

MIRA INFORM REPORT

Report No. :	530053
Report Date :	19.09.2018

IDENTIFICATION DETAILS

Name :	STRAWBERRY COSMETICS (MULTINATIONAL) LIMITED
Registered Office :	G/F., 2/F.-5/F., Len Shing Industrial Building, 4 A Kung Ngam Village Road, Shau Kei Wan
Country :	Hong Kong
Date of Incorporation :	11.10.2004
Com. Reg. No.:	34948878
Legal Form :	Limited Company (Registered Non Hong Kong company)
Line of Business :	Importer, Exporter and Retailer all kinds of cosmetics, beauty products.
No. of Employees :	180

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 :	Good
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.

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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

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COMPANY NAME AND ADDRESS

STRAWBERRY COSMETICS (MULTINATIONAL) LIMITED

ADDRESS: G/F., 2/F.-5/F., Len Shing Industrial Building, 4 A Kung Ngam Village Road, Shau Kei Wan, Hong Kong.

PHONE: 852-2591 0300, 2833 5510

FAX: 852-2591 0301, 2811 5138

E-MAIL: info@strawberrynet.com
admin@strawberrynet.com

MANAGEMENT

Managing Director: Mr. Chan Chi Keung, James

SUMMARY

Incorporated on: 11th October, 2004.

Organization: Limited Company (Registered Non Hong Kong company)

Capital: Authorised: US\$50,000.00
Issued & Paid Up: US\$1.00

Business Category: Importer, Exporter and Retailer.

Annual Sales Turnover: US\$100-120 million.

Employees: 180. (Including associates)

Main Dealing Banker: Hang Seng Bank Ltd., Hong Kong.

Banking Relation: Good.

STRAWBERRY COSMETICS (MULTINATIONAL) LIMITED

ADDRESS:

Registered Office:-

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Vistra Corporate Services Center, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.

Principal Place of Business in Hong Kong:-

G/F., 2/F.-5/F., Len Shing Industrial Building, 4 A Kung Ngam Village Road, Shau Kei Wan, Hong Kong.

Holding Company:-

Strawberry Cosmetics Holdings Ltd., British Virgin Islands/Hong Kong.

Associated Companies:-

Strawberry Group of Companies

Strawberry Cosmetics (Australasia) Ltd., British Virgin Islands/Hong Kong.

Strawberry Cosmetics (Brands) Ltd., Hong Kong.

Strawberry Cosmetics (China) Ltd., British Virgin Islands/Hong Kong.

Strawberry Cosmetics (East Asia) Ltd., British Virgin Islands/Hong Kong.

[Formerly Strawberry Cosmetics (Korea) Ltd.]

Strawberry Cosmetics (Greater China) Ltd., Hong Kong.

Strawberry Cosmetics (International) Ltd., British Virgin Islands/Hong Kong.

Strawberry Cosmetics (Internet Services China) Ltd., Hong Kong.

Strawberry Cosmetics (Internet Services) Ltd., British Virgin Islands/Hong Kong.

Strawberry Cosmetics (Japan) Ltd., British Virgin Islands/Hong Kong.

Strawberry Cosmetics (Services) Ltd., Hong Kong. (Same address)

Strawberry Cosmetics (USA) Ltd., British Virgin Islands/Hong Kong.

Strawberry Ltd., Hong Kong.

etc.

BUSINESS REGISTRATION NUMBER

34948878

COMPANY FILE NUMBER

F0013652

MANAGEMENT

Chief Executive Officer: Mr. Rodney James Miles

Managing Director: Mr. Chan Chi Keung, James

AUTHORIZED REPRESENTATIVE IN HONG KONG:

Name: CHAN Chi Keung, James

Address: Flat A, 9/F., Block 30, Laguna City, Cha Kwo Ling, Kowloon, Hong Kong.

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CAPITAL

Authorised Share Capital: US\$50,000.00

Issued & Paid Up Capital: US\$1.00

DIRECTORS

(As per registry dated 11-10-2017)

Name (Nationality)	Address
NG Chi Wai	Flat C, 41/F., Tower 1, Island Resort, Chaiwan, Hong Kong.
CHONG Yuk Sum	Room 1802, 18/F., Mei Shing House, Shek Kip Mei Estate, Kowloon, Hong Kong.
CHU Hiu Tung	2/F., 61 Ng Fat Tin, Wing Lung, Road, Clearwater Bay, New Territories, Hong Kong.
Rodney James MILES	Apartment 42, 4/F., Raceview Mansion, 46 Stubbs Road, Hong Kong.
CHAN Chi Keung, James	Flat A, 9/F., Block 30, Laguna City, Cha Kwo Ling, Kowloon, Hong Kong.

HISTORY

The subject was incorporated in the British Virgin Islands as a limited company. It has established a principal place of business in Hong Kong and was registered on 11th October, 2004 as a Registered Non Hong Kong company.

Originally the subject was registered under the name of Strawberry Cosmetics (Europe) Ltd., name changed to the present style on 1st February, 2018.

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

OPERATIONS

Activities:	Importer, Exporter and Retailer.
Lines:	All kinds of cosmetics, beauty products, etc.
Employees:	180. (Including associates)

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Commodities Imported:	Europe, US, some of the Asian countries, etc.
Markets:	Asia, Europe, Australia, North America, etc.
Annual Sales Turnover:	US\$100-120 million.
Terms/Sales:	COD, L/C, T/T, or as per contracted.
Terms/Buying:	L/C, T/T, O/A, etc.

FINANCIAL INFORMATION

Authorised Share Capital:	US\$50,000.00
Issued & Paid Up Capital:	US\$1.00
Profit or Loss:	Making a small profit every year.
Condition:	Keeping in an active and steady condition.
Facilities:	Making active use of general banking facilities.
Payment:	No Complaints.
Commercial Morality:	Good.

Bankers:-
Hang Seng Bank Ltd., Hong Kong.
The Hongkong & Shanghai Banking Corp. Ltd., Hong Kong.

Standing: Good.

GENERAL

Strawberry Cosmetics (Multinational) Limited is registered in the British Virgin Islands. It was registered in Hong Kong as a Registered Non Hong Kong company.

The subject is a subsidiary company of Strawberry Cosmetics Holdings Ltd. [Strawberry] which is also a BVI-registered firm.

The CEO of the subject remains to be Mr. Rodney James Miles who is a Hong Kong ID holder. He has been in Hong Kong for a very long time.

The subject is trading in all kinds of cosmetics, skin care products, fragrances, make-up and other beauty products. It is a key member of the Strawberry Group. The Group is operated by a number of Hong Kong and foreign merchants.

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Strawberry is one of the world's leading providers of discounted skin care, make-up, cosmetics and fragrances. It has been an e-commerce company since 1998 and currently serving customers in over 200 countries of the world. Its main markets are North and South America, Eastern and Western Europe, Southeast Asia, Africa, the Middle East, Eastern Asia, etc. Most of its customers are retailers, resellers and retail customers.

Including the subject, the Strawberry Group has got a number of associated companies registered in the British Virgin Islands.

With over 33,000 items from over 800 brands, Strawberry is one of the largest discount range available in the world of Make Up, Skincare and Fragrance, all at hugely discounted prices. Its discounted prices have lured a large number of customers from worldwide.

The Group also sells its products via internet. According to the Group, its "StrawberryNet.com" was founded in 1996. The Group has claimed to be "The Fresh Cosmetic Company" because it is innovative and wants to become the leader in the field. Now, quite a large portion of its products are marketed via internet.

The Group is trying to source more commodities from new suppliers.

StrawberryNET is a Worldwide Online Beauty and Cosmetics store. It is also the largest provider of discounted and cheap beauty products in the world. Customers can make their payments via Master Card, Visa, American Express, JCB, Diners' Club, Discover Card, etc.

The Group has been a Biz Rate Circle of Excellence Platinum Award winner for a number of years. It has claimed to be a retailer and not a wholesaler. It also sells its products in small quantities to individual customers.

The Group carries skin care, make-up and hair care brands bearing significant brand names. The significant ones are as follows:-

"Anna Sui", "Aveda", "Borghese", "Biotherm", "Britney Spears", "Bvlgari", "Cellex C", "Chanel", "Christian Dior", "Clarins", "Clinique", "Darphin", "Decleor", "Elizabeth Arden", "Estee Lauder", "Givenchy", "Glycel", "Guerlain", "Guinot", "Gucci", "Helena Rubenstein", "Kanebo", "Kinerase", "La Prairie", "La Mer", "Lancaster", "Lancome", "Lierac", "MAC", "Max Factor", "Monteil", "Nina Ricci", "Orlane", "Payot", "Revlon", "Shiseido", "Sisley", "SKII", "Squina", "Swissline", "Ultima", "Valmont", "Versace", "YSL", etc. Some of the brands of Fragrances are "4711", "Geir Ness", "Naf-Naf", "ABBA", "Gendarme", "Naj-Oleari", "Academie", "Geoffrey Beene", etc.

Most of the Group's customers are in Europe, Japan, Australia, South Korea, the United States, and even China. The Group has got a number awards.

The employees of the Group in Hong Kong is about 180 while most of them are engaged in orders receiving, products packaging and shipping.

The Group in fact is an affiliate of Jebesen & Co. Ltd. [Jebesen], one of the significant firms incorporated in Hong Kong.

Jebesen has been playing a vital role in the trading activities between Hong Kong and foreign countries, especially Europe. Now, it is carrying several hundreds types of commodities imported from the United States, Germany, the United Kingdom, Japan, Italy, France, etc.

Jebesen, with steady growth through the years, has become one of

Hong Kong's best known trading firms. It has set up the following Groups:-

Consumer Products Group — Digital Imaging Division, Home Entertainment Division, Personal Entertainment Division;

Beverage Group — Beer Division, Wine Division, Red Bull Division;

Industrial Group — China Trade Division, Packaging & Projects Division, Technical Division, Specialty Chemicals Division;

Motor Group — Prosche Division;

Logistics — Jebesen Logistics Ltd.;

Jebesen Watch — Jebesen Watch Co. Ltd.;

Jebesen Building Products — JBM Building Products Ltd.

Strawberry Group has been a Biz Rate Circle of Excellence Platinum Award winner for two consecutive years, as rated by over 400,000 customers.

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Website : <http://www.mirainform.com>
<http://www.miraglobalcheck.com>
<http://www.miraglobalcollections.com>

On 27th January, 2015, the Group set up a new company known as Strawberry Cosmetics (Internet Services China) Ltd. which is a Hong Kong-registered company. This company handles the e-commerce business. The Strawberry Group is fully supported by Jebsen. The annual sales turnover of the Group is over US\$100 million. Business is active and profitable.

As the history of the subject in Hong Kong is about fourteen years, on the whole, consider it good for normal business engagements.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.37
UK Pound	1	INR 95.28
Euro	1	INR 84.76
HKD	1	INR 9.29

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	DNS

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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)