

CTOS BASIS OVERSEAS REPORT

specially prepared for

ABC INC

Your Reference	:	REF. NO.
Order Reference	:	000000///SHA
Subject Enquired	:	ABC CO., LTD.
Registration No	:	000000000000000000
Service Mode	:	NORMAL
Order Date	:	08/03/2021
Date Report Sent	:	15/03/2021

THIS REPORT IS PROVIDED TO YOU IN STRICT CONFIDENCE & ITS CONTENTS
CANNOT BE DISCLOSED TO THE SUBJECT OR TO ANY THIRD PARTY IN ANY MANNER
WHATSOEVER.

N/A - Not Applicable

EXECUTIVE SUMMARY

REGISTRATION NO.	: 000000000000000000
TAX REGISTRATION NO	: 0000000000000000
COMPANY NAME	: ABC CO., LTD.
INCORPORATION DATE	: 21/09/1992
COMPANY STATUS	: EXIST
LEGAL FORM	: LIMITED LIABILITY COMPANY (WHOLLY OWNED BY A NON-NATURAL PERSON-FUNDED OR –CONTROLLED CORPORATION)
REGISTERED ADDRESS	: BUILDING 1, ABC ROAD, ABC DISTRICT, SHANGHAI, CHINA.
BUSINESS ADDRESS	: ABC ROAD, ABC DISTRICT, SHANGHAI, CHINA.
TEL.NO.	: (+86 21) 00000000
FAX.NO.	: (+86 21) 00000000
EMAIL	: SAMPLE@SAMPLE.COM
WEB SITE	: WWW.SAMPLE.COM
CONTACT PERSON	: CONTACT PERSON (GENERAL MANAGER)
SIC CODE	: 4850 - CONSTRUCTION FOR WIRING AND PIPING ENGINEERING 4220 - CONSTRUCTION OF UTILITY PROJECTS
NACE CODE	: 42.9 - CONSTRUCTION OF OTHER CIVIL ENGINEERING PROJECTS
PRINCIPAL ACTIVITY	: CONSTRUCTION FOR WIRING AND PIPING ENGINEERING
ISSUED AND PAID UP CAPITAL	: CNY 707,080,000.00 ORDINARY SHARES
SALES	: CNY 10,961,870,000 [2020]
NET WORTH	: CNY 2,328,130,000 [2020]
STAFF STRENGTH	: N/A
LITIGATION	: TRACED
FINANCIAL CONDITION	: N/A
PAYMENT	: N/A
MANAGEMENT CAPABILITY	: AVERAGE
COMMERCIAL RISK	: MODERATE
CURRENCY EXPOSURE	: MODERATE
GENERAL REPUTATION	: SATISFACTORY
CREDIT RATING	: B (Please refer to appendix)

HISTORY / BACKGROUND

AIC No.: 0000000000000000

Registry: ABC District Administration for Market Regulation

Duration of Operation: Unlimited

CHANGES IN REGISTRATION

Date of Change	Change(s)	From	To
Jun. 28, 2019	Legal Representative (Person-in-Charge)	Person name	Person name
Mar. 26, 2018	Registered Address	Abc Road, New Area, Shanghai	Building 1, ABC Road, ABC District, Shanghai
Dec. 07, 2016	Registered Capital	492,080,000	707,080,000

Share Capital History

Date	Issue & Paid Up Capital
	CNY 707,080,000.00

Shareholder

The major shareholder(s) of the Subject are shown as follows :

Name	Address	IC/PP/Loc No	Shareholding	(%)
ABC CORPORATION OF CHINA	CHINA	-	707,080,000.00	100.00
			-----	-----
			707,080,000.00	100.00
			=====	=====

+ Also Director

Related Companies

Name Abc Co.,Ltd.
 % Ownership 100%
 Status Active
 Establishment Date: Apr. 09, 1993
 Registry Hongkou District Administration for Market Regulation
 AIC No. 0000000000000000
 Unified Social Credit Code: 00000000000000000B
 Registered Capital 100,000,000
 Legal Status Limited liability company (wholly owned by a non-natural person-funded or –controlled corporation)

Name Abc Construction Co., Ltd.
 % Ownership 100%
 Status Active
 Establishment Date: Oct. 18, 1996
 Registry Yangpu District Administration for Market Regulation
 AIC No. 0000000000000000
 Unified Social Credit Code: 000000000000000000
 Registered Capital 77,000,000
 Legal Status Limited liability company (wholly owned by a non-natural person-funded or –controlled corporation)

Name ABC Co., Ltd(Literal Translation)
 % Ownership 100%
 Status Active
 Establishment Date: Feb. 01, 1985
 Registry ABC District Administration for Market Regulation

AIC No. 000000000000000
Unified Social Credit Code: 000000000000000000Y
Registered Capital 5,800,000
Legal Status Limited liability company (wholly owned by a natural person-funded or –controlled corporation)

Name Abc Co., Ltd
% Ownership 100%
Status Active
Establishment Date: Jul. 10, 1989
Registry Minhang District Administration for Market Regulation
AIC No. 000000000000000
Unified Social Credit Code: 0000000000000000XD
Registered Capital 20,800,000
Legal Status Limited liability company (wholly owned by a non-natural person-funded or –controlled corporation)

Name ABC Co., Ltd(Literal Translation)
% Ownership 100%
Status Active
Establishment Date: May. 15, 1989
Registry Minhang District Administration for Market Regulation
AIC No. 000000000000000
Unified Social Credit Code: 000000000000000000
Registered Capital 17,900,000
Legal Status Limited liability company (wholly owned by a non-natural person-funded or –controlled corporation)

DIRECTORS

DIRECTOR 1

Name Of Subject : DIRECTOR

MANAGEMENT

1) Name of Subject : PERSON NAME
Position : EXECUTIVE DIRECTOR

2) Name of Subject : PERSON NAMEE
Position : GENERAL MANAGER

AUDITOR

No Auditor found in our databank

COMPANY SECRETARIES

No company secretary was found in our affiliate's company databank.

BANKING

No Banker found in our affiliate's company databank.

ENCUMBRANCE (S)

CHATEL REGISTRATION
Transaction Type: Transfer of accounts receivable
Alienee: ABC Bank Co., Ltd. Shanghai Branch
Bargainor: ABC CO., LTD.
Transfer Contract No.: 000DNSE00EF0000-0
Transferred Property Value: 807,677,200
Date of Initial Registration: Dec. 18, 2015

Expiry Date of Initial Registration: Dec. 17, 2020
Initial Registration No.: 00000000000000000000

CIVIL LITIGATION CHECK

No winding up petition was found in our affiliate's company databank.

Case Category: Litigation
Case No.: (2020)Y0000MC NO. 0000-0
Hearing Court/Executive Court: Shangshui People's Court, Henan Province
Plaintiff: Abc Group Co.,Ltd
Defendant: ABC CO., LTD.
Date of Hearing/Date of Case Registration: Dec. 21, 2020
Case Brief: Dispute over contract
Release Time Dec. 31, 2020

Case Category: Litigation
Case No.: (2020) 0000 MC NO. 0000
Hearing Court/Executive Court: Shangshui People's Court, Henan Province
Plaintiff: Abc Group Co.,Ltd
Defendant: ABC CO., LTD.
Date of Hearing/Date of Case Registration: Dec. 9, 2020
Case Brief: Dispute over construction contract
Release Time Dec. 31, 2020

Case Category: Litigation
Case No.: (2020)Y00 MZ NO. 0000
Hearing Court/Executive Court: Zhanjiang Intermediate People's Court, Guangdong Province
Plaintiff: ABC CO., LTD.
Defendant: Person Name
Date of Hearing/Date of Case Registration: Dec. 8, 2020
Case Brief: Dispute over construction contract
Release Time Dec. 28, 2020

Case Category: Litigation
Case No.: (2020)Y0000 MC NO. 0000-0
Hearing Court/Executive Court: Shangshui People's Court, Henan Province
Plaintiff: Abc Group Co.,Ltd
Defendant: ABC CO., LTD.
Date of Hearing/Date of Case Registration: Dec. 7, 2020
Case Brief: Dispute over contract
Release Time Dec. 31, 2020

PAYMENT RECORD

SOURCES OF RAW MATERIALS:

Local : YES
Overseas : YES
Import Countries : PHILIPPINES

Main Imports: Other alloy steel circular cross section welded tubes, outer diameter?406.4mm

CLIENTELE

Local : YES
Overseas : YES
Export Market : INDONESIA
PHILIPPINES

Main Exports: Other iron and steel structures; steel structure parts and processed steel,Parts for steam and hot-water boilers,Auxiliary plant for use with vapour generating boilers and super-heated water boilers,Filtering and purifying machinery and device not otherwise classified,Parts, of machines of heading No. 8421, not

elsewhere specified or included

OPERATIONS

The Subject is principally engaged in the (as a / as an) construction for wiring and piping engineering.

Business Scope: Domestic and foreign power, industrial, municipal, road and bridge construction engineering construction and installation and general contracting; engineering machinery design, distribution of supporting materials and equipment, processing of non-standard parts; import and export of self-owned products, raw materials and technology; engineering construction bidding, technical consultation, transfer, engineering measurement and supervision; internal (staff) training, power station equipment manufacturing supervision, transportation, and foreign economic and technical cooperation (no operation is allowed unless an approval has been obtained where applicable)

Qualification Certificate

Certificate type : Qualification of construction enterprises
certificate number : D000000000
opening date : 2019-07-11
expiration date : 2021-01-20

Certificate type : Environmental management system certification
certificate number : 00000E00000R0M
opening date : 2016-08-07
expiration date : 2018-09-15

Certificate type : Environmental management system certification
certificate number : ANAB00E0000000/0
opening date : 2016-08-07
expiration date : 2018-09-15

Certificate type : Quality management system certification (ISO9000)
certificate number : ANAB00Q0000000/0
opening date : 2016-08-07
expiration date : 2018-09-15

Certificate type : Qualification of construction enterprises
certificate number : D000000000
opening date : 2016-01-12
expiration date : 2021-01-11

Certificate type : Environmental management system certification
certificate number : 00000E00000R0M
opening date : 2013-08-07
expiration date : 2016-08-06

Certificate type : Ministry of commerce business credit rating
certificate number : 0000000000000000
opening date : 2011-12-12
expiration date :

Certificate type : Environmental management system certification
certificate number : 00000E00000R0M
opening date : 2010-08-08
expiration date : 2013-08-07

Certificate type : Quality management system certification (ISO9000)
certificate number : 00000Q00000R0M
opening date : 2010-08-08
expiration date : 2013-08-07

Certificate type : China occupational health and safety management system certification
certificate number : 00000S00000R0M
opening date : 2010-08-08
expiration date : 2013-08-07

Award of Tender

Title : Construction and installation of the wind power project of A (400MW) (bid section I)
Winning amount : N/A
Date of Notice : 2020-12-01
Tenderee : N/A
Region : Beijing/unknown

Title : Announcement on successful candidates for construction and installation of 2×1000MW EPC

general contracting of Power plant
Winning amount : N/A
Date of Notice : 2020-12-16
Tenderee : N/A
Region : Shanghai/unknown

Title : The whole factory building, No.5 unit installation project and No.6 unit and BOP installation project of A
Winning amount : N/A
Date of Notice : 2020-12-01
Tenderee : N/A
Region : Tianjin/unknown

BRANCH

Name: ABC CO., LTD. Sichuan Branch (Literal Translation)
Establishment Date: Dec. 02, 2020
Unified Social Credit Code: 00000000MA0B0GP00U
Registry of Branch Chengdu High-tech Zone Administration for Market Regulation

Name: ABC CO., LTD. Training Center (Literal Translation)
Establishment Date: Jun. 17, 2010
AIC No.: 0000000000000000
Unified Social Credit Code: 000000000000000000J
Registry of Branch Shanghai Minhang District Administration for Market Regulation
Ease Credit No.: 000000000

FINANCIAL ANALYSIS

Overall Assessment :

The financial information provided are limited. Therefore, our comment on the subject's financial performance is restricted.

INDUSTRY ANALYSIS

SIC CODE

4850 : CONSTRUCTION FOR WIRING AND PIPING ENGINEERING
4220 : CONSTRUCTION OF UTILITY PROJECTS

NACE CODE

42.9 : CONSTRUCTION OF OTHER CIVIL ENGINEERING PROJECTS

CREDIT RISK EVALUATION & RECOMMENDATION

Incorporated in 1992, the Subject is focusing on construction for wiring and piping engineering. The Subject has been in business for over two decades. It has built up a strong clientele base and satisfactory reputation will enable the Subject to further enhance its business in the near term.

Over the years, the Subject has penetrated into both the local and overseas market. The Subject has positioned itself in the global market and is competing in the industry. Its stable clientele base will enable the Subject to further enhance its business in the near term. Overall, we regard that the Subject's management capability is average. This indicates that the Subject has greater potential to improve its business performance and raising income for the Subject.

We noted that both the turnover and profits have increased compared to the previous year. The higher profit could be due to increase in turnover and better control over its operating costs. The Subject has generated an unfavourable return on shareholders' funds indicating that the management was inefficient in utilising its funds to generate return. Due to its weak liquidity position, the Subject may face working capital deficiency in meeting its short term financial obligations if no fresh capital are injected into the Subject. The Subject has an unfavourable liabilities ratio and it may face financial difficulties if no additional capital is injected. Given a positive net worth standing at CNY 2,328,130,000, the Subject should be able to maintain its business in the near terms.

The Subject's supplier are from both the local and overseas countries. This will eliminates the risk of dependency on deliveries from a number of key suppliers and insufficient quantities of its raw materials. Overall the Subject has a good control over its resources.

In view of the above, we recommend credit be granted to the Subject with close monitoring.

~ END OF REPORT ~

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DISCLAIMER : This report is based on information obtained by us from sources believed to be true. However we do not make any representation as to its accuracy. Any advice or

recommendation contained in this report or any sales or purchase of securities has been given without regard to the specific investment objectives, financial situations and the

particular needs of any specific addressee. This report is for the information of the addressee only and is not to be construed as an offer or solicitation of an offer to buy/sell

securities or to approve/reject any credit application. We accept no liability whatsoever for any direct or consequential loss arising from any use of this report or further

communication given in relation to this report.

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PROFIT AND LOSS ACCOUNT

ABC CO., LTD.

Financial Year End	2020-12-31	2019-12-31
Months	12	12
Consolidated Account	Company	Company
Audited Account	NO	NO
Unqualified Auditor's Report (Clean Opinion)	NO	NO
Financial Type	SUMMARY	SUMMARY
Currency	CNY	CNY
TURNOVER	10,961,870,000	9,928,182,000
	-----	-----
SELLING & GENERAL ADMIN EXPENSES		
PROFIT/(LOSS) FROM OPERATIONS	51,120,000	50,895,000
	-----	-----
PROFIT/(LOSS) BEFORE TAXATION	51,120,000	50,895,000
Taxation	(9,870,000)	(24,056,000)
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PROFIT/(LOSS) AFTER TAXATION	41,250,000	26,839,000

BALANCE SHEET

ABC CO., LTD.

Financial Year End	2020-12-31	2019-12-31
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Months	12	12
Currency	CNY	CNY

CURRENT ASSETS

TOTAL ASSET	13,186,860,000	11,545,952,000
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SHAREHOLDERS' FUNDS/EQUITY	2,328,130,000	2,287,462,000
=====		
Total Liabilities	10,858,730,000	9,258,490,000
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FINANCIAL RATIO

ABC CO., LTD.

Financial Year End	2020-12-31	2019-12-31
Months	12	12
Currency	CNY	CNY

BALANCE SHEET ITEMS

Shareholders' Funds	2,328,130,000	2,287,462,000
Total Liabilities And Shareholders' Funds	2,328,130,000	2,287,462,000

GROWTH RATIOS (Year on Year) (%)

Revenue	10.41	-
Profit/(Loss) Before Tax	0.44	-
Profit/(Loss) After Tax	53.69	-
Total Assets	14.21	-

PERFORMANCE RATIO (%)

Operating Profit Margin	0.47	0.51
Return On Capital Employed	2.20	2.22

APPENDIX

RATING	CREDIT SCORE	CREDIT RISK	CREDIT RECOMMENDATION	PROPOSED CREDIT LIMIT (in concerned business field)
AA	86 - 100	Very Low	Credit can be proceeded with favourable terms	Large amount
A	71 - 85	Low	Credit can be proceeded promptly	Fairly large amount
BB	56 - 70	Below Average	Credit can be proceeded normally	Moderate amount
B	41 - 55	Average	Credit can be proceeded with close monitoring	Small amount periodically
C	26 - 40	Above Average	Credit can be extended under guarantee	Cash on Delivery to small amount
D	11- 25	High	Credit is not recommended	Cash on Delivery
E	< 11	Very High	Not qualified for credit assessment	Deposit or advance payment

CREDIT RATING DEFINITION

The credit rating scale is an ordinal measure of risk where successive move down the scale represents an exponential increase in credit risk.

The rating reflects the credit risk and confidence level of Subject and serves as a guide in setting the amount of credit to be extended.

It is calculated from a composite weighted scores obtained from each of the macro and micro analyses as epitomized by the 6 Cs.

<ul style="list-style-type: none"> ● CHARACTER (15%) <p>It refers to the study of Subject years of establishment, legal status and its shareholders or owners.</p>	<ul style="list-style-type: none"> ● CREDIBILITY (20%) <p>It refers to the Subject's credibility in honoring its obligations through an evaluation of its payment records and credit history.</p>
<ul style="list-style-type: none"> ● CAPITAL (40%) <p>It refers to an evaluation of the financial position of the Subject by taking consideration of its capital adequacy, management efficiency, earning, liquidity and leverage position.</p>	<ul style="list-style-type: none"> ● CONDITION (10%) <p>It refers to the benchmarking and trend analysis of Subject performance against the macro-economic and industry data.</p>
<ul style="list-style-type: none"> ● CAPACITY (10%) <p>It refers to the study of the management capacity in performing contracts or undertaking projects and the degree of client diversification.</p>	<ul style="list-style-type: none"> ● CONTIGENCY (5%) <p>It refers to the study of the asset quality and the readiness of the Subject in facing any untoward event in the future.</p>

In case of unlimited companies, currently commenced companies, lack of financial data or businesses, more weight is given to other 5 Cs(non-financial measures) in our analysis.

CREDIT LIMIT DEFINITION

The credit limit is determined with consideration of Subject's financial health, payment record, industry outlook, credit history and adjusted accordingly with reference to the credit rating identified.

The proposed credit limit of evaluated Subject is the recommended outstanding total amount of credit to the Subject at any time.