

## MIRA INFORM REPORT

Report No. :	538867
Report Date :	10.11.2018

### IDENTIFICATION DETAILS

Name :	KOMIPHARM INTERNATIONAL CO., LTD.
Registered Office :	17, Gyeongje-ro, Siheung-si, Gyeonggi-do
Country :	South Korea
Financials (as on) :	30.06.2018
Date of Incorporation :	21.09.1972
Com. Reg. No.:	133-81-23355
Legal Form :	Listed Company
Line of Business :	<ul style="list-style-type: none"> <li>• Manufacture of Animal Medicaments (Vaccine, Injectable Antibiotics)</li> <li>• Research and Experimental Development On Medical Sciences and Pharmacy</li> </ul>
No. of Employees :	163

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> 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 :	Good
Payment Behaviour :	No Complaints
Litigation :	Exist

### NOTES :

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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**

<b>Country Name</b>	<b>Previous Rating (30.06.2018)</b>	<b>Current Rating (30.09.2018)</b>
South Korea	A1	A1

<b>Risk Category</b>	<b>ECGC Classification</b>
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	KOMIPHARM INTERNATIONAL CO., LTD.
Registered Address	17, Gyeongje-ro, Siheung-si, Gyeonggi-do, Korea
Building	1Ra-107, Sihwa Industrial Complex
Zip Code	15094
Tel	+82-31-498-6104~6
Fax	+82-31-498-6107
E-mail	webmaster@Komipharm.com
Website	www.komipharm.com
Trading Address	1Ra-107, Sihwa Industrial Complex, 17, Gyeongje-ro, Siheung-si, Gyeonggi-do, Korea (Old Address System : 1Ra-107, Sihwa Industrial Complex, 1236-6, Jeongwang 3-dong, Siheung-si, Gyeonggi-do, Korea)
Tel	+82-31-498-6104~6
Fax	+82-31-498-6107
Other Address-2 <sup>nd</sup> Factory	235-24, Chusa-ro, Sinam-myeon, Yesan-gun, Chungcheongnam-do, Korea (Old Address System : 256-1, Dukok-ri, Shinahm-myun, Yeosan-gun, ChungNam-do, Korea)
Tel	+82-41-333-4262
Fax	+82-41-333-4263
Type	Export/Import
Industry	Manufacture of Animal Medicaments
Main Business	Vaccine, Injectable Antibiotics
Sub Business	Research and Experimental Development On Medical Sciences and Pharmacy
Established (mm/dd/yyyy)	09/21/1972

## **DETAILED PRODUCTS**

Activity	Detailed Products (UNSPSC)
Sell	Blood analysis laboratory services(85121801)
Sell	Preservatives(12164501)
Sell	Veterinary products(42121600)
Sell	Organic fertilizers and plant nutrients(10171500)

## **CEO'S**

Name	Yang Yong-Jin
Date of Birth	08/01/1953

Title Chairman & CEO  
Nationality Korean

## **PROFILES**

Capital (KRW) 5,531,832,800  
Employees 163  
Formation Venture Business  
Listed Company (KOSDAQ : 041960) as of 10/30/2001  
Bank Details Industrial Bank of Korea-Shihwa Industrial Complex Branch  
Korea Development Bank  
Corporate Registered No. 110111-0134372  
Business Registered No. 133-81-23355  
Permit & Licenses Int'l Trade No.: 21010473  
Shareholder Position

Name	Shares	%
YANG YONG-JIN	16,161,510	29.22
HWANG BOO-YEON	3,119,665	5.64
YANG YOON-KON	1,131,758	2.05
YANG HO-JUNG	301,165	0.54
YANG YOON-JUNG	110,855	0.20
MOON SEONG-CHEOL	304,308	0.55
TREASURY STOCK	268,209	0.48
OTHERS	33,920,858	61.32
TOTAL	55,318,328	100.00

Company History 09/21/1972 Incorporated as KOREA MICROBIOLOGICAL LAB., LTD.  
09/03/2004 Changed company name to the present name  
10/2006 Designated as a Venture Business again  
10/2007 Designated as a Venture Business again  
10/2008 Designated as a Venture Business again  
11/2008 Awarded US\$1 Million Export Top Prize  
03/25/2011 Increased the authorized shares to 300,000,000 shares from 60,000,000 shares  
04/29/2011 Split off the par value to 100 KRW from 500 KRW  
09/18/2018 Increased capital to 5,531,832,800 KRW from 5,529,057,300 KRW

## **DETAILED INFORMATION**

### Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Chairman & CEO	Yang Yong-Jin	Korean	08/01/1953	03/21/2001
President & CEO	Moon Seong-Cheol	Korean	11/13/1959	03/23/2007

Sr. Executive Director	Kim Sang-Hyun	Korean	07/09/1963	03/22/2013
Director	Kim Soo-Jung	Korean	01/07/1973	03/26/2010
Outside Director	Yoo Jung-Ki	Korean	06/06/1946	03/23/2007
Outside Director	Kim Soo-Young	Korean	01/01/1948	03/25/2016
Auditor	Han Tae-Jin	Korean	09/21/1956	03/25/2016

## **FINANCIALS**

Year / Unit : KRW	Sales	Assets	Net Income
06/2018	18,029,258,719	132,774,014,921	-676,292,254
2017	35,612,736,456	130,076,691,945	532,839,367
2016	37,636,361,907	129,362,508,907	364,371,405
2015	36,405,104,328	132,664,026,268	-6,490,143,594
2014	34,454,103,564	123,833,296,800	-2,225,023,933
2013	25,848,107,225	108,552,946,575	1,007,045,083
2012	20,984,013,549	75,454,548,654	272,384,973
2011	18,579,559,822	63,862,358,010	23,257,264
2010	18,173,230,855	38,511,573,730	553,278,904
2008	16,002,022,429	36,066,300,958	-3,145,741,258
2008	12,012,051,257	32,774,147,800	-964,442,940

### **Financial Description**

Authorized Capital(KRW)	30,000,000,000
Paid-Up Capital(KRW)	5,531,832,800
Total Issued Shares	55,318,328

### **Balance Sheet**

Unit : Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Total Assets	132,774,014,921	130,076,691,945	129,362,508,907
Current Assets	39,088,813,337	38,897,145,986	36,136,536,476
Inventories	15,017,480,209	11,906,162,333	11,297,650,889
Trade Receivables & Other Receivables	11,883,200,370	12,128,166,144	12,726,780,979
Current Financial Instruments	4,508,194,042		1,024,117,403
Other Current Assets	430,326,105	473,494,224	283,315,506
Deferred Income Tax Assets	148,117,222	161,060,282	123,446,820
Cash & Cash Equivalents	7,101,495,389	14,228,263,003	10,681,224,879
Non-Current Assets	93,685,201,584	91,179,545,959	93,225,972,431
Tangibles	62,309,547,326	63,426,022,186	65,872,150,641
Intangibles	13,568,125,243	13,908,701,485	20,860,359,925
Investment_Related Companies	9,837,350,000	8,037,350,000	1,857,600,000

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**KOMIPHARM INTERNATIONAL CO., LTD. - 538867**

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Investment_Subsidiaries	2,446,545,020	2,446,545,020	2,154,605,210
Other Financial Assets	2,629,305,128	544,807,798	425,302,500
Other Receivables	899,240,000	899,240,000	1,125,880,000
Deferred Income Tax Assets	1,995,088,867	1,916,879,470	930,074,155
Total Liabilities	37,359,039,056	41,458,196,439	50,233,733,848
Current Liabilities	23,612,496,190	35,868,667,439	36,922,133,848
Short-Term Borrowings	8,840,000,000	13,620,000,000	14,220,000,000
Current Portion of Long-Term Debts	8,757,176,224	17,837,779,065	17,505,494,681
Trade Payables & Other Payables	5,525,721,724	4,272,551,367	5,154,208,251
Other Current Liabilities	489,598,242	138,337,007	28,327,733
Deferred Income Tax Credit			14,103,183
Non-Current Liabilities	13,746,542,866	5,589,529,000	13,311,600,000
Debentures	8,700,177,866		
Long-Term Borrowings	5,046,365,000	5,589,529,000	13,311,600,000
Capital Stock	5,529,057,300	5,508,046,700	5,469,033,700
Capital Surplus	89,655,657,442	81,808,083,523	72,890,215,443
Others	-222,560,928	-222,560,928	-222,560,928
Profit Surplus	452,822,051	1,524,926,211	992,086,844
Total Equity	95,414,975,865	88,618,495,506	79,128,775,059
Liab. & Shareholder's Equity	132,774,014,921	130,076,691,945	129,362,508,907

**Income Statement**

Unit : Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Sales	18,029,258,719	35,612,736,456	37,636,361,907
Cost of Sold Goods	12,519,613,279	24,186,748,834	26,676,120,527
Gross Profit	5,509,645,440	11,425,987,622	10,960,241,380
Selling & Admin. Expenses	5,572,203,040	10,824,482,504	10,176,078,483
Operating Income	-62,557,600	601,505,118	784,162,897
Other Expenses	519,330,413	11,428,661,901	2,000,048,076
Operating Income	929,184,268	11,325,401,492	1,343,558,737
Finance Income	110,633,758	128,029,517	215,747,519
Finance Expenses	547,056,643	1,349,115,734	1,452,843,225
Income Before Taxes	-908,834,340	-516,320,690	203,556,530
Income Taxes Expenses	-232,542,086	-1,049,160,057	-160,814,875
Net Income	-676,292,254	532,839,367	364,371,405

**Cash Flows**

Unit : Korean Won	01/01/2018~06/30/2018	As of 12/31/2017	As of 12/31/2016
Operating Activities Cash Flows	-38,479,857	1,610,977,426	1,351,367,712
Net Income	-676,292,254	532,839,367	364,371,405
Adjustment	3,059,453,952	5,141,270,317	5,105,291,786

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Changes in Asset/ & Liability	-2,163,463,189	-3,152,055,947	-3,043,722,577
Interests Received	108,985,454	125,430,383	228,032,419
Interests Paid	-367,163,820	-1,036,506,694	-1,302,605,321
Cash Flows from Investing	-9,397,028,829	1,618,800,944	-1,188,516,204
Cash Flows from Financing	2,308,741,072	317,259,754	-228,384,824
Increase/Decrease in Cash	-7,126,767,614	3,547,038,124	-65,533,316
Cash at the Beginning of Year	14,228,263,003	10,681,224,879	10,739,643,710
Cash at the End of Year	7,101,495,389	14,228,263,003	10,681,224,879

## **PRODUCTS, TECHNOLOGIES, SERVICES DESCRIPTION**

Main Products & Services Vaccine, Injectable Antibiotics

Brand Name : AKL, RES-VAC, T-MAX, PANKILL, 9R-VAC

Detailed Products Spec.  
Technologies Acquired

## **TRADE PARTNERS & COMPETITORS**

Suppliers ABICON CHEMI CO., LTD.  
YANGSUNG ANIMAL BIO CO., LTD.  
IHYO BIO SCIENCE CO., LTD.  
DBS PHARM CO., LTD.(134111-0187084)  
POWER ON BIO CO., LTD.(131411-0310137)  
SHINIL PHARM GLASS CO., LTD.(134211-0002107)

Customers Competitors KBNP, INC.(164211-0000543)  
254-18, DUGOK-RI, SINAM-MYEON, YESAN-GUN,  
CHUNGCHEONGNAM-DO, KOREA  
TEL:+82-31-478-5770 FAX:+82-31-478-5771

DAESUNG MICROBIOLOGICAL LABS. CO., LTD.(134111-0000880)  
293, SAM-DONG, UIWANG-SI, GYEONGGI-DO, KOREA  
TEL:+82-31-461-7103 FAX:+82-31-461-0599

CHOONG ANG VACCINE LABORATORY(160111-0042533)  
59-3, HWAAM-DONG, YUSEONG-GU, DAEJEON, KOREA  
TEL:+82-42-863-9322 FAX:+82-42-863-8454

## **RELATED PARTIES**

### **(Subsidiaries, Joint-Venture & Affiliates)**

Affiliates	KOMINOX, INC.(CAYMAN ISLAND) (40.0% held by the subject company)
	FVC CO., LTD.(131111-0500156)
	KWANGZHOU SUYONG BIO PRODUCTS CO., LTD. (20.0% held by the subject company)
Subsidiary	KOMIPHARM INTERNATIONAL AMERICA, INC. (100.0% held by the subject company)
	KOMIPHARM INTERNATIONAL AUSTRALIA PTY. LTD(AUSTRALIA) (71.16% held by the subject company)
Cooperative Enterprise	-Insured Company HYUNDAIMARINE&FIREINSURANCECO., LTD.(110111-0035893)

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

The Subject deals with the companies in Asia. It imports from France and China.

## **COURT ACTION**

Case No.	Court	Plaintiff(s)/ Creditor(s)/ Applicant(s)	Defendant(s)/ Debtor(s)/ Respondent(s)	Cause	Amount (KRW)	Status
	Suwon District Court- Sungnam Branch	Lee Sang- Bong	The Subject Company & Others(1)	Claim for registering of Patents	500,000,000	1st round is proceeding

## **NEWS CLIPPING**

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**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
KRW	1	INR 0.064

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	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)