

MIRA INFORM REPORT

Report No. :	529863
Report Date :	17.09.2018

IDENTIFICATION DETAILS

Name :	BESTLINING LIMITED
Registered Office :	Unit 3A, 6/F., Block A, Yee Lim Industrial Centre, 2-28 Kwai Lok Street, Kwai Chung, New Territories
Country :	Hong Kong
Date of Incorporation :	31.03.2009
Com. Reg. No.:	50540264
Legal Form :	Private Limited Company
Line of Business :	Importer, Exporter and Wholesaler of All kinds of lining and inter-lining.
No. of Employees :	20

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
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

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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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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

BESTLINING LIMITED

ADDRESS: Unit 3A, 6/F., Block A, Yee Lim Industrial Centre, 2-28 Kwai Lok Street, Kwai Chung, New Territories, Hong Kong.

PHONE: 852-2614 1133

FAX: 852-2614 1031

MANAGEMENT

Managing Director: Mr. Choi Pui Ho

SUMMARY

Incorporated on: 31st March, 2009.

Organization: Private Limited Company.

Issued Share Capital: HK\$1,000,000.00

Business Category: Importer, Exporter and Wholesaler.

Employees: 20.

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

Banking Relation: Satisfactory.

COMPANY NAME AND ADDRESS

BESTLINING LIMITED

ADDRESS:

Registered Head Office:-

Unit 3A, 6/F., Block A, Yee Lim Industrial Centre, 2-28 Kwai Lok Street, Kwai Chung, New Territories, Hong Kong.

Associated Companies:-

Cheung Hing Hong Piece Goods (Holdings) Ltd., Hong Kong.

Cheung Hing Hong Piece Goods Co. Ltd., Hong Kong.

BUSINESS REGISTRATION NUMBER

50540264

COMPANY FILE NUMBER

1330456

MANAGEMENT

Managing Director: Mr. Choi Pui Ho
Contact Person: Ms. Wong Chow-Ling, Apple

ISSUED SHARE CAPITAL

HK\$1,000,000.00

SHAREHOLDERS

(As per registry dated 31-03-2018)

<u>Name</u>	<u>No. of shares</u>
CHOY Wai Ping, Dorothy	200,000
CHOI Pui Ho	400,000

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CHOI Yun Lam, Kevin	400,000
Total:	<u>1,000,000</u> =====

DIRECTORS

(As per registry dated 31-03-2018)

Name

(Nationality)

Address

CHOI Pui Ho	Flat 2202, 22/F., Wah Chui House, Wah Fu Estate, Hong Kong.
CHOI Yun Lam, Kevin	Flat H, 56/F., Block 1, The Pacifica, 9 Sham Shing Road, Cheung Sha Wan, Kowloon, Hong Kong.
CHOY Wai Ping, Dorothy	Flat B, 1/F., Woodbury Court, 137 Pokfulam Road, Hong Kong.

SECRETARY

(As per registry dated 31-03-2018)

Name

Address

Co. No.

SW Corporate Consultants Ltd.	16/F., Lockhart Centre, 301-307 Lockhart Road, Wanchai, Hong Kong.	1259858
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HISTORY

The subject was incorporated on 31st March, 2009 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 and Wholesaler.
Lines:	All kinds of lining and inter-lining.
Employees:	20.
Commodities Imported:	China, other Asian countries, etc.

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Markets: Africa, Australasia, Central & South America, China, Eastern Europe, Hong Kong, Japan, Korea, Middle East, North America, Other Asian Countries, Scandinavia, Southeast Asia, Taiwan, Western Europe, etc.

Terms/Sales: CAD or as per contracted.

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

FINANCIAL INFORMATION

Issued Share Capital: HK\$1,000,000.00

Mortgage or Charge: (See attachment)

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: Met trade commitments as required.

Commercial Morality: Satisfactory.

Banker: DBS Bank (Hong Kong) Ltd., Hong Kong.

Standing: Normal.

GENERAL

Bestlining Limited is jointly owned by Ms. Choy Wai Ping Dorothy, holding 20% interests; Mr. Choi Pui Ho, holding 40%; and Mr. Choi Yun Lam, Kevin also 40%. They are also directors of the subject.

The subject is providing customers with lining and inter-lining (OEM). Products are marketed in Hong Kong, China and exported to Africa, Australasia, Central & South America, Eastern Europe, Japan, South Korea, the Middle East, North America, Scandinavia, Southeast Asia, Taiwan, Western Europe, etc.

The subject is providing lining products in the market which include Bemberg (Cupro in EU), Tri-Acelon, Acetate, Tentex, Trilobol, Polyester weaved in Twill, Taffeta, and Satin. Among them, some qualities are finished with 1 or 2 Ways Stretch, Down-proof, Cool Keeping and Durable Anti-static functions.

The subject constantly keeps about 9 million yards of ready stock in Hong Kong, China and New York to satisfy the requirements of its customer.

The products of the subject have got the certification of "Oko-Tex Standard".

The subject has set up an office in the United States. Its US office opened in the summer of 1996. The subject also has set up office in large cities of China such as Shenzhen, Guangzhou, Shanghai, Hangzhou, and Beijing.

All the offices have bridged the lining needs between the subject's US customers and their foreign garment factories.

All the products of the subject bear the trade mark CHH.

The subject's factory in China has about 120 employees. Its monthly production capacity is about 1 million yards of lining products. Its principal customers are the following companies:

Ralph Lauren Polo, Hugo Boss, GAP, J. Crew, Brooks Brothers, JOS. A. BANK, etc.

The business of the subject is administered by the Choi (or Choy) family. History in Hong Kong is over nine years and five months.

On the whole, consider it good for normal credit requirements.

MORTGAGE OR CHARGE

Date	Particulars	Amount
10-06-2010	<p><i>Instrument:</i> Deed of Fixed Charge</p> <p><i>Property:</i> <u>By way of first fixed charge:</u> All the Debts now or at any time during the continuance of this security due or owing to the Supplier from the persons who are Debtors to the extent that the Supplier from time to time owns or will own any interest in such Debts whether present or future, actual, contingent, residuary or otherwise, arising in connection with the Agreement or otherwise; and All credit balance from time to time in such accounts opened and maintained by the Supplier with the Purchaser or such other financial institutions in Hong Kong or elsewhere, as the Purchaser may from time to time specify and the Debts and the credit balance from time to time in the Account <u>By way of first floating charge:</u> The property hereby charged, if and insofar as the property hereby charged shall, for any reason, be declared to be invalid, unenforceable or ineffective as first fixed charges under any applicable law.</p>	<p>All moneys due or to become due to DBS Bank (Hong Kong) Ltd. under a Factoring Agreement dated 10-06-2010</p>
11-10-2010	<p><i>Mortgagee:</i> DBS Bank (Hong Kong) Ltd., Hong Kong.</p> <p><i>Instrument:</i> Deed of Fixed Charge</p> <p><i>Property:</i> <u>By way of first fixed charge:</u> All the Debts now or at any time during the continuance of this security due or owing to the Supplier from the persons who are Debtors to the extent that the Supplier from time to time owns or will own any interest in such Debts whether present or future, actual, contingent, residuary or otherwise, arising in connection with the Agreement or otherwise; and All credit balance from time to time in such accounts opened and maintained by the Supplier with the Purchaser or such other financial institutions in Hong Kong or elsewhere, as the Purchaser may from time to time specify and the Debts and the credit balance from time to time in the Account</p>	<p>All moneys due or to become due to DBS Bank (Hong Kong) Ltd. under a Factoring Agreement dated 10-06-2010</p>

By way of first floating charge:

The property hereby charged, if and insofar as the property hereby charged shall, for any reason, be declared to be invalid, unenforceable or ineffective as first fixed charges under any applicable law.

Mortgagee: DBS Bank (Hong Kong) Ltd., Hong Kong.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.81
UK Pound	1	INR 94.15
Euro	1	INR 83.97
HKD	1	INR 9.23

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

INFORMATION DETAILS

Analysis Done by :	DIV
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)