

Investment Highlights

- **Providing aluminum products and customized services:** As Korea's largest total aluminum distributor, our company supplies aluminum to all business groups that use high-quality and lightweight materials for LCDs, OLEDs, semiconductors, and automobiles, including the shipbuilding, aerospace, and defense industries. It supplies quality products at reasonable prices through a direct transaction with aluminum production plants around the world, self-production, and systematic inventory control. Furthermore, it provides differentiated, customized services, such as cutting in desired sizes, to meet customers' preference and warehousing.
- **Competitiveness of aluminum:** The key to lightweighting, a major issue in today's various vehicles, lies in the reduced weight of raw materials. The demand for aluminum, which is mainly used for weight reduction, is on the rise in the world, and particularly new demand is emerging in the Southeast Asian markets. Among raw materials used in the aerospace industry, aluminum accounts for the largest portion, but the domestic aerospace industry entirely depends on imported raw materials. In this context, our company is increasing competitiveness by securing more customers through the right to sell the aluminum plates of Arconic, the world's top aluminum plate and sheet producer.

Products and Services

Product and Technology



Examples of aluminum plate AL4U

- **Major features of key technology:** The homemade aluminum plate, A6061, has been registered under our company's brand name of AL4U. It obtained the certificate of aluminum alloy plate production technology after acknowledged for its heat treatment technology, in conjunction with other certificates: ISO 9001, ISO 14001, and AS9120 (quality management systems – aerospace).
- **Competitiveness of key technology:** Technology stabilization and self-production enable quality products to be supplied at competitive prices. These prices are ascribed to the benefit of a 3% tariff from the Korea–Vietnam FTA and the Korea–ASEAN FTA, which makes it highly possible to secure overseas customers. Furthermore, our company acquired AS9120 first in Korea for the supply of raw materials to the aviation industry and has improved capacity for the supply of domestic raw materials to the aviation/space industries. This allows for square tolerance, trimming, and continuous operations. Moreover, the concept of rough machining with a cutting tolerance of 0.5 mm can reduce working hours, thereby ensuring work efficiency three times higher than that of existing material suppliers.

History of the Company

- 2009: Completed the registration of a trademark right to its brand AL4U (homemade aluminum plate A6061)
- 2010: Launched a branch in China
- 2017: Registered as a partner for Korea Aerospace Industries (KAI)
- 2018: Acquired qualification for Hanwha Defense's materials service project

Company Profile

Date of foundation	• March 1989
Investment performance	• N/A
Listed or unlisted	• Unlisted
Patents and certificates	• Trademark right to AL4U: No. 0789619

Financial Figures

(Unit: USD million)

Division	2016 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)
Sales	32.39	39.22	35.73
Operating Income	2.68	2.82	2.05
EBITDA	2.73	3.87	2.00

Business Plans

(Unit: USD million)

Division	2019 (Forecast)	2020 (Forecast)	2021 (Forecast)
Sales	32.29	34.90	39.27
CAPEX	0.52	0.00	0.00
Etc.	0.00	0.26	0.00

- **Sales plan:** The domestic sales in the aviation and defense sectors are stabilizing as our company serves as a partner and service provider for major Korean companies such as Korean Air Lines, KAI, and Hanwha Defense. Based on this, it is planning to cultivate new markets in East Asia by invigorating its brand, AL4U. In particular, the demand for aluminum is expected to increase in the parts of Vietnam, where many Korean factories are clustered. If its business is extended abroad as planned, the sales will reach USD 39.27 million by 2021.
- **Investments required:** To achieve the target sales, our company is planning to invest USD 0.52 million in capital expenditures in 2019 and USD 0.26 million in others in 2020. The Busan branch will be launched in 2019, which will open up a way to overseas markets. Furthermore, the development of new in-house ERP software will be completed in 2020, which will also ensure more efficient corporate management.

Investment Requirements

Investment Structure	• Minority (Financial Investment)
Amount	• Negotiable
Region	• North America, Europe