

MIRA INFORM REPORT

Report No. :	539590
Report Date :	19.11.2018

IDENTIFICATION DETAILS

Name :	VELVETEEN INTERNATIONAL LIMITED
Registered Office :	Block A, 4/F., E. Wah Factory Building, 56-60 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong
Country :	Hong Kong
Date of Incorporation :	15.04.2013
Com. Reg. No.:	61275290
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter, Wholesaler and Retailer of all kinds of fashions for children
No. of Employees :	15

RATING & COMMENTS

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

MIRA's Rating :

B

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	No Complaints
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

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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 government spending on research and development, education, and technological innovation with the aim of spurring continued economic growth through greater sector diversification.

Source : CIA

COMPANY NAME AND ADDRESS

VELVETEEN INTERNATIONAL LIMITED

ADDRESS: Block A, 4/F., E. Wah Factory Building, 56-60 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong.

PHONE: Not available

E-MAIL: hello@velveteenclothing.com

MANAGEMENT:

Managing Director: Mr. Markus Peter Egloff

SUMMARY

Incorporated on: 15th April, 2013.

Organization: Private Limited Company.

Issued Share Capital: HK\$15,000.00 & US\$1,000,000.00

Business Category: Importer, Exporter, Wholesaler and Retailer.

Employees: 15. (Including retailing shop)

Main Dealing Banker: Not available.

Banking Relation: Not applicable.

ADDRESS

Registered Head Office:-

Block A, 4/F., E. Wah Factory Building, 56-60 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong.

Retail Shop:-

Velveteen

Shop 214, 2/F., Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong. [Phone: 852-2505 8100]

BUSINESS REGISTRATION NUMBER

61275290

COMPANY FILE NUMBER

1891374

MANAGEMENT

Managing Director: Mr. Markus Peter Egloff

ISSUED SHARE CAPITAL

HK\$15,000.00 & US\$1,000,000.00

(15,000 fully paid ordinary shares of HK\$ and 5,000 fully paid ordinary shares of US\$)

SHAREHOLDERS

(As per registry dated 15-04-2018)

<u>Name</u>	<u>No. of shares</u>	
	Ordinary HK\$	Ordinary US\$
Markus Peter EGLOFF	15,000	-
Saiesta Inc. 1013 Centre Road, Suite 403-A, Wilmington DE 19805, County of New Castle, Dalaware, U.S.	-	2,833
Sikka Rajat	-	1,200
Sikka Vandana	-	967
Total:	15,000 =====	5,000 =====

DIRECTOR

(As per registry dated 15-04-2018)

Name

(Nationality)

Markus Peter Egloff

Address

Block A 4/F., E-Wah Factory Building, 56-60 Wong Chuk Hang
Road, Hong Kong.

SECRETARY

(As per registry dated 15-04-2018)

Name

Address

Co. No.

HKBSS Ltd.

5/F., Far East Consortium Building, 121 Des
Voeux Road Central, Hong Kong.

0838155

HISTORY

The subject was incorporated on 15th April, 2013 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 and Retailer.

Lines: All kinds of fashions for children

Brand names: Velveteen, Laura Egloff.

Employees: 15. (Including retailing shop)

Commodities Imported: Asian countries, etc.

Markets: Hong Kong, other Asian countries, Europe, North America, etc.

Terms/Sales: COD or as per contracted.

Terms/Buying: Various terms.

FINANCIAL INFORMATION

Issued Share Capital: HK\$15,000.00 & US\$1,000,000.00
(15,000 fully paid ordinary shares of HK\$ and 5,000 fully paid ordinary shares of US\$)

Profit or Loss:	Made small profits in past years.
Condition:	Keeping in a satisfactory manner.
Facilities:	Making rather active use of general banking facilities.
Payment:	No Complaints.
Commercial Morality:	Satisfactory.
Banker:	Not available.
Standing:	Normal.

GENERAL

Velveteen International Limited is jointly owned by the following company and persons: Markus Peter Egloff, Sikka Rajat and Sikka Vandana. Of the three, the first the principal owner. The second and third are residing in India.

The subject is chiefly owned by Mr. Markus Peter Egloff who is a Swiss. He is a Hong Kong ID holder and has got the right to reside in Hong Kong. He is also the only director of the subject.

The subject designs and creates luxury children's wear for boys and girls aged 3 months to 14 years. The brand of the products are Velveteen.

Velveteen is than just a luxury clothing brand.

The subject has other associated companies and a retailing shop in Hong Kong.

According to the subject, it has a global team that are in more than 9 countries across Europe, North America and Asia. It has team members based in the United States, the United Kingdom, Australia, Paris of France and Italy.

The subject is trading in the following commodities:

- Girls
Dresses, Tops, Knitwear, Bottoms, Jackets and Coats, Tights and Socks
- Boys
Tops, Bottoms, Jackets and Coats, Socks
- Infant Girls
Dresses, Tops, Bottoms, Onesies, Tights & Socks

According to the subject, it will open a second shop in Hong Kong in early 2019. It will also set up stores in the United States and European Union as well, but the retailing business centres on Asia.

The business of the subject is chiefly handled by Markus Peter Egloff. His wife Mrs. Laura Egloff is a fashion designer. She has launched two collections of children clothing bearing brand name of Velveteen and Laura Egloff.

The history of the subject in Hong Kong is over five years and seven 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 71.80
UK Pound	1	INR 91.92
Euro	1	INR 81.46
HKD	1	INR 9.14

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	KET

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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)