

MIRA INFORM REPORT

Report No. :	533515
Report Date :	10.10.2018

IDENTIFICATION DETAILS

Name :	P.T. KHARISMA PEMASARAN BERSAMA NUSANTARA
Registered Office :	Jalan Cut Meutia II No. 11 Cikinini, Menteng Jakarta Pusat, 10330
Country :	Indonesia
Date of Incorporation :	1968
Com. Reg. No.:	AHU-0007241.AH.01.02.TH.2018
Legal Form :	Limited Liability Company
Line of Business :	Commissioned Manages of Marketing of Plantation Commodities
No. of Employees :	187

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 :	Good
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 (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.

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. KHARISMA PEMASARAN BERSAMA NUSANTARA
(P.T. KPB NUSANTARA)**

Address :

Head Office

Jalan Cut Meutia II No. 11

Cikini, Menteng

Jakarta Pusat, 10330

Indonesia

Phones - (62-21) 3907554 (Hunting), 3106685, 3919879

Fax - (62-21) 31935091

E-mail - kanpus@kpbn.co.id, customers.care@kpbn.co.id

Website - <http://www.kpbn.co.id>

Building Area - 2 storey

Office Space - 200 sq. meters

Region - Commercial

Status - Rent

Branches

a. Jalan Veteran No. 37

Surabaya, 60175

East Java

Indonesia

Phones - (62-31) 3552884, 3526618

Fax - (62-31) 3532008

E-mail - cabangsurabaya@kpbn.co.id

Building Area - 2 storey

Office Space - 100 sq. meters

Region - Commercial

Status - Rent

b. Jalan Balai Kota No. 8

Medan, 20111

North Sumatra

Indonesia

Phones - (62-61) 4538455, 4538033

Fax - (62-61) 4538108, 4146629

E-mail - cabangmedan@kpbn.co.id

Building Area - 2 storey

Office Space - 100 sq. meters

Region - Commercial

Status - Rent

Overseas Office

DTTC Building, Unit No. DTTC-G026, Plot No. S 10814
Jebel Ali Free Zone – South
Dubai, U.A.E.
Phone - (971-4) 8860989
Fax - (971-4) 8860988
E-mail - kpbptpn@eim.ae

Date of Incorporation :

- a. 1968 as Kantor Pemasaran Bersama (Joint Marketing Office) Perkebunan (KPB Perkebunan)
- b. 16 November 2009 as P.T. KHARISMA PEMASARAN BERSAMA NUSANTARA (P.T. KPB NUSANTARA)

Legal Form :

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

Company Reg. No. :

The Ministry of Law and Human Rights

- No. AHU-60488.AH.01.01.TH.2009
Dated 11 December 2009
- No. AHU-AH.01.10-07320
Dated 25 March 2010
- No. AHU-16637.AH.01.02.TH.2012
Dated 30 March 2012
- No. AHU-AH.01.10-03823
Dated 10 February 2014
- No. AHU-0007241.AH.01.02.TH.2018
Dated 25 April 2018

Company Status :

State Owned (BUMN) Company

Permit by the Government Department :

The Department of Finance

NPWP No. 21.138.651.1-071.000

The Ministry of State Owned (BUMN) Enterprises

No. S-674/MBU/2009

Dated 30 September 2009

Related Companies :

A Member Company of the PERKEBUNAN NUSANTARA Group

CAPITAL AND OWNERSHIP

Capital Structure :

Authorized Capital : Rp. 200,000,000,000.-

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Issued Capital : Rp. 95,376,000,000.-
Paid up Capital : Rp. 95,376,000,000.-

Shareholders/Owners :

a.	P.T. PERKEBUNAN NUSANTARA I	- Rp. 6,884,000,000.-
b.	P.T. PERKEBUNAN NUSANTARA II	- Rp. 6,884,000,000.-
c.	P.T. PERKEBUNAN NUSANTARA III	- Rp. 6,884,000,000.-
d.	P.T. PERKEBUNAN NUSANTARA IV	- Rp. 6,884,000,000.-
e.	P.T. PERKEBUNAN NUSANTARA V	- Rp. 6,884,000,000.-
f.	P.T. PERKEBUNAN NUSANTARA VI	- Rp. 6,884,000,000.-
g.	P.T. PERKEBUNAN NUSANTARA VII	- Rp. 6,884,000,000.-
h.	P.T. PERKEBUNAN NUSANTARA VIII	- Rp. 6,884,000,000.-
i.	P.T. PERKEBUNAN NUSANTARA IX	- Rp. 6,884,000,000.-
j.	P.T. PERKEBUNAN NUSANTARA X	- Rp. 6,884,000,000.-
k.	P.T. PERKEBUNAN NUSANTARA XI	- Rp. 6,884,000,000.-
l.	P.T. PERKEBUNAN NUSANTARA XII	- Rp. 6,884,000,000.-
m.	P.T. PERKEBUNAN NUSANTARA XIII	- Rp. 6,884,000,000.-
n.	P.T. PERKEBUNAN NUSANTARA XIV	- Rp. 5,884,000,000.-

BUSINESS ACTIVITIES

Lines of Business :

Commissioned Manages of Marketing of Plantation Commodities

Production Capacity :

None

Total Investment :

Owned Capital - Rp. 95.4 billion

Started Operation :

December 2009

Brand Name :

KPB Nusantara

Technical Assistance :

None

Number of Employee :

187 persons

Marketing Area :

Export - 80%

Local - 20%

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Main Customers :

- a. P.T. SARIWANGI AEA
- b. P.T. SINAR SOSRO
- c. P.T. WILMAR NABATI INDONESIA
- d. Buyers in Middle East, Europe, USA, etc.

Market Situation :

Very Competitive

Main Competitors :

- a. P.T. MUSIM SEMI MAS
- b. P.T. PACIFIC INDOMAS
- c. P.T. SAMPOERNA AGRO Tbk
- d. P.T. WILMAR NABATI INDONESIA
- e. Etc.

Business Trend :

Growing

BANKER, AUDITOR & LITIGATION

Banker :

P.T. Bank MANDIRI Tbk
Plaza Mandiri
Jalan Jend. Gatot Subroto Kav. 36-38
Jakarta Selatan
Indonesia

Auditor :

Internal Auditor

Litigation :

No litigation record in our database

FINANCIAL FIGURE

Annual Sales (estimated) :

2015 – Rp. 1,063.7 billion
2016 – Rp. 1,131.6 billion
2017 – Rp. 1,216.8 billion
2018 – Rp. 638.8 billion (January – June)

Net Profit (estimated) :

2015 – Rp. 63.8 billion
2016 – Rp. 79.2 billion
2017 – Rp. 85.2 billion
2018 – Rp. 51.1 billion (January – June)

Payment Manner :

No Complaints

Financial Comments :

Fairly strong

KEY EXECUTIVES

Board of Management :

President Director - Mr. Edward Samantha
Directors - a. Mr. Ery Erwin Effendi, SE
b. Mr. Ir. Haji Iman Bimantara Mu'min

Board of Commissioners :

President Commissioner - Mr. Ir. Nurhidayat, MM
Commissioner - a. Mr. Berlino Mahendra Santosa
b. Mr. Ir. I Kadek Kertha Laksana

Signatories :

President Director (Mr. Edward Samantha) or one of the Directors (Mr. Ery Erwin Effendi, SE, or Mr. Ir. Haji Iman Bimantara Mu'min) which must be approved by Board of Commissioner

CAPABILITIES

Management Capability :

Good

Business Morality :

Good

OVERALL PERFORMANCE

P.T. KHARISMA PEMASARAN BERSAMA NUSANTARA or abbreviated with trading style KPB Nusantara is a transformation of KPB PTPN (Joint Marketing Office) owned by a group of state-owned plantation companies, known as P.T. PERKEBUNAN NUSANTARA (PTPN) I - XIV (Limited Liability) which established in 1968. On January 1, 2010, KPB PTPN has transformed to be P.T. KHARISMA PEMASARAN BERSAMA NUSANTARA or

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P.T. KPB Nusantara under Notarial Deed of Nur Mohammad Dipo Nusantara Pua Upa, S.H No. 4 of November 16, 2009, and ratified by the Minister for Law & Human Rights under Decision No. AHU-60488.AH.01.01.Tahun 2009 on December 11, 2009. The company was founded with an authorized capital of Rp. 15,000,000,000 fully and paid up. The shareholders are P.T. PERKEBUNAN NUSANTARA 1 – XIV, and P.T. RAJAWALI NUSANTARA INDONESIA. P.T. RAJAWALI NUSANTARA INDONESIA is a member company of the RAJAWALI NUSANTARA INDONESIA Group or RNI Group, a large business group which majority shares controlled by the Government of the Republic of Indonesia.

The above proceeded in accordance with the provisions set forth in Law No. 40 of 2007 relating to Limited Liability Companies (UU No. 40 Tahun 2007), under Decision of Board of Directors Meeting (BMD) of August 14, 2009, and under Agreement of Ministry of State Owned Enterprise of September 30, 2009 No. S-674/MBU/2009. The company notary deed has been changed and in March 2010, the board director and board of commissioner have been changed. Its article of association had been changed frequently and according to revision of notary deed Mr. Nur Muhammad Dipo Nusantara Pua Upa, SH., no. 23 dated 24 December 2011 the company authorized capital was increased to Rp. 200,000,000,000 issued capital to Rp. 96,376,000,000 entirely paid up. For further the composition of its shareholders see profile of this report.

Then according to revision of notary deed Mr. Nur Muhammad Dipo Nusantara Pua Upa, SH., dated 2 January 2014 the board of director and the board of commissioner had been changed. The latest revision of notary deed was approved by the Ministry of Law and Human Rights in its decision letter No. AHU-AH.01.10-03823 dated February 2014. The latest based on revision notary deed Mr. Nur Muhammad Dipo Nusantara Pua Upa, SH., no. 17 dated 18 April 2018 P.T. RAJAWALI NUSANTARA INDONESIA (Persero) withdrew shareholders of the Company. On the same occasion the company issued capital was reduced of Rp. 95,376,000,000 of which fully paid up. The amendment was approved by the Ministry of Law and Human Rights in its decision letter No. AHU-0007241.AH.01.02.TH.2018 dated April 25, 2018.

P.T. KPB NUSANTARA engaged in commissioned manage of marketing of plantation commodity. It was established in 1968 for the purpose to market the plantation commodities and downstream industry products produced by PTPN I - XIV for domestic as well as international market. In the history of plantation development in Indonesia, PTPN I - XIV played their role as the pioneer and the motor of plantation development for commodities such as crude palm oil (CPO), tea, rubber, coffee, cacao, cane sugar, molasses, tobacco and cigars. Nowadays, PTPN I - XIV are biggest producers of CPO, tea and cane sugar in Indonesia. The main commodities which are managed and marketed by P.T. KPB NUSANTARA include oil pal, rubber, latex, tea, coffee, cocoa, sugar molasses, which marketed domestically and overseas. Sales of commodities is done through tender, auction, and negotiations with reference to market prices that are monitored from London, Rotterdam, Kuala Lumpur, Singapore, Tokyo, New York etc. This activity is carried out routinely include commodity Crude Palm Oil, Rubber, Sugar Molasses, Tea, next to other commodities is based on existing stock.

P.T. KPB NUSANTARA currently 80% palm oil products are exported to Europe, Russia, United States, Africa and Japan; 80% rubber exported to the United States, Japan, China, South Korea, Singapore, Europe and Taiwan; 80% tea products exported to Pakistan, Iraq, Europe and Africa. While for coffee products, cocoa and tobacco entirely exported to Europe, United States, Singapore, New Zealand and others. We noticed that the operating agency is run and growing smoothly and P.T. KPB NUSANTARA received full support from all over state plantation companies.

Concerning Law No. 20/2008 on Small and Medium Enterprises, the agricultural business unit is covered by the law and categorized into four categories: micro, small, medium and large. In the real life, Indonesia has been familiar with the small-holder agriculture and plantation agriculture since the Dutch colonial time.

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In 2008, it was reported that there were 26,398,113 agriculture business units including the agricultural sub-sector of crop (including horticulture), plantation, husbandry, fishery, and forestry (the Indonesian Central Bureau of Statistic (BPS), 2009). If compared to Law No. 9/1995, there was change in the criteria and thus there is downward shift with the mounting portion of micro business numbers and the declining number of small and medium enterprises.

The Indonesia Ta Council is targeting domestic tea production to increase 50% in 2017. At present plantation production capacity tea in Indonesia reaches an average of 1,500 kilogram per hectare. Tea industry players need to revitalize plantations in support by the government to increased production capacity. Thus, the target of increasing production capacity can be realized next year, besides increasing fertilizer and high-tech tea processing.

The Production, Export Volume and Value of Tea Product, 2007-2017

Year	Production Volume (Ton)	Export Volume (Ton)	Export Value (Thousand US\$)
2007	150,623	83,658	125,243
2008	153,971	96,209	158,958
2009	156,901	92,305	171,628
2010	156,604	87,101	178,548
2011	150,776	75,450	166,717
2012	145,575	70,092	156,788
2013	145,460	70,840	157,498
2014	154,369	66,399	134,584
2015	132,615	61,920	132,501
2016	138,935	51,300	121,901
2017	139,362	54,200	128,000

Until this time P.T. KPB NUSANTARA has not been registered with Indonesian Stock Exchange, so that they had not obliged to announce their financial statement. The management of the company is very reclusive towards outsiders and rejected to disclose its financial condition. We estimated that total sales turnover of the company in 2015 amounted to Rp. 1,063.7 billion increased to Rp. 1,131.6 billion in 2016 rose to Rp. 1,216.8 billion in 2017. As from January to June 2018 the sales turnover has reached at least Rp. 638.8 billion with a net profit at least of Rp. 51.1 billion. It's projected the sales turnover will be higher by at least 5% in 2019. The company has an estimated total networth of at least Rp. 201.0 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. KPB NUSANTARA is led by Mr. Edward Samantha Ginting (4) as President Director with experience in commissioned manages of marketing of plantation commodity. The company's management is handled by professional managers 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. KHARISMA PEMASARAN BERSAMA NUSANTARA or P.T. KPB NUSANTARA is sufficiently fairly good for business transaction.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 74.10
UK Pound	1	INR 96.99
Euro	1	INR 85.11
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 :	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)