



Shanghai Brilliance Credit Rating & Investors Service Co.,Ltd.



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Company Profile



Company History



Shanghai Brilliance Credit Rating & Investors Service Co., Ltd. (Shanghai Brilliance Rating), founded in July 1992, is the first credit rating agency obtained all qualifications and licenses from the People's Bank of China (PBC) , National Development and Reform Commission (NDRC) , formerly China Insurance Regulatory Commission (CIRC), and China Securities Regulatory Commission (CSRC) in China, with high visibility in the industry.

Development Concept



Zhu Rongen

President of Shanghai Brilliance Rating

To become a credit rating agency with International perspective and Chinese characteristics, Shanghai Brilliance Rating will adhere to its development strategy of “Using local agency as the platform and using local staff as the main body, serving the local and international markets and investors”.

Development Overview



Shanghai Brilliance Rating, based in Shanghai, has served the whole China and marched to the world since the establishment, which provides high quality and efficient credit rating services of credit and bond financing, asset securitization and other structured financing for the corporates, financial institutions and local governments in China. At the same time, we also provide rating service for panda bonds.



Development Overview

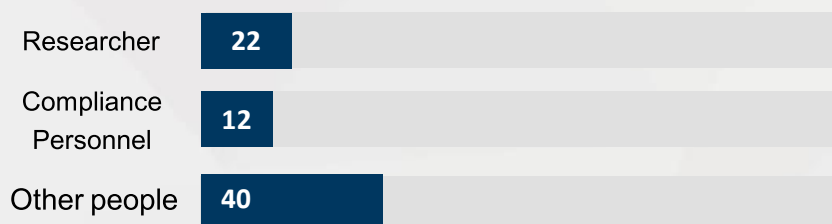
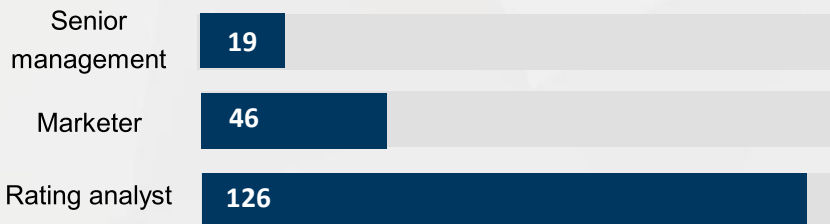
The rating business covers all rating categories over the whole China except for Macau and Taiwan, and part of overseas countries and regions. We have achieved a number of national firsts and won many honors in the rating industry.



Talent Team



Shanghai Brilliance Rating has a professional team with high quality and passion. By the end of 2018, there were 265 employees in Shanghai Brilliance Rating.



Analyst Structure by the end of 2018

Rank	Senior Analyst and above	Analyst	Assistant Analyst	Total
	18	28	80	126
Education	Doctor	Master	Undergraduate and below	Total
	4	97	25	126
Working Years	More than 3 years	Between 1 year and 3 years	Less than 1 year	Total
	37	33	56	126



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Qualification and Honor



Qualification

Shanghai Brilliance Rating is the first credit rating agency obtained all qualifications and licenses from the People's Bank of China (PBC) (1997), National Development and Reform Commission (NDRC) (2003), China Insurance Regulatory Commission (CIRC) (2003/2013), and China Securities Regulatory Commission (CSRC) (2007).



Outstanding Achievements

Shanghai Brilliance Rating has created nine first-place in the history of credit rating industry in China with more than 20 years of development.



Issued the first investment value report: The Investment Value Report of Tsingtao Brewery Company Limited (1994)



Published the first credit rating book with international perspective: Credit Rating (1996)



Rated the first bond of a securities company: Guotai Junan Commercial Paper (2005)



The first English-Chinese Handbook on Terms of Credit Rating (2009)



Rated the first three issues of collective notes of small and medium enterprises (SMEs) (2009)



Rated the first Renminbi-denominated bond issued by a foreign bank: the financial bond of the Bank of Tokyo-Mitsubishi UFJ (China), Ltd. (2010)



Rated the first local government bond in China: Local Government Bond(2014) of Guangdong Province



Rated the first housing provident fund asset-backed security in China: Huifu Wuhan Housing Provident Fund Asset-backed Security (2015)



Rated the first provident fund personal housing loan asset securitization project in interbank market: Shanghai Provident Fund Personal Housing Loan Asset Backed Security (2015)

Outstanding Achievements



- Rated the First Micro-credit Lending Asset-backed Special Programs in China (2016)
- Rated the First SDR Bond Issued by a Commercial Organization in China (2016)
- Rated the First PPP Asset Securitization Project in China (2017)
- Rated the First Poverty Alleviation Notes in China (2017)
- Rated the First Green ABN in China (2017)
- Rated the First B&R Notes in China (2017)
- Rated the First Shuangchuang Corporate Bonds in China (2017)
- Rated the First Rail Transit Special Bond (2017)
- Rated the First Commercial Property ABN-CMBN in China (2017)
- Rated the First Local Government Toll Road Special Bonds in China (2017)
- Rated the First Belt and Road Panda Bond Offer in Public in China (2018)
- Rated the First State - Owned Media Supply Chain Finance ABS in China (2018)
- Rated the First Tibet Industry Poverty Alleviation Medium-term Notes in China (2018)
- Rated the First Special Bonds Issued by State-owned Institutions of Higher Learning (2018)
- Rated the First Local Government's Special Bonds for Project Revenue Issued by a Group of Local Governments in China (2018)
- Rated the First Water Resources Bond in China (2018)

Honor



Awarded “The Best Bond Credit Rating Agency of the Year” in the activity “China Financial Institutions Gold Medal List” (2016.12)



Multiple asset securitization products that were rated by Shanghai Brilliance Rating won "Top Ten Deal Award", "Annual Excellent Deal Award" and "Annual New Award". (2017.04)



Awarded "The Best Credit Rating Agency" by the "2016 - 2017 Asset Securitization • Jiefujiang". (2017.09)



Awarded as a "Famous Brand Service Agency" in December 2017, this was the fourth time to be honored since 2008



Received “Best Rating Company in Exchange Market Securitization” (2018.04)



Awarded the "Annual Outstanding Agency" in 2018 China; Assets Securitization Forum Annual Meeting. (2018.05)



Second place in the market evaluation of NAFMII (2016.12); Second place in the market evaluation of NAFMII (2018.09); Second place in the credit evaluation of NDRC (2018.12)





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Business Introduction



Business Scope

The business scope of Shanghai Brilliance Rating covers various types of bonds managed by the National Association of Financial Market Institutional Investors, the China Securities Regulatory Commission, the China Bank Insurance Regulatory Commission, the National Development and Reform Commission, the Ministry of Finance of the PRC and other authorities. Shanghai Brilliance Rating has provided credit rating services for thousands of companies (enterprises) and gained high reputation in the market.

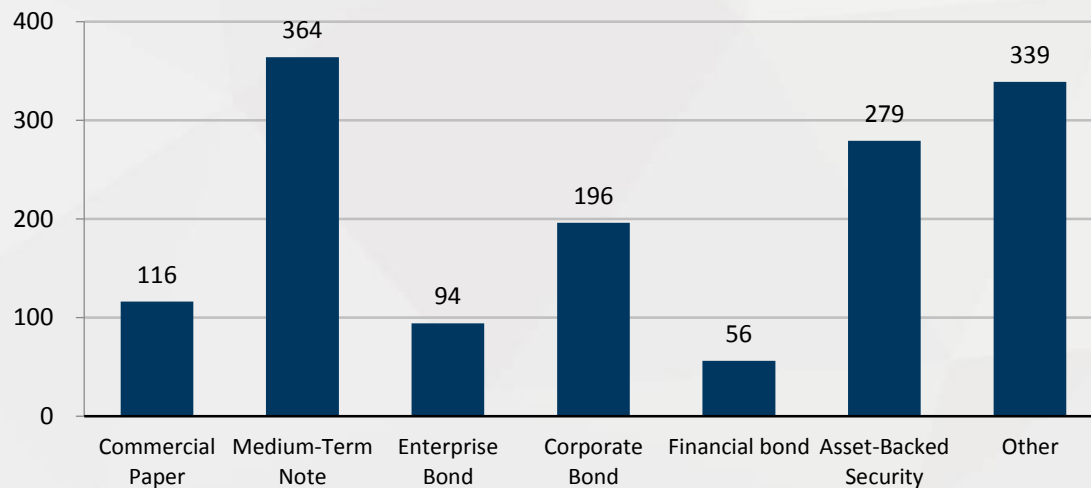
NAFMIICSRCCBIRCNDRCMOF

Initial Rating

1460

545

In terms of initial rating, Shanghai Brilliance Rating has rated **545** enterprises, **1460** bonds in 2018.



Surveillance

1194

1994

706

In 2018, Shanghai Brilliance Rating completed **1194** surveillance reports, involved **1994** bonds and **706** issuers.



Asset-backed Securities Rating



594

In 2018, Shanghai Brilliance Rating rated **594** asset securitization products, the basic assets covering financial leasing, microfinance, public enterprise loans, bus operating charges, accounts receivable, air ticket, property management claims and other assets.

Green Bond Rating



In 2018, the number of green bonds rated by Shanghai Brilliance Rating was 4, with an issue amount of **1.03** billion RMB. By the end of 2018, nearly 50 green bonds rated by Shanghai Brilliance Rating had been issued, with an issue amount of over **220** billion RMB, involving nearly 30 issuers.

Panda Bond Rating

19

40

In 2018, Shanghai Brilliance Rating had provided rating services for 5 issuers and **19** panda bonds.

Up to 2018, Shanghai Brilliance Rating had provided rating services for 8 issuers and more than 30 panda bonds, with issue amount more than **40** billion RMB.



Market Share

High Market Share

18.4%

In 2018, Shanghai Brilliance Rating owned a market share of **18.4%** according to the amount of issuance, ranking first among the industry; and **15.4%** according to the number of issuance, ranking second among the industry.

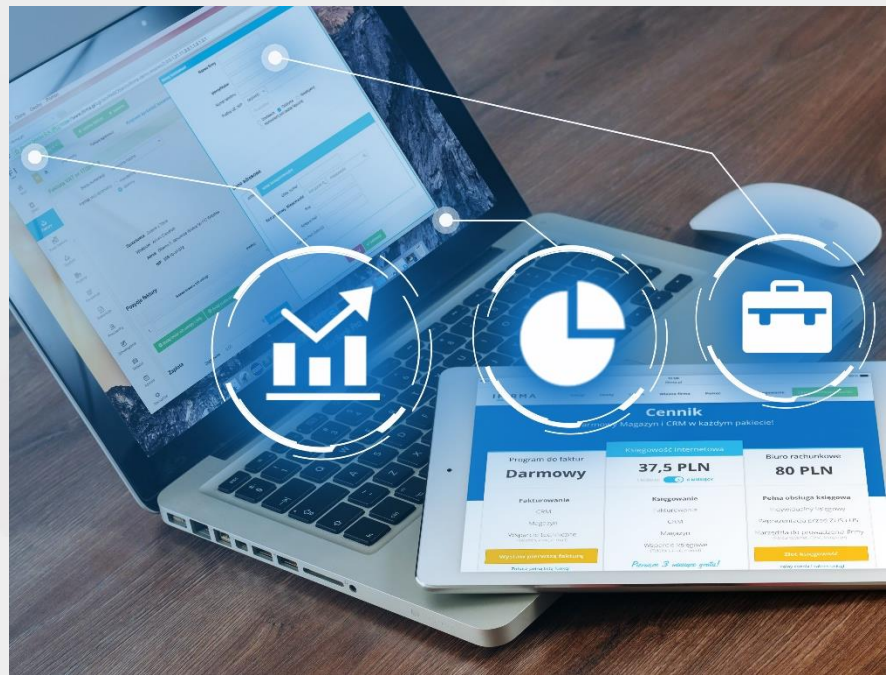
15.4%



Rating Performance

Rating performance remains stable


As of the end of July 2019, total number of defaulting entities in the bond market is 125, only 10 were rated by Shanghai Brilliance Rating. With high market share and low default rate, our rating performance remains stable.





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Rating Methodology and Model



Shanghai Brilliance Rating is one of the earliest rating companies in China to establish an independent and complete credit rating methodology system. By importing, digesting and absorbing international rating technology, Shanghai Brilliance Rating independently developed general theory of credit rating method, and credit rating method of over 50 industries (or products) of four different categories, including public finance, corporates, financial institution and structured finance. On the basis of deep research and rich experience on the bond market and rating industry, Shanghai Brilliance Rating further refines the rating methodology and improves the quality of rating.



Rating Model

Shanghai Brilliance Rating has issued nearly 30 rating models, involving public finance, corporates, financial institution and structured finance.





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Academic Achievement



Research Article

236

In 2018, Shanghai Brilliance Rating's website disclosed **236** research articles, including 155 research reports, 27 market performance research, 22 monographic studies, 23 credit comments, and 9 sovereign studies.



Research Article

27

Published **27** Macro
Research Articles in
2018.

36

Published **36** Regional
Research Articles in 2018.

64

Published **64** Industry Research
Articles covering 35 industries
in 2018.

Investor Service

In recent years, Shanghai Brilliance Rating attaches great importance to investor services, continues to provide investors with effective reference information on credit rating research, and constantly holds various seminars of different theme. In 2018, Shanghai Brilliance Rating held 4 seminars for investors.



Investor Service



Shanghai Brilliance Rating continues to deepen the theory and technology research, actively promotes the development of rating industry standards, and continues to internationalize the Chinese bond market and credit rating. At the same time, by publishing various research reports, review articles and books through the company's official website and WeChat platform, we provide a platform for investors to understand the development status and future evolution trend of the domestic and international rating industry.

THANK YOU FOR YOUR GUIDANCE

THANKS!

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