



Interim Financial Results

For the half year ended 31 December 2017



INFRASTRUCTURE | RENEWABLES | RESOURCES

Our Business

National contractor in Infrastructure, Resources and Renewables



H1FY18 Group Highlights

FINANCIAL



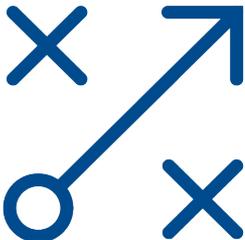
- Revenue of \$140.8m
- EBITDA from continuing operations of \$1.3m
- \$18.9m net cash position
- Net tangible assets of \$129.8m

OPERATIONS



- Early works at BHP South Flank and award of main village project
- Expansion of business in New Zealand including \$60 million modular prisons Corrections project
- \$100 million of new transport infrastructure work secured in Victoria
- Completion of the Gullen solar project and secured an MOU for a \$275 million EPC contract for Sunraysia project
- Exit of non-core operations in telecommunications and design consulting

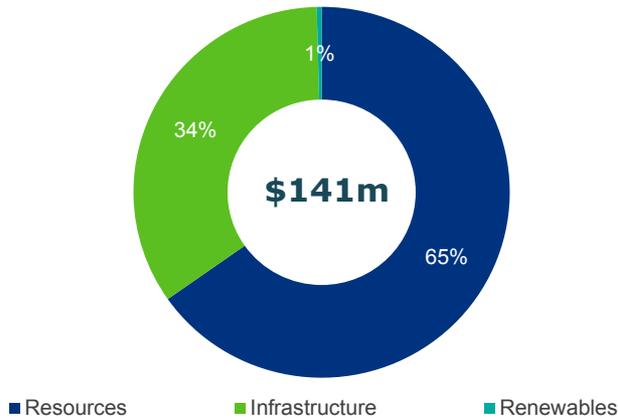
OUTLOOK



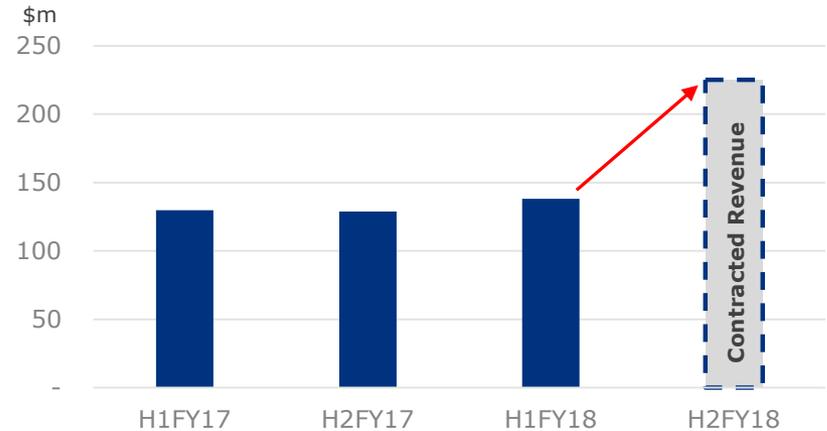
- Improvement in the Group's core sectors of natural resources, infrastructure and renewable energy
- Strong revenue growth expected in H2FY18 based on recent contract wins
- FY19 revenue expected to exceed \$500 million

H1FY18 Financial Highlights

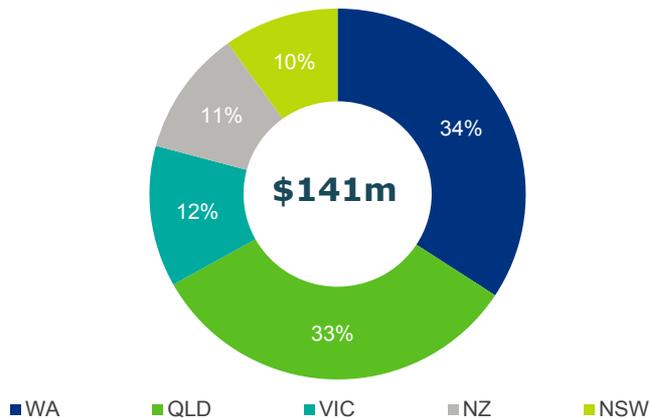
H1FY18 revenue by sector



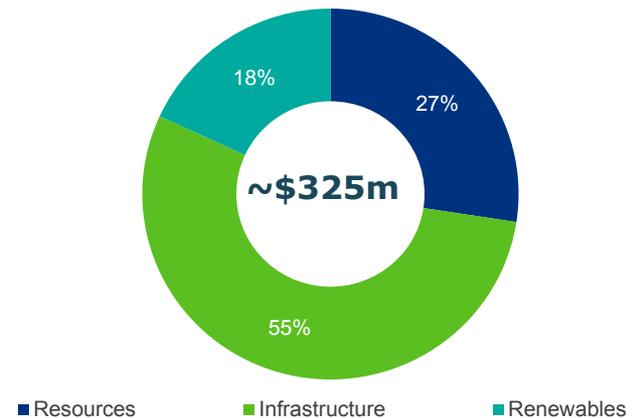
FY17 & FY18 C&E half-on-half



H1FY18 revenue by geography



FY19 order book¹ by sector



Note 1: order book includes contracted work in hand and visible revenue at 28 February 2018, but does not include amounts in connection with Sunraysia Solar Farm

H1FY18 Financial Highlights

New contracts to drive revenue growth in H2FY18 and FY19

- Revenue steady and at a comparable level to H1FY17
- New contracts and strong pipeline expected to contribute to revenue growth in H2FY18 and FY19
- Group wide focus on improving operational and commercial performance on projects
- Operating cash flow \$1.7m
- Significant bidding activity and bid costs in H1FY18
- H1FY18 overhead of \$15.7m – includes bid costs expected to be recovered on award of new projects
- Overhead targeted to reduce to ~6% of revenue in H2FY18 and ~5% in FY19
- Overhead control together with increasing revenue levels will drive improvement in EBITDA margins in H2FY18 and in FY19
- Exit of non-core operations in telecommunications and design consultancy

Group Balance Sheet

Net cash with tangible asset base

- Net assets of \$205.3m
- Tangible net assets of \$129.8m
- Net cash of \$18.9m
- Significant bonding capacity and working capital funding facilities

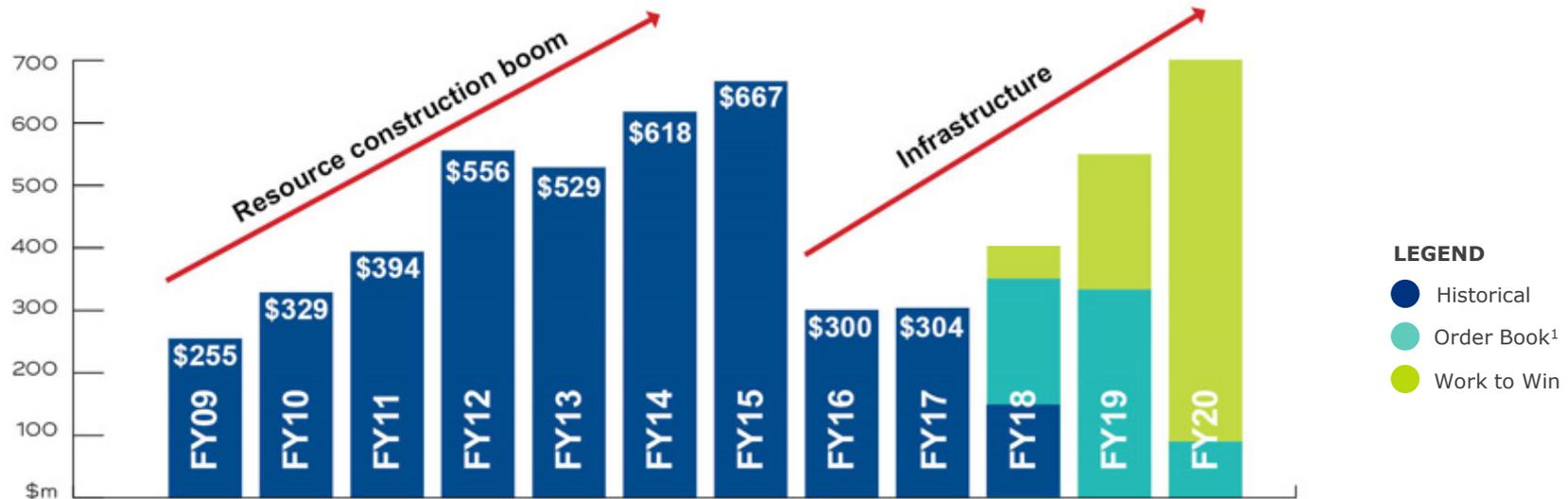
Financing Facilities Summary (\$m)

Type	Drawn	Available	Total
<i>Bonding</i>			
Surety	46.3	103.7	150.0
Bank Guarantees	2.4	17.6	20.0
Total	48.7	121.3	170.0
<i>Working Capital</i>			
Overdraft	-	20.0	20.0
Trade Finance	5.1	14.9	20.0
Corporate Markets	-	25.0	25.0



Our Business Plan

Drive growth from Resources, Infrastructure and Renewable Energy sectors



- Growth from FY10 to FY15 driven by the Iron Ore and LNG construction boom
- Business stabilisation and diversification in FY16 and FY17 – progressive movement to public infrastructure and geographic diversification
- Revenue replacement underway with expected revenue growth from FY18 to FY20 due to shift in construction and engineering cycle to public infrastructure
- Key growth drivers will be Resources (largely WA Iron Ore), Infrastructure (Transport, Defence, Corrections, Education) and Renewables (Solar and Wind)

Note 1: order book includes contracted work in hand and visible revenue at 28 February 2018, but does not include amounts in connection with Sunraysia Solar Farm

Recent Project Wins

Recently awarded contracts in Infrastructure and Resources

Sector	Recent Wins	Details
	Warncoort Road	<ul style="list-style-type: none"> • Client: VicRoads • Value: \$60m • Scope: Design & Construct – Road Upgrade • Timing: late 2017 – mid 2019
	Plenty Road	<ul style="list-style-type: none"> • Client: VicRoads • Value: \$30m • Scope: Design & Construct – Road Upgrade • Timing: early 2018 – mid 2019
	NZ Modular Prison	<ul style="list-style-type: none"> • Client: NZ Corrections • Value: NZ\$60m • Scope: Design & Construct Correctional Facility • Timing: late 2017 – late 2018
	Mulla Mulla Village	<ul style="list-style-type: none"> • Client: BHP Iron Ore • Value: \$105m • Scope: Construct • Timing: late 2017 – early 2019

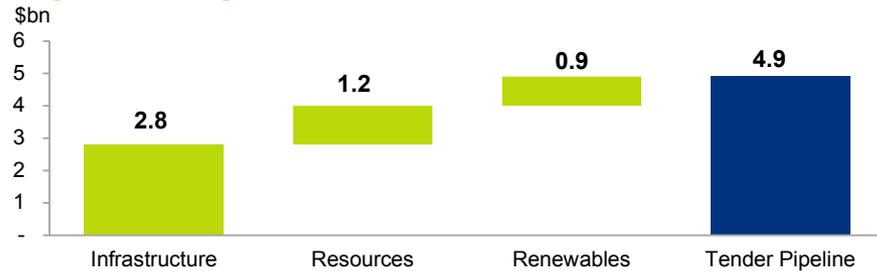
 Infrastructure

 Resources

Tender Pipeline

Tender pipeline includes a number of significant infrastructure projects

Pipeline by Sector



Current tender pipeline at historical conversion rates supports anticipated revenue growth to FY20



Largest tender pipeline in recent years – can be more selective on opportunities

Key Opportunities *(individual opportunities range between \$50m and \$300m)*

Project	Region	Client	Sector	Scope
Plenty Road Duplication Stage 2	VIC	Vic Roads	Infrastructure	D&C Road Upgrade
Drysdale Bypass	VIC	Vic Roads	Infrastructure	D&C Road Upgrade
M80 Road Upgrade	VIC	Vic Roads	Infrastructure	D&C Road Upgrade
Main River Crossing – Echucha Moama Project	VIC	Vic Roads	Infrastructure	D&C Single Span Structure over Murray River
Newell Highway	NSW	RMS	Infrastructure	D&C Road Upgrade
Correction Facilities	NZ	NZ Corrections	Infrastructure	D&C Modular Buildings
Explosive Ordinates	WA & NT	Defence	Infrastructure	D&C Enabling Infrastructure
Joint Health Command Packages	National	Defence	Infrastructure	Construction of Health Facilities
Pipeline Maintenance & Related Services	QLD	QGC/Shell	Resources	Schedule of Rates - Maintenance
South Flank NPI	WA	BHP	Resources	D&C Non Process Infrastructure
Koodaideri NPI	WA	Rio Tinto	Resources	D&C Non Process Infrastructure
Western Hub NPI	WA	FMG	Resources	D&C Non Process Infrastructure
Warradarge Wind Farm	WA	Turbine OEM	Renewables	Wind Farm Balance of Plant
Utility Scale Solar Projects	National	Renewable Developers	Renewables	Multiple Solar EPC Projects

Homeground

Major planned maintenance cycle for Gladstone LNG projects to commence in 2019

- Occupancy of ~10% for H1FY18
- Break-even occupancy at 9 - 10% with usual sustaining maintenance
- 2018 occupancy likely to remain subdued
- Possibility for improvement in calendar 2019 as major planned maintenance cycle commences for Gladstone LNG projects and better LNG market conditions
- Surplus asset given current focus of the Group – continuous assessment of alternate use and monetisation options



Outlook

Market conditions strong in core sectors

- Diversified business, sound balance sheet and improved market conditions
- Expect strong revenue growth in H2FY18 based on recent contract wins
- FY19 revenue expected to exceed \$500m – current FY19 work in hand and visible revenue already stands at ~\$325m
- Sunraysia solar project provides significant upside to FY19 revenue expectation if financial close achieved
- Overhead control together with increasing revenue levels will drive improved EBITDA margins in H2FY18 and in FY19
- Current tender pipeline includes a number of significant infrastructure projects, is the largest in recent years and supports revenue growth potential to FY20

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Thankyou!