

**CIVMEC LIMITED
AND ITS SUBSIDIARIES**

ACN 672 407 171

**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE
SIX MONTHS and FULL YEAR ENDED**

30 JUNE 2025

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group			
		6 months ended		12 months ended	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Note	A\$'000	A\$'000	A\$'000	A\$'000
Revenue	5	307,725	541,127	810,586	1,033,473
Cost of sales		(270,568)	(482,287)	(717,646)	(914,442)
Gross profit		37,157	58,740	92,940	119,031
Other income	6	2,100	3,354	3,552	5,330
Administrative expenses		(13,254)	(13,126)	(30,033)	(27,310)
Other credits		-	495	-	495
Finance costs		(2,895)	(3,090)	(5,884)	(6,055)
Profit before income tax	6	23,108	46,373	60,575	91,491
Income tax expense	8	(7,065)	(13,858)	(18,039)	(27,082)
Profit for the year		16,043	32,515	42,536	64,409
Other comprehensive income/(loss):					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on revaluation of freehold land & buildings		42,501	44,270	42,501	44,270
Income tax relating to this item		(12,586)	(13,628)	(12,586)	(13,628)
Total comprehensive income for the year		45,958	63,157	72,451	95,051
Profit attributable to:					
Owners of the Company		16,043	32,515	42,536	64,409
Non-controlling interest		-	-	-	-
		16,043	32,515	42,536	64,409
Total comprehensive income attributable to:					
Owners of the Company		45,958	63,157	72,451	95,051
Non-controlling interest		-	-	-	-
		42,958	63,157	72,451	95,051
Earnings per share attributable to equity holders of the Company (cents per share):					
- Basic	9	3.16	6.41	8.37	12.70
- Diluted	9	3.13	6.34	8.27	12.57

B. Condensed interim statement of financial position

		Group	
		As at	As at
		30 June	30 June
		2025	2024
		A\$'000	A\$'000
ASSETS			
Current assets			
Cash and cash equivalents		102,940	88,457
Trade and other receivables		52,328	94,602
Contract assets		154,969	173,588
Other current assets		4,001	1,393
Income tax receivable		8,697	-
		322,935	358,040
Non-current assets			
Property, plant and equipment	11	568,170	532,840
Investment properties	12	19,706	18,459
Intangible assets		10	10
Deferred tax assets		1,078	968
		588,964	552,277
TOTAL ASSETS		911,899	910,317
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		86,835	153,149
Contract liabilities		71,447	49,292
Lease liabilities		5,442	5,944
Borrowings	14	-	8,000
Income tax payable		-	7,462
Provisions		13,659	18,455
		177,383	242,302
Non-current liabilities			
Lease liabilities		55,069	51,353
Borrowings	14	60,000	56,000
Provisions		379	493
Deferred tax liabilities		88,556	71,951
		204,004	179,797
TOTAL LIABILITIES		381,387	422,099
Capital and Reserves			
Share capital	15	32,812	32,358*
Treasury shares		-	(10)
Asset revaluation reserve	17	190,134	160,219
Other reserves	18	9,071	9,422*
Retained earnings		298,756	286,490
Total equity attributable to the Owners of the Company		530,773	488,479
Non-controlling interest		(261)	(261)
TOTAL EQUITY		530,512	488,218
TOTAL LIABILITIES AND EQUITY		911,899	910,317

* Reclassification of previously vested equity-settled employee benefits relating to prior financial years.

C. Condensed interim statement of changes in equity

Group 2025	Share capital A\$'000	Treasury shares A\$'000	Asset revaluation reserve A\$'000	Other reserves A\$'000	Retained earnings A\$'000	Total A\$'000	Non- controlling interest A\$'000	Total A\$'000
Balance as at 1 July 2024	32,358	(10)	160,219	9,422	286,490	488,479	(261)	488,218
Profit for the year	-	-	-	-	42,536	42,536	-	42,536
OCI* for the year:								
Gain on revaluation of freehold land & buildings	-	-	42,501	-	-	42,501	-	42,501
Income tax relating to this item	-	-	(12,586)	-	-	(12,586)	-	(12,586)
Total comprehensive income for the year	-	-	29,915	-	42,536	72,451	-	72,451
Recognition of share based payment	-	-	-	354	-	354	-	354
Employee share awards vested	464	-	-	(464)	-	-	-	-
Lapsed of share options	-	-	-	(241)	241	-	-	-
Cancellation of treasury shares	(10)	10	-	-	-	-	-	-
Dividends paid	-	-	-	-	(30,511)	(30,511)	-	(30,511)
Balance as at 30 June 2025	32,812	-	190,134	9,071	298,756	530,773	(261)	530,512

Group 2024	Share capital A\$'000	Treasury shares A\$'000	Asset revaluation reserve A\$'000	Other reserves A\$'000	Retained earnings A\$'000	Total A\$'000	Non- controlling interest A\$'000	Total A\$'000
Balance as at 1 July 2023	(1)31,350	(10)	129,577	(1)9,954	249,999	420,870	(261)	420,609
Profit for the year	-	-	-	-	64,409	64,409	-	64,409
OCI* for the year:								
Gain on revaluation of freehold land & buildings	-	-	44,270	-	-	44,270	-	44,270
Income tax relating to this item	-	-	(13,628)	-	-	(13,628)	-	(13,628)
Total comprehensive income for the year	-	-	30,642	-	64,409	95,051	-	95,051
Recognition of share based payment	-	-	-	365	-	365	-	365
Employee share awards vested	897	-	-	(897)	-	-	-	-
Share options exercised	111	-	-	-	-	111	-	111
Dividends paid	-	-	-	-	(27,918)	(27,918)	-	(27,918)
Balance as at 30 June 2024	32,358	(10)	160,219	9,422	286,490	488,479	(261)	488,218

Note:

*Other Comprehensive income/(loss)

(1) Reclassification of previously vested equity-settled employee benefits relating to prior financial years.

D. Condensed interim consolidated statement of cash flows

	Note	Group	
		12 months ended	
		30 June 2025 A\$'000	30 June 2024 A\$'000
Cash Flows from Operating Activities			
Profit before income tax		60,575	91,491
Adjustments for:			
Depreciation of property, plant and equipment and investment properties – leasehold land	6.1	21,433	19,676
Gain on disposal of property, plant and equipment	6.1	(9)	(64)
Fair value gain on investment property at fair value through profit or loss	6.1	(1,150)	(730)
Reversal of revaluation loss on freehold land and buildings		-	(495)
Finance cost	6.1	9,681	9,583
Interest income	6.1	(1,725)	(3,325)
Equity-settled share based payments		354	365
Foreign exchange differences		108	43
Operating cash flow before working capital changes		89,267	116,544
Changes in working capital:			
Decrease in trade and other receivables		42,274	13,641
Decrease/(increase) in contract assets		18,619	(73,495)
(Increase)/decrease in other current assets		(2,608)	881
(Decrease)/increase in trade and other payables		(66,983)	34,353
Increase in contract liabilities		22,155	4,586
(Decrease)/increase in provisions		(4,910)	362
Cash generated from operations		97,814	96,872
Interest received		1,725	3,325
Finance cost paid		(8,338)	(8,078)
Income tax refund		347	2,681
Income tax paid		(30,636)	(23,446)
Net cash generated from operating activities		60,912	71,354

D. Condensed interim consolidated statement of cash flows (continued)

		Group	
		12 months ended	
	Note	30 June 2025 A\$'000	30 June 2024 A\$'000
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		79	112
Purchase of property, plant and equipment	11	(4,815)	(25,210)
Net cash used in investing activities		(4,736)	(25,098)
Cash Flows from Financing Activities			
Proceeds from borrowings		37,800	21,500
Repayment of borrowings		(41,800)	(14,000)
Repayment of principal lease liabilities		(7,182)	(7,873)
Proceeds from issuance of ordinary shares		-	111
Dividends paid		(30,511)	(27,918)
Net cash used in financing activities		(41,693)	(28,180)
Net increase in cash and cash equivalents		14,483	18,076
Cash and cash equivalents at the beginning of the year		88,457	70,381
Cash and cash equivalents at the end of the year		102,940	88,457

The reconciliation of movements of liabilities to cash flows arising from financing activities is presented below:

	Opening A\$'000	Cash flows		Non-cash changes		Closing A\$'000
		Proceeds A\$'000	Repayment A\$'000	Addition A\$'000	Others A\$'000	
2025						
Borrowings	64,000	37,800	(41,800)	-	-	60,000
Lease liabilities	57,297	-	(7,182)	6,652	3,744	60,511
2024						
Borrowings	56,500	21,500	(14,000)	-	-	64,000
Lease liabilities	57,335	-	(7,873)	4,741	3,094	57,297

E. Notes to the condensed interim consolidated financial statements

1. Organisational restructure

On 27 October 2023, Civmec Singapore Limited (formerly known as Civmec Limited) entered into an implementation agreement with Civmec Limited (formerly known as Civmec Australia Limited) with the intention to change the domicile of the head company of the Civmec Group from Singapore to Australia. The change of domicile (the 'Restructure') was achieved by way of a scheme of arrangement in accordance with Section 210 of the Companies Act 1967 of Singapore. The Shareholders' scheme became effective on 4 September 2024.

The Restructure was accounted for as a reverse acquisition in the Civmec Group consolidated financial statements as at 30 June 2025, with Civmec Singapore Limited identified as the acquirer in accordance with AASB 3 *Business Combinations* and SFRS(I) 3 *Business Combinations*. Accordingly, these consolidated financial statements reflect a continuation of the Civmec Group. Refer to Supplementary Information section for additional details.

2. General information

Civmec Limited (the 'Company') is a publicly listed company incorporated and domiciled in Australia. Its shares are traded on both the Australian Securities Exchange ('ASX') and the Singapore Exchange Limited ('SGX'). The registered office of the Company and its principal place of business is at 16 Nautical Drive, Henderson, WA 6166 Australia.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the 'Group').

The principal activity of the Company is that of an investment holding company. The principal activities of the Group include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), OEM material handling equipment, precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

3. Material accounting policies

(a) Basis of preparation

These condensed interim consolidated financial statements for the six months ended 30 June 2025:

- have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard ('AASB') 134 and Singapore Financial Reporting Standards (International)('SFRS(I)') 1-34: *Interim Financial Reporting*.
- do not include all the information and disclosures required in the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim consolidated financial statements for the six months ended 31 December 2024.
- should be read in conjunction with the Group's audited consolidated financial statements for the year ended 30 June 2025.
- presented in Australian dollars (AUD or A\$) unless otherwise stated.
- were approved by the Board of Directors on 27 August 2025.

(b) Accounting policies

The accounting policies adopted are consistent with those applied in the previous financial period, which were prepared in accordance with AASB and SFRS(I). The Group has adopted new and amended standards that became applicable during the current financial reporting period. However, these changes did not require any modification to the existing accounting policies or retrospective adjustments.

E. Notes to the condensed interim consolidated financial statements
(continued)

3. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments

In preparing the condensed interim consolidated financial statements, management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

(i) Critical judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, the application of judgements that are expected to have a significant effect on the amounts recognised in the financial statements are discussed as follows:

Impairment of trade and other receivables and contract assets

The Group applies the simplified approach to provide for the ECL ('Expected Credit Losses') for all trade receivables and contract assets at an amount equal to the lifetime ECL. ECLs are a probability weighted estimate (based on the Group's historical experience) measured as the present value of all cash shortfalls on default financial assets considering both quantitative and qualitative information and analysis. Factors considered in individual assessment are geographical regions in Australia for each segment, payment history, past due status and term.

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. So far as management is aware, there is no major customer in financial difficulties during the financial year except for those customers with impairment loss being recognised.

Construction contract revenue

Construction contract revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ('input method'). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation ('PO') are excluded from the measure of progress and instead are expensed as incurred.

Construction contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that is highly probable that a significant reversal in the amount of the cumulative revenue will not occur.

In estimating the variable consideration for contract revenue, the Group uses the expected value amount method to estimate the transaction price. The expected value is the sum of probability-weighted amounts in a range of possible consideration amounts. Management has relied on historical experience and the work of experts, analysed by customers and nature of scope of work, from prior years.

Management has exercised judgement in applying the constraint on the estimated variable consideration that can be included in the transaction price. For variations claims, management has determined that a portion of the estimated variable consideration is subject to the constraint as, based on past experience with the customers, it is highly probable that a significant reversal in the cumulative amount of revenue recognised will occur, and therefore will not be recognised as revenue.

E. Notes to the condensed interim consolidated financial statements
(continued)

3. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(i) Critical judgments in applying the Group's accounting policies (continued)

Legal proceedings

The Group is exposed to the risk of claims and litigation which can arise for various reasons, including changes in scope of work, delay and disputes etc. Given the nature of the business, variation orders, additional works and prolongation costs are common. As some of these items could be subjective and hence contentious in nature, the Group may from time to time be involved in adjudication or legal processes.

In making its judgment as to whether it is probable that any such adjudication decisions or litigation will result in a liability and whether any such liability can be measured reliably, management relies on past experience and the opinion of legal advisors and technical experts.

In making that overall judgment, management has included in its consideration the likely outcome of the claims. Although an adverse outcome of those claims could have a material adverse impact on the financial position of the Group, management have taken the view that such a material adverse outcome is very unlikely.

Impairment of property, plant and equipment and investment properties

The Group assesses impairment of property, plant and equipment and investment properties at each year end by evaluating conditions specific to the Group that may lead to impairment of assets. Adjustments are made when considered necessary.

Impairment assessment of property, plant and equipment and investment properties includes considering certain indications such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant under performance relative to the expected historical or future operating results and significant negative industry or economic trends.

Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease term is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of the leasehold land and buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

E. Notes to the condensed interim consolidated financial statements
(continued)

3. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(i) Critical judgments in applying the Group's accounting policies (continued)

Valuation of freehold land and buildings and investment properties

The Group carries its freehold land and buildings and investment properties at fair values which are determined by an independent real estate valuation expert using the highest-and-best use approach which is generally the sales comparison approach (i.e. the basis of market value). In arriving at the valuation figure, the valuer has taken into consideration the prevailing market conditions and differences between the freehold land and building and investment properties and the comparables in terms of location, tenure, size, shape, design and layout, age and condition of the buildings, dates of transactions and other factors affecting their values. The most significant inputs in this valuation approach are the selling price per square meter and the usage of the properties. The estimates are based on local market conditions existing at the reporting date.

Fair values of buildings with no available market information are determined by the independent real estate valuation expert using the depreciated replacement cost method, which involves estimating the current replacement cost of the buildings and from which deductions are made to allow for depreciation due to age, condition and functional obsolescence. The replacement cost is then added to the land value to derive the fair value. The land value is determined based on the direct comparison method with transactions of comparable plots of land within the vicinity and elsewhere. In arriving at the valuation figure, the valuation expert has taken into consideration the prevailing market condition and differences between the freehold land and buildings and the comparable in terms of location, tenure, size, shape, design and layout, age and condition, dates of transactions and other factors affecting their values. The most significant inputs into this valuation approach are the estimated construction costs, depreciation rates and developer profit margin.

(ii) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following:

Estimation of total contract costs for contracts

The Group has significant ongoing construction contracts as at 30 June 2025 that are non-cancellable. For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ('input method').

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. When it is probable that the total contract costs will exceed the total construction revenue, a provision for onerous contracts is recognised immediately.

Significant assumptions are used to estimate the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion and completeness of provision for onerous contracts recognised. In making these estimates, management has relied on past experience and the work of specialists.

The Group includes incremental costs of fulfilling the contracts which are the cost of materials and labour required to construct the projects. In estimating the forecast costs, the management exercised judgement in considering costs that relate directly to the contracts.

E. Notes to the condensed interim consolidated financial statements
(continued)

3. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(ii) Key sources of estimation uncertainty (continued)

Estimation of useful lives of property, plant and equipment and investment properties – leasehold land

The useful lives of assets have been based on historical experience, lease terms and best available information for similar items in the industry. These estimations will affect the depreciation expense recognised in the financial period. There is no change in the estimated useful lives of plant and equipment and investment properties – leasehold land during the current financial period.

Income taxes

The Group has exposure to income taxes of which a portion of these taxes arose from certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises receivables or liabilities on expected tax issues based on their best estimates of the likely taxes recoverable or due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made.

Employee performance rights

The Group measures the cost of equity-settled transactions with employees with reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the performance rights, volatility and dividend yield and making assumptions about them.

E. Notes to the condensed interim consolidated financial statements
(continued)

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. Segment and revenue information

The Group is organised into the following main business segments:

- Energy
- Resources
- Infrastructure, Marine & Defence

Although the Operations Management receives separate reports for each project in the Energy, Resources, and Infrastructure, Marine & Defence businesses, these have been aggregated into the respective reportable segments as they have similar long-term average gross margins.

E. Notes to the condensed interim consolidated financial statements
(continued)

5. Segment and revenue information (continued)

5.1 Reportable segments

	Group 12 months ended 30 June 2025				Group 12 months ended 30 June 2024			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Revenue	65,188	641,231	104,167	810,586	31,039	876,478	125,956	1,033,473
Cost of sales (excluding depreciation)	(55,710)	(574,602)	(65,996)	(696,308)	(26,232)	(762,530)	(106,100)	(894,862)
Depreciation expenses	(1,403)	(17,693)	(2,242)	(21,338)	(475)	(17,177)	(1,928)	(19,580)
Segment results	8,075	48,936	35,929	92,940	4,332	96,771	17,928	119,031
Other income				3,552				5,330
Unallocated costs								
Administrative expenses*				(29,938)				(27,214)
Depreciation in admin expenses*				(95)				(96)
Reversal of:								
- revaluation loss on freehold land and buildings				-				495
Finance costs				(5,884)				(6,055)
Profit before income tax				60,575				91,491
Income tax expense				(18,039)				(27,082)
Profit for the year				42,536				64,409

	As at 30 June 2025				As at 30 June 2024			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Segment assets:								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				906,810				907,946
Other current assets				4,001				1,393
Deferred tax assets				1,078				968
Total assets				911,899				910,317
Segment liabilities:								
Unallocated liabilities:								
Liabilities				307,349				339,151
Borrowings				60,000				64,000
Provisions				14,038				18,948
Total liabilities				381,387				422,099
Other segment information								
Capital expenditure during the year				4,815				25,210

*Administrative expenses above exclude depreciation which is disclosed separately above.

E. Notes to the condensed interim consolidated financial statements
(continued)

5. Segment and revenue information (continued)

5.2 Disaggregation of revenue

	Group 6 months ended 30 June 2025				Group 6 months ended 30 June 2024			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000

Types of goods or services:

Construction contract	35,917	197,664	35,743	269,324	10,090	403,664	65,533	479,287
Rendering of services	1,157	36,204	620	37,981	580	52,960	7,342	60,882
Sales of goods	-	420	-	420	-	958	-	958
Total revenue	37,074	234,288	36,363	307,725	10,670	457,582	72,875	541,127

Timing of revenue recognition:

At a point in time	-	447	620	1,067	-	1,159	1,130	2,289
Over time	37,074	233,841	35,743	306,658	10,670	456,423	71,745	538,838
Total revenue	37,074	234,288	36,363	307,725	10,670	457,582	72,875	541,127

Geographical information:

Australia	37,074	234,288	36,363	307,725	10,670	457,582	72,875	541,127
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	Group 12 months ended 30 June 2025				Group 12 months ended 30 June 2024			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000

Types of goods or services:

Construction contract	63,768	545,202	101,913	710,883	26,730	782,164	117,848	926,742
Rendering of services	1,420	94,604	2,254	98,278	4,309	92,514	8,108	104,931
Sales of goods	-	1,425	-	1,425	-	1,800	-	1,800
Total revenue	65,188	641,231	104,167	810,586	31,039	876,478	125,956	1,033,473

Timing of revenue recognition:

At a point in time	-	1,624	1,519	3,143	-	2,001	1,896	3,897
Over time	65,188	639,607	102,648	807,443	31,039	874,477	124,060	1,029,576
Total revenue	65,188	641,231	104,167	810,586	31,039	876,478	125,956	1,033,473

Geographical information:

Australia	65,188	641,231	104,167	810,586	31,039	876,478	125,956	1,033,473
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E. Notes to the condensed interim consolidated financial statements
(continued)

5. Segment and revenue information (continued)

5.2 Disaggregation of revenue (continued)

A breakdown of sales:

	12 months ended		Increase / (decrease) %
	30 June 2025 A\$'000	30 June 2024 A\$'000	
Sales reported for the first half year	502,861	492,346	2.1
Operating profit after tax before deducting NCI for the first half year	26,493	31,894	(16.9)
Sales reported for the second half year	307,725	541,127	(43.1)
Operating profit after tax before deducting NCI for the second half year	16,043	32,515	(50.7)

6. Profit before income tax

6.1 Significant items

	6 months ended		12 months ended	
	30 June 2025 A\$'000	30 June 2024 A\$'000	30 June 2025 A\$'000	30 June 2024 A\$'000
<u>Other income</u>				
Insurance recoveries	9	379	12	383
Fuel tax rebate	135	699	584	785
Interest income	793	1,539	1,725	3,325
(Loss)/gain on disposal of property, plant and equipment	(5)	(15)	9	64
Fair value gain on investment property at fair value through profit or loss	1,150	730	1,150	730
Subsidies and incentives	3	14	40	32
Miscellaneous income	15	8	32	11
	2,100	3,354	3,552	5,330

Employee benefits

Included in cost of sales	151,222	249,565	421,675	485,349
Included in administrative expenses	8,158	9,303	17,651	18,545
	159,380	258,868	439,326	503,894

E. Notes to the condensed interim consolidated financial statements
(continued)

6. Profit before income tax (continued)

6.1 Significant items (continued)

	6 months ended		12 months ended	
	30 June 2025 A\$'000	30 June 2024 A\$'000	30 June 2025 A\$'000	30 June 2024 A\$'000
<u>Depreciation of property, plant and equipment and investment properties – leasehold land</u>				
Included in cost of sales	10,782	9,796	21,338	19,580
Included in administrative expenses	42	42	95	96
Total depreciation	10,824	9,838	21,433	19,676
<u>Finance cost</u>				
Corporate market loan and line fees	2,129	2,409	4,633	4,824
Lease liabilities	420	191	805	801
Other finance costs	346	239	446	430
	2,895	3,090	5,884	6,055
Included in cost of sales:				
Lease liabilities	1,976	1,806	3,797	3,528
Total finance costs	4,871	4,896	9,681	9,583

7. Related party transactions

The Group's main related parties are as follows:

Entities exercising control over the Group

The largest shareholders are James Finbarr Fitzgerald and Olive Theresa Fitzgerald (acting as trustees for the JF & OT Fitzgerald Family Trust) (19.22%) and Goldfirm Pty Ltd (acting as trustee for the Kariang Investment Trust) (19.18%). Patrick John Tallon is a beneficiary of the Kariang Investment Trust.

Key management personnel

Any person having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. Disclosures relating to Key Management Personnel is included in the Remuneration Report that is audited and forms part of the Directors' report.

The aggregate remuneration made to key management personnel is as follows:

	12 months ended	
	2025 A\$'000	2024 A\$'000
Short-term employee benefits	3,609	3,236
Long term benefits	(68) ¹	(42) ¹
Post-employment benefits	117	82
Share-based payments	1,092	1,329
Non-executive Directors' fees	354	313
	5,104	4,918*

Note:

* Figures have been updated to align with the criteria used in the current financial year.

1. Negative amount represents leave taken value greater than leave accrued during the year.

E. Notes to the condensed interim consolidated financial statements
(continued)

7. Related party transactions (continued)

Directors' interest in employee share benefit plans

At the end of the reporting date, the total number of outstanding share options and performance rights that were issued/allocated to the directors and key management personnel under existing employee benefit schemes is given below:

	2025 No.	2024 No.
Performance rights		
Directors	996,000	1,057,000
Key management personnel	332,000	-*

* Figures have been updated to align with the criteria used in the current financial year.

Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Newpark WA Pty Ltd (as Trustee for The Fitzgerald Newpark Family Trust) purchased steel and other materials at arm's length from Civmec Construction & Engineering Pty Ltd on 13 September 2024, valued at A\$142,000 (excluding GST) (2024: Nil).

There was no transaction with related parties during the current financial period.

8. Income tax expense

	6 months ended		12 months ended	
	30 June 2025 A\$'000	30 June 2024 A\$'000	30 June 2025 A\$'000	30 June 2024 A\$'000
Current income tax	3,814	14,494	14,567	28,063
Deferred income tax	3,703	(627)	3,950	(580)
	7,517	13,867	18,517	27,483
(Over)/under provision in prior years				
- Current income tax	-	-	4	71
- Deferred income tax	(452)	(9)	(482)	(472)
	(452)	(9)	(478)	(401)
	7,065	13,858	18,039	27,082
Deferred income tax expense on revaluation of freehold land and buildings recognised in other comprehensive income	12,586	13,628	12,586	13,628

E. Notes to the condensed interim consolidated financial statements
(continued)

9. Earnings per share

	6 months ended		12 months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Profit attributable to the owners of the Company (A\$'000)	16,043	32,515	42,536	64,409
Share capital (A\$'000)	32,812	32,358	32,812	32,358
Weighted average number of ordinary share issued				
- Basic	508,273,630	507,189,973	508,273,630	507,189,973
- Diluted	512,079,630	512,478,973	512,079,630	512,478,973
Earnings per ordinary share (A\$ cents)				
- Basic	3.16	6.41	8.37	12.70
- Diluted	3.13	6.34	8.27	12.57

Basic earnings per share is calculated by dividing the consolidated profit after tax attributable to the equity holders of the Company, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by adjusting basic earnings per share by the weighted average number of shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

As at 30 June 2025, the diluted earnings per share includes the effect of 6,089,000 unissued ordinary shares granted under 2024 Civmec Performance Rights Plan due to the performance targets are likely to be met. The effect of the inclusion is dilutive (2024: 5,289,000, dilutive).

10. Net asset value

	As at		As at	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Net assets attributable to owners (A\$'000)	530,773	488,479	43,704	55,776
Net asset value per ordinary shares based on issued share capital at the end of the respective periods (A\$ cents)	104.37	96.23	8.59	10.99

Net asset value per share is calculated by dividing the net assets attributable to the equity holders of the Company by the number of issued shares as at 30 June 2025 of 508,528,000 (2024: 507,591,000).

E. Notes to the condensed interim consolidated financial statements
(continued)

11. Property, plant and equipment

During the financial year ended 30 June 2025, the Group acquired assets amounting to A\$4,815,000 (2024: A\$25,210,000).

At the balance sheet date, the details of the Group's freehold land and buildings are as follows:

Location	Description / Existing use	Tenure
2-8 Stuart Drive, Henderson, Western Australia	Land and buildings / Operational readiness and logistics support facility	Freehold
16 Nautical Drive, Henderson, Western Australia	Buildings on leasehold land / Undercover waterfront, manufacturing, modularisation and maintenance facility	Leasehold land leases: i. 34-year lease from August 2010, with further 35 years option ii. 30-year lease from March 2014, with further 35 years option iii. 28-year lease from December 2016, with further 45 years option
35-39 Old Punt Road, Tomago, New South Wales	Land and buildings / Manufacturing facility and modular assembly laydown area	Freehold
Lot 324 Hematite Drive & Lot 325 Furnace Road, Wedgefield, Port Hedland Western Australia	Land and buildings / Manufacturing workshop and office facility	Freehold
10 Eucla Close, South Hedland Western Australia	Land and buildings / Accommodation support	Freehold
45 Bensted Road, Callemondah, Gladstone Queensland	Land / New facility to be constructed	Freehold
2 George Mamalis, Callemondah, Gladstone Queensland	Land and building / Workshop and office facility	Freehold

Freehold land and buildings carried at fair value

At 30 June 2025, an independent valuation was carried out by Asset Valuation Advisory on all the freehold land and buildings of the Group. The fair value is determined by the valuer on the highest and best use approach of each asset. Such valuation was determined using the Sales Comparison approach (to market-type properties), Hypothetical Development approach, Income Capitalisation approach and Depreciated Replacement Cost ('DRC') approach (to non-market-type properties). The fair value has been derived through a mix of Level 2 inputs where applicable and Level 3 inputs where the Valuer has deemed Level 2 inputs to be not applicable.

E. Notes to the condensed interim consolidated financial statements
(continued)

11. Property, plant and equipment (continued)

Freehold land and buildings carried at fair value (continued)

Details of the Group's freehold land and buildings and information about the fair value hierarchy as at 30 June 2025 and 30 June 2024 are as follows:

	Level 1 A\$'000	Level 2 A\$'000	Level 3 A\$'000	Fair value as at 30 June 2025 A\$'000
Freehold land	-	34,735	-	34,735
Buildings	-	11,945	413,963	425,908

	Level 1 A\$'000	Level 2 A\$'000	Level 3 A\$'000	Fair value as at 30 June 2024 A\$'000
Freehold land	-	29,485	-	29,485
Buildings	-	6,545	384,786	391,331

Level 2 fair value of the Group's freehold land and building have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes as disclosed in Note 4(a)(vi) to the financial statements. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

Valuation techniques used to derive Level 3 fair values

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3) as at 30 June 2025 and 2024:

Description	Fair value as at 30 June 2025 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	413,963	Depreciated Replacement Cost (DRC)	Depreciation rates	2% to 33%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,365 to A\$7,071	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 10%	The higher the profit margin, the higher the fair value.

E. Notes to the condensed interim consolidated financial statements
(continued)

11. Property, plant and equipment (continued)

Freehold land and buildings carried at fair value (continued)

Valuation techniques used to derive Level 3 fair values (continued)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3) as at 30 June 2025 and 2024 (continued):

Description	Fair value as at 30 June 2024 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	384,786	Depreciated Replacement Cost (DRC)	Depreciation rates	2% to 33%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,286 to A\$6,393	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 10%	The higher the profit margin, the higher the fair value.

The following table represents the changes in level 3 items for the financial years ended 30 June 2025 and 30 June 2024:

	2025 A\$'000	2024 A\$'000
At the beginning of the year	384,786	335,315
Acquisition	1,050	16,893
Depreciation	(9,840)	(8,463)
Gain on revaluation of buildings	37,967	41,041
Closing balance	413,963	384,786

There were no transfers between Level 1 and Level 2 during the year.

If the freehold land and building were stated on the historical cost basis, the carrying amount would be as follows:

	2025 A\$'000	2024 A\$'000
Freehold land*	22,648	20,042
Buildings	231,887	225,934
Accumulated depreciation	(48,763)	(41,484)
Net book value	205,772	204,492

*exclude freehold land under Asset under construction

E. Notes to the condensed interim consolidated financial statements (continued)

11. Property, plant and equipment (continued)

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. As at the balance sheet date, the net book value of property, plant and equipment that were under lease liabilities was A\$72,380,000 (2024: A\$67,847,000).

The carrying amount of property, plant and equipment that are pledged for security are as follows:

		2025 A\$'000	2024 A\$'000
Description	Borrowings		
Lease plant and equipment	Lease liabilities	38,393	36,167
Remaining property, plant and equipment	Corporate market loan, multi-option	529,777	496,673
		568,170	532,840

The details of the borrowings are disclosed in Note 14.

12. Investment properties

	Buildings A\$'000	Leasehold land A\$'000	Total A\$'000
2025			
Cost or valuation			
At 1 July 2024	15,990	2,597	18,587
Addition – ROU	-	158	158
Revaluation increase – recognise in profit or loss	1,150	-	1,150
At 30 June 2025	17,140	2,755	19,895
Accumulated depreciation			
At 1 July 2024	-	(128)	(128)
Depreciation for the year	-	(61)	(61)
At 30 June 2025	-	(189)	(189)
Net carrying amount			
At 30 June 2025	17,140	2,566	19,706
2024			
Cost or valuation			
At 1 July 2023	15,260	2,006	17,266
Addition – ROU	-	591	591
Revaluation increase – recognise in profit or loss	730	-	730
At 30 June 2024	15,990	2,597	18,587
Accumulated depreciation			
At 1 July 2023	-	(82)	(82)
Depreciation for the year	-	(46)	(46)
At 30 June 2024	-	(128)	(128)
Net carrying amount			
At 30 June 2024	15,990	2,469	18,459

E. Notes to the condensed interim consolidated financial statements
(continued)

12. Investment properties (continued)

Buildings carried at fair value

At 30 June 2025, an independent valuation was carried out by Asset Valuation Advisory on the investment properties of the Group. The fair value is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy due to its specialised nature which is not readily traded in the marketplace. At the balance sheet date, the investment properties held by the Group is as follows:

Location	Description / Existing use	Tenure
1 Welding Pass, Henderson, Western Australia	Buildings on leasehold land / Submarine rescue facility	Leasehold land leases: 28-year lease from April 2020, with further 22 years option Leasehold land sub-lease: 26-year and 4 months lease from July 2021, with 2 options to renew for a further 3 years each

The fair value measurement for the investment properties of A\$17,140,000 (2024: A\$15,990,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used.

Valuation techniques used to derive Level 3 fair values

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 30 June 2025 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	17,140	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,636	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 8%	The higher the profit margin, the higher the fair value.

Description	Fair value as at 30 June 2024 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	15,990	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,491	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 8%	The higher the profit margin, the higher the fair value.

E. Notes to the condensed interim consolidated financial statements
(continued)

12. Investment properties (continued)

Leasehold land carried at cost

The asset is depreciated on a straight-line basis over its lease term. The depreciation rate used is 2.1%.

(a) Investment properties is leased to non-related parties under operating leases.

Amounts recognised in profit or loss for investment properties

	6 months ended		12 months ended	
	30 June 2025 A\$'000	30 June 2024 A\$'000	30 June 2025 A\$'000	30 June 2024 A\$'000
Rental income	176	176	351	351
Direct operating expenses from investment property that generate rental income	(198)	(199)	(419)	(348)

(b) The carrying amount of investment properties that are pledged for security is as follows:

<u>Description</u>	<u>Borrowings</u>	As at	
		30 June 2025 A\$'000	30 June 2024 A\$'000
Investment properties	Corporate market loan, multi-option	19,706	18,459

13. Investment in subsidiaries

Following the Restructure, Civmec Singapore Limited (previously named 'Civmec Limited') has become a subsidiary of Civmec Limited (previously named 'Civmec Australia Limited').

Additionally, Civmec Construction & Engineering Africa Ltd was deregistered during the financial year ended 30 June 2025.

These changes did not have a material effect on the net asset value of either the Group or the Company.

E. Notes to the condensed interim consolidated financial statements
(continued)

14. Borrowings

	As at		As at	
	30 June 2025 Secured A\$'000	30 June 2025 Unsecured A\$'000	30 June 2024 Secured A\$'000	30 June 2024 Unsecured A\$'000
Amount repayable in one year or less, or on demand:				
Corporate market loan	-	-	8,000	-
Amount repayable after one year, or on demand:				
Corporate market loan	60,000	-	56,000	-
Total borrowings	60,000	-	64,000	-

Corporate market loan

The Group is required by the banks to maintain certain financial ratios such as leverage ratio, tangible net worth and debt service cover ratio. As at 30 June 2025, the Group met all of these financial covenants.

As at 30 June 2025, the Group has a commercial bank facility amounting to A\$86 million (2024: A\$64 million) which was 69.8% utilised (2024: fully utilised). The facility limit reduces by A\$2 million per quarter with borrowings within A\$8 million of the facility limit becoming a current liability. At the balance sheet date, the Group does not require any repayments within the next 12 months. Interest rates are variable and ranged between 4.98% to 5.55% (2024: 5.02% to 5.47%) per annum during the current financial year.

Multi-option facility

The Group has a multi-option facility of A\$70 million (2024: A\$70 million) which was 4.6% utilised as at 30 June 2025 (2024: not utilised). It can be used for revolving commercial loan, bank guarantees and letter of credit. Interest rates are fixed at the time of drawing, except for (1) revolving commercial loan with variable interest rates and (2) bank guarantees on which incur with issuance fee and service fee instead of interest.

General security deed

Both the commercial bank and multi-option facilities are secured by certain property, plant and equipment and investment properties as disclosed in Note 11 and Note 12 to the financial statements.

E. Notes to the condensed interim consolidated financial statements
(continued)

15. Share capital

Fully paid ordinary shares

	30 June 2025		30 June 2024	
	No. of shares	A\$'000	No. of shares	A\$'000
At the beginning of the year	507,606,000	32,358*	505,132,000	31,350*
Share issued during the year				
- Conversion of performance rights	937,000	464	2,324,000	897
- Conversion of share options	-	-	150,000	111
Cancellation of treasury shares	(15,000)	(10)	-	-
At the end of the year	508,528,000	32,812	507,606,000	32,358

* Reclassification of previously vested equity-settled employee benefits relating to prior financial years.

During the current financial year, all shares held in Civmec Singapore Limited (formerly named Civmec Limited) were acquired by Civmec Limited (formerly named Civmec Australia Limited) in exchange for shares in Civmec Limited on a 1:1 basis. This transaction was completed under a scheme of arrangement as part of the Restructure.

The ordinary shares of the Company have no par value. All issued ordinary shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share without restrictions at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

During the current financial year, 937,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel ('KMP') and other management.

Treasury shares

During the current financial year, all the 15,000 treasury shares were cancelled in Civmec Singapore Limited.

As at 30 June 2025, there were no treasury shares held by the Company (2024: 15,000).

E. Notes to the condensed interim consolidated financial statements (continued)

16. Share-based payments

Performance rights plan

Following the Restructure, the 5,289,000 existing performance rights issued under Civmec Singapore Limited (formerly named Civmec Limited) were cancelled and replaced with new performance rights issued under Civmec Limited (formerly named Civmec Australia Limited). These were issued equal in number to, and on the same terms and conditions as the existing performance rights, with the exception that the new performance rights, on conversion, convert into shares. The new performance rights are subject to the same vesting criteria.

The new Performance Rights Plan ('PRP') for key senior executives of the Group was approved and adopted at the Extraordinary General Meeting ('EGM') held on 1 August 2024. The PRP is called the "2024 Civmec Key Senior Executives Performance Rights Plan".

A Performance Right refers to a right to one issued ordinary share of the Company granted under the scheme for no consideration. To the extent the gateway hurdles are satisfied, 100% of the vesting will be based on the absolute earnings per share (aEPS) outcome. aEPS is based on the achievement of certain predetermined performance targets determined by the Committee. The Committee has the discretion to determine whether the performance targets have been met.

The balances of outstanding Performance Rights are as follows:

	Issued	Vested	Forfeited/ Lapsed/ Expired	Balance	Fair value per right (AUD) ⁽¹⁾
Tranche 5: Performance period 1 July 2021 to 30 June 2024 (Granted in FY2022)	1,773,000	(937,000)	(836,000)	-	\$0.50
Tranche 6: Performance period 1 July 2022 to 30 June 2025 (Granted in FY2023)	2,134,000	-	(84,000)	2,050,000	\$0.51
Tranche 7: Performance period 1 July 2023 to 30 June 2026 (Granted in FY2024)	1,817,000	-	(61,000)	1,756,000	\$0.63
Tranche 8: Performance period 1 July 2024 to 30 June 2027 (Granted in FY2025)	2,283,000	-	-	2,283,000	\$0.69
Balance as at 30 June 2025				6,089,000	

Note:

(1) The fair value per right at grant for all tranches is determined using the Black-Scholes Model. This takes into account the share price at the grant date, the term of the right, the exercise price, expected price volatility, exercise probability, the risk-free interest rate over the term of the right, and the expected dividend yield.

For the financial year ended 30 June 2025, the Group has recognised A\$354,000 of equity-settled share-based payment expense (2024: A\$365,000).

17. Asset revaluation reserve

	2025 A\$'000	2024 A\$'000
At the beginning of the year	160,219	129,577
Gain on revaluation of freehold land and buildings	42,501	44,270
Deferred tax liability arising on revaluation	(12,586)	(13,628)
At the end of the year	190,134	160,219

E. Notes to the condensed interim consolidated financial statements
(continued)

18. Other reserves

	2025 A\$'000	2024 A\$'000
Merger reserve	7,578	7,578
Waiver of loan payable to a related party	277	277
Equity-settled employee benefits reserve	1,216	1,567*
	9,071	9,422

* Reclassification of previously vested equity-settled employee benefits relating to prior financial years.

(a) Merger reserve

Pursuant to the completion of the previous Restructuring Exercise in financial year 2012, the share capital of Civmec Construction & Engineering Pty Ltd and Controlled Entities was adjusted to merger reserve based on the 'pooling of interest method'.

(b) Equity-settled employee benefits

The equity-settled employee benefits reserve relates to share options granted to employees under the employee share option plan and performance rights. Following the expiry of employee share option plan, the associated reserve balance was transferred to retained earnings, reflecting the lapse of the related equity instruments.

19. Contingent liabilities

The Group is, in the normal course of business, required to provide guarantees in respect of their contractual performance related obligations. These guarantees and indemnities only give rise to a liability in the event that it is unable to perform its contractual obligations.

As at 30 June 2025, the Group has given the following:

	2025 A\$'000	2024 A\$'000
Bank guarantees	2,442	2,442
Surety bond facility	183,608	137,266
	186,050	139,708

The surety bond facility is provided for the provision of performance bonds to customers of the Group. It has a limit of A\$400 million (2024: A\$403 million) as at 30 June 2025.

There were no contingent assets recognised as at 30 June 2025 or 30 June 2024.

20. Subsequent events

Acquisition of Luerssen Australia Pty Ltd

On 1 July 2025, the Group has completed the acquisition of 100% of the shares in Luerssen Australia Pty Ltd from NVL Australia GmbH, for a cash consideration of A\$20 million. The acquisition was funded from the Group's existing cash reserves. It is the intent that, Luerssen Australia will be renamed to "Civmec Defence Industries Pty Ltd".

The Group is not in a position to present information related to the acquisition fair value of the assets acquired and liabilities assumed along with any goodwill that may arise from the acquisition of Luerssen Australia Pty Ltd due to the proximity of the acquisition date of 1 July 2025 to the date of release of these financial statements.

F. Other information required by Listing Rule Appendix 7.2

1 Review

These figures have not been audited or reviewed.

2 Review of performance of the Group

Statement of profit & loss and other comprehensive income

2H2025 vs 2H2024

Revenue for six months ended 30 June 2025 ('2H2025') decreased 43.1% to A\$307.7 million from A\$541.1 million for the six months ended 30 June 2024 ('2H2024') mainly due to reduced activity levels following the completion of some major contracts.

Gross profit for 2H2025 decreased 36.7% to A\$37.2 million from A\$58.7 million in 2H2024 reflecting the decrease in revenue. The gross margin, however, improved to 12.1% from 10.9%.

Other income decreased by 37.4% to A\$2.1 million in 2H2025 compared to 2H2024 mainly due to lower interest income earned from bank accounts. This was partially offset by an increase in fair value revaluation gain on investment property.

Administrative expenses slightly increased by 1% in 2H2025 compared to 2H2024, primarily due to company listing fees and provision for tax consultant fees incurred for the change in domicile of the parent company.

Finance costs slightly decreased by 6.3% in 2H2025 compared to 2H2024 resulting from a reduced reliance on borrowing facilities during the current financial period.

Net profit attributable to shareholders decreased by 50.7% to A\$16.0 million in 2H2025, down from A\$32.5 million in 2H2024. The decline was mainly due to lower gross profit and reduced other income during the current financial period.

2H2025 vs 1H2025

Revenue for the half-year ended 30 June 2025 ('2H2025') decreased 38.8% to A\$307.7 million from A\$502.9 million for the half-year ended 31 December 2024 ('1H2025') mainly due to decreased activity levels of the Group during the current financial period.

Gross profit for 2H2025 was 33.4% lower than 1H2025, decreasing from A\$55.8 million to A\$37.2 million.

Administrative expenses decreased by 21.0% in 2H2025 compared to 1H2025 primarily due to higher consultant fees incurred in 1H2025 related to the change in domicile of the parent company.

Net profit attributable to shareholders decreased by 39.4% to A\$16.0 million in 2H2025, down from A\$26.5 million due to decreased revenue and reduced gross profit in the current financial period.

F. Other information required by Listing Rule Appendix 7.2 (continued)

2 Review of performance of the Group (continued)

Statement of profit & loss and other comprehensive income (continued)

FY2025 vs FY2024

For the twelve months ended 30 June 2025 ('FY2025') revenue decreased 21.6% to A\$810.6 million, down from A\$1.0 billion for the twelve months ended 30 June 2024 ('FY2024') mainly due to reduced activity levels following the completion of major contracts.

Gross profit for FY2025 decreased 21.9% to A\$92.9 million, down from A\$119.0 million in FY2024, reflecting the decline in revenue. However, gross profit margins remained steady at 11.5%.

Other income for FY2025 decreased 33.4% to A\$3.6 million from A\$5.3 million in FY2024 mainly due to lower interest income earned from bank accounts. This was partially offset by an increase in fair value revaluation gain on investment property.

Administrative expenses for FY2025 increased by 10% compared to FY2024 mainly due to company listing fees and provision for tax consultant fees incurred for the change in domicile of the parent company.

Finance costs for FY2025 decreased 2.8% to A\$5.9 million, down from A\$6.1 million in FY2024 due to reduced reliance on borrowings during the current financial period and lower interest rates payable on those borrowings.

Net profit attributable to shareholders decreased 34.0% to A\$42.5 million in FY2025, down from A\$64.4 million in FY2024. This was primarily driven by lower revenue, resulting in reduced gross profit, alongside higher administrative expenses that further impacted the bottom line.

Business segments

Revenue for the Energy segment increased 110.0% to A\$65.2 million (FY2024: A\$31.0 million) due to the higher activity levels undertaken in this sector. Gross profit increased 86.4% to A\$8.1 million, up from A\$4.3 million in FY2024.

Revenue for the Resources segment decreased 26.8% to A\$641.2 million (FY2024: A\$876.5 million) due to lower activity levels. Gross profit for the sector decreased by 49.4% to A\$48.9 million, down from A\$96.8 million in FY2024.

Revenue for the Infrastructure, Marine & Defence segment decreased 17.3% to A\$104.2 million (FY2024: A\$126.0 million) due to lower activity levels. Gross profit for the sector, however, increased by 100.4% to A\$35.9 million in FY2025, up from A\$17.9 million in FY2024. The increase was mainly due to the timing of profit recognition from the completed Boorloo Bridge project (known as the Causeway Pedestrian and Cyclist Bridges).

F. Other information required by Listing Rule Appendix 7.2 (continued)

2 Review of performance of the Group (continued)

Statement of financial position

Total shareholders' equity increased to A\$530.8 million as at 30 June 2025, up from A\$488.5 million as at 30 June 2024 as a result of profit earned in the year and revaluations of freehold land and buildings being partially offset by dividends paid.

Trade and other receivables decreased to A\$52.3 million as at 30 June 2025 from A\$94.6 million as at 30 June 2024 mainly due to reduced activity levels and cash received from customers during the current financial year.

Contract assets decreased to A\$155.0 million as at 30 June 2025 from A\$173.6 million as at 30 June 2024 reflecting the timing of payment claims and revenue recognition on current projects.

Trade and other payables decreased to A\$86.8 million as at 30 June 2025 from A\$153.1 million as at 30 June 2024 due to the reduced activity levels of the Group. Contract liabilities increased to A\$71.4 million as at 30 June 2025 from A\$49.3 million as at 30 June 2024 reflecting the timing of payment claims and revenue recognition on current projects.

Cash and cash equivalents as at 30 June 2025 were A\$102.9 million increasing from A\$88.5 million as at 30 June 2024 mainly due to improved working capital management and reduced capital expenditures.

Property, plant and equipment increased to A\$568.2 million as at 30 June 2025 from A\$532.8 million as at 30 June 2024 mainly attributable to the revaluation increment on freehold land and buildings, re-measurement of existing right-of-use assets due to price escalation, capital works and new equipment, which is partially offset by the depreciation expenses for the current financial year.

Overall lease liabilities increased to A\$60.5 million as at 30 June 2025 as a result of new leases and re-measurement of existing leases due to increased price escalation during the current financial year, offset by the repayment of principle lease liabilities.

Overall borrowings decreased to A\$60.0 million as at 30 June 2025, down from A\$64.0 million as at 30 June 2024. The Group made quarterly repayments of A\$4.0 million, as required under the terms of the previous banking facility. The facility was subsequently restructured with higher credit limit thresholds, and as a result, the quarterly repayment was not required at the closing date.

Statement of cash flows

Overall cashflow before working capital changes was A\$89.3 million for the twelve months ended 30 June 2025 ('FY2025') compared to A\$116.5 million for the twelve months ended 30 June 2024 ('FY2024') reflecting the lower revenue and profit before tax earned in the period.

Cash generated from operations increased to A\$97.8 million for FY2025 compared to A\$96.9 million in FY2024 reflecting improved working capital management in the period. The net cash generated from operating activities decreasing to A\$60.9 million for FY2025 compared to A\$71.4 million mainly due to income tax payment in the period.

Capital expenditure totalling A\$4.8 million was made during the year, primarily for the acquisition of new plant and equipment to support the Group's operational efficiency initiatives.

The Group made net repayment of A\$4.0 million on borrowings and repayments against leases of A\$7.2 million in FY2025. During the year, the Group also paid a final dividend of A\$17.8 million relating to the financial year ended 30 June 2024 and an interim dividend of A\$12.7 million relating to the financial year ended 30 June 2025.

As at 30 June 2025, the Group's cash and cash equivalents were A\$102.9 million, an increase from A\$88.5 million as at 30 June 2024.

F. Other information required by Listing Rule Appendix 7.2 (continued)

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement has previously been disclosed.

4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Civmec is an integrated multi-disciplinary heavy engineering, construction and maintenance provider to the Energy, Resources, Infrastructure, Marine & Defence sectors.

Whilst the Group continues to maintain its strong relationship with long-term customers, the previously observed shift in market conditions has eventuated, resulting in delays to key project awards and rescheduling of project timelines impacting activity levels in 2H FY25 and 1H FY26. Despite this, tendering activity remains strong, and market outlook is improving, with indications that activity levels will increase in 2H FY26.

As of 1 July 2025, the Group has successfully completed the acquisition of Luerksen Australia Pty Ltd. This acquisition is expected to result in increased activity within the Group's Infrastructure and Defence segments. The Group has also observed positive market conditions within its Balance Machine business unit with an increase in interest and client engagement.

The Group continues to focus on maintaining a strong pipeline of tendering activities and exploring new revenue streams to ensure sustained growth and profitability.

F. Other information required by Listing Rule Appendix 7.2 (continued)

5 Dividend information

(a) Any dividend declared for the current financial period reported on?

Name of dividend	Final (foreign sourced)
Dividend type	Cash
Dividend amount per share	3.5 Australian Cents
Tax rate	Tax exempt
Number of shares	508,528,000

Note: for Australian tax resident shareholders the dividend payable is fully franked.

(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Final (foreign sourced)
Dividend type	Cash
Dividend amount per share	3.5 Australian Cents
Tax rate	Tax exempt
Number of shares	507,591,000

(c) Date payable

24 October 2025

(d) Book closure date

Share Transfer Books of Civmec Limited (the "Company") will be closed on 15 October 2025, for the preparation of dividend warrants to the proposed tax exempt (Foreign Sourced) Final dividend of A\$0.035 for the financial year ending 30 June 2025 ("Final Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to 5:00 p.m. on 14 October 2025 ("Record Date") by the Company's Share Registrars will be registered to determined Members' entitlements to the Interim Dividend. Depositors who Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5:00 p.m. on the Record Date will be entitled to the Final Dividend.

6 Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

There was no interested person transactions conducted under shareholders' mandate for the six months ended 30 June 2025.

7 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

F. Other information required by Listing Rule Appendix 7.2 (continued)

8 Review of performance of the Group – turnover and earnings

Please refer to section E4 and F2 for further details.

9 Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

ON BEHALF OF THE BOARD



James Finbarr Fitzgerald

Executive Chairman

28 August 2025