

MIRA INFORM REPORT

Report No. :	541089
Report Date :	26.11.2018

IDENTIFICATION DETAILS

Name :	BITEX INDUSTRIAL CO., LTD.
Registered Office :	No.76, Teh Sheng Rd., Daya Dist., Taichung City 428
Country :	Taiwan
Date of Incorporation :	09.09.1981
Com. Reg. No.:	55943898
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and sale of bicycle parts
No. of Employees :	20

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: Bitex Industrial Co., Ltd.
Supplied Name: BITEX INDUSTRIAL CO. LTD.
Trading Address: No.76, Teh Sheng Rd., Daya Dist., Taichung City 428, Taiwan
Supplied Address: No. 76, Desheng Road, Daya District, Taichung, Taichung
Shih, 428,
Telephone Number: +886-4-25667157
Fax Number: +886-4-25667147
E-mail: bitex@bitexhubs.com
min@bitexhubs.com

Notes: The exact name and address are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Bitex Industrial Co., Ltd.
Registered Address: No.76, Teh Sheng Rd., Daya Dist., Taichung City 428, Taiwan
Date of Foundation: 1981-09-09
Registration Number: 55943898
Registry: Taichung City Government
Registered Capital: NTD 10,000,000 (USD 330,000)
Paid-up Capital: NTD 10,000,000 (USD 330,000)
Legal Representatives: Deyao Xie
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sale of bicycle parts.
Staff: About 20 Employees
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-05-12

HISTORY

Subject was incorporated on 1981-9-9 with registered number 55943898 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Factory

Address: No.76, Teh Sheng Rd., Daya Dist., Taichung City 428, Taiwan
Date of Foundation: 1986-12-02
Date of Registration: 1988-10-24
Factory Registration Number: 99640509

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Factory Manager: Deyao Xie
Status: In Production
Date of Last Annual Return: 2013-7-25
Major Products: 293 general machinery equipment
303 auto parts
312 locomotive and parts
313 bike and its parts

International Distributors

1
Name: BikeHubStore.com LLC
Address: 11455 US 15-501 N, Suite B Chapel Hill, NC 27517 USA
Tel: +1 919 263 4247
Email: sales@bikewheelparts.com

2
Name: OLIMPUS GLOBAL LTD
Address: RUA ISAAC ANNES, 52 CEP: 05075-040 LAPA - SAO PAULO - SP
Tel: +55 11 38737877
Email: info@olimpusglobal.com.br

3
Name: TYK Bike Hub Inc.
Address: Door 4 JM Building Governor Sales Street Davao City, Philippines 8000
Tel: +63 82 284 1199
Fax: +63917 700 4121
Email: tyk_enterprises@yahoo.com

4
Name: SES Sandmann Ersatzteil Service
Address: Inh. Frauke Sandmann Rehbecke 1 58091 Hagen VAT ID No: DE259770972
Tel: +49 171 2113095
+49 2337 485850
Email: frank@sandmann-ind.de

5
Name: ROI Group Ltd
Address: Shalmon 5/1, TD 1084 99875 Zur Hadassa, Israel
Tel: +972(0)544 475 536
Email: jmeissonnier@r-o-i-group.com

6
Name: MUCCA Co., Ltd.
Address: 4-3-2 Nishiioi, Shinagawa, Tokyo, JAPAN
Tel: +81(0)3-6429-9182
Email: mucca@cure.ocn.ne.jp

SHAREHOLDERS

Major Shareholders Name	Subscription Shares
Deyao Xie	5,000
Peilin Xue	5,000

MANAGEMENT INFORMATION

Core Management

Directors

1	
Name	Deyao Xie
Position	Chairman of the Board
2	
Name	Yicang Xie
Position	Director
3	
Name	Wanzhu Xie
Position	Director
4	
Name	Peilin Xue
Position	Supervisor

Personnel Structure

Total Employees	About 20 Employees
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OPERATION INFORMATION

Offices & Factories

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Add Headquarters
No.76, Teh Sheng Rd., Daya Dist., Taichung City 428, Taiwan

Production Information

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

Purchase Information

The registered activities of subject:

Number	Details
1	Manufacturing, processing and sale of bike parts (hub, brake, wheel), auto parts (clutch, brake).
2	Manufacturing, processing and sale of industrial machinery (casting products, forged work, stamping car) and the related parts.
3	Manufacturing, processing and sale of industrial knife, household knife, construction hardware (special parts), household hardware (table ware, can opener), sports equipment (ball arm, ice skates and small swing), kitchenware (gas stove, aluminum boiler), household appliance (fan, brigade, air-conditioner), etc.
4	Manufacturing, processing and sale of kinds of industrial melter, heating equipment.
5	Trading of the above related products.

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

Sales Information

Subject is engaged in sale of hubs, etc.

The major products are brake interface, non-center lock disc(6-bolts), spoke system, j-bend straight pull, road, cyclocross, touring bike, MTB, boost, fat bike, lefty, e-bike, folding bike, trike/recumbent, wheel chair, track bike, freehub body (MTB), freehub body (road), quick release, etc.

It is introduced subject owns a brand BITEX.

Subject's sales regions are domestic market, Japan, Korea, Southeast Asia, etc.

Subject's major customers are manufacturers of bikes, etc.

Import and export right:

Import right	Yes
Export right	Yes

SETTLEMENTS

Purchase

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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 Hubs, etc.
Selling Terms T/T, Cash, etc.

Export

Product Hubs, 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

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

PUBLIC RECORD

Mortgage

1
Case Type: Chattel Mortgage
Registered Number: 001314
Debtor Name: Bitex Industrial Co., Ltd.
Registry: Economic Development Bureau of Taichung City
Government
Name of Mortgagee: Zhongzu Dihe Co., Ltd. (Literal Translation)
Date of Registration: 2014-07-07

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Amount of Secure Claims: NTD 3,530,520
Type of Mortgage: Machinery equipment or tools
2
Case Type: Chattel Mortgage
Registered Number: 000795
Debtor Name: Bitex Industrial Co., Ltd.
Registry: Economic Development Bureau of Taichung City
Government
Name of Mortgagee: Zhongzu Dihe Co., Ltd. (Literal Translation)
Date of Registration: 2013-06-24
Amount of Secure Claims: NTD 3,438,020
Type of Mortgage: Machinery equipment or tools
3
Case Type: Chattel Mortgage
Registered Number: 000400
Debtor Name: Bitex Industrial Co., Ltd.
Registry: Economic Development Bureau of Taichung City
Government
Name of Mortgagee: Zhongzu Dihe Co., Ltd. (Literal Translation)
Date of Registration: 2011-12-19
Amount of Secure Claims: NTD 3,000,000
Type of Mortgage: Machinery equipment or tools
4
Case Type: Chattel Mortgage
Registered Number: 63-107-424-1(15695)
Debtor Name: Bitex Industrial Co., Ltd.
Registry: Directorate-General of Highways, MOTC
Name of Mortgagee: Yu Yi Automobile Co., Ltd.
Date of Registration: 2018-11-01
Amount of Secure Claims: NTD 1,066,872
Type of Mortgage: Cars, large heavy-duty bicycles and trailers

Lawsuit

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

SPECIAL NOTE

Interview Details

Department

Sales Department

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.18
UK Pound	1	INR 91.04
Euro	1	INR 81.19
TWD	1	INR 2.29

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

INFORMATION DETAILS

Analysis Done by :	DIV
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)