

## MIRA INFORM REPORT

Report No. :	545966
Report Date :	27.12.2018

### IDENTIFICATION DETAILS

Name :	CARDMATIX HK
Registered Office :	Unit 03, 11/F., Trendy Centre, 682-684 Castle Peak Road, Kowloon
Country :	Hongkong
Date of Incorporation :	02.05.2012
Com. Reg. No.:	59174952-001
Legal Form :	Sole Ownership
Line of Business :	Importer, exporter and wholesaler of all kinds of smart cards.
No. of Employees :	5

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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: 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)
Hongkong	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

## HONGKONG - 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.

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



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government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

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## **COMPANY NAME AND ADDRESS**

**CARDMATIX HK**  
(Operated by SILONE CARDTECH CO. LTD.)

### **CARDMATIX HK**

**ADDRESS:** Unit 03, 11/F., Trendy Centre, 682-684 Castle Peak Road, Kowloon, Hong Kong.

**PHONE:** 852-3153 4004

**FAX:** 852-3017 8178

## **MANAGEMENT**

**Manager:** Mr. Ju Linhui

## **SUMMARY**

**Establishment:** 2nd May, 2012.

**Organization:** Sole Ownership.

**Capital:** Provided by Parent.

**Business Category:** Importer, Exporter and Wholesaler.

**Employees:** 5.

**Main Dealing Banker:** The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

**Banking Relation:** Satisfactory.

## **ADDRESS**

### **Head Office:-**

Unit 03, 11/F., Trendy Centre, 682-684 Castle Peak Road, Kowloon, Hong Kong.

### **Parent Company:-**

Silone CardTech Co. Ltd., Hong Kong. (Same address)

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**Ultimate Holding Company:-**

Shenzhen Silone CardTech Co. Ltd., China.

**Associated Companies:-**

Cardmatix Ltd., China.

Dongguan RFTAG Technology Co. Ltd., China.

Dongguan Silone Tonghui MagCard Technology Co. Ltd., China.

Silone MagCard Inc., US.

## ***BUSINESS REGISTRATION NUMBER***

59174952-001

## ***MANAGEMENT***

Manager: Mr. Ju Linhui

## ***SOLE OWNER***

Silone Cardtech Co. Ltd., Hong Kong. (See attachment)

## ***HISTORY***

The subject was established on 2nd May, 2012 as a sole ownership firm with Silone Cardtech Co. Ltd. as the proprietor under the Hong Kong Business Registration Regulations.

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

## ***OPERATIONS***

Activities: Importer, Exporter and Wholesaler.

Lines: All kinds of smart cards.

Employees: 5.

Commodities Imported: China, etc.

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Markets: China, Hong Kong, other Asian countries, etc.  
Terms/Sales: As per contracted.  
Terms/Buying: Various terms.

## **FINANCIAL INFORMATION**

Capital: Provided by Parent.  
Profit or Loss: Made small profits in past years.  
Condition: Keeping in a satisfactory manner.  
Facilities: Making rather active use of general banking facilities.  
Payment: No Complaints  
Commercial Morality: Satisfactory.  
Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.  
Standing: Normal.

## **GENERAL**

Cardmatix HK is owned and operated by Silone CardTech Co. Ltd. [SCCL] which is located at the same address.

SCCL is a wholly owned subsidiary of Shenzhen Silone CardTech Co. Ltd. [CardTech] hich is in Shenzhen Special Economic Zone, China.

The subject is trading in the same commodities as CardTech.

The subject is one of the key members of the Silone Group.

The brief information of CardTech is as follow:

Name: Shenzhen Silone CardTech Co. Ltd. [CardTech]  
Registered Address: District B, 6th Floor, Building B1, Shenzhen Digital Technology Park, No. 002, Gaoxin Nanqi Road, Nanshan District, Shenzhen, China.  
Phone: 86-755-2603 7215  
E-mail: [xgxu@silone.com.cn](mailto:xgxu@silone.com.cn)  
Registered Capital: RMB52.7 million Yuan  
Legal Representative: Mr. Ju Linhui

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CardTech offers smart cards and RF related products. Its products include modules, banking cards, pre-laminated Inlays, dual interface cards, thin RF cards for ticketing, injection moulded RF key fobs, epoxy coated PVC key fobs, RF silicone wristbands, injection moulded RF tokens, and PVC RF disc tags, as well as java card operating systems.

CardTech applied for an IPO in June 2015, but its application was unsuccessful.

CardTech serves banks and governments, as well as other card manufacturers. It is headquartered in Shenzhen SEZ, China.

CardTech originally was founded in 1993 in San Jose California, the United States, to focus on the card industry. Now with sales & service locations in San Jose, Hong Kong (the subject), Beijing, Shanghai, Shenzhen, and three factories in Tangxia of Dongguan City, Guangdong Province, the Silone Group of companies employs over 500 people.

Today, the Silone Group is the largest supplier of NBS card personalization equipment in China. Its customers include many leading banks and governments as well as other card manufacturers who use its expertise to deliver cards and card related products.

Silone CardTech offers a full line of smart card and RF related products. It is experienced to offer customers with secure shipping services worldwide.

Silone CardTech is a leading supplier of pre-laminated inlays for contactless and dual interface card production. It has delivered over 500 million RF inlays for contactless and dual interface cards and tags to card manufacturers around the world.

Currently CardTech is co-operating with a number of large banks in China. Its two manufacturing facilities are located at Tangxia Town, Dongguan City, Guangdong Province, China. It has two factories which named as No. 1 Factory and No. 2 Factory respectively.

Besides the subject, CrdTech has two more offices in China. One in Beijing while the other in Shanghai.

The subject is fully supported by SCCL and ultimately by CardTech. History in Hong Kong is over six years and seven months.

On the whole, consider it good for normal credit requirements.

## **COMPANY NAME AND ADDRESS**

### **SILONE CARDTECH CO. LTD.**

#### **ADDRESS**

Unit 03, 11/F., Trendy Centre, 682-684 Castle Peak Road, Kowloon, Hong Kong.

#### **BUSINESS REGISTRATION NUMBER**

59174852

#### **COMPANY FILE NUMBER**

1682218

#### **DATE OF INCORPORATION**

18th November, 2011.

#### **ISSUED SHARE CAPITAL**

HK\$100,000.00

#### **SHAREHOLDER**

(As per registry dated 18-11-2018)

<u>Name</u>	<u>No. of shares</u>
Shenzhen Silone CardTech Co. Ltd.	100,000
B Floor 6, B1 Building, Shenzhen Digital Technology Park, No. 002, Gaoxin S. Seventh Avenue, Hi-and-New Tech Park, Nanshan District, Shenzhen, China.	=====

#### **DIRECTORS**

(As per registry dated 18-11-2018)

<u>Name</u> <u>(Nationality)</u>	<u>Address</u>
JU Linhui	B, Floor 6, B1 Building, Shenzhen Digital Technology Park, No. 002, Gaoxin S. Seventh Avenue, Hi-and-New Tech Park, Nanshan District, Shenzhen, China.
Shenzhen Silone CardTech Co. Ltd.	B, Floor 6, B1 Building, Shenzhen Digital Technology Park, No. 002, Gaoxin S. Seventh Avenue, Hi-and-New Tech Park, Nanshan District, Shenzhen, China.



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Website : <http://www.mirainform.com>  
<http://www.miraglobalcheck.com>  
<http://www.miraglobalcollections.com>

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**SECRETARY**

(As per registry dated 18-11-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
HK RJ Int'l Business Ltd.	Room 517, 5/F., New City Centre, 2 Lei Yue Mun Road, Kwun Tong, Kowloon, Hong Kong.	1652954

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**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.00
UK Pound	1	INR 88.96
Euro	1	INR 79.82
HKD	1	INR 8.96

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIS
<b>Report Prepared by :</b>	NIT

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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)