



Credit Check & Financial Background

** Example Report **

North America

+1-813-252-4770

Latin America

+52-1-333-2010712

Europe & Middle-East

+49-8122-552 9590

Asia & Asia Pacific

+886-2-2832-2990

India

+91-120-4291971

Email

info@proqc.com

www.proqc.com



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REPORT NUMBER:

XXXXXXXXXXXXXXXXXXXX

FOR CLIENT:

XXXXXXXXXXXXXXXXXXXX

AT THE SUPPLIER:

XXXXXXXXXXXXXXXXXXXX

IN DATE:

XXXXXXXXXXXXXXXX



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PROFILE

Subject Name: XXXXXXXXXXXXXXXXXXXXX
(Given by Official Sources)

AIC No.: XXXXXXXXXXXXXXXXXXXXX

Unified Social Credit Code: XXXXXXXXXXXXXXXXXXXXX

N.O.C.: XXXXXXXXXXXXXXXXXXXXX

Tax File No.: XXXXXXXXXXXXXXXXXXXXX

Address: XXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXX

Zip Code: XXXXXXXXXXXXXXXXXXXXX

Telephone: XXXXXXXXXXXXXXXXXXXXX

Facsimile: XXXXXXXXXXXXXXXXXXXXX

SUMMARY

Establishment Date: Mar. 18, 2003

Legal Status: Limited liability company

Organization Type: Corporate enterprise

Debt Issued or Not: No

Listed or Not: No

External Investment or Not: No

Legal Rep.: XXXXXXXXXX

Availability of Main Executive Background: Yes

Registered Capital: 11,390,000

Sales: 158,012,000 (2015)

Net Profit: 6,276,000 (2015)

Total Assets: 90,152,000 (Dec. 31, 2015)

Net Worth: 80,277,000 (Dec. 31, 2015)

Employees: 150

I/E License: Self-run I/E license

Litigation Records: No

Credit Records: No

Public Records: No

Currency in this report is Chinese Yuan (RMB) unless otherwise stated. "--" in this report indicates "unavailable" or "no comments" due to insufficient information.

CREDIT ASSESSMENT

Major Indicators	Score	Rating
Business Size:	60	Medium
Company Background:	37	Fairly Weak
Financial Position:	95	Strong
Industry Outlook:	60	Steady
Credit Rating:	65	CR4
Base Credit Limit:		1,000,000

RATING DISTRIBUTION IN SINO BASE



MAIN BUSINESS & INDUSTRY CLASSIFICATION

Main Business:	Manufacturing and selling knit goods
Chinese SIC:	1780, Manufacture of non-domestic textiles
ISIC:	1392, Manufacture of made-up textile articles, except apparel
NACE:	13.92, Manufacture of made-up textile articles, except apparel

More information about Subject's lines of business can be found in OPERATIONS.



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FINANCIAL SUMMARY

	2015	2014
Sales	158,012,000	91,012,000
Total profit	7,317,000	6,531,000
Net profit	6,276,000	5,591,000
Total assets	90,152,000	85,096,000
Total liabilities	9,875,000	18,091,000
Total shareholders' equity	80,277,000	67,005,000
Total current assets	44,120,000	40,804,000
Total current liabilities	9,875,000	18,091,000
Working capital	34,245,000	22,713,000
Total fixed assets	43,680,000	36,248,000
Return on net assets (%)	7.82	8.34
Net profit margin (%)	3.97	6.14
Turnover of total assets	1.75	1.07
Turnover of accounts receivable (days)	28.15	46.08
Liabilities/assets ratio (%)	10.95	21.26
Current ratio	4.47	2.26
Quick ratio	3.57	1.90
Sales growth (%)	73.62	--
Gross profit growth (%)	13.87	--
Total assets growth (%)	5.94	--

GENERAL COMMENTS

Subject, registered and incorporated on Mar. 18, 2003, is mainly engaged in manufacturing and selling industrial gauze. With a long history, Subject has already accumulated some experiences of the trade and enjoys some recognition in the line locally, but its shareholders are natural persons whose risk tolerance and debt capacity are relatively weak.



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GENERAL COMMENTS

Analysis on the financial data available finds that its sales increased markedly year-on-year in 2015, and total profits also went up accordingly, suggesting its improved profitability. The “accounts receivable” and “inventory” occupied a large percentage of its current assets in 2015, which might impede its capital turnover to a certain extent. Its liabilities/assets ratio stood at 10.95% in 2015 and therefore Subject was faced with insignificant solvency pressure in the long term.



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REGISTRATION

Establishment Date: Mar. 18, 2003
Registered Address: XX
Zip Code: XXXXXXXXXXX
Registry: XX
Legal Rep.: XXXXXXXXXXX
AIC No.: XXXXXXXXXXX
Unified Social Credit Code: XXXXXXXXXXX
Legal Status: Limited liability company
Registered Capital: 11,390,000
Business Scope: R&D, manufacture and sale of knitted cotton products and woven products; manufacture, processing and sale of warp knitted products and artificial leather & fur; import & export business allowed by the laws and administrative regulations of the state (operation shall be subject to valid term of relevant industry permit; operation shall be conducted in accordance with the special regulations or monopoly regulations of the state where applicable)
Duration of Operation: From Mar. 18, 2003 To Mar. 17, 2033
Latest Yearly Inspection: 2015

CHANGES IN REGISTRATION

Date of Change	Change(s)	From	To
Apr. 16, 2015	Registered Address	XXXXXXXXXXXXXXXXXX XXXXXX XXXXXXXXXXX	XXXXXXXXXXXXXXXXXX XXXXXX XXXXXXXXXXX

SHAREHOLDERS AND SHARES

Shareholders	Capital Subscribed	% of Total
XXXXXXXXXX	10,251,000	90.00
XXXXXXXXXX	1,139,000	10.00
	-----	-----
Total	11,390,000	100.00



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Shareholders	Paid-up %
XXXXXXXX	100.00
XXXXXXXX	100.00

HISTORY

Mar.2003 Subject was registered and incorporated.

Nov.2011 Subject changed its company name from "YYYYYYYYYYYYY (Literal Translation)" to "XXXXXXXXXXXXXXXXXXXXX".

MAIN EXECUTIVE(S)

Name: XXXXXXXXXXXXX

Post: Legal Representative

Gender: Male

Working Experience: Now with Subject as Legal Representative and Director

No. of Invested and Appointed 2

Companies:

Note:The information above comes directly from Sino database and may contain obsolete information. It is provided herein for reference only.

Please order Report on Investments and Appointments of Executives for details on other companies which the main executives of Subject have invested in and been appointed to.

BOARD OF DIRECTORS

Name: XXXXXXXXXXXXX

Post: Director

Nationality: China

Gender: Male



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BOARD OF SUPERVISORS

Name: XXXXXXXX
Post: Supervisor
Nationality: China
Gender: Male

NUMBER OF EMPLOYEES

Total Employees: 150

The information above was confirmed by Subject's staff member on Apr. 29, 2016.

OFFICE FACILITIES

Location: XXXXXXXXXXXXXXXXXXXXXXXX
Area: Approx 19979.4 square meters
Property Ownership: N/A
Traffic Convenience: Subject is located in XXXXXXXXXXXXXXXXXXXX, and enjoys easy traffic access.

OPERATIONS

Main Business: Manufacturing and selling knit goods
Chinese SIC: 1780,Manufacture of non-domestic textiles
ISIC: 1392,Manufacture of made-up textile articles, except apparel
NACE: 13.92,Manufacture of made-up textile articles, except apparel

Subject is mainly engaged in manufacturing and selling industrial gauze.



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TRADEMARKS & PATENTS

Our check with the Trademark Office of the State Administration for Industry and Commerce of the People's Republic of China finds no trademarks registered by Subject in the latest five years.

Patent Type	Invention Patent	Utility Model Patent	Design Patent	Total
Total Patents	--	2	--	2
Patents Applied in 2014	--	2	--	2

Note: We provide herein only the patent applications filed by Subject in the latest five years.

PURCHASING INFORMATION

Main Purchases: Double rapier loom, raw materials, office equipment, office supplies, etc.

Main Payment Terms: Immediate payment or payment as agreed in the contract

Reportedly, the production equipment and raw materials needed by Subject are purchased mainly domestically and some are purchased through tendering while the office equipment and office supplies are bought locally. Subject has already built some supply channels, but the person answering our call was discreet and refused to provide the names of its suppliers.

The information above was confirmed by Subject's staff member on Apr. 29, 2016.

SELLING INFORMATION

Domestic: 100%

Regions: North China mainly

Sales Terms: Immediate payment or payment as agreed in the contract

Reportedly, Subject is mainly engaged in manufacturing and selling industrial gauze and its products are mainly sold domestically. According to the person answering our call, some of its products are exported through traders and Subject has already built some sales channels.

The information above was confirmed by Subject's staff member on Apr. 29, 2016.



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IMPORT & EXPORT

I/E License: Self-run I/E license
File Number: XXXXXXXXXXXXX
Date of Filing: Mar. 01, 2013
Customs' Rating: B (Apr. 29, 2016)

Definitions of Ratings of General Customs:

- AA: Excellent
- A: Good
- B: Average
- C: Fairly Poor
- D: Very Poor

Please order our Business I/E Records Report for more detailed import and export information of Subject.

CREDIT RECORDS

Our check has found no information about its major suppliers and therefore its credit records are unavailable.

MAJOR RANKS

As of the completion of this report, our check with open sources and major search engines has found no ranking lists involving Subject in the latest five years.

LITIGATION RECORDS

As of the completion date of the report, no litigation records by or against Subject have been found in the latest five years through our searching the website www.chinacourt.org, the local court's website and other major search engines.

PUBLIC RECORDS

As of the completion of this report, our check with open sources and major search engines has found no public records involving Subject in the latest five years.



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FINANCE

Balance Sheet ('000):

	Dec. 31, 2015 (Unconsolidated)	Dec. 31, 2014 (Unconsolidated)
Cash & bank	10,588	9,793
Accounts receivable	12,354	11,650
Other receivables	5,736	5,305
Inventory	8,824	6,399
Other current assets	6,618	7,657
Total Current Assets	44,120	40,804
Fixed assets	43,680	36,248
Construction-in-progress	--	6,312
Other non-current assets	2,352	1,732
Total Non-Current Assets	46,032	44,292
TOTAL ASSETS	90,152	85,096
Accounts payable	3,950	7,236
Accrued payroll	79	145
Taxes payable	1	2
Other payables	3,160	5,789
Other current liabilities	2,685	4,919
Total Current Liabilities	9,875	18,091
Total Non-Current Liabilities	0	0
TOTAL LIABILITIES	9,875	18,091
Paid-up capital	11,390	11,390
Surplus reserve	8,777	1,780
Undistributed profit	60,110	53,835
TOTAL SHLDRS' EQUITY	80,277	67,005



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TOTAL LIABILITIES & SHLDRS' EQUITY	90,152	85,096
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Income Statement ('000)

	2015	2014
Starting Date	Jan. 01, 2015	Jan. 01, 2014
Closing Date	Dec. 31, 2015	Dec. 31, 2014
Sales	158,012	91,012
Less: Cost of sales	138,522	73,896
Gross Profit	19,490	17,116
Less: Selling expenses	--	990
Administrative expenses	9,623	7,268
Financial expenses	2,541	2,327
Other expenses	9	--
Operating Profit	7,317	6,531
Total profit	7,317	6,531
Less: Income tax	1,041	940
Net profit	6,276	5,591

NOTES TO FINANCE

Due to lack of clear government policy regarding transparency of enterprise financial information, many financial items might be missing in the above financial statements, causing possible inequality between the sum of the provided items and the provided Total Number.

Change of Key Financials ('000)

	2015	Growth Rate (%)	2014
Sales	158,012	73.62	91,012
Net profit	6,276	12.25	5,591
Total assets	90,152	5.94	85,096
Total liabilities	9,875	-45.41	18,091
Total shareholders' equity	80,277	19.81	67,005

Change of Key Financials ('000)

Total current assets	44,120	8.13	40,804
Total current liabilities	9,875	-45.41	18,091
Working capital	34,245	50.77	22,713
Total fixed assets	43,680	20.50	36,248

Important Ratios:

Profitability	2015	Year-on-year Comparison	2014
Return on net assets (%)	7.82	↓	8.34
Return on total assets (%)	6.96	↑	6.57
Gross profit margin (%)	12.33	↓	18.81
Net profit margin (%)	3.97	↓	6.14

Efficiency	2015	Year-on-year Comparison	2014
Turnover of total assets	1.75	↑	1.07
Turnover of current assets	3.58	↑	2.23
Turnover of accounts receivable (days)	28.15	↓	46.08

Solvency	2015	Year-on-year Comparison	2014
Liabilities/assets ratio (%)	10.95	↓	21.26
Current ratio	4.47	↑	2.26
Quick ratio	3.57	↑	1.90

Growth	2015	Year-on-year Comparison	2014
Sales growth (%)	73.62	--	--
Gross profit growth (%)	13.87	--	--



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Total assets growth (%)

5.94

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INDUSTRY PROFILE

1780, Manufacture of non-domestic textiles

Industry Definition:

This industry includes the manufacture of textile articles for industrial purpose.

Industry Status & Trend:

The non-domestic textile manufacturing industry is a pivoting force for China's textile industry to be upgraded from traditional manufacture to advanced manufacture. According to relevant statistics, the export value of non-home textiles manufacturing industry reached RMB31,829,829,000 in the first 8 months of 2015, up 3.81% year-on-year, of which the export value of non-woven manufacturing industry stood at RMB15,502,955,000, up 9.93% year-on-year; the export value of ropes, wires and cables at RMB2,612,962,000, down 1.26% year-on-year; the export value of textile ribbon and tire cord fabric at RMB4,411,269,000, down 0.31% year-on-year; that of tarpaulin and canvass at RMB5,731,290,000, down 3.06% year-on-year; and that of other non-home textiles at RMB3,571,353,000, down 0.11%.

China's non-domestic textile manufacturing industry has achieved rapid development in recent years, with the size expanding continually and the percentage of fiber consumption rising persistently. Currently there are still an excessive amount of staple goods with poor technology, unsatisfactory quality and profitability, unfavorable market prospect and low added value, and an excessive number of small-sized companies with backward equipment and management and weak sustainability. The non-domestic textile manufacturing industry should intensify efforts in phasing out such kinds of products and companies and accelerating M&A and conglomeration initiatives to allow room for new products and new technologies with better market prospects, which can satisfy the needs of economic development better and improve the people's living standards better. Encouragements and supports should be granted to backbone companies with ambition to become bigger and stronger. Through M&A and restructuring of existing companies and phasing out of backward companies, the non-domestic textile manufacturing industry should go all out to sharpen the international competitiveness of middle- to large-sized companies and bring their bellwether effect into full play. Currently in a stage with opportunities for accelerated developments and upgrades, this industry should quicken up its pace of adjustments, upgrades and transformations.



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CREDIT RATING

CR4

In assessing credit status of a business, Sino takes into consideration its size, history and background, financials and operations against industry average, credit history, etc. Indications of Sino credit ratings are as follows.

Rating	Risk Level	Indications
CR1	Very low	Credit can be extended on very loose terms.
CR2	Low	Credit can be extended on fairly loose terms.
CR3	Below average	Credit can be extended on normal terms.
CR4	Average	Credit should be on closely monitoring basis.
CR5	Above average	Credit should be avoided as much as possible.
CR6	High	Credit should be on secured basis.
CR7	Very high	Transaction should be on COD basis.

----- End of the Report -----