

MIRA INFORM REPORT

Report No. :	543521
Report Date :	07.12.2018

IDENTIFICATION DETAILS

Name :	PT. SUMBER ARTA ABADI
Registered Office :	Komplek Bonagabe Blok B-15, Jl. Raya Jatinegara Timur No.01, RT.001, RW.002, Kelurahan Bali Mester, Kecamatan Jatinegara, Kota Jakarta Timur 13310, DKI Jakarta
Country :	Indonesia
Date of Incorporation :	21.10.2015
Legal Form :	Private Limited Liability Company or Perseroan Terbatas (PT)
Line of Business :	<ul style="list-style-type: none"> • Wholesale trade, except of motor vehicles and motorcycles • Wholesale of agricultural raw materials and live animals • Wholesale of grain, unmanufactured tobacco, seeds and animal feeds
No. of Employees :	5 [2018]

RATING & COMMENTS

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

MIRA's Rating : C

Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	Recently commenced its business operations
Payment Behaviour :	Unknown
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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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	PT. Sumber Arta Abadi
Address	Komplek Bonagabe Blok B-15, Jl. Raya Jatinegara Timur No.01, RT.001 RW.002 Kelurahan Bali Mester, Kecamatan Jatinegara Kota Jakarta Timur 13310 DKI Jakarta - Indonesia
Telephone	+62218514790, +622185911921
Fax	+622185912362
Mobile Phone	N.A.
Email	sumber.arta19@gmail.com
Web	N.A.

PROFILE

Address	Komplek Bonagabe Blok B-15, Jl. Raya Jatinegara Timur No.01, RT.001 RW.002 Kelurahan Bali Mester, Kecamatan Jatinegara Kota Jakarta Timur 13310 DKI Jakarta - Indonesia
Office Building	a. Area - Commercial b. Status - Leased
Date Of Establishment	- 21 October 2015
Start Operation	June 2018
Legal Status	Private Limited Liability Company or Perseroan Terbatas (PT)
Legalization (historical)	No. AHU-2462842.AH.01.01.Tahun 2015 Dated, 26 October 2015
Government Permit (s)	Kementerian Perdagangan SIUP - 69/24.1PK.7/31.75.03/-1.824.27/e/2017 Dated, 2017
Significant change	PT. Sumber Arta Abadi (the Company) was established on October 21, 2015, in East Jakarta, with the authorized capital of IDR 1,000 million, of which IDR 250 million was issued and paid up by Mr. Tan Lunardi (50%) and Ms. Yanti Tan (50%). As far as we know, there has been no change in the Company's notarial act as published by the Ministry of Justice.
Capitalization	
- Authorized Capital	IDR 1,000,000,000
- Issued Capital	IDR 250,000,000
- Paid Up Capital	IDR 250,000,000

SHAREHOLDERS & MANAGEMENT

Shareholders	Total No. of Shareholders: 2 Shareholders as 26 October 2015 Total Shareholding private - 250 shares
Name of Shareholders	- Mr. Tan Lunardi (125 shares) - 50.000 % - Ms. Yanti Tan (125 shares) - 50.000 %
Management Board	
Name	Mr. Tan Lunardi
Position	Director
Nationality	Indonesian
Supervisory Board	
Name	Ms. Yanti Tan
Position	Commissioner
Nationality	Indonesian
Management Assessment	The management is deemed to have sufficient experience and industry expertise to manage subject properly.
Authorized Signatories	Mr. Tan Lunardi as the Director which must be approved by the shareholders meeting.
Affiliate (s) / Associate (s)	- PT. Maju Jaya Niagatama (Wholesale of grain, unmanufactured tobacco, seeds and animal feeds)

KEY DATA ON OPERATIONS

Registered Activities	SIC Code 46	: Wholesale trade, except of motor vehicles and motorcycles
Employee	Per 2018 5	
Bussiness Category	SIC Code 46.2	: Wholesale of agricultural raw materials and live animals
Line of Business	SIC Code 46.21	: Wholesale of grain, unmanufactured tobacco, seeds and animal feeds
Product & Capacity	N.A.	
Status of Investment	Non-facilities based Company	
Sales Territory	Local	80%
	International	20%
Main Items Imported And Country Origin	- Green Bean - Myanmar - Green Bean - Ethiopia	

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**Main Items Exported And
Country Destination**

Major Customers

Major Suppliers

Terms of Payment

Activity Comment

- Peanut - India
- Green Bean - China
- Green Bean - Philippines
- Buyer from China
- Local Retailer
- Buyer from Philippines
- Local farmer
- Principal from India
- Principal from Myanmar
- Principal from Ethiopia

Purchase Payment

- Domestic : Telegraphic Transfer (T.T) with credit term up to 60 days
- Overseas : Telegraphic Transfer (T.T) up to 30 days

Sale Term

- Domestic : Telegraphic Transfer (T.T) up to 30 days
- Overseas : Telegraphic Transfer (T.T) up to 30 days

PT. Sumber Arta Abadi (the Company) is a non-facilities based company engaged in the commodity trading business. The Company started operation in June 2018. The Company's office is located in a commercial area of East Jakarta, precisely at the address: Komplek Bonagabe Blok B 15, Jl. Raya Jatinegara Timur No. 101, RT 009, RW 004, Kelurahan Bali Mester, Kecamatan Jatinegara, Kota Jakarta Timur 13310, DKI Jakarta, Indonesia. We believe that the location is leased from the other parties and joining with PT. Maju Jaya Niagatama which is affiliate of the Company.

Based on our investigation, the Company is engaged in the export and import activities. The Company provides commodities, such as green beans, red beans, and peanuts. The products are obtained from local and overseas suppliers. The Company purchases green beans from Myanmar and Ethiopia, and also peanuts from India.

In terms of product distribution, the Company sells imported products to retailers in Jakarta and surrounding areas. The Company also exports local green beans to the Philippines and China.

In terms of performance, since operating, the Company imports 1 time every month. Until now the Company is still experiencing problems on its import process which is still exposed to red lines so that the process of disbursing products from the port takes a long time, up to 7 days.

Meanwhile, in terms of export, the Company has only exported once since June 2018. In the future, the Company is in the process of managing permits to be able to import onion products from China.

Litigation

In addition, the Company sometimes faces payment delays to the suppliers, yet the delays are not significant. So far, the Company still has a good relationship with the suppliers and customers. 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.

BANKING INFORMATION

Banker (s)
Insurance

- PT. Bank Central Asia Tbk
N.A.

BUSINESS PROSPECTS

Business Prospects

In 2018, based on the projected data, peanut production is estimated to decline to 468.08 thousand tons and for consumption of 722.26 thousand tons which is the use of direct consumption of 644.98 thousand tons, scattered 23.40 thousand tons, seeds 14.04 thousand tons and processed food 39.83 thousand tons. Therefore, in this year there will still be a deficit of 254.18 thousand tons.

In 2019, it is estimated that the production projection for peanuts fell to 415.07 thousand tons and for consumption of 701.85 thousand tons which is the use of direct consumption of 633.32 thousand tons, scattered 20.75 thousand tons, seeds 12.45 thousand tons and processed foods 35.32 thousand tons. Therefore, the deficit will still be 286.78 thousand tons in that year. Likewise, in 2020, based on the production projection data for peanuts, it is estimated to decrease to 358.31 thousand tons and for consumption of 680.38 thousand tons which is the use of direct consumption of 621.23 thousand tons, scattered 17.92 thousand tons seeds 10.75 thousand tons and processed foods 30.49 thousand. Thus, in that year there will still be a deficit of 322.07 thousand tons.

Finally, in 2021 there will still be a decline in production to 297.82 thousand tons and consumption of 657.28 thousand tons which is the use of direct consumption of 608.11 thousand tons, scattered 14.89 thousand tons, seeds 8.94 thousand tons and processed foods 25.34 thousand tons. Thus, the deficit will still be 359.46 thousand tons in that year.

The rate of increase in the average value of this deficit is estimated at 9.33% per year, so that Indonesia will still depend on imports of peanuts from other countries. Therefore the growth of peanut imports is getting higher.

FINANCIAL STATEMENT

Sales Turn Over	N.A.
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	Unknown
Financial Condition	Satisfactory
Operating Trend	Undetermined
Conclusive remarks	<p>Based on the information shown above, we found out that the Company is engaged as an importer and exporter of peanuts products since June 2018. The Company purchases green beans from Myanmar and Ethiopia, and also peanuts from India. In terms of marketing, the Company sells imported products to retailers in Jakarta. The Company also exports local green beans to the Philippines and China.</p> <p>In terms of performance, since operating, the Company imports 1 time every month. Meanwhile, in terms of export, the Company has only exported once since June 2018. In the future, the Company is in the process of managing permits to be able to import onion products from China. Until now the Company is still experiencing problems on its import process which is still affected by red lines.</p> <p>As we learned, in 2019 it is estimated that the production projection for peanuts will decrease to 415.07 thousand tons and for consumption of 701.85 thousand tons. Therefore, the need for imported peanut products will continue to increase. Therefore, we believe the Company is prospective.</p> <p>However, for security reason, we advise those wishing to cooperate 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 71.04
UK Pound	1	INR 90.30
Euro	1	INR 80.55
IDR	1	INR 0.0049

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

INFORMATION DETAILS

Analysis Done by :	NIY
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)