

MIRA INFORM REPORT

Report No. :	527630
Report Date :	30.08.2018

IDENTIFICATION DETAILS

Name :	PP&Y INTERNATIONAL CO., LTD.
Registered Office :	167, Songpa-daero, Songpa-gu, Seoul, Korea, Rm.A-1111, Tera Tower 05855
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	23.01.2007
Com. Reg. No.:	104-86-05825
Legal Form :	Co., Ltd by shares
Line of Business :	Chemicals, Steel, General Goods, TCE, PCE, Electronics, Food, Ocean Freight Brokerage Services, General Transportation Services, Goods for Ships
No. of Employees :	21

RATING & COMMENTS

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

MIRA's Rating :

A

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

Status :	Good
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.

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

North Korea, one of the world's most centrally directed and least open economies, faces chronic economic problems. Industrial capital stock is nearly beyond repair as a result of years of underinvestment, shortages of spare parts, and poor maintenance. Large-scale military spending and development of its ballistic missile and nuclear program severely draws off resources needed for investment and civilian consumption. Industrial and power outputs have stagnated for years at a fraction of pre-1990 levels. Frequent weather-related crop failures aggravated chronic food shortages caused by on-going systemic problems, including a lack of arable land, collective farming practices, poor soil quality, insufficient fertilization, and persistent shortages of tractors and fuel. The mid 1990s through mid-2000s were marked by severe famine and widespread starvation. Significant food aid was provided by the international community through 2009. Since that time, food assistance has declined significantly. In the last few years, domestic corn and rice production has improved, although domestic production does not fully satisfy demand. A large portion of the population continues to suffer from prolonged malnutrition and poor living conditions. Since 2002, the government has allowed semi-private markets to begin selling a wider range of goods, allowing North Koreans to partially make up for diminished public distribution system rations. It also implemented changes in the management process of communal farms in an effort to boost agricultural output.

In December 2009, North Korea carried out a redenomination of its currency, capping the amount of North Korean won that could be exchanged for the new notes, and limiting the exchange to a one-week window. A concurrent crackdown on markets and foreign currency use yielded severe shortages and inflation, forcing Pyongyang to ease the restrictions by February 2010. In response to the sinking of the South Korean warship Cheonan and the shelling of Yeonpyeong Island in 2010, South Korea's government cut off most aid, trade, and bilateral cooperation activities. In February 2016, South Korea ceased its remaining bilateral economic activity by closing the Kaesong Industrial Complex in response to North Korea's fourth nuclear test a month earlier. This nuclear test and another in September 2016 resulted in two United Nations Security Council Resolutions that targeted North Korea's foreign currency earnings, particularly coal and other mineral exports. Throughout 2017, North Korea's continued nuclear and missile tests led to a tightening of UN sanctions, resulting in full sectoral bans on DPRK exports and drastically limited key imports. Over the last decade, China has been North Korea's primary trading partner.

The North Korean Government continues to stress its goal of improving the overall standard of living, but has taken few steps to make that goal a reality for its populace. In 2016, the regime used two mass mobilizations — one totaling 70 days and another 200 days — to spur the population to increase production and complete construction projects quickly. The regime released a five-year economic development strategy in May 2016 that outlined plans for promoting growth across sectors. Firm political control remains the government's overriding concern, which likely will inhibit formal changes to North Korea's current economic system.

Source : CIA

BASIC INFORMATION

Basic

Company Name	PP&Y INTERNATIONAL CO., LTD.
Registered Address	167, Songpa-daero, Songpa-gu, Seoul, Korea
Building	Rm.A-1111, Tera Tower
Zip Code	05855
Tel	+82-2-778-7025~6
Fax	+82-2-778-7027
E-mail	fossil@ppny.co.kr;tale14@ppny.co.kr
Website	www.ppny.co.kr
Trading Address	Rm.A-1111, Tera Tower, 167, Songpa-daero, Songpa-gu, Seoul, Korea (Old Address System : Rm.A-1111, Tera Tower, 651, Munjeong-dong, Songpa-gu, Seoul, Korea)
Tel	+82-2-778-7025~6
Fax	+82-2-778-7027
Other Address-Rodeo	33, Dosan-daero 51-gil, Gangnam-gu, Seoul, Korea
Branch	(Old Address System : 656-6, Sinsa-dong, Gangnam-gu, Seoul, Korea)
Tel	
Fax	
Type	Export
Industry	Wholesale of Other Chemical Materials and Chemical Products
Main Business	Chemicals, Steel, General Goods, TCE, PCE
Sub Business	Electronics, Food, Ocean Freight Brokerage Services, General Transportation Services, Goods for Ships
Established (mm/dd/yyyy)	01/23/2007

Detailed Products

Activity	Detailed Products (UNSPSC)
Sell	Chemicals including Bio Chemicals and Gas Materials(12000000)

CEO's

Name	Yoon Pyeong-Ho
Date of Birth	08/01/1968
Title	Representative Director
Nationality	Korean

Profiles

Capital (KRW)	200,000,000
Employees	21
Formation	Co., Ltd by shares
Bank Details	KEB Hana Bank Shinhan Bank Industrial Bank of Korea

Corporate Registered No. 110111-3606021
Business Registered No. 104-86-05825
Permit & Licenses N/A
Shareholder Position

Name	Shares	%
YOON PYEONG-HO	12,000	66.67
PARK SUNG-HYUCK	4,000	22.22
YANG HWA-SEOK	2,000	11.11
TOTAL	18,000	100.00

(*)The list is based as of 12/31/2017.

Company History
01/23/2007 Incorporated as the present name
07/22/2008 Increased capital to 100,000,000 KRW from 50,000,000 KRW
05/02/2016 Decreased capital to 90,000,000 KRW from 100,000,000 KRW
01/03/2017 Moved to the present HQ address from 5FL., Junghwa Bldg.,
708, Yeongdong-daero, Gangnam-gu, Seoul, Korea (Old Address System
: 5FL., Junghwa Bldg., 132-19, Cheongdam-dong, Gangnam-gu, Seoul,
Korea)
03/13/2018 Increased capital to 200,000,000 KRW from 90,000,000 KRW

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Representative Director	Yoon Pyeong-Ho	Korean	08/01/1968	01/23/2007

Financials

Year / Unit : KRW	Sales	Assets	Net Income
2017	92,996,514,600	8,342,824,337	854,219,029
2016	69,602,792,310	12,569,451,954	344,135,132
2015	68,961,313,638	4,312,388,370	127,884,105
2014	76,970,847,499	8,989,741,745	86,942,097
2013	63,232,847,040	8,007,548,854	34,644,671
2012	82,439,144,552	8,805,959,644	327,428,687
2011	52,258,672,000	6,978,137,000	84,361,000
2010	38,437,613,000	4,037,638,000	44,948,000
2009	43,882,166,000	3,352,963,000	126,365,000
2008	50,752,000,000	2,241,000,000	332,000,000

Financial Description

Authorized Capital(KRW)	200,000,000
Paid-Up Capital(KRW)	200,000,000
Total Issues Shares	40,000

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Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	8,342,824,337	12,569,451,954	4,312,388,370
Current Assets	6,671,475,843	10,842,830,981	3,727,291,279
-Quick Assets	6,140,229,363	9,688,218,295	3,442,448,135
-Inventories	531,246,480	1,154,612,686	284,843,144
Fixed Assets	1,671,348,494	1,726,620,973	585,097,091
-Investment	370,507,402	328,318,000	315,519,953
-Tangibles	1,189,535,492	1,248,062,873	138,746,138
-Intangibles			
-Others	111,305,600	150,240,100	130,831,000
Total Liabilities	5,976,936,340	11,078,972,388	3,098,841,983
Current Liabilities	5,016,300,957	10,041,010,646	2,982,376,711
Fixed Liabilities	960,635,383	1,037,961,742	116,465,272
Capital Stock	90,000,000	90,000,000	100,000,000
Capital Surplus			
Profit Surplus	2,311,680,595	1,457,461,566	1,113,326,434
Capital Adjustment	-35,792,598	-56,982,000	219,953
Total Equity	2,365,887,997	1,490,479,566	1,213,546,387
Liab. & Shareholder's Equity	8,342,824,337	12,569,451,954	4,312,388,370
Current Liabilities	5,016,300,957	10,041,010,646	2,982,376,711
Trade Payables	2,954,104,401	7,907,250,896	2,131,825,808
Account Payables	450,805,950	926,072,698	599,059,440
Accrued Expenses	146,233,488	90,228,273	75,654,318
Withholdings	23,295,180	19,379,460	9,655,650
Advance Receipts	1,247,918,888	562,507,759	27,147,495
Short-Term Borrowings	-	430,000,000	117,200,000
Deferred Income Tax Credit	193,943,050	105,571,560	21,834,000
Fixed Liabilities	960,635,383	1,037,961,742	116,465,272
Long-Term Borrowings	900,000,000	900,000,000	
Leasehold Deposit Received	10,000,000	24,000,000	24,000,000
Provision for Severance & Retirement	50,635,383	113,961,742	92,465,272

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	92,996,514,600	69,602,792,310	68,961,313,638
Cost of Sold Goods	86,953,454,970	64,230,222,859	64,323,797,481
Gross Profit	6,043,059,630	5,372,569,451	4,637,516,157
Selling & Admin. Expenses	5,032,357,085	4,718,010,988	4,465,009,564
Operating Income	1,010,702,545	654,558,463	172,506,593
Non-Operating Income	1,480,209,157	1,100,486,952	1,010,195,064
Non-Operating Expenses	1,362,124,013	1,242,995,093	1,012,074,002
Income Before Taxes	1,128,787,689	512,050,322	170,627,655
Income Taxes Expenses	274,568,660	167,915,190	42,743,550

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Net Income	854,219,029	344,135,132	127,884,105
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Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	2,050,828,976	853,850,229	966,377,844
-Net Income	854,219,029	344,135,132	127,884,105
-Exp. without Cash Outflow	126,128,178	345,346,316	98,189,073
-Revenue without Cash Inflows	-108,569,219	-55,341,406	-77,271,128
-Changes in Asset/ & Liability	1,179,050,988	219,710,187	817,575,794
Cash Flows from Investing	500,565,907	-1,734,769,950	-329,301,943
-Cash Inflow from Investing	1,494,345,456	812,285,770	353,101,325
-Cash Outflows for Investing	-993,779,549	-2,547,055,720	-682,403,268
Cash Flows from Financing	-444,000,000	1,142,800,000	117,200,000
-Cash Inflows from Financing	114,000,000	1,546,882,000	117,200,000
-Cash Outflows from Financing	-558,000,000	-404,082,000	-
Increase/Decrease in Cash	2,107,394,883	261,880,279	754,275,901
Cash at the Beginning of Year	1,577,059,803	1,315,179,524	560,903,623
Cash at the End of Year	3,684,454,686	1,577,059,803	1,315,179,524

Products, Technologies, Services Description

Main Products & Services Chemicals, Steel, General Goods, TCE, PCE
Detailed Products Spec.
Technologies Acquired

Trade Partners & Competitors

Suppliers
Customers
Competitors

HYUNSUNG CHEMICAL CO., LTD.
7-314, INDUSTRIAL TOOLS CIRCULATING CENTER, 152-2, GAMJEON-DONG, SASANG-GU, BUSAN, KOREA
TEL:+82-51-325-2981 FAX:+82-51-325-2982

JUNYOUNG CORPORATION
6TH FL., GREEN POINT BLDG., 655-12, SINSA-DONG, GANGNAM-GU, SEOUL, KOREA
TEL:+82-2-547-8595 FAX:+82-2-547-8598

NAMDUCK MOOLSAN CO., LTD.
RM. 1014, YEOUIDO DEPT. STORE, 36-2, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL, KOREA
TEL:+82-2-3774-0900 FAX:+82-2-3774-0901

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Related Parties (Subsidiaries, Joint-Venture & Affiliates)

Affiliates	HI NATURE CO., LTD.(110111-2743634) (49.0% held by the subject company) 169-1, SAMSEONG 1-DONG, GANGNAM-GU, SEOUL, KOREA TEL:+82-2-539-7025
Overseas Office	
Liaison Office	
Overseas Branch	
Joint Venture	
Subsidiary	
Corporate Ownership	
Major Shareholders	
Cooperative Enterprise	-Insured Company SAMSUNG FIRE & MARINE INSURANCE CO., LTD.(110111-0005078)

Sales by Region (Activity & Markets)

The Subject exports to Middle East and Africa.

Court Action

No Records.

News Clipping

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.50
UK Pound	1	INR 90.63
Euro	1	INR 82.34
KRW	1	INR 0.064

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	KET

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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)