

## MIRA INFORM REPORT

<b>Report No. :</b>	523160
<b>Report Date :</b>	08.08.2018

### INQUIRY DETAILS

<b>Given Name :</b>	PT TININDO INTER NUSA
<b>Given Address :</b>	Jl, A Yani No 46, Jakarta, Indonesia

### IDENTIFICATION DETAILS

<b>Name :</b>	PT. TININDO INTER NUSA
<b>Registered Office :</b>	Jl. A. Yani No. 46, Kelurahan Batin Tikal, Kecamatan Taman Sari, Kota Pangkal Pinang 33121, Kepulauan Bangka Belitung
<b>Country :</b>	Indonesia
<b>Date of Incorporation :</b>	23.10.2002
<b>Legal Form :</b>	Private Limited Liability Company or Perseroan Terbatas (PT)
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Mining of metal ores</li> <li>• Manufacture of basic metals</li> </ul>
<b>No. of Employees :</b>	100 [2018]

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow but Correct
<b>Litigation :</b>	Clear

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**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**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Indonesia	A2	A2

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

**INDONESIA - ECONOMIC OVERVIEW**

Indonesia, the largest economy in Southeast Asia, has seen a slowdown in growth since 2012, mostly due to the end of the commodities export boom. During the global financial crisis, Indonesia outperformed its regional neighbors and joined China and India as the only G20 members posting growth. Indonesia's annual budget deficit is capped at 3% of GDP, and the Government of Indonesia lowered its debt-to-GDP ratio from a peak of 100% shortly after the Asian financial crisis in 1999 to 34% today. In May 2017 Standard & Poor's became the last major ratings agency to upgrade Indonesia's sovereign credit rating to investment grade.

Indonesia still struggles with poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions. President Joko WIDODO - elected in July 2014 – seeks to develop Indonesia's maritime resources and pursue other infrastructure development, including significantly increasing its electrical power generation capacity. Fuel subsidies were significantly reduced in early 2015, a move which has helped the government redirect its spending to development priorities. Indonesia, with the nine other ASEAN members, will continue to move towards participation in the ASEAN Economic Community, though full implementation of economic integration has not yet materialized.

Source : CIA

## **COMPANY IDENTIFICATION**

<b>Company Name</b>	<b>PT. Tinindo Inter Nusa</b>
<b>Address</b>	<b>Komplek Mangga Dua Elok Blok D 10-11, Jl. Mangga Dua Abdad 1 Kelurahan Mangga Dua Selatan, Kecamatan Sawah Besar Kota Jakarta Pusat 10730 DKI Jakarta - Indonesia</b>
<b>Telephone</b>	<b>+62216290629</b>
<b>Fax</b>	<b>+62216251230</b>
<b>Mobile Phone</b>	<b>N.A.</b>
<b>Email</b>	<b><u>hrd.jkt@lomasasta.com</u> <u>hrd.ga@lomasasta.com</u></b>
<b>Web</b>	<b>N.A.</b>
<b>Date of Last Research</b>	<b>07/08/2018</b>

## **PROFILE**

<b>Address</b>	Komplek Mangga Dua Elok Blok D 10-11, Jl. Mangga Dua Abdad 1 Kelurahan Mangga Dua Selatan, Kecamatan Sawah Besar Kota Jakarta Pusat 10730 DKI Jakarta - Indonesia
<b>Office Building</b>	a. Area - Commercial b. Status - Leased
<b>Date Of Establishment</b>	- 23 October 2002
<b>Start Operation</b>	2003
<b>Legal Status</b>	Private Limited Liability Company or Perseroan Terbatas (PT)
<b>Legalization (historical)</b>	<u>No. C-01076.HT.01.01.TH.2003</u> <i>Dated, 20 January 2003</i>  <u>No. AHU- 13465.AH.01.02.Tahun.2008</u> <i>Dated, 18 March 2008</i>  <u>No. AHU-AH.01.10-09944</u> <i>Dated, 19 March 2013</i>  <u>No. AHU-AH.01.03-0000143</u> <i>Dated, 02 January 2018</i>
<b>Government Permit (s)</b>	<u>Direktorat Jenderal Pajak</u> NPWP - 01.880.817.0-304.000
<b>Significant change</b>	PT. Tinindo Inter Nusa (the Company) was established in Pangkal Pinang, Bangka Belitung Islands on October 23, 2002. Up to the completion of this report, however, we are unable to obtain the Company's establishment act; so we cannot show you details

about its first capitalization and shareholder structures.

On February 28, 2008, the Company's authorized capital was IDR 36,000 million – of which IDR 9,000 million was issued and paid up by Mr. Hendry Lie (70%) and Ms. Yessica (30%).

On February 12, 2013, the Company's shareholders changed into PT. Lomasasta Mineralindo (70%) and Ms. Yessica (30%). Yet, the Company's capitalization structure remained unchanged.

On December 20, 2017, the Company increased the authorized capital of IDR 100,000 million, of which IDR 59,000 million was issued and paid up. The Company changed the shareholder structure to PT. Lomasasta Mineralindo (95.424%) and Ms. Yessica (4.576%).

Up to the completion of this report, there has been no change in the Company's notarial act.

**Capitalization**

- Authorized Capital	IDR 100,000,000,000
- Issued Capital	IDR 59,000,000,000
- Paid Up Capital	IDR 59,000,000,000

**SHAREHOLDERS & MANAGEMENT**

**Shareholders**

Total No. of Shareholders: 2  
Shareholders as *02 January 2018*  
Total Shareholding private - 59,000 shares

**Name of Shareholders**

- PT. Lomasasta Mineralindo  
(56,300 shares) - 95.424%
- Ms. Yessica  
(2,700 shares) - 4.576%

**Management Board**

<b>Name</b>	Mr. Anthony Raimond Tampubolon
<b>Position</b>	President Director
<b>Nationality</b>	Indonesian
<b>Name</b>	Ms. Yessica
<b>Position</b>	Director
<b>Nationality</b>	Indonesian

**Supervisory Board**

<b>Name</b>	Mr. Hendry Lie
<b>Position</b>	Commissioner
<b>Nationality</b>	Indonesian

**Management Assessment**

The management is deemed to have sufficient experience and industry expertise to manage subject properly.

**Authorized Signatories**

Mr. Anthony Raimond Tampubolon as President Director and Ms. Yessica as Director which must be approved by the shareholders meeting.

**Affiliate (s) / Associate (s)**

- **Lomasasta Group**

- (Unlimited Company)
- **PT. Lomasasta Mineralindo**  
(Activities of holding companies)
  - **PT. Sriwijaya Air**  
(Scheduled passenger air transport)
  - **PT. Pelayaran Lomasastais**  
(Sea and coastal freight water transport)
  - **PT. Barito Permai**  
(Construction of other civil engineering projects n.e.c.)
  - **PT. Babelindo Trijaya Perkasa**  
(Mining of hard coal)
  - **PT. Babelindo Energi**  
(Production of electricity)

## **KEY DATA ON OPERATIONS**

<b>Registered Activities</b>	SIC Code 07	:	Mining of metal ores
	SIC Code 24	:	Manufacture of basic metals
<b>Employee</b>	Per 2017		100
	Per 2018		100
<b>Bussiness Category</b>	SIC Code 07.2	:	Mining of non-ferrous metal ores
	SIC Code 24.4	:	Manufacture of basic precious and other non-ferrous metals
<b>Line of Business</b>	SIC Code 07.29	:	Mining of other non-ferrous metal ores
	SIC Code 24.45	:	Other non-ferrous metal production
<b>Product &amp; Capacity</b>			- Tin - 1,085 tons p.a.
<b>Status of Investment</b>			Non-facilities based Company
<b>Sales Territory</b>	Local		00%
	International		100%
<b>Main Items Imported And Country Origin</b>			N.A.
<b>Main Items Exported And Country Destination</b>			- Tin - USA
<b>Major Customers</b>			- C Steinweg Baltimore Inc.
<b>Major Suppliers</b>			- PT. Lomasasta Mineralindo - PT. Pelayaran Lomasastais
<b>Terms of Payment</b>			<b>Purchase Payment</b>

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Domestic : Telegraphic Transfer (T.T) with credit term or based on agreement  
Overseas : N.A.

**Sale Term**

Domestic : N.A.  
Overseas : Telegraphic Transfer (T.T) with credit term and Letter of Credit (L/C) with credit term

**Activity Comment**

**PT. Tinindo Inter Nusa** (the Company) is a non-facilities based company started operation in 2003 and is engaged as can mining and smelter. The address of the Company's head office is at Komplek Mangga Dua Elok Blok D 10-11, Jl. Mangga Dua Abdad 1, Kelurahan Mangga Dua Selatan, Kecamatan Sawah Besar, Kota Jakarta Pusat 10730, DKI Jakarta – Indonesia. We believed this location is leased by the Company from other parties.

Meanwhile, the Company's factory is at the address registered in the Company's legality:

Jl. A. Yani No. 46, Kelurahan Batin Tikal, Kecamatan Taman Sari, Kota Pangkal Pinang 33121, Kepulauan Bangka Belitung – Indonesia.

The Company's site location is located at the address: Jl. TPI (Tempat Pelelangan Ikan) Kelurahan Air Itam, Kecamatan Bukit Intan, Kota Pangkal Pinang 33149, Kepulauan Bangka Belitung – Indonesia.

The Company is a part of Lomasasta Group, of which there are eleven companies under the Lomasasta Group. The members involved including the companies in construction, shipping, airlines, mining, and electrical power.

The Company is engaged in the mining business, particularly tin mining business, and is registered as one of the tin bar exporters in the Ministry of Trade. Based on the data from the Tin Industry Association, the Company produces 1,085 tons of tin per year.

For the activities of transportation and dredging the tin, the Company is supported mainly by its group, namely PT. Pelayaran Lomasastais.

The Company distributes 100% of the products to the overseas market, such as to C Steinweg Baltimore Inc. of USA.

Operationally, the Company had decreasing performance during the last three years. Our source explained that in 2015 to 2017, the demand from the market decreased. Thus, the Company revenue also decreased. Up to this 2018, the Company condition remains stagnant.

In term of the payment transaction, the Company does not experience any significant issues with the customers and suppliers.

For additional information, historically, in 2007, two tin smelters in

Bangka Belitung province have won regional government approval to re-open, following an initial five at the end of before.

They are CV. Donna Kembara Jaya (DKJ), and one of the largest of the independent plants and PT. Tinindo Inter Nusa. The first five smelters — CV. DS Jaya Abadi, PT. Bangka Putra Karya (BPK), PT. Bukit Timah, CV. Duta Putra Bangka and PT. Bellitin Makmur Lestari (BML) — were reported to have been given operating permits by the local department of mines.

In 2013, hundreds of fishermen from the coastal area of Batu Perahu, Rias, Mempunai, Ketapang, Padang, Kampung Nelayan and Suka Damai have firmly declared their rejection toward the Company's plan to conduct offshore tin mining activities using Cutter Suction Dredges or Kapal Isap Produksi (KIP) in the coastal areas of Tanjung Gusung, Desa Rias village, Toboali, South Bangka regency.

Reasons for their rejections are that the mining activities will endanger marine ecosystem, the nature, and income sources of the fishermen, as they will draw more and more barges or *Tongkang Isap* (TI), and could end the government programs (fish apartment) and primary channel in Tanjung Gusung, and clam seeding plan in fish catching areas at Batu Perahu and Temayang. They also believe that mining activities could create social and racial conflicts.

Besides, in 2013, six units of Cutter Suction Dredges (KIP) owned by the Company that allegedly conducted a tin sand mining activity in the waters of Pasir Padi coast Pangkal Pinang of Bangka Belitung Islands province are no longer on the mine site but have docked on the edge of the Pangkalbalam harbor entrance.

The six-unit of these Cutter Suction Dredges or KIPs are KIP Indo Thai 2, KIP Adika Putra, KIP Tinindo, KIP Babelindo, KIP Jinindo and KIP Tanjung Bunga 2 anchored on the bank of Pangkalbalam harbor.

Forum for Environment (WALHI) of Bangka Belitung islands province said KIP activity in Pasir Padi coast was clearly illegal and WALHI will continue to conduct investigations related to the mining activity and so far WALHI has reported and coordinated to the related parties in Jakarta. While the Mining Business License in the Pasir Padi waters is legally and solely owned by PT. Stanindo Inti Perkasa.

Based on the clarity of business license on Director General of Energy for Pangkalpinang area, there is only one company namely PT. Inti Perkasa Stanindo that has extensive IUP Pasir Padi 238.94 Ha issued by the former Mayor of Pangkalpinang, Zulkarnaen Karim before the enactment regulation of RT/RW Pangkalpinang number 1 year 2012 and after the regulation of RT/RW Pangkalpinang, there are no mining areas so the business license letter with production operations number 540.16/480/BLH/VIII/2012 for PT Tinindo Inti Perkasa (the

	<p>Company) which issued by the Environment Agency (BLH) Pangkalpinang, should in accordance with the Mining Law that can issue permits only by the regent/mayor, not BLH. In addition, on September 19, 2014, the Bangka Belitung Farmers NGO held a demonstration in the smelter of PT Inti Perkasa Tinindo (the Company). The action was followed by about 30 men, protested the Company since taking over the land area of 7 hectares, belongs to one of the residents, Hasan Toha. Bangka Belitung Farmers NGO demanded the land rights owned by Mr. Hasan Toha that annexed by the Company. Shortly speeches, the Company invited 5 representatives of citizens to discuss these issues. After about 20 minutes of discussion, there's not a single solution found. However, up to the completion of this report, we are unable to find info about the progress. Based on information from the mass media, on March 2015, the Regional Government has been requested to study the case before taking a tin export moratorium. This step is considered a tremendous impact to the economy of bangka Belitung Island. In addition, the Company has received certification documents issued by TUV Rheinland for the ISO 9001 2008 certification. At the time this report is written, this Company has not been involved in any criminal or civil cases. This statement is based on the search results for cases conducted at the State Court in the area where the Company was established and operates today.</p>
<b>Litigation</b>	<p>Mr. Sudrajat (HRD Staff of the Company, contacted on August 7, 2018).</p>
<b>Sources</b>	
<b>Site Address</b>	<p>Jl. TPI (Tempat Pelelangan Ikan) Kelurahan Air Itam, Kecamatan Bukit Intan Kota Pangkal Pinang 33149 Kepulauan Bangka Belitung - Indonesia Phone : +627177002299, +627177020663 Fax : N.A. Email : N.A.-</p>
<b>Factory and Registered Address</b>	<p>Jl. A. Yani No. 46 Kelurahan Batin Tikal, Kecamatan Taman Sari Kota Pangkal Pinang 33121 Kepulauan Bangka Belitung - Indonesia Phone : +62717421489 Fax : +62717439064 Email : N.A.-</p>

## ***BANKING INFORMATION***

**Banker (s)** - PT. Bank Central Asia Tbk

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Insurance

- Badan Penyelenggara Jaminan Sosial (BPJS)

## ***BUSINESS PROSPECTS***

### **Business Prospects**

The tin sales are largely influenced by the performance of can mining industry in Indonesia. In 2016, the tin industry grew by 44.10%. In 2017, the performance of the industry decreased by some 5.21%.

According to an analyst from PT. Central Capital Futures, the price of tin commodity continued to increase until the end of the last year 2017, supported by the increasing production of smartphone products. It is predicted that the demand will increase by some 1% - 2%. The demand is getting higher, following the short supply of the commodity.

It is predicted that along this year 2018, deficit of tin production will reach 5,000 tons – 10,000 tons.

Export of tin commodity from Indonesia was decreasing the first quarter of this year. As result, the tin price in the global market increased sharply by 2%. The trend, in fact, is potential to continue in the second quarter.

Based on annalist from Asia Tradepoint Futures, can price for the three-monthly shipment at London Metal Exchange (LME) increased by 2.14% to become USD 21.475 per metric ton.

The increasing price is because the high demand is not balanced with large supply. For example, the realization of export from PT Timah Tbk (TINS) is still relatively low.

At the present time, their export realization is only 5,000 tons, from the total target of 80,000 tons this year.

In another side, since March 2018, the tin export activity has been stopped, following the issuance of the regulation of the Minister of Energy and Mineral Sources (Permen) No. 11/2018 concerning the Procedure of Regional Allocation, Permit, and Reporting for activities of mineral and coal mining business.

On the other hand, the Ministry of Trade has not taken revision on the export procedure, which requires export activities or the listed exporters to have a recommendation from the Ministry of Energy and Mineral Sources.

Meanwhile, as stated in the Ministry Regulation 11/2018, the export recommendation from General Directorate of Mineral and Coal is omitted, so that the export activities can be performed without approval from the Ministry of Mineral Sources, and be applied directly to the Ministry of Trade.

Based on these data, we predict that the business the Company is involved in will remain stagnant this year.

## **FINANCIAL STATEMENT**

<b>Sales Turn Over</b>	- 2015 - IDR 54,000,000,000 ( Estimated ) - 2016 - IDR 48,600,000,000 ( Estimated ) - 2017 - IDR 46,170,000,000 ( Estimated )
<b>Total Assets</b>	As the Company is not a publicly listed company, we are unable to give a detailed picture of the financial condition of the Company.
<b>Other Financial Data</b>	Since the Company is not a publicly listed company, we cannot provide details on the financial condition of the Company.

## **CREDITWORTHINESS**

<b>Management Capability</b>	Adequate
<b>Business Morality</b>	Poor
<b>Payment Manner</b>	Slow but correct
<b>Financial Condition</b>	Satisfactory
<b>Operating Trend</b>	Down
<b>Conclusive remarks</b>	<p>The Company has been involved in the business since 2003 in the mining business, particularly the tin mining business, and is registered as one of the tin-bar exporters in the Ministry of Trade. And we learn that the Company is a part of Lomasasta Group, of which there are eleven companies under the Lomasasta Group. Meanwhile, the Company markets the products 100% by export market, which mainly are exported to the USA. One of the customers is C Steinweg Baltimore Inc. of USA.</p> <p>We learn that the Company had decreasing performance during the past three years. This is because of the decreasing demand from the market. The competition between Indonesian tins and other countries' such as China is getting higher. Thus, up to this 2018, the Company's condition remains stagnant.</p> <p>Furthermore, it is predicted that tin mining industry is still predicted to be in the stagnant condition in this 2018. This is affected by the price of tins that are still not balanced between the supply and demand. For this reason, we rate the Company's credit rating at Medium to High Risk.</p> <p>For security reasons, we advise those wishing to corporate with or grant loans to the Company to seek adequate collateral from the shareholders.</p>

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.80
UK Pound	1	INR 89.14
Euro	1	INR 79.56
IDR	1	INR 0.0048

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

**INFORMATION DETAILS**

Analysis Done by :	NIS
Report Prepared by :	SYL

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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)