

MIRA INFORM REPORT

Report No. :	482704
Report Date :	02.01.2018

IDENTIFICATION DETAILS

Name :	HYSNTI DIAMOND COMPANY LIMITED
Registered Office :	Flat 14, 9/F., Beverley Commercial Centre, 87-105 Chatham Road South, Tsimshatsui, Kowloon
Country :	Hongkong
Date of Incorporation :	11.06.2009
Com. Reg. No.:	50786313
Legal Form :	Private Limited Company.
Line of Business :	Importer and Exporter of all kinds of Diamonds, Jewellery Products.
No. of Employees :	3. (Including Associates)

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
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Payment Behaviour :	Slow but Correct
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 (30.06.2017)	Current Rating (30.09.2017)
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, hydrocarbon 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.

Hong Kong's open economy left it exposed to the global economic slowdown that began in 2008. Although increasing integration with China through trade, tourism, and financial links aided a more rapid initial recovery than many observers anticipated, its continued reliance on foreign trade and investment leaves it vulnerable to renewed global financial market volatility or a slowdown in the global economy.

The Hong Kong Government is promoting the Special Administrative Region (SAR) as the site for Chinese 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; and RMB trade settlement is allowed. The territory far exceeded the RMB conversion quota set by Beijing for trade settlements in 2010 due to the growth of earnings from exports to the mainland. RMB deposits grew to roughly 9.4% of total system deposits in Hong Kong by the end of 2015. The government is pursuing efforts to introduce additional use of RMB in Hong Kong financial markets and is seeking to expand the RMB quota.

The mainland 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 has surged from 4.5 million in 2001 to 47.3 million in 2014, outnumbering visitors from all other countries combined. Mainland visitors to Hong Kong declined 3% in 2015 to approximately 45.7 million, reflecting an overall drop of 2.5% in total visitors to Hong Kong. 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 51% of the firms listed on the Hong Kong Stock Exchange and accounted for about 62.1% 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, adopted in 2003 to forge closer ties between Hong Kong and the mainland. The new measures, effective March 2015, cover a negative list and a most-favored treatment provision, and will improve access to the mainland's service sector for Hong Kong-based companies.

Credit expansion and a tight housing supply have caused Hong Kong property prices to rise rapidly; consumer prices increased 4.4% in 2014, but slowed to 2.9% in 2015. Lower- and middle-income segments of the population are increasingly unable to afford adequate housing.

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 Mutual Recognition of Funds, and The Hong Kong Shanghai Gold Connect are all important steps towards opening up the Mainland's capital markets and has reinforced Hong Kong's leading role as China's offshore RMB market. Additional connect schemes from bonds to commodities and other investment products are also under exploration by Hong Kong authorities.

Source : CIA

COMPANY NAME AND ADDRESS

HYSNTI DIAMOND COMPANY LIMITED

ADDRESS: Flat 14, 9/F., Beverley Commercial Centre, 87-105 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

MANAGEMENT

Managing Director: Mr. Chang Yaoqing

SUMMARY

Incorporated on: 11th June, 2009.
Organization: Private Limited Company.
Issued Share Capital: HK\$1.00
Business Category: Diamond & Jewellery Product Trader.
Employees: 3. (Including associates)
Main Dealing Banker: The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Banking Relation: Satisfactory.

ADDRESS

Registered Head Office:-

Flat 14, 9/F., Beverley Commercial Centre, 87-105 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

Associated Companies:-

Beijing Hysnti Asia Economic & Trading Co. Ltd., China.
King Silver Ltd., Hong Kong. (Same address)
Shenzhen Baibaolang Jewellery Co. Ltd., China.
Shanghai Baibaolang Diamond Co. Ltd., China.
[Tel: 86-21-5015 8286; Email: sh_baibaolang888@msn.cn]

BUSINESS REGISTRATION NUMBER

50786313

COMPANY FILE NUMBER

1344890

MANAGEMENT

Managing Director: Mr. Chang Yaoqing

ISSUED SHARE CAPITAL

HK\$1.00

SHAREHOLDER

(As per registry dated 11-06-2017)

<u>Name</u>	<u>No. of share</u>
CHANG Yaoqing	1
	=

DIRECTOR

(As per registry dated 11-06-2017)

<u>Name</u> <u>(Nationality)</u>	<u>Address</u>
CHANG Yaoqing	Room C-3002, Block 15, Mangrove Bay CITIC, Shenzhen Nanshan Baishi 2 Road, Shenzhen, China.

SECRETARY

(As per registry dated 11-06-2017)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Able Consultants Ltd.	Room 906, 9/F., Tai Tung Building, 8 Fleming Road, Wanchai, Hong Kong.	0685957

HISTORY

The subject was incorporated on 11th June, 2009 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the registered address of the subject was located at 'c/o King Silver Ltd., Flat B, 8/F., Merchantile House, 186-188 Nathan Road, Tsimshatsui, Kowloon, Hong Kong', moved to the present address in August 2015.

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

OPERATIONS

Activities: Importer and Exporter.

Lines: All kinds of diamonds, jewellery products.

Employees: 3. (Including associates)

Commodities Imported: China, etc.

Markets: China, Japan, other Asian countries, Europe, North America, etc.

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

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

FINANCIAL INFORMATION

Issued Share Capital: HK\$1.00

Profit or Loss: Made small profits in past years.

Condition: Business is normal.

Facilities: Making rather active use of general banking facilities.

Payment: Met trade commitments as required.

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Commercial Morality: Satisfactory.

Bankers:-

The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
Bank of China (Hong Kong) Ltd., Hong Kong.

Standing: Small.

GENERAL

Having issued just one ordinary share of HK\$1.00, Hysnti Diamond Company Limited is wholly owned by Mr. Chang Yaoqing who is a China merchant. He is a China passport holder and does not have the right to reside in Hong Kong permanently. He is also the only director of the subject.

The subject has had an associated company known as King Silver Ltd. [King Silver] which is also located at the same address. King Silver is also a jewellery trader.

Besides operating the subject, Mr. Chang Yaoqing is also operating the following three firms in China:-

- Beijing Hysnti Asia Economic & Trading Co. Ltd. [Beijing Hysnti];
- Shenzhen Baibaolang Jewellery Co. Ltd. [Shenzhen Baibaolang]; &
- Shanghai Baibaolang Diamond Co. Ltd. [Shanghai Baibaolang].

These firms are also jewellery product traders. Shenzhen Baibaolang and Shanghai Baibaolang are engaged in diamonds wholesaling, jewellery designing and manufacturing. The subject and the above-mentioned three companies form the Baibaolang Group. The Group owns its brand name *ID STUDIO*. *ID STUDIO* is the brand name of the Group's jewellery products.

The brief information of Shenzhen Baibaolang is as follow:

Name: Shenzhen Baibaolang

Address: West Side, 2/F., Block 11, Shuibei Industrial Zone, Veiping Jewelry Building, No.2209 Cuizhu Road, Luohu District, Shenzhen SEZ, China.

Date of Incorporation: 29th April, 2007.

Legal Status: Limited Liability Company (owned by natural person)

Registered Capital: RMB10 million Yuan.

United Social Credit Code: 91440300661048159L

Legal Representative: Mr. Chang Yaoqing

In order to penetrate the international market further, the subject has taken part in fairs and exhibitions held in Hong Kong and other foreign large cities. For instance, Shanghai Baibaolang always takes part in Shanghai International Jewellery Products Exhibition which is held in Shanghai annually.

The followings are the main products of the subject:-

- Diamond Engagement Ring;
- Diamond Tiara;
- Ladies' Diamond Necklace; &
- Ladies' Diamond Ring.

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The subject also trades in Panapana jewellery products. All the Panapana jewellery products are Italian style which are manufactured in Shenzhen Special Economic Zone, China. The factory is located at Deli Shuibe Industrial Area, Shuibe Second Road, Luohu District, Shenzhen Special Economic Zone, China. Baibaolang is also trading in the Panapana jewellery products. Jewellery products are exported to Japan, other Asian countries, the other Asian countries, Europe, North America, etc. Business is normal.

The contact person of the subject in Hong Kong is Ms. Angie Qi.

In China, the businesses of Baibaolang and Beijing Hysnti are operated by Mr. Chang Yaoqing.

As the history of the subject is over eight years and six months in Hong Kong, on the whole, consider it good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 63.67
UK Pound	1	INR 85.90
Euro	1	INR 76.41
HKD	1	INR 8.16

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

INFORMATION DETAILS

Analysis Done by :	VIV
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)

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