

**DECMIL GROUP LIMITED**  
**ABN 35 111 210 390**

**Preliminary final report**  
**For the year ended 30 June 2020**

**Appendix 4E**

**Reporting period & previous corresponding period**

The current reporting period is for the year ended 30 June 2020.  
 The prior reporting period is for the year ended 30 June 2019.

**Results for announcement to the market**

				<b>\$'000</b>
<b>Revenue from ordinary activities</b>	Down	27.8%	to	478,607
<b>Loss after tax attributable to members</b>	Down	1,101.7%	to	140,424
<b>Net loss for the period attributable to members</b>	Down	1,101.7%	to	140,424

<b>Dividends</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
<u>Financial Year Ended 30 June 2020</u>		
Final dividend <sup>#</sup>	-	-
Interim dividend <sup>#</sup>	-	-
<u>Financial Year Ended 30 June 2019</u>		
Final dividend	2.0¢	2.0¢
Interim dividend	1.0¢	1.0¢

# No dividend was paid, declared or recommended for payment

**Total dividends per security (interim plus final)**

	<b>2020</b>	<b>2019</b>
Ordinary Securities <sup>#</sup>	-	3.0¢

# No dividend was paid, declared or recommended for payment in 2020

## Total dividends paid on all securities

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Ordinary Securities	4,782	7,148
<b>Total</b>	<b>4,782</b>	<b>7,148</b>

## Management discussion and analysis

Revenue from continuing operations for the financial year ended 30 June 2020 was \$451 million compared to \$551 million in the prior year. The decline was largely the result of a reduction in the number of new contract awards during the financial year. The Company has a renewed focus on work winning with the award of several new contracts in the past few months and obtaining preferred status on the \$175 million Albany Ring Road project.

Administration expenses from continuing operations grew from \$31.3 million to \$40.2 million in the past financial year. This included significant one-off bid costs and restructuring costs to get the overhead run-rate to a more sustainable level in future periods.

The operating cash outflow of \$101.6 million was predominantly attributable to margin erosion and delayed payments on disputed contracts, and the unwinding of advance payments on other projects.

In June 2020 the Company raised \$52.4 million of new equity capital to provide working capital to pursue profitable new contract opportunities. The capital raising assisted the Group's balance sheet to reflect an overall net cash position of \$18.7 million at 30 June 2020 and net assets of \$140.8 million.

## Net tangible assets

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>Cents per share</b>	<b>Cents per share</b>
Net tangible asset backing per ordinary security	3.82 cents	66.99 cents

## Control gained or lost over entities having material effect

Decmil Construction NZ Limited, a controlled entity of Decmil Group Limited domiciled in New Zealand was placed into liquidation on 16 April 2020.

## 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 and a \$417 million main works package for the Mordialloc Freeway project. The project will link the Mornington Peninsular Freeway to the Dingley Bypass and create one continuous freeway from Frankston to Clayton.

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

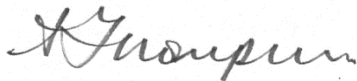
Not applicable.

### Annual meeting

The annual general meeting will be held as follows:

Place	Decmil Perth Office 20 Parkland Road Osborne Park WA 6017
Date	4 November 2020
Time	10.00am (AWST)

This report is based on accounts which have been audited.



Alison Thompson  
Company Secretary

Date: 25<sup>th</sup> August 2020