

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded a Profit Attributable to Owners of the Company of US\$11.5 million in 2021

Jakarta, 14 April 2022 – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed the 2021 period with revenue of US\$73.4 million, a gross profit of US\$15.2 million, EBITDA of US\$28.6 million and a profit attributable to the owners of the Company of US\$11.5 million. The complete consolidated financial statements for the full year period can be accessed through the Company's website (www.mbss.co.id).

MBSS recorded a total cargo volume of 35.9 million MT in 2021, compared to 32.7 million MT in 2020. In line with the increase of volume, the Company's revenue increased 33.8% from the 2020 revenue of US\$54.9 million. The barging segment contributed 70.0% to the Company's revenue whilst the floating crane segment contributed the remainder.

The improvement in coal market conditions influenced the increase in the coal demand, resulting in a high level of utilisation. The commercial strategy of utilising a combination of shipments for some of our fleet has improved utilisation and reduced idle costs.

Despite the reduction in the number of the assets owned from 57 sets in 2020 to 54 sets in 2021, MBSS managed to improve its utilization and operational efficiency over the year. The barging segment recorded US\$51.4 million in revenue, an increased compared to US\$38.1 million in 2020 with a total volume transported slightly higher at 24.9 million MT from 2020 of 24.6 million MT.

FC segment also experienced an increase in 2021, with revenue was rising by 31.4% compared to 2020. This increase in revenue was driven by the increase in total volume by 37.1%. With the uptrend in global coal prices, it is forecasted increases in export volume and transshipment volume for coal will continue, which will maximise the utilisation of the floating cranes. The strong demand for coal exports from China, Japan and countries in Southeast Asia is reflected in important transshipment points such as Adang Bay, Taboneo and Muara Pantai, where most of our FCs are working.

The direct cost increased by 14.2% from US\$51.0 million in 2020 to US\$58.2 million in 2021, in line with the increased volume of transported cargo. Commercial costs as a component of direct costs also increased, including vessel charter and fuel costs. Vessel charter occurred in 2021 amounting to US\$2.4 million as a replacement of FC Vittoria's docking and our commitment to the client as an additional request to help them meet the targeted cargo volume. While for the fuel cost, there was an increase of 86.0% from US\$7.0 million to US\$13.0 million as the changes in some of our shipments model that used to be transshipment become long-haul shipment, mostly derived from Kideco Jawa 7 contract that started in late 2020 and the ABL contract that started from March 2021.

Discern the global economy and coal market gradually improving, the Company carried out a review of the recoverable amount of the vessels during the year. Accordingly, the Company recognized US\$5.7 million of reversal from impairment of vessels in 2021.

Below is the summary of Company's performance in 2021:

1. Operational Highlights

Description	Unit	2021	2020	Change(%)
Barging				
Fleets	Set	54.0	57.0	(5.3)
Volume	MMT	24.9	24.6	1.0
Floating Crane				
Fleets	Unit	6.0	6.0	-
Volume	MMT	11.1	8.1	37.1
Grand Total Volume	MMT	35.9	32.7	

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

Description (In US\$m unless indicated)	2021	2020	Change (%)
Revenue			
- Barging	51.4	38.1	34.9
- Floating Crane	22.0	16.8	31.4
- Others	-	-	-
Total Revenue	73.4	54.9	33.8
Direct Costs	58.2	51.0	14.2
Gross Profit	15.2	3.9	291.3
%Gross Profit	20.7	7.1	
Operating Expenses	7.4	10.6	(30.2)
Operating Profit (Losses)	7.8	(6.7)	217.2
%Operating Profit	10.7	(12.2)	
Other Income (Expenses)	5.2	(7.6)	168.6
Profit (Loss) Before Tax	13.0	(14.3)	191.3
Profit (Loss) For the Period Attributable Owners	11.5	(15.0)	176.7
%Net Profit After Tax	15.7	(27.3)	
Non Controlling Interest	0.6	0.0	4,742.1
EBITDA	28.6	14.8	93.7
%EBITDA	39.0	27.0	
Capex	8.3	13.9	(40.3)

Revenues

Revenue increased by 33.8% to US\$73.4 million in 2021, compared to US\$54.9 million in 2020 which shown by the improvement in barging segment and floating crane segment, by 34.9% and 31.4%, respectively.

Direct Costs

In line with the increased volume of transported cargo, commercial costs as a component of direct costs also increased, including vessel charter and fuel costs. Vessel charter occurred in 2021 amounting to US\$2.4 million as a replacement of FC Vittoria's docking and our commitment to the client as an additional request. While for the fuel cost, there was an increase of 86.0% from US\$7.0 million to US\$13.0 million as the changes in some of our shipments model that have been used for transshipment became long-haul shipments. On the other hand, the Company managed to have savings in technical costs, mostly coming from spare parts costs, which was in line with operating a smaller fleet in 2021 compared to 2020 as well as the initiatives that the Company has undergone.

Operating Expenses and Other Income (Expenses)

Operating Expenses (Opex) reduced by 30.2% from 2020 to 2021, mainly due to a reduction in the number of employees. The finance cost decreased by 70.2% from US\$2.3 million in 2020 to US\$0.7 million, as the outstanding long-term loan with Indika Capital Pte. Ltd. (ICPL) was settled in the last quarter of 2020. The Other Expenses Cost was higher due to reversal from impairment of vessels of US\$5.7 million recorded in 2021 result of review of the recoverable amount of the vessels.

3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	2021	2020	Change (%)
Cash and cash equivalents	27.2	35.2	(22.6)
Total current assets	44.5	53.8	(17.3)
Total Assets	177.6	194.9	(8.8)
Current Liabilities	6.0	25.5	(76.5)
Total Debt	-	25.0	(100.0)
Total Liabilities	8.5	38.1	(77.6)
Total Equity	169.1	156.8	7.8
Current Ratio (x)	7.42	2.11	
Debt to Equity (x)	-	0.16	

Total Assets

Total assets as of December 31, 2021 are 8.8% lower than in 2020, as a result of reducing the current assets and non-current assets. The decreased primarily due to decrease in cash and cash equivalents from US\$35.2 million to US\$27.2 million as the Company paid off all of its bank loans. The realisation of assets held-for-sale as indicated by the lower number of sets from 57 sets in 2020 to 54 sets in 2021 and depreciation occurred in current year, as well as receivables as a result of teamwork to accelerate AR days also contributed to the decline.

Total Liabilities

Total liabilities as of December 31, 2021 are 77.6% lower than in 2020, due to early repayment off all bank loans held by the Company.

Total Equity

Total equity as of December 31, 2021 is 7.8% higher in 2020 which represents the net profit recorded during the year of 2021.

CAPEX

A lower CAPEX in 2021 by 40.3% from US\$13.9 million in 2020 to US\$8.9 million in 2021 was due to fewer vessels requiring docking in 2021 compared to the number of vessels requiring docking in 2020 coupled with no new vessel purchases were made this year, unlike last year.

The global and national economy began to recover in 2021, along with coal commodities which touched the highest level of the reference coal price in October. Therefore, MBSS business prospect is expected to match this and continue to improve and 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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