

SOUTHWEST PINNACLE EXPLORATION LIMITED



INVESTOR PRESENTATION
Financial Results FY18-19
3rd June 2019

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VIKAS JAIN

Promoter & Chairman cum Managing Director of South West Pinnacle Exploration Limited (SWPE), he has completed his MBA from Johnson & Wales University, USA and Bachelor of Commerce (Honors) from Hansraj College, Delhi University. In the year 2006.

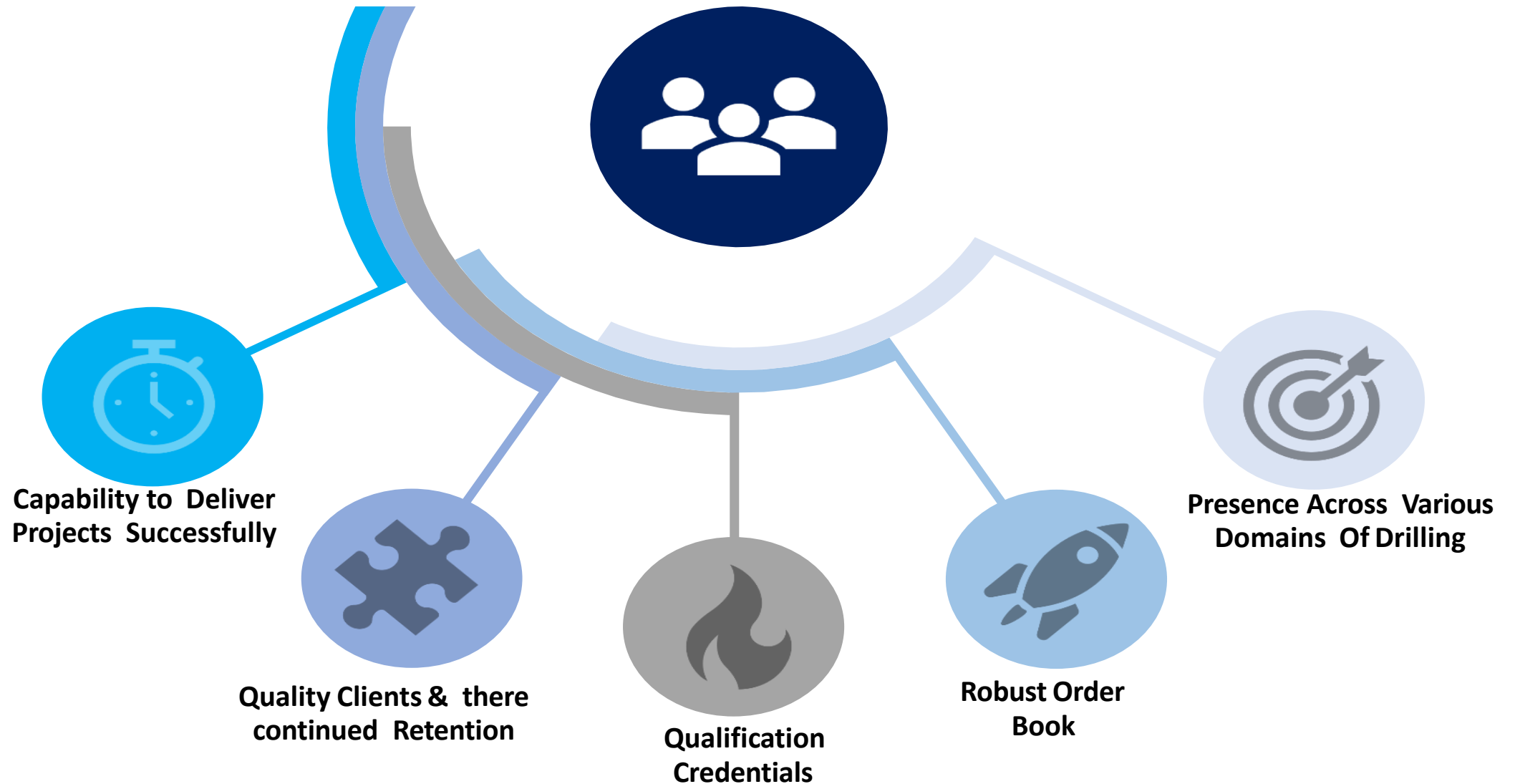
He founded SWPE to provide quality drilling services to CBM & Mineral Exploration along with allied services in India. He is directly involved in planning and developing new businesses for the company. He looks after overall management of the company.



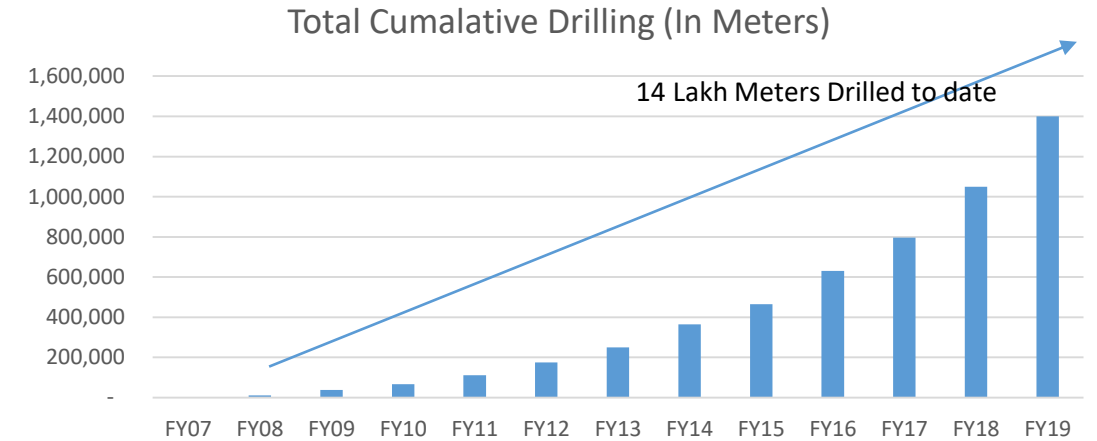
PIYUSH JAIN

Promoter & Joint Managing Director of South West Pinnacle Exploration Limited (SWPE), he has done his Postgraduate Diploma in Management & Entrepreneurship from Nottingham Test University, UK and Bachelor of Science in Business & Management Studies from IILM, New Delhi affiliated to University of Bradford.

He overseas operational responsibilities, procurement, HSE and Business Development of the company.



- Integrated service provider of end to end exploration, drilling and allied services in the infrastructure sector.
- Services varied Infra sectors including Coal, Ferrous, Non-ferrous, Atomic and Base metals and Mining industries. Allied services offered include Aquifer mapping, Lift Canal Irrigation ,Optical Fibre Laying (OFL), Horizontal Directional Drilling (HDD) and Geo-Thermal Energy Resources Assessment.
- Consultancy for Geophysical logging and Geological field services.
- SWPE has till date completed more than 14.00 Lakh meters of drilling working for both Government and Private Sectors. The company currently operate 38 Rigs with state of the art technology, with different capacities to drill upto a depth of 2500 meters. SWPE currently has 16 running projects.



Incorporation

- “ South West Pinnacle Exploration Pvt. Ltd.”

Executed key drilling projects –

- TATA Steel Limited: Mineral Exploration (Exploratory Core Drilling) ; Arrow Energy India: CBM Exploration (Exploratory Core Drilling) & Rio Tinto Exploration India Pvt. Ltd: Diamond Exploration (Exploratory Core Drilling)

2006-09

2010-12

2013-15

2016-19

New Orders -

- Reliance Industries Ltd: CBM Exploration (Core Drilling Services)
- Hindustan Zinc Ltd.: Mineral Exploration (Exploratory Core Drilling)
- Reliance Industries Ltd: CBP (Production Well Drilling)
- CMPDI: Coal Exploration (Detailed Coal Exploration in 3 blocks viz Mahuamilan, Gonda & West of Basin Phatehpur-B)

Bonus Issue in the Ratio of 1:1 April 2019

Migration to Main Board of NSE w.e.f 18th April 2019

Repeat Orders from -

- TATA Steel Limited: Coal & Mineral Exploration (Exploratory Core Drilling) & Rio Tinto Exploration India Pvt. Ltd. Diamond Exploration (Exploratory Core Drilling)

New Orders -

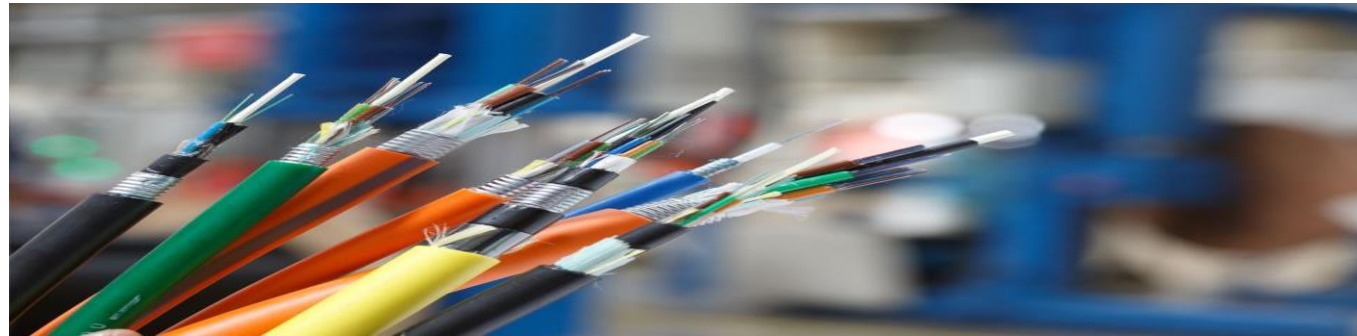
- Geopetrol Intl Inc: CBM Exploration Core Drilling)
- CMPDI: Coal Exploration (1st Project of Detailed Coal Exploration in Raham Block Sucessfully completed)

New Orders -

- CMPDI: Coal Exploration (Detailed Coal Exploration in Dhadu East (South) Block Latehar, Jharkhand
- CGWB: Aquifer Mapping Currently 3 projects in Karnataka, Rajasthan & Tamil Nadu are under Execution
- ONGC Energy Center: Uranium Exploration (completed 2 projects in 2013-15 & 4 projects in 2016-18 & 7th project is under execution
- Reliance Industries Ltd: CBM Production Drilling.

CRISIL Upgrade to BBB/Stable & A3 Plus

- South West Pinnacle Exploration Limited (SWPEL) has announced that the company has in its meeting of the Board of Directors held on February 22, 2019 and has intimated to the National Stock Exchange (NSE) subject to the approval of Members and the National Stock Exchange (NSE) inter-alia considered and approved the following –
 - **Bonus Issue of 1:1, i.e. 1 (One) Bonus Equity Share of Rs. 10/- each fully paid up for every 1 (One)existing equity share of Rs. 10/- each fully paid-up held as on the record date i.e April 06, 2019.**
 - **Migration of the company from SME 'Emerge' Platform of NSE to the Main Board of NSE of India w.e.f 18th April, 2019.**
 - **Post Bonus issue, the equity share capital of the company has increased to Rs.27.9 crore shares (consisting of 27,902,400 equity shares of Rs.10 each)**
- SWPE has received CRISIL Rating regarding up-gradation of Company's Long Term Rating and Short Term Rating in respect of banking facility for Long Term Rating its upgraded from CRISIL BBB-/ Stable to CRISIL BBB/ Stable and for Short Term Rating its upgraded from CRISIL A3 to CRISIL A3 Plus.
- The company has made foray into three new domains of Infrastructure namely Lift canal irrigation, Horizontal Directional drilling (HDD)/ Optical Fibre Laying (OFL) and Geo-Thermal Energy Resources Assessment. Both the domains are having great potential due to growing need of infrastructure in our country. Company's Order Book currently stands at Rs.190 crores, demonstrating the opportunity ahead.



REVENUE Composition

**South West
Pinnacle**



**Aquifer Mapping
Services**



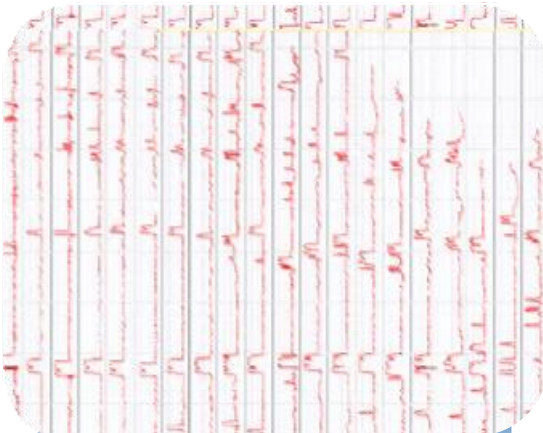
**CBM Exploratory
Drilling Services**



**CBM Production
Drilling Services**



**Coal & Mineral
Exploration Services**



**Geological &
Geophysical Services**



Work over Rig Services



RC Drilling Services

Minerals and aquifer mapping



DE BEERS



CBM



Coal



PROJECTS Handled

**South West
Pinnacle**



**CBM Production Drilling at
Sohagpur, MP for Reliance
Industries**



**CBM Production Drilling for
Reliance Industries – completion
of 100 wells**



**CBM Exploratory Drilling at
Satpura, MP for Dart Energy**



**Large Diameter Kimberlite core
(8") for Rio Tinto at Bunder, MP
– Drilled by BLY LF230 upto a
depth of 352 Meters. largest
coring done in India till date**



Iron and Manganese ore



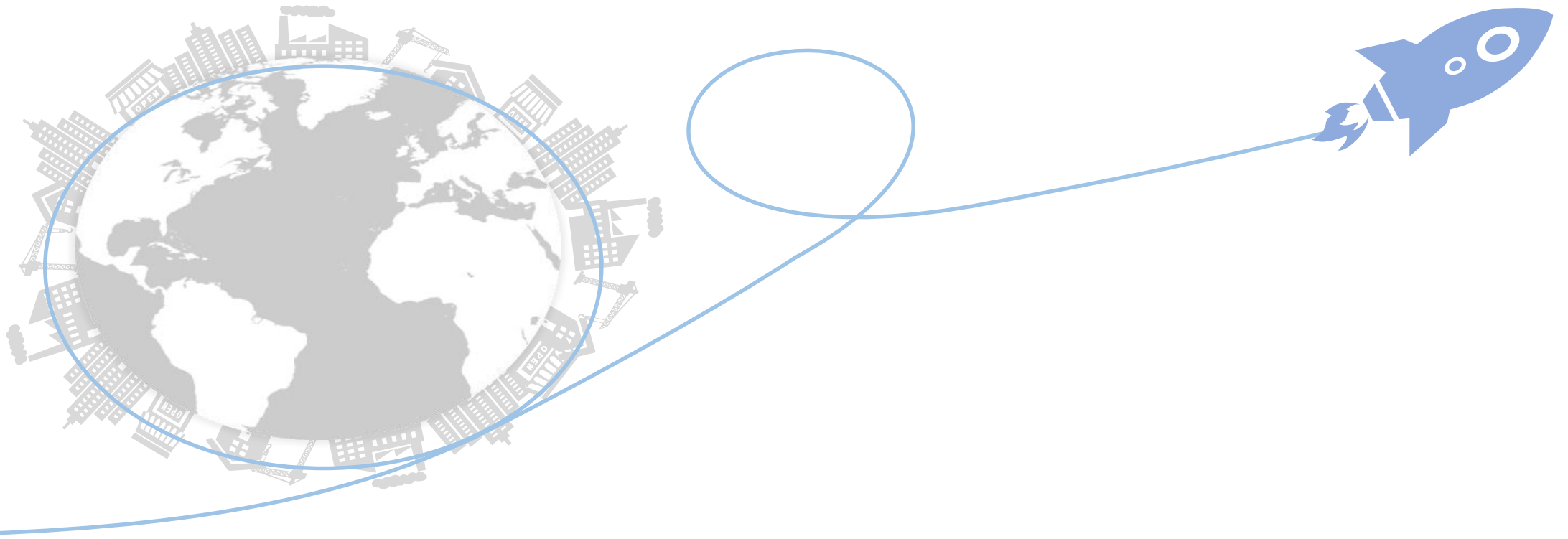
**Core drilling for Chromite for
Tata Steel Limited**



**Detailed Exploration for Coal at
Raham Coal Block for CMPDI**

OUTSOURCING – Strategy for Growth

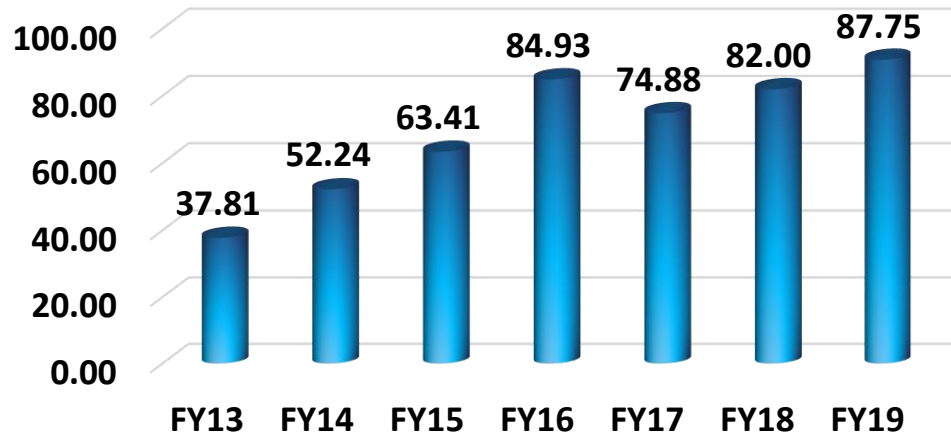
- To increase our reach to the newer areas/verticals/clients, the company has decided to use its wide experience of managing exploration operations by outsourcing certain activities to the local partners/vendors.
- This new strategy has successfully been implemented in the field of Aquifer Mapping and Mineral Exploration.
- This way the company is able to handle more projects with the same resources resulting in healthier top and bottom line.



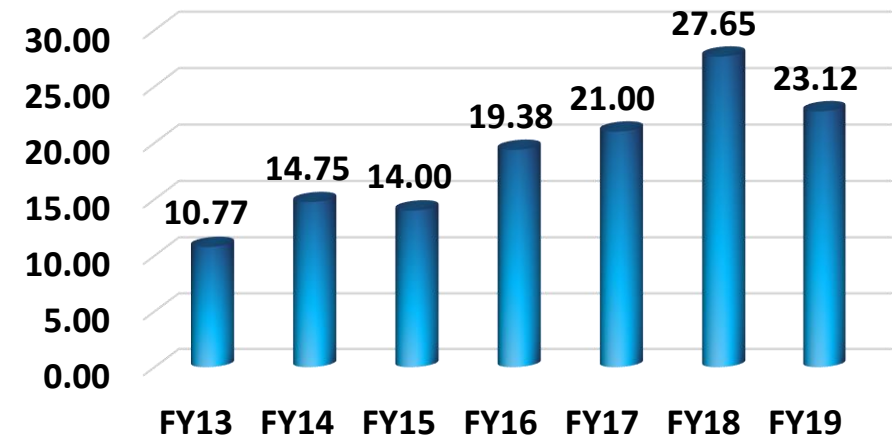
South West Pinnacle

FINANCIAL SNAPSHOT

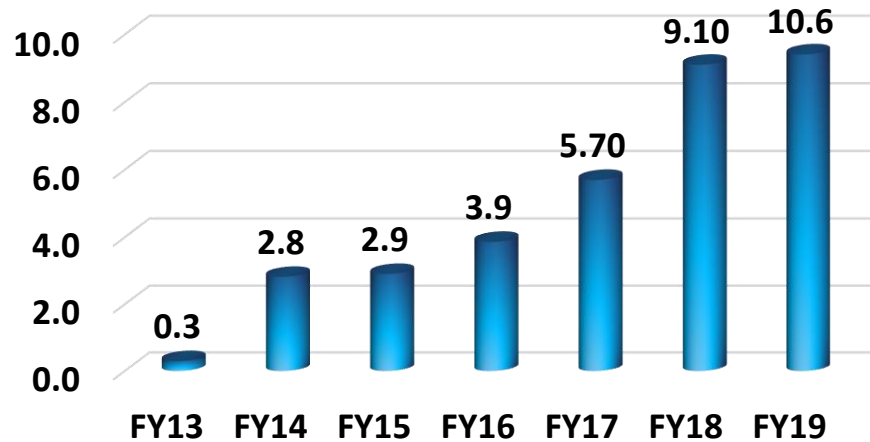
TOTAL REVENUE (RS. CRORES)



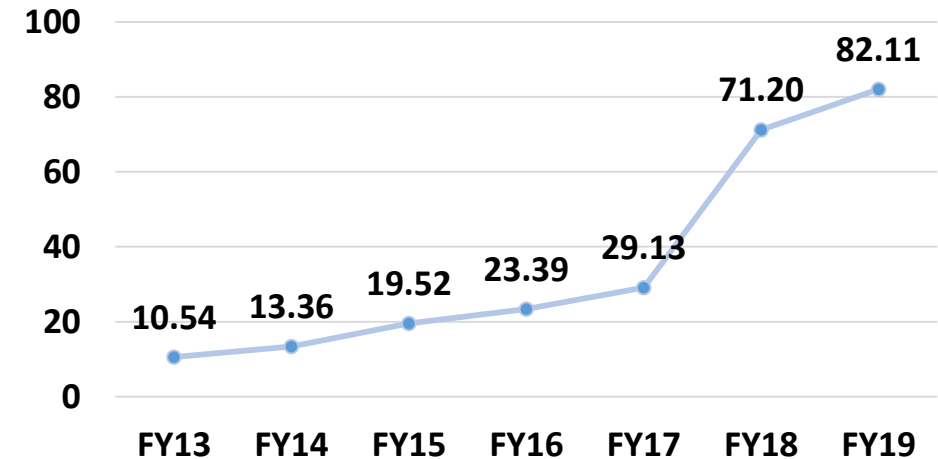
EBITDA (Rs. CRORES)



PAT (RS. CRORES)



NETWORTH (RS.CRORES)



FINANCIAL PERFORMANCE

Rs. crores

South West Pinnacle

Financial Performance (Consolidated)						
Particulars	6 Months 2 HFY19	6 Months 2HFY18	Y-O-Y %	12 Months FY19	12 Months FY 18	Y-O-Y %
Total Revenue	51.85	44.50	16.52	90.77	82	10.70
EBIDTA	12.65	16.39	-22.84	23.17	27.64	-16.17
EBIDTA Margin %	24.39	36.83	-	25.53	33.71	-
Interest	1.94	3.84	49.48	4.12	6.3	34.60
Depriciation	3.28	3.64	9.89	6.47	7.4	12.57
PBT	7.43	8.90		12.58	13.94	
Tax	1.56	3.27	52.29	3.13	4.84	35.33
PAT	5.87	5.63	4.21	9.45	9.1	3.85
PAT Margin %	11.32	12.65	-	10.41	11.10	-
EPS (Rs)				6.78	6.53	
Financial Performance (Standalone)						
Particulars	6 Months 2 HFY19	6 Months 2HFY18	Y-O-Y %	12 Months FY19	12 Months FY 18	Y-O-Y %
Total Revenue	50.41	41.60	21.18	87.75	78.95	11.15
EBIDTA	12.73	16.15	-21.18	23.12	26.54	-12.89
EBIDTA Margin %	25.25	38.82	-	26.35	33.62	-
Interest	1.60	3.96	59.60	3.41	5.77	40.90
Depriciation	3.03	4.11	26.28	5.98	7.06	15.30
PBT	8.10	8.08		13.73	13.71	-
Tax	1.55	3.10	50.00	3.13	4.68	33.12
PAT	6.55	4.98	31.53	10.6	9.03	17.39
PAT Margin %	12.99	11.97	-	12.08	11.44	-
EPS (Rs)				7.6	6.5	

PROFIT & LOSS STATEMENT - CONSOLIDATED

Rs. crores

Particulars	FY19	FY18	FY17
INCOME			
Revenue from Operations	85.7	78.85	74.16
EXPENSES			
Cost of operations	19.8	21.50	19.30
Employee benefit expenses	18.1	16.24	18.10
Other expenses	30.0	16.62	16.48
EBITDA	17.8	24.50	20.28
EBITDA Margin % on Revenue from operation	21%	31%	27%
EBITDA Margin % on Total Revenue	25%	24%	28%
Depreciation and amortization expenses	6.1	7.40	6.91
EBIT	16.7	20.25	14.10
Interest	4.1	6.30	5.44
EBT	12.6	13.94	8.65
Other Income	5.0	3.15	0.72
Tax expense:			
(i) Current tax	2.8	3.76	2.19
(iv) Deferred tax (asset)/liability	0.3	1.08	0.77
PAT	9.45	9.10	5.70

BALANCE SHEET- CONSOLIDATED

Rs. crores

**South West
Pinnacle**

Particulars	FY19	FY18	FY17
Equity & Liabilities			
Shareholders' funds			
a. Share capital	13.95	13.95	4.65
b. Reserves & surplus	68.16	57.25	24.48
Total share holders fund	82.11	71.20	29.13
Minority Interest	-0.25	0.43	0.37
Non-current liabilities			
a. Long-term borrowings	3.8366	9.62	20.03
b. Deferred tax liabilities (net)	3.95	3.60	2.51
c. Other Long Term Liabilities	0.33	0.33	0.34
d. Long-term provisions	0.72	1.22	0.49
Current liabilities			
a. Short-term borrowings	40.1	33.61	38.39
b. Trade payables	11.6	7.15	7.98
c. Other current liabilities	10.3	10.58	9.30
d. Short term provisions	1.4	4.05	3.25
TOTAL	154.09	141.84	111.79
Non-current assets			
a. Fixed assets	37.63	52.61	55.09
b. Non Current Investments	8.3	9.11	9.31
c. Long term loans & advances	0.9	0.73	0.95
d. Other non-current assets	0.6	0.69	0.79
Current assets			
a. Inventories	27.5	24.61	21.64
b. Trade receivables	48.2	41.17	14.91
c. Cash and cash equivalents	7.57	2.93	4.56
d. Short term loans & advances	18.30	5.88	4.28
e. Other current assets	5.10	4.06	0.26
TOTAL	154.09	141.84	111.79

Thank You!

**South West
Pinnacle**

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44, Gurgaon, Haryana –
12203, India

