

## MIRA INFORM REPORT

<b>Report No. :</b>	524993
<b>Report Date :</b>	13.08.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	JINAN BODOR CNC MACHINE CO., LTD.
<b>Registered Office :</b>	21A, Building 1, Xinsheng Building, No. 1299, Xinluo Avenue, Hi-Tech Zone, Jinan, Shandong Province 250101 Pr
<b>Country :</b>	China
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	24.10.2008
<b>Unified Social Credit Code :</b>	9137010067728018XJ
<b>Legal Form :</b>	Shares Limited Company
<b>Line of Business :</b>	Subject registered business scope includes technology developing, manufacturing, selling, installing, and debugging laser application equipment, lasers, machinery and equipment and parts, and its services; computer software development, sales and service; service outsourcing; importing and exporting commodities and technology.
<b>No. of Employees :</b>	831

**RATING & COMMENTS**

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

**MIRA's Rating :**

**A**

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular
<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.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
China	A2	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

## CHINA - ECONOMIC OVERVIEW

Since the late 1970s, China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role. China has implemented reforms in a gradualist fashion, resulting in efficiency gains that have contributed to a more than tenfold increase in GDP since 1978. Reforms began with the phaseout of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China continues to pursue an industrial policy, state support of key sectors, and a restrictive investment regime. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2016 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. China became the world's largest exporter in 2010, and the largest trading nation in 2013. Still, China's per capita income is below the world average.

After keeping its currency tightly linked to the US dollar for years, China in July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi appreciated more than 20% against the US dollar, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing announced it would allow a resumption of gradual liberalization. From 2013 until early 2015, the renminbi (RMB) appreciated roughly 2% against the dollar, but the exchange rate fell 13% from mid-2015 until end-2016 amid strong capital outflows in part stemming from the August 2015 official devaluation; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. In 2015, the People's Bank of China announced it would continue to carefully push for full convertibility of the renminbi, after the currency was accepted as part of the IMF's special drawing rights basket. However, since late 2015 the Chinese Government has strengthened capital controls and oversight of overseas investments to better manage the exchange rate and maintain financial stability.

The Chinese Government faces numerous economic challenges including: (a) reducing its high domestic savings rate and correspondingly low domestic household consumption; (b) managing its high corporate debt burden to maintain financial stability; (c) controlling off-balance sheet local government debt used to finance infrastructure stimulus; (d) facilitating higher-wage job opportunities for the aspiring middle class, including rural migrants and college graduates, while maintaining competitiveness; (e) dampening speculative investment in the real estate sector without sharply slowing the economy; (f) reducing industrial overcapacity; and (g) raising productivity growth rates through the more efficient allocation of capital and state-support for innovation. Economic development has progressed further in coastal provinces than in the interior, and by 2016 more than 169.3 million migrant workers and their dependents had relocated to urban areas to find work. One consequence of China's population control policy known as the "one-child policy" - which was relaxed in 2016 to permit all families to have two children - is that China is now one of the most rapidly aging countries in the world. Deterioration in the environment - notably air pollution, soil erosion, and the steady fall of the water table, especially in the North - is another long-term problem. China continues to lose arable land because of erosion and urbanization. The Chinese Government is seeking to add energy production capacity from sources other than coal and oil, focusing on natural gas, nuclear, and clean energy development. In 2016, China ratified the Paris Agreement, a multilateral agreement to combat climate change, and committed to peak its carbon dioxide emissions between 2025 and 2030.

The government's 13th Five-Year Plan, unveiled in March 2016, emphasizes the need to increase innovation and boost domestic consumption to make the economy less dependent on government investment, exports, and heavy industry. However, China has made more progress on subsidizing innovation than rebalancing the

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economy. Beijing has committed to giving the market a more decisive role in allocating resources, but the Chinese Government's policies continue to favor state-owned enterprises and emphasize stability. Chinese leaders in 2010 pledged to double China's GDP by 2020, and the 13th Five Year Plan includes annual economic growth targets of at least 6.5% through 2020 to achieve that goal. In recent years, China has renewed its support for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. Chinese leaders also have undermined some market-oriented reforms by reaffirming the "dominant" role of the state in the economy, a stance that threatens to discourage private initiative and make the economy less efficient over time. The slight acceleration in economic growth in 2017—the first such uptick since 2010—gives Beijing more latitude to pursue its economic reforms, focusing on financial sector deleveraging and its Supply-Side Structural Reform agenda, first announced in late 2015.

Source : CIA

## **COMPANY NAME & ADDRESS**

<b>COMPANY NAME</b>	JINAN BODOR CNC MACHINE CO., LTD.
<b>HEADQUARTERS ADDRESS/ REGISTERED ADDRESS FACTORY ADDRESS</b>	21A, BUILDING 1, XINSHENG BUILDING, NO. 1299, XINLUO AVENUE, HI-TECH ZONE, JINAN, SHANDONG PROVINCE 250101 PR CHINA (INTERSECTION OF FEIYUE ROAD AND CHUNBO ROAD) ICT INTELLIGENT ASSEMBLY INDUSTRIAL PARK, SUNCUN, HI-TECH ZONE, JINAN, SHANDONG PROVINCE
<b>TEL. NO.</b>	86 (0) 531-88690051/88690695
<b>FAX NO.</b>	86 (0) 531-88690050

## **EXECUTIVE SUMMARY**

DATE OF REGISTRATION	: OCTOBER 24, 2008
UNIFIED SOCIAL CREDIT CODE	: 9137010067728018XJ
LEGAL FORM	: SHARES LIMITED COMPANY
CHIEF EXECUTIVE	: KONG JIE (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL	: CNY 28,000,000
STAFF	: 831
BUSINESS CATEGORY	: MANUFACTURING & TRADING
REVENUE	: CNY 467,202,000 (AS OF DEC. 31, 2017)
EQUITIES	: CNY 40,961,000 (AS OF DEC. 31, 2017)
WEBSITE	: <a href="http://www.bodor.cn">www.bodor.cn</a>
E-MAIL	: <a href="mailto:dongmi@bodor.cc">dongmi@bodor.cc</a> & <a href="mailto:sales@bodor.com">sales@bodor.com</a>
PAYMENT	: REGULAR
MARKET CONDITION	: COMPETITIVE
FINANCIAL CONDITION	: STABLE
OPERATIONAL TREND	: FAIRLY STEADY
GENERAL REPUTATION	: AVERAGE

### **Adopted abbreviations (as follows)**

**SC** - Subject Company (the company inquired by you)

**N/A** – Not available

**CNY** – China Yuan Ren Min Bi

## **OPERATIONAL TREND & GENERAL REPUTATION**

This section aims at indicating the relative positions of SC in respect of its operational trend & general reputation

Operational Trend:-

Upward

Steady

General Reputation:-

Excellent

Good

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Fairly Steady	Fairly Good
Ordinary	Average
Fair	Fair
Stagnant	Detrimental
Downward	Not known
Not known	Not yet be determined
Not yet be determined	

## **LEGAL STATUS & HISTORY**

SC was established as shares limited company of PRC with State Administration of Industry & Commerce (SAIC) under Unified Social Credit Code: 9137010067728018XJ.

SC's Import & Export Enterprise Code: 370067728018X

SC's registered capital: CNY 28,000,000

### **Registration Change Record:-**

<b>Date</b>	<b>Change of Contents</b>	<b>Before the change</b>	<b>After the change</b>
2009	Company Name	Jinan Zhengma Automation Equipment Co., Ltd.	Jinan Bodor CNC Machine Co., Ltd.
2014-3-26	Registered Capital	CNY 50,000	CNY 1,000,000
2016-3-10	Registered Capital	CNY 1,000,000	CNY 10,000,000
	Legal Form	Limited Company	Liabilities Shares Limited Company
--	Registration No./ Unified Social Credit Code	370112200037819	9137010067728018XJ
2017-7-19	Registered Capital	CNY 10,000,000	CNY 28,000,000

### **Current Co search indicates SC's shareholders & chief executives are as follows:-**

<b>Name of Shareholder (s)</b>	<b>% of Shareholding</b>
Kong Jie	86.37
Jinan Jumengbang Enterprise Management Consulting Partnership Enterprise (Limited Partnership)	10
Wang Lu	1.56
Liu Yuelong	1.2
Guo Chao	0.87

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**SC's Chief Executives:-**

**Position**

Legal Representative, Chairman and General Manager  
Deputy General Manager  
Director

Supervisor

**Name**

Kong Jie  
Liu Yuelong  
Fan Yunzhou  
Tian Chao  
Wang Lu  
Liu Yuelong  
Gong Enkang  
Zhai Dong  
Gao Jiansheng

## **RECENT DEVELOPMENT**

SC was listed on the new three board stock market, and the stock code is 838249.

## **SHAREHOLDER CHART & BACKGROUND**

<b>Name</b>	<b>% of Shareholding</b>
Kong Jie	86.374
Jinan Jumengbang Enterprise Management Consulting Partnership Enterprise (Limited Partnership)	10
Wang Lu	1.559
Liu Yuelong	1.2
Guo Chao	0.867

## **MANAGEMENT**

**Kong Jie, Legal Representative, Chairman and General Manager**

Gender: M  
Nationality: China  
Age: 36  
Qualification: University  
Working experience (s):

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At present, working in SC as legal representative, chairman and general manager

**Liu Yuelong , Deputy General Manager**  
-----

Gender: M  
Nationality: China  
Age: 36  
Qualification: University  
Working experience (s):

At present, working in SC as deputy general manager

**Director**  
-----

Fan Yunzhou  
Tian Chao  
Wang Lu  
Liu Yuelong

**Supervisor**  
-----

Gong Enkang  
Zhai Dong  
Gao Jiansheng

## ***BUSINESS OPERATION***

SC's registered business scope includes technology developing, manufacturing, selling, installing, and debugging laser application equipment, lasers, machinery and equipment and parts, and its services; computer software development, sales and service; service outsourcing; importing and exporting commodities and technology.

SC is mainly engaged in manufacturing and selling laser application equipment, lasers, etc.

Brand: Bodor



SC's products mainly include: Laser Cutting Machine, Laser Engraving Machine, Laser Marking Machine.



SC sources the materials 100% from domestic market. SC sells 20% of its products in domestic market and 80% to overseas market, mainly U.S.A., etc.

The buying terms of SC include Check, T/T and Credit of 30-60 days. The payment terms of SC include Check, T/T, L/C and Credit of 30-60 days.

**\*Major Customers\***

=====

Laguna Tools Inc.  
Port Equipments S.A.S.  
Avance Y Tecnologia En Plasticos Sa De Cv  
Engraving Machine Plus Corp  
Indexcorp Cia Ltda  
Foliservis Sa De Cv  
Sigmatron Cia. Ltda.

**Staff & Office:**

-----

SC is known to have approx. 831 staff at present.

SC owns an area as its operating office and factory, but the detailed information is unknown.

## **RELATED COMPANY**

SC is not known to have any subsidiary at present.

## **PAYMENT**

**Overall payment appraisal:**

( ) Excellent ( ) Good (X) Average ( ) Fair ( ) Poor ( ) Not yet be determined

The appraisal serves as a reference to reveal SC's payments habits and ability to pay. It is based on the 3 weighed factors: Trade payment experience (through current enquiry with SC's suppliers), our delinquent payment records and our debt collection record concerning SC.

**Trade payment experience:** SC did not provide any name of trade/service suppliers and we have no other sources to conduct the enquiry at present.

**Delinquent payment record:** None in our database.

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**Debt collection record:** No overdue amount owed by SC was placed to us for collection within the last 6 years.

## **BANKING**

### **Basic Bank:**

Bank of China Jinan Licheng Sub-branch  
AC#: 0000207806255912

## **FINANCIALS**

### **Balance Sheet**

Unit: CNY'000	As of Dec. 31, 2015	As of Dec. 31, 2016	As of Dec. 31, 2017
Cash	13,270	20,683	63,045
Notes receivable	680	1,272	4,138
Accounts receivable	1,458	2,437	7,242
Advances to suppliers	7,682	5,640	15,109
Other receivable	932	2,577	5,945
Inventory	10,389	47,275	98,598
Non-current assets within one year	0	0	0
Other current assets	247	1,797	2,268
	-----	-----	-----
Current assets	34,658	81,681	196,345
Fixed assets	1,282	3,173	9,952
Construction in progress	0	0	0
Intangible assets	89	124	362
Long-term prepaid expenses	0	0	8,497
Deferred income tax assets	130	28	84
Other non-current assets	0	18,157	16,850
	-----	-----	-----
Total assets	36,159	103,163	232,090
	=====	=====	=====
Short-term loans	0	7,300	20,000
Notes payable	0	0	0
Accounts payable	8,950	27,263	61,539
Wages payable	815	7,269	15,594
Taxes payable	1,404	560	2,791
Advances from clients	10,692	28,953	90,442
Other payable	563	83	763
Other current liabilities	0	0	0
	-----	-----	-----
Current liabilities	22,424	71,428	191,129
Non-current liabilities	418	0	0

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Total liabilities	22,842	71,428	191,129
Equities	13,317	31,735	40,961
Total liabilities & equities	36,159	103,163	232,090

**Income Statement**

Unit: CNY'000	As of Dec. 31, 2015	As of Dec. 31, 2016	As of Dec. 31, 2017
Revenue	67,101	180,899	467,202
Cost of sales	46,898	107,409	313,366
Taxes and surcharges	28	731	576
Sales expense	8,592	34,458	92,277
Management expense	6,205	19,536	49,760
Finance expense	-401	571	962
Profit before tax	6,039	21,002	11,525
Less: profit tax	1,531	2,584	787
Profits	4,508	18,418	10,738

**Important Ratios**

	As of Dec. 31, 2015	As of Dec. 31, 2016	As of Dec. 31, 2017
*Current ratio	1.55	1.14	1.03
*Quick ratio	1.08	0.48	0.51
*Liabilities to assets	0.63	0.69	0.82
*Net profit margin (%)	6.72	10.18	2.30
*Return on total assets (%)	12.47	17.85	4.63
*Inventory / Revenue x365	57 days	96 days	78 days
*Accounts receivable/ Revenue x365	8 days	5 days	6 days
*Revenue/Total assets	1.86	1.75	2.01
*Cost of sales / Revenue	0.70	0.59	0.67

**FINANCIAL COMMENTS**

**PROFITABILITY: FAIRLY GOOD**

The revenue of SC appears fairly good in its line.  
SC's net profit margin is fairly good.  
SC's return on total assets is fairly good.  
SC's cost of sales is average, comparing with its revenue.

**LIQUIDITY: AVERAGE**

The current ratio of SC is maintained in a normal level.  
SC's quick ratio is maintained in a fair level in 2016 and 2017

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The inventory of SC appears large.  
The accounts receivable of SC appears average.  
The short-term loans of SC appear average in 2016 and 2017  
SC's revenue is in an average level, comparing with the size of its total assets.

**LEVERAGE: AVERAGE**

The debt ratio of SC is average.  
The risk for SC to go bankrupt is average.

**Overall financial condition of the SC: Stable.**

## **CONCLUSIONS**

SC is considered medium-sized in its line with stable financial conditions.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.95
UK Pound	1	INR 88.19
Euro	1	INR 78.99
CNY	1	INR 10.17

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	PRA
<b>Report Prepared by :</b>	KET

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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)