

MIRA INFORM REPORT

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|---------------|------------|
| Report No. : | 523512 |
| Report Date : | 03.08.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | TAIWANABRATOR CO., LTD. |
| Registered Office : | 3F., No.57, Fu Hsing North Road, Taipei, Taiwan, R.O.C. |
| Country : | Taiwan |
| Date of Incorporation : | 09.08.1977 |
| Com. Reg. No.: | 04660313 |
| Legal Form : | Joint Stock Company |
| Line of Business : | Manufacturing and Sales of Steel Shot |
| No. of Employees : | About 50 |

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 : | Slow but correct |
| 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.

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ECGC Country Risk Classification List

| Country Name | Previous Rating (31.12.2017) | Current Rating (01.04.2018) |
|--------------|---------------------------------|--------------------------------|
| Taiwan | A1 | A2 |

| 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 |

TAIWAN - ECONOMIC OVERVIEW

Taiwan has a dynamic capitalist economy that is driven largely by industrial manufacturing, and especially exports of electronics, machinery, and petrochemicals. This heavy dependence on exports exposes the economy to fluctuations in global demand. Taiwan's diplomatic isolation, low birth rate, rapidly aging population, and increasing competition from China and other Asia Pacific markets are other major long-term challenges.

Following the landmark Economic Cooperation Framework Agreement (ECFA) signed with China in June 2010, Taiwan in July 2013 signed a free trade deal with New Zealand - Taipei's first-ever with a country with which it does not maintain diplomatic relations - and, in November of that year, inked a trade pact with Singapore. However, follow-on components of the ECFA, including a signed agreement on trade in services and negotiations on trade in goods and dispute resolution, have stalled. In early 2014, the government bowed to public demand and proposed a new law governing the oversight of cross-Strait agreements, before any additional deals with China are implemented; the legislature has yet to vote on such legislation, leaving the future of ECFA uncertain. President TSAI since taking office in May 2016 has promoted greater economic integration with South and Southeast Asia through the New Southbound Policy initiative and has also expressed interest in Taiwan joining the Trans-Pacific Partnership as well as bilateral trade deals with partners such as the US. These overtures have likely played a role in increasing Taiwan's total exports, which rose 11% during the first half of 2017, buoyed by strong demand for semiconductors.

Taiwan's total fertility rate of just over one child per woman is among the lowest in the world, raising the prospect of future labor shortages, falling domestic demand, and declining tax revenues. Taiwan's population is aging quickly, with the number of people over 65 expected to account for nearly 20% of the island's total population by 2025.

The island runs a trade surplus with many economies, including China and the US, and its foreign reserves are the world's fifth largest, behind those of China, Japan, Saudi Arabia, and Switzerland. In 2006, China overtook the US to become Taiwan's second-largest source of imports after Japan. China is also the island's number one destination for foreign direct investment. Taiwan since 2009 has gradually loosened rules governing Chinese investment and has also secured greater market access for its investors on the mainland. In August 2012, the Taiwan Central Bank signed a memorandum of understanding (MOU) on cross-Strait currency settlement with its Chinese counterpart. The MOU allows for the direct settlement of Chinese renminbi (RMB) and the New Taiwan dollar across the Strait, which has helped Taiwan develop into a local RMB hub.

Closer economic links with the mainland bring opportunities for Taiwan's economy but also pose challenges as political differences remain unresolved and China's economic growth is slowing. President TSAI's administration has made little progress on the domestic economic issues that loomed large when she was elected, including concerns about stagnant wages, high housing prices, youth unemployment, job security, and financial security in retirement. TSAI has made more progress on boosting trade with South and Southeast Asia, however, which may help insulate Taiwan's economy from a fall in mainland demand should China's growth slow in 2018.

Source : CIA

CONTACT POINTS

Company Name: TAIWANABRATOR CO., LTD.
Supplied Name: TAIWANABRATOR CO LTD
Trading Address: No. 586, Sec. 2, South Zhongshan Road, Hengfeng Li,
Dayuan Dist., Taoyuan City, Taiwan
Supplied Address: NO: 586 SEC 2 ZHONGSHAN S ROAD DAYUAN YAO
YUAN 337
Telephone Number: +886-3-3813812
Fax Number: +886-3-3818329
E-mail: tbs@tbshot.com.tw

COMPANY IDENTIFICATION DETAILS

Registered Name: TAIWANABRATOR CO., LTD.
Registered Address: 3F., No.57, Fu Hsing North Road, Taipei, Taiwan, R.O.C.
Date of Foundation: 1977-08-09
Registration Number: 04660313
Registry: Taipei City Government
Registered Capital: NTD 190,000,000 (USD 6,270,000)

Paid-up Capital: NTD 160,000,000 (USD 5,280,000)
Legal Representatives: Yingzong Yan
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sales of steel shot, etc.
Staff: About 50 Employees
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-05-02

HISTORY

Subject was incorporated on 1977-08-09 with registered number 04660313 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Factory
Name: Dayuan Factory
Address: No. 586, Sec. 2, South Zhongshan Road, Hengfeng Li, Dayuan Dist.,
Taoyuan City, Taiwan
Date of Foundation: 1969-01-01
Date of Registration: 1979-05-03

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Factory Registration Number: 99629089
Factory Manager: Yingzong Yan
Status: In Production
Date of Last Annual Return: 2003-01-21
Major Products: 259 Other metal products

Group Companies

Taiwan Sintong Machinery Co., Ltd.
Sinto kogio, Ltd.Sinto kogio, Ltd.
Chemisch Thermische
Prozesstechnik GmbH
Sinto Brasil Produtos Limitada
Qingdao Sinto Machinery Co., Ltd.
Guangzhou Sinto Zhongtong Machinery., Ltd.
Wuxi Tai Sintong Machinery Co., Ltd.
Sintokogio (Kunshan) Co., Ltd.
Zhejiand Sinto Abrasive Co., Ltd.
Sinto Frohn Metal Abrasive (Qingdao) Co., Ltd.
Sinto Bharat Manufacturing Pvt. Ltd.
P.T Sinto Indonesia
Korea Sinto Co., Ltd.

SHAREHOLDERS

Major Shareholders

| Name | Subscription Shares |
|-------------------------------------|---------------------|
| San Yang Metal Industrial Co., Ltd. | 514,801 |
| Sintokogio, Ltd. | 894,300 |
| Treasure Island Trading Co., Ltd. | 161,999 |

MANAGEMENT INFORMATION

Core Management

Directors

1

| | |
|----------|----------------|
| Name | Yingzong Yan |
| Position | Board Chairman |

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2

Name Nishimura Shouzou
Position Director

3

Name Wenzheng Lin
Position Director

4

Name Yamanouchi Hidemi
Position Director

5

Name Pancang Chen
Position Director

6

Name Yizhang Chen
Position Supervisor

7

Name Ookubo Yuuzi
Position Supervisor

Personnel Structure

Total Employees About 50 Employees

OPERATION INFORMATION

Offices & Factories

Add Headquarters
No. 586, Sec. 2, South Zhongshan Road, Hengfeng Li, Dayuan
Dist., Taoyuan City, Taiwan

Production Information

Subject is engaged in manufacturing of steel shot, etc.
Subject has a factory in Taiwan for production.

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Subject has obtained the certification of ISO 9001.

Purchase Information

The registered activities of subject:

| No. | Details |
|-----|---|
| 1 | Manufacturing and sales of surface treatment with projection material |
| 2 | Manufacturing and sales of wear-resistant and heat-resistant special alloy steel products |
| 3 | Import and export of the above related products |

The raw materials are mostly purchased in Taiwan and some alloy material is purchased from abroad.

Sales Information

Subject is engaged in sales of steel shot, etc.
The major products are steel shot and steel gravel, etc.
The products are mainly applied for stone cutting and surface treatment, etc.
Subject's sales regions include domestic market and abroad.
The general delivery lead time of subject is about 10 days.
Subject's major customers are metal and stone processing plant, etc.

Import and export right:

| | |
|--------------|-----|
| Import right | Yes |
| Export right | Yes |

SETTLEMENTS

Purchase

| | |
|-------------------|---------------------|
| Domestic Purchase | |
| Products | Raw materials, etc. |
| Payment Terms | T/T, Cash, etc. |

| | |
|---------------|---------------------|
| Import | |
| Products | Raw materials, etc. |
| Payment Terms | L/C, T/T, etc. |

Sales

| | |
|------------------|------------------|
| Domestic Markets | |
| Product | Steel shot, etc. |
| Selling Terms | T/T, Cash, etc. |

| | |
|---------|------------------|
| Export | |
| Product | Steel shot, etc. |

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Selling Terms L/C, T/T, etc.

FINANCIAL INFORMATION

Subject has no obligations to disclose its financial statements to the third party according to the relevant policy in Taiwan and the only source from which we can obtain the information is the subject itself. Subject's relevant staff declined to disclose its financials citing the grounds of company's confidentiality; from other sources we could not obtain such information, either.

BANKER

Name First Commercial Bank Limited

PUBLIC RECORD

Mortgage

No chattel mortgage record of subject has been found within the recent 3 months.

Lawsuit

Trial Number: 2006, Beijian, 17283
Date of Trial: 2006-11-23
Reason: Payment for fee
Claimant: Taiwanabrator Co., Ltd.
Defendant: Weibo Co., Ltd. (Literal translation)

SPECIAL NOTE

Interview Details

Name Ms. Jiang
Department Sales Department

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 38.36 |
| UK Pound | 1 | INR 89.52 |
| Euro | 1 | INR 79.57 |
| TWD | 1 | INR 2.24 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | NIY |
| 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)