

MIRA INFORM REPORT

Report No. :	542433
Report Date :	03.12.2018

IDENTIFICATION DETAILS

Name :	GUANGDONG ZHENGYE TECHNOLOGY CO., LTD
Registered Office :	No. 2 Science and Technology 9 Road, Songshan Lake Science And Technology Industrial Park, Dongguan City, Guangdong Province 523808
Country :	China
Financials (as on) :	30.09.2018
Date of Incorporation :	14.11.1997
Unified social credit Code.:	91441900617994922G
Legal Form :	Shares Limited Company
Line of Business :	Subject registered business scope includes researching, developing, manufacturing, processing and selling robot, electronic instrument & equipment, software, and electronic materials; production line equipment system integration; importing and exporting commodities and technology.
No. of Employees :	2,101

RATING & COMMENTS

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

MIRA's Rating :

A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
China	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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2017 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.

In July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi (RMB) 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 resume a gradual appreciation. From 2013 until early 2015, the renminbi held steady against the dollar, but it depreciated 13% from mid-2015 until end-2016 amid strong capital outflows; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. 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 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 AND ADDRESS

COMPANY NAME Guangdong Zhengye Technology Co., Ltd.
CURRENT ADDRESS/ REGISTERED ADDRESS No. 2 Science and Technology 9 Road, Songshan Lake
Science And Technology Industrial Park, Dongguan City,
Guangdong Province 523808 PR China
TEL. NO. 86 (0) 769-88980288 (EXT. 2269)
FAX NO. 86 (0) 769-88985058

EXECUTIVE SUMMARY

DATE OF REGISTRATION : NOVEMBER 14, 1997
UNIFIED SOCIAL CREDIT CODE : 91441900617994922G
LEGAL FORM : SHARES LIMITED COMPANY
CHIEF EXECUTIVE : XU DIHUA (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL : CNY 196,025,823
STAFF : 2,101
BUSINESS CATEGORY : R & D & MANUFACTURING & PROCESSING & TRADING
REVENUE : CNY 1,069,146,000 (CONSOLIDATED, JAN. 1, 2018 TO
SEP. 30, 2018)
EQUITIES : CNY 2,163,129,000 (CONSOLIDATED, AS OF SEP.
30, 2018)
WEBSITE : www.zhengyee.com
E-MAIL : ir@zhengyee.com
PAYMENT : REGULAR
MARKET CONDITION : COMPETITIVE
FINANCIAL CONDITION : FAIRLY GOOD
OPERATIONAL TREND : FAIRLY STEADY
GENERAL REPUTATION : FAIRLY GOOD

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

Fairly Steady

General Reputation:-

Excellent

Good

Fairly Good

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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: 91441900617994922G.

SC's Import and Export Enterprise Code: 4400617994922

SC's registered capital: CNY 196,025,823

Registration Change Record:-

Date	Change of Contents	Before the change	After the change
2015-2-5	Registered Capital	CNY 45,000,000	CNY 60,000,000
2015-12-9	Registered Capital	CNY 60,000,000	CNY 150,000,000
2016-1-5	Registered Capital	CNY 150,000,000	CNY 159,545,000
2016-6-13	Registered Capital	CNY 159,545,000	CNY 181,120,830
--	Registration No./ Unified Social Credit Code	441900000046830	91441900617994922G
2017-4-1	Registered Capital	CNY 181,120,830	CNY 197,107,774
2018-8-22	Registered Capital	CNY 197,107,774	CNY 196,025,823

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

Name of Shareholder (s) (As of Sep. 30, 2018)	% of Shareholding
Dongguan Zhengye Industry and Investment Co., Ltd.	44.95
Dongguan Mingzhong Industry and Investment Co., Ltd.	4.17
Zhongrong International Trust-Zhongrong-Hengrong No. 5 Single Capital Trust	3.9
Wang Shichen	3.06
Shi Zhongqing	2.99
Zhao Yutao	1.81
Chen Haihua	1.22
Li Fengying	1.17
Yu Fangqin	1.1
Yuan Qinmei	0.99
Other Shareholders	34.64

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

SC's Chief Executives:-

Position	Name
Legal Representative, Chairman and General Manager	Xu Dihua
Deputy General Manager and Director	Xu Diming
	Xu Guofeng
Independent Director	Peng Zhenjun
	He Jianming
	Xiao Wan
Director	Luo Gang
	Chen Shirong
	Mei Lingliang
Supervisor	Fan Bin
	Fan Xiuguo
	Lin Ke

RECENT DEVELOPMENT

SC is a listed company in Shenzhen Stock Exchange Market with the code of 300410.

SHAREHOLDER CHART & BACKGROUND

Name % of Shareholding

(As of Sep. 30, 2018)

Dongguan Zhengye Industry and Investment Co., Ltd.	44.95
Dongguan Mingzhong Industry and Investment Co., Ltd.	4.17
Zhongrong International Trust-Zhongrong-Hengrong No. 5 Single Capital Trust	3.9
Wang Shichen	3.06
Shi Zhongqing	2.99
Zhao Yutao	1.81
Chen Haihua	1.22
Li Fengying	1.17
Yu Fangqin	1.1
Yuan Qinmei	0.99
Other Shareholders	34.64

Dongguan Zhengye Industry and Investment Co., Ltd.

Unified Social Credit Code: 914419006924209613

Legal Form: Limited Liabilities Company

Registered Capital: CNY 14,500,000

Legal Representative: Zou Zhihong

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Dongguan Mingzhong Industry and Investment Co., Ltd.

Unified Social Credit Code: 91441900692420996M
Legal Form: Limited Liabilities Company
Registered Capital: CNY 3,700,000
Legal Representative: Wu Guoguo

MANAGEMENT

Xu Dihua, Legal Representative, Chairman and General Manager

-
- Gender: M
 - Nationality: China
 - Age: 55
 - Qualification: University
 - Working experience (s):

At present, working in SC as legal representative, chairman and general manager
Also working in Dongguan Zhengye Industry and Investment Co., Ltd. as legal representative

Xu Diming , Deputy General Manager and Director

-
- Gender: M
 - Nationality: China
 - Age: 50
 - Qualification: University
 - Working experience (s):

At present, working in SC as deputy general manager and director

Xu Guofeng , Deputy General Manager and Director

-
- Gender: F
 - Age: 45
 - Qualification: University
 - Working experience (s):

At present, working in SC as deputy general manager and director

Independent Director

Peng Zhenjun
He Jianming
Xiao Wan

Director

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Luo Gang
Chen Shirong
Mei Lingliang

Supervisor

Fan Bin
Fan Xiuguo
Lin Ke

BUSINESS OPERATION

SC's registered business scope includes researching, developing, manufacturing, processing and selling robot, electronic instrument & equipment, software, and electronic materials; production line equipment system integration; importing and exporting commodities and technology.

SC is mainly engaged in researching, developing, manufacturing, processing and selling precision instruments and equipment and high-end electronic materials.

SC's products mainly include:

PI Reinforcement
Pure Acrylic Film
Coordinate Measuring Machine
High Speed CO2 Laser Film-cutting Machine
High Precision Fiber Laser Cutting Machine
CO2 Laser Ceramic Cutting Machine
3D Precision Fiber Laser Cutting Machine
Double Station Precision Fiber Laser Cutting Machine
UV Laser Marking Machine Series
Etc.



Trademarks:



SC sources its materials 100% from domestic market. SC sells 60% of its products in domestic market, and 40% to overseas market.

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 Customer

=====

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Saturn Electronics

Staff & Office:

SC is known to have approx. 2,101 staff at present.

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

RELATED COMPANY

SC is known to have the following subsidiaries at present,

■ Jiangmen Tuolian Electronics Technology Co., Ltd.

Date of Registration: July 29, 2011
Unified Social Credit Code: 91440704579695867E
Legal Representative: Ling Wannong 凌万穰
Registered Capital: CNY 5,000,000

■ Pengyuwei Technology (Shenzhen) Co., Ltd.

Date of Registration: July 11, 2013
Unified Social Credit Code: 914403007504587236
Legal Representative: Li Congsheng
Registered Capital: CNY 35,000,000

■ Jiangsu Zhengye Intelligent Manufacturing Technology Co., Ltd.

Date of Registration: April 2, 2003
Unified Social Credit Code: 91320583748701165Y
Legal Representative: Xu Dihua
Registered Capital: CNY 52,200,000

■ Shenzhen Jiyin Technology Co., Ltd.

Date of Registration: March 14, 2002
Unified Social Credit Code: 914403007362593572
Legal Representative: Shi Zhongqing
Registered Capital: CNY 50,000,000
Etc.

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 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.

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

BANKING

Basic Bank:

China Construction Bank Dongguan Songshanhu Sub-branch

AC#: 44001770053059168668

FINANCIALS

Consolidated Balance Sheet

Unit: CNY'000

	As of Dec. 31, 2016	As of Dec. 31, 2017	As of Sep. 30, 2018
Cash	132,979	227,822	217,007
Trading financial assets	0	54,018	16,412
Accounts receivable	340,295	728,700	914,793
Notes receivable	42,866	87,335	37,077
Advances to suppliers	6,753	27,861	44,560
Interest receivable	0	0	0
Other receivable	1,762	11,366	17,477
Inventory	204,269	383,066	468,827
Non-current assets within one year	0	0	0
Other current assets	2,066	4,417	11,736
	-----	-----	-----
Current assets	730,990	1,524,585	1,727,889
Long-term investment	142,658	0	0
Fixed assets	134,191	157,475	158,626
Construction in progress	264	15,701	157,993

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

GUANGDONG ZHENGYE TECHNOLOGY CO., LTD - 542433

PAGE NO. : 12

Project materials	0	0	0
Fixed assets in liquidation	0	0	0
Intangible assets	34,163	91,818	88,692
Goodwill	463,858	1,015,183	1,077,222
Long-term deferred expense	4,604	9,002	7,464
Deferred income tax assets	22,969	21,128	21,471
Other non-current assets	15,003	18,639	27,368
	-----	-----	-----
Total assets	1,548,700	2,853,531	3,266,725
	=====	=====	=====
Short-term loans	44,939	187,226	230,283
Notes payable and accounts payable	201,344	344,473	493,906
Payroll payable	10,745	20,746	13,620
Taxes payable	9,655	34,255	24,503
Interest payable	0	0	0
Advances from clients	25,692	36,456	34,349
Other payable	72,430	101,268	156,172
Other current liabilities	22,018	41,267	34,716
	-----	-----	-----
Current liabilities	386,823	765,691	987,549
Non-current liabilities	12,183	55,740	116,047
	-----	-----	-----
Total liabilities	399,006	821,431	1,103,596
Equities	1,149,694	2,032,100	2,163,129
	-----	-----	-----
Total liabilities & equities	1,548,700	2,853,531	3,266,725
	=====	=====	=====

Consolidated Income Statement

Unit: CNY'000	As of Dec. 31, 2016	As of Dec. 31, 2017	Jan. 1, 2018 to Sep. 30, 2018
Revenue	600,345	1,265,379	1,069,146
Cost of sales	370,816	791,430	635,109
Business Taxes and Surcharges	4,693	11,674	6,527
Sales expense	39,615	81,924	81,535
Management expense	120,779	162,396	81,048
Finance expense	3,290	5,748	14,889
Asset impairment loss	6,382	43,894	3,370
Investment income	16,866	5,098	24,820
Non-operating income	8,043	880	332
Non-operating expense	79	225	1,523
Profit before tax	79,599	232,731	184,880
Less: profit tax	6,763	32,712	19,225
Profits	72,836	200,019	165,655

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Important Ratios

=====

	As of Dec. 31, 2016	As of Dec. 31, 2017	As of Sep. 30, 2018
*Current ratio	1.89	1.99	1.75
*Quick ratio	1.36	1.49	1.27
*Liabilities to assets	0.26	0.29	0.34
*Net profit margin (%)	12.13	15.81	15.49
*Return on total assets (%)	4.70	7.01	5.07
*Inventory / Revenue x365/270	125 days	111 days	119 days
*Revenue / Total assets	0.39	0.44	0.33
*Cost of sales / Revenue	0.62	0.63	0.59

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 goods sold is low, comparing with its revenue.

LIQUIDITY: AVERAGE

- The current ratio of SC is maintained in a fairly good level.
- SC's quick ratio is maintained in a fairly good level.
- The inventory of SC appears average.
- The short-term loans of SC appear average.
- SC's revenue is in a fair level, comparing with the size of its total assets.

LEVERAGE: FAIRLY GOOD

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

Overall financial condition of the SC: Fairly Good.

CONCLUSIONS

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

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.66
UK Pound	1	INR 89.08
Euro	1	INR 79.36
CNY	1	INR 10.19

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	KET

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)