

MIRA INFORM REPORT

Report No. :	541882
Report Date :	27.11.2018

IDENTIFICATION DETAILS

Name :	A-TEX ASIA LIMITED
Registered Office :	Flat C & D, 9/F., City Industrial Complex, 116-122 Kwok Shui Road, Kwai Chung, New Territories
Country :	Hong Kong
Date of Incorporation :	12.04.2000
Com. Reg. No.:	30850869
Legal Form :	Private Limited Company
Line of Business :	Subject is engaged in Importer and Exporter of Woven label, zipper, hang tag, other trimmings.
No. of Employees :	28. (Including associate)

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	Acceptable Risk	Business dealings permissible with moderate 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)
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 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

A-TEX ASIA LIMITED

ADDRESS : Flat C & D, 9/F., City Industrial Complex, 116-122 Kwok Shui Road, Kwai Chung,
New Territories, Hong Kong.

PHONE : 852-2866 4828, 3125 1325

FAX : 852-2865 5428

E-MAIL : poul@a-tex.com
poul@a-texasia.com.hk

MANAGEMENT

Managing Director: Ms. Kong Shui Yau, Miranda

SUMMARY

Incorporated on : 12th April, 2000.

Organization : Private Limited Company.

Issued Share Capital : HK\$2.00

Business Category : Textile Product Trader.

Employees : 28. (Including associate)

Main Dealing Banker : The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Banking Relation : Good.

A-TEX ASIA LIMITED

ADDRESS:

Registered Head Office:-

Flat C & D, 9/F., City Industrial Complex, 116-122 Kwok Shui Road, Kwai Chung, New Territories, Hong Kong.

Holding Company:-

A-TEX A/S, Denmark.

Main Associated Company:

Labelon (Far East) Ltd., Hong Kong. (Same address)

Other Associated Companies:-

A-TEX (India) Pvt. Ltd., India.

A-TEX A/S, Denmark.

A-TEX Asia Ltd., Hong Kong.

A-TEX Branding Ltd., U.K.

A-TEX Design (India) Pvt. Ltd., India. (Striking Off)

A-TEX Germany GmbH, Germany.

A-TEX International Ltd., Bangladesh.

A-TEX International Trading (Shanghai) Co. Ltd., China.

A-TEX Netherlands B.V., Netherlands.

A-TEX S.R.L., Italy.

A-TEX Sweden AB, Sweden.

A-TEX Tekstil Tic. Ltd. ti., Turkey.

A-TEX Trading (Dongguan) Co. Ltd., China.

A-TEX US Inc., USA.

Britannia Labels (Pvt) Ltd., Sri Lanka.

Clotex Labels (Hangzhou) Co. Ltd., China.

Clotex Labels (India) Pvt. Ltd., India.

Clotex Labels (M) Sdn. Bhd., Malaysia.

Clotex Labels (Singapore) Pte. Ltd., Singapore.

Clotex Labels (Thailand) Ltd., Thailand.

Clotex Labels Co. Ltd., Hong Kong.

Clotex Labels Vietnam Co. Ltd., Vietnam.

Enam Labels, Bangladesh.

Labelon Romania, Romania.

Labelon Turkey, Turkey.

Labelon UK Ltd., U.K.

Partners Group Holding AG, Switzerland.
Sol Trim International (Pvt) Ltd., Sri Lanka.
Trimco International Holdings Ltd., British Virgin Islands.
etc.

BUSINESS REGISTRATION NUMBER

30850869

COMPANY FILE NUMBER

0712387

MANAGEMENT

Managing Director: Ms. Kong Shui Yau, Miranda
Contact Person: Mr. Poul Sondergaard

ISSUED SHARE CAPITAL: HK\$2.00

SHAREHOLDER

(As per registry dated 12-04-2018)

Name	No. of shares
A-Tex A/S	2
Rosenholmvg 1-5, DK-7400 Herning, Denmark.	=

DIRECTORS

(As per registry dated 12-04-2018)

Name (Nationality)	Address
WAN Chuk Kwan	Flat B, 26/F., Tower 5, Manhattan Hill, 1 Po Lun Street, Kowloon, Hong Kong.
KONG Shui Yau, Miranda	House 10, King's Park Hill, 10 King's Park Hill Road, Kowloon, Hong Kong.

LAM Wai Yee

Flat D, 39/F., Tower 3, Rambler Crest, 1 Tsing Yi Road,
Tsing Yi, New Territories, Hong Kong.

SECRETARY

(As per registry dated 12-04-2018)

Name	Address	Co. No.
B & McK. Nominees Ltd.	Room 1401, 14/F., Hutchison House, 10 Harcourt Road, Hong Kong.	0054552

HISTORY

The subject was incorporated on 12th April, 2000 as a private limited liability company under the Hong Kong Companies Ordinance.

Formerly the subject was located at 26/F., Ryoden Industrial Centre, 26-38 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong, moved to 'Unit B, 8/F., Roxy Industrial Centre, 58-66 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong' in July 2010 and further moved to the present address in January 2017.

The subject changed its directors in March 2018.

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

OPERATIONS

Activities : Importer and Exporter.

Lines : Woven label, zipper, hang tag, other trimmings.

Employees : 28. (Including associate)

Commodities Imported : Europe, China and other Asian countries, etc.

Markets : Southeast Asia, Denmark and other European countries, etc.

Terms/Sales : As per contracted.

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

MEMBERSHIP : Danish Chamber of Commerce Hong Kong, Hong Kong.

FINANCIAL INFORMATION

Issued Share Capital	:	HK\$2.00
Mortgage or charge	:	(See attachment)
Profit or Loss	:	Making a small profit every year.
Condition	:	Keeping in an active manner.
Facilities	:	Making active use of general banking facilities.
Payment	:	Regular.
Commercial Morality	:	Satisfactory.

BANKERS

The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.
CTBC Bank Co. Ltd., Hong Kong.
Cathay United Bank Co. Ltd., Hong Kong Branch.

Standing: Good.

GENERAL

Having issued 2 ordinary shares of HK\$1.00 each, A-Tex Asia Limited formerly was equally owned by A-Tex A/S [A-Tex], a Denmark-based firm, and Mr. Bent Fogh Povlsen, a Danish merchant. Now, the latter has transferred his single share to A-Tex which is the current sole shareholder.

The directors of the subject are Ms. Wan Chuk Kwan, Ms. Lam Wai Yee and Ms. Kong Shui Yau Miranda.

The subject is engaged in the same lines of business as A-Tex.

A-Tex was established in 1991 by Bent Povlsen. Now, it has logistic offices in 6 countries. In Asia, it has got subsidiaries in Turkey, India, Bangladesh, China, besides the subject in Hong Kong.

In Europe and America, A-Tex has set up sales offices in Denmark, Germany, Italy, the United Kingdom, the Netherlands, Sweden and the United States.

A-Tex is a leading company in Denmark, supplying various kinds of accessories for the garment industry. However, it is specialised on labelling and hangtags. The subject is a buying office in Hong Kong.

Currently, the subject is manufacturing and trading in the following main products:

Trimming

Packaging Products

Store Decoration Products

Technical Solutions

The subsidiary of A-Tex in India is known as A-Tex Design (India) Pvt. Ltd.

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A-Tex has got a number of significant customers such as Hugo Boss, Lee, Levis, Toyota, Puma, Dkny, O'Neil, Tommy Hilfiger, etc.

A-Tex has a factory in Dongguan City, Guangdong Province, China known as A-Tex Trading (Dongguan) Co. Ltd. [Dongguan A-Tex]. Dongguan A-Tex is engaged in manufacturing trimmings for the textile industry. It is manufacturing labels, hangtags and stickers. There are about 150 employees in the Dongguan factory.

Besides, the associated company of A-Tex in Shanghai, China is known as A-Tex International Trading (Shanghai) Co. Ltd. [Shanghai A-Tex]. Currently, Shanghai A-Tex has about 35 employees. This company is responsible for sourcing commodities for A-Tex in China.

A-Tex's headquarters are located in Denmark with around 80 employees – on a global scale it has around 450 employees. Internationally its sales offices are in Denmark, Sweden, Germany, the Netherlands and the United States.

A-Tex operates six regional production centres in Bangladesh, Turkey, India, China, Hong Kong and Denmark. With these centres it covers the majority of the world's textile production areas.

The subject has had a main associated company Labelon (Far East) Ltd. [Labelon] located at the same address. Labelon is a wholly-owned subsidiary of Labelon Group Ltd. which is a UK-based company.

In May 2012, Partners Group acquired Trimco International Holdings Ltd. which is a BVI-registered company and in August 2015, the Group acquired A-Tex Group via Trimco.

The subject is fully supported by A-Tex. History in Hong Kong is over 18 years and six months.

On the whole, consider the subject good for normal business engagements.

MORTGAGE OR CHARGE

Date	Description of Instrument	Mortgagee
06-11-2015	Charge Over Accounts dated 6th November, 2015 by A-Tex Asia Ltd. as Chargor in favour of CTBC Bank Co. Ltd. as security agent	CTBC Bank Co. Ltd., Hong Kong.
06-11-2015	Security Deed dated 6th November, 2015 by A-Tex Asia Ltd. as Chargor in favour of CTBC Bank Co. Ltd. as security agent.	CTBC Bank Co. Ltd., Hong Kong.
30-05-2018	Debenture	Cathay United Bank Co. Ltd., Hong Kong Branch.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.71
UK Pound	1	INR 91.65
Euro	1	INR 81.27
HKD	1	INR 9.04

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)