

MIRA INFORM REPORT

Report No. :	534828
Report Date :	24.10.2018

IDENTIFICATION DETAILS

Name :	MAGNUM COMPANHIA DE PNEUS S/A
Registered Office :	Rua Jose Ferreira De Lima, 289 Cond Empres. Granville Galpao 133 - Jardim Veneza, 58084-102 - Joao Pessoa/PB
Country :	Brazil
Date of Incorporation :	13.08.1959
Legal Form :	Privately Held Corporation
Line of Business :	Wholesale of tires and inner tubes.
No. of Employees :	150

RATING & COMMENTS

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

MIRA's Rating :	B
------------------------	---

Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	Unknown
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

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Brazil	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

BRAZIL - ECONOMIC OVERVIEW

Brazil is the eighth-largest economy in the world, but is recovering from a recession in 2015 and 2016 that ranks as the worst in the country's history. In 2017, Brazil's GDP grew 1%, inflation fell to historic lows of 2.9%, and the Central Bank lowered benchmark interest rates from 13.75% in 2016 to 7%.

The economy has been negatively affected by multiple corruption scandals involving private companies and government officials, including the impeachment and conviction of Former President Dilma ROUSSEFF in August 2016. Sanctions against the firms involved — some of the largest in Brazil — have limited their business opportunities, producing a ripple effect on associated businesses and contractors but creating opportunities for foreign companies to step into what had been a closed market.

The succeeding TEMER administration has implemented a series of fiscal and structural reforms to restore credibility to government finances. Congress approved legislation in December 2016 to cap public spending. Government spending growth had pushed public debt to 73.7% of GDP at the end of 2017, up from over 50% in 2012. The government also boosted infrastructure projects, such as oil and natural gas auctions, in part to raise revenues. Other economic reforms, proposed in 2016, aim to reduce barriers to foreign investment, and to improve labor conditions. Policies to strengthen Brazil's workforce and industrial sector, such as local content requirements, have boosted employment, but at the expense of investment.

Brazil is a member of the Common Market of the South (Mercosur), a trade bloc that includes Argentina, Paraguay and Uruguay - Venezuela's membership in the organization was suspended In August 2017. After the Asian and Russian financial crises, Mercosur adopted a protectionist stance to guard against exposure to volatile foreign markets and it currently is negotiating Free Trade Agreements with the European Union and Canada.

Source : CIA

COMPANY NAME

MAGNUM COMPANHIA DE PNEUS S/A

ADDRESSES

MAIN ADDRESS: RUA JOSE FERREIRA DE LIMA, 289 COND EMPRES. GRANVILLE
GALPAO 133 - JARDIM VENEZA,
ZIP CODE/CITY: 58084-102 - JOAO PESSOA/PB
PHONE: 83 98850-8808
E-MAIL: contabilidade@magnumtires.com.br
WEB SITE: www.magnumtires.com.br

EMARK: THE INFORMED ADDRESS BELONGS TO ITS BRANCH

BRANCHES:

ADDRESS: RODOVIA BR 101 SUL, KM 91 - S/N, DOCAS 06 A 17 – MURIBECA,
ZIP CODE/CITY: 54350-000 JABOATÃO DOS GUARARAPES/PE
PHONE: 81 3797-6200
CNPJ: 10.783.660/0002-20
STATE REGISTER: 000092886

ADDRESS: RUA DR. TAVARES CORREIA, 198,
ZIP CODE/CITY: 51200-130 RECIFE/PE
PHONE: 81 3081-8412

LEGAL DATA

MAIN ACTIVITIES:

WHOLESALE OF TIRES AND INNER TUBES.

LEGAL FORM:

PRIVATELY HELD CORPORATION

INCORPORATION DATE: 13/08/1959
REGISTER DATE: 13/08/1959
BALANCE SHEET FILING DATE: 31/12
TAX CONTRIBUTOR NUMBER (CNPJ): 10.783.660/0001-40
STATE REGISTER: 16.141.927-5

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

SHARE CAPITAL: R\$ 2.000.000,00

BOARD OF DIRECTORS:

ROGERIO RODRIGO AZEVEDO GONCALVES DIRECTOR
ANDERSON MELO DE SOUZA DIRECTOR

AUTHORIZED USE OF SIGNATURE

THE DIRECTORS ARE AUTHORIZED TO SIGN ON BEHALF OF THE COMPANY.

SHAREHOLDERS / PARTNERS:

NOT AVAILABLE.

AFFILIATES / SUBSIDIARIES:

MAGNUM DISTRIBUIDORA DE PNEUS LTDA

COMPANY'S BACKGROUND

THE SUBJECT WAS ESTABLISHED ON AUGUST 13, 1959 AS BANDEIRANTES COMERCIO E RENOVACAO DE PNEUS S/A TO BE ENGAGED IN THE SAID LINE OF BUSINESS. LATER IT ALTERED TO BANDEIRANTES COMPANHIA DE PNEUS S/A LATER IT ADOPTED THE ABOVE MENTIONED NAME AND UP TO DATE IT IS STILL OPERATING WITHIN THE GENERAL SCENE REPORTED HEREIN.

TRADE NAME: "MAGNUM TIRES"

BUSINESS ADDRESS HAS CHANGED FROM (RUA CLEBER DA COSTA GOMES,21 SALA 05 - ERNESTO GEISEL, JOÃO PESSOA/PB)

FURTHER DETAILS ARE SO FAR NOT KNOWN.

REMARKS:

WHEN CONTACTING THE SUBJECT WE INTERVIEWED MR. REGINA - FINANCIAL DEPARTMENT, WHO INFORMED THAT WOULD NOT DISCLOSE ANY KIND OF INFORMATION UNLESS THE INQUIRING PARTY'S NAME WAS DISCLOSED.

IF IT IS POSSIBLE TO DISCLOSE THE NAME OF THE INTERESTED SUPPLIER OF THE SUBJECT, WE MAY RESUME OUR CONTACTS AND TRY TO OBTAIN FURTHER INFORMATION.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

THE DATA CONTAINED HEREIN WERE OBTAINED FROM OUTSIDE SOURCES, OUR DATABASE AND OFFICIAL. NO FURTHER DATA WAS AVAILABLE WITH SEVERAL SOURCES USUALLY INVESTIGATED.

PUBLIC RECORDS INFORMATION:

NO DETRIMENTAL FILES WERE FOUND.

FINANCIAL INFORMATION

DUE TO THE SUBJECT'S LEGAL FORM, IT IS NOT OBLIGED TO PUBLISH THE BALANCE SHEET INFORMATION. WHEN INTERVIEWING SOURCES AT THE SUBJECT COMPANY DECLINED TO PROVIDE ANY KIND OF FINANCIAL INFORMATION.

OUTSIDE SOURCES CONTACTED SHOWED NO FINANCIAL DATA ABOUT THIS COMPANY.

COMMENTS ON THE FINANCIAL INFORMATION:

IN THE ABSENCE OF FINANCIAL INFORMATION NO COMMENTS CAN BE MADE ABOUT THE SUBJECT'S CURRENT FINANCIAL STANDING.

REAL ESTATE:

NOT AVAILABLE

VEHICLES:

NOT AVAILABLE

MACHINES:

NOT AVAILABLE

INSURANCE

NOT AVAILABLE.

BANKING REFERENCES

NOT AVAILABLE.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

REMARKS: IN BRAZIL THE BANKS ARE PROHIBITED BY LAW TO PROVIDE INFORMATION OR ANY KIND OF COMMENTS ABOUT THEIR CLIENTS. DUE TO THIS LAW PROHIBITION WE ARE UNABLE TO PROVIDE ANY BANKING DETAILS.

ACCORDING TO THE CENTRAL BANK OF BRAZIL OFFICIAL REPORT, THE COMPANY HAS NOT RETURNED CHECKS UP TO DATE. (IN THE TERMS OF "CIRCULAR 1682 BRAZILIAN CENTRAL BANK").

ACTIVITIES COMMENTS

WHOLESALE OF TIRES AND INNER TUBES.

NATIONAL INDUSTRY CLASSIFICATION CODE(S) (CNAE):

- 45.30-7-02 - WHOLESALE OF TIRES AND INNER TUBES
- 46.89-3-99 - SPECIALIZED WHOLESALE OF OTHER INTERMEDIATE PRODUCTS N.E.C.
- 45.11-1-03 - WHOLESALE OF USED VEHICLES
- 45.11-1-04 - WHOLESALE OF NEW AND USED TRUCKS
- 45.30-7-01 - WHOLESALE OF PARTS AND ACCESSORIES FOR VEHICLES

IMPORT AND EXPORT:

IMPORTS FROM:
NOT AVAILABLE.

EXPORTS TO:
NOT AVAILABLE.

MAIN CLIENTS:

DOMESTIC CLIENTS:
NOT AVAILABLE.

STAFF:

THE COMPANY HAS: 150 EMPLOYEES

CONCEPT AND FULFILMENT

THE SUBJECT IS AN OLD AND WELL-ESTABLISHED COMPANY, OPERATING SINCE 1959. SO FAR IT HAS A CLEAR TRADE HISTORY AND NORMAL PAYMENT BEHAVIOUR.

THE COMPANY HAS TRADE RELATIONS WITH SOME LOCAL SUPPLIERS BUT UP TO DATE ONLY SMALL PAYMENTS WERE REPORTED AND THE SUBJECT IS NOT SAID TO BE USER OF TRADE CREDIT FACILITIES.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

MAIN SUPPLIERS:

DOMESTIC SUPPLIERS:
NOT AVAILABLE.

PAYMENT HISTORY:

3 SUPPLIERS REPORTED PAYMENTS:
TOTAL AMOUNT: R\$ 9.566,00

AMOUNT OF INVOICES PAID: 4
TOTAL OF PROMPT PAYMENTS: 95,5%
TOTAL OF DELAYED PAYMENTS: 4,5%

HIGHEST INVOICE: R\$ 8.387,00
HIGHEST CREDIT: R\$ 8.387,00

FINAL OPINION

BASED ON THE OVERALL DATA AVAILABLE THE SUBJECT MAY BE CONSIDERED FOR NORMAL BUSINESS COMMITMENTS. CREDIT FACILITIES HOWEVER SHOULD BE GRANTED ON FULLY SECURED TERMS ONLY DUE TO THE ABSENCE OF FINANCIAL DATA.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.78
UK Pound	1	INR 95.56
Euro	1	INR 84.47
BRL	1	INR 19.79

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	TRU

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

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)