

MIRA INFORM REPORT

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|---------------|------------|
| Report No. : | 516944 |
| Report Date : | 02.07.2018 |

IDENTIFICATION DETAILS

| | |
|-------------------------|---|
| Name : | SAMSON MACHINERY INC. |
| Registered Office : | No.13-5,Sinhe Rd., Sinfong Township, Hsinchu County 304, Taiwan (R.O.C) |
| Country : | Taiwan |
| Date of Incorporation : | 26.08.1986 |
| Com. Reg. No.: | 22245232 |
| Legal Form : | Joint Stock Company |
| Line of Business : | Manufacturing and sale of tire building machines |
| No. of Employees : | 80 |

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 |
| 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) |
|--------------|---------------------------------|--------------------------------|
| 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

COMPANY NAME AND ADDRESS

Company Name: Samson Machinery Inc.
Supplied Name: SAMSON MACHINERY INC
Trading Address: No.13-5,Sinhe Rd., Sinfong Township, Hsinchu County 304,
Taiwan (R.O.C)
Supplied Address: 13-5, SINHE RD, SINFONG TOWNSHIP HSINCHU
COUNTRY 304 TAIWAN
Telephone Number: +886-3-568-0606
Fax Number: +886-3-568-7722
E-mail: webmaster@samson.com.tw
Notes: The exact address is as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Samson Machinery Inc.
Registered Address: No.13-5,Sinhe Rd., Sinfong Township, Hsinchu County 304,
Taiwan (R.O.C)
Date of Foundation: 1986-08-26
Registration Number: 22245232
Registry: MOEA Central Office
Registered Capital: NTD 46,000,000 (USD 1,518,000)

Paid-up Capital: NTD 46,000,000 (USD 1,518,000)
Legal Representatives: Kunde Lin
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sale of tire building machines, etc.
Staff: About 80 Employees
Date of Last Annual Return: 2017-03-22

HISTORY

Subject was incorporated on 1986-08-26 with registered number 22245232 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Factory
Address: No.13-5,Sinhe Rd., Sinfong Township, Hsinchu County 304, Taiwan
(R.O.C)
Date of Registration: 2006-07-07
Factory Registration Number: 99700337

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SAMSON MACHINERY INC. - 516944

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| | |
|-----------------------------|---------------------------------------|
| Factory Manager: | Kunde Lin |
| Status: | In Production |
| Date of Last Annual Return: | 2006-08-25 |
| Major Products: | 292 Other special machinery equipment |

Related Company

| | |
|---------|---|
| Name | Samsaon Xiamen Machinery Ltd. |
| Address | No.46,Xibin Road, Xinglin Jimei District, Xiamen, Fujian, China |
| Tel | +86-592-621-2128 |
| Fax | +86-592-621-0659 |

SHAREHOLDERS

Major Shareholders

| Name | Subscription Shares |
|---------------|---------------------|
| Kunde Lin | 23,000 |
| Xiangkai Lin | 4,000 |
| Luomanmei Lin | 11,000 |
| Zichen Lin | 4,000 |
| Zhiyu Lin | 4,000 |

MANAGEMENT INFORMATION

Core Management

Directors

| | |
|----------|-----------------------|
| 1 | |
| Name | Kunde Lin |
| Position | Chairman of the Board |
| 2 | |
| Name | Xiangkai Lin |
| Position | Director |
| 3 | |
| Name | Luomanmei Lin |
| Position | Director |
| 4 | |
| Name | Zichen Lin |
| Position | Director |
| 5 | |
| Name | Zhiyu Lin |
| Position | Supervisor |

Personnel Structure

Total Employees About 80 Employees

OPERATION INFORMATION

Offices & Factories

Add Headquarters
No.13-5, Sinhe Rd., Sinfong Township, Hsinchu County 304,
Taiwan (R.O.C)

Production Information

- Subject is engaged in manufacturing of tire building machines, etc.
- Subject has a factory in Taiwan for production.
- Subject obtained the certification of ISO9001, EQA and CE.

Purchase Information

The registered activities of subject:

| No. | Details |
|-----|---|
| 1 | Design, manufacturing, processing and sale of precision tube forming cylinder and tire shaping drum of kinds of various small vehicles, automobiles and motorcycles, and related tires. |
| 2 | Design, manufacturing, processing and sale of precision tube forming cylinder and tire shaping drum of kinds of special vehicles. |
| 3 | Design, manufacturing, processing and sale of the above kinds of make-up machines, vulcanizing machine and its subsidiary machinery parts. |
| 4 | Design, manufacturing, processing and sale of rubber, plastic and metal molds. |
| 5 | Design, manufacturing, processing and sale of machine tools, machinery parts and accessories. |
| 6 | The export and import business of the above products. |

The components and raw materials for production are both purchased at home and abroad.

Sales Information

- Subject is engaged in sale of tire building machines, etc.
- The major products of the subject include radial tire building machines, bias dual/triple beads tire building machines, bias single bead tire building machine, customized tire building machine and drum & accessories, etc.

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- Subject can provide the customization service for customers.
- Subject's sales regions include domestic market and abroad.
- Subject's major customers are manufacturers of tires.

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

Sales

Domestic Markets
Product Tire building machines, etc.
Selling Terms T/T, Cash, etc.

Export
Product Tire building machines, 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.

BANKER

Name: Mega International Commercial Bank Limited

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PUBLIC RECORD

Mortgage

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

Lawsuit

- 1
Trial Number: 2016, Zhongsu, 161
Date of Trial: 2017-03-08
Reason: Confirm the right of way
Claimant: Weibao Biotechnology Co., Ltd. (Literal Translation)
Defendant: Samson Machinery Inc.
- 2
Trial Number: 2016, Zhongsu, 161
Date of Trial: 2017-02-07
Reason: Confirm the right of way
Claimant: Weibao Biotechnology Co., Ltd. (Literal Translation)
Defendant: Samson Machinery Inc.
- 3
Trial Number: 2016, Bu, 365
Date of Trial: 2016-04-27
Reason: Confirm the right of way
Claimant: Weibao Biotechnology Co., Ltd. (Literal Translation)
Defendant: Samson Machinery Inc.
- 4
Trial Number: 2016, Bu, 365
Date of Trial: 2016-04-13
Reason: Confirm the right of way
Claimant: Weibao Biotechnology Co., Ltd. (Literal Translation)
Defendant: Samson Machinery Inc.
- 5
Trial Number: 2014, su, 965
Date of Trial: 2015-8-7
Reason: Confirm the right of way
Claimant: Samson Machinery Inc.
Defendant: Weibao Biotechnology Co., Ltd. (Literal Translation)
- 6
Trial Number: 2014, su, 965
Date of Trial: 2014-11-27
Reason: Confirm the right of way
Claimant: Samson Machinery Inc.
Defendant: Weibao Biotechnology Co., Ltd. (Literal Translation)
- 7
Trial Number: 2014, bu, 883
Date of Trial: 2014-9-26
Reason: Confirm the right of way

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Claimant: Samson Machinery Inc.
Defendant: Weibao Biotechnology Co., Ltd. (Literal Translation)
8
Trial Number: 2014, chu, 65
Date of Trial: 2014-3-31
Reason: Invalidating judgment
Petitioner: Zhangjianshun Jirili Hardware Shop (Literal Translation)
9
Trial Number: 2013, sicui, 314
Date of Trial: 2013-10-21
Reason: Publication service
Claimant: Zhangjianshun Jirili Hardware Shop (Literal Translation)
10
Trial Number: 2013, sicui, 314
Date of Trial: 2013-10-21
Reason: Publication service
Claimant: Zhangjianshun Jirili Hardware Shop (Literal Translation)

SPECIAL NOTE

Interview Details

Name Ms. Wong
Department Sales Department

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 68.58 |
| UK Pound | 1 | INR 89.93 |
| Euro | 1 | INR 79.85 |
| TWD | 1 | INR 2.25 |

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

INFORMATION DETAILS

| | |
|-----------------------------|-----|
| Analysis Done by : | DIV |
| 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)