



CHINA COMPANY REPORTS

Detailed Summary of Data, Sources & FAQs



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OUR DATA SOURCES

Please find below the main original sources of information (e.g., Chambers of commerce, local courts, etc). This should apply to registered companies and sole traders/non-registered companies.

Financial data: The Administration for Market Regulation (previous AIC), the stock exchanges, the National equities exchange and quotations, and investigated accounts supplied by the company.

Negative data: The Administration for Market Regulation, the Tax Bureau, the Credit Investigation Centre of the People's Bank of China, the Bureau of Ecology and Environment and court publications.

Demographic data: National Bureau of Statistics.

Payment Data: Court Publications and investigated info from the company's supplier.

Collection data:

Shareholder's data: The Administration for Market Regulation, stock exchanges, and the National equities exchange and quotation.

Group Structure/Corporate hierarchy: The Administration for Market Regulation.

Other key information: In the investigation reports we include valuable information such as ultimate controller, suppliers and customers, bank accounts, and the company's facility details. Of course, according to the laws in China, we need to get the company's consents to disclose any information which is regarded as confidential.

How often the above data is updated e.g., daily, weekly etc.?

The official information is always up to date. The investigation information is updated upon request by the customer.

Do you contact companies via a telephone interview or site visits at regular intervals e.g., once a year?

The telephone interview and site visits are triggered upon request by the customer.



NEGATIVE DATA

What type of negative data is available?

Bankruptcies/Insolvencies:	Yes.
Court Cases/ Actions:	Yes.
Debt Collection cases:	No.
How often is this negative data updated?	Real-time.

The partner collects the following negative info:

- The lists of enterprises with abnormal operations.
- List of enterprises with serious illegal and dishonest acts.
- Tax unpaid records.
- Equity pledge records.
- Equity freezing Information.
- Chattel mortgage information.
- Administrative penalty record.

CREDIT SCORES & LIMITS

Do you give a credit score & limit on all companies?

We issue a credit score and limit on all companies/enterprises/businesses. But for non-business organizations (NPO, NGO, GOV), we will not issue credit limit.

Are there any exceptions?

For non-business organizations (NPO, NGO, GOV), we will not issue credit limit.

What is the credit score intended to predict?

Short term liquidity, solvency, and possibility.

Is payment data included in your credit scoring model?

Yes. Our scoring model always takes trade reference into consideration.

What does the credit limit represent?

The maximum combined credit to be given to the company over a 90-day period by all suppliers.

How is the credit limit calculated?

Our evaluation is based on our observation on subject's non-financial factors, financial factors, negative records and industry specification.

Financial factors focus on analysis on profitability ratios, operating ratios, structure ratios, productivity ratios and growth ratios. These include profitability, ROE, quick ratio, current ratio, debt ratio, DSO, asset turnover, AP to Sales, etc.



LOCAL ACTIVITY CODES & VAT NUMBERS

What version of activity codes are used in the reports?

We provide 4 codes for each report:

- CSIC_2017: China's Industry Code applied is the 2017 version of the National Industry Classification issued by the China National Bureau of Statistics.
- ISIC_Rev4: International Standard Industrial Classification of All Economic Activities issued by the Department of Economic and Social Affairs of the United Nations Secretariat.
- NAICS_2017: North American Industry Code uses a 2017 version of NAICS code.
- NACE_rev2: European Industry Code uses NACE Rev. 2 approved by the European Commission.

What company ID numbers are available? (e.g., the local registration number, VAT number, etc.)

USCC (Unified Social Credit Code) Chinese companies used to have 3 major ID numbers as identification. These numbers are company registration number, VAT number and organization code. China begins to combine all 3 numbers into 1 number - the Unified Social Credit Code (USCC) in 2015. Internal unique number we use for identifying companies.

How are the company ID numbers formatted?

USCC number has 18 digits, consisting of numbers and letters.
Internal ID has 12 digits, consisting of number only.

Are companies obliged to file a VAT number?

VAT number = USCC number, they are the same number.

How is the VAT Number derived?

If they are not obliged to file and you have this data where has this data come from?

USCC number can be checked through government channels.

How often is the VAT number updated?

Due to the very nature of USCC number in China, once given it stays the same through a company's Lifetime.



LOCAL BUSINESS CLASSIFICATIONS

FINANCIAL DATA & FILING REQUIREMENTS

Which types of company must file financial data?

Companies listed on the stock exchanges or on the National Equities Exchange and Quotations (NEEQ).

Companies issuing corporate bonds.

Every company must file annual report with AIC.

Are there any filing exemptions and thresholds?

How long after the financial year end do companies have to file financials?

Within the 4 months after the financial year end (before April 30th).

What is the penalty for not filing the financial data, and is it likely a company would prefer the penalty rather than filing them?

For listed companies, their share trading will be suspended, and then get delisting warning, and then the stocks will be suspended, and finally the stocks will be terminated. The obligations and responsibilities of information disclosure are regulated by national laws and regulations. Violations will result in administrative or legal penalties in the public records.

How did you collect the accounts?

Most of them are provided through API. The remaining are either collected by our verification process or the subject companies submit to us voluntarily.

What is the number of companies that must publish accounts?

About 40,000 public companies and bond issuers. 20 million private companies file their annual reports with AIC.

What is the number of companies that can decide to publish or not publish accounts?

20 million.

Are the accounts free in this country?

Not really. Financial accounts are not available for public.



REGISTERED & LAW INFORMATION

FAQS REGARDING UNAVAILABLE INFORMATION

Why does the local score show as inactive, however the report status shows as active?

While it is true that the company is listed over at the registry as being active, it has no business operation. Registration record is filed on annual basis. Operation status reflects the current actual situation. Our verification service will determine the subject company's actual operational status.

Why are the headquarters of companies not rated?

It depends on who the subject company is under the jurisdiction of the business contract.

Why is there no shareholders information?

The shareholder information is obtained from the government sources. Accidentally if there is no information recorded in government files; we are certainly unable to provide it.

Why are some reports not available instantly on-line?

When a company is newly established, it may not be collected into our database in a timely manner.



COUNTRY POPULATION & TRADE DATA

Population

1,447,848,684

Source - <https://www.worldometers.info/world-population/china-population/>

GDP

China is the 2nd largest economy by nominal GDP. Its national debt in 2019 was (8,191,307 million of dollars), (57.12% debt-to-GDP ratio) and its public debt per capita is \$5,809 dollars per inhabitant.

The last annual rate of CPI published in China was in November of 2021 and it was 2.3%.

In terms of the human development index (HDI) of China, which is the index used by the United Nations to measure the progress of a country, was 0.761 points in 2019, leaving it in 85th place in the table of 189 countries published.

Source - <https://countryeconomy.com/countries/china>

The Gross Domestic Product (GDP) in China was worth 14722.73 billion US dollars in 2020, according to official data from the World Bank. The GDP value of China represents 13.04 percent of the world economy.

Source: <https://tradeeconomics.com/china/gdp>

Import / Export

Export goods Agricultural products 2.2% Fuels and mining products 2.4% Manufacturers 74.3% Others 0.1% ^[17]	Import goods Agricultural products 7.5% Fuels and mining products 21.3% Manufacturers 64.4% Others 4.8% ^[17]
Main export partners European Union ▼17.2% United States ▼16.7% ASEAN ▲12.83% Hong Kong ▲12.16% Japan ▲5.91% South Korea ▲4.37% India ▲5.08% Russia ▲2.64% Others 23.33% ^[17]	Main import partners European Union ▼12.82% ASEAN ▲12.58% South Korea ▲9.58% Japan ▲8.45% Taiwan ▲8.32% United States ▼7.24% Canada ▲4.19% Brazil ▲3.01% Others 31.80% ^[17]

Source - https://en.wikipedia.org/wiki/Economy_of_China

IMF Economy and Response to COVID-19

Source - <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#China>