

Puma Energy

Q2 '17 and half-year 2017 results report

Company profile

Puma Energy Holdings Pte Ltd is incorporated in Singapore as a private company limited by shares. The registered office of the Company is One Marina Boulevard #28-00, 1 Marina Boulevard, Singapore 018989.

Puma Energy is a global oil energy company that focuses on fast-growing markets with high demand for oil products.

The principal business activities of Puma Energy Holdings Pte Ltd and its subsidiaries (the "Company" or "Puma Energy") are the ownership and operation of storage and retail facilities for, and the sale and distribution of petroleum products.

Puma Energy supplies quality fuel and invests in transformative infrastructure. Through its global supply system, the Company has expertise in integrating midstream and downstream operations in order to deliver high quality fuels around the world safely, swiftly, reliably and at competitive price.

The Company's shareholders are Trafigura Group Pte Ltd (49.49%), Sonangol Holdings Lda (27.92%), Cochan Holdings LLC (15.45%) and other investors (7.14%).

Investor relations

Puma Energy will discuss its results during an investor conference call on Tuesday 29 August 2017 at 14:00 (UK). An accompanying slide presentation will be available on the "Investors" section of PumaEnergy.com (<http://www.pumaenergy.com/en/investor-relations>).

The conference call can be accessed by dialling one of the access numbers below:

UK & International Number:	+44 (0) 20 3003 2666
US Number:	+1 866 966 5335
Swiss Number:	+41 (0) 22 592 7103
Singapore Number:	+65 6494 8889

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Q2 '17 and half-year 2017 results report

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2017	2016	2017	2016
Condensed statement of income	unaudited	unaudited	unaudited	unaudited
Gross profit	823,191	815,926	415,907	387,959
EBITDA	375,344	390,961	190,574	181,479
Operating profit	187,019	202,766	94,802	85,556
Profit before tax	75,545	79,262	36,870	28,774
Profit for the period	56,275	53,608	29,232	13,335
Net profit attributable to the owners of the parent	48,127	51,987	23,466	13,474

Summarised cash flow

Cash flow from operating activities	85,544	486,637	67,846	283,141
Cash flow from investing activities	(172,060)	(458,416)	(65,356)	(146,590)
Cash flow from financing activities	148,063	(14,761)	(99,404)	(146,264)
Total cash flows	61,547	13,460	(96,915)	(9,713)
Effects of exchange rate differences	(6,371)	31,180	161,898	(94)
Net increase/(decrease) in cash and cash equivalents	55,176	44,640	64,983	(9,807)

Key ratios

Sales volume ('000 m ³)	10,920	10,819	5,519	5,589
Throughput volume ('000 m ³)	8,245	10,148	3,582	4,485
Downstream unit margin (US\$/m ³)	68	68	70	62

	As at 30 June,		As at 31
	2017	2016	December,
Balance sheet	unaudited	unaudited	audited
Trade receivables	588,693	546,729	528,107
Inventories	800,114	649,646	745,258
Cash and cash equivalents	390,833	325,849	335,656
Equity	2,046,778	1,881,518	1,900,395
Total assets	7,309,890	6,774,938	6,919,127

Consolidated statement of income

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2017	2016	2017	2016
	unaudited	unaudited	unaudited	unaudited
Net sales	6,981,342	6,032,244	3,541,161	3,205,593
Cost of sales	(6,158,151)	(5,216,318)	(3,125,254)	(2,817,634)
Gross profit	823,191	815,926	415,907	387,959
Selling and operating costs	(558,111)	(517,768)	(280,578)	(244,037)
General and administrative expenses	(75,531)	(78,338)	(35,998)	(50,080)
Other operating income/(expenses)	(5,617)	(20,285)	(3,786)	(9,798)
Share of net profits/(losses) in associates	3,087	3,231	(743)	1,512
Operating profit	187,019	202,766	94,802	85,556
Finance income	2,481	3,375	3,128	592
Finance costs	(106,109)	(112,936)	(56,679)	(50,904)
Net foreign exchange gains/(losses)	(7,846)	(13,943)	(4,381)	(6,470)
Profit before tax	75,545	79,262	36,870	28,774
Income tax credit/(expense)	(19,270)	(25,654)	(7,638)	(15,439)
Profit for the year	56,275	53,608	29,232	13,335
Attributable to:				
Owners of the parent	48,127	51,987	23,466	13,474
Non-controlling interests	8,148	1,621	5,766	(139)

Segment reporting

Three months ended June 30, 2017 - unaudited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,266	253	5,519
Throughput volumes (k m ³)	-	3,582	3,582
Net sales	3,421,035	120,126	3,541,161
Gross profit	367,445	48,462	415,907
Selling and operating costs	(248,567)	(32,011)	(280,578)
General and administrative expenses	(34,469)	(1,529)	(35,998)
Other operating income/(expense), net	(4,313)	527	(3,786)
Share of net profit/(loss) in associates	(1,409)	666	(743)
Operating profit	78,687	16,115	94,802

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,142	1,366	1,514	497	5,519
Throughput volumes (k m ³)	127	974	744	1,737	3,582
Net sales	1,082,478	891,949	1,111,249	455,485	3,541,161
Gross profit	128,215	116,636	148,418	22,638	415,907
Selling and operating costs	(76,491)	(95,021)	(89,150)	(19,916)	(280,578)
General and administrative expenses	(7,639)	(9,237)	(17,229)	(1,893)	(35,998)
Other operating income/(expense), net	(377)	347	(4,521)	765	(3,786)
Share of net profit/(loss) in associates	370	(1,024)	253	(342)	(743)
Operating profit	44,078	11,701	37,771	1,252	94,802

Three months ended June 30, 2016 - unaudited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,336	253	5,589
Throughput volumes (k m ³)	-	4,485	4,485
Net sales	3,080,438	125,155	3,205,593
Gross profit	331,079	56,880	387,959
Selling and operating costs	(207,953)	(36,084)	(244,037)
General and administrative expenses	(45,113)	(4,967)	(50,080)
Other operating income/(expense), net	(10,404)	606	(9,798)
Share of net profit/(loss) in associates	1,282	230	1,512
Operating profit	68,891	16,665	85,556

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,326	1,148	1,621	494	5,589
Throughput volumes (k m ³)	115	1,048	2,167	1,155	4,485
Net sales	1,032,506	669,090	1,054,775	449,222	3,205,593
Gross profit	125,842	88,278	150,955	22,884	387,959
Selling and operating costs	(65,284)	(74,464)	(85,008)	(19,281)	(244,037)
General and administrative expenses	(13,097)	(12,596)	(20,859)	(3,528)	(50,080)
Other operating income/(expense), net	(2,266)	(800)	(6,566)	(166)	(9,798)
Share of net profit/(loss) in associates	(92)	1,810	(205)	-	1,512
Operating profit	45,103	2,228	38,317	(91)	85,556

Segment reporting

Six months ended June 30, 2017 - unaudited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	10,474	446	10,920
Throughput volumes (k m ³)	-	8,245	8,245
Net sales	6,749,253	232,089	6,981,342
Gross profit	714,369	108,822	823,191
Selling and operating costs	(488,655)	(69,456)	(558,111)
General and administrative expenses	(72,128)	(3,403)	(75,531)
Other operating income/(expense), net	(6,949)	1,332	(5,617)
Share of net profit/(loss) in associates	1,774	1,313	3,087
Operating profit	148,411	38,608	187,019

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	4,269	2,541	3,110	1,000	10,920
Throughput volumes (k m ³)	244	2,361	2,198	3,442	8,245
Net sales	2,196,273	1,678,308	2,207,190	899,571	6,981,342
Gross profit	268,315	221,916	284,914	48,046	823,191
Selling and operating costs	(151,602)	(185,642)	(179,385)	(41,482)	(558,111)
General and administrative expenses	(17,036)	(18,837)	(35,918)	(3,740)	(75,531)
Other operating income/(expense), net	842	(124)	(7,192)	857	(5,617)
Share of net profit/(loss) in associates	823	2,368	238	(342)	3,087
Operating profit	101,342	19,681	62,657	3,339	187,019

Six months ended June 30, 2016 - unaudited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	10,331	488	10,819
Throughput volumes (k m ³)	-	10,148	10,148
Net sales	5,798,410	233,834	6,032,244
Gross profit	703,002	112,924	815,926
Selling and operating costs	(442,992)	(74,776)	(517,768)
General and administrative expenses	(71,619)	(6,719)	(78,338)
Other operating income/(expense), net	(19,986)	(299)	(20,285)
Share of net profit/(loss) in associates	2,303	928	3,231
Operating profit	170,708	32,058	202,766

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	4,524	2,186	3,182	927	10,819
Throughput volumes (k m ³)	225	2,328	4,634	2,961	10,148
Net sales	1,888,425	1,235,012	2,040,572	868,235	6,032,244
Gross profit	235,983	179,447	353,166	47,330	815,926
Selling and operating costs	(137,517)	(157,421)	(179,683)	(43,147)	(517,768)
General and administrative expenses	(20,968)	(17,301)	(35,271)	(4,798)	(78,338)
Other operating income/(expense), net	(4,218)	(1,822)	(14,032)	(213)	(20,285)
Share of net profit/(loss) in associates	224	3,679	(672)	-	3,231
Operating profit	73,504	6,582	123,508	(828)	202,766

Consolidated balance sheet

in US\$'000	Jun17A	Dec16A
Assets	unaudited	audited
Property and Equipment	3,444,581	3,328,833
Intangible assets and goodwill	1,382,461	1,342,091
Investments in associates	60,067	94,473
Other financial assets	53,596	31,257
Deferred tax assets	104,546	100,543
Other assets	148,969	143,264
Total non-current assets	5,194,220	5,040,461
Inventories	800,114	745,258
Other assets	292,617	229,614
Income tax receivable	18,588	17,569
Trade receivables	588,693	528,107
Other financial assets	24,825	22,462
Cash and cash equivalents	390,833	335,656
Total current assets	2,115,670	1,878,666
Total assets	7,309,890	6,919,127
Equity and liabilities		
Share capital	2,054,166	2,054,166
Retained earnings	683,729	629,986
Foreign currency translation reserve	(812,272)	(861,306)
Other components of equity	(859)	(1,840)
Equity attributable to owners of the parent	1,924,764	1,821,006
Non-controlling interests	122,014	79,389
Total equity	2,046,778	1,900,395
Interest-bearing loans and borrowings	2,745,427	2,714,904
Retirement benefit obligation	5,342	6,002
Other financial liabilities	35,624	41,177
Deferred tax liabilities	58,730	59,548
Provisions	52,897	51,047
Total non-current liabilities	2,898,020	2,872,678
Trade and other payables	1,605,496	1,631,727
Interest-bearing loans and borrowings	697,973	421,081
Other financial liabilities	20,008	39,267
Income tax payable	26,560	39,235
Provisions	15,055	14,744
Total current liabilities	2,365,092	2,146,054
Total liabilities	5,263,112	5,018,732
Total equity and liabilities	7,309,890	6,919,127

Consolidated statement of cash flows

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2017	2016	2017	2016
	unaudited	unaudited	unaudited	unaudited
Profit before tax	75,545	79,262	36,870	28,774
Non-cash adjustments:				
Depreciation and impairment of PP&E	169,182	157,158	86,360	79,822
Amortisation and impairment of intangible assets	18,923	18,557	9,357	9,534
(In)tangible fixed assets written off	-	292	-	(342)
(Gain)/loss on disposal of assets and investments	(1,424)	(584)	(1,438)	(107)
Net interest expense	98,248	102,462	49,456	53,061
Dividend income	(225)	(2,166)	(24)	(2,050)
Share of net profit of associate	(3,087)	(3,231)	743	(1,512)
Provisions	(364)	2,280	(1,602)	993
Unrealised (gains)/losses on derivatives	(31,499)	94,063	(2,820)	24,714
Working capital adjustments:				
Decrease/(increase) receivables	(119,350)	100,944	401	22,136
Decrease/(increase) in inventories	(35,309)	(51,927)	(32,084)	(25,446)
(Decrease)/increase payables	(57,712)	33,906	(70,616)	130,930
Interest received	2,256	1,209	1,763	648
Dividends received from associates	1,336	212	1,181	-
Income tax paid	(30,976)	(45,800)	(9,701)	(38,014)
Net cash flows from operating activities	85,544	486,637	67,846	283,141
Net proceeds from sale of assets and investments	20,053	2,098	18,654	1,364
Purchase of intangible assets	(10,625)	(15,280)	(6,549)	(6,871)
Purchase of PP&E	(187,746)	(327,654)	(111,213)	(140,715)
Cash inflow from change in ownership	31,262	-	31,262	-
Acquisitions of subsidiaries, net of cash acquired	(23,378)	(117,312)	2,548	(132)
Financial investments	(1,851)	(394)	(82)	(246)
Dividends received	225	126	24	10
Net cash flows used in investing activities	(172,060)	(458,416)	(65,356)	(146,590)
Loans (granted)/reimbursed	4,407	(61,870)	13,301	(8,590)
Proceeds from/(repayment of) borrowings	247,362	57,113	(73,900)	(94,301)
Proceeds from bond issuance	-	100,000	-	-
Proceeds from equity increase/(reduction)	-	(1,403)	-	(1,403)
Interest paid	(99,985)	(104,091)	(34,549)	(41,304)
(Acquisition)/divestment of non-controlling interests	2,098	(500)	-	755
Dividends paid	(5,819)	(4,010)	(4,256)	(1,421)
Net cash flows from financing activities	148,063	(14,761)	(99,404)	(146,264)
Net increase in cash and cash equivalents	61,547	13,460	(96,914)	(9,713)
Effects of exchange rate differences	(6,371)	31,180	161,897	(94)
Cash and cash equivalents at beginning of period	335,656	281,209	325,849	335,656
Cash and cash equivalents at end of period	390,832	325,849	390,832	325,849

EBITDA reconciliation

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2017	2016	2017	2016
Operating profit	187,019	202,766	94,802	85,556
Other (income)/expenses	218	12,480	439	6,568
EBIT	187,237	215,246	95,241	92,124
Depreciation	168,790	155,850	85,812	78,561
Amortisation	18,924	18,557	9,357	9,533
Impairment charge	393	1,308	164	1,261
EBITDA	375,344	390,961	190,574	181,479