

Global Leading Company of Performance Polymer

# HDC Hyundai EP

Sep. 2018

**HDC** HYUNDAI  
ENGINEERING PLASTICS



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# I .Introduction to HDC Group

## Introduction film



<https://www.youtube.com/watch?v=N4t6N3t0FtM>



# Subsidiaries



**HDC**

· Holding Company



**HDC** HYUNDAI DEVELOPMENT COMPANY

· General Construction



**HDC** HYUNDAI ENGINEERING PLASTICS

· Composite Material Production



**HDC** I·CONTROLS

· Home network & Automatic Control



**HDC** I & CONS

· Real Estate Development



**HDC** SPORTS

· Professional Soccer Team Sponsoring



**HDC** I·SERVICE

· General Real-Estate Management



**HDC** HOTEL

· Tourist Hotel Business



**HDC** ASSET MANAGEMENT

· Indirect Investment & Asset Management



**HDC** IPARKMALL

· Shopping mall business



**HDC** HYUNDAI PCE

· Concrete Production



**HDC** SHILLA DUTY FREE

· Duty Free Shop



**HDC** YOUNG CHANG

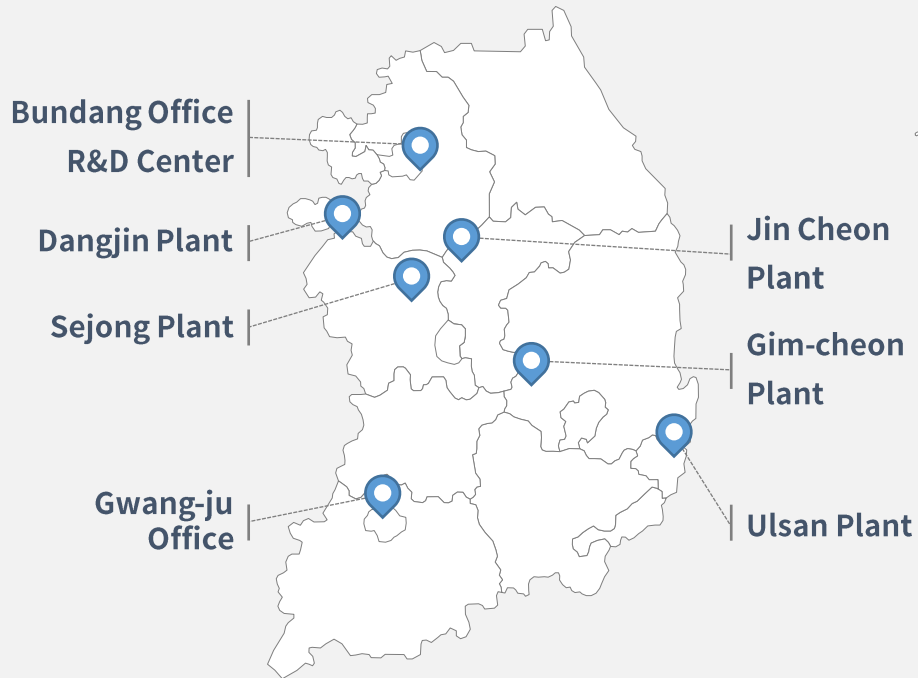
· Musical Instrument Production



## II. Introduction to HDC Hyundai EP

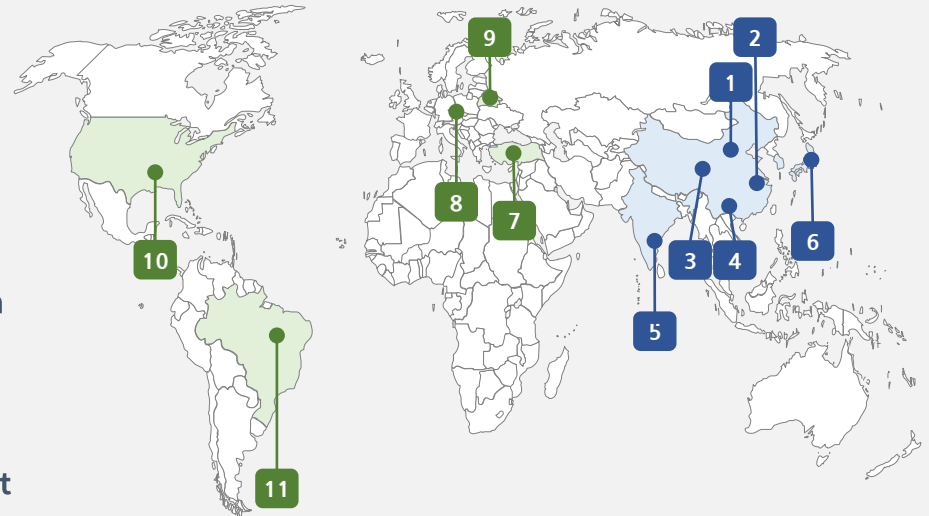
# Networks

## Domestic Sites



|              |  |
|--------------|--|
| Head Office  | Bundang Office                               |
| Plant        | Dangjin, Jin-cheon, Ulsan, Gim-cheon, Sejong |
| R&D Cetner   | Yong-in (Dan-Kook University)                |
| Sales office | Gwang-ju, Ulsan                              |

## Overseas Sites



## Global Network

- 1 Beijing 2 Yancheng 3 Chongqing 4 Guangdong
- 5 Chennai 6 Nagoya, Tokyo

## Business Partnership with LyondellBasell

- 7 Turkey 8 Czech 9 Slovakia 10 USA 11 Brazil

# Business Overview

## General Information

- Capital : 17.2 Billion Won
- CEO : Chang Gyun Kang
- Employees : 706 (Domestic : 406, Overseas : 300)
- Organization :
  - 4 Business unit (PO, PS, Construction Material, Overseas)
  - 1 Management Support Unit, 1 R&D Center

## Sales plan of 2018

[Unit: Billion Won]

| Unit                  | 2017       | 2018         | CAGR | %           |
|-----------------------|------------|--------------|------|-------------|
| <b>Sales</b>          | <b>914</b> | <b>1,105</b> | 21%  | <b>100%</b> |
| PO                    | 318        | 389          | 22%  | 35%         |
| PS                    | 404        | 453          | 12%  | 41%         |
| Construction Material | 52         | 62           | 19%  | 6%          |
| Overseas              | 145        | 201          | 39%  | 18%         |

## Major Customers

| Sales Share                        |              |     | Major Customers   |
|------------------------------------|--------------|-----|---|
| PP                                 | Automotive   | 38% | Hyundai-Kia Motors, GM                                  |
| PS                                 | Electronics  | 32% | Samsung Electronics, LG Electronics, Daewoo Electronics |
| PE<br>EPS<br>Construction Material | Construction | 30% | GS, POSCO, Daewoo Construction                          |



# PO unit

## PP Compound / EP



## End Product



## Dang-jin Plant

|                    |   |
|--------------------|---|
| Date of Foundation | November, 1994                                  |
| Major Products     | PP Compound, Engineering Plastics               |
| Capacity           | 70,000 MT                                       |
| Site area          | 89,000m <sup>2</sup>                            |
| Employees          | 63  |
| Location           | Seokmun-Myeun, Dangjin, Chungchoennam-Do, Korea |

# PO Unit

## PE Compound



## ■ End Product



[ XLPE ]



[ Polyglue ]



[ TPV ]



[ MATT ]

## ■ Jincheon Plant

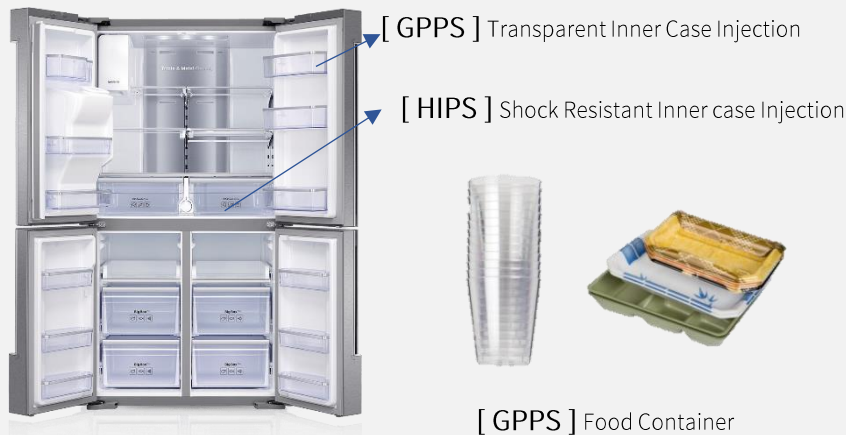
|                    |  |
|--------------------|--|
| Date of Foundation | July, 2007 (Acquisition from SK)                         |
| Major Products     | PE Compound  |
| Capacity           | 29,000 MT  |
| Site area          | 17,000m <sup>2</sup>                                     |
| Employees          | 52   |
| Location           | Kwanghewon-Myeun, Jincheon-Gun, Chungcheongbuk-Do, Korea |

# PS Unit

## Polystyrene (PS)



## ■ End Product



## ■ Ulsan Plant

|                    |  |
|--------------------|--|
| Date of Foundation | May, 1978 (Acquisition from Dongbu, 2010)                        |
| Major Products     | GPPS, HIPS   |
| Capacity           | 155,000 MT   |
| Site area          | 87,533m <sup>2</sup>   |
| Employees          | 94   |
| Location           | Bugok-Dong, Sapyeong-Ro, Nam- Gu, Ulsan Metropolitan City, Korea |

# PS Unit

## Expandable Polystyrene (EPS)



### ■ End Product



[EPS Beads insulation]



[ Packaging ]

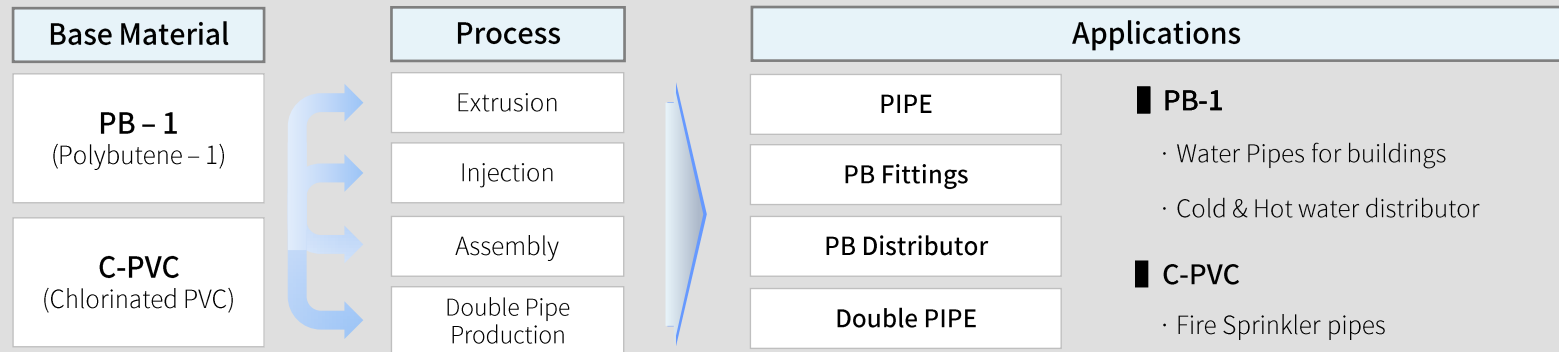
### ■ Ulsan Plant

|                    |   |
|--------------------|---|
| Date of Foundation | May, 1978 (Acquisition from Dongbu, 2010)                   |
| Major Products     | EPS, GPPO   |
| Capacity           | 80,000 MT   |
| Site area          | 146,538 m <sup>2</sup>                                      |
| Employees          | 94  |
| Location           | Cheongryang-Myeon, Ulju Gun, Ulsan Metropolitan City, Korea |



# Construction Material Unit

## Construction Materials



## End Product



[ PB PIPE ]



[ C-PVC PIPE ]



[ PB Distributor ]

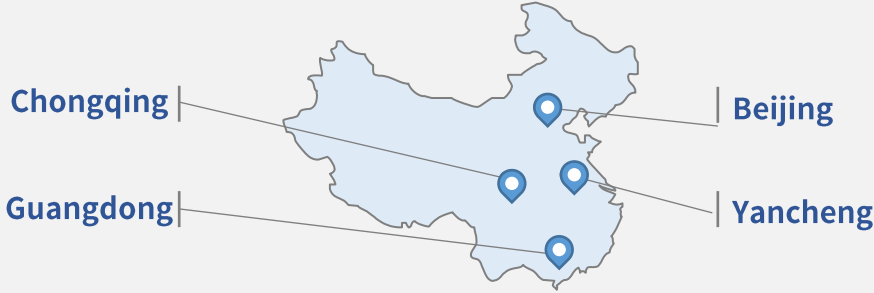

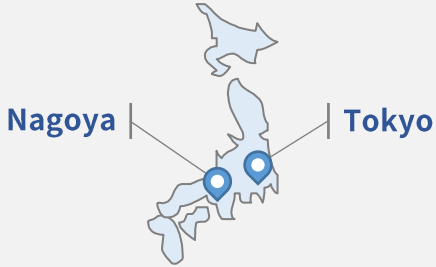






[ C-PVC Fittings ]

## Sejong Plant & Gimcheon Plant

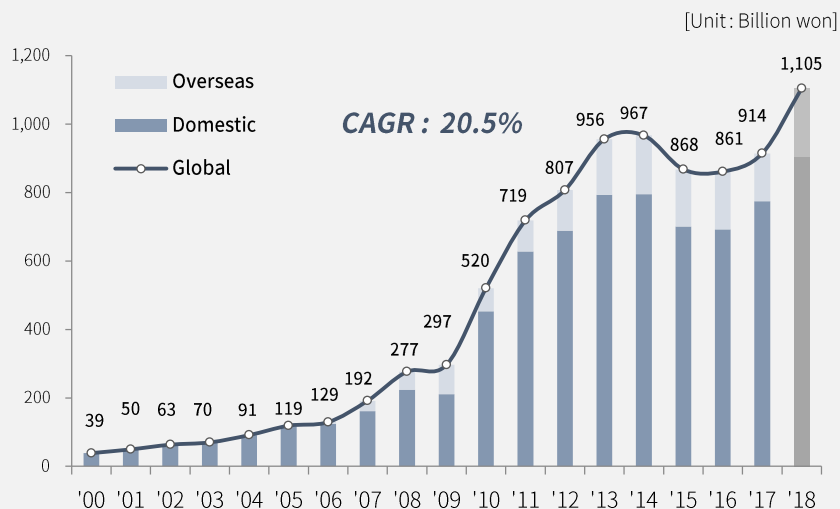
|                         | Sejong Plant                             | Gimcheon Plant                                  |
|-------------------------|--|---|
| Date of Foundation      | 1992 (Acquisition in 2010)               | 2001 (Acquisition in 2016)                      |
| Major Products          | PB PIPE, Distributor, Double Pipe        | C-PVC PIPE, Fittings                            |
| Capacity                | 36,000km (3,600 MT)                      | 4,200 MT  |
| Gross area of the plant | 10,160m <sup>2</sup>                     | 18,236m <sup>2</sup>                            |
| Employees               | 31                                       | 15  |
| Location                | Gongdan-Ro, Yeonggi-Myeon, Sejong, Korea | Gongdan-Ro, Gimcheon-Si Gyeongsangbuk-Do, Korea |

## Overseas Unit

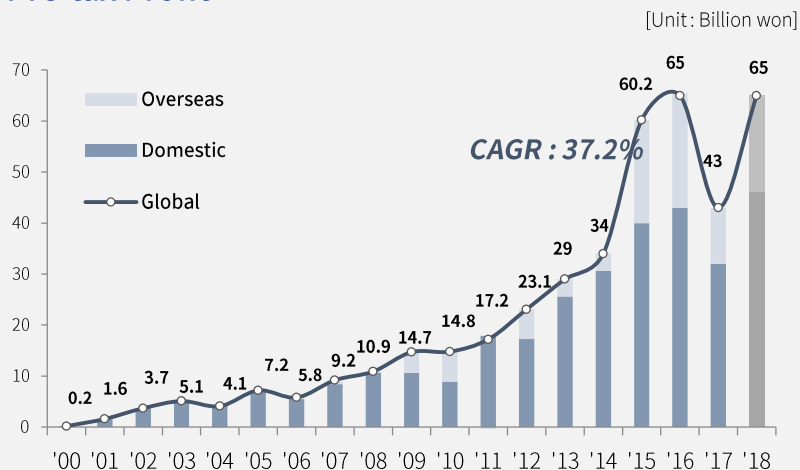
| China  |   |   |  | India   | Japan   |   |
|--|---|---|--|---|---|---|
|  |   |   |  |  |  |   |
| Beijing  | Yancheng  | Guangdong   | Chongqing  | Chennai   | Nagoya Office   | Tokyo Office  |
|   |  |  |  |  |  |  |
| Beijing, China   | Yancheng, China   | Guangzhou, China  | Chongqing, China   | Chennai, India  | Nagoya, Japan   | Tokyo, Japan  |
| PP Compound  | PP Compound   | PE Compound   | PP Compound  | PP Compound   | PP Compound   | PP Compound   |
| 24,500 ton/year  | 22,000 ton/year   | 17,100 ton/year   | 11,000 ton/year  | 36,400 ton/year   | 24,000 ton/year (Sales)   |   |
| 4 Lines  | 4 Lines   | 5 Lines   | 2 Lines  | 6 Lines   | -   | -   |
| Founded 2007.01  | Founded 2011.03   | Founded 2002.09   | Founded 2016.09  | Founded 2007.01   | Founded 2008.03   | Founded 2016.09   |
| Capital : \$4,500,000  | Capital : \$5,700,000   | Capital : \$11,150,000  | Capital : \$5,000,000  | Capital : \$4,200,000   | -   | -   |

# Financial Result and History

## Sales



## Pre-tax Profit



## History

- 1980**
  - 1988.06** Establishment of Hyundai Development Company's Polymer Division
  - 1994.11** Completion of a petrochemical plant in Dangjin
- 2000**
  - 2000.01** Establishment of Hyundai Engineering Plastics Co., Ltd.
  - 2004.06** Export License Sales of PP Compound (BASELL)
  - 2006.09** Listed on the Korean Stock Market
  - Changed its company name to Hyundai EP Co., Ltd
  - 2007.01** Establishment of a subsidiary in Sanhe, China (Beijing area)
  - 2007.02** Establishment of a subsidiary in Chennai, India
  - 2007.06** Signed a MOU with Advanced Polymer Department of SK Corporation
  - 2008.03** Establishment of a branch office in Nagoya, Japan
- 2010**
  - 2010.04** Acquired the petrochemical business unit from Dongbu HiTek
  - 2010.08** Acquired the PB-1 business unit from PEM KOREA
  - 2011.03** Establishment of a subsidiary in Dafeng, China (Dafeng area)
- 2016**
  - 2016.03** Acquired the C-PVC PIPE business unit from Korea Chemical Co., Ltd
  - 2016.09** Establishment of a subsidiary in Chongqing, China
- 2018**
  - 2018.02** Establishment of a R&D Center (Dan-kook University)
  - 2018.03** Changed its name to HDC Hyundai EP