

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded Net Profit of US\$1.5 million in 3M19

Jakarta, 24 April 2019 – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed 3M19 period with revenues of US\$20.9 million, gross profit of US\$4.3 million, EBITDA of US\$7.9 million and net profit of US\$1.5 million. The complete consolidated financial statements for the three months period can be accessed on the Company's website (www.mbss.co.id).

Total revenues in 3M19 of US\$20.9 million has increased by 45.1% compare with 3M18 of US\$14.4 million. The increase in revenue showed an improvement in barging performance with increment in revenue contribution from volume based contract by US\$2.3 million and from Time Charter basis (TC) by US\$1.8 million. Floating crane performance also recorded higher revenue by US\$1.8 million which mainly driven by the productivity optimization.

Barging segment transported higher volume for a total of 6.4 million Mt in 3M19, increased by 36.2% compared to 4.7 Mt in 3M18. It was attributable to higher cargo supplies from existing major clients, Adaro and Cotrans, and from new clients such as Prolindo Cipta Nusantara (PCN) and Cakrawala Nusa Bahari (CNB). The increase in volume of Adaro and Cotrans impacted to the higher revenue of both clients by US\$1.4 million and US\$0.3 million, respectively. New contracts contributed to an increase in revenue with total of US\$1.4 million. TC revenue grew by US\$1.8 million compared to 3M18, mainly due to the increase number of sets deployed by 11 sets. On spot basis, the Company obtained higher revenue by 53.8% which in line with increase in volume by 0.3 Mt. Another key driver to this revenue growth was also contributed by the improvement of our assets availability in 3M19.

Floating crane segment demonstrated a significant turnaround in 3M19, which its revenue rose by 46.2% of US\$1.8 million compared with 3M18. This higher revenue mostly derived from FC Vittoria by US\$1.6 million. For floating crane served in spot market which driven by higher demand in coal transshipment had resulted the increase of total volume to 2.7 Mt from 2.3 Mt in 3M18, higher by 17.4%.

The Company carried out cost efficiency by controlling the increase of direct costs lower than the increment in revenue, which shown by total cost of US\$16.5 million in 3M19 from US\$16.1 million in 3M18, which was slightly higher by 2.5%. The Company continued its initiatives to become more effective and efficient by improving its productivity through safety and operational excellence, cost savings, streamlining the organization and business processes to maintain this positive momentum.

Below is the summary of Company's performance in 2019:

1. Operational Highlights

Description	Unit	3M19	3M18	Change (%)
Barging				
Fleets	Set	71.0	69.0	2.9%
Volume	Mt	6.4	4.7	36.2%
Floating Crane				
Fleets	Unit	6.0	6.0	-
Volume	Mt	2.7	2.3	17.4%
Grand Total Volume	Mt	9.1	7.0	30.0%

2. Summary Statements of Profit and Loss and Other Comprehensive Income

Description (in US\$m unless indicated)	3M19	3M18	Change (%)
Revenue			
Barging	15.2	10.4	46.2%
Floating Crane	5.7	3.9	46.2%
Others	0.0	0.1	-74.6%
Total Revenue	20.9	14.4	45.1%
Direct Costs	16.5	16.1	2.5%

Gross Profit	4.3	(1.8)	338.9%
<i>% Gross profit</i>	20.6%	-12.5%	3,310.0bps
Operating Expenses	2.4	2.4	0.7%
Operating (Loss) Profit	1.9	(4.2)	145.2%
<i>% Operating profit</i>	9.1%	-29.2%	3,830.0bps
Other Income (Expenses)	(0.4)	(0.8)	50.0%
Profit (Loss) Before Tax	1.6	(5.0)	132.0%
Profit (Loss) for the Period attributable Owners	1.5	(5.5)	127.3%
<i>% Net Profit After Tax</i>	7.2%	-38.2%	4,540.0bps
Non-controlling Interest	(0.2)	0.3	-166.7%
EBITDA	7.9	2.0	295.0%
<i>% EBITDA</i>	37.8%	13.9%	2,390.0bps
Capex	2.1	1.7	23.5%

Revenues

Revenues significantly increased by 45.1% from US\$14.4 million in 3M18 to US\$20.9 million in 3M19 which shown by the improvement in barging segment and floating crane segment, both by 46.2%.

Direct Costs

Direct cost increased by 2.5% from US\$16.1 million to US\$16.5 million mainly due to higher wages and rental cost. Wages cost increased by 20.0% from US\$2.0 million to US\$2.4 million in 3M18 and 3M19, respectively. Rental cost also increased from US\$0.0 million in 3M18 to US\$0.4 million in 3M19 mainly caused by chartered vessel in current period.

Operating Expenses and Other Income (Expenses)

Operating expenses were managed to have the same level as last year, with slightly increased by 0.7% from US\$2.4 million in 3M18 to US\$2.4 million in 3M19. Other income (expenses) can be saved by US\$0.4 million, which mostly attributable to gain from sale of assets amounting to US\$0.7 million that shown by the decrease in our owned assets from 78 sets in 2018 to 71 sets in 3M19. This assets disposal aligned with the Company's continuous fleet review to reduce old and inefficient vessels that had been recorded impairment provision as of December 31, 2018.

3. Summary Statements of Financial Position

Description (in US\$m unless indicated)	3M19	2018	Change (%)
Cash and cash equivalents	44.1	40.0	10.3%
Total current assets	66.2	62.0	6.8%
Total Assets	237.8	239.7	-0.8%
Current Liabilities	11.8	14.4	-18.1%
Total Debt	53.5	54.2	-1.3%
Total Liabilities	65.1	68.3	-4.7%
Total Equity	172.6	171.4	0.7%
Current ratio (x)	5.63	4.30	
Debt to Equity (x)	0.31	0.32	

Total Assets

Total assets as of March 31, 2019 is 0.8% lower than 2018, mainly due to the decrease in inventory to manage the efficiency in the Company's inventory turnover and decrease in fixed assets-net in line with the Company's strategy in fleet review.

Total Liabilities

Total liabilities as of March 31, 2019 is 4.7% lower than 2018, mostly due to decrease in trade payables that aligned with the Company's improvement in Days Payable Outstanding (DPO) from 44 days in 2018 to 28 days in 3M19.

Total Equity

Equity slightly increased by 0.7% due to income generated in 3M19.

Capex

Lower capex in 3M19 by 23.5% from US\$1.7million in 3M18 to US\$2.1 million in 3M19, due to lower docking cycle in 2019.

About PT Mitrabahtera Segara Sejati Tbk

www.mbss.co.id

PT Mitrabahtera Segara Sejati Tbk is an integrated service provider of sea logistics and transshipment focusing on natural resources and bulk materials, particularly coal with its strategic investments in PT Mitra Swire CTM and PT Mitra Alam Segara Sejati.

For further information, please contact:

Lucas Djunaidi – Vice President Director
Togi Bernard – GM Corporate Planning - Investor Relations
Telephone : +62 21 5794 4755
Email : investor.relations@mbss.co.id

Disclaimer:

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