Credit Report

Your reference	:	XXXXX
Total number of pages	:	10

Subscriber No	:	XXXX
Our reference No	:	9XXXXX
Type of report	:	Standard

Enquiry on	:	Kith XXXXXX LLC No XX XXXXXXX Street, New York, NY XXXXX USA

Report Date	:	April 04, 2023

REPORT ON	**:**	**Kith XXXXXX LLC** No XX XXXXXXX Street, New York, NY XXXXX USA

COFACE GREATER CHINA SERVICES LIMITED - 29/F, 169 ELECTRIC ROAD, NORTH POINT, HONG KONG
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A DIRECT SUBSIDIARY OF COFACE S.A.

Score: X (out of 10)

Score Explanation:

It is a financial rating which assesses the probability of companies defaulting within one year.

The assessments are presented over ten distinct positions, each reflecting an average default rate in the coming year: the lower a company's credit score is, the riskier its situation is; the higher its score is, the less risky its situation is.

Different levels and description:

Default	Very high risk			Medium high risk		Low risk				
0	1	2	3	4	5	6	7	8	9	10

0 : Insolvency/preliminary/debt regulation proceedings

1 : Extremely high risk of insolvency

2 : Very high risk of insolvency

3 : High risk

4 : Significant risk

5 : Medium high risk

6 : Acceptable risk

7 : Moderate risk

8 : Low risk

9 : Very low risk

10 : Excellent risk

CREDIT RECOMMENDATION WITHOUT OBLIGATION

Recommended maximum credit: USD 400,000.--

SUMMARY:

Founded	:	2011
Legal form	:	Limited Liability Company
Registration date	:	11.05.2011
Activity	:	Retail sale of clothing in specialised stores
Staff	:	150-249
Registered Capital	:	N/A
Annual revenue	:	USD 60-80 Mio
Total assets	:	N/A
Payments	:	No payment history is available.
Litigation record	:	No legal actions determined.

All figures are shown in USD unless otherwise stated.

IDENTIFICATION

Company name	:	Kith XXXXXX LLC No XX XXXXXXX Street, New York, NY XXXXX USA
Tel.	:	+1646648XXXX
Fax	:	N/A
Email	:	customerXXXXXX@XXXX.com
Registered address	:	No XX XXXXXXX Street, New York, NY XXXXX USA

LEGAL FORM

Subject is established as Limited Liability Company on May 11, 2011

EIN-No.:	45-XXXXXXX
Company No:	409XXXX
Legal status:	active
Responsible Register:	State of New York

NATURE OF BUSINESS

Industry Division:	Retail trade
Industry-code (NACE):	4771 Retail sale of clothing in specialized stores 4772 Retail sale of footwear and leather goods in specialized stores
Import/Export:	Import

CAPITAL

N/A

SHAREHOLDER

Owner: The company is privately owned.

Names of the shareholders are not available.

The company is not obliged by law to register shareholder information with the Secretary of State; during investigation we have been unable to obtain the exact ownership structure of the company.

DIRECTORS

XXXXX

MANAGEMENT

Title	Name
Member	XXXX, Ronnie

HISTORY

XXXX was founded by Ronnie XXXX, a prominent figure in the footwear industry, who has over twenty years of hands-on experience. Born and raised in Queens, XXXX has been involved with footwear since becoming a stock boy at New York-based franchise XXXX Z. at age 12. With steadfast perseverance, he methodically rose through the ranks from floor salesman to assistant manager to eventually becoming head buyer

Entry	**Deleted**	**Name**
Active		Kith XXXXX, LLC

Entry	**Deleted**	**Address**
14.08.2017		Kith XXXXX, LLC, No XX XXXXXXX Street, New York, NY New York, United States of America/US

Entry	**Deleted**	**Remarks**
Active		Capital: Information on the capital is not available.

ACTIVITY

The company is involved in the retail sale of clothing. It operates on two planes - a multi-functional lifestyle brand for both men and women, and a progressive retail establishment.

The company offers products, ranging from its own in-house label to a curated selection of multi-brand apparel and footwear, including XXXXX, XXXX, XXXX, XXXX, XXXX, XXXX & many more.

Suppliers:
Peruvian XXXXXX XXXXXX SAC, Peru
FlexXXXXX Ltd., China

Trademarks include:
Kith XX
Serial Number: 8891XXXX
Filing Date: May 11, 2020

Kith
Serial Number: 8877XXXX
Filing Date: January 24, 2020

Fake Friends
Serial Number: 8745XXXX
Filing Date: May 16, 2017

Kith XXXX
Serial Number: 8778XXXX
Filing Date: February 6, 2018

Kithset
Serial Number: 8783XXXX

Registration Number: 590XXXX
Filing Date: March 16, 2018
There are further trademarks listed for the company.

PREMISES
Further Store locations:
XXX XXXXXX St., New York, New York, 10012, USA
Tel: +1646648XXXX

XXX XXXXX XXX, Brooklyn, New York 11217, USA
Tel: +1347889XXXX

XXXX XXXXXXX, Miami Beach, Florida 33139, USA
Tel: +1786636XXXX

XXXX XXXXXXX, California 90069, USA
Tel: +1424512XXXX

XX XXXXXX St, New York, New York 10012, USA
Tel: +1646889XXXX

XXX 5th Ave, 3rd Floor, New York, New York 10019, USA
Tel: +12127537300

XXX XXXXXX Blvd., Manhasset, New York 11030, USA
Tel: +1516627XXXX

XXX XXXXXX Suite 400, New York, New York, 10012, USA

Additional information:
https://www.XXXXXX.com/pg/Kithnyc/

STAFF
The number of staff is given to be 150-249

PARENT COMPANY & SUBSIDIARY
N/A

FINANCE

Coverage:	Company
Figures:	estimated
Financial year:	2019
Sales:	USD 60-80 Mio

The company does not publish financial statements.

PAYMENT
No payment history is available.

The Company is in good standing.
This means that all local and federal taxes were paid on due date to the local state registry.

MORTGAGE RECORD
N/A

LITIGATION
No legal actions determined.

A bankruptcy search under the full company name was carried out, and no record of bankruptcy was found.

No legal information could be obtained during investigation.

SANCTIONS LIST
We did not find the company included on the various international sanctions lists, such as the OFAC (Office of Foreign Assets Control), the BIS (Bureau of Industry and Security), the European Union Restrictive measures (sanctions) list, the Export Control Organisation (ECO) of the UK, the Australian Department of Foreign Affairs and Trade.

BANKER
Bank of XXXXXX

REMARKS
01.07.2020
There exists a growing risk to retail operations from the online shopping sector and the closing of stores due to Covid-19 - and entities like this one are becoming more exposed. We are therefore reducing the credit amounts and monitoring these types of entities closely.

CREDIT OPINION WITHOUT OBLIGATION
The financial situation is considered to be in order.

There is no information available regarding the financial obligations.

Credit to the recommended limit should be acceptable but should be monitored on a regular basis.

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MAJOR MACRO ECONOMIC INDICATORS OF United States of America*

COUNTRY RISK ASSESSMENT*

Country Risk Assessment: A3

MAJOR MACRO ECONOMIC INDICATORS

	2017	2018	2019 (e)	2020 (f)
GDP growth (%)	2.2	2.9	2.3	1.3
Inflation (yearly average, %)	2.1	2.4	1.8	2.1
Budget balance * (% GDP)	-4.5	-5.7	-5.6	-6.0
Current account balance (% GDP)	-2.3	-2.4	-2.5	-2.5
Public debt (% GDP)	106.0	104.3	106.2	108.9

(e): Estimate. (f): Forecast. *Fiscal year from October to September.

STRENGTHS

- Flexible labour market
- Full employment is one of the Federal Reserve's objectives
- Dollar's predominant role in the global economy
- 70% of public debt held by residents
- Highly attractive: leader in research & innovation; huge market
- Favourable company taxation
- Increasing energy autonomy

WEAKNESSES

- Low labour market participation
- Households not geographically flexible
- High household debt (129% of gross disposable income)
- Polarised political landscape
- Decrease in fertility rate
- Outdated infrastructure
- Increasing inequalities

RISK ASSESSMENT

Growth hampered by business difficulties

Growth will slow sharply in 2020 due to the downturn in business investment which, after being boosted in 2018 and early 2019 by President Donald Trump's tax reforms (corporate tax cut from 35% to 21%), began to decline in mid-2019 amid trade tensions, aggravated by the unpredictability of political decisions. In addition, US companies have been forced to trim their import margins, to avoid passing on the entire increase in input costs resulting from customs duties imposed on most Chinese imports and a multitude of products (including steel and aluminium), but also their export margins, to remain competitive despite retaliation measures by trading partners. In this challenging context for companies, the Federal Reserve, which was forced to lower its key interest rate three times by the end of 2019, is expected to pursue its easing policy in 2020. Improved financing conditions will make it possible to support household consumption, which will in turn boost growth thanks to a persistently low unemployment rate (3.6% in October 2019) and correspondingly brisk growth in real wages. Conversely, in the absence of any major new measures, public spending will contribute only marginally to growth in 2020, after expanding strongly for two years. In addition, the trade environment will remain weak, featuring muted growth among key partners and retaliatory protectionist measures by those same partners, and exports will grow slowly after a flat performance in 2019. Although also affected by protectionist measures, imports are expected to remain brisker, in line with household consumption. Foreign trade will therefore continue to weigh on growth.

The segments most exposed to trade tensions will continue to be manufacturing industry, which is facing both falling export orders and rising input costs, and agribusiness, which is the main target of Chinese trade retaliation measures. The economic situation is also difficult for the energy sector, which is heavily indebted due to investment requirements and facing weak profitability because of the dip in oil prices. Conversely, activity will remain solid in construction, thanks to low interest rates.

Ever-present deficits in public and external accounts

In the absence of any major fiscal measures, the public deficit will remain very high in 2020. Once again, the main increases in spending will be concentrated in the military budget (+USD 23 billion, or 0.1% of GDP). At the same time, with revenues slackening in a context of slowing activity, the deficit may even widen. Public debt, which is among the highest in the world, will therefore continue its upward trajectory. In this regard, the government and Congress reached an agreement in July 2019 to raise the ceiling on public spending and debt, thus avoiding the prospect of a federal shutdown similar to the one in January 2019.

The current account will continue to show a large deficit in 2020. Substantial imports of consumer and capital goods engender a structural deficit in the goods balance (4.2% of GDP in 2018). Surpluses in the balance of services (1.2% of GDP) – thanks to tourism, research and development and financial services – and in income (0.6% of GDP), attributable to dividends from US investments abroad, are clearly insufficient to offset the goods balance. The resulting current account deficit will be mainly financed by FDI and portfolio investment. The net external asset position has been in deficit for three decades (49.5% of GDP at the end of June 2019). This deficit will continue to widen.

Uncertainty over the presidential election in a polarised landscape

In the lead-up to the presidential election in November 2020, the political landscape looks more polarised than ever. Democrats, who took over the House of Representatives (235 seats out of 435) in the 2018 mid-term elections, launched impeachment proceedings in September 2019 against President Trump, who is suspected of pressuring Ukraine to investigate Joe Biden, one of the Democratic presidential candidates in 2020. Although impeachment has very little chance of success, since it requires a two-thirds vote in the Senate, where the Republicans still have a majority (53 seats out of 100), it illustrates the divide between two sets of voters: in November 2019, only 11% of Republicans wanted President Trump impeached, compared to 81% of Democrats. The outcome of the Democratic primaries is highly uncertain. While polls conducted a year before the elections suggest that each one of the main Democratic candidates would beat President Trump, the situation could change radically in what may be a tumultuous election campaign.

Internationally, US trade and foreign policy will remain unpredictable. Despite the announcement of a partial trade agreement in December 2019, trade tensions with China are expected to continue, with most tariffs being maintained (19% on average in January 2020 versus 3% at the beginning of 2018). The

United States may also open a new front in the trade war by taxing European car imports, after twice postponing its decision on this matter.

For further information of country rating and payment experience such as Assets – weaknesses – risk outlook; Industries overview; Insolvency trend; Means of payment and collection methods; and Nonpayment index, please visit our group's official homepage at www.coface.com or go directly to your interest at http://www.coface.com/CofacePortal/COM_en_EN/pages/home/risks_home

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