

MIRA INFORM REPORT

Report No. :	539808
Report Date :	17.11.2018

IDENTIFICATION DETAILS

Name :	CHINA SINOPHARM INTERNATIONAL CORPORATION
Registered Office :	No. 4 Huixin East Street, Chaoyang District, Beijing 100029 PR
Country :	China
Financials (as on) :	30.06.2018
Date of Incorporation :	18.02.1989
Unified Social Credit Code :	91110000100009467D
Legal Form :	One-Person Limited Liabilities Company
Line of Business :	Registered business scope includes selling ophthalmic surgical instruments, puncture injection equipment, medical electronic equipment, medical optical equipment, instruments and endoscopic equipment, medical ultrasound equipment and related equipment , medical laser equipment, medical high frequency equipment, physical therapy and rehabilitation equipment, medical MRI equipment, medical X -ray equipment, medical X-ray ancillary equipment and components, medical high-energy rays equipment, medical radionuclide equipment, clinical laboratory analytical instruments, and extracorporeal blood processing equipment, planting into materials and artificial organs, operating rooms, emergency rooms, clinics room equipment and apparatus, medical treatment of cold, low temperature, cold storage equipment and apparatus, medical sanitary materials and dressings, medical suture materials and adhesives, medical polymer materials and products, interventional equipment, basic surgical instruments, ENT surgical instruments, thoracic cardiovascular surgery surgical instruments, orthopedic surgery surgical instruments, general examination equipment, Chinese medicine equipment, medical laboratory equipment and infrastructure tools, dental equipment and apparatus, ward care equipment and appliances, disinfection and sterilization equipment and apparatus, and software; contracting foreign projects corresponds to its strength, size and performance, dispatching the labor abroad which required by the above overseas projects; medicine, chemical medicine preparation, chemical raw materials, antibiotics, biochemical drugs, biological products, the second category of psychotropic drugs, protein anabolic agents and peptide

	hormones, traditional Chinese medicinal materials, pieces of Chinese medicine. Wholesaling prepackaged food; operation of health food; Import and export business; machinery and electronics products; chemical products; minerals; sales of textiles, hardware, general merchandise and cosmetics; assume medical health items of China's foreign economic assistance projects; technical consulting services which related to the main business; medical, pharmaceutical consulting; sales of machinery and electronic products.
No. of Employees :	159

RATING & COMMENTS

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

MIRA's Rating : A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
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)
China	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

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CHINA - ECONOMIC OVERVIEW

Since the late 1970s, China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role. China has implemented reforms in a gradualist fashion, resulting in efficiency gains that have contributed to a more than tenfold increase in GDP since 1978. Reforms began with the phaseout of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China continues to pursue an industrial policy, state support of key sectors, and a restrictive investment regime. From 2013 to 2017, China had one of the fastest growing economies in the world, averaging slightly more than 7% real growth per year. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2017 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. China became the world's largest exporter in 2010, and the largest trading nation in 2013. Still, China's per capita income is below the world average.

In July 2005 moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008, the renminbi (RMB) appreciated more than 20% against the US dollar, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing announced it would resume a gradual appreciation. From 2013 until early 2015, the renminbi held steady against the dollar, but it depreciated 13% from mid-2015 until end-2016 amid strong capital outflows; in 2017 the RMB resumed appreciating against the dollar – roughly 7% from end-of-2016 to end-of-2017. In 2015, the People's Bank of China announced it would continue to carefully push for full convertibility of the renminbi, after the currency was accepted as part of the IMF's special drawing rights basket. However, since late 2015 the Chinese Government has strengthened capital controls and oversight of overseas investments to better manage the exchange rate and maintain financial stability.

The Chinese Government faces numerous economic challenges including: (a) reducing its high domestic savings rate and correspondingly low domestic household consumption; (b) managing its high corporate debt burden to maintain financial stability; (c) controlling off-balance sheet local government debt used to finance infrastructure stimulus; (d) facilitating higher-wage job opportunities for the aspiring middle class, including rural migrants and college graduates, while maintaining competitiveness; (e) dampening speculative investment in the real estate sector without sharply slowing the economy; (f) reducing industrial overcapacity; and (g) raising productivity growth rates through the more efficient allocation of capital and state-support for innovation. Economic development has progressed further in coastal provinces than in the interior, and by 2016 more than 169.3 million migrant workers and their dependents had relocated to urban areas to find work. One consequence of China's population control policy known as the "one-child policy" - which was relaxed in 2016 to permit all families to have two children - is that China is now one of the most rapidly aging countries in the world. Deterioration in the environment - notably air pollution, soil erosion, and the steady fall of the water table, especially in the North - is another long-term problem. China continues to lose arable land because of erosion and urbanization. The Chinese Government is seeking to add energy production capacity from sources other than coal and oil, focusing on natural gas, nuclear, and clean energy development. In 2016, China ratified the Paris Agreement, a multilateral agreement to combat climate change, and committed to peak its carbon dioxide emissions between 2025 and 2030.

The government's 13th Five-Year Plan, unveiled in March 2016, emphasizes the need to increase innovation and boost domestic consumption to make the economy less dependent on government investment, exports, and heavy industry. However, China has made more progress on subsidizing innovation than rebalancing the economy. Beijing has committed to giving the market a more decisive role in allocating resources, but the Chinese Government's policies continue to favor state-owned enterprises and emphasize stability. Chinese leaders in 2010 pledged to double China's GDP by 2020, and the 13th Five Year Plan includes annual economic growth targets of at least 6.5% through 2020 to achieve that goal. In recent years, China has renewed its support

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for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. Chinese leaders also have undermined some market-oriented reforms by reaffirming the "dominant" role of the state in the economy, a stance that threatens to discourage private initiative and make the economy less efficient over time. The slight acceleration in economic growth in 2017—the first such uptick since 2010—gives Beijing more latitude to pursue its economic reforms, focusing on financial sector deleveraging and its Supply-Side Structural Reform agenda, first announced in late 2015.

Source : CIA

COMPANY NAME AND ADDRESS

COMPANY NAME China Sinopharm International Corporation
CURRENT ADDRESS/ REGISTERED ADDRESS No. 4 Huixin East Street, Chaoyang District, Beijing 100029 PR China
TEL. NO. 86 (0) 10-84618811/84663138/ 84663789
FAX NO. 86 (0) 10-84663776

*****Note: SC's address should be the heading one, and SC's bank locates in the "2 Chao Yang Men nei Da Jie Dong Cheng District Beijing 100010".**

EXECUTIVE SUMMARY

DATE OF REGISTRATION : FEBRUARY 18, 1989
UNIFIED SOCIAL CREDIT CODE : 91110000100009467D
LEGAL FORM : ONE-PERSON LIMITED LIABILITIES COMPANY
CHIEF EXECUTIVE : LI CAN (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL : CNY 2,200,000,000
STAFF : 159
BUSINESS CATEGORY : TRADING
REVENUE : CNY 917,214,000 (FROM JAN. 1, 2018 TO JUN. 30, 2018)
EQUITIES : CNY 4,347,262,000 (AS OF JUN. 30, 2018)
WEBSITE : www.sinopharmintl.com
E-MAIL : gly@sinopharmintl.com
PAYMENT : REGULAR
MARKET CONDITION : COMPETITIVE
FINANCIAL CONDITION : STABLE
OPERATIONAL TREND : STEADY
GENERAL REPUTATION : FAIRLY GOOD

Adopted abbreviations (as follows)

SC - Subject Company (the company inquired by you)

N/A – Not available

CNY – China Yuan Ren Min Bi

OPERATIONAL TREND & GENERAL REPUTATION

This section aims at indicating the relative positions of SC in respect of its operational trend & general reputation

Operational Trend:-

Upward
Steady
Fairly Steady
Ordinary
Fair
Stagnant
Downward
Not known
Not yet be determined

General Reputation:-

Excellent
Good
Fairly Good
Average
Fair
Detrimental
Not known
Not yet be determined

LEGAL STATUS & HISTORY

SC was established as one-person limited liabilities company of PRC with State Administration of Industry & Commerce (SAIC) under Unified Social Credit Code: 91110000100009467D.

SC's Import and Export Enterprise Code: 1100100009467

SC's registered capital: CNY 2,200,000,000

SC's paid-in capital: CNY 2,200,000,000

Registration Change Record:-

Date	Change Contents	of	Before the change	After the change
2004-1-13	Legal Representative		Yang Zunrun	Hua Jimin
	Registered Capital		CNY 2,200,000	CNY 2,341,000
2005-8-23	Registered Capital		CNY 2,341,000	CNY 5,001,000
2006-10-9	Legal Representative		Hua Jimin	Ma Rang
2010-11-18	Company Name		China Medical Corporation for International Technical Cooperation	China Sinopharm International Corporation
2011-2-15	Legal Representative		Ma Rang	Zhou Yuxiang
2011-10-28	Registered Capital		CNY 5,001,000	CNY 1,000,000,000
--	Registered No.		1000001000946	10000000009468
	Registered Capital		CNY 1,000,000,000	CNY 2,108,380,000

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	Legal Representative	Zhou Yuxiang	Li Can
	Registration No./ Unified Social Credit Code	100000000009468	91110000100009467D
2017-11-24	Legal Form	State-Owned Enterprise	One-Person Limited Liabilities Company
	Registered Capital	CNY 2,108,380,000	CNY 2,200,000,000

Current Co search indicates SC's shareholders & chief executives are as follows:-

Name of Shareholder (s)	% of Shareholding
China National Pharmaceutical Group Co., Ltd.	100

SC's Chief Executives:-

Position	Name
Legal Representative and General Manager	Li Can
Chairman	Shi Shengyi
Director	Jin Bin
	Wang Songlin
	Jiang Xin
	Yang Yongge
	Li Chunsheng
Supervisor	Ding Haiyun
	Lin Guang
	Fan Weizheng

RECENT DEVELOPMENT

No recent development was found during our checks at present.

SHAREHOLDER CHART & BACKGROUND

<i>Name</i>	<i>% of Shareholding</i>
China National Pharmaceutical Group Co., Ltd.	100

Date of Registration: March 26, 1987
Unified Social Credit Code: 91110000100005888C
Chief Executive : She Lulin
Registered Capital: CNY 20,000,000,000

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MANAGEMENT

Li Can, Legal Representative and General Manager

- Gender: M
- Nationality: China
- Age: 46
- Qualification: University
- Working experience (s):

At present, working in SC as legal representative and general manager, also working in Sinopharm Health Care Corporation and Sinopharm Midland Hospital Management Co., Ltd. as legal representative

Shi Shengyi, Chairman

- Gender: M
- Nationality: China
- Qualification: University
- Working experience (s):

At present, working in SC as chairman

Director

Jin Bin
Wang Songlin
Jiang Xin
Yang Yongge
Li Chunsheng

Supervisor

Ding Haiyun
Lin Guang
Fan Weizheng

BUSINESS OPERATION

SC's registered business scope includes selling ophthalmic surgical instruments, puncture injection equipment, medical electronic equipment, medical optical equipment, instruments and endoscopic equipment, medical ultrasound equipment and related equipment, medical laser equipment, medical high frequency equipment, physical therapy and rehabilitation equipment, medical MRI equipment, medical X-ray equipment, medical X-ray ancillary equipment and components, medical high-energy rays equipment, medical radionuclide equipment, clinical laboratory analytical instruments, and extracorporeal blood processing equipment, planting into materials and artificial organs, operating rooms, emergency rooms, clinics room equipment and apparatus, medical

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treatment of cold, low temperature, cold storage equipment and apparatus, medical sanitary materials and dressings, medical suture materials and adhesives, medical polymer materials and products, interventional equipment, basic surgical instruments, ENT surgical instruments, thoracic cardiovascular surgery surgical instruments, orthopedic surgery surgical instruments, general examination equipment, Chinese medicine equipment, medical laboratory equipment and infrastructure tools, dental equipment and apparatus, ward care equipment and appliances, disinfection and sterilization equipment and apparatus, and software; contracting foreign projects corresponds to its strength, size and performance, dispatching the labor abroad which required by the above overseas projects; medicine, chemical medicine preparation, chemical raw materials, antibiotics, biochemical drugs, biological products, the second category of psychotropic drugs, protein anabolic agents and peptide hormones, traditional Chinese medicinal materials, pieces of Chinese medicine. Wholesaling prepackaged food; operation of health food; Import and export business; machinery and electronics products; chemical products; minerals; sales of textiles, hardware, general merchandise and cosmetics; assume medical health items of China's foreign economic assistance projects; technical consulting services which related to the main business; medical, pharmaceutical consulting; sales of machinery and electronic products.

SC is mainly engaged in selling pharmaceutical products, medical apparatus and instruments.

SC's products mainly include: API, Intermediates, Pharmaceutical Dosage Forms, Vaccines and Blood Products, Clinical Reagents, Medical Device.

SC sources the products 80% from domestic market, and 20% from overseas market. SC sells 20% of its products in domestic market, and 80% to overseas market.

The buying terms of SC include Check, T/T, L/C and Credit of 30-60 days. The payment terms of SC include T/T, L/C and Credit of 30-60 days.

Major Customers

=====
Central De Productos Quimicos Sa De
Internacional Quimica De Cobre S.A. De C.V.
Sinbiotik Internacional Sa De Cv
Negociar Veterinaria S.A.C.

Major Suppliers

=====
Iq Citrus S.A. De C.V.

Staff & Office:

SC is known to have approx. 159 staff at present.

SC owns an area as its operating office & factory of approx. 2,000 sq. meters at the heading address.

RELATED COMPANY

SC is known to have the following subsidiaries at present,

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Sinopharm Health Care Corporation
Sinopharm Zhongyuan Hospital Management Co., Ltd.
Sinopharm (Shanghai) E-health Co., Ltd.
China National Service Corp. for Chinese Personnel Working Abroad
China National Pharmaceutical Foreign Trade Corporation

PAYMENT

Overall payment appraisal:

Excellent Good Average Fair Poor Not yet be determined

The appraisal serves as a reference to reveal SC's payments habits and ability to pay. It is based on the 3 weighed factors: Trade payment experience (through current enquiry with SC's suppliers), our delinquent payment and our debt collection record concerning SC.

Trade payment experience: SC did not provide any name of trade/service suppliers and we have no other sources to conduct the enquiry at present.

Delinquent payment record: None in our database.

Debt collection record: No overdue amount owed by SC was placed to us for collection within the last 6 years.

BANKING

Basic Bank:

Industrial and Commercial Bank of China Gulou Sub-branch

AC#: 0200003209004606041

Bank of China

AC#: N/a

FINANCIALS

Financial Summary

	As of Jun. 30, 2018
Unit: CNY'000	
Total assets	12,796,215

Total liabilities	8,448,953

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Equities	4,347,262

Unit: CNY'000	From Jan. 1, 2018 to Jun. 30, 2018
Revenue	917,214
Profits	1,523

Important Ratios

=====

	As of Jun. 30, 2018
*Liabilities to assets	0.66
*Net profit margin (%)	0.17
*Return on total assets (%)	0.01
*Revenue/Total assets	0.07

FINANCIAL COMMENTS

PROFITABILITY: AVERAGE

- The revenue of SC appears fairly good in its line.
- SC's net profit margin is average.
- SC's return on total assets is average.

LIQUIDITY: AVERAGE

- SC's revenue is in a fair level, comparing with the size of its total assets.

LEVERAGE: AVERAGE

- The debt ratio of SC is average.
- The risk for SC to go bankrupt is low.

Overall financial condition of the SC: Stable.

CONCLUSIONS

SC is considered large-sized in its line with stable financial conditions.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.80
UK Pound	1	INR 91.92
Euro	1	INR 81.46
CNY	1	INR 10.35

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	SYL

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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)