

MIRA INFORM REPORT

Report No. :	539418
Report Date :	16.11.2018

IDENTIFICATION DETAILS

Name :	P.T. TEOPLASMA INTILESTARI
Registered Office :	Jalan Jend. Abdullah Thalib 18 Jambi, 36124
Country :	Indonesia
Date of Incorporation :	13.11.2003
Com. Reg. No.:	No. AHU-AH.01.03-0183037
Legal Form :	Limited Liability Company
Line of Business :	Oil Palm Plantation and Processing
No. of Employees :	370

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.

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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 SUMMERY

Name of Company :

P.T. TEOPLASMA INTILESTARI

Address :

Head Office

Jalan Jend. Abdullah Thalib 18
Jambi, 36124
Indonesia

Phone - (62-741) 667060
Fax - (62-741) 667061
Building Area - 2 storey
Office Space - 110 sq. meters
Region - Commercial
Status - Rent

Branch Office

Jalan Lintas Tebo Bungo Km. 12, RT. 001 RW. 001
Tebing Tinggi Tebo, Tebo Tengah
Muara Bungo, 37211
Jambi Province
Indonesia

Phone - (62-747) 323031
Fax - (62-747) 322592
Building Area - 2 storey
Office Space - 110 sq. meters
Region - Commercial
Status - Rent

Plantation & Refinery

Jalan Desa Pelayang – Sungai Keruh
Pelayang, Kecamatan Pasar Muara Bungo
Muara Bungo, 37255
Jambi Province
Indonesia

Phone - (62-747) 21111
Fax - (62-747) 21111
Land Area - 27,000 hectares
Building Space - 12,000 sq. meters
Region - Industrial Zone
Status - Owned

Date of Incorporation :

13 November 2003

Legal Form :

P.T. (Perseroan Terbatas) or Limited Liability Company

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Company Reg. No. :

The Ministry of Law and Human Rights

- No. C-05400 HT.01.01.TH.2004
Dated 4 March 2004
- No. C-01610 HT.01.04.TH.2005
Dated 20 January 2005
- No. AHU-99040.AH.01.02.TH.2008
Dated 23 December 2008
- No. AHU-AH.01.03-0183037
Dated 23 October 2017

Company Status :

National Private Company

Permit by the Government Department :

The Department of Finance

NPWP No. 02.294.017.5-332.000

The Department of Industry and Trade

TDP No. 05.08.1.01.00002

Dated 18 May 2005

Related Company :

P.T. TOR GANDA (Oil Palm Plantation and Processing)

CAPITAL AND OWNERSHIP

Capital Structure :

Authorized Capital : Rp. 32,000,000,000.-
Issued Capital : Rp. 32,000,000,000.-
Paid up Capital : Rp. 32,000,000,000.-

Shareholders/Owners :

a. The late Mr. Darianus Lungguk Sitorus	- Rp. 16,320,000,000.-
b. Mrs. Adumahati Rentauli Mindosari Sitorus	- Rp. 2,240,000,000.-
c. Mrs. Ika Rohani Tiurlara Sitorus	- Rp. 2,240,000,000.-
d. Mrs. Luceria Siagian	- Rp. 2,240,000,000.-
e. Mr. Sihar Pangihutan Hamonangan Sitorus	- Rp. 2,240,000,000.-
f. Mr. Sabar Ganda Leonardo Sitorus	- Rp. 2,240,000,000.-
g. Mr. Hakim Agung Sungkunan Sitorus	- Rp. 2,240,000,000.-
h. The late Mrs. Theresia Panjaitan	- Rp. 2,240,000,000.-

BUSINESS ACTIVITIES

Lines of Business :

Oil Palm Plantation and Processing

Production Capacity :

- a. Fresh Fruit Bunches - 198,000 tons p.a.
- b. Crude Palm Oil - 45,000 tons p.a.
- c. Palm Kernel - 10,000 tons p.a.

Total Investment :

- a. Equity Capital - Rp. 32.0 billion
- b. Lon Capital - Rp. 190.0 billion
- c. Total Investment - Rp. 222.0 billion

Started Operation :

2009

Brand Name :

Teboplasma Intilestari

Technical Assistance :

None

Number of Employee :

370 persons

Marketing Area :

Local - 70%
Export - 30%

Main Customer :

Cooking oil industries

Market Situation :

Very Competitive

Main Competitors :

- a. P.T. ASTRA AGRO LESTARI Tbk
- b. P.T. BW PLANTATION Tbk
- c. P.T. GUNUNG SAWIT BINA LESTARI
- d. P.T. TUNAS BARU LAMPUNG Tbk

Business Trend :

Growing

BANKER, AUDITOR & LITIGATION

Banker :

P.T. Bank MANDIRI Tbk
Jalan Jend. Gatot Subroto No. 60 A
Jambi
Indonesia

Auditor :

Internal Auditor

Litigation :

No litigation record in our database

FINANCIAL FIGURE

Annual Sales (estimated) :

2015 – Rp. 302.0 billion
2016 – Rp. 312.0 billion
2017 – Rp. 327.6 billion
2018 – Rp. 170.0 billion (January – June)

Net Profit (estimated) :

2015 – Rp. 23.0 billion
2016 – Rp. 25.0 billion
2017 – Rp. 26.2 billion
2018 – Rp. 13.6 billion (January – June)

Payment Manner :

No Complaints

Financial Comments :

Fairly strong

KEY EXECUTIVES

Board of Management :

President Director - Mr. Sabar Ganda Leonardo Sitirus
Director - Mr. Sihar Pangihutan Hamonangan Sitorus, MBA

Board of Commissioners :

President Commissioner - Mr. Hakim Agung Sungkunan Sitorus
Commissioners - a. Mrs. Adumahati Rentauli Mindosari Sitorus

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- b. Mrs. Ika Rohani Tiurlara Sitorus
- c. Mrs. Luceria Siagian

Signatories :

President Director (Mr. Sabar Ganda Leonardo Sitorus) or the Director (Mr. Sihar Pangihutan Hamonangan Sitorus) which must be approved by Board of Commissioner

CAPABILITIES

Management Capability :

Fairly Good

Business Morality :

Fairly Good

OVERALL PERFORMANCE

P.T. TEOPLASMA INTILESTARI (P.T. TPIL) was established in Muara Tebo, Tebo Regency, Jambi Province based on notary deed Mrs. Nany Ratna Wirdanialis, SH., no. 3 dated 13 November 2003 with an authorized capital of Rp. 32,000,000,000 issued capital of Rp. 8,000,000,000 entirely paid up. The founding and shareholders of the company originally are Mr. Makmur Wahyudi, Mr. Deddy Lim, Mr. Jefri Irawan, Mrs. Eka Marlina and Mrs. Hui Sian, they are Indonesian businessmen of Chinese extraction. The company notary deed had been changed and according to revision of notary deed Mr. Yoko Verra Mokoagow, SH., no. 31 dated 15 December 2006 the whole shares taken over by late Mr. Darianus Lungguk Sitorus and his family members. On the same occasion the company issued capital was increased to Rp. 32,000,000,000 fully and paid up. With this development the composition of its shareholders has been changed to become late Mr. Darianus Lungguk Sitorus (51%) his wife the late Mrs. Theresia Panjaitan (7%), his second wife Mrs. Luceria Siagian (7%), his sons and daughters Mrs. Adumahati Rentauli Mindosari Sitorus (7%), Mrs. Ika Rohani Tiurlara Sitorus (7%), Mr. Sihar Pangihutan Hamonangan Sitorus (7%), Mr. Sabar Handa Leonardo Sitorus (7%) and Mr. Hakim Agung Sungkunan Sitorus (7%), they all are indigenous business family of Batak tribe. The latest based on revision notary deed Mr. Marlon Silitonga, SH., no. 21 dated 10 October 2017 the shareholders approved changes the board of director and commissioner of the Company. The deed of amendments was approved by the Ministry of Law and Human Rights in its decision letter No. AHU-AH.01.03-0183037 dated October 23, 2017.

P.T. TPIL is a member company of the TOR GANDA Group has been operating since 2009 dealing with oil palm plantation and processing. The company manages a plantation site located at Desa Pelayang, Muara Tebo, Muara Bungo, Jambi Province n 17,000 hectares. The investment put into the project has come to Rp. 222.0 billion, with company capital accounting for Rp. 32.0 billion and loans covering the balance. The oil palm plantation area has been planted since 2004 and had been production in 2009. The processing plant has been producing since 2010 with an installed production capacity of 198,000 tons of fresh fruit bunches, 45,000 tons of crude palm oil and 10,000 tons palm kernel respectively per annum.

Currently the company produces of Fresh Fruit Bunches; Crude Palm Oil and Palm Kernel. According information some 70% crude palm oil and palm kernel oil supplied to P.T. MUSIM MAS, P.T. WILMAR NABATI INDONESIA, cooking oil industries, fatty acid industries and soap industries in the country. Besides, some of the 30% of the

products exported to Asian countries, Middle East and Africa. We find that P.T. PSS's operations have been growing in the last three years.

Generally outlook, the demand for CPO and PKO products has kept on rising well within the last five years in line with the increasingly growing demand for CPO and PKO products both from the local and foreign market. Moving forward, Indonesia's palm oil production in 2018 is expected to be outlined by another volume growth, as production recovery shift into 2018. GAPKI estimated that Indonesian palm oil production could further rise 10% versus 2017 output level. Additionally, there are various government initiatives that spell hope for the industry. They range from the wide ranging infrastructure projects that shall enhance Indonesia's competitiveness as a global supplier, to increasingly more concerted efforts by the government to counter black campaigns against palm oil. These are set to boost export volume, while Indonesia is eyeing potential markets in Turkey and the Middle East as well.

Continued support from the Palm Oil Fund (Badan Pengelola Dana Perkebunan Sawit or BPDP), a non-governmental public-private-partnership arrangement, through Indonesia's biofuel mandate program, also sparks optimism, as prices for benchmark Brent crude oil futures have risen by more than 50% since mid-2017 and hit USD 70 per barrel for the first time since December 2014. Higher prices for oil products have narrowed palm oil's premium over gasoil to the lowest, in more than two years. This is a key factor for Indonesia, as it means greater funding capability for biodiesel subsidies, which would help absorb surplus supply and support palm oil prices throughout 2018.

For the palm oil industry, GAPKI is optimistic that in 2018 the Indonesia's palm oil industry will still have good prospects in line with the improvement of global and national economy. The government has a commitment to run programs, among others, to increase investment, increase exports, especially to nontraditional markets, increase national productivity and reduce poverty as well as economic disparities. In 2018, several programs run by the palm oil industry are to maintain traditional export markets and to keep promoting Indonesian palm oil product in new export markets. In addition, improves the partnership program with plasma and third-party farmers for replanting, increasing productivity, accelerating the ISPO implementation, and managing trade barriers in palm oil commodities in exporting countries.

The Production of Crude Palm Oil and Palm Kernel,
2011 – 2017*

Year	Palm Oil Production (000 Ton)	Palm Kernel (000 Ton)
2011	15,198.0	3,446.0
2012	16,817.8	3,363.6
2013	17,771.3	3,554.3
2014	23,796.2	4,861.4
2015	17,070.9	4,246.6
2016	12,773.6	3,193.5
2017*	13,795.5	3,449.0

Export Volume and Value of Palm Oil, 2011 – 2017*

Year	Palm Oil (000 Ton)	Palm Oil (Million US\$)
2011	16,774.7	17,730.3
2012	19,675.1	18,461.5
2013	21,770.8	16,787.5

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2014	37,162.7	28,183.3
2015	27,670.8	16,427.0
2016	21,413.7	14,045.2
2017*	23,126.8	15,168.8

Until this time P.T. TPIL has not been registered with Indonesian Stock Exchange, so that they had not obliged to announce their financial statement. The management of P.T. TPIL is very reclusive towards outsiders and rejected to disclose its financial condition. We observed that total sales turnover of the company in 2015 amounted to Rp. 302.0 billion increased to Rp. 312.0 billion in 2016 rose to Rp. 327.6 billion in 2017. As from January to June 2018 the sales turnover has reached at least Rp. 170.0 billion with a net profit of at least Rp. 13.6 billion and projected to go on rising by at least 5% in 2019. The company has an estimated total networth of at least Rp. 95.0 billion. So far, we did not heard that the company having been black listed by the Central Bank (Bank Indonesia). The company usually pays its debts punctually to suppliers.

The management of P.T. TPIL is led by Mr. Sabar Ganda Leonardo Sitorus (54) a businessman with experience in oil palm plantation and processing. Daily activity he is assisted by his young brother Mr. Sihar Pangihutan Hamonangan Sitorus, MBA (50) as Director. Mr. Sihar completed his Bachelor of Science in Business Administration at the University of Arizona in 1987. He also completed the Master of Business Administration at Creighton University Ohama in 1991.

The company's management is handled by professional staff in the above business. They have wide relations with private businessmen within and outside the country. So far, we did not hear that the management of the company being filed to the district court for detrimental cases or involved in any business malpractices. The company's litigation record is clean and it has not registered with the black list of Bank of Indonesia. P.T. TEOPLASMA INTILESTARI is sufficiently fairly good for business cooperation.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.16
UK Pound	1	INR 93.95
Euro	1	INR 81.83
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 :	TRU

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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)