

# Company Update

FY 2018



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# Company Overview

PT Petrosea Tbk. is a multi-disciplinary mining, infrastructure and oil & gas services Company with a track record of achievement in Indonesia since 1972. We offer a competitive advantage through our ability to provide complete pit-to-port mining solutions, integrated engineering and construction capabilities as well as logistic support, whilst demonstrating absolute commitment to health, safety & environment, quality management and business integrity.

## Contract Mining



Contract mining and the provision of mine services for the mining industry has been part of Petrosea's core business since 1975, providing integrated pit-to-port mining solutions and services across all production stages to the Indonesian mining industry. Through its open pit contract mining services capabilities, Petrosea delivers enhanced margins and return on assets for its clients

- **Feasibility study & conceptual design**
- **Pit optimization**
- **Mine planning, mine scheduling, haul distance & dump optimization**
- **Heavy equipment selection**
- **Plant hire**
- **Mining contract services**
- **Mine project management services**
- **Stockpile maintenance**
- **Site rehabilitation & environmental management**

## Engineering & Construction



Petrosea provides engineering & construction services for the Indonesian energy, infrastructure and mining industries, with extensive experience throughout Indonesia and strong relationships with key stakeholders such as the government and communities to assist our clients in meeting their business goals.

For the infrastructure and minerals industry, Petrosea provides the full range of engineering, construction and operations services including:

- **Construction**
- **Plant & equipment hire**
- **Commissioning**
- **Project management**
- **Operation & maintenance**
- **Procurement & logistics**
- **Front end engineering design**
- **Detail engineering design**
- **Technical due diligence**
- **Conceptual to full bankable feasibility studies**

## Petrosea Logistics & Support Services

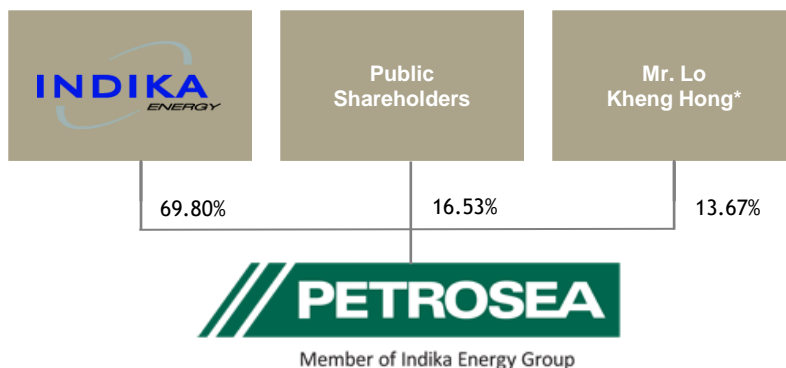


Petrosea provides services to the Indonesian oil & gas industry through its strategically positioned Petrosea Offshore Supply Base (POSB) and Bonded Logistics Center (PLB), delivering a wide range of cost effective services executed to international standards. Our Supply Base Management capability along with our strong focus on HSE ensures that we are able to provide our services safely and efficiently, supporting offshore oil & gas production, development and exploration throughout Indonesia.

- **POSB Sorong**
- **Bonded Logistics Center**

# Ownership Structure & Milestone

## Ownership Structure (above 5%)



## Year

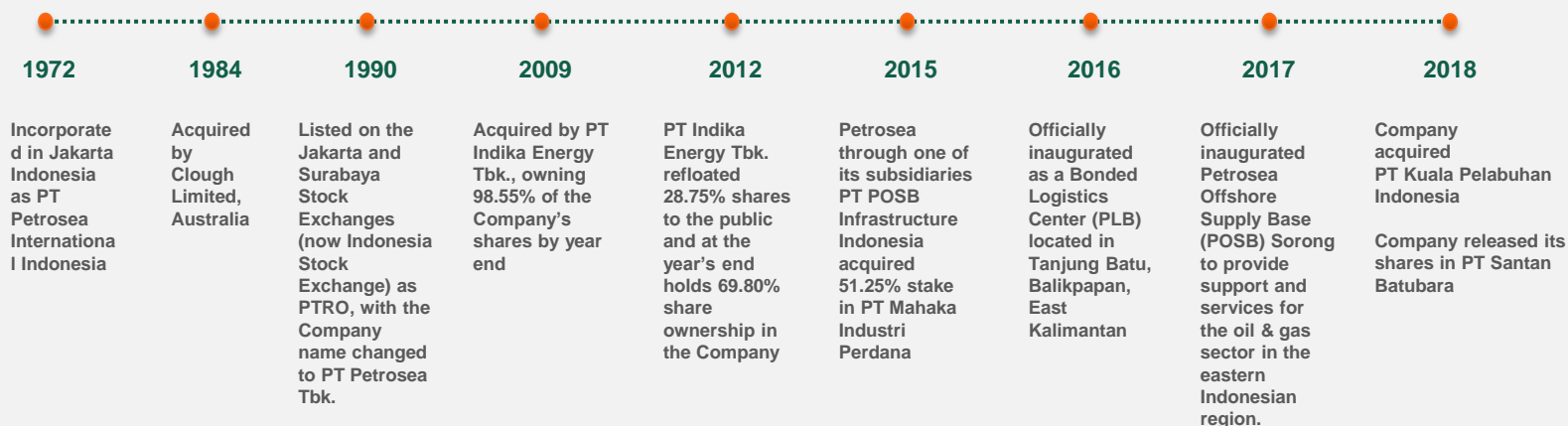
Established	1972
Listed in IDX	1990
Acquired by INDY	2009
Number of shares: 1,008,605,000	

Market Capitalization as of 29 March, 2019 - IDR Rp 1.84 trillion (USD 125 million)\*

\* As of 29 March 2019

\*\* IDR1,825/share; IDR13,762/USD

## Milestone



## Board of Commissioners



**Richard Bruce Ness**  
President Commissioner



**Eddy Junaedy Danu**  
Commissioner



**Purbaja Pantja**  
Commissioner



**Osman Sitorus**  
Independent Commissioner



**Abdurrachman Kunwibowo**  
Independent Commissioner

## Board of Directors



**Hanifa Indradjaya**  
President Director



**Johanes Ispurnawan**  
Director



**Romi Novan Indrawan**  
Independent Director

# Operational Map & Clients



- Contract Mining
- Engineering & Construction
- Petrosea Logistic and Support Services

## Contract Mining

1	Kideco Jaya Agung	2018 - 2023
2	Binuang Mitra Bersama	2015 - 2020
3	Indonesia Pratama*	2014 - 2021
4	Anzawara Satria	2015 - 2018

## Engineering & Construction

5	Freeport Indonesia	2017 - 2022
6	Kideco Jaya Agung	2018 - 2019
7	Maruwai Coal	2018 - 2019

## Logistics and Support For Oil & Gas Services

8	Pertamina T Kontinental	2018 - 2019
9	Dowell Anadrill Schlumberger	2018
10	CSTS Joint Operation	2018 - 2020
11	BP Berau Ltd.	2017 - 2025
12	Etc	2018

## Top 5 Clients



**PT BINUANG MITRA BERSAMA**



\* Subsidiary of PT Bayan Resources Tbk.

# Recent Developments



## Contract Mining

- In January 2018, Petrosea and Indonesia Pratama entered into an amendment of agreement for the provision of open pit overburden mining services.
- In March 2018, Petrosea and Indoasia Cemerlang was amended the overburden removal agreement, which includes extension of contract duration and terms of payment changes.
- In March 2018. Petrosea and Kideco Jaya Agung entered into contract agreement of waste removal and coal production which include increase of production volume and rate as well as the extension of expiration date of contract until 2023.
- In July 2018, Contract Mining - Petrosea and Indoasia Cemerlang had agreed that the overburden removal and mining equipment rental works as stipulated in the agreement has been completed.
- In September 2018. Contract Mining - Petrosea submitted a notification letter to Anzawara Satria regarding the termination of the agreement related to overburden removal, coal hauling and plant hire which shall be effective in October 2018.
- In October 2018. Contract Mining - Petrosea and Binuang Mitra Bersama Blok Dua entered into additional agreement of mining services agreement to increases overburden volume production to 32 million BCM per year and coal volume production to 7.4 million tons and overhaul rate that will be effective in January 2019.

## Engineering & Construction

- In January 2018, Petrosea and Freeport Indonesia entered into an agreement for construction sediment management with contract value of US\$21.3 million with contract duration of 36 months.
- In May 2018., Petrosea and Kideco Jaya Agung entered into an agreement for construction of Samarangau River Bridge in Batu Kajang. The contract value is Rp49.5 billion.
- In May 2018, Petrosea and Maruwai Coal entered into village installation project for camp installation project. The contract value is Rp112.1 billion
- In October 2018, Petrosea and Freeport Indonesia was commenced the second stage of Levee construction works at low land area with the contract value of US\$111.7 million for 40 months of contract duration.
- In December 2018. E&C - Petrosea received notice of award from Maruwai Coal for civil concrete utilities & infrastructure works, with contract value of Rp53 billion with estimate of completion in May 2019.

## PLSS

- In April 2018, Petrosea and CSTS J.O. entered into an agreement for provision of loading unloading and storage at POSB Sorong, with contract value of Rp14.3 billion with commencement date from January 2018 to December 2020.
- In October 2018, Petrosea and Pertamina Trans Kontinental entered into agreement for provision of shore base support services which effective from August 2018 to July 2019, where Petrosea acts as subcontractor.
- In 2018. Petrosea entered into new agreement and also amendment of agreement for Sorong Supply Base, Bonded Logistic Center (PLB) and Petrosea Supply Base in Tanjung Batu with PT Saipem Indonesia, Salamander Energy (Bontang) Pte. Ltd, Pertamina Trans Kontinental, Talisman Sageri Ltd., Chevron Indonesia Company, Energy Logistic, Sindo Utama Jaya, Viking Seatech Indonesia, Baroid Indonesia, Apexindo Pratama Duta, Ensco Sarida Offshore, Prasadha Pamunah Limbah Industri.



## PT Kuala Pelabuhan Indonesia

On June 28, 2018, the Company acquired 380,000 shares (95% share of ownership) in PT Kuala Pelabuhan Indonesia.

Kuala Pelabuhan Indonesia has operated its marine fleets & port facilities as subsidiary of Petrosea. Kuala Pelabuhan Indonesia provides integrated ship dock operations, as well as logistics and maintenance services for PT Freeport Indonesia.



## PT Santan Batubara

On August 21, 2018, the Company released its ownership in PT Santan Batubara to PT Harum Energi Tbk.

# Operational Highlights

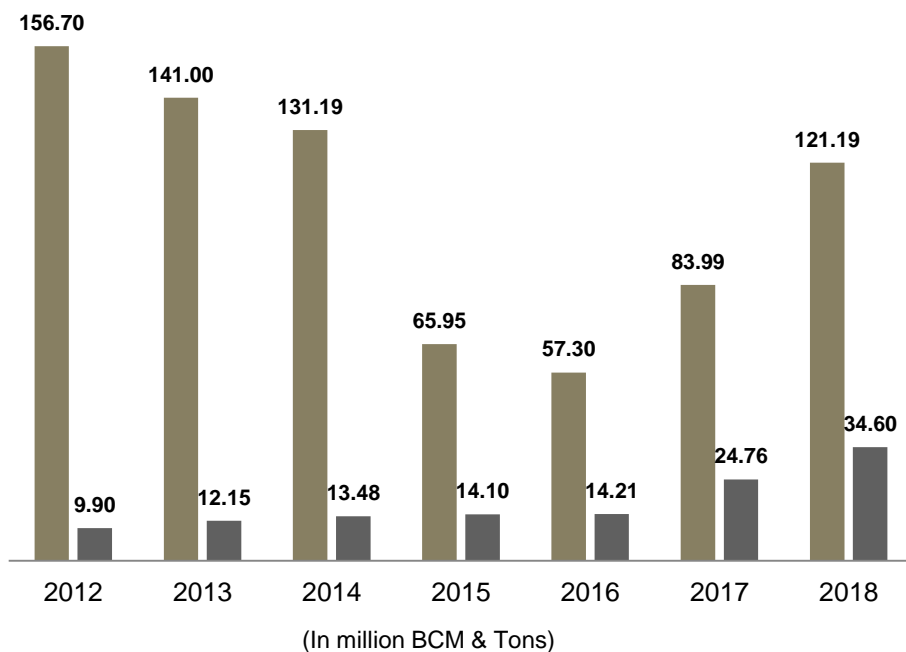
# Operational Highlights

## OPERATIONAL HIGHLIGHTS

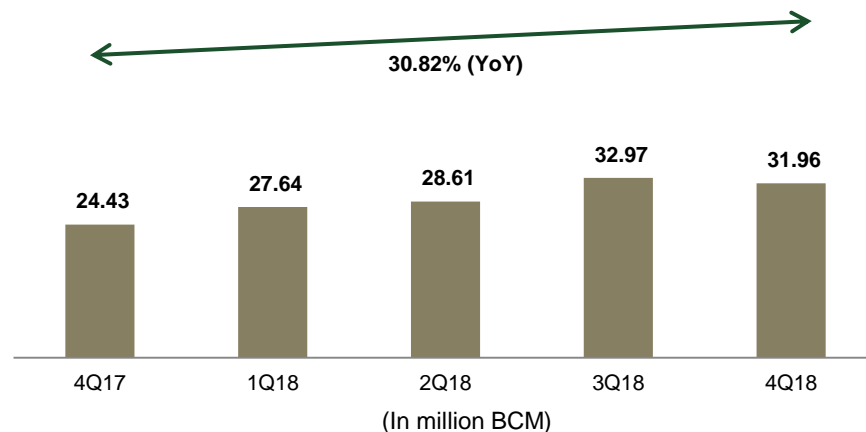
Description (MBCM / MT)	2017	2018	YoY
Overburden (MBCM)	83.99	121.18	44.28%
Coal (MT)	24.76	34.61	39.78%

## YEARLY VOLUME

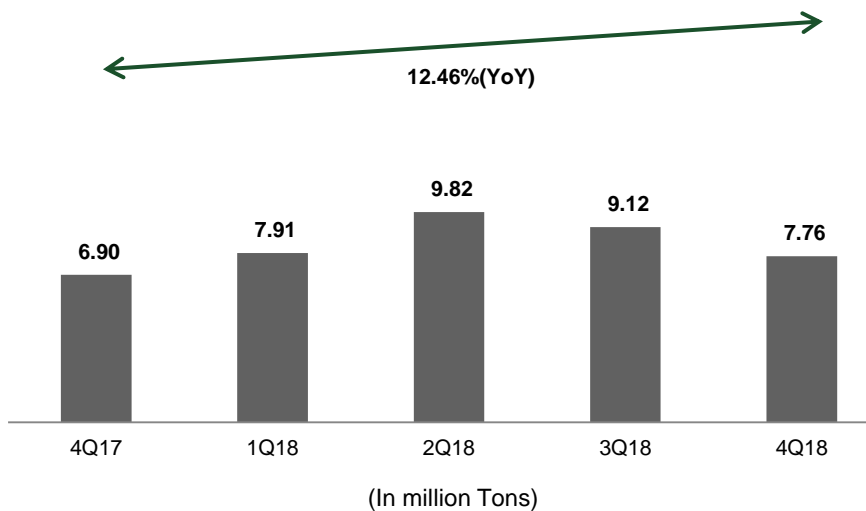
■ Overburden ■ Coal



## OVERBURDEN VOLUME



## COAL PRODUCTION



# Financial Highlights

# Financial Highlights

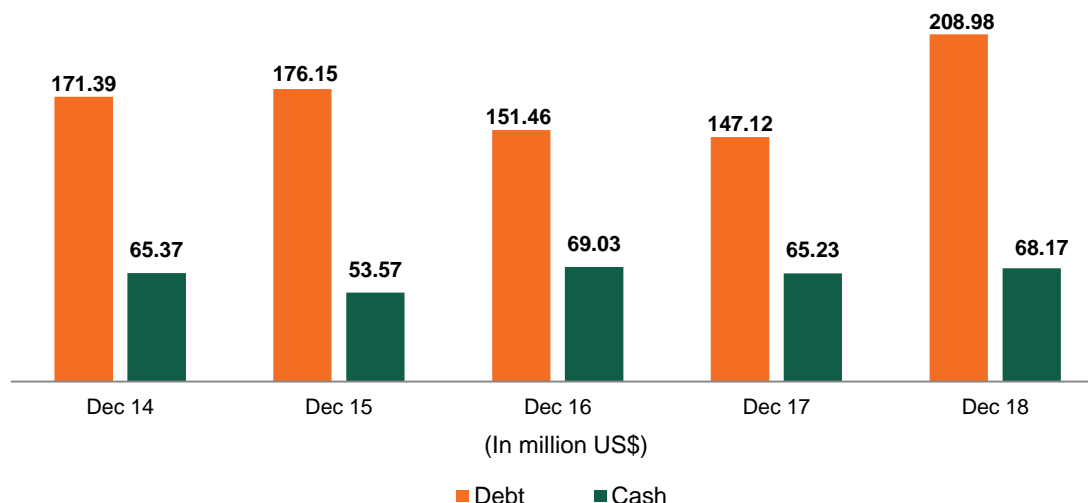
## FINANCIAL HIGHLIGHTS – BALANCE SHEET

Description (US\$ Million)	2017	2018
Cash & Cash Equivalents	65.23	68.17
Total Current Assets	178.31	250.17
Total Noncurrent Assets	275.89	305.42
<b>Total Assets</b>	<b>454.20</b>	<b>555.59</b>
Bank Loans	10.60	-
Total Current Liabilities	103.67	147.86
Total Noncurrent Liabilities	161.71	216.60
<b>Total Liabilities</b>	<b>265.37</b>	<b>364.46</b>
<b>Total Equity</b>	<b>188.83</b>	<b>191.13</b>
<b>Total Liabilities &amp; Equity</b>	<b>454.20</b>	<b>555.59</b>

## FINANCIAL RATIO

Description (US\$ Million)	2017	2018
Return on Assets	2.62%	4.17%
Return on Equity	6.30%	12.12%
Current Ratio	1.72	1.69
Debt to Equity Ratio	0.78	1.09
Fixed Assets Turnover Ratio	1.19	1.56
Total Assets Turnover Ratio	0.69	0.84
Gross Profit Margin	14.58%	15.70%
Operating Profit Margin	8.52%	11.21%
Net Profit Margin	3.79%	4.97%

## DEBT & CASH



## Maintaining Healthy Balance Sheets



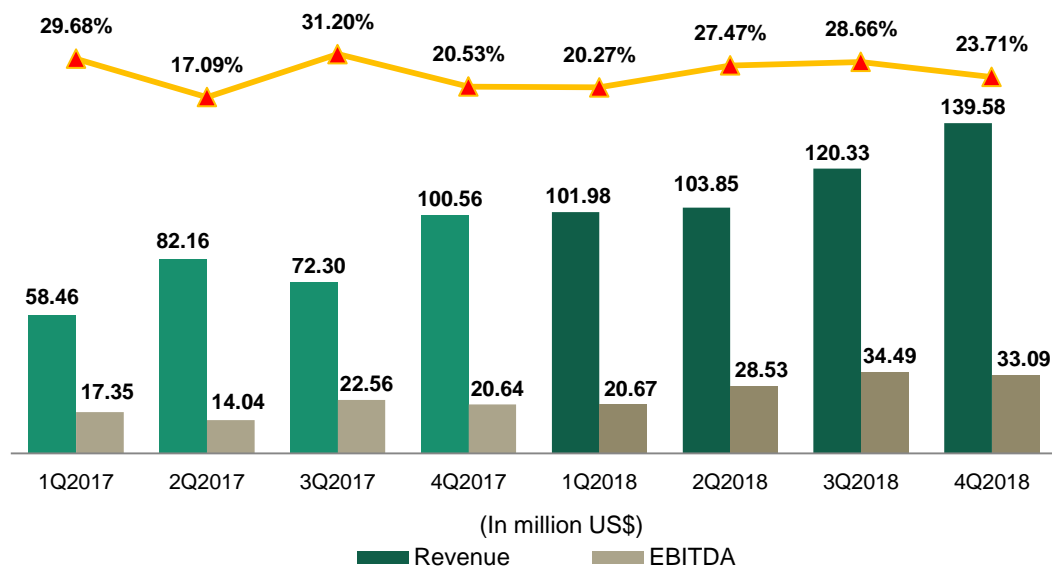
• Effective working capital management

• Prudent liabilities management strategy

• Good Corporate Governance

# Financial Highlights

## PROFITABILITY



## FINANCIAL HIGHLIGHTS - PROFIT & LOSS

Description (US\$ Million)	2017	2018
Revenues	313.48	465.74
Direct Costs	(267.77)	(392.62)
Gross Profit	45.71	73.12
Operating Profit	26.70	52.22
Share in jointly controlled entity's Net Loss	(0.47)	(0.50)
Net Profit for the Year	11.89	23.17
Profit Attributable - to Owners of Company	11.63	22.96
Profit Attributable - to Non-controlling interest	0.26	0.21
Earning per Share	0.0115	0.0228

## FINANCIAL RATIO

Description	3M18	6M18	9M18	12M18
EBITDA (US\$ Million)	20.67	49.2	83.69	116.78
EBITDA Margin	20.27%	23.90%	25.66%	25.07%
CAPEX (US\$ Million)	32.75	60.12	78.63	104.16
Total Debt (US\$ Million)	167.74	187.21	186.18	208.98
Debt to Equity Ratio (X)	0.93	1.07	1.00	1.09
Net Gearing Ratio (X)	0.63	0.74	0.69	0.64

**Cost Effectiveness**

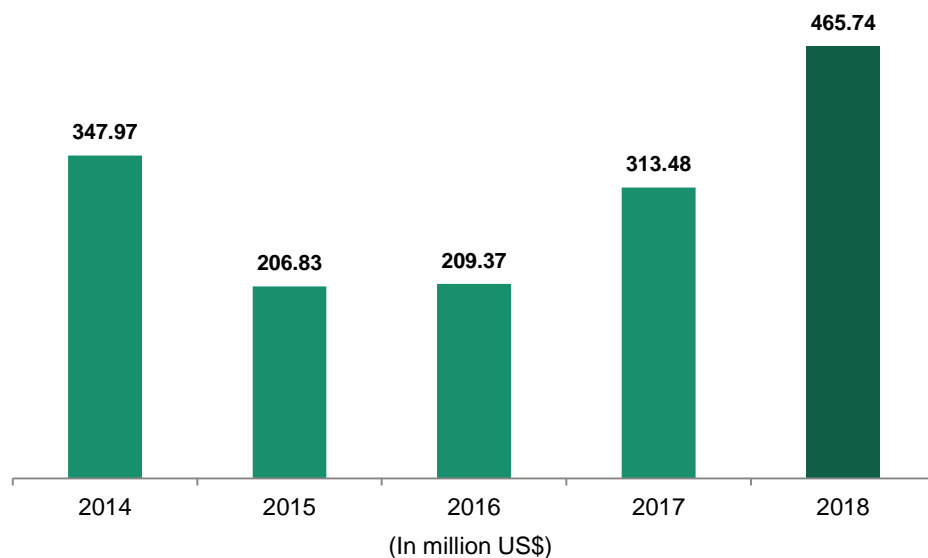
**Maximize Assets Productivity**

**Maximize Operational Performances**

**Profit Maximization**

# Financial Highlights

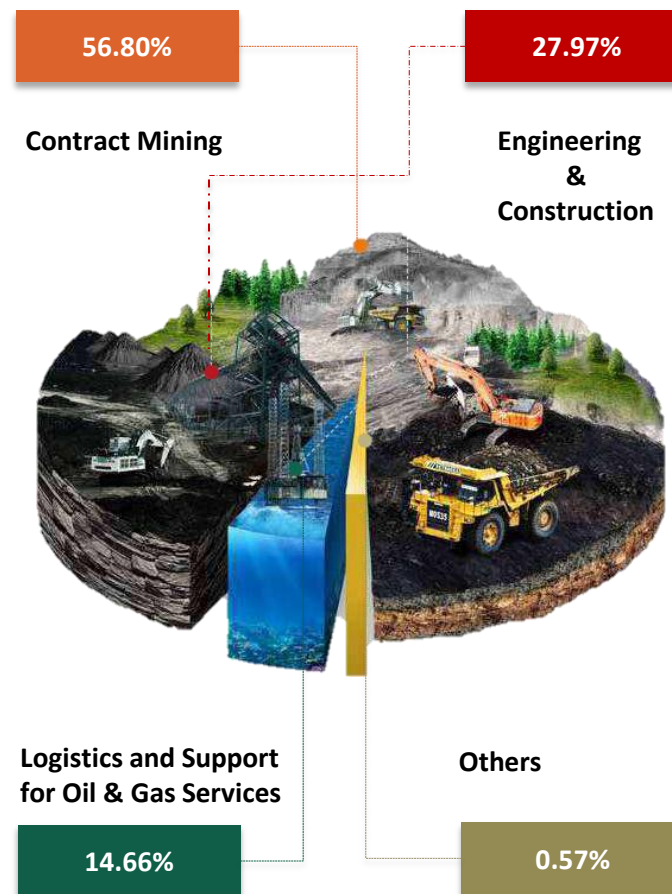
## TOTAL REVENUE



## BUSINESS LINE

Description (In million US\$)	2017	2018	Growth
Contract Mining	171.27	264.52	54.45%
Engineering & Construction	70.24	130.28	85.48%
Logistics & Support for OIL & Gas Services	69.82	68.29	-2.19%
Others	2.15	2.65	23.26%

## REVENUE CONTRIBUTION





# Financial Highlights

## CASH FLOW FROM OPERATING ACTIVITIES

Description (US\$ Million)	2017	2018
Cash received from customers	294.07	408.34
Cash paid to suppliers	(124.63)	(204.96)
Cash paid to employees	(100.69)	(115.60)
<b>Cash generated from operations</b>	<b>68.76</b>	<b>87.77</b>
Receipt of the refunds	8.80	2.21
Interest received	0.85	0.50
Payment other tax and penalties	(8.03)	(0.11)
Payment of incomes taxes	(3.51)	(3.14)
Payment of interest and finance charges	(9.21)	(11.73)
<b>Net cash provided by operating activities</b>	<b>57.66</b>	<b>75.50</b>

## CASH FLOW FROM INVESTING AND FINANCING ACTIVITIES

Description (US\$ Million)	2017	2018
Proceeds from sale on an investment	-	5.97
Dividend received	-	1.33
Acquisition of intangible assets	(0.08)	(1.52)
Acquisition of subsidiary	-	(8.56)
Acquisition of property, plant & EQ	(49.65)	(112.06)
Proceeds sale of property, plant & EQ	0.43	-
<b>Net Cash Used in Investing Activities</b>	<b>(49.30)</b>	<b>(114.84)</b>
Proceeds from bank loan	60.95	74.61
Proceeds from long term loan (third parties)	1.92	-
Proceeds from sale and leaseback	-	77.79
Payment of long term loan (third parties)	-	(2.11)
Payment of finance lease LB	(8.09)	(9.80)
Payment dividend	(0.33)	(12.53)
Payment of bank loan	(66.62)	(85.21)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(12.17)</b>	<b>42.29</b>

# Guidance 2019

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Overburden Volume	129 Million BCM
Coal Production	35 Million Ton
Capital Expenditures	US\$ 177 Million

## Thank You

**PT. Petrosea Tbk.**  
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