

PT MITRABAHTERA SEGARA SEJATI TBK

The Company Recorded a Profit Attributable to the Owners of the Company of US\$10.6 million in 6M23

Jakarta, 23 August 2023 – PT Mitrabartera Segara Sejati Tbk (MBSS) recorded revenue of US\$30.6 million, a gross profit of US\$8.6 million, EBITDA of US\$13.0 million and a profit attributable to the owners of the Company of US\$10.6 million in the consolidated financial statements for the six months period ended June 30, 2023. The complete consolidated financial statements for the period can be accessed through the Company's website (www.mbss.co.id).

Robust demand from China and other global markets, coupled with the government's choice to lift the raw coal export ban in January 2023, resulted in a surge in Indonesia's coal production during the initial six months of 2023. Positioned as the leading global nickel producer, Indonesia anticipates substantial growth in the upcoming years, driven by the rising demand for nickel in the electric vehicle market.

In the first half of 2023, MBSS experienced a 20.8% decrease in revenue compared to same period in 2022 of US\$38.6 million. This decline was mainly driven by the FC segment, which was significantly impacted by the sale of five FCs in the latter half of 2022. The barging segment constituted 97.5% of the Company's revenue, while the floating crane segment made up the remainder.

As part of its strategy to streamline operations and modernize the fleet, MBSS strategically divested some aging assets, leading to a reduction in the number of owned assets from 54 sets in 6M22 to 50 sets in 6M23. Despite operating with a reduced fleet, the barging segment witnessed a revenue increase from US\$27.0 million in 6M22 to US\$29.8 million in 6M23. This growth can be attributed to several factors, including rate adjustments, favorable rates on the spot market and an upsurge in Time Charter revenue.

Nevertheless, the floating crane demonstrated a transition in 6M23, indicating a reduction in revenue by 92.9% amounting to US\$9.9 million. This transformation was predominantly influenced by the strategic sale of five floating cranes during 2022. Consequently, there was a decrease in the volume of the cargo handled, amounting to 0.9 million MT in 6M23 compared to 5.2 million MT in 6M22.

By operating with a streamlined fleet, MBSS managed to reduce its direct cost by 23.9% in 6M23, lowering expenses from US\$28.8 million in 6M22 to US\$21.9 million. This reduction was mainly attributed to a decrease in depreciation and fuel costs, resulting in a total reduction of US\$6.4 million.

Below is the summary of Company's performance in 6M23:

1. Operational Highlights

Description	Unit	6M23	6M22	Change(%)
Barging				
Fleets	Set	50.0	54.0	(7.4)
Volume	MMT	8.3	12.1	(31.6)
Floating Crane				
Fleets	Unit	1.0	6.0	(83.3)
Volume	MMT	0.9	5.2	(83.1)
Grand Total Volume	MMT	9.2	17.3	(47.0)

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

Description (In US\$m unless indicated)	6M23	6M22	Change (%)
Revenue			
- Barging	29.8	27.9	6.7
- Floating Crane	0.8	10.7	(92.9)
Total Revenue	30.6	38.6	(20.8)
Direct Costs	21.9	28.8	(23.9)
Gross Profit	8.6	9.7	(11.6)
%Gross Profit	28.2	25.3	
Operating Expenses	2.9	3.4	(15.9)
Operating Profit (Losses)	5.7	6.3	(9.3)
%Operating Profit	18.8	16.4	
Other Income (Expenses)	5.9	(0.8)	817.6
Profit Before Tax	11.7	5.5	111.9
Profit for the Period Attributable Owners	10.6	4.7	126.4
%Net Profit After Tax	34.8	12.2	
Non Controlling Interest	0.0	0.3	(94.4)
EBITDA	13.0	16.9	(22.9)
%EBITDA	42.5	43.7	(113)bps
Capex	16.3	4.4	271.8

Revenues

Revenue for 6M23 declined by 20.8% to US\$30.6 million, in comparison to US\$38.6 million in 6M22, in line with the decreased volume of transported cargo.

Direct Costs

The decrease in depreciation correlated with the reduction in the number sets owned, declining from US\$10.3 million in 6M22 to US\$7.0 million in 6M23. Moreover, aligned with the decreased volume of transported cargo, commercial costs naturally experienced a decrease as well.

Operating Expenses and Other Income (Expenses)

Operating Expenses (Opex) underwent a 15.9% reduction in 6M23 compared to 6M22 due to fewer number of head count, particularly among higher-grade positions. Additionally, Others category saw reduced expenses, partly attributable to gains from the sale of assets, which was reflected in the decrease in the number of owned assets. Furthermore, there was a forex gain as rupiah exchange rate against the dollar began to strengthen.

3. Summary Statements of Financial Position

Description (In US\$m unless indicated)	6M23	2022	Change (%)
Cash and cash equivalents	112.5	100.7	11.7
Total current assets	126.6	111.9	13.1
Total Assets	215.5	211.0	2.1
Current Liabilities	10.4	15.9	(34.7)
Total Debt	9.9	10.7	(7.4)
Total Liabilities	18.8	24.9	(24.6)
Total Equity	196.8	186.1	5.7
Current Ratio (x)	12.2	7.1	
Debt to Equity (x)	0.1	0.1	

Total Assets

Total assets as of June 30, 2023 were slightly higher compared to 2022, driven by growth in current assets, particularly in cash and cash equivalents which rose from US\$100.7 million to US\$112.5 million.

Total Liabilities

Total liabilities as of June 30, 2023 were reduced by 24.6% compared to 2022, primarily resulting from the actual payment made towards taxes payable.

Total Equity

Total equity as of June 30, 2023 were notably increased by 5.7% in comparison to 2022, reflecting net profit recorded in 6M23.

CAPEX

The Capex saw a substantial increased of 271.8% from US\$4.4 million in 6M22 to US\$16.3 million in 6M23, in line with docking cycle schedule of the fleet and the acquisition of newly built barges that were delivered during first half of 2023.

MBSS will persist in its endeavors to enhance its effectiveness and efficiency by prioritizing productivity through safety and operational excellence. It aimed to achieve cost savings, streamline organizational and business processes, all with the goal of boosting competitiveness within the current market condition.

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 and nickel with its strategic investments in PT Mitra Swire CTM and PT Mitra Alam Segara Sejati.

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