

MIRA INFORM REPORT

Report No. :	526146
Report Date :	27.08.2018

IDENTIFICATION DETAILS

Name :	JO-WAY MACHINERY CO., LTD.
Registered Office :	1F., No.39, Ln. 206, Wenchang St., Nantun Dist., Taichung City 40841
Country :	Taiwan
Date of Incorporation :	09.06.1988
Com. Reg. No.:	22942011
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and Sale of Machinery Equipment, etc.
No. of Employees :	About 50

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 :	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

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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, 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: JO-WAY MACHINERY CO., LTD.
Supplied Name: JO WAY MACHINERY CO LTD.,
Trading Address: No.27, Ln. 989, Zhongshan Rd., Shengang Dist., Taichung
City 429, Taiwan
Supplied Address: 27, LN. 989, ZHONGSHANG Rd. SHENGGANG, TAICHUNG
CITY,
Telephone Number: +886-4-2561-8859
Fax Number: +886-4-2652-3890
E-mail: joway@jo-way.com

Notes: The exact name and address are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: JO-WAY MACHINERY CO., LTD.
Registered Address: 1F., No.39, Ln. 206, Wenchang St., Nantun Dist., Taichung
City 40841, Taiwan
Date of Foundation: 1988-6-9
Registration Number: 22942011
Registry: Taichung City Government
Registered Capital: NTD 28,000,000 (USD 924,000)
(As of 2018.8, 1 NTD = 0.033 USD)
Paid-up Capital: NTD 28,000,000 (USD 924,000)
Legal Representatives: Zhenxin Liao
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sale of machinery equipment, etc.
Staff: About 50 Employees
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-10-31

Note: The above staff information is from public files.

HISTORY

Subject was incorporated on 1988-6-9 with registered number 22942011 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Factory

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Address: No. 45, Lane 61, Dafu Road, Anli Li, Shengang Dist., Taichung City,
Taiwan
Date of Registration: 2010-1-18
Factory Registration Number: 99713531
Factory Manager: Zhenxin Liao
Status: In Production
Date of Last Annual Return: 2010-1-18
Major Products: 292 other professional machinery equipment

SHAREHOLDERS

Major Shareholders

Name	Subscription Shares
Zhenxin Liao	8,927
Zhijiang Liao	480
Huijing Hong	8,927
Yijuan Liao	3,185

MANAGEMENT INFORMATION

Core Management

Directors

1

Name	Zhenxin Liao
Position	Chairman of the Board

2

Name	Zhijiang Liao
Position	Director

3

Name	Huijing Hong
Position	Director

4

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Name Yijuan Liao
Position Supervisor

Personnel Structure

Total Employees About 50 Employees

OPERATION INFORMATION

Offices & Factories

Add Headquarters
No.27, Ln. 989, Zhongshan Rd., Shengang Dist., Taichung City
429, Taiwan

Production Information

Subject is engaged in manufacturing of machinery equipment, etc.
Subject has a factory in Taiwan for production.

Purchase Information

The registered activities of subject:

Number	Details
1	Processing, manufacturing and trading of various woodworking machines
2	The sale of related products and raw materials
3	Acting of domestic and foreign related manufacturers bidding and distribution business
4	The above related import and export business

The components and raw materials for production are mostly purchased in Taiwan domestic market.

Sales Information

Subject is engaged in sale of machinery equipment, etc.
The major products are CNC router, sliding table saw, auto edge banding machine, boring machine, raised panel door machine, planer and thicknesser, double planer, etc.
It is introduced that subject has its own brand JOWAY.
Subject's sales regions include domestic market, Singapore, Vietnam, Indonesia, etc.
It is introduced that the subject has agent in Vietnam for sale service.
The general delivery lead time of subject is about 120 days.

Import and export right:

Import right Yes

Export right Yes

SETTLEMENTS

Purchase

Domestic Purchase

Products Components and raw materials
Payment Terms T/T, Cash, etc.

Import

Subject has little import.

Sales

Domestic Markets

Product Machinery equipment, etc.
Selling Terms T/T, Cash, etc.

Export

Product Machinery equipment, etc.
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.

BANKERS

1

Name Chang Hwa Commercial Bank Ltd
Note: The subject only confirmed the bank name and declined to confirm other information.
Bankers : CHANG HWA COMMERCIAL BANK LTD., FENG YUAN BRANCH, ADD: NO. 220, CHUNG CHENG RD., FENG YUAN DIST., TAICHUNG CITY 420, TAIWAN (R.O.C) SWIFT: CCBCTWTP583 NAME: JO WAY MACHINERY CO LTD., A/C NO.: 5838-86-16689-100

2

Name First Commercial Bank

PUBLIC RECORD

Mortgage

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

Lawsuit

Up to date of reporting, no existing or latent litigation of the subject has been found.

SPECIAL NOTE

Interview Details

Name Mr. Chen
Department Sales Department

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.14
UK Pound	1	INR 89.97
Euro	1	INR 81.17
TWD	1	INR 2.28

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	TPT

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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)