Appendix 4E

Preliminary Final Report
Results for Announcement to the Market

31 August 2020, Melbourne: EVZ Limited (ASX: EVZ) has delivered its Preliminary Final Results for the year ending 30 June 2020. The Directors are pleased to confirm Revenue and EBITDA results are in line with guidance provided to the market on 6 August 2020.

Results Summary	FY2020 $	FY2019 $	Change $	Change %
Revenue from ordinary activities	**66,224,710**	78,042,293	*(11,817,583)*	*-15%*
EBITDA	**(445,815)**	2,887,673	*(3,333,488)*	*-115%*
Profit/(loss) before finance costs and income tax	**(2,037,772)**	2,140,373	*(4,178,145)*	*-195%*
Profit/(loss) from ordinary activities before tax	**(2,759,936)**	1,728,418	*(4,488,354)*	
Profit/(loss) from ordinary activities after tax	**(2,751,440)**	1,624,975	*(4,376,415)*	
Earnings per share (cents)	**(2.86)**	1.74		

The financial information provided in this report remains subject to finalisation of the audit process.

COMMENTARY

The Directors provide the following comments for the financial year:

- Following a disappointing first half to FY2020 result (EBITDA loss - $1.6M) the group recovered to deliver a profitable second half and record a consolidated full year EBITDA loss of $0.4M. Included in this result is settlement of the outstanding negotiated claims on the Victorian Crude Tank project that were resolved and paid upon successful completion of the project in June 2020.
- Sales revenue reduced from FY2019 due to the completion of larger projects and the slower commencement of new larger projects in the liquid fuels sector.
- The company agreed with Commonwealth Bank an extension of its existing banking facility on the same terms until 31 October 2021.
- The impact of COVID-19 on project delivery timelines and customer site access peaked in April and May before returning to conditions more closely aligned to normal

operations by mid-June 2020. The group was able to access to the Jobkeeper Payment for Q2 and Q3 2020.

OUTLOOK

EVZ Limited operates three business subsidiaries that are well positioned in their chosen markets.

BROCKMAN ENGINEERING

Brockman is one of Australia's leading and most capable specialist mechanical contractors servicing the oil and fuel industry; providing unsurpassed bulk storage tank and pipework design and construction services in addition to shutdown maintenance services for critical repair and plant improvement.

Brockman currently has a consistent workload for the ensuing six months including a range of tank construction projects and is actively bidding and providing advisory roles on new and upcoming larger scale projects in the fuel terminal and refinery sector. Currently delivering projects for United Energy, Viva Energy, and Melbourne Water, further projects are expected to be secured in 2021 to underpin sales in 2HFY21 and FY22.

The outlook for Brockman is aligned with the predicted level of activity in the oil industry as the fuel supply chain continues to respond to rising population activity and government policy in response to Australia's liquid fuel security limitations. Brockman are seeking to exploit a market opportunity as a mid-tier provider of value-added services to the fuel industry.

SYFON SYSTEMS

Syfon Systems is the leading syphonic roof stormwater drainage company in Australia and South East Asia. Holding greater than 75% market share in Australia and Malaysia, Syfon remains committed to expanding in Vietnam and subsequent other Asian countries when international movement restrictions are lifted to continue a progressive geographic expansion strategy.

The outlook for Syfon in Australia is growth aligning with the building and construction sector cycle and increased market share. Syfon is consistently appointed in major construction projects across the region. Growth outlook in Asia is expected to be more limited in the short term until all international travel restrictions are lifted. In the medium term this business will continue the consistent expansion derived from the dual dimensions of a growing building and construction sector activity in the region and conversion of the industry from traditional gravity drainage to syfonic drainage.

TSF POWER

TSF Power is a specialist provider of technical services to the distributed power generation sector. TSF Power provide value for money independent power generation maintenance and operations service to the renewable waste gas and diesel generation markets. Offering specialist technical advice, parts supply and value for money service to Australia's largest power generation asset owners.

TSF Power provides service through multi-year contracts to Australia's large infrastructure operators, waste gas to energy providers, data network providers in addition to utilities, healthcare and large-scale corporate office complexes. Outlook for power reliability maintenance services in these sectors is expected to grow as the need for greater reliability and business expectations rise.

Additional financial information is provided in the enclosed Appendix 4E: Preliminary Final Report.

EVZ Limited is an industrial group with a portfolio of specialist businesses in the engineering services sector. EVZ operates in the areas of specialist mechanical services including bulk storage tank and pipework design and construction, syphonic stormwater and roof drainage systems and power generation maintenance through subsidiaries; Brockman Engineering, Syfon Systems and TSF Maintenance. Additional information can be obtained from our website www.evz.com.au

For further information contact Scott Farthing, CEO +613 9545 5288

	Notes	Consolidated entity 2020 $	2019 $
Continuing operations			
Revenue		66,224,710	78,042,293
Cost of sales		(59,347,320)	(65,643,997)
Gross profit		6,877,390	12,398,296
Other Income	2	1,757,443	72,777
Administration and business development costs		(9,348,065)	(8,965,536)
Corporate costs		(1,324,540)	(1,365,164)
Profit/(loss) before finance costs and income tax		(2,037,772)	2,140,373
Net finance costs	2	(722,164)	(411,955)
Profit/(loss) before income tax from continuing operations		(2,759,936)	1,728,418
Income tax (expense)/benefit	3	8,496	(103,443)
Profit/(loss) for the year attributed to members after tax		**(2,751,440)**	**1,624,975**

Earnings per share

	Notes	Cents	Cents
Overall operations:			
Basic earnings per share	4	(2.863)	1.740
Diluted earnings per share	4	(2.863)	1.712
Continuing operations:			
Basic earnings per share	4	(2.863)	1.740
Diluted earnings per share	4	(2.863)	1.712

Due to the net loss for the 30 June 2020 period, dilutive earnings per share is the same as basic earnings per share.

	Notes	Consolidated entity 2020 $	2019 $
Profit/(loss) for the year after tax		(2,751,440)	1,624,975
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(31,271)	35,647
Total comprehensive income for the year attributable to owners of the company		**(2,782,711)**	**1,660,622**

	Notes	Consolidated entity 2020 $	Consolidated entity 2019 $
Current assets			
Cash and cash equivalents		5,869,679	2,772,182
Trade and other receivables		10,659,607	16,540,057
Contract assets		2,014,330	3,156,104
Inventories		2,317,810	2,313,984
Financial assets		306,441	189,612
Total current assets		21,167,867	24,971,939
Non-current assets			
Trade and other receivables		1,092,338	1,612,075
Plant and equipment		7,522,609	4,870,664
Deferred tax assets		2,610,870	2,604,954
Intangibles	5	12,072,010	12,072,010
Total non-current assets		23,297,827	21,159,703
Total assets		**44,465,694**	**46,131,642**
Current liabilities			
Trade and other payables		11,258,671	13,853,414
Contract liabilities		1,578,399	1,584,027
Tax liabilities		-	31,335
Short-term borrowings		4,337,430	3,300,000
Short-term lease liabilities		698,921	72,272
Provisions		3,184,008	2,926,188
Total current liabilities		21,057,429	21,767,236
Non-current liabilities			
Long-term lease liabilities		2,097,427	284,397
Deferred tax liabilities		49,623	50,549
Provisions-non current		55,992	41,526
Total non-current liabilities		2,203,042	376,472
Total liabilities		**23,260,471**	**22,143,708**
Net assets		**21,205,223**	**23,987,934**
Equity			
Issued capital	6	56,457,180	56,457,180
Reserves		245,900	277,171
Accumulated losses		(35,497,857)	(32,746,417)
Total equity		**21,205,223**	**23,987,934**

Consolidated entity As at 30 June 2019	Issued capital $	Accumulated losses $	Share options reserve	Foreign currency translation reserve $	Total $
Balance at 30 June 2019	**56,457,180**	**(32,746,417)**	**300,000**	**(22,829)**	**23,987,934**
Total comprehensive profit for period					
Profit/(loss) for period	-	(2,751,440)	-	-	(2,751,440)
Foreign currency translation reserve	-	-	-	(31,271)	(31,271)
Total comprehensive income for period	-	(2,751,440)	-	(31,271)	(2,782,711)
Transactions with owners, recorded directly in equity:					
Shares issued	-	-	-	-	-
Share Issue Costs	-	-	-	-	-
Balance at 30 June 2020	**56,457,180**	**(35,497,857)**	**300,000**	**(54,100)**	**21,205,223**

Consolidated entity As at 30 June 2018	Issued capital $	Accumulated losses $	Share options reserve	Foreign currency translation reserve $	Total $
Balance at 30 June 2018	**52,972,129**	**(34,262,454)**	**300,000**	**(58,476)**	**18,951,199**
Adjustment on adoption of AASB 9	-	(108,938)		-	(108,938)
Balance at 1 July 2018	**52,972,129**	**(34,371,392)**	**300,000**	**(58,476)**	**18,842,261**
Total comprehensive profit for period					
Profit/(loss) for period	-	1,624,975	-	-	1,624,975
Foreign currency translation reserve	-	-	-	35,647	35,647
Total comprehensive income for period	-	1,624,975	-	35,647	1,660,622
Transactions with owners, recorded directly in equity:					
Shares issued	3,681,061	-	-	-	3,681,061
Share Issue costs	(196,010)	-	-	-	(196,010)
Balance at 30 June 2019	**56,457,180**	**(32,746,417)**	**300,000**	**(22,829)**	**23,987,934**

	Notes	Consolidated entity 2020 $	2019 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		79,753,999	82,525,701
Payments to suppliers and employees (inclusive of GST)		(75,165,348)	(79,501,810)
Interest received		694	9,090
Finance costs		(685,428)	(421,046)
Income tax paid		(30,505)	(147,125)
Net cash provided by / (used in) operating activities		**3,873,412**	**2,464,810**
Cash flows from investing activities			
Proceeds from sale of plant and equipment		32,367	5,169
Purchase of plant and equipment		(903,853)	(1,738,659)
Net cash used in investing activities		**(871,486)**	**(1,733,490)**
Cash flows from financing activities			
Proceeds from equity raising		-	3,484,850
Share issue costs		-	(196,010)
Proceeds from / (repayment) of loans		1,000,000	(3,248,951)
Procceds from / (repayment) of finance leases		(904,429)	294,090
Net cash provided by financing activities		**95,571**	**333,979**
Net increase/(decrease) in cash held		3,097,497	1,065,299
Cash at beginning of the period		2,772,182	1,706,883
Cash at end of the period	7.	**5,869,679**	**2,772,182**

Notes to the consolidated financial statements
For the year ended 30 June 2020

1. Basis of Preparation of Preliminary Financial Statements

The preliminary report has been prepared on an accruals basis and is based on historical costs modified, where appropriate, by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The accounting policies applied in this preliminary report are consistent with applicable accounting standards.

		Consolidated entity	
		2020	**2019**
		$	**$**
2.	**Profit/(loss) from continuing operations**		
(a)	**Other income**		
	Sundry income	160,993	72,777
	Job keeper subsidy	1,596,450	-
		1,757,443	**72,777**
(b)	**Expenses**		
	Bad debts	94,883	-
	Impairment - receivables	(4,316)	204,691
	Total employee costs	31,483,365	32,246,006
	Defined contribution superannuation expense	1,726,320	2,730,708
	Foreign exchange losses/(gains)	(27,212)	(83,132)
	(Profit) / Loss on sale of plant and equipment	(32,367)	(5,169)
	Operating lease payments	113,691	1,143,125
	Depreciation of plant and equipment	1,591,957	747,300
(c)	**Net finance costs:**		
	Finance costs	722,858	421,045
	Interest income	(694)	(9,090)
	Net finance costs from continuing operations	**722,164**	**411,955**

3. Income tax

(a) The prima facie tax on profit/(loss) before income tax from continuing operations is reconciled to income tax as follows:

Profit/(loss) before income tax	(2,759,936)	1,728,418
Income tax calculated at 30% (2019: 30%)	(827,981)	518,525
Tax effect of permanent differences	97,298	8,652
Recognition of additional tax losses	-	(500,000)
Current year tax losses not booked	724,767	-
Taxation expense / (benefit) - offshore subsidiary	(2,580)	76,266
Income tax expense/(benefit)	**(8,496)**	**103,443**
The applicable weighted average effective tax rates are:	0%	6%

(b) The components of tax expense comprise:

Current tax	(2,580)	604,091
Deferred tax	(5,916)	(648)
Recognition of additional tax losses	-	(500,000)
	(8,496)	**103,443**

		Consolidated entity	
		2020	**2019**
		$	**$**
4.	**Earnings per share**		
(a)	Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings per share	96,116,734	93,406,203
(b)	Weighted average number of ordinary shares outstanding during the year used in calculation of diluted earnings per share	96,116,734	94,902,104

Due to the net loss for the 30 June 2020 period, dilutive earnings per share is the same as basic earnings per share.

5.	**Intangible assets**		
	Goodwill on consolidation – at cost	3,282,532	3,282,532
	Less accumulated impairment	-	-
		3,282,532	3,282,532
	Goodwill on acquisition – at cost	24,606,758	24,606,758
	Less accumulated impairment	(15,817,280)	(15,817,280)
		8,789,478	8,789,478
	Total Intangible assets	**12,072,010**	**12,072,010**

		Notes	Consolidated entity 2020 $	2019 $
6.	**Issued capital**			
(a)	**Issued and paid up**			
	2020: 96,116,734 ordinary shares			
	2019: 96,116,734 ordinary shares		56,457,180	56,457,180
			56,457,180	56,457,180
(b)	**Issued and fully paid up ordinary shares**			
	Opening balance		56,457,180	52,972,129
	Shares issued		-	3,681,061
	Share issue costs		-	(196,010)
	Closing balance		**56,457,180**	**56,457,180**
(c)	**No. of shares**		**No. of shares**	**No. of shares**
	Opening balance		96,116,734	83,027,195
	Shares issued		-	13,089,539
	Closing balance		**96,116,734**	**96,116,734**
(d)	**Share options**		**No. of options**	**No. of options**
	Opening balance		1,500,000	1,500,000
	Options issued		-	-
	Closing balance		**1,500,000**	**1,500,000**

1,500,000 Unlisted Options were issued in connection with the Capital Raising during the 2017 financial year. The Unlisted Options were issued for nil cash consideration. The Unlisted Options are exercisable at $0.20 per share and expire 4 years after their issue date of 7 June 2017.

7. Consolidated statement of cash flows

	Consolidated entity 2020 $	Consolidated entity 2019 $
Cash balances comprise:		
Cash on hand	5,869,679	2,772,182
Closing cash balance	**5,869,679**	**2,772,182**
Reconciliation of the operating profit after tax to net cash flows from operations:		
Operating profit after tax	(2,751,439)	1,624,975
(Gain)/Loss on sale of plant and equipment	(32,367)	(5,169)
Depreciation - plant & equipment	1,591,957	747,300
Interest Accrued	37,430	-
(Gain)/loss on foreign currency translation	(27,212)	(83,132)
Share based payments	-	196,211
Changes in assets and liabilities adjusted for effects of acquisition/disposal of operations during financial year:		
Increase/(decrease) in provisions for employee entitlements	273,109	(41,129)
(Increase)/decrease in inventories	(3,825)	(342,883)
(Increase)/decrease in trade and other receivables	7,425,131	(2,791,607)
(Increase)/decrease in deferred tax assets	(6,842)	28,525
Increase/(decrease) in payables	(2,600,371)	3,203,926
Increase/(decrease) in tax liabilities	(32,159)	(72,207)
Net cash provided/(used) by operating activities	**3,873,412**	**2,464,810**

Notes to the consolidated financial statements
For the year ended 30 June 2020

Segment Reporting Continuing Operations:

Identification of reportable segments
The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources.

Operating segments are managed primarily based on product category and service offerings. Executive management monitors segment performance based on EBIT.

Basis of accounting for purposes of reporting by operating segments
Accounting policies adopted:
Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision-makers with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

Inter-segment transactions:
All such transactions are eliminated on consolidation for the Group's financial statements.

Notes to the consolidated financial statements
For the year ended 30 June 2020

8. Segment reporting - continuing operations

		Engineering $	Energy $	Water $	Corporate $	Total $
(a)	**Twelve months ended 30 June 2020:**					
	Revenue					
	External sales	37,413,130	7,175,772	21,635,808	-	66,224,710
	Total segment revenue	**37,413,130**	**7,175,772**	**21,635,808**	**-**	**66,224,710**
	Reconciliation of segment revenue to group revenue:					
	Total group revenue	**37,413,130**	**7,175,772**	**21,635,808**	**-**	**66,224,710**
	Segment net profit /(loss) before interest and tax	(1,842,515)	(287,339)	1,416,622	(1,324,540)	(2,037,772)
	Reconciliation of net profit before interest and tax to group net profit/(loss) before tax					
	Unallocated items					
	Net finance costs from continuing operations					(722,164)
	Net profit/(loss) before tax from continuing operations					**(2,759,936)**
	Included in segment net profit before interest and tax:					
	Depreciation	823,013	226,494	500,769	41,681	1,591,957
	Impairment:					
	Receivables	-	-	(47)	-	(47)

Notes to the consolidated financial statements
For the year ended 30 June 2020

8. Segment Reporting - continuing operations (continued)

(b) Twelve months ended 30 June 2019:	**Engineering $**	**Energy $**	**Water $**	**Corporate $**	**Total $**
Revenue					
External sales	53,091,236	5,271,972	19,679,085	-	78,042,293
Inter-segment sales	-	-	-	-	-
Total segment revenue	**53,091,236**	**5,271,972**	**19,679,085**	**-**	**78,042,293**
Reconciliation of segment revenue to group revenue:					
Inter-segment elimination	-	-	-	-	-
Total group revenue	**53,091,236**	**5,271,972**	**19,679,085**	**-**	**78,042,293**
Segment net profit /(loss) before interest and tax	2,550,624	(461,509)	1,416,421	(1,365,163)	2,140,373
Reconciliation of net profit before interest and tax to group net profit/(loss) before tax					
Unallocated items					
Other non-operating					-
Net finance costs from continuing operations					(411,955)
Net profit/(loss) before tax from continuing operations					**1,728,418**
Included in segment net profit before interest and tax:					
Depreciation	469,924	72,146	201,117	4,113	747,300
Impairment:					
Receivables	-	-	204,691	-	204,691

Notes to the consolidated financial statements
For the year ended 30 June 2020

9. Secondary segment reporting - including discontinued operations

(a) Twelve months ended 30 June 2020:	Engineering	Energy	Water	Corporate	Total
Segment assets					
Segment Assets	22,563,013	3,247,537	23,256,002	7,796,765	56,863,317
Inter-segment elimination					(12,397,623)
Total group assets					**44,465,694**
Segment asset increases for the period:					
Capital expenditure	126,675	60,875	779,794	(63,491)	903,853
	126,675	**60,875**	**779,794**	**(63,491)**	**903,853**
Segment liabilities					
Segment liabilities	16,500,478	5,936,391	4,028,301	4,745,678	31,210,848
Inter-segment elimination					(7,950,377)
Total group liabilities					**23,260,471**

(b) Twelve months ended 30 June 2019:	Engineering	Energy	Water	Corporate	Total
Segment assets					
Segment Assets	25,050,443	2,069,816	22,403,573	8,259,141	57,782,973
Inter-segment elimination					(11,651,331)
Total group assets					**46,131,642**
Segment asset increases for the period:					
Capital expenditure	1,396,530	178,474	100,164	63,491	1,738,659
	1,396,530	**178,474**	**100,164**	**63,491.00**	**1,738,659**
Segment liabilities					
Segment liabilities	16,744,777	4,447,458	4,455,857	3,660,520	29,308,612
Inter-segment elimination					(7,164,904)
Total group liabilities					**22,143,708**

Notes to the consolidated financial statements
For the year ended 30 June 2020

10(a)	Revenue by category: *All revenue is recognised over time*	Engineering $	Energy $	Water $	Corporate $	Total $
	For the year ended 30 June 2020					
	Revenue					
	Construction contracts	37,413,130	-	21,635,808	-	59,048,938
	Services revenue	-	7,175,772	-		7,175,772
	Total revenue from contracts	**37,413,130**	**7,175,772**	**21,635,808**	**-**	**66,224,710**
	For the year ended 30 June 2019					
	Revenue					
	Construction contracts	53,091,236	-	19,677,312	-	72,768,548
	Services revenue	-	5,273,745	-		5,273,745
	Total group revenue	**53,091,236**	**5,273,745**	**19,677,312**	**-**	**78,042,293**

10(b)	Revenue by geographical locations:	Engineering $	Energy $	Water $	Corporate $	Total $
	For the year ended 30 June 2020					
	Revenue					
	Australia	37,413,130	7,175,772	16,698,959	-	61,287,861
	Asia	-	-	4,936,849	-	4,936,849
	Total revenue from contracts	**37,413,130**	**7,175,772**	**21,635,808**	**-**	**66,224,710**
	For the year ended 30 June 2019					
	Revenue					
	Australia	53,091,236	5,273,745	13,884,095	-	72,249,076
	Asia	-	-	5,793,217	-	5,793,217
	Total group revenue	**53,091,236**	**5,273,745**	**19,677,312**	**-**	**78,042,293**

11.	Assets by geographical locations:	Consolidated entity 2020 $	2019 $
	Australia	37,483,135	37,950,629
	Asia	6,982,559	8,181,013
	Total assets	**44,465,694**	**46,131,642**

12. Subsequent Events

On 6th July 2020, the economic entity formally executed an extension to its existing bank debt facility to 31 October 2021.

There have not been any other matters or circumstances, other than that referred to in the financial statements or notes thereto, that have arisen since the end of the financial year, that have significantly affected, or may significantly affect, the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years after the financial year.

Notes to the consolidated financial statements For the year ended 30 June 2020	Consolidated entity 2020	 2019
13. Net tangible assets		
Net tangible assets per ordinary share (cents per share)	6.79	12.40

14. Additional Information

Reporting period

The applicable reporting period is 1 July 2019 to 30 June 2020.
The previous corresponding reporting period was 1 July 2018 to 30 June 2019

Details of entities over which control has been gained or lost during the period

Name of entity	Not applicable
Date of the control gained or lost	Not applicable
Contribution of entity to reporting entity's profit from ordinary activities during the period	Not applicable
Loss of entity during the whole of the previous corresponding year	Not applicable

Dividends and Distributions

Date on which each dividend or distribution is payable	Not applicable
Amount per security of foreign sourced dividend or distribution	Not applicable
Details of dividend or distribution reinvestment plans	Not applicable
Material interests in entities which are not controlled entities	Not applicable

Compliance Statement – The accounts are in the process of being audited.