

MIRA INFORM REPORT

Report No. :	533701
Report Date :	08.10.2018

IDENTIFICATION DETAILS

Name :	YOUNGJIN FLEX CO., LTD.
Registered Office :	181, Okgucheonseo-ro, Siheung-si, Gyeonggi-Do, Korea, 1Da-503, Sihwa Industrial Complex, 15088
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	27.12.1999
Com. Reg. No.:	130-81-64279
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture of Pipes and Tubes, of Non-cast Iron or Steel [Flexible Joint, Sprinkler Joint, Flexible Sprinkler Hose, Water Hammer Cushion, Flexible Connector, Expansion Joint, Valve]
No. of Employees :	93

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 :	No Complaints
Litigation :	Clear

NOTES :

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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'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

Company Name	YOUNGJIN FLEX CO., LTD. (Korean Company Name : “(주)영진플렉스”)
Registered Address	181, Okgucheonseo-ro, Siheung-si, Gyeonggi-do, Korea
Building	1Da-503, Sihwa Industrial Complex
Zip Code	15088
Tel	+82-31-432-9741~4
Fax	+82-31-432-9745
E-mail	webmaster@yflex.com;yj1991@yflex.com
Website	www.yflex.com
Trading Address	1Da-503, Sihwa Industrial Complex, 181, Okgucheonseo-ro, Siheung-si, Gyeonggi-do, Korea (Old Address System : 1Da-503, Sihwa Industrial Complex, 1251-2, Jeongwang 3-dong, Siheung-si, Gyeonggi-do, Korea)
Tel	+82-31-432-9741~4 +82-70-7826-9122
Fax	+82-31-432-9745 +82-31-624-4745
Other Address	93, Dangjaebong-ro, Jori-eup, Paju-si, Gyeonggi-do, Korea
Tel	
Fax	
Other Address	11-113 , Siheung Circulation Complex, 984, Siheung 3-dong, Geumcheon- gu, Seoul, Korea
Tel	+82-2-892-7574
Fax	+82-2-895-2281
Type	Export
Industry	Manufacture of Pipes and Tubes, of Non-cast Iron or Steel
Main Business	Flexible Joint, Sprinkler Joint, Flexible Sprinkler Hose, Water Hammer Cushion, Flexible Connector, Expansion Joint, Valve
Sub Business	
Established (mm/dd/yyyy)	12/27/1999

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Pipe expansion joints(40142312)
Sell	Flex connectors(39121419)
Sell	Pipe fittings(40142300)
Sell	Tube and tubing(31231300)

CEO'S

Name	Lim Tae-Gyeong
Date of Birth	10/25/1960

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Title President & CEO
Nationality Korean

PROFILES

Capital (KRW) 1,000,000,000
Employees 93
Formation Co., Ltd by Shares
Venture Business
Bank Details Citibank, Korea-Sihwa Industrial Complex Branch
Industrial Bank of Korea
Shinhan Bank
Corporate Registered No. 134911-0015990
Business Registered No. 130-81-64279
Permit & Licenses 12/2000 ISO 9002
11/2001 KS Mark
10/2009 UL Mark
04/2010 KS Mark

Int'l Trade No.: 45213111

Shareholder Position	Name	Shares	%
	LIM TAE-GYEONG	140,000	70.00
	CHA JONG-HYUN	40,000	20.00
	SEO EUN-HA	20,000	10.00
	TOTAL	200,000	100.00

Company History 11/20/1991 Established as YOUNGJIN KIGONG CO.(Sole Proprietorship)
12/27/1999 Incorporated as YOUNGJIN FLEXIBLE INDUSTRIES CO., LTD.
12/28/2004 Changed company name to the present name
05/2005 Designated as a Venture Business
03/2006 Designated as an INNO-BIZ Company
04/28/2006 Increased the authorized shares to 400,000 shares from 80,000 shares
11/11/2009 Designated as a Venture Business again
12/09/2010 Increased capital to 1,000,000,000 KRW from 500,000,000 KRW

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Lim Tae-Gyeong	Korean	10/25/1960	03/11/2008
Director	Cha Jong-Hyun	Korean	07/19/1973	03/11/2008

Director	Yoon Joo-Tae	Korean	01/20/1970	12/08/2010
Auditor	Choi Jeom-Rye	Korean	11/25/1977	12/08/2010

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	31,985,193,365	21,902,125,631	3,067,613,402
2016	26,158,916,711	17,657,402,678	2,035,370,023
2015	25,569,068,314	15,110,371,988	870,167,386
2014	22,808,520,346	12,887,803,521	859,694,372
2013	21,500,893,082	12,721,392,093	771,450,458
2012	16,522,594,000	9,692,197,000	637,222,000
2011	14,357,887,000	8,703,977,000	656,794,000
2010	11,587,000,000	N/A	403,000,000
2009	9,294,000,000	5,911,000,000	1,463,000,000
2008	8,755,000,000	4,430,000,000	374,000,000
2007	7,113,000,000	3,785,000,000	249,000,000

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	2,000,000,000
Paid-Up Capital(KRW)	1,000,000,000
Total Issues Shares	200,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	21,902,125,631	17,657,402,678	15,110,371,988
Current Assets	14,359,059,208	10,964,051,358	10,616,749,501
-Quick Assets	12,088,936,868	9,143,929,015	8,548,461,401
-Inventories	2,270,122,340	1,820,122,343	2,068,288,100
Fixed Assets	7,543,066,423	6,693,351,320	4,493,622,487
-Investment	4,753,269,578	3,971,567,057	1,840,851,443
-Tangibles	2,510,849,845	2,534,337,263	2,473,824,044
-Intangibles	-	-	-
-Others	278,947,000	187,447,000	178,947,000
Total Liabilities	10,357,012,935	9,179,903,384	8,668,242,717
Current Liabilities	7,501,340,147	6,750,256,896	6,883,055,897
Fixed Liabilities	2,855,672,788	2,429,646,488	1,785,186,820
Capital Stock	1,000,000,000	1,000,000,000	1,000,000,000
Capital Surplus			
Profit Surplus	12,252,414,792	9,184,801,390	7,149,431,367
Capital Adjustment	-1,707,302,096	-1,707,302,096	-1,707,302,096
Total Equity	11,545,112,696	8,477,499,294	6,442,129,271
Liab. & Shareholder's	21,902,125,631	17,657,402,678	15,110,371,988

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Equity

Current Liabilities	7,501,340,147	6,750,256,896	6,883,055,897
Trade Payables	3,855,584,770	2,666,042,944	2,489,714,667
Account Payables	333,264,207	196,203,512	218,565,093
Withholdings	36,467,230	32,504,732	36,270,384
Advance Receipts	-	123,587,474	
Short-Term Borrowings	2,629,934,399	2,633,378,968	1,888,500,000
Accrued Income Tax	-	424,171,500	131,656,940
Accrued Expenses	556,889,541	507,807,766	518,348,813
Current Portion of Long-Term Debts	89,200,000	166,560,000	1,600,000,000
Fixed Liabilities	2,855,672,788	2,429,646,488	1,785,186,820
Long-Term Borrowings	2,826,200,000	2,415,400,000	1,778,717,965
Provision for Severance & Retirement	29,472,788	14,246,488	6,468,855

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	31,985,193,365	26,158,916,711	25,569,068,314
Cost of Sold Goods	25,596,543,454	20,106,016,410	21,036,228,013
Gross Profit	6,388,649,911	6,052,900,301	4,532,840,301
Selling & Admin. Expenses	3,388,308,865	3,332,921,401	3,361,022,669
Operating Income	3,000,341,046	2,719,978,900	1,171,817,632
Non-Operating Income	436,150,080	315,636,608	228,811,223
Non-Operating Expenses	364,989,364	378,996,735	307,399,589
Income Before Taxes	3,071,501,762	2,656,618,773	1,093,229,266
Income Taxes Expenses	3,888,360	621,248,750	223,061,880
Net Income	3,067,613,402	2,035,370,023	870,167,386

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	-635,225,355	2,944,628,272	951,361,686
-Net Income	3,067,613,402	2,035,370,023	870,167,386
-Exp. without Cash Outflow	222,230,913	304,933,235	129,662,579
-Revenue without Cash Inflows	-8,866,176	-3,248,169	-227,000
-Changes in Asset/ & Liability	-3,916,203,494	607,573,183	-48,241,279
Cash Flows from Investing	-1,017,746,392	-1,984,303,250	-1,414,314,167
-Cash Inflow from Investing	64,787,572	285,750,968	64,096,306
-Cash Outflows for Investing	-1,082,533,964	-2,270,054,218	-1,478,410,473
Cash Flows from Financing	329,995,431	-51,878,997	667,217,965
-Cash Inflows from Financing	410,800,000	1,548,121,003	964,697,965
-Cash Outflows from Financing	-80,804,569	-1,600,000,000	-297,480,000

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YOUNGJIN FLEX CO., LTD. - 533701

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Increase/Decrease in Cash	-1,322,976,316	908,446,025	204,265,484
Cash at the Beginning of Year	1,664,227,914	755,781,889	551,516,405
Cash at the End of Year	341,251,598	1,664,227,914	755,781,889

**PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION**

Main Products & Services Flexible Joint, Sprinkler Joint, Flexible Sprinkler Hose, Water Hammer Cushion, Flexible Connector, Expansion Joint, Valve
Detailed Products Spec.
Technologies Acquired

TRADE PARTNERS & COMPETITORS

Suppliers
Customers
Competitors

WONIL INDUSTRIAL CO., LTD.
595-1, SONGCHEON-RI, SUDONG-MYEON, NAMYANGJU-SI,
GYEONGGI-DO, KOREA
TEL:+82-31-594-8033 FAX:+82-31-594-8034

KWANG WON I & D CO., LTD.
45, SACHANG-RI, YANGGAM-MYEON, HWASEONG-SI, GYEONGGI-
DO, KOREA
TEL:+82-31-353-3245 FAX:+82-31-353-4146

DONG YANG CO., LTD.
858-1, EOGOK-DONG, YANGSAN-SI, GYEONGSANGNAM-DO, KOREA
TEL:+82-55-367-2311 FAX:+82-55-367-2316

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

Subsidiary YOUNGJIN FLEX USA, INC.(USA)
(100.0% held by the subject company)
VIETNAM YOUNGJIN VINA FLEX CO., LTD.(VIETNAM)
(100.0% held by the subject company)

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Corporate Ownership
Major Shareholders
Cooperative Enterprise

-Insured Company
HANWHA GENERAL INSURANCE CO., LTD.(110111-0006456)

SALES BY REGION (ACTIVITY & MARKETS)

The Subject exports to India, Israel and Vietnam.

COURT ACTION

No.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.58
UK Pound	1	INR 95.88
Euro	1	INR 84.70
KRW	1	INR 0.065

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	TPT

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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)