PACIFIC RADIANCE

1QFY2016 Results Presentation

12 May 2016

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Financial Performance

CONTINUED IMPACT OF SEVERE DOWNTURN IN O&G SECTOR

US$'000	1QFY2016	1QFY2015
Revenue	18,366	31,543
Gross profit	(1,327)	11,492
Pre-tax profit/(loss)	(6,523)	3,055
(Loss)/ Profit after tax	(6,864)	2,711
Net Attributable (Loss)/Profit	(6,764)	2,528
Gross margin (%)	n.m.	36.4%

1QFY2016

- Revenue and earnings impacted by weaker charter rates and/or lower utilisation of the Group's subsea fleet and offshore support vessels, as the quarter saw a further plunge in oil prices (average of US$34 in 1Q16 vs US$43 in 4Q15)*.
- General and administrative expenses has been trimmed further by 10% to US$5.4 million as Group continues the roll out of its cost reduction efforts.

* Average quarterly Brent spot price FOB per barrel, from U.S. Energy Information Administration

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BALANCE SHEET

US$'000	As at 31 Mar 2016	As at 31 Dec 2015	As at 30 Sep 2015
Non-current assets	807,882	750,004	709,513
Current assets	167,459	166,634	197,161
Current liabilities	184,442	154,654	135,922
Non-current liabilities	378,977	345,973	353,355
Shareholders' funds	407,439	413,388	414,028
Net gearing (x)	1.1	0.9	0.8

- Non-current assets rose mainly due to an increase of US$67.3 million in property, plant and equipment.
- Non-current liabilities rose mainly due to net increase of US$35.6 million in recognition of bank loans from the delivery of 2 vessels and the step up acquisition of Aztec Offshore Holdings Pte Ltd, previously equity accounted for as a joint venture company.
- As a result, net gearing edged up to 1.1x as at 31 Mar 2016.

CASHFLOW STATEMENT

(US$'000)	1QFY2016	1QFY2015
Net cash (used in)/generated from operating activities	(15,087)	26,879
Net cash used in investing activities	(41, 836)	(61,801)
Net cash generated from financing activities	43,167	32,615
Net decrease in cash	(13,756)	(2,307)
Cash and cash equivalents at beginning of period	38,960	100,736
Cash and cash equivalents at end of period	25,261	98,406

1QFY2016

- Net cash outflow from operating activities mainly due to weaker performance.
- Net cash used in investing activities arose largely from additions of property, plant and equipment of US$42.6 million.
- Net cash generated from financing activities increased due largely to additional bank loans of US$63.8 million, partially offset by loan repayment of US$16.0 million.

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Our Strategy

CHALLENGING MEDIUM TERM OUTLOOK

- Group will stay focussed on executing strategic and tactical initiatives to sustainably overcome the downturn;
- Continues to enhance cash flow management;
- Measures continue to be rolled out to reduce direct and overhead costs;
- Oil prices have shown signs of stability recently at US$ 40 per barrel, although geo-political factors continue to affect commodity prices.

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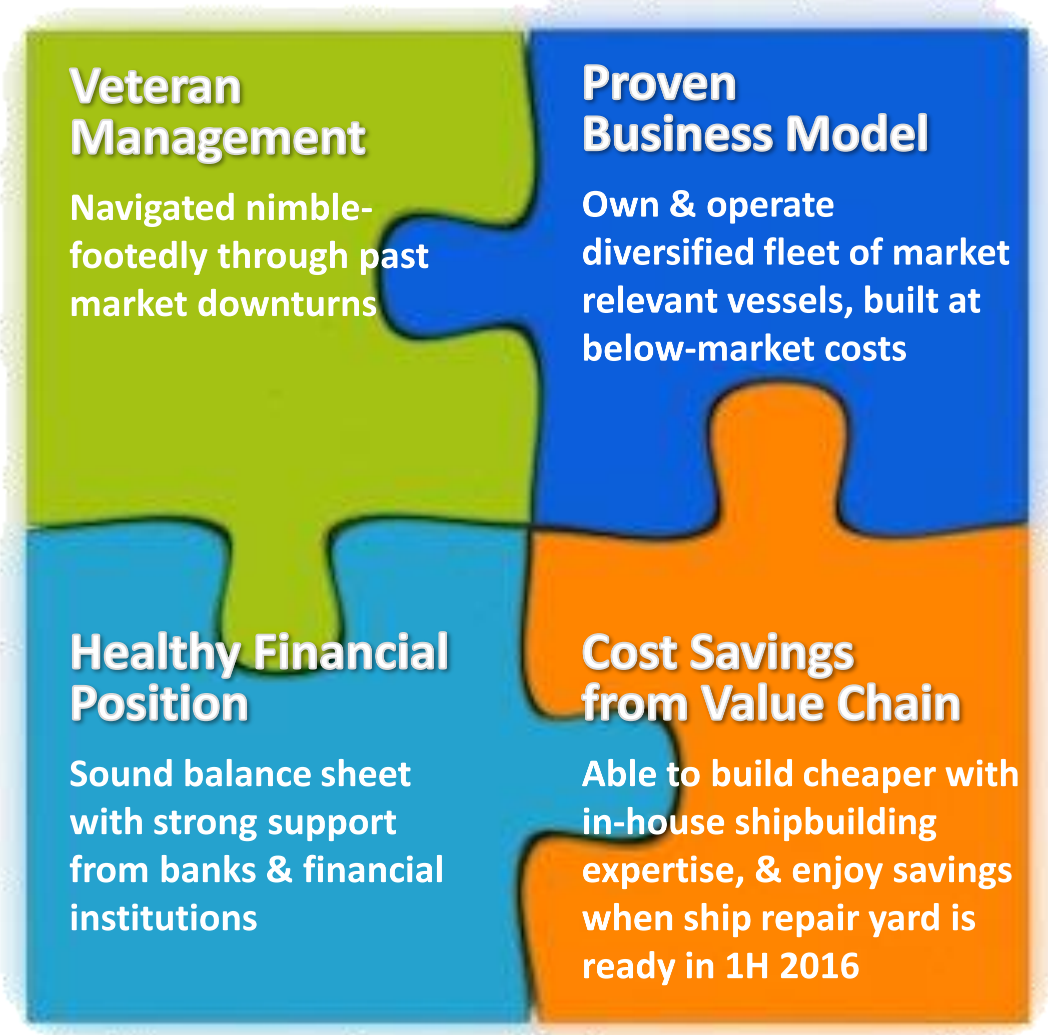
COMPETITIVE STRENGTHS



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Thank You

Questions & Answers