

## PRESS RELEASE

For Immediate Release



### AGII's Q1 2019 Net Profit Increase 14.1% Y-O-Y totaling Rp 30 billion

**JAKARTA, May 2, 2019**—PT Aneka Gas Industri, Tbk. (Stock Code: AGII.JK) released its unaudited financial statements for the first quarter of 2019 (Q1 2019) with Net Profit Attributable to Parent Entity increased 14,1% to Rp 30 billion. Some of the key highlights of AGII' Q1 2019 financial performance are as follows:

#### **Key Highlights**

- Q1 2019 sales grew by 6,7% due to growth in sales volume
- Overall margins remained stable due to favorable contribution from the retail and other manufacturing sectors such as smelter, chemical, etc.
- AGII looks to be on track to achieve its target of building 10 new filling stations for the full year 2019 as it has added 4 (four) filling station during first quarter months of this year.
- Incurred Rp 86.903 million of CAPEX targeted for FY 2019 that was allocated for building new filling stations, marketing as well as maintenance facilities.
- Q1 2019 net profit after tax attributable to parent entity amounted to Rp 29.979 million compared to Rp 26.280 million for the same period during 2018.
- Q1 2019 Gross Margin amounted to 47,3%.
- Q1 2019 Net Margin remained at around 5,9% which has shown a slight improvement compared to Full Year 2018.
- Total assets as of March 31, 2019 amounted to Rp 6.873 billion which was higher than in Full Year 2018.

#### **Summary of Consolidated Statement of Income**

<b>In Rp Million</b>	<b>Q1 2019</b>	<b>Q1 2018</b>	<b>Variance (%)</b>
REVENUES	522.348	489.642	6,7%
GROSS PROFIT	247.193	230.587	7,2%
<i>Gross Margin</i>	<i>47,3%</i>	<i>47,1%</i>	
OPERATING PROFIT	109.273	100.537	8,7%
<i>Operating Margin %</i>	<i>20,9%</i>	<i>20,5%</i>	
EBITDA	177.049	163.562	8,2%
<i>EBITDA Margin %</i>	<i>33,9%</i>	<i>33,4%</i>	
NET PROFIT AFTER TAX	30.967	31.113	-0,5%
<i>Net Profit Margin %</i>	<i>5,9%</i>	<i>6,3%</i>	
Profit for the Period Attributable to Owner and Parent Entity	29,979	26,280	14.1%

### 6,7% Sales Growth

AGII's 8,7% increase in operating profit before tax was preceded by over 6.7% sales growth for Q1 2019 of Rp 522.348 million compared to Rp 489.642 million in the same period in 2018.

Rachmat Harsono, President Director of AGII, stated that, "In comparison to the challenges we've faced in Q1 2018, the main challenges we've faced in this quarter is that the equipment sales in healthcare and medical sectors has not reached its optimum. However, AGII has managed to perform slightly better in Q1 2019, better than our target achievement. We have witnessed during Q1 2019 that the main drivers for our growth were retail (24%), other manufacturing (14%) sectors, and is reflective of the favorable conditions experienced in the first quarter of the year as well as our ability to implement the right strategy overall."

**Table 1. Highlights of Consolidated Statement of Income**

*In Rp Million*

	Q1 2019	Q1 2018	% Growth
Revenue	522.348	489.642	6,7%
COGS	(275.155)	(259.055)	6,2%
Gross Profit	247.193	230.587	7,2%
Gross Margin	47,3%	47,1%	
Other Income	3.056	320	855,0%
Selling Expenses	(76.844)	(69.236)	11,0%
General & Admin Expenses	(61.636)	(57.169)	7,8%
Other Expenses	(2.496)	(3.965)	-37,0%
Operating Profit	109.273	100.537	8,7%
Operating Margin	20,9%	20,5%	
Interest Income	11.445	10.915	4,9%
Finance Expenses	(77.465)	(70.07)	10,6%
Profit Before Tax	43.253	41.382	4,5%
Tax	(12.286)	(10.269)	19,6%
Profit for the Period	30.967	31.113	-0,5%
Net Margin	5,9%	6,4%	
Other Comprehensive Income	-	-	
Non-Controlling Interest	(988)	(4.833)	-79,6%
Profit for the Period Attributable to Owner and Parent Entity	29.979	26.28	14,1%
EBITDA	177.049	163.562	8,2%
EBITDA Margin	33,9%	33,4%	

### **Solid Financial Position**

Total assets of the Company in Q1 2019 is Rp 6.873 billion while total liabilities were approximately Rp 3.694 billion. Total equity amounted to Rp 3.178 billion in Q1 2019. AGII continues to place specific emphasis on maintaining the right balance between its assets and liabilities while maintaining the equity needed to ensure sustainable growth.

**Table 2. Balance Sheet as of Q1 2019 and 2018A**

*In Rp Million*

	Q1 2019	2018 A
<b>Current Assets</b>		
Cash and cash equivalents	317.015	284.472
Short-term investments	80.025	80.025
Trade Receivable	439.770	429.088
Inventories	449.090	455.625
Other current assets	493.218	336.733
<b>Total Current Assets</b>	<b>1.779.118</b>	<b>1.585.943</b>
<b>Non Current Assets</b>		
Property, plant and equipment	4.862.356	4.835.210
Investment in associated company	55.051	55.051
Other non current assets	177.135	171.551
<b>Total Non-Current Assets</b>	<b>5.094.542</b>	<b>5.061.812</b>
<b>TOTAL ASSETS</b>	<b>6.873.660</b>	<b>6.647.755</b>
<b>Liabilities</b>		
Trade Payables	131.106	150.015
Short-term Bank Loan	583.930	649.923
Current Maturities of Long Term Bank Loans and Others	310.534	330.346
Current Maturities of Bonds Payable		
Other Current Liabilities	206.297	167.556
<b>Total Current Liabilities</b>	<b>1.231.867</b>	<b>1.297.840</b>
Long Term Bank Loans and Other	1.348.050	1.376.375
Bonds Payables	987.231	702.723
Other long term liabilities	127.753	123.025
<b>Total non-current liabilities</b>	<b>2.463.034</b>	<b>2.202.123</b>
<b>TOTAL LIABILITIES</b>	<b>3.694.901</b>	<b>3.499.963</b>
<b>Equity</b>		
Temporary Syirkah Fund		
Total equity attributable to owners of the Parent Entity	3.117.011	3.087.032
Non-controlling interests	61.748	60.760
<b>Total Equity</b>	<b>3.178.759</b>	<b>3.147.792</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>6.873.660</b>	<b>6.647.755</b>

### **Sustainable Profit Margins**

AGII's gross profit margins was maintained at 47% in Q1 2019, Operating Profit (EBIT) margin at 20% while EBITDA margin at 33% in Q1 2019. Meanwhile profit attributable to parent entity increase by 14%.

**Table 3. Financial Ratio**

	UOM	Q1 2019	Q1 2018
<b>Profitability ratios</b>			
Gross Profit Margin		47,3%	47,1%
Operating Profit (EBIT) Margin		20,9%	20,5%
Operating Profit Before D&A (EBITDA) Margin		33,9%	33,4%
Net Margin		5,9%	6,4%
<b>Leverage</b>			
Current Ratio	x	1,4	1,2
Asset/equity	x	2,2	2,1
Interest Bearing Debts/Equities	x	1,0	1,0
Net Debts/Equities	x	0,9	0,9
Interest Bearing Debts/EBITDA*	x	4,6	4,7
Net Interest Bearing Debts/EBITDA*	x	4,0	4,1

\* EBITDA annualized

Rachmat Harsono added that, "During Q1 2019, we have successfully completed 4 (four) new filling stations that brings the total number in our inventory to 104 filling stations overall. We are looking to be on track to achieve our full year target of 10-15% sales growth and 15-22% net profit growth. Our achievements to date are in line with our overall plan to complete 10 new filling stations for this year and serves as our commitment to maintain our position as the market leader in Indonesia."

In closing, Rachmat Harsono stressed that, "I am confident that AGII will continue to perform positively despite the challenging business environment evidenced by our increasing sales volumes & margins. The current emphasis on industrial development in Indonesia, particularly through the application of Industry 4.0, provides us with a great opportunity to further expand our presence and enhance our capacity utilization. As a result, AGII will be able to obtain a significantly bigger market share. We will continue to embark on efforts and initiatives aimed at improving productivity by employing the best strategy."

Some of the key events that took place in Q1 2019 included the following:

- Opened 4 (four) new filling stations.
- In terms of sales breakdown, Retail accounted for 33%, medical 23%, consumer goods 18%, infrastructure 16%, and other manufacturing 10%.
- In terms of delivery methods, 83% of AGII's sales comprises of bulk 51%, cylinder 31%, pipeline 4%, medical equipment and others 14%.
- In terms of market positioning, AGII still retains its position as the industry leader with the biggest market share in the production and distribution of air gas & non-air-gas products in retail and medical.

### **About PT Aneka Gas Industri Tbk**

PT Aneka Gas Industri Tbk ("AGII"), is the largest industrial gas company in Indonesia and is engaged in four business lines, namely: 1) industrial gas production, 2) industrial gas trading, 3) industrial gas equipment trading and 4) industrial gas equipment installation.

AGII is publicly listed on the Indonesian Stock Exchange (IDX) since September 2016 and is majority owned by the Samator Group.

As of March 31<sup>st</sup>, 2019, AGII had 44 industrial gas plants and 104 filling stations in 23 provinces across Indonesia.

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