

## MIRA INFORM REPORT

Report No. :	541354
Report Date :	29.11.2018

### IDENTIFICATION DETAILS

Name :	SIMCO SPRING MACHINERY COMPANY
Registered Office :	6/F-1, No.27, Ln. 61, Sec. 1, Guangfu Rd., Sanchong Dist., New Taipei City 241, Taiwan (R.O.C.)
Country :	Taiwan
Date of Incorporation :	31.08.1999
Com. Reg. No.:	16994258
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and Sale of Spring Machinery, etc.
No. of Employees :	Not Available

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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](mailto: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

## **CONTACT POINTS**

Company Name: SIMCO SPRING MACHINERY COMPANY  
Supplied Name: SIMCO SPRING MACHINERY COMPANY  
Trading Address: 6/F-1, No.27, Ln. 61, Sec. 1, Guangfu Rd., Sanchong Dist.,  
New Taipei City 241, Taiwan (R.O.C.)  
Supplied Address: 6f-1, No. 27, Ln 61 Sec 1 Guangfu Road, 24158 New Taipei  
Cit Northern  
Telephone Number: +886-2-2995-4088  
Fax Number: +886-2-2999-4685  
E-mail: [simco@simcotw.com](mailto:simco@simcotw.com)

**Notes:** The exact name and address are as above.

## **COMPANY IDENTIFICATION DETAILS**

Registered Name: SIMCO SPRING MACHINERY COMPANY  
Registered Address: 6/F-1, No.27, Ln. 61, Sec. 1, Guangfu Rd., Sanchong Dist.,  
New Taipei City 241, Taiwan (R.O.C.)  
Date of Foundation: 1999-8-31  
Registration Number: 16994258  
Registry: New Taipei City Government  
Registered Capital: NTD 35,000,000 (USD 1,155,000)  
(As of 2018.11, 1 NTD = 0.033 USD)  
Paid-up Capital: NTD 35,000,000 (USD 1,155,000)  
Legal Representatives: Binghui Lin  
Legal Form: Joint Stock Company  
Principal Activities: Manufacturing and sale of spring machinery, etc.  
Staff: N/A  
Listed at Stock Exchange: No  
Date of Last Annual Return: 2016-4-29

**Note:** Subject declined to disclose the number of staff, and from other source we cannot obtain the information, either.

## **HISTORY**

Subject was incorporated on 1999-8-31 with registered number 16994258 as Joint Stock Company in Taiwan.

## **CORPORATE STRUCTURE**

Factory  
Address: 6/F-1, No.27, Ln. 61, Sec. 1, Guangfu Rd., Sanchong Dist., New Taipei  
City 241, Taiwan (R.O.C.)  
Date of Foundation: 1999-10-13  
Date of Registration: 1999-11-2  
Factory Registration Number: 99607210  
Factory Manager: Binghui Lin  
Status: In Production  
Date of Last Annual Return: 2002-7-23  
Major Products: 259 Other metal products  
293 General machinery equipment

Related Company  
Name Spring Ming Co., Ltd  
Address No.8, Alley 30, Lane 207, Min-An Road, New Taipei City, Taiwan  
Tel +886-2-8201-4393  
Fax +886-2-2202-0395  
Email [smc@springming.com](mailto:smc@springming.com)

## **SHAREHOLDERS**

### Major Shareholders

Name	Subscription Shares
Binghui Lin	1,400,000
Huihuang Chen	437,500
Dengyuan Zheng	262,500

## **MANAGEMENT INFORMATION**

### Core Management

#### Directors

1

Name	Binghui Lin
Position	Chairman of the Board

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Name Huihuang Chen  
Position Director

3

Name Dengyuan Zheng  
Position Director

4

Name Chaoyang Zheng  
Position Supervisor

## ***OPERATION INFORMATION***

### Offices & Factories

Add Headquarters  
6/F-1, No.27, Ln. 61, Sec. 1, Guangfu Rd., Sanchong Dist., New  
Taipei City 241, Taiwan (R.O.C.)

### Production Information

Subject is engaged in manufacturing of spring machinery, etc.  
Subject has a factory in Taiwan for production.  
Subject obtained the certification of ISO 9001.

### Purchase Information

The registered activities of subject:

Business Code	Details
CA02040	Manufacturing of spring.
CA02050	Manufacturing of valves.
CB01010	Manufacturing of machinery and equipment.
CC01050	Manufacturing of equipment for storage and handling with files.
CC01060	Manufacturing of wired communication equipment.
CD01030	Manufacturing of automobile and related components.
F401010	International trading business.
I601010	Leasing Business.

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

### Sales Information

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Subject is engaged in sale of spring machinery, etc.

The major products include spring former, spring coiler, torsion spring machine, tension spring machine, zigzag spring machine, garter spring machine, joint machine, ring coiler, end grinding machine, testing machine, strip stamping and forming machine, wire bending machine, tube bending machine and so on.

Subject's sales regions are Asia, America, Europe, Oceania, Africa, etc.

The general delivery lead time of subject for small machine is about 30 days, while for heavy machine is about 150 days.

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

Import and export right:

Import right	Yes
Export right	Yes

## **SETTLEMENTS**

### Purchase

Domestic Purchase

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

Import

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

### Sales

Domestic Markets

Product	Spring machinery, etc.
Selling Terms	T/T, Cash, etc.

Export

Product	Spring machinery, 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

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

The Operator

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.69
UK Pound	1	INR 90.14
Euro	1	INR 79.87
TWD	1	INR 2.27

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	DIV
<b>Report Prepared by :</b>	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)