

Warsaw, 6 September 2022 r.

BAOMI TECHNOLOGY CO., LTD.

COMPANY VERIFICATION

Basic details:

Company Name:	<u>包米科技有限责任公司</u> <i>pinyin: Bāomǐ kējì yǒuxiàn zérèn gōngsī</i> ; <i>eng.: Baomi Technology Co., Ltd.</i>
Address:	北京市海淀区西二旗中路555号院27号楼106层966号 <i>eng.: Room no. 966, 106th Floor, Building 27, Yard 555, Xierqi Middle Road, Haidian District, Beijing</i>
Unified Social Credit Code:	90010108551380002Q
Business Registration Number:	111018102661422
Company status:	Functioning
Registration date:	4 March 2010
Registered capital:	18 000 000 RMB
Chairman:	雷刘 (Lei Liu)
Director:	刘斌 (Liu Bin)
Director:	林芹 (Lin Qin)
Chairman of the Supervisory Board:	军德 (Jun De)
Legal representative:	雷刘 (Lei Liu)
Shareholders:	雷刘 (Lei Liu) – 75.8022% shares; 洪万强 (Hong Wanqiang) – 11.1213% shares; 黎锋 (Li Feng) – 10.0665% shares. 军德 (Jun De) – 3.0100% shares

The data was determined based on the public NECIPS system and the private register monitoring system Qcc.com.



Inspection of the company:

I. Purpose of the inspection:

The purpose of this verification is to analyze and evaluate the Baomi Technology Co., Ltd. entity in terms of the possibility of establishing cooperation between the entity ordering the verification and the verified entity. The potential cooperation is to consist in the supply of electronic equipment to Poland under a framework agreement.

II. Scope of activity:

Business scope declared in the registry is: electronic import and export, agency import and export; sale of communication equipment; kitchen items; photographic equipment; repair computers, software and hardware; production of electronic products and electrical devices; sale of class III equipment.

Such scope should be assessed as sufficient to provide the indicated services. It should be emphasized that for 6 months the company has also been able to sell class III medical equipment, i.e. medical masks. However, the company is definitely not a manufacturer of medical masks and should not be treated as such.

Licenses registered on behalf of the company: The company has a license visible in the register of companies, active from 2022, for the manufacture, import and export of electronic dangerous products, such as lithium-ion batteries.

In 2020, the company received an administrative fine for failure to submit financial statements on time. In 2014, the company was entered on the list of companies conducting unusual activity due to problems in the insurance of employees. In 2015, the entry was deleted. Apart from the above, the register does not indicate any information about being entered on the list of unusual behavior or about being placed on the list of illegal and unreliable companies (the so-called blacklist).

The licenses held should be considered sufficient. The presence of several penalties does not raise serious objections, these are errors that often appear with some Chinese entities.

III. Court cases:

Searching for information in China Judgments Online, a public record of Chinese court papers, shows documents for one lawsuit from 2019. Baomi Technology Co., Ltd. sued 河北最好金属有限公司 (Héběi zuì hǎo jīnshǔ yǒuxiàn gōngsī), which, according to the documentation, was supposed to supply the company with materials. The plaintiff withdrew the lawsuit after two months. This may signal that a settlement can be reached in the event of a conflict with the company. The value of the dispute is 200,000 yuan.



IV. Network existence analysis:

Annual reports are, as a rule, submitted correctly. According to available information, the company employs over 200 people.

In the reports, the company indicates that it maintains a website at www.baomi.cn. The website is run only in Chinese. This indicates that the company may not have experience in cooperation with foreign entities. However, the site seems to be updated regularly, and the photos posted there look believable.

The address of the company's registered office is not in doubt, it can be searched on the Internet. There is indeed a large office building at the given address with the company's details on the front. Several autotranslating sites dealing with establishing contacts between Chinese companies and European companies indicate its name, but nothing else. There does not appear to be a website dedicated to services for foreign customers.

On the Chinese-language Internet, the number of opinions about Baomi Technology Co., Ltd. should be considered significant. The company generally enjoys a good reputation, but there are a few negative comments, mainly referring to the employment conditions prevailing in the company.

V. Related companies

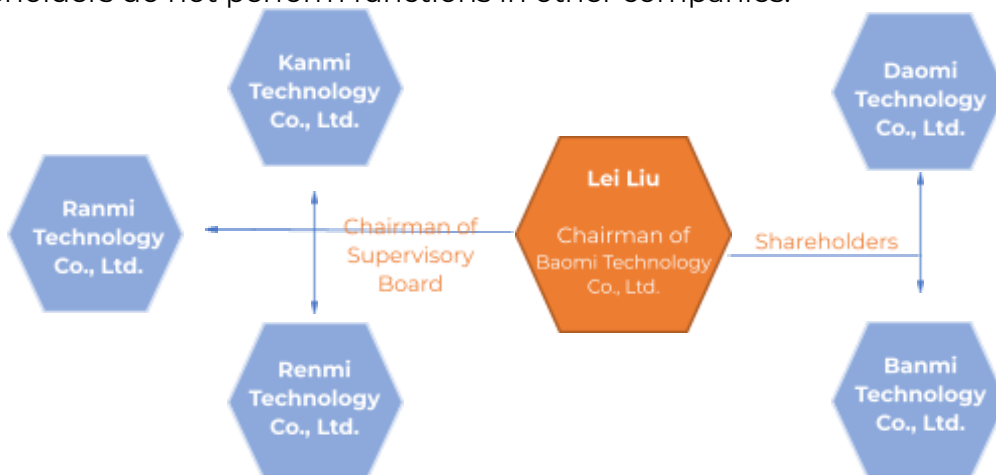
Mr. Lei Liu, Chairman of the board, is also a minority shareholder in two other companies dealing in similar market areas:

1. 道米科技有限责任公司 [Dào mǐ kējì yǒuxiàn zérèn gōngsī] – 25% of shares;
2. 办米科技有限责任公司 [Bàn mǐ kējì yǒuxiàn zérèn gōngsī] – 4% of shares.

At the same time, he is a member of the supervisory board in three other companies:

1. 看米科技有限责任公司 [Kàn mǐ kējì yǒuxiàn zérèn gōngsī];
2. 然米科技有限责任公司 [Rán mǐ kējì yǒuxiàn zérèn gōngsī];
3. 人米科技有限责任公司 [Rén mǐ kējì yǒuxiàn zérèn gōngsī].

Taking into account the links between the companies and their similar names, it should be assumed that these are additional companies of the same activity, but dealing with separate aspects of the activity of the entity analyzed here. Other members of the management board and shareholders do not perform functions in other companies.



VI. Conclusions

The company currently has a valid license to export goods abroad. The scope of activity includes foreign export, but this entry was made only 5 months ago. The above should lead to the conclusion that the company has been active on the Chinese market for years, but it is planning to expand into foreign markets. It can be both an opportunity and a threat. Undoubtedly, attention should be paid to this aspect at the time of concluding the contract.

The company does not raise any serious objections, does not have any suspicious connections or serious penalties. There are currently no court cases pending that could directly affect the solvency of the company. Cooperation with the company seems to be possible while maintaining standard prudence rules.



Reservations regarding the verification rules:

- 1) According to the information on the first page, data on companies are collected from the public NECIPS system and the private registry monitoring system Qcc.com. On each verification there is a date, indicating what data about a given company was visible in the system on that day. Information about companies change over time, so the older the verification is, the less reliable it is.
Informations are verified via the Internet using official government websites and private portals for professional use. Practical experience shows that as a rule, these informations are true, reliable and up-to-date. However, a situation where this does not coincide with reality cannot be completely ruled out. The online company register should not be regarded as a binding interpretation of the law.
- 2) Company Hanglung Law Biernat & Kossacki Spółka Partnerska Radcy Prawnego i Adwokata is not responsible for the behavior of the verified entity. Professionals assess opportunities and threats individually analyzing each company. This does not mean that in the case of a positive or negative verification of a specific entity, such entity will certainly behave as indicated by the analysis.
- 3) The name of the Chinese company is written in Chinese characters. The proper names are Chinese names. The verification approximates translations into English in order to facilitate understanding of the meaning of the company's name, or to indicate which name the entity actually uses in the practice of trading with entities from abroad. However, the Latin alphabet will never be the actual name of the company, but only its approximate translation. This should be taken into consideration especially in the scope of data entered into the contract.