

# Executive Summary

PaperCorea Inc.

001020

# SNVH | Korean Equity Report

회사명	Company Name	PaperCorea Inc.	Historic					Forecast				
			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
주식코드	Ticker Symbol	001020										
현재가	Current Price	0.90										
발행주식수(보통주)	Shares Outstanding	160,162,357										
시가총액	Market Cap	143,345,310										
부채	Debt	75,810,000										
현금	Cash	20,430,000										
총현금	Net Cash	-55,380,000										
Enterprise Value		198,725,310										
ROA		-12.37%										
ROE		-42.74%										
P/B		1.03										
P/E		-0.02										
1년 가격 목표		1 Year Target										
성장률		Appreciation	-100.00%									
Growth Rate			N/A	3.38%	4.07%	-5.74%	-1.93%	3.00%	3.00%	3.00%	3.00%	3.00%
Cash			13,550,000	16,890,000	16,290,000	6,020,000	20,430,000	22,889,839	28,703,372	34,541,312	40,404,390	46,293,360
Debt			10,250,000	8,590,000	10,300,000	0	0	46,000,000	46,000,000	46,000,000	46,000,000	46,000,000
Net Cash			3,300,000	8,300,000	5,990,000	6,020,000	20,430,000	(23,110,161)	(17,296,628)	(11,458,688)	(5,595,610)	293,360
EBITDA			(13,620,000)	19,610,000	2,200,000	(11,050,000)	(45,930,000)	6,835,142	7,040,196	7,251,402	7,468,944	7,693,012
EV/EBITDA			(14.59)	10.13	90.33	(17.98)	(4.33)	29.07	28.23	27.41	26.61	25.83
Book Value			122,860,000	126,400,000	116,620,000	165,920,000	138,690,000	158,029,839	162,843,372	167,681,312	172,544,390	177,433,360
Price/Book			1.17	1.13	1.23	0.86	1.03	0.91	0.88	0.85	0.83	0.81
Net Income			-27.80	3.21	-10.11	-24.32	-59.28	0.79	0.81	0.84	0.86	0.89
Equity			122.86	126.40	116.62	165.92	138.69	158.03	162.84	167.68	172.54	177.43
ROE			-22.63%	2.54%	-8.67%	-14.66%	-42.74%	0.50%	0.50%	0.50%	0.50%	0.50%
Target Market Value								0	0	0	0	0
Book Value								158,029,839	162,843,372	167,681,312	172,544,390	177,433,360
Price/Book								0.00	0.00	0.00	0.00	0.00

Paying interest to the tune of \$15MM per year.

Operational cash flow is zero, but investing into CAPEX.

Issued new shares (dilution) / Borrowing large sum in long-term debt to fund investments.

버추얼텍 owns 20%.

They are all over the place - paper factory, digital media, alternative energy, apartment construction.

The Co. has book value at 100MM at 1x P/B. It is a 60 year old company, so a lot of old land, factories, equipment. But losing money. It used to be in a workout late 90s, so we can tell this industry is highly cyclical. Trying to overcompensate by trying new things, completely unrelated to the core business. Not a bad thing since the core is a fading business. All going from paper to digital.

Has 185 million in land, and 80 million in equipment. This can cover the long term debt.

They are profiting by converting factory land into apartment.

Good for short term, but bad for long term. The small venture/subsidiaries can't replace the revenue generated from dwindling paper factory revenue.

SNVH   Korean Equity Report		Income Statement					001020		PaperCorea Inc.		
(GAAP 연결)		Historical					Forecasted				
년도	Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
매출액	Total Revenue	247.11	255.47	265.88	250.62	245.78	253.15	260.75	268.57	276.63	284.93
매출원가	Total Cost of Goods Sold	232.94	210.11	227.47	225.86	246.97	227.84	234.67	241.71	248.96	256.43
매출총이익	Gross Margin	14.17	45.36	38.40	24.76	(1.19)	25.32	26.07	26.86	27.66	28.49
판매비와관리비	Selling, general and admin expenses	28.19	26.16	36.71	36.33	45.21	21.77	22.42	23.10	23.79	24.50
급여	Salary and Wage	4.84	4.74	6.18	5.51	6.57	7.59	7.82	8.06	8.30	8.55
퇴직급여	Retirement Benefits	0.68	0.56	0.56	0.73	0.65	1.27	1.30	1.34	1.38	1.42
복리후생비	Fringe Benefits	0.70	0.56	0.78	0.80	0.82	1.01	1.04	1.07	1.11	1.14
주식보상비	Trading cost	0.00	0.00	0.46	0.00	0.00	0.25	0.26	0.27	0.28	0.28
수도광열비	Utility Expense	0.01	0.01	0.01	0.01	0.01	0.51	0.52	0.54	0.55	0.57
세금과공과	Tax and Dues	0.55	0.51	0.61	0.55	1.08	0.76	0.78	0.81	0.83	0.85
임차료	Rental expense	0.94	0.45	0.13	0.19	0.19	0.25	0.26	0.27	0.28	0.28
보험료	Insurance expense	0.08	0.24	0.31	0.26	0.34	0.25	0.26	0.27	0.28	0.28
지급수수료	Service Fee	2.35	1.62	3.29	3.93	5.20	2.53	2.61	2.69	2.77	2.85
감가상각비	Depreciation	0.36	0.37	0.44	0.44	0.40	0.76	0.78	0.81	0.83	0.85
기타관리비	Other admin expenses	0.65	0.86	1.32	1.05	0.95	1.52	1.56	1.61	1.66	1.71
광고선전비	Advertising Expense	2.12	1.87	1.60	1.52	1.16	0.00	0.00	0.00	0.00	0.00
수출비용	Export expense	6.47	7.06	11.07	10.59	7.50	0.00	0.00	0.00	0.00	0.00
판매촉진비	Sales promotional expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
판매수수료	Distributor fee	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.00
기타판매비	Misc. Sales expense	6.64	6.29	6.87	6.56	7.05	0.00	0.00	0.00	0.00	0.00
대손상각비	Bad debt expense	1.61	0.92	2.68	3.77	12.57	0.00	0.00	0.00	0.00	0.00
무형자산상각비	Amortization expense	0.04	0.04	0.06	0.07	0.07	2.53	2.61	2.69	2.77	2.85
영업이익	Operating Income (EBIT)	(14.02)	19.20	1.70	(11.56)	(46.40)	3.54	3.65	3.76	3.87	3.99
영업외 수익/비용	Non-operating Income/Expense	(16.70)	(16.11)	(15.46)	(18.38)	(28.15)	(2.53)	(2.61)	(2.69)	(2.77)	(2.85)
세금전사업이익	Earnings Before Taxes (EBT)	(30.72)	3.09	(13.76)	(29.94)	(74.55)	1.01	1.04	1.07	1.11	1.14
법인세비용	Taxes	(2.92)	(0.12)	(3.65)	(5.62)	(15.27)	0.22	0.23	0.24	0.24	0.25
당기순이익	Net Income	(27.80)	3.21	(10.11)	(24.32)	(59.28)	0.79	0.81	0.84	0.86	0.89

SNVH   Korean Equity Report		Income Statement					001020					PaperCorea Inc.
성장률	YoY Revenue Growth	N/A	3.38%	4.07%	-5.74%	-1.93%	3.00%	3.00%	3.00%	3.00%	3.00%	
세비율	Tax Rate	9.51%	-3.88%	26.53%	18.77%	20.48%	22.00%	22.00%	22.00%	22.00%	22.00%	
매출원가	Total Cost of Goods Sold	94.27%	82.24%	85.55%	90.12%	100.48%	90.00%	90.00%	90.00%	90.00%	90.00%	
상품매출원가	Cost of Goods Sold	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
제품매출원가	Cost of Finished Goods	0.00%	0.00%	0.00%	0.00%	0.00%	90.00%	90.00%	90.00%	90.00%	90.00%	
매출총이익	Gross Margin	5.73%	17.76%	14.44%	9.88%	-0.48%	10.00%	10.00%	10.00%	10.00%	10.00%	
판매비와관리비	SG&A	11.41%	10.24%	13.81%	14.50%	18.39%	8.60%	8.60%	8.60%	8.60%	8.60%	
급여	Salary and Wage	1.96%	1.86%	2.32%	2.20%	2.67%	3.00%	3.00%	3.00%	3.00%	3.00%	
퇴직급여	Retirement Benefits	0.28%	0.22%	0.21%	0.29%	0.26%	0.50%	0.50%	0.50%	0.50%	0.50%	
복리후생비	Fringe Benefits	0.28%	0.22%	0.29%	0.32%	0.33%	0.40%	0.40%	0.40%	0.40%	0.40%	
주식보상비	Stock transaction expense	0.00%	0.00%	0.17%	0.00%	0.00%	0.10%	0.10%	0.10%	0.10%	0.10%	
수도광열비	Utility Expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%	0.20%	0.20%	
세금과공과	Tax and Dues	0.22%	0.20%	0.23%	0.22%	0.44%	0.30%	0.30%	0.30%	0.30%	0.30%	
임차료	Rental expense	0.38%	0.18%	0.05%	0.08%	0.08%	0.10%	0.10%	0.10%	0.10%	0.10%	
보험료	Insurance expense	0.03%	0.09%	0.12%	0.10%	0.14%	0.10%	0.10%	0.10%	0.10%	0.10%	
지급수수료	Service Fee	0.95%	0.63%	1.24%	1.57%	2.12%	1.00%	1.00%	1.00%	1.00%	1.00%	
감가상각비	Depreciation	0.15%	0.14%	0.17%	0.18%	0.16%	0.30%	0.30%	0.30%	0.30%	0.30%	
기타관리비	Other admin expenses	0.26%	0.34%	0.50%	0.42%	0.39%	0.60%	0.60%	0.60%	0.60%	0.60%	
광고선전비	Advertising Expense	0.86%	0.73%	0.60%	0.61%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	
수출비용	Export expense	2.62%	2.76%	4.16%	4.23%	3.05%	0.00%	0.00%	0.00%	0.00%	0.00%	
판매촉진비	Sales promotional expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
판매수수료	Distributor fee	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	
기타판매비	Misc. Sales expense	2.69%	2.46%	2.58%	2.62%	2.87%	0.00%	0.00%	0.00%	0.00%	0.00%	
대손상각비	Bad debt expense	0.65%	0.36%	1.01%	1.50%	5.11%	0.00%	0.00%	0.00%	0.00%	0.00%	
무형자산상각비	Amortization expense	0.02%	0.02%	0.02%	0.03%	0.03%	1.00%	1.00%	1.00%	1.00%	1.00%	
영업이익	Operating Income (EBIT)	-5.67%	7.52%	0.64%	-4.61%	-18.88%	1.40%	1.40%	1.40%	1.40%	1.40%	
영업외 수익/비용	Non-operating Income/Expense	-6.76%	-6.31%	-5.81%	-7.33%	-11.45%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	
세금전사업이익	Earnings Before Taxes (EBT)	-12.43%	1.21%	-5.18%	-11.95%	-30.33%	0.40%	0.40%	0.40%	0.40%	0.40%	
법인세비용	Taxes	-1.18%	-0.05%	-1.37%	-2.24%	-6.21%	0.09%	0.09%	0.09%	0.09%	0.09%	
계속사업이익	Income from Continuous Operations	-11.25%	1.26%	-3.80%	-9.70%	-24.12%	0.31%	0.31%	0.31%	0.31%	0.31%	
중단사업이익	Income from Discontinued Operations	0.00%	0.00%	0.30%	-0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
당기순이익	Net Income	-11.25%	1.26%	-3.80%	-9.70%	-24.12%	0.31%	0.31%	0.31%	0.31%	0.31%	

(GAAP 개별)		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
당기순이익	Net Income	(27.27)	2.36	(10.41)	(23.64)	(42.60)	0.79	0.81	0.84	0.86	0.89
현금유출이없는비용	Non-cashflow Expense	25.16	23.80	26.84	28.88	39.95	3.00	3.00	3.00	3.00	3.00
현금유입이없는수익	Non-cashflow Income	4.34	4.13	6.78	8.50	34.63	2.00	2.00	2.00	2.00	2.00
영업활동으로인한자산부채변	Net Working Capital Change	-25.58	-7.31	-17.23	5.83	30.73	0	0	0	0	0
<b>영업활동으로인한현금흐름</b>	<b>Cashflow from Operation Activities</b>	<b>(32.00)</b>	<b>16.01</b>	<b>(8.64)</b>	<b>2.73</b>	<b>1.65</b>	<b>1.79</b>	<b>1.81</b>	<b>1.84</b>	<b>1.86</b>	<b>1.89</b>
투자활동현금유입액	Net Cash Inflow from Investments	17.46	8.91	9.01	17.63	14.03	0.00	0.00	0.00	0.00	0.00
투자활동현금유출액	Net Cash Outflow from Investments	29.37	22.53	29.46	18.08	35.04	0.00	0.00	0.00	0.00	0.00
<b>투자활동으로인한현금흐름</b>	<b>Cashflow from Investments Activities</b>	<b>(11.91)</b>	<b>(13.61)</b>	<b>(20.45)</b>	<b>(0.45)</b>	<b>(21.01)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
재무활동현금유입액	Net Cash Inflow from Financing	85.59	137.08	131.50	43.80	99.06	4.00	4.00	4.00	4.00	4.00
재무활동현금유출액	Net Cash Outflow from Financing	39.87	139.90	102.61	46.55	77.19	0.00	0.00	0.00	0.00	0.00
<b>재무활동으로인한현금흐름</b>	<b>Cashflow from Financing Activities</b>	<b>45.72</b>	<b>(2.83)</b>	<b>28.90</b>	<b>(2.75)</b>	<b>21.87</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>
기초현금	Beginnning Cash Balance	1.39	3.20	2.77	2.58	2.11	4.61	10.40	16.21	22.05	27.91
현금의증가	Net Change in Cash Flow	1.81	(0.43)	(0.19)	(0.47)	2.50	5.79	5.81	5.84	5.86	5.89
기말현금	Ending Cash Balance	3.20	2.77	2.58	2.11	4.61	10.40	16.21	22.05	27.91	33.80
<b>Variance</b>		<b>0.00</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(GAAP 개별)		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
유동자산	Current Assets	116.05	110.81	112.37	148.18	129.69	125.65	131.46	137.30	143.16	149.05
당좌자산	Quick Assets	81.15	80.81	83.71	60.10	68.82	64.78	70.59	76.43	82.29	88.18
재고자산	Inventory	34.90	30.00	28.66	88.08	60.87	60.87	60.87	60.87	60.87	60.87
비유동자산	Long Term Assets	284.85	292.97	310.47	329.54	349.50	334.08	334.08	334.08	334.08	334.08
투자자산	Long Term Investments	19.28	24.70	25.56	30.27	46.61	46.61	46.61	46.61	46.61	46.61
유형자산	Tangible Assets	250.09	251.32	262.82	285.67	290.64	287.20	287.20	287.20	287.20	287.20
무형자산	Intangible Assets	0.45	0.46	0.70	0.85	0.76	0.27	0.27	0.27	0.27	0.27
<b>자산총계</b>	<b>Total Assets</b>	<b>400.90</b>	<b>403.78</b>	<b>422.84</b>	<b>477.72</b>	<b>479.19</b>	<b>459.73</b>	<b>465.54</b>	<b>471.38</b>	<b>477.24</b>	<b>483.13</b>
유동부채	Current Liabilities	183.89	259.22	270.51	273.32	270.08	316.84	316.84	316.84	316.84	316.84
비유동부채	Long Term Liabilities	94.16	18.15	35.71	38.48	70.41	71.24	71.24	71.24	71.24	71.24
<b>부채총계</b>	<b>Total Liabilities</b>	<b>278.05</b>	<b>277.37</b>	<b>306.22</b>	<b>311.80</b>	<b>340.49</b>	<b>388.08</b>	<b>388.08</b>	<b>388.08</b>	<b>388.08</b>	<b>388.08</b>
자본잉여금	Paid-in surplus Capital	56.17	56.34	57.77	59.37	61.60	61.60	61.60	61.60	61.60	61.60
자본조정	Capital Adjustment	50.79	50.89	52.01	63.09	74.19	75.29	75.29	75.29	75.29	75.29
기타포괄손익누계액	Accumulated comprehensive income	(1.44)	(0.31)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
이익잉여금	Retained Earnings	17.33	19.48	7.23	(16.67)	(58.94)	(58.15)	(57.34)	(56.50)	(55.64)	(54.75)
<b>자본총계</b>	<b>Total Stockholder's Equity</b>	<b>122.86</b>	<b>126.40</b>	<b>116.62</b>	<b>165.92</b>	<b>138.69</b>	<b>158.03</b>	<b>162.84</b>	<b>167.68</b>	<b>172.54</b>	<b>177.43</b>
<b>Liability + Equity</b>		400.91	403.77	422.84	477.72	479.18	546.11	550.92	555.76	560.62	565.51
<b>Assets</b>		400.90	403.78	422.84	477.72	479.19	459.73	465.54	471.38	477.24	483.13
<b>Difference</b>		0.01	(0.01)	0.00	0.00	(0.01)	86.38	85.38	84.38	83.38	82.38
<b>Variance %</b>		0.00%	0.00%	0.00%	0.00%	0.00%	18.79%	18.34%	17.90%	17.47%	17.05%