

MIRA INFORM REPORT

Report No. :	529346
Report Date :	14.09.2018

IDENTIFICATION DETAILS

Name :	SHINN CHERNG CO.
Registered Office :	1F., No. 65, Wunhua N. Rd., Sanchong Dist., New Taipei City
Country :	Taiwan
Date of Incorporation :	31.12.1977
Com. Reg. No.:	15821716
Legal Form :	Joint Stock Company
Line of Business :	Trading of foodstuffs and related products
No. of Employees :	100

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.

ECGC Country Risk Classification List

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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: Shinn Cherng Co.
Supplied Name: SHINN CHERNG CO
Trading Address: No. 6, Wu Chuan 5Th Rd., Wuku Dist., New Taipei City,
Taiwan
Supplied Address: 1F NO 65, WUNHUA NORTH ROAD, SANCHONG CITY,
NEW TAIPEI, CITY
Telephone Number: +886-2-2299-1677
Fax: +886-2-2299-3721
E-mail: lillianwu@beansum.com.tw
Website: www.shinncherng.com.tw
Notes: The exact name and address are as above. The supplied address is the registered address of the subject.

COMPANY IDENTIFICATION DETAILS

Registered Name: Shinn Cherng Co.
Registered Address: 1F., No. 65, Wunhua N. Rd., Sanchong Dist., New Taipei
City
Date of Foundation: 1977-12-31
Registration Number: 15821716
Registry: New Taipei City Government
Registered Capital: NTD 30,000,000 (USD 972,000)

Paid-up Capital: NTD 30,000,000 (USD 972,000)
Legal Representatives: Yirou Wu
Legal Form: Joint Stock Company
Principal Activities: Trading of foodstuffs and related products
Staff: About 100 employees
Listed at Stock Exchange: No
Date of Last Annual Return: 2016-04-21

HISTORY

Subject was incorporated on 1977-12-31 with registered number 15821716 as Joint Stock Company in Taiwan.

CORPORATE STRUCTURE

Related Offices:

1	
Address:	No. 6, Gongyecyu 33rd Road., Situn District, Taichung City 407, Taiwan
Tel:	+886-4-3600-2525
Fax:	+886-4-3600-7712
2	
Address:	No. 332-1, Rensin Road, Renwu Township, Kaohsiung County 814, Taiwan
Tel:	+886-7-3747-766
Fax:	+886-7-3747-066

SHAREHOLDERS

Major Shareholders

Name	Subscription Shares
Yirou Wu	20,000
Zhiming Wu	210,000

MANAGEMENT INFORMATION

Core Management

1	
Name	Yirou Wu
Position	Chairman of the Board
2	
Name	Zhiming Wu
Position	Director
3	
Name	Yici Wu

Position	Director
4	
Name	Yiheng Wu
Position	Supervisor

Personnel Structure

Total Employees About 100 employees

OPERATION INFORMATION

Offices & Factories

Add	Headquarters No. 6, Wu Chuan 5Th Rd., Wuku Dist., New Taipei City, Taiwan
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Production Information

Subject is a trader of foodstuffs and related products without any production activities.

Purchase Information

The registered activities of subject:

Business Code	Details
A102060	Business of cereals
JZ99050	Intermediary services
F101990	Wholesale of other agriculture, livestock and aquatic products
F201990	Retail of other agriculture, livestock and aquatic products
G801010	Warehousing industry
F102170	Wholesale of foods
F113020	Wholesale of electric appliance
F213010	Retail of electric appliance
F401010	International trade
F108011	Wholesale of traditional Chinese medicine
F208011	Retail of traditional Chinese medicine
F203010	Retail of foods and beverages

- The products are both purchased in domestic market and from abroad.
- It is introduced that potato starch is purchased from Europe.
- It is introduced Chinese herbs are purchased from Mainland of China.

- It is introduced that macadamia nuts are purchased from Australia, walnuts are purchased both from the United States and the Mainland of China and almonds are purchased from California.
- One of the subject's suppliers is Vinpac Lines (Canada) Inc.

Product	Origin
Potato starch	Europe
Chinese herbs	The mainland of China
Macadamia nuts	Australia
Walnuts	The United States and the Mainland of China
Almonds	California

Sales Information

- Subject is engaged in sale of foodstuffs and related products, etc.
- The major products are starch and rice flour, dried beans, grains and cereals, dried nuts, Chinese herbs, organic products and so on.
- Subject's sales regions are Taiwan, Singapore, the Mainland of China.
- Subject has its own brands like "THE SUN FARM", "Mr. CASHEW", "FULL GREAT", "HAPPY MERRY", "CHANG LE", etc.
- Subject's major customers are retailers of foodstuffs, supermarkets and groceries, etc.

Product Type	Specific Products
Starch and rice flour	Potato starch, tapioca starch, wheat starch, non-GMO corn starch, glutinous rice flour, rice flour.
Dried beans	Mung bean, adzuki bean, kidney bean, split mung bean, black soybean with yellow kernel, black eyes bean, unpolished mung bean, non-GMO bean, red split lentils, butter bean, chickpeas.
Grains and cereals	Hulled sesame seed, buckwheat, black glutinous rice, coix seed, pearl barley, oat, long grain brown rice.
Dried nuts	Cashew, lotus seed, pine nut, pumpkin seed, sunflower seed, peanuts, apricot, macadamia nut, California walnut, California almond, China walnut.
Chinese herbs	Ginseng, poria, licorice root, white atractylodes, goji, pilose asiabell root.
Organic products	Organic black soybean with green kernel, organic Chinese jujubes, organic buckwheat, organic glutinous millet

Import and export right:	
Import right	Yes
Export right	Yes

SETTLEMENTS

Purchase

Domestic Purchase

Products Foodstuffs and related products, etc.
Payment Terms T/T, Cash, etc.

Import

Products Foodstuffs and related products, etc.
Payment Terms L/C, T/T, etc.

Sales

Domestic Markets

Product Foodstuffs and related products, etc.
Selling Terms T/T, Cash, etc.

Export

Product Foodstuffs and related products, etc.
Selling Terms T/T, Cash, 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 Ms. Wu 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	Ms. Wu
Department	Sales Department
Telephone Number:	+886-9-5651-7516

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupee
US Dollar	1	INR 72.32
UK Pound	1	INR 94.42
Euro	1	INR 84.08
TWD	1	INR 2.33

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	KET

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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)