

MIRA INFORM REPORT

Report No. :	519998
Report Date :	17.07.2018

IDENTIFICATION DETAILS

Name :	MOLINOS ASOCIADOS SOCIEDAD ANONIMA CERRADA
Registered Office :	Calle 2 Manzana N, Lote 4, Cooperativa Las Vertientes (Alt. Cd. 2 Av. El Sol), Villa El Salvador, Lima 42
Country :	Peru
Date of Incorporation :	06.06.2007
Legal Form :	Closely-Held Company
Line of Business :	Sowing, production and trade of tara by-products such as antioxidants, nematicides, proteins and texturizers for the food industry.
No. of Employees :	71

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)
Peru	A2	A1

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

PERU - ECONOMIC OVERVIEW

Peru's economy reflects its varied topography - an arid lowland coastal region, the central high sierra of the Andes, and the dense forest of the Amazon. A wide range of important mineral resources are found in the mountainous and coastal areas, and Peru's coastal waters provide excellent fishing grounds. Peru is the world's second largest producer of silver and copper.

The Peruvian economy grew by an average of 5.6% per year from 2009-13 with a stable exchange rate and low inflation. This growth was due partly to high international prices for Peru's metals and minerals exports, which account for 55% of the country's total exports. Growth slipped from 2014 to 2017, due to weaker world prices for these resources. Despite Peru's strong macroeconomic performance, dependence on minerals and metals exports and imported foodstuffs makes the economy vulnerable to fluctuations in world prices.

Peru's rapid expansion coupled with cash transfers and other programs have helped to reduce the national poverty rate by over 35 percentage points since 2004, but inequality persists and continued to pose a challenge for the Ollanta HUMALA administration, which championed a policy of social inclusion and a more equitable distribution of income. Poor infrastructure hinders the spread of growth to Peru's non-coastal areas. The HUMALA administration passed several economic stimulus packages in 2014 to bolster growth, including reforms to environmental regulations in order to spur investment in Peru's lucrative mining sector, a move that was opposed by some environmental groups. However, in 2015, mining investment fell as global commodity prices remained low and social conflicts plagued the sector.

Peru's free trade policy continued under the HUMALA administration; since 2006, Peru has signed trade deals with the US, Canada, Singapore, China, Korea, Mexico, Japan, the EU, the European Free Trade Association, Chile, Thailand, Costa Rica, Panama, Venezuela, Honduras, concluded negotiations with Guatemala and the Trans-Pacific Partnership, and begun trade talks with El Salvador, India, and Turkey. Peru also has signed a trade pact with Chile, Colombia, and Mexico, called the Pacific Alliance, that seeks integration of services, capital, investment and movement of people. Since the US-Peru Trade Promotion Agreement entered into force in February 2009, total trade between Peru and the US has doubled. President Pedro Pablo KUCZYNSKI succeeded HUMALA in July 2016 and is focusing on economic reforms and free market policies aimed at boosting investment in Peru. Mining output increased significantly in 2016-17, which helped Peru attain one of the highest GDP growth rates in Latin America, and Peru should maintain strong growth in 2018. However, economic performance was depressed by delays in infrastructure mega-projects and the start of a corruption scandal associated with a Brazilian firm. Massive flooding in early 2017 also was a drag on growth, offset somewhat by additional public spending aimed at recovery efforts.

Source : CIA

IDENTIFICATION OF THE COMPANY

COMPANY NAME	MOLINOS ASOCIADOS SOCIEDAD ANONIMA CERRADA
TRADE NAME	MOLINOS ASOCIADOS SAC/MASAC
TAX ID. TYPE	RUC
TAX NUMBER	20515919768
STATUS	Active
FISCAL ADDRESS	Calle 2 Manzana N, Lote 4, Cooperativa Las Vertientes (Alt. Cd. 2 Av. El Sol), Villa El Salvador
CITY/PROVINCE/STATE	Lima 42
PHONE NUMBER(S)	(51-1) 719.4720/719.4721
EMAIL	cvasquez@masac.pe
WEBSITE	https://molinosasociados.com

REMARKS OF IDENTIFICATION

This report was requested with company name: MOLINOS ASOCIADOS SAC, and address: Calle 2 Mz, N Lote 4-Coop. Las Vertientes Villa El Salvador Lim Peru. Please note that the correct data is shown above.

LEGAL INFORMATION

TYPE OF COMPANY	Closely-Held Company
INCORPORATION DATE	06/06/2007
CITY OF REGISTRATION	Lima
REGISTRY NUMBER	Certificate No. 12031623 of the Registry of Legal Entities of Lima (04/07/2007)
DURATION	Unlimited
PAID-UP CAPITAL	S/.26,611,555.00 Soles
LAST CAPITAL INCREASE	10/11/2016 (Notary Santos Alejandro Collantes Becerra)
TYPE OF SHARES	Registered stock
VALUE OF SHARES	S/.1.00
LISTED AT STOCK EXCHANGE	NO

LEGAL ASPECTS.-

The subject obtained the following quality certifications:

GMP (Good Manufacturing Practices)

Certified Kosher

FDA

BASC

HACCP

HALAL

DIRECTORS, EXECUTIVES AND SHAREHOLDERS

NAME	JOB TITLE	STAKE
TELGE NORIEGA, HERBERT JOSE	President/General Manager/Majority Shareholder	
TELGE PESCHIERA, HERBERT RAUL	Proxy/Sales Manager	
VASQUEZ, CARLOS	General Accountant	

DATA OF BOARD OF DIRECTORS, EXECUTIVES AND SHAREHOLDERS

TELGE NORIEGA, HERBERT JOSE

Peruvian, ID No. 06361667. He was born on November 12th, 1962. Married. Business Administrator graduated from Universidad de Lima. MBA from Fairleigh Dickinson University-Metropolitan Campus.

TELGE PESCHIERA, HERBERT RAUL

Peruvian, ID No. 46690781. He was born on January 19th, 1991. Business Administrator graduated from Universidad del Pacifico. He worked in the following companies:

CENCOSUD RETAIL PERU SA

Men and Sports Manager

November 2013 to September 2014

OPERATIONS

SECTOR	A- Agriculture, Livestock, Forestry and Fishing
ACTIVITY	Sowing of tara by-products
ISIC CATEGORY	01- Agriculture, livestock, hunting and related activities
ISIC CLASS	0125- Cultivation of other fruits and nuts of trees and bushes
COMMERCIAL/INDUSTRIAL/SERVICE ACTIVITY	Sowing, production and trade of tara by-products such as antioxidants, nematicides, proteins and texturizers for the food industry.

House brand: "MOLIGUM".

% SALES IN CASH	20%
% SALES ON CREDIT	80% (terms at 30 days)
% TERRITORY OF SALES	10% (domestic market)
% FOREIGN SALES	90%
% DOMESTIC PURCHASES	80%

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% FOREIGN PURCHASES	20%
N. OF EMPLOYEES	71

OFFICES.-

PRODUCTION PLANT, ADMINISTRATION OFFICES & WAREHOUSE: Located at the heading address, in industrial zone of the city of easy access. Premises with an area of 5,000 sq.m. approximately, occupied since April 22nd, 2014.

Former address: Mza. N, Lote. 5, Co. Las Vertientes Km. 19.5, Villa El Salvador, Lima 42.

WAREHOUSE: Casa Vieja S/N, Piedra Grande Cajamarca, San Miguel, Union Agua Blanca.

OPERATIONS.-

Operations are carried out 100% directly.

Main foreign clients:

QUALITYTEC INDUSTRIA E COMERCIO (Brazil)
COMERCIAL INGREDIENTES Y ADITIVOS LTDA. (Chile)
JBS SA (Brazil)
ORAGOM SPA (Chile)
COMERCIAL INGREDIENTES Y ADITIVOS LTDA. (Chile)
NEW DIRECTIONS AROMATICS INC. (USA)
VIGON INTERNATIONAL INC. (USA)

Main competitors:

EXANDAL SA
SILVATEAM PERU SAC
EXPORTADORA EL SOL SAC
SOCIEDAD MERCANTIL (EXPORTACION) SA
VALLE FRESCO SAC
TRANSPACIFICO-WARI SAC
ARGOS EXPORT SA, among others.

It imports other cast articles of iron or steel, plastic manufactures, among others. Imports are made in cash and against direct credit at 30 days.

It exports tara powder, mucilages of tara seed, carboxylic acids with phenol function, other mucilages and thickeners derived from vegetables, modified, among others.

FOREIGN TRADE

	IMPORTS
YEAR	2018 (January – June)
AMOUNT	US\$5,969.00
COUNTRIES	China, Colombia

MOLINOS ASOCIADOS SOCIEDAD ANONIMA CERRADA - 519998

PAGE NO. : 7

NUMBER OF OPERATIONS	2
YEAR	IMPORTS 2017
AMOUNT	US\$1,610.00
COUNTRIES	Colombia
NUMBER OF OPERATIONS	1
YEAR	IMPORTS 2016
AMOUNT	US\$10,628.00
COUNTRIES	New Zealand, Colombia
NUMBER OF OPERATIONS	3
YEAR	IMPORTS 2015
AMOUNT	US\$1,613.00
COUNTRIES	Colombia
NUMBER OF OPERATIONS	1
YEAR	IMPORTS 2014
AMOUNT	US\$5,170.00
COUNTRIES	Colombia
NUMBER OF OPERATIONS	1
YEAR	IMPORTS 2013
AMOUNT	US\$69,279.00
COUNTRIES	USA
NUMBER OF OPERATIONS	3
YEAR	EXPORTS 2018 (January – June)
AMOUNT	US\$4,159,196.00
COUNTRIES	China, Germany, Argentina, Belgium, Brazil
NUMBER OF OPERATIONS	85
	EXPORTS

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MOLINOS ASOCIADOS SOCIEDAD ANONIMA CERRADA - 519998

PAGE NO. : 8

YEAR 2017
AMOUNT US\$7,984,504.00
COUNTRIES Brazil, Argentina, China, Belgium,
France

NUMBER OF OPERATIONS 152

EXPORTS
YEAR 2016
AMOUNT US\$7,885,072.00
COUNTRIES Brazil, Argentina, China, Belgium,
France

NUMBER OF OPERATIONS 146

EXPORTS
YEAR 2015
AMOUNT US\$8,212,341.00
COUNTRIES Brazil, Argentina, China, Belgium,
France, Italy

NUMBER OF OPERATIONS 156

EXPORTS
YEAR 2014
AMOUNT US\$6,555,365.00
COUNTRIES Brazil, Argentina, China, France,
Mexico

NUMBER OF OPERATIONS 133

EXPORTS
YEAR 2013
AMOUNT US\$8,297,805.00
COUNTRIES Brazil, Argentina, China, France,
Guatemala

NUMBER OF OPERATIONS 134

FINANCIAL INFORMATION

In recent interview, Mr. Carlos Vasquez (General Accountant) furnished commercial information about the company, except for financial statements on grounds of confidentiality.

No financial statements were obtained through outside sources.

FINANCIAL COMMENTS.-

It is known that its annual sales are US\$10,000,000.00 approximately.

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FIXED ASSETS.-

Buildings
Machinery and equipment
Laboratory equipment
Boilers
Fleet of vehicles
Office furniture and fittings
Computers
Other assets

INSURANCE.-

The subject takes out health insurance policies with SANITAS PERU SA EPS covering its executives. (Unspecified coverage amounts and maturity dates).

TRADE REFERENCES

LOCAL SUPPLIERS.-

CLP OPERADOR LOGISTICO SAC
Phone: (51-1) 715.2500/717.1968

WORLD COMPANY CUSTOMS SAC

Phone: (51-1) 420.1192
Contact name: Faviola Guerrero

SUPPLIER

START OF THE BUSINESS

CREDIT LIMIT

CREDIT TERMS

PRODUCTS/SERVICES

COMMENTS

NATIONAL

Several years ago

No current operations limit

Invoices at 30 days

Logistic operator

Payments with bank transfers.

Supplier: CLP OPERADOR
LOGISTICO SAC

FOREIGN SUPPLIERS.-

IMPRENTAR LTDA.

Country: Colombia
Phone: (57-1) 270.2484/710.1456
Contact name: Jackeline Arevalos

WUXI BUHLER MACHINERY MANUFACTURING CO. LTD.

Country: China
Phone: (86-510) 8575.6641

SUPPLIER

START OF THE BUSINESS

CREDIT TERMS

PRODUCTS/SERVICES

COMMENTS

FOREIGN

4 to 5 years ago

In cash

Labels

Payments with bank transfers.

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Supplier: IMPRENTAR LTDA.

SUPPLIER	FOREIGN
START OF THE BUSINESS	4 to 5 years ago
CREDIT TERMS	In cash
PRODUCTS/SERVICES	Metal rolls
COMMENTS	Purchases accrued during 2018: US\$3,232.00 Dollars. Supplier: WUXI BUHLER MACHINERY MANUFACTURING CO. LTD.

COMMENTS OF SUPPLIERS.-

Other consulted suppliers do not provide trade references on grounds of confidentiality.

BANKS

Bank Name	Country
BANCO FINANCIERO DEL PERU SA	Peru
BANCO GNB PERU SA	Peru
BANCO INTERAMERICANO DE FINANZAS SA – BANBIF	Peru
BANCO INTERNACIONAL DEL PERU SAA – INTERBANK	Peru
BANCO SANTANDER PERU SA	Peru
BBVA BANCO CONTINENTAL SA	Peru

BANK REFERENCES

The bank data can only be obtained if the same company provides or authorizes the banks to do so; the banking system is ruled under the banking secret principle, and all banks are obligated not to disclose information about the clients.

LITIGATIONS

The subject registers the following tax omission before the National Tax Administration Superintendency:

Period – Tax

2015/2 – IGV – Reg. Suppliers

SUPERINTENDENCY

According to the latest bulletin as of 31/05/2018 issued by the Bank and Insurance Superintendency, the company receives a qualification of 100% NORMAL, based on the following information:

Credits to Large Companies

Foreign trade credits S/.17,000,017.00

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Finance lease S/.309,675.00
Credit cards S/.14,249.00
Accrued current credit interests S/.114,487.00

TOTAL DEBT S/.17,438,428.00
GUARANTEES S/.22,587,612.00

CREDIT OPINION

Industrial company with 11 years of activity in the market. It seems to be operating satisfactorily. Its operations are oriented to exportation. It holds good relations with suppliers and banks.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.59
UK Pound	1	INR 90.85
Euro	1	INR 80.25
PEN	1	INR 20.92

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

INFORMATION DETAILS

Analysis Done by :	NIS
Report Prepared by :	TPT

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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)