

# INVESTOR NEWSLETTER FY19



PT LAUTAN LUAS Tbk





# FINANCIAL HIGHLIGHTS

**PT LAUTAN LUAS Tbk (LTLS)** is pleased to announce its FY2019 results as follows:

The Company recorded profit for the year attributable to owners of the parent entity IDR181 billion in 2019, lower by 9.87% compared to 2018. The Company has demonstrated its resilience overall, despite the lower revenue achieved in 2019. Improvement in working capital to a more efficient level and lower net debt had partially added a favorable impact.

Consolidated revenue in FY2019 comprised of Distribution segment (47%), Manufacturing segment (45%) and Support & Services segment (8%). Total revenue down by 7.66% from IDR7,076 billion in 2018 to IDR6,535 billion in 2019, mainly from the Distribution segment. The decline was attributable to lower revenue contribution from the distribution business in Indonesia, particularly from the agriculture industry products.

Gross profit in 2019 amounting IDR1,281 billion, lower by 0.61% compared to 2018. Gross profit from the Manufacturing segment improved from previous year, however lower contribution from Distribution segment has reduced the total gross profit. While increase in gross profit margin from 18.22% in 2018 to 19.61% in 2019 mainly due to increase in margin from Manufacturing and Support & Services segment.

In summary, our current performance has translated to an earning per-share of IDR118/share in FY2019, with book value per-share of IDR1,253/share at end of December 2019.

As of December 2019, the Company's net debt to equity ratio was 0.97x, improved from 1.14x at 2018. Current ratio down to 0.84x due to reclassification of bonds payable that will due in November 2020.

For a more comprehensive analysis of the FY2019 performance, our Audited report is available on the company website ([www.lautan-luas.com](http://www.lautan-luas.com)), while Annual report will be released in end of April 2020.

Annual general shareholders meeting will be held in June 2020, to announce the 2019 performance and dividend distribution.

# FINANCIAL HIGHLIGHTS



## CONSOLIDATED INCOME STATEMENT

in Billion IDR	FY19	FY18	YoY%	4Q19	3Q19	QoQ%
<b>Revenue</b>	<b>6,535</b>	<b>7,076</b>	<b>(7.66)</b>	<b>1,592</b>	<b>1,564</b>	<b>1.80</b>
Gross Profit	1,281	1,289	(0.61)	332	314	5.86
<b>Gross Profit Margin</b>	<b>19.61%</b>	<b>18.22%</b>		<b>20.87%</b>	<b>20.07%</b>	
Operating Expenses	(874)	(839)	4.19	(232)	(217)	6.76
Other Operating Income (Expenses)	40	(12)	(417.36)	19	12	54.48
Operating Income	447	438	2.09	120	109	9.60
<b>Operating Income Margin</b>	<b>6.84%</b>	<b>6.19%</b>		<b>7.54%</b>	<b>7.00%</b>	
Profit for The Year Attributable to Owners of the Parent Entity	181	200	(9.87)	30	42	(27.97)
<b>Net Margin</b>	<b>2.76%</b>	<b>2.83%</b>		<b>1.91%</b>	<b>2.69%</b>	
Total Comprehensive Income for the Year Attributable to Owners of the Parent Entity	118	281	(57.99)	1	36	(96.05)
EBITDA*	656	694	(5.48)	174	152	14.47

\* EBITDA does not include foreign exchange gains or losses for the relevant period



# FINANCIAL HIGHLIGHTS

## CONSOLIDATED BALANCE SHEET

in Billion IDR	As of 31-Dec- 2019	As of 31-Dec- 2018	YoY%	As of 31- Dec- 2019	As of 30- Sept- 2019	QoQ%
Cash & Equivalent	86	144	(40.01)	86	163	(47.05)
Short Term Investments – net	13	17	(23.35)	13	16	(13.71)
Trade Receivables	1,084	1,210	(10.42)	1,084	985	9.97
Inventories	1,163	1,287	(9.63)	1,163	987	17.84
Others	162	185	(12.44)	162	314	(48.52)
<b>Current Assets</b>	<b>2,508</b>	<b>2,843</b>	<b>(11.77)</b>	<b>2,508</b>	<b>2,465</b>	<b>1.75</b>
Fixed Assets	1,881	1,902	(1.11)	1,881	1,885	(0.22)
Others	1,474	1,574	(6.33)	1,474	1,571	(6.14)
<b>Non-Current Assets</b>	<b>3,355</b>	<b>3,476</b>	<b>(3.47)</b>	<b>3,355</b>	<b>3,456</b>	<b>(2.91)</b>
<b>Total Assets</b>	<b>5,863</b>	<b>6,318</b>	<b>(7.20)</b>	<b>5,863</b>	<b>5,921</b>	<b>(0.97)</b>

in Billion IDR	As of 31-Dec- 2019	As of 31-Dec- 2018	YoY%	As of 31- Dec- 2019	As of 30- Sept- 2019	QoQ%
Bank Borrowings	1,329	1,544	(13.87)	1,329	1,599	(16.86)
Trade Payables	1,078	1,247	(13.56)	1,078	777	38.65
Current Maturities of Long-term Debts	372	36	931.01	372	12	2,958.28
Others	192	160	19.43	192	293	(34.18)
<b>Current Liabilities</b>	<b>2,972</b>	<b>2,987</b>	<b>(0.53)</b>	<b>2,972</b>	<b>2,681</b>	<b>10.85</b>
Long-term Debts	488	997	(51.04)	488	856	(42.96)
Others	243	209	16.43	243	232	4.87
<b>Non-Current Liabilities</b>	<b>731</b>	<b>1,206</b>	<b>(39.35)</b>	<b>731</b>	<b>1,088</b>	<b>(32.76)</b>
<b>Equity</b>	<b>2,160</b>	<b>2,125</b>	<b>1.65</b>	<b>2,160</b>	<b>2,152</b>	<b>0.38</b>
<b>Total Liabilities &amp; Equity</b>	<b>5,863</b>	<b>6,318</b>	<b>(7.20)</b>	<b>5,863</b>	<b>5,921</b>	<b>(0.97)</b>

# FINANCIAL HIGHLIGHTS



## WORKING CAPITAL CYCLE

in Billion IDR	2019	2018	2017	2016	2015
Trade Receivables (T/R)	1,084	1,210	1,333	1,488	1,333
<b>T/R Days</b>	<b>60</b>	<b>62</b>	<b>73</b>	<b>83</b>	<b>74</b>
Inventories	1,163	1,287	885	778	900
<b>Inventory Days</b>	<b>80</b>	<b>80</b>	<b>59</b>	<b>53</b>	<b>60</b>
Trade Payables (T/P)	1,078	1,247	1,001	1,249	1,146
<b>T/P Days</b>	<b>74</b>	<b>78</b>	<b>67</b>	<b>85</b>	<b>77</b>
Working Capital – Trade (T/R + Inv – T/P) days	<b>66</b>	<b>64</b>	<b>65</b>	<b>51</b>	<b>57</b>

## KEY PERFORMANCE RATIO

	2019	2018	2017	2016	2015
Asset Growth (%)	(7.20)	9.52	1.96	4.91	15.37
Revenue Growth (%)	(7.66)	7.27	2.47	(0.43)	9.81
Gross Margin (%)	19.61	18.22	18.29	17.90	16.77
Operating Margin (%)	6.84	6.19	5.55	5.31	5.04
EBITDA */Net Int. Exp. ** (X)	3.15	3.59	3.68	3.10	2.25
Net Debt ***/Equity (X)	0.97	1.14	1.29	1.38	1.34
Net Debt ***/EBITDA* (X)	3.21	3.50	4.36	4.99	5.32
Current Ratio (X)	0.84	0.95	0.98	0.98	0.97

\* EBITDA does not include foreign exchange gains or losses for the relevant period

\*\* Net Interest Expense is defined as Interest Expense less Interest Income

\*\*\* Net Debt is defined as Total Interest Bearing Loans less Cash & Cash Equivalents



# SHARE PRICE HISTORY



Share (millions)*	1,560
Price in 2019, December 30 (Rp)	610
Price / Earning (x)	5.17
Dividend Yield (%)	6.56
ROE (%)	8.36
52wk High (Rp)	735
52wk Low (Rp)	550
EPS (Rp)	118

\* Include 23,338,000 treasury stocks



**PT LAUTAN LUAS Tbk**

Established in 1951, **PT LAUTAN LUAS Tbk** is a distributor and manufacturer of basic and specialty chemicals. The Company represents over 100 international principals, distributing over 1,000 basic and specialty chemical products to more than 2,000 industrial customers throughout Indonesia and the Asia Pacific region.

In addition to the Jakarta headquarters, the Company operates four branches and seven representative offices located in various major cities throughout the archipelago, including a regional office in Singapore that oversees company operations in China, Thailand, and Vietnam.

In manufacturing, the Company currently has stakes in thirteen production facilities in Indonesia, two facilities in China, and one in Vietnam.

Its Support & Services business comprise of four subsidiaries that were previously the Company's internal departments, offering supply chain, IT, and laboratory services.

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