



PT LAUTAN LUAS Tbk



INVESTOR NEWSLETTER FY2020



FINANCIAL HIGHLIGHTS

LTLS' operating results summary for FY2020 are summarized on the following page. For more comprehensive analysis on the FY2020 performance, the full year report is available on our company website (www.lautan-luas.com)

The Covid-19 pandemic has hit the economy and all industrial sectors nationwide and worldwide, including the Company. Even so, despite lower revenues, the Company managed to demonstrate its resilience through 2020, which became a challenging year for us.

In 2020, the Company recorded a decrease in net income for the year attributable to the parent entity by 58.3%, or IDR75 billion in comparison with the net income for the year attributable to the parent entity in 2019. Consolidated revenue decreased by 14.4% from IDR6,535 billion in 2019 to IDR5,592 billion in 2020. The decrease was mainly due to a decline in sales in the Distribution segment by 18.3% compared to the percentage in 2019. This decrease was due to the lower contribution of sales from distribution business units in Indonesia.

The Company recorded a decrease in gross profit of 8.3% to IDR1,175 billion. Gross profit from the manufacturing segment increased, but the lower contribution came mainly from the distribution segment, which reduced the overall gross profit. In addition, the gross profit margin increased from 19.6% in 2019 to 21.0% in 2020 due to an increase in margins from the manufacturing and support & services segments. Meanwhile, the gross profit margin from the distribution segment was quite maintained. The decrease in profit for the year was also the result from the impact of the rupiah exchange rate in 2020. The COVID-19 pandemic had a major impact on Rupiah exchange rate throughout the first semester of 2020, which tended to fluctuate.

However, operating expense in 2020 were lower than previous year. In addition, there was an improvement of working capital to a more efficient level and net debt was lower compared to the previous year.

In summary, our current performance has translated to an earning per-share of IDR49/share in FY2020, with book value per-share of IDR1,299/share at end of December 2020.

Annual general shareholder meeting will be held in May 2020, to announce the 2020 performance and dividend distribution.

FINANCIAL HIGHLIGHTS



CONSOLIDATED INCOME STATEMENT

in Billion IDR	FY20	FY19	YoY%	4Q20	3Q20	QoQ%
Revenue	5,592	6,535	-14%	1,379	1,332	4%
Gross Profit	1,175	1,281	-8%	299	277	8%
<i>Gross Margin</i>	21.01%	19.61%	7%	21.69%	20.77%	4%
Operating Expenses	776	874	-11%	184	184	0%
Other Operating Income/(Expenses)	(69)	40	-273%	19	-19	-200%
Income from Operation	331	447	-26%	135	73	83%
Finance Costs (net)	(165)	(209)	-21%	-57	-37	52%
Income/(Loss) from Affiliates	31	66	-53%	25	6	316%
Net Income	75	181	-59%	48	20	137%
Comprehensive Income	120	118	2%	29	64	-54%
EBITDA	645	656	-2%	229	140	63%

* 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- 2020	As of 31-Dec- 2019	YoY%	As of 31-Dec- 2020	As of 30-Sept- 2020	QoQ%
Cash & Equivalent	376	86	337%	376	456	-18%
Trade Receivables	817	1,084	-25%	817	772	6%
Inventories	746	1,163	-36%	746	928	-20%
Others	200	175	14%	200	256	-22%
Current Assets	2,138	2,508	-15%	2,138	2,412	-11%
Fixed Assets	1,829	1,881	-3%	1,829	1,929	-5%
Others	1,557	1,474	6%	1,557	1,480	5%
Non-Current Assets	3,386	3,355	1%	3,386	3,409	-1%
Total Assets	5,524	5,863	-6%	5,524	5,821	-5%

in Billion IDR	As of 31-Dec- 2020	As of 31-Dec- 2019	YoY%	As of 31-Dec- 2020	As of 30- Sept- 2020	QoQ%
Trade Payables	829	1,078	-23%	829	749	11%
Short-term Bank Loans	1,103	1,329	-17%	1,103	1,144	-4%
Current Maturities of Long-terms Debts	49	372	-87%	49	369	-87%
Others	209	192	9%	209	276	-24%
Current Liabilities	2,190	2,972	-26%	2,190	2,538	-14%
Long-term Debts	807	488	65%	807	778	4%
Others	284	243	17%	284	273	4%
Non-Current Liabilities	1,091	731	49%	1,091	1,051	4%
Total Liabilities	3,281	3,703	-11%	3,281	3,589	-9%
Equity	2,243	2,160	4%	2,243	2,232	0%
Total Liabilities & Equity	5,524	5,863	-6%	5,524	5,821	-5%

FINANCIAL HIGHLIGHTS



WORKING CAPITAL CYCLE

in Billion IDR	FY20	FY19	FY18	FY17	FY16
Trade Receivables (T/R)	817	1,084	1,210	1,333	1,488
T/R Days	53	60	62	73	83
Inventories	746	1,163	1,287	885	778
Inventory Days	61	80	80	59	53
Trade Payables (T/P)	829	1,078	1,247	1,001	1,249
T/P Days	68	74	78	67	85
Working Capital – Trade (T/R + Inv – T/P) days	734	1,169	1,250	1,217	1,017
	46	66	64	65	51

KEY PERFORMANCE RATIO

	FY20	FY19	FY18	FY17	FY16
Asset Growth (%)	(5.78)	(7.20)	9.52	1.96	4.91
Revenue Growth (%)	(14.42)	(7.66)	7.27	2.47	(0.43)
Gross Margin (%)	21.01	19.61	18.22	18.29	17.90
Operating Margin (%)	5.92	6.84	6.19	5.55	5.31
EBITDA */Net Int. Exp. ** (X)	3.92	3.15	3.59	3.68	3.10
Net Debt ***/Equity (X)	0.71	0.97	1.14	1.29	1.38
Net Debt ***/EBITDA* (X)	2.45	3.21	3.50	4.36	4.99
Current Ratio (X)	0.98	0.84	0.95	0.98	0.98

* 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 2020, December 30 (Rp)	490
Price / Earning (x)	10
Dividend Yield (%)	7.14
ROE (%)	3.78
52wk High (Rp)	500
52wk Low (Rp)	418
EPS (Rp)	49

* Include 26,539,500 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 twelve 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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