

MIRA INFORM REPORT

Report No. :	528994
Report Date :	06.09.2018

IDENTIFICATION DETAILS

Name :	ARITH COMPANY LTD.
Registered Office :	No.30, Lane 427, Fusing N. Rd., Songshan District, Taipei City 105, (R.O.C.)
Country :	Taiwan
Date of Incorporation :	06.04.1992
Com. Reg. No.:	86507409
Legal Form :	Private Limited Liability Company
Line of Business :	Trading of air-conditioning system products and electric generator related products
No. of Employees :	Not Available

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

Maximum Credit Limit :	USD 70,000
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 (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

COMPANY NAME AND ADDRESS

Company Name: Arith Company Ltd.
Supplied Name: ARITH COMPANY LTD
Trading Address: No.30, Lane 427, Fusing N. Rd., Songshan District, Taipei
City 105, Taiwan (R.O.C.)
Supplied Address: NO30, LANE 427, FUSING ROAD TAIPEI TAIWAN
Telephone Number: +886-2-2717-5038
Fax Number: +886-2-2717-5039
E-mail: taipei@arith.com.tw
Website: www.arith.com.tw

Notes: The exact name and address are as above.

CREDIT SUMMARY

Credit Rating: Maximum credit USD 70,000
Credit Opinion: Business connections are permissible.

COMPANY IDENTIFICATION DETAILS

Registered Name: Arith Company Ltd.
Registered Address: No.30, Lane 427, Fusing N. Rd., Songshan District, Taipei City
105, Taiwan (R.O.C.)
Date of Foundation: 1992-4-6
Registration Number: 86507409
Registry: Taipei City Government
Registered Capital: NTD 5,000,000 (USD 165,000)
(As of 2018.9, 1 NTD = 0.033 USD)
Legal Representatives: Weiye Chen
Legal Form: Private Limited Liability Company
Principal Activities: Trading of air-conditioning system products and electric
generator related products
Staff: N/A
Listed at Stock Exchange: No
Date of Last Annual Return: 2017-12-13

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

HISTORY

Subject was incorporated on 1992-4-6 with registered number 86507409 as Private Limited Liability Company in Taiwan.

CORPORATE STRUCTURE

Subject did not register any subsidiaries or branches; from other source we could not obtain the relevant information, either.

SHAREHOLDER

Major Shareholder
(Unit: NTD)

Name	Subscription Amount
Weiye Chen	1,050,000

MANAGEMENT INFORMATION

Core Management

Name	Weiye Chen
Position	Director

OPERATION INFORMATION

Offices & Factories

Add	Headquarters No.30, Lane 427, Fusing N. Rd., Songshan District, Taipei City 105, Taiwan (R.O.C.)
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Production Information

Subject is a trader of air-conditioning system products and electric generator related products, etc. without any production activities.

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Purchase Information

The registered activities of subject:

Business Code	Details
F113010	Wholesale of machinery
F213010	Retail of electric appliance
F113020	Wholesale of electric appliance
F211010	Retail of building materials
F114010	Wholesale of automobile
F214010	Retail of automobile
F114030	Wholesale of motorbike and automobile parts
F214030	Retail of motorbike and automobile parts
E603050	Automatic control equipment engineering
E604010	Installation of machinery
F213080	Retail of mechanical appliance
F401010	International trade
J101060	Wastewater treatment
IG02010	Research and development service
IG03010	Energy technology service
F113100	Wholesale of pollution-prevention equipment
F213100	Retail of pollution-prevention equipment
F113030	Wholesale of precise instrument
F213040	Retail of precise instrument
F113990	Wholesale of other mechanical appliance
F213990	Retail of other mechanical appliance
ZZ99999	Besides licensed business, all other business items those are not banned or restricted.

It is introduced that the products are mainly purchased from abroad.

Sales Information

Subject is engaged in sale of air-conditioning system products and electric generator related products, etc. The major products include ice thermal storage, closed circuit cooling towers, separators, permanent media filters, static excitation systems, numerical protection systems, generator paralleling systems, etc. It is introduced that subject is agent for the products of Baltimore Aircoil Company, Puroflux, Basler Electric, etc. Subject's sales regions are domestic market and abroad. Subject's major customers are from factories, commercial buildings, hospitals, etc.

Import and export right:

Import right	Yes
Export right	Yes

SETTLEMENTS

Purchase

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Domestic Purchase

It is introduced that subject has little domestic purchase.

Import

Products Air-conditioning system products and electric generator related products, etc.
Payment Terms L/C, T/T, etc.

Sales

Domestic Markets

Product Air-conditioning system products and electric generator related products, etc.
Selling Terms T/T, Cash, etc.

Export

Product Air-conditioning system products and electric generator related products, 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

Case Type: Conditional Sale
Registered Number: 20-104-424-1(14469)
Vendee: Arith Company Ltd.
Registry: Directorate-General of Highways, MOTC

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Vender: Mercedes-Benz Financial Services Taiwan Ltd.
Date of Registration: 2015-6-3
Amount of Secure Claims: NTD 2,657,300
Type of Mortgage: Automobile, large and heavy motorbike, trailer

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 71.75
UK Pound	1	INR 92.23
Euro	1	INR 83.13
TWD	1	INR 2.34

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

INFORMATION DETAILS

Analysis Done by :	VIVR
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)

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