Credit Score 65.6%

The credit score takes into account balance sheet and P&L of the company. A higher score indicates a stronger credit position.

Was the exposure to liabilities manageable?

YES

Liabilities to Equity 98.1%

This reflects the extent the firm is exposed to fixed obligations versus the capital it has built over the years and whether it has adequate buffer.

Was the company relying heavily on short-term obligations?

YES

Current Liability 0.61

Assesses the proportion of total liabilities that are due in the near term. A secondary measure of liquidity as it does not measure the firm's ability to

Were the shareholders well rewarded ($\geq 15\%$) by the firm's performance?

YES

Return on Equity 17.0%

This measure relates to how much profits the firm is generating for the company's shareholders; a higher ROE needs to be measured against the risks it is taking.

Were the profit / loss improving for the period?

YES

Net Position 126.8%

A company that is showing consistent earnings growth indicates a positive outlook. A company that shows negative growth may indicate tougher

Were the assets generating profits?

YES

Return on Asset 7.4%

This is a measure of how well the firm is utilising its assets to generate profits for the firm. A productive asset backed by a cost-efficient operation is a good indicator of a well-run firm.

FINANCIAL DRIVERS

COMPANY INFORMATION

Date of Report: 01 May 2023

Company Name: Sample Company		Registration Number: 201601723Z	Country: Singapore
SSIC Code: 62022	Industry: Civil Engineering Construction works	Latest Financial Year: 2022	Currency: USD

OVERALL FINANCIAL STRENGTH RATING

7.9

EXCELLENT	GOOD	MODERATE	LOW
High Financial Strength	Above Average Financial Strength	Average Financial Strength	Low Financial Strength
Greater than or equal to 10, less than or equal to 12	Greater than or equal to 7, less than 10	Greater than or equal to 4, less than 7	Less than 4, greater than or equal to 1

Business Performance Rating (BPR)

9.7

The firm experienced a reasonable level of sales growth. There had been positive demand for its goods and services. Costs have abated and under control during the period. Every dollar of sales generated has resulted to a significantly lower cost of operations for the firm compared to the previous period. The firm recorded very good profit margins for the period. The firm witnessed good improvement in profit margins over the year.

Shareholder Value Rating (SVR)

7.6

The shareholders attained substantially below average returns based on their investments during the period. Firm's underlying valuation would not be impressive to stakeholders. The solvency risk profile of the firm of the firm was fairly high due to the firm's moderate liability exposure relative to its equity position. If the firm's shareholder funds are overwhelmed by its liability levels, it could be faced with valuation risk. The firm's profitability significantly increased compared to the previous period. The firm recorded very good profit margins for the period. Valuation for the firm based on earnings could be helped by strong earnings and margin performance for the period.

Risk and Liabilities Rating (RLR)

6.5

Appears to have somewhat low dependency on short-term creditors to support working capital needs. The firm's relatively moderate liability exposure relative to its equity position suggested that its solvency risk profile was fairly high. The firm registered a faster liability growth than its sales growth during the period. The drive for expansion appeared to be driven by aggressive gearing process, rather than margins and pricing management. The level of sales for the firm experienced a reasonable increase. This would indicate that there was a positive demand for its goods and services. The positive sales growth appear to be driven by both its market positioning and price points.

Productivity Rating (PRR)

7.8

The assets have generated above average profit growth for the firm over the period. The capacity of the firm's assets to generate profits was notably positive. It was able to utilise its assets to generate generally good levels of profitability. In comparison with the previous period, the firm experienced a significant increase in terms of its profitability. There was a moderate growth of the firm's asset base during the period. It appeared to be in an expansionary mode via asset growth.

POTENTIAL IMPACT ON FUTURE CASHFLOWS

POTENTIAL IMPACT ON LIQUIDITY

It is clear that the financial performance of Sample Company has improved compared to the previous period. However, it is important to analyze the potential implications of the reported financial data on future cash flows. In order to do so, we will look at various financial ratios and variables to determine how the company's financial position can affect its ability to generate cash flows in the future.

First, let's look at the revenue growth of Sample Company. The company reported higher revenues compared to the previous period, which is a positive sign. However, it is important to note that the revenue growth was driven by the expansion of assets, rather than an increase in sales. The company increased its asset base by 12.5%, while recorded sales growth was only 8.7%. This indicates that the company may have invested heavily in fixed assets or other non-revenue-generating assets, which could impact future cash flows. For example, if the company invested in machinery or equipment that is not being fully utilized, it could lead to higher depreciation expenses, reducing cash flows in future periods.

Next, let's look at the company's profitability. The company reported an improvement in profits by 9.1%, which is a positive sign. This improvement was due to the decline in operational expenses. Total costs grew at a slower rate compared to sales, by 10.1%. However, it is important to note that while the company's profits have increased, the rate of profit growth is lower than the rate of revenue growth. This could indicate that the company is experiencing lower profit margins, which could impact future cash flows. If the company is unable to maintain or improve its profit margins, it may struggle to generate sufficient cash flows to fund its operations or invest in growth opportunities.

The return on assets (ROA) is another important ratio to consider when analyzing the company's potential future cash flows. The company reported an increase in ROA from 3.5% to 7.4%, which indicates that the company is generating more profit for every dollar of assets. This is a positive sign, as it suggests that the company is becoming more efficient in its use of assets to generate revenue. However, it is important to note that the increase in ROA was primarily driven by an increase in profit, rather than a decrease in assets. This means that the company may be relying on increased profits to boost its ROA, rather than focusing on improving asset efficiency. If the company is unable to sustain its profit growth, its ROA could decline, impacting future cash flows.

Another important ratio to consider is the debt to equity ratio. The company reported manageable debt to equity levels, as equity was sufficient to cover debt obligations. However, it is important to note that total liabilities increased by 16.8% while equity increased by only 8.6%. This means that the company may be relying more heavily on debt financing to support its growth. While manageable debt levels are important, if the company is unable to generate sufficient cash flows to service its debt obligations, it may struggle to invest in future growth opportunities or even face bankruptcy.

Finally, let's look at the return on equity (ROE) ratio. The company posted an ROE of 17.0% during the period, which is a positive sign. However, it is important to note that the increase in ROE was primarily driven by an increase in profit, rather than an increase in equity. This means that the company may be relying on increased profits to boost its ROE, rather than focusing on improving its equity base. If the company is unable to sustain its profit growth, its ROE could decline, impacting future cash flows.

POTENTIAL SCENARIOS

The company's ROE of 17.0% indicates that the management is effectively using the shareholders' funds to generate profits. The increase in profit by 139% contributed significantly to this improvement. However, the management should also take note of the increase in liabilities by 16.8%, which could impact the company's ability to generate cash flows in the future.

One potential scenario that could be impacted by the increase in liabilities is the company's debt-servicing capability. If the company's debt-servicing capability is weakened due to the increase in liabilities, it may face difficulty in meeting its debt obligations, which can lead to financial distress. This can negatively impact the company's cash flows in the future, as the company may need to divert its cash flows towards servicing its debt obligations instead of investing in growth opportunities or distributing dividends to its shareholders. Another scenario that can be impacted by the increase in liabilities is the company's ability to secure additional funding in the future. Lenders and investors may view the increase in liabilities as a sign of increased risk and may be less willing to provide additional funding to the company. This can limit the company's growth opportunities and negatively impact its cash flows in the future.

The management should also take note of the company's increasing asset base, which has driven the revenue growth. While the expansion of assets can lead to revenue growth and higher profitability, it can also impact the company's cash flows in the future. The company will need to ensure that the assets are being utilized efficiently and effectively to generate cash flows. If the assets are not generating sufficient cash flows, the company may face difficulties in meeting its operating and capital expenditures, which can impact its cash flows in the future.

The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain figures in the financial statements may have been adjusted for analytical classification purposes in accordance with the methodology and research processes.

ACTION STEPS - SUMMARY

COMPANY INFORMATION

Date of Report: 01 May 2023

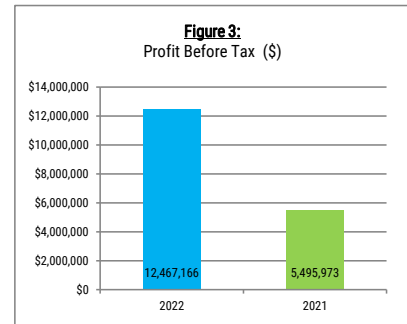
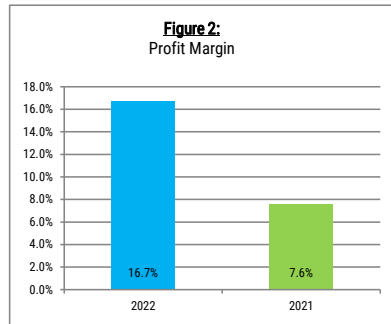
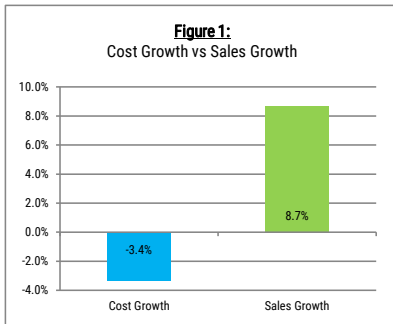
Company Name: Sample Company		Registration Number: 201601723Z	Country: Singapore
SSIC Code: 62022	Industry: Civil Engineering Construction works	Latest Financial Year: 2022	Currency: USD

PART ONE (I)

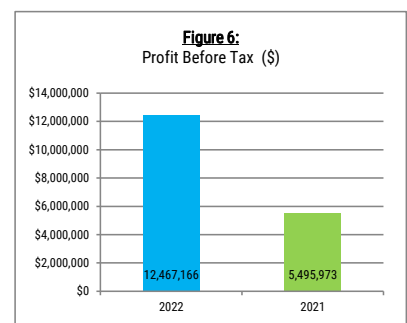
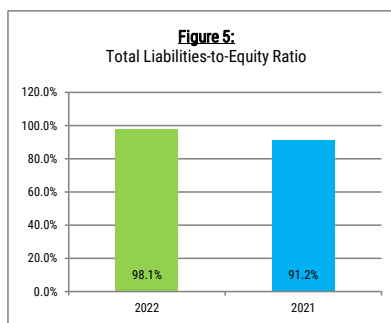
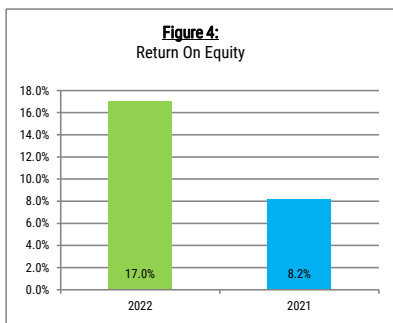
ROADMAP STATEMENT	ACTION PLAN	CHECK LIST	TARGET DATE
<p>BUSINESS PERFORMANCE REPORT (BPR) Costs have abated and under control during the period.</p>	<ul style="list-style-type: none"> Compare the cost behaviour against sales and profitability performance. Clarify how sustainable the cost containment will be. 		
<p>SHAREHOLDER VALUE REPORT (SVR) The solvency risk profile of the firm of the firm was fairly high due to the firm's moderate liability exposure relative to its equity position. If the firm's shareholder funds are overwhelmed by its liability levels, it could be faced with valuation risk.</p>	<ul style="list-style-type: none"> Discuss with management on the potential for leveraged recapitalisation or debt restructuring in the business. Determine whether the liability in the firm is short-term or long-term and what it is costing the firm to maintain this level of debt in the business. Perform an analysis to determine whether the existing level of debt is threatening the on-going nature of the firm and assess to what extent its asset-liability management can be improved. Determine whether the liability in the firm is short-term or long-term and what it is the cost to the firm, to maintain this level of debt in the business. Examine the potential to restructure the firm in order to increase the equity level in the business. 		
<p>RISK AND LIABILITIES REPORT (RLR) The level of sales for the firm experienced a reasonable increase. This would indicate that there was a positive demand for its goods and services. The positive sales growth appear to be driven by both its market positioning and price points.</p>	<ul style="list-style-type: none"> Determine which products or multiple of products contributed most to the increased level of sales. Assess the market place for products which may be used to replace the firm's good and service; determine to what extent that they can affect the momentum of the sales increase. Rank the customers of the firm by contribution to sales and determine whether there were any significant changes or movements. Perform a price analysis to determine whether there had been any price adjustments which resulted in higher volumes but lower prices. Perform an assessment to determine whether lowering of margins were responsible for the increased sales growth. 		
<p>PRODUCTIVITY REPORT (PRR) There was a moderate growth of the firm's asset base during the period. It appeared to be in an expansionary mode via asset growth.</p>	<ul style="list-style-type: none"> Establish understanding of how the acquired assets formed part of the expansion plans of the firm. Check their rates of revenue and profitability arising from the rapid asset expansion trends experienced by firm. Ascertain the types of assets being acquired; trade versus non-trade. Evaluate whether the acquired assets are part of a horizontal or vertical types of expansion. 		

KEY FINANCIAL METRICS

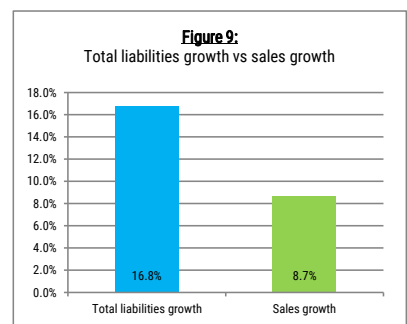
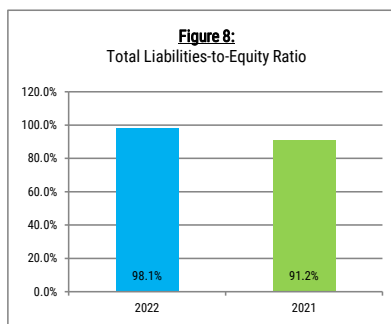
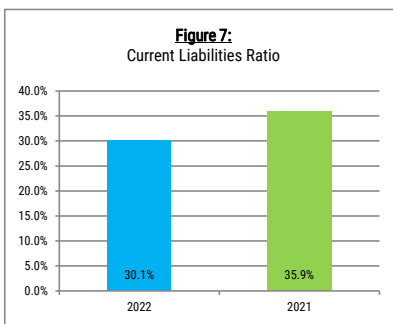
BUSINESS PERFORMANCE RATING (BPR)



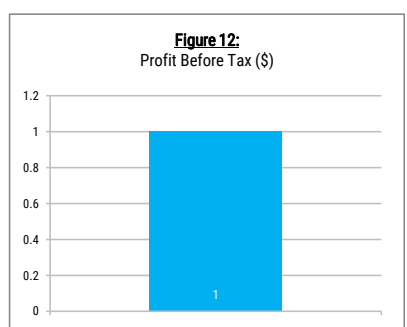
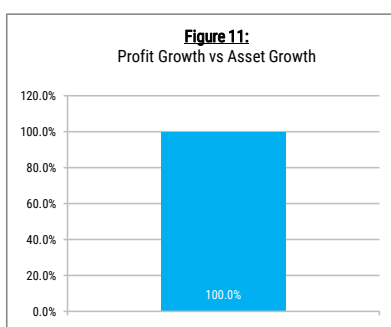
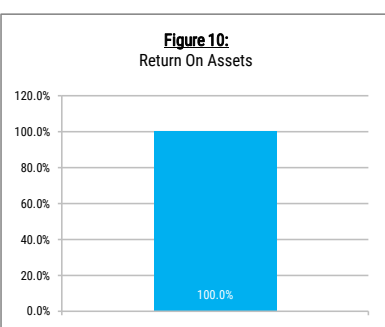
SHAREHOLDER VALUE RATING (SVR)



RISK & LIABILITIES RATING (RLR)



PRODUCTIVITY RATING (PRR)



KEY FINANCIAL RATIOS - SUMMARY

COMPANY INFORMATION

Date of Report: 01 May 2023

Company Name:		Registration Number:	Country:
Sample Company		201601723Z	Singapore
SSIC Code:	Industry:	Latest Financial Year:	Currency:
62022	Civil Engineering Construction works	2022	USD

KEY FINANCIAL DATA

USD	2022	2021	%Chg
Sales	64,613,110.00	59,452,698.00	8.7%
Profit Before Tax	12,467,166.00	5,495,973.00	126.8%
Profit After Tax	10,779,879.00	4,509,973.00	139.0%
Total Asset	144,999,239.00	128,887,742.00	12.5%
Total Liabilities	71,797,141.00	61,465,523.00	16.8%
Current Liabilities	43,622,579.00	46,277,545.00	-5.7%
Shareholder Fund	73,202,098.00	67,422,219.00	8.6%

PERFORMANCE METRICS

Business Performance	Percentage
Rate of Sales Growth	8.7%
Rate of Cost Growth	-3.4%
Cost/Sales Growth	-10.1%
Profit Margin (after tax)	16.7%
Profit Margin Growth	9.1%

Shareholder Value	Percentage
Return on Equity (pre tax)	17.0%
Total Liabilities-to-Equity Ratio	98.1%
Profit Before Tax Growth	126.8%
Profit Margin (after tax)	16.7%

Risk & Liabilities	Percentage
Current Liability Ratio	30.1%
Total Liabilities-to-Equity Ratio	98.1%
Total Liab. Growth vs Sales Growth	8.1%
Rate of Sales Growth	8.7%

Productivity	Percentage
Return On Assets Growth	3.9%
Return on Assets (after tax)	7.4%
Profit Before Tax Growth	126.8%
Asset Growth	12.5%

DISCLAIMER

The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain

FINANCIAL RATIOS EXPLANATION

"BEAR" RATINGS

BLACK (B)	EMERALD (E)	AMBER (A)	RED (R)
High Intrinsic Value	Above Average Intrinsic Value	Average Intrinsic Value	Low Intrinsic Value
SSIC Code:	Greater than or equal to 7, less than 10	Greater than or equal to 4, less than 7	Less than 4, greater than or equal to 1

DESCRIPTION

METHODOLOGY

The Financial Scores are the result of conducting the regression analysis of more than 100,000 companies since 1992 and have been validated/back tested against credit downgrades, defaults, corporate actions and significant shifts in the economic cycles: by countries and industry groups.

- Measures sales, expenses and profitability of the business
- Assess suitability for investment purposes
- Evaluates sustainability for generation of future inflows
- Identification of ways to improve current performance

Business Performance

- Rate of Sales Growth:* $(\text{Sales (Current year)} - \text{Sales (previous year)}) / \text{Sales (previous year)}$
- Rate of Cost Growth:* $(\text{Cost (Current year)} - \text{Cost (previous year)}) / \text{Cost (previous year)}$
- Cost/Sales Growth:* $\text{Cost} / \text{Sales (Current year)} - \text{Cost} / \text{Sales (Previous year)}$
- Profit Margin (After Tax): $\text{Profit after Tax} / \text{Sales}$
- Profit Margin Growth:* $(\text{Profit after tax} / \text{sales (Current year)}) - (\text{Profit after tax} / \text{sales (previous year)})$

- Measures Return on Equity, Debt-to-Equity, Profit before Tax Growth, Profit Margin for latest year
- Understand the efficiency and effectiveness of investments
- Indicates how much funds are used for expansion/ secure new markets

Shareholder Value

- Return on Equity (Pre-tax):* $\text{Profit before Tax} / \text{Shareholders fund}$
- Total Liabilities-to-Equity Ratio:* $\text{Total Liabilities} / \text{Shareholder Fund}$
- Profit before Tax Growth:* $(\text{Profit before Tax (Current year)} - \text{Profit before Tax (previous year)}) / \text{Profit before Tax (previous year)}$
- Profit Margin (After Tax):* $\text{Profit after Tax} / \text{Sales}$

- Measures current liability, liability-to-equity, total liabilities growth and rate of sales growth of the business
- Determines the direction in which the business is heading
- Identify types of financing plans of the business Indicates the level of risk exposure and leverage faced by the

Risk and Liabilities

- Current Liabilities Ratio:* $\text{Current Liabilities} / \text{Total Assets}$
- Total Liabilities-to-Equity Ratio:* $\text{Total Liabilities} / \text{Shareholder Funds}$
- Total Liabilities Growth vs Sales Growth:* $((\text{Liabilities (Current year)} - \text{Liabilities (Previous year)}) / \text{Liabilities (Previous year)}) - ((\text{Sales (Current year)} - \text{Sales (Previous year)}) / \text{Sales (Previous year)})$
- Rate of Sales Growth: $(\text{Sales (Current year)} - \text{Sales (previous year)}) / \text{Sales (previous year)}$

- Indicates the performance of assets
- Provides an overview on how the assets are being utilized and liabilities are managed
- Portrays the interrelation between assets efficiency and the profitability of the business

Productivity

- Return on Assets Growth:* $(\text{Profit after tax} / \text{Total Assets (current year)}) - (\text{Profit after tax} / \text{Total Assets (previous year)})$
- Return on Assets:* $\text{Profit after tax} / \text{Total asset}$
- Profit Before Tax Growth:* $(\text{Profit before tax (current year)} - \text{Profit before tax (previous year)}) / \text{Profit before tax (previous year)}$
- Asset Growth:* $(\text{Total Assets (Current year)} - \text{Total Assets (previous year)}) / \text{Total Assets (previous year)}$

HOW TO USE THE REPORTS (Illustration)

PRACTICAL USES

Business Performance

- If you are an investor or thinking of partnering with this company, the factors listed here could assist you in the decision whether to invest in a company or consider partnering with them via joint ventures.
- For creditors and debt financiers, you would want to have a good understanding of whether this company's business performance is sustainable to generate future inflows to pay existing and/or future obligations.

Shareholder Value

- Existing and even potential new shareholders should use this report to find out how much the profits are being generated and how these are being achieved.
- It is also to gauge the adequacy of returns to shareholders who may come into the firm at different period of time.
- Users could have a closer look at how internal reserves are used for expansion, new funds being raised to secure new markets/clients and how much dividends could be paid out to manage its ROE levels.

Risk and Liabilities

- Financiers such as bank and private lenders should use this report under two circumstances:
 1. At the point of lending
 2. Upon lending, they can get a sense of how the balance sheet risks may evolve based on ascertaining their risk appetite at the onset.
- The effects of ascertaining risk appetite usually come at a later stage; and it is a powerful indicator to determine where the firm is heading and how it is going to finance its plans

Productivity

- Financiers with vested interests in the firm are required to know the performance of assets that have been invested by the firm.
- The asset structure of the firm is a good indicator of how resourceful or efficient management has been in order to generate profits for the period; and to what extent this has been achieved.

The rating scores published by MYFINB are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of scores issued by MYFINB should not rely on any such scores or other opinion issued by MYFINB in making any investment decision. Scores are based on information received by MYFINB. MYFINB has established policies and procedures to maintain the confidentiality of non-public information received during the scoring process. This report may not be reproduced in whole or in part in any form or manner whatsoever. This report is forwarded to the Subscriber in strict confidence for use by the Subscriber as one factor in connection with rating and other business decisions. The report may contain information compiled from information which MYFINB does not control and which has not been verified unless indicated in this report. Whilst every endeavor is made to ensure that the information provided is updated and correct, MYFINB disclaims any liability for any damage or loss that may be caused as a result of any error or omission arising out of or in any way related to the contents of this report. Certain figures in the financial statements may have been adjusted for analytical classification purposes in accordance with the methodology and research processes.