

## MIRA INFORM REPORT

Report No. :	535828
Report Date :	26.10.2018

### IDENTIFICATION DETAILS

Name :	MING DIH INDUSTRY CO., LTD.
Registered Office :	1F, No. 94, Chi-Hsien First Road, Shin Shing Dist., Kaohsiung, Taiwan, R.O.C.
Country :	Taiwan
Date of Incorporation :	30.07.1986
Com. Reg. No.:	22250375
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and sale of expandable polystyrene
No. of Employees :	160

### 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

## **COMPANY NAME AND ADDRESS**

Company Name: Ming Dih Industry Co., Ltd.  
Supplied Name: MING DIH INDUSTRY COLTD  
Trading Address: 1F, No. 94, Chi-Hsien First Road, Shin Shing Dist.,  
Kaohsiung, Taiwan, R.O.C.  
Supplied Address: OFFICE 94 CHI-HSIEN FIRST ROAD SHIN SHING AREA  
KAOSHIUNG TAIWAN ROC  
Telephone Number: +886-7-787-2411  
Fax Number: +886-7-787-2414  
E-mail: [th1234@ms33.hinet.net](mailto:th1234@ms33.hinet.net)

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

## **COMPANY IDENTIFICATION DETAILS**

Registered Name: Ming Dih Industry Co., Ltd.  
Registered Address: 1F, No. 94, Chi-Hsien First Road, Shin Shing Dist., Kaohsiung,  
Taiwan, R.O.C.  
Date of Foundation: 1986-07-30  
Registration Number: 22250375  
Registry: Department of Commerce, Ministry of Economic Affairs,  
R.O.C.  
Registered Capital: NTD 610,000,000 (USD 19,520,000)  
Paid-up Capital: NTD 610,000,000 (USD 19,520,000)  
Legal Representatives: Chonghao Hong  
Legal Form: Joint Stock Company  
Principal Activities: Manufacturing and sale of expandable polystyrene.  
Staff: About 160 Employees  
Listed at Stock Exchange: No  
Date of Last Annual Return: 2017-10-02

## **HISTORY**

Subject was incorporated on 1986-07-30 with registered number 22250375 as Joint Stock Company in Taiwan.

## **CORPORATE STRUCTURE**

### **Factories**

1  
Name: Dafa 1<sup>st</sup> Plant

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Address:	No.9, Juguang 1 <sup>st</sup> St., Daliao Dist., Kaohsiung City 831, Taiwan (R.O.C.)
Date of Foundation:	1990-12-31
Date of Registration:	1990-12-31
Factory Registration Number:	99661916
Factory Manager:	Chonghao Hong
Status:	In Production
Date of Last Annual Return:	2014-09-16
Major Products:	184 Synthetic resins, plastics and rubber
2	
Name:	Dafa 2 <sup>nd</sup> Plant
Address:	No.8, Juguang 1 <sup>st</sup> St., Daliao Dist., Kaohsiung City 831, Taiwan (R.O.C.)
Date of Registration:	2006-03-31
Factory Registration Number:	99704962
Factory Manager:	Chonghao Hong
Status:	In Production
Date of Last Annual Return:	2014-09-15
Major Products:	184 Synthetic resins, plastics and rubber

**Major Related Companies**

1	
Name	Chon Ya Fine Chemical Co., Ltd. (literal Translation)
Address	No.9, Juguang 1 <sup>st</sup> St., Daliao Dist., Kaohsiung City 831, Taiwan (R.O.C.)
2	
Name	Zhongshan Nanrong Chemical Co., Ltd. (literal Translation)
Address	Zhengxing Rd., Nantou Town, Zhongshan City, Guangdong Province, China
Telephone Number:	+86-760- 2311-3908-701
Fax Number:	+86-760- 2311-3912
Date of Foundation:	1997-4-24
Registration Number:	442000400031770
Registry:	Industry And Commerce Administration of Zhongshan City
Registered Capital:	USD 9,500,000
Legal Representatives:	Heqin Lu
Shareholder:	Kairo International Ltd
Legal Form:	Private Limited Liability Company
3	
Name:	Ming Dih Chemical Co., Ltd. (Thailand)

**SHAREHOLDERS**

Major Shareholders

Name	Subscription Shares
Chonghao Hong	55,749
Mingyi Hong	31,238

Zhenwei Hong	55,757
Ruiying Hong	44,380

## ***MANAGEMENT INFORMATION***

### Core Management

#### Directors

1

Name Chonghao Hong  
Position Board Chairman

2

Name Mingyi Hong  
Position Director

3

Name Zhenwei Hong  
Position Director

4

Name Ruiying Hong  
Position Supervisor

### Personnel Structure

Total Employees About 160 employees

## ***OPERATION INFORMATION***

### Offices & Factories

Add Headquarters  
1F, No. 94, Chi-Hsien First Road, Shin Shing Dist., Kaohsiung,  
Taiwan, R.O.C.

### Production Information

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Subject is engaged in manufacturing of expandable polystyrene, etc.  
Subject has two factories in Kaohsiung, Taiwan for production.  
It is introduced that subject's annual capacity of expandable polystyrene is about 160,000 Mt.  
Subject obtained the certifications of ISO9001 and ISO14001

#### Purchase Information

The registered activities of subject:

--	Manufacturing, processing and sales of expandable polystyrene, thermal insulation material, and expandable polystyrene packaging materials
--	Manufacturing, processing and sales of polystyrene
--	Manufacturing, processing and sales of synthetic resin and adhesive
--	Manufacturing, processing and sales of oxidation butanone and peroxide propyl methyl polyacrylamides
F113010	Wholesale of machinery
F213080	Retail of machinery

It is introduced that the raw materials for production are mainly purchased in domestic market.

#### Sales Information

Subject is engaged in sales of expandable polystyrene, etc.  
Subject's products are mainly applied in packaging for advanced televisions, computers, general consumer products and fire-proof material, etc.  
Subject's sales regions include Mainland China, Southeast Asia, America, Australia and Europe, etc.  
The general delivery lead time of subject is about 15 to 20 days.  
The major customers are manufacturers of packaging, etc.

Import and export right:

Import right	Yes
Export right	Yes

## **SETTLEMENTS**

#### Purchase

##### **Domestic Purchase**

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

##### **Import**

Subject has little import.

#### Sales

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**Domestic Markets**

Product Expandable polystyrene, etc.  
Selling Terms T/T, Cash, etc.

**Export**

Product Expandable polystyrene, 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: Hua Nan Commercial Bank Limited

**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: Ms. Deng  
Department Sales Department

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.27
UK Pound	1	INR 94.62
Euro	1	INR 83.65
TWD	1	INR 2.37

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

**INFORMATION DETAILS**

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