

MIRA INFORM REPORT

Report No. :	529876
Report Date :	14.09.2018

IDENTIFICATION DETAILS

Name :	HANWHA PRECISION MACHINERY CO., LTD
Registered Office :	1204, Changwon-daero, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Korea, 51542
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	03.07.2017
Com. Reg. No.:	398-86-00857
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture of Electronics Components, Computer, Video, Audio and Telecommunication Equipment, and Industrial Robots [Chip Mounter, Screen Printer, Semiconductor Equipment]
No. of Employees :	438

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 :

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

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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	HANWHA PRECISION MACHINERY CO., LTD.
Registered Address	1204, Changwon-daero, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Korea (Old Address System : 28, Seongju-dong, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Korea)
Building	
Zip Code	51542
Tel	+82-55-260-2955
Fax	+82-55-260-2695
E-mail	knlee@hanwha.com;paskii@hanwha.com
Website	www.hanwhaprecisionmachinery.co.kr
Trading Address	6, Pangyo-ro 319beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea (Old Address System : 701, Sampyeong-dong, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea)
Tel	+82-70-7147-6324
Fax	+82-31-8018-3721
Type	Export/Import
Industry	Manufacture of Electronics Components, Computer, Video, Audio and Telecommunication Equipment, and Industrial Robots
Main Business	Chip Mounter, Screen Printer, Semiconductor Equipment
Sub Business	
Established (mm/dd/yyyy)	07/03/2017

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Chip Mounter
Sell	Screen Printer
Sell	Semiconductor process systems(23211101)
Sell	Industrial process machinery and equipment and supplies(23150000)

CEO'S

Name	Kim Yeon-Cheol
Date of Birth	12/05/1961
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	3,000,000,000		
Employees	438		
Formation	Co., Ltd by Shares		
Bank Details	Woori Bank Shinhan Bank		
Corporate Registered No.	194211-0273326		
Business Registered No.	398-86-00857		
Permit & Licenses	N/A		
Shareholder Position		Name	Shares %
		HANWHA AEROSPACE CO., LTD.(194211-0000480)	600,000 100.00
		TOTAL	600,000 100.00
Company History	07/03/2017 Incorporated as the present name after split off from HANWHA TECHWIN CO., LTD.(131111-0514404)		

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Kim Yeon-Cheol	Korean	12/05/1961	07/03/2017
Director	Lee Ki-Nam	Korean	01/25/1963	07/03/2017
Director	Song Wook-Yong	Korean	05/20/1964	11/21/2017
Auditor	Kim Young-Han	Korean	01/30/1961	07/03/2017

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	121,634,007,827	156,860,638,552	3,525,016,969

Financial Description

Authorized Capital(KRW)	50,000,000,000
Paid-Up Capital(KRW)	3,000,000,000
Total Issued Shares	600,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	156,860,638,552		

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Current Assets	137,390,148,214
Cash & Cash Equivalents	29,876,964,441
Trade Receivables & Other Receivables	74,688,049,301
Inventories	31,252,575,580
Other Current Assets	1,572,558,892
Non-Current Assets	19,470,490,338
Long-Term Trade Receivables & Other Receivables	1,389,169,483
Tangibles	1,336,161,744
Intangibles	2,539,813,042
Investment_Subsidiaries	5,950,885,372
Deferred Income Tax Assets	8,254,460,697
Total Liabilities	57,425,007,635
Current Liabilities	30,118,708,599
Trade Payables & Other Payables	22,802,065,123
Accrued Income Tax	3,526,565,342
Other Current Liabilities	3,790,078,134
Non-Current Liabilities	27,306,299,036
Long-Term Trade Payables & Other Payables	100,000
Provision for Severance & Retirement	27,306,199,036
Capital Stock	3,000,000,000
Capital Surplus	92,257,544,713
Profit Surplus	4,178,086,204
Total Equity	99,435,630,917
Liab. & Shareholder's Equity	156,860,638,552

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	121,634,007,827		
Cost of Sold Goods	83,834,144,935		
Gross Profit	37,799,862,892		
Selling & Admin. Expenses	17,590,575,750		
R&D	12,555,693,958		
Operating Income	7,653,593,184		
Other Income	855,007,302		
Other Expenses	4,247,193,632		
Finance Income	229,626,802		
Finance Expenses	121,464,460		
Income Before Taxes	4,369,569,196		
Income Taxes Expenses	844,552,227		
Net Income	3,525,016,969		

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SALES BY REGION (ACTIVITY & MARKETS)

Not Available.

COURT ACTION

No Records.

NEWS CLIPPING

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.32
UK Pound	1	INR 94.42
Euro	1	INR 84.08
KRW	1	INR 0.064

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

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	SYL

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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)