

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded Revenue of US\$15.2 million in 3M21

Jakarta, 28 April 2021 – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed the 3M21 period with revenue of US\$15.2 million, a gross profit of US\$1.3 million, EBITDA of US\$4.3 million and a loss attributable to the owners of the Company of US\$1.6 million. The complete consolidated financial statements for the three months period can be accessed on the Company's website (www.mbss.co.id).

MBSS recorded a total cargo volume of 8.1 million MT in 3M21, compared to 9.2 million MT in 3M20. In line with this decrease in volume, the Company's revenue decreased to US\$15.2 million in 3M21, a 7.3% decline from the 3M20 revenue of US\$16.4 million. The barging segment contributed 70.7% to the Company's revenue whilst the floating crane segment contributed with the remainder.

The rising coal prices' trend that has continued since the end of 2020 has fueled MBSS' hopes that with the current progress of vaccine programs and pandemic prevention, 2021 will see the easing of social restrictions which will lead to a recovery in the economy and sustainable coal demand and prices. In the beginning of March 2021, the Company signed an agreement with PT Asian Bulk Logistics (ABL) to perform coal barging transport with a proposed volume of approximately 1.3 million MT to PLTU Celukan Bawang.

There was a reduction in the number of the assets owned from 62 sets in 3M20 to 56 sets in 3M21. Fewer numbers of sets working led to lower volume transported in the barging segment by 17%, down to 6.0 million MT from 7.2 million MT in the first quarter of 2020. The barging fleet keep on improving their utilisation compared to the pandemic conditions of 2020, with an increased demand in the market, resulting in US\$10.7 million of barging revenue. However, this was still a decrease from US\$12.0 million in the year prior, also caused by a reduced number of sets.

In contrast to the reduced revenue in the barging segment, the contribution of the floating crane segment slightly increased with a revenue of US\$4.5 million from US\$4.4 million, or 29.3% of MBSS total revenue. The volume of the cargo handled by the floating cranes also slightly increased to 2.1 million MT from 2.0 million MT in 3M20.

The Company also managed to decrease its direct cost by 6.1% from US\$14.8 million in 3M20 to US\$13.9 million in 3M21. In line with the decreased volume of transported cargo, commercial costs as a component of direct costs also decreased. In addition, there was also a reduction in port charges and anchorage costs. Agency costs also decreased from US\$1.3 million in 3M20 to US\$0.7 million in 3M21 as several routes which have high agency costs experienced fewer trips in 3M21 compared to 3M20. In addition, there was also a reduction in the technical cost, especially for the repairs and maintenance costs, which saw a decrease of 36.3% from US\$2.5 million to US\$1.6 million as the demand for repair costs decreased.

Below is the summary of Company's performance in 3M21:

1. Operational Highlights

Description	Unit	3M21	3M20	Change(%)
Barging				
Fleets	Set	56.0	62.0	(9.7)
Volume	MMT	6.0	7.2	(17.0)
Floating Crane				
Fleets	Unit	6.0	6.0	-
Volume	MMT	2.1	2.0	6.3
Grand Total Volume	MMT	8.1	9.2	(110)bps

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

Description (In US\$m unless indicated)	3M21	3M20	Change (%)
Revenue			
- Barging	10.7	12.0	(10.6)
- Floating Crane	4.5	4.4	1.5
- Others	-	-	-
Total Revenue	15.2	16.4	(7.3)
Direct Costs	13.9	14.8	(6.1)
Gross Profit	1.3	1.6	(18.6)
<i>%Gross Profit</i>	8.7	9.9	(121)bps
Operating Expenses	2.2	2.7	(19.2)
Operating Profit (Losses)	(0.9)	(1.1)	20.0
<i>%Operating Profit</i>	(5.8)	(6.8)	
Other Income (Expenses)	(0.3)	(0.9)	64.0
Profit (Loss) Before Tax	(1.2)	(2.0)	39.4
Profit (Loss) For the Period Attributable Owners	(1.6)	(2.1)	24.5
<i>%Net Profit After Tax</i>	(10.4)	(12.8)	
Non Controlling Interest	0.2	(0.1)	340.7
EBITDA	4.3	4.4	(2.3)
<i>%EBITDA</i>	28.3	26.8	
Capex	1.3	2.8	(52.0)

Revenues

Revenue lower by 7.3% to US\$15.2 million in 3M21, compared to US\$16.4 million in 3M20.

Direct Costs

The Company has undergone a variety of cost saving initiatives, particularly for variable components such as fuel. This has resulted in decreased direct costs of 6.1% from US\$14.8 million in 3M20 to US\$13.9 million in 3M21. In line with the decreased volume of transported cargo, commercial costs as a component of direct costs also decreased. There was also a reduction in port charges and agency costs from US\$1.3 million in 3M20 to US\$0.7 million in 3M21 as several routes which have high agency costs experienced fewer trips in 3M21 compared to 3M20. In addition, there was also a reduction in the technical cost, especially for the repairs and maintenance costs, which saw a decrease of 36.3% from US\$2.5 million to US\$1.6 million as the cost of individual repairs decreased.

Operating Expenses and Other Income (Expenses)

Operating Expenses (Opex) reduced by 19.2% from 3M20 to 3M21, mainly due to a reduction in the number of employees. The finance cost decreased by 70.8% from US\$0.5 million in 3M20 to US\$0.2 million, as the outstanding long-term loan with Indika Capital Pte. Ltd. (ICPL) was settled in the last quarter of 2020. Furthermore, MBSS' losses due to foreign exchange discrepancies were reduced compared to 3M20, when the rupiah exchange rate was very weak due to the impact of the beginning of pandemic.

3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	3M21	2020	Change (%)
Cash and cash equivalents	32.7	35.2	(7.1)
Total current assets	51.0	53.8	(5.1)
Total Assets	188.3	194.9	(3.4)
Current Liabilities	18.5	25.5	(27.3)
Total Debt	20.5	25.0	(17.9)
Total Liabilities	32.9	38.1	(13.6)
Total Equity	155.4	156.8	(0.9)
Current Ratio (x)	2.75	2.11	
Debt to Equity (x)	0.13	0.16	

Total Assets

Total assets as of March 31, 2021 are 7.1% lower than in 2020, as a result of reducing the current assets and non-current assets. Current assets decreased due to realisation of some non-current assets being sold. Non-current assets decreased in line with the lower number of sets from 57 sets to 56 sets, and depreciation.

Total Liabilities

Total liabilities as of March 31, 2021 are 13.6% lower than in 2020, due to the settlement of a revolving loan to Bank Permata with a principle of US\$7.5 million completed in January. As part of a cash preservation strategy, a new term loan was obtained from Permata bank in February.

Total Equity

Total equity as of March 31, 2021 is 0.9% lower in 2020 which represents the net loss recorded during the first quarter 2021.

CAPEX

A lower CAPEX in 3M21 by 52.0% from US\$2.8 million in 3M20 to US\$1.3 million in 3M21 was due to the number of vessels requiring docking in 3M21 being almost half the number of vessels requiring docking in 3M20.

The recovery progress of the global and national economy as well as distribution of the vaccines have improved the general trend of business conditions in 2021. Therefore, MBSS business prospect is expected to match this and continue to improve into the future. It is the Management's belief that MBSS will be able to continue to improve their performance and continue to deliver customer satisfaction in the future.

About PT Mitrabahtera Segara Sejati Tbk

www.mbss.co.id

PT Mitrabahtera Segara Sejati Tbk is a leading Indonesian provider of integrated maritime transportation and transshipment services which provides integrated solutions and marine transport for 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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