

MIRA INFORM REPORT

Report No. :	522085
Report Date :	31.07.2018

IDENTIFICATION DETAILS

Name :	FLOW ASIA CORPORATION
Registered Office :	2F., No.9, Yanfa 1st Rd., Baoshan Township, Hsinchu County 30076, (R.O.C.)
Country :	Taiwan
Date of Incorporation :	27.01.1981
Com. Reg. No.:	47240972
Legal Form :	Joint Stock Company
Line of Business :	Trading of waterjet equipment
No. of Employees :	700 (Group)

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.

ECGC Country Risk Classification List

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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: Flow Asia Corporation
Supplied Name: FLOW ASIA CORPORATION
Trading Address: 2F., No.9, Yanfa 1st Rd., Baoshan Township, Hsinchu County 30076, Taiwan (R.O.C.)
Supplied Address: 2F NO 9 YANFA 1ST ROAD, EAST DIST. SCIENCE BASED INDUSTRIAL PARK HSIN CHU CITY
Telephone Number: +886-3-557-2102
Fax Number: +886-3-577-3070

Notes: The exact name and address are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Flow Asia Corporation
Registered Address: 2F., No.9, Yanfa 1st Rd., Baoshan Township, Hsinchu County 30076, Taiwan (R.O.C.)
Date of Foundation: 1981-01-27
Registration Number: 47240972
Registry: Science Park Administration, MOST
Registered Capital: NTD 127,000,000 (USD 4,191,000)
(As of 2018.7, 1 NTD = 0.033 USD)
Paid-up Capital: NTD 100,000,000 (USD 3,300,000)
Legal Representatives: David Sonwit (local language name: 大衛森威智)
Legal Form: Joint Stock Company
Principal Activities: Trading of waterjet equipment, etc.
Staff: About 700 Employees (Group)
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-04-19

HISTORY

Subject was incorporated on 1981-01-27 with registered number 47240972 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Global Offices

1

Address: 23500 64th Avenue South · Kent, Washington 98032 · USA

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2	
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Tel:	+1-812-590-4922
3	
Address:	Rua do Curtume, 694 · Lapa · 05065-001 São Paulo · SP · Brazil
Tel:	+55-11-3616-2820
4	
Address:	Gutenbergstrasse 10 · 64331 Weiterstadt · Germany
Tel:	+49-6151-3095-0
5	
Address:	38, Place des Pavillons · F-69007 Lyon · France
Tel:	+33-(0)4-72 80 82 03
6	
Address:	6/14, Primerose Road, Gurappa Avenue, Bangalore – 560025 · India
Tel:	+91 9008022992
7	
Address:	9F, KDX Nagoya Sakae Building, 4-5-3, Sakae, Naka-ku, Nagoya, Aichi, 460-0008 Japan
Tel:	+81-52-265-8069
8	
Address:	Room 202, and 1/F., No. 168, Jixin Road, Minhang Dist., Shanghai City, China
Tel:	+86-21-5438-2222

SHAREHOLDER

Major Shareholder

Name	Subscription Shares
Flow Foreign Holdings B.V.	9,998,552

MANAGEMENT INFORMATION

Core Management

Directors

1	
Name	David Sonwit (local language name: 大衛森威智)
Position	Board Chairman
2	
Name	Robert Douglas Carlson

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Position	Director
3	
Name	Jonathan Paul Brown
Position	Director
4	
Name	Ichard A. Leblanc
Position	Supervisor

OPERATION INFORMATION

Offices & Factories

	Headquarters
Add	2F., No.9, Yanfa 1st Rd., Baoshan Township, Hsinchu County 30076, Taiwan (R.O.C.)

Production Information

Subject is a trader of waterjet equipment, etc. without any production activities.
Subject's related company has factories in America for production.

Purchase Information

The registered activities of subject:

No.	Details
1	Research, development, manufacturing, sales and rent of the below products and components
1	High pressure water cutting machine system
2	High pressure pump equipment
3	Wind-mill generator
4	High pressure drilling equipment system
5	Other fluid mechanical equipment and its systems
	Aerospace, space industry components processing manufacturing, marketing
	Technical consultation and service of the above products and engineering construction
	Concurrently engaged in import and export business

The products are mostly purchased from subject's related company in America.

Sales Information

Subject is engaged in sales of waterjet equipment, etc.
The major products are waterjet equipment, related accessories, such as pump and cutting tool, etc.
Subject's sales regions include domestic market and Southeast Asia, etc.
Subject's group has many sales offices and service centers in Asia, Middle East, America and Europe.
Subject's major customers are processors of glass, metal and stone, etc.

Import and export right:
Import right Yes
Export right Yes

SETTLEMENTS

Purchase

Domestic Purchase

Subject has little domestic purchase.

Import

Products Waterjet, etc.
Payment Terms L/C, T/T, etc.

Sales

Domestic Markets

Product Waterjet, etc.
Selling Terms T/T, Cash, etc.

Export

Product Waterjet, 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

PUBLIC RECORD

Mortgage

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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	Ms. Wong
Department	Sales Department
E-mail	stephen@flowcorp.com

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.75
UK Pound	1	INR 90.15
Euro	1	INR 80.16
TWD	1	INR 2.24

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	TRU

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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)