

12 DESEMBER 2017

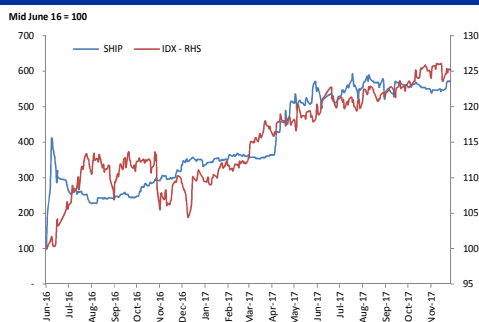
RE-INITIATE COVERAGE

BUY

STOCK INFORMATION

Bloomberg Code	SHIP IJ
Sector	Shipping
Current Price	Rp800
Target Price	Rp1,060
Previous Target Price	-
Upside/Downside	33%
Share Out (bn shares)	2.5
Market Cap (Rpbn)	Rp2,000
52 – w range (low-high)	Rp446– Rp830
52 – w average daily	Rp662

PRICE CHART



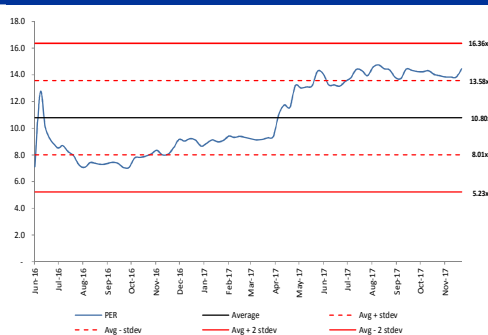
Source: Bloomberg

SHAREHOLDERS INFORMATION, AS OF 30 SEPTEMBER 2017

PT Maxima Prima Sejahtera	40.0%
PT Goldenheaven Prima Investama	40.0%
Public (below 5%)	20.0%

Source: Company data

PER BAND



Source: Bloomberg and Lotus Andalan Research

PT SILLO MARITIME PERDANA Tbk

A BENEFICIARY FROM GAS OFFSHORE DIVERSIFICATION

With the diversification business to gas offshore industry and the acquisition of FSO's company, the company's total revenue in 9M17 soared significantly by 2.8-fold to US\$ 32.7 million. Meanwhile, the company's net profit during the same period increased by 79.6% YoY from US\$ 4.2 million to US\$ 7.5 million. Based on yesterday closing price, the share price was trading at 14.43x 2018F PER and 7.53xEV/EBITDA 2018F, while our fair value offered 33% upside potential. Hence, we re-initiate SHIP coverage with BUY rating.

Focus on the upstream oil and gas industry, specializing in offshore support vessel

Established in 1989, SHIP engages in shipping services which is focused on the upstream oil and gas industry. In its development, the company continued to increase its fleet and started to diversify its business into Floating, Storage and Offloading (FSO) with the purchase of FSO CNOOC 114 vessel in 2010. In 2015, SHIP has secured a new contract from CNOOC SES for Charter Hire project of FSO CNOOC 114 until 2023 with total value of US\$ 10 million per year. Currently, the company has specialized to provide offshore fleet in order to support the upstream oil and gas industry in Indonesia, mainly for the exploitation phase.

Acquisition FSO's company to strengthen its gas offshore business in Indonesia

To strengthen its gas offshore business in Indonesia, SHIP acquired 50.84% ownership in PT SuaBuanaSukses (SBS) with totaling value of Rp 63 billion in June 2016. SBS engages in natural gas offshore supporting vessel which owns 4 vessels, comprising of 2 FSO vessels and 2 Harbour Tugboat vessels. Later in June 2017, the company conducted another acquisition of FSO's company, namely PT PratamaUnggul Lestari (PUL) of 52% ownership with totaling value of Rp 65 billion. PUL is a private company which has a subsidiary, PT Eastern Jason with a 70% ownership, engages in marine transportation and vessel chartering services in Indonesia which focuses to supply FSO vessel.

Superior 9M17 Result

SHIP managed to record superior performance in 9M17 period, in which the total revenue soared significantly by 2.8-fold to US\$ 32.7 million (vs US\$ 11.7 million in 9M16) mainly fueled by 1) the full year recognition since SHIP has secured 6 years contract of FSO CNOOC 114 vessel from CNOOC SES in 2015 with totaling contract value of US\$ 10 million/year, starting in 16 November 2016 until 24 January 2023; 2) the full year effect consolidation of SBS acquisition and 3) partial effect consolidation of PUL acquisition. We noted that the 9M17 revenue from SBS and PUL were registered at US\$ 14.1 million and US\$ 4.2 million which contributed by 43% and 13% to the company's total revenue, respectively. Meanwhile, SHIP as a parent, has recorded a revenue of US\$ 14.4 million in 9M17 which soared significantly by 1.9-folds (vs US\$ 7.5 million in 9M16) as a result of revenue recognition from its 6-years contract from its customer CNOOC SES. Meanwhile, the company's net profit during the same period increased by 79.6% YoY from US\$ 4.2 million to US\$ 7.5 million.

Improved 3Q17 Performance

On quarterly basis, SHIP's revenue and EBITDA grew by 27.8% QoQ and 39.1% QoQ to reach US\$ 13.1 million (vs US\$ 10.3 million in 2Q17) and US\$ 7.3 million (vs US\$ 5.2 million in 2Q17), respectively. The net profit soared by 76.9% QoQ during the same period from US\$ 1.9 million to US\$ 3.4 million, mainly driven by one time gain from other income related to PUL's acquisition of US\$ 2.2 million, which also resulted in significant increases in net margin of 26.1% (vs 18.8% in 2Q16). The company's gross and EBITDA margins in 3Q17 also increased by 305 bps and 450 bps to the level of 45.5% and 55.4%, respectively.

Re-initiate coverage with BUY rating and TP Rp1,060/share

We use 2018F as basis year and WACC assumption of 7% in our 10 years DCF methodology which result SHIP's fair value at Rp 1,060 per share, implying target 2018F PER of 19.15x and 2018F EV/EBITDA of 8.69x. Based on yesterday closing price, the share price was trading at 14.43x 2018F PER and 7.53x EV/EBITDA 2018F, while our fair value offered 33% upside potential. Hence, we re-initiate SHIP coverage with BUY rating.

## COMPANY PROFILE AT GLANCE

### Focus on the upstream oil and gas industry, specializing in offshore support vessel

Established in 1989, PT Sillo Maritime Perdana Tbk (SHIP or the company) engages in shipping services which is focused on the upstream oil and gas industry. During 1989-2008, SHIP only leased foreign-owned ship such as, Tidewater, Gulf Marine, Maersk, and Eastern Navigation to Indonesia's oil and gas companies – operated in Indonesia. In 2008, SHIP bought its first ship fleet from Gulf Marine and changes its name into Ina Latu. In its development, the company continued to increase its fleet and started to diversify its business into Floating, Storage and Offloading (FSO) with the purchase of FSO CNOOC 114 vessel in 2010. In 2015, SHIP has secured a new contract from CNOOC SES for Charter Hire project of FSO CNOOC 114 until 2023 with total value of US\$ 10 million per year. Currently, the company has specialized to provide offshore fleet in order to support the upstream oil and gas industry in Indonesia, mainly for the exploitation phase.

### SHIP Milestones

Year	Notes
1989	: Established under the name of PT Sillo Maritime Perdana.
1998	: Appointed as exclusive agent of Tidewater Marine International Inc, one of the major players in Indonesia shipping industry.
2004	: Won a tender as an agent of China National Offshore Oil Corporation SES Ltd (CNOOC SES), a globally reputable oil & gas company, to provide FSO CNOOC 114 vessel.
2005	: Securing a contract from Joint Operation Body (JOB) of Pertamina-PetrochinaSalawati to provide Floating Production Storage and Offloading (FPSO) vessel, namely FPSO Brotojoyo.
2007	: Registered as a member of shore base consortium in BP Tangguh LNG Project.
2008	: Purchased an Anchor Handling Tug Supply (AHTS) vessel which commenced operation under the name of Ina Latu.
2009	: Expanded its fleet by acquired Self-Propelled Oil Barge (SPOB), namely Laksmi.
2010	: Purchased three vessels to strengthen its fleet, namely FSO CNOOC 114, Ina Sela and Ina Tuni
2012	: Acquired three vessels, namely Ina Waka, Ina Permata 1 and Ina Permata 2.
2015	: Securing a new contract from CNOOC SES for Charter Hire project of FSO CNOOC 114 until 2023.
2016	: - Go Public through Initial Public Offering in June 2016. - Acquired 50.84% ownership in PT SuasaBuanaSukses (SBS) of Rp 63 billion in June 2016 which owns 2 FSO and 2 Harbour Tugboat vessels.
2017	: - Acquired 52% ownership in PT PratamaUnggul Lestari (PUL) of Rp 65 billion, which owns 1 FSO vessel through subsidiary, namely PT Eastern Jason. - Sold Laksmivessel of Rp 16.8 billion on 27 September 2017.

Source: Company data

### Acquisition FSO's company to strengthen its gas offshore business in Indonesia

To strengthen its gas offshore business in Indonesia, SHIP acquired 50.84% ownership in PT SuasaBuanaSukses(SBS) with totaling value of Rp63 billion in June 2016. This acquisition was financed from IPO cash proceedsof Rp 70 billion. SBS engages in natural gas offshore supporting vessel which owns 4 vessels, comprising of 2 FSO vessels and 2 Harbour Tugboat vessels. In June 2017, the company conducted another acquisition of FSO's company, namely PT PratamaUnggul Lestari (PUL) of 52% ownership with totalingvalue of Rp 65 billion. PUL is a private company which has a subsidiary, PT Eastern Jason with a 70% ownership, engages in marine transportation and vessel chartering services in Indonesia which focuses to supply FSO vessel.

### SHIP's Long Term Contract

No	Vessel Name	Type	Customer	Location	ContractLength Period	Value/year (USD)
1	CNOOC 114	FSO	CNOOC SES Ltd	Java Sea	16 Nov 2016 – 23 Jan 2023	> 10,000,000
2	Ina Waka	Harbour Tugboats	PetroChinaJabung	Jambi	1 Oct 2014 – 23Feb 2018	> 1,200,000
3	Ina Sela	Crew Boat	PetroChinaJabung	Jambi	1 Jan 2016 – 1 Jan 2019	> 850,000
4	Ina Permata 1	Harbour Tugboats	CNOOC SES Ltd	Java Sea	24 Jun 2017 – 6 Mar 2019	> 1,400,000
5	Ina Permata 2	Harbour Tugboats	CNOOC SES Ltd	Java Sea	7 July 2017 – 6 Mar 2019	> 1,400,000
6	Laksmi*	SPOB	PetroChinaJabung	Jambi	19 Dec 2016 –19 Dec 2019	> 700,000
7	Ina Tuni	Utility Vessel	PetroChinaJabung	Jambi	7 Nov 2016 – 6 Nov 2019	>850,000
8	Alpha**	Harbour Tugboats	PetroChinaJabung	Jambi	6 Jul 2017 – 4 Jul 2020	>1,100,000
9	Betha**	Harbour Tugboats	PetroChinaJabung	Jambi	28 Sept 2017 – 26 Sept 2020	>1,100,000
10	Petrostar**	FSO	PetroChinaJabung	Jambi	14 May 2010 – 3 Jun 202	>9,500,000
11	SHIP111**	FSO	ConocoPhillips (Grissik) Ltd	Bangka	15 Jan 2018 – 19 Dec 2023	>9,000,000
12	Federal 2***	FSO	CNOOC SES Ltd	Java Sea	7 Sept 2013 – 6 Sept 2023	>12,500,000

\* Has been sold on 27 September 2017, but the contract is still under SHIP;

\*\* Owned by SBS;

\*\*\* Owned by PT Eastern Jason, a subsidiary of PUL;

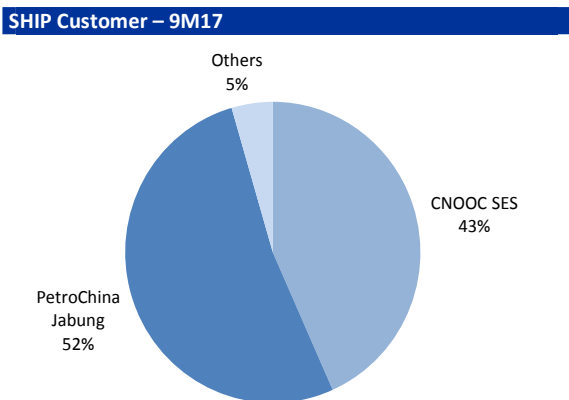
Source: Company data

**Secured long-term contract to ensure the sustainability of the Company's revenue**

SHIP has a high dependence from its two main customers, namely: CNOOC SES and PetroChinaJabung, however we view that this dependence is quiet positive because the time charter has previously been extended proving that the company' service is good and manage to build a good relations with customers. In addition, the time charter contract is a long-term contract, with a minimum period of 3 (three) years, so it is pretty ensure the sustainability of the Company's revenue.

**Well-known international oil & gas company customers**

The company's customers are international oil and gas company, namely: China National Offshore Oil Corp SES Ltd (CNOOC SES Ltd), Petrochina International Jabung Ltd and PT ConocoPhillips (Grissik) Ltd.



Source: Company data and Lotus Andalan Research

## FINANCIAL OVERVIEW - A BENEFICIARY FROM GAS OFFSHORE DIVERSIFICATION

## Superior 9M17 result

SHIP managed to record superior performance in 9M17 period, in which the total revenue soared significantly by 2.8-fold to US\$ 32.7 million (vs US\$ 11.7 million in 9M16). This was mainly fueled by 1) the full year recognitions since SHIP has secured 6 years contract of FSO CNOOC 114 vessel from CNOOC SES in 2015 with totaling contract value of US\$ 10 million/year and contract length period starting in 16 November 2016 until 24 January 2023; 2) the full year effect consolidation of SBS acquisition and 3) partial effect consolidation of PUL acquisition. We noted that the 9M17 revenue from SBS and PUL were registered at US\$ 14.1 million and US\$ 4.2 million which contributed by 43% and 13% to the company's total revenue, respectively. Meanwhile, SHIP as a parent, has recorded a revenue of US\$ 14.4 million in 9M17 which soared significantly by 1.9-folds (vs US\$ 7.5 million in 9M16) as a result of revenue recognition from its 6-years contract from its customer CNOOC SES. Meanwhile, the company's net profit during the same period increased by 79.6% YoY from US\$ 4.2 million to US\$ 7.5 million.

Interim Financial Result									
	9M16	9M17	YoY	FY17F	cover	1Q17	2Q17	QoQ	The Comments
<b>P/L (thousand US\$)</b>									
Revenue	11,747.7	32,661.2	178.0%	44,744.3	73%	10,258.2	13,112.6	27.8%	Inline
Cost of revenue	5,593.1	18,002.6	221.9%	24,896.5	72%	5,908.2	7,152.9	21.1%	
Gross Profit	6,154.6	14,658.5	138.2%	19,847.8	74%	4,350.0	5,959.7	37.0%	
Operating expenses	2,748.6	2,714.3	-1.2%	3,794.6	72%	967.9	1,002.2	3.5%	
Operating profit	3,406.0	11,944.2	250.7%	16,053.2	74%	3,382.1	4,957.4	46.6%	
EBITDA	6,565.4	17,690.2	169.4%	27,451.7	64%	5,219.7	7,261.6	39.1%	
Other inc. (exp)	1,418.6	44.6	-96.9%	57.0	78%	(490.7)	1,105.9	N.a.	
Pre-tax	4,824.6	11,988.9	148.5%	16,110.2	74%	2,891.4	6,063.3	109.7%	
Net profit	4,177.8	7,502.3	79.6%	10,149.4	74%	1,932.4	3,417.9	76.9%	Inline
<b>Profitability (%)</b>									
Gross margin	52.4	44.9		44.4		42.4	45.5		YoY lower margin caused by lower fees commission from agency services. Meanwhile, QoQ profitability increased backed by partial PUL consolidation and by one time gain from PUL acquisition
Operating margin	29.0	36.6		35.9		33.0	37.8		
EBITDA margin	55.9	54.2		61.4		50.9	55.4		
Net margin	35.6	23.0		22.7		18.8	26.1		

Source: Company data and Lotus Andalan Research

## Improved 3Q17 result

On quarterly basis, SHIP's revenue and EBITDA grew by 27.8% QoQ and 39.1% QoQ to reach US\$ 13.1 million (vs US\$ 10.3 million in 2Q17) and US\$ 7.3 million (vs US\$ 5.2 million in 2Q17), respectively. The net profit soared by 76.9% QoQ during the same period from US\$ 1.9 million to US\$ 3.4 million, mainly driven by one time gain from other income related to PUL's acquisition of US\$ 2.2 million, which also resulted in significant increases in net margin of 26.1% (vs 18.8% in 2Q16). The company's gross and EBITDA margins in 3Q17 also increased by 305 bps and 450 bps to the level of 45.5% and 55.4%, respectively.

Revenue Breakdown									
In thousand US\$	2013	2014	2015	2016	9M16	9M17	2017F	2018F	2019F
<b>Revenue</b>									
SHIP	19,640.0	20,293.0	15,602.2	10,880.8	7,474.2	14,355.8	18,649.3	18,889.3	17,150.0
SBS	-	-	-	7,090.3	4,273.5	14,138.7	18,750.0	23,000.0	21,000.0
PUL	-	-	-	-	-	4,166.6	7,345.0	12,500.0	12,500.0
<b>Total</b>	<b>19,640.0</b>	<b>20,293.0</b>	<b>15,602.2</b>	<b>17,971.2</b>	<b>11,747.7</b>	<b>32,661.2</b>	<b>44,744.3</b>	<b>54,389.3</b>	<b>50,650.0</b>
<b>Portion</b>									
SHIP	100%	100%	100%	61%	64%	44%	42%	35%	34%
SBS	0%	0%	0%	39%	36%	43%	42%	42%	41%
PUL	0%	0%	0%	0%	0%	13%	16%	23%	25%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Growth (YoY)</b>									
SHIP	-53.7%	3.3%	-23.1%	-30.3%	-42.4%	92.1%	71.4%	1.3%	-9.2%
SBS	N.A.	N.A.	N.A.	N.A.	N.A.	230.9%	164.4%	22.7%	-8.7%
PUL	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	70.2%	0.0%
<b>Total</b>	<b>-53.7%</b>	<b>3.3%</b>	<b>-23.1%</b>	<b>15.2%</b>	<b>-9.4%</b>	<b>109.3%</b>	<b>149.0%</b>	<b>21.6%</b>	<b>-6.9%</b>

Source: Company data and Lotus Andalan Research

## Total revenue will grow by 2.5-fold YoY in 2017F and 21.6% YoY in 2018F

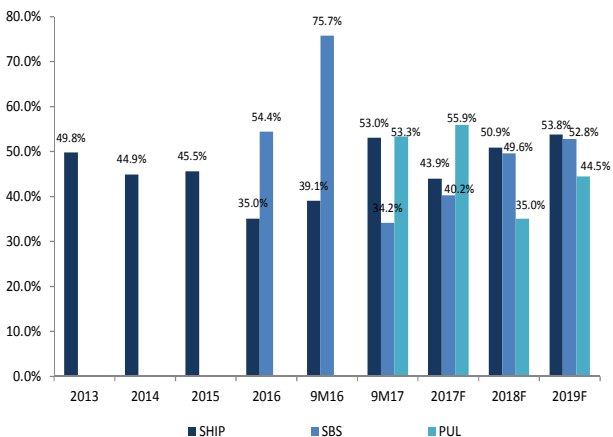
As a result of gas diversification business and the acquisition of FSO's company, we expect that the company's total revenue is projected to grow by 2.5-fold YoY in 2017F and 21.6% YoY in 2018F which attain to US\$ 44.7 million and US\$ 54.4 million, respectively. SHIP, as a parent of its

subsidiaries, is expected to book revenue of US\$ 18.6 million in 2017F and US\$ 18.9 million in 2018F which contribute 42% and 35% portion to its total revenue. SBS will contribute 42% from the total revenue during 2017F-2018F become to US\$ 18.8 million in 2017F and US\$ 23 million in 2018F, while PUL's revenue is projected to reach US\$ 7.3 million in 2017F and US\$ 12.5 million in 2018F.

#### Gas offshore diversification and FSO's acquisition will improve its profitability

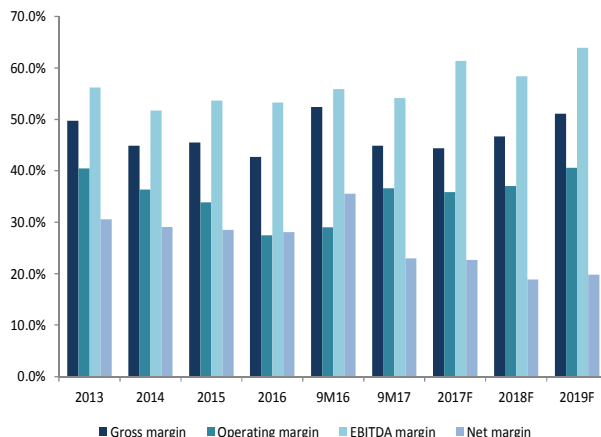
With the diversification business to gas offshore industry and the acquisition of FSO's company, the company's operational profitability will further increase significantly during the projection period of 2017F-2019F, in which the gross and EBITDA margins are projected to reach the level of 44%-51% and 58%-64%, respectively.

#### Gross margin – SHIP and subsidiaries



Source: Company data and Lotus Andalan Research

#### Profitability



Source: Company data and Lotus Andalan Research

#### Balance sheet remains solid post acquisition

As the consequence of SBS and PUL acquisition, SHIP's debt to equity ratio (DER) and net debt to equity (NDER) increased to 1.73x and 1.67x in 9M17, but it still remain solid and far below its covenant of maximum 3x in DER. We forecast that the company's DER and NDER will further increase to 2.26x and 2.07x in 2017F.

#### Balance Sheet (x)

Period	2013	2014	2015	2016	9M16	9M17	2017F	2018F	2019F
Debt to Equity Ratio	1.04	0.55	0.32	1.19	1.19	1.73	2.26	1.61	1.25
Debt to Total Assets	0.48	0.35	0.23	0.47	0.47	0.45	0.58	0.53	0.47
Net Debt to Equity	0.86	0.35	0.28	1.02	1.09	1.67	2.07	1.57	1.14

Source: Company data and Lotus Andalan Research

## VALUATION

#### Reinitiate coverage with BUY rating and TP Rp 1,060/share

We use 2018F as basis year and WACC assumption of 7% in our 10 years DCF methodology which result SHIP's fair value at Rp 1,060 per share, implying target 2018F PER of 19.15x and 2018F EV/EBITDA of 8.69x. Based on yesterday closing price, the share price was trading at 14.43x 2018F PER and 7.53x EV/EBITDA 2018F, while our fair value offered 33% upside potential. Hence, we re-initiate SHIP coverage with BUY rating.

#### Financial Summary

(thousand US\$)	2015A	2016A	2017F	2018F	2019F
Revenue	15,602	17,971	44,744	54,389	50,650
EBITDA	8,371	9,573	27,452	31,747	32,376
Net profit	4,448	5,041	10,149	10,267	10,037
EPS (Rp)	98	30	54	55	54
PER (x)	8.19	26.58	14.82	14.43	14.76
BVPS (Rp)	673	242	264	313	356
PBV (x)	1.19	3.31	3.03	2.56	2.25
EV/EBITDA (x)	4.35	18.32	9.22	7.53	6.89
Dividend yield (%)	49.66	-	0.67	1.37	1.39
RoE (%)	14.57	14.16	22.51	19.10	16.22

Source: Company data and Lotus Andalan Research

INDUSTRY AT GLANCE

Cabotage principle, the era of the awakening of national shipping industry

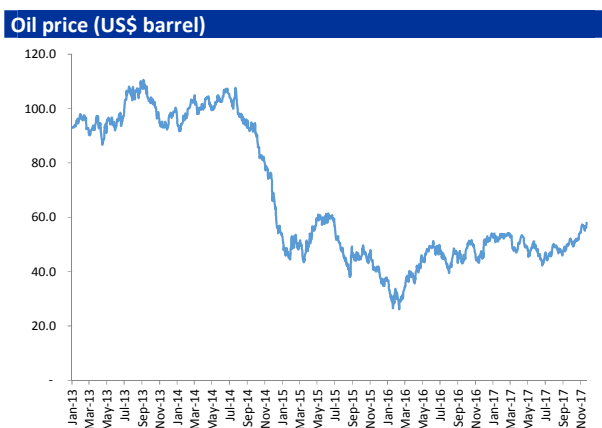
The cabotage principle has been implemented on 1 January 2011, in which the distribution of goods by sea transportation obliged to use Indonesian flag vessels. However, the Government granted a dispensation for the upstream and downstream of oil and gas industry, to equip their vessels with Indonesian flag until the year of 2015, as in the Minister of Transportation Regulator (Permenhub) No 48 Year 2011 which implemented the cabotage principle. Meanwhile, the Government through ESDM Minister Regulation (Permen ESDM) No 15 Year 2013 concerns on the use of domestic products in the upstream of oil and gas activities by set the content of domestic products for shipping service is 75% during 2013-2016 periods.

The Cabotage Principle Implementation						
No.	Activity	Vessel Type	2012	2013	2014	2015
1	Offshore supporting	Anchor Handling Tug Supply Vessel ≥ 5000 BHP with Dynamic Position (DP2/DP3), platform supply vessels and Diving Support Vessel (DSV)		✓	✓	✓
	Offshore construction	Derrick/crane, pipe/ cable/ Subsea Umbilical Riser Flexible ((SURF) laying barge/ vessel, and Diving Support Vessel (DSV)		✓	✓	✓
2	Dredging	Drag-head suction hopper dredger, trailing suction hopper dredger			✓	✓
3	The work undersea construction and offshore rescue	Heavy floating crane, heavy crane barge and survey salvage			✓	✓
4	Oil and gas survey	Seismic, geophysics, and geotechnical survey				✓
5	Drilling	Jack up rig; semi submersible rig; deep water drill ship; tender assist rig; and swamp barge rig				

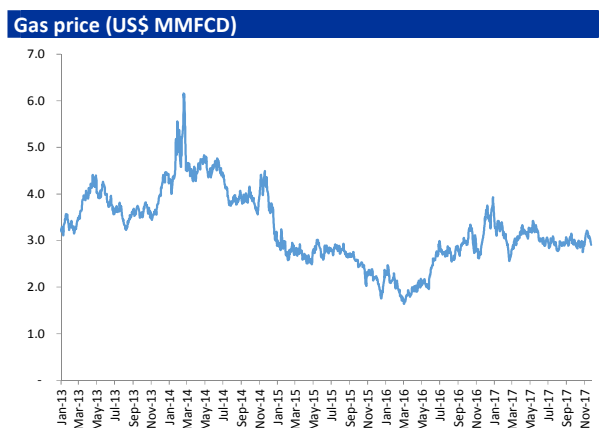
Source: Company data

Oil and gas price are expected to recover

The commodity prices of crude oil and natural gas world reached its lowest point in 1Q16. For 2017F – 2018F period, oil and natural gas are projected to recover and increase in line with global economic recovery. Hence, the company expects that it can contribute positively to the upstream oil and gas production activities, required supporting service from the company. At the end, it will further increase the company’s operational performance.



Source: Bloomberg



Source: Bloomberg

## Financial Highlights of PT Sillo Maritime Perdana Tbk

In thousand US\$									
<b>BALANCE SHEET</b>	<b>2015A</b>	<b>2016A</b>	<b>2017F</b>	<b>2018F</b>	<b>INCOME STATEMENT</b>	<b>2015A</b>	<b>2016A</b>	<b>2017F</b>	<b>2018F</b>
<b>ASSETS</b>									
Cash and cash equivalent	1,378	6,594	9,315	2,569	<b>Total Revenues</b>	<b>15,602</b>	<b>17,971</b>	<b>44,744</b>	<b>54,389</b>
Accounts Receivable	1,370	1,184	4,747	4,470	Cost of Revenue	8,500	10,302	24,897	28,998
Other current assets	373	426	968	589	<b>Gross profit</b>	<b>7,102</b>	<b>7,669</b>	<b>19,848</b>	<b>25,392</b>
<b>Total Current Assets</b>	<b>3,121</b>	<b>8,205</b>	<b>15,030</b>	<b>7,628</b>	Operating expenses	1,820	2,739	3,795	5,261
Fixed assets	38,681	92,942	176,102	168,837	<b>Operating profit</b>	<b>5,282</b>	<b>4,930</b>	<b>16,053</b>	<b>20,131</b>
Deffered tax assets	107	144	352	420	<b>EBITDA</b>	<b>8,371</b>	<b>9,573</b>	<b>27,452</b>	<b>31,747</b>
Other non-current assets	57	25	113	272	Total other income/(expenses)	(846)	1,392	57	(3,833)
<b>Total Non-Current Assets</b>	<b>38,845</b>	<b>93,111</b>	<b>176,568</b>	<b>169,529</b>	<b>Income before tax</b>	<b>4,436</b>	<b>6,322</b>	<b>16,110</b>	<b>16,298</b>
<b>TOTAL ASSETS</b>	<b>41,966</b>	<b>101,316</b>	<b>191,598</b>	<b>177,158</b>	Tax expense	13	(7)	(1,611)	(1,630)
<b>LIABILITIES &amp; EQUITY</b>					<b>Net profit before minority interest</b>	<b>4,448</b>	<b>6,316</b>	<b>14,499</b>	<b>14,668</b>
Short term loan	392	1,300	400	400	Minority interest	-	(1,275)	(4,350)	(4,400)
Accounts Payable	307	3,171	4,847	2,383	<b>Net profit</b>	<b>4,448</b>	<b>5,041</b>	<b>10,149</b>	<b>10,267</b>
Current maturities - LT debts	3,800	15,184	18,671	18,668	<b>EPS (Rp)</b>	<b>98</b>	<b>30</b>	<b>54</b>	<b>55</b>
Other current liabilities	593	147	2,468	850					
<b>Total Current Liabilities</b>	<b>5,092</b>	<b>19,802</b>	<b>26,386</b>	<b>22,302</b>					
LT debt - net current maturities	5,777	31,600	93,069	74,444					
Other non-current liabilities	427	581	457	488					
<b>Total Non-Current Liabilities</b>	<b>6,204</b>	<b>32,182</b>	<b>93,526</b>	<b>74,932</b>					
<b>Minority Interest</b>	<b>-</b>	<b>8,822</b>	<b>22,036</b>	<b>22,036</b>					
Capital Stock	14,087	17,817	17,817	17,817					
Additional paid in capital	-	1,165	1,165	1,165					
Retained earnings	16,584	21,527	30,669	38,906					
<b>Total Equity</b>	<b>30,671</b>	<b>40,509</b>	<b>49,651</b>	<b>57,888</b>					
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>41,966</b>	<b>101,316</b>	<b>191,598</b>	<b>177,158</b>					
<b>CASH FLOW STATEMENT</b>	<b>2015A</b>	<b>2016A</b>	<b>2017F</b>	<b>2018F</b>	<b>KEY FINANCIAL RATIOS</b>	<b>2015A</b>	<b>2016A</b>	<b>2017F</b>	<b>2018F</b>
Net profit	4,448	5,041	10,149	10,267	<b>Growth (%)</b>				
Depreciation & Amortization	3,089	4,643	11,399	11,616	Revenue	(23.12)	15.18	148.98	21.56
Change in WC	(645)	3,051	(1,888)	(2,186)	Gross profit	(22.01)	7.98	158.80	27.93
Others	976	(536)	1,769	(1,426)	Operating Profit	(28.37)	(6.66)	225.60	25.40
<b>Net Operating Cash Flow</b>	<b>7,868</b>	<b>12,199</b>	<b>21,429</b>	<b>18,271</b>	EBITDA	(20.30)	14.36	186.76	15.65
Change in fixed assets - net	(1,516)	(58,903)	(94,559)	(4,351)	Net Profit	(24.66)	13.32	101.33	1.16
Others	(16)	(37)	(208)	(68)	<b>Profitability (%)</b>				
<b>Net Investing Cash Flow</b>	<b>(1,532)</b>	<b>(58,940)</b>	<b>(94,767)</b>	<b>(4,419)</b>	Gross margin	45.52	42.68	44.36	46.68
Change in borrowings - net	(6,869)	38,184	63,979	(18,600)	Operating margin	33.86	27.43	35.88	37.01
Change in equity	13,953	4,895	-	-	EBITDA margin	53.65	53.27	61.35	58.37
Change in other liabilities	66	154	(124)	32	Net Profit margin	28.51	28.05	22.68	18.88
Dividend payment	(18,096)	-	(1,008)	(2,030)	ROAA	9.89	7.04	6.93	5.57
Adjustment	(40)	8,725	13,213	-	ROAE	14.57	14.16	22.51	19.10
<b>Net Financing Cash Flow</b>	<b>(10,986)</b>	<b>51,958</b>	<b>76,059</b>	<b>(20,598)</b>	<b>Solvency (x)</b>				
<b>Change in cash</b>	<b>(4,651)</b>	<b>5,216</b>	<b>2,721</b>	<b>(6,747)</b>	Current ratio	0.61	0.41	0.57	0.34
Cash at the beginning period	6,029	1,378	6,594	9,315	Debt to equity	0.32	1.19	2.26	1.61
Cash at the ending period	1,378	6,594	9,315	2,569	Debt to total assets	0.23	0.47	0.58	0.53
					Net debt to equity	0.28	1.02	2.07	1.57

Source: Company data and Lotus Andalan Research

**Notes:**

The definitions of Lotus AndalanResearch for Investment Ratings:

- **BUY** : +15% and above, over the next 12 months
- **Neutral** : -15% to +15%, over the next 12 months
- **SELL** : -15% and worse, over the next 12 months

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