

## MIRA INFORM REPORT

<b>Report No. :</b>	536951
<b>Report Date :</b>	29.10.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	SHANGHAI XIETONG (GROUP) CO., LTD
<b>Registered Office :</b>	No. 4671 Cao'an Road Jiading Dist. Shanghai Pr
<b>Country :</b>	China
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	10.12.1992
<b>Credibility Code :</b>	913100001322253910
<b>Legal Form :</b>	Limited liabilities co.
<b>Line of Business :</b>	The subject's registered business scope includes importing and exporting goods and technologies, excluding goods and technologies prohibited by the state; selling electronic products, hardware, stationery, construction equipment, construction machinery, instrumentation, mechanical and electrical equipment, electronic components, knitted textiles, metal materials, toys, clothing, building materials, chemical products; selling food; medical device management, software development, property management, enterprise management (with permit if needed)
<b>No. of Employees :</b>	110

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
------------------------	---

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

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

**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.

**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 (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

## 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

**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.

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 : SHANGHAI XIETONG (GROUP) CO., LTD  
Address : No. 18 Lane 318 Yonghe Rd Shanghai, PR CHINA  
Telephone : 0086-21-66307759  
Facsimile : 0086-21-66308830  
Website : <http://www.sieton.cn/>  
Email : [xietong585858@163.com](mailto:xietong585858@163.com)

## **REGISTRATION INFORMATION**

Established Date : 1992-12-10  
Credibility Code : 913100001322253910  
Legal Form : Limited liabilities co.  
Registration Authority : Administration for Industry & Commerce (AIC) - Shanghai  
Status : Active

Registered Capital : RMB 102,552,068  
Paid Up Capital : RMB 102,552,068  
Turnover : RMB 2,682,896,000 (as of Dec. 31, 2017)  
Equities : RMB 146,136,000 (as of Dec. 31, 2017)

Chief Executive : Tang Qingyu  
Business Line : Trade and trade agent & investment  
Manpower : 110

Tax Registration  
Certificate No. : 913100001322253910  
Organization Code : 13222539-1

HS code : 3114955001  
Import & Export code : 3100132225391

Financial Condition : Fairly Stable  
Business Size : Medium Enterprise  
Payment : No Complaints

### **Registered Address**

No. 4671 cao'an road jiading dist. shanghai PR CHINA

### **Company Status: Limited liabilities co.**

This form of business in PR China is defined as a legal person. No more than fifty shareholders contribute its registered capital jointly. Shareholders bear limited liability to the extent of shareholding, and the co. is liable for its debts only to extent of its total assets. The characteristics of this form of co. are as follows:

**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.

Upon the establishment of the co., an investment certificate is issued to the each of shareholders.  
The board of directors is comprised of three to thirteen members.  
The minimum registered capital for a co. is RMB 30,000.  
Shareholders may take their capital contributions in cash or by means of tangible assets or intangible assets such as industrial property and non-patented technology.  
Cash contributed by all shareholders must account for at least 30% of the registered capital.  
Existing shareholders have pre-exemption right to purchase shares of the co. offered for sale by the other shareholders and to subscribe for the newly increased registered capital of the co.

#### **Premise**

The subject operates from premises located at the heading address, and this address houses its operating office in Shanghai. Our checks reveal that the subject rents the total premise, but the square meters are unknown.

## **MANAGEMENT**

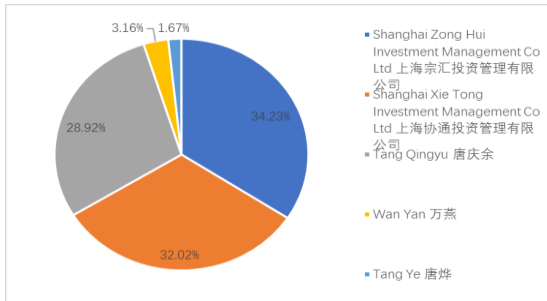
<b>Position</b>	<b>Name</b>	<b>Nationality</b>
Legal representative, General Manager Chairman	Tang Qingyu	Chinese
Directors	Wan Wang Zhou Meizhen Yang Weiguang Che Yuewen Wang Wei Zhu Chun Lu Huiming Sun Zhen Wan Yan Tang Ye Li Feng	Chinese
Supervisors	Wang Xiaoli Liu Wei Tang Huiping	Chinese

## **MAJOR SHAREHOLDERS**

<b>Name</b>	<b>% Shareholding</b>
Shanghai Zong Hui Investment Management Co Ltd	34.23%
Shanghai Xie Tong Investment Management Co Ltd	32.02%
Tang Qingyu	28.92%

**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.

Wan Yan	3.16%
Tang Ye	1.67%



Shanghai Zong Hui Investment Management Co Ltd

-----  
Credibility Code: 91310108764730337C  
Legal representative: Tang Qingyu  
Registered Capital: RMB 44,000,000  
Established Date: 2004-07-09

## **KEY EVENTS**

No Significant Changes.

## **BUSINESS OPERATIONS**

The subject's registered business scope includes importing and exporting goods and technologies, excluding goods and technologies prohibited by the state; selling electronic products, hardware, stationery, construction equipment, construction machinery, instrumentation, mechanical and electrical equipment, electronic components, knitted textiles, metal materials, toys, clothing, building materials, chemical products; selling food; medical device management, software development, property management, enterprise management (with permit if needed)

The subject is mainly engaged in international trade, trade agent service and investment business.

Products:

Wood  
Mechanical equipment  
Electronic products  
Hardware  
Textile fabrics  
Household Electric Appliances  
Computer equipment and accessories

**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.

Building materials  
Mounting materials  
Hardware and water heating  
Textile and other light industries  
Wool cotton fabric  
Clothing  
Stationery and office supplies  
Craft arts  
Furniture  
Chemical raw materials  
Plastic resin  
Dyes and auxiliaries  
Pigments and intermediates

Etc.

The subject sources its materials 60% from domestic market, and 40% from overseas market. the subject sells 30% of its products in domestic market, and 70% to overseas market, mainly U.S.A. and Europe, etc.

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

## **SUPPLIER & CUSTOMER**

\*Major customer:

Chief Automotive Systems Inc. (United States)  
Etc.

## **RELATED COMPANIES**

### **Subsidiaries**

Shanghai North Hongqiao Xietong Industrial Co., Ltd.

=====  
Credibility Code: 91310114MA1GUF7F51  
Legal representative: Tang Ye  
Registered Capital: RMB 50,000,000  
Established Date: 2018-01-09

Shanghai Xietong Business Co., Ltd.

=====  
Credibility Code: 913101143421025175  
Legal representative: Wan Yan

**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.

Registered Capital: RMB 5,000,000  
Established Date: 2015-06-30  
Etc.

**Branches**

Shanghai Xietong (Group) Co., Ltd Jing'an Branch  
=====

Credibility Code: 91310106MA1FY3E05L  
Principal: Tang Qingyu  
Established Date: 2016-08-25

**NEGATIVE INFORMATION**

**Lawsuit Record:**

Date	Case No.	Petitioner	Defendant	Executive court	Status
2017-09-19	2016- 0114	Wu Chen	The subject company.	Shanghai Jiading District people's court	Concluded
2017-03-27	2015- 1760	Wang Husheng	The subject company.	Shanghai Jiading District people's court	Concluded

Etc.

**Trade payment experience:** The subject 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 the subject was placed to us for collection within the last 6 years.

**Customs administrative penalty:**

Case No.	Penalty date	Nature of the case
37351322015000092	2015-01-29	Illegal
22307322014001060	2014-12-18	Illegal

Etc.



**Equity freeze information:** No record.

**Administrative Penalty:** No record.

## **MORTGAGE**

There is no record of mortgage information at present.

## **TRADEMARK**

Registration No.	Registration Date	Trademark Design
9124004	2012-5-21	
9124000	2012-3-7	

## **PATENT**

No record.

## **BANKING**

Agricultural Bank of China Lujiazui Sub Branch

Account No.: 03399500040003499

## **ABBREVIATED FINANCIAL STATEMENT**

### Financial Summary

=====

Unit: RMB'000

	As of Dec. 31, 2016	As of Dec. 31, 2017
Total assets	1,269,714	1,440,198
	=====	=====

**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.

Total liabilities	1,112,978	1,294,062
Equities	156,736	146,136
	-----	-----
Total liabilities & equities	1,269,714	1,440,198
	=====	=====
Turnover	1,896,407	2,682,896
Profits before tax	2,175	2,077
Less: tax	228	281
Profits	1,947	1,796

**Important Ratios**

=====

	As of Dec. 31, 2016	As of Dec. 31, 2017
*Liabilities to assets	0.88	0.90
*Net profit margin (%)	0.10	0.07
*Return on total assets (%)	0.15	0.12
*Turnover/Total assets	1.49	1.86

**PROFITABILITY: AVERAGE**

The turnover of the subject appears good in its line.  
the subject's net profit margin is average.  
the subject's return on total assets is average.

the subject's turnover is average, comparing with the size of its total assets.

**LEVERAGE: FAIR**

The debt ratio of the subject is high.  
The risk for the subject to go bankrupt is average.

**TREND ANALYSIS**

=====

	2015	2016	2017
Sales Trend	--	--	↑
Profit margin	--	--	↓
Debt to assets ratio	--	--	↑
Overall Financial	<input type="checkbox"/> Good	<input type="checkbox"/> Fairly Good	<input type="checkbox"/> Stable
Condition	<input checked="" type="checkbox"/> Fairly Stable	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor

**COMMENT**

The subject was registered as a Limited liabilities co. at local Administration for Industry & Commerce (AIC - The official body of issuing and renewing business license).

The subject is considered medium-sized in its line with fairly stable financial conditions.

**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.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.37
UK Pound	1	INR 94.05
Euro	1	INR 83.41
CNY	1	INR 10.56

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

**INFORMATION DETAILS**

Analysis Done by :	NIS
Report Prepared by :	TRU

**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)