

MIRA INFORM REPORT

Report No. :	519190
Report Date :	16.07.2018

IDENTIFICATION DETAILS

Name :	LIDE TRADING (HONG KONG) CO. LIMITED
Registered Office :	c/o Keda Industrial (Hong Kong) Ltd. Room 2104, 21/F., Austin Plaza, 83 Austin Road, Tsimshatsui, Kowloon
Country :	Hong Kong
Date of Incorporation :	24.06.2016
Com. Reg. No.:	66342842
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter, Wholesaler; Machinery Leasing of All kinds of machinery and equipment.
No. of Employees :	8. (Including associates)

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	C
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Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	No Operating 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.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
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, 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.

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.

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 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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LIDE TRADING (HONG KONG) CO. LIMITED - 519190

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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

LIDE TRADING (HONG KONG) CO. LIMITED

ADDRESS: c/o Keda Industrial (Hong Kong) Ltd.
Room 2104, 21/F., Austin Plaza, 83 Austin Road, Tsimshatsui, Kowloon, Hong Kong.

PHONE: 852-2417 1739, 2866 6933

FAX: 852-2866 6166

E-MAIL: hkkeda@netvigator.com

MANAGEMENT

Managing Director: Mr. Qian Peilian

SUMMARY

Incorporated on: 24th June, 2016.

Organization: Private Limited Company.

Issued Share Capital: HK\$1.00

Business Category: Importer, Exporter and Wholesaler.

Group Operating Income: RMB5,728.5 million Yuan (Year ended 31-12-2017)

Employees: 8. (Including associates)

Main Dealing Banker: Bank of China (Hong Kong) Ltd., Hong Kong.

Banking Relation: Satisfactory.

COMPANY NAME AND ADDRESS

LIDE TRADING (HONG KONG) CO. LIMITED

ADDRESS:

Registered Office:-

c/o Keda Industrial (Hong Kong) Ltd.
Room 2104, 21/F., Austin Plaza, 83 Austin Road, Tsimshatsui, Kowloon, Hong Kong.

Associated Company:-

Foshan Henglitai Machinery Co. Ltd.
25 District C, Keji Industrial Area, Sanshui Centre, Foshan City, Guangdong Province, China.
[Tel: 86-757-8266 6060; Fax: 86-757-8226 3362]

Holding Company:-

Keda Clean Energy Co. Ltd. [Formerly known as Keda Industrial Co. Ltd.]
No. 1 Huanzhen Xi Road, Guanglong Industrial Zone, Chencun, Shunde, Foshan, Guangdong, China.
[Tel: 86-757-2383 2929, 2383 2922
Fax: 86-757-2383 2690
E-mail: ied@kedachina.com.cn]

Associated Companies:-

Anhui Xincheng Financial Leasing Co. Ltd., China.
Anhui Xincheng Investment Co. Ltd., China.
Brighstar Investment Ltd., Mauritius.
Champ Will Development Ltd., Hong Kong. (Same address)
Changsha Aerturbo Compressor Co. Ltd., China.
Foshan Do Better Machinery Co. Ltd., China.
Foshan Keda Hydraulic Machinery Co. Ltd., China.
Foshan Keda Steel Machine Works, China.
Great Champ International Trading Ltd., Hong Kong. (Same address)
Guangdong Teckwin Ceramic Digital Printing Co. Ltd., China.
Guangdong Xincheng Financial Lease Co. Ltd., China.
Henan KDNEU International Engineering Co. Ltd., China.
Henan Neutl Metallurgical Science & Technology Co. Ltd., China.
Jiangsu Kehang Environmental Protection Science & Technology Co. Ltd., China.
Jiangyin Tianjiang Pharmaceutical Co. Ltd., China.
Keda Clean Energy (Ma'anshan) Co. Ltd., China.
Keda Holding (Mauritius) Ltd., Mauritius.
Keda Industrial (Hong Kong) Ltd., Hong Kong.
Keda Industrial (India) Ltd., India.
Keda Industrial (Ma'anshan) Ltd., China.
Keda Stone Machinery Co. Ltd., China.
Shenyang Keda Clean Energy Gas Co. Ltd., China.
Shunde Keda Ceramics Machinery Co. Ltd., China.
Twyford (Ghana) Ceramics Co. Ltd., Ghana.
Wuhu Suremaker Machinery Co. Ltd., China.

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Xincheng International (Hong Kong) Co. Ltd., Hong Kong.
Zhangzhou Juming Graphite Co. Ltd., China.

BUSINESS REGISTRATION NUMBER

66342842

COMPANY FILE NUMBER

2395005

MANAGEMENT

Managing Director: Mr. Qian Peilian

ISSUED SHARE CAPITAL

HK\$1.00

SHAREHOLDER

(As per registry dated 24-06-2018)

Name

CHEN Yonggang
Room 701, No. 6, Bitang East Second Street, Chencheng District,
Foshan City, Guangdong Province, China.

No. of share

1
=

DIRECTOR

(As per registry dated 24-06-2018)

Name

(Nationality)

QIAN Peilian

Address

No. 9 Hougang, Poan South Ma Village, Leping Town,
Shanshui District, Foshan City, Guangdong Province, China.

SECRETARY

(As per registry dated 24-06-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
H & R Block (HK) Ltd.	Room 504, 5/F., Tung Wai Commercial Building, 109-111 Gloucester Road, Wanchai, Hong Kong.	0113523

HISTORY

The subject was incorporated on 24th June, 2016 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, Wholesaler; Machinery Leasing.

Lines: All kinds of machinery and equipment.

Employees: 8. (Including associates)
5,066. (Group as at 31-12-2017)

Commodities Imported: China, etc.

Markets: Asian countries, Europe, North America, etc.

Group Operating Income:-

RMB3,811.9 million Yuan (Year ended 31-12-2013)
RMB4,465.9 million Yuan (Year ended 31-12-2014)
RMB3,593.7 million Yuan (Year ended 31-12-2015)
RMB4,380.5 million Yuan (Year ended 31-12-2016)
RMB5,728.5 million Yuan (Year ended 31-12-2017)

Terms/Sales: L/C, T/T, or as per contract.

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

FINANCIAL INFORMATION

Issued Share Capital: US\$10,000,000.00

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Mortgage or Charge:-

Date: 24-11-2017

Description of Instrument: Deed of Indemnity, Charge Over Deposit and Set-Off
Mortgagee: Bank of China (Hong Kong) Ltd., Hong Kong.

Group Profit Attributable to Shareholders:-

RMB370.2 million Yuan (Year ended 31-12-2013)

RMB446.1 million Yuan (Year ended 31-12-2014)

RMB541.3 million Yuan (Year ended 31-12-2015)

RMB303.3 million Yuan (Year ended 31-12-2016)

RMB478.9 million Yuan (Year ended 31-12-2017)

Profit or Loss: Group business is profitable

Condition: Keeping in a satisfactory manner.

Facilities: Making rather active use of general banking facilities.

Payment: Unknown.

Commercial Morality: Satisfactory.

Banker: Bank of China (Hong Kong) Ltd., Hong Kong.

Standing: Normal.

GENERAL

Lide Trading (Hong Kong) Co. Limited was incorporated on 24th June, 2016 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 Hong Kong registered company located at 'Room 2104, 21/F., Austin Plaza, 83 Austin Road, Tsimshatsui, Kowloon, Hong Kong' known as 'Keda Industrial (Hong Kong) Ltd.' [KIHKL] which is handling its correspondences and documents. The subject is an associated company of KIHKL.

According to the Companies Registry of Hong Kong, the subject has issued just one ordinary share of HK\$1.00 each which is owned by Mr. Chen Yonggang who is a China merchant.

The director of the subject Mr. Qian Peilian is also 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 Foshan City, Guangdong Province, China.

The subject has connection with a China company known as Foshan Henglitai Machinery Co. Ltd. [Henglitai].
The phone number of Henglitai is 86-757-8266 6060.

Henglitai is trading in the following machinery & equipment: Ceramics machinery, energy resource machinery, stone processing machinery and building material processing machinery. The ceramics machinery products include cloth processing machine, turn over machine, desiccator, drying apparatus, furnace, buffing machine, edge grinding machine, testing equipment, stacking apparatus. It also manufactures clean coal gasification machinery and others.

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Henglitai is a National Hi-tech Enterprise, Key Hi-tech Enterprise of National Torch Program, China's top 20 Building Materials Machinery Companies, Innovation-led Enterprise of Guangdong Province and Top 50 Key Enterprise of Guangdong Equipment Manufacturing industry and key enterprise of Guangdong Strategic New Industry (Intelligent Manufacturing).

Henglitai invented the first hydraulic press in China in 1988. With this achievement, its presses have got the "National Technical Progress Award".

The domestic market share of ceramic press has been keeping the First for more than 10 years. The products have been exported to 19 foreign countries and regions in Asia, South America and Africa. More than 4,000 presses are running smoothly in China and almost 500 presses are running in good condition in overseas markets.

Now, Henglitai is a wholly-owned subsidiary of Keda Clean Energy Co. Ltd. [Keda/Group].

In FY 2017, the operating income of the Group is RMB5.7 billion Yuan (2016: RMB4.4 billion Yuan). Group profit attributable of shareholders amounted to RMB478.9 million Yuan (2016: RMB303.3 million Yuan).

The subject has been banking with Bank of China (Hong Kong) Ltd., Hong Kong.

The subject is fully supported by Keda. Its history in Hong Kong is just over two years.

On the whole, the subject is considered good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.40
UK Pound	1	INR 90.07
Euro	1	INR 79.76
HKD	1	INR 8.74

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	SDA

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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)