

## MIRA INFORM REPORT

<b>Report No. :</b>	543793
<b>Report Date :</b>	06.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	HOKYOUNG TECH CO.,LTD.
<b>Registered Office :</b>	143-14, Wonseungdu-gil, Gongdo-eup, Anseong-si, Gyeonggi-do
<b>Country :</b>	South Korea
<b>Financials (as on) :</b>	31.12.2016
<b>Date of Incorporation :</b>	23.08.2004
<b>Com. Reg. No.:</b>	125-81-54008
<b>Legal Form :</b>	Co., Ltd by Shares
<b>Line of Business :</b>	Manufacture of Other Grain Mill Products (Agricultural Processed Products, Seasoning Food, Spice Seasoning, Food Additives)
<b>No. of Employees :</b>	23

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

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**NOTES :**

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

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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

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**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**

### **Basic**

Company Name	HOKYOUNG TECH CO.,LTD.
Registered Address	143-14, Wonseungdu-gil, Gongdo-eup, Anseong-si, Gyeonggi-do, Korea
Building	
Zip Code	17562
Tel	+82-31-653-4583
Fax	+82-31-653-4582
E-mail	hokyoung-tech@hanmail.net
Website	
Trading Address	143-14, Wonseungdu-gil, Gongdo-eup, Anseong-si, Gyeonggi-do, Korea (Old Address System : 680-2, Seungdu-ri, Gongdo-eup, Anseong-si, Gyeonggi-do, Korea)
Tel	+82-31-653-4583
Fax	+82-31-653-4582
Other Address	
Tel	
Fax	
Type	Export/Import
Industry	Manufacture of Other Grain Mill Products
Main Business	Agricultural Processed Products, Seasoning Food, Spice Seasoning, Food Additives
Sub Business	
Established (mm/dd/yyyy)	08/23/2004

## **DETAILED PRODUCTS**

Activity	Detailed Products (UNSPSC)
Sell	Food or drug additives(12164500)
Sell	Seasonings and preservatives(50170000)
Sell	Spices or extracts(50171550)
Sell	Flavours or extracts(12164502)

## **CEO'S**

Name	Kim Jae-Nam
Date of Birth	04/01/1943
Title	President & CEO
Nationality	Korean

## **PROFILES**

Capital (KRW)	800,000,000		
Employees	23		
Formation	Co., Ltd by Shares		
Bank Details	Industrial Bank of Korea		
Corporate Registered No.	134611-0026133		
Business Registered No.	125-81-54008		
Permit & Licenses	N/A		
Shareholder Position	Name	Shares	%
	KIM MYUNG-HYUN	104,608	65.38
	KIM JAE-NAM	28,400	17.75
	KIM SANG-HYUN	26,992	16.87
	TOTAL	160,000	100.00
Company History	08/23/2004 Incorporated as the present name		
	06/30/2009 Increased capital to 800,000,000 KRW from 500,000,000 KRW		

## **DETAILED INFORMATION**

### Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Kim Jae-Nam	Korean	04/01/1943	04/16/2010
Director	Kim Myung-Hyun	Korean	01/27/1975	03/30/2007
Director	Kim Sang-Hyun	Korean	10/27/1976	03/30/2007
Auditor	Park Jung-Sook	Korean	03/05/1948	03/30/2007

## **FINANCIALS**

Year / Unit : KRW	Sales	Assets	Net Income
2017	6,932,660,000	N/A	N/A
2016	6,362,770,000	6,231,964,000	12,991,000
2015	7,033,000,000	6,441,000,000	278,000,000
2014	5,846,912,000	6,448,564,000	270,970,000

The latest financials are not available, and the Subject Company does not have any obligations to release its financials to the public.

### Financial Description

Authorized Capital(KRW)	1,200,000,000
Paid-Up Capital(KRW)	800,000,000

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Total Issued Shares 160,000

**Balance Sheet**

Unit : Korean Won	As of 12/31/2016	As of 12/31/2015	As of 12/31/2014
Total Assets	6,231,964,000	6,441,000,000	6,448,564,000
Current Assets	3,798,663,000	4,401,000,000	4,267,832,000
-Quick Assets			
-Inventories			
Fixed Assets	2,433,301,000	2,040,000,000	2,180,732,000
-Investment			
-Tangibles			
-Intangibles			
Total Liabilities	3,943,289,000	4,166,000,000	4,451,632,000
Current Liabilities	2,343,289,000	2,866,000,000	3,452,632,000
Fixed Liabilities	1,600,000,000	1,300,000,000	999,000,000
Capital Stock	800,000,000	800,000,000	800,000,000
Capital Surplus			
Profit Surplus	1,488,675,000	1,475,000,000	1,196,932,000
Capital Adjustment			
Total Equity	2,288,675,000	2,275,000,000	1,996,932,000
Liab. & Shareholder's Equity	6,231,964,000	6,441,000,000	6,448,564,000

**Income Statement**

Unit : Korean Won	As of 12/31/2016	As of 12/31/2015	As of 12/31/2014
Sales	6,362,770,000	7,033,000,000	5,846,912,000
Cost of Sold Goods	5,641,208,000	6,027,000,000	4,904,602,000
Gross Profit	721,562,000	1,006,000,000	942,310,000
Selling & Admin. Expenses	786,675,000	695,000,000	656,748,000
Operating Income	-65,113,000	311,000,000	285,562,000
Non-Operating Income	109,072,000	63,000,000	61,679,000
Non-Operating Expenses	29,746,000	57,000,000	38,900,000
Income Before Taxes	14,213,000	317,000,000	308,341,000
Income Taxes Expenses	1,222,000	39,000,000	37,371,000
Net Income	12,991,000	278,000,000	270,970,000

**PRODUCTS, TECHNOLOGIES, SERVICES  
DESCRIPTION**

Main Products & Services Agricultural Processed Products, Seasoning Food, Spice Seasoning, Food Additives

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## **TRADE PARTNERS & COMPETITORS**

Customers	SAJO NAMBUHAM CO., LTD.(110111-0318306) SAMYANG FOODS CO., LTD.(110111-0034308) CJ CHEILJEDANG CORP.(110111-3748253) KOREA YAKULT CO., LTD.(110111-0006852)
Competitors	CSF CORPORATION 167-12, ALLAK 2-DONG, DONGNAE-GU, BUSAN, KOREA TEL:+82-51-531-8181 FAX:+82-51-531-8286  KIMSPRICE CO., LTD. 389-3, HANG-DONG, HANAM-SI, GYEONGGI-DO, KOREA TEL:+82-31-791-2978 FAX:+82-31-791-2973  ORAE FOOD CO., LTD. 103, GONJIAM-RI, SILCHON-EUP, GWANGJU-SI, GYEONGGI-DO, KOREA TEL:+82-31-761-2733 FAX:+82-31-761-2735

## **SALES BY REGION (ACTIVITY & MARKETS)**

Not Available.

## **COURT ACTION**

Not Available.

## **NEWS CLIPPING**

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**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.52
UK Pound	1	INR 89.45
Euro	1	INR 79.84
KRW	1	INR 0.063

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

**INFORMATION DETAILS**

Analysis Done by :	NIS
Report Prepared by :	TRU

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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)