

MIRA INFORM REPORT

Report No. :	546981
Report Date :	31.12.2018

IDENTIFICATION DETAILS

Name :	QUEENPRODUCT ENTERPRISE COMPANY LIMITED
Registered Office :	Unit C2, 1/F., Block C, 16-20 Sam Chuk Street, San Po Kong, Kowloon
Country :	Hongkong
Date of Incorporation :	22.10.2014
Com. Reg. No.:	63965895
Legal Form :	Private Limited Company
Line of Business :	Importer, exporter and wholesaler of fabrics, garments, dyes chemical, yarns, dyed fabrics, dyed yarns.
No. of Employees :	8

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 :	Moderate
Payment Behaviour :	Slow but Correct
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

QUEENPRODUCT ENTERPRISE COMPANY LIMITED

ADDRESS: Unit C2, 1/F., Block C, 16-20 Sam Chuk Street, San Po Kong, Kowloon, Hong Kong.
PHONE: 852-2327 5202
FAX: 852-2321 6806
E-MAIL: dabby@queensin.com.hk

MANAGEMENT

Managing Director: Mr. WONG Kwok Chan

SUMMARY

Incorporated on: 22nd October, 2014.
Organization: Private Limited Company.
Issued Share Capital: HK\$2,000.00
Business Category: Importer, Exporter and Wholesaler.
Group Turnover: BDT 3,216.0 million (year ended 30th November, 2015)
Employees: 8.
Main Dealing Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-
Unit C2, 1/F., Block C, 16-20 Sam Chuk Street, San Po Kong, Kowloon, Hong Kong.

Associated Companies:-
Gain Plus Agents Ltd., Hong Kong. (Same address)

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Kingpro Trading Ltd., Hong Kong. (Same address)
Queen South Textile Mills Ltd., Bangladesh.
Queensin Ltd., Hong Kong. (Same address)

BUSINESS REGISTRATION NUMBER

63965895

COMPANY FILE NUMBER

2158743

MANAGEMENT

Managing Director: Mr. WONG Kwok Chan

ISSUED SHARE CAPITAL

HK\$2,000.00

SHAREHOLDERS

(As per registry dated 22-10-2018)

<u>Name</u>	<u>No. of shares</u>
WONG Kwok Chuen	1
WONG Kwok Chan, Jammy	1
	<hr/>
Total:	2
	==

DIRECTORS

(As per registry dated 22-10-2018)

<u>Name</u>	<u>Address</u>
<u>(Nationality)</u>	

<u>Name</u> <u>(Nationality)</u>	<u>Address</u>
WONG Kwok Chan, Jammy	Suite 1266, Horizon Suite Hotel, 29 On Chun Street, Ma On Shan, Shatin, New Territories, Hong Kong.
WONG Kwok Chuen	House No. 87, Miami Crescent, 328 Fan Kam Road, Sheung Shui, New Territories, Hong Kong.

SECRETARY

(As per registry dated 22-10-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
FTW Secretaries Ltd.	Room 1001-1003, 10/F., Wing On Kowloon Centre, 345 Nathan Road, Kowloon, Hong Kong.	0924937

HISTORY

The subject was incorporated on 22nd October, 2014 as a private limited liability company under the Hong Kong Companies Ordinance.

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

OPERATIONS

Activities: Importer, Exporter and Wholesaler.
Lines: Fabrics, Garments, dyes chemical, yarns, dyed fabrics, dyed yarns.
Employees: 8.
Commodities Imported: Europe, Bangladesh, other Asian countries, etc.
Markets: Bangladesh, other Asian countries, Europe, US, etc.

QSTML Group Turnover:-

(Unit: BDT' million, year ended 30th November BDT 3,216.0 million (year ended 30th November, 2015))
2011: 2,434.6
2012: 3,012.1
2013: 3,376.7
2014: 3,720.9
2015: 3,216.0

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from 01-12-2015 to 30-06-2016, 7 months: 1,870.1
from 01-07-2016 to 31-12-2016, 6 months: 1,670.3

Terms/Sales: L/C, T/T, etc.

Terms/Buying: As per contracted.

FINANCIAL INFORMATION

Issued Share Capital: HK\$2,000.00

QSTML Group Net Profit after Tax:

(Unit: BDT' million, year ended 30th November)

2011: 85.7

2012: 59.5

2013: 169.7

2014: 210.9

2015: 118.4

from 01-12-2015 to 30-06-2016, 7 months: 80.9

from 01-07-2016 to 31-12-2016, 6 months: 62.5

Profit or Loss: Made a small profits in past three years.

Condition: Business is improving.

Facilities: Adequate for current running.

Payment: Met as required.

Commercial Morality: Satisfactory.

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

Standing: Normal.

GENERAL

Having issued 2 ordinary shares of HK\$1,000.00 each, Queenproduct Enterprise Company Limited. is equally owned by Mr. Wong Kwok Chuen and Mr. Wong Kwok Chan, Jammy, both of whom are Hong Kong merchants.

They are also directors of the subject. Wong Kwok Chan, Jammy is also a Canada passport holder.

The two directors are also directors of Queen South Textile Mills Ltd. [QSTML] which is in Dhaka of Bangladesh. The subject is a textile product trader and supplier. It is trading in the products of QSTML.

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QSTML is a 100% export oriented yarn dyeing Industry located in Dhaka Export Processing Zone, Savar, capital of Bangladesh. It is engaged in dyeing of different counts of Cotton, Polyester, Viscose, Acrylic, Nylon and Blended yarn to market the processed yarn as deemed exporter. QSTML was incorporated in 2003 and started operation in mid-2005.

QSTML has obtained the "Oeko-Tex Standard 100" certificate for Yarn, and Dyes, as well as Sewing and Embroidery Threads of QSTML. It is also the only dyeing factory to obtain the "W.S.T." environmental certificates. Not only the dyeing of yarn quality remains one of the highest satisfactions in the market, QSTML is also capable of providing huge production with very short lead time to meet customers' delivery deadlines.

For the year ended 30th November, 2015, the turnover of QSTML was BDT 3,216.0 million (2014: BDT 3,720.9 million). Net profit after tax amounted to BDT 118.4 million (2014: BDT 210.9 million).

The business of the subject is chiefly handled by the two directors. History in Hong Kong is over four years and two months.

On the whole, consider it good for normal business engagements in small credit amounts.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.98
UK Pound	1	INR 88.66
Euro	1	INR 80.18
HKD	1	INR 8.91

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	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)