

MIRA INFORM REPORT

Report No. :	526632
Report Date :	24.08.2018

IDENTIFICATION DETAILS

Name :	HAEWON IND. CO., LTD.
Registered Office :	120, Hwajeonsandan 6-Ro, Gangseo-Gu, Busan, Korea, 46738
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	11.02.1998
Com. Reg. No.:	606-81-17249
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture of Tubes and Pipes of Cast Iron or Cast Steel [Cu-Ni & Copper Alloy Pipe Fittings and Flanges, Metal Tube Connection Steel]
No. of Employees :	16

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 :	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.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
South Korea	A1	A1

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

SOUTH KOREA - ECONOMIC OVERVIEW

After emerging from the 1950-53 war with North Korea, South Korea emerged as one of the 20th century's most remarkable economic success stories, becoming a developed, globally connected, high-technology society within decades. In the 1960s, GDP per capita was comparable with levels in the poorest countries in the world. In 2004, South Korea joined the trillion-dollar club of world economies.

Beginning in the 1960s under President PARK Chung-hee, the government promoted the import of raw materials and technology, encouraged saving and investment over consumption, kept wages low, and directed resources to export-oriented industries that remain important to the economy to this day. Growth surged under these policies, and frequently reached double-digits in the 1960s and 1970s. Growth gradually moderated in the 1990s as the economy matured, but remained strong enough to propel South Korea into the ranks of the advanced economies of the OECD by 1997. These policies also led to the emergence of family-owned chaebol conglomerates such as Daewoo, Hyundai, and Samsung, which retained their dominant positions even as the government loosened its grip on the economy amid the political changes of the 1980s and 1990s.

The Asian financial crisis of 1997-98 hit South Korea's companies hard because of their excessive reliance on short-term borrowing, and GDP ultimately plunged by 7% in 1998. South Korea tackled difficult economic reforms following the crisis, including restructuring some chaebols, increasing labor market flexibility, and opening up to more foreign investment and imports. These steps lead to a relatively rapid economic recovery. South Korea also began expanding its network of free trade agreements to help bolster exports, and has since implemented 16 free trade agreements covering 58 countries—including the United State and China—that collectively cover more than three-quarters of global GDP.

In 2017, the election of President MOON Jae-in brought a surge in consumer confidence, in part, because of his successful efforts to increase wages and government spending. These factors combined with an uptick in export growth to drive real GDP growth to more than 3%, despite disruptions in South Korea's trade with China over the deployment of a US missile defense system in South Korea.

In 2018 and beyond, South Korea will contend with gradually slowing economic growth - in the 2-3% range - not uncommon for advanced economies. This could be partially offset by efforts to address challenges arising from its rapidly aging population, inflexible labor market, continued dominance of the chaebols, and heavy reliance on exports rather than domestic consumption. Socioeconomic problems also persist, and include rising inequality, poverty among the elderly, high youth unemployment, long working hours, low worker productivity, and corruption.

Source : CIA

BASIC INFORMATION

Company Name	HAEWON IND. CO., LTD. (Korean Company Name : “(주)해원”)
Registered Address	120, Hwajeonsandan 6-ro, Gangseo-gu, Busan, Korea
Building	
Zip Code	46738
Tel	+82-51-312-2161
Fax	+82-51-312-2163
E-mail	haewon@haewon.net
Website	www.haewon.net
Trading Address	120, Hwajeonsandan 6-ro, Gangseo-gu, Busan, Korea (Old Address System : 584-16, Hwajeon-dong, Gangseo-gu, Busan, Korea)
Tel	+82-51-312-2161
Fax	+82-51-312-2163
Other Address	Rm.706, Intellium Centum, 21, Centum 6-ro, Haeundae-gu, Busan, Korea (Old Address System : Rm.706, Intellium Centum, 1458, U-dong, Haeundae-gu, Busan, Korea)
Tel	
Fax	
Type	Export
Industry	Manufacture of Tubes and Pipes of Cast Iron or Cast Steel
Main Business	Cu-Ni & Copper Alloy Pipe Fittings and Flanges, Metal Tube Connection Steel
Sub Business	
Established (mm/dd/yyyy)	02/11/1998

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Pipe fittings(40142300)
Sell	Pipe flanges(40142400)

CEO'S

Name	Park Jeong-Jin
Date of Birth	10/12/1956
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	150,000,000
Employees	16
Formation	Co., Ltd by Shares
Bank Details	Industrial Bank of Korea-Hadan Branch
Corporate Registered No.	180111-0250744
Business Registered No.	606-81-17249
Permit & Licenses	07/14/1999 KT Mark 04/2001 ISO 9002 01/2002 ISO 9001 01/16/2009 ISO 9001 01/2012 ISO 9001 01/2015 ISO 9001 01/2018 ISO 9001

Int'l Trade No.: 12082584

Shareholder Position	Name	Shares	%
	PARK JEONG-JIN	12,600	84.00
	PARK MYUNG-JIN	2,400	16.00
	TOTAL	15,000	100.00

Company History	02/11/1998 Incorporated as the present name
	06/2003 Designated as a Venture Business
	02/21/2011 Moved to the present HQ address from I 1B-16L., Hakjang-dong, Sasang-gu, Busan, Korea

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Park Jeong-Jin	Korean	10/12/1956	02/11/2001
Director	Park Myung-Jin	Korean	02/14/1959	02/11/2004

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	1,497,888,000	9,609,916,000	-254,361,000
2016	2,835,737,000	10,098,046,000	65,011,000
2015	7,300,380,000	10,560,545,000	604,003,000
2014	6,868,796,000	10,394,621,000	1,092,192,000
2013	3,192,890,000	8,883,729,000	113,360,000

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

2012	5,222,598,000	9,294,341,000	1,299,919,000
2011	7,766,994,000	9,982,414,000	1,214,394,000
2010	3,754,773,000	7,472,114,000	507,207,000
2009	5,491,180,000	6,813,929,000	1,347,986,000

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	200,000,000
Paid-Up Capital(KRW)	150,000,000
Total Issued Shares	15,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	9,609,916,000	10,098,046,000	10,560,545,000
Current Assets	6,410,590,000	6,906,213,000	7,343,419,000
-Quick Assets			
-Inventories			
Fixed Assets	3,199,326,000	3,191,833,000	3,217,126,000
-Investment			
-Tangibles			
-Intangibles			
Total Liabilities	487,901,000	428,173,000	666,220,000
Current Liabilities	467,901,000	418,173,000	656,220,000
Fixed Liabilities	20,000,000	10,000,000	10,000,000
Capital Stock	150,000,000	150,000,000	150,000,000
Capital Surplus			
Profit Surplus	8,972,015,000	9,519,873,000	9,744,325,000
Capital Adjustment			
Total Equity	9,122,015,000	9,669,873,000	9,894,325,000
Liab. & Shareholder's Equity	9,609,916,000	10,098,046,000	10,560,545,000

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	1,497,888,000	2,835,737,000	7,300,380,000
Cost of Sold Goods	1,357,571,000	2,213,837,000	4,510,708,000
Gross Profit	140,317,000	621,900,000	2,789,672,000
Selling & Admin. Expenses	636,830,000	775,021,000	2,522,493,000
Operating Income	-496,513,000	-153,121,000	267,179,000
Non-Operating Income	250,404,000	235,979,000	425,468,000
Non-Operating Expenses	8,252,000	9,812,000	25,691,000
Income Before Taxes	-254,361,000	73,046,000	666,956,000
Income Taxes Expenses	0	8,035,000	62,953,000
Net Income	-254,361,000	65,011,000	604,003,000

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION

Main Products & Services Copper Alloys pipe fittings
Copper Alloys flanges
Instrument tube fittings & valves
Pipes & Tubes

Detailed Products Spec.
Technologies Acquired

TRADE PARTNERS & COMPETITORS

Suppliers
Customers

HYUNDAI HEAVY INDUSTRIES CO., LTD.(181211-0000386)
DAEWOO SHIPBUILDING & MARINE ENGINEERING CO., LTD.(110111-2095837)
HANJIN HEAVY INDUSTRIES & CONSTRUCTION CO., LTD.(180111-0602507)
STX CORPORATION(194211-0000183)

CHINA SHIPBUILDING CORP(TAIWAN)
DALIAN SHIPYARD(CHINA)
SHAGHAI SHIPYARD(CHINA)
FIRST HYD(SINGAPORE)
ENG KEE HARDWARE PTE LTD(SINGAPORE)
PRATIK OVERSEAS(INDIA)
COSSIE (AUSTRALIA)
TAWAM EST(U.A.E)
A.ROTH & SONS(ISRAEL)
PROSCO(EGYPT)
PETROBRASS(Brazil)
ZADCO(UAE)

Competitors

WELTECH CO., LTD.
428-1, CHUDONG-RI, HOENGSEONG-EUP, HOENGSEONG-GUN,
GANGWON-DO, KOREA
TEL:+82-33-342-6224 FAX:+82-33-342-6226

AJS. CO., LTD.
262, GUYANG-RI, NEUNGSEO-MYEON, YEOJU-GUN, GYEONGGI-DO,
KOREA
TEL:+82-31-882-4379 FAX:+82-31-882-4632

DURY CHEMICAL CO., LTD.
404, BONGRIM-RI, SAENGNIM-MYEON, GIMHAE-SI,

GYEONGSANGNAM-DO, KOREA
TEL:+82-55-323-7337~9 FAX:+82-55-323-7340

RELATED PARTIES (SUBSIDIARIES, JOINT-VENTURE & AFFILIATES)

Not Available

SALES BY REGION (ACTIVITY & MARKETS)

The Subject exports to India and Singapore.

COURT ACTION

Not Available.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.07
UK Pound	1	INR 90.25
Euro	1	INR 81.05
KRW	1	INR 0.063

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	TPT

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.