

Puma Energy

Q4 '16 and full-year 2016 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 Group Pte Ltd (49.49%), Sonangol Holdings Lda (27.92%), Cochan Holdings LLC (15.45%) and other investors (7.14%).

Investor relations

Puma Energy will discuss its results during an investor conference call on Monday 13 March 2016 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:	+1 866 966 5335
Swiss Number:	+41 (0) 22 592 7915
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Q4 '16 and full-year 2016 results report

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2016	2015	2016	2015
Condensed statement of income	audited	audited	audited	audited
Gross profit	1,600,598	1,495,755	408,432	373,094
EBITDA	754,517	675,986	198,364	171,568
Operating profit	383,149	342,045	104,595	80,737
Profit before tax	148,647	167,089	54,700	13,605
Profit for the period	116,365	176,851	50,142	54,765
Net profit attributable to the owners of the parent	114,594	174,715	51,740	57,580

Summarised cash flow

Cash flow from operating activities	838,237	734,900	151,954	129,427
Cash flow from investing activities	(732,767)	(1,138,286)	(186,453)	(264,088)
Cash flow from financing activities	(13,697)	204,360	(123,878)	46,337
Total cash flows	91,773	(199,026)	(158,376)	(88,324)
Effects of exchange rate differences	(37,326)	3,407	212,823	(56,093)
Net increase/(decrease) in cash and cash equivalents	54,447	(195,619)	54,447	(144,417)

Key ratios

Sales volume ('000 m ³)	21,968	18,944	5,424	5,024
Throughput volume ('000 m ³)	19,693	18,372	4,402	4,682
Downstream unit margin (US\$/m ³)	66	71	68	69

	As at 31 December,	
	2016	2015
Balance sheet	unaudited	unaudited
Trade receivables	528,107	543,769
Inventories	745,258	614,974
Cash and cash equivalents	335,656	281,209
Equity	1,900,395	2,071,655
Total assets	6,919,127	6,915,938

Consolidated statement of income

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2016	2015	2016	2015
	audited	audited	audited	audited
Net sales	12,669,511	12,686,410	3,397,190	3,453,287
Cost of sales	(11,068,913)	(11,190,655)	(2,988,758)	(3,080,193)
Gross profit	1,600,598	1,495,755	408,432	373,094
Selling and operating costs	(1,022,643)	(1,016,604)	(244,868)	(239,665)
General and administrative expenses	(169,331)	(167,939)	(52,050)	(47,220)
Other operating income/(expenses)	(36,055)	27,701	(12,795)	(5,229)
Share of net profits/(losses) in associates	10,580	3,132	5,876	(243)
Operating profit	383,149	342,045	104,595	80,737
Finance income	8,651	10,431	698	2,377
Finance costs	(228,263)	(211,164)	(53,923)	(43,709)
Net foreign exchange gains/(losses)	(14,890)	25,777	3,330	(25,800)
Profit before tax	148,647	167,089	54,700	13,605
Income tax credit/(expense)	(32,282)	9,762	(4,559)	41,160
Profit for the year	116,365	176,851	50,141	54,765
Attributable to:				
Owners of the parent	114,594	174,715	51,740	57,580
Non-controlling interests	1,771	2,136	(1,599)	(2,815)

Segment reporting

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	5,140	284	5,424
Throughput volumes (k m ³)	-	4,402	4,402
Net sales	3,253,683	143,508	3,397,190
Gross profit	349,780	58,652	408,432
Selling and operating costs	(206,295)	(38,573)	(244,868)
General and administrative expenses	(48,929)	(3,121)	(52,050)
Other operating income/(expense), net	(11,298)	(1,497)	(12,795)
Share of net profit/(loss) in associates	5,140	736	5,876
Operating profit	88,398	16,197	104,595

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,008	1,219	1,672	525	5,424
Throughput volumes (k m ³)	119	1,445	1,917	921	4,402
Net sales	1,040,594	769,278	1,122,738	464,581	3,397,190
Gross profit	123,794	105,119	157,294	22,225	408,432
Selling and operating costs	(67,460)	(82,296)	(74,817)	(20,295)	(244,868)
General and administrative expenses	(10,391)	(11,441)	(28,420)	(1,798)	(52,050)
Other operating income/(expense), net	(263)	(2,860)	(9,315)	(357)	(12,795)
Share of net profit/(loss) in associates	468	5,165	243	-	5,876
Operating profit	46,148	13,687	44,985	(225)	104,595

Three months ended December 31, 2015 - audited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	4,787	237	5,024
Throughput volumes (k m ³)	-	4,682	4,682
Net sales	3,335,194	118,093	3,453,287
Gross profit	327,975	45,119	373,094
Selling and operating costs	(201,538)	(38,128)	(239,665)
General and administrative expenses	(44,806)	(2,414)	(47,220)
Other operating income/(expense), net	(13,703)	8,473	(5,229)
Share of net profit/(loss) in associates	(1,076)	834	(243)
Operating profit	66,852	13,885	80,737

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	2,095	1,005	1,606	318	5,024
Throughput volumes (k m ³)	106	1,072	2,071	1,433	4,682
Net sales	1,038,028	694,335	1,097,915	623,009	3,453,287
Gross profit	99,569	104,431	143,574	25,520	373,094
Selling and operating costs	(65,727)	(80,577)	(69,359)	(24,002)	(239,665)
General and administrative expenses	(13,668)	(6,797)	(22,353)	(4,402)	(47,220)
Other operating income/(expense), net	(10,223)	5,085	(1,417)	1,325	(5,229)
Share of net profit/(loss) in associates	365	1,137	(1,745)	-	(243)
Operating profit	10,316	23,279	48,700	(1,559)	80,737

Segment reporting

Year ended December 31, 2016 - audited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	20,841	1,127	21,968
Throughput volumes (k m ³)	-	19,693	19,693
Net sales	12,134,652	534,859	12,669,511
Gross profit	1,373,200	227,398	1,600,598
Selling and operating costs	(875,158)	(147,485)	(1,022,643)
General and administrative expenses	(156,146)	(13,185)	(169,331)
Other operating income/(expense), net	(24,922)	(11,133)	(36,055)
Share of net profit/(loss) in associates	8,262	2,318	10,580
Operating profit	325,236	57,913	383,149

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	8,922	4,595	6,499	1,952	21,968
Throughput volumes (k m ³)	458	5,160	8,643	5,432	19,693
Net sales	4,030,893	2,711,260	4,229,680	1,697,678	12,669,511
Gross profit	475,510	375,985	658,063	91,040	1,600,598
Selling and operating costs	(273,712)	(322,931)	(342,500)	(83,500)	(1,022,643)
General and administrative expenses	(41,963)	(39,066)	(79,077)	(9,225)	(169,331)
Other operating income/(expense), net	(223)	3,873	(39,709)	4	(36,055)
Share of net profit/(loss) in associates	985	10,349	(754)	-	10,580
Operating profit	160,597	28,210	196,023	(1,681)	383,149

Year ended December 31, 2015 - audited

in US\$'000	Downstream	Midstream	Total
Sales volumes (k m ³)	18,233	711	18,944
Throughput volumes (k m ³)	-	18,372	18,372
Net sales	12,213,403	473,007	12,686,410
Gross profit	1,285,954	209,801	1,495,755
Selling and operating costs	(822,997)	(193,607)	(1,016,604)
General and administrative expenses	(159,129)	(8,810)	(167,939)
Other operating income/(expense), net	9,782	17,919	27,701
Share of net profit/(loss) in associates	31	3,101	3,132
Operating profit	313,641	28,404	342,045

in US\$'000	Americas	Asia Pacific	Africa	Europe	Total
Sales volumes (k m ³)	8,144	3,782	6,348	670	18,944
Throughput volumes (k m ³)	414	3,615	8,260	6,083	18,372
Net sales	4,400,673	2,788,296	4,495,156	1,002,285	12,686,410
Gross profit	438,911	376,647	599,205	80,992	1,495,755
Selling and operating costs	(268,160)	(316,946)	(321,469)	(110,029)	(1,016,604)
General and administrative expenses	(43,270)	(47,352)	(72,535)	(4,782)	(167,939)
Other operating income/(expense), net	(9,281)	11,479	(14,995)	40,498	27,701
Share of net profit/(loss) in associates	1,625	3,252	(1,745)	-	3,132
Operating profit	119,825	27,080	188,461	6,679	342,045

Consolidated balance sheet

in US\$'000	Dec16A	Dec15A
Assets	audited	audited
Property and equipment	3,328,833	3,282,707
Intangible assets and goodwill	1,342,091	1,304,960
Investments in associates	94,473	71,170
Other financial assets	31,257	36,733
Deferred tax assets	100,543	73,187
Other assets	143,264	158,131
Total non-current assets	5,040,461	4,926,888
Inventories	745,258	614,974
Other assets	229,614	459,602
Income tax receivable	17,569	20,090
Trade receivables	528,107	543,769
Other financial assets	22,462	69,397
Cash and cash equivalents	335,656	281,209
Asset classified as held for sale	-	9
Total current assets	1,878,666	1,989,050
Total assets	6,919,127	6,915,938
Equity and liabilities		
Share capital	2,054,166	2,204,166
Retained earnings	629,986	535,233
Foreign currency translation reserve	(861,306)	(741,616)
Other components of equity	(1,840)	(123)
Equity attributable to owners of the parent	1,821,006	1,997,660
Non-controlling interests	79,389	73,995
Total equity	1,900,395	2,071,655
Interest-bearing loans and borrowings	2,714,904	2,366,885
Retirement benefit obligation	6,002	6,251
Other financial liabilities	41,177	46,703
Deferred tax liabilities	59,548	62,760
Provisions	51,047	66,365
Total non-current liabilities	2,872,678	2,548,964
Trade and other payables	1,631,727	1,556,820
Interest-bearing loans and borrowings	421,081	525,489
Other financial liabilities	39,267	154,352
Income tax payable	39,235	42,478
Provisions	14,744	16,180
Total current liabilities	2,146,054	2,295,319
Total liabilities	5,018,732	4,844,283
Total equity and liabilities	6,919,127	6,915,938

Consolidated statement of cash flows

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2016	2015	2016	2015
	unaudited	unaudited	unaudited	unaudited
Profit before tax	148,647	167,089	54,700	13,605
Non-cash adjustments:				
Depreciation and impairment of PP&E	306,567	321,504	74,475	74,828
Amortisation and impairment of intangible assets	40,454	43,632	11,224	12,009
Gain on business combination	-	(35,521)	-	456
(In)tangible fixed assets written off	21,194	2,578	6,149	1,926
(Gain)/loss on disposal of assets and investments	(1,295)	(1,419)	(892)	301
Net interest expense	206,575	188,460	46,524	45,551
Dividend income	(2,514)	(2,005)	(32)	6
Share of net profit of associate	(10,581)	(3,132)	(5,876)	243
Provisions	(49)	(10,906)	(33)	(3,454)
Changes in value of derivative financial instruments	94,223	(9,604)	4,379	(43,596)
Working capital adjustments:				
Decrease/(increase) receivables	134,192	(14,701)	117,116	45,038
Decrease/(increase) in inventories	(153,777)	(42,369)	(38,633)	(20,672)
(Decrease)/increase payables	108,991	181,126	(113,507)	20,502
Interest received	6,137	8,426	1,432	2,383
Dividends received from associates	1,422	1,260	1,210	-
Income tax paid	(61,949)	(59,518)	(6,281)	(19,699)
Net cash flows from operating activities	838,237	734,900	151,955	129,427
Net proceeds from sale of assets and investments	51,255	8,160	2,530	3,330
Purchase of intangible assets	(37,817)	(53,874)	(9,970)	(28,881)
Purchase of PP&E	(612,552)	(820,781)	(177,931)	(225,580)
Acquisitions of subsidiaries, net of cash acquired	(132,234)	(260,843)	(2,983)	(2,841)
Investments in associates and financial investments	(3,933)	(12,953)	1,869	(10,110)
Dividends received	2,514	2,005	32	(6)
Net cash flows used in investing activities	(732,767)	(1,138,286)	(186,453)	(264,088)
Loans (granted)/reimbursed	(9,739)	(13,414)	(6,173)	(13,879)
Proceeds from/(repayment of) borrowings	137,226	61,802	(60,874)	(280,131)
Proceeds from bond issuance	100,000	-	-	-
Proceeds from equity increase/(reduction)	(1,475)	349,963	(72)	349,964
Interest paid	(209,053)	(194,054)	(30,872)	(31,582)
(Acquisition)/divestment of non-controlling interests	(500)	21,866	-	24,334
Dividends paid	(4,691)	(21,803)	(422)	(2,369)
Deemed distribution to shareholder	(25,465)	-	(25,465)	-
Net cash flows from financing activities	(13,697)	204,360	(123,878)	46,337
Net increase in cash and cash equivalents	91,773	(199,026)	(158,376)	(88,324)
Effects of exchange rate differences	(37,326)	3,407	212,823	(56,093)
Cash and cash equivalents at beginning of period	281,209	476,828	281,209	425,628
Cash and cash equivalents at end of period	335,656	281,209	335,656	281,209

EBITDA reconciliation

in US\$'000	Year ended 31 December,		Quarter ended 31 December,	
	2016	2015	2016	2015
Profit for the year	116,365	176,851	50,141	54,765
Income tax (credit)/expense	32,282	(9,762)	4,559	(41,160)
Net finance costs	219,612	200,734	53,225	41,332
Net foreign exchange (gains)/losses	14,890	(25,777)	(3,330)	25,800
Depreciation	304,557	288,041	73,768	74,778
Amortisation	40,238	34,403	11,038	12,009
Impairment charge	2,225	42,692	893	50
Other (income)/expenses	24,348	(31,196)	8,070	3,994
EBITDA	754,517	675,986	198,364	171,568