

MIRA INFORM REPORT

Report No. :	521166
Report Date :	20.07.2018

IDENTIFICATION DETAILS

Name :	SEOUL ENGINEERING CO., LTD.
Registered Office :	332, Bangchuk-ro, Nam-gu, Incheon, Korea, 22122
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	21.03.1974
Com. Reg. No.:	131-81-01258
Legal Form :	Co., Ltd by Shares
Line of Business :	Export Other Cast of Non-ferrous Metals Tuyere Coolers, Tuyere Nozzle, Lance Nozzles, Stave Cooler, Screw Nut, Copper Panel, Gare Box Assembly, Mandrel & Rotating Cylinder, One Touch Attachment, Screw Nut, Precision Industrial Machinery, Tension Reel
No. of Employees :	238

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+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
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

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	SEOUL ENGINEERING CO., LTD.
Registered Address	332, Bangchuk-ro, Nam-gu, Incheon, Korea
Building	
Zip Code	22122
Tel	+82-32-863-9901
Fax	+82-32-863-9904
E-mail	seouleng@seoul-eng.co.kr;seouleng@unitel.co.kr
Website	www.seoul-eng.co.kr
Trading Address	332, Bangchuk-ro, Nam-gu, Incheon, Korea (Old Address System : 1381-1, Juan 1-dong, Nam-gu, Incheon, Korea)
Tel	+82-32-863-9901
Fax	+82-32-863-9904
Other Address-Gajwa	131, Janggogae-ro, Seo-gu, Incheon, Korea
Factory	(Old Address System : 180-172 / 571-7, Gajwa 1-dong, Seo-gu, Incheon, Korea)
Tel	+82-32-584-9901
Fax	+82-32-584-9902
Type	Export
Industry	Other Cast of Non-ferrous Metals
Main Business	Tuyere Coolers, Tuyere Nozzle, Lance Nozzles, Stave Cooler, Screw Nut, Copper Panel, Gare Box Assembly, Mandrel & Rotating Cylinder, One Touch Attachment, Screw Nut, Precision Industrial Machinery, Tension Reel
Sub Business	
Established (mm/dd/yyyy)	03/21/1974

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Copper plate(30102209)
Sell	Nozzles(40141731)
Sell	Industrial machinery components and accessories(23153100)
Sell	Furnaces(40101805)
Sell	Fans(40101604)
Sell	Hardware and fittings(40141700)
Sell	Hardware and fittings(40141700)
Sell	Impellers(40101603)
Buy	Ingots(30103400)
Buy	Seals(31181600)

CEO'S

Name	Lee Won-Suk
Date of Birth	05/01/1956
Title	Co-President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	3,000,000,000
Employees	238
Formation	Co., Ltd by Shares
Bank Details	Shinhan Bank KEB Hana Bank Woori Bank
Corporate Registered No.	120111-0004870
Business Registered No.	131-81-01258
Permit & Licenses	10/1996 ISO 9002 10/1998 EM 12/1999 ISO 9001 02/12/2002 ISO 9001

Shareholder Position	Int'l Trade No.:	200642		
		Name	Shares	%
		OH SE-CHEOL	1,768,200	58.94
		LEE WON-SUK	461,400	15.38
		OTHERS(6)	770,400	25.68
	TOTAL	3,000,000	100.00	

Company History	03/21/1974 Incorporated as the present name
	09/23/1996 Finished Corporate Clearing Procedure by Incheon District Court
	06/2006 Designated as a Venture Business
	10/01/2006 Moved to the present HQ address from 1402-3, Juan 1-dong, Nam-gu, Incheon, Korea
	11/22/2007 Split off the par value to 1,000 KRW from 10,000 KRW
	11/22/2007 Increased the authorized shares to 20,000,000 shares from 100,000 shares
	12/30/2010 Increased capital to 3,000,000,000 KRW from 2,122,500,000 KRW
	11/2012 Awarded US\$ 50 Million Export Top Prize

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Co-President & CEO	Lee Won-Suk	Korean	05/01/1956	01/02/2003
Co-President & CEO	Oh Se-Cheol	Korean	09/12/1933	12/24/2014
Director	Song Kwang-Soo	Korean	05/15/1966	03/29/2014
Director	Hong Yeon-Sik	Korean	08/04/1938	03/29/2017
Auditor	Lee Hwan-Kyu	Korean	09/20/1960	03/22/1999

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	70,178,223,791	69,599,069,171	2,478,193,031
2016	64,296,181,600	72,077,788,119	2,177,326,231
2015	64,154,145,200	67,659,954,187	1,207,613,022
2014	69,145,129,298	68,248,273,989	2,471,409,683
2013	83,148,356,660	68,335,622,668	4,411,622,759
2012	107,810,035,613	83,857,104,219	4,895,773,445
2011	83,562,867,950	84,290,805,020	2,158,033,235
2010	68,460,595,744	69,441,524,222	4,735,099,574
2009	80,695,444,265	57,302,786,980	11,095,344,410

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	20,000,000,000
Paid-Up Capital(KRW)	3,000,000,000
Total Issued Shares	3,000,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	69,599,069,171	72,077,788,119	67,659,954,187
Current Assets	34,050,150,532	36,244,024,035	33,424,242,814
-Quick Assets	18,484,823,641	19,315,555,199	17,665,510,993
-Inventories	15,565,326,891	16,928,468,836	15,758,731,821
Fixed Assets	35,548,918,639	35,833,764,084	34,235,711,373
-Investment	226,474,839	170,995,802	295,524,782
-Tangibles	35,069,626,964	35,446,802,752	33,745,917,346

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.

SEOUL ENGINEERING CO., LTD. - 521166

PAGE NO. : 7

-Intangibles	135,849,899	155,869,666	158,834,567
-Others	116,966,937	60,095,864	35,434,678
Total Liabilities	23,471,275,656	28,188,187,635	25,707,679,934
Current Liabilities	17,399,504,663	24,196,291,475	20,908,105,354
Fixed Liabilities	6,071,770,993	3,991,896,160	4,799,574,580
Capital Stock	3,000,000,000	3,000,000,000	3,000,000,000
Capital Surplus			
Profit Surplus	43,127,793,515	40,889,600,484	38,952,274,253
Capital Adjustment			
Total Equity	46,127,793,515	43,889,600,484	41,952,274,253
Liab. & Shareholder's Equity	69,599,069,171	72,077,788,119	67,659,954,187
Current Liabilities	17,399,504,663	24,196,291,475	20,908,105,354
Trade Payables	2,415,759,738	2,953,379,615	2,430,446,687
Account Payables	380,206,189	352,594,540	574,338,493
Accrued Expenses	1,140,733,786	1,171,577,715	1,023,456,956
Advance Receipts	1,029,281,502	1,876,482,247	2,676,347,729
Short-Term Borrowings	10,629,415,000	12,955,524,000	12,000,000,000
VAT Withhold	-	156,787,083	-
Withholdings	409,397,160	389,033,920	369,830,580
Deferred Income Tax Credit	76,651,495	671,245,689	27,320,200
Current Portion of Deferred Income Tax Credit	115,059,793	-	136,698,041
Guarantee Deposit Withhold	3,000,000	3,000,000	3,000,000
Current Portion of Long-Term Debts	1,200,000,000	3,666,666,666	1,666,666,668
Fixed Liabilities	6,071,770,993	3,991,896,160	4,799,574,580
Long-Term Borrowings	5,750,000,000	3,666,666,666	4,333,333,332
Provision for Severance & Retirement	321,770,993	325,229,494	276,130,435
Non-Current Portion of Deferred Income Tax Credit			190,110,813

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	70,178,223,791	64,296,181,600	64,154,145,200
Cost of Sold Goods	60,832,843,073	55,253,306,913	55,222,302,135
Gross Profit	9,345,380,718	9,042,874,687	8,931,843,065
Selling & Admin. Expenses	6,949,164,475	6,814,132,138	6,655,448,255
Operating Income	2,396,216,243	2,228,742,549	2,276,394,810
Non-Operating Income	3,022,260,033	1,857,252,865	3,174,657,068
Non-Operating Expenses	2,535,621,239	1,562,453,712	4,132,311,700
Income Before Taxes	2,882,855,037	2,523,541,702	1,318,740,178
Income Taxes Expenses	404,662,006	346,215,471	111,127,156
Net Income	2,478,193,031	2,177,326,231	1,207,613,022

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.

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	4,374,928,346	1,832,154,286	5,694,355,855
-Net Income	2,478,193,031	2,177,326,231	1,207,613,022
-Exp. without Cash Outflow	3,809,148,100	3,994,966,165	2,980,087,883
-Revenue without Cash Inflows	-28,747,029	-183,497,973	-118,891,310
-Changes in Asset/ & Liability	-1,883,665,756	-4,156,640,137	1,625,546,260
Cash Flows from Investing	-1,857,064,468	-4,100,090,958	-4,160,334,878
-Cash Inflow from Investing	200,234,000	12,721,950	393,927,775
-Cash Outflows for Investing	-2,057,298,468	-4,112,812,908	-4,554,262,653
Cash Flows from Financing	-2,949,442,332	2,048,857,332	-1,498,000,000
-Cash Inflows from Financing	19,738,343,103	12,011,424,804	10,976,534,902
-Cash Outflows from Financing	-22,687,785,435	-9,962,567,472	-12,474,534,902
Increase/Decrease in Cash	-431,578,454	-219,079,340	36,020,977
Cash at the Beginning of Year	4,446,650,870	4,665,730,210	4,629,709,233
Cash at the End of Year	4,015,072,416	4,446,650,870	4,665,730,210

**PRODUCTS,
DESCRIPTION**

TECHNOLOGIES,

SERVICES

Main Products & Services Tuyere Coolers, Tuyere Nozzle, Lance Nozzles, Stave Cooler, Screw Nut, Copper Panel, Gare Box Assembly, Mandrel & Rotating Cylinder, One Touch Attachment, Screw Nut, Precision Industrial Machinery, Tension Reel

Detailed Products Spec.
Technologies Acquired

PARTNERS & COMPETITORS

Suppliers HYUNDAI STEEL COMPANY(120111-0001743)
POSCO PLANTEC CO., LTD.(181211-0010898)
NIPPON STEEL CORP.(JAPAN)
BOKARO STEEL

Customers POSCO(174611-0000741)
POSCO ENGINEERING & CONSTRUCTION CO., LTD.(174611-0002979)
HYUNDAI-ROTEM COMPANY(194211-0036336)

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.

Competitors	TAECHANG MACHINERY IND. CO., LTD.(120111-0129652) SEUNG BO MECHA TECH CO., LTD. 269-1, GWANHO-RI, YAKMOK-MYEON, CHILGOK-GUN, GYEONGSANGBUK-DO, KOREA TEL:+82-54-975-6526~7 FAX:+82-54-975-6530
	JE-IL PRODUCTION CO., LTD. 889-1, DALSAN-RI, JEONGGWAN-MYEON, GIJANG-GUN, BUSAN, KOREA TEL:+82-51-727-5525 FAX:+82-51-727-5528
	JINHAP CO., LTD. RM. B-5, INDUSTRIAL COMPLEX II, 40-57, DAEHWA-DONG, DAEDEOK-GU, DAEJEON, KOREA TEL:+82-70-7430-1800 FAX:+82-70-7442-7785

SALES BY REGION (ACTIVITY & MARKETS)

The Subject exports to South Africa, Netherlands, Taiwan, Germany, Mexico, USA, Belgium, Sweden, Spain, Australia, Austria, Italy, India, Canada, Turkey and France.

COURT ACTION

No Records.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.83
UK Pound	1	INR 89.93
Euro	1	INR 80.12
KRW	1	INR 0.061

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

INFORMATION DETAILS

Analysis Done by :	DIV
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)