

MIRA INFORM REPORT

Report No. :	542440
Report Date :	04.12.2018

IDENTIFICATION DETAILS

Name :	WESTERN CHAMPION (HK) LIMITED
Registered Office :	Business Intelligence Consulting Group Ltd. Unit 404-06, 4/F., Bonham Trade Centre, 50 Bonham Strand, Sheung Wan
Country :	Hong Kong
Date of Incorporation :	06.02.2004
Com. Reg. No.:	34260377
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter and Wholesaler all kinds of copper plates for PCBs manufacturing
No. of Employees :	2

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
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.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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, 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.

Mainland China 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 AND ADDRESS

WESTERN CHAMPION (HK) LIMITED

ADDRESS : c/o Business Intelligence Consulting Group Ltd.
Unit 404-06, 4/F., Bonham Trade Centre, 50 Bonham Strand, Sheung Wan, Hong Kong.

PHONE : 2947 0590, 2390 0327, 2111 5222

FAX : 2947 7590

MANAGEMENT

Managing Director: Mr. Zhou Tengfang

SUMMARY

Incorporated on : 6th February, 2004.

Organization : Private Limited Company.

Issued Share Capital : HK\$10,000.00

Business Category : Importer, Exporter and Wholesaler.

Employees : 2.

Main Dealing Banker : Hang Seng Bank Ltd., Hong Kong.

Banking Relation : Satisfactory.

WESTERN CHAMPION (HK) LIMITED

ADDRESS:

Registered Office:-

c/o Business Intelligence Consulting Group Ltd.
Unit 404-06, 4/F., Bonham Trade Centre, 50 Bonham Strand, Sheung Wan, Hong Kong.

Operating Office & Warehouse:-

Unit Q, 16/F., Block 2, Kin Ho Industrial Building, 14-24 Au Pui Wan Street, Fo Tan, Shatin, New Territories, Hong Kong

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Affiliated Company:-
Cheon Western (China) Copper Ltd.
Jiujiang Industrial Park, Nanhai District, Foshan City, Guangdong Province, China.
[Tel: 86-757-8656 1086, 8658 6666
Fax: 86-757-8655 1489
E-mail : joy@western.com.cn]

BUSINESS REGISTRATION NUMBER

34260377

COMPANY FILE NUMBER

0881722

MANAGEMENT

Managing Director: Mr. Zhou Tengfang

ISSUED SHARE CAPITAL

HK\$10,000.00

SHAREHOLDER

(As per registry dated 06-02-2018)

Name

ZHOU Tengfang

No. of shares

10,000

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DIRECTORS

(As per registry dated 06-02-2018)

Name

(Nationality)

Address

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ZHOU Tengfang Unit Q, 16/F., Block 2, Kin Ho Industrial Building, 14-24 Au Pui Wan Street, Fo Tan, Shatin, New Territories, Hong Kong.

CEN Guoming No. 165, Xiayi Lezhi Village, Jiujiang Town, Nanhai District, Foshan City, Guangdong Province, China.

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SECRETARY

(As per registry dated 06-02-2018)

Name	Address	Co. No.
Business Intelligence Consulting Group Ltd.	Unit 404-06, 4/F., Bonham Trade Centre, 50 Bonham Strand, Sheung Wan, Hong Kong.	0833182

HISTORY

The subject was incorporated on 6th February, 2004 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at Room 2102, 21/F., The Broadway, 54-62 Lockhart Road, Wanchai, Hong Kong, moved to the present address with effect from 9th March, 2010.

Apart from these, neither material change nor amendment has been ever traced and noted.

OPERATIONS

Activities: Importer, Exporter and Wholesaler.

Lines : All kinds of copper plates for PCBs manufacturing.

Trade Mark: WESTERN.

Employees: 2.

Materials/Commodities: Imports raw materials from European countries, some Asian countries and finished products from China.

Markets: China, Japan, other Asian countries, etc.

Terms/Sales: L/C or as per contracted.

Terms/Buying: L/C, D/P, etc.

FINANCIAL INFORMATION

Issued Share Capital: HK\$10,000.00

Indebtedness: US\$6,916,613.57 (Total amount outstanding on all mortgages and charges as per last Annual Return dated 06-02-2018)

Mortgage or Charge: (See attachment)

Profit or Loss: Making a small profit every year.

Condition: Business is normal.

Facilities: Adequate for current running.

Payment: No Complaints.

Commercial Morality: Satisfactory.

Banker: Hang Seng Bank Ltd., Hong Kong.

Standing: Normal.

GENERAL

Having issued 10,000 ordinary shares of HK\$1.00 each, Western Champion (HK) Limited formerly was jointly owned by four China merchants. The largest shareholder Mr. Zhou Tengfang had held 40% interests of the subject. Now, the subject is wholly-owned by Zhou Tengfang.

The directors of the subject are Zhou Tengfang and Mr. Cen Gueomig. The registered address of Zhou Tengfang in Hong Kong is located at Unit Q, 16/F., Block 2, Kin Ho Industrial Building, 14-24 Au Pui Wan Street, Fo Tan, Shatin, New Territories, Hong Kong. This office is also a warehouse of the subject.

Mr. Zhou Tengfang is a Macau ID holder.

The subject's registered office is in a commercial service firm located at Unit 404-06, 4/F., Bonham Trade Centre, 50 Bonham Strand, Sheung Wan, Hong Kong known as Business Intelligence Consulting Group Ltd. [BICG] which is handling its correspondences and documents. BICG is also the corporate secretary of the subject.

To our knowledge, the subject has had an affiliated company in China known as Cheon Western (China) Copper Ltd. [Cheon] which is in Foshan City, Guangdong Province, China. However, Cheon is a member of Hong Kong Printed Circuit Association which is a Hong Kong-based association.

Formerly known as Guangdong Xijiang Electronic Copper Materials Co. Ltd., Cheon was founded in 1993. It is a Sino-foreign joint venture which has imported technologies and testing equipment from the United States and other foreign advanced countries. Cheon is engaged in marketing copper plates for PCBs and phosphate copper and pure copper. Its main products are as follow:

Phosphorus Copper

Oxygen Free Copper

Micro-Grain Phosphorus Copper

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Its products bear the trade mark "WESTERN". According to Cheon, its annual production capacity is up to 50,000 tonnes and annual sales amount to RMB2.0 to 3.0 billion Yuan.

Currently the sale exceeds 3,000 tonnes per month, which is the top in China. Cheon is supplying over 400 customers in the field of PCB and surface treatment.

According to Cheon, its domestic market share is about 40% while its global market share is about 30%. Its products have become China's PCB special materials.

As the major producer in China, Cheon has developed worldwide distribution networks in Taiwan, Hong Kong, Singapore, Thailand, South Korea, Japan etc.

In 1998, Cheon got the ISO certification. In 2007, it got ISO:14001 and QC 08000 certifications. The trade mark "WESTERN" has been named a "Famous Trade Make of Guangdong Province".

Besides, Cheon has been named as one of the Significant Enterprises in China's Electronic Industry. In recent years, Cheon has been named as a "Guangdong Hi-Tech Enterprise" for a number of years. The CEO of Cheon is also Mr. Zhou Tengfang.

The subject's business in Hong Kong is normal. History in Hong Kong is over fourteen years and nine months.

On the whole, in view of the background of the subject, consider it good for business engagements.

MORTGAGE OR CHARGE

Date	Particulars	Amount
26-10-2012	Charge Over Deposit	Australia & New Zealand Banking Group Ltd., Hong Kong Branch.
02-07-2013	Charge Over Deposits/Securities (2-Parties)	Hang Seng Bank Ltd., Hong Kong.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.03
UK Pound	1	INR 89.50
Euro	1	INR 79.59
HKD	1	INR 9.03

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	DNS

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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)