

MIRA INFORM REPORT

Report No. :	526412
Report Date :	29.08.2018

IDENTIFICATION DETAILS

Name :	HONG KONG BAOMIN TRADING LIMITED
Registered Office :	C/o HKRTP Ltd. MSH3647, Room 1007, 10/F., Ho King Centre, 2-16 Fa Yuen Street, Mongkok, Kowloon
Country :	Hong Kong
Date of Incorporation :	19.01.2007
Com. Reg. No.:	37564435
Legal Form :	Private Limited Company
Line of Business :	Subject is an Iron and Steel Trader.
No. of Employees :	No Employee in Hong Kong NOTE: It is to be noted that the company does not have its own operating office in Hong Kong. The company uses the address of its secretariat as its correspondence address only. Subject operates from some other country and does not have a base in Hong Kong. Such companies are registered in Hong Kong just to tax benefit purpose and due to the strict privacy laws prevailing in the country. In such cases, the companies are not required to have any employees in Hong Kong nor do have an office there.

RATING & COMMENTS

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

MIRA's Rating : C

Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

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Status :	No Operating Office in Hong Kong
Payment Behaviour :	Unknown
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)
Hong Kong	A1	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

HONG KONG - ECONOMIC OVERVIEW

Hong Kong has a free market economy, highly dependent on international trade and finance - the value of goods and services trade, including the sizable share of reexports, is about four times GDP. Hong Kong has no tariffs on imported goods, and it levies excise duties on only four commodities, whether imported or produced locally: hard alcohol, tobacco, hydrocarbon oil, and methyl alcohol. There are no quotas or dumping laws. Hong Kong continues to link its currency closely to the US dollar, maintaining an arrangement established in 1983.

Excess liquidity, low interest rates and a tight housing supply have caused Hong Kong property prices to rise rapidly. The lower and middle-income segments of the population increasingly find housing unaffordable.

Hong Kong's open economy has left it exposed to the global economic situation. Its continued reliance on foreign trade and investment makes it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

The mainland has long been Hong Kong's largest trading partner, accounting for about half of Hong Kong's total trade by value. Hong Kong's natural resources are limited, and food and raw materials must be imported. As a result of China's easing of travel restrictions, the number of mainland tourists to the territory surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. After peaking in 2014, overall tourist arrivals dropped 2.5% in 2015 and 4.5% in 2016. The tourism sector rebounded in 2017, with visitor arrivals rising 3.2% to 58.47 million. Travelers from Mainland China totaled 44.45 million, accounting for 76% of the total.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the preferred business hub for renminbi (RMB) internationalization. Hong Kong residents are allowed to establish RMB-denominated savings accounts, RMB-denominated corporate and Chinese government bonds have been issued in Hong Kong, RMB trade settlement is allowed, and investment schemes such as the Renminbi Qualified Foreign Institutional Investor (RQFII) Program was first launched in Hong Kong. Offshore RMB activities experienced a setback, however, after the People's Bank of China changed the way it set the central parity rate in August 2015. RMB deposits in Hong Kong fell from 1.0 trillion RMB at the end of 2014 to 559 billion RMB at the end of 2017, while RMB trade settlement handled by banks in Hong Kong also shrank from 6.8 trillion RMB in 2015 to 3.9 trillion RMB in 2017.

Hong Kong has also established itself as the premier stock market for Chinese firms seeking to list abroad. In 2015, mainland Chinese companies constituted about 50% of the firms listed on the Hong Kong Stock Exchange and accounted for about 66% of the exchange's market capitalization.

During the past decade, as Hong Kong's manufacturing industry moved to the mainland, its service industry has grown rapidly. In 2014, Hong Kong and China signed a new agreement on achieving basic liberalization of trade in services in Guangdong Province under the Closer Economic Partnership Agreement (CEPA), adopted in 2003 to forge closer ties between Hong Kong and the mainland. The new measures, which took effect in March 2015, cover a negative list and a most-favored treatment provision. On the basis of the Guangdong Agreement, the Agreement on Trade in Services signed in November 2015 further enhanced liberalization, including extending the implementation of the majority of Guangdong pilot liberalization measures to the whole Mainland, reducing the restrictive measures in the negative list, and adding measures in the positive lists for cross-border services as well as cultural and telecommunications services. In June 2017, the Investment Agreement and the Agreement on Economic and Technical Cooperation (Ecotech Agreement) were signed under the framework of CEPA.

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Hong Kong's economic integration with the mainland continues to be most evident in the banking and finance sector. Initiatives like the Hong Kong-Shanghai Stock Connect, the Hong Kong- Shenzhen Stock Connect the Mutual Recognition of Funds, and the Bond Connect scheme are all important steps towards opening up the Mainland's capital markets and have reinforced Hong Kong's role as China's leading offshore RMB market. Additional connect schemes such as ETF Connect (for exchange-traded fund products) are also under exploration by Hong Kong authorities. In 2017, Chief Executive Carrie LAM announced plans to increase government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

COMPANY NAME

HONG KONG BAOMIN TRADING LIMITED

ADDRESS

Registered Head Office:-

C/o HKRTP Ltd.

MSH3647, Room 1007, 10/F., Ho King Centre, 2-16 Fa Yuen Street, Mongkok, Kowloon, Hong Kong.

Associated Companies:-

Guangzhou Baomin Steel Materials Co. Ltd., China.

Hangzhou Baomin Iron & Steel Co. Ltd., China.

Jiangyin Baomin Materials Co. Ltd., China.

Liaoning Baomin Iron & Steel Co. Ltd., China.

Nanjing Baomin Steel Trading Co. Ltd., China.

Ningbo Baomin Iron & Steel Co. Ltd., China.

Shanghai Baomin Import & Export Co. Ltd., China.

Shanghai Baomin Industrial Co. Ltd., China.

Shanghai Baomin Iron & Steel Group Co. Ltd., China.

Tianjin Baomin Iron & Steel Trading Co. Ltd., China.

Wuhan Baomin Iron & Steel Trading Co. Ltd., China.

Wuxi Baomin Iron & Steel Co. Ltd., China.

etc.

BUSINESS REGISTRATION NUMBER

37564435

COMPANY FILE NUMBER

1103461

DATE OF INCORPORATION

19th January, 2007.

ISSUED SHARE CAPITAL

HK\$3,500,000.00

SHAREHOLDER

(As per registry dated 19-01-2018)

Name	No. of shares
XU Jiti	3,500,000 =====

DIRECTOR

(As per registry dated 19-01-2018)

Name	Address
XU Jiti	16F, No. 661 Xinhai Mansion, Yixian Road, Shanghai, China.

SECRETARY

(As per registry dated 19-01-2018)

Name	Address	Co. No.
HKRTP Ltd.	Room 1007, 10/F., Ho King Centre, 2-16 Fa Yuen Street, Mongkok, Kowloon, Hong Kong.	0663489

GENERAL

Having issued 3.5 million ordinary shares of HK\$1.00 each, Hong Kong Baomin Trading Limited is wholly owned by Mr. Joe Xu Jiti who is a China merchant. He is a China passport holder and does not have the right to reside in Hong Kong permanently. He is also the only director of the subject.

The subject does not have its own operating office. Its registered office is in a commercial service firm located at MSH3647, Room 1007, 10/F., Ho King Centre, 2-16 Fa Yuen Street, Mongkok, Kowloon, Hong Kong known as HKRTP Ltd. which is handling its correspondences and documents. This firm is also the corporate secretary of the subject. "MSH3647" is the file number of the subject in the commercial service firm.

The subject has no employees in Hong Kong. It is an iron and steel trader. It has got a main associated company in China known as Shanghai Baomin Iron & Steel Group Co. Ltd. [Baomin/Group] which is a China-based firm. Baomin was established in 2004 in China.

Its brief information is as follow:

Name: Shanghai Baomin Iron & Steel Group Co. Ltd. [Baomin/Group]

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Address: 13th Floor & 16th Floor, No. 661, Yixian Road, Shanghai, China.
 Uniform Social Credit Code: 91310000759883689U
 Legal Form: Limited Liability Company (natural person investment or holding)
 Legal representative: Xu Songjun
 Registered capital: RMB328 million Yuan
 Date of Establishment: 16th March, 2004.
 Business period: From 16th March, 2004 to 15th March, 2024.
 Registration authority: Shanghai Industrial and Commercial Bureau
 The subject is a member of the Group.

Baomin is trading in hot rolled plate and cold rolled plate. It is a large complex engaged in steel trading, processing, warehousing and transportation and having eight subsidiaries.

Baomin is also engaged in marketing and processing of various specifications of hot rolled steel coils and galvanized steel coils. Its cutting centre and warehouse are located in Fuxing Island which is near by Huangpu River, Shanghai, China. The two facilities cover an area of 60 thousand square meters and the processing plant has been equipped with eight sets state of art cutting equipment and the monthly production capacity is 80 thousand tons of iron and steel. The products cover all domestic hot rolled steel coils which with 1 mm to 25 mm thickness and 600 mm to 2500 mm width.

At present, Baomin is the agent of the following iron and steel mills in China:

Baoshan Iron & Steel Group, Shoudu Iron & Steel Group, Anshan Iron & Steel Group, Maanshan Steel, Ningbo Iron & Steel, Benxi Iron & Steel Group, Tangshan Iron & Steel Group, Taiyuan Iron & Steel Group, Zhujiang Iron & Steel Group, Shagang, Ninggang, Beitai Iron & Steel Group, Baotou Iron & Steel, Wuhan Iron & Steel, Lian Gang, etc.

The headquarters of Baomin are in Shanghai, China. Now it has set up over ten wholly-owned subsidiaries in main cities of China such as Nanjing, Wuxi, Jiangyin, Hangzhou, Ningbo, Wuhan, Guangzhou, Tianjin, Shenyang, Chongqing, Quanzhou, etc., apart from the subject.

The total employees of the Group is about 360 persons in China. The annual steel output is about 1.2 million tons and the annual sales turnover ranges from RMB 5.0 to 6.0 billion. Its tax paid to the Chinese Government is about RMB 10 million annually.

The contact person of Baomin is also Mr. Xu Jiti.

The subject is fully supported by Baomin. However, its business in Hong Kong is not active. History in Hong Kong is over eleven years and seven months.

The subject has been banking with BNP Paribas Singapore Branch, a Singapore-based branch.

On the whole, since the subject does not have its own operating office and has no employees in Hong Kong, consider it good for business engagements on L/C basis or in very small credit amounts.

MORTGAGE OR CHARGE

(Since 2008)

Date	Particulars	Amount
04-11-2008	<p><i>Instrument:</i> Trade Finance Security Assignment</p> <p><i>Property:</i></p> <p>1. All the present and future rights, title, interests and benefits of the Company in and to the following assets:</p> <p>(i) The Export Credits;</p> <p>(ii) The Export Collections Bills;</p>	<p>All obligations and liabilities of the Company owed to RZB Austria Finance (Hong Kong) Ltd.</p>

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	(iii) The Sales Contracts; (iv) The Invoice Receivables; (v) The Trade Documents; (vi) The Insurances; (vii) All claims; (viii) The Goods together with their proceeds; & (ix) The Charged Account and all monies.	
	2. Pledges to the Bank the Pledged Goods and the Trade Documents	
04-11-2008	<i>Mortgagee:</i> RZB Austria Finance (Hong Kong) Ltd. [Now known as RB International Finance (Hong Kong) Ltd.] <i>Instrument:</i> Letter of Pledge <i>Property:</i> Any documents, bills of exchange, negotiable instruments, documents of title, transport documents, insurance policies, delivery orders, godown warrants and any other documents which are now or may in the future be in the Bank's possession ("the Pledged Documents") and the goods and produce to which the Pledged Documents related which are now or may in the future be in the Bank's possession ("the Pledged Goods").	All obligations and liabilities nature owed by the Company to RZB Austria Finance (Hong Kong) Ltd.
04-11-2008	<i>Mortgagee:</i> RZB Austria Finance (Hong Kong) Ltd. [Now known as RB International Finance (Hong Kong) Ltd.] <i>Instrument:</i> Third Party Charge Over Cash Deposits <i>Property:</i> All amounts deposited and all other moneys from time to time standing to credit of or earned on any current, deposit or other account held by the Company with the RZB Austria Finance (Hong Kong) Ltd. in Beijing or elsewhere, including, without limitation, all moneys in the accounts together with all amounts of interest accruing or accrued thereon.	All monies and liabilities
19-03-2010	<i>Mortgagee:</i> RZB Austria Finance (Hong Kong) Ltd. [Now known as RB International Finance (Hong Kong) Ltd.] <i>Instrument:</i> Deed of Charge (the "Deed") <i>Property:</i> As security for the due payment and discharge of the Secured Amounts, the Company: (a) Charges to the Bank by way of floating charge all its right, title and interest in and to all Goods; (b) Charges to the Bank by way of first fixed charge all its right, title and interest in and to all Credit Balances; (c) Assigns to the Bank by way of first fixed security all Contract Rights and the benefit of any Security Interest and securities for the time being held by the Company in respect of any such Contract Rights.	All monies and liabilities
25-09-2013	<i>Mortgagee:</i> BNP Paribas Singapore Branch 20 Collyer Quay Tung Centre, #01-01 Singapore 049319. <i>Instrument:</i> Charge on Collateral Account <i>Property:</i> All and any money from time to time standing to the credit of or	All moneys and liabilities

earned on such account(s) as shall from time to time be designated by the Lender as the Company's collateral account(s) with the Lender in Hong Kong or elsewhere, including, without limitation, all interest accruing or accrued thereon.

Mortgagee: RB International Finance (Hong Kong) Ltd.,
Hong Kong.

25-09-2013

Instrument: Letter of Pledge

All obligations and liabilities

Property:

Any documents, bills of exchange, negotiable instruments, documents of title, transport documents, insurance policies, delivery orders, godown warrants and any other documents which are now or may in the future be in the Lender's possession ("the Pledged Documents") and the goods and produce to which the Pledged Documents related which are now or may in the future be in the Bank's possession ("the Pledged Goods").

Mortgagee: RB International Finance (Hong Kong) Ltd.,
Hong Kong.

25-09-2013

Instrument: Trade Finance Security Assignment

All obligations and liabilities

Property:

(a) Assigns and agrees to assign absolutely to the Lender all the present and future rights, title, interests and benefits of the Company in and to the following assets:

- (i) The Export Credits;
- (ii) The Export Collections Bills;
- (iii) The Sales Contracts;
- (iv) The Shipping Contracts;
- (v) The Guarantees;
- (vi) The Invoice Receivables;
- (vii) The Trade Documents;
- (viii) The Insurances; &

(ix) All claims, remedies and proceeds in connection with any of the foregoing.

(b) Charges and agrees to charge to the Lender by way of first fixed charge all the present and future rights, title, interests and benefits of the Company in and to the following assets:

- (i) The Goods together with their proceeds; &
- (ii) The Charged Account and all monies at any time standing to the credit of the Charged Account, including all interests from time to time accrued or accruing on such monies.

(c) Pledges and agrees to pledge to the Lender the Pledged Goods and the Trade Documents which are now or may in the future be in the Lender's possession.

Mortgagee: RB International Finance (Hong Kong) Ltd.,
Hong Kong.

NOTE:

It is to be noted that the company does not have its own operating office in Hong Kong. The company uses the address of its secretariat as its correspondence address only. Subject operates from some other country and does not have a base in Hong Kong. Such companies are registered in Hong Kong just to tax benefit purpose and due to the strict privacy laws prevailing in the country. In such cases, the companies are not required to have any employees in Hong Kong nor do have an office there.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.17
UK Pound	1	INR 90.33
Euro	1	INR 81.93
HKD	1	INR 8.98

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	TPT

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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)