

MIRA INFORM REPORT

Report No. :	542110
Report Date :	27.11.2018

IDENTIFICATION DETAILS

Name :	SINWON INDUSTRIAL CO., LTD.
Registered Office :	546, Poseunggongdansunhwan-ro, Poseung-eup, Pyeongtaek-si, Gyeonggi-do
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	07.09.2001
Com. Reg. No.:	125-81-39496
Legal Form :	Co., Ltd by shares
Line of Business :	Manufacture and Wholesales of Other Chemical Products (Synthetic Hydrotalcite, Magnesium Hydroxide, Zinc Stearate, Polystyrene Powder, Magnesium Carbonate, Handling Items)
No. of Employees :	43

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd 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 :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES :

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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 (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

Basic

Company Name	SINWON INDUSTRIAL CO., LTD.
Registered Address	546, Poseunggongdansunhwan-ro, Poseung-eup, Pyeongtaek-si, Gyeonggi-do, Korea
Building	1RA-106, Shihwa Industrial Complex
Zip Code	17956
Tel	+82-31-682-6866
Fax	+82-31-682-6055
E-mail	swc8@swchem.co.kr
Website	www.swchem.co.kr
Trading Address	1RA-106, Shihwa Industrial Complex, 546, Poseunggongdansunhwan-ro, Poseung-eup, Pyeongtaek-si, Gyeonggi-do, Korea (Old Address System : 1RA-106, Shihwa Industrial Complex, 1203-4, Wonjeong-ri, Poseung-eup, Pyeongtaek-si, Gyeonggi-do, Korea)
Tel	+82-31-684-6688
Fax	+82-31-682-6055
Other Address	
Tel	
Fax	
Type	Export/Import
Industry	Manufacture and Wholesales of Other Chemical Products
Main Business	Synthetic Hydrotalcite, Magnesium Hydroxide, Zinc Stearate, Polystyrene Powder, Magnesium Carbonate, Handling Items
Sub Business	
Established (mm/dd/yyyy)	09/07/2001

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Synthetic Hydrotalcite
Sell	Magnesium Hydroxide
Sell	Zinc Stearate
Sell	Polystyrene Powder
Sell	Magnesium Carbonate
Sell	Lubricating preparations(15121500)

CEO'S

Name	Song Won-Geun
Date of Birth	08/15/1944

Title Chairman & CEO
Nationality Korean

PROFILES

Capital (KRW) 404,500,000
Employees 43
Formation Co., Ltd by shares
Bank Details Kookmin Bank
KEB Hana Bank
Corporate Registered No. 131311-0038450
Business Registered No. 125-81-39496
Permit & Licenses N/A
Shareholder Position

Name	Shares	%
SONG SUNG-IN & HIS FAMILY(4)	80,900	100.00
TOTAL	80,900	100.00

Company History
09/07/2001 Incorporated as the present name
02/12/2003 Moved to the present HQ address from 1000-806, Wonjeong-ri, Poseung-eup, Pyeongtaek-si, Gyeonggi-do, Korea
12/26/2008 Increased the authorized shares to 1,000,000 shares from 80,000 shares
12/27/2008 Increased capital to 404,500,000 KRW from 100,000,000 KRW

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Chairman & CEO	Song Won-Geun	Korean	08/15/1944	06/15/2016
President & CEO	Song Sung-In	Korean	11/03/1974	03/25/2015
Director	Song Sung-Hyup	Korean	01/02/1979	01/13/2009

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	26,808,924,425	27,041,593,989	5,123,199,626
2016	23,508,903,399	22,285,049,606	5,933,491,165
2015	22,368,408,866	16,912,680,218	4,897,652,709
2014	19,430,776,282	11,970,930,882	3,140,656,798
2013	16,091,133,531	10,268,605,116	1,110,597,927
2012	13,497,535,129	11,125,593,971	395,097,016

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Financial Description

Authorized Capital(KRW)	5,000,000,000
Paid-Up Capital(KRW)	404,500,000
Total Issued Shares	80,900

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	27,041,593,989	22,285,049,606	16,912,680,218
Current Assets	24,401,235,582	21,306,619,397	15,256,592,170
-Quick Assets	23,501,605,737	20,281,024,732	14,396,609,526
-Inventories	899,629,845	1,025,594,665	859,982,644
Fixed Assets	2,640,358,407	978,430,209	1,656,088,048
-Investment	500,000,000	-	500,000,000
-Tangibles	2,138,621,407	976,693,209	1,154,350,048
-Intangibles			
-Others	1,737,000	1,737,000	1,738,000
Total Liabilities	2,974,180,692	3,049,595,935	3,610,717,712
Current Liabilities	2,556,242,790	2,688,759,912	3,291,523,071
Fixed Liabilities	417,937,902	360,836,023	319,194,641
Capital Stock	404,500,000	404,500,000	404,500,000
Capital Surplus	1,057,424,967	1,057,424,967	1,057,424,967
Profit Surplus	22,605,488,330	17,773,528,704	11,840,037,539
Capital Adjustment			
Total Equity	24,067,413,297	19,235,453,671	13,301,962,506
Liab. & Shareholder's Equity	27,041,593,989	22,285,049,606	16,912,680,218
Current Liabilities	2,556,242,790	2,688,759,912	3,291,523,071
Trade Payables	956,045,193	762,999,230	553,333,040
Account Payables	860,635,771	618,375,576	494,306,485
Advance Receipts	14,793,900	1,419,000	7,469,000
Withholdings	29,554,875	42,723,930	51,213,625
Accrued Expenses	61,248,721	71,124,794	92,654,197
Deferred Income Tax Credit	633,964,330	1,032,117,382	972,546,724
Short-Term Borrowings to Shareholders/ Executives/ Employees	-	160,000,000	620,000,000
Current Portion of Long-Term Debts			500,000,000
Fixed Liabilities	417,937,902	360,836,023	319,194,641
Provision for Severance & Retirement	417,937,902	360,836,023	319,194,641

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	26,808,924,425	23,508,903,399	22,368,408,866
Cost of Sold Goods	17,559,348,895	14,881,262,248	15,136,156,870
Gross Profit	9,249,575,530	8,627,641,151	7,232,251,996
Selling & Admin. Expenses	1,370,546,845	1,492,971,362	1,329,894,870
Operating Income	7,879,028,685	7,134,669,789	5,902,357,126
Non-Operating Income	286,859,934	719,761,941	432,656,427
Non-Operating Expenses	1,655,338,903	281,436,153	108,372,190
Income Before Taxes	6,510,549,716	7,572,995,577	6,226,641,363
Income Taxes Expenses	1,387,350,090	1,639,504,412	1,328,988,654
Net Income	5,123,199,626	5,933,491,165	4,897,652,709

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	5,476,681,465	6,714,293,613	4,334,585,360
-Net Income	5,123,199,626	5,933,491,165	4,897,652,709
-Exp. without Cash Outflow	1,015,714,053	684,224,121	1,002,171,230
-Revenue without Cash Inflows	-	-149,234,825	-29,420,360
-Changes in Asset/ & Liability	-662,232,214	245,813,152	-1,535,818,219
Cash Flows from Investing	-5,092,130,605	-1,337,979,270	-1,917,428,000
-Cash Inflow from Investing	-	500,000,000	150,000,000
-Cash Outflows for Investing	-5,092,130,605	-1,837,979,270	-2,067,428,000
Cash Flows from Financing	-451,240,000	-960,000,000	-310,414,750
-Cash Inflows from Financing	-	-	-
-Cash Outflows from Financing	-451,240,000	-960,000,000	-310,414,750
Increase/Decrease in Cash	-66,689,140	4,416,314,343	2,106,742,610
Cash at the Beginning of Year	8,963,032,194	4,546,717,851	2,439,975,241
Cash at the End of Year	8,896,343,054	8,963,032,194	4,546,717,851

PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION

Main Products & Services Synthetic Hydrotalcite, Magnesium Hydroxide, Zinc Stearate, Polystyrene Powder, Magnesium Carbonate, Handling Items

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TRADE PARTNERS & COMPETITORS

Customers	SHIN WON CHEMICAL CO., LTD.(110111-0542955)
Competitors	JMC CORPORATION 125, HWASAN-RI, ONSAN-EUP, ULJU-GUN, ULSAN, KOREA TEL:+82-52-231-5741 FAX:+82-52-238-9210
	KOC CO., LTD. 749-4, HWASAN-RI, ONSAN-EUP, ULJU-GUN, ULSAN, KOREA TEL:+82-52-238-5885 FAX:+82-52-238-5886
	KWANGJIN CHEMICAL CO., LTD. 1DA-306, SIHWA INDUSTRIAL COMPLEX, 1245-5, JEONGWANG 3- DONG, SIHEUNG-SI, GYEONGGI-DO, KOREA TEL:+82-31-498-4555 FAX:+82-31-498-4557

RELATED PARTIES

(Subsidiaries, Joint-Venture & Affiliates)

Affiliates	SHIN WON CHEMICAL CO., LTD.(110111-0542955)
Cooperative Enterprise	-Insured Company HANWHA GENERAL INSURANCE CO., LTD.(110111-0006456)

SALES BY REGION

(Activity & Markets)

Not Available.

COURT ACTION

No Records.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.71
UK Pound	1	INR 90.65
Euro	1	INR 80.27
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)