

MIRA INFORM REPORT

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| Report No. : | 525672 |
| Report Date : | 28.08.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|---|
| Name : | CV GLOBAL INDO RESOURCES |
| Registered Office : | Jl. Jendral Sudirman No. 176 Kelurahan Duri Timur, Kecamatan Mandau Kab. Bengkalis 28784 Riau |
| Country : | Indonesia |
| Financials (as on) : | 2017 (Estimated) |
| Date of Incorporation : | 2015 |
| Legal Form : | Commanditaire Vennootschap or CV |
| Line of Business : | <ul style="list-style-type: none"> Wholesale of solid, liquid and gaseous fuels and related products Wholesale of other intermediate products |
| No. of Employees : | 80 (2018) |

RATING & COMMENTS

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

| | |
|------------------------|---|
| MIRA's Rating : | B |
|------------------------|---|

| Credit Rating | Explanation | Rating Comments |
|---------------|-------------|---|
| B | Medium Risk | Business dealings permissible on a regular monitoring basis |

| | |
|-------------------------------|------------------|
| Maximum Credit Limit : | USD 30000 |
| Status : | Moderate |
| Payment Behaviour : | Slow but Correct |
| Litigation : | Clear |

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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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

| | |
|--------------|--|
| Company Name | CV. Global Indo Resources |
| Address | Jl. Jendral Sudirman No. 176 Kelurahan Duri Timur, Kecamatan Mandau Kab. Bengkalis 28784 Riau - Indonesia |
| Telephone | N.A. |
| Fax | N.A. |
| Mobile Phone | +6285290009900 (Mr. Achmad Yassin Arisandi) |
| Email | yassin.achmad@gmail.com info@girexport.com |
| Web | www.globalindo.net |

PROFILE

| | |
|---------------------------|--|
| Address | Jl. Jendral Sudirman No. 176 Kelurahan Duri Timur, Kecamatan Mandau Kab. Bengkalis 28784 Riau - Indonesia |
| Office Building | a. Area - Commercial b. Status - Leased - 2015 |
| Date Of Establishment | 2015 |
| Start Operation | 2015 |
| Legal Status | Commanditaire Vennootschap or CV |
| Legalization (historical) | N.A. |
| Government Permit (s) | N.A. |
| Significant change | |

CV. Global Indo Resources (the Company) was established in 2015, in Kabupaten Bengkalis - Riau, Indonesia. The Company was founded by Mr. Achmad Yassin Arisandi as active partner and Ms. Isna Nur Hidayah as passive partner.

Because it is Commanditaire Vennootschap (CV) Company, so we cannot show you details about the date of establishment, capitalization and ownership structure of the Company.

Capitalization

| | |
|----------------------|------|
| - Authorized Capital | N.A. |
| - Issued Capital | N.A. |
| - Paid Up Capital | N.A. |

SHAREHOLDERS & MANAGEMENT

| | |
|-------------------------------|--|
| Shareholders | Total No. of Shareholders: 2 Shareholders as <i>N.A.</i> |
| Name of Shareholders | Total Shareholding private - N.A. shares - Mr. Achmad Yassin Arisandi (0 shares) - 0% - Ms. Isna Nur Hidayah (0 shares) - 0% |
| Management Board | |
| Name | Mr. Achmad Yassin Arisandi |
| Position | Director |
| Nationality | Indonesian |
| Supervisory Board | |
| Name | Ms. Isna Nur Hidayah |
| Position | Passive Partner |
| Nationality | Indonesian |
| Management Assessment | The management of the Company is modest; but so far we have not heard any negative issues of the management in the business malpractice. |
| Authorized Signatories | Mr. Achmad Yassin Arisandi as Director and Active Partner which must be approved by shareholders meeting. |
| Affiliate (s) / Associate (s) | <i>N.A.</i> |

KEY DATA ON OPERATIONS

| | | |
|-----------------------|------------------------------|---|
| Registered Activities | SIC Code 46 | : Wholesale trade, except of motor vehicles and motorcycles |
| Employee | <i>Per</i> 80 | 2018 |
| Bussiness Category | SIC Code 46.7 | : Other specialised wholesale |
| Line of Business | SIC Code 46.71 | : Wholesale of solid, liquid and gaseous fuels and related products |
| | SIC Code 46.76 | : Wholesale of other intermediate products |
| Product & Capacity | <i>N.A.</i> | |
| Status of Investment | Non-facilities based Company | |
| Sales Territory | Local | 50% |
| | International | 50% |
| Main Items Imported | <i>N.A.</i> | |

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| | |
|-------------------------|---|
| And Country Origin | |
| Main Items Exported | - Commodities - Turkey |
| And Country Destination | - Commodities - Lebanon |
| | - Commodities - China |
| | - Commodities - Bangladesh |
| | - Commodities - India |
| Major Customers | - Local companies |
| | - Buyer from Turkey |
| | - Buyer from China |
| | - Buyer from India |
| Major Suppliers | - Local Suppliers |
| | - Local Farmers |
| Terms of Payment | Purchase Payment |
| | Domestic : Cash Payment, Telegraphic Transfer (T.T) with credit term 14 - 30 days credit |
| | Overseas : N.A. |
| | Sale Term |
| | Domestic : Telegraphic Transfer (T.T) with Credit Term 14-30 days |
| | Overseas : Letter of Credit (L.C) and Telegraphic Transfer (T.T) with credit term up to 30 days |
| Activity Comment | |

CV. Global Indo Resources (the Company) is a non-facilities based company that is engaged in trading business which started the operation in 2015. The Company's head office is located at Jl. Jendral Sudirman No. 176, Kelurahan Duri Timur, Kecamatan Mandau, Kabupaten Bengkalis 28784 (Not 28884), Riau, Indonesia. We believe this location is leased by the Company.

The Company is supported by warehouse addresses in Palu, Makassar, and Surabaya.

As informed by our source, the Company is engaged in general commodities trading, which provides various products of natural resources. The Company's products are as follows:

- Coal
- Fuel Oil
- Coconut Shell Charcoal Briquettes
- Charcoals in Raw, such as coconut shell charcoal, palm kernel shell charcoal, hardwood charcoal, and sawdust charcoal.
- Coconut Fiber and Cocopeat
- Indonesian Spices, such as vanilla beans, cinnamon, pepper, and cocoa.
- Etc.

The Company has partnerships with several local farmers and collectors in several regions in Indonesia, such as Sumatera, Sulawesi, and Kalimantan. This strategy is to make the Company obtains the products easily.

Meanwhile, for the distribution, the Company markets 50% of its products to domestic market. Not only to industrial sectors, our source stated that major customers of the Company come from personal companies which are also engaged in trading activities.

Then, 50% of the rest are exported. Major destinations of the Company among other are Turkey, Bangladesh, Lebanon, China, and India. The Company often has export activities, with minimum once a month.

According to our source, the export activities supports the Company to earn increasing sales, affected by the increasing currency rate.

Operationally, our source explained that the Company's performance was decreasing. During 2015 to 2017, the Company's sales declined due to the fluctuated price of commodities, such as coal and palm kernel.

In 2017, the decline was not as significant as in 2016, but the Company's sales were still declining. Until this 2018, the Company's condition has not yet fully recovered. However, the Company is no longer experiencing significant decline sales, because of the Company's products range is various. The Company is also supported by the rise of USD rate.

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

Litigation

At the time of writing this report, this Company has not been involved in any criminal or civil cases. This statement is based on the search result for cases conducted at the State Court in the area, where the Company was established and operates today.

Sources

Mr. Achmad Yassin Arisandi (Director of the Company, contacted on August 27, 2018).

Warehouse Address

Warehouse Address 1 :

Kota Palu
Sulawesi Tengah - Indonesia
Phone : N.A.

Fax : N.A.
Email : N.A.-

Warehouse Address 2 :

Kota Makassar
Sulawesi Selatan - Indonesia
Phone : N.A.
Fax : N.A.
Email : N.A.-

Warehouse Address 3 :

Kota Surabaya
Jawa Timur - Indonesia
Phone : N.A.
Fax : N.A.
Email : N.A.-

BANKING INFORMATION

Banker (s) - PT. Bank Central Asia Tbk
Insurance - Badan Penyelenggara Jaminan Sosial (BPJS)

BUSINESS PROSPECTS

Business Prospects

Bank Indonesia (BI) estimates Indonesia's economic growth of 5.1% to 5.5% in 2018. This is based on the predicted contribution of investment to the domestic economy is stronger than the year 2017, which in the first quarter of 2017 only about 4.81%.

The BI projection is lower than the government's economic growth assumption in the 2018 State Budget which reached 5.4% to 6.1%.

Meanwhile, the Commerce Ministry said that the trade sector in 2018 will show an increase due to the money supply circulating the impact of the political year that occurred this year.

The Ministry of Industry said that in 2018, non-oil and gas industry is predicted to grow by 5.67%. This growth is said to later contribute to the increase in Gross Domestic Product (GDP). The growth of the industry is supported by the agro sector, the textile

chemical industry and various industries and industries of metals, machinery, transportation, and electronics.

Based on the information shown above, it shows that the trade sector has a bright prospect business because it is supported by a positive economic growth and sector in non-oil and gas industry.

FINANCIAL STATEMENT

Sales Turn Over - 2015 - IDR 29,095,800,000 (Estimated)
- 2016 - IDR 25,300,000,000 (Estimated)
- 2017 - IDR 22,000,000,000 (Estimated)

Total Assets As the Company is not a publicly listed company, we are unable to give a detailed picture of the financial condition of the Company.

Other Financial Data

As the Company is not a publicly listed company, we are unable to provide details on the financial condition of the Company.

CREDITWORTHINESS

| | |
|-----------------------|--------------|
| Management Capability | Adequate |
| Business Morality | Adequate |
| Payment Manner | Satisfactory |
| Financial Condition | Satisfactory |
| Operating Trend | Down |
| Conclusive remarks | |

The Company is engaged in trading of commodities business, which started operation in 2015. The Company provides various products, such as charcoal, coal, fuel, spices, and many more. The products are supplied by local suppliers, by having partnerships with local farmers and collectors. The Company markets the products in domestic and overseas market.

As we learned, the Company had decreasing sales during 2015 to 2017. This was because of the decreasing price of some commodities, such as coal and palm kernel. In this 2018, the Company is not yet fully recovered.

Despite the increasing national economic growth that affects

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 70.04 |
| UK Pound | 1 | INR 89.95 |
| Euro | 1 | INR 81.30 |
| IDR | 1 | INR 0.0048 |

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

INFORMATION DETAILS

| | |
|----------------------|------|
| Analysis Done by : | VIVR |
| Report Prepared by : | POJ |

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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)