

3M17 Company Updates



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PART 1. COMPANY'S PROFILE

- PT Mitrabaha Segara Sejati Tbk (MBSS) is a leading Indonesian provider of integrated one-stop sea logistics and transportation solutions for bulk materials, particularly coal. With more than 20 years of experience in the business, MBSS has earned a reputation for high quality, reliable service. Our customers consist of first and second-tier coal producers, as well as end users.
- MBSS was founded in Jakarta, Indonesia in 1994 as a shipping company. Over time, we expanded our facilities, fleet and overall services to become a premier provider capable of consistently meeting client requirements. In 2011, MBSS successfully listed on the Jakarta Stock Exchange (now the Indonesia Stock Exchange). In the same year, MBSS also became a member of the Indika Energy group.
- Applying international operating standards and industry best practices to ensure efficient and reliable service for customers, MBSS is committed to sustainable growth and excellence through strategic decision making and operations.

Integrated Solutions

Material Handling

- Material handling and management and operation of on-shore facilities.
- The operations in this stage cover: crushing, screening, quality control, stockpile management and conveyor system operation.

Barging

- Transport from loading port to unloading port (direct barging).
- Transport from loading port to anchorage point for transshipment.

Transshipment

- Transfer of coal from barge to mother vessel, which can be executed by using geared vessel or intermediate facilities such as floating crane.





Captain Hari Ananthanarayanan - President Director

Serves as President Director since September 2016. He also serves as Commercial Director at MBSS.

Hari holds a number of marine related certifications; Master Marine Class 1 Certificate (South Tyneside College, South Shields, UK), Advanced Diploma in Transportation Management (Chartered Institute of Transport, UK). He also holds an MBA (Leicester University, UK), and also possess a Graduate Certificate in International Arbitration (University of Singapore), and a Graduate Diploma in Maritime Law and Arbitration (National University of Singapore).



Lucas Djunaidi – Vice President Director

Serves as Vice President Director of MBSS since 2013. In addition to his role at MBSS, Mr. Djunaidi currently holds the position of Director at PT Kideco Jaya Agung and PT Indika Inti Corpindo since his appointment in 2008 and served as Deputy Director – Financial Controller at PT Indika Energy Tbk from 2004-2016. Mr. Djunaidi obtained his bachelor's degree in Economics, majoring in Accountancy, from the University of Trisakti. He has also been awarded a Certified Professional Management Accountant from IAMI in September 2012. also attended various Executive Leadership Development Programs, recently at Wharton Business School, University of Pennsylvania in May 2012 (CFO: Becoming a Strategic Partner).



Surya Aribowo - Director

Serves as Director since September 2016. He has spent close to 30 years in the coal mining industry.

Recently he was invited to join PT Mitrabahtera Segara Sejati as the GM of Operations.

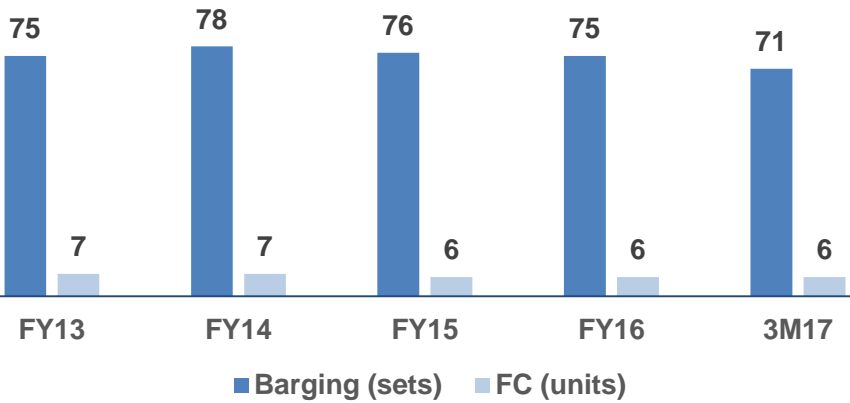
Surya Aribowo graduated from Jayabaya University, Jakarta, majoring economics, specializing in management.

Tugboats



2016	86
Addition	-
Disposal	(1)
3M17	85

Number of fleets Sets & Units



Barges



2016	75
Addition	-
Disposal	(4)
3M17	71

Barging loading capacity per trip

✓ 270ft (4 sets)	20,000 t
✓ 300ft (48 sets)	360,000 t
✓ 330ft (8 sets)	80,000 t
✓ 365ft (11 sets)	137,500 t

Total barging capacity	597,500 t
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Floating Cranes (FC)

2016	4
Addition	-
Disposal	-
3M17	4

Floating Loading Facilities (FLF)

2016	2
Addition	-
Disposal	-
3M17	2



Others

<u>Cement vessel</u>	
2016	-
Addition	-
Disposal	-
3M17	-

<u>Support vessel</u>	
2016	1
Addition	-
Disposal	-
3M17	1

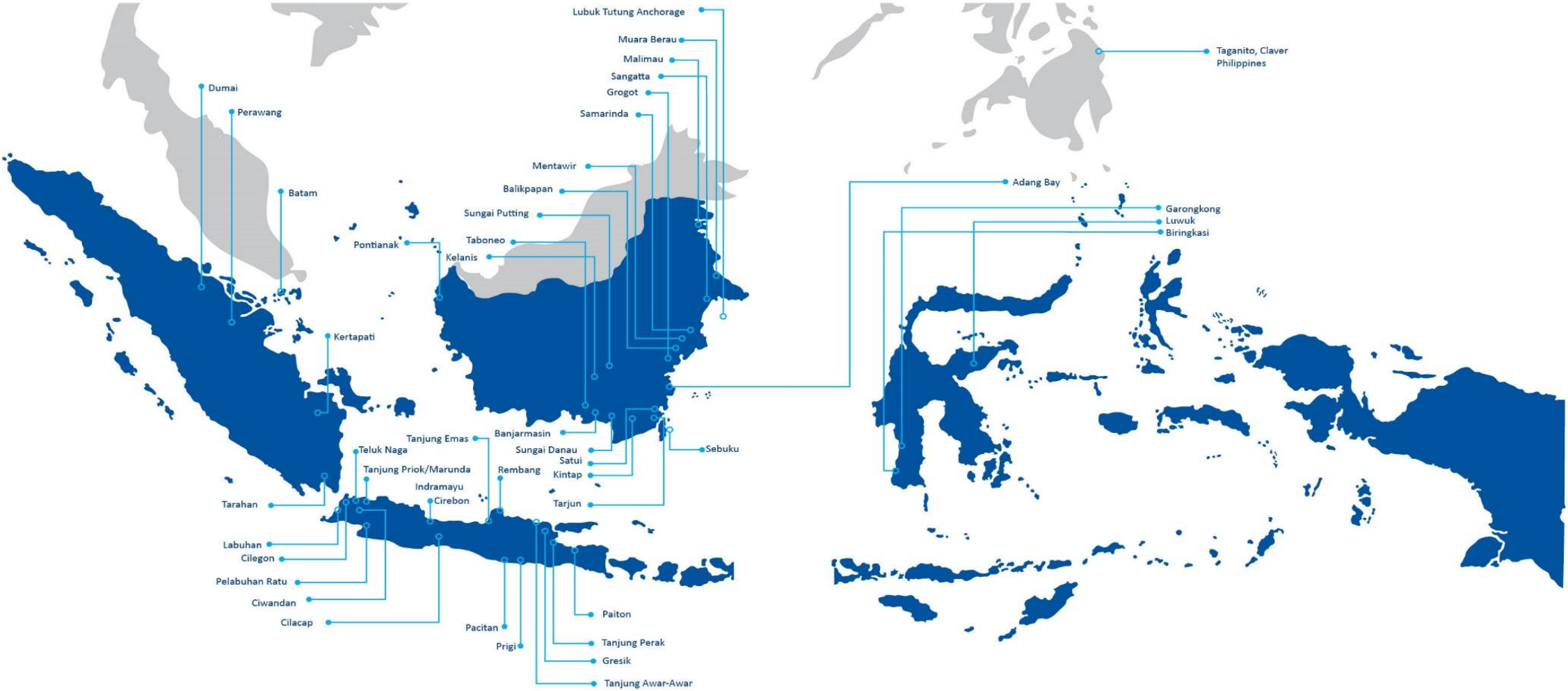
Floating cranes loading rate per day

✓ 18,000 TPD (1 units)	18,000 t
✓ 20,000 TPD (2 units)	40,000 t
✓ 24,000 TPD (1 units)	24,000 t
✓ 50,000 TPD (2 units)	100,000 t

Total 6 FCs capacity *)	182,000 t
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*) Consisting of 4 FCs & 2 FLFs

Operational Area



Our Clients



berau coal



better energy,
brighter future

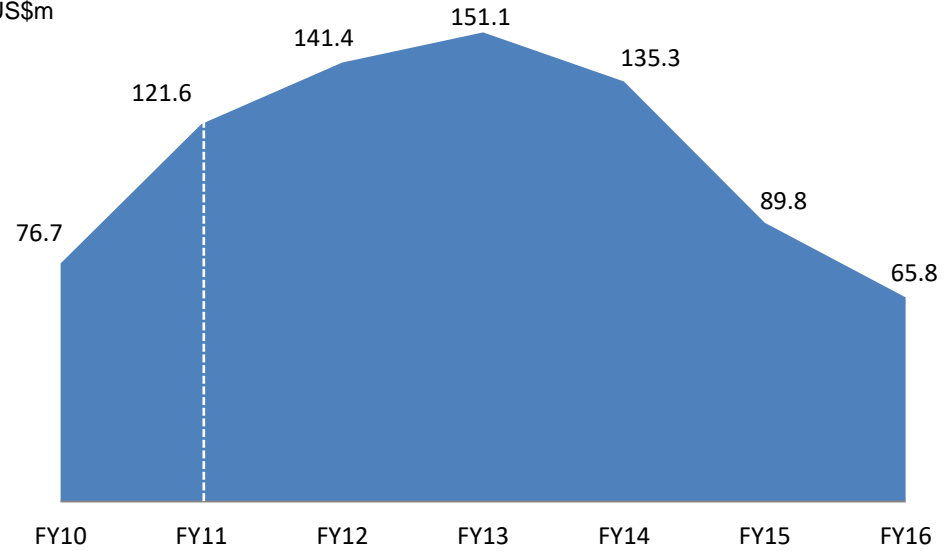


Client	Type of Service	Contract
KPC	Barging	2-years contract (2015 -2017)
Adaro Indonesia	Barging	7-years contract (2010-2017)
Kideco Jaya Agung	Barging	3-years with 2-years extension contract (2014-2019)
	Floating Crane	5-years with 2-years extension contract (2013-2019)
Berau Coal	Floating Crane	5-years with 5-years extension contract (2012-2022)
Bahari Cakrawala Sebuku	Barging	3-years contract (2014-2017)
	Floating Crane	
MMS	Barging	1-year contract (2016-2017)
	Floating Crane	
Pelayaran Bahtera Adhiguna	Barging	7-months with 1-year extension contract (2016-2017)
Sinarmas LDA Maritime	Barging	1-year contract (2017-2018)
Winning	Barging	1-year contract (2016-2017)
	Floating Crane	
MUTU	Barging	1-year contract (2016-2017)

Financial Summary

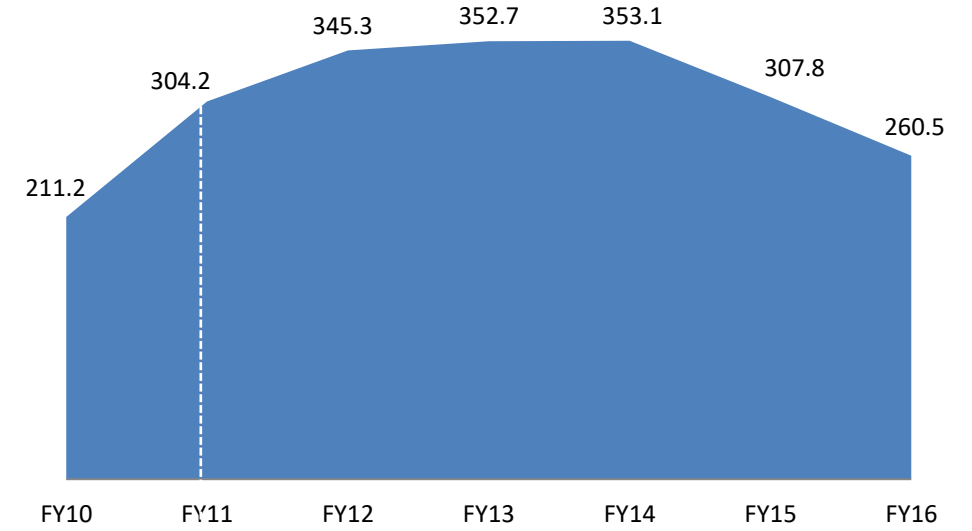
Revenue

US\$m



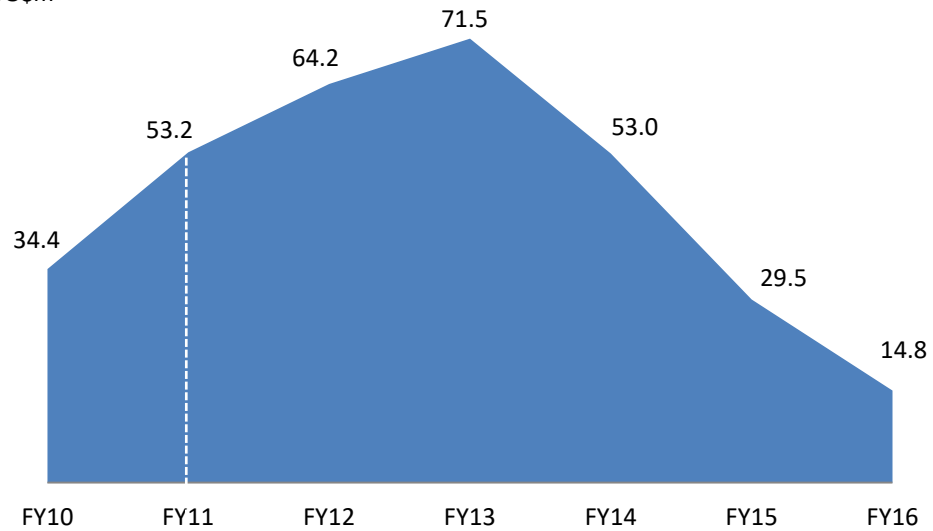
Assets

US\$m



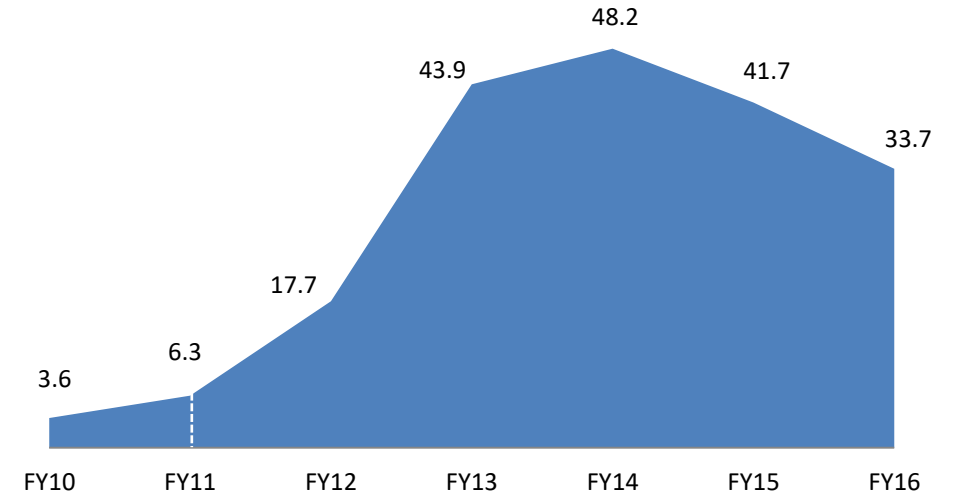
EBITDA

US\$m



Cash

US\$m

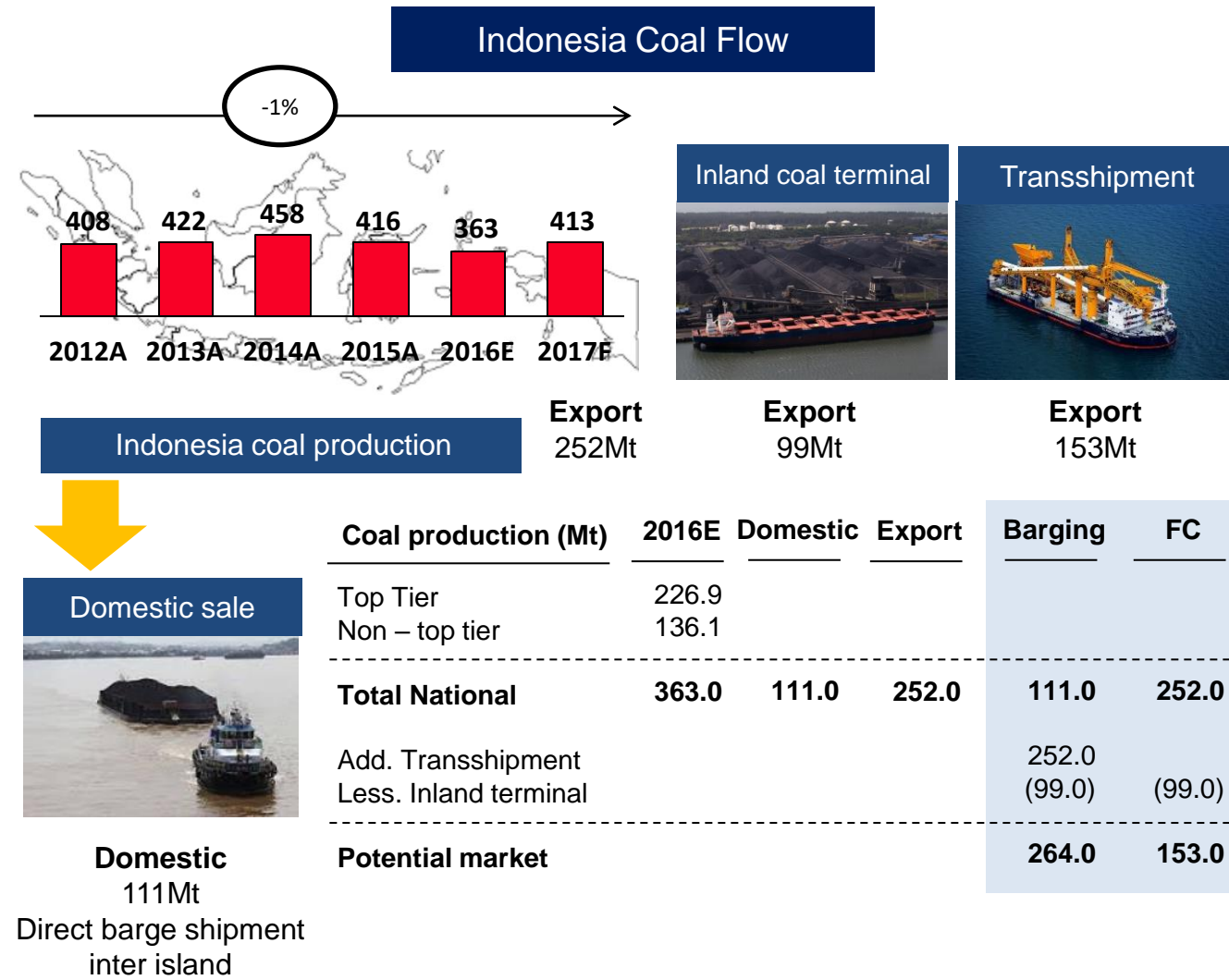
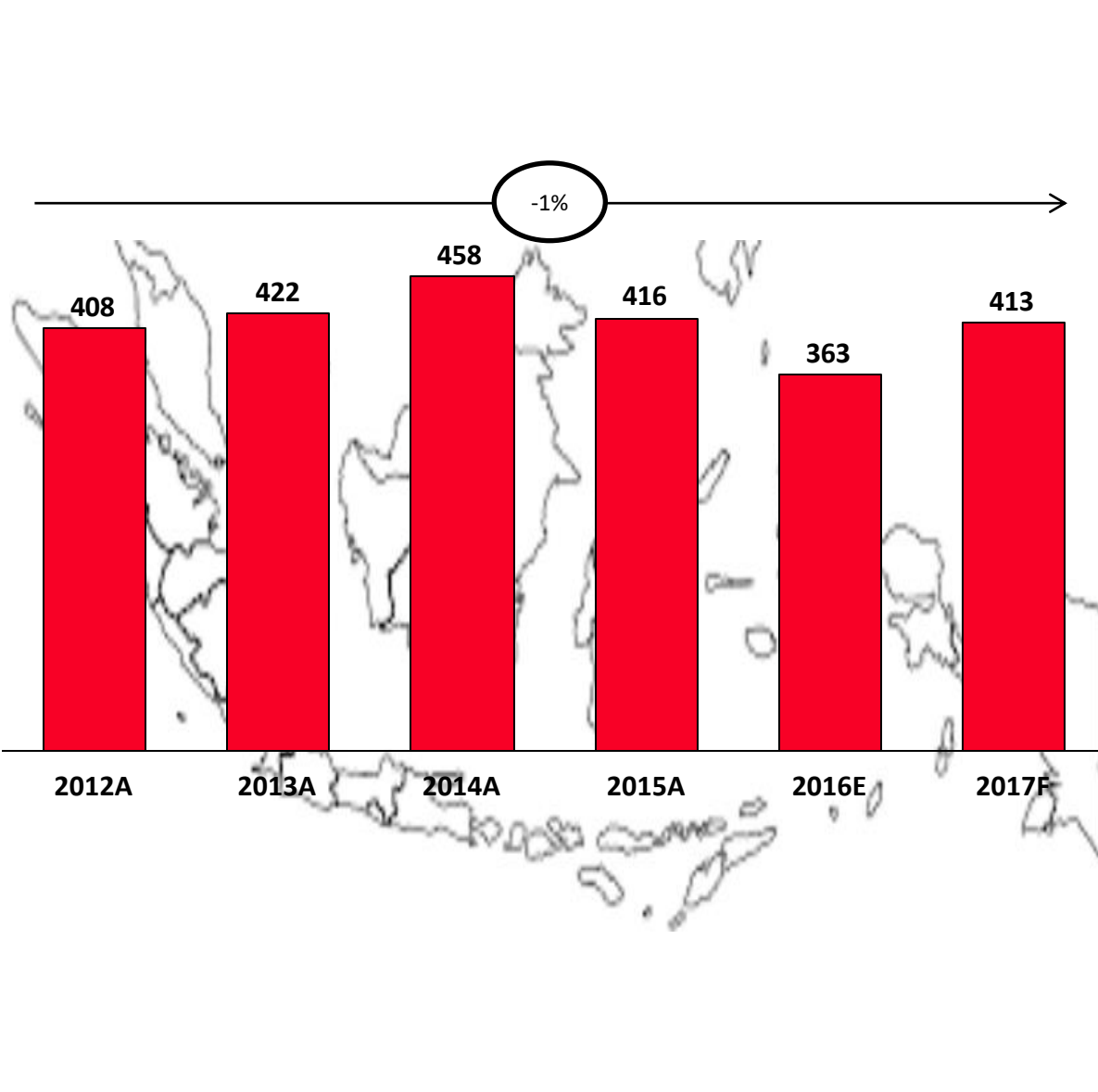


Note:

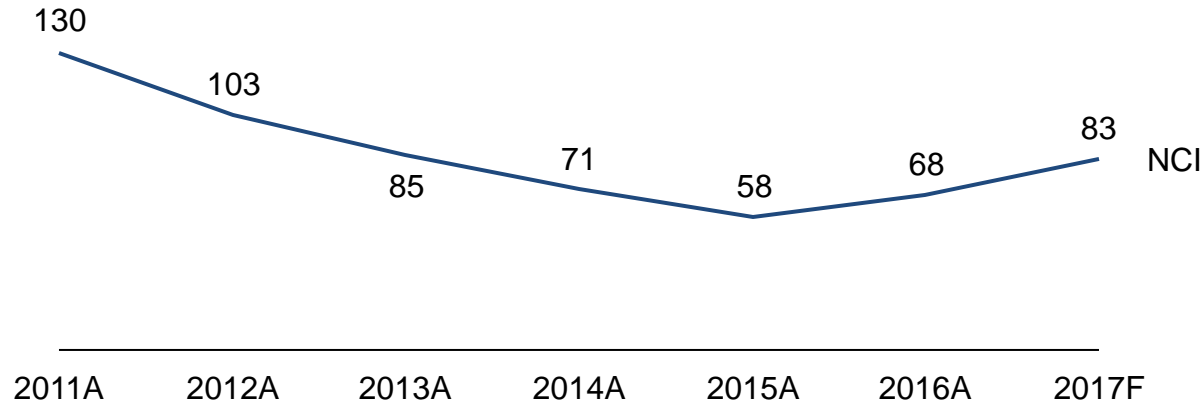
Acquisition of MBSS' majority shares by Indika

PART 2. COMPANY'S PERFORMANCE

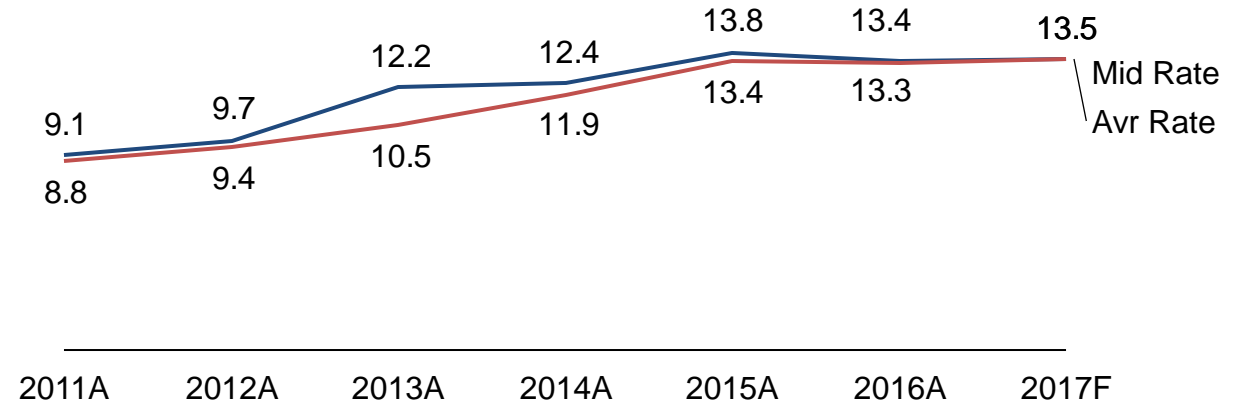
Indonesia coal market forecast



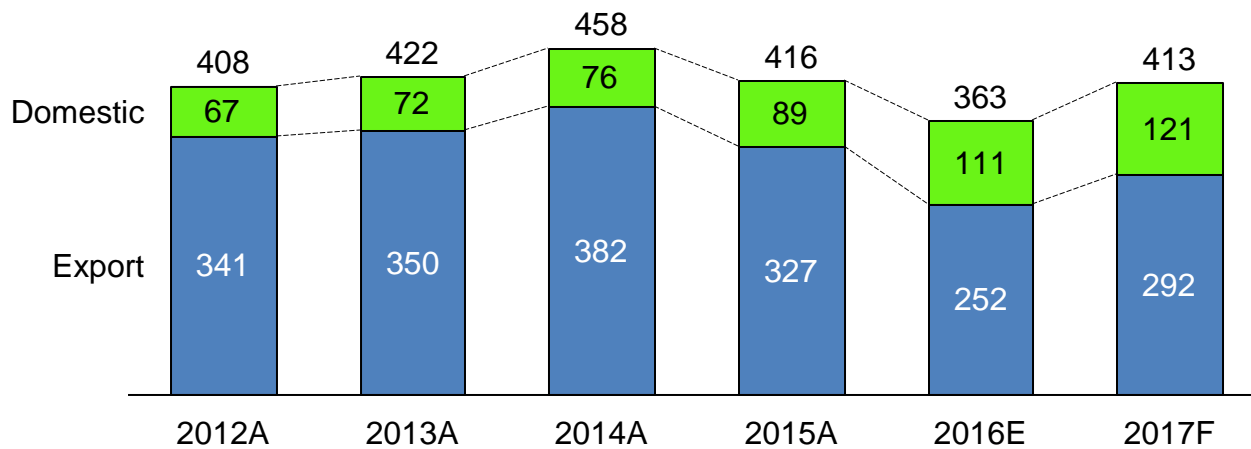
Coal Index



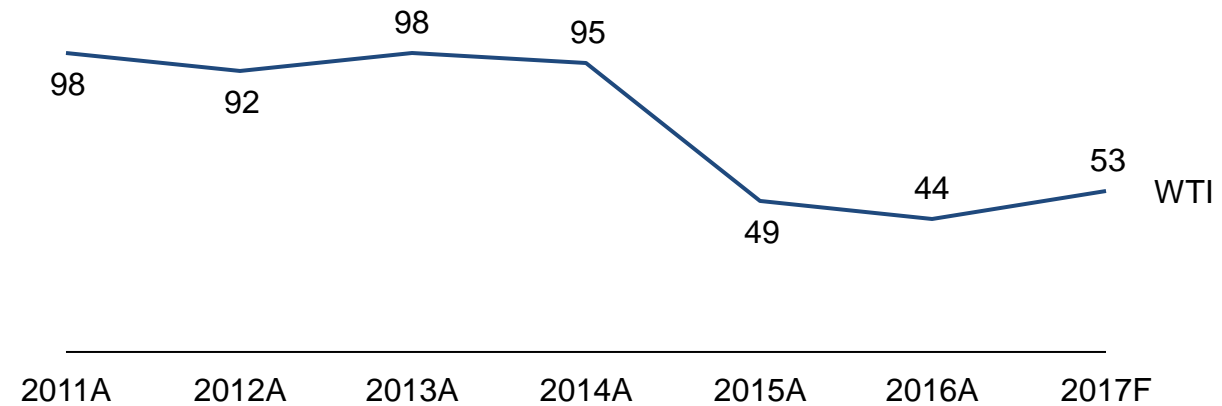
US\$ to IDRK



Indonesia Coal Production



Fuel Price

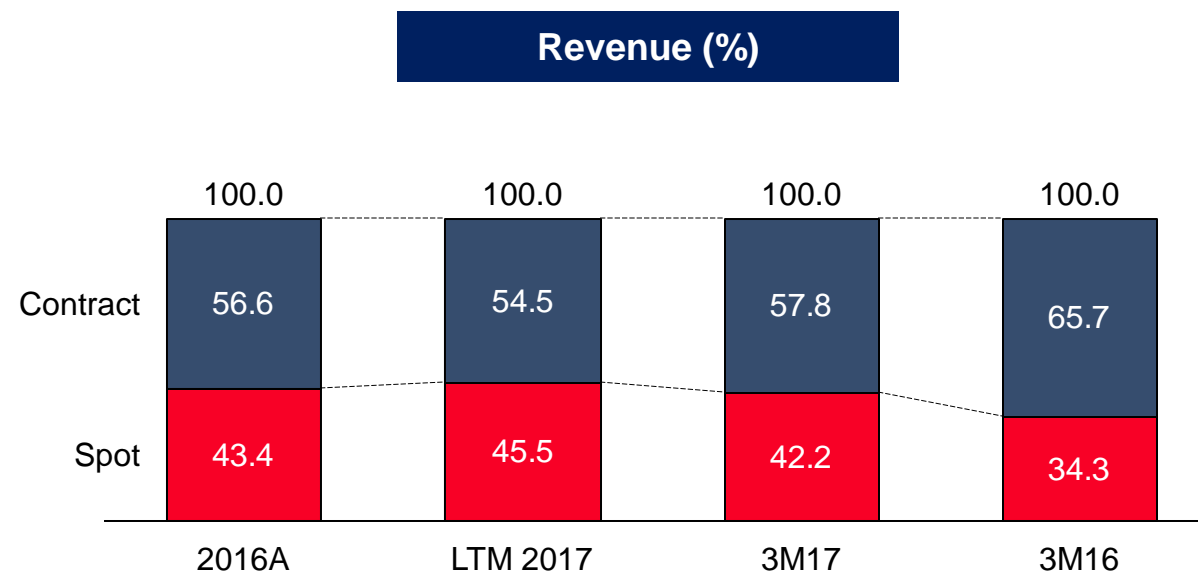


3M17 Performance Highlights

Description	2016A	LTM 2017	3M17	3M16	% Change
Barging Volume (Mt)	22.1	20.9	4.9	6.1	-20.2%
FC Volume (Mt)	12.8	11.7	2.4	3.5	-30.1%
Description <i>(in US\$m unless indicated)</i>	2016A	LTM 2017	3M17	3M16	% Change
Revenue	65.8	63.2	15.8	18.3	-14.1%
Gross Profit	0.9	(1.5)	0.6	3.0	-81.3%
Operating Profit	(10.6)	(12.5)	(1.7)	0.2	-776.3%
Net Interest	(3.2)	(2.4)	(0.5)	(0.7)	-27.6%
NPAT	(29.9)	(31.2)	(2.6)	(1.3)	102.5%
EBITDA	14.8	14.0	4.0	6.1	-34.1%
Capex	6.2	6.2	1.5	1.5	-1.7%
Cash	33.7	28.5	28.5	36.9	-22.8%
Total Assets	260.5	249.8	249.8	300.4	-16.9%
Total Debt	52.3	42.5	42.5	65.6	-35.2%
Total Equity	197.1	194.4	194.4	226.4	-14.1%
Debt to Equity (x)	0.27	0.22	0.22	0.29	-24.5%
Debt to EBITDA (x)	3.53	3.34			
EBITDA to Interest (x)	4.69	5.23			

Barging Highlights

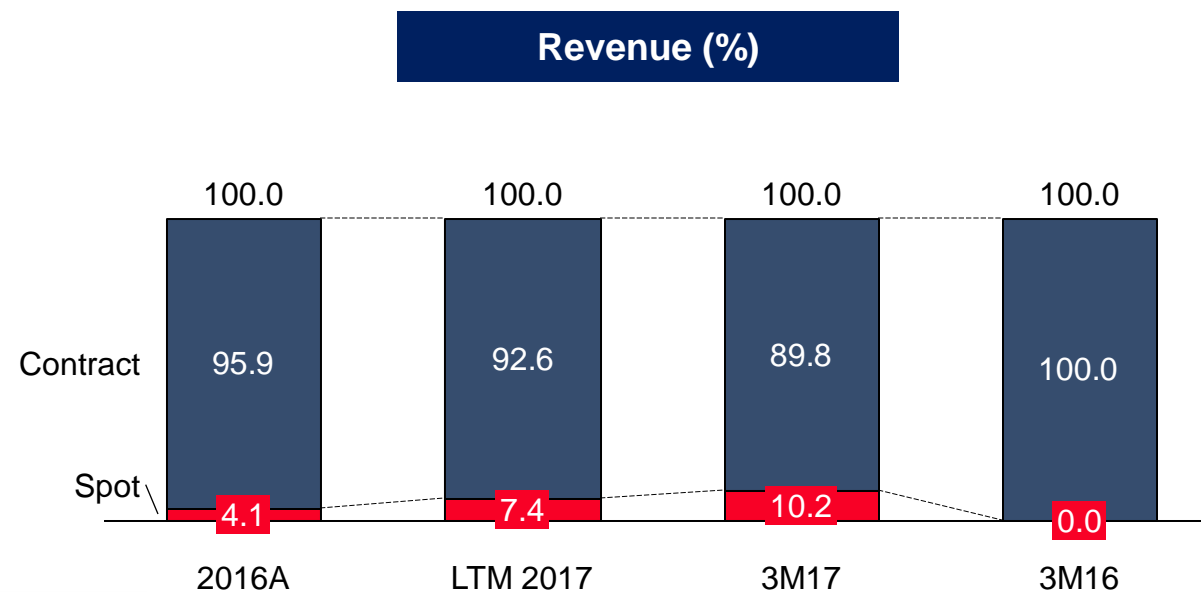
Description (in US\$m unless indicated)	2016A	LTM 2017	3M17	3M16	Change (%)
Revenue	47.7	46.6	11.1	12.2	(9.1)
Cost	49.9	49.8	11.7	11.7	(0.6)
Gross profit	(2.2)	(3.3)	(0.6)	0.5	(223.1)
Gross profit (%)	(4.7)	(7.0)	(5.2)	3.8	-382bps
Volume (Mt)	22.1	20.9	4.9	6.1	(20.2)
# of sets	75.0	71.0	71.0	76.0	(6.6)



Revenue (in US\$m)	2016A	LTM 2017	3M17	3M16	Change (%)
Adaro	13.7	12.6	2.4	3.5	(31.7)
Kideco	7.2	6.5	1.8	2.4	(28.4)
KPC	1.0	0.7	-	0.3	(100.0)
BCS	2.4	2.1	0.3	0.7	(54.4)
MMS	2.1	2.3	0.9	0.6	33.0
Others	0.6	1.2	1.0	0.5	112.1
Spot	20.7	21.2	4.7	4.2	12.1
Total	47.7	46.6	11.1	12.2	(9.1)

Contracts	Duration	Backlog (US\$m)	Remarks
KPC	2015 – 2017	-	No volume commitment
Adaro	2010 – 2017	12.6	
Kideco	2012 – 2019	9.1	
MMS	2015 – 2017	-	No volume commitment
Total		21.7	

Description <i>(in US\$m unless indicated)</i>	2016A	LTM 2017	3M17	3M16	Change (%)
Revenue	18.1	16.6	4.7	6.1	(24.0)
Cost	14.9	14.8	3.5	3.6	(1.4)
Gross profit	3.2	1.8	1.1	2.6	(55.5)
Gross profit (%)	17.8	10.8	24.5	41.8	-4,184bps
Volume (Mt)	12.8	11.7	2.4	3.5	(30.1)
# of FC	6.0	6.0	6.0	6.0	-

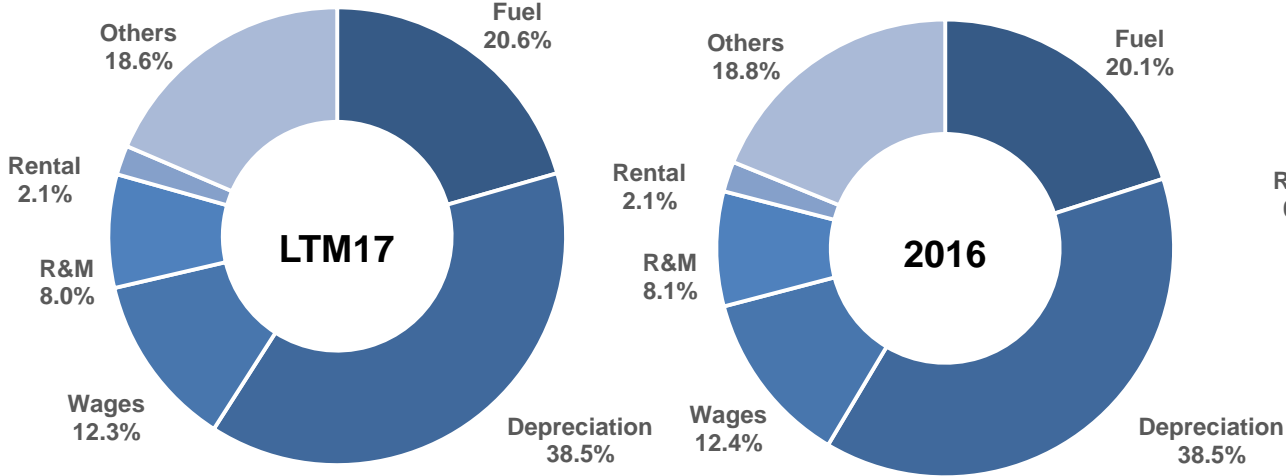


Revenue <i>(in US\$m)</i>	2016A	LTM 2017	3M17	3M16	Change (%)
Berau	8.6	6.7	1.6	3.5	(53.7)
Kidco	6.1	5.5	1.4	2.0	(32.0)
BCS	2.7	3.2	1.2	0.7	81.3
Others – Spot	0.7	1.2	0.5	-	100.0
Total	18.1	16.6	4.7	6.1	(24.0)

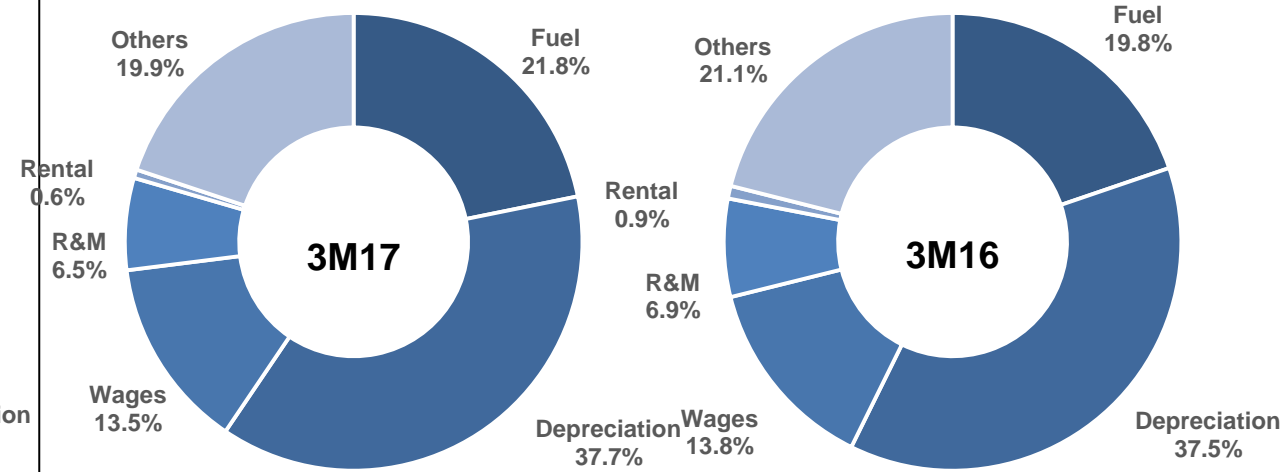
Contracts	Duration	Backlog (US\$m)	Remarks
Berau	2012 – 2022	29.7	
Kidco	2013 – 2019	16.7	
Total		46.4	

Direct Costs

LTM17 vs 2016

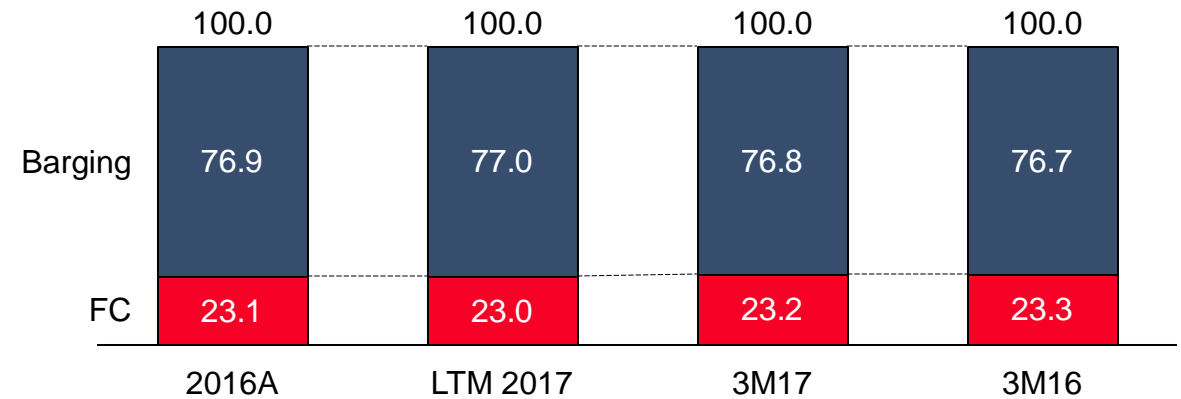


3M17 vs 3M16



Direct Cost (in US\$m)	2016A	LTM 2017	3M17	3M16	Change (%)
Fuel	13.0	13.3	3.3	3.0	9.5
Labor	8.0	8.0	2.1	2.1	(2.7)
R&M	5.3	5.2	1.0	1.1	(6.9)
Depreciation	24.9	24.9	5.7	5.7	(0.4)
Vessel rental	1.4	1.3	0.1	0.1	(32.7)
Others	12.2	12.0	3.0	3.2	(6.3)
Total	64.8	64.7	15.2	15.3	(0.8)

Cost Barging – FC (%)



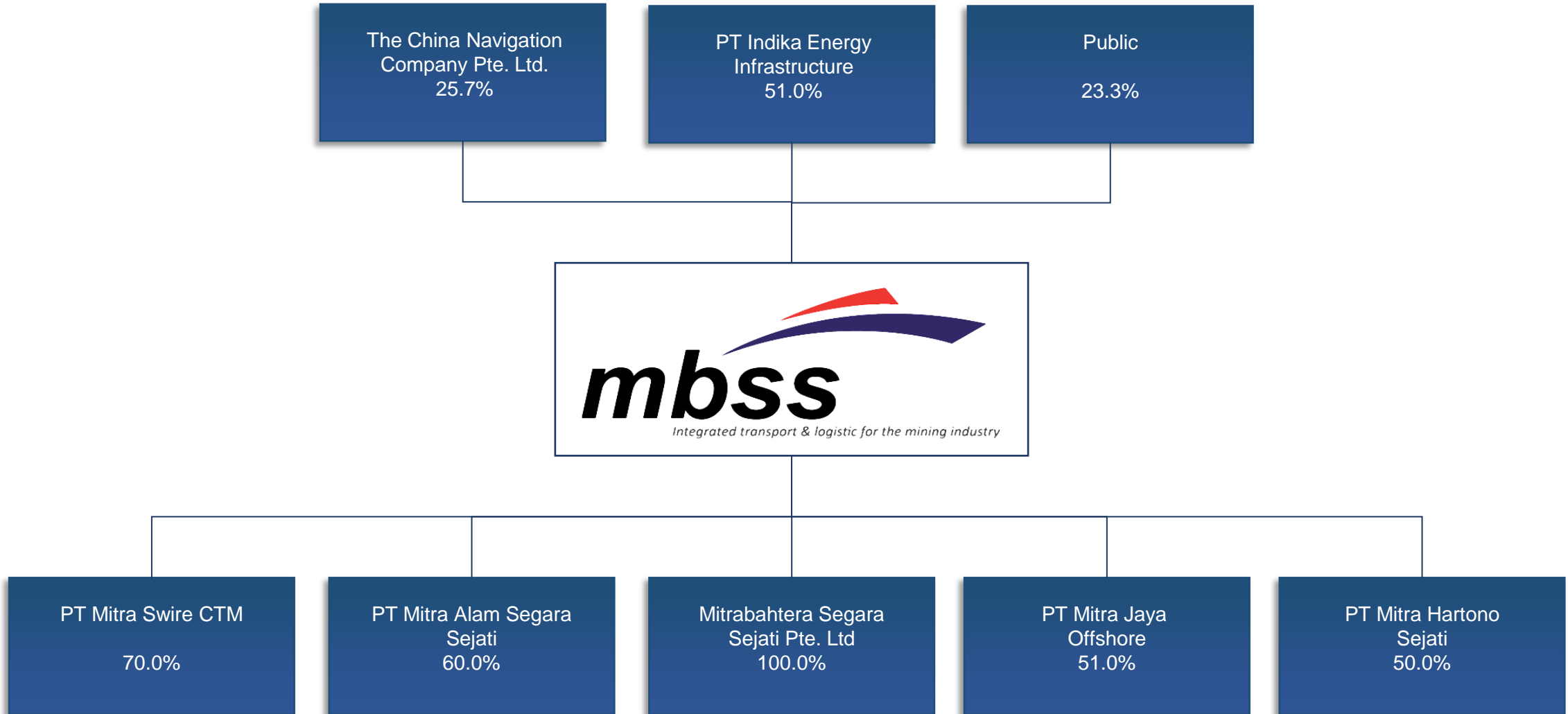
PART 3. APPENDIX

Summary Financial Statement

Profit and Loss (US\$m)	2016A	LTM17	3M17	3M16	Change (%)
Revenue	65.8	63.2	15.8	18.3	(14.1)
Cost	64.8	64.7	15.2	15.3	(0.8)
<hr/>					
Gross profit	0.9	(1.5)	0.6	3.0	(81.3)
<hr/>					
Operating expense	11.5	11.0	2.2	2.8	(19.6)
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Operating income	(10.6)	(12.5)	(1.7)	0.2	(776.3)
<hr/>					
Interest net	(3.2)	(2.4)	(0.5)	(0.7)	(27.6)
Forex	(0.3)	(0.3)	0.0	0.0	1.4
Others	(14.9)	(15.6)	(0.2)	(0.1)	231.1
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Profit before tax	(29.0)	(30.9)	(2.4)	(0.5)	368.7
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Income tax	0.8	0.8	0.2	0.2	(10.0)
Minority interest	0.1	(0.5)	(0.0)	0.5	(104.0)
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NPAT	(29.9)	(31.2)	(2.6)	(1.3)	102.5
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Depreciation	25.4	26.5	5.7	5.9	(2.9)
EBITDA	14.8	14.0	4.0	6.1	(34.1)
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Gross profit (%)	1.4	(2.4)	3.6	16.6	-78.2 bps
EBIT (%)	(16.1)	(19.8)	(10.6)	1.3	-887.1 bps
NPAT (%)	(45.4)	(49.3)	(16.3)	(6.9)	135.7 bps
EBITDA (%)	22.6	22.1	25.6	33.4	-23.4 bps

Balance Sheet (US\$m)	2016A	LTM17	3M17	3M16	Change (%)
Cash	33.7	28.5	28.5	36.9	(22.8)
Receivables	16.8	14.9	14.9	33.2	(55.0)
Inventory	2.5	2.9	2.9	4.2	(31.0)
Others	3.4	3.6	3.6	4.5	(19.3)
<hr/>					
Total current assets	56.4	49.9	49.9	78.8	(36.6)
Fixed assets – net	204.1	199.8	199.8	221.7	(9.8)
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Total assets	260.5	249.8	249.8	300.4	(16.9)
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Trade payables	7.0	8.1	8.1	3.4	138.6
Bank loan	34.2	30.4	30.4	30.6	(0.4)
Other current	1.9	2.4	2.4	3.3	(27.4)
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Total current liabilities	43.2	40.9	40.9	37.2	10.0
Long term debt	18.1	12.1	12.1	35.0	(65.6)
Others	2.1	2.3	2.3	1.8	30.3
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Total liabilities	63.4	55.3	55.3	74.0	(25.3)
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Equity	69.4	69.3	69.3	70.0	(1.1)
Retained earnings	127.7	125.2	125.2	156.3	(19.9)
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Total equity	197.1	194.4	194.4	226.4	(14.1)

Ownership Structure



Shares Performance and Dividend Payment History



52-week share performance (Mar'16 - Mar'17)

Highest	490
Lowest	253
Average	342
Avg. Vol.	2,302 K

Dividend payment

<u>Payment date</u>	<u>Dividend distributed</u>	<u>Payout ratio</u>
18 Jul. 2012	Rp43 per share	30.5%
31 Jul. 2013	Rp50 per share	24.6%
19 Jun. 2014	US\$0.0055 per share	25.0%
27 May 2015	US\$0.00920275/share	80.0%

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