



PETROSEA RESULTS FOR THE YEAR 2020

Share

IDX Ticker	PTRO
Last Price (Rp) ¹	1,805
Outstanding Shares (Billion)	1.01
Market Capitalization (Rp Trillion)	1.82

Financial Statements Highlights

	12M19	12M20	YoY
Total Revenue	476.44	340.69	(28.49%)
Gross Profit	81.13	74.87	(7.72%)
Operating Profit	57.13	47.70	(16.51%)
Net Profit	31.32	32.50	3.77%
Profit Attributable to Owners of Company	31.18	32.28	3.53%
EPS	0.0309	0.0323	4.53%
Cash Balance	84.18	133.95	59.12%
Net Debt	121.10	67.95	(43.89%)
Capex	58.34	(29.99)	(48.59%)

Shareholders Structure (above 5%)²

PT Indika Energy Tbk	69.8%
Lo Kheng Hong	15.0%
Public	15.2%

Contact

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PT Petrosea Tbk. (PTRO), a multi-disciplinary, mining, infrastructure and oil & gas services Company with a track record of achievement in Indonesia since 1972, reported its audited consolidated financial statements for the fiscal year ended 31 December 2020.

In the midst of COVID-19 pandemic and business challenges which directly impacted our operational performance, Petrosea was able to successfully record a solid performance in 2020. Profit attributable to owners of the company reached US\$32.28 million, a 3.53% increase from US\$31.18 million in the previous year. The various strategic initiatives carried out by the Company to date, proved to be successful in maintaining our financial performance, including receiving the government's support through a tax incentive in order to maintain the company financial stability in facing the COVID-19 pandemic.

Despite experiencing a 28.49% decrease in total revenue to US\$340.69 million due to the imposed social restrictions, at the end of 2020 Petrosea successfully increased its cash position to US\$133.95 million, a 59.12% increase compared to US\$84.18 million in the previous year, in which the Company continued its cash management strategy in order to support future business and operational developments. The Contract Mining business line contributed 61.62%, Engineering, Procurement & Construction 19.32%, while Logistics and Support For Oil & Gas Services contributed 17.60% to the total revenue.

Petrosea also received several awards as a reflection of the Company's 2020 performance, including being selected as one of the best Indonesian companies by Forbes Indonesia in its "50 Best of the Best 2020 Companies" issue which was based on the Company's long-term fundamental performance, and being named "Operating Model Master" & "Talent Accelerator" by the International Data Corporation (IDC) during the IDC DX Digital Transformation Awards 2020 which recognizes companies that have successfully made breakthroughs through digital transformation in the Asia Pacific region.

Note:

1) As of 30 March 2021

2) As of 31 December 2020

Since the end of 2019 and even before the pandemic, Petrosea launched its 3D strategy, which is Diversification, Digitalization & Decarbonization, as the Company's enabler and key pillar to continue to develop our value proposition that we will offer to clients, investors and stakeholders. The decarbonization strategy is also very important for us to implement so that in the future Petrosea can utilize energy in a safer and more environmentally responsible way for the benefit of future generations. This strategy is part of our wider Environmental, Social & Governance (ESG) initiatives, including the implementation of the best corporate governance practices within all elements of the Company.

Contract Mining

In 2020, the Company and PT Kideco Jaya Agung entered into a contract amendment regarding the expansion of the Roto North Pit operational area and the extension of the contract duration until December 31, 2028. The Company also entered into an agreement with PT Nexis Energi Investama for mining consultancy services as part of Petrosea's business model diversification. In December 2020, the Company recorded an overburden removal volume of 94.32 million BCM, a 23.62% decrease from 123.49 million BCM and coal production of 26.79 million, a 13.39% decrease from 30.93 million tons in 2020.

Engineering , Procurement & Construction

In 2020, the Engineering, Procurement & Construction business line completed several projects, including the hauling road & bridge ROM Aster infrastructure project for PT Multi Tambangjaya Utama, the civil works project for PT Kideco Jaya Agung and the supply & placement project at the JIPE location for PT Freeport Indonesia.

In 30 July 2020, Petrosea and PT Fluor Daniel signed an EPC agreement for the mill optimization - underground Ores SAG 3 project with PT Freeport Indonesia as the client. We are also continuing to provide Front End Engineering and Design (FEED) for the Awak Mas Gold Mine project going forward. Currently, the Engineering, Procurement & Construction business line is undertaking a technology transformation which will allow us to improve performance through consistent and continued implementation of innovations by adopting Industry 4.0 as a way of integrating various technologies within this business line to share data on a single platform.

Petrosea Logistics & Support Services

Petrosea Logistics & Support Services continues to provide port operations and services for the Indonesian oil & gas industry in the Eastern Indonesia region through Petrosea Offshore Supply Base (POSB) in Sorong and PT Kuala Pelabuhan Indonesia. Furthermore, in order to focus and enhance the growth of the Company's financial performance, we divested two Company subsidiaries, namely PT POSB Reksabumi Indonesia and PT Pusat Sarana Baruna. Going forward, The Company continues to develop strategies to maintain stable performance growth by optimizing existing potential capabilities in logistic & support services.

Financial Highlights

- The Company recorded a total revenue of US\$340.69 million in 2020, a 28.49% yoy decrease from US\$476.44 million reported in 2019 due to the imposed COVID-19 social restrictions. In regards to profitability ratio, Petrosea recorded a strong Return on Assets (ROA) and Return on Equity (ROE) in 2020, at 6.14% and 14.04% respectively, while also managing an increase to its gross profit margin at 21.98%, operating profit margin at 14.00% and net profit margin at 9.47%. This was due to the success of the digital transformation initiative that Petrosea continued to carry out during this year.

- Revenue from Contract Mining amounted to US\$209.92 million (61.62% of the Company's total revenue), a 26.87% yoy decrease from US\$287.04 million reported in 2019, as a result of lower overburden volume (-23.62% yoy) and coal production (-13.39% yoy) due to the imposed COVID-19 social restrictions and the Binuang Mitra Bersama project completion in April 2020.
- Revenue from Engineering, Procurement & Construction amounted to US\$65.82 million (19.32% of the Company's total revenue), a 32.60% yoy decrease from US\$97.66 million reported in 2019, as a result of lower activities at PT Freeport Indonesia project due to COVID-19 pandemic and the completion of several projects, such as the hauling road & bridge infrastructure for PT Multi Tambangjaya Utama, civil works for PT Kideco Jaya Agung and the Maruwai Coal project.
- Revenue from Petrosea Logistics & Support Services amounted to US\$59.95 million (17.60% of the Company's total revenue), a 32.58% yoy decrease from US\$88.92 million reported in 2019, as a result of lower loading-unloading activities and port operations, both at POSB Sorong and PT Kuala Pelabuhan Indonesia.
- Gross profit amounted to US\$74.87 million (-7.72% yoy), with the Company's gross profit margin improving from 17.03% to 21.98% in 2020. The Company continues to focus on cost effectiveness activities, specifically for plant & equipment operations, plant rental, vehicle & other costs as well as material consumption.
- Operating profit amounted to US\$47.70 million (-16.51% yoy), with the Company's operating profit margin improving from 11.99% to 14.00% in 2020. The Company continues to focus on cost efficiency, specifically on administration expenses.
- Interest expenses and financial charges decreased to US\$9.73 million in 2020 (-29.24% yoy), as result of a lower net debt balance during the year (from US\$121.10 million in 2019 to US\$67.95 million in 2020). The Company conducted effective liability management in 2020, resulting in Petrosea successfully lowering its interest & financial expenses compared to the previous year.
- Acquisitions of property, plant & equipment spent amounted to US\$29.99 million, a 48.59% yoy decrease from US\$58.34 million reported in the previous year. Capital expenditure was mainly utilized to support additional capacity for business development and component purchases in order to maintain existing fleets in the Contract Mining business line.
- The Company recorded an income tax expense of US\$3.04 million, 67.17% lower compared to the previous year, as a result of tax incentives supported by the government in order to maintain the Company's financial stability in facing the COVID-19 pandemic.
- Profit attributable to owners of the company increased by 3.53% yoy, from US\$31.18 million to US\$32.28 million reported in 2020. The Company's net profit margin also improved from 6.54% to 9.47%.
- Petrosea successfully increased its cash position to US\$133.95 million, a 59.12% increase compared to US\$84.18 million in the previous year. The Company also continued its cash management strategy in order to support future Company business and operational development.

Financing

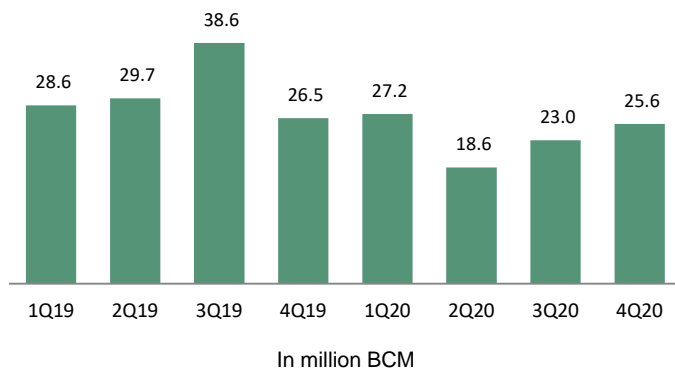
- On December 22, 2020, the Company and PT Bank Mandiri Tbk signed a term loan facility amounting to US\$41.5 million to support operations and the repayment of related party loans.
- On December 22, 2020, the Company together with PT Karya Bhumi Lestari and PT Bank Mandiri Tbk, signed an amendment of the term loan I facility. This change is related to the addition of a debtor, PT Karya Bhumi Lestari.
- On October 9, 2020, the Company and PT Bank Mandiri Tbk signed an extension of the working capital, treasury line and non-cash loan facilities until October 9, 2021.

Recent Business Developments

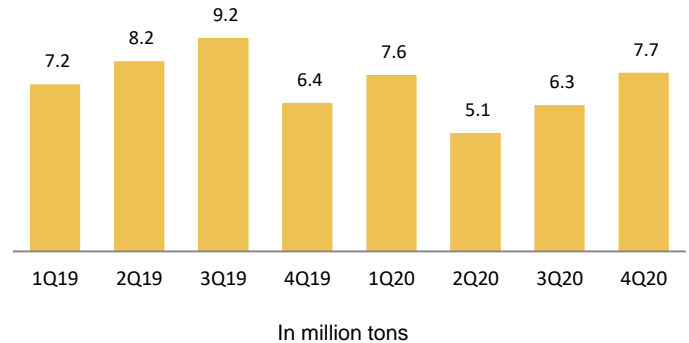
- **Contract Mining** - On December 10, 2020, the Company received a letter from PT Kideco Jaya Agung regarding the 2021 production target volume of 69.3 million BCM for overburden volume and 15.1 million tons of coal. In 3Q2020, the Company entered into a contract amendment regarding the expansion of the Roto North Pit operational area and extension of the contract duration until December 31, 2028.
- **Contract Mining** - On October 31, 2020, the Company received a letter from PT Indonesia Pratama regarding the 2021 production target of 44.5 million BCM of overburden volume and 17.2 million tons of coal.

END

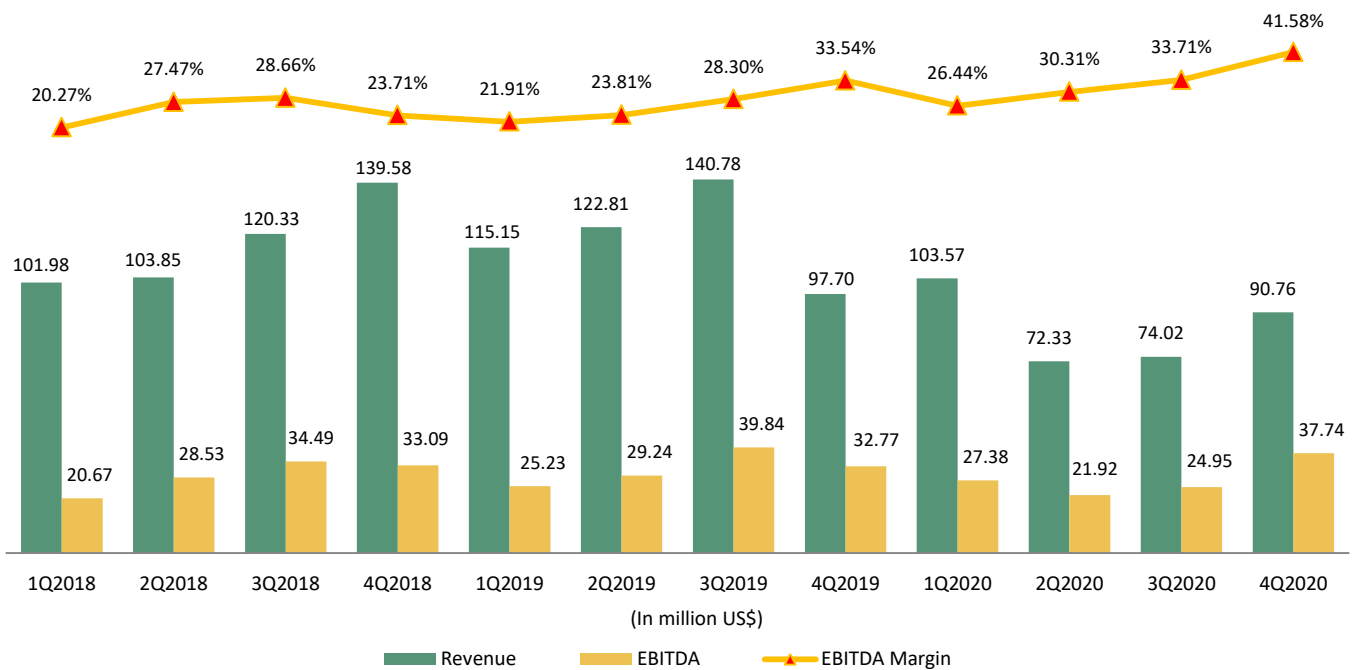
OVERBURDEN REMOVAL



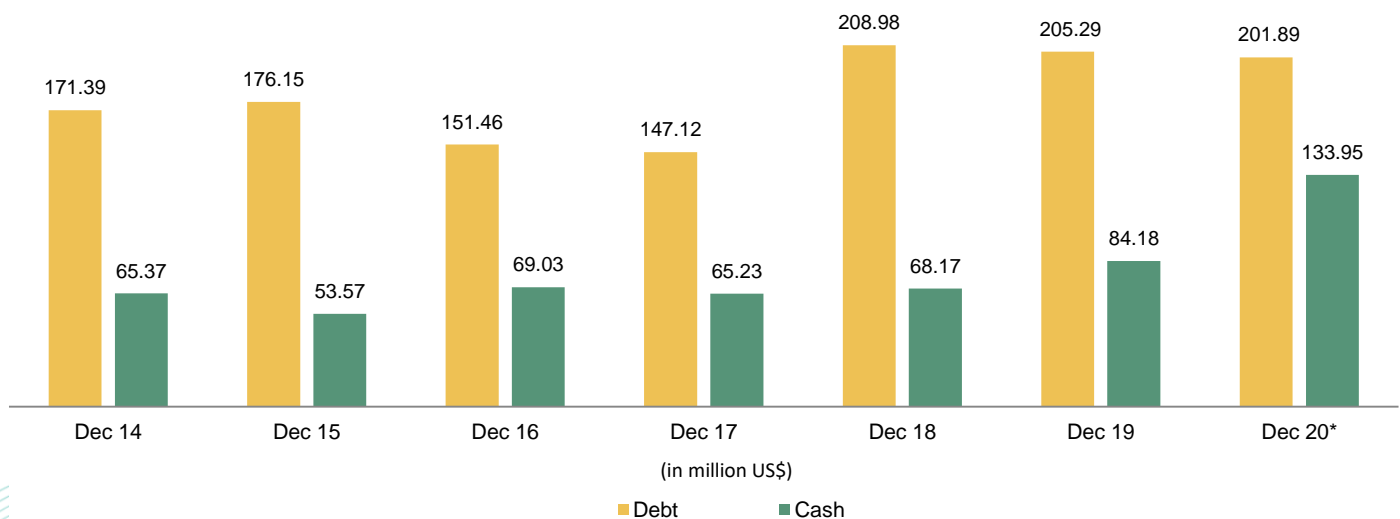
COAL PRODUCTION



PROFITABILITY



DEBT & CASH



*Including additional debt from PSAK 73

Consolidated Statements of Profit or Loss (US\$ million)	Dec 19	Dec 20	% Change
Revenues	476.44	340.69	(28.49%)
Direct Costs	(395.31)	(265.82)	(32.76%)
Gross Profit	81.13	74.87	(7.72%)
Operating Profit	57.13	47.70	(16.51%)
Net Profit for the Year	31.32	32.50	3.77%
Profit Attributable to Owners of the Company	31.18	32.28	3.53%
Profit Attributable to Non-controlling Interest	0.15	0.22	46.67%

Consolidated Statements of Financial Position (US\$ million)	Dec 19	Dec 20*	% Change
Cash & Cash Equivalents	84.18	133.95	59.12%
Total Current Assets	222.06	222.01	(0.02%)
Total Noncurrent Assets	328.98	307.67	(6.48%)
Total Assets	551.04	529.69	(3.88%)
Total Current Liabilities	146.67	135.58	(7.56%)
Total Noncurrent Liabilities	191.81	162.67	(15.19%)
Total Liabilities	338.48	298.25	(11.89%)
Total Equity	212.56	231.44	8.88%
Total Liabilities & Equity	551.04	529.69	(3.88%)

Financial Ratio	Dec 19	Dec 20*
Return on Assets	5.68%	6.14%
Return on Equity	14.73%	14.04%
Current Ratio	1.51x	1.64x
Debt to Equity Ratio	0.97x	0.87x
Fixed Assets Turnover Ratio	1.52x	1.19x
Total Assets Turnover Ratio	0.86x	0.64x
Gross Profit Margin	17.03%	21.98%
Operating Profit Margin	11.99%	14.00%
Net Profit Margin	6.54%	9.47%

* Including PSAK 73 implementation

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 safety, health & environment, quality management and business integrity.

Petrosea has been listed on the Indonesia Stock Exchange (IDX: PTRO) since 1990 and was the first publicly listed Indonesian engineering and 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.

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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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