

## MIRA INFORM REPORT

Report No. :	531827
Report Date :	28.09.2018

### IDENTIFICATION DETAILS

Name :	CHEMOIL CORPORATION
Registered Office :	76, Sangamsan-Ro, Mapo-Gu, Seoul, 16FL., YTN New Square, Korea 03926
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	03.01.2002
Com. Reg. No.:	105-86-34231
Legal Form :	Co., Ltd by shares
Line of Business :	Wholesales and Brokerage Services of Chemicals and Resources Materials. (Solvent, Monomer, Alcohol, Urethane, Epoxy, Urethane/UPR, Plastic Resin, Latex, TSNR, RSS, PSF, DMF, MEK, MDI, Palm Oil, Oil Filter, Sports Goods)
No. of Employees :	9

### 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 :	Regular
Litigation :	Clear

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**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 (31.12.2017)	Current Rating (01.04.2018)
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	CHEMOIL CORPORATION
Registered Address	76, Sangamsan-ro, Mapo-gu, Seoul, Korea
Building	16FL., YTN New Square
Zip Code	03926
Tel	+82-2-2160-6356
Fax	+82-2-2160-6520
E-mail	<a href="mailto:ryoo@chemoil.co.kr">ryoo@chemoil.co.kr</a> / <a href="mailto:wlim@chemoil.co.kr">wlim@chemoil.co.kr</a>
Website	<a href="http://www.chemoil.co.kr">www.chemoil.co.kr</a>
Trading Address	16FL., YTN New Square, 76, Sangamsan-ro, Mapo-gu, Seoul, Korea (Old Address System : 16FL., YTN New Square, 1607, Sangam-dong, Mapo-gu, Seoul, Korea)
Tel	+82-2-2160-6357~8
Fax	+82-2-2160-6520
Type	Export/Import
Industry	Wholesales and Brokerage Services of Chemicals and Resources Materials
Main Business	Solvent, Monomer, Alcohol, Urethane, Epoxy, Urethane/UPR, Plastic Resin, Latex, TSNR, RSS, PSF, DMF, MEK, MDI, Palm Oil, Oil Filter, Sports Goods
Sub Business	
Established (mm/dd/yyyy)	01/03/2002

## **DETAILED PRODUCTS**

Activity	Detailed Products (UNSPSC)
Sell	Solvents(12190000)
Sell	Unsaturated polyester resin(13111003)
Sell	Epoxy(13111001)
Sell	Polystyrene resin(13111023)
Sell	Latex rubber(13101501)

## **CEO'S**

Name	Chae Hong-Ryong
Date of Birth	06/27/1962
Title	Representative Director
Nationality	Korean

## PROFILES

Capital (KRW)	150,000,000
Employees	9
Formation	Co., Ltd by shares
Bank Details	KEB Hana Bank
Corporate Registered No.	110111-2412437
Business Registered No.	105-86-34231
Permit & Licenses	N/A
Shareholder Position	

Name	Shares	%
CHAE HONG-RYONG	27,000	90.00
SOHN MYUNG-SEOK	1,590	5.30
YOO SUNG-HOON	1,410	4.70
<b>TOTAL</b>	<b>30,000</b>	<b>100.00</b>

Company History	01/03/2002 Incorporated as the present name 04/22/2004 Increased capital to 150,000,000 KRW from 100,000,000 KRW 12/2011 Awarded US\$ 5 Million Export Top Prize 02/02/2017 Moved to the present HQ address from Rm.2004, KGIT Center, 402, World Cup buk-ro, Mapo-gu, Seoul, Korea(Old Address System : Rm.2004, KGIT Center, 1601, Sangam-dong, Mapo-gu, Seoul, Korea)
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## MANAGEMENT

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Representative Director	Chae Hong-Ryong	Korean	06/27/1962	03/08/2010
Auditor	Lee Mi-Ja	Korean	10/10/1965	05/22/2017

## FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	38,925,093,000	8,740,197,000	228,339,000
2016	40,636,201,000	8,902,133,000	375,269,000
2015	37,799,024,000	7,856,046,000	196,685,000
2014	38,384,859,000	7,936,174,000	243,960,000
2013	31,978,404,000	4,575,530,000	252,155,000

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## **FINANCIAL DESCRIPTION**

Authorized Capital(KRW)	200,000,000
Paid-Up Capital(KRW)	150,000,000
Total Issued Shares	30,000

### Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	8,740,197,000	8,902,133,000	7,856,046,000
Current Assets	7,435,339,000	7,646,858,000	6,928,779,000
-Quick Assets			
-Inventories			
Fixed Assets	1,304,858,000	1,255,275,000	927,267,000
-Investment			
-Tangibles			
-Intangibles			
Total Liabilities	5,810,569,000	6,200,844,000	5,530,025,000
Current Liabilities	5,060,569,000	4,700,844,000	4,030,025,000
Fixed Liabilities	750,000,000	1,500,000,000	1,500,000,000
Capital Stock	150,000,000	150,000,000	150,000,000
Capital Surplus			
Profit Surplus	2,779,628,000	2,551,289,000	2,176,021,000
Capital Adjustment			
Total Equity	2,929,628,000	2,701,289,000	2,326,021,000
Liab. & Shareholder's Equity	8,740,197,000	8,902,133,000	7,856,046,000

### Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	38,925,093,000	40,636,201,000	37,799,024,000
Cost of Sold Goods	36,694,247,000	38,236,216,000	35,373,658,000
Gross Profit	2,230,846,000	2,399,985,000	2,425,366,000
Selling & Admin. Expenses	1,744,741,000	1,723,669,000	1,944,597,000
Operating Income	486,105,000	676,316,000	480,769,000
Non-Operating Income	212,353,000	314,242,000	272,590,000
Non-Operating Expenses	426,812,000	526,129,000	515,963,000
Income Before Taxes	271,646,000	464,429,000	237,396,000
Income Taxes Expenses	43,307,000	89,160,000	40,711,000
Net Income	228,339,000	375,269,000	196,685,000

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

### Main Products & Services - CHEMICAL BUSINESS

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Solvent  
Monomer  
Alcohol  
Urethane  
Epoxy  
Urethane/UPR  
Plastic Resin

- RESOURCING BUSINESS

Latex  
TSNR  
RSS  
PSF  
Palm oil  
Oil Filter

## **TRADE PARTNERS & COMPETITORS**

### Suppliers

CNPC(CHINA)  
SHANDONG HUALU(CHINA)  
TIANJIN DAGU CHEMICALS(CHINA)  
FORMOSA PLASTIC CORPORATION(TAIWAN)  
SK GLOBAL CHEMICAL CO., LTD.(110111-4505975)  
KUMHO P&B CHEMICALS INC.(206211-0018313)  
HANWHA CHEMICAL CORPORATION(110111-0360935)  
LG CHEM LTD.(110111-2207995)

### Customers Competitors

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WE INTERNATIONAL CO., LTD.  
RM. 1402, BYEOKSAN GWANGHWAMUN SIDA E OFFICETEL, 74,  
NAESU-DONG, JONGNO-GU, SEOUL, KOREA  
TEL:+82-2-2195-4281~3 FAX:+82-2-2185-4280

WITH CHEM CO., LTD.  
78-2, SAJIK 2-DONG, DONGNAE-GU, BUSAN, KOREA  
TEL:+82-51-506-1112 FAX:+82-51-506-9565

CHANG RIM CO., LTD.  
605, DAECHEON-DONG, DALSEO-GU, DAEGU, KOREA  
TEL:+82-53-581-2101 FAX:+82-53-582-2001

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

The Subject imports from China, Malaysia, Indonesia and Thailand.

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## **COURT ACTION**

Not Available.

## **NEWS CLIPPING**

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**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.65
UK Pound	1	INR 95.44
Euro	1	INR 85.04
KRW	1	INR 0.065

**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

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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)