

MIRA INFORM REPORT

Report No. :	525606
Report Date :	20.08.2018

IDENTIFICATION DETAILS

Name :	BYSTRONIC (TIANJIN) LASER LTD.
Registered Office :	No. 46, Xishi Road, Airport Economic Zone, Tianjin, 300308
Country :	China
Date of Incorporation :	29.06.2011
Credibility Code.:	911201165751476360
Legal Form :	Wholly Foreign-Owned Enterprise
Line of Business :	Subject registered business scope includes researching, developing, processing, manufacturing and selling mechanical equipment and spare parts. enterprise management services; exhibitions; conference services (with permit if needed)
No. of Employees :	130

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
China	A2	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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CHINA - ECONOMIC OVERVIEW

Since the late 1970s, China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role. China has implemented reforms in a gradualist fashion, resulting in efficiency gains that have contributed to a more than tenfold increase in GDP since 1978. Reforms began with the phaseout of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China continues to pursue an industrial policy, state support of key sectors, and a restrictive investment regime. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2016 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. China became the world's largest exporter in 2010, and the largest trading nation in 2013. Still, China's per capita income is below the world average.

After keeping its currency tightly linked to the US dollar for years, China in July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi appreciated more than 20% against the US dollar, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing announced it would allow a resumption of gradual liberalization. From 2013 until early 2015, the renminbi (RMB) appreciated roughly 2% against the dollar, but the exchange rate fell 13% from mid-2015 until end-2016 amid strong capital outflows in part stemming from the August 2015 official devaluation; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. In 2015, the People's Bank of China announced it would continue to carefully push for full convertibility of the renminbi, after the currency was accepted as part of the IMF's special drawing rights basket. However, since late 2015 the Chinese Government has strengthened capital controls and oversight of overseas investments to better manage the exchange rate and maintain financial stability.

The Chinese Government faces numerous economic challenges including: (a) reducing its high domestic savings rate and correspondingly low domestic household consumption; (b) managing its high corporate debt burden to maintain financial stability; (c) controlling off-balance sheet local government debt used to finance infrastructure stimulus; (d) facilitating higher-wage job opportunities for the aspiring middle class, including rural migrants and college graduates, while maintaining competitiveness; (e) dampening speculative investment in the real estate sector without sharply slowing the economy; (f) reducing industrial overcapacity; and (g) raising productivity growth rates through the more efficient allocation of capital and state-support for innovation. Economic development has progressed further in coastal provinces than in the interior, and by 2016 more than 169.3 million migrant workers and their dependents had relocated to urban areas to find work. One consequence of China's population control policy known as the "one-child policy" - which was relaxed in 2016 to permit all families to have two children - is that China is now one of the most rapidly aging countries in the world. Deterioration in the environment - notably air pollution, soil erosion, and the steady fall of the water table, especially in the North - is another long-term problem. China continues to lose arable land because of erosion and urbanization. The Chinese Government is seeking to add energy production capacity from sources other than coal and oil, focusing on natural gas, nuclear, and clean energy development. In 2016, China ratified the Paris Agreement, a multilateral agreement to combat climate change, and committed to peak its carbon dioxide emissions between 2025 and 2030.

The government's 13th Five-Year Plan, unveiled in March 2016, emphasizes the need to increase innovation and boost domestic consumption to make the economy less dependent on government investment, exports, and heavy industry. However, China has made more progress on subsidizing innovation than rebalancing the economy. Beijing has committed to giving the market a more decisive role in allocating resources, but the Chinese Government's policies continue to favor state-owned enterprises and emphasize stability. Chinese leaders in 2010 pledged to double China's GDP by 2020, and the 13th Five Year Plan includes annual economic

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growth targets of at least 6.5% through 2020 to achieve that goal. In recent years, China has renewed its support for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. Chinese leaders also have undermined some market-oriented reforms by reaffirming the "dominant" role of the state in the economy, a stance that threatens to discourage private initiative and make the economy less efficient over time. The slight acceleration in economic growth in 2017—the first such uptick since 2010—gives Beijing more latitude to pursue its economic reforms, focusing on financial sector deleveraging and its Supply-Side Structural Reform agenda, first announced in late 2015.

Source : CIA

COMPANY NAME AND ADDRESS

BYSTRONIC (TIANJIN) LASER LTD.

NO. 46, XISHI ROAD, AIRPORT ECONOMIC ZONE, TIANJIN, 300308 PR CHINA

TEL: 86 (0) 22-59801888-1856

FAX: 86 (0) 22-59801899

EXECUTIVE SUMMARY

INCORPORATION DATE	: JUNE 29, 2011
CREDIBILITY CODE	: 911201165751476360
REGISTERED LEGAL FORM	: WHOLLY FOREIGN-OWNED ENTERPRISE
CHIEF EXECUTIVE	: WANG YONGLE (LEGAL REPRESENTATIVE)
STAFF STRENGTH	: 130
REGISTERED CAPITAL	: USD 12,000,000
BUSINESS LINE	: R&D, MANUFACTURING, PROCESSING AND TRADING
TURNOVER	: N/A
EQUITIES	: N/A
PAYMENT	: SLOW BUT CORRECT
MARKET CONDITION	: AVERAGE
FINANCIAL CONDITION	: N/A
OPERATIONAL TREND	: FAIRLY STEADY
GENERAL REPUTATION	: AVERAGE

Adopted abbreviations:

ANS - amount not stated

NS - not stated

SC - subject company (the company inquired by you)

NA - not available

CNY - China Yuan Renminbi

HISTORY

SC was registered as a wholly foreign-owned enterprise at local Administration for Industry & Commerce (AIC - The official body of issuing and renewing business license) on June 29, 2011.

Company Status: Wholly foreign-owned enterprise

This form of business in PR China is defined as a legal person. It is a limited co. established within the territories of PR China with capital provided totally by the foreign investors. More than one foreign investor may jointly invest in a wholly foreign-owned enterprise. The investing party/parties solely exercise management, reap profit and bear risks and liabilities by themselves. This form of companies usually have a limited duration is extendible upon approval of Examination and Approval Authorities.

SC's registered business scope includes researching, developing, processing, manufacturing and selling mechanical equipment and spare parts. enterprise management services; exhibitions; conference services (with permit if needed)

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SC is mainly engaged in researching, developing, processing, manufacturing and selling mechanical equipment and spare parts.

Wang Yongle is the legal representative and general manager of SC at present.

SC is known to have approx. 130 employees at present.

SC is currently operating at the above stated address, and this address houses its operating office and factory in the Airport Economic Zone of Tianjin. SC's management declined to release detailed information of the premise.

WEB SITE

<http://www.bystronic.com> The website belongs to Bystronic, and it includes the contact information about SC and its related companies. At present the web site is in Chinese, English and other versions.

E-mail: info.tj.cn@bystronic.com

KEY EVENTS/RECENT DEVELOPMENT

Changes of its registered information are as follows:

Date of change	Item	Before the change	After the change
2016-03-21	Registered capital	USD 8,000,000	Present amount
Unknown	Registration no./credibility code	120000400125151	911201165751476360

SC's former legal representative was Yang Xinjian
HS Code: 1210949096
Import/ Export License No: 1200575147636

LITIGATION

For the past two years there is no record of litigation.

OWNERSHIP/MANAGEMENT

MAIN SHAREHOLDERS:

Name	% of Shareholding
(Switzerland) Bystronic Laser AG	100

Address: Industriestrasse 21, 3362 Niederoenz, Switzerland
Tel: +41 62 956 33 33
Fax: +41 62 956 33 80
E-mail: info.laser@bystronic.com
<https://www.bystronic.com/en/contact/>

MANAGEMENT

● **Chairman:**

Song You is currently responsible for the overall management of SC.

Working Experience(s):

At present Working in SC as chairman.
Also working in Bystronic Co., Ltd. (Shanghai) as legal representative.

● **Legal representative and general manager:**

Wang Yongle is currently responsible for the daily management of SC.

Working Experience(s):

At present Working in SC as legal representative and general manager.

● **Directors:**

Wang Yongle
Cornelia Gehrig-Nell
Alex Alois Waser
Christoph Werner Ruttimann

● **Supervisor:**

Martin Georg Kusch

BUSINESS OPERATIONS

SC is mainly engaged in researching, developing, processing, manufacturing and selling mechanical equipment and spare parts.

SC's products mainly include: mechanical equipment and spare parts.

SC sources its materials from domestic and overseas market. SC sells its products in domestic market, and to overseas market.

The buying terms of SC include T/T, L/C and Credit of 30-60 days. The payment terms of SC include T/T, L/C and Credit of 30-60 days.

TRADEMARKS & PATENTS

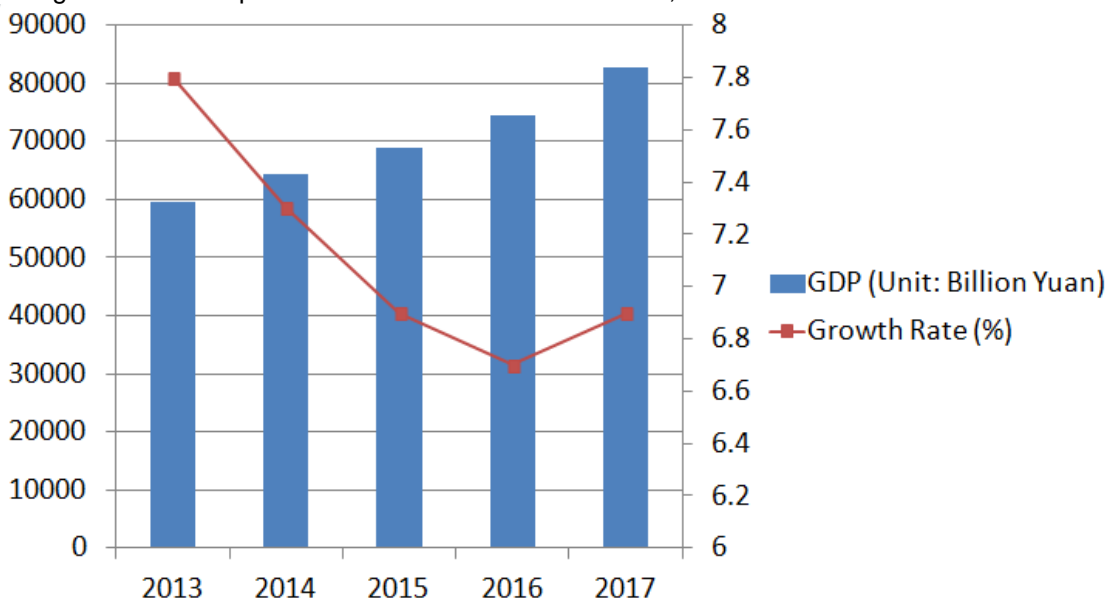
No record

Note: SC declined to release its major suppliers and clients.

Industry code: 3400

Industry name: General Equipment Manufacturing

The gross domestic product of China in 2017 which is 82,712.17 billion that is increased 6.9% than previous year.



According to the data of the National Bureau of statistics, main business turnover of general equipment industry reached RMB 470 billion in 2017, up by 8.5% year on year, up by 5.6% over the same period of last year; total profits of general equipment industry was RMB 312.540 billion in 2017, up by 13.5% year on year, up by 13.3% over the same period of last year.

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According to the data of customs head office, the total trade of 5542 member enterprises from General Machinery Association was USD 25.136 billion in 2017, up by 8.27% year on year, up by 12.1% over the same period of last year. Among it: the amount of export was USD 14.541 billion, up by 6.38% year on year, up by 10.41% over the same period of last year; the amount of import was USD 10.575 billion, up by 11.01% year on year, up by 14.56% over the same period of last year; the favorable balance of import and export was USD 3.966 billion, dropped by 4.26% year on year, a decrease of USD 177 million over the same period of last year.

According to the data of the National Bureau of statistics, the number of general equipment enterprises in China was 23746 in the end of 2017, but the average profit was only RMB 13.16 million.

RELATED COMPANIES

According to the website <http://www.bystronic.com>

Bystronic Co., Ltd. (Shanghai)

=====
Incorporation date: 2001-5-25

Credibility code: 91310000607432299U

Legal rep.: Song You

Tel: +86 (0) 21 6082 9300

Fax: +86 (0) 21 5868 0481

Web: <http://www.bystronic.com.cn/>

Bystronic Laser India Pvt Limited

7/C, Tadiwala Road,

Next to Hotel Panchratna

IN-Pune – 411 001, Maharashtra

Tel: +91 20 67294800

Fax: +91 20 67294801

Web: <http://www.bystronic.in>

Bystronic Pte. Ltd. (Singapore)

Tel: +65 6472 6300

Fax: +65 6472 6032

Web: <http://www.bystronic.com.sg>

Etc.

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PAYMENT

Overall payment appraisal :

() Excellent () Good (X) Average () Fair () Poor () Not yet determined

The appraisal serves as a reference to reveal SC's payments habits and ability to pay. It is based on the 3 weighed factors: Trade payment experience (through current enquiry with SC's suppliers), our delinquent payment records and our debt collection record concerning SC.

Trade payment experience : SC did not provide any name of trade/service suppliers and we have no other sources to conduct the enquiry at present.

Delinquent payment record : None in our database.

Debt collection record : No overdue amount owed by SC was placed to us for collection within the last 6 years.

BANKING

Bank of China Tianjin Ronghe Square Sub-branch

AC# : 281763595099

Relationship: Normal.

FINANCIAL HIGHLIGHTS

SC's financial information is not available at present.

REMARKS

SC is considered medium-sized in its line with 7 years operation history. Taking into consideration of all the factors above we would rate SC as an above average credit risk company. Credit confined into small amount may be considered.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.23
UK Pound	1	INR 89.37
Euro	1	INR 79.97
CNY	1	INR 10.18

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)

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