

## MIRA INFORM REPORT

<b>Report No. :</b>	528995
<b>Report Date :</b>	06.09.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	DONGAH CHEMICAL CO., LTD.
<b>Registered Office :</b>	53, Sanmakgongdanbuk 1-gil, Yangsan-si, Gyeongsangnam-do, 50567
<b>Country :</b>	South Korea
<b>Financials (as on) :</b>	31.12.2017
<b>Date of Incorporation :</b>	14.03.1995
<b>Com. Reg. No.:</b>	621-81-15935
<b>Legal Form :</b>	Co., Ltd by Shares
<b>Line of Business :</b>	Manufacture and Wholesales of Synthetic Rubber and Plastics Materials (PU Resin, Synthetic Leather, Artificial Leather, PU Foam, TPU, PU Elastomer, Polyester Polyol)
<b>No. of Employees :</b>	86

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
------------------------	---

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

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	Regular

**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.

<b>Litigation :</b>	Clear
---------------------	-------

**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**

<b>Country Name</b>	<b>Previous Rating (31.12.2017)</b>	<b>Current Rating (01.04.2018)</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

**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 joined the trillion-dollar club of world economies.

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	DONGAH CHEMICAL CO., LTD.
Registered Address	53, Sanmakgongdanbuk 1-gil, Yangsan-si, Gyeongsangnam-do, Korea
Building	
Zip Code	50567
Tel	+82-55-386-1218~20
Fax	+82-55-385-0715
E-mail	mstak@dongahchem.co.kr
Website	www.dongahchem.co.kr
Trading Address	53, Sanmakgongdanbuk 1-gil, Yangsan-si, Gyeongsangnam-do, Korea (Old Address System : 303-1, Sanmak-dong, Yangsan-si, Gyeongsangnam-do, Korea)
Tel	+82-55-386-1218~20
Fax	+82-55-385-0715
Other Address	Rm.1117, gangseo Hangang Xi Tower, 401, Yangcheon-ro, Gangseo-gu, Seoul, Korea (Old Address System : Rm.1117, gangseo Hangang Xi Tower, 1498, Gayang-dong, Gangseo-gu, Seoul, Korea)
Tel	+82-2-3664-3949
Fax	+82-2-2659-3948
Type	Export/Import
Industry	Manufacture and Wholesales of Synthetic Rubber and Plastics Materials
Main Business	PU Resin, Synthetic Leather, Artificial Leather, PU Foam, TPU, PU Elastomer, Polyester Polyol
Sub Business	
Established (mm/dd/yyyy)	03/14/1995

## **DETAILED PRODUCTS**

Activity	Detailed Products (UNSPSC)
Sell	Polystyrene resin(13111023)
Sell	Polypropylene PP(13102022)
Sell	Resins(13111000)
Sell	Synthetic or imitation leather(11162307)
Sell	Synthetic fabrics(11161800)
Sell	Foams(13111300)

## **CEO'S**

Name Ryu Ki-Seok

**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.

Date of Birth 11/14/1962  
Title President & CEO  
Nationality Korean

## **PROFILES**

Capital (KRW) 1,700,000,000  
Employees 86  
Formation Co., Ltd by Shares  
Bank Details Kookmin Bank  
Busan Bank-Yangsan Branch  
Shinhan Bank  
Corporate Registered No. 184511-0013108  
Business Registered No. 621-81-15935  
Permit & Licenses Int'l Trade No.: 560007  
Shareholder Position

Name	Shares	%
KIM SUN-YOUNG	86,500	25.44
RYU KI-SEOK	86,500	25.44
DAVINCI HOLDINGS LIMITED(110114-0209161)	167,000	49.12
TOTAL	340,000	100.00

Company History 03/14/1995 Incorporated as the present name  
09/01/2017 Increased capital to 1,700,000,000 KRW from 1,500,000,000 KRW

## **DETAILED INFORMATION**

### **Management**

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Ryu Ki-Seok	Korean	11/14/1962	03/25/2000
Director	Koo Hae-Yong	Korean	12/07/1962	03/31/2012
Director	Lee Kevin Ki-Doo	USA	09/07/1972	08/31/2017
Director	Ko Daivid Young	USA	01/06/1975	08/31/2017
Director	Kim Dae-Kon	Korean	09/01/1961	03/31/2018
Auditor	Kim Sun-Young	Korean	11/12/1965	03/25/2000
Auditor	Lee Ki-Kook	Korean	03/20/1959	08/31/2017

## **FINANCIALS**

Year / Unit : KRW                      Sales                      Assets                      Net Income

**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	58,442,227,909	58,297,837,301	2,010,524,302
2016	47,547,882,077	46,024,103,852	6,022,328,395
2015	52,264,324,249	39,249,085,646	5,517,731,335
2014	51,377,024,855	35,127,668,456	4,519,820,183
2013	50,630,501,030	31,162,737,028	3,080,196,148
2012	44,817,180,023	26,868,721,274	3,146,394,512
2011	45,250,601,229	23,923,284,842	1,567,866,671
2010	47,260,771,727	24,325,707,166	2,409,299,090

**Financial Description**

Authorized Capital(KRW)	5,000,000,000
Paid-Up Capital(KRW)	1,700,000,000
Total Issued Shares	340,000(Common : 300,000 / Others : 40,000)

**Balance Sheet**

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	58,297,837,301	46,024,103,852	39,249,085,646
Current Assets	46,111,720,640	37,574,710,085	28,603,126,243
-Quick Assets	42,525,407,617	34,540,978,107	25,851,557,777
-Inventories	3,586,313,023	3,033,731,978	2,751,568,466
Fixed Assets	12,186,116,661	8,449,393,767	10,645,959,403
-Investment	541,415,947	361,510,079	1,696,749,000
-Tangibles	11,446,576,314	7,906,759,288	8,768,086,003
-Intangibles			
-Others	198,124,400	181,124,400	181,124,400
Total Liabilities	7,065,615,411	6,627,918,870	5,875,229,059
Current Liabilities	7,065,615,411	6,606,191,068	5,739,712,144
Fixed Liabilities	-	21,727,802	135,516,915
Capital Stock	1,700,000,000	1,500,000,000	1,500,000,000
Capital Surplus	9,625,512,606	-	-
Profit Surplus	34,551,796,880	32,541,272,578	26,518,944,183
Capital Adjustment	5,354,912,404	5,354,912,404	5,354,912,404
Total Equity	51,232,221,890	39,396,184,982	33,373,856,587
Liab. & Shareholder's Equity	58,297,837,301	46,024,103,852	39,249,085,646
Current Liabilities	7,065,615,411	6,606,191,068	5,739,712,144
Trade Payables	5,765,378,340	4,525,895,745	3,454,486,108
Account Payables	440,458,939	571,081,309	595,529,630
Accrued Expenses	644,049,598	694,805,108	627,202,636
Current Portion of Long-Term Debts	-	28,000,000	56,000,000
Withholdings	105,042,657	102,075,817	245,695,390
Advance Receipts	100,685,877	2,983,378	28,248,750
Operating Guarantees	10,000,000	10,000,000	-
Accrued Income Tax	-	671,349,711	732,549,630
Fixed Liabilities	-	21,727,802	135,516,915

**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.

Long-Term Borrowings	-	-	28,000,000
Long-Term Account Payables		21,727,802	40,109,070
Provision for Severance & Retirement	-	-	67,407,845

**Income Statement**

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	58,442,227,909	47,547,882,077	52,264,324,249
Cost of Sold Goods	51,588,688,326	37,484,227,567	42,031,985,577
Gross Profit	6,853,539,583	10,063,654,510	10,232,338,672
Selling & Admin. Expenses	3,962,855,685	3,889,783,517	4,044,625,364
Operating Income	2,890,683,898	6,173,870,993	6,187,713,308
Non-Operating Income	506,766,927	1,401,907,040	780,340,500
Non-Operating Expenses	1,082,846,322	334,435,698	241,948,461
Income Before Taxes	2,314,604,503	7,241,342,335	6,726,105,347
Income Taxes Expenses	304,080,201	1,219,013,940	1,208,374,012
Net Income	2,010,524,302	6,022,328,395	5,517,731,335

**Cash Flows**

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	114,072,113	8,083,215,212	6,281,005,712
-Net Income	2,010,524,302	6,022,328,395	5,517,731,335
-Exp. without Cash Outflow	2,115,379,671	1,643,696,274	1,810,620,530
-Revenue without Cash Inflows	-23,888,256	-30,479,017	-55,682,290
-Changes in Asset/ & Liability	-3,987,943,604	447,669,560	-991,663,863
Cash Flows from Investing	-14,066,960,972	-3,074,081,678	-4,090,837,558
-Cash Inflow from Investing	1,005,216,955	1,817,350,000	622,383,703
-Cash Outflows for Investing	-15,072,177,927	-4,891,431,678	-4,713,221,261
Cash Flows from Financing	9,797,512,606	-56,000,000	-56,000,000
-Cash Inflows from Financing	9,825,512,606	-	-
-Cash Outflows from Financing	-28,000,000	-56,000,000	-56,000,000
Increase/Decrease in Cash	-4,155,376,253	4,953,133,534	2,134,168,154
Cash at the Beginning of Year	8,073,363,317	3,120,229,783	986,061,629
Cash at the End of Year	3,917,987,064	8,073,363,317	3,120,229,783

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

Main Products & Services PU Resin, Synthetic Leather, Artificial Leather, PU Foam, TPU, PU Elastomer, Polyester Polyol

## **TRADE PARTNERS & COMPETITORS**

Suppliers DAEHAN SOLVAY SPECIALTY CHEMICALS CO., LTD.(161411-0000822)  
Customers  
Competitors DUKSUNG CO., LTD.  
25, SINWON-RO, YEONGTONG-GU, SUWON-SI, GYEONGGI-DO,  
KOREA  
TEL:+82-31-204-0781 FAX:+82-31-204-0787

KYEONG IL CHEMICAL CO., LTD.  
666, HYEEUM-RO, GWANGTAN-MYEON, PAJU-SI, GYEONGGI-DO,  
KOREA  
TEL:+82-31-943-3066 FAX:++82-31-943-3064

KUKDO CHEMICAL CO., LTD.  
61, GASAN DIGITAL 2-RO, GEUMCHEON-GU, SEOUL, KOREA  
TEL:+82-2-3282-1400 FAX:++82-2-869-0101

## **RELATED PARTIES**

(Subsidiaries, Joint-Venture & Affiliates)

Subsidiary DONGAH CHEMICAL VINA  
(100.0% held by the subject company)  
Cooperative Enterprise -Insured Company  
KB INSURANCE CO., LTD.(110111-0017859)

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

Sales/ Unit : KRW	2017	2016	2015
Export	27,112,279,011	17,436,509,680	19,519,959,187
Domestic	31,329,948,898	30,111,372,397	32,744,365,062
Total	58,442,227,909	47,547,882,077	52,264,324,249

**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.

## ***COURT ACTION***

No Records.

## ***NEWS CLIPPING***

---

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.75
UK Pound	1	INR 92.23
Euro	1	INR 83.13
KRW	1	INR 0.064

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

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIS
<b>Report Prepared by :</b>	TRU

**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)