

MIRA INFORM REPORT

Report No. :	543525
Report Date :	14.12.2018

IDENTIFICATION DETAILS

Name :	CV. TITAN UTAMA
Registered Office :	Jl. Tenggiri No. 7-A , Kelurahan Belawan Bahagia, Kecamatan Medan Belawan Kota, Kota Medan 20415, Sumatera Utara
Country :	Indonesia
Date of Incorporation :	2000
Legal Form :	Commanding Company or CV
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 :	20

RATING & COMMENTS

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

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
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.

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. Titan Utama
Address	Jl. Tenggiri No. 7-A Kelurahan Belawan Bahagia, Kecamatan Medan Belawan Kota Kota Medan 20415 Sumatera Utara - Indonesia
Telephone	+62616941677
Fax	N.A.
Mobile Phone	N.A.
Email	N.A.
Web	N.A.

PROFILE

Address	Jl. Tenggiri No. 7-A Kelurahan Belawan Bahagia, Kecamatan Medan Belawan Kota Kota Medan 20415 Sumatera Utara - 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. Titan Utama (the Company) is a Commanditaire Vennootschap or CV company, which was founded in 2000's in Medan, Sumatera Utara by Mr. Hebert Lumban Tobing as active partner and other partner as passive partner. Up to completion of this report, however, we cannot identify name of the passive partner in the Company. Because of its status as a Commanditaire Vennootschap or CV, so up to the completion of this report, we are unable to find any legalization activity taken by the Company. Therefore, we cannot show you details about its capitalization and shareholder structure.

Capitalization

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

SHAREHOLDERS & MANAGEMENT

Shareholders	Total No. of Shareholders: 2 Shareholders as N.A. Total Shareholding private - N.A. shares
Name of Shareholders	- Mr. Hebert Lumban Tobing (0 shares) - - Passive Partner of CV. Titan Utama (0 shares) -
Management Board	
Name	Mr. Hebert Lumban Tobing
Position	Director
Nationality	Indonesian
Supervisory Board	
Name	Passive Partner of CV. Titan Utama
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. Hebert Lumban Tobing as Director and Active Partner of the Company.
Affiliate (s) / Associate (s)	- Kapuas Jaya Abadi (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	<i>Per 2017</i> Approximately - 20
	<i>Per 2018</i> 20
	<i>Per 2018</i> 20
	<i>Per 2018</i> Approximately - 20
	<i>Per 2018</i> Approximately - 20
	<i>Per 2018</i>

Bussiness Category	Approximately - 20 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 Status of Investment	N.A. Non-facilities based Company
Sales Territory	Local 100% International 00%
Main Items Imported And Country Origin	- Groundnut Kernels - India
Main Items Exported And Country Destination	N.A.
Major Customers	- Kapuas Jaya Abadi - Agent and retailers
Major Suppliers	- Shiddhi Industries of India - HP Food Private Limited of India
Terms of Payment	Purchase Payment Domestic : Telegraphic Transfer (T.T) based on Agreement Overseas : Telegraphic Transfer (T.T) based on Agreement
	Sale Term Domestic : Cash payment, Telegraphic Transfer (T.T) based on Agreement Overseas : N.A.
Activity Comment	CV. Titan Utama (the Company) is a non-facility based company that is engaged in trading business. The Company began the operation in 2000. Head office and warehouse of the Company are located at Jl. Tenggiri No. 7-A, Kelurahan Belawan Bahagia, Kecamatan Medan Belawan Kota, Kota Medan 20415, Sumatera Utara - Indonesia. We believe this location is leased by the Company. Based on our investigation, the Company is a distributor of agricultural products, especially groundnut kernels. The Company obtains the products by taking cooperation with overseas suppliers, especially from India, such as Shiddhi Industries of India, and HP Food Private Limited of India. To meet the market demand, the Company imports the groundnut kernels in 3 – 5 shipments per month, comprising 2 – 3 containers per shipment. Each container (20 ft) is loaded with 20 tons of products. The Company conducts the import by using the API license, with green line and 1 day dwelling time. According to our source, the increasing rate of US Dollar against

rupiah is not significantly affecting the Company's operations. It is because although the Company had taken some price adjustments, but it not too affecting the market demand for its products until today.

Regarding the marketing, currently the Company distributes its products to agents and retailers, which are mostly located in Medan, Sumatera Utara. The Company also sells and distributes some of its products to its affiliation, Kapuas Jaya Abadi, which is also involved in the similarly business with the Company, and selling the products to the other regions.

In terms of sales price, the Company sells the groundnut kernels usually in sack forms, with prices ranging from IDR 18,000 - IDR 24,000 per kilogram.

In term of performance aspect, the Company's sales performance is relatively stable each year. It is as shown from the monthly import activities conducted by the Company shown above. In addition, the Company always experiences a significant increase in sales when approaching Idul Fitri seasons; and the sales usually will be lower at the end of year.

Currently, the Company is supported by some 20 employees.

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 operating today.
Sources	Public sources, and Mr. Sinambela (Staff of the Company, contacted on December 6, 2018).
Warehouse Address	Jl. Tenggiri No. 7-A, Kelurahan Belawan Bahagia, Kecamatan Medan Belawan Kota Kota Medan 20415 Sumatera Utara - Indonesia Phone : +62616941677 Fax : N.A. Email : N.A.-

BANKING INFORMATION

Banker (s)	- PT. Bank Mandiri (Persero) Tbk
Insurance	N.A.

BUSINESS PROSPECTS

Business Prospects	According to the Indonesian Chamber of Commerce and Industry (Kamar Dagang dan Industri Indonesia), the demand for
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agricultural products in Indonesia will increase rapidly until the year 2030. In another side, local production of agricultural commodities in Indonesia is still low. For example, the demand for peanut in the local market is not yet fully met by the local production, and has to be covered with imports. In present time, in fact, the imported peanuts have seized 60% of the local peanut market.

Based on data from Central Bureau of Statistics (Badan Pusat Statistik), the total import value of agricultural products to Indonesia increased four times in 10 years, from USD 3.34 billion in 2003 to USD 14.90 billion in 2013. The increase is not only on the import value but also on the import volume. The increasing import is because the increasing number of population in the country is not parallel with the increase of production of agricultural products in the country.

Regionally, economy of Sumatera Utara Province in QII/2018 grew by 5.30 % (yoy), or far higher than in the previous quarter that only increased by 4.73% (yoy).

The economic growth of the province was contributed by the domestic consumption, particularly household consumption, and the investment growth. The household consumption grew sharply from 4.98% (yoy) in QI to 6.64% (yoy) in QII/2018.

In term of the demand aspect, the strong economic growth is reflected from the recovering performance of the main sector in the province in QII/2018. The increasing consumption is as shown from the improving performance of trading sector, which grew by 6.02% (yoy) and contributed 1.06% (yoy).

In the QIII/2018, economy of the province is potential to remain increasing at the range of 5.0 – 5.4% (yoy), supported by realization of investment and the strong government expenditure in the second semester.

Based on the above data, we conclude that with supports from high demand for agriculture products and high regional economic growth, the agricultural sector in Medan - Sumatera Utara is still prospective.

FINANCIAL STATEMENT

Sales Turn Over

- 2015 - IDR 17,600,000,000 (Estimated)
- 2016 - IDR 19,328,000,000 (Estimated)
- 2017 - IDR 21,107,840,000 (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 give a detailed picture of the financial condition of the

Company.

CREDITWORTHINESS

Management Capability
Business Morality
Payment Manner
Financial Condition
Operating Trend
Conclusive remarks

Adequate
Adequate
Slow but Correct
Satisfactory
Up

As we learn, the Company has become a distributor of agricultural products, especially groundnut kernels for about 18 years. The Company sells and distributes its products to agents and retailers, which are mostly located in Medan, Sumatera Utara.

The Company's performance continues to show improvement each year. Financially, the Company is also not facing payment constraints from customers and to suppliers.

In term of business prospect, the Company is still in good business. It is because the demand for agriculture product is still high, and the regional economic growth in Sumatera Utara also continues to increase.

For security reason, nevertheless, we advise those wishing to make cooperation with and to grant loans to the Company to ask for adequate collaterals from shareholders.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.54
UK Pound	1	INR 90.31
Euro	1	INR 81.34
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 :	KET

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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)