

MIRA INFORM REPORT

Report No. :	545705
Report Date :	21.12.2018

IDENTIFICATION DETAILS

Name :	SCIENTECH ELECTRONICS CO., LTD.
Registered Office :	4F, No. 501-17, Chung Cheng Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.)
Country :	Taiwan
Date of Incorporation :	16.11.1979
Com. Reg. No.:	05011358
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and sale of fire alarms
No. of Employees :	Not available

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 (30.06.2018)	Current Rating (30.09.2018)
Taiwan	A2	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, which may help insulate Taiwan's economy from a fall in mainland demand should China's growth slow in 2018.

Source : CIA

COMPANY NAME AND ADDRESS

Company Name: Scientech Electronics Co., Ltd.
Supplied Name: SCIENTECH ELECTRONICS CO LTD
Trading Address: 4F, No. 501-17, Chung Cheng Rd., Xindian Dist., New Taipei
City, Taiwan (R.O.C.)
Supplied Address: 4F, NO 501-17, ZHONG ZHENG RD, XIN DIAN DIST, NEW
TAIPEI CITY 23148
Telephone Number: + 886-2-2218-3085
Fax Number: + 886-2-2218-7380
E-mail: scientech@lifesos.com.tw

Notes: The exact name and address are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Scientech Electronics Co., Ltd.
Registered Address: 4F, No. 501-17, Chung Cheng Rd., Xindian Dist., New Taipei
City, Taiwan (R.O.C.)
Date of Foundation: 1979-11-16
Registration Number: 05011358
Registry: New Taipei City Government
Registered Capital: NTD 20,000,000 (USD 648,000)
(As of 2018.12, 1 NTD = 0.0324 USD)
Paid-up Capital: NTD 20,000,000 (USD 648,000)
Legal Representatives: Taiming Shi
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sale of fire alarms, etc.
Staff: N/A
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-06-29

Note: Subject relevant staff declined to disclose the staff number of the subject. From other sources, we cannot obtain the relevant information, either.

HISTORY

Subject was incorporated on 1979-11-16 with registered number 05011358 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Factory

Name:	Xindian Factory
Address:	4F, No. 501-17, Chung Cheng Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.)
Date of Foundation:	1997-09-03
Date of Registration:	1997-09-18
Factory Registration Number:	99614524
Factory Manager:	Taiming Shi
Status:	In Production
Date of Last Annual Return:	2011-07-19
Major Products:	272 Telecommunication equipment 275 Measurement, navigation, control equipment and clocks 273 Audio-visual electronic products 269 Other IC components

SHAREHOLDERS

Major Shareholders

Name	Subscription Shares
Taiming Shi	212
Wenliang Wang	277
Shouhong Ling	200
Shuqin Zhao	103
Hongfang Qiu	186
Changyuan Wu	90

MANAGEMENT INFORMATION

Core Management

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Name	Taiming Shi
Position	Chairman of the Board

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Name Wenliang Wang
Position Director

3

Name Shouhong Ling
Position Director

4

Name Shuqin Zhao
Position Director

5

Name Hongfang Qiu
Position Director

6

Name Changyuan Wu
Position Supervisor

OPERATION INFORMATION

Offices & Factories

Add Headquarters
4F, No. 501-17, Chung Cheng Rd., Xindian Dist., New Taipei
City, Taiwan (R.O.C.)

Production Information

Subject is engaged in manufacturing of fire alarms, etc.
Subject has a factory in New Taipei City, Taiwan for production.
Subject obtained the certification of ISO 9001:2015.

Purchase Information

The registered activities of subject:

Business Code	Details
--	Manufacturing, processing, designing and sale of security and anti-theft equipment
--	Manufacturing, processing, designing and sale of

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- communication system
- Manufacturing, processing, designing and sale of recording system
- Manufacturing, processing, designing, sale and installation of various electrical machinery
- Manufacturing, processing, designing and sale of computer hardware and software and peripherals
- Import and export business of the above products
- Agent of bidding, enquiring and distributing of the above products in domestic and from abroad

It is introduced that subject's raw materials and components are purchased both at home and from abroad.

Sales Information

Subject is engaged in sale of fire alarms, etc.

The major products include new smoke detector, wireless solar siren, wireless smoke and heat detector, wireless gas detector and so on.

From public files, we find that the subject also sells security, elderly care and automation products which is not confirmed by the subject.

Subject's sales regions include domestic market and abroad market, etc.

It is introduced that the subject can offer designing and customized services.

Subject's major customers are factories, etc.

Two of subject's major customers include Sennheiser Electronic Corporation, Merchandising & Marketing Corp.

Import and export right:

Import right	Yes
Export right	Yes

Product Type

Specific Products

Security

IP system with smart and smart home built in, IP-Base all-in-one smart security system, Universal gateway-combining Wi-Fi/Ethernet & GSM/GPRS options, Wireless door magnet, Door magnet with 6-year battery life, Pet-immune PIR sensor, Motion Detector, with 4-year battery life, etc.

Elderly Care

Wireless emergency button, wireless medical button with built-in inactivity, wireless PIR motion detector, Mini vibration sensor, etc.

Automation

IFTTT, Cloud and app for mobile and tablet, smart plug, relay switch module, mini light sensor, wireless temperature & humidity sensor, wireless keypad/ controller, mini vibration sensor, analog and temperature 2-in-1 sensor, long battery life door magnet, wireless outdoor PIR, wireless AC power meter, etc.

Others

Life SOS model comparison, etc.

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SETTLEMENTS

Purchase

Domestic Purchase

Products Raw materials and components, etc.
Payment Terms T/T, Cash, etc.

Import

Products Raw materials and components, etc.
Payment Terms L/C, T/T, etc.

Sales

Domestic Markets

Product Fire alarms, etc.
Selling Terms T/T, Cash, etc.

Export

Product Fire alarms, 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 Ms. Zhang declined to disclose its financials citing the grounds of company's confidentiality; from other sources we could not obtain such information, either.

BANKERS

Subject declined to disclose its bank details; from other source we could not obtain the relevant information, either.

PUBLIC RECORD

Mortgage

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

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

Lawsuit

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

SPECIAL NOTE

Interview Details

Name	Ms. Zhang
Department	Sales Department

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.28
UK Pound	1	INR 88.85
Euro	1	INR 80.05
TWD	1	INR 2.28

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	SYL

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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)