

ASX / MEDIA ANNOUNCEMENT
22 July 2021

FY21 Guidance Update and FY22 Outlook

Decmil Group Limited (ASX: DCG) (“Decmil” or “Company”) is pleased to provide an update on its EBITDA guidance for FY21.

Decmil had previously provided FY21 earnings guidance to the ASX on 4 June 2021 of EBITDA in the range of \$6 – \$10 million.

Decmil is pleased to report expected EBITDA from continuing operations of between \$7.5 million and \$8 million in FY2021 (subject to final audit).

During the Company’s FY21 audit process and following discussions with the Company’s auditors, Decmil has taken a more conservative approach to the profit position of previously announced problem contracts. Consequently, Decmil will write down \$9.7 million to the contract position for a legacy legal dispute, not included in the EBITDA from continuing operations outlined above. Importantly, Decmil does not consider there will be a resultant negative cash impact.

Decmil CEO Dickie Dique said:

“Crucially, an EBITDA from continuing operations of \$7.5-\$8 million reflects our strong operational performance and is a material improvement on FY20, returning to a positive operating EBITDA for FY21. We were able to achieve this result despite COVID-related delays shifting the award of several significant contract awards and project commencements until FY22.

“With preferred and contracted work in hand of ~\$400 million secured for FY22, we are anticipating sustainable annual revenue of \$500m+ for FY22 and robust performance from our continuing operations.”

This ASX release was authorised by the Decmil Group Limited Board.

About Decmil

Decmil Group Limited (DGL) offers a diversified range of services to the Australian resources and infrastructure industries. Companies within the group specialise in engineering and construction; accommodation services; and maintenance. Listed on the Australian Securities Exchange (ASX Code: DCG), Decmil’s goal is to maximise returns from our operations to deliver value to our shareholders, clients and other stakeholders.

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