

MIRA INFORM REPORT

Report No. :	531669
Report Date :	26.09.2018

IDENTIFICATION DETAILS

Name :	SUZHOU HIGHFINE BIOTECH CO., LTD.
Registered Office :	Building 12, No. 32 Hongxi Road, New District, Suzhou, Jiangsu Province 215151 PR
Country :	China
Financials (as on) :	30.06.2018
Date of Incorporation :	02.12.2003
Com. Reg. No.:	913205057564273465
Legal Form :	Shares Limited Company
Line of Business :	Subject registered business scope includes developing, manufacturing and selling biosynthesis reagents and related reagents; providing related technical services; selling pharmaceutical intermediates and related products; importing and exporting goods and technology, excluding the goods forbidden by the government.
No. of Employees :	78

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 :	Satisfactory
Payment Behaviour :	No Complaints

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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 (31.12.2017)	Current Rating (01.04.2018)
China	A2	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

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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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 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	Suzhou Highfine Biotech Co., Ltd.
CURRENT ADDRESS/ REGISTERED ADDRESS	Building 12, No. 32 Hongxi Road, New District, Suzhou, Jiangsu Province 215151 PR China
TEL. NO.	86 (0) 512-86880806
FAX NO.	86 (0) 512-68417696

EXECUTIVE SUMMARY

DATE OF REGISTRATION	: DECEMBER 2, 2003
REGISTRATION NO.	: 913205057564273465
LEGAL FORM	: SHARES LIMITED COMPANY
CHIEF EXECUTIVE	: ZHU YONG (LEGAL REPRESENTATIVE)
REGISTERED CAPITAL	: CNY 30,000,000
STAFF	: 78
BUSINESS CATEGORY	: MANUFACTURING & TRADING
REVENUE	: CNY 73,594,000 (FROM JAN. 1, 2018 TO JUN. 30, 2018)
EQUITIES	: CNY 99,080,000 (AS OF JUN. 30, 2018)
WEBSITE	: www.highfine.com
E-MAIL	: sales@highfine.com
PAYMENT	: NO COMPLAINTS
MARKET CONDITION	: AVERAGE
FINANCIAL CONDITION	: FAIRLY STABLE
OPERATIONAL TREND	: FAIRLY STEADY
GENERAL REPUTATION	: AVERAGE

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

General Reputation:-

Excellent

Good

Fairly Good

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Ordinary	Average
Fair	Fair
Stagnant	Detrimental
Downward	Not known
Not known	Not yet be determined
Not yet be determined	

LEGAL STATUS & HISTORY

SC was established as shares limited company of PRC with State Administration of Industry & Commerce (SAIC) under unified social credit code: 913205057564273465.

SC's Import and Export Enterprise Code: 3200756427346

SC's registered capital: CNY 30,000,000

SC's paid-in capital: CNY 30,000,000

Registration Change Record:-

Date	Change of Contents	Before the change	After the change
2016-1-22	Registered Capital	CNY 500,000	CNY 10,000,000
2017-3-8	Registered Capital	CNY 10,000,000	CNY 12,500,000
2018-7-19	Registered Capital	CNY 12,500,000	CNY 30,000,000

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

Name of Shareholder (s) (As of June 30, 2018)	% of Shareholding
Zhu Yong	74.6
Xu Jie	6.4
Wu Weizhong	5
Wang Chunlu	4.8
Lu Xuegen	2.4
Lv Minjie	2.4
Other Shareholders	4.4

SC's Chief Executives:-

Position	Name
Legal Representative, Chairman and General Manager	Zhu Yong
Deputy General Manager	Xue Jie
	Lu Xuegen
	Lv Minjie

RECENT DEVELOPMENT

SC was listed on the new three board stock market, and the stock code is 837632.

SHAREHOLDER CHART & BACKGROUND

Name (As of June 30, 2018)	% of Shareholding
Zhu Yong	74.6
Xu Jie	6.4
Wu Weizhong	5
Wang Chunlu	4.8
Lu Xuegen	2.4
Lv Minjie	2.4
Other Shareholders	4.4

MANAGEMENT

Zhu Yong, Legal Representative, Chairman and General Manager

Gender: M
Nationality: China
Age: 47
Qualification: University
Working experience (s):

At present, working in SC as legal representative, chairman and general manager

Xue Jie, Deputy General Manager

Gender: M
Nationality: China
Age: 39
Qualification: University
Working experience (s):

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

At present, working in SC as deputy general manager, also working in Anhui Highfine Biotech Co., Ltd. as legal representative

Lu Xuegen, Deputy General Manager

Gender: M
Nationality: China
Age: 36
Qualification: University
Working experience (s):

At present, working in SC as deputy general manager

Lv Minjie, Deputy General Manager

Gender: M
Nationality: China
Age: 35
Qualification: University
Working experience (s):

At present, working in SC as deputy general manager

BUSINESS OPERATION

SC's registered business scope includes developing, manufacturing and selling biosynthesis reagents and related reagents; providing related technical services; selling pharmaceutical intermediates and related products; importing and exporting goods and technology, excluding the goods forbidden by the government.

SC is mainly engaged in manufacturing and selling biosynthesis reagents and related reagent, pharmaceutical intermediates.

Brand: Highfine

SC's products mainly include: coupling reagents, intermediates, phosphorus reagents, etc.

SC sources its materials 100% from domestic market. SC sells 60% of its products in domestic market, and 40% to overseas market, mainly India, etc.

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

Staff & Office:

SC is known to have approx. 78 staff at present.

SC owns an area as its operating office and factory, but the detailed information is unknown.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

RELATED COMPANY

SC is known to have a subsidiary at present,

Anhui Highfine Biotech Co., Ltd.

Date of Registration: September 19, 2018
Registration No.: 91340800MA2T344R0Q
Chief Executive : Xu Jie
Registered Capital: CNY 50,000,000

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 records 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

The bank information of SC is not filed in SAIC.

FINANCIALS

Balance Sheet

Unit: CNY'000	As of Dec. 31, 2017	As of Jun. 30, 2018
Cash	52,233	69,145
Notes receivable & Accounts receivable	13,349	17,330
Advances to suppliers	964	2,802
Other receivable	0	4
Inventory	16,392	16,333

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

SUZHOU HIGHFINE BIOTECH CO., LTD. - 531669

PAGE NO. : 10

Prepaid expenses	0	0
Other current assets	0	0
	-----	-----
Current assets	82,938	105,614
Fixed assets	3,730	4,125
Construction in progress	0	0
Intangible assets	0	0
Long-term prepaid expenses	797	569
Deferred income tax assets	148	175
Other non-current assets	752	0
	-----	-----
Total assets	88,365	110,483
	=====	=====
Short-term loans	0	0
Notes payable & Accounts payable	5,583	7,539
Wages payable	901	457
Taxes payable	1,486	2,605
Advances from clients	912	720
Other payable	78	82
Accrued expenses	0	0
Other current liabilities	0	0
	-----	-----
Current liabilities	8,960	11,403
Non-current liabilities	0	0
	-----	-----
Total liabilities	8,960	11,403
Equities	79,405	99,080
	-----	-----
Total liabilities & equities	88,365	110,483
	=====	=====

Income Statement

Unit: CNY'000	As of Dec. 31, 2017	From Jan. 1, 2018 to Jun. 30, 2018
Revenue	94,017	73,594
Cost of sales	49,803	41,572
Taxes and surcharges	735	612
Sales expense	6,204	3,726
Management expense	9,589	1,897
Finance expense	1,632	-1,147
Investment income	0	0
Non-operating income	427	18
Non-operating expense	3	0
Profit before tax	26,677	23,117
Less: profit tax	3,928	3,442
Profits	22,749	19,675

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Important Ratios

=====

	As of Dec. 31,	As of Jun. 30,
	2017	2018
*Current ratio	9.26	9.26
*Quick ratio	7.43	7.83
*Liabilities to assets	0.10	0.10
*Net profit margin (%)	24.20	26.73
*Return on total assets (%)	25.74	17.81
*Inventory / Revenue x365/180	64 days	40 days
*Revenue / Total assets	1.06	0.67
*Cost of sales / Revenue	0.53	0.56

FINANCIAL COMMENTS

PROFITABILITY: AVERAGE

The revenue of SC appears average in its line.
SC's net profit margin is fairly good.
SC's return on total assets is fairly good.
SC's cost of sales is average, comparing with its revenue.

LIQUIDITY: AVERAGE

The current ratio of SC is maintained in a fairly good level.
SC's quick ratio is maintained in a fairly good level.
The inventory of SC appears average.
SC has no short-term loans.
SC's revenue is in an average level, comparing with the size of its total assets.

LEVERAGE: AVERAGE

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

Overall financial condition of the SC: Fairly Stable.

CONCLUSIONS

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

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.81
UK Pound	1	INR 95.50
Euro	1	INR 85.62
CNY	1	INR 10.56

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	TRU

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.