



## PETROSEA RESULTS FOR THE YEAR 2019

### Share

IDX Ticker	PTRO
Last Price (Rp) <sup>1</sup>	875
Outstanding Shares (Billion)	1.00
Market Capitalization (Rp Trillion)	0.88

### Financial Statements Highlights

	2018	2019	YoY
Total Revenue	465.74	476.44	2.30%
Gross Profit	73.12	81.13	10.95%
Operating Profit	52.22	57.13	9.40%
Net Profit	23.17	31.32	35.17%
Profit Attributable to Owners of Company	22.96	31.18	35.80%
EPS	0.0228	0.0309	35.53%
Cash Balance	68.17	84.18	23.49%
Net Debt	140.81	121.10	(13.99%)
Capex	104.16	96.72	(7.14%)

### Shareholders Structure (above 5%)<sup>2</sup>

PT Indika Energy Tbk.	69.8%
Public	30.2%

### Contact

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#### Note:

1) As of 19 March 2020

2) As of 30 December 2019

PT Petrosea Tbk. (**IDX: PTRO**), a multi-disciplinary mining, infrastructure and oil & gas services Company with a track record of achievement in Indonesia since 1972 released its financial performance for the fiscal year ended December 31, 2019. In the midst of volatile thermal coal prices, we successfully delivered an impressive performance by achieving double digit bottom line growth in 2019.

The Company recorded a 2.30% total revenue increase from US\$465.74 million in 2018 to US\$476.44 million reported in 2019, and registered a US\$31.18 million profit attributable to owners of the company compared to US\$22.96 million in the previous year (+35.80% year on year). These achievements were mainly driven by various operational excellence initiatives and support from solid technical as well as engineering capabilities.

Furthermore, in 2019 Petrosea received international recognition, after the Company was selected by the World Economic Forum into its Global Lighthouse Network due to our success in applying Industry 4.0 technologies to drive financial and operational performance.

#### Contract Mining

Contribution from this business line amounted to US\$287.04 million, or 60.25% to the total revenue of the Company. The overburden volume increased by 1.90% year on year from 121.19 million BCM to 123.49 million BCM in 2019, however coal production declined by 10.61% from 34.60 million tons to 30.93 million tons in 2019.

Petrosea differentiates its contract mining services from its competitors by offering integrated mining solutions using Industry 4.0 technology through its Minerva digital platform designed to provide the best possible services for all clients.

#### Engineering & Construction

In mid-2019, Petrosea signed a letter of award for supply and placement of fill material at the JIPE site with an estimated contract value of Rp1 trillion. Throughout the year, the Company also continued work on other projects, including the Levee Stockpile project for PT Freeport Indonesia and Lampunut Road, Bridge & Earthworks Construction project for PT Maruwai Coal.

The Engineering & Construction business line continues to innovate through the digitalization of its operations in order to adapt to the latest industry changes, as well as empower us to increase control, leverage real-time data to boost productivity, improve all-around processes and drive growth.

### Petrosea Logistics & Support Services

Amidst unfavorable conditions in the oil & gas sector, Petrosea continued to support its clients through port operations, logistics as well as offshore base activities in Sorong, Surabaya and Marunda. The Company also provided dedicated services to support business activities in Papua through PT Kuala Pelabuhan Indonesia. In 2019, Petrosea signed new agreements with PT Saipem and BP Berau Ltd. for the Tangguh Logistic Base Expansion project in Sorong for integrated freight forwarding services with an estimated contract value of Rp99 billion.

### Financial Highlights

- Total revenue increased by 2.30% year on year from US\$465.74 million to US\$476.44 million in 2019. The Contract Mining business line posted the largest contribution towards the Company's revenue, followed by Engineering & Construction and Petrosea Logistics & Support Services.
  - Contract Mining contributed a revenue of US\$287.04 million, an 8.51% increase compared to the previous year of US\$264.52 million (60.25% of the Company's total revenue). This was achieved mainly due to increased activities at the Kideco Jaya Agung project which resulted in a revenue stream of US\$125.98 million or 43.89% to the revenue of the Contract Mining business line.
  - Engineering & Construction contributed a revenue of US\$97.66 million, 25.04% lower compared to the previous year of US\$130.28 million (20.50% of the Company's total revenue). The Levee project contributed US\$55.69 million, or 57.02% to the revenue of the Engineering & Construction business line.
- Petrosea Logistics & Support Services contributed US\$88.92 million, a 30.21% increase, compared to US\$68.29 million in the previous year (18.66% of the company's total revenue). Revenue contribution was mainly driven by PT Kuala Pelabuhan Indonesia which amounted to US\$41.79 million and POSB which amounted to US\$47.10 million.
- Gross profit increased by 10.95% from US\$73.12 million to US\$81.13 million in 2019. Gross profit margin improved from 15.70% to 17.03% in 2019, which was driven by Petrosea's success in digitally transforming its Contract Mining operational activities .
- The Company continued to maintain its effectiveness in administration expenses which amounted to US\$24.00 million in 2019.
- Operating profit increased by 9.40% from US\$55.22 million to US\$57.13 million in 2019. Operating profit margin improved from 11.21% to 11.99% in 2019.
- Interest expenses and financial charges increased from US\$11.94 million to US\$13.75 million recorded in 2019 (+15.16% year on year), mainly due to financial charges for a partial payment of a long term loan to a related party which amounted to US\$75 million as part of our liability management exercise undertaken this year, as well as an additional long term loan facility to support the Company's growth, specifically the Contract Mining business line.
- The Company allocated a total capital expenditure of US\$96.72 million, with majority being utilized for additional capacity in order to support the Contract Mining business line.
- The Company recorded a US\$31.18 million profit attributable to owners of the company compared to US\$22.96 million in the previous year (+35.80% year on year).
- Cash and cash equivalents increased by 23.49% from US\$68.17 million to US\$84.18 million as of 31 December 2019.

## Financing

- On December 30, 2019, Petrosea and PT Komatsu Astra Finance signed a long term lease facility agreement amounting to US\$1.8 million. The lease liability's term under the agreement is 60 months for big machinery. The interest rate on this facility is 2.10% plus an interest rate of 3 (three) months LIBOR.
- On December 16, 2019, Petrosea & Verena Multi Finance signed a new long term lease facility agreement amounting a total of US\$15 million. The lease liability's term under the agreement is 60 months. The interest rate on this facility is 2.30% plus an interest rate of 3 (three) months LIBOR.
- On July 18, 2019, Petrosea & ORIX signed a long term lease facility agreement with a total amount of US\$10.6 Million.
- On May 8, 2019, Petrosea & Mitsubishi UFJ Lease & Finance Indonesia signed long term lease facility agreement with a total amount of US\$6.00 million.
- On March 18, 2019, Petrosea undertook a liability management exercise to repay a portion of its long term loan to a related party which amounted to US\$75 million by using a US\$60 million loan facility from PT Bank Mandiri (Persero) Tbk. and US\$15 million from internal cash.
- On March 8, 2019, Petrosea & Komatsu Astra Finance signed new long term lease facility agreement with a total amount of US\$30 Million.
- On January 2, 2019, the Company and HSBC signed a new working capital facility amounting to US\$ 5 million and non cash loan facility with a total amount of US\$ 25 million.

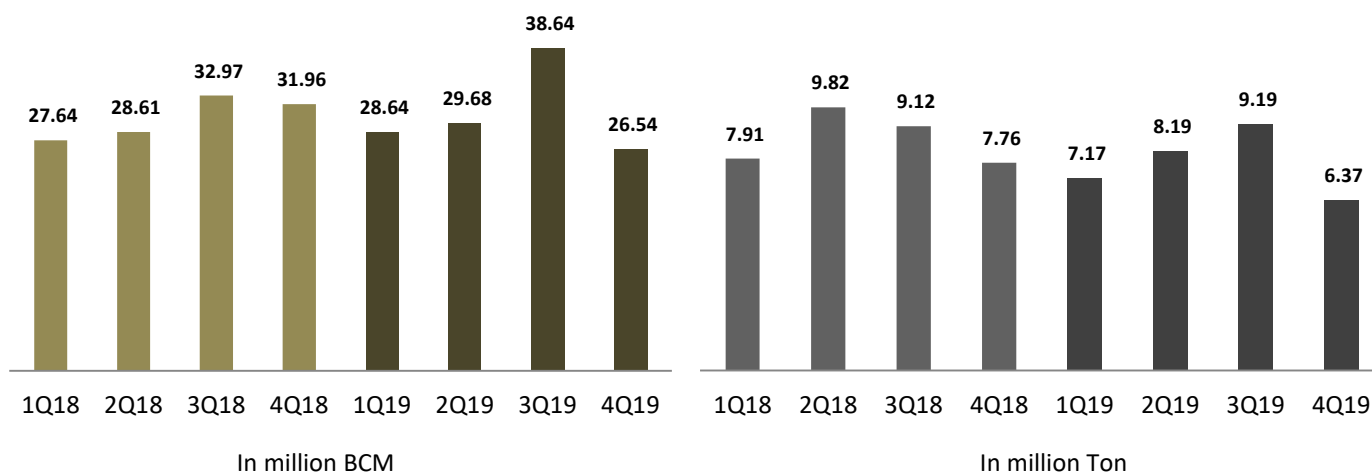
## Recent Business Developments

- On December 2, 2019. **PLSS** - Petrosea and Tripatra Engineers & Constructors entered into an agreement for rental equipment and support services at Kariangau, with a contract value of Rp7 billion and commencement date from April 1, 2019 to March 31, 2020.
- On November 29, 2019. **Contract Mining** - Petrosea received a letter from PT Kideco Jaya Agung regarding the 2020 production target volume of 61.95 million BCM for waste removal and 12.83 million tons of coal.
- On 31 October, 2019. **Contract Mining** - Petrosea received a letter from PT Indonesia Pratama regarding the 2020 production target of 40.5 million BCM for overburden removal and 16.3 million tons of coal production.
- On September 28, 2019. **Contract Mining** - Petrosea received a letter from PT Indonesia Pratama to limit coal production to 16.3 million tons for the year 2019.
- On August 7, 2019. **PLSS** - Petrosea and Pertamina Hulu Mahakam entered into an agreement for the provision of Cargo Carrying Unit (CCU) services with a contract value Rp8 billion and commencement date from April 19, 2019 to April 18, 2021.
- On July 31, 2019. **E&C** - Petrosea completed the civil concrete utilities & infrastructure works project for PT Maruwai Coal.
- On June 28, 2019. **E&C** - Petrosea and PT Freeport Indonesia signed a letter of award for supply and placement of fill material at the JIPE site with an estimated contract value of Rp1 trillion.
- On June 1, 2019. **Contract Mining** - Petrosea received a notice from PT Kideco Jaya Agung to execute the civil work contract for the relocation of the MCCP B Line to SMCP area with a contract value of Rp33 billion.
- On April 1, 2019. **PLSS** - Petrosea in a consortium with PT Mitra Intertrans Forwarding and PT DHL Global Forwarding Indonesia executed a contract for integrated freight forwarding services with BP Berau Ltd. for a 36 months period with contract value of Rp99 billion.

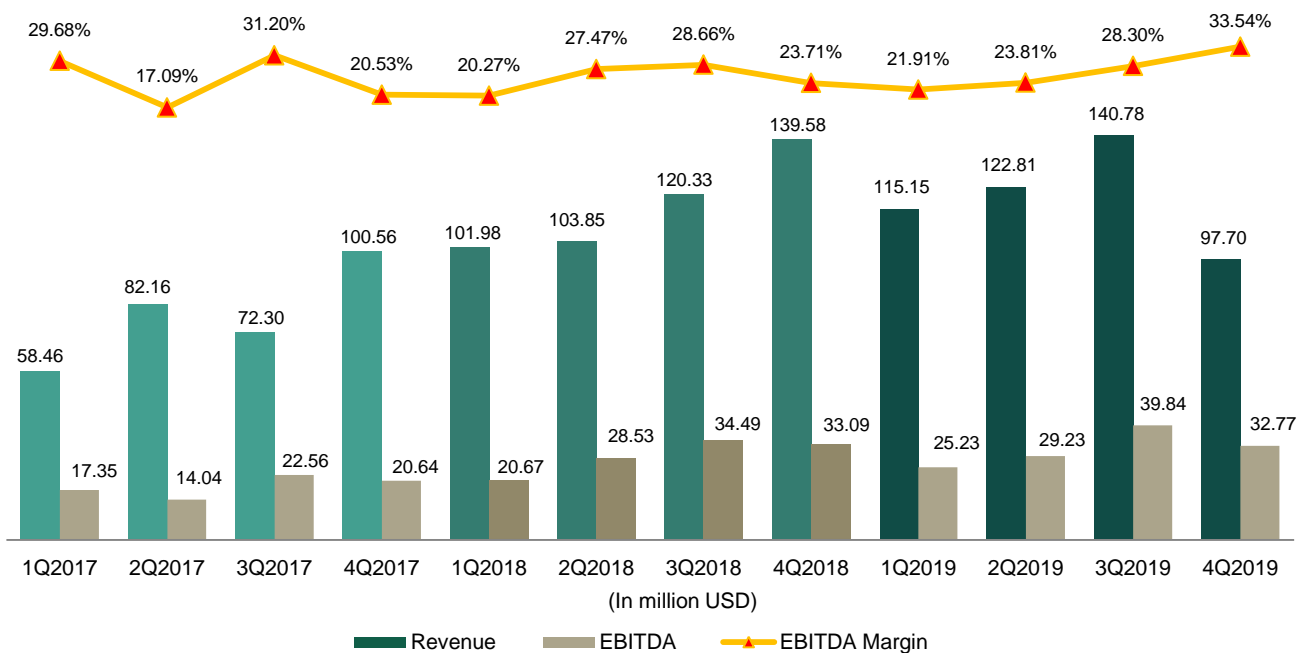
- On March 18, 2019. **PLSS** - Petrosea and PT Saipem Indonesia entered into amendment No.1 to agreement for the provision of logistic base services at the Tangguh Expansion project at Sorong, effectively starting March 4, 2019 to August 30, 2020. The total contract value is Rp28 billion.
- On March 15, 2019. **Contract Mining** - Petrosea and Indonesia Pratama entered into a third amendment of the agreement for the provision of open pit overburden mining services.
- On March 8, 2019. **E&C** - Petrosea received a final completion certificate from PT Maruwai Coal for the Lampunut village installation project.

### OVERBURDEN REMOVAL

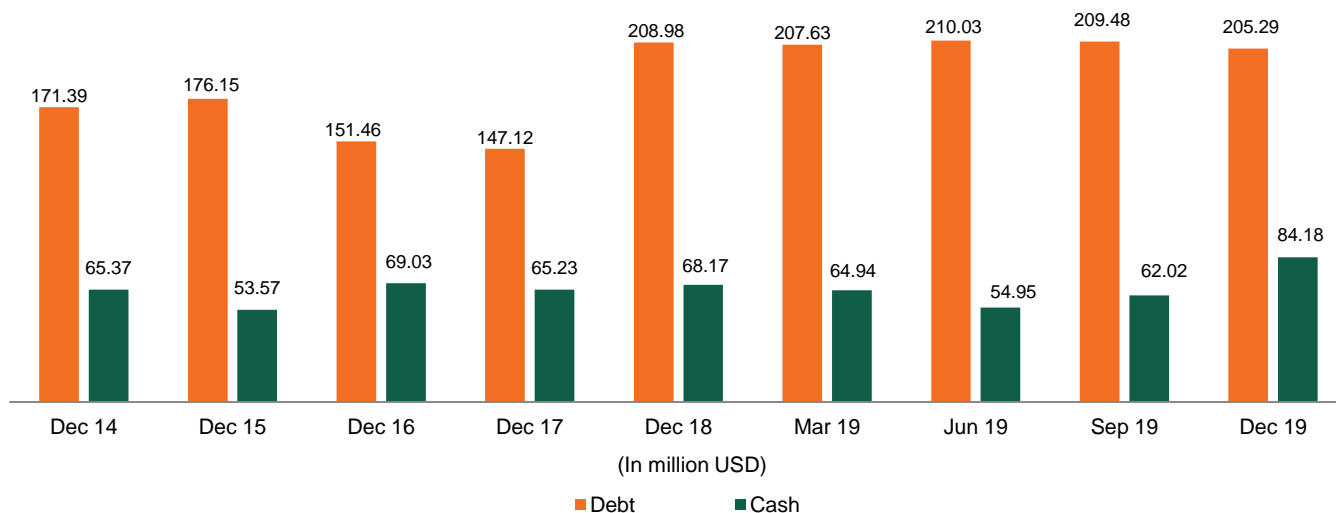
### COAL PRODUCTION



### PROFITABILITY



### DEBT & CASH



Consolidated Statements of Profit or Loss (In US\$ Million)	2018	2019	% Change
Revenues	465.74	476.44	2.30%
Direct Costs	(392.62)	(395.31)	0.69%
Gross Profit	73.12	81.13	10.95%
Operating Profit	52.22	57.13	9.40%
Profit for The Year	23.17	31.32	35.17%
Profit Attributable to Owners of The Company	22.96	31.18	35.80%
Profit Attributable to Non-controlling Interest	0.21	0.15	(28.57%)

Consolidated Statements of Financial Position (In US\$ Million)	2018	2019	% Change
Cash & Cash Equivalents	68.17	84.18	23.49%
Total Current Assets	250.17	222.06	(11.24%)
Total Noncurrent Assets	305.42	328.98	7.71%
<b>Total Assets</b>	555.59	551.04	(0.82%)
Total Current Liabilities	147.86	146.34	(1.03%)
Total Noncurrent Liabilities	216.60	192.15	(11.29%)
<b>Total Liabilities</b>	364.46	338.49	(7.13%)
<b>Total Equity</b>	191.13	212.56	11.21%
<b>Total Liabilities &amp; Equity</b>	555.59	551.04	(0.82%)

Financial Ratio	2018	2019
Return on Assets	4.17%	5.68%
Return on Equity	12.12%	14.73%
Current Ratio	1.69	1.52
Debt to Equity Ratio	1.09	0.97
Fixed Assets Turnover Ratio	1.56	1.52
Total Assets Turnover Ratio	0.84	0.86
Gross Profit Margin	15.70%	17.03%
Operating Profit Margin	11.21%	11.99%
Net Profit Margin	4.97%	6.57%

## Overview

*PT Petrosea Tbk. is multi-disciplinary mining, infrastructure and oil & gas services Company with track record of achievement in Indonesia since 1972. Drawing on rich and varied years of experience throughout the Indonesian archipelago, Petrosea is now recognized as one of Indonesia's leading contractors. We offer a competitive advantage through our ability to provide complete pit-to-port mining solutions, supported by integrated engineering & construction capabilities and logistic support, whilst demonstrating absolute commitment to health, safety & environment, quality management, and business integrity. We also provide services for the oil and gas industry in Indonesia through our Petrosea Offshore Supply Base (POSB) deep-water supply bases located in Sorong, West Papua that consistently delivers international standard and cost-effective services to all of our clients. Petrosea has been listed on the Indonesia Stock Exchange (IDX: PTRO) since 1990 and was the first publicly listed Indonesian engineering & construction Company in Indonesia.*

*The Company's vision is to be a leading service provider in mining, oil & gas and infrastructure in South East Asia. The Company's mission is to deliver innovative solutions for mining, oil & gas and infrastructure to the satisfaction of all clients and stakeholders.*

*Together with its holding Company, PT Indika Energy Tbk., Petrosea is able to provide complete solutions in the energy supply chain. Understanding the demands of the industry and having the full range of expertise in engineering and project management, high quality construction capabilities, ability to complete complex projects on schedule, local knowledge and focus on human capital management and development, enables us to provide consistent results and position ourselves to meet and exceed the expectations of our customers.*

### **Anto Broto**

*Head of Corporate Secretary & Investor Relations*

### **Miftahul Ahyar Arrifa'i**

*Investor Relations Officer*

## Disclaimer

*Investors and security holders are cautioned that this communication contains forward-looking statements and that forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict and are generally beyond the control of PT Petrosea Tbk.*

*Neither PT Petrosea Tbk., its affiliates nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements in this communication.*

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