

MIRA INFORM REPORT

Report No. :	518521
Report Date :	12.07.2018

IDENTIFICATION DETAILS

Name :	PT. SINAR PUTRA METALINDO
Registered Office :	Kawasan Industri Delta Silicon II, Jl. Johar Blok F6 No. 3AB Kelurahan Cicau, Kecamatan Cikarang Pusat Kab. Bekasi 17530 Jawa Barat
Country :	Indonesia
Financials (as on) :	2017 (Summarized)
Date of Incorporation :	20.04.2011
Legal Form :	Private Limited Liability Company or Perseroan Terbatas (PT)
Line of Business :	Wholesale of metals and metal ores.
No. of Employees :	121 (2018)

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
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

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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

Company Name	PT. Sinar Putra Metalindo
Address	Kawasan Industri Delta Silicon II, Jl. Johar Blok F6 No. 3AB Kelurahan Cicau, Kecamatan Cikarang Pusat Kab. Bekasi 17530 Jawa Barat - Indonesia
Telephone	+622189904100, +622189904125
Fax	+622189904145
Mobile Phone	N.A.
Email	deaintan@sinarputrametalindo.com
Web	N.A.

PROFILE

Address	Kawasan Industri Delta Silicon II, Jl. Johar Blok F6 No. 3AB Kelurahan Cicau, Kecamatan Cikarang Pusat Kab. Bekasi 17530 Jawa Barat - Indonesia
Office Building	a. Area - Industrial b. Status - Leased
Date Of Establishment	- 20 April 2011
Start Operation	2011
Legal Status	Private Limited Liability Company or Perseroan Terbatas (PT)
Legalization (historical)	<u>No. AHU-25121.AH.01.01.Tahun.2011</u> Dated, 19 May 2011
	<u>No. AHU-08311.AH.01.02.Tahun.2013</u> Dated, 25 February 2013
	<u>No. AHU-AH.01.03-0043756</u> Dated, 27 April 2016
Government Permit (s)	<u>Kementerian Perdagangan Republik Indonesia</u> TDP - 090114631864 Dated, 21 June 2016
	<u>Direktorat Jenderal Pajak</u> NPWP - 03.148.643.4-413.000
Significant change	PT. Sinar Putra Metalindo (the Company) was established on April 20, 2011. Up to the completion of this report, however, we are unable to obtain the establishment act of the Company; so that we cannot provide details about its initial capitalization and shareholder structure. On June 6, 2012, the Company published a notarial act. As written on the act, authorized capital of the Company amounted to

IDR 250 million –entirely issued and paid up by Mr. Jioe Denny Julius (20%), Mr. Arief Ramon (35%) and Mr. Rianto Jusman (45%).

On November 6, 2012, the Company published a notarial act, yet without changing its capitalization and shareholder structure.

On April 25, 2016, the Company published new notarial act, yet without changing its capitalization and shareholder structure.

As far as we know, up to the completion of this report, there has been no more change in the Company's legalization act.

Capitalization

- Authorized Capital	IDR 250,000,000
- Issued Capital	IDR 250,000,000
- Paid Up Capital	IDR 250,000,000

SHAREHOLDERS & MANAGEMENT

Shareholders

Total No. of Shareholders: 3
Shareholders as 27 April 2016
Total Shareholding private - 500 shares

Name of Shareholders

- Mr. Jioe Denny Julius
(100 shares) - 20%
- Mr. Rianto Jusman
(225 shares) - 45%
- Mr. Arief Ramon
(175 shares) - 35%

Management Board

Name	Mr. Rianto Jusman
Position	President Director
Nationality	Indonesian
Name	Mr. Arief Ramon
Position	Director
Nationality	Indonesian

Supervisory Board

Name	Mr. Jioe Denny Julius
Position	Commissioner
Nationality	Indonesian

Management Assessment

Authorized Signatories

The management is deemed to have sufficient experience and industry expertise to manage subject properly.
Mr. Rianto Jusman as President Director and Mr. Arief Ramon as Director of the Company which must be approved by shareholders meeting.

Affiliate (s) / Associate (s)

N.A.

KEY DATA ON OPERATIONS

Registered Activities	SIC Code 46	:	Wholesale trade, except of motor vehicles and motorcycles
Employee	<i>Per November 2017</i> 117		
	<i>Per March 2018</i> 121		
Bussiness Category	SIC Code 46.7	:	Other specialised wholesale
Line of Business	SIC Code 46.72	:	Wholesale of metals and metal ores
Product & Capacity	N.A.		
Status of Investment	Non-facilities based Company		
Sales Territory	Local		100%
	International		00%
Main Items And Country Origin	Imported	-	Steel Products - Japan Steel Products - Germany
Main Items And Country Destination	Exported	-	N.A.
Major Customers		-	PT. Komatsu Patria Attachment PT. Caterpillar Indonesia Batam PT. Gunung Garuda Aichi Steel Corporation DEUTSCHE EDELSTAHLWERKE GmbH
Major Suppliers			
Terms of Payment	Purchase Payment Domestic : Telegraphic Transfer (T.T) based on Agreement Overseas : Telegraphic Transfer (T.T) based on Agreement		
	Sale Term Domestic : Telegraphic Transfer (T.T) with credit term 30 days Overseas : N.A.		
Activity Comment	PT. Sinar Putra Metalindo (the Company) is a non-facilities based company that is engaged in distribution of stainless steel products. Head office and registered address of the Company are located in an industrial area of Bekasi, precisely at Kawasan Industri Delta Silicon II, Jl. Johar Blok F6/3AB, Kelurahan Cicau, Kecamatan Cikarang Pusat, Bekasi 17530, Jawa Barat, Indonesia. We believe this location is leased by Company. Based on our investigation, the Company is a distributor of wide range of steel products, such as carbon steel and alloy steel. The Company becomes an agent for Japanese steel products (AICHI Steels) and Germany steel products (Deutsche Edestahlwerke).		

The Company also obtains certain types of steels from local suppliers, such as PT. Krakatau Steel (Persero) Tbk and PT. Gunung Garuda.

For the distribution process, the Company owns two units of pickup trucks, which are used for distributing the Company's products to heavy equipment industry, electrical industry, automotive, etc. Currently, major customers of the Company are PT. Caterpillar Indonesia Batam and PT. Komatsu Patria Attachment.

According to our source, performance of the Company is still quite stable. As claimed by our source, up to the end of 2017, the Company could increase its sales, yet not significant.

Up to this midyear 2018, performance of the Company is still quite satisfactory, stable, and tending to increase, though not yet meeting the target.

Meanwhile, in term of transaction payment, the Company faces payment delays from several customers. So far, fortunately, the Company is still able to overcome the delays by using its internal cash.

Operationally, the Company is now supported by 121 employees, who are mostly as the marketing staffs.

Litigation

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 operational today.

BANKING INFORMATION

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

BUSINESS PROSPECTS

Business Prospects

The Ministry of Industry (Kemenperin) noted that the steel industry in 2017 began to rise, fueled by the development of infrastructure projects.

Kemenperin said that in 2017, there were five industrial sectors that recorded high growth, namely base metal industry which recorded the highest growth at 10.6%. Then followed by food and beverage industry 9.49%, chemical and pharmaceutical industries 8%, machinery and equipment industry grew 6.35%, and transportation equipment industry grew 5.6%.

According to Kemenperin, the steel industry is expected to continue to grow at an average of 6% per year until 2025. This is triggered by high demand for raw materials for the construction sector which grew 8.5%, followed by the automotive sector which grew 9.5%.

Indonesia's steel needs are currently at 78% and still dominated by the construction sector, followed by the automotive sector at 8%, and the remaining 14% coming from the oil & gas, shipbuilding, machinery and electronics industries. The supply capability of the domestic steel industry (crude steel) is 6.8 million tons per year.

Therefore, Indonesia still has to import as many as 5.4 million tons to meet the needs of 12.94 million tons per year. The need for steel that increases every year must be balanced with the growth of new investment in Indonesia, because if not, the dependence on the imported steel products will be higher.

The imports are expected to decrease gradually, in line with the inflow investment into the steel sector.

FINANCIAL STATEMENT

Sales Turn Over	- 2015 - IDR 79,000,000,000 (Estimated) - 2016 - IDR 81,000,000,000 (Estimated) - 2017 - IDR 92,000,000,000 (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 give a detailed picture of the financial condition of the Company.

CREDITWORTHINESS

Management Capability	Adequate
Business Morality	Adequate
Payment Manner	Satisfactory
Financial Condition	Satisfactory
Operating Trend	Up
Conclusive remarks	Based on the above information, we learn that the Company has become a distributor of carbon steel and alloy steel products since

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2011. Customers of the Company come from the heavy equipment industry, electrical industry, automotive industry, electronic industry and many others.

Regarding the numerous alternatives of target market, we believe the Company is able to secure the stability of its sales well.

In term of business prospect, we learn that according to Kemenperin, the steel industry is expected to continue to grow at an average of 6% per year until 2025. This is triggered by high demand for raw materials for the construction sector, which grows by 8.5%, followed by the automotive sector that grows by 9.5%.

In another side, some of the Company's customers made late payments. Fortunately, the late payment did not significantly affect the Company's operations, because they could still be overcome by using internal cash.

Based on these considerations, we rate the Company's credit opinion to 'Medium to High Risk'.

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 the owners and management.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.83
UK Pound	1	INR 91.35
Euro	1	INR 80.79
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 :	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)