

PRESS RELEASE

English Version

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Title:

- Citra Tubindo Optimistic for 2023 Performance Growth

JAKARTA - PT Citra Tubindo Tbk (CTBN) is targeting growth in performance for 2023 which is in line with the positive outlook for the oil and gas industry.

CTBN is a manufacturer of premium Oil Country Tubular Goods (OCTG) for use in oil & gas, and geothermal industry. We also provide accessories and support services to the industry.

President Director of Citra Tubindo Fajar Wahyudi revealed that higher oil and gas prices triggered incremental investment in oil and gas exploration around the world, especially in the United States and Middle East. This resulted in higher demand for premium OCTG products.

"In addition, we continue to monitor the risk of global recession which may result in lower demand for oil & gas. The geopolitical situation also impacts the material and logistics costs especially in 2022 but situation has been improving in 2023," he said in a public expose on Thursday (15/6/2023).

The risk of recession has pulled back some operators for deliveries but demand for oil and gas is expected to increase and CTBN will see higher volumes in 2023 as compared to 2022.

In Indonesia, oil and gas activity has been positive despite the pandemic transition phase and global challenges. PT Pertamina (Persero) Group is still CTBN's largest customer.

For the export market, CTBN will strengthen its customer portfolio in line with its successful expansion in the Middle East and Africa. CTBN will continue to serve its premium customers in the Southeast Asian market.

In the first quarter of 2023, CTBN managed to record a very positive performance. Revenue reached US\$48.29 million, up 215.84% YoY from US\$15.29 million in the first quarter of 2022, mainly from the sale of pipes and accessories.

In terms of market segmentation, export revenue achieved in the first quarter of 2023 reach US\$36.20 million or 75% of the revenues, mainly to the Middle East.

With the improved revenues in the first quarter, CTBN was able to record EBITDA of US\$6.67 million from US\$282 thousand previously. This contributes positively to the bottomline profit of US\$3.59 million, a significant turnaround from the net loss of US\$1.60 million as of March 2022.

Fajar Wahyudi revealed that management has high expectations of profitability for 2023. CTBN still has several long-term project contracts in Indonesia, such as PT Pertamina (Persero) Group.

For the export market, CTBN supports several important projects such as the Adnoc Mega Project in the United Arab Emirates (UAE) and oil and gas exploration by Total in Uganda.

To support improvements in safety, quality and productivity in 2023, CBTN has allocated US\$2.71 million in capital expenditure.

Fajar Wahyudi added that CTBN is developing opportunities in energy transition in Indonesia and Southeast Asian countries.
