

Q3 '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 Monday 26 November 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>

Q3 '18 results report

in US\$'000	Nine months ended 30 September,		Quarter ended 30 September,	
	2018	2017	2018	2017
Condensed statement of income				
Gross profit	1,097,050	1,229,072	340,985	405,882
EBITDA	420,285	555,569	132,663	180,225
Operating profit	139,424	272,447	45,579	85,426
Profit before tax	63,335	106,664	20,291	31,119
Profit for the period	30,046	77,309	7,153	21,034
Net profit attributable to the owners of the parent	34,831	67,266	6,792	19,139

Summarised cash flow				
Cash flow from operating activities	798,720	334,872	538,070	249,328
Cash flow from investing activities	(147,144)	(260,813)	(60,533)	(88,752)
Cash flow from financing activities	(495,650)	72,657	(427,643)	(75,408)
Total cash flows	155,926	146,716	49,895	85,168
Effects of exchange rate differences	(69,343)	(8,378)	(23,308)	(2,006)
Net increase/(decrease) in cash and cash equivalents	86,583	138,338	26,587	83,162

Key ratios				
Sales volume (k m ³)	18,373	16,723	6,282	5,803
Throughput volume (k m ³)	10,979	12,410	3,671	4,166
Downstream unit margin (US\$/m ³)	54	66	49	63

	As at 30 September, 2018	As at 31 December, 2017
Balance sheet		
Trade receivables	776,974	654,255
Inventories	1,156,589	1,087,977
Cash and cash equivalents	605,786	519,203
Equity	1,735,550	2,262,604
Total assets	7,901,321	8,112,691

Consolidated statement of income

in US\$'000	Nine months ended 30 September,		Quarter ended 30 September,	
	2018	2017	2018	2017
Net sales	13,297,364	10,781,115	4,651,802	3,799,773
Cost of sales	(12,200,314)	(9,552,043)	(4,310,817)	(3,393,891)
Gross profit	1,097,050	1,229,072	340,985	405,882
Selling and operating costs	(808,410)	(800,617)	(261,458)	(242,506)
General and administrative expenses	(140,491)	(156,366)	(35,065)	(80,835)
Other operating income/(expenses)	(13,700)	(3,490)	207	2,124
Share of net profit in associates	4,975	3,848	910	761
Operating profit	139,424	272,447	45,579	85,426
Finance income	104,959	5,883	38,525	4,781
Finance costs	(188,809)	(160,757)	(62,331)	(53,252)
Other financial result	7,761	(10,909)	(1,482)	(5,836)
Profit before tax	63,335	106,664	20,291	31,119
Income tax credit/(expense)	(33,289)	(29,355)	(13,138)	(10,085)
Profit for the year	30,046	77,309	7,153	21,034
Attributable to:				
Owners of the parent	34,831	67,266	6,792	19,139
Non-controlling interests	(4,785)	10,043	361	1,895

Segment reporting

Nine months ended September 30, 2018

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	17,796	577	18,373
Throughput volumes (k m ³)	-	10,979	10,979
Net sales	12,857,897	439,467	13,297,364
Gross profit	963,510	133,540	1,097,050
Selling and operating costs	(713,345)	(95,065)	(808,410)
General and administrative expenses	(132,565)	(7,926)	(140,491)
Other operating income/(expense), net	(9,888)	(3,812)	(13,700)
Share of net profit/(loss) in associates	2,887	2,088	4,975
Operating profit	110,599	28,825	139,424

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	6,975	4,404	5,076	1,918	18,373
Throughput volumes (k m ³)	451	3,574	2,507	4,447	10,979
Net sales	4,208,343	3,500,595	3,832,035	1,756,391	13,297,364
Gross profit	396,302	308,064	337,440	55,244	1,097,050
Selling and operating costs	(212,119)	(292,461)	(239,257)	(64,573)	(808,410)
General and administrative expenses	(28,038)	(42,759)	(64,198)	(5,496)	(140,491)
Other operating income/(expense), net	(8,364)	(9,625)	9,287	(4,998)	(13,700)
Share of net profit/(loss) in associates	1,429	1,898	1,510	138	4,975
Operating profit	149,210	(34,883)	44,782	(19,685)	139,424

Nine months ended September 30, 2017

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	16,055	668	16,723
Throughput volumes (k m ³)	-	12,410	12,410
Net sales	10,432,750	348,365	10,781,115
Gross profit	1,067,432	161,640	1,229,072
Selling and operating costs	(701,359)	(99,258)	(800,617)
General and administrative expenses	(145,732)	(10,634)	(156,366)
Other operating income/(expense), net	(5,339)	1,849	(3,490)
Share of net profit/(loss) in associates	1,886	1,962	3,848
Operating profit	216,888	55,559	272,447

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	6,488	3,850	4,787	1,598	16,723
Throughput volumes (k m ³)	370	3,885	3,056	5,099	12,410
Net sales	3,371,581	2,568,507	3,422,432	1,418,595	10,781,115
Gross profit	406,811	326,655	429,048	66,558	1,229,072
Selling and operating costs	(219,693)	(266,374)	(253,613)	(60,937)	(800,617)
General and administrative expenses	(33,176)	(41,229)	(74,883)	(7,078)	(156,366)
Other operating income/(expense), net	3,495	1,834	(10,317)	1,498	(3,490)
Share of net profit/(loss) in associates	1,106	3,243	371	(872)	3,848
Operating profit	158,543	24,129	90,606	(831)	272,447

Segment reporting

Three months ended September 30, 2018

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	6,070	212	6,282
Throughput volumes (k m ³)	-	3,671	3,671
Net sales	4,475,042	176,760	4,651,802
Gross profit	300,374	40,611	340,985
Selling and operating costs	(232,100)	(29,358)	(261,458)
General and administrative expenses	(33,752)	(1,313)	(35,065)
Other operating income/(expense), net	(2,437)	2,644	207
Share of net profit/(loss) in associates	219	690	910
Operating profit	32,304	13,274	45,579

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,303	1,539	1,797	643	6,282
Throughput volumes (k m ³)	159	1,410	717	1,384	3,671
Net sales	1,451,611	1,250,429	1,333,601	616,161	4,651,802
Gross profit	115,559	97,702	112,865	14,859	340,985
Selling and operating costs	(70,460)	(94,117)	(75,375)	(21,506)	(261,458)
General and administrative expenses	(6,506)	(9,601)	(17,673)	(1,285)	(35,065)
Other operating income/(expense), net	1,516	(220)	1,773	(2,862)	207
Share of net profit/(loss) in associates	389	208	609	(297)	910
Operating profit	40,498	(6,028)	22,199	(11,091)	45,579

Three months ended September 30, 2017

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,581	222	5,803
Throughput volumes (k m ³)	-	4,166	4,166
Net sales	3,683,498	116,275	3,799,773
Gross profit	353,064	52,818	405,882
Selling and operating costs	(212,527)	(29,979)	(242,506)
General and administrative expenses	(73,778)	(7,057)	(80,835)
Other operating income/(expense), net	1,593	531	2,124
Share of net profit/(loss) in associates	111	650	761
Operating profit	68,463	16,963	85,426

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,219	1,309	1,678	597	5,803
Throughput volumes (k m ³)	126	1,524	858	1,658	4,166
Net sales	1,175,683	889,987	1,215,662	518,441	3,799,773
Gross profit	138,473	104,753	144,105	18,551	405,882
Selling and operating costs	(67,833)	(80,928)	(74,075)	(19,670)	(242,506)
General and administrative expenses	(16,383)	(22,206)	(39,106)	(3,140)	(80,835)
Other operating income/(expense), net	2,660	1,951	(3,119)	632	2,124
Share of net profit/(loss) in associates	283	875	133	(530)	761
Operating profit	57,200	4,445	27,938	(4,157)	85,426

Consolidated balance sheet

in US\$'000	Sep18A	Dec17A
Assets		
Property and Equipment	3,208,524	3,614,424
Intangible assets and goodwill	1,346,311	1,453,860
Investments in associates	41,597	49,204
Other financial assets	88,104	95,769
Deferred tax assets	116,055	113,723
Other assets	118,302	121,868
Total non-current assets	4,918,893	5,448,848
Inventories	1,156,589	1,087,977
Other assets	378,474	347,375
Income tax receivable	17,896	19,002
Trade receivables	776,974	654,255
Other financial assets	46,709	36,031
Cash and cash equivalents	605,786	519,203
Total current assets	2,982,428	2,663,843
Total assets	7,901,321	8,112,691
Equity and liabilities		
Share capital	2,054,166	2,054,166
Retained earnings	746,711	709,196
Foreign currency translation reserve	(1,301,194)	(817,711)
Other components of equity	108,689	185,853
Equity attributable to owners of the parent	1,608,372	2,131,504
Non-controlling interests	127,178	131,100
Total equity	1,735,550	2,262,604
Interest-bearing loans and borrowings	2,859,383	2,781,690
Retirement benefit obligation	1,870	5,566
Other financial liabilities	8,305	37,910
Deferred tax liabilities	54,210	62,232
Provisions	53,383	52,886
Total non-current liabilities	2,977,151	2,940,284
Trade and other payables	2,664,047	2,038,308
Interest-bearing loans and borrowings	364,113	754,261
Other financial liabilities	107,224	63,655
Income tax payable	40,378	37,491
Provisions	12,858	16,088
Total current liabilities	3,188,620	2,909,803
Total liabilities	6,165,771	5,850,087
Total equity and liabilities	7,901,321	8,112,691

Consolidated statement of cash flows

in US\$'000	Nine months ended		Quarter ended	
	30 September,		30 September,	
	2018	2017	2018	2017
Profit before tax	63,335	106,664	20,291	31,119
Non-cash adjustments:				
Depreciation and impairment of PP&E	251,295	258,156	77,945	88,985
Amortisation and impairment of intangible assets	27,436	28,238	9,248	9,315
(Gain)/loss on disposal of assets and investments	(1,034)	(3,234)	(722)	(1,810)
Net interest expense	168,068	147,294	53,110	49,045
Dividend income	(3,759)	(614)	(775)	(389)
Share of net profit of associate	(4,974)	(3,848)	(909)	(761)
Provisions	145	(73)	(1,709)	291
Changes in value of derivative financial instruments	(3,915)	(9,903)	25,808	21,596
Effect from hyperinflation adjustment	(72,622)	-	(30,480)	-
Working capital adjustments:				
Decrease/(increase) receivables	(242,621)	(201,339)	(37,615)	(82,000)
Decrease/(increase) in inventories	(138,076)	(102,433)	(20,781)	(67,124)
(Decrease)/increase payables	782,210	149,952	436,672	207,664
Interest received	14,247	5,269	6,945	3,014
Dividends received from associates	226	2,701	-	1,365
Income tax paid	(41,241)	(41,958)	1,042	(10,982)
Net cash flows from operating activities	798,720	334,872	538,070	249,328
Net proceeds from sale of assets and investments	28,603	27,735	1,841	7,682
Purchase of intangible assets	(12,272)	(14,265)	(2,358)	(3,640)
Purchase of PP&E	(163,069)	(276,518)	(60,791)	(88,772)
Acquisitions of subsidiaries, net of cash acquired	(4,165)	(27,678)	-	(4,300)
Financial investments	-	(1,962)	-	(111)
Dividends received	3,759	613	775	389
Net cash flows used in investing activities	(147,144)	(260,813)	(60,533)	(88,752)
Loans (granted)/reimbursed	(510)	1,526	526	(2,882)
Proceeds from/(repayment of) borrowings	(1,019,283)	266,215	(368,525)	18,852
Proceeds from bond issuance	750,000	-	-	-
Interest paid	(199,033)	(177,593)	(58,629)	(77,608)
(Acquisition)/divestment of non-controlling interests	-	2,073	(6)	(25)
Dividends paid	(17,262)	(19,564)	(1,009)	(13,745)
Deemed distribution to shareholder	(9,562)	-	-	-
Net cash flows from financing activities	(495,650)	72,657	(427,643)	(75,408)
Net increase in cash and cash equivalents	155,926	146,716	49,894	85,168
Effects of exchange rate differences	(69,343)	(8,378)	(23,307)	(2,006)
Cash and cash equivalents at beginning of period	519,203	335,656	579,199	390,832
Cash and cash equivalents at end of period	605,786	473,994	605,786	473,994

EBITDA reconciliation

in US\$'000	Nine months ended 30 September,		Quarter ended 30 September,	
	2018	2017	2018	2017
Operating profit	139,424	272,447	45,579	85,426
Other (income)/expenses	2,130	(3,283)	(100)	(3,501)
EBIT	141,554	269,164	45,479	81,925
Depreciation	241,768	257,249	77,925	88,460
Amortisation	27,436	28,238	9,248	9,315
Impairment charge	9,527	918	11	525
EBITDA	420,285	555,569	132,663	180,225