



GR ENGINEERING SERVICES
ENGINEERING CONSULTANTS AND CONTRACTORS

ASX RELEASE

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For immediate release to the market

HY21 FINANCIAL RESULTS

HY21 Results Summary

- Revenue: \$176.4 million (HY20: \$95.3 million)
- EBITDA: \$14.2 million (HY20 EBITDA Loss: \$15.4 million)
- Profit Before Tax: \$12.6 million (HY20 Loss Before Tax: \$16.7 million)
- Interim dividend: 5.0cps (fully franked) (HY20: 2.0cps (unfranked))
- Cash: \$52.8 million (31 December 2019: \$20.7 million)

GR Engineering Services Limited (ASX:GNG) (**GR Engineering** or **Company**) today announced its financial results for the half year ended 31 December 2020 (**HY21**).

Overview

GR Engineering reported HY21 revenue of \$176.4 million representing an 85% increase from the half year ended 31 December 2020 (**HY20**). The HY21 EBITDA increased significantly to \$14.2 million, representing a strong turnaround from the HY20 results.

The Board has resolved to declare an interim dividend of 5.0 cents per share, fully franked in light of the Company's strong operating cash flow and balance sheet. Cash increased by \$32.1 million to \$52.8 million during the period from 31 December 2019 to 31 December 2020.

Commenting on the Company's HY21 performance, GR Engineering's Managing Director, Mr Geoff Jones, said:

"The first half of FY21 was characterised by heightened project and operations and maintenance activity across both the minerals processing and oil and gas services businesses. These increased levels of activity have generated strong revenue and earnings results during HY21 and this trend is expected to continue into the second half."

GR Engineering has been able to successfully increase its pipeline of ongoing and near term prospective projects by being awarded significant contracts across a broad base of commodities, including precious metals, base metals and industrial minerals. This has resulted in increased visibility in revenue and earnings for the remainder of FY21 and in future years.

The Company has maintained a strong balance sheet and it was pleasing to note the strong cashflow generation during HY21 which is expected to continue into the second half of the year and FY22. This combined with the strong order book, leaves the Company well placed to continue to deliver returns to its shareholders.

GR Engineering continues to navigate through the impact of the COVID-19 pandemic. Whilst providing challenges, the commitment and response of the team to COVID-19 has been excellent."

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HY21 Results Summary

A summary of the HY21 financial results follow:

		HY21	HY20
Revenue from operations	\$m	176.4	95.3
EBITDA	\$m	14.2	(15.4)
PBT	\$m	12.6	(16.7)
NPAT	\$m	8.5	(11.2)
Basic EPS	cps	5.5	(7.3)
Net Operating Cashflow	\$m	17.8	(7.5)
		HY21	FY20
Cash	\$m	52.8	37.5
Total Equity	\$m	36.4	34.7

Outlook

As previously announced, GR Engineering increased its FY21 revenue guidance, from a range of \$280 million to \$300 million, to a range of \$340 million to \$360 million. GR Engineering reaffirms the updated revenue guidance.

Dividend

An interim dividend of 5.0 cents per share (fully franked) has been declared. The ex-dividend date is 11 March 2021 and the record date is 12 March 2021. The interim dividend is payable on 1 April 2021.

Further Information

Please refer to GR Engineering's HY21 Reviewed Financial Report for further information.

Ends.

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