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CRIF INDUSTRY WATCH

A monthly edition on Data, Risk and Economic Insights

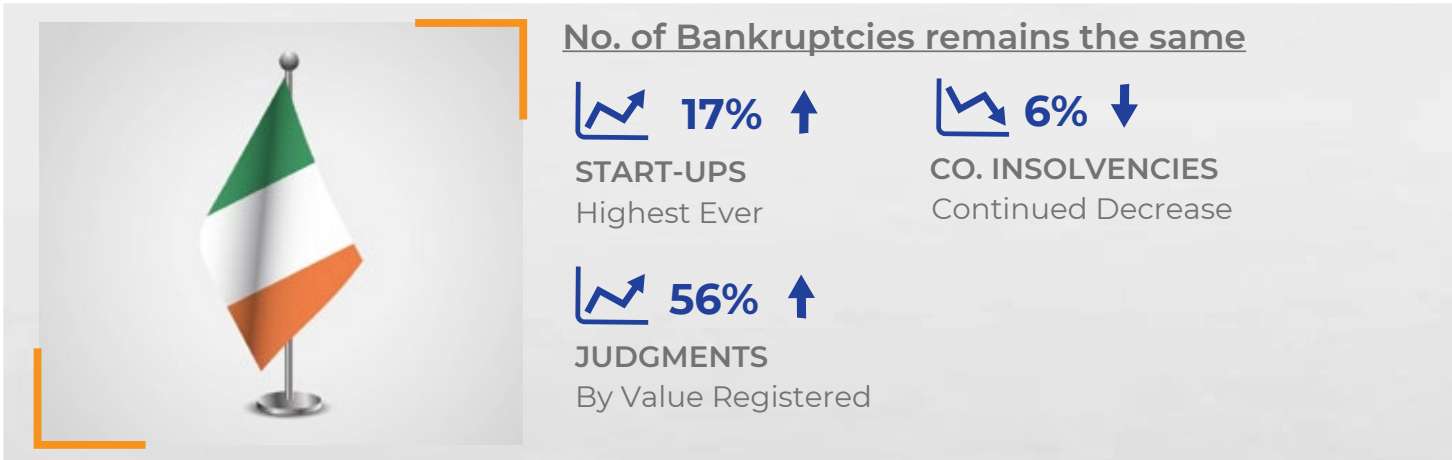
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Analysis and Studies

| CRIF Vision-net: Ireland Annual Review 2022



TRENDS FOR 2022 -New Opportunities for Digital Transformation

2021 was a year of continued Covid-related challenges and restrictions but also one of positive economic growth. The Irish economy, comparable to many of its EU peers, experienced particularly strong H2 growth. Overall, it recorded a 7.3% growth in domestic demand and 2022 is set to be another year of positive demand growth.

However, as we emerge from the manifold challenges of a global pandemic, 2022 will also see us confront an even bigger global challenge, namely global warming.

This scale and urgency of this challenge means that it is incumbent on all of us, particularly those of us in decision making positions or with the ability to influence decision making, to ensure it is at the forefront of our decision making in 2022. For corporates, this means investing in meaningful ESG strategies with the power to deliver tangible change, all the while ensuring that they are working toward being part of the solution to global warming, and not part of the problem.

In parallel, the effects of the Pandemic will continue to be felt across the Irish economy, with some sectors more vulnerable to continued restrictions and changing consumer behaviour than others. Where possible, we must resist the temptation to seek to return to how things were done in the past, and instead support these industries in plotting a new and prosperous way forward in the months and years ahead.

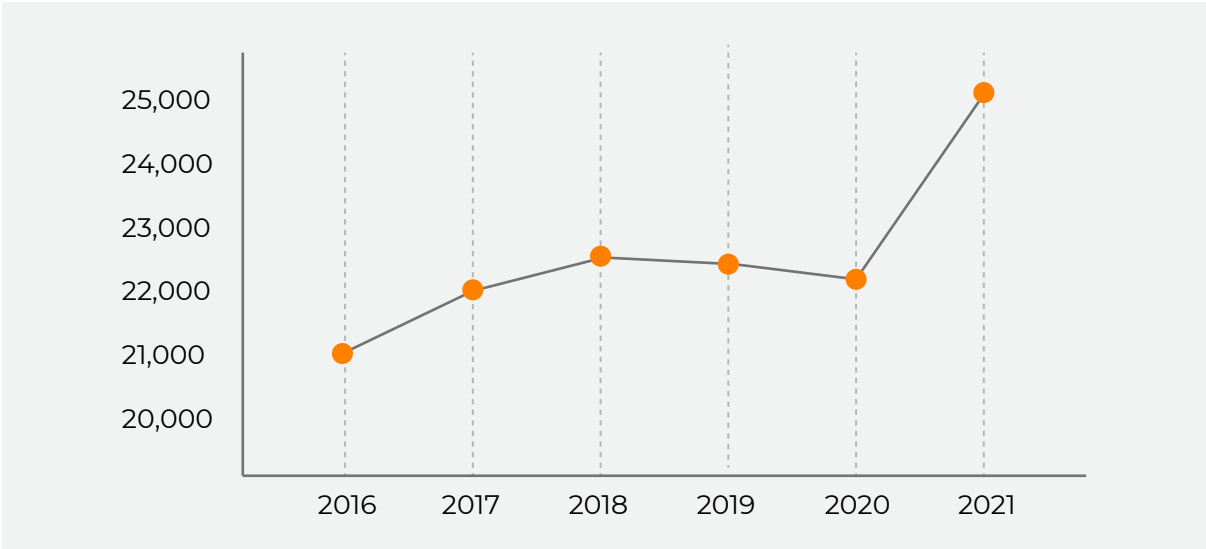
Brexit has been an underlying source of economic and political uncertainty since the 2016 referendum. In April 2021, the EU ratified the EU-UK Trade Deal. This

development should enable the Irish and wider EU business community to approach 2022 with greater clarity and greater certainty. Ireland is now the only English-speaking EU member state and it is critical that it continues to strategically build on this USP to maximise inward investment.

Finally, this decade will be defined by exciting new opportunities for digital transformation. These new innovations will enhance how we interact with the rest of the world, both in a personal and professional capacity, and at an organisational and institution level. In a very short space of time, we have already seen how businesses have quickly evolved and adapted as their customers spend more time at home, and the impact this has had on how we interact with others, make purchases and engage with our favourite brands.

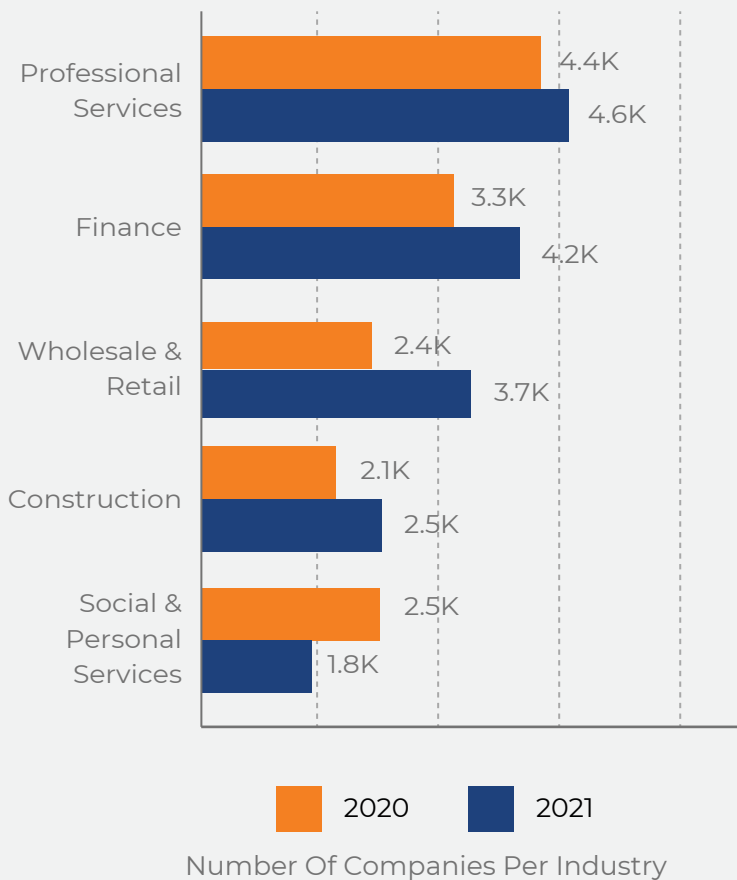
Equally, we have seen a significant rethinking of the traditional 9-5 office culture, with the widespread adoption of remote, hybrid and flexi working. People are making new choices about where they want to live and creating new expectations about flexibility, working conditions and life balance. Business processes are different, and the mix of digital/human touch is creating new opportunities. We must continue to embrace these opportunities, whilst also recognising and investing in the universal importance of human connection.

Company Start-Ups - Highest number of companies ever registered



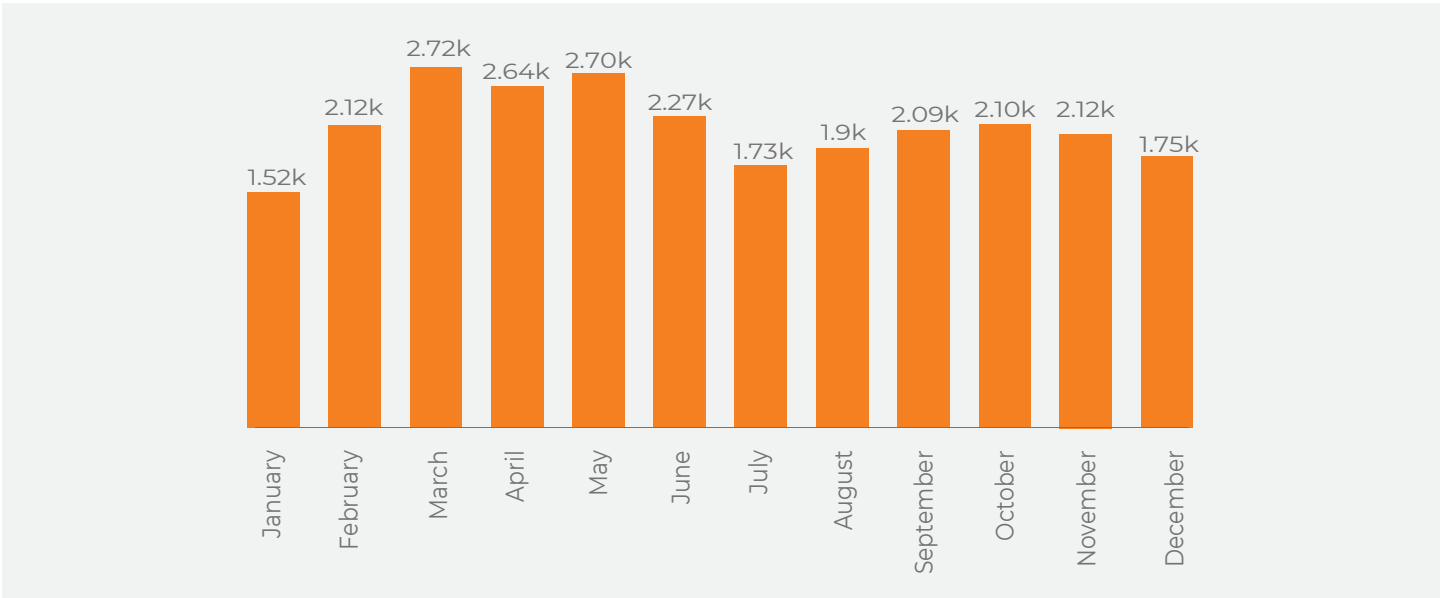
2021's start-ups grew by a large increase of 17% when compared with 2020's figures. It also reversed 2020's decrease of 4% in the number of companies registered, following the upward trend that has been seen since 2013. Ireland's new company start-up levels reached their highest point ever, recording 25,695 new companies.

Company Start-Ups - 5 Key industries for start-up



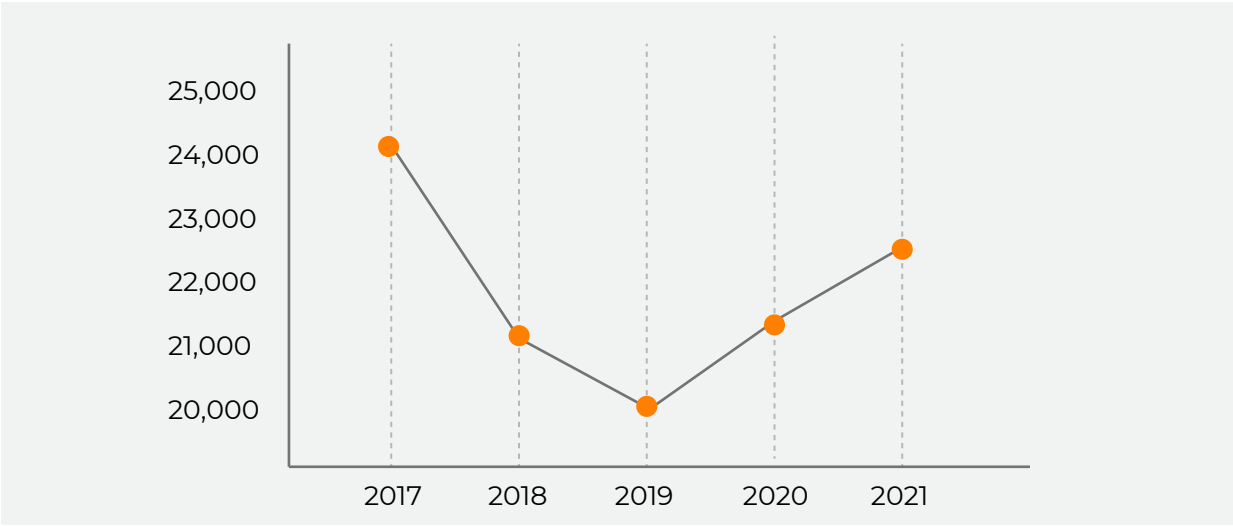
- The most popular industry was professional services (Legal, Accounting & Business) which accounted for 4,592 of all company start-ups, up 4% on the previous year.
- The finance sector was the second most popular industry for start-ups in 2021. 4,195 new companies were set-up, up 27% on 2020 (4,195 vs 3,311).
- The only industry to see a decrease in start-ups in 2021 was Community, Social & Personal Services
- Which saw a decline of more than 600 new companies during the period (-26%).

Company Start-Ups - By Months



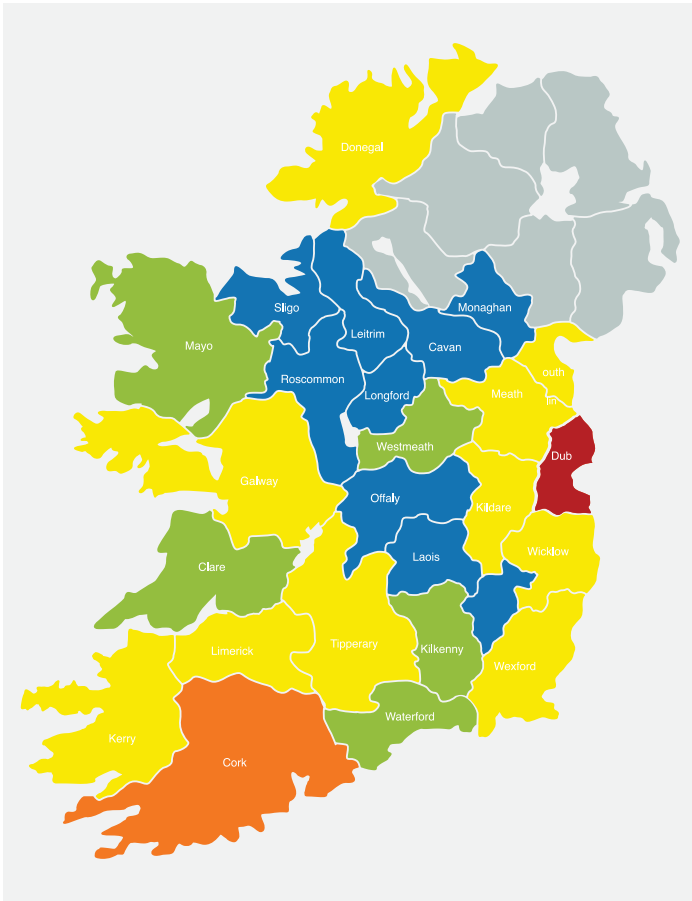
- The impact, the re-introduced lockdown had on company start-ups can be seen when looking at the start-ups per month in January when only 1,518 companies were formed. However, peaking in March, there was a steep increase in start-ups over the year, despite a harsh lockdown remaining during this period.
- The second half of the year saw a usual dip in the Summer months but kept steady until December - with a total of 11,743 companies formed in H2, compared to a staggering 13,952 in H1.

Business Name Start-Ups - Continued increase from 2020



- In total, 48,295 companies and businesses were registered in Ireland last year - up 10% on 2020 thanks to the 17% increase in company start-ups and 2% increase in business registrations (22,600 vs 21,168)
- For the second year in a row, there has been an increase in business registrations. From 2017 this number was decreasing until last year which saw 6% increase on 2019's figure.
- This increase could be attributed to existing businesses needing to diversify, as well as more people setting up businesses after becoming unemployed due to the pandemic. This 'Necessity-Led Entrepreneurship' was seen in the last recession.

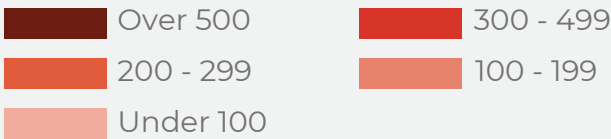
Hottest Counties: Ireland - Start-ups-by Location



- Dublin was the most popular location for company start-ups (11,815). Cork, Galway, Kildare and Meath make up the remainder of the Top 5, the same as 2020.
- Cork in second place had 2,504 start-ups, up 17% compared to 2020 (2,134).
- Galway, Kildare and Meath accounted for 2,800 company start-ups between them.
- Sligo, Wexford and Leitrim saw the largest percentage increase in start-ups when compared with 2021 (29%, 26% & 24% respectively).

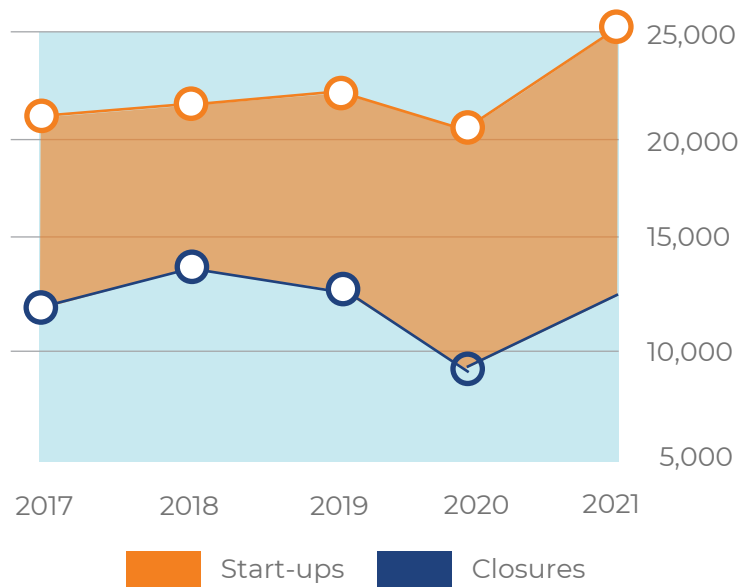


- In Dublin City, D2 accounted for 24% of company start-ups (849). D4 in second place (402) and D15 in third (261).
- The least popular Dublin postcodes for company start-ups were D17 (23), D20 (22) and D10 (15).



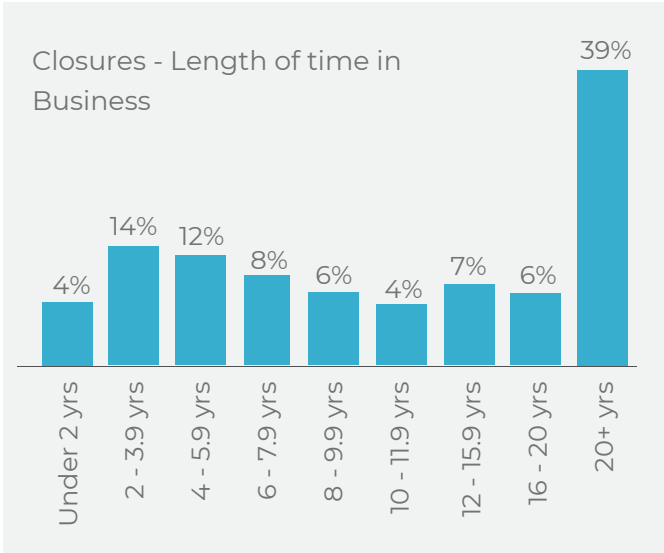
Start-Ups Vs. Closures - Company start-ups vs Company Closures

12,410 Irish companies were dissolved in 2021 which is up 37% on last year's figure (9,081). It should be noted that most companies can be dissolved for reasons other than insolvency - e.g. a company reaching the natural end of its life.

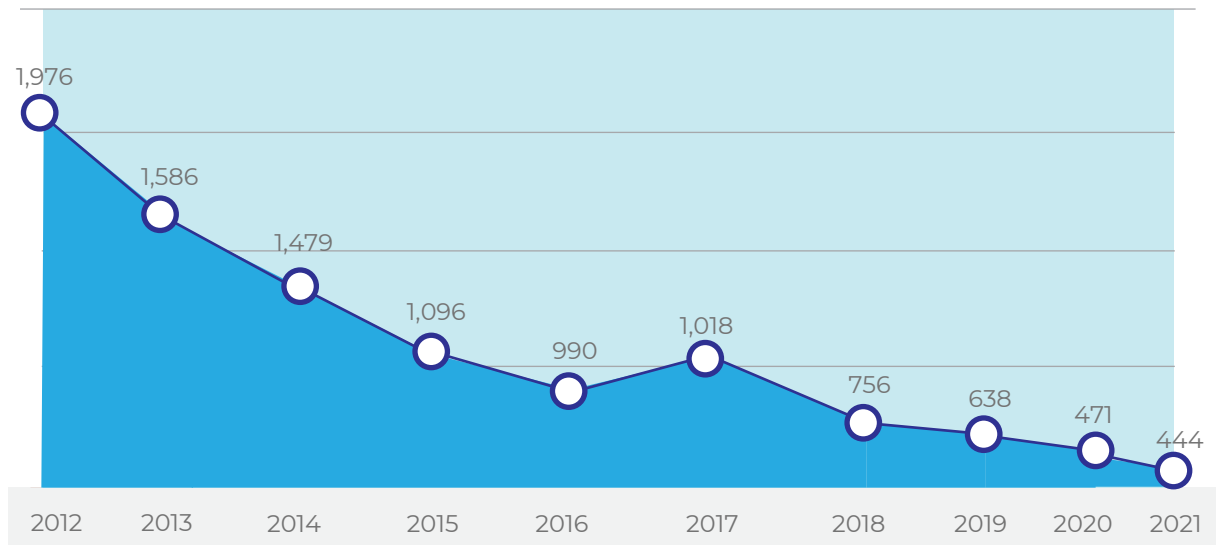


YEAR	START-UPS	CLOSURES	DIFF P.Y
2021	25,695	12,410	13,285
2020	21,926	9,081	12,845
2019	22,796	12,670	10,126
2018	22,517	14,188	8,329
2017	22,408	12,287	10,121

- Company start-ups have outnumbered company closures for the past 12 years.
- Last year saw Irish company start-ups exceed company closures by 13,285 entities.
- However, there was a large 37% increase in dissolved companies compared with 2020 (12,410 vs 9,081).
- With over 265,000 companies now trading as normal in Ireland, this represents a 6% net gain in companies.
- 18% of companies closed before completing 4 years in business. Almost half closed by year 10.

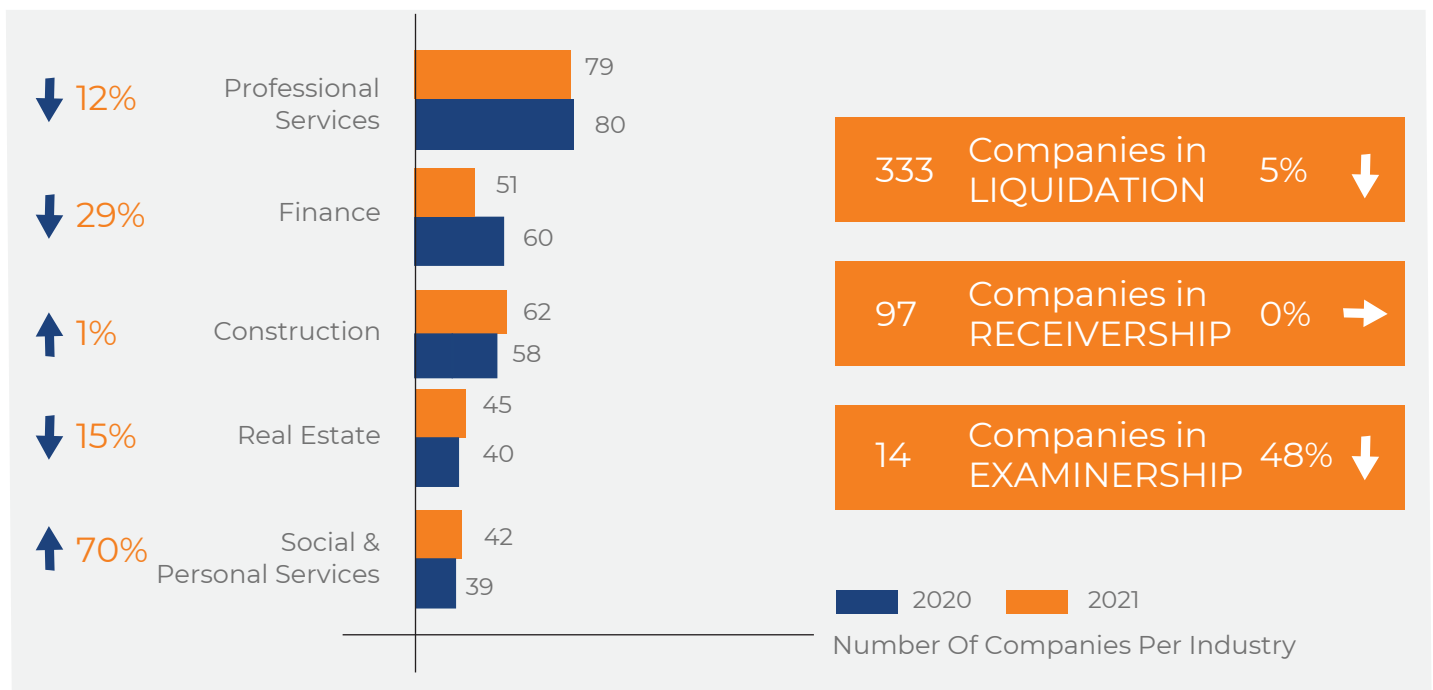


Company Insolvencies - IRISH Company Insolvencies: 10 Year trend



The overall insolvency rate for 2020 was down 6% compared to 2019, totalling 444 insolvencies for the year.

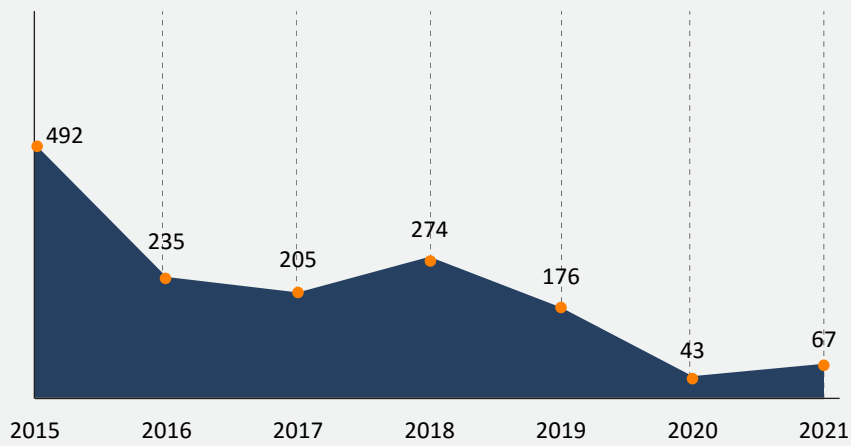
Insolvencies in 2021- Industry Comparison



2021's company insolvency figure is down 6% on the previous year. The largest numbers of insolvencies were recorded in the month of February, with a total of 97 insolvencies

The most insolvent sector was professional services (80), down by 1 insolvency. There was an average of 37 companies with an insolvency notice, per month in 2021 (compared to 39 per month in 2020).

Bad Debt Judgments - Increase from Low point of 2020



The value of Judgments registered in 2021 increased by 56% compared to 2020.

The number of judgements however remained similar with a small 0.6% increase compared to 2020 (1,329 vs 1,321).

CONSUMER JUDGMENTS		
YEAR	VALUE	NO.
2021	€56m	865
2020	€37m	876
2019	€163m	2,329
2018	€259m	1,949

COMMERCIAL JUDGMENTS		
YEAR	VALUE	NO.
2021	€11m	464
2020	€6m	445
2019	€13m	648
2018	€15m	576

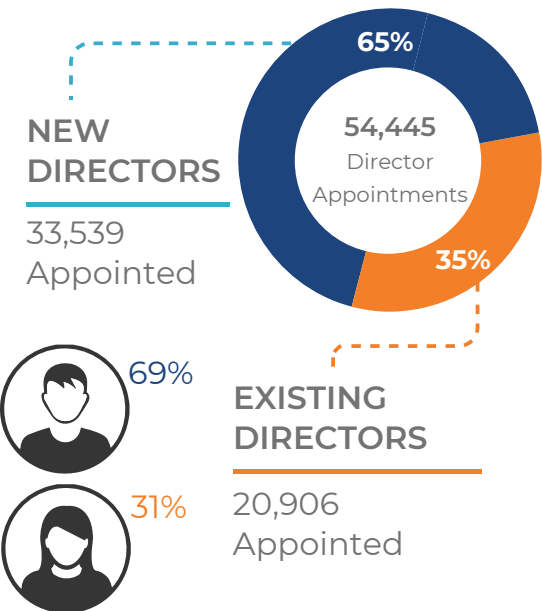
Average Value of bad debt judgments



Consumer Judgments - Top Plaintiff
Collector General (Limerick) - € 1.1m

Commercial Judgments - Top Plaintiff
Collector General (Limerick) - €2.5m

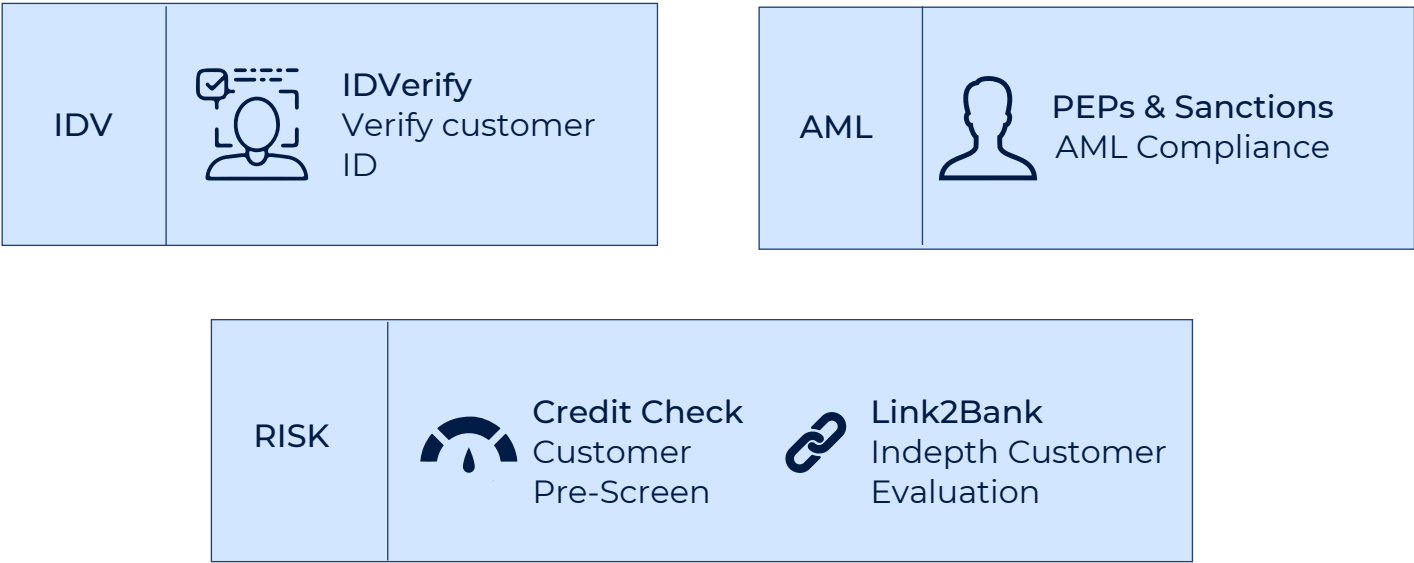
Entrepreneurial Spirit - First time Directors



- 65% of Directors appointed in 2021 were first time directors. In terms of the gender breakdown, we see that 69% of first time directors in 2021 are Males and 31% are Females.
- The average age of first time directors is now approximately 43.5 years of age. This has increased very slightly since 2020 when the average age was 42.2 Years.

The Future of KYC - There's a better way to manage KYC & it's called Digitalhub

DigitalHub delivers an amazing, hassle-free, and fully digital onboarding experience to your customers, with lower costs, faster approvals and better, more automated processes on our end-to-end KYC and risk platform.



DigitalHub combines 4 services into one beautiful, hassle-free digital workflow, covering each step of the KYC process:

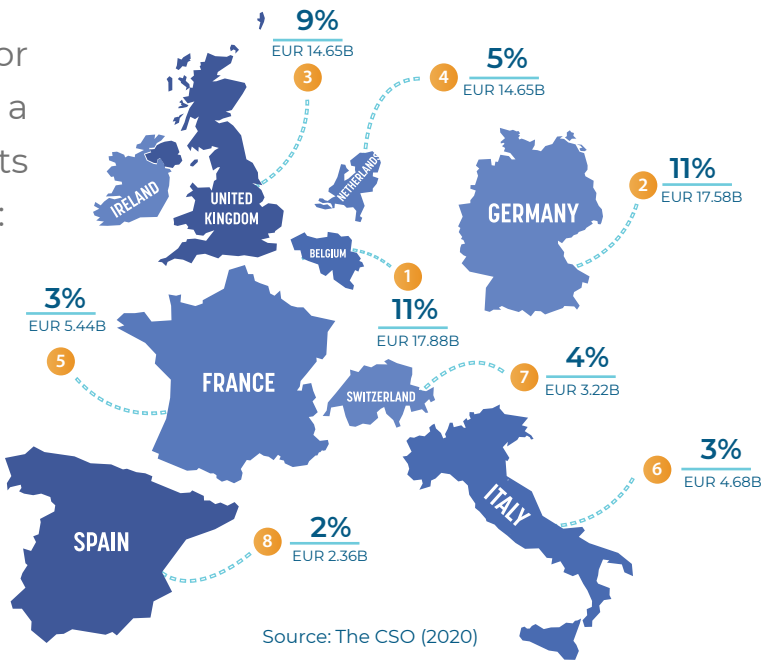


Top European Markets - Where IRISH companies are selling into

Like many, if your business is looking for new markets to sell into, here's a snapshot of the top European markets other Irish companies are trading into:

% Of Total
Irish Exports

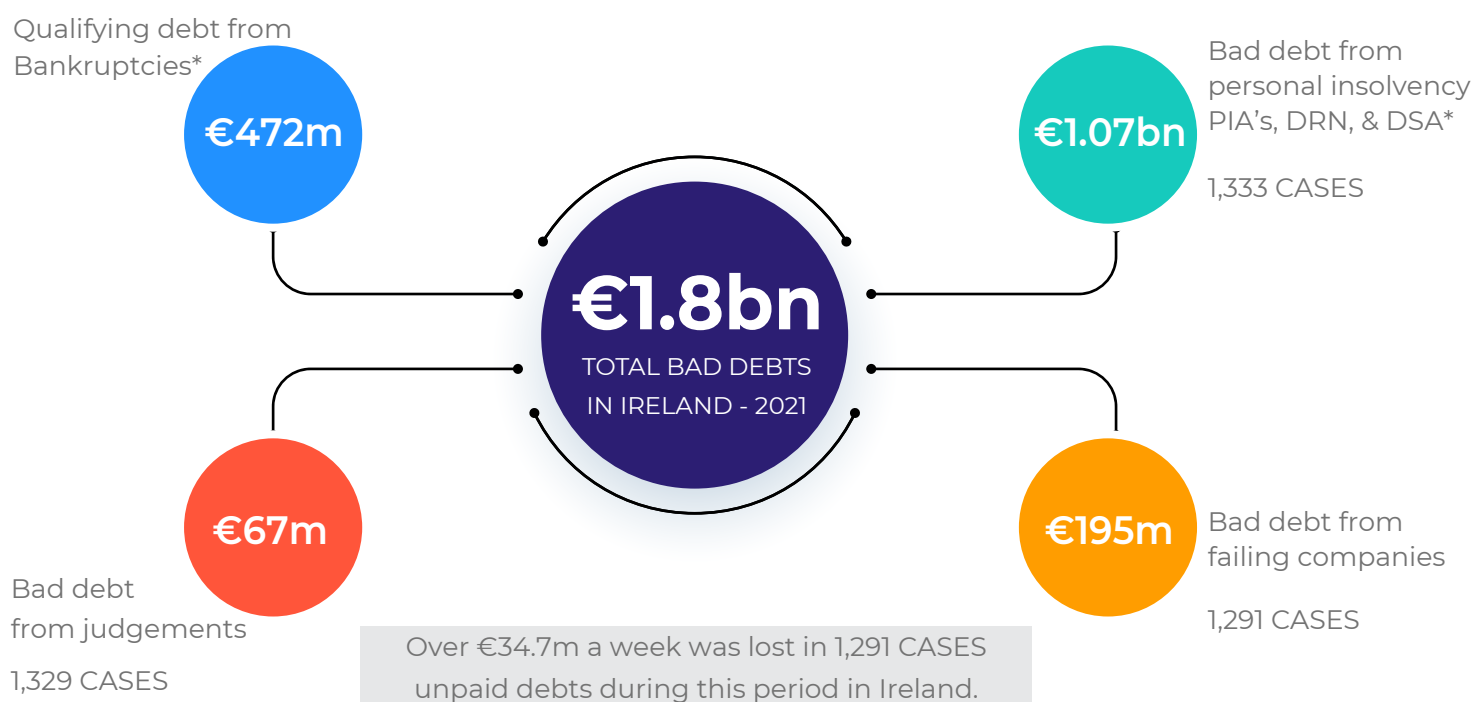
EXPORTS
(EUR) BILLION



Source: The CSO (2020)

You can search over 200m companies worldwide from within your CRIFVision-net account!

Unpaid Debts - Total bad debts in Ireland 2021



*The bad debt from Personal Insolvency and Bankruptcies figures are representative of H2 2020 and H1 2021.

Bankruptcy - Personal Insolvency

199 bankruptcy cases were recorded in 2021 - an increase of 55% compared to the same period in 2020.

Period	NO. OF BANKRUPTCIES	DIFF
2021	200	+71 ↑
2020	129	-129 ↓
2019	258	-96 ↓
2018	354	-113 ↓
2017	467	-56 ↓

Qualifying Debt from Bankruptcies 2021 - €472m

Companies and business managers are encouraged to fully risk check customers to minimise exposure to bad debts.

Personal Insolvency - Vehicle Breakdown

There was a 13% decrease in approved Insolvency Arrangements in H1 2021 compared with H2 2020.

PERSONAL INSOLVENCY - H1 2021 v H2 2020				
INSOLVENCY TYPE	H1 2021 NO. OF CASES	H2 2020 NO. OF CASES	MOVEMENT	DIFF
Protective Certificates	616	750	-134 ↓	-18%
Approved Arrangements				
Personal Insolvency Arrangements	492	585	-93 ↓	-16%
Debt Settlement Arrangements	38	66	-28 ↓	-42%
Debt Relief Notices	92	60	+32 ↑	+53%
Totals	622	711	-89 ↓	-13%

In the year from 1st July 2020 to 31st Jun 2021 there were 1,333 approved insolvency arrangements.

Personal Insolvency Vehicles

While they still often represent a point of last resort, the options available to individuals unable to meet debts as they fall due, are much greater today in Ireland than just a few years ago. The right option or vehicle will often depend on the overall level of debt and the way it is secured. The Insolvency Service of Ireland offer various arrangements to best suit the needs of their applicants.

- 616 individuals sought a Protective Certificate to protect their assets during H1 2021, a 18% decrease compared to H2 2020.
- Personal Insolvency Arrangements decreased by 16%, Debt Settlement Arrangements by 42%, while Debt Relief Notices increased by 53%.

€1.07bn

Bad debt from
personal insolvency
PIA's, DRN, & DSA
1,333 CASES

CRIFVision-net, is a leading provider of business data.

Our cutting-edge information services enable our clients to make better decisions in relation to AML, credit assessment, risk management, customer insight and anti-fraud.

With CRIFVision-net, you can expect exceptional expertise in accessing the very latest real-time data on Irish and UK companies. This coupled with over 30 years researching and reporting on businesses, has led our service to be ranked as one of the leading information agencies in Ireland.

In any single business day the majority of top professional service firms, financial institutions, media outlets, and over 10,000 business managers use and trust CRIFVision-net data in their business processes.

Our information solutions are flexible and tailored to our customers' needs and budgets, ensuring entities across the business spectrum, from SMEs to large enterprise organisations such as banks and insurance companies alike, can enjoy access to the latest insights and reports on their customers, competitors and suppliers, to help enhance their decisions and protect and grow their business.

Import-Export Snapshot

Nigeria - Focus on Economy and Trade (2021)



The country

Nigeria's gross domestic product (GDP) grew 3.4 percent in 2021, the strongest growth since 2014, when the country registered an incredible 6.3% increase. It is the most popular country of the OPEC zone with more than 200 million inhabitants.

Squeezing the data into quarters, data show that Nigeria GDP grew by a 3.98% YoY in real terms in the fourth quarter and showed a sustained positive improvement since the recession felt under the Covid-19 pandemic. The 2020 recession was the second in five years, with the other one in 2016: the economic situation in the last years has not been stable.

What are the main trends of the last year?

Well, first of all inflation decreased month-by-month, going from approximately 18-19% in January 2021 to around 15% in December. Even with the decrease of inflation, however, the nation continued to record increase in food prices.

What is important to be underlined however is that the national unemployment rate rose to above 33%, translating to some 23 million people: the rate is one of the highest in the world. Clearly, this aspect was made worse by the pandemic. Between 2015 and 2021, Nigeria's unemployment rate has more than tripled.

What about Trade, instead?

For 2020, the trade deficit amounted to -22 Billion Dollars, from a +7.27 Billion in 2019. In Q3, Nigeria's foreign trade grew 10.4%, more than +58% than Q3 of 2020.

A quick glance at Nigeria's trade data

Trade deficit 2020:- -22 Billion Dollars

Trade in Q3 of 2021: +10.4%, 58% more than the previous year's

Top exports: Mineral fuels, Oils products (89%)

Main destinations: Europe, Asia

Top imports: Machinery (19%), Mineral fuels (15%) and Vehicles (10%).

Top import partners: China, USA, India



The top exports of the country in 2020 were: Mineral fuels, oils and distillation products (89%), ships and boats (6%), and others. Crude oil among the first category is the most common export, a proof of the country's richness of natural resources. The country exports these products above all to Europe and Asia.

The top imports of the country are: machinery (19%), mineral fuels and oils (15%), and vehicles (10%). These three make up more than \$20 Billions of import expenses.

Product Analysis

| Frozen Vegetables - EU Market Analysis



Introduction about the product

Frozen vegetables are prepared by freezing fresh vegetables with the appropriate maturity for processing. These goods are divided into subcategories, and traded separately. For example, in the Harmonized System frozen olives, frozen spinach, frozen mushrooms, can be found with different codes and thereby traded separately. Normally these products are traded without any ingredient added.

EU Market for frozen vegetables

Europe is the biggest player in the frozen vegetables global trade. In fact, EU countries appear as the first importers of these products, accounting for around half of global imports. What data show is that a large part of these imports are part of intra-EU trade.

Intra-European imports of frozen vegetables have increased annually by an average of 3% in volume in the period of 2014-2018. In 2018 the total amount touched a value of €3.3 billion and a quantity of 3.4 million tonnes. Instead, imports of frozen vegetables from developing countries and the rest of the world remained low and saw no growth.

Among European countries, the main importers of frozen vegetables are Germany and France, respectively with €582 million and €567 million in total in 2018. Right after come Belgium, Spain, UK, Italy and the Netherlands.

Main trends and future growth opportunities

There are two main trends involving the industry that are expected to increase demand for these products: the growing need for 'ready to eat' or 'easy to prepare' food, and for vegan and vegetarian meal solutions.

These tendencies will allow a steady and stable growth: in the next five years, the EU market will possibly increase with an annual growth rate of 2-4%. In addition, prices are expected to remain stable in the medium to long term; to such extent, the European Union financially supports local farmers with various subsidies.

Finally, data show that the European market has the highest number of innovations in the frozen fruit and vegetables industry, with 44% of total world's patents in this sector. This is an encouraging proof of the possibilities of the EU market to further develop in this sector.

Frozen Vegetables - Some Data for EU

(About 2014-2018)

- Intra-EU imports increased annually by 3% in volume
- Total amount of the last year: €3.3 billion
- Total quantity for last year: 3.4 million tonnes
- Germany imports value: €582 million
- France imports value: €567 million



About the future...

- Expected stable growth of 2-4% annually in the next 5 years
- Prices expected to be stable
- EU accounted for the 44% of the total world's patents in this sector

Article of the Month

I China - An overview on economy and business environment

China is the world's most populous country. It also has the longest continuous history of any country in the world, more than 3,500 years of written history and originated many of the foundations of the modern world. The People's Republic of China was founded in 1949. Since 1979, when the country opened up to foreign trade and investment and implemented freemarket reforms, China has been among the world's fastest-growing economies, with real annual gross domestic product (GDP) growth averaging 9.5% through 2018. This powerful growth, has been described by the World Bank as "the fastest sustained expansion by a major economy in history."

China is now one of the biggest investors overseas and is pursuing an increasingly forceful foreign and defense policy. A lot of the complex development challenges that China faces affect other countries, like transitioning to a new growth model, building a cost-effective health system, and promoting a lower carbon energy path. China has a very big influence on other emerging economies thanks to trade and investment.



2021 was a significant and critical year in China, with new regulations marking crucially important changes to key industries and areas of society. At the same time, the economic pressure due to the occasional Covid-19 outbreaks, the supply chain crisis, high commodity prices, and natural disasters had an impact on the second half of 2021.

China's economic outlook for 2022 is predicted to be relatively favourable with GDP growth higher than the global average. However, sustained pressure from possible Covid-19 outbreaks and supply chain obstructions will continue to have an impact. To fight the economic pressures, China will place particular importance on economic stability and recovery, adopting fiscal and monetary policies to push growth in strategic economy sectors. China is also expected to continue its 'zero-Covid' strategy during all 2022 and even with possible economic slowdown and closed borders, international trade is reaching record peaks and foreign companies maintain an optimistic outlook and when compared to the economic outlook of the rest of the world, China is still in a relatively strong position.



The first quarter of 2002 is also important for China thanks to the Beijing 2022 Olympic Winter Games which presents not just top sports performance. It's also a futuristic tech event and an appealing call to winter sports, which helps drive the economic growth. The popularity of winter sports have also promoted the sports and tourism market, even in places with a warm climate. People is also spending more on winter sports shopping and tourism. Statistics on ecommerce platforms, showed a big increase from previous years in skiing and skating equipment sales during the Spring Festival holiday.

A general overview on the Chinese industries, sees the county as a world leader in gross value of industrial output; mining and ore processing, iron, steel, aluminum, and other metals, coal; machine building; armaments; textiles and apparel; petroleum; cement; chemicals; fertilizer; consumer products (including footwear, toys, and electronics); food processing; transportation equipment, including automobiles, railcars and locomotives, ships, aircraft; telecommunications equipment, commercial space launch vehicles, satellites.

In the last year, the fastest growing industries have been cafés bars and other drinking establishments, online shopping, medical device manufacturing, couriers, alternative fuel cars and automobile manufacturing and internet services.

The biggest exporting industries are: Electrical machinery, equipment; Machinery including computers; Furniture, bedding, lighting, signs, prefabricated buildings; Plastics, plastic articles; Optical, technical, medical apparatus; Vehicles; Miscellaneous textiles, worn clothing; Toys, games; Articles of iron or steel; Clothing, accessories (not knit or crochet).

Concerning the countries China exports to, the top ones are the United States, Hong Kong, Japan, Korea Rep, Germany, Netherlands, United Kingdom, India, Singapore and Malaysia.

The top imported commodities are Electrical machinery, equipment, Mineral fuels including oil, Machinery including computers, Ores, slag, ash, Optical, technical, medical apparatus, Vehicles, Plastics, plastic articles, Copper, Organic chemicals, Oil seeds. While the top import countries: Japan, South Korea, United States, Australia, Germany, Brazil, Vietnam, Malaysia, Russia, Thailand.



With such a huge and complex industry and economical structure, when approaching Chinese companies it is important to have a complete and in-depth overview of the businesses and their environment. Despite the complex regulatory environment, it is possible to build profitable business partnership thanks to an in-depth knowledge of the Chinese companies. Only the most trusted and expert local business information providers are able to collect in depth and exhaustive information on Chinese companies.

Thanks to CRIF Hong Kong, through SkyMinder you can get an updated and complete full business report on all 34 million registered Chinese companies.

All Chinese companies must register at the State Administration for Industry and Commerce (SAIC) which assigns registration procedures to the local AIC offices. The SAIC has a centralized search system, however each provincial AIC office has its own website so there might be some differences based on the AIC offices regarding the company information disclosed to the public.

All SAIC websites can be searched only in Chinese, that is why, for non-Chinese companies it is important to rely on high expertise business providers, able to properly match the Latin alphabet company data with the Chinese ones like CRIF Shanghai's qualified analysts. CRIF Hong Kong reports available through SkyMinder, include all information available at the AIC translated in English.



The most comprehensive report available on SkyMinder is the Full Report, an updated comprehensive report including all available details to evaluate a company situation, including the rating and the credit limit:

Firmographic information including registered Chinese name

Credit Rating	Risk Index	Registered Capital
Key Financial Figures	Date of Registration & Legal Form	Legal Representative
Registered Capital	Shareholders	Business Scope
Change of registrations	Principles	Staff number & property
Trademark & patent Section	Purchase and Sales Section	Import and export Section
Financial Information	Bank Information and Lawsuit/ Negative Records	

CRIF Hong Kong also offers the Slim report, a shorter report with reasonable information to appraise a company situation. Finally, for a very quick check on a Chinese company in order to confirm the registration of the same, on SkyMinder it is possible to purchase the Verification Report, a document which includes basic information on a company.

Quick Infographic

| 4 Steps to Effective Third-Party Due Diligence – An Infographic



4 Steps to Effective Third-Party Due Diligence



It is better to be safe than sorry! Entrepreneurs always prefer to have all the details of their potential third-party partners before getting into a business relationship.

Who are the third parties?



Suppliers



Distributors



Resellers



Local Agents



Joint Venture Partners

Why due diligence?

Businesses conduct due diligence to evaluate 3rd parties on whether they are exposed to any risk of business or reputation damage. This helps them identify the best partner for their requirements.

How do you conduct third party due diligence?

#1: Identify the right supplier

Check potential partner's past history with clients to understand the average wait time and consistency in delivering products.



#2: Geographic & demographic assessment

Prepare for economic swings and currency rate fluctuations when dealing with a volatile market space.

#3: Review your due diligence process

Never stop monitoring your third parties to ensure rightful and timely business.



#4: Grab a BIR on the third-party company

Who wouldn't like to make decisions faster? Start with a Business Information Report on your potential partners.

Ask for a Demo Now

About CRIF India

CRIF India is one of India’s leading provider of Credit Information, Business Information, Analytics, Scoring, Credit Management and Decisions Solutions.

CRIF’s Business Information Report, commonly known as the BIR Report, is a new way of thinking about data and information and how they are linked to each other. Available in 230 countries and territories, CRIF’S Business Information Report contains up to date information collected from various data sources. The report helps in determining a company's profitability, financial trends, and risk. It also provides an in-depth profile of a company, including financial information, legal cases, history of business, ownership details, operational information, and details on related firms and special events that occurred in the past involving company management. It's an industry standard for evaluating both new and existing credit relationships, especially medium-to-high risk accounts. Additionally, it supports a company's other efforts, like marketing and purchasing.

CRIF India’s Business Information Offerings



| How is CRIF different?



We brought in new Sets of Data Points,
First in the Industry at a TAT less than 48hrs.



Global Data Environment
200 million companies across 230 countries,
2 Million directors on these companies,
400+ data points covered



Unmatched expertise in analysis
Our vast experience gives us an eye for better
assessment of information



Count on our TAT
Quality in expertise translates into
efficiency in outcome



Quality checks
We've set processes to ensure reliable
information is coming your way

Customized solutions for: Customer | Suppliers | Trade / Supply Chain solutions



CRIF Solutions (India) Pvt. Ltd.

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