

The Normal Credit Report on the Chinese Enterprise



中國出口信用保險公司
China Export & Credit Insurance Corporation

ZHEJIANG DAWNING WHEELS CO., LTD.

SinoRating

Panjiva Inc. (Customer) :

SinoRating sends you this credit report according to your following inquiry on 2011-04-13:

Ref No.	---
The Given Name	Zhejiang Dawning Wheels Co Ltd
The Given Address	Qanxi Industrial Park, Wuyi, Jinhua, Zhejiang, 321200

Investigated Company Name	ZHEJIANG DAWNING WHEELS CO., LTD.
Investigated Company Address	JINYANSHAN INDUSTRIAL ZONE, QUANXI, WUYI COUNTY, WUYI COUNTY, JINHUA CITY, ZHEJIANG PROVINCE
Investigated Company Chinese Name	浙江曙光实业有限公司
Investigated Company Chinese Address	浙江省金华市武义县武义县泉溪岩山工业区
SinoRating Credit Rating	BBB
SinoRating Default Rate	1.16~2.35(%)
Explanation	According to subject's staff, the English name of subject was ZHEJIANG SHUGUANG INDUSTRIAL CO., LTD. when subject was established, but later subject adopts the English name Zhejiang Dawning Wheels Co., Ltd. in business liaison and signs contracts in order to further develop its overseas business.
Announcement	SinoRating doesn't ensure that subject's English name shown in the report is its legal English name, which is provided just for your reference.

Should you have any questions, please feel free to contact SinoRating at	
Tel	(8610)66582474
Fax	(8610)66516097
Email	sinorating@sinosure.com.cn
Contact Person	Wang Tao
SinoRating Customer Service Center	

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ZHEJIANG DAWNING WHEELS CO., LTD.

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2011-04-19

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ZHEJIANG DAWNING WHEELS CO., LTD.

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COMPANY SUMMARY

SinoRating Ref. No.	CHN000766001
Company Name	ZHEJIANG DAWNING WHEELS CO., LTD.
Operating Address	JINYANSHAN INDUSTRIAL ZONE, QUANXI, WUYI COUNTY, WUYI COUNTY, JINHUA CITY, ZHEJIANG PROVINCE(321200)
Telephone	(86)579-87960808
Fax	(86)579-87960809
Start Year	2002-12-24
Business Scope	Manufacturer of wheels
Industry	Common nonferrous metals malleating processing
Industry Code	3351
Listed Company	No
Export/Import License	Yes
Sales	229,520,000 (2009)
Net Worth	32,887,000 (2009)
Employee	700
Enterprise Size	Medium
Financial Status	OK
Trend	Stable
Payment Record	Unable to judge
SinoRating Credit Rating	BBB
SinoRating Default Rate	1.16~2.35(%)
SinoRating Comment	Although subject shows an Stable development trend on the whole, its financial status is OK.SinoRating proposes BBB credit rating to subject - Average strength, average resistance to risk, acceptable credit status
Remark	Renminbi unless otherwise stated. 'Industry Code' is according to the 'National Economic Industry Classification' by National Bureau of Statistics of China. 'Enterprise Size' is divided by Classification Standard of Small, Medium and Large Enterprises constituted by National Bureau of Statistics of China, National Development and Reform Commission of China, and Ministry of Finance of China.

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ZHEJIANG DAINING WHEELS CO., LTD.

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REGISTRATION INFORMATION

Registry	Zhejiang Province Jinhua City Wuyi County Administration for Industry and Commerce
Registered Address	JINYANSHAN INDUSTRIAL ZONE, QUANXI, WUYI COUNTY, JINHUA CITY, ZHEJIANG PROVINCE(321200)
Organization Code	766431736
Registration No.	330723000014920
Company Type	Private Limited Company
Registered Capital	26,000,000
Legal Representative	Yan Guanwei
Business Scope	Production, processing and sale of auto wheels, motorcycle wheels, metal processing machinery, aluminum alloy products, and metal gardening tools; sale of tyres, auto parts, motorcycles and related parts, metal racks, garments, accessories, stationery, and other daily-use articles (excluding flammable and explosive items)
Registered Date	2002-12-24
Business Licence Valid Until	2052-12-23

HISTORY

On Feb. 5, 2009, the business scope of subject was changed from "production, processing and sale of auto wheels, motorcycle wheels, hardware machinery and aluminum alloy products (operation shall be subject to special approval and business license if involved)" to "production, processing and sale of auto wheels, motorcycle wheels, metal processing machinery, aluminum alloy products, and metal gardening tools; sale of motorcycles and related parts (operation should be subject to special approval and business license if involved)".

On April 2, 2010, the business scope of subject was changed to "production, processing and sale of auto wheels, motorcycle wheels, metal processing machinery, aluminum alloy products, and metal gardening tools; sale of tyres, auto parts, motorcycles and related parts, metal racks, garments, accessories, stationery, and other daily-use articles (excluding flammable and explosive items)".

OWNERSHIP

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ZHEJIANG DAWNING WHEELS CO., LTD.

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Shareholders	Registration No./ID Card No.	Shareholding
Yan Guanwei	330722195511215915	60.0%
Yan Aier	330722195606015940	20.0%
Yan Shenggang	330722197712220031	20.0%

KEY EXECUTIVES

Name Yan, Guanwei
Gender Male
ID Card No. 330722195511215915
Age 56
Title Managing Director
Remark At present, he acts as subject's Managing Director.

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FINANCIALS

Auditor: --- Currency: CNY

Balance Sheet (in thousands)

Date	2009-12-31	2008-12-31
Source	3rd party 1	3rd party 1
Audited/Consolidated	-/-	-/-
Cash	75,216	65,576
Short-Term Investment	—	—
Notes Receivable	—	—
Dividends Receivable	—	—
Interest Receivable	—	—
Accounts Receivable	69,452	61,680
Other Accounts Receivable	-5,955	7,809
Advances to Suppliers	—	21,517
Subsidy receivable	—	—
Inventory	40,954	33,916
Prepaid Expenses	—	1,507
Long-term debt investment within one year	—	—
Other Current Assets	—	—
Total Current Assets	179,667	192,005
Long-Term Debt Investments	—	—
Long-Term Equity Investments	—	—
Other Long-Term Assets	—	—
*Equity investment difference	—	—
Total Long-Term Investments	270	—
Fixed Assets	81,562	73,631
Accumulated Depreciation	14,141	8,470
Net Fixed Assets	67,421	65,161
Provision for Impairment of Fixed Assets	—	—
Net Value of Fixed Assets	67,421	65,161
Fixed Assets Disposal	—	—
Construction in Progress	25,294	27,899
Construction Material	—	—
Other	—	—
Total Fixed Assets	92,715	93,060
Intangible Assets	6,165	5,632
Long-Term Prepaid Expenses	—	—
Other Long-Term Assets	—	—
Intangible Assets and Other Assets	6,165	5,632
Deferred Taxation Charges	—	—
Deferred Taxation	—	—
Total Assets	278,817	290,697

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Date	2009-12-31	2008-12-31
Source	3rd party 1	3rd party 1
Short-term Loans	201,072	161,960
Notes Payable	85,000	66,250
Accounts Payable	-22,282	14,121
Advances from Customers	—	11,268
Accrued Payroll	—	—
Welfare Payable	996	1,655
Dividends Payable	—	—
Tax Payable	-2,269	-746
Other Taxes Payable	36	144
Other Payable	-16,623	5,878
Accrued Expense	—	—
Accrued Liabilities	—	—
Interest Payable	—	—
Long-Term Liabilities Due Within One Year	—	—
Other Current Liabilities	—	—
Total Current Liabilities	245,930	260,530
Long-Term Loans	—	—
Bonds Payable	—	—
Long-Term Payable	—	—
Government grants payable	—	—
Other Long-Term Debts	—	—
Total Long-Term Liabilities	—	—
Deferred Taxes Credits	—	—
Deferred Taxation	—	—
Total Liabilities	245,930	260,530
*Minority Interests	—	—
Paid-in Capital	26,000	26,000
Capital Reserve	—	—
Surplus Reserve	674	384
Accumulated Profits	6,213	3,783
Retained Earnings	—	—
Other Owner's Equity	—	—
Total Owner's Equity	32,887	30,167
Total Liabilities and Owner's Equity	278,817	290,697

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Income Statement (in thousands)

Date	2009-01-01 to 2009-12-31	2008-01-01 to 2008-12-31
Source	3rd party 1	3rd party 1
Sales	229,520	281,697
- Cost of Goods Sold	207,736	253,751
- Sales Tax	498	170
Gross Profit	21,286	27,776
+ Other Revenues and Gains	29	—
- Administrative Expenses	6,019	7,612
- Operating Expenses	8,355	7,752
- Financial Expenses	9,459	11,183
Income from Operations	-2,518	1,229
- Return on Investment	—	—
+ Subsidy Income	635	1,870
- Non-operating Income	-5,111	32
- Non-operating Expense	330	347
Non-operating Net Income	—	—
Income before Income Taxes	2,898	2,784
Income Taxes	724	641
- *Minority Loss/Profit	—	—
Net Income	-2,574	2,143

Key Financial Figures (in thousands)

Date	2009-12-31	2008-12-31
Source	3rd party 1	3rd party 1
Sales	229,520	281,697
Net Income	2,174	2,143
Total Assets	278,817	290,697
Working Capital	-66,263	-68,525
Total Liabilities	245,930	260,530
Net Assets	32,887	30,167

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Key Financial Ratios

Date	2009	2008
Source	3rd party 1	3rd party 1
Current Ratio	0.73	0.74
Quick Ratio	0.56	0.61
Accounts Receivable Collection Period	103	60
Accounts Payable Payment Period	—	26
Days in Inventory	65	33
Asset Turnover	0.81	1.13
Debts to Total Assets Ratio(%)	88.2	89.62
Liabilities to Equity(%)	747.8	863.63
Return on Assets(%)	0.78	0.74
Return on Net Assets(%)	6.61	7.1
Operating Profit Margin (%)	9.49	9.92
Profit Margin(%)	0.95	0.76

Industry Comparison

	Subject Data	*Percentile 25	*Median	*Percentile 75
Date	2009	2009	2009	2009
Current Ratio	0.73	0.98	1.19	1.7
Quick Ratio	0.56	0.58	0.8	1.26
Accounts Receivable Collection Period	103	44.0	68.0	102.0
Accounts Payable Payment Period	—	51.0	93.0	129.0
Days in Inventory	65	33.0	66.0	108.0
Asset Turnover	0.81	0.77	1.13	1.46
Debts to Total Assets Ratio(%)	88.2	46.43	59.86	80.97
Liabilities to Equity(%)	747.8	73.54	140.38	348.28
Return on Assets(%)	0.78	0.0	1.39	4.07
Return on Net Assets(%)	6.61	0.12	4.5	15.69
Operating Profit Margin (%)	9.49	5.77	11.86	19.23
Profit Margin(%)	0.95	0.06	1.25	3.88

★Note: If there are 100 companies in the same industry, SinoRating will rank the data under the same ratio from the smallest to the largest. Percentile 25% is the figure ranked 25th. Medium is the figure ranked 50th while percentile 75% is that ranked 75th. By using this comparison, one can have a clear idea of the status of subject's financial ratio in its industry. "—" means that SinoRating does not have enough industry data to generate the comparison.

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SinoRating Explanation :

The information about subject's long-term investment is unavailable.

BANKING

Main Correspondent Bank Industrial & Commercial Bank of China , Zhejiang Province Jinhua City Branch Wuyi County Sub-branch
Bank Address No. 8, Wuyang Middle Road, Wuyi County, Jinhua City, Zhejiang Province
Bank Telephone (0579)87631325
RMB Account Number 1208060009000104193

According to the clerf from the bank, subject holds account herein with normal transaction records.

OPERATIONS

Core Business

Manufacturer of wheels

Subject is specialized in production and sale of wheels, especially auto and motorcycle aluminum alloy wheels. Most of its products are exported, mainly to the tyre manufacturers.

Sales

Sales Network Most of subject's products are exported, mainly to Europe, America and Southeast Asia, while a few products are sold domestically. Subject generally settles with domestic customers by transfer and monthly payment 30 days, and with overseas customers by T/T, L/C, etc. Most customers are tyre manufactures, and a few are car manufacturers.

Remark The export value of subject in the fourth quarter of 2009 totaled USD6,424,551 and in the fourth quarter of 2010 totaled USD8,357,661.

Export Record	
Export to(2010)	
RUSSIA FEDERATION	13.55%
UNITED ARAB EMIRATES	12.03%
IRAN. ISLAMIC. REP	9.09%
Others	8.98%

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AUSTRALIA	8.3%
TURKEY	6.33%
UKRAINE	5.78%
MALAYSIA	5.38%
BRAZIL	3.44%
THAILAND	2.72%
INDIA	2.59%
ITALY	2.55%
NETHERLANDS	2.33%
SAUDI ARABIA	2.06%
Lithuania	1.91%
FINLAND	1.79%
INDONESIA	1.67%
PHILIPPINES	1.6%
REP. OF KOREA	1.54%
COLOMBIA	1.42%
POLAND	1.31%
PARAGUAY	1.26%
JAPAN	1.19%
SOUTH AFRICA	1.18%
★Remark: subject exports products to the above regions in the latest year.	
Export Volume	
2010	USD 31,439,714
2009	USD 21,556,620
2008	USD 20,816,488
2007	USD 12,652,198
Export*	
Vehicle and its parts and accessories (railway vehicle excluded)	
★Note: Commodity names shown herein are not subject's actual import/export product name, but category name classified by China Customs.	
Trade Term for Export	

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General Trade	100.0%
Other Trade	0.0%

Purchase**Local Purchase**

Subject generally purchases such raw materials as aluminum ingot and magnesium ingot from North China, and settles with suppliers by transfer and delivery against payment.

Remark

The import value of subject in the fourth quarter of 2009 totaled USD0 and in the fourth quarter of 2010 totaled USD88.

Import Record	
Import from (2010)	
VENEZUELA	96.1%
TURKEY	3.9%
★Remark: subject imports products from the above regions in the latest year.	
Import Volume	
2010	USD 2,259
2009	USD 2,049
2008	USD 321
2007	USD 1,258
Import*	
Vehicle and its parts and accessories (railway vehicle excluded)	
★Note: Commodity names shown herein are not subject's actual import/export product name, but category name classified by China Customs.	
Trade Term for Import	
General Trade	3.9%
Other Trade	96.1%

Premises

Operating Space 100,000 square metres
 Owned/Rented Rented
 Location Main Industrial District

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Remark

The area above refers to the plot area covered by subject's factory building.

Employees

Total Employees

700

PAYMENT RECORDS

As of report date, we did not get any payment record relating to the subject company.

LITIGATION

As of report date, no litigation record has been found against subject through our searching the website of local court, other courts and major search engines.

PUBLIC INFORMATION

As of report date, we did not find any negative information relating to the subject company.

INDUSTRY ANALYSIS

In the first half of 2009, the nonferrous metal production of China stable recovers, the price of the leading products is recovering and companies over a certain scale also turn losses into gains. From January to June, the industrial growth value in comparable price of China's nonferrous metal industry is increased 6.9%, up 2.7% compared with that of the first quarter of 2009. Smelting, rolling and processing of nonferrous metal grow at 6%. The output of ten kinds of nonferrous metals is 11.457 million tons, down 7.49% year on year, among which, the output of refine cooper is 1.935 million tons, up 3.94% year on year; virgin aluminum is 5.573 million tons, down 15.81% year on year; lead is 1.658 million tons, up 14.08%; zinc is 1.89 million, down 1.57% year on year. The market of nonferrous metal of China fluctuated violently and was sharply reduced in 2008. Hit by the financial crisis, the state released favorable policy to promote the industry and the industry grasp the opportunity to integrate its resources, which will further promote the recovery of the industry. The nonferrous metal industry is expected to overall recover in 2010

SINORATING SUMMARY

Established on Dec. 24, 2002, subject now has a registered capital of RMB26 million invested by Yan Guanwei, Yan Shenggang and Yan Aier. Subject is specialized in production and sale of wheels, mainly auto and motorcycle aluminum alloy wheels. It mainly carries out supporting production for tyre manufacturers. Most of its products are exported, mainly to Europe, America and Southeast Asia, and the major customers are tyre manufacturers and automakers.

Comprehensively speaking, subject mainly carries out supporting production for tyre manufacturers and automakers and is highly reliant on them. It is expected to see a moderate development prospect.

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SINO RATING CREDIT RATING

Rating Result

Rating Symbol	Definition	Default Rate(%)
AAA	Very strong strength, very high resistance to risk, excellent credit status	0~0.17
AA	Strong strength, high resistance to risk, good credit status	0.17~0.72
A	Relatively strong strength, relatively high resistance to risk, normal credit status	0.72~1.16
BBB	Average strength, average resistance to risk, acceptable credit status	1.16~2.35
BB	Below-the-average strength, below-the-average resistance to risk, less acceptable credit status	2.35~3.99
B	Relatively weak strength, relatively low resistance to risk, passable credit status	3.99~6.10
CCC	Weak strength, low resistance to risk, relatively poor credit status	6.10~10.14
CC	Very weak strength, very low resistance to risk, poor credit status	10.14~13.44
C	On the verge of bankruptcy, basically discredited	>13.44
NR	Subject is not rated because it is established for no more than one year or it goes out of business or information is not enough	

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Principal Consulting Index and Weight of Credit Rating

Rating Factors	Weight
Key executives, employees & organizational structure	10%
Company background and operational status	20%
Enterprise size	15%
Financial status	30%
Company development	10%
Competitiveness and industry analysis	10%
Company and industry prospect	5%
Total	100%
Special factors	-10%~+10%

-----End of Report-----

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