

## MIRA INFORM REPORT

Report No. :	538729
Report Date :	10.11.2018

### IDENTIFICATION DETAILS

Name :	KPIC CORPORATION
Registered Office :	39, Namdaemun-Ro 5-Gil, Jung-Gu, Seoul, Hosung Bldg., Korea 04526
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	28.03.2005
Com. Reg. No.:	104-81-93116
Legal Form :	Company Ltd by shares
Line of Business :	<ul style="list-style-type: none"> <li>Wholesale of Other Chemical Materials and Chemical Products. (Petrochemicals, Polypropylene Resin)</li> <li>Freight Transport Brokerage, Agency and Other Supporting Transport Services</li> </ul>
No. of Employees :	60

### RATING & COMMENTS

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

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**NOTES:**

Any query related to this report can be made on e-mail: 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

**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**

Company Name	KPIC CORPORATION
Registered Address	39, Namdaemun-ro 5-gil, Jung-gu, Seoul, Korea
Building	Hosung Bldg.
Zip Code	04526
Tel	+82-2-757-7121
Fax	+82-2-757-6167~8
E-mail	mykim@kpicc.com;yhjeon@kpicc.com
Website	www.kpicc.com
Trading Address	Hosung Bldg., 39, Namdaemun-ro 5-gil, Jung-gu, Seoul, Korea (Old Address System : Hosung Bldg., 117, Sogong-dong, Jung-gu, Seoul, Korea)
Tel	+82-2-3706-0841
Fax	+82-2-3706-0864
Type	Export
Industry	Wholesale of Other Chemical Materials and Chemical Products
Main Business	Petrochemicals, Polypropylene Resin
Sub Business	Freight Transport Brokerage, Agency and Other Supporting Transport Services
Established (mm/dd/yyyy)	03/28/2005

## **DETAILED PRODUCTS**

Activity	Detailed Products (UNSPSC)
Sell	Transport arrangements(78141500)
Sell	International trade services(80151600)
Sell	Freight forwarders services(78141501)
Sell	Chemistry reagents or solutions(41116105)
Sell	Polyethylene(13111016)

## **CEO'S**

Name	Jang Seok-San
Date of Birth	02/04/1963
Title	President & CEO
Nationality	Korean

## **PROFILES**

Capital (KRW)	5,000,000,000
---------------	---------------

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Employees	60
Formation	Co., Ltd by shares A Company of KOREA PETRO CHEMICAL IND.
Bank Details	Kookmin Bank-Taepyungro Branch Woori Bank Shinhan Bank KEB Hana Bank
Corporate Registered No.	110111-3196056
Business Registered No.	104-81-93116
Permit & Licenses	Int'l Trade No.: 45348169
Shareholder Position	

	<b>Name</b>	<b>Shares</b>	<b>%</b>
	LEE SOON-KYU	933,503	93.35
	KIM MI-HYUN	66,497	6.65
	<b>TOTAL</b>	<b>1,000,000</b>	<b>100.00</b>

Company History	03/28/2005 Incorporated as the present name 07/02/2010 Decreased capital to 295,590,000 KRW from 300,000,000 KRW 07/18/2011 Moved to 4FL., S-Oil Bldg., 471, Gongdeok-dong, Mapo-gu, Seoul, Korea from Rm. 1226, Haenam Bldg., 21, Bukchang-dong, Jung-gu, Seoul, Korea 12/06/2013 Acquired UNI-PEPP. LTD.(110111-1933913) 12/06/2013 Increased capital to 451,150,000 KRW from 295,590,000 KRW 10/02/2014 Moved to the present HQ address from 4FL., S-Oil Bldg., 471, Gongdeok-dong, Mapo-gu, Seoul, Korea 03/23/2017 Increased the authorized shares to 10,000,000 shares from 240,000 shares 03/23/2017 Increased capital to 5,000,000,000 KRW from 451,150,000 KRW
-----------------	--

## **MANAGEMENT**

<b>Job Description</b>	<b>Name</b>	<b>Nationality</b>	<b>Date of Birth</b>	<b>Inauguration Date</b>
President & CEO	Jang Seok-San	Korean	02/04/1963	03/23/2017
Director	Cho Young-Ho	Korean	08/20/1961	03/23/2017
Director	Lee Sang-Ho	Korean	12/08/1963	03/23/2017
Auditor	Kim Mi-Hyun	Korean	10/26/1959	03/28/2005

## **FINANCIALS**

<b>Year / Unit : KRW</b>	<b>Sales</b>	<b>Assets</b>	<b>Net Income</b>
--------------------------	--------------	---------------	-------------------

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

2017	1,147,100,987,949	355,360,383,427	9,713,538,610
2016	1,021,511,589,796	388,075,984,173	12,094,406,769
2015	1,075,006,977,143	347,902,097,474	10,175,001,300
2014	1,041,713,166,727	321,958,948,084	12,539,042,499
2013	614,239,227,656	274,419,935,933	14,816,003,374
2012	765,912,980,006	154,057,608,490	9,297,052,110
2011	742,486,336,618	121,312,220,519	11,571,308,239
2010	755,052,552,862	90,804,644,988	9,977,009,865
2009	779,171,990,911	53,459,189,570	6,960,056,898
2008	442,942,534,295	30,264,084,448	2,007,149,085
2007	90,468,443,880	26,389,479,623	920,146,637
2006	101,036,720,764	16,109,014,087	7,099,901,080

## **FINANCIAL DESCRIPTION**

Authorized Capital(KRW)	50,000,000,000
Paid-Up Capital(KRW)	5,000,000,000
Total Issued Shares	1,000,000

### **Balance Sheet**

<b>Unit : Korean Won</b>	<b>As of 12/31/2017</b>	<b>As of 12/31/2016</b>	<b>As of 12/31/2015</b>
Total Assets	355,360,383,427	388,075,984,173	347,902,097,474
Current Assets	100,672,091,767	133,794,218,022	99,557,541,395
Cash & Cash Equivalents	16,982,640,261	40,108,212,217	27,948,372,466
Trade Receivables	80,606,175,954	87,498,443,414	67,142,964,726
Other Current Assets	283,483,554	211,166,953	87,550,587
Inventories	1,747,792,779	5,976,395,438	4,378,653,616
Assets to be Sold	1,051,999,219	-	-
Non-Current Assets	254,688,291,660	254,281,766,151	248,344,556,079
Other Non-Financial Assets	61,809,361	67,694,906	92,385,919
Investment_Subsidiaries	224,153,735,542	221,143,432,411	218,289,247,181
Investment_Related Companies	-	1,282,827,352	1,282,827,352
Marketable Financial Instruments	3,196,055,841	3,536,524,188	-
Investment_Real Estates	7,216,116,286	7,654,899,115	7,730,919,573
Tangibles	16,797,363,699	17,379,090,848	17,673,243,389
Intangibles	3,263,210,931	3,217,297,331	3,275,932,665
Total Liabilities	85,792,998,550	123,306,863,285	92,175,679,071
Current Liabilities	78,008,586,978	115,576,683,097	84,372,015,121
Trade Payables	51,645,437,863	84,949,227,648	54,079,512,422
Short-Term Borrowings	21,948,783,444	27,112,959,624	27,464,588,192
Other Current Financial Debts	190,134,362	296,301,479	107,024,195

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**KPIC CORPORATION - 538729**

**PAGE NO. : 7**

Other Current Liabilities	3,537,490,701	2,227,488,740	1,012,971,935
Deferred Income Tax Credit	686,740,608	990,705,606	1,707,918,377
Non-Current Liabilities	7,784,411,572	7,730,180,188	7,803,663,950
Other Non-Current	571,500,000	571,500,000	621,500,000
Financial Debts			
Deferred Income Tax Credit	7,212,911,572	7,158,680,188	7,182,163,950
Capital Stock	5,000,000,000	451,150,000	451,150,000
Capital Surplus	122,332,314,500	126,881,164,500	126,881,164,500
Others	-26,738,905	-74,114,284	-
Profit Surplus	142,261,809,282	137,510,920,672	128,394,103,903
Total Equity	269,567,384,877	264,769,120,888	255,726,418,403
Liab. & Shareholder's Equity	355,360,383,427	388,075,984,173	347,902,097,474

**Income Statement**

<b>Unit : Korean Won</b>	<b>As of 12/31/2017</b>	<b>As of 12/31/2016</b>	<b>As of 12/31/2015</b>
Sales	1,147,100,987,949	1,021,511,589,796	1,075,006,977,143
Cost of Sold Goods	1,124,051,736,816	997,528,692,081	1,050,232,685,589
Gross Profit	23,049,251,133	23,982,897,715	24,774,291,554
Selling & Admin. Expenses	17,074,582,417	15,591,132,615	14,378,420,843
Operating Income	5,974,668,716	8,391,765,100	10,395,870,711
Other Income	684,734,468	223,445,075	310,659,177
Other Expenses	1,042,323,633	36,036,204	57,548,928
Finance Income	18,986,412,997	20,717,578,512	15,653,910,281
Finance Expenses	13,760,739,883	15,008,398,641	12,156,912,670
Income Before Taxes	10,842,752,665	14,288,353,842	14,145,978,571
Income Taxes Expenses	1,129,214,055	2,193,947,073	3,970,977,271
Net Income	9,713,538,610	12,094,406,769	10,175,001,300

**Cash Flows**

<b>Unit : Korean Won</b>	<b>As of 12/31/2017</b>	<b>As of 12/31/2016</b>	<b>As of 12/31/2015</b>
Operating Activities Cash Flows	-10,204,188,120	22,264,788,555	1,277,058,472
Cash Flows from Operating Interests Received	-15,574,788,475	20,272,338,456	1,897,812,697
Interests Paid	209,574,193	170,652,504	64,006,132
Income Taxes	-1,563,623,888	-1,236,112,845	-636,302,105
Dividends Received	-1,392,309,950	-2,913,739,560	-3,564,379,110
Cash Flows from Investing	8,116,960,000	5,971,650,000	3,515,920,858
Cash Flows from Financing	-2,739,386,634	-7,006,332,903	-1,470,564,011
Increase/Decrease in Cash	-10,126,826,180	-3,329,218,568	4,557,614,718
Cash at the Beginning of Year	-23,070,400,934	11,929,237,084	4,364,109,179
Cash at the End of Year	40,108,212,217	27,948,372,466	23,372,517,249
	16,982,640,261	40,108,212,217	27,948,372,466

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.



(13.89% held by the subject company)

Subsidiary A-ONE CORPORATION(110111-5103538)  
ODFJELL TERMINAL KOREA CO., LTD.(230111-0074200)  
HANJU CORPORTATION(181211-0007663)  
KPIC DAWN POLYMER (SHANGHAI)  
KOREA PETRO CHEMICAL IND CO.,LTD.(110111-0024698)  
(32.63% held by the subject company)

Cooperative Enterprise KOREA AIR-TECH CO., LTD.(230111-0114452)  
-Insured Company  
LOTTE NON-LIFE INSURANCE CO., LTD.(110111-0014459)

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

Sales/ Unit : Thousand KRW	2017	2016	2015
Export	1,058,291,856	962,037,366	1,019,370,787
Domestic	88,809,132	59,474,224	55,636,190
Total	1,147,100,988	1,021,511,590	1,075,006,977

The Subject exports to China and USA

## **COURT ACTION**

No.

## **NEWS CLIPPING**

-----

**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>	NIT

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**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)