



PETROSEA RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Share

IDX Ticker	PTRO
Last Price (Rp) ¹	1,405
Outstanding Shares (Billion)	1.00
Market Capitalization (Rp Trillion)	1.42

Financial Statements Highlights

	9M18	9M19	YoY
Total Revenue	326.16	378.74	16.12%
Gross Profit	52.32	57.16	9.25%
Operating Profit	36.26	39.45	8.80%
Net Profit	17.93	20.61	14.95%
Profit Attributable to Owners of Company	17.77	20.58	15.81%
EPS	0.0176	0.0204	-
Cash Balance	58.64	62.02	5.76%
Net Debt	127.54	147.46	15.62%
Capex	70.17	72.36	3.12%

Shareholders Structure (above 5%)²

PT Indika Energy Tbk.	69.8%
Lo Kheng Hong	13.7%
Public	16.5%

Contact

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Note:

1) As of 29 October 2019

2) As of 30 September 2019

PT Petrosea Tbk. (**PTRO**), a multi-disciplinary mining, infrastructure and oil & gas services company with a track record of achievement in Indonesia for over 47 years, reported its consolidated financial statements for the period ended 30 September 2019.

The Company recorded a total revenue of US\$378.74 million, a 16.12% increase from US\$326.16 million reported in 9M18, and registered a US\$20.58 million profit attributable to owners of the Company compared to US\$17.77 million in the previous year (+15.81% year on year).

These achievements were mainly driven by improvements in productivity through operational excellence and digital transformation, as well as support from strong technical and engineering capabilities to meet and exceed customer expectations.

The Company was selected by the World Economic Forum as the only mining company to join the Global Lighthouse Network during the Annual Meeting of the New Champions which was held on July 3, 2019 at Dalian, China. Petrosea was selected due to its success in applying Industry 4.0 revolution technologies to drive financial and operational impact.

Contract Mining

Contribution from this business line amounted to US\$220.35 million, or 58.18% to the total revenue of the Company. Despite a persistent challenging coal market during the year, overburden volume increased by 30.19% quarter to quarter from 29.68 million BCM to 38.64 million BCM in this quarter.

Petrosea differentiates its contract mining services by offering integrated mining solutions tailored to the requirements of each project and supported with a wide range of complementary engineering & construction services.

Engineering & Construction

This business line contributed US\$81.85 million, or 21.61% to the total revenue of the Company.

Petrosea continues to provide engineering & construction services for the development of the Indonesian energy, infrastructure and mining industries, with extensive experience throughout Indonesia and strong relationships with the key stakeholders to assist the clients in meeting their business goals.

Petrosea Logistics & Support Services

PLSS contributed US\$74.34 million, or 19.63% to the total revenue of the Company.

Through this business line, Petrosea continues to provide loading-unloading activities and storage facilities at Petrosea Offshore Supply Base located in Sorong, Papua to support the Company's existing clients in the eastern Indonesian region. The Company also continues to develop its Bonded Logistics Center (PLB) business, and provides port operations and services for PT Freeport Indonesia through PT Kuala Pelabuhan Indonesia.

Financial Highlights

- Total revenue increased by 16.12% year on year from US\$326.16 million to US\$378.74 million reported in 9M19. The Contract Mining business line still contributes the majority revenue stream to the Company's total revenue, followed by Engineering & Construction and Petrosea Logistics & Support Services.
 - Contract Mining contributed US\$220.35 million to the total revenue, an increase of 11.92% year on year from US\$196.88 million in 9M18. Total overburden volume reached 96.55 million BCM, an 8.70% increase from 89.19 million BCM in the previous period. However, total coal production only reached US\$24.55 million tons, a 8.67% decrease from the previous year.
 - Engineering & Construction contributed US\$81.85 million to the total revenue, an increase of 6.48% year on year from US\$76.87 million in 9M18. This revenue stream was contributed by infrastructure development projects in Central and East Kalimantan for Maruwai Coal and Kideco Jaya Agung, as well as Papua and East Java for Freeport Indonesia.
- Petrosea Logistics & Support Services contributed US\$74.34 million to the total revenue, an increase of 46.60% year on year from US\$50.71 million in 9M18. This revenue stream was contributed by the development of a fuel & material storage facility for KGTE, loading-unloading activities & storage facilities at POSB Sorong to support BP Berau Ltd., as well as the provision of port operations and services through PT Kuala Pelabuhan Indonesia for Freeport Indonesia.
- Gross profit increased by 9.25% from US\$52.32 million to US\$57.16 million in 9M19, mainly due to a higher gross profit margin from Contract Mining, followed by Petrosea Logistics & Support Services.
- Administration expenses increased by 10.21% to US\$17.71 million due mainly to higher business activities to support all business lines.
- Operating profit increased by 8.80% from US\$36.26 million to US\$39.45 million in 9M19.
- Interest expenses and financial charges increased to US\$8.71 million in 9M19 (+25.37% year on year), mainly due to an additional loan-term facility to support our business expansion in the Contract Mining business line.
- Total capital expenditure realized was US\$72.36 million.
- Other gains-net of US\$3.95 million in 9M19 mainly due to: 1) Gain on disposal of property, plant and equipment of US\$1.54 million; 2) Gain on foreign exchange of US\$1.06 million (-180.24% yoy); 3) Recovery of doubtful accounts of US\$0.94 million; 4) Recovery for stock obsolescence of US\$0.70 million; 5) Others-net of US\$-0.29 million (-165.44% yoy).
- Profit attributable to owners of the company increased by 15.81% year on year from US\$17.77 million to US\$20.58 million reported in 9M19.
- Cash and cash equivalent at the end of September 2019 stood at US\$62.02 million. Petrosea remained its focus on working capital management in order to support its operations.

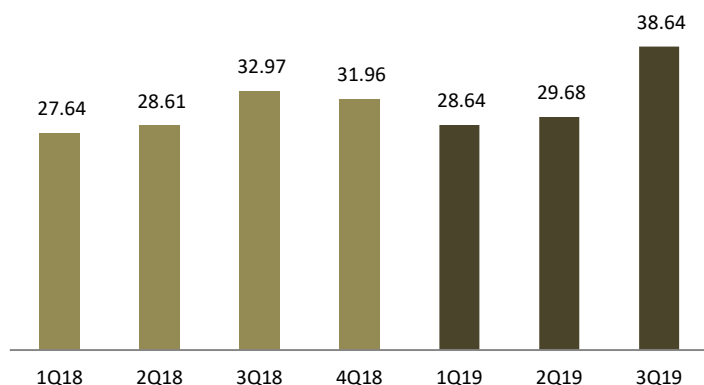
Financing

- 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 and 13, 2019, Petrosea & Mitsubishi UFJ Lease & Finance Indonesia signed a long term lease facility agreement with a total amount of US\$9.8 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 & HSBC signed a non-cash loan agreement with a total amount of US\$25 million and a working capital facility with a total amount of US\$5 million.
- On March 8, 2019, Petrosea & Komatsu Astra Finance signed a long term loan agreement with a total amount of US\$30 million.

Recent Business Developments

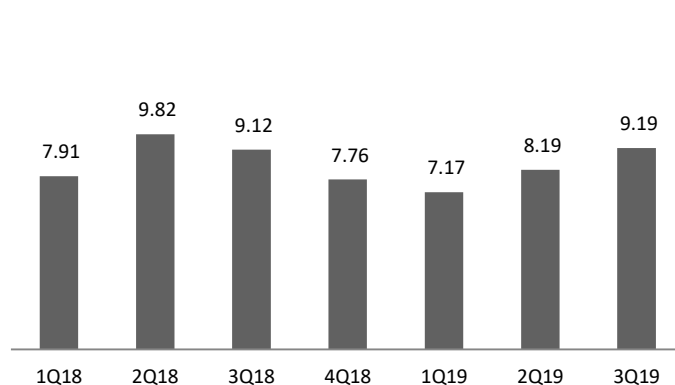
- On September 28, 2019. **Contract Mining** - Petrosea received a letter from PT Indonesia Pratama to limit coal production at 16.3 million tons for year 2019.
- On August 2019. **Contract Mining** - PT Kideco Jaya Agung increased its rate for waste removal & coal loading by 1.5%, retroactive starting from January 2019.
- 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 Freeport Indonesia signed a letter of award for supply and placement of fill material at the JIPE site with an estimated contract value of Rp832.7 billion.
- On June 1, 2019. **Contract Mining** - Petrosea received notice from PT Kideco Jaya Agung to execute the civil work contract for the relocation of MCCP B Line to SMCP area with a contract value of Rp33 billion.
- On May 2019. **E&C** - Petrosea and PT Freeport Indonesia entered into a construction services agreement at portsite, with an estimated contract value of Rp54.5 Billion.
- On April 11, 2019. **Contract Mining** - Petrosea signed a termination agreement with PT Anzawara Satria.
- On April 1, 2019. **PLSS** - Petrosea in 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 valued Rp 99 billion.
- On March 18, 2019. **PLSS** - Petrosea and PT Saipem Indonesia entered into Amendment No.1 to Agreement for Provision Logistic Base Tangguh Expansion Project at Sorong effective date March 4, 2019 to August 30, 2020. The total contract value is Rp 28 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



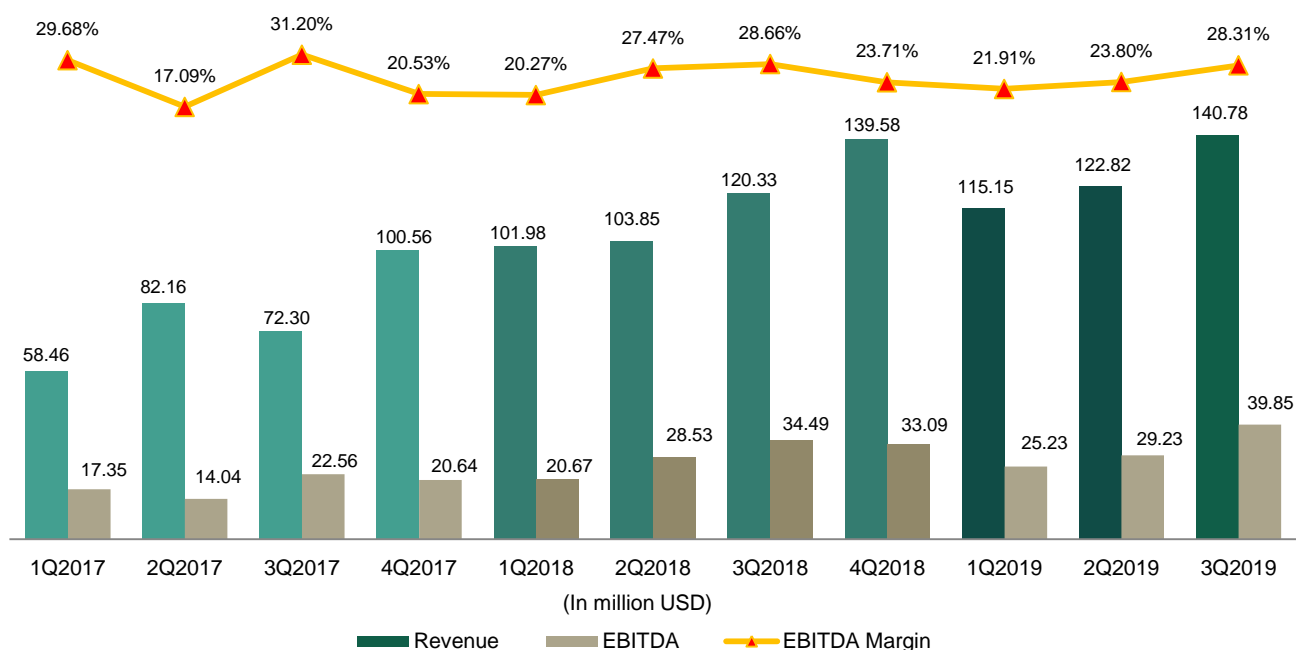
In million BCM

COAL PRODUCTION

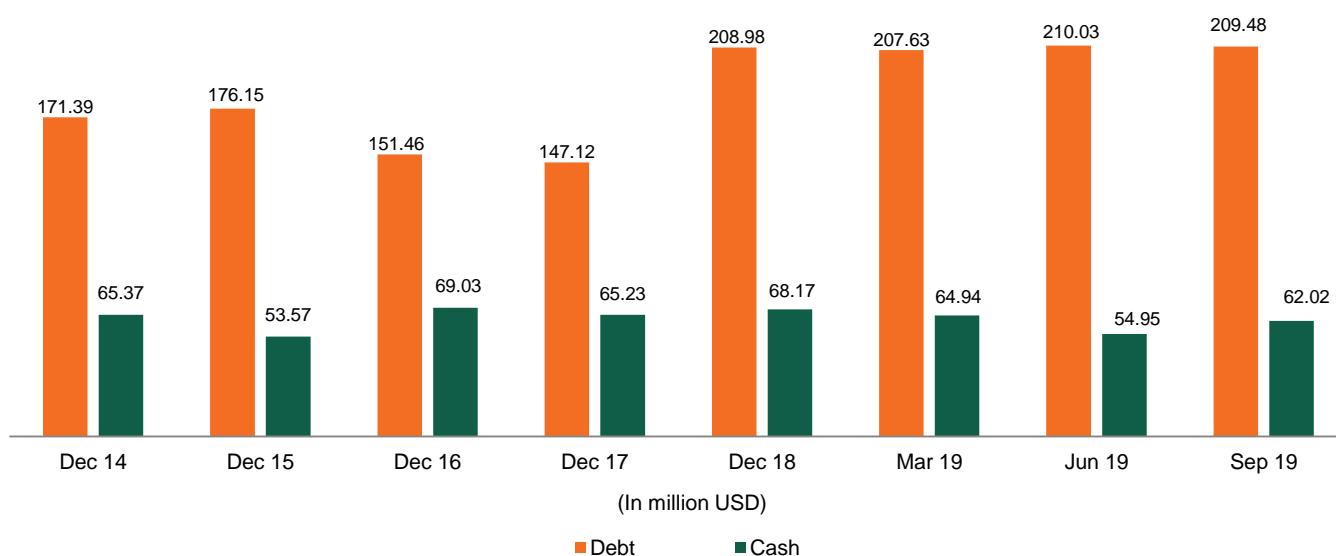


In million Tons

PROFITABILITY



DEBT & CASH



Consolidated Statements of Profit or Loss (In US\$ Million)	Sep 18	Sep 19	% Change
Revenues	326.16	378.74	16.12%
Direct Costs	(273.84)	(321.59)	17.44 %
Gross Profit	52.32	57.16	9.25 %
Operating Profit	36.26	39.45	8.80%
Profit for The Year	17.93	20.61	14.95 %
Profit Attributable to Owners of The Company	17.77	20.58	15.81%
Profit Attributable to Non-controlling Interest	0.16	0.03	(81.25%)

Consolidated Statements of Financial Position (In US\$ Million)	Dec 18	Sept 19	% Change
Cash & Cash Equivalents	68.17	62.02	(9.02%)
Total Current Assets	250.17	248.57	(0.64%)
Total Noncurrent Assets	305.42	329.57	7.91%
Total Assets	555.59	578.14	4.06%
Total Current Liabilities	147.86	167.03	12.96 %
Total Noncurrent Liabilities	216.60	208.33	(3.82%)
Total Liabilities	364.46	375.36	2.99%
Total Equity	191.13	202.78	6.10 %
Total Liabilities & Equity	555.59	578.14	4.06 %

Financial Ratio	Dec 18	Sep 19*
Return on Assets	4.17%	4.47%
Return on Equity	12.12%	12.74%
Current Ratio	1.69	1.49
Debt to Equity Ratio	1.09	1.03
Fixed Assets Turnover Ratio	1.56	1.64
Total Assets Turnover Ratio	0.84	0.90
Gross Profit Margin	15.70%	15.09%
Operating Profit Margin	11.21%	10.42%
Net Profit Margin	4.97%	5.44%

*Year to date

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.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.