

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded a Profit Attributable to Owners of the Company of US\$4.7 million in 6M22

Jakarta, 18 July 2022 – PT Mitrabahtera Segara Sejati Tbk (MBSS) closed the 6M22 period with revenue of US\$38.6 million, a gross profit of US\$9.7 million, EBITDA of US\$16.9 million and a profit attributable to the owners of the Company of US\$4.7 million. The complete consolidated financial statements for the six months period can be accessed through the Company's website (www.mbss.co.id).

On second quarter of 2022, MBSS has obtained volume-based agreement for 7 months contract with PT Arutmin Indonesia for FC Nicholas. The rising coal prices' trend that has continued since the end of 2021 coupled with the strong demand for coal exports from India and China as well as the impact of Russia-Ukraine conflict that has made buyers from Europe start looking for coal supplies from Asia fueled MBSS' hopes that it will lead to sustainable coal demand and prices.

MBSS' revenue in 6M22 reflect a 15.6% improvement from 6M21 revenue of US\$33.4 million. The increase occurred both in barging and floating crane segments, where the barging segment was higher by US\$4.5 million and floating crane increased by US\$0.7 million. The barging segment contributed 72.4% to the Company's revenue whilst the floating crane segment contributed the remainder. Through the customer network opportunity from the new major shareholder, MBSS succeeded in initiating business diversification opportunity by transporting new cargo (nickel).

Barging segment had transported about 12.1 million MT in 6M22 slightly similar to 6M21. The barging fleet keep on improving their utilisation compared to 6M21, with an increased demand in the market, resulting in US\$27.9 million of barging revenue. This was an increase from US\$23.4 million in the year prior, due to several factors such as rate adjustment of Cotrans' contract as well as favorable rates on the spot market in line with the uptrend in global coal prices.

Furthermore, the floating crane revenue increased from US\$10.0 million to US\$10.7 million in 6M22 compared to 6M21. Despite FC Blitz's absence performance since undergoing dry docking during 2022' first quarter, FC Nicholas succeed to increase the cargo handled to 1.1 million MT from 0.7 million MT in 6M21 which contributed to floating crane' better performance.

The direct cost experienced an increase of 2.9% from US\$28.0 million in 6M21 to US\$28.8 million in 6M22, mostly attributable to the increase in fuel cost by 65.6% from US\$5.3 million (6M21) to US\$8.7 million (6M22). This increase due to MBSS have more long-haul shipments in 6M22 compared to 6M21, since the ABL contract just started in March 2021 and most of spot shipments were long-haul shipment. On the other hand, the Company managed to have savings in technical costs, such as spare parts and repair and maintenance, align with the Company's strategy for cost efficiencies through operational excellence.

Below is the summary of Company's performance in 6M22:

1. Operational Highlights

Description	Unit	6M22	6M21	Change(%)
Barging				
Fleets	Set	54.0	54.0	-
Volume	MMT	12.1	12.1	0.2
Floating Crane				
Fleets	Unit	6.0	6.0	-
Volume	MMT	5.2	5.2	0.5
Grand Total Volume	MMT	17.3	17.3	0.3

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

Description (In US\$m unless indicated)	6M22	6M21	Change (%)
Revenue			
- Barging	27.9	23.4	19.4
- Floating Crane	10.7	10.0	6.8
- Others	-	-	-
Total Revenue	38.6	33.4	15.6
Direct Costs	28.8	28.0	2.9
Gross Profit	9.7	5.4	82.0
%Gross Profit	25.3	16.0	
Operating Expenses	3.4	4.4	(22.9)
Operating Profit (Losses)	6.3	0.9	582.3
%Operating Profit	16.4	2.8	
Other Income (Expenses)	(0.8)	(0.1)	(453.4)
Profit (Loss) Before Tax	5.5	0.8	606.9
Profit (Loss) For the Period Attributable Owners	4.7	0.1	6,949.2
%Net Profit After Tax	12.2	0.2	
Non Controlling Interest	0.3	0.3	12.5
EBITDA	16.9	11.3	49.3
%EBITDA	43.7	33.8	
Capex	4.4	4.0	9.0

Revenues

Revenue increased by 15.6% to US\$38.6 million in 6M22, compared to US\$33.4 million in 6M21 which shown by an improvement of 19.4% in barging segment and 6.8% in floating crane segment.

Direct Costs

Commercial costs as a component of direct costs were increased, especially the fuel costs which also in line with the higher revenue mostly due to the long-haul shipment experience more trips in 6M22 compared to 6M21. Meanwhile, to align with the Company's strategy for cost efficiencies through operational excellence, MBSS managed to have savings in technical costs, such as spare parts and repair and maintenance.

Operating Expenses and Other Income (Expenses)

Operating Expenses (Opex) reduced by 22.9% from US\$4.4 million in 6M21 to US\$3.4 million in 6M22. This decrease mainly derived from a reduction in the number of employees. While for the others was higher which contributed by forex losses due to weakening of rupiah exchange rate against dollar from IDR14,496 as of June 2021 to IDR14,848 as of June 2022.

3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	6M22	2021	Change (%)
Cash and cash equivalents	40.3	27.2	48.0
Total current assets	58.4	44.5	31.4
Total Assets	191.5	177.6	7.8
Current Liabilities	8.9	6.0	48.4
Total Debt	12.9	-	100.0
Total Liabilities	20.8	8.5	143.8
Total Equity	170.7	169.1	0.9
Current Ratio (x)	6.6	7.4	
Debt to Equity (x)	0.1	-	

Total Assets

Total assets as of June 30, 2022 are 48.0% higher than in 2021, as a result of increased in the current assets and non-current assets. The increased primarily due to increase in cash and cash equivalents from US\$27.2 million to US\$40.3 million as MBSS have been fully drawdown the bank loan facility in April 2022.

Total Liabilities

Total liabilities as of June 30, 2022 are 143.8% much higher than in 2021. As part of a cash preservation strategy, a new term loan was obtained from BCA in January 2022 and have been fully drawdown in April 2022.

Total Equity

Total equity as of June 30, 2022 is 0.9% slightly higher than 2021 which represents the net profit recorded during the first half of 2022.

CAPEX

Higher CAPEX in 6M22 by 9.0% from US\$4.0 million in 6M21 to US\$4.4 million in 6M22 was due to advance payment for newly built vessels which are expected to be gradually delivered from July to October 2022.

Throughout the first half of 2022 hinted a more positive trend with coal demand and coal prices that will have an effect in MBSS' business. It is the Management's belief that MBSS will be able to improve 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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