

Puma Energy

Q4 '17 and full-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%), Cochran Holdings LLC (15.45%) and other investors (7.14%).

Investor relations

Puma Energy will discuss its results during an investor conference call on Friday 16 March 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:	+1 212 999 6659
Swiss Number:	+41 (0) 22 592 7915
Singapore Number:	+65 6494 8889

For further information, please contact our investor relations team on:

<http://www.pumaenergy.com/en/investor-relations>

Patrick Meyer, Global Head of Corporate Affairs on +41 (0)22 595 33 37

Dirk-Jan Vanderbroeck, Global Head of Corporate Finance and Treasury on +41 (0)22 592 45 92

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in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2017	2016	2017	2016
Condensed statement of income				
Gross profit	1,671,807	1,600,598	442,734	408,432
EBITDA	739,514	754,517	183,945	198,364
Operating profit	321,985	383,149	49,539	104,595
Profit before tax	150,298	148,647	43,634	54,700
Profit for the period	108,422	116,365	31,113	50,142
Net profit attributable to the owners of the parent	96,674	114,594	29,408	51,740
Summarised cash flow				
Cash flow from operating activities	476,712	838,237	141,839	151,954
Cash flow from investing activities	(358,696)	(732,767)	(97,883)	(186,453)
Cash flow from financing activities	89,446	(13,697)	16,790	(123,115)
Total cash flows	207,462	91,773	60,746	(157,613)
Effects of exchange rate differences	(23,915)	(37,326)	(15,537)	19,226
Net increase/(decrease) in cash and cash equivalents	183,547	54,447	45,209	(138,387)
Key ratios				
Sales volume ('000 m ³)	22,794	21,968	6,070	5,424
Throughput volume ('000 m ³)	16,634	19,693	4,224	4,402
Downstream unit margin (US\$/m ³)	66	66	64	68
Balance sheet				
	As at 31 December, 2017		As at 31 December, 2016	
Trade receivables	654,255		528,107	
Inventories	1,087,977		745,258	
Cash and cash equivalents	519,203		335,656	
Equity	2,262,604		1,900,395	
Total assets	8,112,691		6,919,127	

Consolidated statement of income

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2017	2016	2017	2016
Net sales	15,181,302	12,669,511	4,400,187	3,397,190
Cost of sales	(13,509,495)	(11,068,913)	(3,957,453)	(2,988,758)
Gross profit	1,671,807	1,600,598	442,734	408,432
Selling and operating costs	(1,155,351)	(1,022,643)	(354,734)	(244,868)
General and administrative expenses	(199,472)	(169,331)	(43,106)	(52,050)
Other operating income/(expenses)	(624)	(36,055)	2,869	(12,795)
Share of net profit in associates	5,625	10,580	1,776	5,876
Operating profit	321,985	383,149	49,539	104,595
Finance income	57,336	8,651	25,102	698
Finance costs	(227,148)	(228,263)	(42,814)	(53,923)
Net foreign exchange gains/(losses)	(1,875)	(14,890)	11,807	3,330
Profit before tax	150,298	148,647	43,634	54,700
Income tax credit/(expense)	(41,876)	(32,282)	(12,521)	(4,559)
Profit for the year	108,422	116,365	31,113	50,141
Attributable to:				
Owners of the parent	96,674	114,594	29,408	51,740
Non-controlling interests	11,748	1,771	1,705	(1,599)

Segment reporting

Three months ended December 31, 2017

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,868	202	6,070
Throughput volumes (k m ³)	-	4,224	4,224
Net sales	4,205,398	194,789	4,400,187
Gross profit	377,865	64,869	442,734
Selling and operating costs	(307,128)	(47,606)	(354,734)
General and administrative expenses	(41,643)	(1,463)	(43,106)
Other operating income/(expense), net	1,706	1,163	2,869
Share of net profit/(loss) in associates	1,121	655	1,776
Operating profit	31,921	17,618	49,539

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,349	1,279	1,767	675	6,070
Throughput volumes (k m ³)	153	1,614	853	1,604	4,224
Net sales	1,363,143	1,002,906	1,453,348	580,790	4,400,187
Gross profit	131,826	119,625	173,532	17,751	442,734
Selling and operating costs	(99,656)	(100,679)	(141,990)	(12,409)	(354,734)
General and administrative expenses	(11,925)	(10,375)	(18,912)	(1,894)	(43,106)
Other operating income/(expense), net	8,311	(2,688)	(3,173)	419	2,869
Share of net profit/(loss) in associates	337	1,098	750	(409)	1,776
Operating profit	28,893	6,981	10,207	3,458	49,539

Three months ended December 31, 2016

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,140	284	5,424
Throughput volumes (k m ³)	-	4,402	4,402
Net sales	3,253,683	143,508	3,397,190
Gross profit	349,780	58,652	408,432
Selling and operating costs	(206,295)	(38,573)	(244,868)
General and administrative expenses	(48,929)	(3,121)	(52,050)
Other operating income/(expense), net	(11,298)	(1,497)	(12,795)
Share of net profit/(loss) in associates	5,140	736	5,876
Operating profit	88,398	16,197	104,595

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,008	1,219	1,672	525	5,424
Throughput volumes (k m ³)	119	1,445	1,917	921	4,402
Net sales	1,040,594	769,278	1,122,738	464,581	3,397,190
Gross profit	123,794	105,119	157,294	22,225	408,432
Selling and operating costs	(67,460)	(82,296)	(74,817)	(20,295)	(244,868)
General and administrative expenses	(10,391)	(11,441)	(28,420)	(1,798)	(52,050)
Other operating income/(expense), net	(263)	(2,860)	(9,315)	(357)	(12,795)
Share of net profit/(loss) in associates	468	5,165	243	-	5,876
Operating profit	46,148	13,687	44,985	(225)	104,595

Segment reporting

Year ended December 31, 2017 - audited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	21,924	870	22,794
Throughput volumes (k m ³)	-	16,634	16,634
Net sales	14,638,148	543,154	15,181,302
Gross profit	1,445,298	226,509	1,671,807
Selling and operating costs	(1,008,610)	(146,741)	(1,155,351)
General and administrative expenses	(187,209)	(12,263)	(199,472)
Other operating income/(expense), net	(3,759)	3,135	(624)
Share of net profit/(loss) in associates	3,008	2,617	5,625
Operating profit	248,728	73,257	321,985

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	8,839	5,130	6,552	2,273	22,794
Throughput volumes (k m ³)	523	5,499	3,909	6,703	16,634
Net sales	4,734,741	3,571,425	4,875,745	1,999,391	15,181,302
Gross profit	538,416	446,101	603,067	84,223	1,671,807
Selling and operating costs	(319,837)	(367,237)	(394,727)	(73,550)	(1,155,351)
General and administrative expenses	(44,697)	(51,598)	(94,385)	(8,792)	(199,472)
Other operating income/(expense), net	12,034	(878)	(13,800)	2,020	(624)
Share of net profit/(loss) in associates	1,445	4,340	1,121	(1,281)	5,625
Operating profit	187,361	30,728	101,276	2,620	321,985

Year ended December 31, 2016 - audited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	20,841	1,127	21,968
Throughput volumes (k m ³)	-	19,693	19,693
Net sales	12,134,652	534,859	12,669,511
Gross profit	1,373,200	227,398	1,600,598
Selling and operating costs	(875,158)	(147,485)	(1,022,643)
General and administrative expenses	(156,146)	(13,185)	(169,331)
Other operating income/(expense), net	(24,922)	(11,133)	(36,055)
Share of net profit/(loss) in associates	8,262	2,318	10,580
Operating profit	325,236	57,913	383,149

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	8,922	4,595	6,499	1,952	21,968
Throughput volumes (k m ³)	458	5,160	8,643	5,432	19,693
Net sales	4,030,893	2,711,260	4,229,680	1,697,678	12,669,511
Gross profit	475,510	375,985	658,063	91,040	1,600,598
Selling and operating costs	(273,712)	(322,931)	(342,500)	(83,500)	(1,022,643)
General and administrative expenses	(41,963)	(39,066)	(79,077)	(9,225)	(169,331)
Other operating income/(expense), net	(223)	3,873	(39,709)	4	(36,055)
Share of net profit/(loss) in associates	985	10,349	(754)	-	10,580
Operating profit	160,597	28,210	196,023	(1,681)	383,149

Consolidated balance sheet

in US\$'000	Dec17	Dec16
Assets		
Property and Equipment	3,614,424	3,328,833
Intangible assets and goodwill	1,453,860	1,342,091
Investments in associates	49,204	94,473
Other financial assets	95,769	31,257
Deferred tax assets	113,723	100,543
Other assets	121,868	143,264
Total non-current assets	5,448,848	5,040,461
Inventories	1,087,977	745,258
Other assets	347,375	229,614
Income tax receivable	19,002	17,569
Trade receivables	654,255	528,107
Other financial assets	36,031	22,462
Cash and cash equivalents	519,203	335,656
Total current assets	2,663,843	1,878,666
Total assets	8,112,691	6,919,127
Equity and liabilities		
Share capital	2,054,166	2,054,166
Retained earnings	709,196	629,986
Foreign currency translation reserve	(817,711)	(861,306)
Other components of equity	185,853	(1,840)
Equity attributable to owners of the parent	2,131,504	1,821,006
Non-controlling interests	131,100	79,389
Total equity	2,262,604	1,900,395
Interest-bearing loans and borrowings	2,781,690	2,714,904
Retirement benefit obligation	5,566	6,002
Other financial liabilities	37,910	41,177
Deferred tax liabilities	62,232	59,548
Provisions	52,886	51,047
Total non-current liabilities	2,940,284	2,872,678
Trade and other payables	2,038,308	1,631,727
Interest-bearing loans and borrowings	754,261	421,081
Other financial liabilities	63,655	39,267
Income tax payable	37,491	39,235
Provisions	16,088	14,744
Total current liabilities	2,909,803	2,146,054
Total liabilities	5,850,087	5,018,732
Total equity and liabilities	8,112,691	6,919,127

Consolidated statement of cash flows

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2017	2016	2017	2016
Profit before tax	150,298	148,647	43,634	54,700
Non-cash adjustments:				
Depreciation and impairment of PP&E	382,057	306,567	123,890	74,475
Amortisation and impairment of intangible assets	52,022	40,454	23,784	11,224
(In) tangible assets written off	-	21,194	-	6,149
(Gain)/loss on disposal of assets and investments	(3,379)	(1,295)	(164)	(892)
Net interest expense	195,863	206,575	48,569	46,524
Dividend income	(889)	(2,514)	(275)	(32)
Share of net profit of associate	(5,624)	(10,581)	(1,776)	(5,876)
Provisions	797	(49)	870	(33)
Changes in value of derivative financial instruments	3,662	94,223	13,564	4,379
Exchange gain on bond	(29,739)	-	(29,738)	-
Effect from hyperinflation adjustment	(17,466)	-	(35,795)	-
Working capital adjustments:				
Decrease/(increase) receivables	(211,669)	134,192	(486)	117,116
Decrease/(increase) in inventories	(317,417)	(153,777)	(210,468)	(38,633)
(Decrease)/increase payables	314,302	108,991	168,614	(113,507)
Interest received	9,242	6,137	3,709	1,432
Dividends received from associates	4,097	1,422	1,396	1,210
Income tax paid	(49,445)	(61,949)	(7,488)	(6,281)
Net cash flows from operating activities	476,712	838,237	141,839	151,955
Net proceeds from sale of assets and investments	29,376	51,255	1,640	2,530
Purchase of intangible assets	(21,860)	(37,817)	(7,595)	(9,970)
Purchase of PP&E	(358,725)	(612,552)	(82,206)	(177,931)
Cash inflow from change in ownership	31,262	-	-	-
Acquisitions of subsidiaries, net of cash acquired	(38,015)	(132,234)	(10,336)	(2,983)
Financial investments	(1,623)	(3,933)	339	1,869
Dividends received	889	2,514	275	32
Net cash flows used in investing activities	(358,696)	(732,767)	(97,883)	(186,453)
Loans (granted)/reimbursed	(25,581)	(9,739)	(27,107)	(6,173)
Proceeds from/(repayment of) borrowings	351,854	137,226	107,322	(60,874)
Proceeds from bond issuance	10,000	100,000	10,000	-
Movements in equity	-	(1,475)	-	(72)
Interest paid	(228,992)	(209,053)	(73,076)	(30,872)
(Acquisition)/divestment of non-controlling interests	2,093	(500)	15	763
Dividends paid	(19,928)	(4,691)	(364)	(422)
Deemed distribution to shareholder	-	(25,465)	-	(25,465)
Net cash flows from financing activities	89,446	(13,697)	16,790	(123,115)
Net increase in cash and cash equivalents	207,462	91,773	60,746	(157,613)
Effects of exchange rate differences	(23,915)	(37,326)	(15,537)	19,226
Cash and cash equivalents at beginning of period	335,656	281,209	473,994	474,043
Cash and cash equivalents at end of period	519,203	335,656	519,203	335,656

EBITDA reconciliation

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2017	2016	2017	2016
Operating profit	321,985	383,149	49,539	104,595
Other (income)/expenses	(16,550)	24,348	(13,268)	8,070
EBIT	305,435	407,497	36,271	112,665
Depreciation	356,816	304,557	99,567	73,768
Amortisation	37,425	40,238	9,187	11,038
Impairment charge	39,838	2,225	38,920	893
EBITDA	739,514	754,517	183,945	198,364