

MIRA INFORM REPORT

Report No. :	534482
Report Date :	19.10.2018

IDENTIFICATION DETAILS

Name :	P.T. MONOKEM SURYA
Registered Office :	Rukan Permata Senayan Blok D No. 53, Jl. Tentara Pelajar, Senayan, Jakarta 12210
Country :	Indonesia
Financials (as on) :	31.12.2016
Date of Incorporation :	08.06.1988
Com. Reg. No.:	AHU-AH.01.03-0222396
Legal Form :	Limited Liability Company
Line of Business :	Manufacturing of Specialty Chemical
No. of Employees :	185

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 :	Slow but Correct
Litigation :	Clear

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NOTES:

Any query related to this report can be made on e-mail: 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 NAME AND ADDRESS

Name of Company :
P.T. MONOKEM SURYA

Address :

Head Office

Rukan Permata Senayan Blok D No. 53
Jl. Tentara Pelajar, Senayan
Jakarta 12210
Indonesia
Phone - (62-31) 5794 1388, 5794 139
Fax. - (62-31) 5794 1390
Email - info@monokem.com
Website - <http://www.monokem.com>
Building Area - 4 storey
Office Space - 240 sq. meters
Region - Commercial
Status - Owned

Factory

Jl. Anggadita Raya No. 127
Rengas Dengklok, Karawang
West Java
Indonesia
Phone - (62-31) 5794 1388, 5794 139
Fax. - (62-31) 5794 1390
Land Area - 60,000 sq. Meters
Building Area - 12,500 sq. meters
Region - Industrial Zone
Status - Owned

Date of Incorporation :

08 June 1988

Legal Form :

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

Company Reg. No. :

The Ministry of Law and Human Rights

- a. No. C2-8812.HT.01.01.TH.88
Dated 17 September 1988
- b. No. AHU-43136.AH.01.02.Tahun 2012
Dated 08 August 2012
- c. No. AHU-AH.01.10-26877
Dated 02 July 2013
- d. No. AHU-0017036.AH.01.02.Tahun 2018
Dated 20 August 2018

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e. No. AHU-AH.01.03-0222396
Dated 21 August 2018

Company Status :

Domestic Investment Company (PMDN)

Permits by the Government Department :

a. The Department of Finance

NPWP No. 01.068.220.1-062.000

b. The Capital Investment Coordinating Board

- No. 91/I/PMDN/1989
Dated 15 February 1989
- No. 55/II/PMDN/1991
Dated 05 March 1991
- No. 222/II/PMDN/1993
Dated 03 December 1993
- No. 225/II/PMDN/1995
Dated 04 August 1995
- No. 1/II/PMDN/2004
Dated 07 January 2004

Related/Affiliated Companies :

A member of the TIMUR RAYA Group Member

CAPITAL AND OWNERSHIP

Capital Structure :

Authorized Capital - Rp. 500,000,000,000.-
Issued Capital - Rp. 200,000,000,000.-
Paid up Capital - Rp. 200,000,000,000.-

Shareholders/Owners :

a. Mr. Eddy Djohan - Rp. 146,000,000,000.- (73.00%)

Address : Jl. Permata Intan I S/No. 3A
Kel. Grogol Utara, Keb. Lama
Jakarta Selatan

b. Mrs. Yulin Djohan - Rp. 12,000,000,000.- (6.00%)

Address : Jl. Permata Intan I S/No. 3A
Kel. Grogol Utara, Keb. Lama
Jakarta Selatan

c. Mr. Beni Djohan - Rp. 12,000,000,000.- (6.00%)

Address : Jl. Permata Intan I S/No. 3A
Kel. Grogol Utara, Keb. Lama
Jakarta Selatan

d. Mrs. Henny Djohan - Rp. 8,000,000,000.- (4.00%)

Address : Simprug Garden Blok E/14

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Kel. Grogol Selatan, Keb. Lama
Jakarta Selatan

e. Mrs. Sanny Djohan - Rp. 8,000,000,000.- (4.00%)

Address : Jl. Simpang Garden III-C/12
Kel. Grogol Selatan, Keb. Lama
Jakarta Selatan

f. Mr. Sardimin Sungkarto - Rp. 8,000,000,000.- (4.00%)

Address : Taman Alfa Indah Blok B-19/17
Kel. Puri Indah, Kec. Kembangan
West Jakarta

g. Mrs. Erlina Ngatimin - Rp. 6,000,000,000.- (3.00%)

Address : Jl. Permata Hijau Blok M No. 1,
Kel. Grogol Utara, Kec. Kebayoran Lama
South Jakarta

BUSINESS ACTIVITIES

Lines of Business :

Specialty Chemical Manufacturing

Production Capacity of :

- a. Crude Pigments - 4,600 tons p.a.
- b. Blue Crude Pigments - 875 tons p.a.
- c. Red, Yellow, Blue Pigments - 460 tons p.a.

Total Investment :

- a. Equity Capital - Rp 2.4 billion
- b. Reinvested Profit - Rp. 23.2 billion
- c. Loan Capital - Rp. 24.2 billion
- d. Total Investment - Rp. 49.8 billion

Started Operation :

1990

Brand Name :

Monokem Surya

Technical Assistance :

None

Number of Employee :

185 persons

Marketing Area :

Domestic (40%) and Export (60%)

Main Customers :

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- a. Ceramic Tile Industries
- b. Sanitary and Table ware Industries
- c. Foundry and Refractory Industries
- d. Etc.

Market Situation :

Very Competitive

Main Competitors :

- a. PT. Sinar Kimia Utama
- b. PT. Intechem Plasagro jaya
- c. PT. Hadi Putra Jaya
- d. PT. Pintu Mas Mulia Kimia
- e. PT. Mulya Adhi Paramita
- f. PT. Sari Sarana Kimia
- g. PT. Adimitra Prima Lestari

Business Trend :

Growing

BANKER, AUDITOR & LITIGATION

Bankers :

- a. P.T. Bank CIMB NIAGA Tbk.
Graha CIMB Niaga
Jl. Jend. Sudirman Kav. 58
Jakarta Selatan
Indonesia
- b. P.T. Bank INTERNASIONAL INDONESIA Tbk
BII Tower 3
Jl. M.H. Thamrin No. 51
Jakarta Pusat
Indonesia
- c. P.T. Bank DANAMON INDONESIA Tbk.
Indofood Tower
Jl. Jend. Sudirman Kav. 76
Jakarta Selatan
Indonesia
- d. P.T. Bank NEGARA INDONESIA Tbk
Wisma 46 Kota BNI
Jl. Jend. Sudirman Kav. 1
Jakarta Pusat
Indonesia

Auditor :

Kanaka Puradiredja, Suhartono

Litigation :

No litigation record in our database

FINANCIAL FIGURE

Annual Net Sales :

2013 – Rp. 47.0 billion
2014 – Rp. 175.4 billion
2015 – Rp. 233.6 billion
2016 – Rp. 246.9 billion
2017 – Rp. 258.0 billion (estimated)

Net Profit (Loss) :

2013 – (Rp.17.4 billion)
2014 – (Rp. 0.8 billion)
2015 – Rp. 6.3 billion
2016 – Rp. 5.0 billion
2017 – Rp. 5.4 billion (estimated)

Payment Manner :

Average

Financial Comments :

Fairly

KEY EXECUTIVES

Board of Management :

President Director - Mr. Sardimin Sungkarto
Directors - a. Mr. Beni Johan
b. Mr. Kester Pard

Board of Commissioners :

Commissioner - Mr. Eddy Djohan

Signatories :

President Director (Mr. Sardimin Sungkarto) or one of the Directors (Mr. Beni Johan or Mr. Kester Pard) which must be approved by Board of Commissioner (Mr. Eddy Djohan)

CAPABILITIES

Management Capability :

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Good

Business Morality :

Good

OVERALL PERFORMANCE

P.T. MONOKEM SURYA (P.T. MS) was established in Jakarta based on notarial Deed No. 16 dated June 8, 1988 made by Notary Budiarti Karnadi, SH., notary in Jakarta with the authorized capital of Rp. 1,000,000,000.- of which Rp. 200,000,000.- was issued and fully paid up. The founding shareholders of the company are Mr. Eddy Djohan (60%), Miss Sanny Djohan (5%), Mr. Husin Halim (10%), Mrs. Julin Djohan (10%), Miss Henny Djohan (5%) and Mr. Benny Djohan (10%). They are Indonesian entrepreneurs of Chinese extraction. The Deed of establishment has been approved by the Minister of Justice of the Republic of Indonesia through its Decree No. C2-8812.HT.01.01.Th.88 dated September 17, 1988.

The Articles of association of the company have frequently been revised. In 2013 baswed on notarial Deed No. 07 dated May 30, 2013 drawn up by Notary Liliana Arif Gondoutomo, SH., the authorized capital was raised to Rp 60,000,000,000.- of which Rp 48,000,000,000.- was issued and fully paid up. Since that time, the shareholders of the Company are Mr. Eddy Djohan (56.13%), Mrs. Yulin Djohan (10%), Mr. Beni Djohan (10%), Mr. Husin Halim (5.08%), Mrs. Henny Djohan (5.0%), Mrs. Sanny Djohan (7.04%) and Mr. Sardimin Sungkarto (6.75%). The amendment to Deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree No. AHU-AH.01.10-26877 dated July 2, 2013.

The most recently by notarial Deed No. 12 dated August 15, 2018 drawn up by Notary Mrs. Judy Sentana, SH., the authorized capital was raised again to Rp 500,000,000,000.- of which Rp 200,000,000,000.- was issued and fully paid up. The capital structures and latest shareholders composition of the Company in details are as shown on page-3/4 of this report. The amendment to Deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree No. AHU-AH.01.03-0222396 dated August 21, 2018.

P.T MS obtained a Domestic Capital Investment (PMDN) facility issued by the Capital Investment Coordinating Board (BKPM) to deal with specialty chemical industry by managing a plant located in Rengas Dengklok, Karawang, West Java on a land of 60,000 square meters having been in commercial operation since 1990. Initially, the Company specializes in the manufacturing of specialty chemicals for ink and textile, zircon and ilmenite. In the beginning of 2008, the company stated solely with the mining and purification of zircon sand to its purity content of 65% minimum. Starting 2013; P.T. MS is focusing more on the development of the zircon products. Their products are widely used in ceramic tile, sanitary ware, tableware, foundry, refractory and other chemicals. They are available in various particle sizes range from 60 meshes to 5 micron and P.T. MS has received ISO 9000 certification in compliance to international standard of quality management.

Some 60% of the products are exported to various countries such as the USA, Denmark, Germany, the Netherlands, Australia, Japan, South Korea and Taiwan while the rest is locally marketed to various industries producing textile, leather and plastic dyes. Besides, the products are also marketed through industrial chemical shops in Jakarta, Bandung, Semarang, Surabaya and other major cities in Indonesia. We observed that P.T. MS is classified as a medium sized company of its kind in the country of which the operation fluctuations in the last three years.

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We have noticed that the demand for specialty chemicals for ink, textile, ceramic tile, sanitary and tableware had increased some 6% to 8% per annum in the last five years until 2017, in line with the growth of ink, textile, ceramic tile, sanitary and tableware industries in the country. The solid and steady domestic economy, Indonesia with the rising of Country Rating to Investment Grade, and also supported by Indonesia's economic indicators such as inflation, exchange rates and interest rates are expected to encourage the business sectors.

Macroeconomic indicators from China showed downward trend. In contrary, macroeconomic indicators of the US and India showed improvement. Both of these indicated continued uncertainties. The global economic crisis that accompanied the decline of the Indonesian Rupiah (IDR) against the US Dollar in the past two months, resulting in Indonesian people's purchasing power declined sharply. The value of the Rupiah from Rp. 11,800.- per US dollar at the end of 2014, has now slumped to Rp. 14.500 per US Dollar.

Table of Indonesian Economic Indicators from 2013 to 2017

Indonesian Economic Indicators	2013	2014	2015	2016	2017
Gross Domestic Product (PDB)	5.6	5.0	4.8	5.0	5.1
Consumer Price Index (inflation)	8.4	8.4	3.4	3.0	3.6
Government Debt	28.7	24.7	27.0	27.9	28.5
Exchange Rate (IDR/USD)	11,563	11,800	13,400	13,309	13,381
Current Account Balance	-3.3	-3.1	-2.1	-1.8	-1.7
Population (in millions)	251	254	258	261	264
Poverty (percentage of population)	11.5	11.0	11.2	10.7	10.1
Unemployment (percentage of workforce)	6.3	5.9	6.2	5.6	5.5
Reserves (in billion USD)	99.4	111.9	105.9	116.4	130.2

Source: <https://www.indonesia-investments.com/id/keuangan/angka-ekonomi-makro>

According to it's statement of financial position, the total net sales of P.T. MONOKEM SURYA (PT. MS) in fiscal 2014 amounted to Rp.175.4 billion with a net loss of Rp.0.8 billion increased to Rp.233.5 billion with a net profit of Rp.6.3 million in 2015 and rose again to Rp. 246.9 billion with a net profit of Rp. 5.0 billion in 2016. Up to present, we have yet to gain the statement of income of P.T. MS in fiscal 2017. However, we estimated that net income of the company in 2017 rose again to Rp.258.0 billion with a net profit of Rp.5.4 billion. The summary of financial information of P.T. MS in fiscal 2014, 2015 and 2016 are below. So far we did not hear that the P.T. MS has been black listed by Bank Indonesia (Central Bank) or having detrimental cases being settled in local district court. The company usually pays its debts punctually to suppliers.

(in Rupiah)

DESCRIPTION	31 December		
	2016	2015	2014
ASSETS			
- Total current assets	92,126,587,356	106,565,425,280	134,624,284,701
- Total Non-current assets	103,419,277,750	95,717,155,756	88,341,273,971
Total Assets	195,545,885,106	202,282,581,036	222,965,558,672
LIABILITIES AND EQUITY			
- Total current liabilities	45,255,516,216	159,280,954,553	186,738,278,858
- Total non-current liabilities	46,437,560,236	160,190,917,771	464,879,814
- Total Equity	149,108,304,870	42,091,663,265	35,762,400,000

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Total Liabilities & Equity	195,545,885,106	202,282,581,036	222,965,558,672
INCOME			
- Net Sales	246,941,121,762	233,644,573,717	175,388,412,778
- Gross Profit	24,708,733,727	35,551,846,381	14,716,112,803
- Profit (Loss) before Income Tax	5,018,728,085	6,409,346,164	(603,394,801)
- Net Profit (Current Year Profit)	5,016,641,605	6,329,263,265	(845,691,268)

Note: Audited by Kanaka Puradiredja, Suhartono (Registered Public Accounts)

The management of P.T. MS is led by Mr. Sardimin Sungkarto (61) as President Director and CEO of the company. He is a businessman with more than 30 years-experience in trading, import and distribution of industrial chemicals. In daily activities he is assisted by two directors namely Mr. Beni Johan (52) and Mr. Keser Pard (30). Beside they are also assisted by a number of expert staffs in the above business. The Company's management has 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. MONOKEM SURYA is appraised to be good for business transaction. However, in view of the economic condition in the country is still unstable and political situation in the country is warming, we recommend to treat prudently in extending any new loan to the company.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.48
UK Pound	1	INR 96.87
Euro	1	INR 84.98
IDR	1	INR 0.0048

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

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	NIT

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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)