

DECMIL GROUP LIMITED
ABN 35 111 210 390

Preliminary final report
For the year ended 30 June 2021

Appendix 4E

Reporting period & previous corresponding period

The current reporting period is for the year ended 30 June 2021.
The prior reporting period is for the year ended 30 June 2020.

Results for announcement to the market

				\$'000
Revenue from ordinary activities	Down	36.5%	to	303,722
Loss after tax attributable to members	Down	91.8%	to	11,456
Net loss for the period attributable to members	Down	91.8%	to	11,456

Dividends

No dividend was declared or recommended for payment in 2020 or 2021.

Total dividends paid on all securities

	2021	2020
	\$'000	\$'000
Ordinary Securities	-	4,782
Total	-	4,782

Management discussion and analysis

Normalised revenue from continuing operations for the financial year ended 30 June 2021 was \$313 million compared to \$451 million in the prior year. Statutory revenue was \$304 million which includes a \$9.7 million write-down of a contract position from a legacy dispute.

Overheads¹ from continuing operations fell from \$41.2 million to \$26.4 million as a result of the successful restructure in early 2020.

Normalised EBITDA² from continuing operations was \$7.6 million. Reported EBITDA² was (\$2.1 million) which includes a \$9.7 million write-down of a contract position from a legacy dispute.

Operating cash flow for the financial year ended 30 June 2021 was a net outflow of \$21.7 million. Excluding the repayments of called surety bonds for the Sunraysia and RDP projects of \$24.3 million, operating cash flow was a net inflow of \$2.6m.

At 30 June 2021 the balance sheet reflected an overall net debt position of \$8.1 million compared to a net cash position in the prior year of \$18.7 million. The reduction was predominantly due to \$24.3 million of repayments of called surety bonds. Net tangible assets were \$40 million at 30 June 2021 compared to the prior year of \$49.2 million.

Net tangible assets

Net tangible asset backing per ordinary security

	30 June 2021 Cents per share	30 June 2020 Cents per share
Net tangible asset backing per ordinary security	31.04 cents	3.82 cents ³

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 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.

¹ Overheads include administration expenses and equity based payments

² Earnings before interest, tax, depreciation, amortisation and impairments

³ Before 10:1 share consolidation on 5 November 2020

Annual meeting

The annual general meeting will be held as follows:

Place

TBA

Date

11 November 2021

Time

10.00am (AWST)

This report is based on accounts which have been audited.



Ian Hobson
Company Secretary

Date: 19 August 2021