

Sample Credit Report

Business Credit Report



Customer Reference:
Date of Completion: 2019-04-10
Date of Order: 2019-04-08



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INVESTIGATION RECORD

Start Date	2019-04-10
End Date	2019-04-10
Name of Interviewee	Subject's staff
Tel	(86 575) 89302336
Investigation Way	Telephone Interview
Note	Partial information provided in the report is confirmed by Subject's staff contacted through the above telephone number.

1. ABSTRACT

1.1. BASIC INFORMATION

Name (Chinese)	[REDACTED]
Name (English)	[REDACTED]
Unified Social Credit Code	[REDACTED]
AIC registration No.	[REDACTED]
National Organization Code	[REDACTED]
Company Status	[REDACTED]
Executive	[REDACTED]
Registered Capital	CNY 500,000.00
Date of Establishment	2016-09-14
Employee	102
SIC (China)	1800, Textile Clothing & Finery Industry
Import and Export Enterprise Code	[REDACTED]
Import/Export Permit	Yes
Exchange Rate	CNY 1 = USD 0.15 USD 1 = CNY 6.71 CNY 1 = EUR 0.13 EUR 1 = CNY 7.55

1.2. CONTACTS

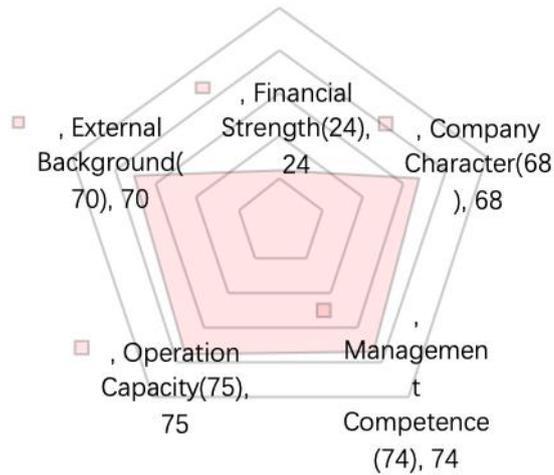
Tel	(86 575) 89302336
Operation Address	[REDACTED]

Ownership	Unknown
Registered Address	[REDACTED]

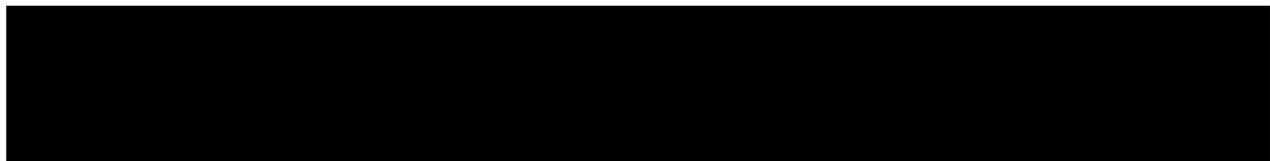
1.3. CREDIT RATING

D
A-F(N)

58
0-100



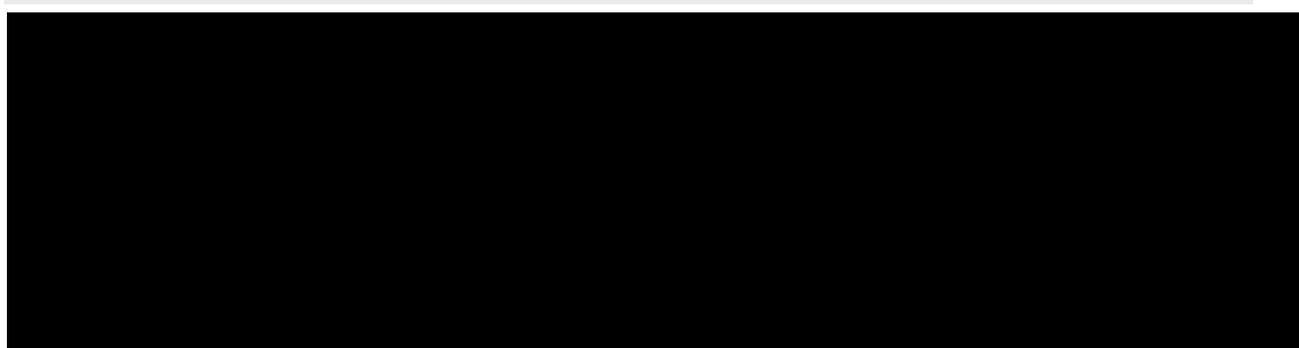
Rating	Score	Risk Level	Suggestion
A	90-100	Very low	Credit can be extended in rather loose terms
B	80-89	Lower than average	Credit can be extended in normal terms
C	60-79	Average	Credit should be on close monitoring basis
D	20-59	Higher than average	Credit should be avoided as much as possible
F	<20	Very high	Transaction should be on COD basis
N		Undetermined	More information is needed in order to propose a credit rating



Dimension	Description
Financial Strength	Including the solvency, profitability, operation capacity, development capacity etc.; comparison between subject and the industry average financial index. Weight 10%-30% in the comprehensive analysis.
Company Character	Referring to subject's character that can be affected by the transaction records, judicial records, administrative supervision information, tax records, operation status etc. Weight 20%-25% in the comprehensive analysis.

Management Competence	Including subject's shareholder background and strength, related company background and strength, management experience etc. Weight 20%-25% in the comprehensive analysis.
Operation Capacity	Analysis on subject's current operation condition including the products, history, staff scale, intellectual property, business size etc. Weight 20%-25% in the comprehensive analysis.
External Background	Analysis on the external factors that may have affect on subject, including the industry background, location background, competitors etc. Weight 10%-15% in the comprehensive analysis.

1.4. CREDIT LIMIT



Annual Supply / Subject's Turnover	Suggested Credit Limit
Above 40%	Above 4 times of base credit limit
30%~40%	3 to 4 times of base credit limit
20%~30%	2 to 3 times of base credit limit
10%~20%	1 to 2 times of base credit limit
Below 10%	within base credit limit

1.5. RISK OVERVIEW

Attention	SC's Other Account Payable of 2017 and 2018 is high. Due attention should be paid to such risks as revenue concealment, tax-related risks, frequent transactions with related parties and so on.
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1.6. GENERAL COMMENTS

RISK ANALYSIS

Established in Sep. 2016 with registered capital of CNY 500,000.00, SC is mainly engaged in production and sales of clothes and accessories. Subject was established for less than three years and its popularity and influence in the industry need to be improved further.

According to Subject's current financial information, its operating income of 2018 increases by 37.54% over that of 2017, indicating its business is developed well in 2018. The high costs and expenditures during the initial period of the company resulted in losses for two consecutive years. Nevertheless, its loss has a decreasing trend, and there is still room for improvement in profitability. High turnover of total assets and turnover of current assets of 2018 indicate its asset operation capacity is good. Subject's liabilities to assets ratio of 2018 and 2017 is over 100%, indicating it was in the insolvency

state and its debt paying risk was high. Considering that Subject was established for less than three years, its business is in the expansion stage and its asset structure can be optimized. Clients shall pay continuous attention to the company's future development.

1.7. FINANCIAL ABSTRACT (UNIT: CNY 1,000)

FINANCIAL ABSTRACT	2017-12-31	2018-12-31
Operating Income	41,347	56,867
Total Profit	-1,456	-280
Net Profit	-1,456	-280
Total Assets	10,422	11,916
Total Liabilities	11,484	13,273
Total Owner's Equity	-1,062	-1,357
Profitability		
Net Profit Margin (%)	-3.52	-0.49
Operation capacity		
Turnover of Total asset	3.97	4.77
Solvency		
Liabilities to Assets Ratio (%)	110.19	111.39
Development capacity		
Yearly Growth of Operating Income (%)	-	37.54

2. REGISTRATION INFORMATION

2.1. REGISTRATION INFORMATION

Unified Social Credit Code	[REDACTED]	
AIC registration No.		
Date of Establishment		
Registered Address		
Post code		
Registry		
Legal Representative		
Legal Form		
Registered Capital		
Paid-in Capital		
Operation duration		2016--09-14 to Perpetual

Business Scope	Production and sales: clothing, apparel, textiles, garment accessories; Fabric weaving; Import and export of goods
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2.2. REGISTRATION CHANGES

-	Date	Item Changed	From	To
1	2018-04-25	Shareholder		
2	2018-04-25	Management		
3	2016-11-01	Registered Address		

2.3. HISTORY

2016-09-14	Subject was established.
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2.4. SHAREHOLDER INFORMATION

-	Name	% Ownership	Capital Contributed	Currency	Investment Way	Paid-in %	Country
1							
Total		100.0	500,000				

2.5. Possible Controller

Name	
------	--

2.6. ULTIMATE HOLDING

-	Ultimate Shareholder	Investment Way	Percentage (%)
1			

Ultimate Shareholder	
----------------------	--

English Name	
Country	
Type	
Percentage (%)	
Note	

3. MANAGEMENT

3.1.LEGAL REPRESENTATIVE

Name	
Country	
Position	
Age	
Resume	

3.2.INVOLVEMENT IN OTHER COMPANIES(4)



except subject.

	Name (Chinese)	Legal Rep.	Position	Type of Engagement	License Status	Reg. Date	Fast Rating
1	Aksu Shengzhi	NO	Supervisor	Directorship; Investment(80%)	Operational	2018-09-03	
2		NO	Supervisor	Directorship; Investment(10%)	Operational	2016-10-11	C
3		NO	Executive Director	Directorship; Investment(45%)	Operational	2012-03-13	D
4		YES	Executive Director	Directorship; Investment(80%)	Cancelled	2016-08-08	N

3.3. MANAGEMENT

-	Name	Position	Gender	Age	Engagement
1		Executive Director; General Manager	-	42	4

3.4. SUPERVISORS

-	Position	Gender	Age
1	Executive Director; General Manager	-	42
2	Supervisor	-	-

4. JUDICIAL INFORMATION

4.1. DEFAULT EXECUTED PARTY

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;
- C. Websites of major domestic courts;
- D. Judicial information of search database.

4.2. SUBJECT AS EXECUTED PARTY

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;

- C. Websites of major domestic courts;
- D. Judicial information of search database.

4.3. CIVIL & COMMERCIAL TRIAL PROCESS

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;
- C. Websites of major domestic courts;
- D. Judicial information of search database.

4.4. CIVIL & COMMERCIAL JUDGMENT DOCUMENT

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;
- C. Websites of major domestic courts;
- D. Judicial information of search database.

4.5. ADMINISTRATIVE ILLEGAL RECORDS

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;
- C. Websites of major domestic courts;
- D. Judicial information of search database.

5. OPERATION INFORMATION

5.1. MAIN BUSINESS

Main Business	Production and sales of clothes and accessories
Products & Service	<p>SC is mainly engaged in production and sales of clothes and accessories. It mainly deals in woven and knitted clothes and accessories made of cotton, wool, silk, hemp and other fabrics. Its products are sold both at home and abroad.</p> <p>At present, the company is saturated with orders and do not accept orders from new customers.</p>

5.2. OPERATION FACILITIES

Operation Address	
Tel	
Post code	

Environment	Major industrial areas
Land Area	About 3,000 Square meters
Ownership	Unknown
Traffic Condition	Convenient
Overall Description	

5.3.SALES INFORMATION

Region	Products	Customer Type	Number of Customers	Payment Terms	Region	Percentage
Domestic	Clothes and accessories	Traders, etc.	Over 10	Advance payment, credit payment, etc.	East China, etc	100
OTHER INFORMATION						

5.4.MAJOR CUSTOMERS

-	Name	Legal Form	Country
1			

Name (Chinese)	
Name (English)	
Country	
Legal Representative	
Registration No.	
Social Credit Code	
Date of Establishment	
Legal Form	
Registered Capital	
Registered Address	

5.5. COMPETITORS

-	Name	Legal Form	Country
1	[REDACTED]		

Name (Chinese)	[REDACTED]
Name (English)	[REDACTED]
Country	[REDACTED]
Legal Form	[REDACTED]
Registration No.	[REDACTED]
Registered Capital	[REDACTED]
Date of Establishment	[REDACTED]
Legal Representative	[REDACTED]
Registered Address	[REDACTED]

5.6. PURCHASE INFORMATION

Region	Main Purchased	Products	Number of Suppliers	Payment Terms	Region	Percentage
Domestic	Fabric and accessories, silk yarn, dyes, equipment, etc.	and production	Over 15	Advance payment, credit payment, etc.	Zhejiang Province, etc.	100
OTHER INFORMATION	[REDACTED]					

5.7. NOTE TO CREDIT RECORD

Note	[REDACTED]
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5.8. ELECTRICITY CONSUMPTION RECORD

No electricity consumption record of subject can be obtained as the electricity consumer may not be filed with subject's name.

5.9. BANK INFORMATION

➤ MORTGAGE

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

➤ GUARANTEE OVERVIEW

As of the reporting date, no related record about subject is found through the third party financial data source as well as the search database etc.

6. QUALIFICATIONS & TRENDS

6.1. EXPORT/IMPORT PERMIT

EXPORT/IMPORT PERMIT	Yes
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6.2. RATING BY THE CUSTOMS

	Note: explanation of rating by the custom	
	■ AA	excellent credit
	■ A	good credit
	■ B	average credit
	■ C	bad credit
■ D	poor credit	

6.3. EMPLOYEE

Employee Number	102
OTHER INFORMATION	As per official source.

6.4. ADMINISTRATIVE INFORMATION

➤ TAX ARREARS LIST

As of the reporting date, no related record about subject is found through below sources:

- A. Website of Tax Bureau of China;
- B. Website of local Tax Bureau of subject's location;
- C. Taxpayer information of search database.

➤ DEBT ARREARS LIST

As of the reporting date, no related record about subject is found through below sources:

- A. Major telecommunication operators of China;
- B. Telecommunication information of search database.

➤ LIQUIDATION INFORMATION

As of the reporting date, no liquidation information about subject is found through the National Enterprise Credit Information Publicity System and search database.

➤ OPERATING ABNORMALITY LIST

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

➤ ABNORMAL TAX PAYER

As of the reporting date, no related record about subject is found through below sources:

- A. Website of Tax Bureau of China;
- B. Website of local Tax Bureau of subject's location;
- C. Taxpayer information of search database.

6.5. GUARANTEE FOR OTHERS

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

6.6. GUARANTEE FROM OTHERS

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

6.7. EQUITY BEING PLEDGED

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

6.8. EQUITY FROZEN

As of the reporting date, no related record about subject is found through the National Enterprise Credit Information Publicity System as well as the search database etc.

7. FINANCIAL INFORMATION

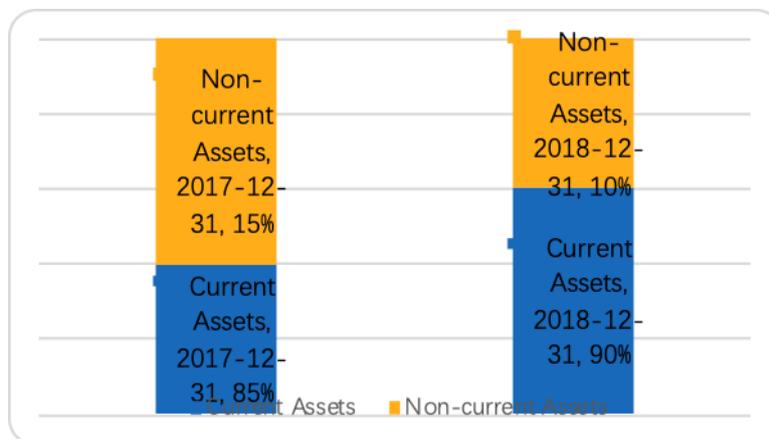
7.1. DETAILED FINANCIAL INFORMATION (UNIT: CNY 1,000)

Financial Note: Due to the lack of a clear government policy regarding the transparency of enterprise financial information, some financial items might be missing in the financial statements, causing possible inequality between the sum of the provided items and the provided total numbers.

Assets

Year	2017-12-31	2018-12-31
Report Type	Annual Report	Annual Report
Statement Type	individual	individual

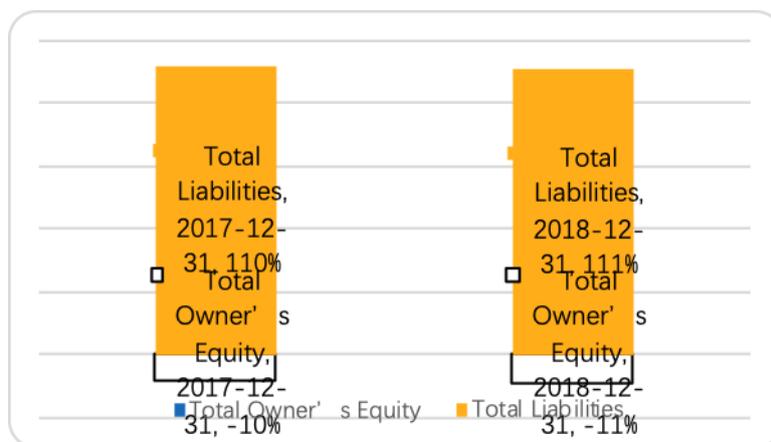
Source	Government Source	Government Source
Audited or Not	Unknown	Unknown
Cash and Equivalents	344	128
Short Term Investment	-	1,710
Accounts receivable	1,874	4,580
Advances to Suppliers	486	160
Other Accounts Receivable	-9	5
Inventories	6,112	4,105
Total Current Assets	8,807	10,688
Original Value of Fixed Assets	1,426	1,513
Accumulated Depreciation	138	336
Net Fixed Assets	1,288	1,177
Fixed Assets Depreciation Reserves	0	0
Fixed Assets	1,288	1,177
Long-term fees to be deferred	327	51
Total Non-Current Assets	1,615	1,228
Total Assets	10,422	11,916



Liabilities

Year	2017-12-31	2018-12-31
Accounts Payable	3,251	3,843
Advances from Customers	-	696
Accrued Payroll	74	72
Taxes Payable	246	761

Other Account Payable	7,913	7,901
Total Current Liabilities	11,484	13,273
Total Non-Current Liabilities	0	0
Total Liabilities	11,484	13,273
Share Capital (Paid-in Capital)	500	500
Undistributed Profits	-1,562	-1,857
Total Owner's Equity	-1,062	-1,357
Total Liabilities and Owner's Equity	10,422	11,916



Income Statement

Year	2017-12-31	2018-12-31
Operating Income	41,347	56,867
Operating Cost	36,989	52,999
Tax and Associate Charge	212	369
Operating Gross Profit	4,146	3,499
Operating Expenses	933	839
Administrative Expenses	4,624	2,753
Financial Expenses	43	370
Investment Income	-	28
Operating Profit	-1,454	-435
Non-operating Income	-	155
Non-operating Expenses	2	-
Total Profit	-1,456	-280
Income Tax	0	0

Net Profit	-1,456	-280
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7.2. GROWTH RATE OF MAJOR FINANCIAL

	2017	Growth(%)	2018
Operating Income	41,347	37.54	56,867
Total Assets	10,422	14.34	11,916
Working Capital	-2,677	3.44	-2,585
Total Profit	-1,456	80.77	-280
Net Profit	-1,456	80.77	-280
Total Liabilities	11,484	15.58	13,273
Total Owner's Equity	-1,062	-27.78	-1,357
Total Current Assets	8,807	21.36	10,688
Total Current Liabilities	11,484	15.58	13,273
Fixed Assets	1,288	-8.62	1,177

7.3. IMPORTANT RATIO

Profitability	2017	2018
Return on total assets (%)	-13.97	-2.35
Net profit margin (%)	-3.52	-0.49
Gross Profit Margin (%)	10.03	6.15
Operation capacity	2017	2018
Turnover of total assets	3.97	4.77
Turnover of current assets	4.69	5.32
Turnover of account receivable	22.06	12.42
Turnover Days of Accounts Receivable	16.32	28.99
Solvency	2017	2018
Liabilities to assets ratio (%)	110.19	111.39
Current ratio	0.77	0.81
Quick ratio	0.23	0.50
Development capacity	2017	2018
Yearly Growth of Operating Income (%)	-	37.54
Yearly growth of gross profit (%)	-	-15.61

Yearly growth of total assets (%)	-	14.34
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7.4. FINANCIALS & ANALYSIS

Financial Note	<p>SC's Other Accounts Receivable of 2017 is negative due to credit balance.</p> <p>Subject's liabilities to assets ratio of 2017 and 2018 is over 100%, indicating it was in the insolvency state.</p>
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8. INDUSTRY INFORMATION

8.1. INDUSTRY CODE

SIC (China)	1800, Textile Clothing & Finery Industry 【Major】
ISIC	1400, Manufacture of wearing apparel
NACE	14, Manufacture of wearing apparel

8.2. INDUSTRY BACKGROUND

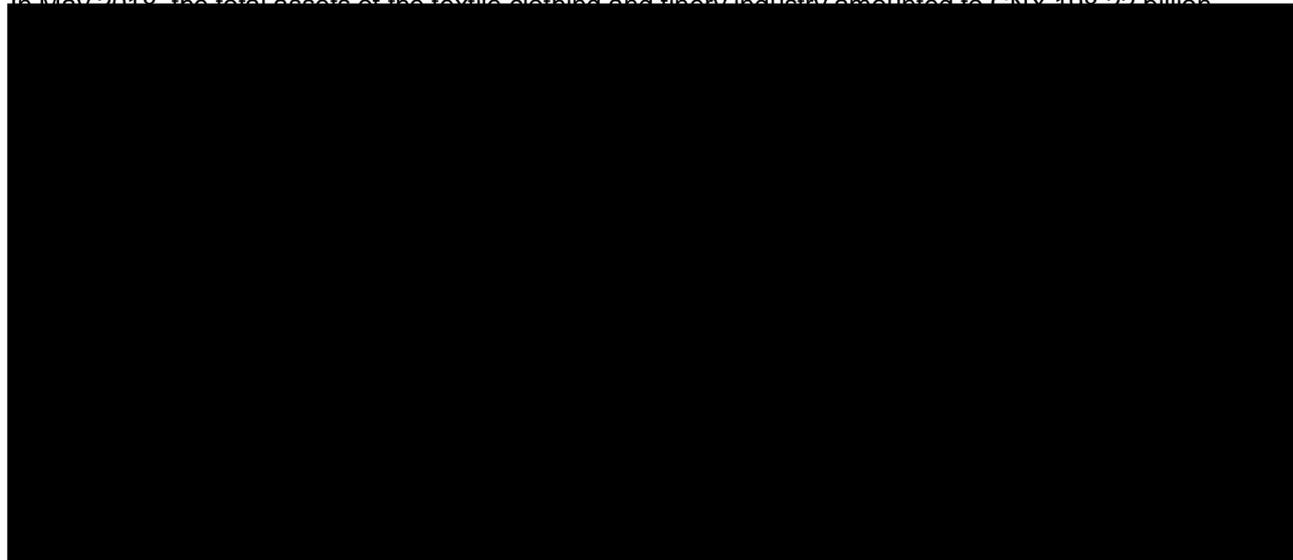
1800, Textile Clothing & Finery Industry

DESCRIPTION

It includes manufacture of woven wearing apparels, manufacture of knitted or crocheted wearing apparels and manufacture of wearing accessories.

STATUS QUO

In May 2018, the total assets of the textile clothing and finery industry amounted to CNY 108.22 billion.



target at the needs of special groups... Intelligent clothing, a billion-dollar market, has just started, and there is still a huge possibility for entrepreneurs to discover, explore and create.

8.3.INDUSTRY FINANCIAL AVERAGE

-	2017	Subject	Best(10%)	Average	Worst(10%)
Solvency					84.15
					0.79
					0.49
Development Capacity					-12.74
					-23.23
					-18.13
Profitability					-8.57
					-1.84
					-5.51
Operation Capacity					0.40
					0.61
					57.71

Note: the figures marked with RED means subject's performance is worse than the industry worst 10% and the figures marked with GREEN means subject's performance is better than industry best 10%.

8.4.INDUSTRY CORE INDEX CHART

1800, Textile Clothing & Finery Industry

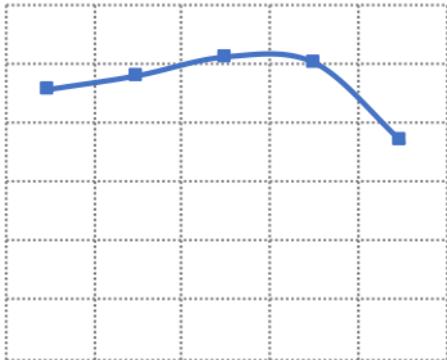
Return on net assets (%)
 2013 2014 2015
 2016 2017



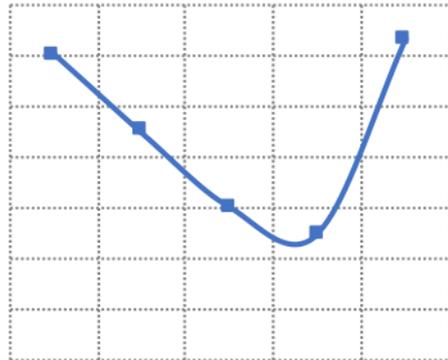
Return on total assets (%)
 2013 2014 2015
 2016 2017



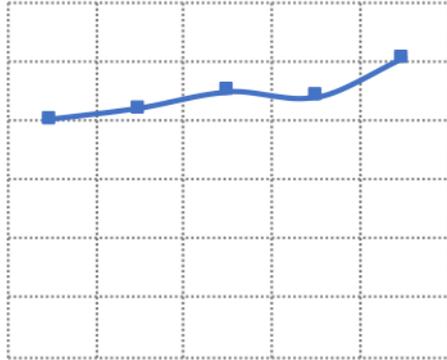
Gross Profit Margin (%)
 2013 2014 2015
 2016 2017



Liabilities to assets ratio (%)
 2013 2014 2015
 2016 2017



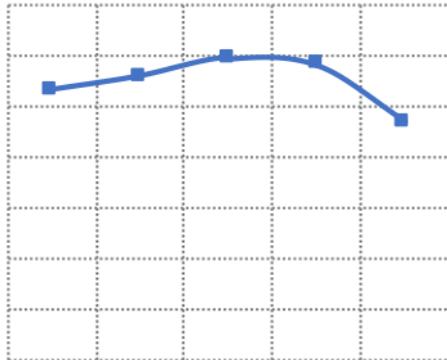
Turnover of total assets
 2013 2014 2015
 2016 2017



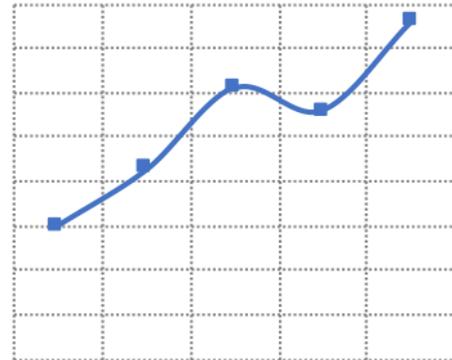
Turnover Days of account receivable
 2013 2014 2015
 2016 2017



Yearly Growth of Operating Income (%)
 2013 2014 2015
 2016 2017



Yearly Growth of Total Assets (%)
 2013 2014 2015
 2016 2017



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