

MIRA INFORM REPORT

Report No. :	538677
Report Date :	10.11.2018

IDENTIFICATION DETAILS

Name :	MAXON (HONG KONG) TRADING LIMITED
Registered Office :	C/O Nathan Commercial International Group Ltd. Room 1401, 14/F., Cambridge House, 26-28 Cameron Road, Tsimshatsui, Kowloon,
Country :	Hong Kong
Date of Incorporation :	15.07.2005
Com. Reg. No.:	35830347
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
C	Medium High Risk	Business dealings permissible preferably on secured basis

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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.

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



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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

MAXON (HONG KONG) TRADING LIMITED

ADDRESS

Registered Office:-

c/o Nathan Commercial International Group Ltd.
Room 1401, 14/F., Cambridge House, 26-28 Cameron Road, Tsimshatsui, Kowloon, Hong Kong.

Main Associated Company:-

Guangzhou Shangyear Ceramic Material Co. Ltd.

Jianlin Industrial Area, Chilin Town, Huadu District, Guangzhou City, Guangdong Province, China.

[Tel:86-20-3396 6138

Fax:86-20-8685 9881

E-mail:sy@shangyearcm.com]

Other Associated Companies:-

Guangzhou Changying Trading Co. Ltd., China.

Guangzhou Maxon Lighting Co. Ltd.

No. 26, Yingbin Road, Huadu District, Guangzhou City, Guangdong Province, China.

[Tel: 86 20 3773 3118

Fax: 86 20 8685 9881

E-mail: info@maxonlighting.com.cn]

BUSINESS REGISTRATION NUMBER

35830347

COMPANY FILE NUMBER

0983460

DATE OF INCORPORATION

15th July, 2005.

ISSUED SHARE CAPITAL

HK\$10,000.00

SHAREHOLDERS

(As per registry dated 15-07-2018)

<u>Name</u>	<u>No. of shares</u>
HUA Ri Nian	5,000
ZHANG Bin	5,000
Total:	10,000 =====

DIRECTORS

(As per registry dated 15-07-2018)

<u>Name</u> <u>(Nationality)</u>	<u>Address</u>
ZHANG Bin	Room 905, Slide 2, Block A, Qinghui Little District, No. 31 Gongyuan Qian Road, Xinhua Town, Huadu Area, Guangzhou City, China.
HUA Ri Nian	Room 905, Slide 2, Block A, Qinghui Little District, No. 31 Gongyuan Qian Road, Xinhua Town, Huadu Area, Guangzhou City, China.

SECRETARY

(As per registry dated 15-07-2018)

<u>Name</u>	<u>Address</u>	<u>Co. No.</u>
Nathan International Group Ltd.	Commercial Room 1401, 14/F., Cambridge House, 26-28 Cameron Road, Tsimshatsui, Kowloon, Hong Kong.	1254232

HISTORY

The subject was incorporated on 15th July, 2005 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.

GENERAL

Having issued 10,000 ordinary shares of HK\$1.00 each, Maxon (Hong Kong) Trading Limited is equally owned by Ms. Hua Ri Nian and Mr. Zhang Bin, both of whom are China merchants. They are China ID holders and do not have the right to reside in Hong Kong permanently. Seemed to be a couple, they are also directors of the subject.

The subject does not have its own operating office. Its registered office is in a commercial service firm located at "Room 1401, 14/F., Cambridge House, 26-28 Cameron Road, Tsimshatsui, Kowloon, Hong Kong" known as "Nathan Commercial International Group Ltd." which is handling its correspondences and documents. This firm is also the corporate secretary of the subject.

The subject has no employees in Hong Kong.

The subject has had an associated company Guangzhou Shangyear Ceramic Material Co. Ltd. [Shangyear] which is in Guangzhou, Guangdong Province, China.

With a registered capital of RMB500,000.00 Yuan, Shangyear has about 150 employees in China.

Shangyear is engaged in manufacturing ceramics materials (including steel materials) and its factory is located in Hudu District, Guangzhou, China. Shangyear's factory has been equipped with grinding machines, drying machines, briquette making machines and crushing machine systems, etc.

It has foreign customers in Taiwan, South Korea, Japan, Vietnam, Indonesia, India, Malaysia, the Philippines and the United Kingdom, etc. Its local markets are Foshan City of Guangdong Province, Shandong, Jiangsu, Hebei Province, etc.

Its products are as follow:

Acid grade Fluorspar powder 85% to 98% min., fluorspar briquette 85% min., Fluorspar lumps 70% to 95% min., Sodium feldspar grain and powder, Potassium feldspar grain and powder, Pottery stone grain and powder, Talc grain and calcine Talc powder, Nepheline powder, Ball clay, Dolomite & Calcium carbonate (calcite), silica, wollastonite, etc.

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The legal representative of Shangyear is Mr. Zhang Bin. The contact person is Ms. Rachel Hua Ri Nian. Besides, the subject has another associated company known as Guangzhou Maxon Lighting Co. Ltd. [Maxon] in China. This company is a manufacturer and provider of LED stage light and commercial light in China. It supplies standard and lighting products for stage:

High quality moving lights /LED PAR lights /Matrix lights/LED wall wash light and commercial lighting products for the professional entertainment & leisure, architectural and themed environment industries.

Maxon has set up an R & D centre and ISO:9001 certified facility for prototyping, trial production, assembling, etc. All its products have got CE and RoHS Certificates.

Its trademark is "Maxon" and has been exported to Europe, the United States, other Asian countries, etc.

It seems that the subject is trading in the products of Maxon chiefly.

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

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 or in small credit amounts.

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
HKD	1	INR 9.25

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	POJ

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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)