

Full Year 2019 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 (49.42%), Sonangol Holdings Lda (27.99%), Cochan Holdings LLC (15.48%) and other investors (7.11%).

Investor relations

Puma Energy will discuss its results during an investor conference call on Thursday, 5 March 2020 at 13:00 (GMT). 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) 43 456 9986
Singapore Number:	+65 6494 8889

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

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

Full Year 2019 results report

Year ended 31 December

in US\$'000	2019	2018
Condensed statement of income		
Gross profit	1,264,810	1,279,893
EBITDA	656,970	534,866
Operating profit / (loss)	(327,470)	160,880
Profit / (loss) before tax	(610,414)	75,272
Loss after tax from discontinued operations	(103,942)	(45,675)
Loss for the period	(791,783)	(30,982)
Net loss attributable to the owners of the parent	(780,531)	(25,208)

Summarised cash flow

Cash flow from operating activities	793,922	927,300
Cash flow from investing activities	32,241	(247,694)
Cash flow from financing activities	(738,479)	(466,558)
Total cash flows	87,684	213,048
Effects of exchange rate differences	(110,661)	(87,755)
Net increase / (decrease) in cash and cash equivalents	(22,977)	125,293

Key ratios

Sales volume (k m ³)	22,441	22,171
Throughput volume (k m ³)	14,195	13,435
Downstream unit margin (US\$/m ³)	48	53

	As at 31 December, 2019	As at 31 December, 2018
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Balance sheet		
Trade receivables	619,724	834,252
Inventories	1,022,175	909,662
Cash and cash equivalents	619,023	644,496
Equity	447,376	1,581,066
Total assets	7,488,808	7,671,614

Consolidated statement of income

Year ended 31 December

in US\$'000	2019	2018
Net sales	14,597,831	15,339,393
Cost of sales	(13,333,021)	(14,059,500)
Gross profit	1,264,810	1,279,893
Selling and operating costs	(1,481,978)	(931,555)
General and administrative expenses	(166,591)	(196,314)
Other operating income/(expenses)	49,458	2,937
Share of net profit in associates	6,831	5,919
Operating profit	(327,470)	160,880
Finance income	30,286	136,912
Finance costs	(323,176)	(232,394)
Other financial result	9,946	9,874
Profit before tax	(610,414)	75,272
Income tax credit/(expense)	(77,427)	(60,579)
Loss after tax from discontinued operations	(103,942)	(45,675)
Profit for the period	(791,783)	(30,982)
Attributable to:		
Owners of the parent	(780,531)	(25,208)
Non-controlling interests	(11,252)	(5,774)

Segment reporting

Year ended 31 December, 2019

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	22,301	140	22,441
Throughput volumes (k m ³)	-	14,195	14,195
Net sales	14,295,347	302,484	14,597,831
Gross profit	1,078,847	185,963	1,264,810
Selling and operating costs	(1,259,661)	(222,317)	(1,481,978)
General and administrative expenses	(154,309)	(12,282)	(166,591)
Other operating income/(expense), net	28,448	21,010	49,458
Share of net profit/(loss) in associates	5,067	1,764	6,831
Operating profit	(301,608)	(25,862)	(327,470)

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	9,221	3,343	7,371	2,506	22,441
Throughput volumes (k m ³)	662	4,245	3,453	5,835	14,195
Net sales	4,966,034	2,030,601	5,268,255	2,332,941	14,597,831
Gross profit	485,021	243,060	453,182	83,547	1,264,810
Selling and operating costs	(321,961)	(584,097)	(456,811)	(119,109)	(1,481,978)
General and administrative expenses	(41,762)	(28,221)	(89,068)	(7,540)	(166,591)
Other operating income/(expense), net	71,606	(8,423)	(20,172)	6,447	49,458
Share of net profit/(loss) in associates	973	488	6,287	(917)	6,831
Operating profit	193,877	(377,193)	(106,582)	(37,572)	(327,470)

Year ended 31 December, 2018

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	21,555	616	22,171
Throughput volumes (k m ³)	-	13,435	13,435
Net sales	14,796,832	542,561	15,339,393
Gross profit	1,115,077	164,816	1,279,893
Selling and operating costs	(808,814)	(122,741)	(931,555)
General and administrative expenses	(184,523)	(11,791)	(196,314)
Other operating income/(expense), net	(580)	3,517	2,937
Share of net profit/(loss) in associates	3,159	2,760	5,919
Operating profit	124,319	36,561	160,880

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	9,155	3,400	6,967	2,649	22,171
Throughput volumes (k m ³)	612	3,595	3,294	5,934	13,435
Net sales	5,491,927	2,215,630	5,208,590	2,423,246	15,339,393
Gross profit	488,568	245,821	457,655	87,849	1,279,893
Selling and operating costs	(283,295)	(250,171)	(311,813)	(86,276)	(931,555)
General and administrative expenses	(42,671)	(46,247)	(99,199)	(8,197)	(196,314)
Other operating income/(expense), net	7,567	7,523	(11,347)	(806)	2,937
Share of net profit/(loss) in associates	1,371	2,048	2,256	244	5,919
Operating profit	171,540	(41,026)	37,552	(7,186)	160,880

Consolidated balance sheet

in US\$'000	Dec19A	Dec18A
Assets		
Property and Equipment	2,420,519	3,158,720
Intangible assets and goodwill	606,124	1,273,008
Right-of-use	682,257	-
Investments in associates	27,643	39,932
Other financial assets	89,455	88,639
Deferred tax assets	52,384	109,940
Other assets	101,123	121,719
Total non-current assets	3,979,505	4,791,958
Inventories	1,022,175	909,662
Other assets	341,684	386,294
Income tax receivable	14,993	15,934
Trade receivables	619,724	834,252
Other financial assets	31,587	89,018
Cash and cash equivalents	619,023	644,496
Total current assets	2,649,186	2,879,656
Asset classified as held for sale	860,117	-
Total assets	7,488,808	7,671,614
Equity and liabilities		
Share capital	2,060,035	2,054,166
Retained earnings	52,256	848,955
Foreign currency translation reserve	(1,794,559)	(1,461,944)
Other components of equity	5,568	3,980
Equity attributable to owners of the parent	323,300	1,445,157
Non-controlling interests	124,076	135,909
Total equity	447,376	1,581,066
Interest-bearing loans and borrowings	2,724,934	2,828,303
Lease liabilities	591,189	-
Retirement benefit obligation	294	2,121
Other financial liabilities	4,528	10,103
Deferred tax liabilities	50,997	54,842
Provisions	43,042	43,444
Total non-current liabilities	3,414,984	2,938,813
Trade and other payables	2,619,443	2,598,873
Interest-bearing loans and borrowings	284,733	457,032
Lease liabilities	79,890	-
Other financial liabilities	57,860	40,799
Income tax payable	36,739	40,151
Provisions	21,430	14,880
Total current liabilities	3,100,095	3,151,735
Liabilities directly associated with the assets classified as held for sale	526,353	-
Total liabilities	7,041,432	6,090,548
Total equity and liabilities	7,488,808	7,671,614

Consolidated statement of cash flows

	Year ended 31 December	
in US\$'000	2019	2018
Operating activities		
Loss before tax from continuing operations	(610,414)	75,272
Loss before tax from discontinued operations	(52,896)	(54,923)
Profit before tax	(663,310)	20,349
Non-cash adjustments:		
Depreciation and impairment of PP&E	405,813	359,853
Amortisation and impairment of intangible assets	575,555	79,604
Amortisation and impairment of lease right-of-use	146,074	-
(In)tangible assets written off	493	-
(Gain)/loss on disposal of assets and investments	(79,315)	(1,188)
Net interest expense	211,142	218,515
Lease financial costs	68,634	-
Dividend income	(3,769)	(3,730)
Share of net profit of associate	(7,132)	(6,166)
Provisions	12,404	(1,597)
Changes in value of derivative financial instruments	115,469	(112,685)
Effect from hyperinflation adjustment	10,602	(83,988)
Working capital adjustments:		
Decrease/(increase) receivables	112,243	(347,920)
Decrease/(increase) in inventories	(226,858)	101,103
(Decrease)/increase payables	149,730	744,685
Interest received	26,507	21,517
Income tax paid	(62,330)	(50,070)
Net cash flows from operating activities	793,922	927,300
Net proceeds from sale of assets and investments	175,676	32,049
Purchase of intangible assets	(8,242)	(16,767)
Purchase of PP&E	(137,817)	(262,541)
Acquisitions of subsidiaries, net of cash acquired	-	(4,165)
Dividends received	2,624	3,730
Net cash flows used in investing activities	32,241	(247,694)
Loans (granted)/reimbursed	(22,022)	(453)
Proceeds from/(repayment of) borrowings	(303,008)	(938,824)
Proceeds from bond issuance	-	750,000
Interest paid	(227,328)	(238,112)
Lease payments	(172,657)	-
(Acquisition)/divestment of non-controlling interests	-	(8,320)
Dividends paid	(5,998)	(17,262)
Deemed distribution to shareholder	(7,466)	(13,587)
Net cash flows from financing activities	(738,479)	(466,558)
Total cash flows	87,684	213,048
Effects of exchange rate differences	(110,661)	(87,755)
Cash and cash equivalents at beginning of period	644,496	519,203
Cash and cash equivalents at end of period	621,519	644,496
Less: cash and cash equivalents under discontinued operations:	2,496	-
Cash and cash equivalents under continuing operations	619,023	644,496

EBITDA reconciliation

USD '000	Year ended 31 Dec 2019	IFRS16 Impact	Discontinued operations	Group Pro forma
Operating profit	(327,470)	(25,180)	(41,666)	(394,315)
Other (income)/expenses	(64,349)	220	3,043	(61,085)
EBIT	(391,819)	(24,960)	(38,623)	(455,401)
Depreciation	255,624	-	35,710	291,334
Amortisation (intangibles)	29,255	-	3,873	33,128
Amortisation (right-of-use)	104,709	(104,709)	-	-
Impairment (tangible and intangible assets)	656,906	-	3,616	660,523
Impairment (right-of-use)	2,294	(2,294)	-	-
EBITDA	656,970	(131,963)	4,577	529,584

USD '000	Year ended 31 December 2018	Discontinued operations	Group Pro forma
Operating profit	160,880	(38,747)	122,133
Other (income)/expenses	(14,730)	7,533	(7,197)
EBIT	146,150	(31,214)	114,936
Depreciation	277,875	39,633	317,508
Amortisation (intangibles)	25,861	10,351	36,213
Amortisation (right-of-use)	-	-	-
Impairment (tangible and intangible assets)	84,979	756	85,736
Impairment (right-of-use)	-	-	-
EBITDA	534,866	19,527	554,393

Statement of income reconciliation

in US\$'000	Year ended 31 December 2019	IFRS16 Impact	Discontinued operations	Group Pro forma
Net sales	14,597,831	-	2,593,077	17,190,908
Cost of sales	(13,333,021)	(46,081)	(2,425,077)	(15,804,179)
Gross profit	1,264,810	(46,081)	168,000	1,386,729
Selling and operating costs	(1,481,978)	26,380	(188,555)	(1,644,153)
General and administrative expenses	(166,591)	(5,115)	(13,053)	(184,759)
Other operating income/(expenses)	49,458	(274)	(8,360)	40,825
Share of net profit in associates	6,831	(90)	301	7,042
Operating profit	(327,470)	(25,180)	(41,666)	(394,316)
Finance income	30,286	-	90	30,375
Finance costs	(323,176)	51,238	(5,905)	(277,845)
Other financial result	9,946	9,252	(17)	19,183
Profit before tax	(610,414)	35,310	(47,499)	(622,602)
Income tax credit/(expense)	(77,427)	(2,181)	(51,046)	(130,654)
Loss after tax from discontinued operations	(103,942)	5,397	98,544	-
Profit for the period	(791,783)	38,526	-	(753,258)
Attributable to:				
Owners of the parent	(780,531)	37,110		(743,422)
Non-controlling interests	(11,252)	1,416		(9,836)

in US\$'000	Year ended 31 December 2018		Discontinued operations	Group Pro forma
Net sales	15,339,393		2,581,494	17,920,887
Cost of sales	(14,059,500)		(2,401,831)	(16,461,331)
Gross profit	1,279,893		179,663	1,459,556
Selling and operating costs	(931,555)		(192,613)	(1,124,168)
General and administrative expenses	(196,314)		(14,840)	(211,154)
Other operating income/(expenses)	2,937		(11,204)	(8,267)
Share of net profit in associates	5,919		247	6,166
Operating profit	160,880		(38,747)	122,133
Finance income	136,912		91	137,003
Finance costs	(232,394)		(16,086)	(248,481)
Other financial result	9,874		(180)	9,694
Profit before tax	75,272		(54,923)	20,349
Income tax credit/(expense)	(60,579)		9,248	(51,331)
Loss after tax from discontinued operations	(45,675)		45,675	-
Profit for the period	(30,982)		-	(30,982)
Attributable to:				
Owners of the parent	(25,208)			(25,208)
Non-controlling interests	(5,774)			(5,774)

Balance sheet reconciliation

in US\$'000	Dec19A	IFRS16 Impact	Discontinued operations	Pro forma
Assets				
Property and Equipment	2,420,519	-	216,383	2,636,902
Intangible assets and goodwill	606,124	-	59,396	665,520
Right-of-use	682,258	(682,258)	-	-
Investments in associates	27,642	(114)	9,992	37,520
Other financial assets	89,455	-	-	89,455
Deferred tax assets	52,384	(2,074)	3,086	53,396
Other assets	101,123	35,859	218	137,200
Total non-current assets	3,979,505	(648,586)	289,075	3,619,994
Inventories	1,022,175	-	65,836	1,088,011
Other assets	341,684	9,686	5,694	357,064
Income tax receivable	14,993	-	-	14,993
Trade receivables	619,724	-	74,793	694,517
Other financial assets	31,587	-	-	31,587
Cash and cash equivalents	619,023	-	2,496	621,519
Total current assets	2,649,186	9,686	148,819	2,807,691
Asset classified as held for sale	860,117	(422,223)	(437,894)	-
Total assets	7,488,808	(1,061,123)	-	6,427,685
Equity and liabilities				
Share capital	2,060,035	-	-	2,060,035
Retained earnings	52,256	32,052	-	84,308
Foreign currency translation reserve	(1,794,559)	(2,522)	-	(1,797,081)
Other components of equity	5,568	-	-	5,568
Equity attributable to owners of the parent	323,300	29,530	-	352,830
Non-controlling interests	124,076	1,781	-	125,857
Total equity	447,376	31,310	-	478,686
Interest-bearing loans and borrowings	2,724,934	393	-	2,725,327
Lease liabilities	591,189	(591,189)	-	-
Retirement benefit obligation	294	-	-	294
Other financial liabilities	4,528	-	5,728	10,256
Deferred tax liabilities	50,997	-	3,085	54,082
Provisions	43,042	-	2,192	45,234
Total non-current liabilities	3,414,984	(590,797)	11,006	2,835,193
Trade and other payables	2,619,443	462	89,203	2,709,108
Interest-bearing loans and borrowings	284,733	15	68	284,816
Lease liabilities	79,890	(79,890)	-	-
Other financial liabilities	57,860	-	-	57,860
Income tax payable	36,739	-	-	36,739
Provisions	21,430	-	3,853	25,283
Total current liabilities	3,100,095	(79,413)	93,124	3,113,806
Liabilities directly associated with the assets classified as held for sale	526,353	(422,223)	(104,130)	-
Total liabilities	7,041,432	(1,092,433)	-	5,948,999
Total equity and liabilities	7,488,808	(1,061,123)	-	6,427,685

Cash flow – IFRS16 impact

in US\$'000	Year ended 31 December 2019	IFRS16 Impact	Group Pro forma
Cash flow from operating activities	793,922	(165,017)	628,906
Cash flow from investing activities	32,241	-	32,241
Cash flow from financing activities	(738,479)	174,146	(564,333)
Total cash flows	87,684	9,130	96,814
Effects of exchange rate differences	(110,661)	(9,130)	(119,791)
Net increase/(decrease) in cash and cash equivalents	(22,977)	-	(22,977)