

Prepared for	
Inquiry on	***Redacted***
Yr. Ref.	
Service Mode/Priority	URGENT ORDER (B1) - ZONE I
Report/Delivery Date	12.11.2020

1. IDENTIFICATION DETAILS

Corporate/Legal Name (as specified in its charter)	***Redacted*** WWW S.A.
Trade/Business Name	Same
Operating address	Av. Calle 63 # XXX-ZZ, Parque Empresarial Normandía
Town	SANTA FE DE BOGOTA
State/Province	Cundinamarca
Telephone	(57-1) 743 XXXX
Fax	(57-1) 294 XXXX
Country	COLOMBIA

2. BACKGROUND INFORMATION & BUSINESS PROFILE

LEGAL STRUCTURE

Legal Status	<p>Privately-held corporation (Closely-held corporation) duly incorporated, organized and existing according to the laws of the Republic of Colombia.</p> <p>A Closely held corporation (also known as Closed Joint-Stock Corporation) is a company in which a small group of shareholders</p>
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	controls the majority of the shares.
Formation date	09.05.1985
Mercantile Registry	# 24.571
Company status	ACTIVE - GOOD STANDING

TAX ID # (NIT) **860.527.960-9**

HISTORICAL SUMMARY: The company's activities date back to 1972 when formed Wes Ltda., a limited liability company, which was later converted into a corporation in 1985.

CAPITAL STRUCTURE & OWNERSHIP : (figures in COP, Colombian pesos)

AUTHORIZED NOMINAL CAPITAL	COP 1.141.867.000
ISSUED CAPITAL	COP 1.141.867.000
PAID-IN CAPITAL	COP 1.141.867.000

Its stock is divided into nominative COP 1.000 par-value shares.

It is a privately-owned company (or closely held company) whose shares are no traded on the Stock Exchange, and whose controlling shareholders are the members of Management

MANAGEMENT:

President & CEO	***Redacted***
Director	***Redacted***
Director	***Redacted***
Director	***Redacted***
Director	***Redacted***

No negative occurrences on subject's principals are recorded.

TYPE OF BUSINESS	TRADER / IMPORTER - WHOLESALER
BUSINESS CATEGORY	STEEL PRODUCTS / METALS SERVICE CENTER

PRINCIPAL ACTIVITIES : Subject's core business is the import and wholesale trade of sidero-metalurgical products, stainless steel flat products, sheets, bobbins, bars, pipes and tubes, angles, plates, wire, perforated sheets, metallic floors, etc.

The company also operates as a steel service center providing pre-processing and basic cutting services such as slitting, sawing, shearing, grinding, plasma and oxyfuel cutting (oxicutting), laser cut (transversal & longitudinal), saw cut, cutting of structural steel, flame cutting with Pantograph, coil coating, shape burning, cutting-to-length, and cut material to a size and/or shape, and other specialized services such as rebar bending, clipping cuts services, etc.

OVERALL ASSESSMENT

Company Size	Moderate-size
Business trend	Stable
Present situation	Operating normally
Outlook	Favorable
Organization	Average. No major problems observed.
Reputation	Long established and well-known family-run and operated company of good reputation. An active company in its line. Good market position.
Management standard	The management consists of well-known businessmen of good reputa, and with years of experience in related fields. Traditional methods of management with good forward planning, and well defined corporate policy

SALES & TRADING PROFILE

Total Annual Revenues/ Turnover	FY 2019 : COP 84.634.525.000 FY 2018 : COP 78.282.939.000
Sales Method	100 % wholesale
Sales Terms	on a 30-day open acct. credit basis
Sales Territory	National
Sales Seasonality	stable throughout the year

Distribution channels	Its products are primarily marketed to industrial and manufacturing sectors, metalworking companies, civil engineering, construction and contracting companies, etc.
Government contracts	The company usually bids for Governmental & Municipal contracts
Sales branches	No
Overseas agencies, branches or representative offices	No
Market share	It is considered of moderate importance within its market segment
New products or services	Under R&D
Market situation	Competitive
Advertising means	specialized publications, fairs & expositions
Purchases	Local sources: 40 % - Overseas (imports): 60 %
Imports from	Finland, Taiwan (ROC), Germany, Italy, PR China, South Africa
Imports (in U.S. Dollars)	FY 2019 : USD 23.860.115 FY 2018 : USD 21.860.491
Terms imports	L/C, CAD terms, drafts over 90 to 120 days, etc.
Staff	150
Bankers	<ul style="list-style-type: none"> • Banco de Occidente • Banco de Colombia (Bancolombia) • Banco Colpatria S.A. • Banco Mercantil
Insurers	Compañía Sur Americana de Seguros S.A.

3. TANGIBLE FIXED ASSETS, INVESTMENTS, ETC.

REAL ESTATE PROPERTIES : Owner of premises at the heading address where its administrative offices, plant site, warehouse and other industrial facilities are based

RELATED COMPANIES: No

4. CREDIT STATUS INFORMATION & PAYMENT PERFORMANCE

BANKING RECORD : Bank sources consulted confirm the subject company as their client.

Its usual banking transactions comprise checking accounts -properly managed and without bounced (NSF) checks recorded-; foreign trade operations through L/C, secured credit facilities, etc.

Bank officers declined further comment per bank policy, although no negative information as of reporting day

TRADE CREDIT PAYMENT ANALYSIS : A trade survey has been undertaken among the company's domestic commercial credit grantors at the time this report was produced with the following results :

Type of creditors	Traders, Mfrs. & service suppliers	
Known since	+ 20 years	
Buying terms	30-day O/A	
Paying record	PROMPT	
Payment Patterns	Good bill-pay habits, within agreed terms, no complaints	
NSF checks	NO	
Delayed payments	NO	
Non-payments	NO	
Commercial Morality	GOOD - Commitments are respected	
Creditors assessment	Good	
Repayment Capacity	Moderate	
Negative occurrences & facts check	defaults	No
	delinquencies	No
	legal suits	No
	judgments	No
	collection claims	No
	protested items	No
	returned checks	No
	detrimental record	No
adverse references	No	
OFAC (Clinton list)	The subject company is not included in the US Department of the Treasury Office of Foreign Assets Control/OFAC's Specially Designated Nationals (SDN) Sanctions List (Clinton Lists)	

Past Information

Reported since	2011
Experience	Good track record.
Maximum credit figure reported:	USD 2.500.000

5. FINANCIAL INFORMATION

Individual Financial Statements as of ... (in COP, Colombian pesos)

ASSETS	31.12.2019	31.12.2018	31.12.2017
Available Funds (cash & Banks)	42.917.521.000	3.486.195.000	8.587.407.000
Temporary cash Investments	0	0	0
Accounts Receivable	8.468.777.000	10.689.908.000	10.457.470.000
Sundry Debtors	2.857.936.000	28.946.823.000	2.440.422.000
Inventories	30.629.364.000	26.165.440.000	31.640.623.000
CURRENT ASSETS	84.873.598.000	69.288.366.000	53.125.922.000
Long term Investments	9.380.043.000	10.086.045.000	8.537.505.000
Long Term Receivables	1.453.265.000	486.502.000	938.155.000
Fixed Assets	22.132.269.000	22.216.336.000	18.669.425.000
TOTAL ASSETS	117.839.175.000	102.077.249.000	81.271.007.000
LIABILITIES			
Suppliers	8.193.936.000	7.160.092.000	10.099.028.000
Bank Loans	41.855.845.000	27.279.505.000	7.718.896.000
Sundry Creditors	5.026.504.000	3.707.513.000	2.477.357.000
CURRENT LIABILITIES	55.076.285.000	38.147.110.000	20.295.281.000
Long-term Debt	6.268.427.000	7.948.838.000	7.635.248.000
TOTAL DEBT	61.344.712.000	46.095.948.000	27.930.529.000
STOCKHOLDERS' EQUITY	56.494.463.000	55.981.301.000	53.340.476.000
TOTAL	117.839.175.000	102.077.249.000	81.271.005.000
NET SALES			
NET SALES	84.634.525.000	78.282.939.000	65.060.270.000
Gross Profit	14.980.580.000	12.854.325.000	11.999.005.000
EBITDA	4.647.363.000	2.544.943.000	2.875.646.000
Operating Income	4.647.363.000	2.544.943.000	2.875.646.000
Net Income	1.108.571.000	2.563.099.000	1.917.662.000

FINANCIAL STATEMENT ANALYSIS			
Liquidity & Indebtedness			
Current Ratio	1,54	1,82	2,62
Quick Ratio (Acid-Test)	0,98	1,13	1,06
Defensive test (Cash/Curr. Liabil)	0,78	0,09	0,42
Indebtedness Level (Debt/Equity ratio)	108,6%	82,3%	52,4%
Total Indebtedness	52,1%	45,2%	34,4%
Current Liabilities-to-Total Assets	46,7%	37,4%	25,0%
Solvency range	47,9%	54,8%	65,6%
Interest Expenses-to-Net Sales	0,0%	0,0%	0,0%
EBITDA to Interest Expenses	#¡DIV/0!	#¡DIV/0!	#¡DIV/0!
Total Debt to EBITDA	13,2	18,1	9,7
Efficiency Ratios			
DSO/Days Sales Outstanding	36	49	58
DPO/Days Payments Outstanding	42	39	69
Inventory Turnover rate (days)	158	144	215
Cash Conversion Cycle (days)	152	154	204
Total Assets Turnover ratio	0,72	0,77	0,80
Current Assets Turnover Ratio	1,00	1,13	1,22
Accts.Payable to Sales (%)	9,7%	9,1%	15,5%
Structure Ratios			
Fixed Assets-to-Total Assets	18,8%	21,8%	23,0%
Fixed Assets-to-Equity	39,2%	39,7%	35,0%
Fixed Assets Coverage Ratio	283,6%	287,8%	326,6%
Profitability Ratios			
Return on Equity (ROE)	2,0%	4,6%	3,6%
Return on Sales (ROS)	1,3%	3,3%	2,9%
Return on Assets (ROA)	0,9%	2,5%	2,4%

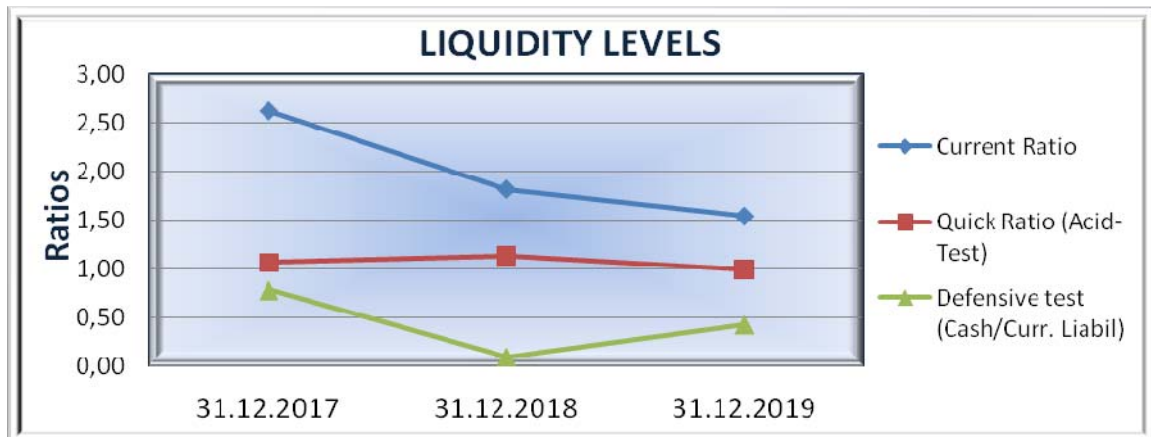
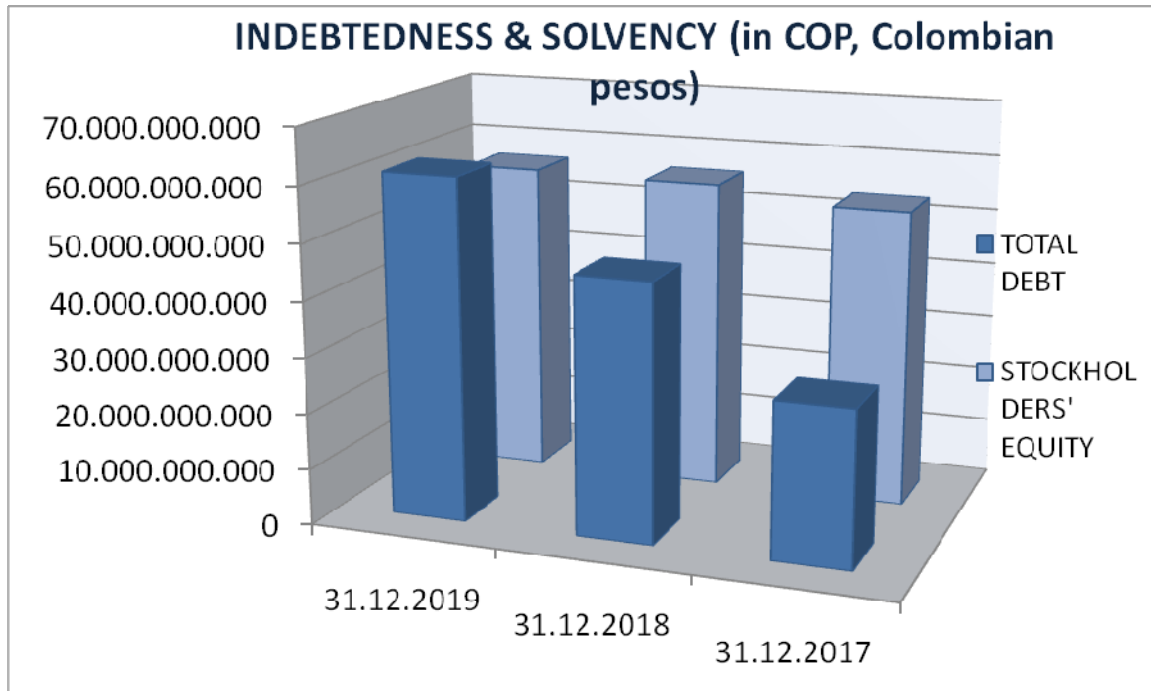
Exchange Rates

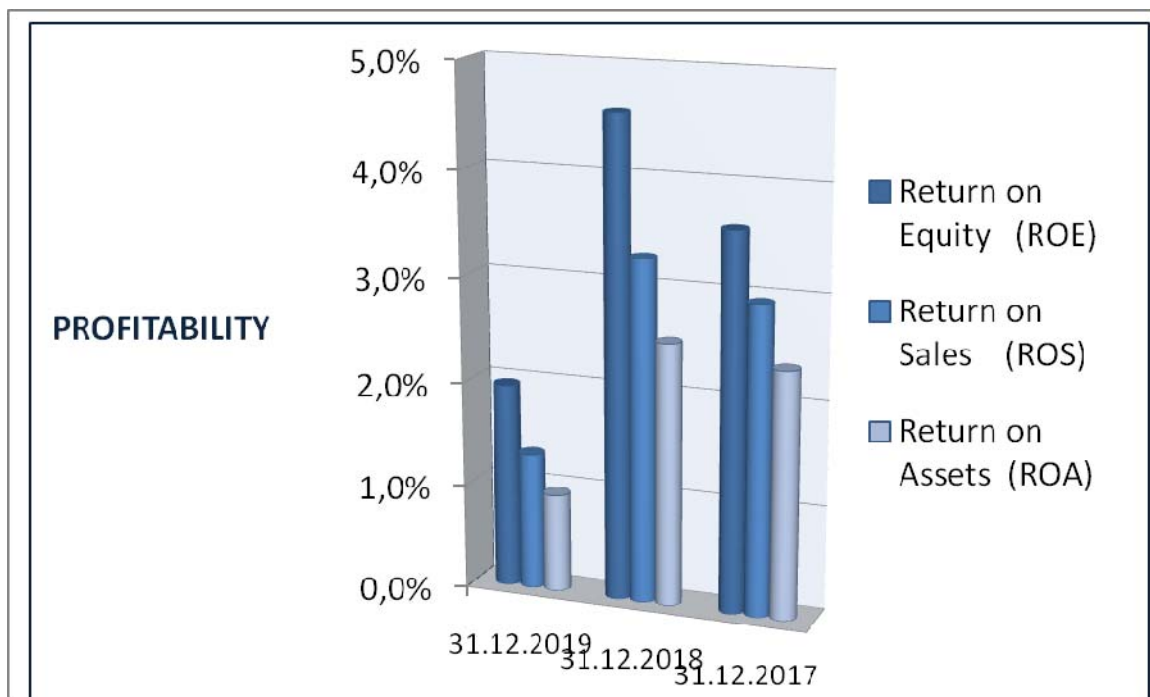
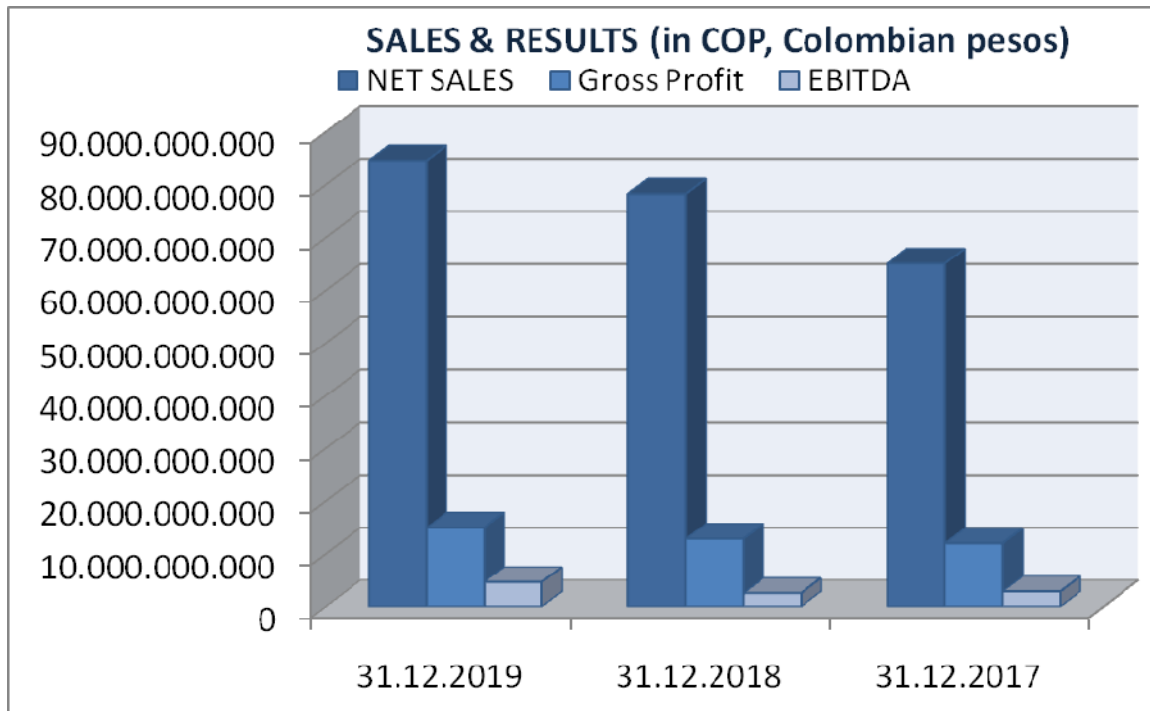
USD 1 =

COP 3.100

COP 2.994

COP 2.924





6. CONCLUSIVE OPINION

We are reporting upon a moderate-sized, well credited and known family-run and owned company which enjoys a good and well diversified portfolio of clients not only in the private-sector but in the Governmental and Municipal fields as well.


It is considered to be a successful business operation and a well organized company, and it operates on a good scale.

Its level of activity is good and it is well managed by an experienced, reliable and honest staff, therefore, its future outlook is estimated to be favourable.

It is also a financially sound company, and its payments and contractual commitments are duly met, so no objections are noted upon its current trading position.

Therefore, business connections with this company are suitable, and moderate credits are recommended.

7. CREDIT RISK ASSESSMENT & ANALYSIS

	Credit rating	A
	Risk profile	Normal-risk buyer (within Standard level)
	Creditworthiness	Creditworthy - Good credit standing. Capacity of meeting commercial commitments is satisfactory.
	Credit Opinion	Requested Credit Exposure: USD 1.500.000
	Appraisal	Recommended. Such credit amount is estimated viable
	Surveillance opinion	Subject to regular review & supervision

Exchange Rate USD 1 : COP 3.426

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EXPLANATORY NOTES ON OUR "CREDIT RISK ASSESSMENT & ANALYSIS"

The CREDIT RISK ASSESSMENT & ANALYSIS provides is a reliable indicator of the credit worthiness of a company.

For the calculation of the CREDIT RATING are taken into account all significant elements of credit including company history, business performance, management background, financial position, payment history, overall market conditions, market trend and reputation of the company.

When assigning a CREDIT RATING to a company, automatically is determined its RISK PROFILE, which indicates its CREDIT SOUNDNESS.

Concerning the CREDIT RATING, one can distinguish 6 classes:

CREDIT RATING	RISK PROFILE	CREDIT WORTHINESS	CREDIT OPINION
C	Extremely High Risk	Poor Credit Standing	Unacceptable- Deal for cash only
B	High-risk buyer	Modest Credit Standing	Caution - Secured Terms only
B+	Below Average Risk	Fair Credit Standing	Credit against security
A	Normal-risk buyer	Creditworthy	Recommended
A+	Low-risk buyer	Superior Credit Standing	Very Recommended
AA	Minimum-risk buyer	Excelent Credit Standing	Strongly Recommended

1) The rating "C" characterizes an entity (person or business) of which the past and actual experience is TOO RISKY, including bad financial condition, unpaid balances or too slow-pay habits, bad sectorial predictions, incidents, rumors, conflicts, bad management performance, etc. to be still considered as viable in the short term. It is an UNACCEPTABLE credit appraisal. Business dealings should conducted on a cash basis only.

2) The rating "B" characterizes an entity of which the past and actual experience comprises negative factors (i.e. claims and complaints from suppliers and creditors, delays in payments, lawsuits, etc.) or which faces financial difficulties, inciting CAUTION in the granting of credit and suggesting that credit or business dealings are advised upon a close watch, and preferably under secured basis.

3) The rating "B+" characterizes an entity of which the past and actual experience is situated at a low or undetermined level, which is often the case with a young company in its first years of life as the information available is very limited, or the case of those other firms with poor, insufficient or vague credit experience, or which hold no physical assets, etc. Credit or business dealings upon regular monitoring basis.

4) The rating "A" characterizes an entity of which the past and actual experience is situated on a generally right level. Credit or business dealings are recommended.

5) The rating "A+" characterizes an entity of which the past and actual experience is situated on a superior level, and with very good structural and balance factors.

6) The rating "AA" characterizes entity of which the past and actual experience is situated on a very positive and superior trend. Credit or business dealings strongly recommended