

MIRA INFORM REPORT

Report No. :	545446
Report Date :	15.12.2018

IDENTIFICATION DETAILS

Name :	ZHEJIANG HAISEN PHARMACEUTICAL CO., LTD.
Registered Office :	Xiangtan Village, Liushi Town, Dongyang City, Zhejiang Province 322104 Pr
Country :	China
Date of Incorporation :	07.12.1998
Unified Social Credit Code :	913307837045812886
Legal Form :	Shares Limited Company
Line of Business :	Subject registered business scope includes manufacturing APIs and powder; manufacturing and selling ammonium sulfate, and sodium sulfate; and international trade.
No. of Employees :	405

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:

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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 (30.06.2018)	Current Rating (30.09.2018)
China	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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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 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 & ADDRESS

COMPANY NAME	ZHEJIANG HAISEN PHARMACEUTICAL CO., LTD.
CURRENT ADDRESS/ REGISTERED ADDRESS	XIANGTAN VILLAGE, LIUSHI TOWN, DONGYANG CITY, ZHEJIANG PROVINCE 322104 PR CHINA
TEL. NO.	86 (0) 579-86773108/86847688/86768658
FAX NO.	86 (0) 579-86850033/86773083

EXECUTIVE SUMMARY

DATE OF REGISTRATION	: DECEMBER 7, 1998
UNIFIED SOCIAL CREDIT CODE	: 913307837045812886
LEGAL FORM	: SHARES LIMITED COMPANY
CHIEF EXECUTIVE	: WANG SHIYUE (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL	: CNY 51,000,000
STAFF	: 405
BUSINESS CATEGORY	: MANUFACTURING & TRADING
REVENUE	: N/A (AS OF DEC. 31, 2017)
EQUITIES	: N/A (AS OF DEC. 31, 2017)
WEBSITE	: www.dongyangpharm.com
E-MAIL	: sale@haisen.cn
PAYMENT	: SLOW BUT CORRECT
MARKET CONDITION	: COMPETITIVE
FINANCIAL CONDITION	: N/A
OPERATIONAL TREND	: FAIRLY STEADY
GENERAL REPUTATION	: AVERAGE

Adopted abbreviations (as follows)

SC - Subject Company (the company inquired by you)

N/A – Not available

CNY – China Yuan Ren Min Bi

OPERATIONAL TREND & GENERAL REPUTATION

This section aims at indicating the relative positions of SC in respect of its operational trend & general reputation

Operational Trend:-	General Reputation:-
Upward	Excellent
Steady	Good
Fairly Steady	Fairly Good
Ordinary	Average
Fair	Fair
Stagnant	Detrimental
Downward	Not known
Not known	Not yet be determined
Not yet be determined	

LEGAL STATUS & HISTORY

SC was established as shares limited company of PRC with State Administration of Industry & Commerce (SAIC) under Unified Social Credit Code: 913307837045812886.

SC's registered capital: CNY 51,000,000

Registration Change Record:-

Date	Change of Contents	Before the change	After the change
2005-02-03	Company Name	Dongyang Chemical Pharmaceutical Co., Ltd.	Zhejiang Haisen Pharmaceutical Co., Ltd.
2008-02-19	Registered Capital	CNY 3,000,000	CNY 11,000,000
2014-07-22	Registration No.	3307832000328	330783000011022
2015-12-28	Registered Capital	CNY 11,000,000	CNY 25,000,000
	Registered Capital	CNY 25,000,000	CNY 17,000,000
	Registration No./	330783000011022	913307837045812886
	Unified Social Credit Code		
2017-10-11	Registered Capital	CNY 17,000,000	CNY 43,500,000
	Legal Form	Limited Liabilities Company	Shares Limited Company
	Company Name	Chinese	
2017-12-22	Registered Capital	CNY 43,500,000	CNY 51,000,000
	Shareholder (s) (% of Shareholding)	Wang Dongyan 1.82%	Wang Dongyan 1.55%
		Ai Lin 6.18%	Ai Lin 5.27%
		Wang Yuxiao 4%	Wang Yuxiao 3.41%
		Guo Haiyan 5.28%	Guo Haiyan 4.50%
		Wang Shiyue 31.2%	Wang Shiyue 26.61%

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Zhejiang Haisen Holding Co., Ltd. 51.52%	Zhejiang Haisen Holding Co., Ltd. 43.95%
	Dongyang Taiqi Investment Management Partnership Enterprise (Limited Partnership) 14.71%

Current Co search indicates SC's shareholders & chief executives are as follows:-

Name of Shareholder (s)	% of Shareholding
Wang Dongyan	1.55
Ai Lin	5.27
Wang Yuxiao	3.41
Guo Haiyan	4.50
Wang Shiyue	26.61
Zhejiang Haisen Holding Co., Ltd.	43.95
Dongyang Taiqi Investment Management Partnership Enterprise (Limited Partnership)	14.71

SC's Chief Executives:-

Position	Name
Legal Representative and Chairman	Wang Shiyue
General Manager and Director	Ai Lin
Director	Lou Yanjun
	Wang Yuxiao
	Yu Lijun
Supervisor	Dai Ya
	Ma Xiangyang
	Wei Chuangfan

RECENT DEVELOPMENT

SC has obtained ISO9001, ISO14001 and GMP certificates, and the application for FDA and CEP certificates are just in the process.

SHAREHOLDER CHART & BACKGROUND

Name	% of Shareholding
Wang Dongyan	1.55

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Ai Lin	5.27
Wang Yuxiao	3.41
Guo Haiyan	4.50
Wang Shiyue	26.61
Zhejiang Haisen Holding Co., Ltd.	43.95
Dongyang Taiqi Investment Management Partnership Enterprise (Limited Partnership)	14.71

Zhejiang Haisen Holding Co., Ltd.

Unified Social Credit Code: 913307830683987564

Date of Registration: May 15, 2013

Legal Form: Limited Liabilities Company

Legal Representative: Wang Shiyue

Registered Capital: CNY 50,000,000

MANAGEMENT

Wang Shiyue, Legal Representative and Chairman

Gender: M

Age: 58

ID# 330724196001040016

Qualification: University

Working experience (s):

From 1998 to present, working in SC as legal representative and chairman

Also working in Zhejiang Haisen Holding Co., Ltd. as legal representative

Ai Lin, General Manager and Director

Gender: M

Qualification: University

Working experience (s):

At present, working in SC as general manager and director

Director

Lou Yanjun

Wang Yuxiao

Yu Lijun

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Supervisor

Dai Ya
Ma Xiangyang
Wei Chuangfan

BUSINESS OPERATION

SC's registered business scope includes manufacturing APIs and powder; manufacturing and selling ammonium sulfate, and sodium sulfate; and international trade.

SC is mainly engaged in manufacturing and selling APIs and powder.

Brand: ANNAIJIN

SC's products mainly include:

Paroxetine HCL
Analgin;Dipyron
Metamizole sodium
Aminopyrine
Antipyrene;Phenazone
Propyphenazone
L-Glutamine
Granisetron Hydrochloride
Sucralfate
(-)-trans-4R-(4-fluorophenyl)-3S-hydroxymethyl-1-methyl piperidine
2-hydroxy-4-amino butylic acid (HABA)
1-(4-fluorophenyl)-1, 3-dihydro-isobenzofuran-5-carbonitrile
Escitalopram oxalate
Etc.

SC sources its materials 100% from domestic market, mainly Zhejiang. SC sells 35% of its products in domestic market, and 65% to overseas market, mainly Southeast Asia, etc.

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

Major Clients

Retecma SA De Cv
Globe Chemicals SA De Cv
Grupo Gylsa Sa De Cv
Dastech International Inc.

Staff & Office:

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

SC is known to have approx. 405 staff at present.
SC owns an area as its operating office & factory of approx. 150,000 sq. meters at the heading address.

RELATED COMPANY

SC is known to have the following subsidiaries at present,

Dongyang Guofeng Microfinance Co., Ltd.

Date of Registration: December 19, 2008
Unified Social Credit Code: 913307836831284675
Legal Form: Limited Liabilities Company
Legal Representative: Jin Yaolong
Registered Capital: CNY 400,000,000

Dongyang Haisen Trading Co., Ltd.

Date of Registration: July 25, 2005
Unified Social Credit Code: 913307837782711194
Legal Form: One-person Limited Liabilities Company
Chief Executive: Zhang Shengquan
Registered Capital: CNY 1,000,000

Etc.

PAYMENT

Overall payment appraisal:

Excellent Good Average Fair Poor Not yet be 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 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

Basic Bank:

Bank of China Dongyang Sub-branch

AC#: 367558336191

FINANCIALS

SC's financials are not filed in local SAIC, and SC also refused to release the details.

CONCLUSIONS

SC is considered medium-sized in its line with 20 years history.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.74
UK Pound	1	INR 90.58
Euro	1	INR 81.46
CNY	1	INR 10.41

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	NIT

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)