

MIRA INFORM REPORT

Report No. :	539786
Report Date :	21.11.2018

IDENTIFICATION DETAILS

Name :	TAE AVIATION PL
Registered Office :	Hangar' tae pty ltd, 71, Aviation street raaf, Amberley qld, 4306
Country :	Australia
Date of Incorporation :	1960
Legal Form :	Australian Proprietary Company
Line of Business :	The subject operates as an Australian-owned aerospace company with a range of aerospace products and services that include gas-turbine engine maintenance and repair, servicing fixed wing aircraft and helicopter fleets.
No. of Employees :	80 243 (group)

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Australia	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

AUSTRALIA - ECONOMIC OVERVIEW

Australia is an open market with minimal restrictions on imports of goods and services. The process of opening up has increased productivity, stimulated growth, and made the economy more flexible and dynamic. Australia plays an active role in the WTO, APEC, the G20, and other trade forums. Australia's free trade agreement (FTA) with China entered into force in 2015, adding to existing FTAs with the Republic of Korea, Japan, Chile, Malaysia, New Zealand, Singapore, Thailand, and the US, and a regional FTA with ASEAN and New Zealand. Australia continues to negotiate bilateral agreements with Indonesia, as well as larger agreements with its Pacific neighbors and the Gulf Cooperation Council countries, and an Asia-wide Regional Comprehensive Economic Partnership that includes the 10 ASEAN countries and China, Japan, Korea, New Zealand, and India.

Australia is a significant exporter of natural resources, energy, and food. Australia's abundant and diverse natural resources attract high levels of foreign investment and include extensive reserves of coal, iron, copper, gold, natural gas, uranium, and renewable energy sources. A series of major investments, such as the US\$40 billion Gorgon Liquid Natural Gas Project, will significantly expand the resources sector.

For nearly two decades up till 2017, Australia had benefited from a dramatic surge in its terms of trade. As export prices increased faster than import prices, the economy experienced continuous growth, low unemployment, contained inflation, very low public debt, and a strong and stable financial system. Australia entered 2018 facing a range of growth constraints, principally driven by the sharp fall in global prices of key export commodities. Demand for resources and energy from Asia and especially China is growing at a slower pace and sharp drops in export prices have impacted growth.

Source : CIA

COMPANY NAME

REGISTERED NAME TAE AVIATION P/L
ACN 085860877
ABN 48085860877

SUMMARY

Established	1960's
Incorporated	1999
Line of Business	Aviation services and maintenance
Status	Trading
Chief Executive Officer	SANDERSON, ANDREW MARK
Adverse Listings	<u>Nil</u>

EXECUTIVE SUMMARY

The subject is noted to have entered into a Deed of Cross Guarantee pursuant to a Class Order with its Holding entity Tasman Aviation Holdings Limited. Below is a summary of the Closed Group's income results for the past two financial years.

	Tasman Aviation Holdings P/L - consolidated		
	As at 30 June 2018	As at 30 June 2017	Change (%)
Revenue	\$75,365,106.00	\$78,836,105.00	-4.40%
Profit b/tax	\$6,585,986.00	\$7,007,374.00	-6.01%
Profit a/tax	\$4,823,487.00	\$5,105,939.00	-5.53%
Net Profit Margin	6.40%	6.48%	-0.08%

During fiscal 2018, the Closed Group recorded Net Cashflows from operating activities totalling \$10,280,220.

As at 30 June 2018 the Closed Group recorded Working Capital of \$28,572,987 and a current ratio of 2.66 to 1 indicating sound liquidity levels.

Closed Group Net Assets totaled \$16,016,217 as at 30 June 2018. After deducting intangibles of \$5,323,674, this results in a Net worth of \$10,692,543.

CORPORATE SEARCH

Company Type Australian Proprietary Company
Status Registered
Incorporation Date 14 Jan 1999
Incorporation State NSW
Registered Office ' HANGAR' TAE PTY LTD, 71
AVIATION STREET RAAF
AMBERLEY QLD, 4306

CURRENT DIRECTORS

Total: 3

Director Name MORRIS, PAUL BRADLEY
Appointment Date 30 Mar 2017
Date of Birth 31 May 1968
Place of Birth BRISBANE QLD
Gender MALE
Resident Overseas N
Address 6 RAESIDE ST, WESTLAKE QLD4074

Director Name HUTCHINSON, DARREN PAUL
Appointment Date 30 Mar 2015
Date of Birth 12 Dec 1972
Place of Birth WHYALLA SA
Gender MALE
Resident Overseas N
Address 52 HAWTHORNDENE DR, HAWTHORNDENE SA 5051

Director Name SANDERSON, ANDREW MARK
Appointment Date 09 Dec 2008
Date of Birth 05 May 1965
Place of Birth ADELAIDE SA
Gender MALE
Resident Overseas N
Address 100 WOODWARD PL,
PULLENVALE QLD 4069

CURRENT SECRETARIES

Total: 2

Secretary Name SANDERSON, ANDREW MARK
Appointment Date 09 Dec 2008
Date of Birth 05 May 1965
Place of Birth ADELAIDE SA
Address 100 WOODWARD PLACE
PULLENVALE QLD, 4069

Secretary Name STINCHCOMBE, DAVID WILLIAM
Appointment Date 30 Mar 2015
Date of Birth 10 Feb 1967
Place of Birth HONG KONG HONG KONG
Address 4 DARLINGTON CLOSE
CARSELDINE QLD, 4034

Current Other Officers Total: 1
Officer Role Appointed Auditor
Officer Name HANDEL, JASON JOHN
Appointment Date 17 Mar 2009
Date of Birth -
Address 'DELOITTE TOUCHE TOHMATSU'
LEVEL 17, 11 WAYMOUTHSTREET ADELAIDE SA, 5000

Current Other Organisation Officers Total: 1
Officer Role Ultimate Holding Company
Officer Name TASMAN AVIATION HOLDINGS PTY LTD

Business Proprietorships Total: 1
Name TENIX AVIATION *

Company Shares Total: 1 Amount: \$1
Class ORDINARY [ORD]
Number of Shares Issued 1
Paid Capital \$1.00
Total Amount Due and Payable \$0.00

CURRENT SHAREHOLDERS

Shareholder Name TAE AEROSPACE PTY LTD
ACN 103070015
ABN 64103070015
Address 'HANGAR', 71 AVIATION STREET
RAAF BASE AMBERLEY QLD, 4306

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Class ORD
Number Held 1
Beneficially Held Y

SECURITY INTERESTS

Effective 30 January 2012 the Personal Property Securities Register (PPSR) was introduced to give the different Commonwealth, State and Territory laws and registers regarding security interests in personal property under one national system.

As a result of PPS Reform a number of existing Commonwealth, State and Territory personal property security registers will close. Interests registered on existing security interest registers will be migrated to the national PPS Register. Subsequently Registered Charges are no longer lodged with the Australian Securities and Investments Commission (ASIC).

BUSINESS STRUCTURE

TRADING ADDRESS	Hanger 1C James Schofield Drive ADELAIDE AIRPORT SA 5950
TELEPHONE	(618) 8150 0200
FACSIMILE	(618) 8150 0270
EMAIL	sales@taeaerospace.com
WEBSITE	http://www.taeaerospace.com
HOLDING ENTITY	TAE AEROSPACE PTY LTD
ULTIMATE HOLDING ENTITY	TASMAN AVIATION HOLDINGS PTY LTD
BANK	Not determined
EMPLOYEES	80 243 - group

BACKGROUND

The subject was incorporated in New South Wales on 14 January 1999 as Hawker De Havilland Aerospace Support P/L, changing name to Rossair P/L, changing name to Tenix Aviation P/L, before adopting the current style on 15 December 2008.

TAE Aerospace has a long and proud history in aviation that date back to the 1960s when Rossair and Masling Airlines first started flying.

TAE Aerospace commenced operation in the year 2000 when the group were known as Tasman Aviation Enterprises, having won a major F-111 aircraft maintenance contract for the Royal Australian Air Force (RAAF). Since then, we have grown from 6 to 200 employees across a wide range of services and activities.

In March 2015, TAE Aerospace became 100% Australian owned after a Management Buyout from Air New Zealand.

OPERATIONS

The subject operates as an Australian-owned aerospace company with a range of aerospace products and services that include gas-turbine engine maintenance and repair, servicing fixed wing aircraft and helicopter fleets.

Clients range from agricultural aircraft to helicopters servicing the Australian Army and oil and gas rigs around Australia and it is the regional support provider for the F135 engine of the F-35 joint strike fighter. REX (Regional Express) and Cobham are also clients.

Activities are conducted from premises located at the above listed trading address.

ADVERSE

A search of of on 16 November 2018 failed to trace any litigation listed against the subject at that date.

FINANCES

The subject is not required to lodge financial statements with the Australian Securities and Investments Commission.

The subject is noted to have entered into a Deed of Cross Guarantee pursuant to a Class Order with its Holding entity Tasman Aviation Holdings Limited. The effect of the Deed is that each party that forms part of the closed group guarantee the debts of each other.

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Below is a summary of the Closed Group's income results for the past two financial years.

Tasman Aviation Holdings P/L - consolidated

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Profit a/tax	\$4,823,487.00	\$5,105,939.00	-5.53%
Net Profit Margin	6.40%	6.48%	-0.08%

During fiscal 2018, the Closed Group recorded Net Cashflows from operating activities totalling \$10,280,220.

As at 30 June 2018 the Closed Group recorded total current assets of \$45,830,217. They included cash of \$8,048,730, receivables of \$24,693,811 and inventories of \$13,087,676.

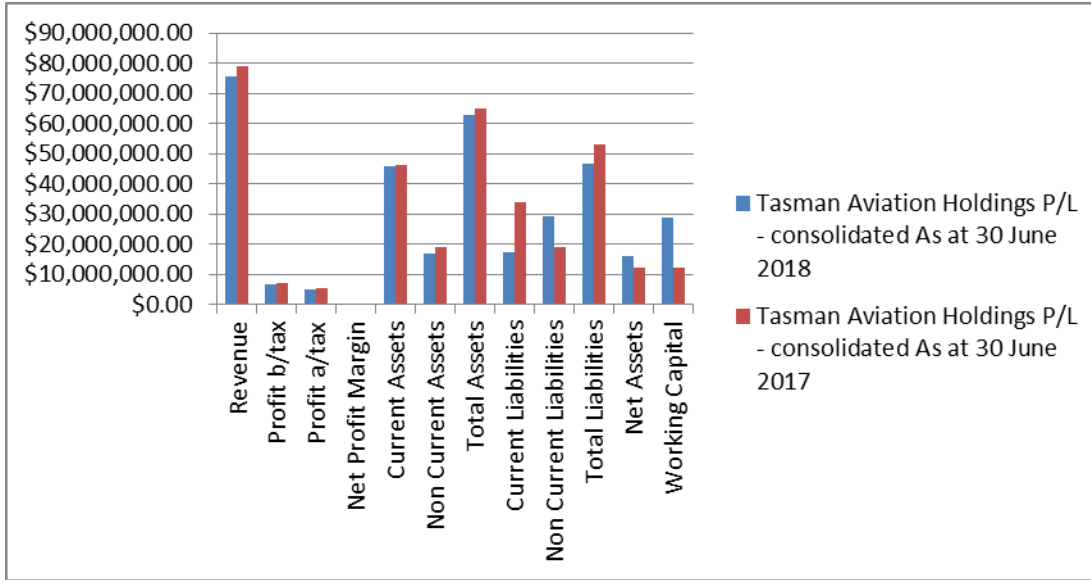
Current liabilities at the same date totaled \$17,257,230 and included payables of \$7,745,019 and borrowings of \$4,062,615.

As at 30 June 2018 the Closed Group recorded Working Capital of \$28,572,987 and a current ratio of 2.66 to 1 indicating sound liquidity levels.

Closed Group Net Assets totaled \$16,016,217 as at 30 June 2018. At this date, the Group further recorded a Debt to Equity ratio of 2.91 to 1. After deducting intangibles of \$5,323,674, this results in a Net worth of \$10,692,543.

Tasman Aviation Holdings P/L - consolidated

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Revenue	\$75,365,106.00	\$78,836,105.00	-4.40%
Profit b/tax	\$6,585,986.00	\$7,007,374.00	-6.01%
Profit a/tax	\$4,823,487.00	\$5,105,939.00	-5.53%
Net Profit Margin	6.40%	6.48%	-0.08%
Current Assets	\$45,830,217.00	\$46,117,487.00	-0.62%
Non Current Assets	\$16,818,472.00	\$18,972,344.00	-11.35%
Total Assets	\$62,648,689.00	\$65,089,831.00	-3.75%
Current Liabilities	\$17,257,230.00	\$33,897,669.00	-49.09%
Non Current Liabilities	\$29,375,242.00	\$18,999,432.00	54.61%
Total Liabilities	\$46,632,472.00	\$52,897,101.00	-11.84%
Net Assets	\$16,016,217.00	\$12,192,730.00	31.36%
Working Capital	\$28,572,987.00	\$12,219,818.00	133.82%
Current Ratio	2.66	1.36	95.20%
Debt to Equity	2.91	4.34	-32.89%



TRADE SURVEY

During the current investigation, contact with the subjects principals was unable to be established. Subsequently details pertaining to the company's suppliers were unable to be obtained and a trade survey could not be conducted.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.33
UK Pound	1	INR 91.72
Euro	1	INR 81.69
AUD	1	INR 51.51

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)