




Investor Update

FY15 Results Presentation

September 2015

**Pacific Environment
Limited** 

 Consulting  Technologies  Monitoring

Highlights



Blue chip client base



EnviroSuite
cloud based platform



Full suite of analysis,
monitoring, modelling,
forecasting



Rapidly growing
environmental sector



Highly regarded
environmental experts



Strong, technology-driven
management team

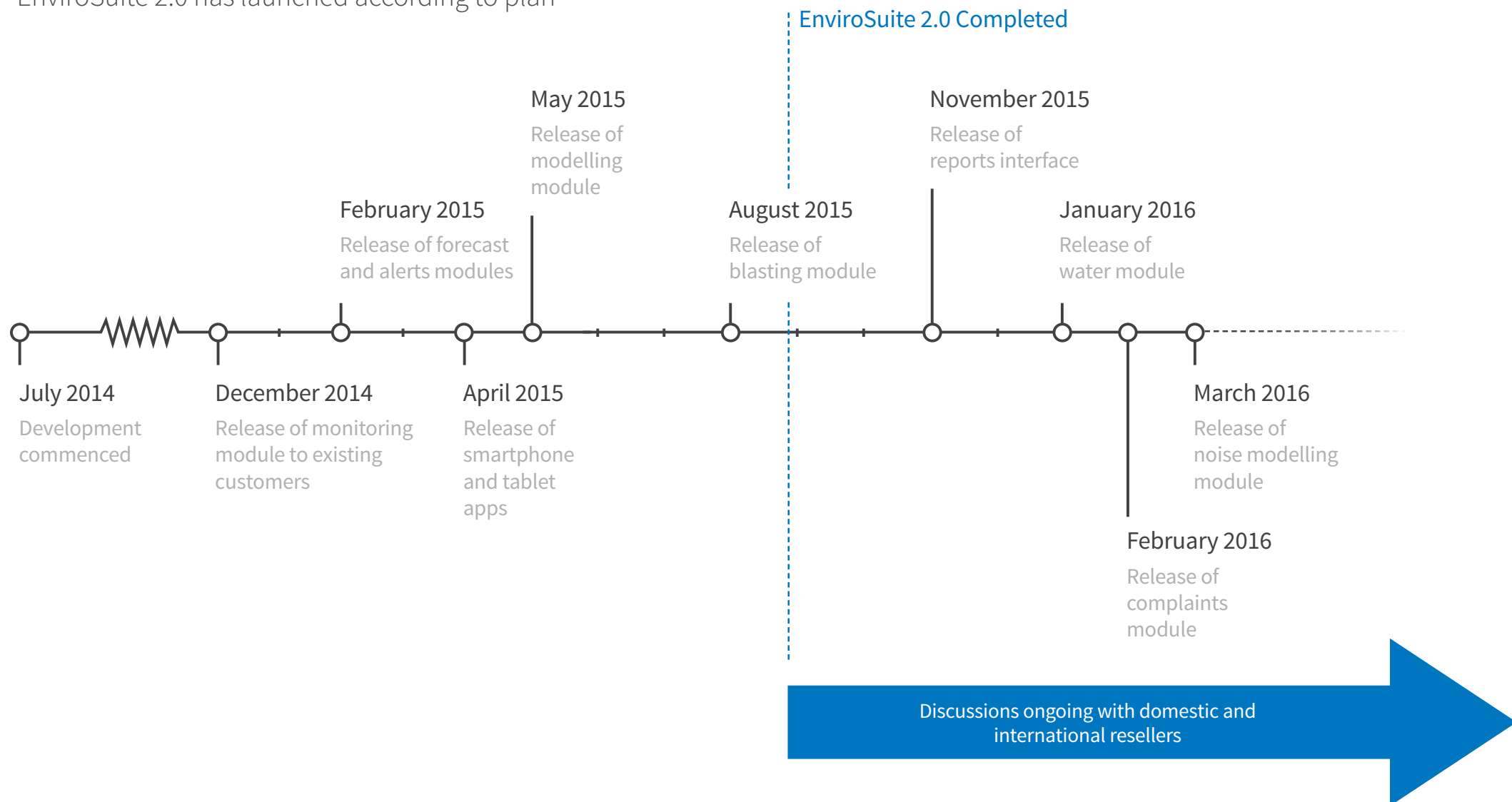
For a video overview of Pacific Environment go to
www.pacific-environment.com

Significant Progress

EnviroSuite	<ul style="list-style-type: none"> • Launch on schedule of our state-of-the-art environmental operational management solution • Commenced international partnerships for distribution • Increasing number of international opportunities identified
Significant Wins	<ul style="list-style-type: none"> • First international contract of EnviroSuite to Canterbury Regional Council (NZ) • EnviroSuite re-signing of major clients (including BHP Iron Ore, Rio Tinto) • Multiple significant consulting & monitoring contracts in the Queensland resource sector and Westconnex M5 • Significant increase in Commonwealth and state government project work
Acquisition	<ul style="list-style-type: none"> • October 2014 acquisition of DLA Environmental expands our expertise, particularly across contaminated land in the property sector • Continues to perform very strongly and now expanding interstate into Queensland and Victoria
FY15 Results	<ul style="list-style-type: none"> • Revenue* – up 54% to \$14.8m • EBIT* – increased 37% to \$2.1m • Capital – raised \$1.5m through a placement and share purchase plan to support growth <p>*from continuing operations</p>

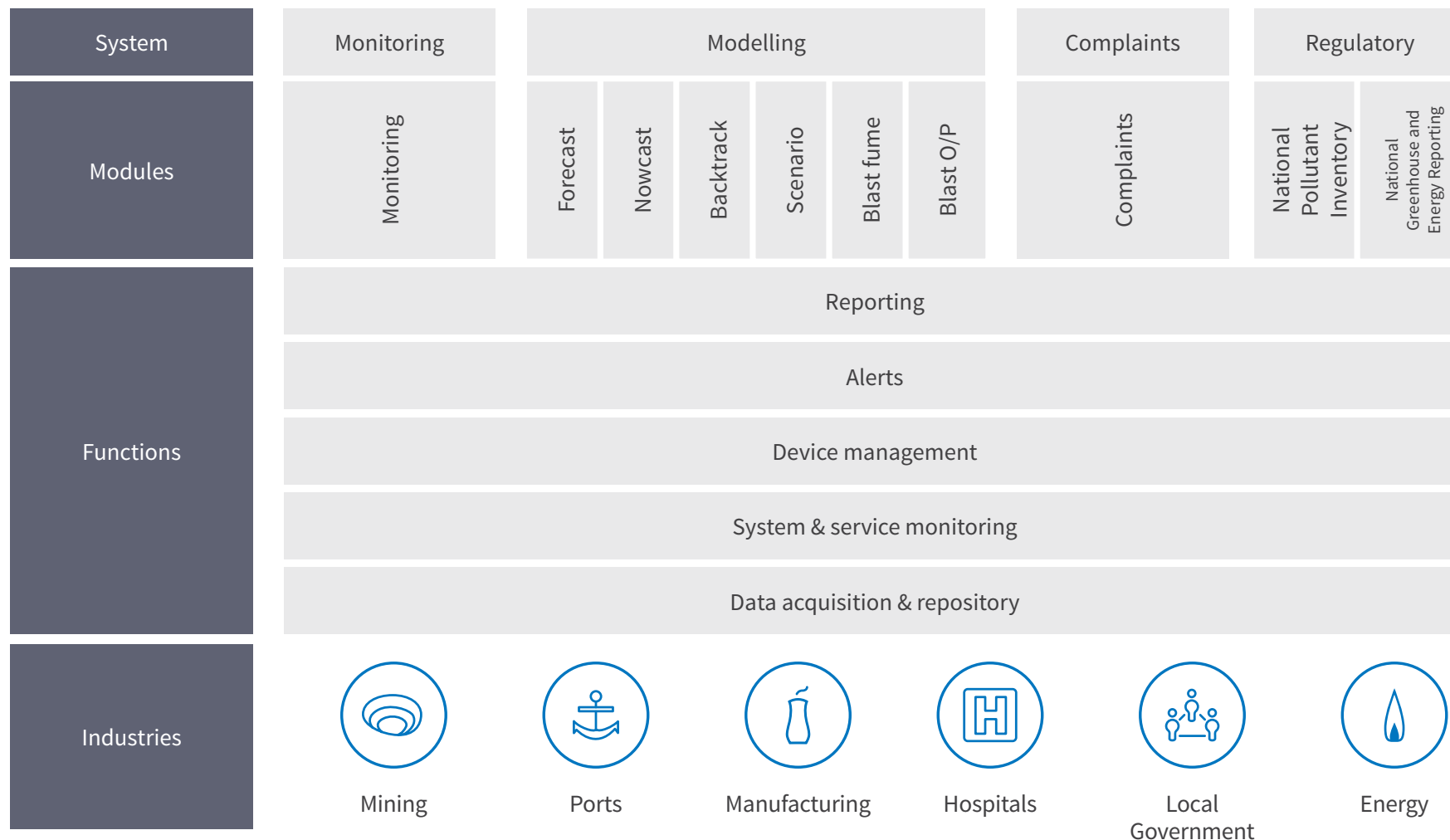
EnviroSuite Evolution

EnviroSuite 2.0 has launched according to plan



EnviroSuite Platform

EnviroSuite Platform is now fully cloud based and actively used by clients
Functionality will continue to be enhanced in FY16



New Business Momentum

EnviroSuite wins since July 2014:



Market Opportunity

EnviroSuite currently only serves a fraction of the potential global market for environmental monitoring and compliance. Average site sale in the range of \$60,000 to \$80,000 p.a.

Facilities	Australia ¹	Global ¹	EnviroSuite Projects in Australia
Bulk Ports	24	c. 200	7
Operating Mines	400+	2,500+	10
Refineries / Smelters	19	350+	4
Hospitals	340+	12,000+	3
Government	500+	Very large	1
Other	Multiple opportunities in heavy industrial, power stations, oil & gas and agriculture		8

1. Sources: Ports Australia; International Association of Ports and Harbors; www.infomine.com; International Aluminium Institute; World Steel Association; National Health Performance Authority; Australian Local Government Association

Technology Recognition



EnviroSuite has been selected as a one of four finalists in the Australian Technology Competition in two sectors: [Mining Technology](#) and [Built Environment](#)

Mining Technology

The ATC's 'Mining Technology' award division is focused on the efficiency and effectiveness of resources used, and the environmental impact from mining operations and mineral processing.

Since its introduction to the market, our mining and resource clients have been using EnviroSuite to manage environmental compliance and operational efficiency. Environmental intelligence is at your fingertips as the system provides real-time information via smart phone, tablet or desktop. Through the use of EnviroSuite's predictive technology, site managers can now forward plan for disruptive events that cause costly downtime.

EnviroSuite also facilitates rapid action, enabling collaboration and instant response.

Built Environment

The 'Built Environment' award division is focussed on the internal environment of buildings as it relates to human safety and comfort, and energy efficiency.

A novel example of a built environment application is in managing patient safety in a hospital operating theatre. During renovation and construction, airborne contamination can infiltrate the sterile environment of an operating theatre. Traditional methods of monitoring can take days or weeks to produce results, by which time the cause of potential issues may no longer be present.

EnviroSuite provides theatre staff and management with immediate notification by email and SMS of any potential infection issues due to fugitive dust from outside sources. The system ensures immediate response to prevent patient harm, avoiding potential for exposure to harmful pathogens.

Reports of monitored levels can be automatically issued to the entire management team throughout the project, greatly improving the efficiency of internal reporting.

FY15 Results

Strong result with improvement across all key financial metrics:

\$'000	30 June 2015	30 June 2014	%
Revenue	14,805	9,618	+54%
EBITDA (continuing operations)	2,472	1,977	+25%
EBIT (continuing operations)	2,082	1,515	+37%
Profit after tax (continuing operations)	1,822	1,277	+43%
Profit after tax (incl. discontinued operations)	1,407	1,311	+7%
Net debt	2,519	2,045	
Convertible note	1,260	1,800	
Note: Profit results include R&D rebate of \$1.6m			

Increasing revenue and profitability

- Organic growth and revenue/profit accretive acquisitions

R&D spend

- \$3.5 million invested in EnviroSuite and innovative scientific solutions

Convertible note

- Reduced 30% to \$1.26 million through partial conversion

Net debt

- Increased to fund acquisitions and strategic asset purchases (e.g. Westconnex monitoring stations)

DLA acquisition

- Highly accretive acquisition, continuing to perform strongly in property sector, expanding to other states

Capital raise

- \$1.5 million raised through a placement and share purchase plan

The Year Ahead

Market Outlook	<ul style="list-style-type: none"> Continued demand both domestically and internationally Focus sectors will be Resources, Ports, Manufacturing, Energy, Hospitals
Technology Roadmap	<ul style="list-style-type: none"> New modules: <ul style="list-style-type: none"> Ground and surface water monitoring and modelling Noise (acoustic) modelling Complaints management Corporate dashboard & Integration to ERP systems
Domestic Sales	<ul style="list-style-type: none"> Domestic market addressed through direct sales Doubling of sales force
Global Marketing	<ul style="list-style-type: none"> Global market addressed through partnerships and reseller network Focus on North American, European, and Asian markets Targeting corporate deals with existing multi-national clients

Appendix

Corporate Overview

September 2015

Pacific Environment
Limited 

 Consulting  Technologies  Monitoring

Snapshot

Solutions

- Pacific Environment provides a comprehensive suite of environmental solutions
- Full suite of analysis, monitoring and management technologies

Operations

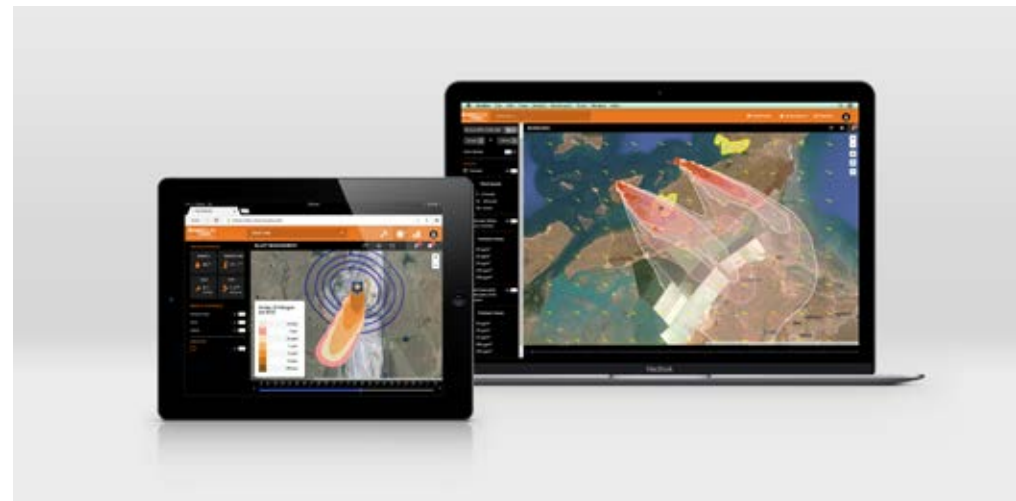
- Over 90 staff across 8 offices in 5 states in Australia
- Outstanding, highly regarded team of environmental experts

Technology

- Initially based on EnviroSuite 1.0
- Cloud-based EnviroSuite 2.0 modules were launched from December 2014

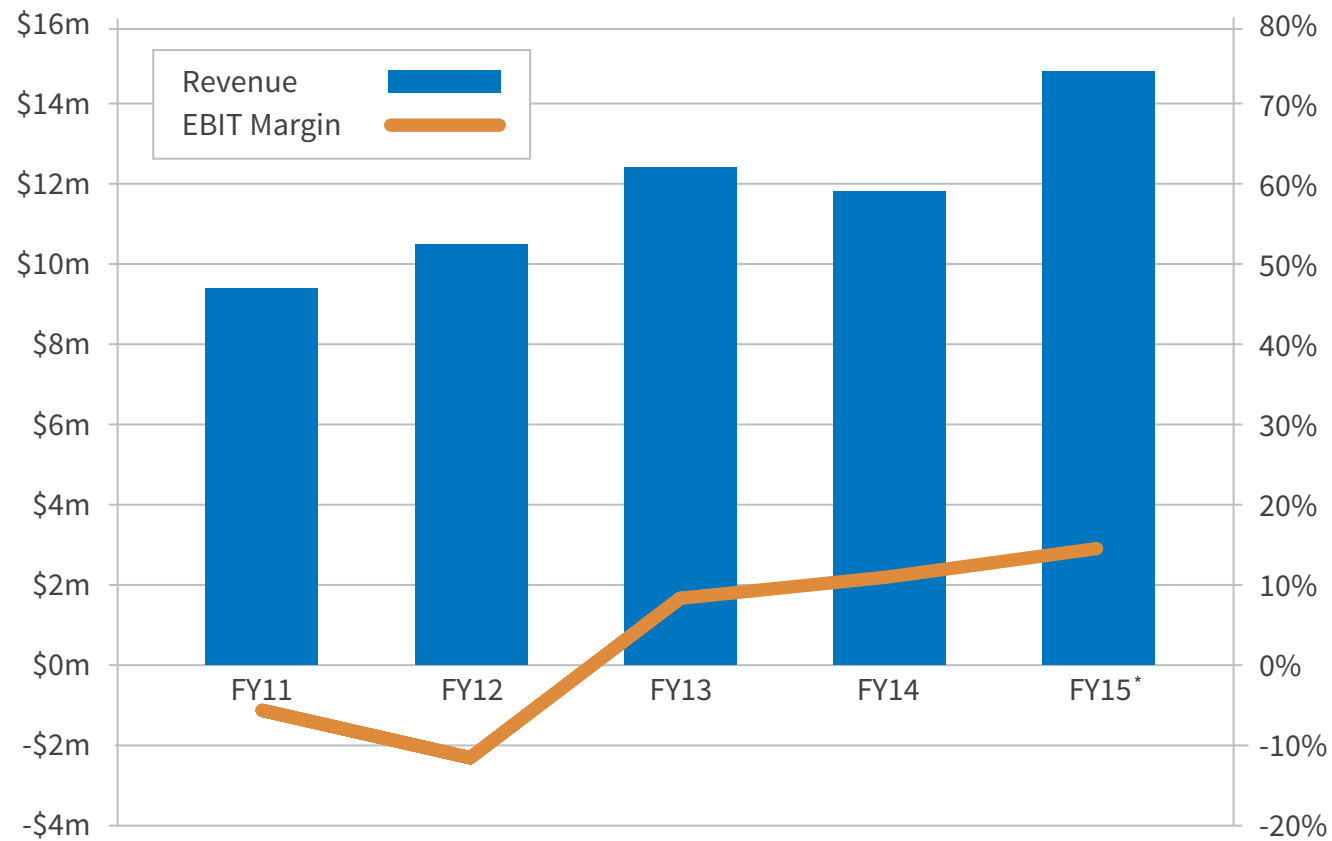
Growth

- Continued organic growth through:
 - Distribution of EnviroSuite 2.0 platform directly and through partners
 - Targeted business development
 - Cross selling a broader base of offerings



Financial Overview

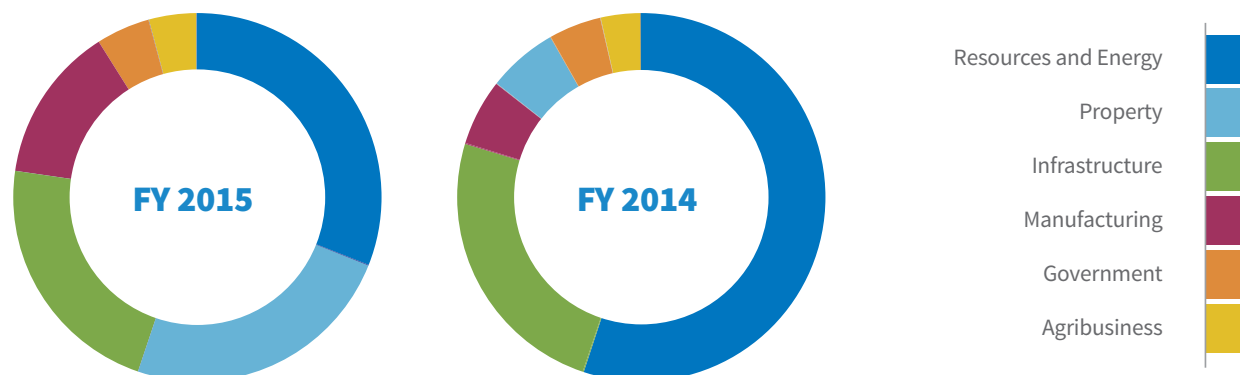
Growing profitability and focus on higher margin technology business



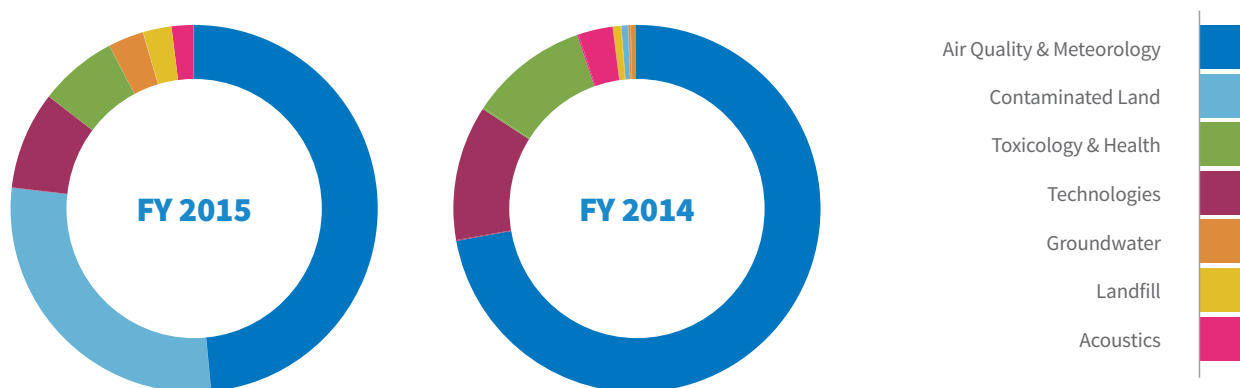
*From continuing operations

Increasing Diversity in Sectors & Practice

Industry Sectors - 2015 vs 2014



Practice breakdown - 2015 vs 2014



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All amounts are in Australian dollars unless otherwise stated.

For more information:

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EnviroSuite 