

MIRA INFORM REPORT

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| Report No. : | 527836 |
| Report Date : | 03.09.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|--|
| Name : | TSIN CHANG ENTERPRISE CO., LTD. |
| Registered Office : | 1/F, No.60-1, Sinle Rd., South District, Tainan City 702, (R.O.C.) |
| Country : | Taiwan |
| Date of Incorporation : | 25.04.1992 |
| Com. Reg. No.: | 86633095 |
| Legal Form : | Private Limited Liability Company |
| Line of Business : | Manufacturing and sale of machinery for acrylic factories. |
| No. of Employees : | Not Available |

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: while quoting report number, name and date.

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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, 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: TSIN CHANG ENTERPRISE CO., LTD.
Supplied Name: TSIN CHANGE ENTERPRISE CO. LTD.
Trading Address: 1/F, No.60-1, Sinle Rd., South District, Tainan City 702, Taiwan (R.O.C.)
Supplied Address: 60-1 SINLE RD, S. DIST TAINAN 702 ROC
Telephone Number: +886-6-261-0431/6431
Fax Number: +886-6-261-0981
E-mail: tsinchang@acrylicap.com

Notes: The exact name and address are as above. The supplied name is incorrect.

COMPANY IDENTIFICATION DETAILS

Registered Name: Tsin Chang Enterprise Co., Ltd.
Registered Address: 1/F, No.60-1, Sinle Rd., South District, Tainan City 702, Taiwan (R.O.C.)
Date of Foundation: 1992-4-25
Registration Number: 86633095
Registry: Tainan City Government
Registered Capital: NTD 5,000,000 (USD 165,000)
(As of 2018.9, 1 NTD = 0.033 USD)
Legal Representatives: Fulong Hong
Legal Form: Private Limited Liability Company
Principal Activities: Manufacturing and sale of machinery for acrylic factories.
Staff: N/A
Listed at Stock Exchange: No
Date of Last Annual Return: 2016-6-20

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

HISTORY

Subject was incorporated on 1992-4-25 with registered number 86633095 as Private Limited Liability Company in Taiwan.

CORPORATE STRUCTURE

Factories

1

Address: No.291, Xingnan Str., Fotan Li, South Dist., Tainan City, Taiwan

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Date of Foundation: 1998-8-31
Date of Registration: 1998-10-22
Factory Registration Number: 99673783
Factory Manager: Fulong Hong
Status: In Production
Date of Last Annual Return: 2005-4-4
Major Products: 292 Other specialized machinery
293 General machinery

2

Address: No.60-1, Sinle Rd., South District, Tainan City 702, Taiwan (R.O.C.)
Date of Registration: 2005-4-4
Factory Registration Number: 99676940
Factory Manager: Fulong Hong
Status: In Production
Date of Last Annual Return: 2005-4-4
Major Products: 292 Other specialized machinery

SHAREHOLDERS

Major Shareholders
(Unit: NTD)

| Name | Subscription Amount |
|-------------|---------------------|
| Fulong Hong | 2,000,000 |
| Meixiu Rao | 1,500,000 |

MANAGEMENT INFORMATION

Core Management

Directors

1

| | |
|----------|-----------------------|
| Name | Fulong Hong |
| Position | Chairman of the Board |

2

| | |
|----------|------------|
| Name | Meixiu Rao |
| Position | Director |

OPERATION INFORMATION

Offices & Factories

Headquarters
Add 1/F, No.60-1, Sinle Rd., South District, Tainan City 702, Taiwan (R.O.C.)

Production Information

Subject is engaged in manufacturing of machinery for acrylic factories, etc.
Subject has factories in Taiwan for production.

Purchase Information

The registered activities of subject:

| Business Code | Details |
|---------------|--|
| -- | Manufacturing, processing and trading of pickling machine, chemical machinery, disassembling machine |
| -- | Manufacturing, processing and trading of acryl machine, conveying equipment, pressure cooker reaction tank, food machinery, hardware |
| -- | Import and export of above products |

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

Sales Information

Subject is engaged in sale of machinery for acrylic factories, etc.

The major products include mold separator, boiler, adhesive paper packing machine, high heat oven, reactor & cooler, elevator for automatic transport of glass, water bath crane set & circulation & filtering, glass molding placer rack and so on.

Subject's sales regions are domestic market, Southeast Asia, South America, etc.

Subject's major customers are manufacturers of acrylic material, etc.

Import and export right:

| | |
|--------------|-----|
| Import right | Yes |
| Export right | Yes |

SETTLEMENTS

Purchase

Domestic Purchase

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

Import

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

Sales

Domestic Markets

Product Machinery for acrylic factories, etc.
Selling Terms T/T, Cash, etc.

Export

Product Machinery for acrylic factories, 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 70.93 |
| UK Pound | 1 | INR 92.35 |
| Euro | 1 | INR 82.84 |
| TWD | 1 | INR 2.30 |

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

INFORMATION DETAILS

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|-----------------------------|-----|
| Analysis Done by : | VIV |
| Report Prepared by : | NIT |

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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)