



FULL YEAR RESULTS

—
DEC MIL GROUP LIMITED

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A photograph of a man in a yellow and blue high-visibility work shirt, a white hard hat, and safety glasses. He is leaning on a large, curved steel structure, possibly part of a ship's hull or a large industrial vessel, with his arms crossed. The background shows a hazy, industrial or construction site.

Together, we're the difference.

BUSINESS OVERVIEW



**Delivery of complex, multi-disciplinary projects
for over 40 years.**





FY23 SUMMARY

COMPANY STABILISED

- Building Work in Hand (\$550m)
- >90% jobs bid greater than \$50m, in line with tender 'sweet spot' of \$50m - \$200m
- Excellent safety performance with TRIFR of 2.6 / LTIFR of 0.0
- Executive Leadership Team established
 - Simon Barnes, Executive General Manager (Eastern Region)
 - Deon Baddock, Executive General Manager (Western Region)

IMPROVED FINANCIAL RESULT

- Demonstrating operations profitability
- FY23 Revenue of \$486m
- FY23 EBITDA of \$9m
 - EBITDA growing every quarter
- FY23 NPAT of (\$1.8m)
 - NPAT positive for FY23H2

BUOYANT PROJECT OUTLOOK

- Strong book of submitted tenders (\$3.6bn)
- Well positioned for buoyant construction segments:
 - \$83bn in committed resource projects in Australia as at Oct 2022
 - \$237bn of major public infrastructure pipeline over five years to 2025/26
 - \$35bn in Wind Farm projects committed or announced by 2030



ROADMAP TO PROFITABLE REVENUE GROWTH



FY23 STABILISE

- ☑ Settle Claims
- ☑ New Executive team
- ☑ Strengthen Balance Sheet

FY24 SIMPLIFY

- Move business toward key business metrics (gross margin > 10%)
- Build Gross margin in hand*

FY 25+ GROWTH

- Sales Revenue \$600m+
- Gross margin in hand \$60m+
- 4%-5% Target EBITDA margin

* Gross margin in hand refers to work in hand x gross margin (it is an indicator of forward gross profits).

OPERATIONAL OVERVIEW



We are solutions-focused and relentless in pursuing positive outcomes.

EXECUTIVE LEADERSHIP TEAM



- New Executive Leadership Team and structure established
- Appointments to the ELT during 2023 include Deon Baddock, Simon Barnes and Bryn Vaughan



ROD HEALE
Chief Executive Officer

Rod was appointed as a Director on 14 August 2023 and CEO on 20 June 2022. Rod brings more than 30 years' experience in the building, construction and infrastructure industry across Australia.

Prior to joining Decmil Rod was Chief Operating Officer for John Holland's Australia and Asia business. Prior to this, Rod served as a Regional Executive for Thiss, John Holland and CPB Contractors.

Rod holds a Bachelor of Engineering (Civil) from Monash University and a Master of Construction Law from The University of Melbourne. Rod is also a Fellow of Engineers Australia, a Fellow of the Australian Institute of Company Directors, and a Registered Builder in Victoria and Western Australia.



SIMON BARNES
Executive General Manager
(Eastern region)

Simon joined Decmil in November 2022 and has more than 25 years' experience in the construction industry across a range of contract models, including Alliance, Design and Construct, and Public Private Partnerships. Most recently, he was Executive Regional Manager – Southern at ACCIONA, where he has worked for 15 years including at its antecedent companies Abigroup and Lend Lease. His extensive expertise ranges from construction delivery and project governance roles, through to regional executive leadership.

Simon is a qualified Civil Engineer with a Master of Business Administration.



DEON BADDOCK
Executive General Manager
(Western region)

Deon joined Decmil in November 2022, and has more than 25 years' experience in the construction industry across a range of project models. Most recently Deon was Group Manager Risk and Commercial at NRW, where has worked since 2010. At NRW he had both operational and governance roles, which included responsibility for legal and commercial, precontracts, project controls, quality management and including oversight of major projects. Prior to NRW, Deon worked at Main Roads Western Australia (MRWA).

Deon is a qualified Civil Engineer and has a Postgraduate Certificate of Management.



PETER THOMAS
Chief Financial Officer

Peter was appointed as a Director in July 2020 and currently holds the position of interim Chief Financial Officer. He is an experienced executive in the construction and resources industry with a proven track record in delivering large construction projects, and leading commercial, financial and corporate affairs.

Peter's experience in the last decade includes CFO, CEO and Project Director roles with Fortescue Metals Group, Adani and Balla Balla Infrastructure (part of the New Zealand Todd Group).

Peter is also Chair of Australian Owned Contractors.

Peter holds an MBA (Harvard), Bachelor of Economics (Macquarie) and Bachelor of Science (Macquarie), AIAA and GAICD.



ROB CURRIE
Group Manager People & Culture

Rob joined Decmil in May 2022 and has 25 years of experience in Human Resources (HR) and Industrial Relations (IR) related roles.

He has experience working throughout Australia in the civil construction, building, telecommunications, and mining industries leading both corporate and project HR/IR teams for companies such as Lendlease, Leighton Contractors, Abigroup and Akron Roads.

Rob holds a Bachelor of Business and leads and manages Decmil's People and Culture function. He is responsible for the continued development of Decmil's organisational culture and staff engagement strategies.



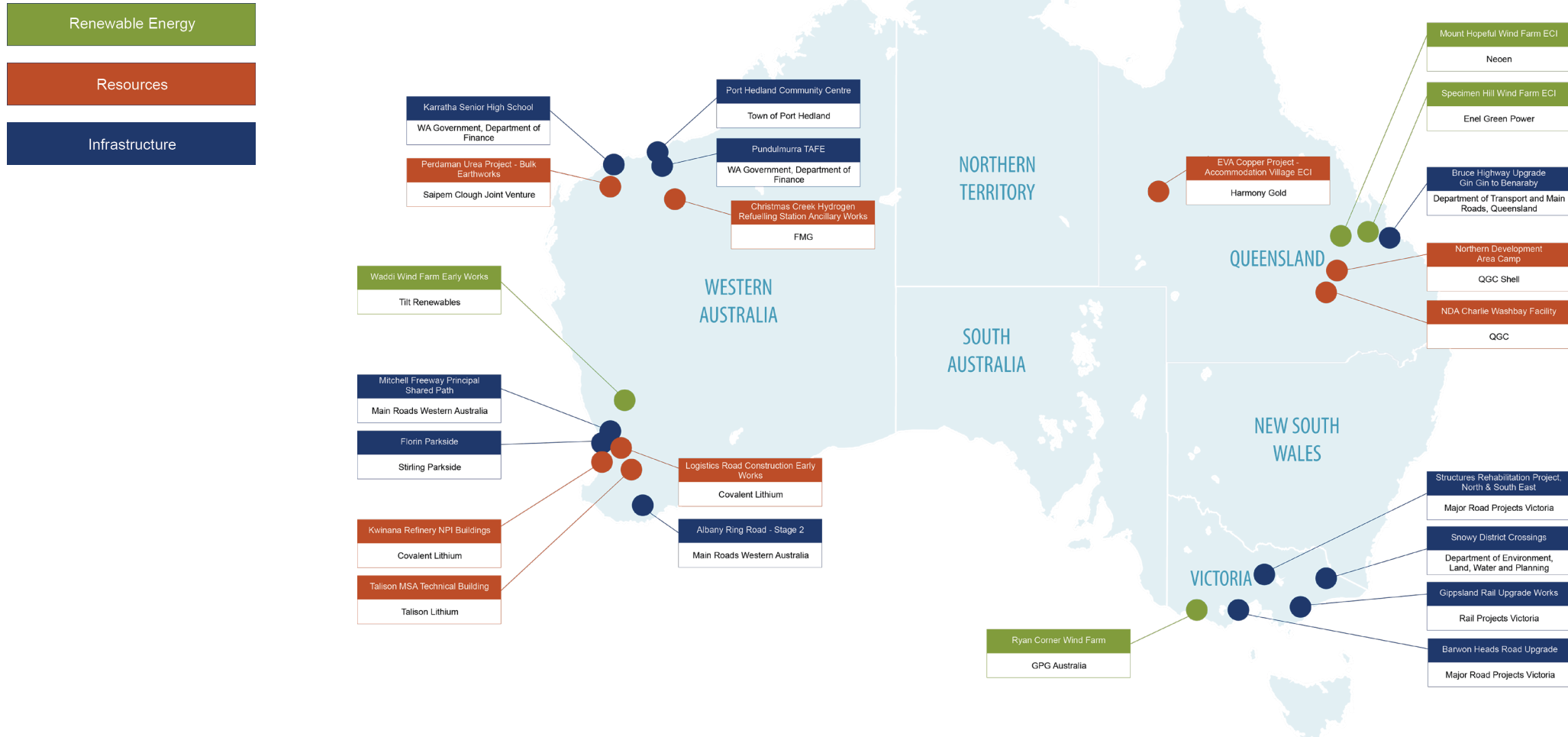
BRYN VAUGHAN
Group Manager Health, Safety,
Environment, Sustainability

Bryn joined Decmil in June 2019 and has extensive experience in HSES management for project and corporate settings across the resources, construction and services industry in Australia and New Zealand.

He is experienced in managing and leading HSES teams and has previously managed these functions for various companies including CPB Contractors (previously Leighton Contractors). He has worked across a range of project models including PPP, JV and Alliance projects.

Bryn has a Masters Degree in Occupational Health & Safety Management.

PROJECTS IN CONSTRUCTION OR COMPLETED IN FY23





PROJECT HIGHLIGHTS resources



FMG Hydrogen Refuelling Station (WA)

Completion of Hydrogen Refuelling Station Ancillary Works at Christmas Creek mine.



QGC NDA Charlie Washbay Facility (Qld)

Completion of washbay facility for QGC's Sustaining Wells project in the Northern Development Area.



Covalent Mount Holland Lithium Project (WA)

Construction of NPI buildings at Kwinana Refinery.

Commenced early works for Logistics Road at Mount Holland.



Talison MSA Project – Technical Services Building (WA)

Completion of the Technical Services Building for Talison Lithium.





PROJECT HIGHLIGHTS infrastructure



Albany Ring Road Project (WA)

Stage 2 commenced, following on from successful delivery of Stage 1.



Barwon Heads Road Upgrade Project (Vic)

Project successfully completed six months ahead of schedule.



Structures Rehabilitation Program (Vic)

Completed with project achieving outstanding customer satisfaction score of 88.3% as per Major Road Project Victoria's audit.



Gippsland Line Upgrade Project (Vic)

As part of VicConnect Alliance, the project works continue to track well.





PROJECT HIGHLIGHTS renewables



Ryans Corner Wind Farm (Vic)

Civil Balance of Plant works progress at Ryan Corner Wind Farm in Vic.



Waddi Wind Farm (WA)

Commenced early works for Waddi Wind Farm in WA.



Mount Hopeful (Qld)

Commenced ECI for Mount Hopeful in Qld.



Specimen Hill (Qld)

Commenced ECI for Specimen Hill in Qld.





SAFETY

- ISO 45001 certification
- Office of the Federal Safety Commissioner (OFSC) certification
- TRIFR 2.6
- LTIFR 0

ENVIRONMENT

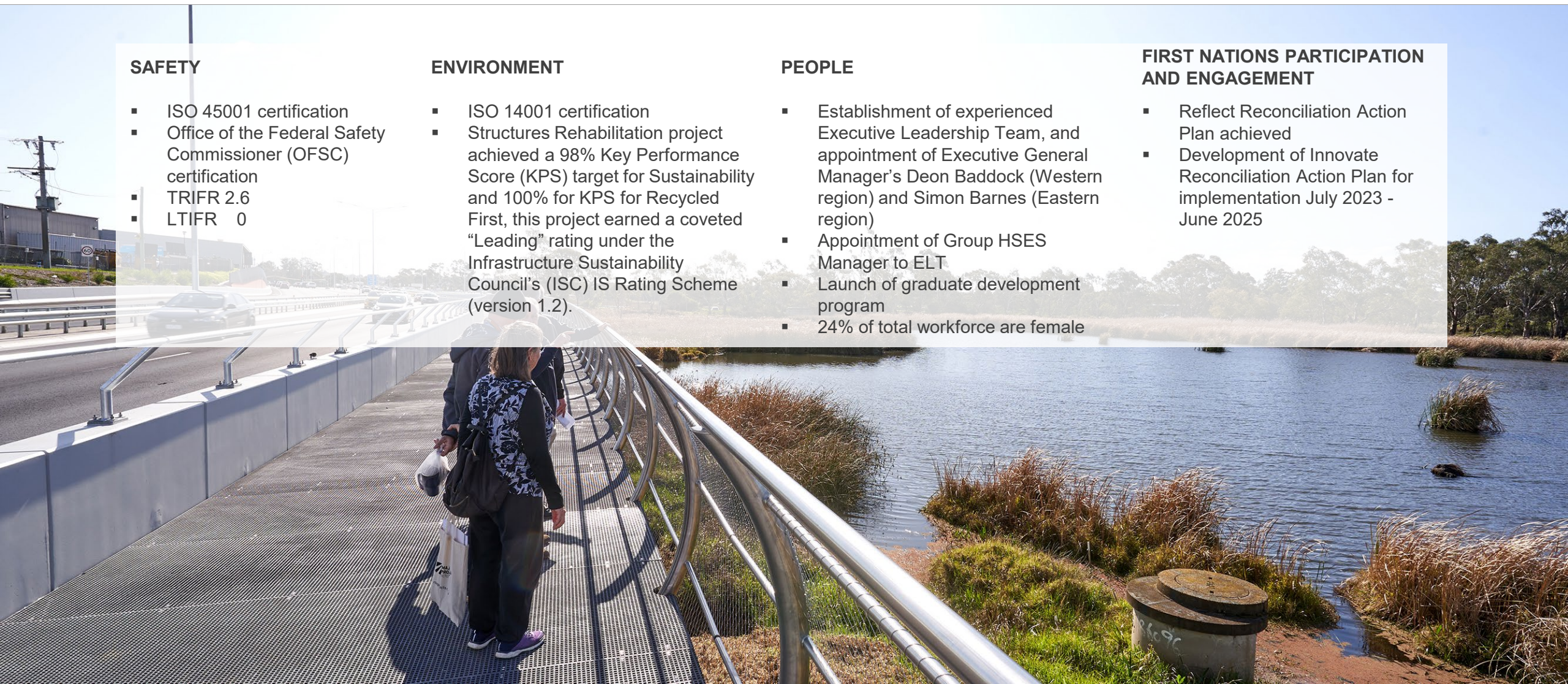
- ISO 14001 certification
- Structures Rehabilitation project achieved a 98% Key Performance Score (KPS) target for Sustainability and 100% for KPS for Recycled First, this project earned a coveted “Leading” rating under the Infrastructure Sustainability Council’s (ISC) IS Rating Scheme (version 1.2).

PEOPLE

- Establishment of experienced Executive Leadership Team, and appointment of Executive General Manager’s Deon Baddock (Western region) and Simon Barnes (Eastern region)
- Appointment of Group HSES Manager to ELT
- Launch of graduate development program
- 24% of total workforce are female

FIRST NATIONS PARTICIPATION AND ENGAGEMENT

- Reflect Reconciliation Action Plan achieved
- Development of Innovate Reconciliation Action Plan for implementation July 2023 - June 2025



FINANCIAL OVERVIEW



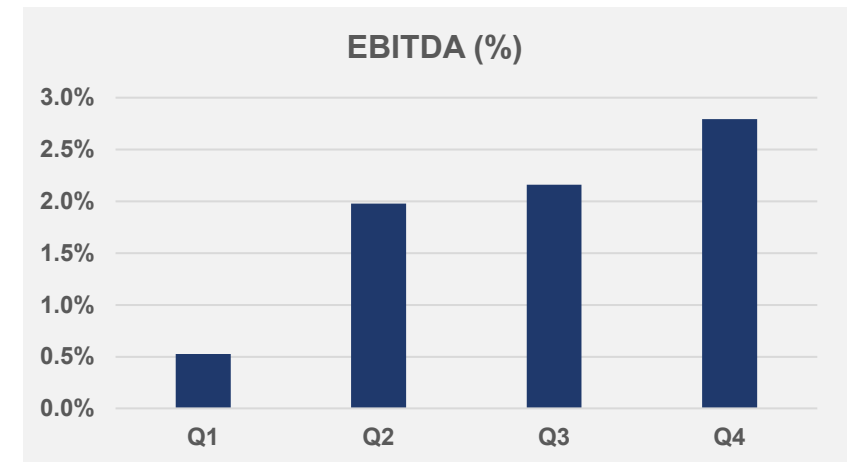
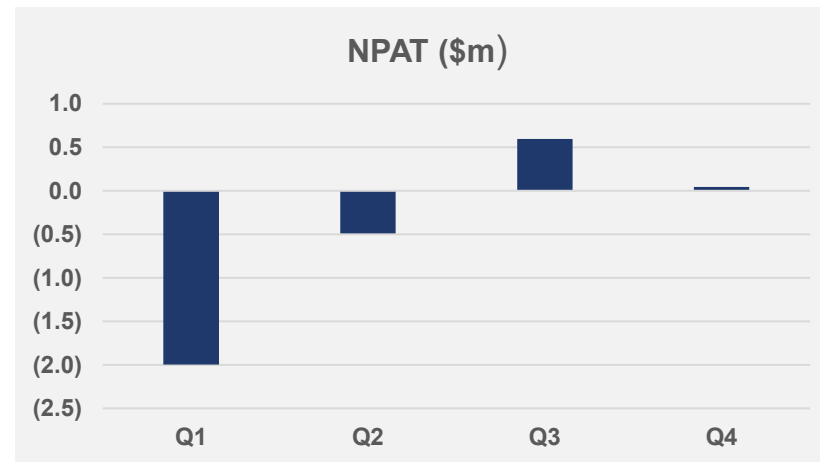
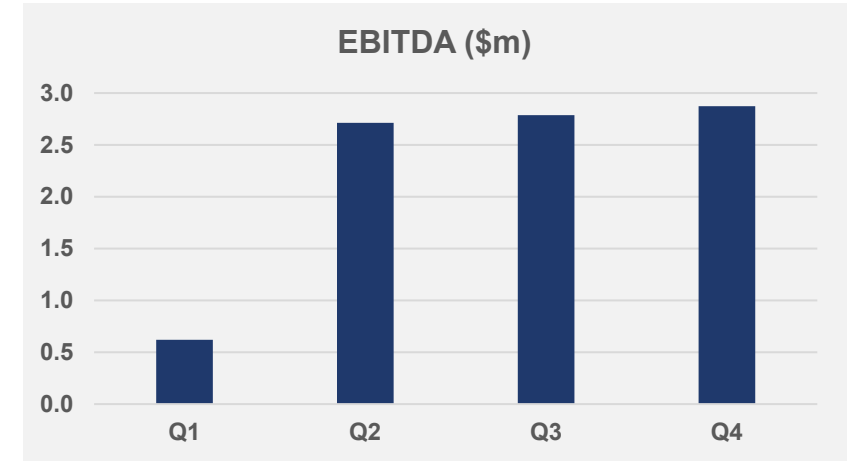
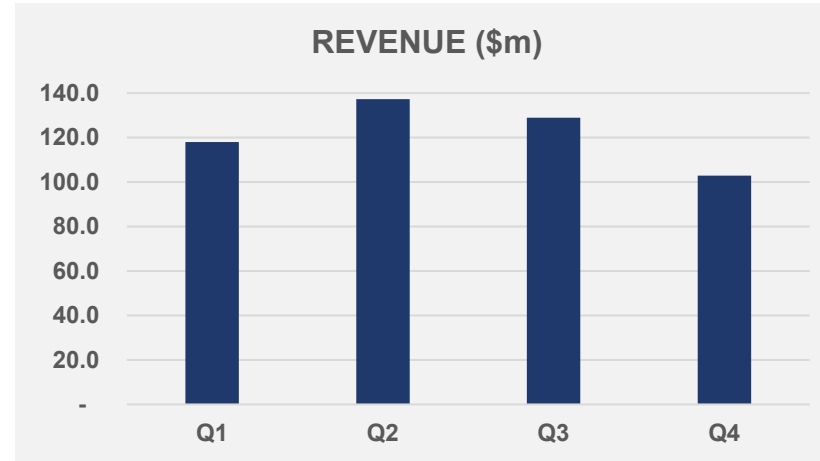
Continuing to build financial strength.



REVENUE & EARNINGS



- EBITDA and EBITDA % increasing quarter on quarter
- Positive NPAT for 2HFY23





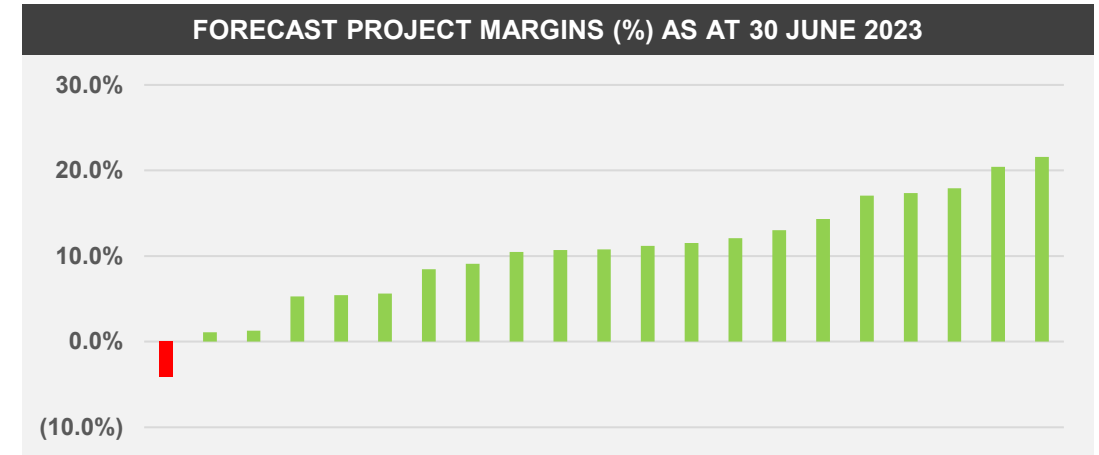
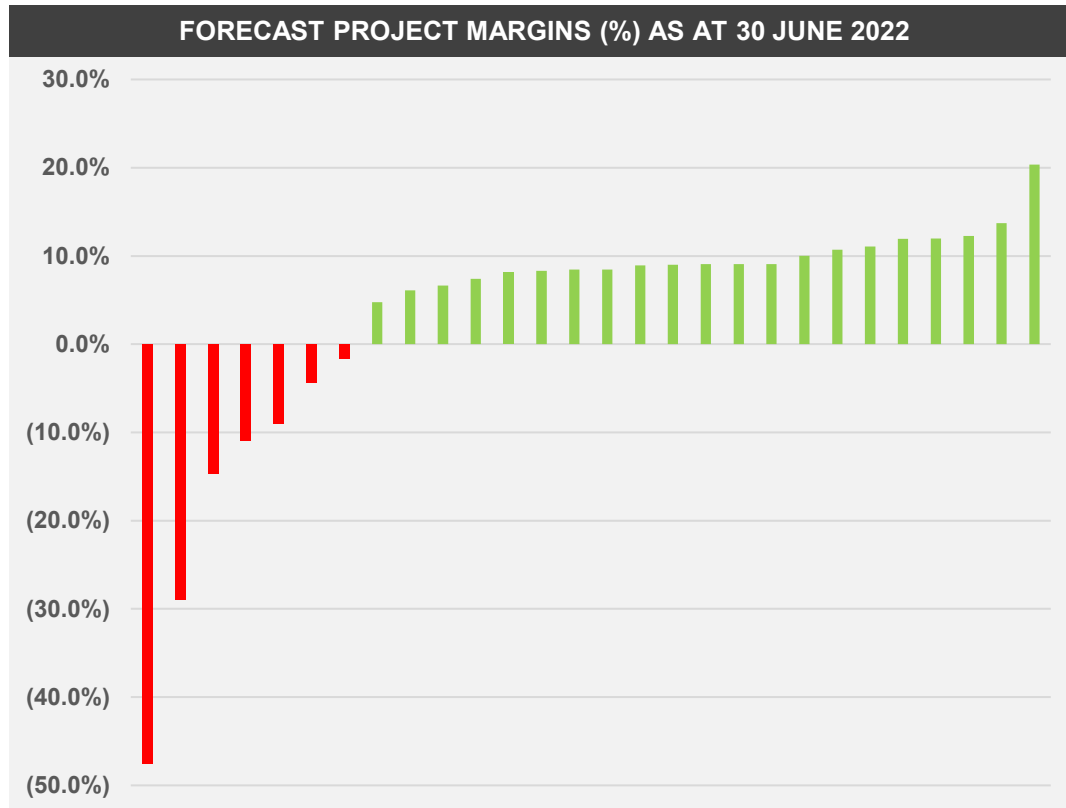
BALANCE SHEET



\$ million	June 2022	June 2023	June 2023 Proforma
Cash and cash equivalents	39.3	3.7	3.7
Trade and other receivables	37.2	40.8	46.7
Contract assets	16.2	33.8	33.8
Non-current asset held for sale	56.9	57.0	57.0
Other current assets	5.8	6.4	6.4
TOTAL CURRENT ASSETS	155.4	141.7	147.6
Plant and equipment	8.0	8.7	8.7
Right-of-use assets	11.0	8.4	8.4
Intangible assets	50.0	50.0	50.0
TOTAL NON-CURRENT ASSETS	69.0	67.1	67.1
TOTAL ASSETS	224.4	208.8	214.7
Trade and other payables	73.3	84.4	84.4
Contract liabilities	42.0	14.7	14.7
Borrowings	19.4	8.5	0.3
Leasing liabilities	4.2	3.5	3.5
Provisions	5.0	3.5	3.5
TOTAL CURRENT LIABILITIES	143.9	114.5	106.3
Trade and other payables	10.9	6.9	6.9
Borrowings	17.9	18.7	26.9
Leasing liabilities	13.1	9.5	9.5
Provisions	0.3	0.4	0.4
TOTAL NON-CURRENT LIABILITIES	42.2	35.5	43.7
TOTAL LIABILITIES	186.1	150.1	150.1
NET ASSETS	38.3	58.7	64.6
Working capital	11.5	27.1	41.3
Net tangible assets	(11.7)	8.7	14.6
Quick ratio %	68%	74%	85%

- Working capital, net tangible assets and quick ratio all increased from FY22
- Only \$4.3 million (net of fees) of the \$26.3 million capital raise recognised as cash at 30 June 2023 with the balance received by mid-July 2023
- Equity recognises \$20 million capital raise proceeds, which eventually closed at \$26.3 million in July 2023
- Had the capital raise been completed by 30 June 2023, an additional \$5.9 million (net of fees) would have been recognised in equity (increasing working capital by \$5.9 million and net assets by \$5.9 million)
- \$40m multi option facility with NAB renegotiated with no overdraft sublimits and overdraft rate reduction of 200bps
- Additional bonding capacity of \$8m with AssetInsure/SR secured

PROJECT MARGINS AND PORTFOLIO PERFORMANCE IMPROVED



- Forecast gross margins provided are for projects that are <98% complete, i.e. continuing projects
- Forecast project loss is for a project nearing completion, with forecast loss of <\$1m

OUTLOOK



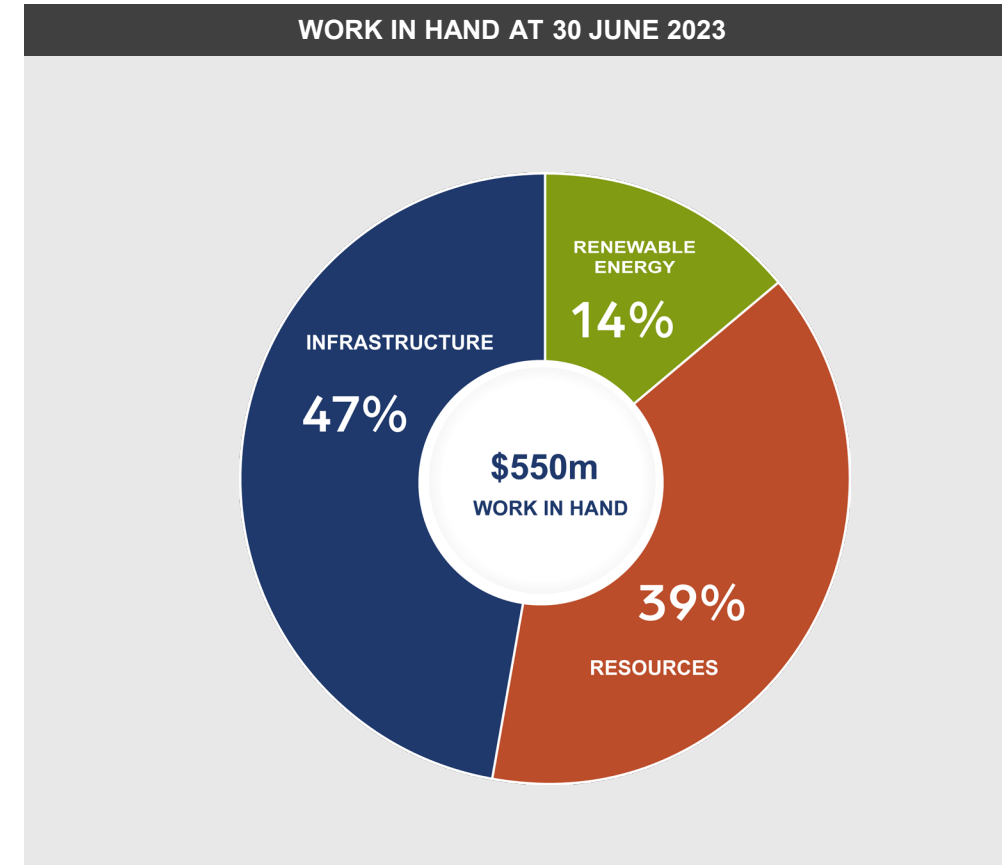
**Well positioned for buoyant construction sectors –
resources, infrastructure and renewables.**



WORK IN HAND

\$550m Work In Hand (at 30 June 2023)

- \$240 million work in hand contracted to FY26
- \$310 million preferred to FY26
- \$345 million contracted and preferred for FY24 (including revenue recognised YTD)
- Gross margin in hand of \$40m





ADDRESSABLE MARKET



Resources: \$83bn

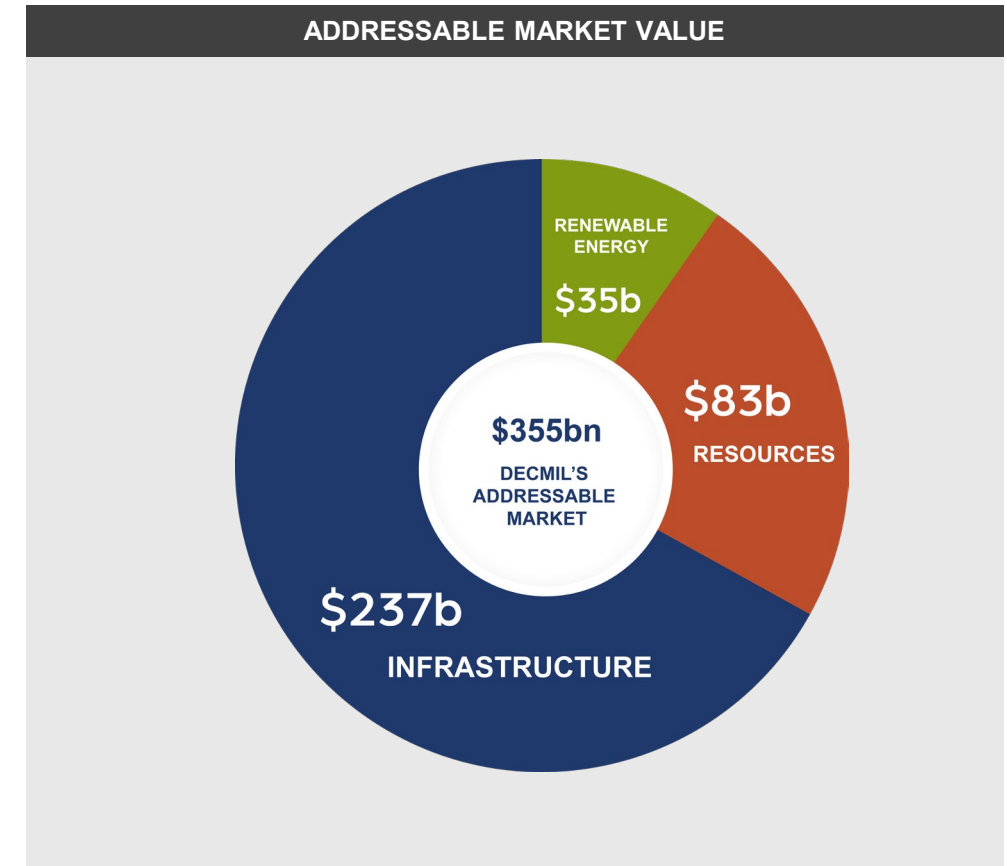
- Committed resource projects in Australia, with \$63bn of these in Western Australia as at Oct 2022^{*1}

Renewable Energy: \$35bn

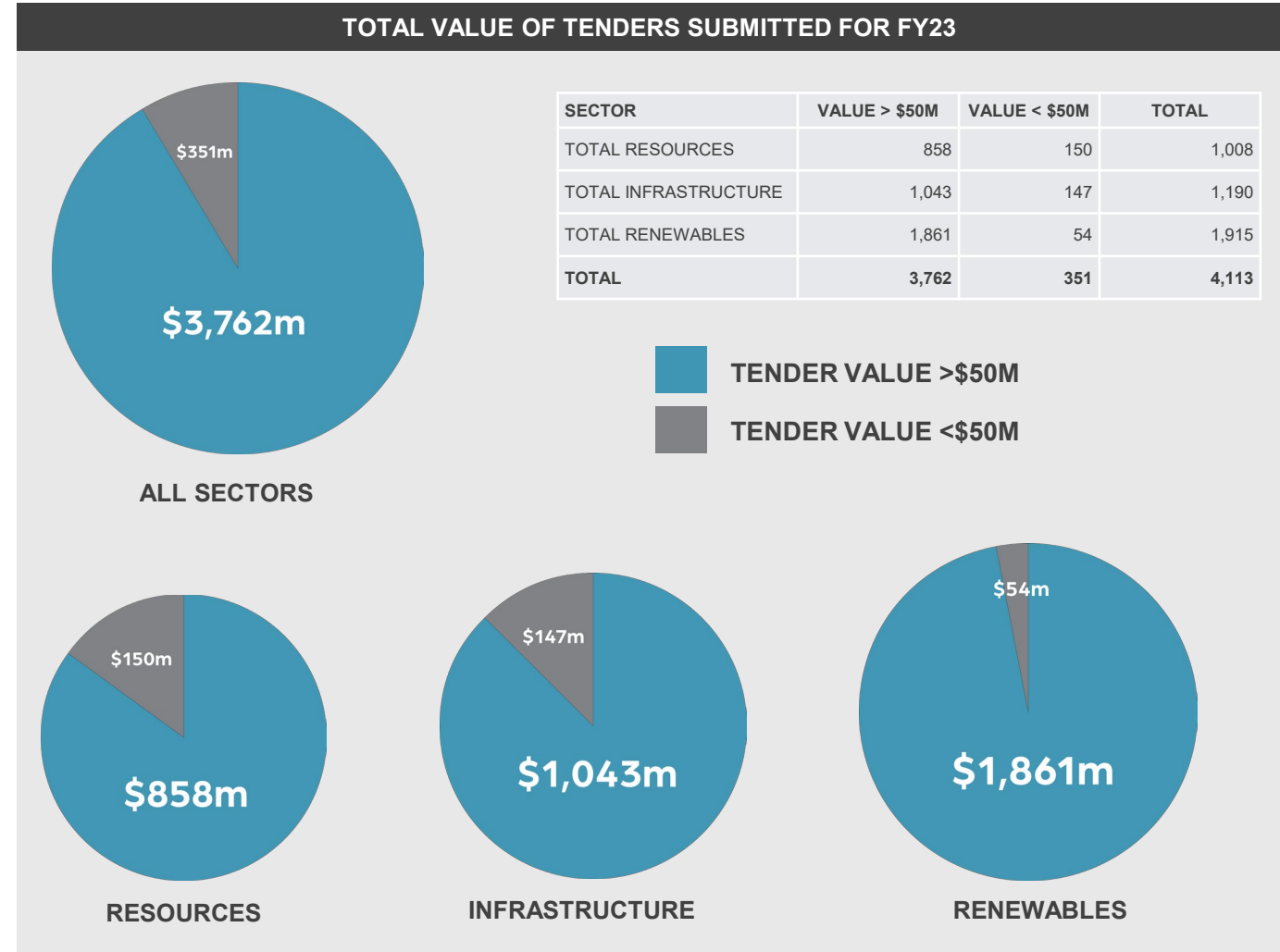
- Eastern States comprise 50GW wind farm projects committed or announced, with an estimated CBOP of \$27bn by 2030^{*2}
- Western Australia comprise 21GW wind farm projects committed or announced, with an estimated CBOP of \$8bn by 2030^{*3}

Infrastructure: \$237bn

- Value of major public infrastructure pipeline over five years from 2021/22-2025/26^{*4}



- \$4b+ work tendered for during FY23
- More selective tendering on larger projects with equitable risk allocation and more appropriate commercial terms
- Target tender value is \$50m-\$200m
- Symal and Decmil signed an MOU in Aug 2023 to jointly tender on five wind farm projects in NSW and Queensland

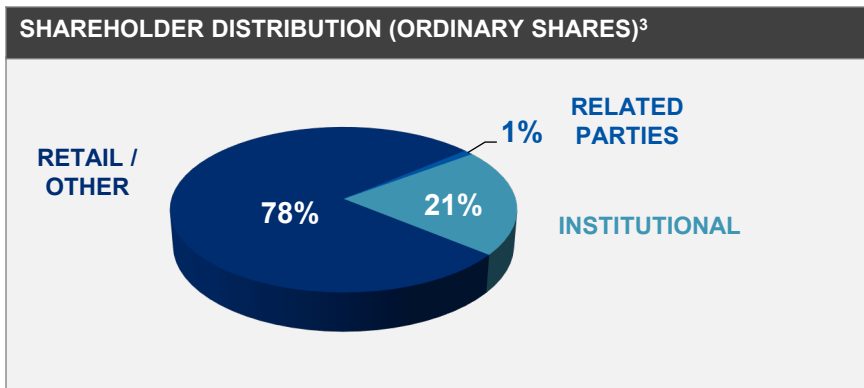




CORPORATE SNAPSHOT

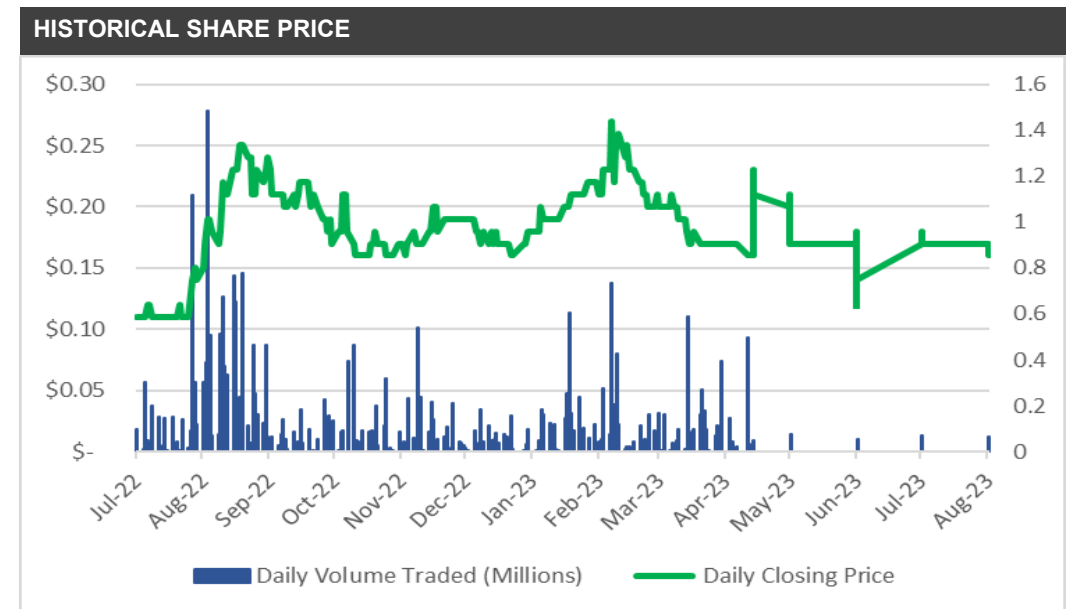


CAPITAL STRUCTURE		
Fully Paid Ordinary Shares (Ordinary) ¹	m	155.6
Redeemable Convertible Preference Shares (RCPS) ¹	m	131.4
Performance rights, options and warrants ¹	m	85.5
Share price ¹	A\$	0.155
Market capitalisation (Ordinary and RCPS) ¹	A\$m	50.4
Cash ²	A\$m	3.7
Borrowings ²	A\$m	27.2



SUBSTANTIAL SHAREHOLDERS - ORDINARY ³	
TIGA Trading	19.9%
Franco	7.1%

BOARD & COMPANY SECRETARY	
Andrew Barclay	Chair
Rod Heale	Executive Director / Chief Executive Officer
Peter Thomas	Executive Director / Chief Financial Officer
Vin Vassallo	Non-Executive Director
David Steele	Non-Executive Director
Peter Coppini	Company Secretary



¹ As at 18 August 2023.

² As at 31 July 2023.

³ As at 25 July 2023.

BOARD OF DIRECTORS



Andrew Barclay – Chair

Andrew was appointed as Chair of Decmil in July 2020. Andrew is a former partner of the Perth office of Mallesons Stephen Jacques (now King & Wood Mallesons) with over 30 years' experience in major projects, mining, banking and finance and insolvency matters.

In private practice Andrew has been involved in significant Western Australian infrastructure and mining projects, and major Western Australian corporate insolvencies. More recently Andrew has acted as in-house counsel at Fortescue Metals Group and Roy Hill Holdings.

Andrew holds a Bachelor of Laws (Hons) and Bachelor of Economics.



Rod Heale – CEO

Rod was appointed as a Director on 14 August 2023 and CEO on 20 June 2022. Rod brings more than 30 years' experience in the building, construction and infrastructure industry across Australia.

Prior to joining Decmil Rod was Chief Operating Officer for John Holland's Australia and Asia business. Prior to this, Rod served as a Regional Executive for Thiess, John Holland and CPB Contractors.

Rod holds a Bachelor of Engineering (Civil) from Monash University and a Master of Construction Law from The University of Melbourne. Rod is also a Fellow of Engineers Australia, a Fellow of the Australian Institute of Company Directors, and a Registered Builder in Victoria and Western Australia.



Peter Thomas - CFO

Peter was appointed as a Director in July 2020 and currently holds the position of interim Chief Financial Officer. He is an experienced executive in the construction and resources industry with a proven track record in delivering large construction projects, and leading commercial, financial and corporate affairs.

Peter's experience in the last decade includes CFO, CEO and Project Director roles with Fortescue Metals Group, Adani and Balla Balla Infrastructure (part of the New Zealand Todd Group).

Peter is also Chair of Australian Owned Contractors.

Peter holds an MBA (Harvard), Bachelor of Economics (Macquarie) and Bachelor of Science (Macquarie), AIAA and GAICD.



Vin Vassallo

Vin was appointed as a Non-Executive Director in June 2021 and held the position of interim Chief Executive Officer during the period April 2022 to June 2022. Vin has over 25 years of experience in the Australian infrastructure sector, including 14 years at Transurban. Vin has previously been Executive Regional Manager for Abigroup Contractors, an Australian infrastructure contractor, and various senior executive roles at Transurban.

Vin has recently taken the role of Group Executive – Electricity Transmission at APA Group and is an Executive Director at Olla Advisor.

Vin holds a Bachelor of Engineering, specialising in civil engineering.



David Steele

David was appointed as a Non-Executive Director in June 2021. David has over 35 years' experience in the resources, energy and infrastructure sectors globally, having been with Worley for 17 years.

David has worked in Queensland, WA and overseas. He has served as the Regional Managing Director of Asia and the Middle East, and then as Group Managing Director based in Houston, USA.

David holds a Bachelor of Engineering, specialising in electrical engineering.



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