PACIFIC RADIANCE

3QFY2015 Results Presentation

12 November 2015



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Financial Performance



WEAKER OFFSHORE OIL & GAS MARKET

US\$'000	3QFY2015	3QFY2014	9MFY2015	9MFY2014
Revenue	33,759	44,359	100,082	135,012
Gross profit	7,185	10,244	27,654	50,893
Pre-tax profit	3,055	15,223	8,934	66,094
Profit after tax	1,586	14,309	6,472	63,253
PATMI	1,665	13,066	6,406	63,266
Gross margin (%)	21.3	23.1	27.6	37.7

3QFY2015

- Weaker revenue and earnings due to softer market conditions which reduced overall vessel utilisation and margins.
- Group remained profitable due to ongoing cost management measures as well as a gain of US\$6.5m from sale of two vessels.

3QFY2015 vs 2QFY2015

Subsea Services: Revenue rose from US\$0.4m in 2QFY2015 to US\$2.5m in 3QFY2015 on improved vessel utilisation.



SOUND BALANCE SHEET

US\$'000	As at 30 Sep 2015	As at 30 Jun 2015	As at 31 Dec 2014
Non-current assets	709,513	753,122	638,049
Current assets	197,161	168,557	201,498
Current liabilities	135,922	143,067	115,669
Non-current liabilities	353,355	360,633	291,959
Shareholders' funds	414,028	415,014	427,962
Net gearing (x)	0.82	0.80	0.53

- Non-current assets rose mainly due to an increase of US\$67.7 million in property, plant and equipment.
- Non-current liabilities rose mainly due to net increase in bank loans of US\$58.3 million.
- Net gearing came in at 0.8x as at 30 Sep 2015.



CASHFLOW STATEMENT

(US\$'000)	3QFY2015	2QFY2015	3QFY2014
Net cash generated from operating activities	6,752	1,401	7,702
Net cash used in investing activities	(17,671)	(58,183)	(10,896)
Net cash generated from / (used in) financing activities	(9,958)	33,389	71,006
Net increase / (decrease) in cash	(20,877)	(23,393)	67,812
Cash and cash equivalents at beginning of period	74,737	98,406	71,876
Cash and cash equivalents at end of period	54,199	74,737	139,898

3QFY2015

- Net cash generated from operating activities mainly due to vigilant working capital management.
- Net cash used in financing activities mainly due to repayment of bank loans of US\$53.9m, partially offset by proceeds from bank loans of US\$46.0m.

3QFY2015 vs 2QFY2015

 Group's net operating cashflow of US\$6.8m in 3QFY2015 was higher than the US\$1.4m recorded in 2QFY2015.



UNDERTAKINGS FOR SERIES 001 NOTES

Covenants	As at 31 Dec 14	As at 31 Mar 15	As at 30 Jun 15	As at 30 Sep 15
Tangible Net Worth (TNW) (Requirement: ≥ US\$ 225m)	USD\$ 427.7m	USD\$ 427.1m	USD\$ 414.7m	USD\$ 413.7m
Total Borrowings / TNW (Requirement: ≤ 2.5x)	0.8x	0.8x	1.0x	1.0x
EBITDA / Interest Expense (Requirement: ≥ 3.0x)	11x (12 months)	4.1x (3 months)	4.0x (6 months)	4.1x (9 months)

- Group remains within its covenants undertaken for its Series 001 Notes issued Aug 2014
- As part of the Group's prudent measures, a Consolidation Solicitation Exercise has commenced to include a cure mechanism in the event that EBITDA / Interest Expense falls below 3.0x such that it will not be a breach of the covenant if the Group also deposits an amount equal to 1 or 2 interest payments into a Interest Reserve Account



Our Strategy



MARKET CONDITIONS TO REMAIN WEAK

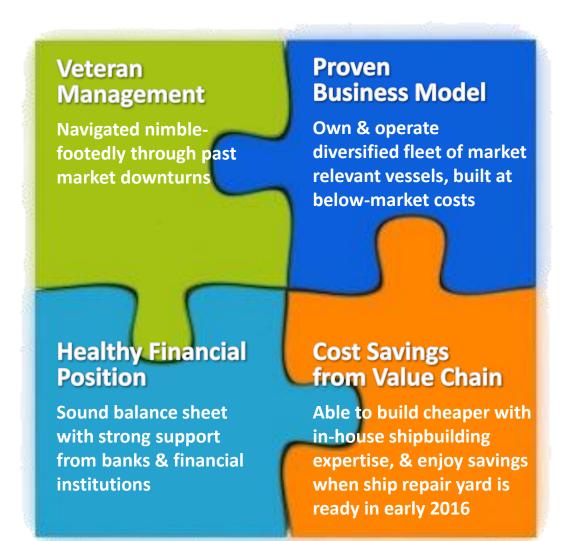
Management's Focus

- Continue prudent balance sheet management.
- Continue to deploy cost management measures.
- Focused marketing effort to develop our business in key emerging markets as well as grow existing ones.

Remains positive on the long term prospects of the oil & gas sector as global population growth and urbanisation will drive energy consumption and fuel demand for offshore support services.



COMPETITIVE STRENGTHS





Thank You

Questions & Answers

