

MIRA INFORM REPORT

Report No. :	529310
Report Date :	15.09.2018

IDENTIFICATION DETAILS

Name :	C.V. MEKAR JAYA
Formerly Known As :	P.D. MEKAR JAYA
Registered Office :	Jl. Tubagus Angke No. 190-N Jakarta Barat 11330
Country :	Indonesia
Financials (as on) :	2017 (Summarized)
Year of Establishment :	1987
Legal Form :	C.V. (Commanditaire Vennootschap) or Partnership with Sleeping Partner
Line of Business :	Trading, Import-Export and Distribution of Agricultural Products
No. of Employees :	26

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 (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.

Indonesia still struggles with poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions. 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

BASIC SEARCH

Name of Company :
C.V. MEKAR JAYA

Address :

Head Office

Jl. Tubagus Angke No. 190-N

Jakarta Barat 11330

Indonesia

Phones - (62-21) 631 3034, 631 5055, (0811) 850 289

Fax - (62-21) 638 62753

Email - songlie@bit.net.id

Building Area - 3 storey

Office Space - 240 sq. meters

Region - Commercial

Status - Owned

Date of Incorporation :

a. In 1987 as P.D. MEKAR JAYA

b. 01 December 2000 as C.V. MEKAR JAYA

Legal Form :

C.V. (Commanditaire Vennootschap) or Partnership with Sleeping Partner

Company Reg. No. :

Not Required

Company Status :

National Private Company

Permit by the Government Department :

The Department of Finance

NPWP No. 01.871.133.3-038.000

Related/Affiliated Company :

None

CAPITAL AND OWNERSHIP

Capital Structure :

Owned Capital - Rp. 1,500 million

Owners :

a. Mr. Anton Lie AKA Song Lie (Active Partner)

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b. Mrs. Susi Wijaya AKA Susi Chang (Silent Partner)

BUSINESS ACTIVITIES

Lines of Business :

Trading, Import-Export and Distribution of Agricultural Products

Production Capacity :

None

Total Investment :

None

Started Operation :

1987

Brand Name :

Mekar Jaya

Technical Assistance :

None

Number of Employee :

26 persons

Marketing Area :

a. Local - 60%

b. Export - 40%

Main Customers :

a. Traditional Markets

b. Snack Food and Beverage Industries

c. Etc.

Market Situation :

Very Competitive

Main Competitors :

a. P.T. ALAM INDORAMA

b. C.V. BUMI DJAJA

c. P.T. ADI SAMPOERNO

d. C.V. PUTRA NUSA

e. C.V. SUMBER BUMI JAYA

f. C.V. ARSAM PRATAMA

g. C.V. MUKTI JABAR

h. C.V. PRIMATAMA

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i. Etc.

Business Trend :
Growing

BANKER, AUDITOR & LITIGATION

Bankers :

- a. P.T. Bank CENTRAL ASIA Tbk
Taman Duta Mas
Jl. Tubagus Angke No. 10 ABC
Jakarta Barat
- b. P.T. Bank OCBC NISP Tbk
Ruko Taman Duta Mas Blok D-9 A/11
Jl. Tubagus Angke No. 11
Jakarta Barat

Auditor :
Internal Auditor

Litigation :
No litigation record in our database

FINANCIAL FIGURE

Annual Sales (estimated) :

2013 – Rp. 55.0 billion
2014 – Rp. 58.0 billion
2015 – Rp. 62.0 billion
2016 – Rp. 69.0 billion
2017 – Rp. 77.0 billion

Net Profit (estimated) :

2013 – Rp. 3.0 billion
2014 – Rp. 3.2 billion
2015 – Rp. 3.6 billion
2016 – Rp. 4.0 billion
2017 – Rp. 4.5 billion

Payment Manner :
Average

Financial Comments :
Fairly

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KEY EXECUTIVES

Board of Management :

Director - Mr. Anton Lie AKA Song Lie
Marketing Manager - Mr. Dedy Sung Lie AKA Sung Dedy

Board of Commissioner:

None

Signatories :

Director (Mr. Anton Lie AKA Song Lie) is the only person who is authorized to sign the loan on behalf of the company

CAPABILITIES

Management Capability :

Fairly

Business Morality :

Fairly

OVERALL PERFORMANCE

Initially named P.D. MEKAR JAYA, the company was established in Jakarta in 1987 with legal status sole proprietary company. The company was founded by Mr. Anton Lie AKA Sung Lie, an Indonesian businessman of Chinese extraction. On December 2000, the company's legal status was changed to C.V. MEKAR JAYA with the legal status of C.V. (Commanditaire Vennootschap) or Partnership with Sleeping Partner. The founding owners of the company are Mr. Anton Lie AKA Song Lie as the active partner and his wife Mrs. Susi Chang as silent partner. Both of are Indonesian business family of Chinese extraction. As in common in cases of companies with C.V. status, there is no mention in the company's notary act of its capital structure. But going by the company's conditions, we estimate its capital at some Rp. 1,500 million.

C.V. MEKAR JAYA has been in operation since 1987 in trading, export import and distribution of agricultural products. At the first, they are importing onions and beans for local market. And now they have expanded their business in export and import for other types of commodities.

Ms. Yeni, a marketing staff of the company explained that the whole agricultural products likes black/white pepper, chinnamon stick, coffee beans, coriander seed, cumin, dried shrimp and star anise bought from farmer in Sumatra, Sulawesi, Java and others island of Indonesia. Then, the whole products are exported to the United States of America and Europe Union. Besides, the company also imported of dried chili, green mung beans, ground nuts, garlic, vermicelli from China, India, Vietnam, Myanmar and Thailand. The whole products supplied to snack food industries and traditional market in Jakarta, Bekasi, Tangerang, Bogor, Depok and its

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surrounding. We observed that C.V. MEKAR JAYA is classified as a medium sized company of its kind in the country of which the operation has been growing in the last three years.

We have noticed that the demand for agricultural products had increased some 10% to 12% per annum in the last five years in line with the growth of industrial manufacturing in the country and international market. In the coming years, the growth rate of demand is estimated at about 6% to 7% per annum. The present market situation for agricultural products is very competitive for a large number of similar companies operating in the country. Meanwhile, competition is quite heavy in the export import of agricultural products with many companies now doing business in this field in Indonesia. We consider C.V. MEKAR JAYA to be in a quite favorable position for having already got hold of a steady clientele in the Java and surroundings.

Until this time C.V. MEKAR JAYA (CV.MJ) has not been registered with Indonesian Stock Exchange, so that they shall not oblige to announce their financial statement. Therefore, the company has no obligation to publish financial statement publicly. CV.MJ's management is very reclusive to outsider and rejecting to disclose its financial condition but we estimated the total sales turnover of the company in 2015 amounted to Rp. 62.0 billion increased to Rp. 69.0 billion in 2016 and rose again to Rp. 77.0 billion in 2017. The operation in 2017 yielded a net profit at least Rp. 4.5 billion and the company has a total net worth of Rp. 16.0 billion. It is projected that total sales turnover of the company will increase at least 8% in 2018. So far we did not hear that CV.MJ 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.

The management of C.V. MEKAR JAYA is headed by Mr. Anton Lie AKA Song Lie (57), a businessman who experienced for more than 20 years in the field of trading, import-export and distribution of agricultural products. In his daily activities he is assisted by his wife Mrs. Susi Chang (54) and his son Mr. Dedy Sung Lie AKA Sung Dedy (30). We observed that management's reputation in the business is fairly good. The management of the company has wide relation with private businessmen of home and overseas as well as with the government sectors. 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.

C.V. MEKAR JAYA is appraised to be good for business transaction. However, in view of the economic condition in the country is still unstable, we recommend to treat prudently in extending any new loan to the company.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.81
UK Pound	1	INR 94.15
Euro	1	INR 83.97
IDR	1	INR 0.0049

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	DNS

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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)