DOSSIER FIDELITAS

Fidelitas

SVEC ELECTRONIC SUZHOU CO LTD

Report requested by DIRECTV ARGENTINA S.A.

China

December 2020

This information is confidential and for the exclusive use of the person requesting it. Its purpose is merely for guidance in credit decisions. It does not imply a value judgment or solvency of those informed. The evaluation and the decisions that the client makes are not linked to Fidelitas in any way.

Executive Overview

SVEC ELECTRONIC (Suzhou) Co., Ltd. was established in 1991. It is located at Suzhou City, China, and it is dedicated to the production and trade of electronic satellite antennas.

It is directed by CHENGDU WEIMANG TECHNOLOGY CO., LTD. It operates under the quality Certificates ISO 9001 and ISO 45001, expired on 18/11/2020 and 18/06/2020, respectively.

The company declares to have 268 employees and 22 subcontracted. It does not register bounced checks, banking delays, lawsuits, compliance issues or adverse media.

According to external sources this company sells 75% of its products to the domestic market, the remaining 25% sells to foreign markets, primarily at Middle-East, Australian continent, Africa, Asia, Europe and America.

From the accountant point of view, the Company showed in the year-end 2019, an acceptable economic management. It presents an interannual reduction of 7.08% of sales and a decrease of costs, keeping the adequate management margins in an operating level (13% on sales) an final (6.4% on sales). Financially, it exhibited acceptable levels of current liquidity (1.24) and a working/labor capital (US$2.16 Millions).The heritage situation was acceptable, with a good conformation of the net worth, adjusted solvency (0.42) and a high indebtedness (2.37).

Although there are no impediments to operate normally, but we recommend to operate cautiously due to its heritage situation.

Credit Score

International Score	C
Local Score (600 - 100)	269
Creditsafe International Description	Moderate Risk
Local Description	Average risk
Current Credit Limit	620,000 CNY
Date of Latest Rating Change	01/01/2016

Source: External sources.

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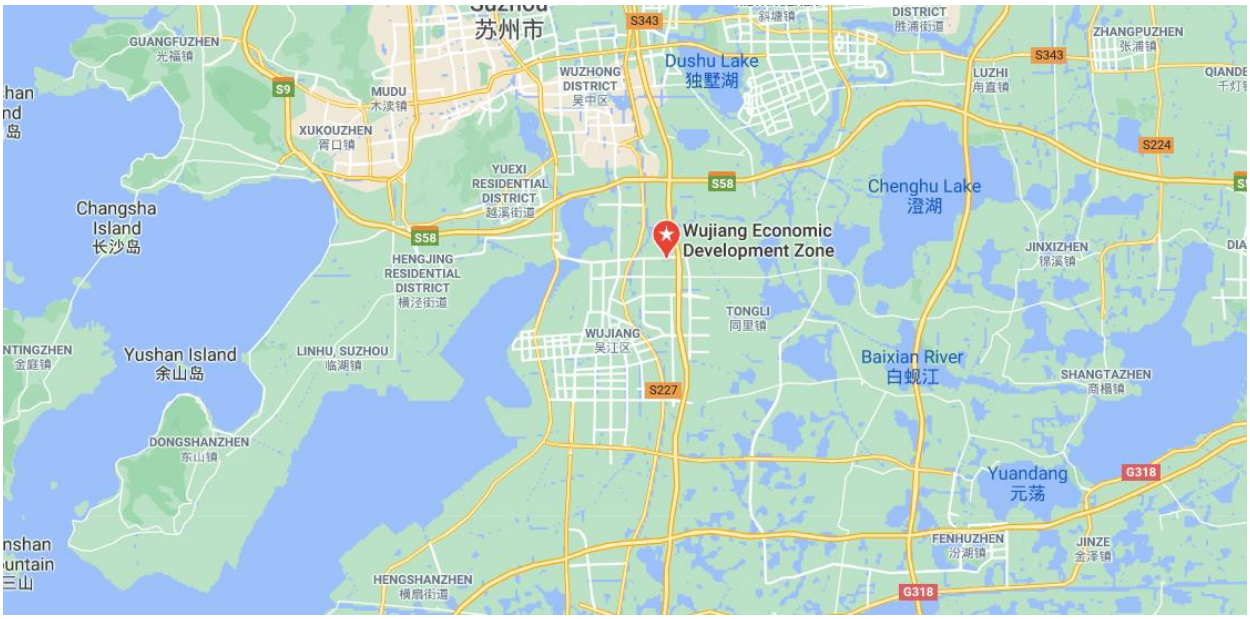
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Company Data/Details/ Information

COMPANY PROFILE

Company Name	Svec Electronic (Suzhou) Co., Ltd.
Legal Form	Limited Liability Company
Company Registration Number	91320509750017231H
Activity	Electronic product's to produce and to sell business service
Company Registration Date	17/07/2003
Registred Legal Address	Linhu Development Zone, Qidu Town, Wujiang District, Suzhou, Jiangsu 215234
Country	CHINA
Telephone	+86-0512-63817971, 63817972
Employees	268 (Source: Company)
Nominal Share Capital	20,000,000 CNY
Business Licence Expiry / Expiration Date	16/07/2053

Source: External



Source: External

HISTORICAL OVERWIEW

1991: Established, 28 years in the Antenna industrial.

2000: Got ISO 9001:2000, and get the first certificate of production to be legal dish manufacture in china

2003: Total 3 factories, 2.7 million set dish/month.

2005: Make the production of VSAT antenna.

2006: The 2nd and 3rd factory set up, the total production capacity is more than 2 million sets per month, and take 73050m area totally.

2007: VSAT plant is built, Product range is from 1.2M C/KU to 4.5M C/KU band

2009: Got 80% share of total bidding for China DTH project, more than 8 million sets dish.

2012: Production line expand to TVRO antenna, VSAT, DTT antenna, LNB.

2015: Ka-band antenna has developed successfully.

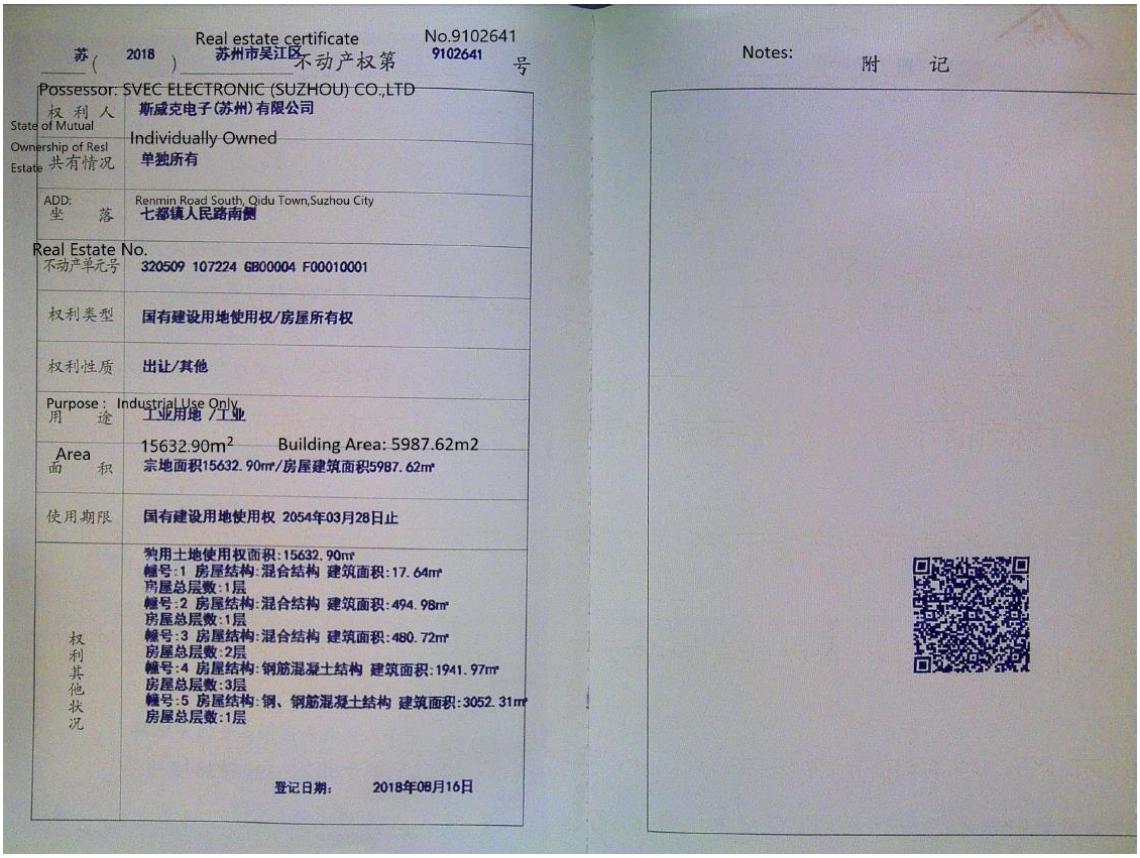
2018: Developed phased array antenna mould.

MISSION, VISION AND HUMAN VALUES

Undisclosed Information

ASSETS

Properties



Source: Company

Vehicles

The company did not share information about owned vehicles.

OFFICIAL PUBLICATIONS

Undisclosed Information

OTHER PUBLICATIONS

No information detected/found

BRANDS & TRADEMARKS

Undisclosed Information

ADITIONAL INFORMATION

Power of Attorney

This is authorize WANGDUO (personal ID 510102195607273779) to be the Legal Representative of SVEC Electronic (SUZHOU) Co., Ltd.

SVEC ELECTRONIC (SUZHOU) CO.,LTD.

SVEC Electronic (SUZHOU) Co., Ltd.

2017-01-13

Source: Company



编 号 320584000201701130340

营 业 执 照

Business License

(副 本)

TAX ID:

统一社会信用代码 91320509750017231H (1/1)

NAME : SVEC ELECTRONINC (SUZHOU) CO.,LTD

名 称 斯威克电子（苏州）有限公司

Type of Company: Limited Liability Company

类 型 有限责任公司（法人独资）

Add: Linhu Development Zone, Qidu Town, Suzhou City

住 所 苏州市吴江区七都镇临湖开发区

Representative: Duo Wang

法定代表人 王多

Registered Capital: 20,000,000 (RMB)

注册资本 2000万元整

Registration Date

成立日期 2003年07月17日

Term of Operation: From 17/07/2003 TO 16/07/2053

营业期限 2003年07月17日至2053年07月16日

经营范围 卫星电视广播地面接收设备、广播电视接收设备及器材制造；机械设备、仪器仪表、电子产品的生产；本公司自产产品的销售；自营和代理各类商品及技术的进出口业务（国家限定企业经营或禁止进出口的商品和技术除外）。（依法须经批准的项目，经相关部门批准后方可开展经营活动）

登记机关 苏州市吴江区市场监督管理局

2017年01月13日

企业信用信息公示系统网址：www.jsgsj.gov.cn:58888/province

中华人民共和国国家工商行政管理总局监制

Source: Company

Statement Letter

To Directv/Fidelitas team,

We, SVEC ELECTRONIC (SUZHOU) CO., LTD, here by to state that our members have no relationship with state employees, or with the public sectors.

While, we don't have sales to the public sectors, neither to the state, or joint ventures.

SVEC ELECTRONIC (SUZHOU) CO., LTD

SVEC ELECTRONIC
(SUZHOU) CO.,LTD.

2020/12/4

Source: Company

PRODUCTS AND SERVICES

Products

- ✓ This company legally appointed business scope to include: satellite broadcast floor receiving equipment, broadcast television receiving equipment to reach equipment manufacturer ;machine equipment, instrumentation, electronic product's manufacture; self-support and agent every type of goods to reach technological import export business service .,
- ✓ Main Products: Satellite to receive antenna to wait.

Offset Antenna



Prime focus Antenna



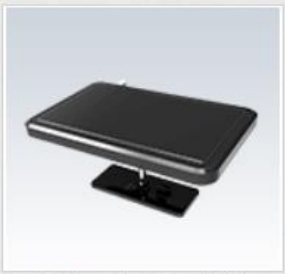
DTT Antenna



Indoor Antenna:SVEC-ST1



Indoor Antenna:VSN-AR-01



Indoor Antenna:VSN-AR-02



Indoor Antenna:SVEC-XP-01



Indoor Antenna:VSN-005



Indoor Antenna:VDA-400



Indoor Antenna:VAR-503



Indoor Antenna:VAR-702

VSAT Antenna



0.6m Ku-Band Ring-focus Tx/Rx Antenna



0.75m Ku-Band offset Tx/Rx Antenna



0.85m Ku-Band offset Tx/Rx Antenna



1.2m Ku-Band Tx/Rx Antenna



1.2m Fly-Away Ku-Band Tx/Rx Antenna



1.8m Fly-Away C & Ku-Band Tx/Rx Antenna

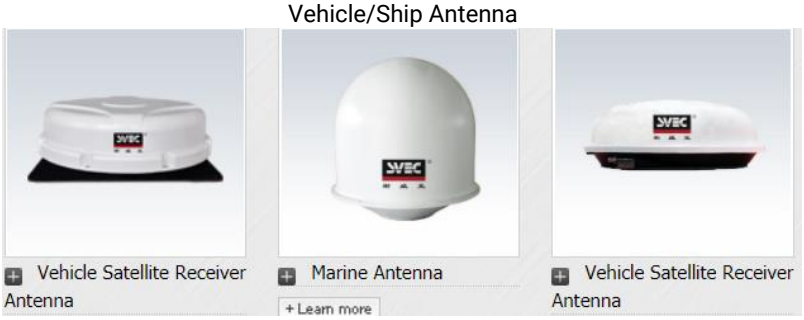


1.8m C & Ku-Band Tx/Rx Antenna



2.4m Ring-Focus C & Ku-Band Tx/Rx Antenna

Vehicle/Ship Antenna



LNB



Microwave device

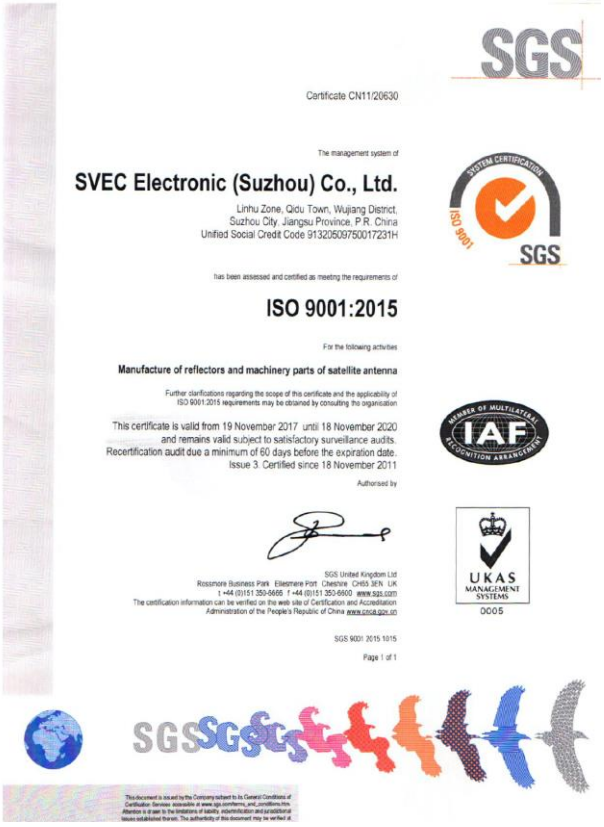


Source: External

CERTIFICATES

Certificates	Issued by	Issue date	Expiration date
ISO 9001	SGS	19/11/2017	18/11/2020
ISO 45001	FAP	19/06/2020	18/06/2020

Source: Company



Certificate CN11/20630

The management system of

SVEC Electronic (Suzhou) Co., Ltd.

Linhu Zone, Qidu Town, Wujiang District,
Suzhou City, Jiangsu Province, P.R. China
Unified Social Credit Code 9132050975001723 1H

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

Manufacture of reflectors and machinery parts of satellite antenna

Further clarifications regarding the scope of this certificate and the applicability of ISO 9001:2015 requirements may be obtained by consulting the organization

This certificate is valid from 19 November 2017 until 18 November 2020
and remains valid subject to satisfactory surveillance audits.
Recertification audit due a minimum of 60 days before the expiration date.
Issue 3. Certified since 18 November 2011

Authorised by

SGS United Kingdom Ltd
Rossmore Business Park Ellesmere Port Cheshire CH65 3EN UK
t +44 (0)151 350-6666 f +44 (0)151 350-6600 www.sgs.com
The certification information can be verified on the web site of Certification and Accreditation Administration of the People's Republic of China www.cnca.gov.cn

SGS 9001 2015 1015

Page 1 of 1

UKAS MANAGEMENT SYSTEMS 0005

This document is issued by the Company subject to its General Conditions of Certification Services accessible at www.sgs.com/terms_and_conditions.htm. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein. The authenticity of this document may be verified at



Occupation Health And Safety Management System Certificate

Certificate No.: FAP2050008R0M
Unified Social Credit Code: 91320509750017231H

Hereby certify:

SVEC Electronic (Suzhou) CO.,LTD

Occupation Health And Safety management system conforms to:

GB/T45001-2020/ISO 45001:2018 Standard

Certificate Scope: The manufacturing of satellite TV receiving antenna / dish (within the scope of production license) and related management activities

Registered Address: Linhu Zone,Qidu Town,Wujiang City, Jiangsu Province, P.R.China

Business Address: No.33, Hongen road, Linhu development district, Qidu town, Wujiang city, Suzhou, Jiangsu, China

Certificate Issue Date: June 19, 2020
Expiration Date: June 18, 2023
First Certificate Issue Date: June 19, 2020

Please conduct supervision or recertification audit before June 18, 2021.If the audit fails within the time limit,this certificate will be invalid.
The information on this certificate can be found on the CNCA official website (http://www.cnca.gov.cn).

CNCA-R-2020-615

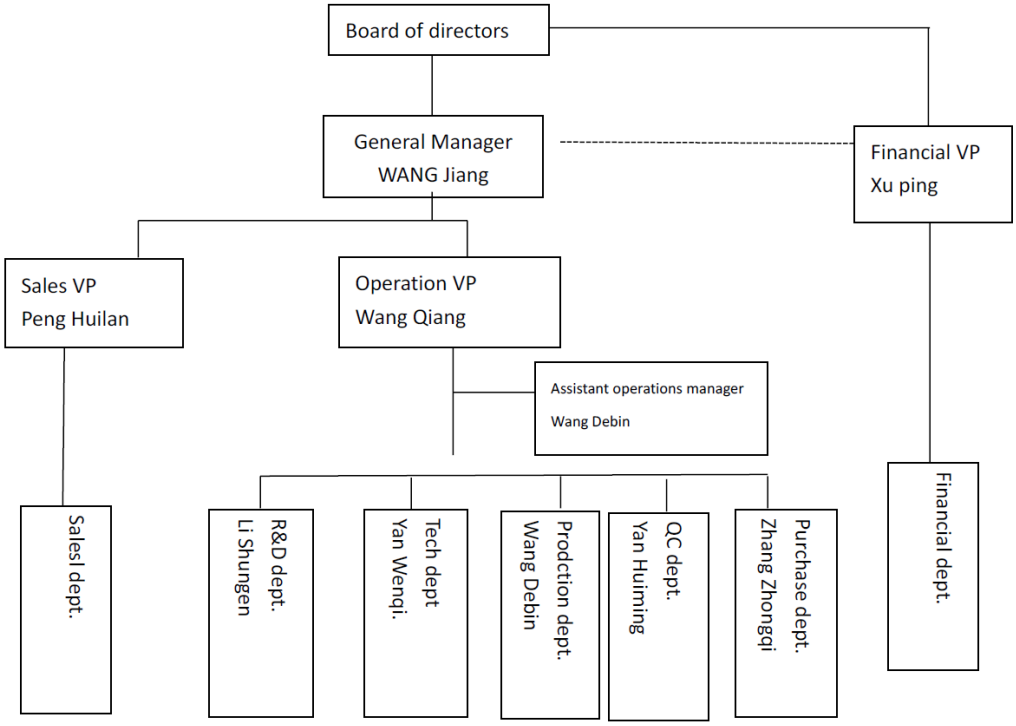
Issuer:

This certificate remains effective only when it meets the condition that it is within the validity of administrative license,qualification and compulsory product certification,and also it must accept the normal annual audit.
This certificate can be found on the official website of China Certification and Accreditation Administration http://www.cnca.gov.cn.

FAP Certification(Shanghai) Co., Ltd.
Address: Room504, No.28, Moyu Road, Anting Town, Jiading District, Shanghai China

Source: Company

ORGANIZATIONAL CHART



Source: Company

MONTHLY BREAKDOWN/ HIRED EMPLOYEES DETAILS

Year	Production Staff	Commercial staff	Administration staff	Total Personnel
2018	233	12	37	282
2019	190	12	37	239
2020	222	10	36	**268**

Source: Company

SUBCONTRACTED STAFF

Year	Production Staff	Commercial staff	Administration staff	Total Personnel
2018	23	0	0	23
2019	19	0	0	19
2020	22	0	0	**22**

Source: Company

Corporate Structure and Related Companies

PARTNERS / SHAREHOLDERS

Name and Surname / Company Name	Nationality	Tax ID	%
CHENGDU WEIMANG TECHNOLOGY CO., LTD	CHINA	510109000757461	100

Source: Company

RELATED COMPANIES

Company Name	Tax ID	Nationality	Relationship Type
CHENGDU WEIMANG TECHNOLOGY CO LTD	510109000757461	CHINA	N/I

Source: Company

MANAGERS

Name and Surname / Company Name	Nationality	Tax ID	Position
WANG DUO	Chinese	510102195607273779	Legal representative
WANG JIANG	Chinese	510215197804257117	General Manager

Source: Company

Business Situation

INSURANCE

Type of insurance	Insurance company	Policy Number	Sum assured	Currency
Property all risk policy	BOC INSURANCE CO., LTD	30102202032058400000	$ 11 000 000	CNY
Life insurance	CPIC	ASUZ550E0120B000065D	$ 3 400 000	CNY

Source: Company

SUPPLIERS

Company Name	Tax ID	Nationality	Annual Amount of Purchases (net)	Currency
Jiangsu Shagang Group Co., Ltd	N/A	CHINA	0	N/A
Zhangjiagang Wanda Steel company	N/A	CHINA	0	N/A

Source: Company

CUSTOMERS

Company Name	Tax ID	Nationality	Annual Amount of Purchases (net)	Currency
CANAL PLUS	N/A	FRANCE	$ 11 500 000	USD
BHARTI TELEMEDIA LTD	N/A	INDIA	$ 4 400 000	USD
TATASKY LTD	N/A	INDIA	$ 4 000 000	USD
AMERICA MOVIL	N/A	MEXICO	$ 3 500 000	USD
SKY BRAZIL	N/A	BRAZIL	$ 3 000 000	USD

Source: Company

ANNUAL PURCHASES

Undisclosed Information

SALES TO DIRECTV

Undisclosed Information

Analysis of Banking Activity

BANKING STATUS

Entity	Debt	Currency
Bank of Ningbo Wujiang hi-tech Industrial Zone	$ 1 1000 000	RMB
Bank of China, Wujiang Qidu Sub-branch	0	RMB

Source: Company

DISHONORED CHECKS

No record found.

Source: External

Foreign Trade

This company sells 25% of its prodcuts to foreign markets, primarily at Middle-East, Australian continent, Africa, Asia, Europe and America.



Source: External.

Analysis of Judicial and Prosecutorial Situation

LAWSUITS AS PLAINTIFF OR DEFENDANT

No record found.

Compliance

SEARCH CRITERIA

Analyzed Subject SVEC ELECTRONIC SUZHOU CO LTD

Negative

Sources checked: List of worldwide politicians and government controlled entities (also known as PEPs, for politically exposed persons), Profiles of persons who hold political office, their immediate family members, close associates, and companies under their control; Crime - Global Enforcement List, Profiles of entities listed worldwide; Reputation - Global Foreign Officials List, SDN and Financial Intelligence Units, following the FATF (Financial Action Task Force) recommendations.

SEARCH CRITERIA

Analyzed Subject CHENGDU WEIMANG TECHNOLOGY CO., LTD

Negative

Sources checked: List of worldwide politicians and government controlled entities (also known as PEPs, for politically exposed persons), Profiles of persons who hold political office, their immediate family members, close associates, and companies under their control; Crime - Global Enforcement List, Profiles of entities listed worldwide; Reputation - Global Foreign Officials List, SDN and Financial Intelligence Units, following the FATF (Financial Action Task Force) recommendations.

SEARCH CRITERIA

Analyzed Subject WANG DUO

Negative

Sources checked: List of worldwide politicians and government controlled entities (also known as PEPs, for politically exposed persons), Profiles of persons who hold political office, their immediate family members, close associates, and companies under their control; Crime - Global Enforcement List, Profiles of entities listed worldwide; Reputation - Global Foreign Officials List, SDN and Financial Intelligence Units, following the FATF (Financial Action Task Force) recommendations.

SEARCH CRITERIA

Analyzed Subject WANG JIANG

Negative

Sources checked: List of worldwide politicians and government controlled entities (also known as PEPs, for politically exposed persons), Profiles of persons who hold political office, their immediate family members, close associates, and companies under their control; Crime - Global Enforcement List, Profiles of entities listed worldwide; Reputation - Global Foreign Officials List, SDN and Financial Intelligence Units, following the FATF (Financial Action Task Force) recommendations.

PRESS INFORMATION

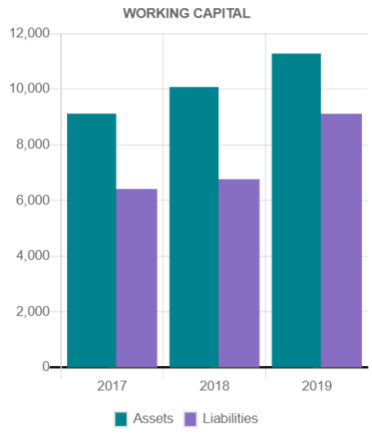
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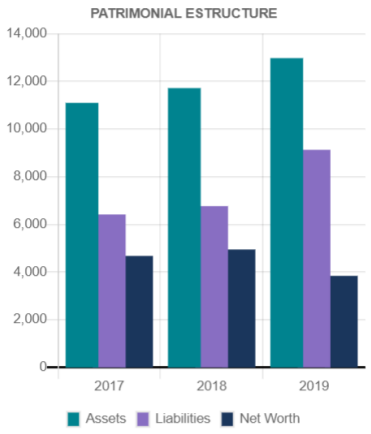
Financial Statements

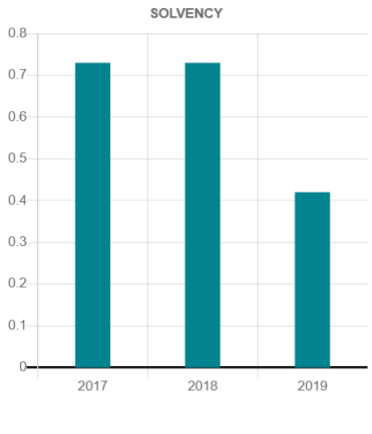
ASSETS

Date	31/12/2017	31/12/2018	31/12/2019
Cash and Banks	473	1 025	2 195
Current Investments	768	2 991	1 375
Accounts Receivable (Long-Term Assets)	2 849	3 721	1 721
Other Credits	0	0	1 207
Inventories	2 072	1 406	1 343
Intangible Inventories	0	0	0
Other Current Assets	2 963	938	3 444
Total Current Assets	9 124	10 081	11 285
Accounts Receivable	0	0	155
Long-Term Credits	153	67	0
Long-Term Investments	0	0	0
Fixed Assets - Original Value	3 767	3 763	1 349
Accumulated Depreciation	2 066	2 315	123
Fixed Assets	1 701	1 447	1 226
Long-Term Intangible Assets	96	93	92
Other Long-Term Assets	22	27	215
Total Long-Term Assets	1 972	1 635	1 688
Total Assets	11 097	11 716	12 972

Values in thousands Dólares U.S.A.



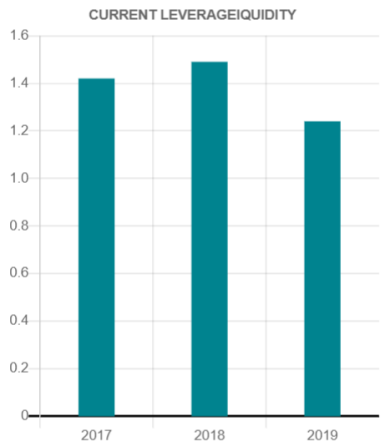


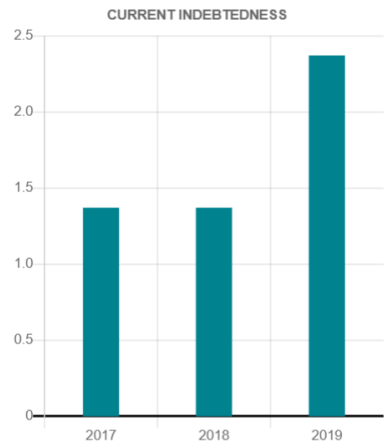


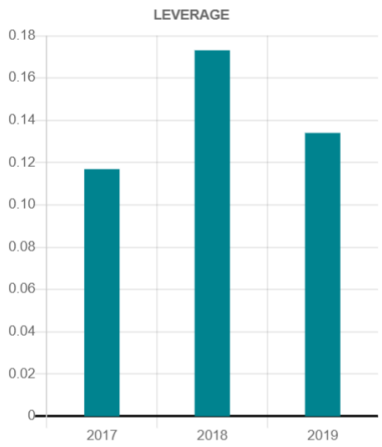
LIABILITIES/NET WORTH

Date	31/12/2017	31/12/2018	31/12/2019
Accounts Payable	3 028	2 211	3 145
Bank Debts (Bank)	1 485	2 027	1 851
Corporate Debts	223	575	952
Taxes Payable	0	0	562
Clients' Prepayments	1 476	1 344	0
Other Liabilities	205	610	2 609
Total Current Liabilities	6 417	6 768	9 120
Accounts Payable	0	0	0
Bank Debts	0	0	0
Taxes Payable	0	0	9
Other Liabilities	0	0	0
Pensions	0	0	0
Total Long-Term Liabilities	0	0	9
Total Liabilities	6 417	6 768	9 128
Share Capital	1 616	1 616	2 059
Unassigned Profits	3 063	3 333	1 785
Net Worth	4 679	4 948	3 844

Values in thousands Dólares U.S.A.



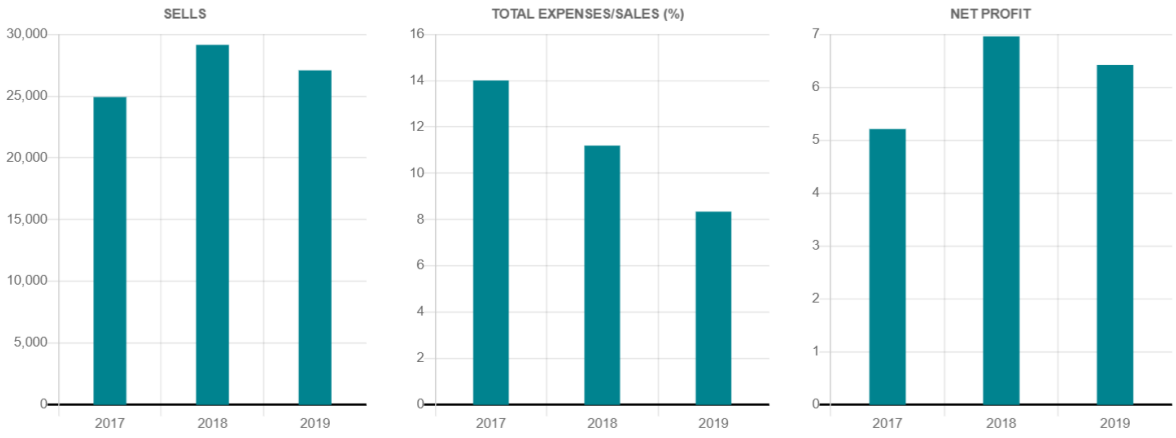




PROFIT & LOSS STATEMENT

Date	31/12/2017	31/12/2018	31/12/2019
Sales	24 915	29 142	27 076
Purchases	0	0	0
Cost of Sales	19 611	23 452	20 710
Gross Margin	5 305	5 690	6 367
Amortization	0	0	0
Business Expenses	1 803	1 639	0
Administrative Expenses	1 627	1 623	2 218
Financial Expenses	60	0	40
Other Incomes	134	293	0
Other Expenses	206	17	1 790
Financial & Holding Results	0	0	0
Income Tax	446	676	579
Return on Sales	1 297	2 028	1 738

Values in thousands Dólares U.S.A.



KPIs

Date	31/12/2017	31/12/2018	31/12/2019
Current Liquidity Current Assets / Current Liabilities	1,42	1,49	1,24
Acid Liquidity (Current Assets - Inventories) / Current Liabilities	1,10	1,28	1,09
Indebtedness Total Liabilities / Net Worth	1,37	1,37	2,37
Indebtedness Fixed Assets Long-Term Liabilities / Fixed Assets	0,00	0,00	0,01
Solvency Equity / Liabilities	0,73	0,73	0,42
Working Capital Current Assets - Current Liabilities	2 706,83	3 313,82	2 165,00
Fixed Assets Investments Net Worth / Fixed Assets	2,75	3,42	3,14
Gross Profit (Gross Profit / Sells) * 100	21,29	19,53	23,51
Net Profit (Net Profit / Sells) * 100	5,21	6,96	6,42
Return on equity Net Profit / Net Worth	0,28	0,41	0,45
Total Assets Turnover Sells / Total Assets	2,25	2,49	2,09
Fixed Assets Turnover Sells / Fixed Assets	14,65	20,14	22,09
Return on Assets (Net Profit / Total Assets) * 100	11,69	17,31	13,40
EBITDA/Liabilities (Result of Exercise + Amortization + Financial Expenses + Income Tax) / Total Liabilities	0,28	0,40	0,26
Credit Turnover Sells / Accounts Receivable	8,75	7,83	15,74
Inventory Turnover Cost of Sales / Inventories	9,46	16,68	15,42
Bank Debts / Net Worth Bank Debts / Net Worth	0,32	0,41	0,48
Bank Debts / (Sells/12) Bank Debts / (Sells / 12)	0,06	0,07	0,07

Values in thousands Dólares U.S.A.

COMMENTS ON FINANCIAL STATEMENTS

For the analysis of the economic, financial and patrimonial situation of the client, they were used the Financial Statements corresponding to the years 2017, 2018 and 2019 (closing date 31/12). Audited without qualifications.

Leading indicators

Economic:

- Sales for the year ended 12/2019 were USD27 Million, representing a decrease of 7.08% compared to the previous year (USD29.14 Million)
- Direct costs decreased their incidence on sales from 80.4% to 76.4%, while overhead expenses also decreased from 11.1% on sales in 2018 to 8.1% on sales. An Operating Result of USD3.5 Million was determined, a figure that represented 13% of sales. In 2018 the result was also positive of USD1.7 Million (6.01% of sales)
- In the non-operating part of the results table, he imputed Other Various Expenses for USD1.7 Million.
- The Income Tax Charge corresponding to the year was USD579 Thousand.
- In accordance with what was stated in the preceding paragraphs, a Final Profit of USD1.7 Million was registered, a figure that represented 6.4% of sales against a profit of USD2.02 Million in 2018 (6.9% on sales).

In summary, the company presented an adequate economic performance as of 12/2019, with a decrease in Sales, a decrease in Direct Costs, with acceptable margins at the Operational and Final level.

Financial

- The Liquidity indicator went from 1.49 to 1.24, deteriorating and remaining within expected parameters and the Working Capital was USD2.16 Million

Based on the values of the Liquidity, Working Capital and Financial Exposure indicators, the Financial position of the company is considered acceptable.

Patrimonial:

- Equity as of 12/2019 was USD3.8 Million vs. USD4.9 Million in the previous year. The Equity is made up of USD2.05 Million corresponding to Capital Stock and Capital Adjustment and Unallocated Results for USD1.78 Million.
- The financing structure showed that liabilities represented 70.3% of assets (57.7% in the previous year)
- Equity Solvency went from 0.73 to 0.42, decreasing and remaining within adjusted parameters, and Current Debt went from 1.37 to 2.37, considering high values.

In summary, the financial situation was acceptable, with a good composition of the Equity, with tight Solvency and high Indebtedness.