

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded Net Profit of US\$0.7 million in 6M19

Jakarta, 31 Juli 2019 – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed 6M19 period with revenues of US\$40.2 million, gross profit of US\$7.8 million, EBITDA of US\$14.9 million and net profit of US\$0.7 million. The complete consolidated financial statement for the six months period is available on the Company's website (www.mbss.co.id).

Total revenues of US\$40.2 million in 6M19 increased by 24.3% compared to US\$32.4 million in 6M18 with increments in the volume-based contracts by US\$1.5 million and Time Charter basis (TC) by US\$2.5 million. In addition, Floating Crane (FC) segment had also performed better compared to 6M18 with increments in revenue by US\$3.2 million.

Barging segment had transported 12.6 million Mt in 6M19, which increased by 27.4% compared to 9.9 million Mt in 6M18. The increment was attributable to higher cargo supplies from existing major contracts, such as Adaro and Cotrans, as well as from new contracts such as Prolindo Cipta Nusantara (PCN) and Bukit Prima Bahari (BPB). The volume increase from Adaro and Cotrans increased their contract revenues by US\$0.5 million and US\$0.3 million, respectively, while new contracts contributed to an increase of revenue by US\$3.5 million. TC revenue increased by US\$2.5 million due to higher number of sets deployed by approximately 8 sets and spot revenue was also higher by US\$0.8 million compared to 6M18.

FC segment had demonstrated a significant increase in 6M19, with revenues rising by 38.7% compared to 6M18. The higher revenue was mostly attributable to the increase in revenue from FC Vittoria by US\$2.8 million compared to 6M18. Spot revenues from FC also increased by US\$1.4 million compared to 6M18, which mainly driven by the increase in total volume by 17.4%; rising from 5.0 Mt in 6M18 to 5.8 Mt in 6M19.

The Company's direct cost in 6M19 decreased by 1.8% compared to 6M18, from US\$33.0 million to US\$32.4 million, mainly due to efficiency in fuel consumptions. The Company continues 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	6M19	6M18	Change (%)
Barging				
Fleets	Set	70.0	73.0	(4.1)
Volume	Mt	12.6	9.9	27.4
Floating Crane				
Fleets	Unit	6.0	6.0	-
Volume	Mt	5.8	5.0	17.4
Grand Total Volume	Mt	18.5	14.9	24.2

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

Description (In US\$m unless indicated)	6M19	6M18	Change (%)
Revenue			
- Barging	28.8	24.0	20.0
- Floating Crane	11.4	8.2	38.7
- Others	0.0	0.2	(100.0)
Total Revenue	40.2	32.4	24.3
Direct Costs	32.4	33.0	(1.8)
Gross Profit	7.8	(0.7)	1,263.4
%Gross Profit	19.4	(2.1)	1036.3 bps
Operating Expenses	5.0	4.6	7.7
Operating Profit (Losses)	2.8	(5.3)	153.2
%Operating Profit	7.0	(16.3)	142.8 bps
Other Income (Expenses)	(1.8)	(2.8)	35.7
Profit (Loss) Before Tax	1.0	(8.1)	112.9
Profit (Loss) For the Period Attributable Owners	0.7	(8.9)	108.3
%Net Profit After Tax	1.8	(27.6)	106.7 bps
Non Controlling Interest	(0.2)	0.4	(150.7)
EBITDA	14.9	7.3	104.2
%EBITDA	37.0	22.5	64.3 bps
Capex	3.2	11.6	(72.3)

Revenues

Revenue increased by 24.3% from US\$32.4 million in 6M18 to US\$40.2 million in 6M19 which shown by the improvement in barging segment and floating crane segment, or by 20.0% and 38.7%, respectively.

Direct Costs

Direct cost decreased by 1.8% from US\$33.0 million in 6M18 to US\$32.4 million in 6M19, mainly due to lower fuel cost. Fuel cost decreased by 17.7% from US\$7.7 million in 6M18 to US\$6.3 million in 6M19, which is in line with our cost efficiency initiative.

Operating Expenses and Other Income (Expenses)

Operating expenses increased by 7.7% from US\$4.6 million in 6M18 to US\$5.0 million in 6M19. Other income (expenses) can be saved by US\$1.0 million, which mostly attributable to other income from gain from sale of assets amounting to US\$0.8 million, which reflected by the decrease in our owned assets from 78 sets in 2018 to 70 sets in 6M19. Moreover, insurance claim for FC Vittoria amounting US\$1.2 million also contributed positively to other income. A provision for impairment of assets amounting US\$1.5 million offset the increase in other income which resulting in other income (expenses) of negative US\$1.8 million.

3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	6M19	2018	Change (%)
Cash and cash equivalents	47.1	40.0	17.7
Total current assets	68.8	62.0	11.0
Total Assets	233.6	239.7	(2.6)
Current Liabilities	8.7	14.4	(39.5)
Total Debt	52.8	54.2	(2.5)
Total Liabilities	61.7	68.3	(9.7)
Total Equity	171.9	171.4	0.3
Current Ratio (x)	7.88	4.30	
Debt to Equity (x)	0.31	0.32	

Total Assets

Total assets as of June 30, 2019 is 2.6% lower than 2018, mainly due to the decrease in fixed assets-net in line with the Company's strategy in fleet reviews.

Total Liabilities

Total liabilities as of June 30, 2019 is 9.7% lower than 2018 due to lower trade payables caused by settlement of outstanding invoices from vendors.

Total Equity

Total equity as of June 30, 2019 is 0.3% higher than 2018 due to income generated in 6M19.

Capex

Lower capex in 6M19 by 72.4% from US\$11.6million in 6M18 to US\$3.2 million in 6M19, due to purchase of new vessels during 6M18.

Looking at the first half of 2019 performance, Susana Germino as the President Director of the Company stated "Our strategy will be focusing on improving our performance internally and increase customer satisfaction through safety and operational excellence, while expanding our horizon towards diversification in addition to our existing business".

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, PT Mitra Alam Segara Sejati.

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Disclaimer:

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