

## PT MITRABAHTERA SEGARA SEJATI TBK

*The Company Recorded Revenue of US\$40.9 million in 9M20*

**Jakarta, 16 December 2020** – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed 9M20 period with revenue of US\$40.9 million, a gross profit of US\$1.4 million, EBITDA of US\$10.9 million and loss attributable to owners of the Company of US\$7.5 million. The complete consolidated financial statements for the nine months period can be accessed on the Company's website ([www.mbss.co.id](http://www.mbss.co.id)).

The Company's revenues in 9M20 reflect a 32.6% decline from 9M19 revenue of US\$60.6 million. The decline in revenue is due to lower barging and floating crane revenues compared to 9M19 where barging revenue declined 31.9% from US\$42.8 million to US\$29.1 million and floating crane revenue declined by 34.2% from US\$17.8 million to US\$11.7 million.

Third quarter remains a challenge due to this unprecedented event of pandemic. The Indonesian coal sector continues to face the possibility of a prolonged period of lower coal prices, as demand for electricity has fallen. It led to significant drop in MBSS' performance, which has domino effect from this condition. During the lockdown policy of some countries, there was a boundary for export shipment of coal, resulted in the decrease of demand of MBSS' services since most of our shipments are for export, both barging and floating crane segment.

The decrease in barging segment was in line with the lower demand of coal and longer waiting in loading and discharge ports related to the effect of the pandemic, which have continued to impact MBSS result in 9M20. A lower spot contribution of US\$2.3 million as part of the Company's strategy to divert spot shipment to enable certainty of cargo lifting in long and short term contracts. Volume wise, barging segment transported 18.6 million MT in 9M20, a decrease of 3.0% compared to 19.1 million MT in 9M19 with lower number of fleet 58 sets compared to 69 sets in 9M19. This drop-off in volume mainly driven by longer cycle time associated to lower demand of coal.

Furthermore, the floating crane revenue decreased from US\$17.8 million to US\$11.7 million in 9M19 compared to 9M20. Many industries have closed some of their activities that also contributed to the decrease in electricity needs in Indonesia or other countries. On the other hand, longer lead-time for supply of spare parts and challenges to engage vendors in this condition an impact to prolonged repaired time for the vessels. It reduced the availability of MBSS' fleet to generate the revenue.

With lower number of sets in barging compared to last year, the Company managed to lower down its direct cost by 19.3% from US\$48.9 million in 9M19 to US\$39.5 million in 9M20. The biggest contribution to this lower direct cost was decreased in fuel by 43.6% from US\$9.0 million in 9M19 to US\$5.0 million in 9M20, align with The Company's strategy for cost efficiencies through operational excellence. Lower sets owned in 9M20 also contributed in the decrease of depreciation and crewing with total reduction of US\$2.2 million. In addition, the Company has managed to keep implementing cost saving initiatives to have a lean cost structure.

Below is the summary of Company's performance in 9M20:

### 1. Operational Highlights

Description	Unit	9M20	9M19	Change(%)
<b>Barging</b>				
Fleets	Set	58.0	69.0	(15.9)
Volume	MMT	18.6	19.1	(3.0)
<b>Floating Crane</b>				
Fleets	Unit	6.0	6.0	-
Volume	MMT	7.6	8.6	(11.0)
<b>Grand Total Volume</b>	<b>MMT</b>	<b>26.2</b>	<b>27.7</b>	<b>(152)bps</b>

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

Description (In US\$m unless indicated)	9M20	9M19	Change (%)
<b>Revenue</b>			
- Barging	29.1	42.8	(31.9)
- Floating Crane	11.7	17.8	(34.2)
- Others	-	0.0	(100.0)
<b>Total Revenue</b>	<b>40.9</b>	<b>60.6</b>	<b>(32.6)</b>
<b>Direct Costs</b>	39.5	48.9	(19.3)
<b>Gross Profit</b>	<b>1.4</b>	<b>11.7</b>	<b>88.1</b>
%Gross Profit	3.4	19.3	(1,589)bps
<b>Operating Expenses</b>	7.3	7.9	(8.4)
<b>Operating Profit (Losses)</b>	<b>(5.9)</b>	<b>3.8</b>	<b>(256.2)</b>
%Operating Profit	(14.4)	6.2	(2,057)bps
<b>Other Income (Expenses)</b>	(1.1)	(2.5)	35.7
<b>Profit (Loss) Before Tax</b>	<b>(7.0)</b>	<b>1.2</b>	<b>675.5</b>
<b>Profit (Loss) For the Period Attributable Owners</b>	<b>(7.5)</b>	<b>0.5</b>	<b>(1,486.5)</b>
%Net Profit After Tax	(18.4)	0.9	(1,927)bps
<b>Non Controlling Interest</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>94.6</b>
<b>EBITDA</b>	<b>10.9</b>	<b>22.0</b>	<b>(50.5)</b>
%EBITDA	26.6	36.3	(963)bps
<b>Capex</b>	<b>10.1</b>	<b>5.7</b>	<b>78.9</b>

**Revenues**

Revenue lower by 32.6% to US\$40.9 million in 9M20, compared to US\$60.6 million in 9M19.

**Direct Costs**

The Company has done variety of cost efficiencies, especially for variable components such as fuel, thus resulting in decreased direct costs of 19.3% from US\$48.9 million in 9M19 to US\$39.5 million in 9M20. Fuel costs decreased by 43.6% from US\$9.0 million on 9M19 to US\$5.0 million, which also in line with the lower revenue. There was also a decrease in depreciation and crewing costs that in line with lower number sets owned, from total of US\$24.3 million in 9M19 to US\$22.1 million.

**Operating Expenses and Other Income (Expenses)**

Operating Expenses (Opex) managed to be lower from 9M19, with a decrease by 8.4%. As well as for the other expenses was lower due to decrease in interest expense since there was a partial repayment for the shareholder loan and obtained a new term loan to refinance half of the settlement with lower interest rate. Furthermore, there were no loss on impairment of assets recorded in 9M20.

### 3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	9M20	2019	Change (%)
<b>Cash and cash equivalents</b>	43.3	40.2	7.7
<b>Total current assets</b>	61.3	58.0	5.7
<b>Total Assets</b>	213.7	218.1	(2.0)
<b>Current Liabilities</b>	25.2	15.6	61.4
<b>Total Debt</b>	37.4	35.4	5.6
<b>Total Liabilities</b>	49.6	46.3	7.2
<b>Total Equity</b>	164.1	171.9	(4.5)
<b>Current Ratio (x)</b>	2.43	3.71	
<b>Debt to Equity (x)</b>	0.23	0.21	

#### Total Assets

Total assets as of September 30, 2020 is 2.0% lower than 2019, which was in line with the lower number of sets, from 61 sets to 58 sets.

#### Total Liabilities

Total liabilities as of September 30, 2020 are 7.2% higher than 2019 as the Company obtained new revolving loan from Bank Permata in April 2020.

#### Total Equity

Total equity as of September 30, 2020 is 4.5% lower than 2019 due to losses recorded in 9M20.

#### Capex

Higher capex in 9M20 by 85.7% from US\$5.7 million in 9M19 to US\$10.1 million in 9M20, which in line with the docking cycle schedule and down payment for 2 newly built barges which expected to be fully delivered in the fourth quarter of 2020.

As we may know, the COVID-19 is sweeping through the global economy up to an unpredictable time. In this case, MBSS will keep trying to increase customer satisfaction through safety and operational excellence.

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About PT Mitrahahtera Segara Sejati Tbk

[www.mbss.co.id](http://www.mbss.co.id)

PT Mitrahahtera Segara Sejati Tbk is an integrated service provider of one-stop sea transportation solutions for bulk materials, particularly coal with its strategic investments in PT Mitra Swire CTM, PT Mitra Alam Segara Sejati.

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