

Puma Energy

Q2 '18 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 PE Holding Limited (49.30%), Sonangol Holdings Lda (27.92%), Cochan Holdings LLC (15.45%) and other investors (7.33%).

Investor relations

Puma Energy will discuss its results during an investor conference call on Tuesday 28 August 2018 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:	+1 646 843 4608
Swiss Number:	+41 (0) 43 456 9986
Singapore Number:	+65 6494 8889

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

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Q2 '18 results report

in US\$'000	Six months ended 30 June,		Quarter ended	
	2018	2017	30 June, 2018	2017
Condensed statement of income				
Gross profit	756,065	823,191	359,482	415,907
EBITDA	287,622	375,344	123,834	190,574
Operating profit	93,845	187,019	30,623	94,802
Profit before tax	43,045	75,545	20,754	36,870
Profit for the period	22,894	56,275	7,262	29,232
Net profit attributable to the owners of the parent	28,039	48,127	13,617	23,466

Summarised cash flow				
Cash flow from operating activities	261,081	85,544	181,052	67,846
Cash flow from investing activities	(86,612)	(172,060)	(32,762)	(65,356)
Cash flow from financing activities	(68,438)	148,063	(117,822)	(99,404)
Total cash flows	106,031	61,547	30,468	(96,915)
Effects of exchange rate differences	(46,036)	(6,371)	(379)	6,951
Net increase/(decrease) in cash and cash equivalents	59,995	55,176	30,089	(89,964)

Key ratios				
Sales volume ('000 m3)	12,091	10,920	6,032	5,519
Throughput volume ('000 m3)	7,308	8,245	3,830	3,582
Downstream unit margin (US\$/m ³)	57	68	54	70

	As at 30 June,	
	2018	2017
Balance sheet		
Trade receivables	753,317	654,255
Inventories	1,158,602	1,087,977
Cash and cash equivalents	579,199	519,203
Equity	1,874,286	2,262,604
Total assets	7,991,301	8,112,691

Consolidated statement of income

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2018	2017	2018	2017
Net sales	8,645,562	6,981,342	4,424,528	3,541,161
Cost of sales	(7,889,497)	(6,158,151)	(4,065,047)	(3,125,254)
Gross profit	756,065	823,191	359,482	415,907
Selling and operating costs	(546,952)	(558,111)	(271,669)	(280,578)
General and administrative expenses	(105,426)	(75,531)	(51,912)	(35,998)
Other operating income/(expenses)	(13,908)	(5,617)	(7,659)	(3,786)
Share of net profit in associates	4,066	3,087	2,381	(743)
Operating profit	93,845	187,019	30,623	94,802
Finance income	66,434	2,481	41,974	1,786
Finance costs	(126,479)	(106,109)	(58,539)	(53,577)
Other financial result	9,245	(7,846)	6,693	(6,142)
Profit before tax	43,045	75,545	20,754	36,870
Income tax credit/(expense)	(20,151)	(19,270)	(13,492)	(7,638)
Profit for the year	22,894	56,275	7,262	29,232
Attributable to:				
Owners of the parent	28,039	48,127	13,617	23,466
Non-controlling interests	(5,145)	8,148	(6,355)	5,766

Segment reporting

Six months ended June 30, 2018

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	11,726	365	12,091
Throughput volumes (k m ³)	-	7,308	7,308
Net sales	8,382,856	262,706	8,645,562
Gross profit	663,136	92,929	756,065
Selling and operating costs	(484,091)	(62,861)	(546,952)
General and administrative expenses	(98,775)	(6,651)	(105,426)
Other operating income/(expense), net	(7,328)	(6,580)	(13,908)
Share of net profit/(loss) in associates	2,668	1,398	4,066
Operating profit	75,610	18,235	93,845

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	4,667	2,866	3,284	1,274	12,091
Throughput volumes (k m ³)	292	2,164	1,789	3,063	7,308
Net sales	2,756,103	2,250,301	2,499,174	1,139,984	8,645,562
Gross profit	280,649	210,383	224,685	40,348	756,065
Selling and operating costs	(143,433)	(196,564)	(163,728)	(43,227)	(546,952)
General and administrative expenses	(21,087)	(33,090)	(46,971)	(4,278)	(105,426)
Other operating income/(expense), net	(9,929)	(9,388)	7,552	(2,143)	(13,908)
Share of net profit/(loss) in associates	1,039	1,690	902	435	4,066
Operating profit	107,239	(26,969)	22,440	(8,865)	93,845

Six months ended June 30, 2017

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	8,246
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

Segment reporting

Three months ended June 30, 2018

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,867	165	6,032
Throughput volumes (k m ³)	-	3,830	3,830
Net sales	4,329,055	95,473	4,424,528
Gross profit	318,101	41,381	359,482
Selling and operating costs	(240,496)	(31,173)	(271,669)
General and administrative expenses	(49,170)	(2,742)	(51,912)
Other operating income/(expense), net	(10,320)	2,661	(7,659)
Share of net profit/(loss) in associates	1,694	687	2,381
Operating profit	19,809	10,814	30,623

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,367	1,473	1,590	601	6,032
Throughput volumes (k m ³)	148	1,233	840	1,610	3,830
Net sales	1,445,202	1,156,871	1,247,550	574,905	4,424,528
Gross profit	131,402	100,078	106,647	21,355	359,482
Selling and operating costs	(68,974)	(104,499)	(77,158)	(21,038)	(271,669)
General and administrative expenses	(10,605)	(16,219)	(23,217)	(1,871)	(51,912)
Other operating income/(expense), net	(10,875)	(1,976)	9,738	(4,546)	(7,659)
Share of net profit/(loss) in associates	463	806	532	580	2,381
Operating profit	41,411	(21,810)	16,542	(5,520)	30,623

Three months ended June 30, 2017

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

Consolidated balance sheet

in US\$'000	Jun18A	Dec17A
Assets		
Property and Equipment	3,288,275	3,614,424
Intangible assets and goodwill	1,375,738	1,453,860
Investments in associates	40,852	49,204
Other financial assets	85,925	95,769
Deferred tax assets	115,364	113,723
Other assets	121,726	121,868
Total non-current assets	5,027,880	5,448,848
Inventories	1,158,602	1,087,977
Other assets	388,578	347,375
Income tax receivable	18,585	19,002
Trade receivables	753,317	654,255
Other financial assets	65,140	36,031
Cash and cash equivalents	579,199	519,203
Total current assets	2,963,421	2,663,843
Total assets	7,991,301	8,112,691
Equity and liabilities		
Share capital	2,054,166	2,054,166
Retained earnings	728,163	709,196
Foreign currency translation reserve	(1,157,580)	(817,711)
Other components of equity	128,267	185,853
Equity attributable to owners of the parent	1,753,016	2,131,504
Non-controlling interests	121,270	131,100
Total equity	1,874,286	2,262,604
Interest-bearing loans and borrowings	2,884,703	2,781,690
Retirement benefit obligation	1,343	5,566
Other financial liabilities	36,916	37,910
Deferred tax liabilities	55,498	62,232
Provisions	52,793	52,886
Total non-current liabilities	3,031,253	2,940,284
Trade and other payables	2,269,180	2,038,308
Interest-bearing loans and borrowings	697,394	754,261
Other financial liabilities	69,941	63,655
Income tax payable	33,354	37,491
Provisions	15,893	16,088
Total current liabilities	3,085,762	2,909,803
Total liabilities	6,117,015	5,850,087
Total equity and liabilities	7,991,301	8,112,691

Consolidated statement of cash flows

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2018	2017	2018	2017
Profit before tax	43,045	75,545	20,754	36,870
Non-cash adjustments:				
Depreciation and impairment of PP&E	173,393	169,182	84,540	86,360
Amortisation and impairment of intangible assets	18,154	18,923	9,504	9,357
(Gain)/loss on disposal of assets and investments	(312)	(1,424)	(588)	(1,438)
Net interest expense	114,957	98,248	51,811	49,456
Dividend income	(2,983)	(225)	(2,530)	(24)
Share of net profit of associate	(4,066)	(3,087)	(2,381)	743
Provisions	1,854	(364)	2,459	(1,602)
Changes in value of derivative financial instruments	(29,723)	(31,499)	13,873	(2,820)
Effect from hyperinflation adjustment	(42,142)	-	(20,653)	-
Working capital adjustments:				
Decrease/(increase) receivables	(205,017)	(119,350)	(15,690)	401
Decrease/(increase) in inventories	(117,295)	(35,309)	(147,717)	(32,084)
(Decrease)/increase payables	345,968	(57,712)	206,261	(70,616)
Interest received	7,302	2,256	4,833	1,763
Dividends received from associates	226	1,336	226	1,181
Income tax paid	(42,280)	(30,976)	(23,650)	(9,701)
Net cash flows from operating activities	261,081	85,544	181,052	67,846
Net proceeds from sale of assets and investments	26,761	20,053	26,125	18,654
Purchase of intangible assets	(9,914)	(10,625)	(5,931)	(6,549)
Purchase of PP&E	(102,277)	(187,746)	(55,486)	(111,213)
Acquisitions of subsidiaries, net of cash acquired	(4,165)	(23,378)	-	2,548
Financial investments	-	(1,851)	-	(82)
Dividends received	2,983	225	2,530	24
Net cash flows used in investing activities	(86,612)	(172,060)	(32,762)	(65,356)
Loans (granted)/reimbursed	(1,461)	4,407	687	13,301
Proceeds from/(repayment of) borrowings	(650,757)	247,362	(36,324)	(73,900)
Proceeds from bond issuance	750,000	-	-	-
Interest paid	(140,404)	(99,985)	(76,928)	(34,549)
(Acquisition)/divestment of non-controlling interests	-	2,098	(425)	-
Dividends paid	(16,254)	(5,819)	(4,832)	(4,256)
Deemed distribution to shareholder	(9,562)	-	-	-
Net cash flows from financing activities	(68,438)	148,063	(117,822)	(99,404)
Net increase in cash and cash equivalents	106,031	61,547	30,468	(96,914)
Effects of exchange rate differences	(46,036)	(6,371)	(379)	6,950
Cash and cash equivalents at beginning of period	519,204	335,656	549,110	480,796
Cash and cash equivalents at end of period	579,199	390,832	579,199	390,832

EBITDA reconciliation

in US\$'000	Six months ended 30 June,		Quarter ended 30 June,	
	2018	2017	2018	2017
Operating profit	93,845	187,019	30,623	94,802
Other (income)/expenses	2,230	218	(842)	439
EBIT	96,075	187,237	29,781	95,241
Depreciation	163,843	168,790	74,999	85,812
Amortisation	18,188	18,924	9,504	9,357
Impairment charge	9,516	393	9,550	164
EBITDA	287,622	375,344	123,834	190,574