

DECMIL GROUP LIMITED
ABN 35 111 210 390

Preliminary final report
For the year ended 30 June 2019

Appendix 4E

Reporting period & previous corresponding period

The current reporting period is for the year ended 30 June 2019.
 The prior reporting period is for the year ended 30 June 2018.

Results for announcement to the market

				\$'000
Revenue from ordinary activities	Up	89.9%	to	663,276
Profit after tax attributable to members	Up	328.7%	to	14,018
Net profit for the period attributable to members	Up	328.7%	to	14,018

Dividends	Amount per security	Franked amount per security
<u>Financial Year Ended 30 June 2019</u>		
Final dividend	2.0¢	2.0¢
Interim dividend	1.0¢	1.0¢
<u>Financial Year Ended 30 June 2018</u>		
Final dividend [#]	-	-
Interim dividend [#]	-	-

No dividend was paid, declared or recommended for payment

Dividend payments

Date the 2019 final dividend is payable	27 September 2019
Record date to determine entitlements	6 September 2019
Date final dividend was declared	27 August 2019

Total dividends per security (interim plus final)

	2019	2018
Ordinary Securities [#]	3.0¢	-

No dividend was paid, declared or recommended for payment in 2018

Total dividends paid on all securities

	2019 \$'000	2018 \$'000
Ordinary Securities	7,148	-
Total	7,148	-

Management discussion and analysis

Revenue from continuing operations grew by 94% to \$663 million for the twelve months ended 30 June 2019 and represents record revenue growth for the Company. This was due to the Company securing several new and larger contracts in the 2018 and 2019 calendar years as market conditions improved in the Infrastructure sector.

Administrative expenses grew by 17% for the twelve months ended 30 June 2019 and at a slower rate than growth in revenue. This resulted in the Company reporting improved profit results, with earnings before interest, tax and depreciation increasing by 411% in the 2019 financial year to \$24 million.

Cashflow was also strong, with the Company generating \$22 million of operating cashflow and \$67 million of net cashflow for the twelve months ended 30 June 2019.

In August 2018 the Company raised \$50 million of new equity capital at an issue price of 80 cents per share to fund growth associated with new and larger infrastructure projects. The capital raising and positive operating cashflow resulted in the Group's balance sheet reflecting an overall net cash position of \$83.5 million at 30 June 2019, with no drawn senior secured debt and net tangible assets of \$160 million.

As at the date of this report the Company has approximately \$900 million of work in hand (contracted and preferred extending to FY22). Accordingly, the Company expects revenue to continue to grow in the financial year ended 30 June 2020 and is either shortlisted or a preferred contractor on several large contracts across all its core sectors.

Net tangible assets

Net tangible asset backing per ordinary security

30 June 2019 Cents per share	30 June 2018 Cents per share
66.99 cents	75.27 cents

Control gained or lost over entities having material effect

Not applicable.

Details of associates and joint arrangements

Decmil Southern Pty Ltd, a controlled entity of Decmil Group Limited, has a 40% participation interest in the Mordialloc JV with McConnell Dowell Constructors (Aust) Pty Ltd to complete a ~\$25m contract for an early works package for the Mordialloc Freeway project. The package involves detailed design work of the freeway link with the main works expected to be awarded by the end of 2019 upon Environmental Planning Approval.

Decmil Australia Pty Ltd, a controlled entity of Decmil Group Limited, has a 50% participation interest in the Decmil BESIX Joint Venture with joint venture partner BESIX Australia Pty Ltd to complete a ~\$21.0m contract for Fortescue Metals Group for the provision of tug infrastructure and service facilities at Anderson Point, Port Hedland in Western Australia.

Decmil Australia Pty Ltd, a controlled entity of Decmil Group Limited, is a participant in two unincorporated joint ventures with Balance Utility Solutions Pty Ltd. The first is a 25% participation interest in the delivery of a battery energy storage system for Western Power in Perenjori, Western Australia valued at \$1.6m. The second is a 67% participation interest in the construction of a 10MW solar farm in Goulburn, New South Wales and a two year operation and maintenance contract for Gullen Solar Pty Ltd valued at \$19.2m.

Material interests in entities which are not controlled entities

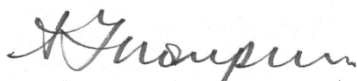
Not applicable.

Annual meeting

The annual general meeting will be held as follows:

Place	Decmil Perth Office 20 Parkland Road Osborne Park WA 6017
Date	6 November 2019
Time	10.00am (AWST)

This report is based on accounts which have been audited.



Alison Thompson
Company Secretary

Date: 29th August 2019