

MIRA INFORM REPORT

Report No. :	540071
Report Date :	20.11.2018

IDENTIFICATION DETAILS

Name :	GOLDENMAX INTERNATIONAL TECHNOLOGY LTD.
Registered Office :	No. 33 Baosheng Road, Songjiang Area, Shanghai 201613 Pr
Country :	China
Financials (as on) :	30.09.2018
Date of Incorporation :	19.10.2000
Unified Social Credit Code :	913100006074226723
Legal Form :	Shares Limited Company
Line of Business :	<ul style="list-style-type: none"> Subject registered business scope includes developing various copper clad plate, insulating materials, prepreg and related products and new products; researching and developing related technology, equipment and facilities; manufacturing various copper clad board, insulation material, prepreg and related products, selling its owned products; international trade; providing related services. Subject is mainly engaged in manufacturing and selling various copper clad board, insulation material, prepreg and related products.
No. of Employees :	2,255

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 :	Excellent
Payment Behaviour :	Regular

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Litigation :	Clear
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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

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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

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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

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COMPANY NAME & ADDRESS

COMPANY NAME GOLDENMAX INTERNATIONAL TECHNOLOGY LTD.
CURRENT ADDRESS/ REGISTERED ADDRESS NO. 33 BAOSHENG ROAD, SONGJIANG AREA,
SHANGHAI 201613 PR CHINA
TEL. NO. 86 (0) 21-57747138
FAX NO. 86 (0) 21-67742902

EXECUTIVE SUMMARY

DATE OF REGISTRATION : OCTOBER 19, 2000
UNIFIED SOCIAL CREDIT CODE : 913100006074226723
LEGAL FORM : SHARES LIMITED COMPANY
CHIEF EXECUTIVE : HAN TAO (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL : CNY 728,000,000
STAFF : 2,255
BUSINESS CATEGORY : MANUFACTURING
REVENUE : CNY 2,846,522,000 (CONSOLIDATED, JAN. 1 2018 TO SEP. 30, 2018)
EQUITIES : CNY 2,489,535,000 (CONSOLIDATED, AS OF SEP. 30, 2018)
WEBSITE : www.goldenmax.cn
E-MAIL : GDM@263.com
PAYMENT : REGULAR
MARKET CONDITION : COMPETITIVE
FINANCIAL CONDITION : FAIRLY GOOD
OPERATIONAL TREND : UPWARD
GENERAL REPUTATION : 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

Ordinary

Fair

General Reputation:-

Excellent

Good

Fairly Good

Average

Fair

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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: 913100006074226723.

SC's registered capital: CNY 728,000,000

SC's paid-in capital: CNY 728,000,000

Registration Change Record:-

Date	Change of Contents	Before the change	After the change
2008	Company Name	Shanghai Guoji Electronic Material Co., Ltd.	Goldenmax International Technology Ltd.
	Legal Form	Limited Liabilities Company	Shares Limited Company
2015-8-10	Registered Capital	CNY 280,000,000	CNY 728,000,000

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

Name of Shareholder (s) (As of Sep. 30, 2018)	% of Shareholding
Shanghai Donglin Investment & Development Co., Ltd.	39.83
Goldenmax International Technology Group Co., Ltd.	25.65
Jiangxi Jinhe Business Management Consulting Co., Ltd.	2.03
Shanghai Donglin Industry Co., Ltd.	0.99
Han Tao	0.9
Wang Benrong	0.17
Ye Meilan	0.13
Other Shareholders	30.3

SC's Chief Executives:-

Position	Name
Legal Representative, Chairman and General Manager	Han Tao
Vice Chairman	Han Wei
Deputy General Managers	Hu Ruiping Zhu Chenggang

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Cheng Jing

RECENT DEVELOPMENT

SC is a listed company in Shenzhen Stock Exchange Market with the code of 002636.

SHAREHOLDER CHART & BACKGROUND

Name (As of Sep. 30, 2018)	% of Shareholding
Shanghai Donglin Investment & Development Co., Ltd.	39.83
Goldenmax International Technology Group Co., Ltd.	25.65
Jiangxi Jinhe Business Management Consulting Co., Ltd.	2.03
Shanghai Donglin Industry Co., Ltd.	0.99
Han Tao	0.9
Wang Benrong	0.17
Ye Meilan	0.13
Other Shareholders	30.3

Shanghai Donglin Investment & Development Co., Ltd.

Date of Registration: August 7, 2006
Unified Social Credit Code: 91310115791480548J
Legal Form: Limited Liabilities Company
Chief Executive: Cheng Aixian 程爱仙
Registered Capital: CNY 50,000,000

Goldenmax International Technology Group Limited

CR No.: 1090269
Company Type: Private Company Limited by Shares
Date of Incorporation: 24 November 2006
Active Status: Live

Jiangxi Jinhe Business Management Consulting Co., Ltd.

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Date of Registration: November 13, 2006
Unified Social Credit Code: 91310117795634321G
Chief Executive: Han Qing
Registered Capital: CNY 20,000,000

Shanghai Donglin Industry Co., Ltd.

Date of Registration: July 14, 2000
Unified Social Credit Code: 91310117631775689Q
Chief Executive: Cheng Aixian
Registered Capital: CNY 98,000,000

MANAGEMENT

Han Tao, Legal Representative, Chairman and General Manager

Gender: M
Nationality: China
Age: 58
Qualification: MBA
Working experience (s):

From 2000 to present, working in SC as legal representative, chairman and general manager
Also working in Goldenmax International Technology Group Co., Ltd. as director

Han Wei, Vice Chairman

Gender: F
Nationality: China
Age: 54
Qualification: University
Working experience (s):

At present, working in SC as vice chairman

Hu Ruiping, Deputy General Manager

Gender: M
Nationality: China
Age: 54
Qualification: University
Working experience (s):

Before 2008, worked in SC as director
From 2008 to present, working in SC as deputy general manager

Zhu Chenggang, Deputy General Manager

Gender: M
Nationality: China
Age: 61
Qualification: University
Working experience (s):

From 2007 to 2008, worked in SC as director
From 2008 to present, working in SC as deputy general manager

Cheng Jing, Deputy General Manager

Gender: M
Nationality: China
Age: 54
Qualification: University
Working experience (s):

From 2008 to present, working in SC as deputy general manager

BUSINESS OPERATION

SC's registered business scope includes developing various copper clad plate, insulating materials, prepreg and related products and new products; researching and developing related technology, equipment and facilities; manufacturing various copper clad board, insulation material, prepreg and related products, selling its owned products; international trade; providing related services.

SC is mainly engaged in manufacturing and selling various copper clad board, insulation material, prepreg and related products.

SC's products mainly include: copper clad laminates (CCLs) and prepreps for printed circuit boards (PCBs).

Brand: GDM

SC sources its materials 90% from domestic market, and 10% from overseas market. SC sells 70% of its products in domestic market, and 30% to overseas market.

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

Major Clients:

Meizhou Hongtai Electronic Co., Ltd.
Huizhou Yangguang Electronic Industry Co., Ltd.
Dongguan Yongsheng Electronic Co., Ltd.
Global Laminates Inc.

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Staff & Office:

SC is known to have approx. 2,255 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:

Shanghai Global Electronic Material Ltd.

Anhui Jinrui Electron Glass Co., Ltd.

Jin'an Guoji Technology (Hangzhou) Co., Ltd.

International Laminate Material Ltd.

Goldenmax International Technology (Zhuhai) Ltd.

Etc.

PAYMENT

Overall payment appraisal:

Excellent Good 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's suppliers declined to make any comments.

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 Minsheng Bank Shanghai Songjiang Sub-branch

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AC#: 0227014180000342

FINANCIALS

Consolidated Balance Sheet

Unit: CNY'000	As of Dec. 31, 2017	As of Sep. 30, 2018
Cash	377,731	518,036
Notes receivable	804,742	729,073
Accounts receivable	835,913	792,316
Advances to suppliers	9,220	11,047
Interest receivable	0	0
Other receivable	1,683	4,578
Inventory	196,188	168,262
Non-current assets within one year	0	0
Other current assets	974,297	972,202
	-----	-----
Current assets	3,199,774	3,195,514
Long term equity investment	0	0
Investment real estate	0	0
Fixed assets	761,412	755,161
Construction in progress	47,961	53,831
Project materials	0	0
Goodwill	16,954	178,936
Intangible assets	57,467	61,995
Long-term prepaid expenses	71	1,299
Deferred income tax assets	9,034	7,803
Other non-current assets	15	15
	-----	-----
Total assets	4,092,688	4,254,554
	=====	=====
Short-term loans	12,000	3,000
Notes payable & Accounts payable	1,602,960	1,499,341
Advances from clients	42,235	41,554
Payroll payable	36,042	20,449
Taxes payable	73,434	34,042
Other payable	54,608	78,151
Other current liabilities	0	0
	-----	-----
Current liabilities	1,821,279	1,676,537
Non-current liabilities	50,296	88,482
	-----	-----
Total liabilities	1,871,575	1,765,019
Equities	2,221,113	2,489,535
	-----	-----
Total liabilities & equities	4,092,688	4,254,554
	=====	=====

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Consolidated Income Statement

Unit: CNY'000	As of Dec. 31, 2017	Jan. 1 2017 to Sep. 30, 2018
Revenue	3,675,804	2,846,522
Cost of sales	2,690,300	2,337,378
Business Taxes and Surcharges	24,388	12,234
Sales expense	111,786	92,062
Management expense	236,107	68,691
Finance expense	12,006	-21,833
Assets Devaluation	-3,590	1,308
Investment income	17,066	31,054
Non-operating income	13,716	13,310
Non-operating expense	159	42
Profit before tax	634,145	289,246
Less: profit tax	96,809	48,322
Profits	537,336	240,924

Important Ratios

=====	As of Dec. 31, 2017	As of Sep. 30, 2018
*Current ratio	1.76	1.91
*Quick ratio	1.65	1.81
*Liabilities to assets	0.46	0.41
*Net profit margin (%)	14.62	8.46
*Return on total assets (%)	13.13	5.66
*Inventory / Revenue x365/270	20 days	16 days
*Accounts receivable/ Revenue x365/270	84 days	76 days
* Revenue/Total assets	0.90	0.67
* Cost of sales / Revenue	0.73	0.82

FINANCIAL COMMENTS

PROFITABILITY: FAIRLY GOOD

The revenue of SC appears 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 average, comparing with its revenue in both years.

LIQUIDITY: AVERAGE

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

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LEVERAGE: FAIRLY GOOD

The debt ratio of SC is average.

The risk for SC to go bankrupt is low.

Overall financial condition of the SC: Fairly Good.

CONCLUSIONS

SC is considered large-sized in its line with fairly good financial conditions. The large amount of accounts receivable may be a threat to SC's financial condition.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.90
UK Pound	1	INR 92.20
Euro	1	INR 81.94
CNY	1	INR 10.29

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	TPT

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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)