

LogiCamms limited

ABN: 90 127 897 689

ASX Listing Rule 4.2A.3

Appendix 4D

Preliminary Half-Year Report For the Half-year ended 31 December 2018

Current Reporting Period: Half Year ending 31 December 2018

Previous Corresponding Period: Half Year ending 31 December 2017

The information in this report should be read in conjunction with the most recent ASX announcements.

LogiCamms Limited

Appendix 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	CONSOLIDATED		
	31 December 2018 (\$'000)	31 December 2017 (\$'000)	Increase / (Decrease) %
Revenue from ordinary activities	41,009	42,505	(3.5%)
(Loss) / profit from ordinary activities after tax attributable to members	(8,604)	895	(1,061%)
Net (loss) / profit for the period attributable to members	(8,604)	895	(1,061%)
Earnings per Share			
Basic earnings per share (AUD cents per share)	(10.5) cents	1.1 cents	
Diluted earnings per share (AUD cents per share)	(10.5) cents	1.1 cents	

The Group reported revenue of \$41.0m, a net loss after tax of \$8.6m and a proposed merger with OSD Pty Limited, an engineering, operations and asset services business with operations in Australia and New Zealand. The financial results included a non-cash impairment charge of \$8.0m which arose after the Directors considered factors including the Group's recent financial performance, market capitalisation relative to net assets and the implied value of the proposed merger.

EBITDAI¹ of \$1.0m for the half year compared to an EBITDAI of \$1.95m for the half year ended 31 December 2017. The EBITDAI result included \$0.2m of advisory costs associated with the strategic funding review and \$0.1m of costs associated with the CEO recruitment.

The Directors also note the commentary in Note 2 to the Consolidated Interim Financial Statements on the basis of preparation of the financial statements. The Note concludes that there is a material uncertainty that casts significant doubt about the Group's ability to continue as a going concern. The circumstances leading to this uncertainty are set out in detail in Note 2. Consequently, the Company's auditors have modified their review opinion to include an 'Emphasis of matter'.

The Directors believe that the proposed merger transaction and/or other alternative strategic funding arrangements actively being pursued will substantially address the balance sheet repair required to ensure the Group has a sustainable level of working capital and net debt going forward. This will allow the Company to complete the restructuring necessary to return the business to an acceptable level of profitability.

Further details on the financial performance of the Group and the proposed merger with OSD Pty Limited can be found in the Company's half year results announcement to ASX dated 28 February 2018 and in the Interim Financial Report.

DISTRIBUTIONS

No dividend has been paid, declared or recommended by the Company for the six months ended 31 December 2018 or for the prior corresponding period.

¹ The Directors believe that the presentation of certain non-IFRS financial measures is useful for the users of this document as they reflect the underlying operational performance of the Group. The non-IFRS financial profit measures are used by the CEO to review the operations of the Group. The main non-IFRS measure used is EBITDAI - Earnings Before Interest, Tax, Depreciation, Amortisation and Impairment charge. Statutory net profit/(loss) after tax is reconciled to EBITDA as follows:

	31 Dec 18	31 Dec 17
NPAT	(\$8.6m)	\$0.9m
<i>Add back:</i>		
Interest	\$0.2m	\$0.1m
Depreciation & Amortisation	\$0.9m	\$0.9m
Tax	\$0.5m	-
Impairment	\$8.0m	-
EBITDAI	\$1.0m	\$1.9m

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Appendix 4D

(continued)

NET TANGIBLE ASSET PER SECURITY

	CONSOLIDATED	
	31 December 2018	31 December 2017
Net tangible assets per security	3.0 cents	5.1 cents

CHANGES IN CONTROLLED ENTITIES

There were no companies acquired or incorporated in the period.

Details of investment in joint venture

	CONSOLIDATED			
Name of entity	Ownership %		Contribution to net profit	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	%	%	(\$'000)	(\$'000)
LogiCamms - Electro80 Joint Venture	-	50%	-	-

This entity was closed down during the 2018 financial year.