

PRESS RELEASE

For Immediate Release



AGII Booked Sales Increase of 11.4% Y-O-Y totaling Rp 1,053 billion

JAKARTA, July 31, 2019—PT Aneka Gas Industri, Tbk. (Stock Code: AGII.JK) released its unaudited financial statements for the first half of 2019 (1H 2019) with Net Profit Attributable to Parent Entity increased 8.9% to Rp 44 billion. Some of the key highlights of AGII' 1H 2019 financial performance are as follows:

Key Highlights

- § 1H 2019 sales grew by 11,4% due to growth in sales volume
- § AGII has added 4 (four) filling station during first half of this year.
- § Incurred Rp 168 billion of CAPEX targeted for FY 2019 that was allocated for building new filling stations, marketing as well as maintenance facilities.
- § 1H 2019 net profit after tax attributable to parent entity amounted to Rp 44 billion compared to Rp 40 billion for the same period during 2018.
- § 1H 2019 Gross Margin amounted to 44.97%.
- § 1H 2019 Net Margin maintained at 4.34%.
- § Total assets as of June 30, 2019 amounted to Rp 6,861 billion which was higher than in Full Year 2018.

Summary of Consolidated Statement of Income

In Rp Million	1H 2019	1H 2018	Variance (%)
SALES REVENUES	1,052,521	944,728	11.4%
GROSS PROFIT	473,274	449,150	5.4%
<i>Gross Margin</i>	44.97%	47.54%	
OPERATING PROFIT	196,022	181,330	8.1%
<i>Operating Margin %</i>	18.62%	19.19%	
EBITDA	333,227	309,093	7.8%
<i>EBITDA Margin %</i>	31.66%	32.72%	
NET PROFIT AFTER TAX	45,698	47,282	-3.4%
<i>Net Profit Margin %</i>	4.34%	5.00%	
Profit for the Period Attributable to Owner and Parent Entity	44,015	40,402	8.9%

11.4% Sales Growth

AGII's 8.1% increase in operating profit before tax was preceded by over 11.4% sales growth for 1H 2019 of Rp 196 billion compared to Rp 181 billion in the same period in 2018.

Rachmat Harsono, President Director of AGII, stated that, "Despite generating sales of two times of Indonesia's GDP, however margins in the first half is not at an optimum level as yet. Margins were less than desirable as a result of the challenges we faced in the first half which includes the fasting month and lebaran holiday as well as challenges that hinder growth in certain sectors such as CPO/agriculture. At the same time, we have also had a major maintenance performed at two of our plants. We remain committed to improve our margins in the second half of this year."

Table 1. Highlights of Consolidated Statement of Income

In Rp Million

	1H 2019	1H 2018	%
Sales	1,052,521	944,728	11.4%
COGS	(579,247)	(495,578)	16.9%
Gross Profit	473,274	449,150	5.4%
Gross Margin	44.97%	47.54%	
Other Income	6,548	5,037	30.0%
Selling Expenses	(155,470)	(143,258)	8.5%
General & Admin Expenses	(126,331)	(122,228)	3.4%
Other Expenses	(1,999)	(7,371)	-72.9%
Operating Profit	196,022	181,330	8.1%
Operating Margin	18.62%	19.19%	
Interest Income	34,649	24,915	39.1%
Finance Expenses	(168,987)	(143,589)	17.7%
Profit Before Tax	61,684	62,656	-1.6%
Tax	(15,986)	(15,374)	4.0%
Profit For the Period	45,698	47,282	-3.4%
Net Margin	4.34%	5.00%	
Other Comprehensive Income	-	2,382	
Non Controlling Interest	1,683	6,880	-75.5%
Profit for the Period Attributable to Owner and Parent Entity	44,015	40,402	8.9%
EBITDA	333,227	309,093	7.8%
EBITDA Margin	31.66%	32.72%	

Solid Financial Position

Total assets of the Company in 1H 2019 is Rp 6,861 billion while total liabilities were approximately Rp 3,678 billion. Total equity amounted to Rp 3,184 billion in 1H 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 1H 2019 and 2018A***In Rp Million***

	1H 2019	2018 A
Current Assets		
Cash and cash equivalents	283,622	284,472
Short-term investments	80,025	80,025
Trade Receivable	405,995	429,088
Inventories	473,203	455,625
Other current assets	502,438	336,733
Total Current Assets	1,745,283	1,585,943
Non Current Assets		
Property, plant and equipment	4,887,834	4,835,210
Investment in associated company	55,051	55,051
Other non current assets	172,854	171,551
Total Non-Current Assets	5,115,739	5,061,812
TOTAL ASSETS	6,861,022	6,647,755
Liabilities		
Trade Payables	101,645	150,015
Short-term Bank Loan	700,817	649,923
Current Maturities of Long Term Bank Loans and Others	397,460	330,346
Current Maturities of Bonds Payable	-	-
Other Current Liabilities	150,414	167,556
Total Current Liabilities	1,350,336	1,297,840
Long Term Bank Loans and Other	1,207,911	1,376,375
Bonds Payables	988,436	702,723
Other long term liabilities	130,816	123,025
Total non-current liabilities	2,327,163	2,202,123
TOTAL LIABILITIES	3,677,499	3,499,963
Temporary Syirkah Fund	-	-
Equity		
Total equity attributable to owners of the Parent Entity	3,121,080	3,087,032
Non-controlling interests	62,443	60,760
Total Equity	3,183,523	3,147,792
TOTAL LIABILITIES AND EQUITY	6,861,022	6,647,755

Sustainable Profit Margins

AGII's gross profit margins was maintained at 44.97% in 1H 2019, Operating Profit (EBIT) margin at 18.62% while EBITDA margin at 31.66% in 1H 2019. Meanwhile net profit margin stood at over 4%.

Table 3. Financial Ratio

	UOM	1H 2019	1H 2018
<u>Profitability ratios</u>			
Gross Profit Margin		44.97%	47.54%
Operating Profit (EBIT) Margin		18.62%	19.19%
Operating Profit Before D&A (EBITDA) Margin		31.66%	32.72%
Net Margin		4.34%	5.00%
<u>Leverage</u>			
Current Ratio	x	1.29	1.22
Asset/equity	x	2.16	2.11
Interest Bearing Debts/Equities	x	1.03	0.97
Net Debts/Equities	x	0.92	0.86
Interest Bearing Debts/EBITDA*	x	4.94	4.95
Net Interest Bearing Debts/EBITDA*	x	4.40	4.36

Rachmat Harsono, The President Director of Aneka Gas Industri stated that, "Considering the changes and infrastructure development, in particular Trans Java toll road, we intend to optimize the use of our existing filling stations by adding product variants such as nitrogen, argon, and carbon dioxide based on the market needs. Given the case, we will optimize the use of our capital expenditure and improve the efficiency of our existing filling stations. Aneka Gas products have been recognized as the best by several industry participants which resulted in the Company winning the Supplier Quality Excellence Award from Coca-Cola Amatil Indonesia (CCAI). This prestigious award is given to companies that have met or exceeded a very stringent set of quality performance criteria."



Some of the key events that took place in 1H 2019 included the following:

- Opened 4 (four) new filling stations.
- In terms of sales breakdown, medical accounted for 23%, consumer goods 18%, infrastructure 14%, retail 31%, and other manufacturing 14%.
- In terms of delivery methods, 50% of AGII's sales comprises of bulk, cylinder 33%, pipeline 4%, medical equipment and others 13%.
- 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 sectors.

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 June 30th, 2019, AGII had 44 industrial gas plants and 104 *filling stations* in 23 provinces across Indonesia.

For more information, please contact:

Corporate Secretary

Imelda Harsono

Tel: (62-21) 8370 9111

Email: corsec@anekagas.com

Investor Relations

Edison Bako

Tel: (62-21) 8370 9111 ext. 117

Email: edison.bako@anekagas.com

This press release has been prepared by PT Aneka Gas Industri Tbk. (“AGII”) and is circulated for the purpose of general information only. It is not intended for any specific person or purpose and does not constitute a recommendation regarding the securities of AGII. No warranty (expressed or implied) is made to the accuracy or completeness of the information. All opinions and estimations included in this release constitute our judgment as of this date and are subject to change without prior notice. AGII disclaims any responsibility or liability whatsoever arising which may be brought against or suffered by any person as a result of reliance upon the whole or any part of the contents of this press release and neither AGII nor any of its affiliated companies and their respective employees and agents accepts liability for any errors, omissions, negligent or otherwise, in this press release and any inaccuracy herein or omission here from which might otherwise arise.

Forward-Looking Statements

Certain statements in this release are or may be forward-looking statements. These statements typically contain words such as “will”, “expects” and “anticipates” and words of similar import. By their nature, forward-looking statements involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this release. Factors that could cause actual results to differ include, but are not limited to, economic, social and political conditions in Indonesia; the state of the property industry in Indonesia; prevailing market conditions; increases in regulatory burdens in Indonesia, including environmental regulations and compliance costs; fluctuations in foreign currency exchange rates; interest rate trends, cost of capital and capital availability; the anticipated demand and selling prices for our developments and related capital expenditures and investments; the cost of construction; availability of real estate property; competition from other companies and venues; shifts in customer demands; changes in operation expenses, including employee wages, benefits and training, governmental and public policy changes; our ability to be and remain competitive; our financial condition, business strategy as well as the plans and remediation. Should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed and anticipated improvements in production, capacity or performance might not be fully realized. Although we believe that the expectations of our management as reflected by such forward-looking statements are reasonable based on information currently available to us, no assurances can be given that such expectations will prove to have been correct. You should not unduly rely on such statements. In any event, these statements speak only as of the date hereof, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.