

MIRA INFORM REPORT

Report No. :	545731
Report Date :	24.12.2018

IDENTIFICATION DETAILS

Name :	HONG KONG ZFINE TECHNOLOGY CO., LIMITED
Registered Office :	C/o FS Account Ltd. Room A5, 9/F., Silvercorp International Tower, 707-713 Nathan Road, Mongkok, Kowloon
Country :	Hong Kong
Date of Incorporation :	05.08.2011
Com. Reg. No.:	58910237
Legal Form :	Private Limited Liability Company
Line of Business :	Not Available [We tried to confirm / obtain the detailed activity but the same is not available from any sources]
No. of Employees :	No Employees 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
---------------	-------------	-----------------

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.

C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	No Operative 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 (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.

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

NOTE

The subject is not located at your given address "1, Queen's Road Central, Hong Kong" where is the headquarters of The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

COMPANY NAME

HONG KONG ZFINE TECHNOLOGY CO., LIMITED

ADDRESS

Registered Office:-

C/o FS Account Ltd.

Room A5, 9/F., Silvercorp International Tower, 707-713 Nathan Road, Mongkok, Kowloon, Hong Kong.

Associated Company:-

Z-Fine Smart Cards Co. Ltd.

4/F., Block B, No. 1 Industrial Area, Shuichanjiangwan, Gushu, Xixiang, Bao'an, Shenzhen City, China.

[Tel: 86-755-2947 3006

Fax: 86-755-2947 3006-8003

E-mail: zfine@zftag.com]

BUSINESS REGISTRATION NUMBER

58910237

COMPANY FILE NUMBER

1655989

DATE OF INCORPORATION

5th August, 2011.

ISSUED SHARE CAPITAL

HK\$10,000.00

SHAREHOLDER

(As per registry dated 05-08-2018)

<u>Name</u>	<u>No. of shares</u>
ZHAO Yuantao	10,000
	=====

DIRECTOR

(As per registry dated 05-08-2018)

<u>Name</u>	<u>Address</u>
ZHAO Yuantao	Room 31B, Seat D, Building 4, Jinhong Kaixuan Mall, No. 20 Xinan Road, Baoan District, Shenzhen City, Guangdong Province, China.

SECRETARY

(As per registry dated 05-08-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Huaqi (International) Secretary Service Co. Ltd.	Flat 7, 6/F., Midas Plaza, 1 Tai Yau Street, San Po Kong, Kowloon, Hong Kong.	2304127

HISTORY

The subject was incorporated on 5th August, 2011 as a private limited liability company under the Hong Kong Companies Ordinance.

Originally the subject was registered under the name of Z-Fine Smart Cards Co., Ltd., name changed to Hong Kong Chhi Technology Co., Ltd. on 24th March, 2017 and further changed to the present style on 13th June, 2017.

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

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.

GENERAL

Hong Kong ZFine Technology Co., Limited was incorporated on 5th August, 2011 as a private limited liability company under the Hong Kong Companies Ordinance.

The subject does not have its own operating office. Its registered office is in a commercial service firm located at 'Room A5, 9/F., Silvercorp International Tower, 707-713 Nathan Road, Mongkok, Kowloon, Hong Kong' known as 'FS Account Ltd.' which is handling its correspondences and documents. The subject's company secretary is another company located at a different address.

The subject has no employees in Hong Kong.

According to the Companies Registry of Hong Kong, the subject has issued 10,000 ordinary shares of HK\$1.00 each which are wholly-owned by Mr. Zhao Yuantao who is a China merchant.

He is a China ID holder and does not have the right to reside in Hong Kong permanently. He is also the only director of the subject. His registered address is in Bao'an District, Shenzhen City, Guangdong Province, China.

The subject has had an associated company in Shenzhen known as Z-Fine Smart Cards Co. Ltd. [Z-Fine].

Z-Fine was established in Shenzhen city, China and it is engaged in manufacturing magnetic stripe cards, game cards, and entered into smart card market in 2001.

Its headquarters are located in Shenzhen, China and there are two more offices in Beijing and Shanghai respectively.

Z-Fine has become one of the major manufacturers for Smart Cards field in China. Besides, it established strategic cooperative relationship with European and American renowned enterprises in 2010.

Z-Fine is the world-famous PVC card supplier, plastic card factory, card inlay exporter and an important photo ID card factory in China.

It has over 300 employees and its production capacity is over 7 million pieces of smart cards per month.

More importantly, it has got SA8000 international certification and ISO9001:2008 international quality certification.

The main products of Z-Fine are as follow:

Crystal card

ISO smart card

Printing card

Smart Lock System

Z-Fine now has over 2,800 customers. Its products are sold to market as far as South Africa, India, Brazil, Argentina, Saudi Arabia, Jordan, Nigeria, Turkey and the other 40 countries. Overall business is good.

The contact person of Z-Fine is also Zhao Yuantao.

The subject's business in Hong Kong is not active. History in Hong Kong is over seven years and four months.

The subject has been banking with The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

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.

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 70.04
UK Pound	1	INR 88.70
Euro	1	INR 80.21
HKD	1	INR 8.95

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	TPT

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)