

## MIRA INFORM REPORT

|               |            |
|---------------|------------|
| Report No. :  | 538377     |
| Report Date : | 03.11.2018 |

### IDENTIFICATION DETAILS

|                         |  |
|-------------------------|--|
| Name :                  | YONGJIN ST CO. LTD.  |
| Registered Office :     | 14, Byeolmang-Ro, Danwon-Gu, Ansan-Si, Gyeonggi-Do, Korea 4BA-101-1, Shihwa Industrial Complex 15616 |
| Country :               | South Korea  |
| Financials (as on) :    | 31.12.2017   |
| Date of Incorporation : | 02.01.2013   |
| Com. Reg. No.:          | 140-81-71739   |
| Legal Form :            | Co. Ltd By Shares  |
| Line of Business :      | Manufacture, Wholesales and Retails of Steel Products.   |
| No. of Employees :      | 10   |

**RATING & COMMENTS**

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

**MIRA's Rating :**

A

| Credit Rating | Explanation     | Rating Comments   |
|---------------|-----------------|---|
| A             | Acceptable Risk | Business dealings permissible with moderate risk of default |

|                            |               |
|----------------------------|---------------|
| <b>Status :</b>            | Satisfactory  |
| <b>Payment Behaviour :</b> | No Complaints |
| <b>Litigation :</b>        | Clear         |

**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

| Country Name | Previous Rating<br>(30.06.2018) | Current Rating<br>(30.09.2018) |
|--------------|---------------------------------|--------------------------------|
| 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's GDP surpassed one trillion dollars.

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**

### Basic

|                          |   |
|--------------------------|---|
| Company Name             | YONGJIN ST CO., LTD.<br>(Korean Company Name : "용진에스티(주)")  |
| Registered Address       | 14, Byeolmang-ro, Danwon-gu, Ansan-si, Gyeonggi-do, Korea   |
| Building                 | 4BA-101-1, Shihwa Industrial Complex  |
| Zip Code                 | 15616   |
| Tel                      | +82-31-363-2374   |
| Fax                      | +82-31-319-8615   |
| E-mail                   |   |
| Website                  |   |
| Trading Address          | 4BA-101-1, Shihwa Industrial Complex, 14, Byeolmang-ro, Danwon-gu, Ansan-si, Gyeonggi-do, Korea<br>(Old Address System : 4BA-101-1, Shihwa Industrial Complex, 727-2, Seonggok-dong, Danwon-gu, Ansan-si, Gyeonggi-do, Korea) |
| Tel                      | +82-31-363-2374   |
| Fax                      | +82-31-319-8615   |
| Other Address            |   |
| Tel                      |   |
| Fax                      |   |
| Type                     | Export/Import   |
| Industry                 | Manufacture, Wholesales and Retails of Steel Products   |
| Main Business            | Steel Products  |
| Sub Business             |   |
| Established (mm/dd/yyyy) | 02/01/2013  |

## **DETAILED PRODUCTS**

|          |                            |
|----------|----------------------------|
| Activity | Detailed Products (UNSPSC) |
| Sell     | Steel(11101704)            |
| Sell     | Steel plate(30102204)      |
| Sell     | Steel bars(30101604)       |

## **CEO'S**

|               |                 |
|---------------|-----------------|
| Name          | Moon Soon-Young |
| Date of Birth | 10/11/1956      |
| Title         | President & CEO |
| Nationality   | Korean          |

## **PROFILES**

|                          |   |         |        |
|--------------------------|---|---------|--------|
| Capital (KRW)            | 4,500,000,000   |         |        |
| Employees                | 10  |         |        |
| Formation                | Co., Ltd by Shares  |         |        |
| Bank Details             | Korea Development Bank<br>KEB Hana Bank<br>Shinhan Bank<br>Industrial Bank of Korea   |         |        |
| Corporate Registered No. | 135511-0247772  |         |        |
| Business Registered No.  | 140-81-71739  |         |        |
| Permit & Licenses        | N/A   |         |        |
| Shareholder Position     | Name  | Shares  | %      |
|                          | YONG JIN SPECIAL STEEL CO., LTD.(124411-0030164)  | 900,000 | 100.00 |
|                          | TOTAL   | 900,000 | 100.00 |
| Company History          | 02/01/2013 Incorporated as ONE ST CO., LTD.<br>04/01/2014 Changed company name to the present name<br>06/01/2017 Increased the authorized shares to 10,000,000 shares from 640,000 shares<br>06/10/2017 Increased capital to 4,500,000,000 KRW from 2,500,000,000 KRW |         |        |

## **DETAILED INFORMATION**

### Management

| Job Description | Name            | Nationality | Date of Birth | Inauguration Date |
|-----------------|-----------------|-------------|---------------|-------------------|
| President & CEO | Moon Soon-Young | Korean      | 10/11/1956    | 02/27/2014        |
| Director        | Kang Jung-Joong | Korean      | 10/03/1956    | 03/31/2017        |
| Director        | Kang Jang-Joong | Korean      | 02/17/1958    | 03/31/2017        |
| Auditor         | Ahn Yang-Ho     | Korean      | 12/25/1964    | 02/01/2013        |

## **FINANCIALS**

| Year / Unit : KRW | Sales          | Assets         | Net Income   |
|-------------------|----------------|----------------|--------------|
| 2017              | 32,731,977,090 | 14,927,006,792 | 388,034,595  |
| 2016              | 22,853,638,245 | 11,810,818,674 | -873,665,336 |
| 2015              | 25,902,253,118 | 13,372,678,340 | -384,176,463 |
| 2014              | 23,320,684,950 | 11,171,243,589 | 433,716,680  |

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|      |                |               |             |
|------|----------------|---------------|-------------|
| 2013 | 14,369,563,867 | 9,189,692,342 | 363,443,165 |
|------|----------------|---------------|-------------|

## **FINANCIAL DESCRIPTION**

|                         |                |
|-------------------------|----------------|
| Authorized Capital(KRW) | 50,000,000,000 |
| Paid-Up Capital(KRW)    | 4,500,000,000  |
| Total Issued Shares     | 900,000        |

### Balance Sheet

| Unit : Korean Won                    | As of 12/31/2017 | As of 12/31/2016 | As of 12/31/2015 |
|--------------------------------------|------------------|------------------|------------------|
| Total Assets                         | 14,927,006,792   | 11,810,818,674   | 13,372,678,340   |
| Current Assets                       | 14,700,396,223   | 11,598,280,670   | 13,129,708,138   |
| -Quick Assets                        | 6,656,176,066    | 5,357,516,494    | 5,297,664,035    |
| -Inventories                         | 8,044,220,157    | 6,240,764,176    | 7,832,044,103    |
| Fixed Assets                         | 226,610,569      | 212,538,004      | 242,970,202      |
| -Investment                          | 10,464,440       | 7,693,112        | 4,893,336        |
| -Tangibles                           | 18,275,290       | 33,288,323       | 60,634,468       |
| -Intangibles                         | 212,226          | 386,569          | 704,132          |
| -Others                              | 197,658,613      | 171,170,000      | 176,738,266      |
| Total Liabilities                    | 10,516,551,151   | 9,777,295,628    | 10,465,489,958   |
| Current Liabilities                  | 10,409,790,436   | 9,721,130,421    | 10,038,887,540   |
| Fixed Liabilities                    | 106,760,715      | 56,165,207       | 426,602,418      |
| Capital Stock                        | 4,500,000,000    | 2,500,000,000    | 2,500,000,000    |
| Capital Surplus                      |                  |                  |                  |
| Profit Surplus                       | -78,442,359      | -466,476,954     | 407,188,382      |
| Capital Adjustment                   | -11,102,000      | -                |                  |
| Total Equity                         | 4,410,455,641    | 2,033,523,046    | 2,907,188,382    |
| Liab. & Shareholder's Equity         | 14,927,006,792   | 11,810,818,674   | 13,372,678,340   |
| Current Liabilities                  | 10,409,790,436   | 9,721,130,421    | 10,038,887,540   |
| Trade Payables                       | 3,030,428,315    | 1,534,909,762    | 1,591,703,091    |
| Short-Term Borrowings                | 7,064,306,259    | 7,558,962,114    | 7,802,662,347    |
| Current Portion of Long-Term Debts   | -                | 399,960,000      | 399,960,000      |
| Withholdings                         | 4,355,840        | 7,555,070        | 3,569,540        |
| Advance Receipts                     | 2,256,876        | 7,790,952        | 130,562          |
| Account Payables                     | 285,458,439      | 194,172,302      | 226,857,413      |
| Accrued Expenses                     | 13,293,450       | 17,780,221       | 14,004,587       |
| Deferred Income Tax Credit           | 9,691,257        | -                |                  |
| Fixed Liabilities                    | 106,760,715      | 56,165,207       | 426,602,418      |
| Short-Term Borrowings                |                  |                  | 399,960,000      |
| Provision for Severance & Retirement | 106,760,715      | 56,165,207       | 26,642,418       |

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**Income Statement**

| Unit : Korean Won         | As of 12/31/2017 | As of 12/31/2016 | As of 12/31/2015 |
|---------------------------|------------------|------------------|------------------|
| Sales                     | 32,731,977,090   | 22,853,638,245   | 25,902,253,118   |
| Cost of Sold Goods        | 30,683,157,824   | 22,141,661,140   | 24,852,433,849   |
| Gross Profit              | 2,048,819,266    | 711,977,105      | 1,049,819,269    |
| Selling & Admin. Expenses | 1,266,649,101    | 1,060,427,233    | 1,030,631,556    |
| Operating Income          | 782,170,165      | -348,450,128     | 19,187,713       |
| Non-Operating Income      | 100,328,076      | 42,887,143       | 57,096,801       |
| Non-Operating Expenses    | 518,519,279      | 562,534,085      | 459,866,222      |
| Income Before Taxes       | 363,978,962      | -868,097,070     | -383,581,708     |
| Income Taxes Expenses     | -24,055,633      | 5,568,266        | 594,755          |
| Net Income                | 388,034,595      | -873,665,336     | -384,176,463     |

**Cash Flows**

| Unit : Korean Won              | As of 12/31/2017 | As of 12/31/2016 | As of 12/31/2015 |
|--------------------------------|------------------|------------------|------------------|
| Cash Flows from Operating      | -1,038,511,491   | 716,114,360      | -3,209,926,381   |
| -Net Income                    | 388,034,595      | -873,665,336     | -384,176,463     |
| -Exp. without Cash Outflow     | 308,490,332      | 196,956,485      | 69,185,173       |
| -Revenue without Cash Inflows  | -12,353,256      | -                | -19,755,479      |
| -Changes in Asset/ & Liability | -1,722,683,162   | 1,392,823,211    | -2,875,179,612   |
| Cash Flows from Investing      | -2,771,328       | 8,200,224        | 37,707,631       |
| -Cash Inflow from Investing    | 126,000,000      | 126,000,000      | 268,191,872      |
| -Cash Outflows for Investing   | -128,771,328     | -117,799,776     | -230,484,241     |
| Cash Flows from Financing      | 1,102,961,960    | -713,326,156     | 3,137,525,345    |
| -Cash Inflows from Financing   | 43,876,717,274   | 36,690,335,783   | 36,212,703,139   |
| -Cash Outflows from Financing  | -42,773,755,314  | -37,403,661,939  | -33,075,177,794  |
| Increase/Decrease in Cash      | 61,679,141       | 10,988,428       | -34,693,405      |
| Cash at the Beginning of Year  | 12,714,374       | 1,725,946        | 36,419,351       |
| Cash at the End of Year        | 74,393,515       | 12,714,374       | 1,725,946        |

**PRODUCTS, TECHNOLOGIES, SERVICES**  
**DESCRIPTION**

Main Products & Services      Steel Products  
Detailed Products Spec.  
Technologies Acquired

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## **TRADE PARTNERS & COMPETITORS**

Suppliers  
Customers  
Competitors

HAN YANG STEEL IND. CO., LTD.  
472-2, JAKJEON 2-DONG, GYEYANG-GU, INCHEON, KOREA  
TEL:+82-32-547-5540 FAX:+82-32-549-7914

KUNYOUNG STEEL CO., LTD.  
381-13, JEONGJA 1-DONG, JANGAN-GU, SUWON-SI, GYEONGGI-DO,  
KOREA  
TEL:+82-31-244-9998 FAX:+82-31-244-9968

P & S KOREA CO., LTD.  
3RD FL., HI-SENSE BLDG., 1688-17, SEOCHO 1-DONG, SEOCHO-GU,  
SEOUL, KOREA  
TEL:+82-2-3474-3933 FAX:+82-2-3474-3936

## **RELATED PARTIES (SUBSIDIARIES, JOINT-VENTURE & AFFILIATES)**

Affiliates  
Overseas Office  
Liaison Office  
Overseas Branch  
Joint Venture  
Subsidiary  
Corporate Ownership  
Major Shareholders  
Cooperative Enterprise

HANSUNG SPECIAL MACHINERY CO.,LTD.(120111-0157306)

## **SALES BY REGION (ACTIVITY & MARKETS)**

| Sales/ Unit :Mil KRW | 2017 | 2016 | 2015 |
|----------------------|------|------|------|
| Export               |      |      |      |
| Domestic             |      |      |      |
| Total                |      |      |      |
| Not Available.       |      |      |      |

## **COURT ACTION**

| Case No. | Court | Plaintiff(s)/<br>Creditor(s)/<br>Applicant(s) | Defendant(s)/<br>Debtor(s)/<br>Respondent(s) | Cause | Amount<br>(Million<br>KRW) | Status |
|----------|-------|---|--|-------|----------------------------|--------|
|----------|-------|---|--|-------|----------------------------|--------|

No.

News Clipping

**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 72.87     |
| UK Pound  | 1    | INR 94.75     |
| Euro      | 1    | INR 83.23     |
| KRW       | 1    | INR 0.065     |

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

**INFORMATION DETAILS**

|                      |     |
|----------------------|-----|
| Analysis Done by :   | NIS |
| Report Prepared by : | POJ |

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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)