

CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
(Business Credit Report)

Gladtrust Management Co., Ltd.

* Virtual information, for reference only



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Business Credit Report

CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.

Customer Reference: 0807
Date of Completion: 2021-01-13
Date of Order: 2021-01-08
Speed: Express
Order No: 20200108139052115325841

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Note

"-" in this report indicates "unavailable" due to insufficient information or "no comments"

The currency in this report is in CNY unless otherwise stated.

Table of Contents

INVESTIGATION RECORD.....	7
ORDER DETAILS & INVESTIGATION RESULTS	7
ABSTRACT	7
BASIC INFORMATION	7
CONTACTS	8
CREDIT RATING	9
CREDIT LIMIT	10
PAYMENT INDEX.....	10
RISK OVERVIEW.....	11
GENERAL COMMENTS.....	11
FINANCIAL ABSTRACT(UNIT: CNY 1,000).....	12
RELATED PARTIES	13
1. REGISTRATION INFORMATION.....	14
1.1. REGISTRATION INFORMATION	14
1.2. REGISTRATION CHANGES	15
1.3. HISTORY	15
1.4. SHAREHOLDER INFORMATION	16
1.5. ENTITY SHAREHOLDER	16
1.6. 1.6. POSSIBLE CONTROLLER.....	17
1.7. ULTIMATE HOLDING	17
1.8. ULTIMATE BENEFICIARY	17
1.9. BRANCHES	18
1.10. INVESTMENT IN OTHER COMPANIES.....	19
2. MANAGEMENT	20
2.1. LEGAL REPRESENTATIVE	20
2.2. INVOLVEMENT IN OTHER COMPANIES(4).....	20
2.3. MANAGEMENT	22
2.4. DIRECTORS AND SUPERVISORS	23
3. JUDICIAL INFORMATION	23
3.1. DEFAULT EXECUTED PARTY	24
3.2. SUBJECT AS EXECUTED PARTY (1).....	25

3.3.	FINAL CASE	25
3.4.	CIVIL & COMMERCIAL TRIAL PROCESS (3)	25
3.5.	CIVIL & COMMERCIAL JUDGMENT DOCUMENT(115)	26
3.6.	COURT ANNOUNCEMENT (20)	26
3.7.	CASE FILING INFORMATION (13)	26
3.8.	JUDICIAL AUCTION	27
3.9.	ADMINISTRATIVE ILLEGAL RECORDS	27
4.	OPERATION INFORMATION	28
4.1.	MAIN BUSINESS	28
4.2.	OPERATION FACILITIES	28
4.3.	SALES INFORMATION.....	28
4.4.	CUSTOMERS.....	28
4.5.	COMPETITORS	29
4.6.	PURCHASE INFORMATION.....	30
4.7.	SUPPLIERS.....	30
4.8.	CREDIT RECORDS.....	30
4.9.	BANK INFORMATION.....	31
4.10.	ELECTRICITY CONSUMPTION RECORD (6).....	32
5.	QUALIFICATIONS & TRENDS	33
5.1.	TRADEMARKS(2).....	33
5.2.	PATENT(86)	33
5.3.	COPYRIGHT (9)	35
5.4.	AUTHENTICATION INFORMATION(132).....	36
5.5.	EXPORT/IMPORT PERMIT	37
5.6.	RATING BY THE CUSTOMS.....	37
5.7.	IMPORT / EXPORT DETAILS	37
5.8.	RANKING LIST(7)	40
5.9.	EMPLOYEE	40
5.10.	RECRUITMENT(11).....	41
5.11.	NEWS(143)	41
5.12.	FINANCING RECORD	41
5.13.	TENDER INFORMATION(16)	42
5.14.	WEBSITES(1).....	42

5.15.	ADMINISTRATIVE INFORMATION.....	42
5.16.	MORTGAGE(8)	45
5.17.	LAND MORTGAGE INFORMATION	46
5.18.	GUARANTEE FOR OTHERS.....	47
5.19.	GUARANTEE FROM OTHERS	47
5.20.	EQUITY BEING PLEDGED	47
5.21.	SUBSIDIARY'S EQUITY BEING PLEDGED.....	48
5.22.	PUBLIC LISTED / BOND ISSUE INFORMATION	48
5.23.	BOND INFORMATION	48
5.24.	CHATTEL MORTGAGE(22).....	49
5.25.	DEBT COLLECTION RECORD	49
6.	FINANCIAL INFORMATION	50
6.1.	DETAILED FINANCIAL INFORMATION.....	50
6.2.	GROWTH RATE OF MAJOR FINANCIAL.....	51
6.3.	IMPORTANT RATIO	52
6.4.	FINANCIALS & ANALYSIS	53
7.	INDUSTRY INFORMATION	53
7.1.	INDUSTRY CODE.....	53
7.2.	INDUSTRY BACKGROUND.....	53
7.3.	INDUSTRY FINANCIAL AVERAGE.....	54
7.4.	INDUSTRY CORE INDEX CHART	55

INVESTIGATION RECORD

Start Date	2021-01-08
End Date	2021-01-08
Name of Interviewee	Female staff
Tel	86-21-66789124
Investigation Way	Telephone Interview
Note	Subject was contacted via above telephone No. and partial information of this report is obtained from the staff.

ORDER DETAILS & INVESTIGATION RESULTS

-	Order Information	Verification
Name(Chinese)	中国星火化工有限公司	Inaccurate
Address (English)	陕西省宝鸡市岐山县蔡家坡镇新建路 008 号	Inaccurate
Investigation Note	<p>The given name " 中国星火化工有限公司" is inaccurate and the accurate one is as stated in the report.</p> <p>The given address "陕西省宝鸡市岐山县蔡家坡镇新建路 008 号" is inaccurate and Subject's accurate office and plant address is as stated in the report.</p> <p>According to SC's staff (female), SC has resumed work and has been operating normally. The company has no layoffs or financial difficulties and other situations.</p>	

ABSTRACT

BASIC INFORMATION

Name (Chinese)	中国星火化工有限责任公司
Name (English)	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD. (Given by Official Sources)
Company Label	[High-tech] [Import/Export Permit] [Bond Issuer]
Unified Social Credit Code	91310131314208015W
AIC registration No.	562586596314714
National	314208015

Organization Code	
Company Status	Operational
Executive	Zhao Zhen (赵震)
Registered Capital	CNY 200,000,000
Date of Establishment	2007-05-19
Employee	400 (2020-07-03)
SIC (China)	2660 Production of Specialty Chemicals
Import and Export Enterprise Code	2100777798888
Import/Export Permit	Yes
Judicial Records	216
Exchange Rate	CNY 1 = USD 0.15 USD 1 = CNY 6.68 CNY 1 = EUR 0.13 EUR 1 = CNY 7.90

CONTACTS

Tel	(86 21) 66789124
Fax	lucy.yan@xinghuo.com
Business Address	No.1 Panchuan Road, Baoshan Dist, Shanghai City (201900) (Office; Plant)
Ownership	Rented
Registered Address	Panchuan Road, Baoshan Dist, Shanghai City

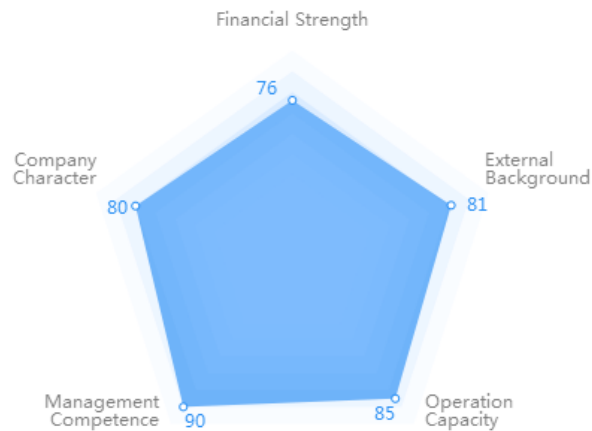
CREDIT RATING

B
A-F(N)

82
0-100

Risk Level: Lower than average

GLADTRUST Suggestion: Credit can be extended in normal terms



The definitions of GLADTRUST credit ratings are given as follows:

Rating	Score	Risk Level	GLADTRUST Suggestion
A	90-100	Very low	Credit can be extended in rather loose terms
B	80-89	Lower than average	Credit can be extended in normal terms
C	60-79	Average	Credit should be on close monitoring basis
D	20-59	Higher than average	Credit should be avoided as much as possible
F	<20	Very high	Transaction should be on COD basis
N		Undetermined	More information is needed in order to propose a credit rating

In assessing the credit rating of a company, GLADTRUST takes into comprehensive consideration of 5 dimensions including subject's financial strength, company character, management competence, operation capacity and external background.

Dimension	Description
Financial Strength	Including the solvency, profitability, operation capacity, development capacity etc.; comparison between subject and the industry average financial index. Weight 10%-30% in the comprehensive analysis.
Company Character	Referring to subject's character that can be affected by the transaction records, judicial records, administrative supervision information, tax records, operation status etc. Weight 20%-25% in the comprehensive analysis.

Management Competence	Including subject's shareholder background and strength, related company background and strength, management experience etc. Weight 20%-25% in the comprehensive analysis.
Operation Capacity	Analysis on subject's current operation condition including the products, history, staff scale, intellectual property, business size etc. Weight 20%-25% in the comprehensive analysis.
External Background	Analysis on the external factors that may have affect on subject, including the industry background, location background, competitors etc. Weight 10%-15% in the comprehensive analysis.

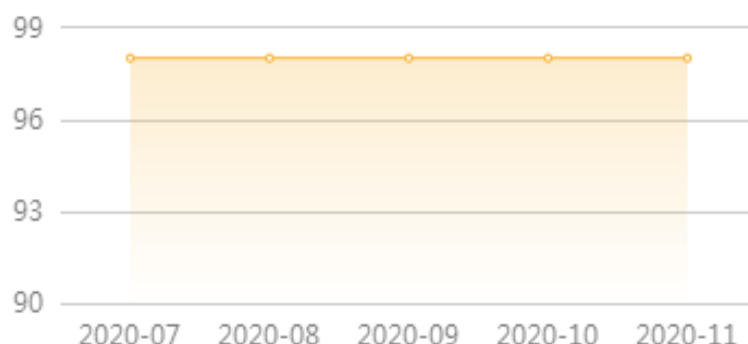
CREDIT LIMIT

USD 1,300,000

When calculating base credit limit, GLADTRUST presupposes that Subject purchases main commodities/services equally from many suppliers. Main factors considered include Net Assets, Total Assets, Revenue, Profit, Credit Rating etc. No consideration is given to the specific situation of your transaction with Subject. You may refer to the following suggestions when making credit decisions, but it is advisable that proper adjustments should be made in accordance with your marketing strategies and credit policies.

Annual Supply / Subject's Turnover	Suggested Credit Limit
Above 40%	Above 4 times of base credit limit
30% ~ 40%	3 to 4 times of base credit limit
20% ~ 30%	2 to 3 times of base credit limit
10% ~ 20%	1 to 2 times of base credit limit
Above 10%	within base credit limit

Payment Index



CreditVision uses big data analysis models to predict the payment capacity based on Subject's multi-dimensional information and the industry information. The reference information includes dozens of factors such as historical payment performance, revenue scale, solvency, operation capacity, capital concentration, policy factors, etc.

The highest score is 100 points, and the lowest is 0 points. The higher the score, the higher the probability of

payment is; on the contrary, the higher the probability of default for the company. Incomplete or inaccurate information may not be ruled out, and it is for customer reference only.

RISK OVERVIEW

Positive	Subject has stable shareholder structure.
	Subject is a public listed company.
	Subject is listed on NEEQ.
	Subject has long history of 12 years.
	Subject has high registered capital of CNY 210,000,000.
	Subject has obvious increase in registered capital in recent years.
Attention	Subject company had export business to the United States, which may be affected by the Sino-US trade war.
	Subject had high advances from customers and advances to supplies, which cannot be recovered and yielded benefits in a short period of time, squeezing the company's working capital, and there is possible difficulty in capital turnover.
	10 of subject's patents are expired.
	Subject's operation duration is going to be expired.
	The industry span of enterprises invested by Subject is wide.
	Subject's legal representative doesn't directly hold equity of the company.
Negative	Subject is listed as executed party by the court.
	Subject has been involved in civil litigations and details can be viewed in the report.
	Subject is listed on the Operating Abnormality List due to failure of being contacted via the filed address.

GENERAL COMMENTS

RISK ANALYSIS

Established in May 2007 as a Limited Liabilities Company (Sino-foreign joint venture), SC is mainly engaged in manufacture and sales of chemical products. With long history, is has accumulated rich industry experience and developed into large business scale. The popularity in the industry is high. In the meantime, powerful shareholder background would also provide certain technology and capital support to subject's development.

Current income statement of subject showed that: Its operating income of 2019 decreased slightly from 2018, showing its business development was slightly poor. Suffering from losses in 2018 and 2019, Subject has poor profitability and it needs to improve its profitability.

Current balance sheet of subject showed that: Subject's turnover of total assets and turnover of current assets of 2019 were low, showing a poor assets operation capacity, and Subject was inefficient in utilizing its assets to generate returns. Subject's liabilities to assets ratio of 2018 and 2019 were over 100%, indicating it was in the insolvency state and its debt paying risk was high. Hence, credit transactions with subject are not recommended.

The credit rating and credit limit is provided based on analysis of subject's size and background etc.

IMPORTANT NOTICE

From public source, below A/R mortgage records about subject are found:

Pledgor: CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD

Pledgee: Commercial Bank Co Ltd Shanghai Sub-branch

File No.: 030308071121

File Date: 2017-10-24

Duration: 1 year

Due Date: 2018-10-23

Principal Contract No.: 2017 Ying Di Feng Xian 1121

Principal Contract Value: CNY 100,000,000.00

Pledge Contract No.: 2017 Dong Shang Zhi 112

Value of Pledged Assets: CNY 100,000,000.00

FINANCIAL ABSTRACT(UNIT: CNY 1,000)

FINANCIAL ABSTRACT	2018-12-31	2019-12-31
Operating Income	123,157	114,720
Total Profit	-27,527	-15,511
Net Profit	-27,527	-15,511
Total Assets	265,675	230,023
Total Liabilities	325,439	305,298
Total Owner's Equity	-59,764	-75,275
Profitability		
Net Profit Margin (%)	-22.35	-13.52
Operation capacity		
Turnover of Total asset	0.46	0.50
Solvency		
Liabilities to Assets Ratio (%)	122.50	132.72
Development capacity		

Yearly Growth of Operating
Income (%)

-

-6.85

RELATED PARTIES

➤ Background

-	Name	Type of Engagement	Fast Rating	Reg. Date	Operating Income (CNY)
1	Haohua Chemical Co Ltd	Shareholder	C	1993-06-10	5-6 billion
2	China Red Xinghuo Corp	Shareholder	B	1989-04-03	1-2 billion
3	Ai Mu Ken Co	Shareholder	-	-	-

➤ Operation

-	Name	Type of Engagement	Fast Rating	Reg. Date	Operating Income (CNY)
1	BEIQI FOTON MOTOR CO LTD	Customer	C	2004-03-26	30-50 million
2	SHANGHAI PRET COMPOSITES CO LTD	Supplier	C	2006-11-30	30-50 million
3	Zhejiang Taize Chemical Co., Ltd	Competitor	C	2003-06-05	40-50 million

➤ Branch & Affiliation

-	Name	Type of Engagement	Fast Rating	Reg. Date	Operating Income (CNY)
1	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD ENGINEERING CENTER	Branch	D	2008-06-23	-
2	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD RUICHENG BRANCH	Branch	D	2014-12-22	-
3	Jiangxi Ganjiang Organic Solicon Research Institution Co Ltd	Minority shareholding company	C	2018-09-15	15-18 million
4	Nantong Zhongxing Engineering Plastic Co Ltd	Wholly-owned subsidiary	D	2013-01-23	15-18 million
5	Lanxingcheng	Holding company, Related company	D	2018-08-21	15-18 million

	(Shanghai) Enineering Plastic Sales Co Ltd				
6	Lanxingcheng (Shanghai) Enineering Plastic Manufacture Co Ltd	Related company	C	2018-08-28	55-58 million
7	Nantong Zhongxing Engineering Plastic Co Ltd	Related company	C	2013-01-23	100-200 million
8	Suzhou Dexiang Casting Co Ltd	Related company	B	1998-07-27	300-400 million

.....Above is the Report Abstract. Below is Report Content:.....

1. REGISTRATION INFORMATION

1.1.REGISTRATION INFORMATION

Unified Social Credit Code	91310131314208015W
AIC registration No.	562586596314714
Date of Establishment	2007-05-19
Registered Address	Panchuan Road, Baoshan Dist, Shanghai City
Post code	201800
Registry	Administration Bureau for Industry and Commerce - Shanghai City
Legal Representative	Zhao Zhen (赵震)
Legal Form	Limited Liabilities Company (Sino-foreign joint venture)
Registered Capital	CNY 200,000,000.00
Paid-in Capital	CNY 200,000,000.00
Latest annual report	2019
Operation duration	2007-05-19 to perpetual
Business Scope	Manufacture and sales of chemical raw materials and products (detailed as the safety production license); Technology development, transfer, consulting and service within the chemical and

	environment protection technology field; Import/export of products and technology; Municipal engineering; industry waste water treatment engineering; Processing, maintenance and sales of general machinery equipment and spare parts (with license if required)
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1.2.REGISTRATION CHANGES

-	Date	Item Changed	From	To
1	2014-08-19	Business Scope	Manufacture and sales of chemical raw materials and products (detailed as the safety production license); Import/export of products and technology; Municipal engineering; industry waste water treatment engineering; Processing, maintenance and sales of general machinery equipment and spare parts (with license if required)	Manufacture and sales of chemical raw materials and products (detailed as the safety production license); Technology development, transfer, consulting and service within the chemical and environment protection technology field; Import/export of products and technology; Municipal engineering; industry waste water treatment engineering; Processing, maintenance and sales of general machinery equipment and spare parts (with license if required)
2	2011-04-07	Legal Representative	Li Gang (李刚)	Zhao Zhen (赵震)
3	2011-04-07	Registered Address	No.1 Weisan Road, Baoshan Dist, Shanghai City	Panchuan Road, Baoshan Dist, Shanghai City
4	2008-08-26	Shareholder	Haohua Chemical Co Ltd; China Red Xinghuo Corp; LI Gang	Haohua Chemical Co Ltd; China Red Xinghuo Corp; LI Gang; Ai Mu Ken Co; MU Yi
5	2008-08-26	Registered Capital	CNY 69,300,000	CNY 200,000,000

1.3.HISTORY

2018-07-26	Subject obtained the A Series financing.
2007-05-19	Subject was established.

1.4.SHAREHOLDER INFORMATION

-	Name	% Ownership	Capital Contributed	Currency	Investment Way	Paid-in %	Country
1	Haohua Chemical Co Ltd	71.43	140,000,000	CNY	Capital	100	China
2	China Red Xinghuo Corp	9.52	20,000,000	CNY	Capital	100	China
3	Li Gang (李刚)	7.14	15,000,000	CNY	Capital	100	China
4	Ai Mu Ken Co	7.14	15,000,000	CNY	Capital	100	China
5	Mou Yi (牟怡)	4.77	10,000,000	CNY	Capital	100	China
Total		100.0	200,000,000				

1.5.ENTITY SHAREHOLDER

Name (Chinese)	昊华化工有限公司
Name (English)	Haohua Chemical Co Ltd
Country	China
Legal Representative	Gao Weizhi (高伟志)
Unified Social Credit Code	91110000100016259C
Date of Establishment	1993-06-10
Legal Form	Limited Liabilities Company
Registered Capital	CNY 2,000,000,000
Status	Operational
Operating Income	5-6 billion
Fast Rating	C
Registered Address	No.9 Yinger Road, Chaoyang Dist, Beijing City

Name (Chinese)	中国红星火股份有限公司
Name (English)	China Red Xinghuo Corp
Country	China
Legal Representative	Hao Gang (郝刚)

Unified Social Credit Code	911100001000192568
Date of Establishment	1989-04-03
Legal Form	Shares Limited Company (Unlisted, Sino-Foreign Joint Venture)
Registered Capital	CNY 18,168,869,029
Status	Operational
Operating Income	1-2 billion
Fast Rating	C
Registered Address	No.19 Beitucheng Road, Chaoyang Dist, Beijing City

1.6.1.6.POSSIBLE CONTROLLER

Name	Zhang Hao (张昊)
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1.7.ULTIMATE HOLDING

-	Ultimate Shareholder	Investment Way
1	Zhang Hao (张昊)	Capital

Ultimate Shareholder	Zhang Hao (张昊)
Country	China
Type	Natural person shareholder
Investment Way	Capital
Note	Zhang Hao (张昊) (55.00%) -- HAOHUA GROUP CO LTD (100%) -- Haohua Chemical Co Ltd (70%) -- CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD

1.8.ULTIMATE BENEFICIARY

	Name	Shareholding percentage	Shareholding chain
1	Zhang Hao (张昊)	43.1738	<p>Shareholding chain 1 (percentage 39.2865%)</p> <p>Zhang Hao (张昊) ^{55%} > HAOHUA GROUP CO LTD ^{100%} > Haohua Chemical Co Ltd ^{71.43%} > CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD</p> <p>Shareholding chain 2 (percentage 3.8873%)</p>

			Zhang Hao (张昊) ^{40.8333%} > China Red Xinghuo Corp ^{9.52%} > CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD
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1.9.BRANCHES

-	Name	Type	Date of Establishment
1	中国星火化工有限责任公司工程中心 CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD ENGINEERING CENTER	Branch	2008-06-23
2	中国星火化工有限责任公司芮城分公司 CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD RUICHENG BRANCH	Branch	2014-12-22

Name(Chinese)	中国星火化工有限责任公司工程中心
Name(English)	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD ENGINEERING CENTER
Type	Branch
Unified Social Credit Code	725148963258741963
License Status	Operational
Executive	Mao Qun (毛群)
Date of Establishment	2008-06-23

Name(Chinese)	中国星火化工有限责任公司芮城分公司
Name(English)	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD RUICHENG BRANCH
Type	Branch
Unified Social Credit Code	147258369147258369
License Status	Operational
Executive	Pang Linlin (庞琳琳)
Date of Establishment	2014-12-22

1.10. INVESTMENT IN OTHER COMPANIES

➤ Wholly-owned subsidiary

-	Name	Fast Rating	License Status	% Ownership
1	Nantong Zhongxing Engineering Plastic Co Ltd 南通中星工程塑胶有限公司	D	Operational	100

Name	南通中星工程塑胶有限公司
Name (English)	Nantong Zhongxing Engineering Plastic Co Ltd
Unified Social Credit Code	91330201MA2AFN1234
Fast Rating	D
License Status	Operational
Registered Capital	CNY 100,000,000.00
% Ownership	100
Operating Income	15-18 million

➤ ☐ Holding company

-	Name	Fast Rating	License Status	% Ownership
1	Lanxingcheng (Shanghai) Engineering Plastic Sales Co Ltd 蓝星成(上海)工程塑料销售有限公司	D	Operational	100

Name	蓝星成(上海)工程塑料销售有限公司
Name (English)	Lanxingcheng (Shanghai) Engineering Plastic Sales Co Ltd
Unified Social Credit Code	91330201MA2AF12345
Fast Rating	D
License Status	Operational
Registered Capital	CNY 100,000,000.00
% Ownership	80
Operating Income	15-18 million

➤ □ **Minority shareholding company**

-	Name	Fast Rating	License Status	% Ownership
1	Jiangxi Ganjiang Organic Solicon Research Institution Co Ltd 江西赣江有机硅研究院有限公司	D	Operational	100

Name	江西赣江有机硅研究院有限公司
Name (English)	Jiangxi Ganjiang Organic Solicon Research Institution Co Ltd
Unified Social Credit Code	91330201MA2AFN1234
Fast Rating	D
License Status	Operational
Registered Capital	CNY 100,000,000.00
% Ownership	20
Operating Income	15-18 million

2. MANAGEMENT

2.1.LEGAL REPRESENTATIVE

Name	Zhao Zhen (赵震)
Country	China
Position	Chairman & General Manager
Gender	Male
Education	Bachelor Degree
Industry Experience	20 years
Management Experience	15 years
Other Information	Acted as Vice President of Shanghai Chemical Industry Association, General Manager of Shandong Zhongxing Engineering Plastic Co., Ltd., etc

2.2. INVOLVEMENT IN OTHER COMPANIES(4)

Legal representative Zhao Zhen (赵震) is filed as shareholder of 1 company, management of 4 companies except subject.

-	Name	Type of Engagement	Fast Rating
1	Lanxingcheng (Shanghai) Enineering Plastic Sales Co Ltd (蓝星成(上海)工程塑料销售有限公司)	Directorship	D
2	Lanxingcheng (Shanghai) Enineering Plastic Manufacture Co Ltd (蓝星成(上海)工程塑料制造有限公司)	Directorship	C
3	Nantong Zhongxing Engineering Plastic Co Ltd (南通中星工程塑胶有限公司)	Directorship	C
4	Suzhou Dexiang Casting Co Ltd (苏州德祥铸造有限责任公司)	Directorship; Investment (51%)	B

Name (Chinese)	蓝星成(上海)工程塑料销售有限公司
Name (English)	Lanxingcheng (Shanghai) Enineering Plastic Sales Co Ltd
Unified Social Credit Code	91330201MA2AF12345
Legal Form	Limited Liabilities Company
Position	Chairman
Type of Engagement	Directorship
License Status	Operational
Reg. Date	2018-08-21
Fast Rating	D

Name (Chinese)	蓝星成(上海)工程塑料制造有限公司
Name (English)	Lanxingcheng (Shanghai) Enineering Plastic Manufacture Co Ltd
Unified Social Credit Code	91310000MA1H341234
Legal Form	Limited Liabilities Company
Position	Chairman
Type of Engagement	Directorship
License Status	Operational
Reg. Date	2020-07-01
Fast Rating	C

Name (Chinese)	南通中星工程塑胶有限公司
-----------------------	--------------

Name (English)	Nantong Zhongxing Engineering Plastic Co Ltd
Unified Social Credit Code	91330201MA2AFN1234
Legal Form	Limited Liabilities Company
Position	Managing Director;General Manager
Type of Engagement	Directorship
License Status	Operational
Reg. Date	2018-05-11
Fast Rating	C

Name (Chinese)	苏州德祥铸造有限责任公司
Name (English)	Suzhou Dexiang Casting Co Ltd
Unified Social Credit Code	91440605MA51212345
Legal Form	Limited Liabilities Company
Position	Managing Director
Type of Engagement	Directorship; Investment(51%)
License Status	Operational
Reg. Date	2017-11-23
Fast Rating	B

2.3.MANAGEMENT

-	Name	Position	Engagement
1	Zhao Zhen (赵震)	Chairman & General Manager	11
2	Qiao Qidong (乔启东)	Supervisor	-
3	Gao Hailong (高海龙)	-	-
4	Gu Xinhua (顾新华)	-	-

➤ MANAGEMENT DETAILS

Name	Qiao Qidong (乔启东)
Position	Supervisor

Name	Gao Hailong (高海龙)
Name	Gu Xinhua (顾新华)

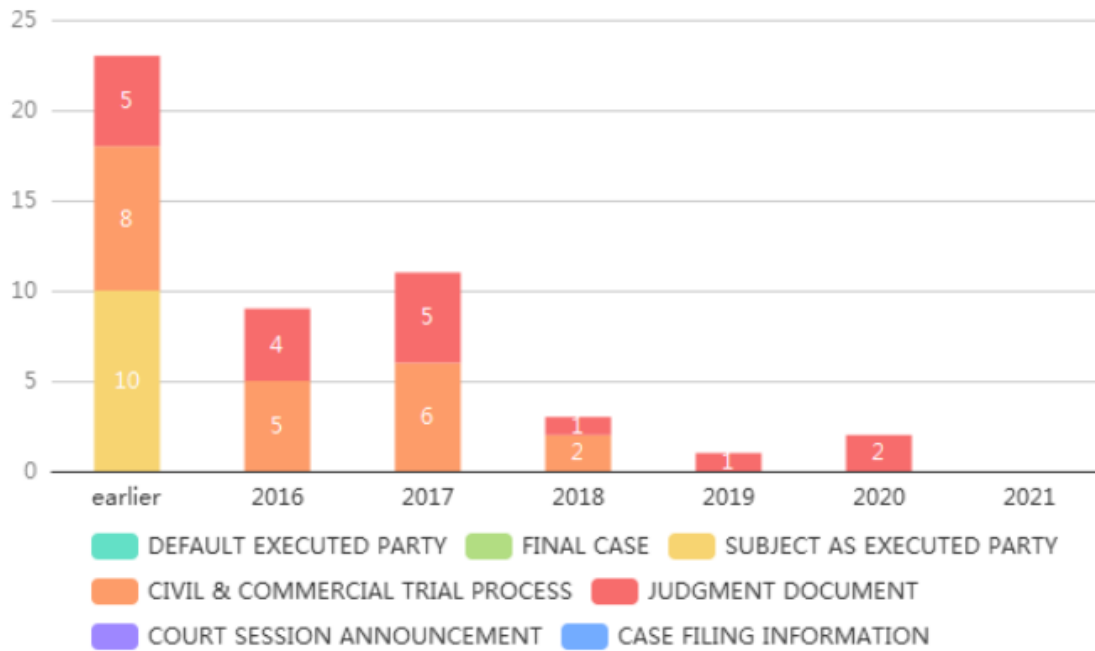
2.4.DIRECTORS AND SUPERVISORS

-	Name	Position
1	Zhao Zhen (赵震)	Chairman & General Manager
2	Jiang Meixia (姜美霞)	Director
3	Zhou Xiong (周雄)	Director
4	Li Xinfang (李新芳)	Director
5	Qiao Qidong (乔启东)	Supervisor
6	Zhang Jinggang (张竟钢)	Supervisor
7	Gao Hailong (高海龙)	Director; Vice General Manager
8	Gu Xinhua (顾新华)	Chairman of the Supervisory Committee
9	Wang Bo (王波)	Director; Vice General Manager
10	Feng Qiaogen (冯巧根)	Independent Director
11	Yan Jianlai (闫建来)	Independent Director
12	Zhang Guangjie (张光杰)	Independent Director

3. JUDICIAL INFORMATION

As of reporting date, there're 216 records related to Subject through website of China Court Organization, websites of local courts of subject's location, websites of major domestic courts and judicial information of Gladtrust database

Yearly Breakdown of Judicial Record



3.1.DEFAULT EXECUTED PARTY

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Executive Court	People's Court of Baoshan Dist, Shanghai City
File No.	(2016) Hu 0202 Zhi 389
Date	2016-04-15
Status	Fully unfulfilled
Execute Content	Compulsory execution approved about the administrative punishment of file No. HU Huan Fa (2015) 142 issued by the Environment Protection Bureau of Baoshan Dist, Shanghai City

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD 【History as Executed Party】
Executive Court	People's Court of Shanghai City
File No.	(2015) HU Fa Zhi Zi 201
Date Type	File Date
Date	2015-01-20
Status	Fulfilled
Execute Content	The case fee and case acceptance fee totaling CNY 32,247.44

3.2.SUBJECT AS EXECUTED PARTY (1)

As of the reporting date, through website of China Court Organization, websites of local courts of subject's location, websites of major domestic courts and judicial information of Gladtrust database, the total amount executed against subject is CNY 111,619.6.

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD. 【History as Executed Party】
Executive Court	Intermediate People's Court of Shanghai City
Court Type	Intermediate People's Court
File No.	(2013) HU Zhong Fa Zhi Zi 583
File Date	2013-05-27
Status	Closed
Execute Content	111619.6
Amount	111619.6
Currency	CNY

3.3.FINAL CASE

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Executive Court	People's Court of Hami Dist
File No.	(2018) BING 1202 Zhi 38
File Date	2018-01-11
Closing Date	2018-09-25
Execute Amount (CNY)	66725
Outstanding Amount (CNY)	66725

3.4.CIVIL & COMMERCIAL TRIAL PROCESS (3)

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
File No.	(2018) Hu Min Cui Zi 29
Position	Defendant
Hearing Court	NO.1 Intermediate People's Court of Shanghai City
Date Type	Trial Date
Date	2018-06-09
Cause	Power Supply contract dispute

3.5.CIVIL & COMMERCIAL JUDGMENT DOCUMENT(115)

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
File No.	(2018) Hei Min Zhong 563
Category	Sales contract
Hearing Court	Higher People's Court of Shanghai City
Court Type	Higher People's Court
Cause of Action	Sales contract dispute
Plaintiff	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.、通安股份有限公司
Defendant	Henan Jingye Mining Co., Ltd.
Value (CNY)	0
Position	Appellant
Date of trial	2018-11-28
Date of Closing	2018-11-28

3.6.COURT ANNOUNCEMENT (20)

Category	A copy of the bill of complaint and the court summons
Plaintiff/Appellant	Li Fei (李飞)
Defendant/Appellee	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Cause of Action	(2019) JING 01 Min Chu 497 contract dispute
Hearing Court	People's Court of Beijing City
Announced date	2020-08-15

3.7.CASE FILING INFORMATION (13)

File No.	(2019) YUE 03 Min Zhong 66-1
Plaintiff/Appellant	Wang Hai (王海)
Defendant/Appellee	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Status	Trialing
Filing Date	2019-03-06

File No.	(2019) HU 06 Min Chu 14
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Plaintiff/Appellant	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Defendant/Appellee	Shao Xiao (邵晓)
Hearing Court	Supreme People's Court of Shanghai City
Status	Trialing
Filing Date	2019-05-20

3.8. JUDICIAL AUCTION

	Title	Starting Price (CNY)	Hammer Price (CNY)	Type	Status
1	Partial equipment of CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.	CNY2,000,000	CNY2,150,00	Equipment	Closed

Title	Partial equipment of CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Starting Date	2015-05-03
Ending Date	2015-06-02
Publication Date	2015-07-02
Starting Price	CNY2,000,000
Hammer Price	CNY2,150,00
Evaluation Price	CNY2,200,00
Type	Equipment
Status	Closed
Disposal Party	Shanghai Lanxing Chemical Corporation

3.9.ADMINISTRATIVE ILLEGAL RECORDS

As of the reporting date, no related record about subject is found through below sources:

- A. Website of China Court Organization;
- B. Websites of local courts of subject's location;
- C. Websites of major domestic courts;
- D. Judicial information of Gladtrust database.

4. OPERATION INFORMATION

4.1.MAIN BUSINESS

Main Business	Manufacture and sales of special chemical products
Products & Service	Special chemical product is the major business section of subject. Products include textile chemicals, leather chemicals, organic silicon etc. which are applied in fields of textile finishing, leather producing etc. Subject's subsidiaries also engage in fields of petrochemical, animal husbandry good etc.
Production Information	SC's annual production volume of spinning additives can reach higher than 11,000 tons

4.2.OPERATION FACILITIES

Business Address	No.1 Panchuan Road, Baoshan Dist, Shanghai City (Office; Plant)
Tel	(86 21) 66789124
Email	lucy.yan@xinghuo.com
Post code	201900
Environment	Main industrial area
Net Area	40000 Square meter
Ownership	Rented
Traffic Condition	SC is located in chemical industry park and is close to S123 Yunchuan Highway, S126 Hutai Highway, S321 Baoqian Highway etc. The traffic condition is relatively convenient.

4.3. SALES INFORMATION

Region	Products	Customer Type	Number of Customers	Payment Terms	Sales Areas	Percentage
Domestic	Chemical products	Manufacturers or traders, etc.	Above 30	Prompt payment; On credit	All over China	90%
International	Chemical products	Manufacturers or traders, etc.	About 2	L/C, T/T, etc.	Europe; USA	10%

OTHER INFORMATION	Subject's business is developed both domestically and internationally. The clients are mainly manufacturers and traders. With long history, subject's sales network is stable.
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4.4.CUSTOMERS

-	Name	Legal Form	Country	Fast Rating
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1	BEIQI FOTON MOTOR CO LTD	Shares Limited Company (Public Listed)	China	B
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Name (Chinese)	北汽福田汽车股份有限公司
Name (English)	BEIQI FOTON MOTOR CO LTD
Country	China
Legal Representative	Zhang Xiyong (张夕勇)
Social Credit Code	911100001012021230
Date of Establishment	1996-08-28
Legal Form	Shares Limited Company (Public Listed)
Registered Capital	CNY 6,575,192,047.00
Operating Income	30-50 million
Fast Rating	B
Post Code	102206
Website	www.foton.com.cn

4.5. COMPETITORS

	Name	Legal Form	Country	Fast Rating
1	Zhejiang Taize Chemical Co., Ltd	Shares Limited Company	China	C

Name (Chinese)	浙江泰泽化工股份有限公司
Name (English)	Zhejiang Taize Chemical Co., Ltd
Country	China
Legal Representative	Jiang Tuan (江团)
Unified Social Credit Code	95214857216325148W
Date of Establishment	2003-06-05
Legal Form	Shares Limited Company
Registered Capital	50,000,000
Fast Rating	C

Operating Income	60-80 million
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4.6. PURCHASE INFORMATION

Region	Main Products Purchased	Number of Suppliers	Payment Terms	Purchase Areas	Percentage
Domestic	Chemical raw materials, production equipment, office supplies etc.	Above 20	Prompt payment; On credit	Eastern China; Northern China	95%
International	Chemical raw materials	Above 5	T/T, etc.	Southeast Asia, Netherland	5%

OTHER INFORMATION	Subject purchases most raw materials and equipment from domestic suppliers. It also imports some raw materials from southeast Asia, Netherland etc. It has developed stable purchase network.
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4.7. SUPPLIERS

-	Name	Legal Form	Country	Fast Rating
1	SHANGHAI PRET COMPOSITES CO LTD	Shares Limited Company (Public Listed)	China	B

Name (Chinese)	上海普利特股份有限公司
Name (English)	SHANGHAI PRET COMPOSITES CO LTD
Country	China
Legal Representative	Zhou Wen (周文)
Social Credit Code	913100006316112345
Date of Establishment	1999-10-28
Legal Form	Shares Limited Company (Public Listed)
Registered Capital	CNY 845,051,931.00
Fast Rating	B

4.8. CREDIT RECORDS

-	Supplier Name	Product Supplied	Cooperation Period	Payment History
1	SHANGHAI PRET COMPOSITES CO LTD	Plastic particles, etc	Relatively long	Prompt

Supplier Name	上海普利特股份有限公司
Name (English)	SHANGHAI PRET COMPOSITES CO LTD
Country	China
Product Supplied	Plastic particles, etc
Payment History	Prompt
Cooperation Period	Relatively long
Terms	Prepayments
Date of Interview	2021-01-08
Position	Business personnel(male)
Tel	86-21-31115900
Comment	SC is one of its customers, with good overall credit status and no malicious defaults.

4.9.BANK INFORMATION

➤ BANKERS

-	Bank Name	Total Loan	Credit Limit
1	Agricultural Bank of China Limited Danyang Xinqiao sub-branch	-	-

Bank Name	Agricultural Bank of China Limited Danyang Xinqiao sub-branch
Basic Bank Account	Yes
Account No. (CNY)	3230010400111111

The above bank information was obtained from public sources which is provided for reference.

➤ BANKRUPTCY RECORD

	File Date	OTHER INFORMATION
1	2019-05-02	Subject applied bankruptcy with the Administration Bureau for Industry and Commerce - Shanghai City.

➤ ☐ LIEN RECORD

	File Date	OTHER INFORMATION
1	2019-03-01	Property lien filing

➤ □ GUARANTEE OVERVIEW

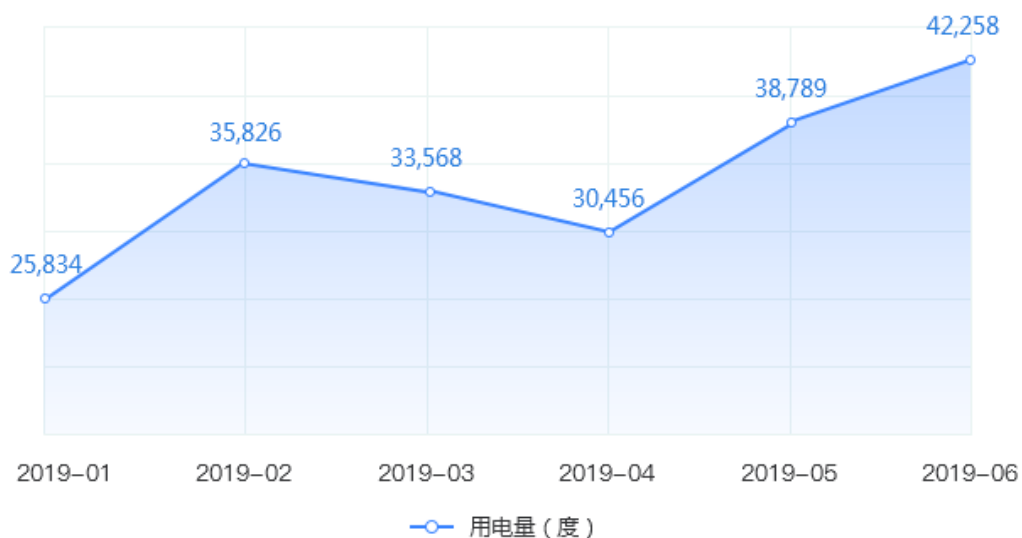
	Amount of Guarantee for Others	Amount of Guarantee from Others	Currency
1	23,500	0	CNY

4.10. ELECTRICITY CONSUMPTION RECORD (6)

Date	Electricity Consumption (KWH)	Note
2019-01	25,834	Energy charge prepaid normally.
2019-02	35,826	Energy charge prepaid normally.
2019-03	38,542	Energy charge not paid due to insufficient balance
2019-04	46,256	Energy charge not paid due to insufficient balance
2019-05	47,529	Energy charge not paid due to insufficient balance
2019-06	25,631	Energy charge balance paid.

Analysis	The company's electricity consumption in June 2019 dropped significantly, and its production volume may have been reduced that month.
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用电量趋势 (度)



5. QUALIFICATIONS & TRENDS

5.1. TRADEMARKS(2)

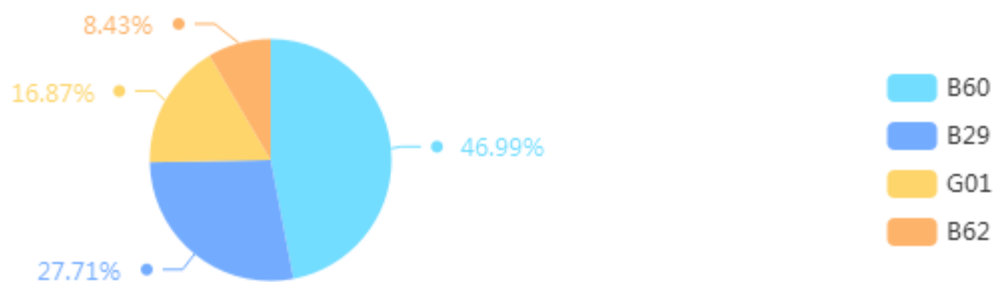
-	Name	Image	Registration No.	International Classification	Country
1	水晶		3806109	7	China
2	XPLORE		3781070	12	China

5.2. PATENT(86)

Patent Trend



Patent Type Distribute



Subject focuses on R&D of "B60"

-	Patent Name	Patent Type	Status	Application No.	Application date	Classification	Publication No.
1	A reversing ejection mechanism used in reversing slider of injection mold	Patent for utility models	Approved	CN202020394101.2	2020-03-24	B29	CN212045786U
2	A reversing ejection mechanism used in reversing slider of injection mold	Invention published	Approval Valid	CN202010215324.2	2020-03-24	B29	CN111497151A
3	Two color micro foaming injection molding process for rolling shutter door of car soft touch storage pocket	Invention published	Approval Valid	CN202010214846.0	2020-03-24	B29	CN111361078A
4	A lock module	Patent for utility models	Approved	CN201922227881.1	2019-12-12	E05	CN211500189U
5	A plastic lined instrument panel with anti	Patent for utility models	Approved	CN201921468793.4	2019-09-04	B60	CN210502282U

	cracking skin						
6	An adjustable armrest device for vehicle	Patent for utility models	Approved	CN201921252881.0	2019-08-05	B60	CN210634423U
7	A card slot for vehicle	Patent for utility models	Approved	CN201920938402.4	2019-06-20	B60	CN210416425U
8	An automobile auxiliary instrument panel	Patent for utility models	Approved	CN201920751729.0	2019-05-23	B60	CN210337765U
9	A high strength and multifunctional auxiliary instrument panel assembly	Invention published	Approval Valid	CN201910413774.X	2019-05-17	B62	CN111942475A
10	An IME structure and process for automotive interior trim surface	Invention published	Approval Valid	CN201910273901.0	2019-04-07	B60	CN111791812A

Note: Maximum 10 records are showed for the client's reference.

5.3.COPYRIGHT (9)

	Copyright Information	File No.	Classification
1	Jindong Pulp Line Manufacturing Execution Management System	2012SR122686	30219-2200
2	Jindong Manufacturing Execution Management System	2011SR032760	30000-2200
3	S7-PLC control program for packaging machine	2009SR027446	66000-2800
4	Logistics Container Management System	2009SR019392	65000-2200
5	The control program of the splicing device of the rewinder is referred to as BSP (Butt splice Program) V1.0	2009SR10078	66000-2800
6	Proposal message management system referred to as OTMSV2.5	2009SR04222	65000-2800
7	Production execution management system software	2008SR26907	66000-2800

	V2.51 referred to as PEMS		
8	Conical refining line control program V1.0 referred to as NBKP-SW	2008SR26908	66000-2800
9	PM AIR TURN DCS control program is referred to as AIR-SW V1.0	2008SR08876	66000-2800
10	Jindong Pulp Line Manufacturing Execution Management System	2012SR122686	30219-2200

Note: Maximum 10 records are showed for the client's reference.

5.4.AUTHENTICATION INFORMATION(132)

-	Certificate Category	Certificate No.	Issue Date	Expire Date	Status
1	Automobile Industry Quality Management System Certificate	01111116741/02	2020-11-16	2023-11-15	Valid
2	Environmental Management System Certificate	44054	2020-11-10	2023-11-15	Valid
3	Other Voluntary Industrial Product Certificate	CQC2015011111829883	2020-12-30	-	-
4	Other Voluntary Industrial Product Certificate	CQC2016011111925544	2020-12-30	-	-
5	Other Voluntary Industrial Product Certificate	CQC2015011111813629	2020-12-30	-	-
6	Other Voluntary Industrial Product Certificate	CQC2015011111778135	2020-12-21	-	-
7	Other Voluntary Industrial Product Certificate	CQC2017011111946605	2020-11-24	-	-
8	Other Voluntary Industrial Product Certificate	CQC2016011111925541	2020-11-12	-	-
9	Other Voluntary Industrial Product Certificate	CQC2016011111925542	2020-11-12	-	-
10	Other Voluntary Industrial Product Certificate	CQC2015011111829885	2020-11-12	-	-

Note: Maximum 10 records are showed for the client's reference.

5.5.EXPORT/IMPORT PERMIT

EXPORT/IMPORT PERMIT	Yes
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5.6.RATING BY THE CUSTOMS

-	Rating	Custom ID	Business Category	Validity Period of Customs Declaration	Date Obtained
1	General-Credit Enterprise	440166K01X	Shipper & Consignee	Perpetual	2021-01-08

Note: According to the credit status of companies, the General Administration of Customs of PRC rates companies as : **Advanced Certified Enterprise**, **General Certified Enterprise**, **General-credit Enterprise**, **Discredited Enterprise**.

5.7.IMPORT / EXPORT DETAILS

Note: below data is obtained from third party customs declaration service platform, incompleteness or inaccuracy of data can't be excluded and hence is only provided for reference.

➤ IMPORT AND EXPORT YEAR RECORD

Import (USD 1,000)

2017 -

2016 -

Import Region -TOP5	Import Volume	Import Region -TOP5	Import Volume
Japan	1,322	Germany	2,636
Germany	862	Japan	1,722
Italy	487	Italy	352
Poland	1	South Korea	2
Switzerland	1	Iran	1
Other countries	1		
Import Volume	2,674	Import Volume	4,713

2017 -

2016 -

Imported Products -TOP5	Import Volume	Imported Products -TOP5	Import Volume
【1】 Moulding boxes for m...	1,250	Other machinery	1,642
【2】 Machines and mechani...	500	【1】 Moulding boxes for m...	1,211
【3】 Other injectionmould...	441	【6】 Vacuum moulding mach...	588
【4】 Other injection or c...	317	【7】 Planing, milling or ...	471

【5】 Other filtering or p...	107	【4】 Other injection or c...	308
Other	59	Other	493
Import Volume	2,674	Import Volume	4,713

Remark:

[1] Full Name:Moulding boxes for metal foundry; mould bases; moulding patterns; moulds for metal (other than ingot moulds), metal carbides, glass, mineral materials, rubber or plastics:Other

[2] Full Name:Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter:Other

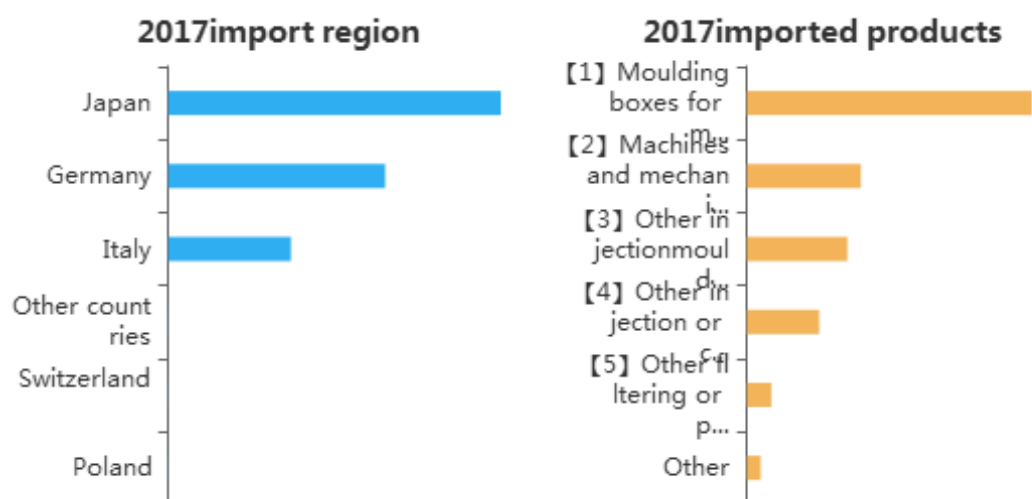
[3] Full Name:Other injectionmoulding machines

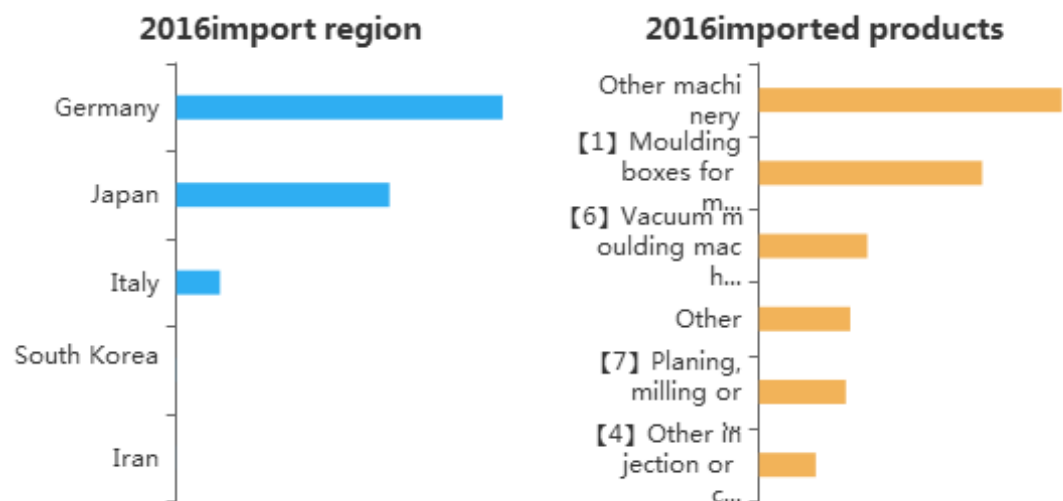
[4] Full Name:Other injection or compression type moulds for rubber or plastics

[5] Full Name:Other filtering or purifying machinery and apparatus for gases

[6] Full Name:Vacuum moulding machines and other thermoforming machines

[7] Full Name:Planing, milling or moulding (by cutting) machines

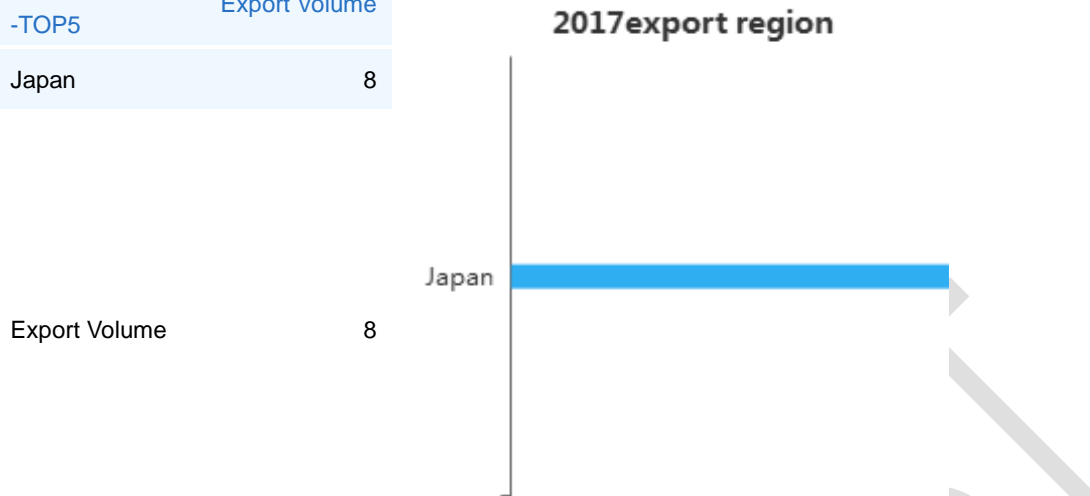




Export (USD 1,000)

2017 -

Export Region -TOP5	Export Volume
Japan	8



2017 -

Exported Products -TOP5	Export Volume
Plasticized	8



5.8.RANKING LIST(7)

	Ranking Name	Ranking	Source
1	Top 100 Shanghai Enterprises in 2018	76	Shanghai Enterprise Federation
2	2016 Shanghai Top 500 Chemical Enterprises	440	China Chemical Information Association

Note: Maximum 10 records are showed for the client's reference.

5.9.EMPLOYEE

Employee Number	2927
OTHER	The above number of employees is the total number of SC and its main subsidiaries, and is

INFORMATION	obtained from SC's 2019 annual report.
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5.10. RECRUITMENT(11)

	Position	Working Place	Date of Updating
1	Chemical engineer	Shanghai City	2020-08-03
2	accounting	Shanghai City	2020-08-02
3	Sales documentary	Shanghai City	2020-08-02
4	Purchasing Manager	Shanghai City	2020-08-02
5	Foreign trade clerk	Shanghai City	2020-08-02

Note: Maximum 10 records are showed for the client's reference.

5.11. NEWS(143)

-	Linkage	Date of Publication
1	http://business.sohu.com/20180906/n548635400.shtml Investment/Financing	2018-09-06
2	http://finance.ifeng.com/a/20180906/16488828_0.shtml OtherNotification	2018-09-06
3	http://leaders.people.com.cn/GB/n1/2018/0716/c369803-30149808.html RelatedMentioned	2018-07-16
4	http://xinpi.stcn.com/finalpage/2018-06/19/txt1205073907.shtml Investment/Financing	2018-06-19
5	http://sc.stock.cnfol.com/jysgg/20180531/26498736.shtml Investment/Financing	2018-05-31
6	http://sc.stock.cnfol.com/jysgg/20180531/26498731.shtml RelatedMentioned	2018-05-31
7	http://sc.stock.cnfol.com/jysgg/20180508/26397998.shtml OtherNotification	2018-05-08
8	https://stock.gucheng.com/201804/3394361.shtml Listing/Delisting	2018-04-13
9	http://sc.stock.cnfol.com/jysgg/20180326/26191574.shtml Operation	2018-03-26
10	http://finance.sina.com.cn/roll/2018-03-26/doc-ifysqyfh1069061.shtml Investment/Financing	2018-03-26

Note: Maximum 10 records are showed for the client's reference.

5.12. FINANCING RECORD

Product Abbreviation	星火化工
Date	2016-05-09
Investor	Creation Venture
Value	10,000,000

Round No.	A round
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5.13. TENDER INFORMATION(16)

	Title	Date Published
1	Tender Winning Notice of tender hosted by CHINA XINGHUO CHEMICAL INDUSTRY CO.	2018-08-17
2	Tender Winning Notice of tender hosted by CHINA XINGHUO CHEMICAL INDUSTRY CO.	2015-12-24

Note: Maximum 10 records are showed for the client's reference.

5.14. WEBSITES(1)

-	Website	Name	Status	Sponsor Name	File No	Registrant	Source
1	www.xinghuochemical.com.cn	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.	Operational	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.	HU ICP 142065 7-1	Wang Jie (王杰)	Ministry of Industry and Information

5.15. ADMINISTRATIVE INFORMATION

➤ ABNORMAL OPERATION INFORMATION

	Reason of Listing	Date of Listing	Reason of Delisting	Date of Delisting	Issuing Party
1	Failure to file annual report	2016-06-02	Submit annual report	2016-08-10	Administration Bureau for Industry and Commerce – Shanghai City

➤ RANDOM INSPECTION

	Inspection Party	Type	Date	Result
1	Shanghai environmental protection bureau	Inspect	2018-02-01	Normal

➤ ADMINISTRATIVE LICENSES & IDENTIFICATIONS(10)

-	License No.	License Name
1	Su Jing Wai Tou Zi « 2020 » n00588	-
2	(11000501) Gong Si Bian Geng « 2020 » 07080002	-

3	Su Jing Wai Tou Zi 〔 2019 〕 N00227	-
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License No.	Su Jing Wai Tou Zi 〔 2020 〕 n00588
Issuing date	2020-09-22
Expire date	2040-09-22
Issuing party	Bureau of Commerce-Zhenjiang City
License Content	Overseas investment of enterprises

License No.	(11000501) Gong Si Bian Geng 〔 2020 〕 07080002
Issuing date	2020-07-08
Expire date	2099-12-31
Issuing party	Market Supervision Administration - Zhenjiang City
License Content	Conversion of a company

License No.	Su Jing Wai Tou Zi 〔 2019 〕 N00227
Issuing date	2019-04-15
Expire date	2069-04-15
Issuing party	Bureau of Commerce-Zhenjiang City
License Content	Overseas investment of enterprises

➤ **ADMINISTRATIVE PUNISHMENTS(2)**

	File No.	Illegal Activity	Issuing party	Issuing date
1	FANG Zhi Jian Fa Zi [2016]2586	Other general standard	Quality and Technical Supervision – Shanghai City	2016-09-25
2	HU Zhi Jian Fa Zi [2015]242	Violating article 4 of the Advertising Law	Shanghai Municipal Commission of Market and Quality Supervision and Administration	2015-12-18

File No.	HU Zhi Jian Fa Zi [2015]242
Punishment	The advertising fee of CNY 7,991 was confiscated and a fine of CNY 7,991 was imposed.

➤ **SERIOUS ILLEGAL INFORMATION**

	Reason of Listing	Date of Listing	Reason of Delisting	Date of Delisting	Issuing Party
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1	The goods or services provided do not meet the requirements for protecting personal and property safety, causing personal injury and serious violations of consumer rights	2016-10-31	-	-	Shanghai Environmental Protection Bureau
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➤ **ENVIRONMENTAL PENALTY**

Document No.	ZI HUAN FA [2017]48
Type of violation	Newly built projects are put into production and use without environmental protection completion acceptance
Basis of Penalty	The provisions of Article 28 of the "Regulations on the Management of Environmental Protection of Construction Projects"
Result	A fine of CNY 30,000 was imposed.
Date of Penalty	2017-09-30
Punishment Authority	Shanghai Environmental Protection Bureau

➤ **TAX RATING**

Year	Taxpayer ID	Taxpayer Credit Rating
2019	91310131314208015W	A
2018	91310131314208015W	A
2017	91310131314208015W	A

➤ **ABNORMAL TAX PAYER**

Tax Payer	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Authority / Information Source	Shanghai State Taxation Bureau
Taxes Owed	VAT
Value	CNY 2,531

➤ **TAX ARREARS LIST**

Tax Payer	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Government ID. / AIC Registration No.	91310131314208015W
Authority / Information	Shanghai State Taxation Bureau

Source	
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➤ **DEBT ARREARS LIST**

Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Government ID. / AIC Registration No.	91310131314208015W
Value	6592
Currency	CNY
Cause	Contract payment
Contract/IOU No.	HU He1808116895
Date Started	2019-08-01

➤ **LIQUIDATION INFORMATION**

Date	2020-08-01
Type	Liquidation
Reason	Applying liquidation due to crack of capital chain
Head of Liquidation	Li Li (李利)
Member of Liquidation Committee	Wang Zhi (王志)
Note	No

5.16. MORTGAGE(8)

	File No.	Mortgagee Name	Mortgagee Type	Mortgagor Name	Collateral
1	Hu Gong Shang DiDeng Zi [2018] 0194	Shanghai SME Credit Guarantee Co., Ltd.	Domestic company	Subject	Mechanical equipment

File No.	Hu Gong Shang DiDeng Zi [2018] 0194
Mortgagee Registration No.	914202815824985892
Mortgagee Name	Shanghai SME Credit Guarantee Co., Ltd.
Mortgagee Type	Domestic company
Mortgage Type	Chattel mortgage

Mortgagor Name	Subject
Collateral	Mechanical equipment
Quantity, quality, condition, location, etc	A total of 9 items of machinery and equipment, with a total value of 15.02 million, which are currently operating in good condition and are now stored in the company
Principal Claim Amount	Loan contract
Coverage	Main creditor's rights and others. See contract for details
Principal Claim Amount	5,000,000
Start Date	2018-11-22
End Date	2019-11-22
File Party	Administration Bureau for Industry and Commerce – Shanghai City

5.17. LAND MORTGAGE INFORMATION

	Address	Mortgage Area (hectare)	Use of Mortgaged Land	End Date
1	South of Jiufeng Road, West of Qingbaijiang Avenue, Qingbaijiang District	1.135	Industrial land	2017-09-02

Address	South of Jiufeng Road, West of Qingbaijiang Avenue, Qingbaijiang District
Mortgage Area (hectare)	1.135
Landholder's Registration Number	QING Ta Xiang (2014) 88
Land Use Rights Certificate Number	Qing Guo Yong (2011) 5536
Use of Mortgaged Land	Industrial land
Type of Land Mortgager	Shares Limited Company
Mortgaged Land Nature and Use Right Type	State-owned land, transfer
Evaluation Amount (CNY 10,000)	554.21
Mortgage Amount (CNY 10,000)	550.00

Start Date	2014-09-04
End Date	2017-09-02

5.18. GUARANTEE FOR OTHERS

Creditor	Commercial Bank
Debtor	CHINA XINGHUO CHEMICAL INDUSTRY CO
Guarantor	CHINA XINGHUO CHEMICAL INDUSTRY CO
Type of Principal Debt	Contract
Amount	CNY 30,000,000
Guarantee Duration	2015-11-04 to 2016-11-04
Guarantee Type	Joint guarantee

5.19. GUARANTEE FROM OTHERS

Creditor	Commercial Bank
Debtor	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Guarantor	Nantong Lanxing Chemical Co Ltd
Type of Principal Debt	Contract
Amount	CNY 30,000,000
Guarantee Duration	2015-11-04 to 2016-11-04
Guarantee Type	Joint guarantee

5.20. EQUITY BEING PLEDGED

File No.	(HUI WAI) Gu Zhi Deng Ji She Zi (2014) 111
Pledgor Name	Haohua Chemical Co Ltd
ID No.	91110000100016259C
Equity of	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Pledgee Name	Commercial Bank
Pledge Amount	125800
File Date	2014-03-11
Approve Party	Administration Bureau for Industry and Commerce – Shanghai City
Approval Date	2014-05-12

Date Of Expiry	n/a
Status	Invalid

5.21. SUBSIDIARY'S EQUITY BEING PLEDGED

File No.	(GAN WAI) Gu Zhi Deng Ji She Zi (2015) 125
Pledgor Name	Jiangxi Chemical Institution Co Ltd
ID No.	93259628415213659W
Equity of	Jiangxi Ganjiang Organic Silicon Institution Co Ltd
Pledgee Name	ICBC - Jiangxi Branch
Pledge Amount	35800
File Date	2015-04-15
Approve Party	Administration Bureau for Industry and Commerce – Jiangxi Province
Approval Date	2015-07-16
Date Of Expiry	n/a
Status	Invalid

5.22. PUBLIC LISTED / BOND ISSUE INFORMATION

Stock Exchange / Bonds Issuing Place	Shanghai Stock Exchange
Stock Code	101111
Acronym	星火化工
Date of Listing / Issuing	2019-05-02
Status	Normal

5.23. BOND INFORMATION

Product Name	Second SCP of 2017 issued by CHINA XINGHUO CHEMICAL INDUSTRY CO
Product Abbreviation	17 HU Chu Ban SCP002
Product Code	011701367
Issuer Name	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Total Value (100 million)	8.9

Issue Price	100
Par Value	100
Issue Date	2018-07-23
File Date	2018-07-25
Circulation Date	2018-07-26
Circulation End Date	2019-04-19
Duration	270 days
Maturity Date	2019-04-21
Mode of Interest	Fixed
Fixed Annual Interest Rate (%)	4.95
Interest Payment Frequency	Repaying capital with interest when matured
Value Date	2018-07-25

5.24. CHATTEL MORTGAGE(22)

Totally 22 chattel mortgage records about subject are obtained, including 22 A/R pledge&transfer records, 0 leasing record , 0 warehouse receipts pledge record and 0 other record.

File No.	09095980001088888824
File Date	2020-09-24
Transaction Type	Transfer of A/R
Duration	12 个月
Due Date	2021-09-23
Pledgor/Transferor	CHINA XINGHUO CHEMICAL INDUSTRY CO.,LTD.
Pledgee/Assignee	** Commercial Factoring Co Ltd
Value	30536360

Note: Maximum 10 records are showed for the client's reference.

5.25. DEBT COLLECTION RECORD

No debt collection record against subject in the latest 5 years is found after searching through the Gladtrust third party debt collection platform.

(Gladtrust Debt Collection is the professional debt collection service platform. Cooperating with global debt collection companies, it provides business-to-business debt collection consulting and legal service covering 216 countries and regions all over the world.)

6. FINANCIAL INFORMATION

6.1.DETAILED FINANCIAL INFORMATION

Financial Note: Due to the lack of a clear government policy regarding the transparency of enterprise financial information, some financial items might be missing in the financial statements, causing possible inequality between the sum of the provided items and the provided total numbers.

Assets (UNIT: CNY 1,000)

Year	2018-12-31	2019-12-31
Report Type	年报	年报
Statement Type	个别	个别
Source	政府	政府
Audited or Not	无法确认	无法确认
Cash and Equivalents	7,539	5,930
Notes Receivable	5,329	950
Accounts receivable	40,969	38,722
Advances to Suppliers	4,633	2,826
Other Accounts Receivable	77,390	52,379
Inventories	42,230	43,416
Other Current Assets	2,916	2,592
Total Current Assets	181,006	146,815
Total Non-Current Assets	84,669	83,208
Total Assets	265,675	230,023

Liabilities (UNIT: CNY 1,000)

Year	2018-12-31	2019-12-31
Short Term Borrowings	6,246	6,264
Notes Payable	5,571	4,382
Accounts Payable	28,238	58,247
Advances from Customers	1,831	1,206
Accrued Payroll	910	910
Taxes Payable	-89	-701
Other Account Payable	130,269	86,370

Other Current Liabilities	543	5,521
Total Current Liabilities	173,519	162,199
Long Term Loan	151,920	143,099
Total Non-Current Liabilities	151,920	143,099
Total Liabilities	325,439	305,298
Share Capital (Paid-in Capital)	210,000	210,000
Capital Reserve	41,276	41,276
Undistributed Profits	-311,040	-326,551
Total Owner's Equity	-59,764	-75,275
Total Liabilities and Owner's Equity	265,675	230,023
Income Statement (UNIT: CNY 1,000)		
Year	2018-12-31	2019-12-31
Operating Income	123,157	114,720
Operating Cost	114,487	95,785
Tax and Associate Charge	355	82
Operating Gross Profit	8,315	18,853
Other Business Income	765	1,180
Operating Expenses	15,156	17,597
Administrative Expenses	6,500	5,620
Financial Expenses	14,420	11,056
Operating Profit	-26,996	-14,240
Non-operating Income	1,502	1,166
Non-operating Expenses	2,033	2,437
Total Profit	-27,527	-15,511
Income Tax	0	0
Net Profit	-27,527	-15,511

6.2.GROWTH RATE OF MAJOR FINANCIAL

	2018	Growth(%)	2019
Operating Income	123,157	-6.85	114,720

Total Assets	265,675	-13.42	230,023
Working Capital	7,487	-305.48	-15,384
Total Profit	-27,527	43.65	-15,511
Net Profit	-27,527	43.65	-15,511
Total Liabilities	325,439	-6.19	305,298
Total Owner's Equity	-59,764	-25.95	-75,275
Total Current Assets	181,006	-18.89	146,815
Total Current Liabilities	173,519	-6.52	162,199
Fixed Assets	84,669	-11.06	75,303

6.3.IMPORTANT RATIO

Profitability	2018	2019
Return on total assets (%)	-10.36	-6.74
Net profit margin (%)	-22.35	-13.52
Gross Profit Margin (%)	6.75	16.43
Operation capacity	2018	2019
Turnover of total assets	0.46	0.50
Turnover of current assets	0.68	0.78
Turnover of account receivable	3.01	2.96
Turnover Days of Accounts Receivable	119.76	121.51
Solvency	2018	2019
Liabilities to assets ratio (%)	-	-6.85
Current ratio	-	126.73
Quick ratio	-	-13.42
Development capacity	2018	2019
Yearly Growth of Operating Income (%)	-	-10.85
Yearly growth of gross profit (%)	-	-15.38
Yearly growth of total assets (%)	-	23.05

6.4.FINANCIALS & ANALYSIS

Financial Note	<p>Subject's taxes payable of 2018 and 2018 were negative due to prepaid tax exceeded actual tax.</p> <p>Subject's liabilities to assets ratio of 2018 and 2019 were over 100%, indicating it was in the insolvency state and its debt paying risk was high.</p>
Financial Analysis	<p>Profitability:</p> <p>Subject's return on total assets and net profit margin of 2018 and 2019 were negative. Subject suffered from loss for 2 consecutive years, showing a poor profitability. The company needs to strengthen its control of costs and expenses to improve profitability.</p> <p>Operation Capacity:</p> <p>The company's working capital in 2019 was negative, reflecting the company's poor liquidity ability and weak ability to repay short-term debts. The company has a high possibility of relying on short-term loans and other liquid financing.</p> <p>Subject's turnover of total assets and turnover of current assets of 2019 were low, showing a poor assets operation capacity, and Subject was inefficient in utilizing its assets to generate returns.</p> <p>Solvency:</p> <p>The company's short-term borrowings in 2019 were relatively large, indicating that the company uses bank loans to maintain the company's daily capital operation.</p> <p>Subject's liabilities to assets ratio of 2018 and 2019 were over 100%, indicating it was in the insolvency state and its debt paying risk was high. Credit transactions with Subject are not recommended.</p> <p>Development Capacity:</p> <p>Subject's operating income of 2019 decreased by 6.85% from 2018, showing its business was poorly developed in 2019.</p>

7. INDUSTRY INFORMATION

7.1.INDUSTRY CODE

SIC (China)	2660 Production of Specialty Chemicals 【Major】
ISIC	2029 Manufacture of other unlisted chemicals
NACE	20.59 Manufacture of other unlisted chemicals

7.2.INDUSTRY BACKGROUND

2660, Production of Specialty Chemicals

➤ Description

It includes Production of Chemical Reagent & Auxiliary, Production of Special Chemical Articles, Production of Forest Chemical Products, Production of Information Chemical Products, Production of Special-Purpose Drug Materials In Environmental Pollution, Production of Animal Glue and Production of Other Specialty Chemicals.

➤ STATUS QUO

In the first quarter of 2020, affected by the epidemic of COVID-19 (Corona Virus Disease 2019), the overall efficiency of the petroleum and chemical industry has deteriorated. From March 2019 to March 2020, the total manufacturing profits of basic chemical raw materials, synthetic materials and special chemicals decreased by 86.4%, 80.8% and 26.6% separately.

The global specialty chemicals industry has entered a transformation cycle, and the traditional definition of specialty chemicals is changing. Some specialty chemicals industry is developing towards the direction of generalization, becoming a large chemical balance.

7.3.INDUSTRY FINANCIAL AVERAGE

-	2018	Subject	Best(10%)	Average	Worst(10%)
Profitability	Return on net assets (%)	-	15.10	4.30	-9.70
	Return on total assets (%)	-10.36	4.50	2.40	-4.10
	Gross profit margin (%)	6.75	19.10	6.50	-6.60
Operation Capacity	Turnover of total assets	0.46	0.90	0.50	0.10
	Turnover of current assets	0.68	2.80	1.30	0.10
	Turnover days of account receivable	119.76	25.35	50.70	240.00
Solvency	Liabilities to Assets Ratio (%)	122.50	49.50	59.50	82.80
	Current ratio	1.04	2.19	1.08	0.55
	Quick ratio	0.77	1.37	0.68	0.34
Development Capacity	Yearly Growth of Operating Income (%)	-	20.70	12.20	-5.30
	Yearly Growth of Gross Profit (%)	-	16.10	6.20	-12.50
	Yearly Growth of Total Assets (%)	-	13.80	2.30	-17.90
-	2019	Subject	Best(10%)	Average	Worst(10%)
Profitability	Return on net assets (%)	-	13.08	3.68	-10.90

	Return on total assets (%)	-6.74	5.47	2.95	-3.28
	Gross profit margin (%)	16.43	16.80	5.79	-7.43
Operation Capacity	Turnover of total assets	0.50	0.93	0.52	0.10
	Turnover of current assets	0.78	2.91	1.34	0.10
	Turnover days of account receivable	121.51	20.25	40.66	191.95
Solvency	Liabilities to Assets Ratio (%)	132.72	49.57	59.60	82.93
	Current ratio	0.91	2.18	1.07	0.55
	Quick ratio	0.62	1.36	0.68	0.34
Development Capacity	Yearly Growth of Operating Income (%)	-6.85	17.70	10.46	-6.00
	Yearly Growth of Gross Profit (%)	126.73	19.29	7.50	-9.98
	Yearly Growth of Total Assets (%)	-13.42	12.14	2.03	-19.91

Note: the figures marked with RED means subject's performance is worse than the industry worst 10% and the figures marked with GREEN means subject's performance is better than industry best 10%.

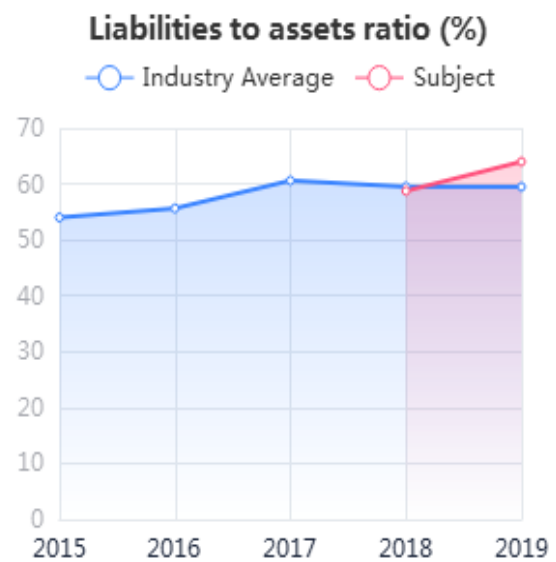
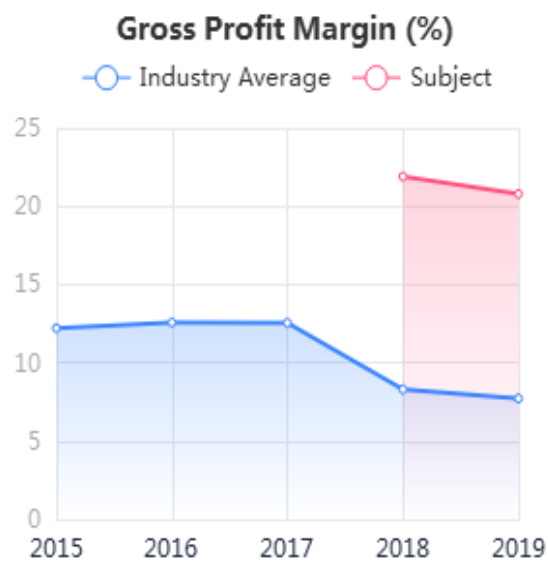
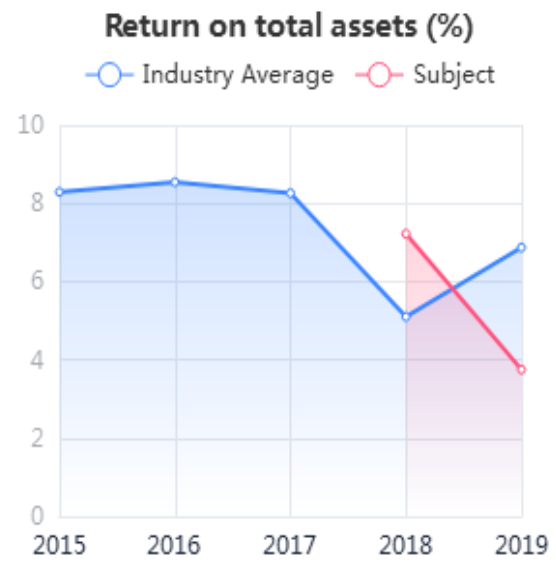
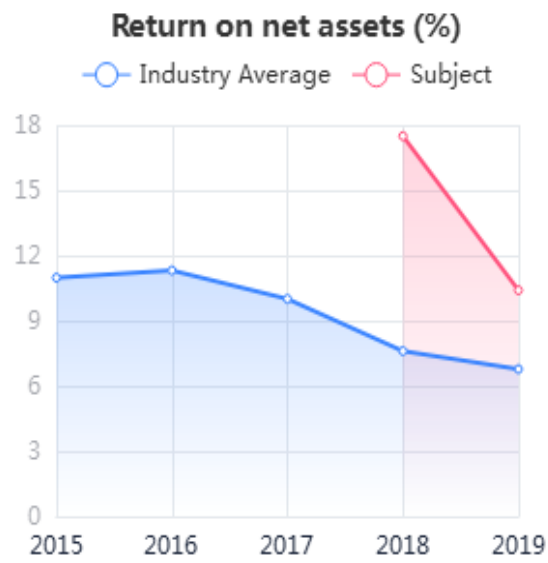
The 2019 figures that are worse than the industry worst 10%: Return on total assets, Liabilities to Assets Ratio

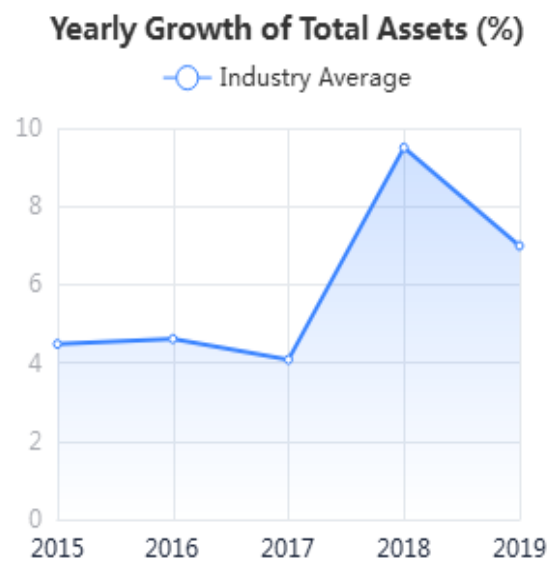
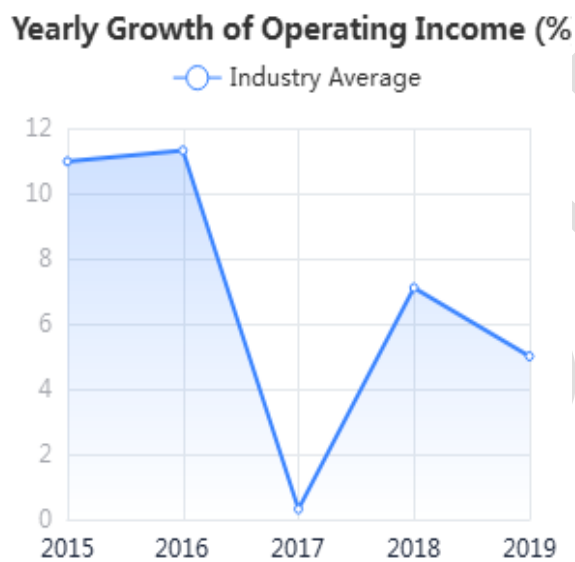
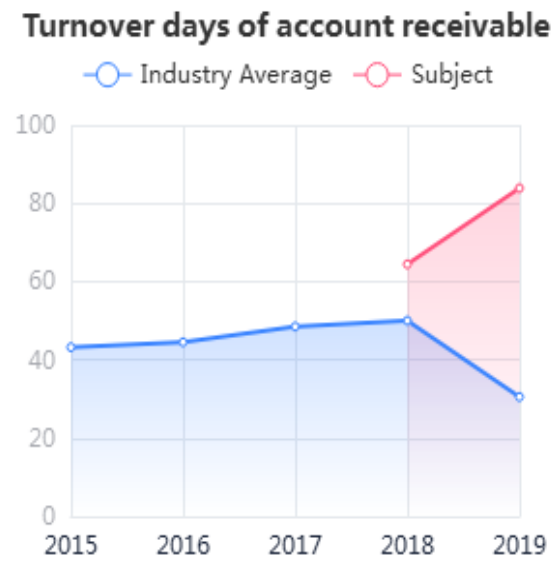
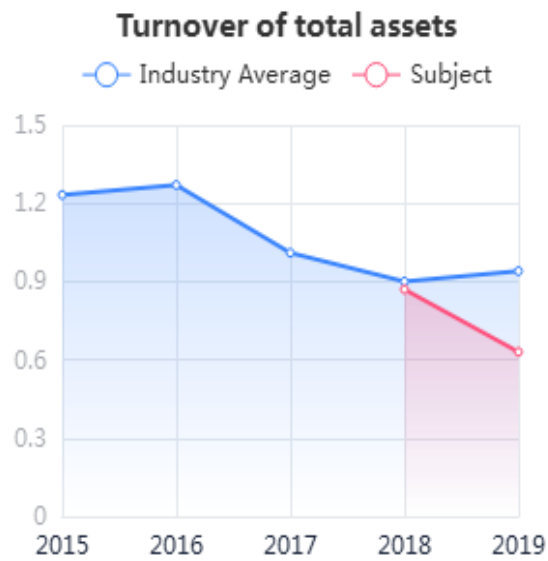
The 2019 figures that are better than the industry best 10%: Yearly Growth of Gross Profit

The 2019 figures that are worse than the industry worst 10%: Return on total assets, Liabilities to Assets Ratio, Yearly Growth of Operating Income,

7.4.INDUSTRY CORE INDEX CHART

2660, Production of Specialty Chemicals





End of report content.