

## MIRA INFORM REPORT

<b>Report No. :</b>	542902
<b>Report Date :</b>	05.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	CV. AGRO MEGA
<b>Registered Office :</b>	Jl. Raya Kenjeran No. 475, Kav. 20 Kelurahan Simokerto, Kecamatan Simokerto Kota Surabaya 60143 Jawa Timur
<b>Country :</b>	Indonesia
<b>Year of Establishment :</b>	2000
<b>Legal Form :</b>	Commanding Company
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Wholesale trade, except of motor vehicles and motorcycles</li> <li>• Wholesale of agricultural raw materials and live animals</li> <li>• Wholesale of food, beverages and tobacco</li> <li>• Wholesale of grain, unmanufactured tobacco, seeds and animal feeds</li> <li>• Wholesale of coffee, tea, cocoa and spices</li> </ul>
<b>No. of Employees :</b>	10

### 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

### NOTES :

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**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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.

Poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions are still part of Indonesia's economic landscape. 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. Agro Mega
Address	Jl. Raya Kenjeran No. 475, Kav. 20 Kelurahan Simokerto, Kecamatan Simokerto Kota Surabaya 60143 Jawa Timur - Indonesia
Telephone	+62313890233, +62313823878
Fax	+62313823877
Mobile Phone	+6281330330205
Email	<a href="mailto:amsby1505@gmail.com">amsby1505@gmail.com</a> <a href="mailto:agromegacv@gmail.com">agromegacv@gmail.com</a>
Web	<a href="http://www.agromegacv.com">www.agromegacv.com</a>

## **PROFILE**

Address	Jl. Raya Kenjeran No. 475, Kav. 20 Kelurahan Simokerto, Kecamatan Simokerto Kota Surabaya 60143 Jawa Timur - Indonesia
Office Building	a. Area - Commercial b. Status - Leased
Date Of Establishment	- 2000
Start Operation	2000
Legal Status	Commanding Company or CV
Legalization (historical)	N.A.
Government Permit (s)	N.A.
Significant change	CV. Agro Mega (the Company) is a Commanditaire Vennootschap or CV company, which was founded in 2000 in Surabaya, East Java, Indonesia. However, the Company's active partner is Mr. Simon Silvester. Meanwhile, up to the completion of the report, we do not know the Company's passive partner. Since it is Commanditaire Vennootschap (CV) Company, we cannot show you the details about the establishment date, 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 - <i>N.A.</i> shares <ul style="list-style-type: none"> <li>- Mr. Simon Silvester (0 shares) -</li> <li>- Passive Partner of CV. Agro Mega (0 shares) -</li> </ul>
Management Board	
Name	Mr. Simon Silvester
Position	Director
Nationality	Indonesian
Supervisory Board	
Name	Passive Partner of CV. Agro Mega
Position	Passive Partner
Nationality	Indonesian
Management Assessment	The management is modest, but we believe the management is able to manage subject properly.
Authorized Signatories	Mr. Simon Silvester as Director and Active Partner of the Company must be approved by partners 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 2018</i> Approximately - 10	
Bussiness Category	SIC Code 46.2	: Wholesale of agricultural raw materials and live animals
	SIC Code 46.3	: Wholesale of food, beverages and tobacco
Line of Business	SIC Code 46.21	: Wholesale of grain, unmanufactured tobacco, seeds and animal feeds
	SIC Code 46.37	: Wholesale of coffee, tea, cocoa and spices
Product & Capacity	<i>N.A.</i>	
Status of Investment	Non-facilities based Company	
Sales Territory	Local	50%
	International	50%

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Main Items Imported And Country Origin	N.A.
Main Items Exported And Country Destination	<ul style="list-style-type: none"> <li>- Spices - India</li> <li>- Spices - Pakistan</li> <li>- Spices - Saudi Arabia</li> <li>- Spices - Vietnam</li> </ul>
Major Customers	<ul style="list-style-type: none"> <li>- Local Customers</li> <li>- Overseas Customers</li> </ul>
Major Suppliers	<ul style="list-style-type: none"> <li>- Local Suppliers</li> </ul>
Terms of Payment	<p>Purchase Payment</p> <p>Domestic : Telegraphic Transfer (T.T) based on Agreement</p> <p>Overseas : N.A.</p>
	<p>Sale Term</p> <p>Domestic : Telegraphic Transfer (T.T) based on Agreement</p> <p>Overseas : Telegraphic Transfer (T.T) based on Agreement</p>
Activity Comment	<p>CV. Agro Mega (the Company) is a non-facilities based company engaged in trading services since 2000. The Company's head office is located in a commercial area, precisely at the address: Jl. Raya Kenjeran No. 475, Kav. 20, Kelurahan Simokerto, Kecamatan Simokerto, Kota Surabaya 60143, Jawa Timur - Indonesia. We believe that the location is leased by other parties. Based on our investigation, the Company is engaged as the distributor of spices, grain, cocoa, and coffee product. Some of the spices that the Company contributes include cloves, mace, betelnut, pepper, nutmeg, turmeric, and cinnamon. Then for grains, the Company distributes cashew nuts. In addition, the Company also sells coffee, which is delivered by arabica and robusta coffee.</p> <p>The Company obtained these agricultural products from local suppliers, namely farmers in Indonesia.</p> <p>Then, the Company markets its products to local and overseas customers. The export destination countries for the products are among others, India, Pakistan, Saudi Arabia, Vietnam, and Marocco.</p> <p>Our source said that the Company's revenue has decreased in 2016. Fortunately, the Company can increase its revenue in 2017. This is due to the increase in demand from overseas.</p> <p>Then, in 2018, the Company's sales volume decreased due to the decrease in the amount of product availability related to crop failures experienced by farmers.</p> <p>In December 2018, the Company is supported by approximately</p>

Litigation 10 employees.  
At the time this report is written, this Company has not been involved in any criminal or civil cases. This statement is based on a result of search for cases conducted at the State Court in the area where the Company was established and operates today.

## **BANKING INFORMATION**

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

## **BUSINESS PROSPECTS**

Business Prospects In 2017, the export performance in Indonesia has increased to USD 170.3 billion, up from 2016's achievement of only USD 145.2 billion. This value consists of oil and gas exports of USD15.50 billion and non-oil and gas exports of USD 154.80 billion. The government is optimistic that exports will grow in the range of 5-7% by 2018.

The Ministry of Trade said the target was set after seeing the improving global economic development, and adjusting the economic growth target of 5.4% in the 2018 State Budget. The Central Bureau of Statistics (*Badan Pusat Statistik*) recorded a surplus in Indonesia's trade balance for the period of January to December 2017. The surplus indicator was derived from an increase in export and import values that grew overall positive during the year.

The trade balance in Indonesia showed a surplus of USD 11.84 billion, with the export value up to 16.22% year on year and the import value up to 15.66% year on year.

For the amount of export of agricultural products in the period of January - November 2017, it had reached 3,833,528.3 tons or up 17.07% from the period of January to November 2016 amounted to 3,274,608.6 tons.

Based on these conditions, it can be projected that agricultural products will continue to increase. This can encourage the Company in the future business activity.

## **FINANCIAL STATEMENT**

Sales Turn Over	- 2015 - IDR 27,500,000,000 ( Estimated ) - 2016 - IDR 25,000,000,000 ( Estimated ) - 2017 - IDR 28,750,000,000 ( 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	Since the Company is not a publicly listed company, we cannot provide details on the Company's financial condition.

## **CREDITWORTHINESS**

Management Capability	Adequate
Business Morality	Adequate
Payment Manner	Slow but Correct
Financial Condition	Moderate
Operating Trend	Fluctuated
Conclusive remarks	<p>As we learn, the Company is in trading service since 2000. The Company obtains agricultural products from local farmers in Indonesia and marketed them to customers both at home and abroad.</p> <p>The Company's business performance has fluctuated from 2015 to 2017. Then, in 2018, the Company's sales volume has decreased due to the decreasing number of product availability related to crop failures experienced by farmers.</p> <p>Meanwhile, the government is optimistic that exports will grow in the range of 5-7% in 2018 and the demand for agriculture products from the global market continues to increase. Therefore, we believe the Company has a potential business in the future.</p> <p>For security reason, nevertheless, we advise those wishing to make cooperation with and to grant loans to the Company to ask for adequate collateral from the owners and management.</p>

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.34
UK Pound	1	INR 89.64
Euro	1	INR 80.07
IDR	1	INR 0.0049

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

**INFORMATION DETAILS**

Analysis Done by :	PRI
Report Prepared by :	DNS

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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)