ANNUAL REPORT 2026

ACN 672 407 171
ASX:CVL | SGX:P9D



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About This Report

The purpose of this report is to provide stakeholders with information relating to the Civmec Group's financial, operational and sustainability performance for the financial year of 1 July 2025 to 30 June 2026 (FY26). Civmec Limited (Australian Company Number 672 407 171) is the ultimate holding company of the Civmec group of companies. It is dual listed on the ASX (ASX:CVL) and SGX (SGX:P9D). In this report, unless otherwise stated, references to 'Civmec', the 'Group', the 'Company', 'we', 'us' and 'our' refer to Civmec Limited and its controlled entities. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated.

Annual General Meeting

The 2026 Annual General Meeting (AGM) of Civmec Limited will be held at 10:30am (AWST/Singapore time) on 30 October 2026 at the Carlton Hotel Singapore, 76 Bras Basah Road, Singapore 189558.







Above: Alcoa Reclaimer RC001
Right: BHP Car Dumper CD4
Cover: Dalrymple Bay Shiploader

Acknowledgement of Country

Civmec acknowledges the Traditional Custodians and their Ancestors of the lands across Australia where we conduct our business. We recognise and respect their continuing connection to land, waters and community. We pay respect to all Aboriginal and Torres Strait Islander peoples throughout Australia, and to their Elders past and present.

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Business Overview



Perth Park



Eneabba Rare Earths Refinery



NUSHIP Pilbara

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ABOUT CIVMEC

Company Vision

At Civmec, our vision is to grow sustainably, delivering mutually beneficial outcomes for all stakeholders. Our culture, the way we think and operate, is underpinned by our values.

Commitment
Our individual commitment facilitates our success.

Innovation
Our innovative approach drives continuous improvement.

Value Driven
Our performance driven culture delivers value.

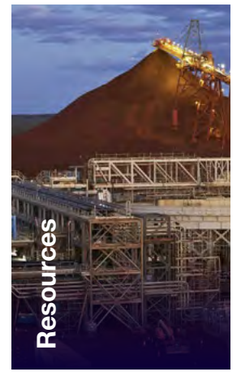
Make a Difference
Our ability to influence and challenge drives sustainability.

Excellence
Our pursuit of excellence makes us a world-class service provider.

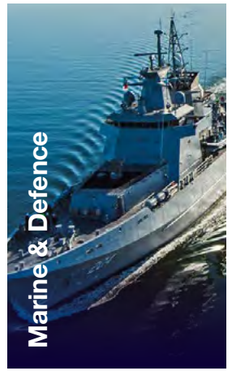
Collaboration
Our focus on working together drives sustainable partnerships.

Operating Sectors









Civmec is a proudly Australian company delivering integrated, multidisciplinary services across the energy, resources, infrastructure, marine and defence sectors. Since our establishment in 2009, we have built a strong and diversified business from the ground up.









Our two major manufacturing and assembly facilities are in Henderson, Western Australia's premier industrial and marine precinct, and Tomago, in close proximity to the industrial port of Newcastle, New South Wales. We also have facilities in the northern regional areas of Western Australia and Queensland at Port Hedland and Gladstone.

Over the years, we have invested deliberately in our locations, facilities, people and equipment, allowing us to deliver consistently and at scale. We have grown and strategically evolved, aligning our capabilities with the needs of our clients and with Australia's broader national priorities.

Safety, quality and innovation are central to how we work, and our people understand and take pride in that. Equally, we are committed to our responsibilities to the environment and the communities in which we operate.

Our diversified business model is a long-term strategy we have held from the beginning. It gives us stability when markets shift and room to grow when conditions are right, making us a more reliable partner for our clients, and a more resilient business for our shareholders.

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EXECUTIVE CHAIRMAN'S STATEMENT

Executive Chairman James Fitzgerald

HMAS Eyre

On behalf of the Board of Directors of Civmec Limited, I am pleased to present the Civmec Limited Annual Report for the year ended 30 June 2026 (FY26).

FY26 was a positive and productive year for Civmec, with many notable highlights. Activity levels increased, we continued to see growth across our sectors and our order book climbed, closing the year at A$1.4 billion. We also continued to build our reputation for delivering iconic projects, with the award of the Perth Park project further strengthening our presence in the infrastructure sector. This performance reflects the strength of our long-term strategy as well as the efforts of our people, who have continued to deliver with safety and quality at the forefront.

Financial

The financial year began with the acquisition of Luerssen Australia on 1 July 2025, including all assets, licences and employees, funded by our existing cash reserves. Its subsequent renaming to Civmec Defence Industries (CDI) was a significant moment, and one that formalised our long-term commitment to building a unified, sovereign defence capability under the Civmec banner.

During FY26, we saw the benefits of the significant tendering and business development undertaken in recent years, with a range of awards secured across our operating sectors. This translated into growth across the business, with revenue, EBITDA, NPAT and the order book all increasing, providing a strong platform as we enter FY27. At year end, revenue stood at A$903.0 million, EBITDA at A$107.3 million and NPAT at A$52.1 million. Importantly, a number of these contract awards were strategically significant opportunities that strengthened our outlook and reinforced our position across the key sectors.

These positive results are particularly noteworthy given this year's backdrop of global uncertainty, persistent inflation and supply chain pressures, including fuel availability constraints.

Despite these challenges, our disciplined risk management and proactive planning enabled us to navigate the environment effectively and maintain consistent project delivery throughout the period.

Dividends

Returning value to shareholders in a consistent and sustainable manner remains a priority for the Board. Our interim dividend for 1H FY26 was 2.5 Australian cents per share. The Board has declared a final cash dividend of 3.5 Australian cents per share, to be paid in October 2026. This brings our total dividend for the year to 6.0 Australian cents per share and the total returned to investors since 2012 to A$155.5 million.

People

Investing in the next generation of our industry is something we take pride in, and our career development programs continue to be a significant strength. During FY26, we engaged over 4,000 people across our operations through direct and contract hire, including more than 130 apprentices, trainees and graduates. Our Registered Training Organisation (RTO) delivered in excess of 1,250 units of training, while our specialised Defence Industries Pathways Program hosted a team of trainees as part of our continued commitment to developing a skilled and future-ready workforce.

Few businesses, if any, can match the diversity of work undertaken across the Civmec Group. From the construction of Offshore Patrol Vessels and complex subsea manufacturing to the delivery of major public infrastructure projects and the design of bulk materials handling equipment, our operations encompass a broad range of sectors and disciplines. Combined with our extensive involvement in both onsite construction and offsite manufacturing, this breadth of variety within a single company is rare, and it is something we are proud to offer our people.

We continued to welcome people to our facilities, including students, government representatives and other stakeholder groups. For the first time at Henderson, we also hosted a group of teachers from across Western Australia's south-west, giving them the opportunity to experience our operations firsthand and share those insights with future generations.

From a leadership perspective, FY26 marked the end of Kevin Deery's tenure as a Board member and executive of the company. Kevin served Civmec in several senior roles over many years, including Chief Operating Officer, Acting Chief Financial Officer and Board member. His knowledge and overall contribution to the business during that time have been hugely significant, and on behalf of the Board, I would like to extend our sincere gratitude to him. I am pleased that Kevin remains engaged with the business, where we will continue to benefit from his guidance in an advisory capacity.

Succession planning has long been a focus for the company, which is why this transition occurred without disruption. Earlier in FY26, we restructured the executive team, establishing Executive General Manager (EGM) roles for both our western and eastern operations and introducing an EGM for People and Culture. Given the scale of the changes during the year, I am particularly pleased with how smoothly the transition was managed and how quickly the business adapted to the new structure while maintaining strong operational performance. Further detail on these appointments can be found on page 20-21. With a combined tenure of over 50 years at the company between our four EGMs, I am confident of the energetic and focused leadership team we have in place to take us forward.

Sustainability

Throughout the year, we continued to look for practical opportunities to reduce our overall environmental impact. We made progress on our goals to increase electrification and reduce carbon emissions, introducing our first fleet of hybrid vehicles to the Henderson facility and testing the use of hybrid vehicles in our fleet, as well as investing in energy-efficient upgrades to lighting and equipment.

Our solar PV installations at Newcastle and Henderson are delivering cost-saving benefits and reducing our energy emissions. In this year alone, they have achieved 135 tCO_2e (metric tonnes of carbon dioxide equivalent) of avoided greenhouse gas emissions.

Civmec is also playing an increasingly important role in supporting clients and projects that are shaping Australia's energy transition. This year, we expanded our project experience beyond lithium and rare earths to include critical minerals, green infrastructure and low-emission technologies.

Seeing Civmec contributing in a meaningful way to a lower carbon economy is something I am genuinely proud of, and I encourage stakeholders to read our green energy transition case study on page 55, which highlights some of the work we have been doing in this space.

Outlook

Our diversification again proved its worth in FY26, providing us with the flexibility to pursue opportunities across multiple sectors and better our financial performance, despite the economic pressures in effect. Heading into FY27 with an order book of A$1.4 billion, I view our outlook with optimism.

We are well placed to participate in the government's multi-billion-dollar planned developments at the defence precinct in Henderson, as well as play a lead role in reinforcing Australia's future sovereign shipbuilding capability.

Our Original Equipment Manufacturer (OEM) balanced machines division continues to deliver on existing projects. The engineering team is also supporting clients as they evaluate options for the full or partial replacement or refurbishment of ageing fleet assets that will require attention over the next decade to ensure they continue operating at high capacity.

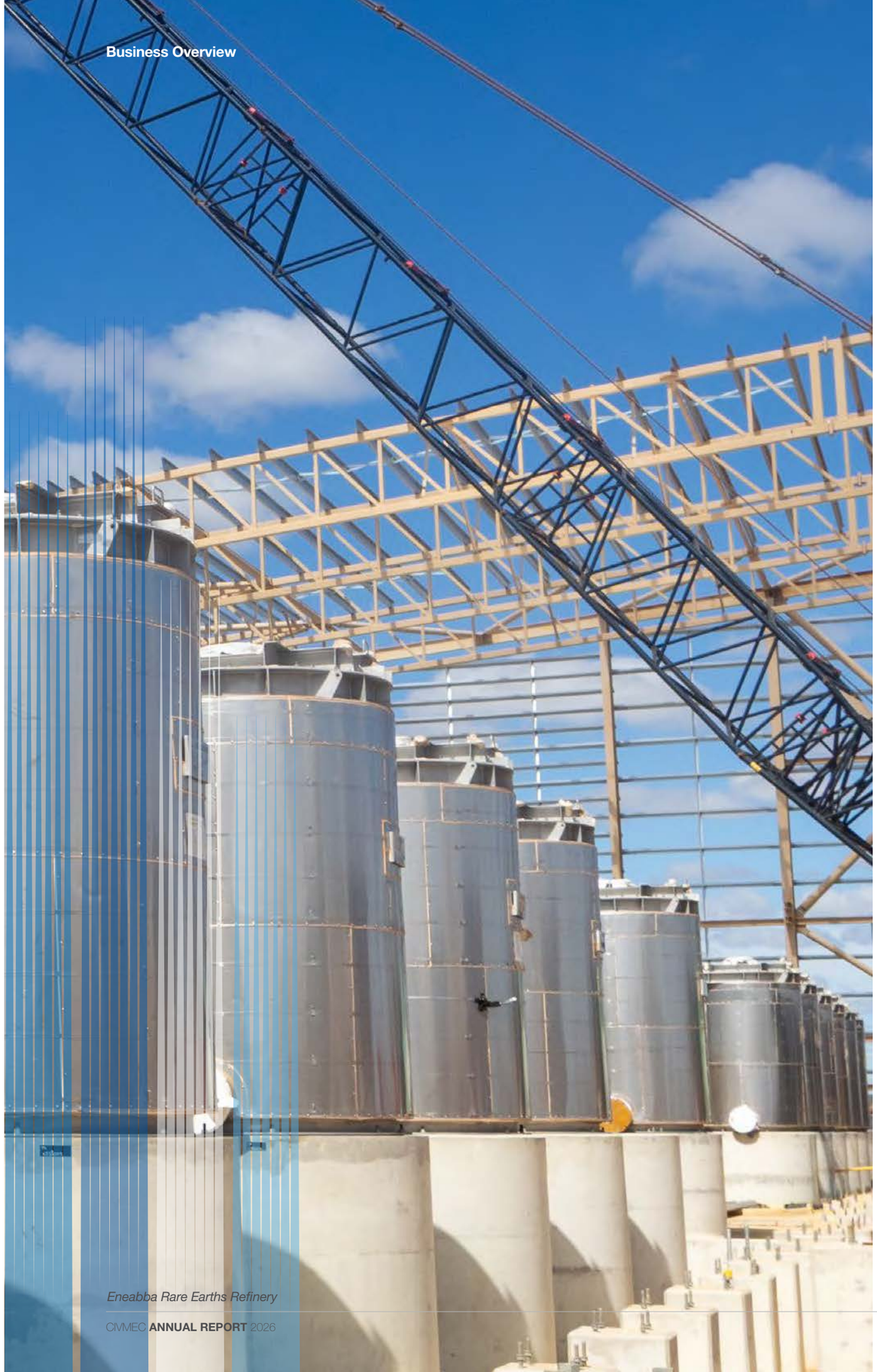
With our Port Hedland and Gladstone facilities now well established and advancing, I look forward to further opportunities in maintenance and capital works as clients continue to experience the benefits of our local offering. Beyond the commercial outcomes, it is pleasing to see the positive contribution these facilities are making in their communities. Through local employment, support for regional businesses and the ability to undertake work closer to our clients' operations, our regional footprint is creating social, economic and environmental benefits that extend well beyond the projects we deliver.

Looking ahead to FY27, we do so with a strong order book, an experienced leadership team and a growing pipeline of opportunities across our key sectors. While there is always work to be done, we are well placed to build on the progress of the past year and continue delivering long-term value for our stakeholders. I would like to thank our shareholders, clients, delivery partners, employees and my fellow Board members for their continued support throughout the year. As always, we could not do this without you.



James Fitzgerald
Executive Chairman
Civmec Limited

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Eneabba Rare Earths Refinery

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CHIEF EXECUTIVE OFFICER'S REPORT

CEO Patrick Tallon

Eneabba Rare Earths Refinery

Business Overview

When I reflect on FY26, what most stands out to me is the value diversification brings to our business. Operating across energy, resources, infrastructure, marine and defence provides us with a wide range of opportunities and an exciting contrast of projects at any given time. It allows us to manage the cycles across the different sectors and, as we saw this year, when several areas perform strongly at the same time it creates a tangible lift in momentum.

I really feel that FY26 demonstrated our resilience. While construction activity moderated from the levels experienced in previous years, the business continued to benefit from a strong pipeline of opportunities and solid project execution. This enabled us to keep growing our workload, replenishing the order book and delivering strong results.

I am pleased to report that in FY26 we secured work across every sector, delivered projects safely and successfully, and continued to strengthen our valued client relationships.

Operations

We experienced a considerable uplift in activity levels in FY26, replenishing our order book with multiple large-scale projects as well as recurring, smaller contracts that support a sustainable and diversified revenue base. This included further works awarded by BHP on the Port Hedland Debottlenecking Project 2 (PDP2), follow-on works from Chevron Australia on the Gorgon Carbon Capture and Storage (CCS) project, and additional scope from Iluka Resources after the continued successful delivery of tanks and civils at the Eneabba Rare Earths Refinery. When clients return with more work, it is a sign that safety performance, quality standards, and the client-contractor relationships are where they need to be.

The award of the Perth Park construction project was a major highlight. To be involved in building another city landmark, alongside the Civmec-built Perth Stadium and Matagarup, Boorloo and Perth Kids' bridges, is something we are all immensely proud of, and something the people of Perth will be able to enjoy for generations.

In the defence space, we celebrated several important milestones on the OPV program, including the keel laying of NUSHIP *Carpentaria*, the delivery and commissioning of HMAS *Eyre*, and the launch of NUSHIP *Pilbara*. These milestones further demonstrate our growing capability in sovereign shipbuilding and reinforce our position as a trusted delivery partner to Australia's defence industry.

Our OEM balanced machines design team continued to deliver projects during the year, with our first design-and-construct machine reaching trial assembly. This was an important achievement for the division and demonstrated the strength of our in-house engineering and delivery capability.

Our maintenance facilities have continued gaining traction with increased utilisation across both geographical locations. Clients are engaging us on approved expansion, sustaining and maintenance work as well as feasibility estimates, and our proximity to their assets is proving to be a genuine advantage. Being awarded our first rotables contract at Port Hedland was an encouraging result and a good indicator of where that part of the business is headed.

This year, we also experienced a notable increase in Early Contractor Involvement (ECI) engagements across multiple commodities, locations and divisions. These tended to be larger, more complex work packages, and our multidisciplinary, vertically integrated model is well suited to them. While such engagements are not a guarantee of an eventual award, it does place us in a good position for the tender process.

Increasingly, we are being invited into project discussions earlier, reflecting the confidence clients have in our capability and the value they see in working alongside Civmec. We expect that trend to continue.

People

At Civmec, our workplace culture is something I, personally, am very proud of and is something we strive to improve on year on year. It was especially pleasing to see our Newcastle operations achieve a year with no recordable injuries, which is a commendable result and evidence that a zero-harm workplace is achievable.

The restructure of our leadership team was a substantial undertaking, and I am pleased that we were able to fill these roles from within. That does not happen without planning and a commitment to developing people over time. The structure we now have in place, with operations split across two geographical regions, is working well, and I have a high level of confidence in the ability and dedication of the team around me.

I also want to take a moment to acknowledge Kevin Deery. Kevin has been an outstanding colleague and has led our operations since 2012. Over many years, he played an integral role in the shaping of our operations and business overall. I am grateful for everything he has contributed to Civmec and thankful he has chosen to remain with us in an advisory role.

Our career development pathways and leadership programs continued to progress this year, and we kept pushing forward on diversity. The introduction of the Balance the Scales: Women in Paint and Blast program was a real success, leading to the recruitment of many new team members to our Henderson paint and blast operation. I wish them well through the 12-month program and look forward to seeing where their careers take them thereafter.



Sustainability

The safety of our people is always our highest priority. I am pleased to report that our Total Recordable Injury Frequency Rate (TRIFR) has continued its downward trend of the past two years and, for the second consecutive year, we achieved a Lost Time Injury Frequency Rate (LTIFR) of zero. These types of improvements do not happen without consistent effort from management and the workforce at every level of the business.

On the environmental side, we continued our important works in the green energy space again this year. That work aligns with where our clients are heading, and it is a space we intend to keep developing.

In the community, we continued to live out our value of making a difference by supporting local charities and not-for-profits, donating to schools, sponsoring local sporting clubs, and maintaining our commitment to those experiencing homelessness. This year, I once again took part in the Vinnies CEO Sleepout, raising almost A$150,000 to support people facing homelessness. My sincere thanks to everyone who backed me: our delivery partners, our people, and my friends and family. It is a cause close to me, and the generosity shown across this business is something I am grateful for.

Innovation

We are always looking for ways to work more efficiently and deliver better outcomes for our clients and our people. Innovation plays an important role in achieving this, with initiatives implemented across various parts of the business during the year.

One of the highlights was the continued advancement of efficiencies and technologies within the OPV program. This included introducing organisational improvements and streamlining processes and systems to support the transition from CDI to Civmec systems. We also further developed our in-house capabilities in immersive technologies and spatial computing, including augmented, virtual and mixed reality, which are delivering practical benefits across our operations.

Another highlight was the rollout of our new employee benefits program. To provide our people with a broader and more accessible range of discounts and benefits, we launched an enhanced employee benefits mobile application across our operations, nationally.

Outlook

Looking ahead, we will continue to pursue improvements in operational efficiency through technology and productivity initiatives.

We are aware of many existing and upcoming opportunities across all the sectors in which we operate, with particularly high levels of activity in the resources sector, where we are well positioned to capitalise on opportunities across the west and east coasts of Australia.

The imminent requirement for significant infrastructure upgrades to accommodate both shipbuilding and sustainment programs for the Commonwealth of Australia will create a new pipeline of opportunities for us. This will also include a requirement for upgrades to the transport corridors that service this strategic area that we call home.

We continue to realise improvements across our current OPV shipbuilding program, which will place us in good stead to be considered for the many future programs earmarked for delivery from the Henderson Defence Precinct when it is fully developed. We also remain well placed for upcoming balanced machines upgrade and replacement requirements, and we will continue to actively engage with clients across approved expansion, sustaining capital and maintenance projects.

Our experience in delivering iconic structures across the Perth landscape continues to open doors to high-value project opportunities, and we look forward to moving into the construction phase of the Perth Park project. We will continue to tender strongly across all sectors, with a strategic focus on securing projects that utilise our multidisciplinary capabilities and support sustainable workforce and revenue growth, while ensuring we deliver value for all stakeholders.

I thank our people and their families, our delivery partners, clients, shareholders, the community, and the Board and executive team. The foundations we have built over many years continue to position Civmec for sustainable growth. Supported by a strong order book, expanding capabilities and a talented workforce, we enter FY27 with confidence in our ability to deliver for our clients and build long-term value for our shareholders.

Patrick Tallon
Chief Executive Officer
Civmec Limited



NUSHIP Pilbara

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Eneabba Rare Earths Refinery

A$1 Billion+ in Contracts

Across FY26, we announced more than A$1 billion of new and extended contracts, including A$600+ million of awards in July 2025, and A$400+ million in January 2026.

Luerssen Australia Acquisition

On 1 July 2025, Civmec completed the acquisition of 100% of the shares of Luerssen Australia, bringing its operations, workforce and assets under full local ownership. Following the acquisition, Luerssen Australia was renamed to Civmec Defence Industries (CDI).



BUSINESS HIGHLIGHTS

2,430
people employed

29,895
tonnes of steel manufactured

Awards and Recognition

At the 2025 Skill Hire and NextGen Skills Construction Industry Training Awards, Civmec was awarded *Host Employer of the Year*, while two Civmec apprentices won for *Best Aboriginal and Torres Strait Islander Construction Student* and *Boilermaker Welder Apprentice of the Year*.

Civmec received a recognition award from BHP's WAIO leadership team for its contribution to BHP's car dumper program, reflecting the strong collaboration between both organisations and the consistent performance of our team.

Civmec's Boorloo Bridge, delivered in an alliance with Main Roads WA, Seymour Whyte and WSP, continued to receive recognition in FY26:

- *Australasia Project of the Year 2025* at the Engagement Institute's Core Value Awards for the collaboration and engagement with Noongar Elders and Traditional Owners throughout the project.
- *Western Australian Project of the Year 2025* at the Engineers Australia Excellence Awards.
- *Jonathan Speirs Lighting Award* at the 2025 Footbridge Awards.





Stakeholder Engagement

Civmec exhibited at a number of events throughout the year, including the Indian Ocean Defence and Security Conference and Exhibition, SkillsWest Careers Expo and ADF Member and Family Transition Seminar in Perth, the Indo Pacific International Maritime Exposition in Sydney and the Celebrate Hedland community event in Port Hedland.

We also welcomed a range of stakeholders to tour our facilities, including the Chief of Navy, international visitors, government ministers, manufacturing and engineering teachers from WA's southwest, students and various other groups.

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Milestone Events

Milestone events were celebrated across FY26, such as the Luerssen Australia acquisition, the launch of NUSHIP *Pilbara* at the AMC and the delivery and commissioning of HMAS *Eyre* into the Royal Australian Navy. We also had 'first cut' events attended by project teams and owners, and the balanced machines division reached the trial assembly stage of our first OEM balanced machine design and construction project: the Alcoa Bridge Reclaimer RC001.

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LTIFR
Lost Time Injury Frequency Rate

130
new projects awarded

216
projects completed or in delivery

1,283
training units delivered

133
apprentices, trainees and graduates

1,600+
tonnes of ships in production



Increased Diversity

To support greater female representation in trade roles, Civmec launched its inaugural Balance the Scales: Women in Paint and Blast program in FY26. Introduced alongside International Women's Day 2026, the 12-month paid initiative provides practical training, accredited qualifications and operational experience within our Henderson facilities. Read more on page 61.



Indigenous Engagement

We continued to support Indigenous engagement through partnerships with Aboriginal and Torres Strait Islander-owned businesses, creating employment, procurement and capability-building opportunities that contribute to long-term economic participation and community outcomes. Read more on page 62.



Community Support

We made a difference to the community, charities and not-for-profit groups through direct donations, fundraising, and sponsorships. Recipients and beneficiaries included the St Vincent de Paul Society, St Patrick's Community Support Centre, Anglicare, Children's Medical Research Institute, and Foodbank. All four of our facilities also took part in Clean Up Australia Day 2026.

A$903.0m
revenue

A$107.3m
EBITDA

11.8%
EBITDA margin

A$54.6m
cash on hand

A$1.4b
order book (as at 31 July 2026)

A$52.1m
NPAT

5.8%
net profit margin

A$591m
net assets (A$1.16 per share)

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FINANCIAL SUMMARY

FY26 was a year of stronger activity, improved earnings and disciplined growth. Higher levels of work across the Group's diversified operations contributed to increased revenue and profitability, while continued reinvestment in the business strengthened Civmec's long-term capability. Supported by a strong order book and a broad pipeline of opportunities, the Group enters FY27 with a solid platform for further growth.

Total revenue for the year reached A$903.0 million, an increase of 11.4% on FY25. Activity levels increased during the period, with energy and infrastructure, marine and defence growing by 62% and 102%, respectively. These results highlight the benefits of Civmec's diversified operating model and broad exposure across multiple sectors and geographic regions.

An interim dividend of 2.5 Australian cents per share was paid in March 2026 and the Board has declared a final fully franked dividend of 3.5 Australian cents per share, payable on 23 October 2026. Total dividends for FY26 amount to 6.0 Australian cents per share, representing a payout ratio of 59%.

Balance Sheet Strength

The Group's financial position remained solid throughout FY26, supported by strong earnings and continued investment in operations. Operating cash flow before working capital movements was A$107.2 million, up 20.0% on the previous year, with the movement in the cash position over the year reflecting increased investment in working capital to support higher levels of activity and growth in secured work.

Activity levels increased during the period, with energy and infrastructure, marine and defence growing by 62% and 102%, respectively. These results highlight the benefits of Civmec's diversified operating model and broad exposure across multiple sectors and geographic regions.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 17.0% to A$107.3 million, representing an EBITDA margin of 11.9%, while earnings per share increased by 22.2% to 10.23 Australian cents, growing at almost twice the rate of revenue.

Net profit after tax (NPAT) was up 22.5% to A$52.1 million, resulting in a net profit margin of 5.8%. The increase was driven by a balanced mix of projects across the Group's operating sectors, combined with ongoing cost discipline and effective utilisation of resources. As at 30 June 2026, net assets had increased to A$591.2 million, equivalent to A$1.16 per share. Facility valuations and continued reinvestment in the business saw the value of property, plant and equipment (PPE) increase by A$51.4 million to A$619.6 million.

Civmec also continued to deliver value to shareholders through its dividend program.

Cash and cash equivalents stood at A$54.6 million at year end, with total borrowings at A$60.0 million.

The Group also retained a strong franking account balance of A$57.9 million following payment of the final dividend, supporting its capacity to continue providing fully franked returns to shareholders.

Outlook

With a A$1.4 billion order book (as at 31 July 2026) and a growing pipeline of opportunities, Civmec enters FY27 in a position of strength. Secured work extends across FY27 and FY28 and spans a diversified mix of projects in the energy, resources, infrastructure, marine and defence sectors.

Civmec remains focused on delivering long-term value through sustainable profitability, disciplined project selection, prudent capital management and continued investment in capabilities. Supported by a strong balance sheet and numerous growth opportunities, the Group is well positioned to build on its FY26 performance as it enters FY27.

BOARD OF DIRECTORS



James Finbarr Fitzgerald

Executive Chairman | *Appointed 27 March 2012*

James Fitzgerald has more than 42 years of industry experience and, as a co-founder, has played a central role in Civmec's development since its establishment. As Chairman, he leads the Board in overseeing the company's strategic direction, financial performance and governance.

He promotes alignment between operational performance and long-term shareholder value, supporting a disciplined and ethical approach to leadership.

James has contributed to a number of national industry initiatives, including roles with the Centre for Defence Industry Capability and the AusIndustry Modern Manufacturing Initiative. He is a strong advocate for skills development and inclusion, supporting training pathways, diversity and equal opportunity across the business. His leadership continues to support Civmec's growth and its contribution to Australia's industrial capability.



Patrick John Tallon

Chief Executive Officer | *Appointed 27 March 2012*

Pat Tallon is a co-founder of Civmec and has 39 years' experience across the construction, engineering and manufacturing sectors. As Chief Executive Officer, he leads the delivery of the company's strategic objectives, with a focus on operational performance, workforce engagement and sustainable growth across all business units. He is committed to maintaining a strong safety culture and advancing innovation through continuous improvement.

He maintains close engagement with clients, partners and employees, with a particular focus on the direct workforce across workshops and project sites. His leadership approach emphasises collaboration and a values-based culture.

Pat is also an active supporter of charitable initiatives, including participation in eight Vinnies CEO Sleepout events, raising more than A$660,000 over the years to support people experiencing homelessness.



Kevin James Deery

Chief Operating Officer | *Retired 13 May 2026*

With a Bachelor of Mechanical Engineering, Kevin Deery has spent more than 32 years in the manufacturing and construction industries. In May 2026, the Group announced that Kevin had retired from the Civmec Board and would conclude his full-time roles as Chief Operating Officer and member of the executive team after 17 years of dedicated service to the company. His transition was the culmination of a planned succession pathway over several years, during which he invested significant time in developing and upskilling key members of the Civmec leadership team to progressively assume the responsibilities he held. The orderly handover of those responsibilities is now complete.

Kevin will remain with the Group in an advisory capacity, supporting executive development, strategic tender reviews, and initiatives as required.

Kevin's Board position has not been filled, which allows the Board to be majority independent.

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Ambrose Law

Lead Independent Director | *Appointed 30 October 2024*

Ambrose Law has significant experience in corporate governance and risk management. He holds a Bachelor of Commerce from Victoria University of Wellington, New Zealand, and is a Chartered Accountant. His background includes senior financial roles in the banking and finance sector, as well as public accounting.

His appointment supports Civmec's focus on maintaining a capable and diverse Board, providing effective governance and risk management oversight and strategic direction to support continued growth.

Ambrose is the Chair of the Audit Committee and Risks and Conflicts Committee, and serves on the Remuneration and Nominating Committees.



Ong Beng Hong

Independent Director | *Appointed 30 October 2024*

Ong Beng Hong holds a Bachelor of Laws (Honours) from King's College, London, and is an advocate and solicitor of the Supreme Court of Singapore. She is Joint Managing Director of Wong Tan & Molly Lim LLC, specialising in corporate, banking, finance and capital markets law.

She brings significant legal and corporate advisory experience to the Board, supporting effective governance and informed decision-making. Her expertise contributes to Civmec's focus on maintaining strong governance practices and strategic direction.

Beng Hong is the Chair of the Remuneration Committee and serves on the Audit, Risks and Conflicts, and Nominating Committees.



Gary Gray AO

Independent Director | *Appointed 30 October 2024*

Gary Gray AO brings experience across public policy and the private sector. His previous roles include Australia's Ambassador to Ireland, Director of the Australian Submarine Corporation, Director of the Perth Astronomical Observatory, Trustee of Telethon, Director of Corporate Affairs at Woodside Energy, General Manager of External Affairs at Mineral Resources Ltd, and Executive Director of the WA Institute of Medical Research.

Gary served as the Federal Member for Brand and held ministerial positions including Minister for Resources and Energy, and Minister for the Public Service and Minister for Integrity Agencies. He has been a member of the Independent Parliamentary Expenses Authority since 2016 and was appointed a Non-Executive Director of Amplitude Energy Limited in 2024 and Crestlink Pty Ltd in 2026. Gary holds a Bachelor of Economics from the Australian National University, is a GAICD, and was awarded a Centenary Medal in 2001 and an Officer of the Order of Australia in 2003.

Gary is the Chair of the Nominating Committee and serves on the Audit, Risks and Conflicts, and Remuneration Committees.

EXECUTIVE TEAM



Bojan Cica

Chief Financial Officer | *Joined 2019*

Bojan Cica was appointed to the executive team in September 2024. He holds a Master of Business Administration and a Bachelor of Laws, is a Certified Practising Accountant, and is completing a Master of Applied Finance. He brings a strong understanding of operational and compliance requirements, supporting effective financial management and governance.

Bojan is responsible for aligning the company's financial and commercial strategy, ensuring disciplined decision-making and sustainable performance.



Stephanie Baptist

Executive Group Manager – People & Culture | *Joined 2011*

Stephanie Baptist was appointed to the executive team in February 2026. She holds a Bachelor of Business, majoring in Human Resources Management and Industrial Relations, and has more than 18 years' experience across the construction, manufacturing, maintenance and heavy industry sectors.

Stephanie provides leadership across all people and culture functions, including HR/IR, recruitment, safety, quality assurance and internal communications. Her role includes workforce strategy and the development of frameworks that support long-term operational performance.



David Power

Executive General Manager – Western Operations | *Joined 2011*

David Power was appointed to the executive team in 2019 and has more than 19 years' experience in the manufacturing, construction and maintenance sectors. He has a Bachelor of Construction Economics and is also a qualified Quantity Surveyor, Welder and Metal Fabricator.

David oversees Civmec's manufacturing, maintenance and construction businesses across Western Australia and South Australia, leading the delivery of major projects for clients in the energy, resources, infrastructure and defence sectors.

David is responsible for driving operational excellence across the Group's regional operations, with accountability for safety, quality, project delivery, financial performance and workforce capability. He plays a key role in supporting Civmec's continued growth by strengthening client relationships, enhancing production efficiency and ensuring the successful execution of complex projects while maintaining the Group's commitment to industry-leading safety and quality standards.

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Noel McCausland

Executive General Manager – Eastern Operations | *Joined 2012*

Noel McCausland was appointed to the executive team in February 2026 and has more than 20 years' experience across the energy, resources and infrastructure sectors. He has a Bachelor of Science in Quantity Surveying and is a member of AIQS. Noel has held senior operational roles on major Australian projects since 2012 and moved into a senior leadership role in Civmec's eastern operations in 2017.

Noel oversees all east coast operations, with responsibility for safety, quality and project delivery, while maintaining key client relationships. He also supports business growth and contributes to the Group's strategic direction and long-term performance.



Mark Clay

Executive General Manager – Defence | *Joined 2018*

Mark Clay was appointed to the executive team in August 2026 and has more than 15 years' experience across the defence, shipbuilding and energy sectors. He has a Bachelor of Science, a Diploma of Project Management and a Cert IV of Occupational Health & Safety.

Mark has held senior roles in complex operational environments and is recognised for building strong, high-performance teams and supporting delivery of complex projects.

Before his appointment to the executive team in 2026, Mark served as the Group's General Manager Defence. He oversees and strategically guides the defence business unit, Civmec Defence Industries (CDI), ensuring CDI continues to strengthen Australia's sovereign capabilities while remaining aligned with the Group's broader business objectives.

Following a leadership restructure in March 2026, Executive General Manager – Operational Support Adam Goldsmith transitioned from his executive role into an advisory role, continuing to support the Group with commercial requirements. Responsibility of commercial, purchasing, risk, internal audit and information technology was consolidated under CFO Bojan Cica. Executive General Manager – Maintenance Mylon Manusiu and Executive Group Manager – Proposals & Growth Peter Ricciardello concluded their tenures with the Group in FY26.





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Mothers Bridge, NSW



2

Operational Review

OPERATIONAL REVIEW

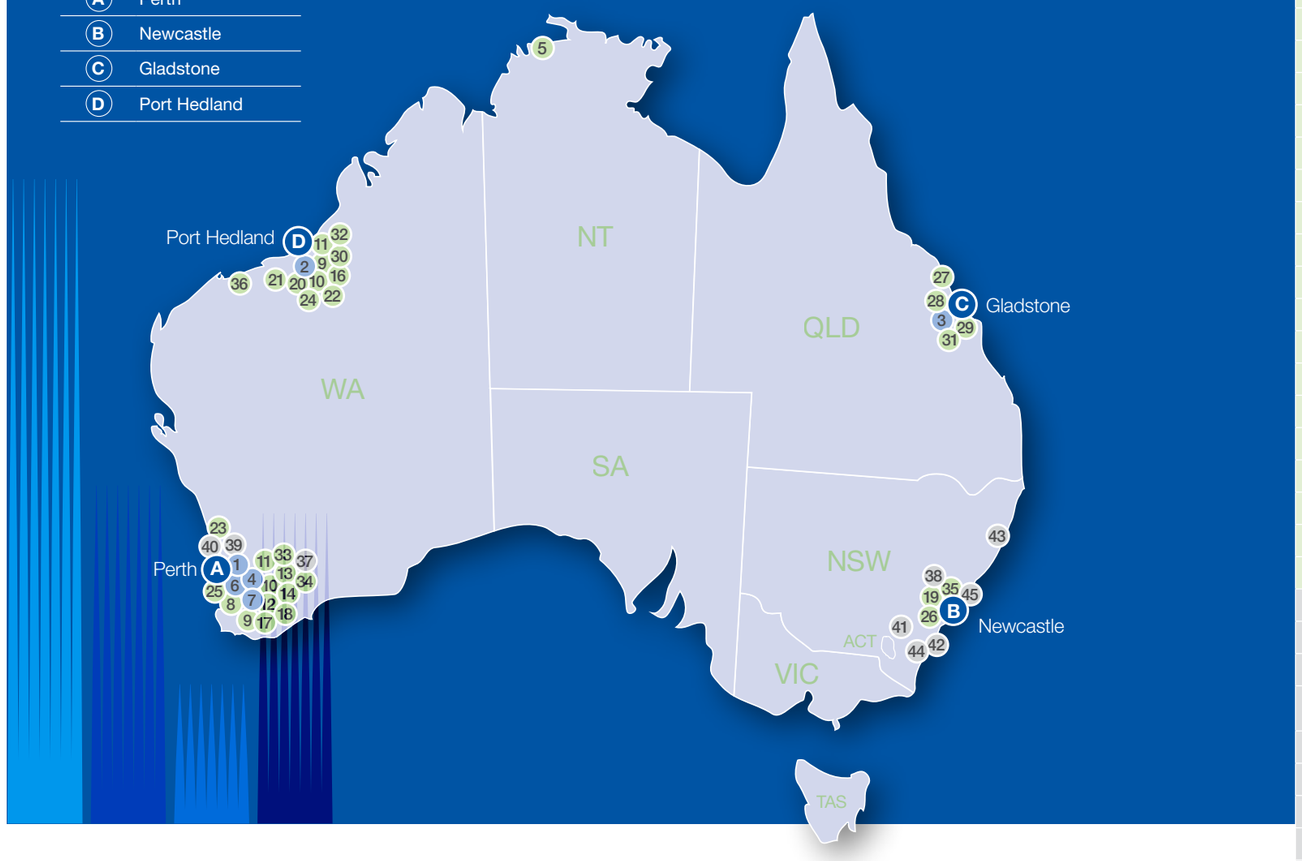
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KEY PROJECTS AND LOCATIONS

Civmec is headquartered in Henderson, WA, adjacent to the Australian Marine Complex and featuring manufacturing, assembly, shipbuilding, paint and blast, and logistics facilities. Our Newcastle facility supports manufacturing on the east coast, while our two regional facilities in Port Hedland and Gladstone support our energy and resources clients across maintenance, sustaining capital and major projects, and well as provide local manufacturing capability.

LOCATIONS

- (A) Perth
- (B) Newcastle
- (C) Gladstone
- (D) Port Hedland



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Below is a list of Civmec's key projects delivered, or in delivery, during FY26.

ENERGY RESOURCES INFRASTRUCTURE, MARINE AND DEFENCE

No	CLIENT/OWNER	PROJECT	LOCATION
1	Chevron Australia	Gorgon Carbon Capture and Storage (CCS) – modularisation and follow-on works	Henderson, WA
2	Fortescue	Charger facilities - construction	Pilbara, WA
3	NRG Power Station	Refractory works	Gladstone, QLD
4	Saipem	Jansz-Io Compression (J-IC) Project – manufacture of subsea spools and spreader bars	Henderson, WA
5	Santos	Maintenance and refractory works	Darwin, NT
6	Woodside Energy	Pyrenees Facility - manifold	Henderson, WA
7	Woodside Energy	Five-year term agreement with two one-year extension options	Henderson, WA
8	Albemarle	Maintenance, shutdown and sustaining capital projects	Kemerton, WA
9	Alcoa Australia	Bridge Reclaimer RC001 – design and construction	Henderson and Pinjarra, WA
10	Alcoa Australia	Calciner maintenance, major overhaul and repair services to Alcoa mines	Pinjarra, Wagerup and Kwinana, WA
11	BHP	Port Debottlenecking Project 2 (PDP2) – civil and fabrication	Henderson and Port Hedland, WA
12	BHP	Bucket Wheel Reclaimer 7 (BWR7) Upgrade – engineering, procurement and construction	Henderson and Finucane Island, WA
13	BHP	Car Dumper 4 (CD4) Replacement Project	Henderson, WA
14	BHP	Car Dumper 6 (CD6) Car Dumper Cell – fabrication and assembly	Henderson, WA
16	Citic Pacific	Sino Iron – maintenance works	Pilbara, WA
17	Cockburn Cement – Adbri	Shutdown services	Munster, WA
18	Dalrymple Bay Infrastructure Management (DBIM)	Shiploader SL1A – supply, manufacture and assembly	Henderson, WA
19	Schlam	Dumper tray body assembly	Newcastle, NSW
20	Fortescue	Christmas Creek Green Metal Project – civil, fabrication and SMPE&I	Pilbara, WA
21	Fortescue	Balanced machines – risk management program	Pilbara, WA
22	Fortescue	Maintenance and capital works	Pilbara, WA
23	Iluka Resources	Rare Earths Refinery Project – civil, tanks and SMPE&I	Eneabba, WA
24	PLS	COS Dome Project – construction	Pilbara, WA
25	Port Waratah Coal Services	Shiploader SL7.11 – design and construction	Perth and Henderson, WA
26	Port Waratah Coal Services	Shiploader 07.09 – refurbishment	Newcastle, NSW
27	QMAG Pty Ltd	Maintenance works	Rockhampton, QLD
28	Queensland Alumina Limited (QAL)	Mechanical maintenance works to support major shutdowns	Gladstone, QLD
29	Queensland Nitrates Pty Ltd (QNP)	Maintenance works	Gladstone, QLD
30	Rio Tinto	Cape Lambert Port A High Density Ore (CLAHDO) – maintenance works	Pilbara, WA
31	Rio Tinto	Yarwun – maintenance	Gladstone, QLD
32	Hancock Iron Ore	Maintenance agreement for shutdown and maintenance support services for fixed plant assets	Pilbara, WA
33	Tianqi Lithium	Two-year services panel agreement	Kwinana, WA
34	WesCEF	Master agreement – brownfield EPC works	Kwinana, WA
35	Westrac	Dumper tray body assembly	Newcastle, NSW
36	Yara Pilbara	Maintenance works	Karratha, WA
37	Commonwealth of Australia	SEA 1180 Offshore Patrol Vessel Program	Henderson, WA
38	Event Engineering	Balarinji Light Mast and Armature	Newcastle, NSW
39	Main Roads WA	State-wide Road Construction Panel Agreement	WA
40	Office of Major Transport Infrastructure Delivery (OMTID)	Perth Park	Perth, WA
41	Martinus Rail	Albury to Illabo Footbridges	Wagga Wagga, NSW
42	Seymour Whyte	M5 Westbound Upgrade	Sydney, NSW
43	Transport for NSW	Macksville Bridge Rehabilitation	Macksville, NSW
44	Transport for NSW	Nowra Bridge Rehabilitation	Nowra, NSW
45	Transport for NSW	Woodford Footbridge	Newcastle, NSW



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Gorgon CCS modules

ENERGY SECTOR

- Secured major follow-on and new project awards
- Strong delivery performance and client relationships
- Increased participation in electrification infrastructure builds
- Growing maintenance and energy transition opportunities

In FY26, Civmec continued to deliver complex, high-quality works for our energy sector clients, providing tailored project solutions with precision, efficiency and reliability. The sector delivered A$105.7 million in revenue, with gross profit before administration expenses of A$14.3 million.

Clients continue to place confidence in Civmec's local manufacturing capability, recognising the value of a proven Australian delivery partner. Our integrated supply chain supports local manufacturing and skilled employment while contributing to the broader economy. The use of Australian steel further strengthens our ability to consistently deliver reliable and high-quality outcomes across our projects.

Quality Delivery

During the year, we were awarded a substantial follow-on package to the works already underway at Henderson on Chevron Australia's Carbon Capture and Storage (CCS) long-term optimisation program. The additional works take the scope to 30 individual module structures and 75 pre-assembled structures, each weighing between 10 and 85 tonnes, and taking the total tonnage to approximately 2,600 tonnes. In addition, we are delivering around 18 kilometres of piping and over 6.6 kilometres of cable.

Our works on Chevron Australia's Jansz-Io Compression (J-IC) project for Saipem also continued, with the manufacture of nine subsea jumper spools and five spreader bars. Each spool measured approximately 120 metres in length, while the spreader bars measured around 100 metres by 20 metres and weighed approximately 200 tonnes each. Spool kits were coated in Thermal Spray Aluminium (TSA), an advanced coating system that provides extreme corrosion resistance for long-term durability and asset integrity. Civmec's execution of the TSA works on this project was recognised and commended by the client for its quality, effectiveness, and reliability throughout project delivery. TSA is now offered as a capability within our surface treatment division.

The J-IC Project, operated by Chevron, will use proven subsea compression technology to enhance recoverability from the Jansz-Io gas field and sustain the supply of natural gas to LNG and domestic gas facilities on Barrow Island. With close collaboration between all parties on the project, the modules, which connect directly to the Subsea Compression Manifold Station (SCMS), were completed to the project's exacting standards and received positive feedback from both the client and asset owner.

In mid-FY26, we were awarded a contract by Blakemere for the fabrication, assembly, surface treatment and testing of a subsea manifold for Woodside Energy's Pyrenees facility. The Pyrenees facility is located approximately 45 kilometres northwest of Exmouth, WA, with wells located in water depths of up to 213 metres. Fabrication of the complex subsea structure commenced immediately at our Henderson facility and will continue into FY27.

New Awards

With a strong history of delivering projects for Fortescue, in January 2026 we were awarded a contract to deliver electrical infrastructure at Fortescue's Eliwana and Flying Fish mines to support the company's decarbonisation program. The works focus on converting the existing fuel-based system to fully electric infrastructure. They include the installation of five power stations and four Large Mobile Equipment (LME) and Small Mobile Equipment (SME) charging stations, enabling a transition toward cleaner, more efficient site operations. Once complete, the upgraded facilities will provide the capability for FMG's electric autonomous haulage and support vehicles to charge directly at these stations.

Civmec's scope encompasses detailed earthworks, trenching, excavation, backfilling, construction of a dedicated pad for the charging stations, and installation of cabling and electrical connections. Onsite works commenced in January 2026, with the project scheduled for completion in 1H FY27. The project is one of several energy transition projects we were involved in this year.

Read more about our support of decarbonisation initiatives on page 52 .

Maintenance

Building on our commitment to maintenance as a key growth driver and leveraging our permanent presence in Port Hedland and Gladstone, we continued to secure maintenance and minor works packages throughout the year. This year, that included a refractory maintenance works package for Santos.

We also had ongoing fabrication activities at Henderson under our five-year non-binding outline agreement with Woodside Energy, including structural and pipe spooling, surface treatment, testing and other services to support their onshore and offshore assets, including the Karratha Gas Plants and Goodwin, Ranking and Pluto platforms.

Outlook

As tendering activity remains solid, investment is continuing across both traditional and emerging energy sources, supporting a healthy pipeline of opportunities throughout Australia's energy sector. This includes ongoing investment in energy infrastructure, maintenance services and projects associated with energy transition initiatives.

Civmec is well positioned to capitalise on this demand. Our integrated offering, fabrication capacity and world-class facilities provide clients with a competitive local solution for complex projects where safety, quality and delivery certainty are critical. These strengths, combined with our established client relationships and proven track record, support opportunities with both existing and new customers.

As we enter FY27, our focus remains on the safe and efficient delivery of projects, maintaining strong client partnerships and converting opportunities across the energy value chain. With work spanning traditional energy, maintenance and energy transition activities, we remain well placed to support the evolving needs of the sector and deliver sustainable growth.

ENERGY SECTOR



Gorgon Carbon Capture and Storage (CCS)

Client/ Owner	Chevron Australia
Location	Henderson, WA
Duration	April 2024 – August 2027
Scope	Civmec is delivering a comprehensive supply of modular steel structures and piping modules for the CCS long-term optimisation program, including procurement, fabrication, assembly, testing and load-out. Strong delivery performance resulted in the award of follow-on works, extending Civmec's involvement in module fabrication and supporting ongoing optimisation of carbon capture operations at the Gorgon facility.



Eliwana mine

Charger Facilities

Client/ Owner	Fortescue
Location	Eliwana and Flying Fish mines, WA
Duration	January 2026 – 1H FY27
Scope	Civmec is delivering the construction of charging infrastructure to support the electrification of Fortescue's mobile mining fleet. The scope includes earthworks, trenching, installation of cabling and electrical infrastructure, construction of concrete foundations and pads, and installation of charging stations.

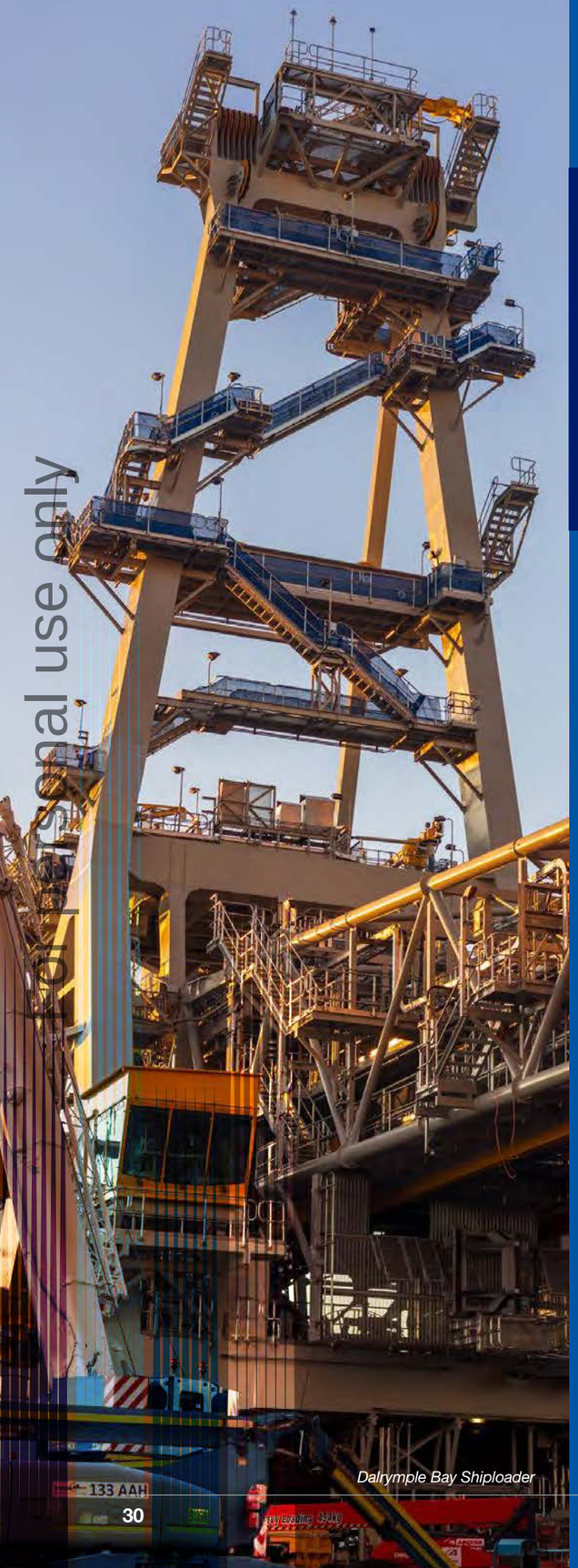
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Jansz-Io Compression (J-IC) Project

Client/ Owner	Saipem
Location	Henderson, WA
Duration	August 2024 – Q2 FY27
Scope	Following the successful delivery of the Subsea Compression Manifold Station (SCMS), Civmec was contracted to fabricate, coat and test nine subsea jumper spools and five spreader bars. The works include precision fabrication, application of thermal spray aluminium for corrosion protection, and pre-commissioning testing to meet stringent offshore project requirements.





Dalrymple Bay Shiploader

RESOURCES SECTOR

Revenue in the resources sector was A$587.1 million in FY26, while gross profit before administration expenses was A$67.3 million. Second-half performance strengthened as client demand increased for sustaining capital, brownfield expansion and next-generation processing projects, supported by Civmec's vertically integrated delivery model.

Civmec's ability to provide a full turnkey service where appropriate, including design and engineering through to fabrication, modularisation, transport, construction and maintenance, continues to differentiate the Group. Our Henderson facilities enable large-scale module fabrication and trial assembly prior to site installation, driving efficiency, reducing onsite risk, and improving schedule certainty for clients.

Momentum Shift

Activity increased across major iron ore and critical minerals projects, with strong progress on BHP's Car Dumper 4 (CD4) replacement and Car Dumper 6 (CD6) car dumper cell fabrication and assembly, having successful delivered CD3 in the previous financial year. During FY26, fabrication and assembly of key structural and mechanical components progressed significantly at Henderson, supported by the Newcastle facility which assisted with fabrication of components.

In parallel, Civmec mobilised to Port Hedland for the Port Debottlenecking Project 2 (PDP2), delivering a major civil works package to support the installation of CD6. Early works included demolition, earthworks, piling and the establishment of an onsite concrete batch plant. The scope also included a temporary dewatering and recharge system, as well as infrastructure for conveyors and transfer stations. This builds on our prior contract for approximately 700 tonnes of structural steel modules, including a shuttle, maintenance gates, the CD4 enclosure and various other structures. Mobilisation began in January 2026 and civil works commenced in March 2026. At peak, the project will employ more than 200 personnel.

Strong growth in activity and project delivery

Maintenance division continued to expand client base

Increased utilisation of both regional facilities

Milestones reached in OEM balanced machines division

At Iluka Resources' Eneabba Rare Earths Refinery project, Civmec substantially completed the civil concrete package of over 14,000 cubic metres of concrete works, as well as the majority of the design, fabrication, construction and installation of 30 field-erected tanks. In addition to those initial works, we were awarded a bridging scope, which consisted of the installation of pipe rack modules, thickeners and mixer settler vessels.

Following this, we were awarded the major contract for the structural, mechanical, piping, electrical and instrumentation (SMPE&I) installation works on the project. This package comprises approximately 2,500 tonnes of structural steel, 87 kilometres of piping installation, and 585 kilometres of cable installation with 26,000 terminations. As Australia's first fully integrated facility for the production of separated rare earth oxides, the project represents a strategically important development in Australia's critical minerals processing capability, with our works reinforcing our position as a trusted delivery partner on complex, multidisciplinary projects.

In May, we began constructing a specialised, self-supporting geodesic dome for PLS to encapsulate the Pilgan plant's coarse ore stockpile (COS) and feed conveyor.

The structure will protect the asset from strong winds, reducing dust emissions and improving conditions at the Pilgangoora plant. The scope of works includes the structural assembly of the dome, mechanical, electrical and instrumentation (E&I) and cladding installation. The 45-tonne dome cap will be lifted into place with an 800-tonne crawler crane, with completion scheduled for late CY26.

Civmec also completed a vertical package of work at Fortescue's Green Metal Project, including site establishment for temporary facilities, civil and concrete works, structural steel fabrication and installation, mechanical works, piping, and electrical and instrumentation works. The project, located at Fortescue's Christmas Creek mine site in Western Australia's Pilbara, is part of Fortescue's commitment to developing the technologies and processes to produce green metal.

In addition to major projects, Civmec continued to support clients with recurring fabrication work, including dumper tray assemblies for Schlam and Westrac in Newcastle. We also completed six CAT-794 truck tray body assemblies for Westrac. These programs were delivered on time and without incident, reinforcing our reputation for consistent, high-quality execution.



Car Dumper CD4

Maintenance

Civmec's maintenance division delivered another consistent year, with increasing activity across both the west and east coasts and a growing proportion of recurring revenue.

On the west coast, long-term relationships with major resource clients continued to strengthen. At Hancock Iron Ore, Civmec delivered multiple major shutdowns at port operations and expanded our presence at inland mining operations, securing ongoing shutdown work for a significant portion of the year.

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Eneabba Rare Earths Refinery

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Maintenance and capital works were also successfully delivered for Fortescue across multiple sites, including tank installations, rotable refurbishment programs at Iron Bridge, and expanded maintenance contracts at Anderson Point. Additional work was undertaken at Sino Iron, while long-standing maintenance contracts with Alcoa, Tianqi Lithium and Yara supported consistent utilisation and reinforced Civmec's capabilities in shutdown execution and sustaining capital works.

Civmec also delivered works under the WesCEF (Wesfarmers Chemicals, Energy & Fertilisers) agreement at CSBP in Kwinana, including structural fabrication and site mobilisation for the Sodium Cyanide Expansion project. These activities included both greenfield and brownfield scopes, incorporating shutdown tie-ins and ongoing construction works.

On the east coast, Civmec reinforced its presence in Gladstone, delivering multiple shutdowns, refractory works and sustaining capital projects for clients including Queensland Alumina Limited (QAL), Rio Tinto Yarwun and NRG. Our position with QAL was strengthened as we secured an extension of our major shutdown contract, together with opportunities across shutdowns, maintenance and sustaining capital works. Elsewhere, major calciner shutdowns, boiler works and turnaround projects were completed successfully, with positive client feedback supporting future pipeline opportunities.

In Newcastle, the team completed a major shutdown and refurbishment of Port Waratah Shiploader 07.09, while continuing to support fabrication works for both maintenance and capital projects.

Overall, Civmec's maintenance business continues to benefit from long-term client relationships, high repeat work and increasing demand for integrated maintenance and capital solutions, positioning the division for sustained growth in FY27 and beyond.

OEM Balanced Machines

Our dedicated balanced machines division continued to grow and innovate to meet demand following the successful award of four significant packages of work. There is strong interest in our unique and specialised offering from clients requiring major upgrades or replacements of large materials handling equipment, including stackers, reclaimers and shiploaders. The team of highly skilled professionals has grown significantly, from a modest starting point of six people in 2023 to a peak of more than 100 employees during FY26.

Civmec remains the only Australian-based OEM of balanced machines, offering a fully integrated, end-to-end solution. This capability spans design and engineering, fabrication and trial assembly at Henderson and Newcastle, transport, site installation, commissioning, and through-life maintenance support, providing a compelling value proposition for clients seeking a localised, turnkey delivery solution.

During FY26, Civmec's first OEM materials handling project, the Alcoa Reclaimer (RC001) progressed to trial assembly, representing a key milestone in the development of our in-house design and manufacturing capability.

The Newcastle facility also contributed to the project through the supply of long travel equalisers, bogies and transfer car bogies.

Works also continued on major contracts with BHP, including the recently awarded Bucket Wheel Reclaimer 7 upgrade. The upgrade forms part of BHP's broader port outflow optimisation program and includes machine assessments, engineering, fabrication, mechanical upgrades, structural strengthening, cabling and software enhancements. Delivery is staged and is expected to continue through to FY28.

For Dalrymple Bay Infrastructure Management Pty Ltd (DBIM), we were contracted to supply, manufacture and assemble their new SL1A shiploader. The project progressed well throughout the year, with the installation of the mast onto the main structure completed in January, followed by the installation of the boom and luff winch modules in February. Once fully assembled and commissioned, the 1,843-tonne shiploader will be transported from Henderson to the client's Queensland site via heavy lift vessel.

In addition to the refurbishment of the Port Waratah Shiploader 07.09, works have progressed on the design and construction of the new Shiploader SL7.11.The shiploader has progressively moved through detailed engineering into the fabrication phase, celebrating 'first cut' at Henderson in May 2026. This is the second design and construct project from our balanced machines team to move into fabrication. Assembly and commissioning are scheduled for CY27, with delivery anticipated in CY28.

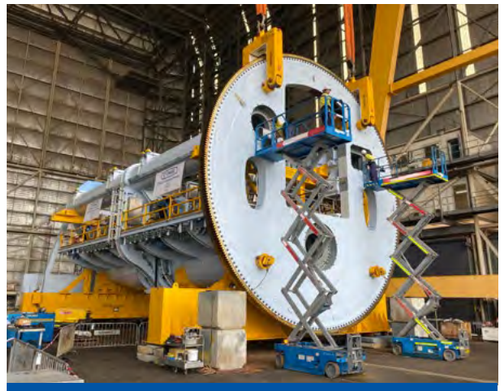
We expanded our involvement in asset integrity and reliability programs, including Fortescue's balanced machines risk management program, which has broadened in scope and generated additional maintenance opportunities across Pilbara operations.

Looking ahead, client feedback indicates consistent demand for major life extension upgrades, new builds and targeted refurbishment activities nationally over the next decade. Civmec is well positioned to support this demand and further develop our capability in this specialist market.



PDP2

RESOURCES SECTOR



Car Dumper 4 (CD4) Renewal Project and Port Debottlenecking Project 2's Car Dumper 6 (CD6)

Client/ Owner	BHP
Location	Henderson and Port Hedland, WA
Duration	2024 – 2026
Scope	Civmec is delivering fabrication, assembly and transportation aids to support major car dumper infrastructure works at BHP's Port Hedland operations. The scope includes fabrication, offsite mechanical installation and full trial assembly prior to transportation to Port Hedland. These projects demonstrate Civmec's capability to deliver large-scale materials handling infrastructure.



Port Debottlenecking Project 2 (PDP2)

Client/ Owner	BHP
Location	Port Hedland, WA
Duration	2026 – 2027
Scope	Civmec is delivering a major civil works package to support the installation of upgraded port infrastructure, including earthworks, piling, concrete works and establishment of a temporary batch plant. The scope also includes a temporary dewatering and recharge system and infrastructure to support conveyors and transfer stations. The project plays a critical role in improving throughput and operational efficiency at BHP's port facilities.

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Rare Earths Refinery Project

Client/ Owner	Iluka Resources
Location	Eneabba, WA
Duration	2025 – 2026
Scope	Civmec has delivered civil concrete works and the design, fabrication and installation of 30 field-erected tanks, as well as a bridging scope, and will continue to deliver the recently awarded larger SMPE&I package throughout FY27. The project represents a key development in Australia's critical minerals processing capability and reinforces Civmec's ability to deliver multidisciplinary packages for complex processing facilities.



Alcoa Reclaimer (RC001)

Client/ Owner	Alcoa Australia
Location	Henderson and Pinjarra, WA
Duration	2023 – 2026
Scope	Reclaimer RC001 is Civmec's first full turnkey design and construction project for our balanced machines division, consisting of a new bridge reclaimer and transfer car to replace the existing machines. The detailed in-house design phase included structural, mechanical and electrical engineering, 3D modelling and shop detailing. Following this, the building phase commenced at our Henderson facility, including manufacturing and assembly, before the machine was transported to site for final installation and commissioning activities.

Spotlight

Civmec's regional facilities supporting clients and community



Investment in Civmec's regional facilities in Port Hedland and Gladstone over the past two years has significantly enhanced the Group's maintenance offering and increased both client and local community engagement. Greater awareness of local capability is driving demand for offsite works, which will in time support higher volumes of onsite maintenance activity. These services form part of Civmec's diversification strategy and contribute to recurring revenue.

Civmec provides a broad suite of maintenance services, including structural repairs, remediation and modifications, fabrication and heavy structural welding (including specialised fabrication), rotable services, mechanical component replacement, surface treatment, scaffolding, and rope access (IRATA certified). Capabilities also extend to pre-assembly of oversized components, trial fit-outs, factory acceptance testing (FAT), and storage, supporting an integrated, end-to-end delivery model. With a focus on maintenance, sustaining capital and expansion projects, the opportunity pipeline continues to grow across a range of package sizes aligned to Civmec's in-house, multidisciplinary approach.

In FY26, Civmec secured a long-term service agreement for rotable equipment repairs at Port Hedland, contributing to a step-up in activity at the facility. This follows the receipt of the first rotable unit for refurbishment and marks a key milestone in expanding the regional maintenance footprint. The Port Hedland team also delivered a range of works during the year, including a Fortescue tank replacement; ongoing delivery under Fortescue's Iron Bridge rotables program (a five-year program servicing four sets per annum); as well as a turnaround at Yara Fertilisers involving more than 100 personnel and encompassing recovery project, turnaround, and pre- and post-turnaround activities delivered over a three-month period.

The Pilbara base continues to support project delivery across the region. During FY26, it contributed to the PDP2 project through the semi-automated fabrication of piling cages, undercover at the facility, to secure the supply chain for piling activities.

Workshop activity increased, with expanded shutdown and project scopes and consistent maintenance work on balanced machines. Workforce numbers at the site also increased during the period.

In Gladstone, activity levels rose as we shifted our focus from establishing capability to executing at scale and expanding our operational footprint. The facility is centrally located within the Gladstone industrial area, within close proximity to most major sites, and includes adjacent land for future expansion. During the year, Civmec installed a Computer Numerical Control (CNC) pipe processing machine, enhancing our workshop capabilities and creating stronger demand for our workshop fabrication and site-based installation packages. The machine is the only asset of this scale north of Brisbane. As the facility continues to expand its services, our focus remains on maintaining our core clients while pursuing broader construction, maintenance and multi-year contract opportunities across Queensland.

Both facilities engaged regularly with clients and stakeholders through site visits and industry events. Community participation included involvement in events such as Clean Up Australia Day, ANZAC Day commemorations and the Hedland Economic Forum. Civmec's Port Hedland team also participated in the 'Celebrate Hedland' expo and supported local initiatives, including sponsorship of Hedland BMX.

The outlook for both facilities remains positive. Each is well positioned to expand its client base, secure additional maintenance panel contracts and build on the momentum of recent years, facilitating continued growth in regional operations and delivering social and economic benefits to the areas.

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PDP2 cages at Civmec Port Hedland

INFRASTRUCTURE, MARINE AND DEFENCE SECTOR

- Strengthened position as a Tier 1 infrastructure contractor
- Establishment of CDI as a prime defence contractor
- Achieved major SEA 1180 Offshore Patrol Vessel milestones
- Strong pipeline supported by increased government investment



HMAS Eyre
Department of Defence (©Commonwealth of Australia)

Revenue for the infrastructure, marine and defence sector in FY26 was A$210.2 million and gross profit before administration expenses was A$23.1 million.

Infrastructure

Civmec delivered a year of solid progress in infrastructure projects, supported by continued investment in transport and public infrastructure in Western Australia and New South Wales. Activity reflected increasing demand for well-executed, mid- to large-scale bridge and civil works, with Civmec continuing to expand our position as a capable Tier 1 contractor.

In early 2026, we commenced construction of the Perth Park project, which will be delivered in an integrated alliance for the Office of Major Transport Infrastructure Delivery (OMTID). The project involves the development of a major sporting and entertainment precinct on the Burswood Peninsula and will include a 12,000-person amphitheatre, a multi-use track for cycling and motorsport, a multi-use building, as well as significant parklands. Early works, including site establishment and bulk earthworks commenced in January 2026 with necessary ground improvements, such as controlled modulus columns (CMCs) and extensive piling being undertaken. The project further reinforces Civmec's position as a capable Tier 1 contractor, demonstrating our ability to deliver large-scale, complex infrastructure works on challenging ground conditions. Construction will continue throughout FY27.

On the east coast, we completed fabrication and installation works on the Woodford Footbridge for Transport for NSW, including successful installation of the main bridge structure across an active rail corridor, as well as minor remediation works on the Macksville and Nowra bridges. We also completed the Balarinji Light Mast and Armature project in Newcastle for Event Engineering. The project involved the detailing, fabrication and delivery of a complex architectural structure, with full trial assembly ensuring accurate fitment during installation.

Located at the interchange connecting to the M12 Motorway and Western Sydney International Airport, the structure forms part of a key gateway development.

Further progress was made on the Albury to Illabo footbridges for Martinus Rail. During FY26, we completed the fabrication, protective coating and installation of piers for the Mothers Bridge, while advancing fabrication works on the Cassidy Bridge. This was followed in July 2026 by the installation of the 64-tonne Mothers Bridge structure, which was transported to site and installed as a single piece. The works demonstrate our ability to deliver multiple bridge structures concurrently, combining workshop fabrication with coordinated site installation.

Additionally, we were awarded a contract by Seymour Whyte on the M5 Westbound Upgrade project for Transport for NSW, which aims to improve traffic flow and reduce congestion over the existing M5 Georges River bridge.

The scope includes the modelling and supply of shop detail drawings for weathering steel bridge girders and bracing, and the fabrication of 16 I-girders and associated materials. The girders will be delivered to site in pre-assembled pairs weighing approximately 130 tonnes per pair, before final onsite assembly takes place.

The outlook for our infrastructure division remains positive. Government investment in transport and public infrastructure continues to support a strong pipeline of opportunities. We are well positioned for these with our provisional B4 bridge accreditation status, which is the highest level achievable. We will continue to build on our road accreditations, targeting R3 and R4 roads classifications, while leveraging our integrated delivery model and recent performance to secure further work.



Perth Park

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INFRASTRUCTURE, MARINE AND DEFENCE SECTOR

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Perth Park

Client/ Owner	Office of Major Transport Infrastructure Delivery (OMTID)
Location	Perth, WA
Duration	February 2026 – late 2027
Scope	Civmec is delivering works as part of an alliance to develop the Perth Park major sporting and entertainment precinct. The scope includes ground improvement, piling, concrete construction and structural steel installation, supporting the delivery of a multi-use, large-scale public venue. In FY26, site establishment and bulk earthworks were undertaken, with necessary ground improvement works currently underway.



Albury to Illabo Footbridges

Client/ Owner	Martinus Rail
Location	Wagga Wagga, NSW
Duration	November 2025 – January 2027
Scope	We are delivering detailing, fabrication, protective coating and installation of bridge sections, ramps, piers and stairs for multiple pedestrian rail crossings. In FY26, fabrication and installation of piers for the Mothers Bridge were completed, with solid progress of fabrication on the Cassidy Bridge.

Marine and Defence

In FY26, we delivered a year of continued progress across our marine and defence operations, supported by our transition to prime contractor for the build of the Arafura Class Offshore Patrol Vessels (Department of Defence project SEA 1180 Phase One) and the establishment of Civmec Defence Industries (CDI). The progress achieved during the year is particularly pleasing, given the uncertainty that has surrounded elements of Australia's shipbuilding sector in recent years. Throughout that period, Civmec remained committed to building capability, implementing improved methodologies, enhancing processes and systems, and applying innovations to improve overall efficiencies across the program. We also continued to support the development of a sovereign shipbuilding industry in Western Australia.

The acquisition of Luerssen Australia on 1 July 2025 brought its workforce, operations and assets under full local ownership. Through CDI, we have strengthened our position as a naval shipbuilder and defence contractor, expanding our capability across engineering, production, program management and training, supported by a national supply chain.

During the year, we achieved key milestones on the Arafura Class project. HMAS *Eyre*, the second Arafura Class Offshore Patrol Vessel, was delivered and commissioned into the Royal Australian Navy.

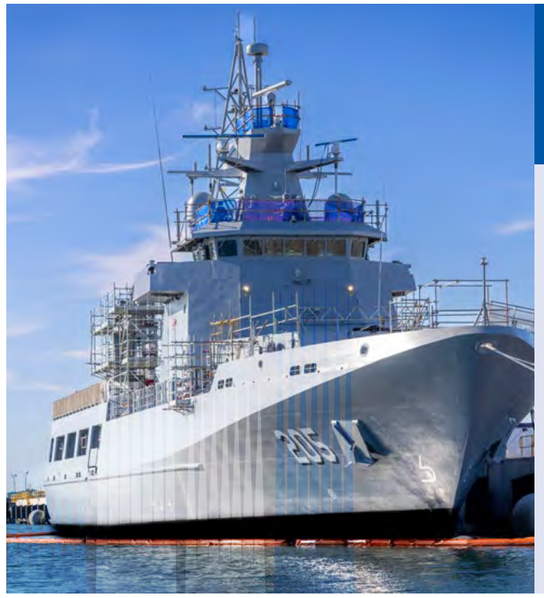
We also progressed construction across multiple vessels, including the August keel laying of NUSHIP *Carpentaria*, the sixth Arafura Class Offshore Patrol Vessel.

In November, we celebrated the launch of the NUSHIP *Pilbara*, the largest and most complex naval ship ever to be built in Western Australia. During the ship's launch and naming ceremony, water collected by representatives of the Kariyarra people was used to symbolise the enduring connection between the ship and the Pilbara region. We also continued consolidation activities across NUSHIPs *Gippsland* and *Illawarra*.

Our Henderson facilities remain central to these activities, providing large-scale fabrication, assembly and integration capability. During FY26, we continued to refine production sequencing, workforce integration and supply chain coordination, supporting more consistent delivery outcomes.

Our transition to prime contractor has provided greater control over program execution, enabling a more streamlined delivery model. This approach supports delivery across the full lifecycle of naval shipbuilding programs, from fabrication through to commissioning and sustainment readiness.

Looking ahead, the outlook in the marine and defence sector at Henderson is positive. Announcements of increased defence spending and Commonwealth investment in naval infrastructure, including AUKUS-related capability, present opportunities for a sustained pipeline of work in shipbuilding, future sustainment and infrastructure development.



SEA 1180 Offshore Patrol Vessels

Client/ Owner	Commonwealth of Australia
Location	Henderson, WA
Duration	2020 – 2029
Scope	Civmec is the prime contractor responsible for the delivery of the SEA 1180 program, the Arafura Class Offshore Patrol Vessels.

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Spotlight

Luerssen Australia acquisition marks a decade in defence



Civmec's acquisition of Luerssen Australia in July 2025 represented a defining stage in its defence journey, marking more than a decade of steady capability building and sealing its position as a prime sovereign naval shipbuilder.

Civmec entered the defence sector in 2015, leveraging its established expertise in steel fabrication and general heavy engineering. Over time, the Group has expanded its role to a major delivery partner on complex naval programs, supported by sustained investment in infrastructure, systems and workforce capability at Henderson.

The Arafura Class Offshore Patrol Vessels have been central to this progression. From initial fabrication works beginning in 2020, Civmec steadily increased its scope and responsibility, developing capability in modular fabrication, ship consolidation, outfitting and integration. By FY26, it had launched its first vessel under the program's Western Australian build phase and advanced multiple vessels through construction concurrently.

The acquisition of Luerssen Australia, renamed Civmec Defence Industries (CDI), accelerated this trajectory and broadened Civmec's capability beyond production into full program delivery. The acquisition brought approximately 180 experienced professionals into the business, along with mature engineering systems, training frameworks and established local supply chain networks. Critically, it also transferred prime contractor responsibility for the Arafura Class project to CDI, placing it at the centre of one of Australia's most significant naval shipbuilding efforts.

Since the acquisition, CDI has successfully delivered HMAS *Eyre*, launched NUSHIP *Pilbara* and continued progress across the remaining vessels, demonstrating a maturing delivery model supported by integrated engineering, production and management functions.

CDI's position is further strengthened by its location within the Henderson marine precinct, where long-term investment will continue to develop what is one of Australia's most capable shipbuilding hubs. With significant Commonwealth funding committed to expanding naval infrastructure and enabling continuous shipbuilding, CDI is well placed to play a leading role in the next phase of Australia's maritime defence strategy, across infrastructure development and shipbuilding and sustainment activities.

The Group's evolution over the past decade reflects a disciplined approach to growth, building capability step by step, delivering on increasingly complex scopes, and investing ahead of demand. The Luerssen Australia acquisition is not a starting point, or an end point, but a culmination of this strategy.

Today, CDI stands as a strong and capable partner to the Commonwealth, with ongoing delivery on a major naval program, an expanded and skilled workforce, and the infrastructure required to support future projects of scale. As Australia advances its long-term naval shipbuilding agenda, CDI is positioned to deliver.



HMAS Arafura
Department of Defence (©Commonwealth of Australia)

We are building a resilient and responsible Civmec — one that prioritises safety, minimises environmental impact and contributes positively to the communities we serve.







3

ESG REPORT

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BOARD STATEMENT

As the Board of Civmec Limited, we are pleased to present this ESG Report for the year ended 30 June 2026 (FY26), which has been reviewed and approved by the Board.



This report provides an overview of Civmec's sustainability priorities, performance and governance arrangements, and complements the mandatory climate-related financial disclosures prepared in accordance with AASB S2, presented within the Sustainability Report on page 209.

The Board is committed to ensuring the company meets the requirements of the ASX and SGX, overseeing material sustainability and climate-related risks and opportunities and their implications for Civmec's long-term value creation. These considerations are embedded into our Board deliberations and guide the company's corporate strategy, capital allocation and financial decision-making.

During FY26, the Board maintained clear oversight of sustainability, receiving regular reports from Civmec management. This included continued progress towards Civmec's climate objectives, including its commitment to net zero emissions by 2050 and its interim target to reduce Scope 1 and Scope 2 emissions intensity by 50% by 2030 (from a 2022 baseline).

Civmec continued to support people and communities through its safety-first philosophy, training and development, diversity initiatives, and philanthropy. The Board also ensured appropriate governance structures, accountability and controls were in place to support effective management of these priorities.

Civmec's approach to sustainability reflects an ongoing commitment to:

- operating in alignment with company values;
- actively contributing to the success and wellbeing of its people and the communities in which it operates;
- minimising environmental impact; and
- achieving HSE, people, community, governance and financial targets.

The Board will continue to oversee Civmec's sustainability performance, ensuring it meets stakeholder expectations, complies with regulatory requirements, and supports the long-term success of the business.

Sincerely,

Civmec Limited Board


Civmec Newcastle

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REPORTING APPROACH

This report has been prepared for Civmec and its subsidiaries for the 2026 financial year (FY26), which is consistent with that of the financial statements. This report details our approach to sustainability-related matters and provides transparency on our business.

We have reported our sustainability disclosures in accordance with the Global Reporting Initiative (GRI) Standards – a common set of standards that allows us to benchmark our own performance over time, at the same time promoting consistency and comparability between us and other companies. A GRI content index is located on **page 247** of this report.

Our sustainability processes are subject to internal review, and we have an internal Sustainability Committee who provides a structured advisory forum to improve governance on sustainability issues. The Committee reports to the Civmec Executive Team, making recommendations on sustainability-related risks, opportunities, initiatives and performance.

In FY26, we continued to strengthen our approach to sustainability governance and disclosure. This year we have included a **Sustainability Report**, in line with AASB S2, within the Financial Report. The Board received regular updates from management on climate-related matters and remains actively engaged with preparations for mandatory climate reporting in both Singapore and Australia.

Stakeholder Engagement and Materiality Assessment

At Civmec, we believe that understanding and integrating the perspective of our diverse stakeholders supports better decision-making, more resilient strategies, and stronger relationships.

Our approach is grounded in transparency, inclusivity, and continuous dialogue, ensuring that stakeholder voices meaningfully shape the way we operate and evolve. Our key stakeholder groups include employees, business partners, subcontractors, suppliers, clients, shareholders, regulators and local communities. The purpose of our stakeholder engagement is to foster open, two-way communication that informs our understanding of material issues, shapes our sustainability strategy, and supports responsible business practices. Engaging with our stakeholders forms the foundation of our materiality assessment.

Our approach to materiality considers both impact and financial materiality, in line with the principle of double materiality. This considers:

1. The impact of Civmec on the environment and society; and
2. The impact of sustainability-related risks and opportunities on Civmec's operations.

Civmec identifies, refines and evaluates potential sustainability issues that could affect our business and key stakeholders by conducting materiality assessments for a three-year period, subject to annual review. Civmec conducted a materiality workshop in FY24, with subject matter experts identifying the material topics most relevant to the business for a three-year timeframe. Insights were gathered from stakeholder representatives and subject matter experts from within the business to determine the actual and potential consequence and likelihood of identified sustainability-related risks and opportunities. The outcomes of our materiality assessments are incorporated into our overall business strategies and sustainability targets.

Any significant change in business activities or business relationships would prompt a review of the material topics. We monitor material issues to assess shifts in relevance, identify emerging issues and align with stakeholder expectations. In FY26, the current list of material topics was assessed and determined to still be material.

The material topics identified during the materiality assessment are listed below.

MATERIAL TOPIC	DESCRIPTION
Climate	Climate includes addressing emissions generated through our activities, the physical risks associated with a changing climate and the business risks and opportunities associated with the transition to a low carbon economy.
People	People encompasses employee attraction, retention and development, covering all aspects of recruiting the best talent, onboarding and preparations for employment with Civmec and training and career development, as well as diversity, inclusion and non-discrimination.
Health and Safety	Occupational Health and Safety (OHS) incorporates a commitment to provide a workplace where physical and mental health are safeguarded and no injury or work-related illness is considered acceptable. OHS management is based on a program that includes leadership, empowerment of workers, systems, continuous improvement and compliance.
Cyber Security	Cyber security prioritises the confidentiality, integrity, and availability of Civmec's systems, data, and infrastructure. Security measures, regular audits, promoting employee awareness, and effectively detecting and responding to cyber threats are fundamental components. This includes personal and confidential data.
Business Ethics	Business Ethics includes effective governance and how Civmec addresses fraud, bribery, corruption and anti-competitive behaviour.

ESG Acknowledgement

Each year, Civmec participates in a sustainability systems assessment, EcoVadis. EcoVadis provides an independent evaluation of our policies, actions and reporting across four key themes: Environment, Labour & Human Rights, Ethics and Sustainable Procurement. Our participation in EcoVadis demonstrates our commitment to continuous improvement and accountability.

This year, Civmec achieved an overall score of 51, an improvement from 47 in the previous assessment cycle. This upward movement reflects the progress in formalising our sustainability policies and embedding stronger ESG practices across our operations. This score earned us the EcoVadis Committed Badge, recognising our ongoing commitment to continuous improvement in sustainability performance.

Insights gained through the assessment will be used to guide our ESG priorities over the year ahead, with key opportunities identified in supplier engagement and external assurance.

This participation supports Civmec's commitment to transparency to our clients and stakeholders and helps ensure our sustainability performance continues to evolve in line with global expectations.

UN Sustainable Development Goals

In 2015, the United Nations introduced 17 Sustainable Development Goals (SDGs) as part of its 2030 Agenda for Sustainable Development.

At Civmec, we are committed to supporting these global goals and recognise the role we can play in advancing them through responsible and sustainable business practices.

We currently identify our strongest areas of influence as reducing inequalities, ensuring responsible consumption and production, focusing on industry innovation, inclusion, resilient infrastructure, climate action and partnerships for the goals.

We also acknowledge that our capacity to contribute meaningfully to each SDG varies depending on the nature of the goal.

Throughout this report, SDG icons are presented at the beginning of each section. Their order reflects our assessment of where our impact is greatest, arranged from highest to lowest perceived influence.

Click to view Civmec's EcoVadis Sustainability Rating Committed Badge

COMMITTED ecovadis Sustainability Rating JUN 2026

United Nations Sustainable Development Goals



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Clean Up Australia Day

SUSTAINABILITY HIGHLIGHTS



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Environmental

5%
reduction in GHG intensity

12%
reduction in total energy intensity

32%
decrease in total waste

52%
decrease in total waste disposed

Onsite solar generated
17%
of the electricity consumed at Civmec's Newcastle facility

People

2,430
people directly employed across Australia

133
apprentices, trainees and graduates

10,733
hours of training delivered to Civmec employees

52%
of corporate office employees are female

51
employees celebrated 5 or 10 years' tenure this year

Community

A$268.9m
contributed to Australian economy through wages and salaries

A$126.8m
paid to Australian government through taxes

A$330.4m
paid to local suppliers and subcontractors*

A$7.6m
paid to Indigenous-owned enterprises

A$225k+
returned to the community through fundraising, sponsorships and donations

*Defined by having headquarters within 100km of our key locations.





Health & Safety

0.00
LTIFR (Lost Time Injury Frequency Rate)

58%
reduction in recordable hand injuries

15.7%
reduction in TRIFR (Total Recordable Injury Frequency Rate)

124
free influenza vaccinations delivered through Civmec's onsite medical facility

97
free skin cancer checks undertaken by external specialist clinicians

Cyber

<8,200
cyber security training modules delivered to employees in FY26

3,394
hours of cyber security training delivered across the business

Governance

100%
of employees trained on Code of Conduct and Anti-corruption Policy during onboarding

100%
of Board members trained on Code of Conduct and Anti-corruption Policy



SDGs most impacted

13 CLIMATE ACTION

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

CLIMATE

Climate change poses both risks and opportunities across environmental, economic, and social dimensions.

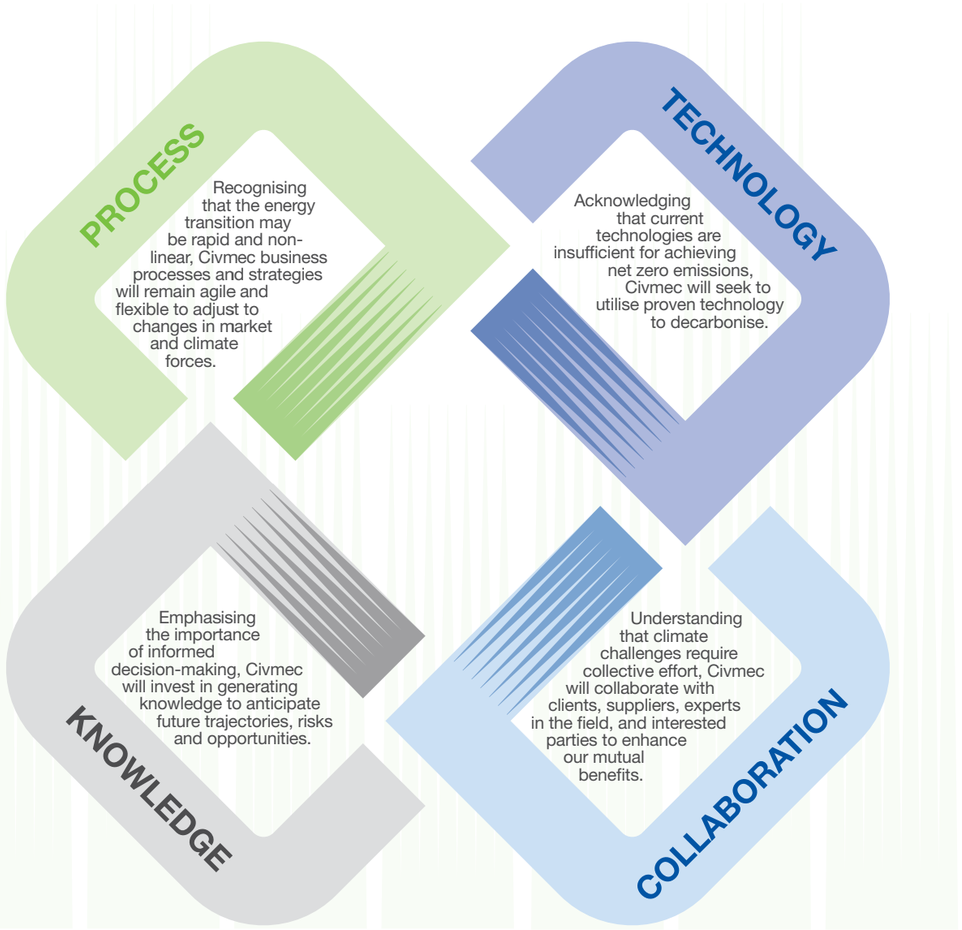
At Civmec, we recognise our responsibility to address these challenges proactively. We are committed to reducing our greenhouse gas (GHG) emissions, adapting to evolving climate conditions, and supporting a low carbon economy, including the delivery of projects that are critical to enabling this transition.

As part of our corporate strategy, the Civmec Board has endorsed a net zero by 2050 target, with a near-term target of 50% reduction in Scope 1 and 2 emissions intensity by 2030, compared to 2022 levels.

We continue to explore opportunities to increase renewable solar generation capacity on Civmec-operated assets, with the potential to reduce Scope 2 GHG emissions at our Henderson facilities by up to 20% and safeguard against potential electricity price increases.

Additional initiatives include investigating energy and resource efficiency, low-carbon energy and material alternatives, and the electrification of existing fossil fuel-powered equipment.

Civmec continues to monitor the impacts of climate change on our business and our ability to remain resilient. There were no material changes to climate-related risks and opportunities impacting Civmec's prospects identified in the FY26 period.



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Solar PV infrastructure at Newcastle

Energy Use and Efficiency

Civmec operates across multiple sectors and has a diversified revenue base, with each sector exhibiting different levels of energy consumption. The company engages in heavy engineering, shipbuilding, modularisation, SMP, EIC, precast concrete, site civil concrete and earthworks, industrial insulation, maintenance, surface treatment, refractory, and access solutions.

Energy is at the core of Civmec's operations and the projects it delivers, and its efficient use is a key metric in managing Civmec's GHG emissions. Due to the variable nature of works undertaken year to year, energy consumption will fluctuate depending on the energy intensity of each project. We recognise that annual fluctuations in energy use are expected as part of our diverse project portfolio.

Fuel consumption within Civmec primarily arises from our vehicle fleet, transportation activities, and manufacturing and fabrication operations. Electricity use is concentrated across our facilities, supporting machinery, office equipment, lighting, and heating and cooling systems. As the majority of our current energy sources are non-renewable, overall energy use remains a material contributor to Civmec's environmental footprint.

Energy-related policies are described in our Environmental Policy and Sustainability Policy which outline and support energy consumption reduction, energy efficiency and transitioning to renewable energy sources. Our approach focuses on increasing renewable electricity generation capabilities at our sites, energy and resource efficiency and electrification of assets. Through these efforts, we aim to reduce the overall environmental impact of our activities.

We believe that energy efficiency has a major role to play in the energy transition. During the year, we continued to investigate opportunities to improve energy performance across our operations and have implemented upgrades to replace traditional lighting with more energy-efficient LED lighting and set timers for lighting to improve the energy efficiency of our assets. We also purchased electric side loaders and purchased our first fleet of hybrid vehicles. Embracing emerging technologies continues to strengthen our ability to reduce emissions, optimise resource use and build more resilient, energy-efficient future operations.

In FY26, we generated 214 MWh through our solar PV infrastructure at our Newcastle and Henderson facilities. In FY27, we aim to increase the solar capacity at our Henderson facility by installing a new 900 kW system.

Our energy intensity in FY26 was 0.064, calculated as total energy consumed divided by total revenue generated. This represents a 12% improvement from FY25. Our total energy consumption for FY26 was 58 TJ, a 1% reduction from FY25. Energy reductions are largely a result of reduced diesel consumption within the business.

View Civmec's Environmental Policy

View Civmec's Sustainability Policy

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GHG Emissions

Civmec's Board has endorsed near-term and long-term targets, aligned with the Paris Agreement and global efforts to limit global warming to 1.5°C.

Carbon reduction is a priority across the business, and we continue to investigate commercially viable technologies to reduce our carbon emissions. This year, we purchased our first fleet of hybrid vehicles and have ordered additional solar lighting towers. We plan to increase the renewable solar generation capacity on Civmec-operated assets following the successful commissioning of the solar power generation system at the Newcastle facility. The proposed opportunity at the Henderson facility has the potential to reduce electricity purchased from the grid by approximately 20%, which we hope to commission in FY27. Expanding our onsite solar generation infrastructure at our facilities safeguards against potential electricity price increases and supports our transition to electrification and reducing our overall carbon impact.

In FY26, the solar panels at Newcastle and Henderson achieved 135 tCO_2e of avoided emissions.

Our carbon reduction strategy currently focuses on reducing our absolute emissions. We believe reducing our gross GHG emissions delivers more direct, measurable, and long-term environmental benefits, strengthens operational efficiency, and better positions the business for a low-carbon transition, rather than relying on external mechanisms to compensate for emissions.

Civmec calculates its Scope 2 emissions using the location-based approach, which we believe most accurately represents the physical realities of the energy delivered to our locations. Currently, we do not acquire unbundled or bundled green attribute certificates nor do we purchase carbon credits.

In the future we may consider the use of contractual arrangements, such as carbon credits, to reduce our net emissions and environmental impact, in line with our net zero target and commitment to limiting global warming to 1.5°C.

In FY25, we set our near-term target as an intensity target, as this better reflects the dynamic nature of project-based work, which can vary year on year. Due to fluctuations in annual activity levels, emission intensity offers a more meaningful basis for comparison and demonstrates how Civmec's commitment to excellence and innovation drives ongoing improvements in energy performance.

Our total Scope 1 GHGs were 1,838 tCO_2e, a 13% increase from FY25. Scope 2 GHGs were 5,318 tCO_2e, a 4% increase from FY25. Our GHG emissions intensity was 7.92 – a 5% reduction on the previous year.

Civmec reports Scope 1 and Scope 2 (location-based) GHG emissions based on the GHG Protocol. Further details on our reporting methodology can be found in our Sustainability Report, Basis of Preparation section, on **page 233**.

Value Chain Impact

We recognise the upstream and downstream impact of our business activities. Construction materials often carry high levels of embodied carbon, and their extraction, processing, transport and end-of-life treatment creates environmental impacts that extend well beyond our direct operations. For example, steel plays a critical role in the manufacture of our products. However, its production, through mining, processing, and transportation, results in significant carbon emissions even before it is incorporated into the structures we deliver to our clients.

On average, new steel products contain 30% recycled steel[1], significantly reducing the carbon emissions that would have been associated if using only virgin materials.

We look to identify opportunities to incorporate recycled materials into our processes. For example, procuring concrete with recycled materials and lower embodied carbon. By incorporating supplementary cementitious materials – such as blast furnace slag, a by-product of steelmaking – as a partial substitute for cement, concrete suppliers can offer mixes that reduce embodied carbon emissions anywhere from 30% up to 70%[2].

Making the most of the earth's finite resources to support long-term sustainability is central to resource efficiency. This approach involves using materials more effectively, exploring alternatives with reduced environmental impact, and promoting the reuse and recycling of waste. The advantages of efficient resource use include cost savings, improved productivity, time efficiencies, reduced harm to biodiversity and lower GHG emissions.

Furthermore, the impacts of Civmec's transition to a low carbon economy extend well beyond Civmec's direct operations. It creates new skills and career pathways for workers at Civmec, strengthens relationships with local and Indigenous communities and delivers nature-positive outcomes.

For example, transitioning to a low carbon economy:

- creates safer, cleaner and more future-proof jobs for workers;
- benefits local communities through reduced emissions, improved air quality and new economic opportunities;
- strengthens relationships with Indigenous people by protecting Country; and
- helps safeguard biodiversity by reducing noise pollution and improving land and water stewardship.

1. World Steel Association (2024) #steelfacts. Available at: https://worldsteel.org/about-steel/facts/steelfacts/ (Accessed: 4 June 2026)
2. We checked a sample of key concrete suppliers in which low carbon cement options ranged from a 30% carbon reduction to 70%.

Case Study

Civmec and the Green Energy Transition

The steel industry currently contributes approximately 7–9%[3] of global GHG emissions, making it one of the largest emitting sectors worldwide. Decarbonising this industry is essential to meaningfully reducing our overall footprint.

Iron making (a key ingredient in steel), is traditionally highly carbon intensive, representing ~80% of the total steel making emissions. To address this challenge of decarbonisation, Fortescue launched its Green Metal Project to test new technology and develop a pathway for ultimately producing green metal using Pilbara ore.

In August 2026, Fortescue produced their first hot metal, marking the first successful operation of its electric smelting process and a major step towards producing green metal in Australia.

Civmec was awarded the contract for the construction of the project. The scope included fabrication and installation, comprising civil works; structural, mechanical and piping; electrical systems; and instrumentation. This collaboration reflects Civmec's commitment to supporting innovative technologies that accelerate industrial decarbonisation.



Civmec supports the transition to a low carbon economy through supporting rare earth mineral projects. Civmec has become a significant contributor to supporting local lithium miners and refiners to expand their operations to meet global lithium demand.

Being the first year Civmec has reported in accordance with the AASB S2 standard, we have elected not to disclose Scope 3 GHG emissions, consistent with the transitional relief of the standard.

Civmec is currently working on Scope 3 calculation methodologies which are expected to be published from FY27 onwards. This will help us further understand our upstream and downstream impacts and enable more targeted carbon reduction strategies in our value chain.

For more metrics and sustainability performance data, refer to page 78.

3. Solartech (2025), Steel Industry Carbon Emissions: Complete Guide to Environmental Impact and Decarbonization Solutions 2025, Available at: Steel Industry Carbon Emissions: Complete 2025 Guide To Impact & Solutions (Accessed: 11 June 2026)



SDGs most impacted

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PEOPLE

Attraction and Retention

During FY26, we continued to enhance our approach to recruitment, workforce development and employee engagement. By investing in career pathways, training opportunities and initiatives that strengthen our workplace culture, we aim to attract talented people while supporting the continued growth of our existing workforce.

Key attraction initiatives undertaken during FY26 included:

- establishing a dedicated Executive Group Manager (EGM) – People and Culture position to ensure our people strategy and culture remain a core focus as the business continues to grow;
- leveraging Civmec's strong pipeline of major projects across the infrastructure, resources and defence sectors to offer long-term employment opportunities, career progression pathways and workforce stability;
- participating in recruitment expos, industry events and community engagement activities to promote careers at Civmec and strengthen awareness of opportunities across the business;
- continuing investment in apprenticeship, traineeship and graduate programs to support the development of future talent;
- promoting internal training and development programs that provide employees with opportunities to expand their skills and progress their careers;
- reviewing and optimising recruitment advertising platforms and channels to maximise candidate reach and engagement;
- targeting critical and high-demand skillsets, including boilermakers, fitters and engineers, in response to ongoing industry-wide skills shortages; and
- further promoting Civmec's Veteran Employment Program, supporting the transition of former Defence personnel into civilian careers and recognising the valuable skills and experience they bring to the business.

Luerssen Australia acquisition

Following the acquisition of Luerssen Australia in July 2025, Civmec welcomed transitioning employees through a structured integration program designed to support a smooth transition within the business. This included team engagement activities, such as a welcome lunch at our Henderson facility, providing opportunities for employees to connect, build relationships and learn more about Civmec's operations and culture.

Throughout the acquisition process, town hall meetings were conducted to keep employees informed of key developments and timelines as information became available. Following completion of the acquisition, employee conditions and arrangements were aligned with existing Civmec frameworks to promote consistency across the business and support an inclusive workplace culture. The acquisition further strengthened Civmec's workforce capability and expanded opportunities for employees across our growing defence portfolio.

Retaining the skilled and experienced people who make up our workforce is an ongoing priority for Civmec. We continue to invest in initiatives that support career development, employee engagement, wellbeing and recognition, helping to create a workplace where our people can build long-term and rewarding careers.

Employee retention remained a strategic focus during FY26 as Civmec operated in a highly competitive labour market characterised by strong demand for skilled workers and increasing wage pressures. To support retention and ensure our employment offering remained competitive, we undertook a review of internal pay equity to promote fairness and consistency across comparable roles.

Employee salaries were benchmarked to market data to ensure that all employees receive payments in excess of the applicable award or national minimum wage. Remuneration adjustments were also implemented where appropriate, taking into account market conditions and competitor activity.

Civmec recognises that retention extends beyond remuneration. Career development opportunities, project continuity, workplace flexibility and the ability to work closer to home are all important factors influencing employee decisions to remain with the business.

Our diverse project portfolio across the resources, infrastructure and defence sectors provides employees with opportunities to develop their skills, gain varied experience and pursue long-term career pathways within the Company.

Training and Development

Civmec continues to invest in workforce development, and recognises that a skilled and adaptable workforce is critical to supporting long-term growth and delivering successful outcomes for clients.

Registered Training Organisation (RTO)

Civmec's nationally accredited Registered Training Organisation (RTO Code 52645) remains central to our approach to workforce capability and career development. The RTO delivers nationally recognised qualifications and vocational training aligned to operational requirements, regulatory obligations and employee development pathways.

During FY26, the RTO delivered almost 1,300 units of competency and more than 10,700 hours of training to employees across the business. Training focused on developing technical capability, maintaining compliance and supporting safe operations across a range of project environments.

A key focus during the year was the implementation of the new Standards for RTOs 2025. This involved a comprehensive review of training and assessment practices, governance processes and quality systems to ensure ongoing compliance and continuous improvement. Following a successful renewal process, Civmec's registration as a National VET Regulator Registered Training Organisation was extended to April 2033.

Employee Testimonial

Maik, Manufacturing Engineering Manager



My passion for the maritime industry began early, inspired by my grandfather, a boat builder and seafarer, whose influence sparked a lifelong interest in designing and building ships.

I started my career through a boilermaker apprenticeship specialising in aluminium fabrication, while also completing a degree in Naval Architecture. Since then, I've had the opportunity to work across a wide range of shipbuilding projects, from luxury sailing yachts and cruise ships to naval vessels.

I enjoy the versatility and the chance to contribute across different areas of the business, and I am beyond grateful to work alongside a team of highly experienced shipbuilders and motivated colleagues whose expertise, collaboration, and commitment to continuous improvement create a rewarding work environment.

As the first department to merge in the Luerssen Australia acquisition, I appreciate the trust given to us. While bringing together different processes and cultures presented challenges, it also created valuable opportunities to learn from one another and build a stronger, more unified team.

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Employee Testimonial

Panashe, Graduate Engineer



As a graduate engineer, and as a human being, starting something new can be daunting. We would all prefer to feel capable and competent before we begin. Sometimes we even think we are, until our circumstances challenge us to be more than we were yesterday.

I studied engineering and wandered into the realm of construction. I started off working in civil engineering and I am now transitioning to SMP engineering.

My day starts off by lining up the "priorities of flow". Based on the client's expectations and our internal schedule, there are steps we need to take every day to achieve that. A big part of my role is also managing the quality of the construction work, making sure all the information is up to date and updating the client on progress.

My favourite part of my job is the people I work with. I've been fortunate to work alongside great teams throughout my career. From engineers and supervisors to concreters, steel fixers, carpenters, and subcontractors, everyone plays an important role in bringing a project to life. The relationships you build and the lessons you learn from the people around you are what make the job rewarding. I am who I am because they are who they are.

Career Development

The Career Pathways Program continues to support employees seeking to enhance their skills and progress into leadership, business and specialist roles.

During FY26, 14 employees commenced nationally recognised qualifications through the program across business, leadership and quality disciplines. A Diploma of Quality Auditing was introduced during the year, expanding the development opportunities available to employees.

Since the program was established in 2024, 34 employees have enrolled across five qualifications, with 17 participants actively undertaking studies at year end. Three employees have successfully completed qualifications through the program, contributing to the continued development of internal capability across the business.

Leadership Development

Developing frontline leadership capability remains an important focus for Civmec. Through our internal LEAD Program for Supervisors and Leading Hands, employees are provided with practical leadership training aligned to the Company's operational standards, safety systems and supervisory requirements.

During FY26, seven employees completed the Leading Hand course and 20 employees completed the customised Supervisor program. Since its introduction, the LEAD Program has supported the development of 319 Leading Hands and 427 Supervisors, strengthening leadership capability across the organisation.

Graduates and Apprentices

Civmec continues to invest in early career pathways through its graduate and apprenticeship programs.

During FY26, 15 graduates commenced full-time positions within the Graduate Program and 12 students participated in graduate work experience placements. The program was redesigned during the year to provide clearer career pathways through dedicated streams in balanced machines, construction and manufacturing. Nine graduates completed the program during FY26, with eight transitioning into ongoing engineering roles within the business.

The apprenticeship program also remained a key contributor to workforce development, with a monthly average of 72 apprentices in employment across the year. Since the commencement of our apprenticeship program, 117 tradespeople have entered the industries in which we operate, with the majority continuing their employment with Civmec after completing their apprenticeship.



Parental Leave

Civmec provides 12 weeks of paid parental leave for primary carers, in addition to paid parental leave for secondary carers, ensuring our employees are supported during key family milestones. The company also offers a private, dedicated nursing room for mothers returning to work postnatally, helping create a supportive and inclusive workplace.

Defence Industry Pathways Program

Civmec continued its participation in the Defence Industry Pathways Program, hosting ten trainees throughout FY26. Six trainees successfully completed the program and transitioned into ongoing employment with Civmec across health and safety, business systems, purchasing and project administration roles. The cohort also achieved industry recognition, with two participants receiving awards for excellence, safety and defence leadership.

Veteran Engagement

Civmec remains committed to supporting current and former Australian Defence Force personnel as they transition into civilian careers.

Throughout FY26, the Company continued to engage with veteran support organisations, transition programs and industry events to promote employment opportunities and strengthen relationships within the veteran community. These activities included participation in employment expos, transition seminars and industry networking events aimed at supporting pathways into the defence and industrial sectors.

Community and Industry Engagement

Throughout the year, Civmec engaged with schools, training providers, industry bodies and community organisations to promote career opportunities across engineering, manufacturing, construction and defence.

Representatives participated in a range of career expos, STEM events and industry forums, while site tours were hosted for students, educators and training partners. These activities provided participants with firsthand exposure to Civmec's operations and highlighted the diverse career pathways available across the business.

Through these initiatives, Civmec continues to support workforce development, strengthen future talent pipelines and create opportunities for people at all stages of their careers.

Employee Testimonial

Russell, Ship Manager

Since starting as Ship Manager at Civmec, my focus has been on bringing employees, contractors and management together to safely deliver OPV4 on time for the Commonwealth of Australia.

I enjoy working with people, listening to challenges, and coordinating solutions that keep everyone aligned toward a common goal.

I'm excited to be part of Civmec's sovereign shipbuilding journey and to help build our reputation as an employer of choice by delivering on our commitments.

What motivates me most is knowing that the work we do contributes to a capability that helps Australians continue to enjoy the way of life we value. I also enjoy the variety that comes with the role, the diverse cultures and experiences across our workforce, and the potential of our facilities.

Outside of work, you'll find me playing or watching cricket, cycling, or heading out for a fishing trip whenever I get the chance.





Diversity and Equal Opportunity

Civmec is committed to building a diverse and inclusive workforce, recognising that different backgrounds, experiences and perspectives strengthen decision-making and support stronger business outcomes. Our focus is to maintain a workplace where all employees are treated with respect, feel valued, and have access to opportunities.

In FY26, women represented 52% of our corporate workforce. While achieving gender balance is generally easier in the corporate environment, increasing female representation across the operational areas remains an ongoing challenge, given the traditionally male-dominated nature of many trade and construction roles. Despite this, Civmec continued to make progress in broadening participation across the business.

We continued to roll out targeted initiatives to increase female representation through targeted recruitment campaigns, more flexible roster arrangements, defined career pathways, and expanded training programs through our Registered Training Organisation. These efforts included the appointment of a female executive team member, targeted recruitment campaigns aimed at increasing awareness of career opportunities for women and the launch of the Balance the Scales: Women in Paint and Blast program, highlighted in the case study overleaf.

We also continued to engage with schools, colleges and community groups to promote career opportunities within engineering, manufacturing and construction, while creating pathways for people from a broader range of backgrounds to enter the industry. Targeted initiatives were also undertaken to support the participation of Aboriginal and Torres Strait Islander peoples and culturally diverse candidates across operational and professional roles.

Civmec remains committed to pay equity and fair remuneration practices. During FY26, we undertook a review of internal pay equity to support fairness and consistency across comparable roles, while remuneration adjustments were made where appropriate to reflect market conditions and competitor activity. We continue to submit compliance reports to the Workplace Gender Equality Agency (WGEA).

Visit Workplace Gender Equality Agency (WGEA) website

Employees' Testimonial

Women in Paint & Blast

> *The program has provided a welcoming and supportive environment where we feel respected, included and encouraged to learn.*
>
> *The willingness of supervisors, mentors and team members to share their knowledge has helped us build confidence, develop new skills and see a future career in the industry.*



Case Study

Balance the Scales: Women in Paint & Blast Program

Civmec's Women in Paint & Blast program is helping create new pathways for women to enter the resources and defence industries while building the skills, confidence and experience required for long-term trade careers.

During FY26, the Women in Paint & Blast program was launched on International Women's Day to provide practical trade experience, structured training and career development opportunities for women entering the industry. The inaugural cohort are developing skills across paint application, surface preparation, equipment operation and workplace safety.

Within the first three months, participants completed six nationally-recognised Units of Competence, equipping them with critical safety and operational skills while gaining hands-on experience in a live manufacturing environment. A key success of the program has been the inclusive team culture fostered across Civmec's workforce.

Participants highlighted the positive support received from supervisors, mentors and team members, who created an environment where they felt welcomed, respected and encouraged to learn. This culture has enabled participants to build confidence, develop practical capability and begin establishing meaningful careers within the industry.

“The success of this program is reflected in the participants' commitment to learning, strong safety focus and ability to become valued members of their teams in a relatively short period of time. We see considerable potential for future trade careers as they continue to develop their skills and experience,” commented one of the program's supervisors.

Through initiatives such as the Women in Paint & Blast program, Civmec continues to invest in workforce diversity, skills development and sustainable employment pathways for future generations of trades.



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NAIDOC Week book donations

Supporting Veterans

Civmec remains committed to supporting current and former Australian Defence Force (ADF) personnel as they transition into civilian careers, recognising the valuable skills, leadership experience and work ethic veterans bring to the workforce.

During FY26, our Registered Training Organisation continued to engage with veterans and veteran support organisations through a range of employment and transition initiatives. These included participation in the ADF Member and Family Transition Seminar and Expo, hosted by the Department of Defence in Perth, as well as veteran employment forums, networking events and industry workshops throughout the year. These activities help raise awareness of career opportunities at Civmec and strengthen relationships with organisations supporting veterans as they transition from military service into civilian employment.

The veteran community also remains strongly represented within our own workforce. During FY26, 75% of employees within Civmec's RTO were veterans, providing firsthand experience and insight that supports engagement, mentoring and advocacy for transitioning service personnel.

Civmec continues to promote its Veteran Employment Program and remains proud to be recognised as a Veteran Employer of Choice, reinforcing our commitment to attracting, supporting and retaining veterans across the business.

Reconciliation

Civmec is committed to building respectful and enduring relationships with Aboriginal and Torres Strait Islander peoples. We acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands on which we operate across Australia, and we respect their history, cultures and continuing connection to Country.

We support the vision of Reconciliation Australia to strengthen relationships, understanding and trust across the wider Australian community, and we recognise that meaningful reconciliation requires sustained commitment.

Our Reflect Reconciliation Action Plan (RAP) outlines our vision for a reconciled Australia, where cultural diversity is recognised and mutual respect is part of everyday practice. It sets out our key commitments, including strengthening relationships with Aboriginal and Torres Strait Islander businesses and community groups, identifying and removing barriers within our recruitment and supply chain processes, and improving cultural awareness across the organisation.

View Civmec's Reconciliation Action Plan (RAP)

Reconciliation is something we work towards throughout the year, with NAIDOC Week and National Reconciliation Week providing additional opportunities to demonstrate that progress and engage more broadly with our people and communities.

During NAIDOC Week 2025, Civmec donated a range of Indigenous education resources to four local primary schools to support learning and promote greater understanding of First Nations cultures and history.

Following the demobilisation of the Western Range Project, we also donated kitchen appliances and supplies to the Yinhawangka Aboriginal Corporation RNTBC (YAC). These items were distributed to Yinhawangka people, the Traditional Owners of approximately 11,920 square kilometres of land in the Pilbara region of Western Australia where the project was located.

Developing mutually beneficial commercial relationships with Aboriginal and Torres Strait Islander suppliers and contractors continues to be a priority. At financial year end, 15 Aboriginal and Torres Strait Islander-owned businesses were registered within our vendor network, and in FY26, our total spend in this area was A$7.6 million.



Yinhawangka Aboriginal Corporation donation

Employee Testimonial

Austin, Project Engineer



I am a Project Engineer for Civmec, currently working at the Green Iron Project. It is a new technology that uses hydrogen, the renewable energy, rather than using coal. I've been on this project for nearly a year. My role looks after the materials coming into the site and raises the technical queries and proposes solutions. You gain an exposure to how the real thing looks on site compared to the model you see through a screen or drawings.

In every construction job you have to submit technical enquiries when you encounter design issues or site issues. Every time you finish an enquiry you put in your initials. To me, it's satisfying to see my name listed there a lot.

I came up through the graduate program. When I first started, I was in the quality division. I was nervous and felt like I didn't know what I was doing but my supervisor at the time guided me and taught me the things he'd learnt. In Civmec you can learn a lot of practical, in-field experience that you don't get elsewhere.

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Community

Creating positive social value in the communities where we operate forms an important part of our approach to sustainability and aligns with our company value of 'make a difference'. Civmec supports initiatives that contribute to community wellbeing, workforce development, social inclusion and stronger local economies. This includes, but is not limited to, financial contributions, employee participation, strategic partnerships and other support efforts that maximise positive outcomes for community stakeholders.

Community Investment and Social Support

During FY26, Civmec continued to support organisations that assist adults, children and families experiencing homelessness, financial hardship, social disadvantage and illness.

Taking part in his eighth Vinnies CEO Sleepout, this year Civmec CEO Pat Tallon was the highest fundraiser in Western Australia and within the top five fundraisers nationally, raising approximately A$150,000 to support people experiencing or at risk of homelessness. Based on estimates provided by Vinnies, the amount raised is enough to provide 473 individual support programs, 1,242 beds and 4,971 meals for those who require assistance.

For the second consecutive year, a Civmec team took part in the Central Park Plunge, which involves abseiling 130 metres down the Central Park Tower in Perth.

The team successfully completed the challenge, raising more than A$15,000 for Anglicare WA, which assists individuals and families experiencing homelessness, poverty, trauma, family and domestic violence.

In the lead-up to the festive season, we ran a donation drive for Foodbank WA, collecting more than 570 kilograms of non-perishable food and essential items. Employees volunteered at St Patrick's Community Centre (St Pat's), serving meals during the annual Christmas lunch and packing hampers in preparation for distribution to local people in need. We made a financial donation at Christmas, wore green on St Patrick's Day for a donation, and participated in Containers for Change fundraising. The combination of these efforts has supported St Pat's in delivering accommodation, meals and other essential support services to people in need.

Additionally, for the third year running, we were a major sponsor of a Camp Quality charity event in the Hunter Valley, with funds raised supporting programs for children affected by cancer and the ongoing effects of treatment.

Education and Workforce Development

Supporting future workforce capability remains a priority for Civmec. We continued to invest in education, training and industry development initiatives designed to encourage participation in engineering, construction and defence-related careers.

During FY26, this included sponsorship of the UWA Young Engineers Industry Analysis Night 2026, the Curtin Engineers Club and the Curtin Civil Engineering Association (CCEA).

Jeans for Genes Day



Veterans and Defence Communities

Given Civmec's growing role within Australia's defence industry, we remain committed to supporting veterans and their families through employment pathways, skills development and transition assistance.

Civmec actively sponsors and partners with Working Spirit to help Australian Defence Force veterans transition into civilian careers. Through our Veterans Employment Program, we provide transitioning military personnel with dedicated employment pathways, career guidance and interview opportunities.

Indigenous Groups and Local Community Partnerships

We continue to build relationships with Aboriginal and Torres Strait Islander communities and Indigenous-owned businesses through procurement, community engagement and initiatives that promote economic participation and long-term partnership opportunities.

In FY26, we worked with 15 Indigenous suppliers, supporting mutually beneficial partnerships that promote employment, business development and economic participation among First Nations peoples. We also provided support to Eneabba Primary School, located near the Eneabba Rare Earths Refinery project where Civmec is undertaking works. In July, we donated books to primary schools near Henderson that celebrate and explore First Nations peoples, culture and history. It is a way of giving back to the community in the areas where we operate.

This year we announced a new partnership with Madalah for the commencement of two secondary school scholarships for First Nations students who will commence studies in 2027. This initiative reflects our commitment to supporting educational opportunities, empowering young Indigenous people, and contributing to long-term positive outcomes within First Nations communities.

We also supported local community groups, industry associations and sporting organisations through targeted sponsorships and partnerships. During the year, this included providing team jerseys for Port City Power and the Tannum Sands Seagulls Rugby League Club in Gladstone, as well as serving as a season sponsor of Fremantle City Football Club. Civmec took part in the 2026 HBF Run for a Reason, holding group training sessions to support participants in their preparation. We demonstrated our support for local industry and regional development through sponsorship of the Hunter Manufacturing Awards.

Through these initiatives, Civmec seeks to create lasting value beyond the projects we deliver. By supporting communities, developing future workforces and strengthening local partnerships, we contribute to positive social outcomes while supporting the long-term sustainability of the regions in which we operate.



Central Park Plunge for Anglicare WA

Donation to St Patrick's Community Support Centre





SDGs most impacted

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HEALTH AND SAFETY

Civmec recognises that the physical and mental wellbeing of our people is fundamental to the long-term performance and sustainability of the company. Whether on site or within our facilities, our commitment is straightforward: every person must go home safe, every day. It is this commitment that shapes our strong safety culture, guides our decisions and behaviours, and underpins the way we operate.

Our Health and Safety Management System (HSMS) is aligned with industry standards and regulatory requirements and is fully integrated across all business units and work locations. It is designed to evolve as standards change and adapt to the varying demands of different projects and clients. At its core are our Health and Safety Policy and Never Assume charter, which empower everyone in the organisation to question safety assumptions and keep their work focused on achieving zero harm.

Alongside this, our Critical Safety Essentials set out clear behavioural expectations for all Civmec employees and contractors. These principles define mandatory expectations for safe behaviour and delivery. Every worker is expected to know, understand and follow them. By reinforcing the right of every individual to stop work and intervene if they see what they perceive to be an unsafe act or condition, we continue to drive real improvement in both our safety performance and our culture.

As a Registered Training Organisation (RTO), we deliver targeted training programs that are directly aligned to our HSMS, ensuring our workforce has the practical skills and knowledge to work safely. Our Henderson facility also includes a dedicated fitness-for-work health centre to further support the wellbeing of our people.

Certifications and Audits

Civmec's HSMS is third-party certified to ISO 45001:2018 and accredited by the Office of the Federal Safety Commissioner. Our Environmental Management System (EMS) is third-party certified to ISO 14001:2015.

Together, these provide a structured framework for maintaining standards and ensuring our workforce is equipped to carry out their responsibilities safely and efficiently.

Surveillance audits for both ISO 45001:2018 and ISO 14001:2015 were successfully completed at the end of FY26, with recertification now not due until 2028. During the year, the scope of our ISO 45001 audits was expanded to include our Port Hedland and Gladstone facilities, with those locations to be incorporated into the certified management system going forward.

Following the acquisition of Luerssen Australia at the end of FY25, its existing ISO 45001:2018 certified management system was reviewed and a surveillance audit completed in Q2 2025. Recertification for that system is scheduled for December 2026.

These external audits, supported by our ongoing internal audit program, are an important part of how we hold ourselves accountable and maintain our commitment to continual improvement across both our HSMS and EMS.

View Civmec's Health and Safety Policy

View Civmec's Never Assume Charter

Health and Safety Performance

Health and safety performance in FY26 remained a key organisational focus, with continued emphasis on risk reduction, proactive hazard management, and strengthening safety culture across all operations.

Civmec recorded continued improvement across key lag indicators. The Total Recordable Injury Frequency Rate (TRIFR) has nearly halved over the past three years, demonstrating sustained progress in injury prevention. In addition, there has been a notable reduction in musculoskeletal injuries over the same period, reflecting the effectiveness of targeted ergonomic and manual handling initiatives.

A reduction in hand injuries was also achieved during FY26, supported by focused controls, awareness campaigns, and task-specific risk management.

The number and significance of workers' compensation claims reduced during the year, with a continued focus on early intervention, effective injury management, and return-to-work outcomes, contributing to better overall claims performance and reduced impact on workers and operations.

There was a continued increase in lead indicator reporting, including hazard and near-miss reporting, demonstrating improved workforce engagement and a more proactive approach to identifying and managing risks before incidents occur.

Civmec recorded no lost time injuries in FY26.

The most common injury types during FY26 continued to be musculoskeletal injuries, particularly strains and sprains associated with manual handling and repetitive tasks, along with hand and finger injuries. While these injuries are unfortunately common in our industry and typical of the operational and maintenance activities our workers undertake each day, we collectively strive to prevent such events from occurring in our workplace.

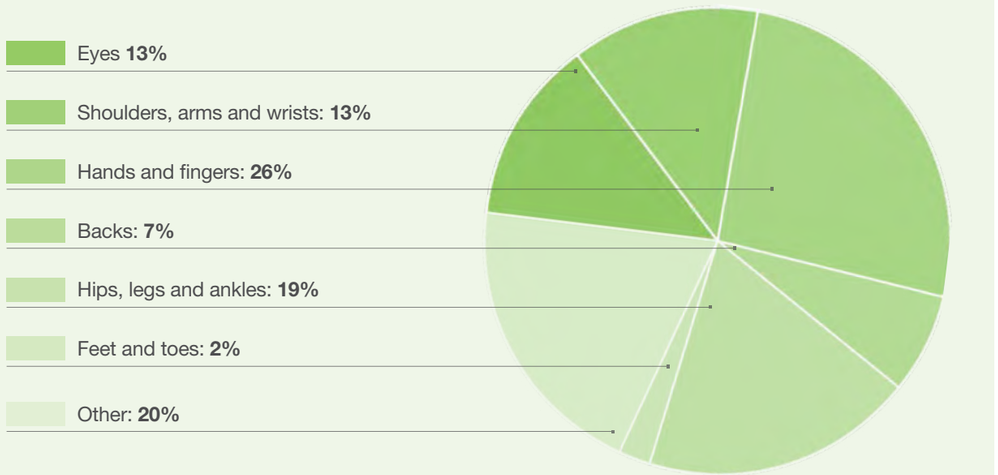
In response, Civmec built on our previous prevention efforts through a combination of targeted initiatives and continual improvement strategies.

For musculoskeletal injuries, a strong focus was maintained on the increased use of mechanical aids and overall manual handling awareness training, supported by early intervention programs aimed at preventing symptoms from progressing into recordable injuries. These efforts have contributed to a continued reduction in musculoskeletal injuries over recent years.

To address hand injuries, controls were further strengthened through task-specific risk assessments, increased use of specialised tools to remove hands from line-of-fire positions, and reinforcement of appropriate personal protective equipment (PPE). Awareness campaigns and frontline engagement also played a key role in highlighting critical risks and promoting safer work practices.

For detailed health and safety performance data, refer to page 78.

Injuries breakdown



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Case Study

Targeted Risk Management with InControl

During FY26, Civmec continued to build on the use of the InControl digital application (app) to support targeted workplace inspections across operational sites, further strengthening the organisation's ability to proactively identify and manage risk.

Maintaining consistent, high-quality workplace inspections across diverse and high-risk environments, while retaining clear oversight of findings and actions, can be challenging when using paper-based systems. The InControl app was introduced to digitise and standardise inspections, delivering a more efficient and uniform approach.

The platform enables structured, task-specific inspection checklists, real-time capture of findings via mobile devices, and immediate allocation and tracking of corrective actions. In FY26, its use was further extended to support both company-wide inspection programs and site-specific inspections tailored to operational risks.

The continued rollout was supported through targeted training and engagement with supervisors and HSE personnel to drive consistent use across sites.

The expanded use of the InControl app has strengthened inspection quality and consistency across high-risk activities, while improving the proactive management of hazards and non-conformances.

Corrective action tracking and closure have become more efficient, supported by data-driven insights to identify trends and enable more targeted risk reduction.

Overall, this has enhanced Civmec's frontline risk management capability and supported a more proactive approach to maintaining safe workplaces.



Health and Safety Initiatives

Throughout FY26, Civmec continued to strengthen its health and safety performance through a combination of new and developed initiatives, workforce programs and system improvements. In line with the future objectives of last year's report, we also made enhancements to our crisis response capabilities, expanded our wearable technology rollout and broadened our in-house medical centre capabilities.

Wearable Technology

Building on our wearable technology program, Movewell 365, this year Civmec expanded its use across both the shipbuilding and maintenance divisions to better understand and manage high-risk manual tasks.

The focus was on identifying manual activities, assessing at-risk body positioning and awkward postures, and implementing practical controls to reduce exposure.

This approach incorporated improved job planning and task analysis in collaboration with tradespeople and frontline leaders.

In shipbuilding, assessments covered activities such as boilermaking, welding, manual lifting, painting and blasting, and pipefitting. Within maintenance, the program targeted high-risk shutdown environments, assessing tasks including refractory carpentry, scaffolding, rigging, and boilermaking. The data collected is being used to refine safe work practices and support the design and procurement of engineering solutions to further reduce musculoskeletal risks.

Targeted risk reduction campaigns

Recognising the high-risk nature of Civmec's operational environments, a structured and consistent approach to workforce engagement remained a priority. Several targeted campaigns were delivered throughout FY26, including:

- One Decision – Hand Safety Program;
- Prevention of Dropped Objects;
- Health and Wellbeing Series;
- Psychosocial Safety Awareness; and
- Reinforcement of Critical Safety Essentials.

Seasonal campaigns continued to play an important role in maintaining focus during higher-risk periods, such as leading into and returning from holiday breaks. Initiatives including Finish Strong Side by Side 2025, Safe Strong Together 2026 and our mid-year Safe 62 program encouraged strong teamwork, effective work planning and daily hazard awareness to support injury and incident-free performance.

This is the second year Civmec ran the Safe 62 program, which was designed to engage both individuals and work teams, with the goal of completing the 62-day period between July and August without an injury or incident. FY26's theme, Plan Smart, Control Risk and Deliver Safely reinforced the importance of effective planning, risk management and disciplined execution. Project teams were supported with targeted training materials, as well as visual tools, including posters and calendars to track progress and maintain focus throughout the campaign. The program again achieved a high level of participation across projects and facilities and was well received by the workforce, contributing to sustained awareness of critical risks and a strengthening of safe work practices.

Fit Testing and Health Surveillance

The Civmec Health Centre at our Henderson Facility expanded its services during FY26, adding the capability to deliver hearing and respiratory fit testing. Respiratory and hearing fit testing machines have been purchased and training has been undertaken by our onsite nurses and HSE team.

Fit testing is now incorporated into both pre-employment medicals and ongoing workforce health surveillance programs, ensuring employees are appropriately protected and monitored. This enhancement enables Civmec to deliver more comprehensive and efficient health services internally.

Additionally, we offer our employees access to free skin cancer checks undertaken by external specialist clinicians, as well as free influenza vaccinations delivered from our own onsite medical facility.

Crisis Management Enhancements

This year, Civmec strengthened its crisis and emergency response capability through coordinated, organisation-wide exercises involving all four of our major operational facilities.

These site-specific, scenario-based exercises, facilitated by external specialists and attended by Civmec leadership personnel from each facility, tested emergency response plans and aligned facility-level procedures with Civmec's crisis management and business continuity frameworks.

In addition, targeted HR crisis training was delivered in Q3 FY26, focusing on managing sensitive communications, including next-of-kin notifications and support for affected personnel and families. This training was attended by our key HR and HSE leaders and has enhanced organisational readiness to respond effectively to critical events.

Increased Internal Auditing

HSE auditing activity increased across our operations in FY26, covering major construction projects, maintenance sites and Civmec's four main facilities.

Audits included post-mobilisation audits for new projects, HSE focus audits looking at management system elements and high-risk operational work activities, and full HSE system audits.

These activities provide assurance against internal and client requirements, while also identifying opportunities for improvement. Findings were recorded, shared and tracked through to completion, supporting a strong culture of continual improvement.

Improved Onboarding

A comprehensive review of Civmec's onboarding and induction processes was undertaken during FY26. This included a refresh of our onboarding program, which now comprises five core modules and a CEO welcome message.

An additional operational safety module was introduced for personnel working on construction and maintenance sites, or at our facilities, ensuring a more consistent understanding of critical safety requirements throughout.

Scholarships and Opportunities

Civmec continued its strong relationship with the Curtin University HSE Program during the year, facilitated by our Group Manager – HSE.

The HSE scholarship program provides valuable work experience and financial assistance to a successful applicant based on specific criteria. The scholarship is awarded to a final-year student who has achieved a high academic result, demonstrated a genuine passion for the field of health and safety, and shown a desire to make a difference.

This scholarship has now been awarded for five consecutive years.

In addition, Civmec supported the development of future HSE professionals through work experience opportunities, graduate placements, and ongoing mentoring programs.

Civmec Defence Industries (CDI) System Alignment and Compliance

Following the acquisition of Luerssen Australia by Civmec and its transition to CDI, significant progress was made in aligning HSE systems and processes.

This included consolidation of health and safety management plans, procedures, induction material, and HSE data management systems to ensure consistency and efficiency across the integrated workforce. Full integration is scheduled for Q1 FY27.

Mental Health and Wellbeing

Civmec continued to support the mental health and wellbeing of our workforce through a range of awareness, engagement and proactive wellbeing initiatives during FY26.

Employee Assistance Program (EAP)

Civmec's EAP is a comprehensive service that offers ongoing confidential counselling and support for our employees and their families. It is also linked with a mobile app, which offers direct access to counselling services as well as a range of wellness resources, including articles on topics such as sleep, nutrition, and physical activity.

Support Services Contact Card

To ensure our employees know how and where they can find support, we offer a Support Services card as part of our personal safety guide. The card contains contact details for 11 essential support services, including the Civmec EAP, Lifeline, and Beyond Blue. Raising awareness and encouraging access to these resources is also a key focus of our R U OK? Day initiatives.

R U OK? Day

Civmec actively supported R U OK? Day in September, encouraging employees to check in with a friend or colleague, and to promote open conversations around mental health. It also reminded our people of the support services available to them. On the day, we shared R U OK? Day awareness materials throughout our sites and facilities and held team-gathering activities to foster connection and interaction.



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Run for a Reason

FY26 marked the inaugural year that Civmec brought entrants together for the HBF Run for a Reason event. Several team-building practice runs were organised prior to the event to support participants in their preparation.

The initiative not only encouraged physical activity and team connection, but also supported the community, raising funds for each participant's chosen charity.

Blue Tree Project

Civmec continued to support the Blue Tree Project, which is an Australian grassroots mental health awareness movement that paints trees blue in public spaces to spark conversations and reduce stigma around suicide, particularly in regional communities. Civmec continues to display blue trees on our sites, each serving as a visible reminder to our workforce that there is support available for those who need it.

Health and Wellbeing Month

For the second consecutive year, a health and wellbeing-focused initiative was delivered across the business in Q4 FY26. This proactive initiative is designed to educate and provide practical actions to support our workforce to take ownership of their health and wellbeing. The program was structured around weekly themes, focusing on heart health and diabetes, physical activity and healthy eating, mental health and wellbeing, and preparing for winter wellness. Resources and practical tools were provided as part of each weekly topic, with a focus on education and action. The program was well received across the workforce and by site leaders.

Future

Looking ahead to FY27, Civmec will continue to prioritise the health and wellbeing of our workers as well as look for new ways to prevent injury and improve overall wellbeing.

Strengthening Psychosocial Safety and Workforce Wellbeing

Over the next 12 months, we will continue to build on our psychosocial safety and workforce wellbeing initiatives through the enhancement of existing programs, procedures and risk management practices.

Focus areas will include targeted awareness campaigns and scenario-based training to build leadership capability, encourage early reporting, and improve the management of psychosocial hazards.

Civmec will also continue to expand our health and wellbeing initiatives, with a focus on increasing participation, supporting positive health outcomes and fostering an engaged and resilient workforce.

Improving HSE Management of Change

As Civmec continues to grow and evolve, we will focus on further developing our HSE Management of Change process to ensure risks associated with new equipment, processes, systems and operational changes are appropriately assessed and controlled.

This initiative will involve reviewing and updating existing procedures and delivering targeted training and guidance to operational and HSE leaders, promoting a consistent approach to managing change.

This will support a proactive and structured approach to HSE change management, helping to minimise risk and maintain high HSE standards across the business.

Comprehensive Environmental Aspect and Impact Review

Civmec will undertake a detailed evaluation of our Environmental Aspects and Impacts Register and broader environmental management framework to ensure environmental considerations remain aligned with the organisation's activities and future growth.

Particular attention will be given to lifecycle impacts, resource efficiency and opportunities to enhance environmental performance.

The outcomes of this work will help drive continual improvement and support the long-term sustainability of our operations.

SDGs most impacted

CYBER SECURITY

In Civmec's latest materiality assessment, cyber security was identified as one of the company's most material sustainability considerations, highlighting the critical importance of protecting our data, assets, systems and reputation.

Our approach to cyber security prioritises the confidentiality, integrity and availability of Civmec's systems, data and infrastructure, underpinned by security controls, regular audits, employee awareness initiatives, and effective threat detection and response capabilities. This extends to the responsible collection, handling and protection of personal data, in accordance with relevant privacy legislation.

Governance and Leadership

During the year, Civmec implemented targeted structural and leadership changes to strengthen its cyber security capability. The Information Technology (IT) and cyber security functions were consolidated into a single team, aligning technology operations and risk management under a cohesive strategy. A Group Manager Technology & Cyber Security role was appointed, utilising a well regarded and competent internal resource, to provide integrated oversight of both functions, drive technology strategy, and ensure that security is embedded across the business.

A dedicated Governance, Risk and Compliance (GRC) Officer was also added to the team, strengthening oversight of cyber security governance, enhancing policy and compliance frameworks, and supporting a more structured approach to risk assessment.

Quarterly reports were provided to the Board to enable oversight of emerging risks and the company's overall security posture.

Security Alignments

Throughout FY26, Civmec maintained alignment with established cyber security frameworks, including those of the Australian Cyber Security Centre (ACSC), Defence Industry Security Program (DISP), and the Australian Signals Directorate (ASD).



We also continued to work with the Henderson Security Working Group, which addresses security concerns specific to the Henderson defence precinct and facilitates intelligence sharing between partner organisations in the area.

Workforce Training

Civmec recognises that cyber security is a collective, whole-of business capability and responsibility. In FY26, more than 8,200 monthly training modules were delivered to employees with a digital presence in the business, covering a range of modern threats relevant to our personnel, industry, and operating environment. This was in addition to onboarding training provided to all new employees.

Integration, Controls and Process Improvements

CDI Integration

A significant milestone in FY26 was the acquisition of Luerssen Australia, now Civmec Defence Industries (CDI), and the successful incorporation of its cyber security systems, controls and processes into Civmec's framework. The integration aligned and extended security controls, systems and processes across both entities, establishing a cohesive and efficient approach to cyber security across the combined business.

Threat Landscape and Incident Management

FY26 saw continued evolution in the cyber threat landscape, consistent with broader trends across Australian industry.

Civmec continued to participate in threat exchange programs and ASD-facilitated live-fire exercises, providing practical exposure to real-world threat scenarios in a controlled environment.

The increased use of artificial intelligence (AI) by malicious actors contributed to more sophisticated phishing and identity fraud attempts targeting Civmec. With the company's multi-layered security controls, advanced monitoring tools and security-aware workforce, supported by regular training, we were able to effectively detect and respond to these attempts. No material incidents occurred.



Application Hygiene and Vulnerability Management

During the year, Civmec invested in strengthening application hygiene and vulnerability management practices. This included tighter governance over approved software, improved patching disciplines, and enhanced vetting processes for new applications. Collectively, these measures reduced overall vulnerability exposure and improved our speed of remediation.

Data Protection

We strengthened our approach to data protection, with a focus on safeguarding personal and corporate information, and ensuring responsible data handling practices across the business. We engaged third-party cyber security specialists to support and enhance our Data Loss Prevention (DLP) capabilities, improving the identification, monitoring and protection of sensitive data across the network, and supporting early detection and prevention of unauthorised data disclosure. These enhancements also complement Civmec's governance framework for approved AI tools, promoting consistent data hygiene as we adopt new technologies.

Outlook

Looking ahead to FY27 and beyond, Civmec remains focused on delivering effective and measurable cyber security outcomes through the continuous assessment and improvement of our security posture.

Key focus areas include:

- sustained investment in DLP capabilities to improve protection of sensitive data across the business;
- continued alignment with ASD Essential Eight requirements as the business grows and adopts new technologies;
- a formal AI adoption strategy to support the safe and responsible use of AI across Civmec, balancing operational effectiveness with appropriate security, compliance, and ethical considerations; and
- continued advancement of our cyber risk assessment processes, with defined action plans, accountability frameworks, and alignment to the organisation's risk appetite.

Together, these initiatives support secure, resilient operations and position Civmec to grow with security and confidence.

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BUSINESS ETHICS

Code of Conduct

Maintaining high standards of business conduct is fundamental to Civmec's reputation, stakeholder relationships and long-term success. Our approach to business ethics extends beyond compliance with legal and regulatory requirements, encompassing the principles of fairness, integrity, accountability and responsible decision-making that underpin our operations.

The Civmec Code of Conduct establishes the standards of behaviour expected across the organisation and provides guidance on how employees and delivery partners should conduct business, make decisions and represent the company. The Code applies to all employees, contractors and business partners, regardless of role or location.

The Code is underpinned by Civmec's core values of commitment, innovation, value driven, make a difference, excellence and collaboration. Together, these values shape our culture and guide the way we work with clients, colleagues, suppliers and communities.

Approved by the Board and subject to regular review, the Code of Conduct remains aligned with regulatory requirements, evolving industry expectations and good governance practices.

Anti-Corruption

Assessment Processes

Preventing bribery and corruption is a key component of Civmec's governance framework. All major suppliers are required to comply with our Code of Conduct and support our zero-tolerance approach to bribery and corruption. Supplier compliance is assessed through ongoing due diligence, monitoring and audit activities.

Potential corruption risks are considered through Civmec's internal audit and risk management processes. Where concerns regarding unethical or unlawful conduct are identified, a formal investigation is undertaken in conjunction with relevant business units, executive management and, where necessary, external specialists.

The Risks and Conflicts Committee is informed of relevant investigations and reviews findings to support appropriate management responses. Depending on the circumstances, outcomes may include corrective actions, contractual amendments, termination of employment or supplier arrangements, or implementation of additional controls to mitigate future risk.

Communication and Training

Civmec's anti-corruption framework is supported by employee awareness and training programs designed to reinforce ethical conduct and individual accountability. Acknowledgement of Civmec policies, including our Code of Conduct and Anti-Bribery and Corruption Policy is a condition of employment, and all employees are expected to uphold the standards these establish.

Training is provided to all employees, all Board members and relevant third parties through a combination of e-learning modules and instructor-led sessions. Content is tailored to role-specific risks and responsibilities, using practical scenarios and case studies to strengthen understanding of corruption-related risks and reporting obligations. Participation in mandatory training programs is monitored to support compliance.

This approach helps ensure personnel are equipped to identify, manage and report potential instances of bribery or corruption.

Recorded Incidents

Civmec promotes a culture of transparency, accountability and ethical conduct. Employees are encouraged to raise concerns regarding potential breaches of the Code of Conduct and are protected from retaliation when reports are made in good faith.

In FY26, no confirmed incidents of corruption were reported, no employees were dismissed or disciplined for corruption, no business relationships were terminated or not renewed due to confirmed corruption-related breaches, and no public legal cases relating to corruption were brought against Civmec or its employees.

Anti-Competitive Behaviour

Civmec operates across multiple sectors and jurisdictions and is committed to conducting business in a manner that promotes fair, open and lawful competition. Compliance with competition laws is essential to maintaining stakeholder confidence and preserving the integrity of the markets in which we operate.

We comply with the Competition and Consumer Act 2010 (Cth) and Australian Consumer Law, supported by policies, procedures and internal controls that guide employee and contractor conduct.

View Civmec's Code of Conduct

View Civmec's Anti-Bribery and Corruption Policy

Approach

Civmec is committed to maintaining fair and open competition and aligns its practices with the principles and guidelines of the Australian Competition and Consumer Commission (ACCC). Employees and representatives are prohibited from engaging in conduct that breaches the Competition and Consumer Act 2010 (Cth), including cartel conduct such as price fixing, market sharing, bid rigging and output restrictions. The Company also prohibits the misuse of market power where conduct may substantially lessen competition in a market in which Civmec operates.

In addition, Civmec does not permit exclusive dealing arrangements that restrict customers from engaging with competitors, third line forcing where the purchase of goods or services is conditional on acquiring goods or services from a third party, or conduct that prevents or discourages the resale of Civmec's goods or services below a specified price.

Any breach of these requirements is treated seriously and may result in disciplinary action, including termination of employment or commercial relationships.

Compliance

Non-compliance with competition laws can result in significant legal, financial and reputational consequences for both the company and individuals. Civmec therefore maintains clear accountability for competition law compliance and expects employees to identify and report any actual or potential concerns.

Oversight of anti-competitive behaviour compliance is the responsibility of the Board. Concerns can be raised through management channels for prompt review and investigation where required.

In FY26, no legal actions relating to anti-competitive behaviour, anti-trust matters or monopoly practices were pending or concluded against Civmec. Furthermore, Civmec has not been the subject of any legal action relating to anti-competitive behaviour.

Human Rights

Respect for human rights forms part of Civmec's approach to responsible business conduct. We seek to create an environment where people are treated fairly, with dignity and respect, regardless of nationality, ethnicity, religion, gender or background.

Our approach is informed by the United Nations Guiding Principles on Business and Human Rights and extends across our workforce, supply chain and the communities in which we operate.

This includes recognising Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and maintaining processes to identify and address modern slavery risks within our operations and supply chain.

No human rights violations were identified during the reporting period.

Modern Slavery

Civmec recognises the importance of identifying and addressing modern slavery risks within its operations and supply chain. Our approach focuses on risk assessment, due diligence, supplier engagement and continuous improvement to support ethical labour practices and responsible business conduct.

In FY26, we enrolled select employees in specific roles into Modern Slavery training to help reduce the risk of modern slavery within our operations and supply chain. The training aims to increase awareness of modern slavery risks and strengthen employees' ability to identify potential indicators of modern slavery.

Furthermore, following our successful implementation of a new vendor management system in FY25, Felix, we have been able to strengthen our approach to assessing new suppliers with higher risk of modern slavery. New suppliers with annual revenue above $100 million are assessed for modern slavery risks, with further checks and due diligence undertaken when suppliers meet a particular criterion. For example, further checks are undertaken when suppliers source products from high-risk countries or supplies high-risk goods or services. In FY26 additional checks were undertaken for 20 new suppliers.

Ethical Supply Chain

Civmec recognises that ethical business practices extend past our own operations and into our supply chain. In FY25 we introduced a new supplier onboarding system, Felix, for better assessment and management of our vendors. During our pre-qualification process, all new suppliers are required to answer health, safety and environment related questions.

In FY26, 342 new suppliers were added to our approved vendor list and 100% were assessed against environmental and social criteria. We also continued to support local and Australian businesses through our procurement practices, with 62% of procurement sourced from local suppliers, defined by having headquarters within 100 km of our main operations, and 98% sourced from Australian suppliers overall.

View Civmec's Modern Slavery Policy

View Civmec's Modern Slavery Statement

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MATERIAL RISKS

Civmec is exposed to a range of risks that may materially affect our operations, people, reputation and financial performance. These risks arise from our business activities, operating environments and broader external factors.

Risk management is embedded throughout the organisation through Civmec's Risk Management Policy and supporting procedures, systems and standards. This framework ensures risk is considered in operational and strategic decision-making. The following outlines key risks facing the business and is not intended to be exhaustive.

Business Risks

Customer Reliance

Civmec services clients across the energy, resources, infrastructure, marine and defence sectors. Operational disruptions, natural disasters, market conditions and shifts in global demand may affect customer activity and project delivery.

These risks are managed through planning, safety systems and ongoing client engagement.

Contract Risks

Civmec operates under contractual arrangements that expose the company to execution, pricing and counterparty risks. Certain contracts may include liquidated damages, warranty obligations and other remedies for non-performance.

The Board oversees mitigation through project governance, workforce capability development, legal oversight and contract review processes.

Utility Shortages, Interruptions or Disruptions

Civmec's manufacturing operations rely on secure electricity and water supplies. Environmental, technical or regulatory disruptions may affect project delivery and financial performance.

Industrial special risks insurance is maintained, while contingency planning, infrastructure investment and engagement with service providers support operational resilience.

Financial Capacity of Customers

Projects are generally undertaken with payments received in arrears, requiring upfront working capital.

Customer payment delays or defaults arising from economic conditions, commodity price movements or financial distress may affect cashflow and increase credit risk. Advance payments, credit assessments and contract structuring are used to manage this exposure.

Financing Arrangements

Civmec is generally paid on a progress claim basis and seeks advance or mobilisation payments where possible. When such arrangements are not available, initial project costs, including labour, materials and performance securities, are funded through working capital or external financing.

Large projects may require banking facilities, creating exposure to interest rate movements. An inability to access funding on competitive terms could limit participation in major opportunities and affect future earnings. Civmec maintains strong relationships with financial institutions and regularly reviews funding strategies to support growth.

Material Price Fluctuations

Civmec generally does not hold significant inventories and relies on suppliers to provide materials as required. While long-term agreements and strong supplier relationships support supply continuity, material shortages or price volatility may affect project margins and performance.

Since 2009, Civmec has consistently secured materials through strategic procurement practices, supplier partnerships and forward purchasing where appropriate.

Senior Management and Key Personnel

Civmec's ability to secure and execute work relies on experienced leaders and key personnel. The loss of critical employees without suitable succession arrangements could affect operations and growth.

The company invests in leadership development and workforce capability to support continuity, succession planning and long-term performance. Cross-functional experience and structured development programs help reduce reliance on individual roles.

Legal Disputes

Civmec may be involved in disputes relating to contract terms, workmanship or materials, potentially leading to claims or litigation. Projects typically include warranty periods during which defect rectification obligations may affect profitability. Delays may also give rise to liquidated damages.

These risks are actively managed through legal oversight and contract governance, and have not resulted in material impacts since 2009.

Project Reliance

A significant portion of Civmec's revenue is derived from project-based, non-recurring work. Continued profitability depends on securing a consistent pipeline of profitable projects.

Failure to win new work on acceptable terms may materially affect financial performance.

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Government Policy

Industry activity may be affected by changes in government policy and regulation in Australia and overseas. Civmec and its customers operate within extensive legislative and regulatory frameworks covering areas including environmental obligations and the rights and interests of First Nations and Indigenous peoples.

Policies, processes and compliance systems are maintained to support adherence to applicable laws and regulations. Contracts commonly include provisions allowing recovery of time and cost impacts associated with legislative or regulatory change.

Natural Disasters and Unforeseen Events

Natural disasters, severe weather and unforeseen events, including power failures, system outages, explosions and acts of terrorism, may disrupt Civmec's operations or those of suppliers and utilities.

These events may affect production, project delivery and customer activity. Risk mitigation measures include industrial special risks insurance, contract works insurance and, in some instances, coverage under client insurance arrangements. Contract provisions may also support recovery of associated time and cost impacts. Together, these measures strengthen business continuity and resilience.

Refer also to the Sustainability Report on page 209 for climate-related risks.

Foreign Currency

Civmec's revenue and expenditure may be denominated in currencies other than Australian dollars, exposing the company to foreign exchange movements that may positively or negatively affect financial results.

The company may also invest in projects and businesses outside Australia, resulting in exposure to movements in overseas currencies relative to the Australian dollar.

Civmec monitors currency exposure and may implement risk management measures, including foreign exchange hedging. Such measures are not applied in all circumstances and may introduce additional risks.

Suppliers and Contractors

Civmec relies on key suppliers and subcontractors to support project execution. Financial instability, performance shortfalls or delays within the supply chain may affect the company's ability to meet contractual obligations.

Regular performance monitoring, due diligence processes and onsite supervision are used to manage contractor performance. Additional protections, including retention monies and performance bonds, are also applied.

Failure of suppliers or subcontractors to perform may result in delays, increased costs or contractual liabilities, and suitable replacements may not always be available at short notice.

Industry Specific

Increased Competition

The industries in which Civmec operates are highly competitive, with both domestic and international participants active in the Australian market.

Competitors may offer lower pricing, greater resources or more advanced capabilities. Some international operators may also have access to stronger financial capacity.

Maintaining competitiveness is critical to ongoing growth and profitability. Changes in competitive dynamics may affect project outcomes and financial performance. Civmec continues to focus on operational efficiency, innovation and strong client relationships to support its market position.

Safety

The industries in which Civmec operates involve a range of activities that carry inherent safety risks, including working at heights, in confined spaces, around live operating plant and with combustible materials.

A major incident, or a series of incidents, could result in site shutdowns, lost revenue and reputational damage.

Civmec maintains comprehensive safety management systems, supported by experienced safety personnel across both project sites and corporate operations. Ongoing training and strong governance practices help reinforce a safe working environment.

Skills Shortages

Civmec's continued growth depends on attracting and retaining skilled personnel. The engineering construction sector continues to experience shortages of skilled and semi-skilled workers, particularly in Australia.

Challenges in recruiting qualified employees on suitable terms may limit the company's ability to meet project commitments and growth objectives.

To address this risk, Civmec invests in workforce development, training and internal career pathways. These initiatives support capability growth, employee retention and succession planning, helping maintain operational continuity and long-term business performance.

View Civmec's Risk Management Policy

SUSTAINABILITY PERFORMANCE DATA

PERFORMANCE METRIC	UNIT	FY25	FY26 TARGET	FY26	RESULT	FY27 TARGET
ENVIRONMENTAL						
Environmental Performance						
Significant environmental incidents (> Level 4)		0	0	0	✓	0
Prosecutions and infringement notices		0	0	0	✓	0
Energy						
Total energy	TJ	59	<52	58	×	<52
Energy from fuel sources	TJ	27.39	-	19.64	-	-
Purchased grid electricity	MWh	9,666	-	10,443	-	-
Self-generated solar PV electricity consumed	MWh	113	-	213	-	-
Self-generated solar PV electricity sold	MWh	0.81	-	0.93	-	-
Absolute Energy Intensity	TJ/A$m	0.073	-	0.064	×	<0.045
Emissions						
Scope 1 GHG Emissions	tCO_2e	1,631	<1,566*	1,838	×	<1,772
Scope 2 (location-based) GHG Emissions	tCO_2e	5,100	<4,896*	5,318	×	<5,114
GHG Emissions Intensity	tCO_2e/A$m	8.3	<8.5**	7.92	✓	<7.79
Waste						
Total waste generated	tonnes	5,643	-	3,836	-	-
Total waste diverted from disposal	tonnes	3,875	-	2,988	-	-
Total waste directed to disposal	tonnes	1,759	-	848	-	-
Manufacturing recycling rate[1]		90%	>75%	76%	✓	>75%
Materials recovery rate[2]		69%	>85%	78%	×	>85%
Water						
Water withdrawal	kL	22,656	-	26,150	-	-
SOCIAL						
Health and Safety Performance						
LTIFR[3]	worked	0	0	0	✓	0
AIFR[4]	worked	30.42	<35.00	27.66	✓	<35.00
TRIFR[5]	worked	3.49	3.5	2.95	✓	<3.5
Fatalities		0	0	0	✓	0
Fines and prosecutions		0	0	0	✓	0
Severity rate	lost days per million hours worked	0		0		
Employment						
Total employees (direct)[6]				2,430		
Total permanent employees[6]				1,704		
Total temporary employees[6]				522		
Total non-guaranteed hours (casual) employees[6]				641		
Total full-time employees[6]				1,677		
Total part-time employees[6]				27		
Total apprentices (including trainees)[6]				85		
Total graduates[6]				48		
Total employees covered by collective bargaining agreements				66%		

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PERFORMANCE METRIC	UNIT	FY25	FY26 TARGET	FY26
Diversity and Equal Opportunity				
Women employed[6]	office-based employees	48.67%	43.93%	52%
Women employed[6]	as total % of all employees	12.57%	10.75%	12.2%
Women in management roles[6]	as total % of head office based management	15.38%	11.68%	15.1%
Aboriginal and Torres Strait Islander representation[6, 9]	as total % of blue-collar employees	0.88%	0.88%	1.2%
Aboriginal and Torres Strait Islander representation[6, 9]	as total % of all employees	0.74%	0.74%	0.9%
Veterans employed		10	10	25
Apprentices employed[7]		86	Sustain monthly average of 100	72

	UNDER 30 YEARS	30 TO 50 YEARS	OVER 50 YEARS
Total employees by age[7]	22%	56%	22%

	MALE	FEMALE	OTHER/UNDISCLOSED
Total employees by gender[6]	88%	12%	
Total apprentices and trainees by gender[8]	93.6%	6.4%	
Total graduates by gender[7]	82%	18%	

WHITE COLLAR	UNDER 30 YEARS	30 TO 50 YEARS	OVER 50 YEARS
Chief Executive Officer and Board			
Male			83%
Female			17%
Executives/General Managers/Group Managers			
Male		64%	18%
Female		18%	
Key Management Personnel			
Male		50%	50%
Female			
Senior Managers			
Male		100%	
Female			
Managers			
Male	1%	61%	27%
Female	1.5%	8%	1.5%
Professionals			
Male	9%	53.5%	16.5%
Female	5%	13%	3%
Clerical and Administrative			
Male	10.5%	16%	6%
Female	16%	39%	12.5%



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WHITE COLLAR	UNDER 30 YEARS	30 TO 50 YEARS	OVER 50 YEARS
Graduates			
Male	75.5%	6.5%	
Female	16%	2%	
BLUE COLLAR[10]	**UNDER 30 YEARS**	**30 TO 50 YEARS**	**OVER 50 YEARS**
Technicians and Trades			
Male	15%	55%	29%
Female		1%	
Machinery Operators and Drivers			
Male	17%	37%	32%
Female	8.5%	4.5%	1%
Trade Support			
Male	28.5%	50%	13.5%
Female	4%	3%	1%

GOVERNANCE	
Anti-Corruption	
Confirmed incidents of corruption	0
Confirmed incidents in which employees were dismissed or disciplined for corruption	0
Confirmed incidents that led to non-renewal or termination of contract with a business partner violating corruption	0
Public legal cases regarding corruption brought against the organisation or Civmec employees.	0
Anti-Competitive Behaviour	
Legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation	0

Board Composition

	FY25			FY26		
Total Board members	6			6		
Board members by gender	MALE	FEMALE		MALE	FEMALE	
	5	1		5	1	
Board members by age	UNDER 30	30 TO 50	OVER 50	UNDER 30	30 TO 50	OVER 50
			6			6

Modern Slavery	
Incidents of child labour or forced or compulsory labour identified through internal audit program	0

Notes:
(1) Manufacturing Recycling rate: total amount of non-hazardous waste recycled compared to total amount of non-hazardous waste generated, measured at manufacturing facilities only.
(2) Materials recovery rate: total amount of waste which has been diverted from landfill as a percentage of total waste generated.
(3) LTIFR: Lost Time Incident Frequency Rate.
(4) AIFR: All Injury Frequency Rate.
(5) TRIFR: Total Recordable Injury Frequency Rate
(6) Highest figure month.
(7) Monthly average.
(8) Strategy is to maintain current levels, at a minimum.
(9) Estimated figure – identifying as Aboriginal and/or Torres Strait Islander is not a mandatory question during the employment onboarding process.
(10) Apprentices are not included in blue collar age statistics.
* FY26 targets have been restated and calculated based on linear progression to meet our long-term target, from our FY25 results.
** FY26 target has been restated and calculated based on linear progression to meet our long-term target, from our FY22 base year.

Financial Report



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FINANCIAL REPORT

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DIRECTORS' REPORT

The Directors present their report to the members together with the audited consolidated financial statements of Civmec Limited (the 'Company') and its subsidiaries (collectively referred to as the 'Group') for the financial year ended 30 June 2026.

Directors

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

James Finbarr Fitzgerald Executive Chairman	Appointed 4 September 2024. James joined the Civmec Board on 27 March 2012. He is a co-founder of Civmec. A dedicated leader with over 42 years industry experience, he guides the corporate direction of the company, oversees overall business and financial performance, and ensures compliance with corporate governance guidelines. James has contributed to several national industry initiatives, including roles with the Centre for Defence Industry Capability and the AusIndustry Modern Manufacturing Initiative. A strong advocate for skills development and inclusion, he promotes training pathways, diversity, and equal opportunity across the business. His leadership continues to guide Civmec's growth while reinforcing its role in supporting Australia's industrial capabilities. Current directorships of listed entities: Nil Other directorships of listed entities within the past three years: Nil
Patrick John Tallon Chief Executive Officer	Appointed 4 September 2024. Patrick was appointed to the Board on 27 March 2012. He is a co-founder of Civmec. Patrick Tallon has 39 years of experience in the construction, engineering and manufacturing sectors. As the CEO, he leads the implementation of the company's strategic objectives, with a focus on operational excellence, workforce engagement, and sustainable growth across all business units. He is committed to fostering a strong safety culture and driving innovation through continuous improvement. Patrick maintains regular engagement with clients, partners, and staff, and is particularly involved with the direct workforce – those on the workshop floors and project sites who carry out the physical work. His leadership style promotes collaboration and a values driven approach in all aspects of the business. A dedicated supporter of a few charities, he has taken part in eight Vinnies CEO Sleepout events, raising more A$660,000 in total for homelessness. Current directorships of listed entities: Nil Other directorships of listed entities within the past three years: Nil
Kevin James Deery Chief Operating Officer	Appointed 4 September 2024, retired 13 May 2026. Kevin joined the Civmec Board on 27 March 2012. With a Bachelor of Engineering (Mechanical) degree, he has more than 32 years of experience managing major Australian manufacturing and construction projects. A key part of Civmec's leadership since its inception, he oversees the Group's operations, with responsibility for project delivery, safety performance, and financial control. Kevin also plays a central role in ensuring Civmec's operational and financial strategies are closely aligned, enabling continued growth while maintaining quality and efficiency across all areas of the business. Current directorships of listed entities: Nil Other directorships of listed entities within the past three years: Nil

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Directors' Report

Directors (continued)

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated. (continued)

Ambrose Law Lead Independent Director Chairman of Audit and Risk and Conflicts Committee Member of Nominating Committee Member of Remuneration Committee	Appointed 30 October 2024. A seasoned Chartered Accountant with extensive experience in senior financial roles across multiple countries. Ambrose brings to the Board extensive experience in corporate governance and risk management. He holds a Bachelor of Commerce from Victoria University of Wellington, New Zealand, and is a Chartered Accountant with extensive experience in senior financial roles in the Banking and Finance industry and in public accounting. Ambrose's appointment aligns with Civmec's commitment to maintaining a diverse and skilled Board, ensuring robust oversight and strategic guidance as the company continues its growth trajectory. Degrees & qualifications: Chartered Accountant in New Zealand and Singapore, Bachelor of Commerce Other directorships of listed entities within the past three years: Global Testing Corporation (SGX listed) Coca-Cola EuroPacific Partners Investments Pte Ltd
Ong Beng Hong Independent Director Chairman of Remuneration Committee Member of Audit Risks and Conflicts Committee Member of Nominating Committee	Appointed 30 October 2024. Ong Beng Hong has a Bachelor of Laws (Honours) from Kings College, London, and is a practicing advocate and solicitor of the Supreme Court of Singapore. She is also a Joint Managing Director of Wong Tan & Molly Lim LLC, specialising in corporate, banking, finance, and capital markets law. Beng Hong brings a wealth of experience in legal and corporate advisory roles, contributing valuable insights to the Board's deliberations. Her expertise supports Civmec's focus on strong governance practices and strategic decision making, reinforcing the company's position in the industry. Degrees & qualifications: LL.B (Hons), Advocate & Solicitor of the Supreme Court of Singapore Other directorships of listed entities within the past three years: Intraco Limited (SGX listed), Moneymax Financials Services Ltd (SGX Listed) Other directorships*: Wong Tan & Molly Lim LLC, WTML Management Services Pte Ltd *Companies in which Ong Beng Hong was appointed as a director for the purposes of incorporation or nominee director only and in the course of her professional practice have not been included.

Directors (continued)

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated. (continued)

Gary Gray Independent Director Chairman of Nominating Committee Member of Audit, Risks and Conflicts Committee Member of Remuneration Committee	Appointed 30 October 2024. Mr. Gray AO brings extensive public policy, political, and commercial experience, he has held senior roles across both the public and private sectors. Mr. Gray's previous appointments include as Australia's Ambassador to Ireland, Director of the Australian Submarine Corporation, Director of the Perth Astronomical Observatory, a Trustee of Telethon, Australia's largest charity, Director of Corporate Affairs at Woodside Energy, General Manager of External Affairs at Mineral Resources Ltd and as Executive Director of the WA Institute of Medical Research. In Government, Mr. Gray was Federal Parliamentary Member for Brand and held ministerial portfolios including Minister for Resources, Energy and Minister for the Public Service and Federal Integrity Agencies. Mr. Gray has been a member of the Independent Parliamentary Expenses Authority since 2016. In 2024, Mr. Gray was appointed as a Non-Executive Director of Amplitude Energy Limited (ASX: AEL). Mr. Gray GAICD was awarded a Centenary Medal in 2001 and an AO in 2003. Degrees & qualifications: Bachelor of Economics ANU Other directorships of listed entities within the past three years: Amplitude Energy (ASX listed) Other appointments: Non-executive Director Amplitude Energy and Member of the Independent Parliamentary Expenses Authority

Group Company Secretary

Bojan Cica Chief Financial Officer	Appointed 1 September 2024. He holds a Master of Business Administration, a Bachelor of Laws, is a Certified Practising Accountant, and is currently completing a Master of Applied Finance. Prior to his appointment as CFO, Bojan was the Group Manager Commercial and Operational Risk. Bojan brings a sound understanding of operations and commercial strategy. He works closely with the operational EGMs while managing the company's financial team, ensuring compliance and guiding the company's strategic direction to ensure consistent and sustainable fiscal growth. Other directorships of listed entities within the past three years: Nil Other directorships: Nil

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Corporate information

Civmec Limited is a publicly listed company that is incorporated and domiciled in Australia. The Company has been listed on the Australian Securities Exchange ('ASX') and Singapore Exchange Limited ('SGX').

The registered office of the Company and its principal place of business is at:

16 Nautical Drive,
Henderson
Western Australian 6166

Principal activities

The consolidated group operates as an integrated construction and engineering enterprise, specialising in:

Manufacturing

The Group offers a comprehensive range of manufacturing capabilities, including heavy engineering, offsite modular assembly and testing. Additionally, it also specialises in supplying OEM material handling equipment and offers expertise in naval shipbuilding.

Construction

The Group delivers comprehensive on-site services, including module installation, SMPE&I (structural, mechanical, piping, electrical & instrumentation), EIC (electrical, instrumentation and control), structural concrete works, and site earthworks.

Maintenance and capital works

The Group delivers comprehensive on-site services, including module installation, SMPE&I (structural, mechanical, piping, electrical & instrumentation), EIC (electrical, instrumentation and control), structural concrete works, and site earthworks.

No significant change in the nature of these activities occurred during the current financial year.

Operating and financial review

A summary of the consolidated revenue and results for the current and previous financial years is as follows:

	2026	2025	Variance %
A$'000			
Revenue and other income	906,771	814,138	11.4
Total depreciation	(23,729)	(21,433)	10.7
Total finance cost	(9,446)	(9,681)	(2.4)
Earnings before interest, tax and amortisation (EBITDA)	107,323	91,689	17.0
Earnings before interest and tax (EBIT)	83,594	70,256	19.0
Earnings before tax (EBT)	74,148	60,575	22.4
Net profit after tax (NPAT)	52,096	42,536	22.5
Cash position	54,629	102,940	(46.9)
Operating cash flow before working capital changes	107,158	89,267	20.0
Earnings per share (cents)	10.23	8.37	22.2
Net profit margin %	5.8%	5.2%	11.5

Revenue and other income were 11.4% higher than the previous year, primarily due to the increased level of activities within the infrastructure, Marine and Defence division following the acquisition of Luerssen Australia (now known as 'Civmec Defence Industries') and Energy division. The gross profit margin remained at 11.5%.

The 22.4% increase in EBT compared to the previous year was primarily driven by higher gross profit, coupled with slightly lower administrative expenses and reduced finance costs.

The 46.9% reduction in the Group's cash balance was mainly attributable to increased working capital requirements arising from higher unbilled work in progress, together with capital expenditure in property, plant and equipment.

Directors' Report

Likely developments and expected results

The Group continues to focus on sustainable growth and profitability, with tendering activity remaining strong and well distributed across all sectors. Activity levels increased materially during FY26, supported by recent contract awards and a record order book, which provides forward revenue visibility into FY27. The Group is actively deploying its growth strategy, including within the maintenance and defence sectors. The Group remains committed to delivering profitability and shareholder returns by prioritising the conversion of profitable work and maintaining disciplined project execution.

The Group has experienced a significant increase in early contractor involvement (ECI) engagements across multiple commodities, locations and divisions, positioning it to convert opportunities as they come to market.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

Significant changes in the state of affairs

Luerssen Australia acquisition

On 1 July 2025, the Group has completed the acquisition of 100% of the shares in Luerssen Australia Pty Ltd (now rebranded as Civmec Defence Industries Pty Ltd 'CDI'). The transaction has been accounted for as a business combination. Refer to Note 18 for more information.

Environmental regulations

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory. The Group is committed to responsible environmental management and sustainability practices. Further details of the Company's environmental policy are available on the Company's corporate website.

Dividends

Information on dividends made during the year can be found under Note 25 of this report.

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as disclosed under 'Performance Rights Plan' in this report.

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Directors' Report

Shares under option and unvested equity performance rights

Options

There are no outstanding share options at the date of this report.

Performance rights

As at the date of this report, the Company had outstanding performance rights granted under the 2024 Civmec Key Senior Executives Performance Rights Plan as follows:

Year of award	No. of rights granted	No. of unvested rights	Unvested rights held by KMP
FY2023/24: Tranche 7	1,817,000	1,542,000	153,000
FY2024/25: Tranche 8	2,283,000	2,091,000	137,000
FY2025/26: Tranche 9	1,599,000	971,000	185,000
FY2025/26: Retention plan	7,376,000	5,371,000	901,000

These rights entitle the holder to receive shares upon vesting, subject to the satisfaction of the relevant conditions. No amounts are payable by the recipients upon vesting. Further information can be found under Remuneration Report and Note 26 of this report.

Directors' shareholdings

As at the date of this report, the interests of the directors in the shares of Civmec Limited were:

Directors	Shareholdings in the Company
James Fitzgerald	84,238,077
Patrick Tallon	84,138,077
Ambrose Law	Nil
Ong Beng Hong	Nil
Gary Gray	100,000

Directors' meetings

The number of Board and standing Board Committee meetings held during the year, and the number of meetings each Director attended is below:

	Extraordinary Board Meetings	Board	Board committee			
			Audit committee	Remuneration committee	Nominating committee	Risks and conflicts committee
No. of meetings held	1	4	4	2	2	4
No. of meeting attended						
James Fitzgerald	1	4	4*	2*	2*	4*
Patrick Tallon	1	4	4*	2*	2*	4*
Kevin Deery[1]	1	4	4*	2*	2*	4*
Ambrose Law	1	4	4	2	2	4
Ong Beng Hong	1	4	4	2	2	4
Gary Gray	1	4	4	2	2	4

Note:
* By Invitation
1. retired on 13 May 2026

Directors' Report

Corporate governance

Civmec Limited maintains a high level of corporate governance in accordance with the ASX Corporate Governance Principles and recommendations (4th Edition) and Principles and Provisions of the Singapore Code of Corporate Governance 2018 (the 'Code'). For more comprehensive information, refer to Corporate Governance section in this report.

Remuneration report (audited)

The Directors of Civmec Limited present this Remuneration Report for the consolidated group for the year ended 30 June 2026. It has been prepared in accordance with section 300A of the Corporations Act 2001 (Cth) ('Act'), applicable regulations and the Company's policies regarding Key Management Personnel ('KMP') remuneration governance. The remuneration report has been audited as required by section 308(3C) of the Act.

The remuneration report is presented under the following sections:

1 Introduction

2 Highlights for FY26

3 Remuneration governance

4 Executive remuneration arrangements

A. Remuneration strategy and objectives

B. Approach to setting remuneration and details of incentive plans

C. Executive contracts

5 Executive remuneration outcomes for FY26 (including link to performance)

6 Non-executive director remuneration arrangements

7 Statutory Executive KMP remuneration

8 Additional disclosures relating to performance rights and shares

9 Loans to key management personnel and their related parties

10 Other transactions and balances with key management personnel and their related parties

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Directors' Report

Remuneration report (audited)(continued)

1 Introduction

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The table below details the KMP of the Company during FY26. Each was a KMP for the entire period unless otherwise stated. For the purposes of this report, the term 'non-executive director' refers to the Independent Directors of the company. The term 'executive KMP' includes the Executive Chairman and other senior executives of the Company.

Non-Executive Directors (NEDs)

Ambrose Law	Lead Independent Director
Ong Beng Hong	Independent Director
Gary Gray	Independent Director

Executive KMP

James Fitzgerald	Executive Chairman
Patrick Tallon	Chief Executive Officer
Kevin Derry[1]	Chief Operating Officer
Bojan Cica	Chief Financial Officer

Note:
1. retired on 13 May 2026

There were no other changes to KMP after the reporting date and before the date the financial report was authorised for issue.

2 Highlights for FY26

Executive fixed remuneration	**5.0% Average increase**	A review of the Chief Financial Officer's fixed remuneration was undertaken during FY26, benchmarking the role against relevant external market comparators. The Chief Financial Officer was newly appointed in the prior reporting period, during which the responsibilities of the role were also adjusted. Following this review, the Chief Financial Officer's fixed remuneration was increased to align with market peers and reflect the current scope of the role. No changes were made to the fixed remuneration of the Executive Chairman or the Chief Executive Officer during FY26. Across executive KMP as a whole, fixed remuneration increased by an average of 5%. A breakdown of executive KMP remuneration is provided in the statutory table contained in Section 7 of this remuneration report.
Short-term incentive – Group outcomes	**100% awarded**	The company's Short-Term Incentive Plan (STIP) is structured around both group and individual performance targets. Group targets account for 75% of the total STIP pool available to executive directors. For FY26, STIP measures related to company turnover, EBIT, Work-in-Hand and Total Recordable Injury Frequency Rate (TRIFR) were successfully achieved. These outcomes reflect the company's ongoing focus on operational execution and safety performance which was successfully delivered by the Company.
Long-term incentive ('LTI') outcomes	**66.16% awarded**	The three-year performance period for the FY26 LTI award ended on 30 June 2026. Vesting under this award is determined solely by absolute earnings per share (aEPS) performance, measured against targets set by the Remuneration Committee at the commencement of the period. aEPS achievement averaged 96.5% of target across the three-year period, which, applied to the vesting schedule, resulted in the Board approving vesting of 66.16% of the award. The remaining 33.84% lapsed.

Directors' Report

Remuneration report (audited)(continued)

2 Highlights for FY26 (continued)

FY26 Non-Executive directors remuneration	3.58% increase	During FY26 the Board reviewed the NED fee structure in light of relevant external benchmarking. As a result, NED fees were increased by an average of 3.58% to align remuneration with the market. The agreed NED fee pool of SGD$400,000 (as approved by shareholders at the 2024 AGM) remains unchanged.

3 Remuneration governance

The following sets out the Company's governance framework for remuneration setting and decision making, and responsibilities of various parties.

Board	The Board takes an active role in the governance and oversight of the Company's KMP remuneration strategies and has overall responsibility for ensuring the effectiveness of remuneration arrangements. This is in consideration of remuneration outcomes that align with the Company's strategic objectives and risk management framework, and shareholder value over the long term.
Remuneration Committee ('RC' or 'the Committee')	The Company has established an RC to make recommendations to the Board on remuneration packages of individual NEDs and executive KMP to attract and retain talent to drive long-term sustainable results. The Company has developed a remuneration policy for setting the remuneration packages of NEDs and executive KMP. The RC considers all aspects of remuneration, including termination terms, to ensure they are fair. The RC has established a framework of remuneration for the NEDs and executive KMP covering all aspects of remuneration but not limited to NED fees, executive KMP salaries, allowances, bonuses, incentive schemes and benefits-in-kind. This framework considers business context, remuneration guiding principles and external market conditions when setting appropriate remuneration levels. The RC also oversees remuneration governance matters including delegations, disclosures, conflicts of interest and independence. The recommendations of the RC are submitted for endorsement by the entire Board. Each member of the RC abstains from voting on any resolutions in respect of their own remuneration package. Also, in the event that a member of the RC is related to the employee under review, they will abstain from participating in that review. Directors are not involved in the discussion and in deciding their own remuneration.
External Remuneration Advisors	To ensure the Board and the RC are fully informed when making remuneration decisions, it may seek additional market insights and advice from external independent remuneration consultants (as endorsed by the RC and approved by the Board). No external independent remuneration consultants were engaged during FY26.
Share Trading Policy	The Company has a policy that governs the Directors and senior management personnel dealing in securities trading. The securities trading policy reflects the Corporations Act 2001 prohibition on KMP and their closely related parties from hedging the KMP's incentive remuneration. The KMP, and their immediate family and controlled entities are prohibited from entering into any arrangement that would have the effect of limiting the KMP's exposure to risk relating to an element of the KMP's remuneration that is unvested, or is vested but remains subject to a holding lock. The securities trading policy sets out closed periods for trading in securities by KMP including for four weeks prior to and 48 hours after release of half yearly and annual financial results. The policy also restricts KMP from engaging in short term trading of securities. The Company's Securities Trading Policy is available at https://www.civmec.com.au/approach/policies/.

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Directors' Report

Remuneration report (audited)(continued)

4 Executive remuneration arrangements

4A Remuneration strategy and objectives

Civmec aims to remunerate fairly and responsibly and in accordance with the region, markets, skills, experience, individual performance and the applicable corporate governance principles, such as the Principles and Provisions of the Singapore Code of Corporate Governance 2018 and the 4th edition of the Australian Securities Exchange Corporate Governance Principles and Recommendations.

The objectives of Civmec's Remuneration Policy are:

- to ensure the remuneration framework is appropriate to attract, retain and motivate the executive KMP, provide good stewardship of the Company and successfully manage the Company for the long term;
- to ensure the short-term incentives and long-term incentives align with the achievement of Civmec's short-term and long-term strategic goals that support the interests of shareholders and other stakeholders and promote Civmec's long-term success;
- to ensure the share and equity-based plans comply with the applicable corporate governance principles;
- to ensure effective benchmarking of remuneration packages for executive KMP is in accordance with market movements for a clearly defined peer group of similar companies to ensure fair and competitive remuneration; and
- to set performance goals and reward performance for key stages of the Company's development in a way which is sustainable, including in respect of health and safety-based objective.

The executive KMP remuneration structure for FY26 remains consistent with prior years and comprises a base salary, superannuation and performance incentives (consisting of short and long-term incentive opportunities). The following table provides an overview of the remuneration structure.

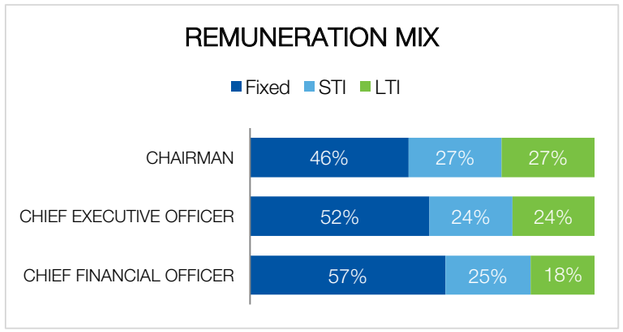
Fixed remuneration (FR)	Short-term Incentive (STI)	Long-term Incentive (LTI)
Purpose		
Attract and retain high-quality executives through market competitive and fair remuneration.	Ensure a portion of remuneration is variable, at-risk and linked to the delivery of agreed plan targets for financial and non-financial measures that support strategic priorities.	Designed to retain and reward executives, whilst setting an incentive structure that aligns with overall company performance and shareholder value and ensures that rewards are contingent on the achievement of long-term financial goals such as absolute earnings per share (aEPS) over a multi-year period.
Delivery		
Base salary, superannuation as per the Superannuation Guarantee (Administration) Act 1992.	Awarded in cash based on an assessment of performance against a mix of individual and group KPIs and measures over the preceding year.	Awarded in performance rights which potentially vest after three years. To the extent gateway hurdles are satisfied, vesting is based on absolute earnings per share ("aEPS") over a three-year performance period. Vested LTIs are satisfied in either Civmec shares or the cash equivalent.
Alignment to performance		
Set with reference to comparable industry market benchmarks as well as the size, responsibilities, and complexity of the role, and skills and experience. Individual performance impacts fixed remuneration adjustments.	Performance is assessed using a scorecard comprising financial and non-financial measures linked to the key strategic priorities for the performance year.	Performance is assessed against aEPS which is aligned to shareholder wealth creation over the long term. Underperformance over the longer-term may also result in no vesting of long-term incentive awards (e.g., performance rights).

Remuneration report (audited)(continued)

4 Executive remuneration arrangements (continued)

4B Approach to setting remuneration and details of incentive plans

In FY26, the executive remuneration framework consisted of base salary and short and long- term incentives as outlined below.

Overall remuneration level and mix	
How is overall remuneration and mix determined?	Executive KMP remuneration comprises a fixed and a variable component, the latter of which is in the form of a bonus linked to the performance of the individual as well as the Group. In addition, short-term and long-term incentives are in place to strengthen the pay-for-performance framework by rewarding and recognising the key executives' contributions to the growth of the Group. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote long-term sustainability of the Group. The remuneration of the executive KMP is reviewed based on benchmarking against comparable peer companies using survey data sourced from external data providers and are reviewed annually by the RC to ensure market competitiveness. In making its recommendations to the Board on the level and mix of remuneration, the RC strives to be competitive, linking rewards with performance. It takes into consideration the essential factors to attract, retain and motivate the executive KMP needed to run the Company successfully, linking rewards to corporate and individual performance, and aligning their interest with those of the shareholders. 

Base salary and other benefits	
How is base salary and other benefits reviewed and approved?	Base salary and other benefits are reviewed annually utilising benchmarked remuneration data. Any changes in remuneration for executive KMP are subject to approval from the Board considering recommendations from the RC.

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Remuneration report (audited)(continued)

4 Executive remuneration arrangements (continued)

4B Approach to setting remuneration and details of incentive plans (continued)

Short-Term Incentives (STI)	
What is the STI plan?	The STI ensures a portion of remuneration is variable, at-risk and linked to individual performance and the delivery of agreed plan targets for financial and non-financial measures that support the Company's strategic priorities over a twelve-month performance period. The STI is awarded in cash on completion of the external audit, approval by the RC and Board and subsequent release of the Annual Report.
What are the performance criteria and how do they align with business performance?	STI payments are not guaranteed and are linked to the achievement of a mix of company and individual performance metrics as approved by the Board for the year. The performance measures relating to the Executive Chairman are shown below. **Corporate Measures (75%)** **Key Performance Indicator** / **Weighting** Turnover – The Groups Annual Revenue: 30% EBIT – Earnings Before Interest and Tax: 40% Work in Hand [WIH] Order Book: 20% Total recordable injury frequency rate per 1 million hours worked [TRIFR*]: 10% *12 month rolling figure (annualised) **Individual Measures (25%)** The Executive Chairman's individual measure relevant to STI award is at risk against personal objectives set at the beginning of the financial year. **Key Performance Indicator** / **Weighting** Leadership and Succession: 50% Growth and Strategy: 30% Corporate Structure: 10% Sustainability and Reporting: 10%
What is the value of the STI award opportunity?	The executive KMP FY26 STI maximum opportunity is shown below. **Executive KMP** / **Position** / **Total STI max opportunity (Cash)** James Fitzgerald / Executive Chairman / A$400,000 Patrick Tallon / Chief Executive Officer / A$400,000 Bojan Cica / Chief Financial Officer / A$350,000
How are STI payouts determined?	The STI award is determined after the end of the financial year and release of financial statements and individual and group performance, over the year against the KPIs set by the RC.
What happens to STI awards in the event of employment cessation?	STI awards will lapse on cessation of employment.

Remuneration report (audited)(continued)

4 Executive remuneration arrangements (continued)

4B Approach to setting remuneration and details of incentive plans (continued)

Long-Term Incentive (LTI)	
What is the LTI plan?	The LTI plan is delivered in cash and performance rights, granted at the discretion of the RC. The original Civmec Limited Performance Rights Plan (the 'CPRP') was replaced by the '2024 Civmec Key Senior Executives Performance Rights Plan', which was approved and adopted at the Extraordinary General Meeting ('EGM') held on 1 August 2024. This new plan is designed to reinforce the vital equity culture at the top management level and to further align the interests of the Company's top management with those of shareholders.
How much can executives earn?	The grant of awards may be made on an annual basis at the discretion of the Committee. When considering the value of the award to be provided, the Committee primarily considers the number of performance rights and the performance condition within the performance period. The suggested number of performance rights allocated to each participant is based on the values agreed in by the RC and the share price at 1 July of each year. The number of performance rights allocated are recalculated every year at the time of issuing. The number of performance rights by groups are noted below: **Role** / **LTIP Incentive Value** Executive Chairman / CEO — A$350,000 CFO — A$300,000 ** The Civmec Performance Rights Plan places restrictions on the grant of performance rights under the plan to Controlling Share Holders (directly or indirectly holds 15% or more total number of issued shares). Based on this rule, Civmec issues benefits under the LTI plan to Controlling Share Holders on a cash basis. **
How is performance measured?	The Performance Rights vest subject to the following criteria: 1. Satisfaction of gateway hurdles 2. Achievement of company performance measures *Gateway Hurdles* The following two gateway hurdles need to be satisfied for any vesting, regardless of achievement of company performance measures. • personal performance reviews have been received over the performance period at a satisfactory level (as determined by the RC); and • the participant remains employed with Civmec *Company Performance Measures* To the extent the gateway hurdles are satisfied, 100% of the vesting will be based on the absolute earnings per share (aEPS) outcome. The aEPS is based on the achievement of certain predetermined performance targets determined by the RC. The vesting schedule is as follows: **LTI proportion vesting** / **aEPS (100%)** 50% — Target =90% of three-year average annual result Pro-rata between 50% and 100% — Outcome achieved between target and stretch 100% — Stretch >110% of three-year average annual result The RC has the discretion to determine whether the performance targets have been met.
When is performance measured?	After the end of each performance period, the RC will review the performance targets specified in respect of the Award and if they have been satisfied, will release awards to Participants.
What happens if an executive leaves?	For all participants, termination of employment will trigger a forfeiture of all unvested awards except under certain limited circumstances defined in the Plan Rules (e.g., good leavers).
What happens if there is a change in control?	If a change of control event occurs with respect to the Company, the RC may determine, in its discretion, whether the rights immediately vest and if so, what proportion shall vest.

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Remuneration report (audited)(continued)

4 Executive remuneration arrangements (continued)

4C Executive contracts

Remuneration arrangements for KMP are formalised in employment agreements. The following outlines the details of contracts with the executive KMP (including the Executive Chairman):

	Notice period	Payment in lieu of notice	Treatment of STI on termination	Treatment of LTI on termination
Resignation	6 months	Yes	Unvested awards forfeited	Unvested awards forfeited
Termination for cause	None	None	Unvested awards forfeited	Unvested awards forfeited
Termination in cases of death, disablement, redundancy or notice without cause*	6 months**	There are no provisions in the contract	RC discretion under Good Leaver requirements	RC discretion under Good Leaver requirements

*Special provisions in the incentive plan rules deal with termination in the case of death, in addition to income protection and insurance impacts.

**Notice period provisions do not apply to death.

5 Executive remuneration outcomes for FY26 (including link to performance)

A summary of the company's performance over the years is shown below.

	FY26 A$'000	FY25 A$'000	FY24 A$'000	FY23 A$'000	FY22 A$'000
Revenue from continuing operations	902,984	810,586	1,033,473	830,866	809,295
Profit before income tax from continuing operations	74,148	60,575	91,491	82,571	69,983
Profit after income tax:					
1. continuing operations	52,096	42,536	64,409	57,673	50,741
2. discontinued operations	-	-	-	-	-
Profit after income tax	52,096	42,536	64,409	57,673	50,741
Share price (A$ cent) – ASX					
3. beginning of the year	1.11	0.94	0.82	0.60	0.65
4. end of the year	1.95	1.11	0.94	0.82	0.60
Change in share price	0.84	0.17	0.12	0.22	(0.05)
Fully franked dividend (cents per share)					
5. interim	0.025	0.025	0.025	0.020	0.010
6. final	0.035	0.035	0.035	0.030	0.020
Change in Shareholder Wealth	0.060	0.060	0.060	0.050	0.030
Share price change + dividend	0.900	0.230	0.180	0.270	(0.020)
Earnings per share from continuing and discontinued operations – basic (A$ cent)	10.23	8.37	12.70	11.42	10.11

Short-Term Incentives

Company performance and its link to short-term incentives

The table below outlines the general STI outcomes for KMP. It highlights the portion of STI earned relative to target, reflecting individual and company performance. This linkage underscores the alignment between remuneration outcomes and the achievement of strategic and financial objectives.

Name	STI opportunity % of Total Fixed Remuneration	STI opportunity $ (max)	Proportion of maximum STI earned in FY26	Proportion of maximum STI forfeited in FY26
James Fitzgerald	50%	A$400,000	100%	0%
Patrick Tallon	50%	A$400,000	100%	0%
Bojan Cica	50%	A$250,000	100%	0%

Remuneration report (audited)(continued)

5 Executive remuneration outcomes for FY26 (including link to performance) (continued)

Short-Term Incentives (continued)

KPI and weighting	Weighting	Performance outcomes	Further details
Turnover – Group FY revenue Group FY revenue vs budget revenue for FY set by board.	30%		The Company successfully achieved its FY26 turnover target.
Earnings Before Interest and Tax - Group FY EBIT vs budget EBIT for FY set by board.	40%		The Company successfully achieved its FY26 EBIT target.
Work in Hand [WIH] – Order Book Group has secured in excess of 50% of contracts relating to its future year budget.	20%		The Company has exceeded the WIH target and has achieved the KPI.
Total recordable injury frequency rate per 1 million hours worked [TRIFR*]. Group safety performance for the year based on a TRIFR calculation is below 3.5.	10%		The company had a TRIFR of 2.95 for the year.
Resulting KPI payout (corporate KPI component)			30%

Long-Term Incentives

Company performance and its link to long-term incentives

The LTI outcomes for FY26 are directly tied to the company's performance, measured through the achievement of predetermined absolute earnings per share (aEPS) targets. Vesting of performance rights occurs only when gateway hurdles—such as satisfactory personal performance reviews and continued employment—are met. Once these are satisfied, 100% of the LTI vesting is based on aEPS results over a three-year average annual result.

LTI Hurdle (FY26)	Performance outcomes	Vesting outcome	Further details
Absolute EPS (100% weighting)	96.5% of target	66.16%	Both gateway hurdles were satisfied. aEPS achievement against target was 116.2%, 61.4% and 111.8% for FY24, FY25 and FY26 respectively, giving a three-year average of 96.5%. Under the vesting schedule (50% vesting at 90% of target, 100% at 110% of target, and pro-rata in between) an average outcome of 96.5% produces vesting of 66.16%.
Total vesting outcome		66.16%	

Remuneration report (audited)(continued)

6 Non-executive Director remuneration arrangements

The remuneration of the Independent Directors is in the form of a fixed fee which is subject to shareholders' approval at the AGM in accordance with any listing rules. Each member of the RC abstains from voting on any resolution, participating in any deliberation of the RC, and making any recommendation in respect of their own remuneration.

The Executive Directors do not receive Director's fees.

Remuneration policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to Non-Executive Directors of comparable ASX listed companies with similar market capitalisation of the Company, as well as similar sized industry comparators. The Board considers advice from external consultants when undertaking the annual review process.

Civmec has adopted the following approach for the non-executive directors' remuneration:

- The non-executive directors are remunerated at a fixed fee for their time, commitment and responsibilities.
- The non-executive directors are prohibited from involvement in the decision making of their individual remuneration.
- The maximum aggregate amount of the non-executive director' fees that the Company can pay to nonexecutive directors is subject to approval by shareholders at Annual General Meeting.
- The remuneration for the non-executive directors is not linked to individual performance.
- The non-executive directors are not part of any equity-based remuneration schemes.
- The non-executive directors are not entitled to any retirement benefits.

The Company's constitution and the ASX listing rules specify that the NED fee pool shall be determined from time to time by a general meeting. The latest determination was at the 2024 AGM when shareholders approved an aggregate fee pool of SGD$400,000 per annum.

Structure

The remuneration of NEDs consists solely of Director fees. NED fees are inclusive of duties relating to holding the position of a committee chair. All NEDs participate as a member of all committees. The Lead Independent Director chairs two committees and the other NEDs chair one committee each. To ensure independence, NEDs do not participate in any incentive schemes.

The table below summarises the NED fee (SGD) for FY25 and FY26. All fees are inclusive of any applicable superannuation.

Non-Executive Directors Fees	FY25	FY26
Lead Independent Director	S$101,000	S$105,000
Member (Independent Directors)	S$89,000	S$92,000

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Remuneration report (audited)(continued)

6 Non-executive Director remuneration arrangements (continued)

NED statutory remuneration for FY26

The figures presented in the table below reflect the remuneration paid to NEDs for FY26 and FY25. All payments (including committee fees and superannuation) were made in Singapore Dollars (SGD), and the amounts shown are denominated in the payment currency.

Non-Executive Directors	Year	Director fees	Total
Ambrose Law	FY26	S$105,000	S$105,000
	FY25[1]	S$75,750	S$75,750
Gary Gray	FY26	S$92,000	S$92,000
	FY25[1]	S$66,750	S$66,750
Ong Beng Hong	FY26	S$92,000	S$92,000
	FY25[1]	S$66,750	S$66,750
Chong Teck Sin	FY26	Nil	Nil
	FY25[1]	S$33,667	S$33,667
Wong Fook Choy Sunny	FY26	Nil	Nil
	FY25[1]	S$29,667	S$29,667
Douglas Owen Chester	FY26	Nil	Nil
	FY25[1]	S$29,667	S$29,667
Totals	FY26	S$289,000	S$289,000
	FY25	S$302,251	S$302,251

Note:
1. On 30 October 2024, Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester retired from the Board to ensure compliance with tenure requirements under the SGX Listing Rules. Mr. Ambrose Law, Mr. Gary Gray and Ms. Ong Beng Hong were appointed to the Board prior to those departures, providing a transition period during which both groups of directors served. FY25 fees for the current NEDs therefore reflect a part-year of service, and the FY25 total of S$302,251 includes fees paid to the retiring directors during that period.

7 Statutory Executive KMP remuneration

	Year	Short-term benefits				Long-term benefits	Post employ-ment benefits	Share-based payments		Total	Total per-formance Rela-ted
		Salary and fees A$	Leave* A$	Cash awards (STI) A$	Other short-term benefits A$	Long service leave* A$	Super-annuat-ion A$	Equity settled A$	Cash settled A$	A$	
J Fitzgerald	FY26	780,665	(91,428)	400,000	20,000	(60,548)	30,000	-	397,681	1,476,370	54%
	FY25	811,250	21,842	190,000	20,000	(33,543)	29,932	-	382,517	1,421,998	40%
P Tallon	FY26	806,270	(7,594)	400,000	23,024	16,461	30,000	-	397,681	1,665,842	48%
	FY25	806,250	(9,303)	190,000	22,603	13,179	29,932	-	382,517	1,435,178	40%
K Deery	FY26[1]	641,045	(139,314)	-	17,538	(113,074)	30,000	-	130,571	566,766	23%
	FY25	731,000	16,870	175,000	20,000	(55,529)	29,932	(74,107)	371,302	1,214,468	39%
B Cica	FY26	650,000	81,861	350,000	-	41,671	30,000	184,533	78,793	1,416,858	43%
	FY25[2]	458,333	(7,692)	162,500	-	8,173	27,438	21,593	8,156	678,501	28%

Amount are presented in whole dollars. Individual components are rounded, and totals are calculated from unrounded amounts; accordingly, components may not sum precisely to the totals shown.

Note:
1. Mr Kevin Deery retired from his KMP position from 13 May 2026.
2. Mr Bojan Cica commenced in the role of Chief Financial Officer ('CFO') effective from 1 September 2024.

* Negative balances denoted within the Leave and Long Service leave provisions outline instances where leave taken during the period exceeds leave accrued during the period creating a negative value.

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Remuneration report (audited)(continued)

8 Additional disclosures relating to performance rights and shares

There are no current, unexpired Civmec options awards.

Table 1: Executive KMP Performance Rights

Performance rights awarded, vested and lapsed during the year

The following table sets out the Rights held by Executive KMP, including the movements in Rights held during FY26.

Executive KMP	Balance at start of period 1 July 2025	Granted as remuneration	Performance rights exercised	Performance rights lapsed/ forfeited	Balance at end of period 30 June 2026	Number of performance rights not vested at 30 June 2026
J Fitzgerald	-	-	-	-	-	-
P Tallon	-	-	-	-	-	-
K Deery[1]	996,000	-	-	417,000	579,000	579,000
B Cica	332,000	1,086,000	29,000	13,000	1,376,000	1,376,000
Total	1,328,000	1,086,000	29,000	430,000	1,955,000	1,955,000

Note:
1. Kevin Deery retired on 13 May 2026. The balance is displayed as at this date.

Table 2: KMP shareholdings

The following table sets out the Ordinary Shares held by KMP, including the movements in Shares held during FY26.

	Balance at start of period 1 July 2025	Shares allocated under remuneration framework[1]	Net change Other	Balance[3] at end of period 30 June 2026
Non-Executive Directors				
Ambrose Law	-	-	-	-
Gary Gray	78,000	-	22,000	100,000
Ong Beng Hong	-	-	-	-
Total Non-Executive Directors	78,000	-	22,000	100,000

Directors' Report

Remuneration report (audited)(continued)

8 Additional disclosures relating to performance rights and shares (continued)

Table 2: KMP shareholdings (continued)

	Balance at start of period 1 July 2025	Shares allocated under remuneration framework[1]	Net change Other	Balance[3] at end of period 30 June 2026
Executive KMP				
James Fitzgerald[2]	97,720,806	-	(13,482,729)	84,238,077
Patrick Tallon[2]	97,620,806	-	(13,482,729)	84,138,077
Kevin Deery[4]	10,193,250	-	(1,418,000)	8,775,250
Bojan Cica	204,000	29,000	-	233,000
Total Executive KMP	205,738,862	29,000	(28,383,458)	177,384,404

Note:
1. All shares were issued for nil consideration.
2. The Civmec Performance Rights Plan places restrictions on the grant of performance rights under the plan to Controlling Share Holders (directly or indirectly holds 15% or more total number of issued shares). Based on this rule, Civmec issues benefits under the LTI plan to Controlling Share Holders on a cash basis.
3. Includes Ordinary Shares held directly, indirectly and beneficially by KMP.
4. Kevin Deery retired on 13 May 2026. The balance is displayed as at this date.

9 Loans to key management personnel and their related parties

During the financial year and to the date of this report, the Company made no loans to directors and other KMP and none were outstanding as of 30 June 2026 (2025: nil).

10 Other transactions and balances with key management personnel and their related parties

There were no other transactions with key management personnel or their related parties during the financial year, and up to the date of this report (2025: A$142,000).

This directors' report is signed in accordance with a resolution of directors made pursuant to s298(2) of the Corporations Act 2001.

END OF REMUNERATION REPORT (AUDITED)

Indemnification of and insurance of Officers and Auditors

The Company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the Company. In accordance with a confidentiality clause under the insurance policy, the amount of the premium paid to insurers has not been disclosed.

No other insurance premiums have been paid or indemnities given during or since the financial year, for any person who is or has been an officer or auditor of the consolidated entity.

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Directors' Report

Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001 during or since the end of the financial year ended 30 June 2026.

Joint auditor's independence declaration

The independence declaration from both Moore Australian Audit (WA) and Moore Stephens LLP, as required under section 307C of the Corporations Act 2001 (as amended), is included on page 21 of this report.

Non-audit services

There were no non-audit services provided by the Group's Joint Auditors during the years ended 30 June 2026 and 2025.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) 2026/183, amounts in this Directors' Report and the Financial Statement have been rounded to the nearest thousand dollars ($'000), unless a lower rounding amount is applicable.

Significant events since balance date

No significant events have occurred subsequent to the balance date that would require disclosure or adjustment to the financial statements.

This Directors' Report is made in accordance with a resolution of the Directors.



James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
27 August 2026



Patrick John Tallon
Chief Executive Officer
Civmec Limited
27 August 2026

AUDITOR'S INDEPENDENCE DECLARATION

MOORE

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www.moore-australia.com.au

Auditor's Independence Declaration
Under Section 307c of the Corporations Act 2001
To the directors of Civmec Limited

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2026, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Suan Lee Tan
Partner
Moore Australia Audit (WA)

Perth 27 August 2026

Moore Australia Audit (WA)
Chartered Accountants

Michelle Chong
Partner
Moore Stephens LLP

Singapore 27 August 2026

Moore Stephens LLP
Public Accountants and Chartered Accountants

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REPORT ON CORPORATE GOVERNANCE

Introduction

The Board of Directors (the 'Board') and the senior management of Civmec Limited ('Civmec' or the 'Company') together with its subsidiaries (the 'Group'), recognise the importance of good corporate governance in ensuring greater transparency and protecting the interests of shareholders, as well as strengthening investors' confidence in its management and financial reporting and are, accordingly, committed to maintaining a high standard of corporate governance throughout the Group.

This corporate governance report ('Report') describes the Company's corporate governance framework and practices that were in place during the financial year ended 30 June 2026 ('FY2026') with specific reference to the Principles and Provisions of the Singapore Code of Corporate Governance 2018 (the 'Code') and the 4th edition of the Australian Securities Exchange ('ASX') Corporate Governance Principles and Recommendations ('ASX Principles and Recommendations'), which is also available on the Company's corporate website.

In line with the commitment of the Company to maintaining high standards of corporate governance, the Company continually reviews its corporate governance processes to strive to comply with the Code. To the extent the Company's practices may vary from the provisions of the Code for FY2026, the Company has explained how its practices are consistent with the intent of the relevant principles of the Code.

The Board is pleased to report compliance of the Company with the Code, the Listing Manual of the Singapore Exchange Securities Limited (the 'SGX-ST'), and the Listing Rules of the ASX, where applicable, except where otherwise stated.

Board matters

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Apart from its statutory duties and responsibilities, the Board's functions include:

- overseeing the management and affairs of the Group and approving the Group's corporate strategy and directions;
- implementing policies in relation to financial matters, which include risk management and internal control and compliance;
- reviewing the financial performance of the Group, approving investment proposals and setting values and standards, including ethical standards for the Company and the Group;
- ensuring that the Group has in place an appropriate risk management framework and setting the risk appetite within which the Board expects senior management to operate;
- approving the appointment, and when necessary replacement, of the senior management personnel; and
- developing and reviewing corporate governance principles and policies.

All Directors are aware of their fiduciary duties and exercise due diligence and independent judgement in ensuring that their decisions are objective and in the best interests of the Company. Directors who face conflicts of interest disclose their interests and voluntarily recuse themselves from discussions and decisions involving the issues of conflict.

Report on Corporate Governance

Board matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.2 Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.

The Company encourages the Directors to learn and develop their directorship skills. The Directors may attend training, conferences and seminars which may have a bearing on their duties and contribution to the Board, organised by professional bodies, regulatory institutions and corporations at the Company's expense, to keep themselves updated on the latest developments concerning the Group and to keep abreast of the latest regulatory changes.

Each quarter, the Board was briefed and/or updated on recent changes to the accounting standards and industry developments and business initiatives. These briefings were provided by the Company's independent auditors.

All the Board members are actively engaged and play an important role in ensuring good corporate governance within the Company. Visits to the Company's business premises are arranged to acquaint the Non-Executive Directors with the Company's operations and ensure that all the Directors are familiar with the Company's business, policies and governance practices.

Prior to their respective appointments to the Board, each Director was given an orientation and induction programme to familiarise themselves with the Company's business activities, strategic directions, policies and key new projects and have undertaken all appropriate checks (including the person's character, experience, education, criminal record and bankruptcy history). In addition, newly appointed senior management personnel are subject to the same orientation and induction programme including performing appropriate checks in accordance with the Company's onboarding policies and procedures before the personnel are introduced to the senior management team. Upon appointment of each Director and key management personnel, (senior executive), the Company provides a Services Agreement to the Director and key management personnel (senior executive) setting out their duties and obligations.

During FY2026, the Lead Independent Director, Mr. Ambrose Law, completed training on AASB S2 Climate-related Disclosures, covering the requirements of the standard and the responsibilities of boards in overseeing climate-related financial disclosure. The training was undertaken at the Company's expense and supports the Board's oversight of the Group's first-year mandatory climate reporting obligations.

Provision 1.3 The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.

The Board has delegated the day-to-day management of the Group to the senior management, headed by the Executive Chairman - Mr. James Finbarr Fitzgerald, the Chief Executive Officer - Mr. Patrick Tallon, the Chief Financial Officer- Mr. Bojan Cica. The Board has reviewed and adopted the delegation of authority ('DOA') during FY2026 regarding the signing authority and limits. The DOA sets out the authorisation levels required for specific transactions, including those requiring Board approval.

Matters that are specifically reserved for the approval of the Board include, among others:

- reviewing the adequacy and integrity of the Group's internal controls, risk management systems, compliance and financial reporting systems;
- approving the annual budgets and business plans;
- approving major investment or expenditure;
- approving material acquisitions and disposal of assets;
- approving the Company's periodic and full-year results announcements for release to the SGX-ST and ASX;
- approving the annual report and audited financial statements;
- monitoring senior management's performance;
- recommending share issuance, dividend payments and other returns to shareholders;
- ensuring accurate, adequate and timely reporting to, and communication with shareholders; and
- assuming responsibility for corporate governance.

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Report on Corporate Governance

Board matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.4 Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.

To assist in the execution of its responsibilities, the Board has established several Board Committees namely; Audit Committee ('AC'), Nominating Committee ('NC'), Remuneration Committee ('RC') and Risks and Conflicts Committee ('RCC'). These committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis. The effectiveness of these committees is also regularly monitored and reviewed by the Board. The roles and responsibilities of these committees are described in the following sections of this report.

Provision 1.5 Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

The Board meets on a regular basis and when necessary, to address any specific significant matters that may arise. Board meetings are scheduled in advance. The Constitution of the Company provides for Directors to conduct meetings by teleconferencing or videoconferencing or other similar means of communication whereby all persons participating in the meeting are able to hear each other. The Board and Board Committees may also make decisions by way of circulating resolutions.

The number of Board and Board Committee meetings held and attended by each Board member during the financial year ended 30 June 2026 is set out below:

			Board committee			
	Extraordinary Board Meetings	Board	Audit committee	Remuneration committee	Nominating committee	Risks and conflicts committee
No. of meetings held	1	4	4	2	2	4
No. of meetings attended						
James Fitzgerald	1	4	4*	2*	2*	4*
Patrick Tallon	1	4	4*	2*	2*	4*
Kevin Deery[1]	1	4	4*	2*	2*	4*
Ambrose Law	1	4	4	2	2	4
Ong Beng Hong	1	4	4	2	2	4
Gary Gray	1	4	4	2	2	4

Note:
* By invitation
1. retired on 13 May 2026

Report on Corporate Governance

Board matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.6 Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

The Board is informed of all material events and transactions as and when they occur. The senior management consults Board members as necessary and appropriate. Detailed Board papers, agenda and related material, background or explanatory information relating to matters to be discussed are sent out to the Directors, at least a week prior to each meeting, so all Directors may better understand the issues beforehand, allowing more time for discussions and deliberations.

Directors are provided with a copy of documents containing a wide range of relevant information, including but not limited to quarterly and annual financial results, progress reports of the Group's operations, corporate and business developments, management information, sector performance, budgets, forecast, capital expenditure and personnel statistics, reports from both external and internal auditors, significant project updates, business strategies, risk analysis and assessments and relevant regulatory updates.

The senior management's proposals to the Board for approval include background and explanatory information such as, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings. To keep Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an ongoing basis.

The Company Secretary administer and are available to attend Board meetings and assist the Chairman in implementing appropriate Board procedures to facilitate compliance with the Company's Constitution. The Company Secretary also ensure that the requirements of the SGX-ST Listing Manual, ASX Listing Rules and other governance matters applicable to the Company are complied with. The Company Secretary work together with the Company to ensure compliance with all relevant rules and regulations.

All Directors are updated regularly on changes to the Company's policies and are kept updated on relevant new laws and regulations including Directors' duties and responsibilities, corporate governance and financial reporting standards. Newly appointed Directors are given briefings by the Management on the business activities of the Group.

Provision 1.7 Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.

The Board has separate and independent access to the senior management of the Company and the Company Secretary at all times. Requests for information are dealt with promptly by senior management or the Company Secretary.

The Company Secretary is appointed by the Board and are accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The removal of the Company Secretary is subject to the approval of the Board. The Company Secretary work closely with the Chairman to manage the flow of information between the Board, its committees and senior management across the Company.

The Board in fulfilling its responsibilities can, as a collective body or individually as Board members, when deemed fit, direct the Company and at the Company's expense, appoint independent professionals to render advice.

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Report on Corporate Governance

Board matters (continued)

Board composition and guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 An 'independent' director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence. Each independent director is required to declare their independence by duly completing and submitting a 'Confirmation of Independence' form. The declaration requires each Director to assess whether they consider themselves independent and not having any form of relationships identified in the Code. Each Director is required to declare any circumstances in which they may be considered non-independent. The NC reviews the Confirmation of Independence to determine whether a Director is independent. The NC also considers the actions and conduct of the independent directors, including in formal Board meetings, to assess their independence.

Provision 2.2 Independent directors make up a majority of the Board where the Chairman is not independent

Independent directors make up a majority of the Board where the Chairman is not independent. As at the date of this Report, the Board comprises five (5) Directors, two (2) of whom are Executive Directors and three (3) of whom are Independent Directors. Independent Directors therefore make up a majority of the Board.

The Executive Chairman is not independent. Consistent with Provision 2.2, Independent Directors constitute a majority of the Board, and accordingly no individual or group of individuals dominates the Board's decision-making.

For the majority of FY2026 the Board comprised six (6) Directors, three (3) of whom were Executive Directors and three (3) of whom were Independent Directors. Following the retirement of Mr. Kevin James Deery on 13 May 2026, the Board comprises five (5) Directors and Independent Directors have formed a majority from that date.

Collectively, the Executive Directors and Independent Directors bring a wide range of experience and expertise, having occupied senior positions in industry and government, and each contributes significantly to Board decisions.

To further strengthen the independence of the Board, the Company has appointed a Lead Independent Director, Mr. Ambrose Law, to co-ordinate and lead the Independent Directors, providing non-executive perspectives and a balanced viewpoint. The Lead Independent Director represents the Independent Directors in responding to shareholders' questions and comments directed to them as a group.

Provision 2.3 Non-executive directors make up a majority of the Board

Non-executive directors make up a majority of the Board. As at the date of this Report, the Board comprises five (5) Directors, two (2) of whom are Executive Directors and three (3) of whom are Non-Executive Directors. Non-Executive Directors therefore make up a majority of the Board. Following the retirement of Mr. Kevin James Deery on 13 May 2026, Non-Executive Directors have formed a majority of the Board from that date.

The Non-Executive Directors provide constructive review, assist the Board in developing proposals on strategy, and monitor the performance of senior management in meeting agreed objectives. They have full access to, and co-operation from, the Company's senior management and officers, and may hold separate meetings without the presence of senior management.

Report on Corporate Governance

Board matters (continued)

Board composition and guidance (continued)

Principle 2 (continued)

Provision 2.4 The Board and board committees are of an appropriate size and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report

The Board, in concurrence with the NC, is of the view that the current Board and the Board Committees comprise an appropriate balance and diversity of skills, experience and knowledge of the Company, which provides broad diversity of expertise such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge who, as a group, provide core competencies necessary to meet the Company's requirements. Further details on the key information and the profile of the Directors including their academic and professional qualifications, and other directorships in other listed companies are set out on related pages of this annual report.

The current Board composition provides a diversity of skill, experience, and knowledge to the Company as follows:

	Balance and Diversity of the Board	
Core competencies	**Number of Directors**	**Proportion of Board**
Business management	5	100%
Accounting and finance	5	100%
Legal or corporate governance	5	100%
Strategic planning experience	5	100%
Relevant industry knowledge or experience	4	80%

Gender:

Male	4	80%
Female	1	20%

The composition and renewal of the Board, including the need for progressive refreshment of the Board, is reviewed on an annual basis by the NC to ensure that the Board has the appropriate balance and mix of skills, knowledge, expertise, experience and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate and possesses the necessary competencies for effective decision making. The Company's Annual Sustainability Report clearly articulates it's strategy, targets, performance, and future focus in relation to diversity of the Company as a whole. If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director, the NC, in consultation with the Board, will consider the range of diversity perspectives, including, but not limited to, those described in the Company's Diversity Policy and select the appropriate candidate for the position. The selection of the Directors will be based on merit and potential contribution to the Board, and candidates will be considered against objective criteria that complements and expands the skills and experience of the Board as a whole, and having given due regard to the overall balance and effectiveness of a diverse Board. The main objective is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the attainment of the Company's strategic objectives and its sustainable development.

The Company has a Diversity Policy which is applied in Board renewal and succession planning. The NC has not set a numerical target for Board diversity, as it considers that a target may detract from the fundamental requirement that each candidate is the right fit for the Board and meets the needs and vision of the Company. The NC reviews the composition and diversity of the Board annually and reports the outcome of that review to the Board. Progress on diversity across the Group as a whole, including objectives and performance, is set out in the Company's Annual ESG Report.

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Report on Corporate Governance

Board matters (continued)

Board composition and guidance (continued)

Principle 2 (continued)

Provision 2.5 Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

To strengthen the independence of the Board, the Company has appointed a Lead Independent Director, Mr. Ambrose Law, to co-ordinate and lead the Independent Directors, providing a non-executive perspective and balanced viewpoint.

The Independent Directors communicate regularly without the presence of the other Executive Directors and senior management, to discuss matters such as succession and leadership development planning, board processes and corporate governance matters. Feedback on the outcomes of these discussions is provided to the Executive Chairman.

To facilitate an effective review of the senior management, the Non-Executive Directors meet as and when necessary at least once a year with Auditors without the presence of the senior management.

The Board and senior management fully appreciate that the fundamentals of good corporate governance comprise of an effective and robust Board whose members engage in open and constructive debate and challenge senior management on its assumptions and proposals.

The Independent Directors met three (3) times during FY2026 without the presence of the Executive Directors and senior management. These meetings were led by the Lead Independent Director, Mr. Ambrose Law, and addressed matters including succession and leadership development planning, Board processes and corporate governance.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 The Chairman and the Chief Executive Officer ('CEO') are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

Mr. James Finbarr Fitzgerald is the Executive Chairman of the Company, while Mr. Patrick John Tallon is an Executive Director and Chief Executive Officer ('CEO').

The Executive Chairman and the Chief Executive Officer are not related.

Provision 3.2 The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO

The roles of the Executive Chairman and the CEO are separate and clearly delineated, and the division of responsibilities between them has been established and set out in writing.

The Executive Chairman is responsible for providing leadership to the Board and guidance on the corporate direction of the Group. The CEO has executive responsibility for the Company's day-to-day business and for implementing the strategy approved by the Board.

The delegation of authority adopted by the Board (as described under Provision 1.3) sets out the authorisation levels required for specific transactions, including those reserved for Board approval, so that no individual has unfettered powers of decision-making.

Report on Corporate Governance

Board matters (continued)

Chairman and Chief Executive Officer (continued)

Principle 3 (continued)

Provision 3.3 The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns, and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

As the Executive Chairman is not independent, the Board has appointed Mr. Ambrose Law as Lead Independent Director. He co-ordinates and leads the Independent Directors, provides a non-executive perspective and a balanced viewpoint, and provides leadership in any situation in which the Executive Chairman is conflicted.

The Lead Independent Director represents the views of the Independent Directors and is available to shareholders who have concerns which cannot be resolved, or for which contact would be inappropriate or inadequate, through the normal channels of communication with the Executive Chairman or Management.

Shareholders may contact the Lead Independent Director via the Company Secretary using the shareholder contact form accessible from the Company website.

Board membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 The Board establishes a Nominating Committee ('NC') to make recommendations to the Board on relevant matters relating to:

(a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors; (c) the review of training and professional development programmes for the Board and its directors; and (d) the appointment and re-appointment of directors (including alternate directors, if any).

The Company has established an NC to make recommendations to the Board on all board appointments.

The formal terms of reference of the NC are to:

- nominate senior management personnel, Directors (including Independent Directors) taking into consideration their competencies, contribution, performance and ability to commit sufficient time and attention to the affairs of the Group and considering their respective commitments outside the Group;
- review and recommend to the Board the composition of the Audit Committee, Remuneration Committee and Risks and Conflicts Committee;
- re-nominate Directors for re-election in accordance with the Constitution at each AGM and having regard to the Director's contribution and performance;
- determine annually whether or not a Director of the Company is independent;
- decide whether or not a Director is able to and has been adequately carrying out their duties as a Director;
- assess the performance of the Board annually as a whole and the individual contribution of each Director and senior management personnel to the effectiveness of the Board;
- review and recommend succession plans for Directors and senior management, in particular the Executive Chairman and the CEO; and
- review and recommend training and professional development programmes for the Board and senior management personnel.

The Company does not have a practice of appointing alternate Directors.

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Report on Corporate Governance

Board matters (continued)

Board membership (continued)

Principle 4 (continued)

Provision 4.1 (continued)

During the reporting period of the year, the NC has:

- reviewed the structure, size and composition of the Board and Board Committees;
- reviewed the independence of Directors;
- reviewed and undertaken the process for evaluating the Board, individual Directors, and senior management personnel performance;
- reviewed results of performance evaluation and provided feedback to the Chairman and Board Committees;
- reviewed the need for progressive refreshing of the Board and provided feedback to the Chairman and Board Committees;
- reviewed succession planning for the Chairman, CEO and senior management personnel and notified the Board; and
- discussed information required to be reported under the 2018 Code or Listing Manual.

Provision 4.2 The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC

The NC comprises three members, all of whom including the NC Chairman are Independent Non-Executive Directors:

Name	Position
Gary Gray	NC Chairman
Ambrose Law	Member and Lead independent Director
Ong Beng Hong	Member

Provision 4.3 The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report

The process for the selection and appointment (or re-appointment) of Board members is as follows:

- the NC evaluates the balance of skills, knowledge and experience of the Board and, in light of such evaluation and in consultation with the Board, prepares a description of the role and the essential and desirable competencies for a particular appointment (or re-appointment);
- if required, the NC may engage consultants to undertake research on, or assess, candidates for new positions on the Board;
- the NC meets with short-listed candidates to assess their suitability and ensure that the candidates are aware of the expectations; and
- the NC makes recommendations to the Board for approval.

Under Article 55 of the Company's Constitution, a Director must submit for re-election if they have held office continuously for more than three years or beyond the third annual general meeting following their last election or re-election—whichever is longer.

If no Director is otherwise due for election or re-election at an annual general meeting, but the SGX or ASX Listing Rules require that an election be held, the Director who has served the longest since their last election will retire. If multiple Directors were last elected on the same day, the retiring Director will be determined by mutual agreement or, failing that, by lot.

After due review, the Board has accepted the recommendation of the NC and, accordingly, independent director, [XXX] will be offering [himself/herself] himself up for re-election at the forthcoming AGM.

Report on Corporate Governance

Board matters (continued)

Board membership (continued)

Principle 4 (continued)

Provision 4.4 The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence. Each Independent Director is required to declare their independence by duly completing and submitting a 'Confirmation of Independence' form. The declaration requires each Director to assess whether they consider themselves independent and not having any of the relationships identified in the Code. Each Director is required to declare any circumstances in which they may be considered non-independent. The NC reviews the Confirmation of Independence to determine whether a Director is independent. The NC also considers the actions and conducts of the Independent Directors, including in formal Board meetings, to assess their independence. The NC has carefully reviewed and subsequently determined that the Independent Directors namely Mr. Ambrose Law, Mr. Gary Gray and Ms. Ong Beng Hong, are independent.

Provision 4.5 The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties

The dates of Director's initial appointment, last re-election and their directorships are set out below:

Name of Director	Date of initial appointment	Date of last re-election	Present directorships in listed companies	Past directorships in listed companies[1]
James Fitzgerald	27 Mar 2012	30 Oct 2025	-	-
Patrick Tallon	27 Mar 2012	30 Oct 2025	-	-
Kevin Deery[4]	27 Mar 2012	30 Oct 2025	-	-
Ambrose Law	30 Oct 2024	30 Oct 2025	Global Testing Corporation[2]	-
Gary Gray	30 Oct 2024	30 Oct 2025	Amplitude Energy[3]	-
Ong Beng Hong	30 Oct 2024	30 Oct 2025	Intraco Limited[2] Moneymax Financial Services Ltd[2]	-

Notes:
1. reflects the past directorships held in listed companies in the last three (3) years.
2. SGX listed
3. ASX listed
4. retired 13 May 2026

The NC has considered and taken the view that it would not be appropriate at this time to set a limit on the number of listed company directorships that a Director may hold. Directors have different capabilities, the nature of the organisations in which they hold appointments and the committees on which they serve are of different complexities, and accordingly, each Director would personally determine the demands of their competing directorships and obligations and assess the number of listed company directorships they could hold and serve effectively. Currently, none of the Directors hold more than two (2) directorships in other listed companies.

In addition, the NC also determines annually whether a Director with multiple board representations is able to and has been adequately carrying out their duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board. The NC is satisfied that for FY2026 sufficient time and attention have been devoted by the Directors to the affairs of the Company and the Group. As such, there is presently no need to implement internal guidelines to address their competing time commitments notwithstanding that some of the Directors have multiple board representations.

The NC will, however, continue to review, from time to time, the Board representations and other principal commitments to ensure that Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

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Report on Corporate Governance

Board matters (continued)

Board performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1 The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board

For the year under review, the NC held two (2) meetings and evaluated the Board's performance as a whole and the contribution of each director to the effectiveness of the Board. The NC has adopted a formal process and criteria to assess the effectiveness of the Board and each of the Directors. The evaluation is carried out annually.

The NC has adopted formal processes and criteria to assess the effectiveness of the Board as a whole, each Board Committee separately, and the contribution of the Executive Chairman and each individual Director

Provision 5.2 The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors

The NC undertakes an annual formal review and evaluation of both the Board's performance as a whole, as well as individual Director's performance, such as Board commitment, standard of conduct, competency, training and development and interaction with other Directors, senior management and stakeholders.

All Directors complete an evaluation questionnaire designed to seek their views on the various aspects of their individual and Board performance so as to assess the overall effectiveness of the Board.

The completed questionnaire is collated, and the results of the evaluation exercise are subsequently considered by the NC, before making recommendations to the Board. The Chairman of the Board may take actions as may be appropriate according to the results of the performance evaluation, which will be based on objective performance criteria proposed by the NC and approved by the Board.

The performance of individual Directors is assessed based on factors which include their attendance, participation at the Board and Board committee meetings and contributions to the Board in long range planning and the business strategies as well as their industry and business knowledge.

Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of their performance and re-nomination as a Director.

The NC conducted a performance evaluation of the Board and Board Committees for FY2026 consistent with this process and determined that all Directors have demonstrated full commitment to their roles and contributed effectively in the discharge of their duties. Both the NC and the Board are of the view that the Board has met its performance objectives for FY2026.

Report on Corporate Governance

Remuneration matters

Procedures for developing remuneration policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 The Board establishes a Remuneration Committee ('RC') to review and make recommendations to the Board on:

(a) a framework of remuneration for the Board and key management personnel; and (b) the specific remuneration packages for each director as well as for the key management personnel.

The Company has established a RC to make recommendations to the Board on remuneration packages of individual Directors and key senior management personnel. The Company has developed a remuneration policy for fixing the remuneration packages of Directors and senior executives.

The formal terms of reference of the RC, are to:

- recommend to the Board a framework of remuneration for the Directors and key senior management personnel;
- determine specific remuneration packages for each Executive Director;
- review annually the remuneration of employees related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities; and
- perform such other acts as may be required by the SGX-ST and the Code, or ASX, from time to time.

The recommendations of the RC are submitted for endorsement by the entire Board. Each member of the RC abstains from voting on any resolutions in respect of their own remuneration package. Also, in the event that a member of the RC is related to the employee under review, they will abstain from participating in that review. Directors are not involved in the discussion and in deciding their own remuneration.

Provision 6.2 The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.

The RC comprises three members, all of whom including the RC Chairman are Independent Non-Executive Directors:

Name	Position
Ong Beng Hong	RC Chairman
Ambrose Law	Member and Lead Independent Director
Gary Gray	Member

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Report on Corporate Governance

Remuneration matters (continued)

Procedures for developing remuneration policies (continued)

Provision 6.3 The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The RC has established a framework of remuneration for the Board and key senior management personnel covering all aspects of remuneration but not limited to Directors' fees, salaries, allowances, bonuses, incentive schemes and benefits-in-kind.

The RC also oversees the administration of the Civmec Key Executives Performance Rights 2024 established on 1 August 2024, with a 10-year tenure commencing on the establishment date.

The Company has a policy that governs the Directors and senior management personnel dealing in securities trading. The securities trading policy reflects the Corporations Act 2001 prohibition on senior management personnel and their closely related parties from hedging the senior management personnel's incentive remuneration. The senior management personnel, and their immediate family and controlled entities are prohibited from entering into any arrangement that would have the effect of limiting the senior management personnel's exposure to risk relating to an element of the senior management personnel's remuneration that is unvested or is vested but remains subject to a holding lock. The securities trading policy sets out closed periods for trading in securities by KMP including for one month prior to and 48 hours after release of half yearly and annual financial results. The policy also restricts KMP from engaging in short term trading of securities.

The RC reviews the fairness and reasonableness of the termination clauses of the service agreements of Executive Directors to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Directors and key senior management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors and key senior management personnel in the event of such exceptional circumstances of breach of fiduciary duty.

During the reporting period of the year, the RC has:

- reviewed and approved remuneration for Executives which includes salary, Short Term and Long Term incentives;
- reviewed benchmarking of fees for directors;
- reviewed the remuneration packages of employees in the Group which includes salary adjustments and bonus; and
- reviewed the remuneration package of the Executive Directors and CEO which includes salary, Short Term and Long Term incentives.

Provision 6.4 The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.

The RC has access to expert professional advice on human resource and remuneration matters whenever there is a need to consult externally. No remuneration consultants were engaged by the Company during FY2026, and accordingly no remuneration recommendations, as defined in section 9B of the Corporations Act 2001 (Cth), were provided to the Company during the year.

During the financial year, the fixed remuneration of executives was benchmarked against peers based on the industry salary surveys sourced from AON Mining, Infrastructure & Engineering Remuneration Report and other available data sources.

Report on Corporate Governance

Remuneration matters (continued)

Level and mix of remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1: A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company

Executive Directors and key senior management personnel remuneration comprises a fixed and a variable component, the latter of which is in the form of a bonus linked to the performance of the individual as well as the Group. In addition, short-term and long-term incentives, such as the 2024 Civmec Key Senior Executives Performance Rights Plan, are in place to strengthen the pay-for-performance framework by rewarding and recognising the key executives' contributions to the growth of the Group. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote long-term sustainability of the Group.

Details of Performance Rights granted to Executive Directors and key senior management personnel, along with further information on fixed and variable remuneration components, are outlined in the Remuneration Report.

Provision 7.2 The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

The remuneration of the Independent Directors is in the form of a fixed fee which is subject to shareholders' approval at the AGM. Each member of the RC abstains from voting on any resolution, participating in any deliberation of the RC, and making any recommendation in respect of their own remuneration. At the 2024 AGM the shareholders approved an aggregate fee pool of SGD$400,000 per annum.

The Independent Directors' fees were derived using the fee structure as follows:

Position	Annual fees (S$)
Independent Director who is the Chairman of the Audit Committee	107,000
Other Independent Director	93,000

Provision 7.3 Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term

In making its recommendations to the Board on the level and mix of remuneration, the RC strives to be competitive, linking rewards with performance. It takes into consideration the essential factors to attract, retain and motivate the Directors and senior management needed to run the Company successfully, linking rewards to corporate and individual performance, and aligning their interest with those of the shareholders.

The Company has renewed the service agreements with the Executive Directors, Mr. James Finbarr Fitzgerald and Mr. Patrick John Tallon in August 2026. Each service agreement is valid for a period of three (3) years with effect from the date of expiry of the previous period. During the renewal period of three (3) years, either party may terminate the Service Agreement at any time by giving to the other party not less than six (6) months' notice in writing, or in lieu of notice, payment of amount equivalent to six (6) months' salary. The Executive Directors do not receive Director's fees.

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Report on Corporate Governance

Remuneration matters (continued)

Disclosure on remuneration

Principle 8 The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:

(a) each individual director and the CEO; and (b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

Provision 8.1 of the Code states that the Company should disclose the names, amounts and breakdown of remuneration of at least the top five (5) Key Management Personnel (who are not directors or the CEO) in bands of S$250,000, and in aggregate the total remuneration paid to them. For FY26, the Company identified Mr. Bojan Cica as the only Key Management Personnel who is not a director or the CEO. Information on the remuneration of its Key Management Personnel (including the Executive Directors and Mr. Bojan Cica) is duly disclosed in the Remuneration Report of this Report.

Provision 8.2 The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.

For the year ended 30 June 2026		
A$115,000 to A$210,000	**Designation**	**Relationship**
Thomas Tallon	Supervisor	Brother of CEO Patrick Tallon

The RC is of the view that the remuneration of these family members is in line with the Company's remuneration guidelines and commensurate with their job scope and level of responsibilities.

Provision 8.3 The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.

More details in relation to this can be found in the Remuneration Report duly disclosed in this Report.

Report on Corporate Governance

Accountability and audit

Risk management and internal controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.

The Company has established the RCC to advise and make recommendations to the Board on risk and conflict matters.

The RCC is guided by its Terms of Reference which highlights its primary responsibilities are to:

- review and monitor the Group's risk management framework and activities, including the Group's levels of risk tolerance and risk policies;
- report to the Board regarding the Group's risk exposures, including the review of the risk assessment model used to monitor the risk exposures and senior management's views on the acceptable and appropriate level of risk faced by the Group's Business Units;
- recommend and adopt appropriate measures to control and mitigate the business risks of the Group, as and when these may arise;
- perform any other functions as may be agreed by the Board;
- review the Risk Register and Risk Management Framework;
- requested revisions to the Risk Mitigation Plan presented by senior management to mitigate and monitor the risk exposure;
- oversee the identification, assessment and management of climate-related and other sustainability-related risks and opportunities affecting the Group, including management's processes, controls, scenario analysis, metrics, targets and transition plans, and the measurement of Scope 1, Scope 2 and (when required) Scope 3 greenhouse gas emissions;
- oversee the preparation of the Company's sustainability report, including the climate statement and notes, for compliance with the Corporations Act 2001 (Cth) and AASB S2, including related audit requirements; and
- satisfy itself that the Committee collectively has appropriate skills, knowledge and experience, or access to such expertise, to discharge its sustainability oversight role.

During the reporting period of the year, the RCC has:

- reviewed the Company's overarching governance framework, risk management policies, and approaches to identifying and mitigating risk;
- evaluated the Company's risk governance structure, including strategies to embed a strong risk culture, define risk appetite, and implement effective processes and procedures;
- assessed quarterly reports from management detailing the Company's risk profile and major exposures (including key technology and cybersecurity risks) and the actions taken to monitor, control, and mitigate these risks;
- reviewed and recommended to the Board an amended RCC Charter, expanding the Committee's terms of reference to include oversight of climate-related and other sustainability-related risks and opportunities, and oversight of the preparation, integrity and lodgement of the Company's sustainability report under Chapter 2M of the Corporations Act 2001 (Cth) and the Australian Sustainability Reporting Standards, including AASB S2 Climate-related Disclosures; and
- reviewed quarterly compliance reports from management regarding adherence to applicable laws, regulations, and listing requirements.

The RCC reviews all significant control policies and procedures and highlights all significant risk matters to the Board for discussion and to take appropriate actions, if required.

The RCC comprises three members, all of whom, including the RCC Chairman are Independent Non-Executive Directors:

Name	Position
Ambrose Law	RCC Chairman and Lead Independent Director
Ong Beng Hong	Member
Gary Gray	Member

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Report on Corporate Governance

Accountability and audit (continued)

Risk management and internal controls (continued)

Principle 9 (continued)

Provision 9.2 The Board requires and discloses in the company's annual report that it has received assurance from:

(a) the CEO and the Chief Financial Officer ('CFO') that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

The Group's internal controls and systems are designed to provide reasonable assurance on the integrity and reliability of the financial information and to safeguard and maintain accountability of its assets. Procedures are in place to identify major business risks and evaluate potential financial effects, as well as the authorisation of capital expenditure and investments.

The external auditors carry out, in the course of their statutory audit, an annual review of the effectiveness of the Group's key internal controls, including financial, operational, compliance, information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan. Any material weaknesses in internal controls, together with recommendations for improvement, are reported to the AC and RCC.

The Company's internal audit function prepares an annual internal audit plan, which takes account of the Company's key risks and other assurance activities performed, enabling internal audit resources to be targeted to areas of greatest value across the Company's operations, including group and subsidiary structures. Processes subject to internal audit include financial, administrative, operational and project specific activities and systems. The internal audit function provides advice on the effectiveness of risk management processes and material internal controls, recommends corrective actions and control improvements and follows up on the implementation of action plans designed by management to address any control deficiencies or improvement opportunities. Internal audit reports containing internal audit results, recommendations and agreed action plans are presented to the AC on a quarterly basis.

The Company appoints internal auditors to carry out a review of the adequacy and effectiveness of the Group's key internal controls, including financial, operational, compliance and information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan.

In the absence of evidence to the contrary, the Board is satisfied the system of internal controls maintained by the Company and that was in place throughout the financial year and up to the date of this report provides reasonable, but not absolute, assurance against material financial misstatements or losses, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational and compliance risks. Based on the risk management and internal control systems established and implemented by the Group, and work conducted by the internal auditors, external auditors and our internal audit team, the Board, with the concurrence of the AC, is satisfied the Company's system of internal controls and risk management procedures maintained by the Group are adequate and effective to meet the needs of the Company in addressing the financial, operational, compliance, information technology controls and risk management systems in the Group's current business environment, with no material weaknesses identified.

The Board has received assurances from the CEO and Chief Financial Officer that:

(i) the financial records have been properly maintained (and the financial statements comply with the appropriate accounting standards) and the financial statements give a true and fair view of the Company's operations and finances; and

(ii) the Company's risk management and internal control systems are adequate and effective.

The Board notes that all internal control systems are designed to manage rather than eliminate risks and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error losses, fraud or other irregularities.

Report on Corporate Governance

Accountability and audit (continued)

Audit committee

Principle 10: The Board has an Audit Committee ('AC') which discharges its duties objectively.

Provision 10.1 The duties of the AC include:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance; (b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems; (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements; (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

The AC is governed by terms of reference with its primary responsibilities as follows:

- to assist the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records, and develop and maintain effective systems of internal control with the overall objective of ensuring that our management creates and maintains an effective control environment in the Group;
- to provide a channel of communication between the Board, the management team, the external auditors and internal auditors on matters relating to audit;
- to monitor senior management's commitment to the establishment and maintenance of a satisfactory control environment and an effective system of internal control (including any arrangements for internal audit);
- to monitor and review the scope and results of external audit and its cost effectiveness and the independence and objectivity of the external auditors; and
- to monitor and review the scope and results of internal audit and the cost effectiveness of the internal auditors.

In addition, the functions of the AC are to:

- review with the external auditors the audit plans, their evaluation of the system of internal controls, their management letter and the management's response thereto;
- review with the internal auditors the internal audit plans and their evaluation of the adequacy of the internal control and accounting system before submission of the results of such review to the Board for approval;
- review the half-yearly and annual financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the SGX-ST Listing Manual, ASX Listing Rules and any other relevant and statutory or regulatory requirements;
- review the internal control and procedures and ensure co-ordination between the external auditors and the management, review the assistance given by the management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);
- review and consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;
- review and consider the appointment or re-appointment of the internal auditors and matters relating to resignation or dismissal of the auditors;
- review interested person transactions (if any);
- review the Group's hedging policies, procedures and activities (if any) and monitor the implementation of the hedging procedure/policies, including reviewing the instruments, processes and practices in accordance with any hedging polices approved by the Board;
- review potential conflicts of interest, if any, and to set out a framework to resolve or mitigate such potential conflicts of interests;
- undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee;

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Report on Corporate Governance

Accountability and audit (continued)

Audit committee (continued)

Principle 10 (continued)

Provision 10.1 (continued)

In addition, the functions of the AC are to: (continued)

- review and discuss with investigators, any suspected fraud, irregularity, or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response thereto;
- generally to undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual and ASX Listing Rules, and by such amendments made thereto from time to time;
- review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- review the findings of internal investigation into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position;
- review key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNET and ASX Online; and
- review the Group's compliance with such functions and duties as may be required under the relevant statutes or the SGX-ST Listing Manual and ASX Listing Rules, including such amendments made thereto from time to time.

The AC has the power to conduct or authorise investigations into any matters within its scope of responsibility. The AC is authorised to obtain independent professional advice whenever deemed necessary to discharge of its responsibilities at the Company's expenses.

The AC has the co-operation of and complete access to the Company's management. It has full discretion to invite any Director or Executive Officer to attend the meetings and has been given reasonable resources to enable the discharge of its functions.

During the year, the AC has:

- reviewed the scope of work of the external auditors;
- reviewed the scope of work of the internal auditors;
- reviewed audit plans and discussed the results of the respective findings and their evaluation of the Company's system of internal accounting controls;
- reviewed interested person transactions of the Company;
- met with the Company's external auditors and internal auditors without the presence of the management;
- reviewed the external auditors' independence and objectivity;
- reviewed the Company's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the AC on a quarterly basis whenever there is a whistle-blowing issue; and
- reviewed and recommended the implementation of the tax internal controls testing plan and the results from the testing undertaken.

Report on Corporate Governance

Accountability and audit (continued)

Audit committee (continued)

Principle 10 (continued)

Provision 10.1 (continued)

The AC, having reviewed the external auditors' non-audit services, is satisfied there were no non-audit services rendered that would affect the independence of the external auditors. The AC recognises the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on monetary consideration.

Following the change of domicile of the head company, Moore Australia Audit (WA) and Moore Stephens LLP have been appointed as joint auditors for the Group. The aggregate amount of agreed fees to be paid for FY2026 is A$353,000 which comprises the cost of performing a joint audit of A$257,000 and audit related fee of A$96,000. Further information can be found in Note 39 of this report.

The AC is kept abreast by the external auditors of changes to accounting standards, SGX-ST Listing Manual and ASX Listing Rules, and other regulations which could have an impact on the Group's business and financial statements.

The Company has a whistle-blowing policy where people may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts, bribery/corruption conduct, breach of code of conduct and other matters, and has ensured that arrangements are in place for independent investigations of such matters and for appropriate follow up actions. All whistle-blowing reports will be addressed to the AC Chairman, either directly or through STOPline, the independent third-party whistle-blowing service provider. The AC is directly notified of any whistle-blowing reports by the third-party service provider. Staff are regularly informed of the existence of the whistle-blowing mechanism and encouraged to report relevant matters. The identity of persons using this facility is kept confidential unless the person(s) indicate otherwise and the Company does not tolerate any victimisation of a whistleblower.

There were no reports received through the whistle-blowing system during FY2026.

Provision 10.2 The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee comprises the following three members, all of whom, including the AC Chairman, are Non-Executive Independent Directors:

Name	Position
Ambrose Law	AC Chairman and Lead Independent Director
Ong Beng Hong	Member
Gary Gray	Member

The Board ensures that the members of the AC are appropriately qualified to discharge their responsibilities and they possess the requisite accounting and/or financial management expertise and experience.

Provision 10.3 The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation:

(a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

None of the AC members are previous partners or directors of the Group's joint auditors, Moore Australia Audit (WA) / Moore Stephens LLP and none of the AC members hold any financial interest in, Moore Australia Audit (WA) or Moore Stephens LLP.

Following the change of domicile of the head company, Moore Australia Audit (WA) and Moore Stephens LLP have been appointed as joint auditors.

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Report on Corporate Governance

Accountability and audit (continued)

Audit committee (continued)

Provision 10.4 The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.

The Board recognises the importance of maintaining an internal audit function, independent of the activities it audits, to maintain a sound system of internal control within the Company to safeguard shareholders' investments and the Company's assets.

During FY26, the Company's internal audit function is outsourced to Deloitte, which is one of the Big Four multinational accounting organisations and it is independent of the Company's business activities. The engagement team provides expertise and industry insights to strengthen the Company's governance and risk management on an annual basis and comprises a director, a senior manager and supported by other staff, which have more than 30 years of relevant experience combined. The internal auditors conduct the audit based on the standards set by internationally recognised professional bodies. The annual internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. The internal auditors review the effectiveness of key internal controls in accordance with the internal audit plan.

The internal auditors have unrestricted direct access to the AC and unfettered access to all the Company's documents, properties and personnel. The internal auditors have a direct and primary reporting line to the AC and assist the AC in overseeing and monitoring the implementation and improvements required on internal control weaknesses identified. The AC reviews the adequacy and effectiveness of the internal audit function quarterly.

The role of the internal auditors is to support the AC in ensuring that the Group maintains a sound system of internal controls by monitoring and assessing the effectiveness of key controls and procedures, conducting in-depth audits of high-risk areas and undertaking investigations as directed by the AC.

The AC regularly reviews the performance of the internal auditors and determines their reappointment and level of remuneration.

The AC reviews the adequacy of the function of the internal audit annually and based on this review is satisfied that the internal auditors have adequate resources to perform their function effectively and objectively and have unfettered access to the Company's documents, records, properties and personnel.

The AC is satisfied with the effectiveness of the existing internal control systems put in place by senior management to meet the needs of the Group in its current business environment.

As part of this review, the AC has determined that the provision of internal audit services will be market tested, and a review will be undertaken during FY2027. The outcome of that review will be reported to the AC, which will make a recommendation to the Board.

Report on Corporate Governance

Shareholder rights and engagement

Shareholder rights and conduct of general meetings

Principle 11 The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

The AGM and other shareholders' meetings will always be held at a reasonable place and time. The Company ensures that shareholders have the opportunity to participate effectively and to vote at shareholders' meetings. In this regard, shareholders are informed of shareholders' meetings through notices contained in annual reports or a circular sent to all shareholders. These notices are also published in the Business Times newspaper (Singapore) and posted on SGXNET and ASX Online. Shareholders are able to send and receive communications electronically with the Company through its respective share registries platform in Singapore and Australia, details for doing so are available on the corporate website at www.civmec.com.au.

At AGM and other shareholders' meetings, the Executive Chairman ensures constructive dialogue between the Board and shareholders and upholds high standards of corporate governance. Shareholders are invited and given the opportunity to voice their views, put forth any questions and seek clarification on questions they may have regarding the Company. Shareholders are also informed of the rules and voting procedures governing such meetings under the relevant notice of meeting.

For greater transparency, the Company has adopted the voting of all its resolutions by poll at the general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages are announced at the meeting and via announcements on SGXNET and ASX Online made on the same day.

Provision 11.2 The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are 'bundled', the company explains the reasons and material implications in the notice of meeting.

Resolutions are, as far as possible, structured separately and may be voted on independently.

Provision 11.3 All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.

The Directors and the external auditors are available at the AGM to answer shareholders' queries. In FY2025, all Directors and the external auditor attended the AGM.

Provision 11.4 The company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.

The Group fully supports the Code's principle to encourage shareholders' participation in and vote at all the general meetings. The Company's Constitution allows the appointment of a proxy by a shareholder to attend and vote at the AGM on his/her behalf. Shareholders who hold shares through nominees are allowed, upon prior request through their nominees, to attend the general meetings as proxies without being constrained by the two-proxy requirement.

The Company constitution allows the board to implemented measures to allow shareholders who are unable to vote in person at the Company's AGM the option to vote in absentia, such as via mail, electronic mail or facsimile transactions. The board will exercise these measures when it is satisfied that the authentication of shareholder identity information and other related security issues are addressed. The Company will inform shareholders of voting options as part of the relevant notice of meeting.

Where an amendment to its Constitution is required to align the relevant provisions with the requirements of the SGX-ST Listing Manual and the ASX Listing Rules, shareholders' approval will be obtained.

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Report on Corporate Governance

Shareholder rights and engagement (continued)

Shareholder rights and conduct of general meetings (continued)

Provision 11.5 The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and the senior management, and makes these minutes available to shareholders at the registered office of the Company at 16 Nautical Drive, Henderson, WA 6166 Australia during normal business hours upon written request.

Minutes of general meetings will be published on the Company's corporate website within 30 days of the date of the meeting.

Provision 11.6 The company has a dividend policy and communicates it to shareholders

Civmec Limited is committed to providing excellent returns to its shareholders through a combination of longer-term capital growth and regular dividend payments. The Board considers a range of factors in determining the dividend payable in any year, including the business environment, balance sheet, working capital requirements of the business and potential investment opportunities. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. Any payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET and ASX Online when the Company discloses its financial results.

The Company's dividend policy is published on the Company's corporate website at www.civmec.com.au.

The Company has proposed a tax exempt (foreign source) Final Dividend of A$0.035 per ordinary share for the financial year ended 30 June 2026. This dividend is fully franked for Australian tax resident shareholders.

Report on Corporate Governance

Shareholder rights and engagement (continued)

Engagement with shareholders

Principle 12 The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company

Provision 12.1 The company provides avenues for communication between the Board and all shareholders and discloses in its annual report the steps taken to solicit and understand the views of shareholders.

The Board is mindful of its obligations to furnish timely information to its shareholders, the public and regulators and to ensure full disclosure of material information to its shareholders in compliance with the statutory requirements and the SGX-ST Listing Manual and ASX Listing Rules.

In this respect the Board is responsible for the release of half yearly and full year results, price sensitive information, the annual report and other material corporate developments in a timely manner and within the legally prescribed period. The Company does not practise selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST Listing Manual, the Australian Corporations Act 2001 (Cth) and the ASX Listing Rules, it is the Company's policy that all the shareholders should be equally informed, on a timely basis via SGXNET and ASX Online, of all major developments that will or expect to have an impact on the Company or the Group. The Board will also receive copies of all material market announcements promptly after they have been made by the Company. The Company also updates shareholders of its corporate developments and Continuous Disclosure Policy through its corporate website at www.civmec.com.au.

In addition, all price sensitive information was publicly released either before the Company met with any of the Company's investors or analysts or simultaneously with such meetings. Financial results and other corporate announcements of the Company are disseminated through announcements via SGXNET and ASX Online.

Provision 12.2 The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The Company has in place an Investor Relations Policy which sets out the principles and practices that the Company applies in order to provide shareholders and prospective investors with information necessary to make well informed investment decisions and to ensure a level playing field.

In addition, the Group has in-house professionals that support the Company to promote relations with, and act as liaison for, institutional investors and public shareholders.

Provision 12.3 The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.

Relevant contact information through which shareholders may contact the Company are published on its corporate website at https://www.civmec.com.au/investors/shareholder-services/.

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Report on Corporate Governance

Managing stakeholders relationships

Engagement with shareholders (continued)

Principle 13 The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served

Provision 13.1 The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

Provision 13.2 The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

Provision 13.3 The company maintains a current corporate website to communicate and engage with stakeholders.

The Company engages its stakeholders through different channels to establish, address and monitor the material environmental, social and governance (ESG) factors of the Company's operations and its impact on the various stakeholders. Such stakeholders include employees, community, government, regulators, shareholders and investors.

The Company engages stakeholders through the various channels that are already in place, understanding its stakeholders' concerns better, and addressing any issues that they may face. In addition, engagement channels and frequencies are reviewed periodically to ensure that they are sufficient to deal with current identified stakeholders' ESG-related issues.

The Company is committed to enhance and improve the current engagement initiatives, while staying abreast of new trends or developments that may affect the sustainability standing of the Company, and eventually devise corresponding measures to resolve the new ESG issues.

The Company's website can be found at www.civmec.com.au. and includes a tab labelled 'Investors' which provides investors with all the information they may require.

Other Governance Practices

Material Contracts

There were no material contracts of the Company and its subsidiaries, including loans, involving the interests of any Director, the CEO or the controlling shareholders during FY2026.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and these interested persons' transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders. Other than those disclosed in Note 31, there were no other material interested person transactions for FY2026.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Note	2026 A$'000	2025 A$'000
Revenue	4(a)	902,984	810,586
Cost of sales	6	(798,299)	(717,646)
Gross profit		104,685	92,940
Other income	5	3,787	3,552
Administrative expenses	6	(28,871)	(30,033)
Finance costs	8	(5,453)	(5,884)
Profit before income tax		74,148	60,575
Income tax expense	9	(22,052)	(18,039)
Profit for the year		52,096	42,536
Other comprehensive income/(loss):			
Items that will not be reclassified subsequently to profit or loss			
Gain on revaluation of freehold land & buildings		54,844	42,501
Income tax relating to this item		(16,453)	(12,586)
Total comprehensive income for the year		90,487	72,451
Profit attributable to:			
Owners of the Company		52,096	42,536
Non-controlling interest		-	-
		52,096	42,536
Total comprehensive income attributable to:			
Owners of the Company		90,487	72,451
Non-controlling interest		-	-
		90,487	72,451
Earnings per share attributable to equity holders of the Company (cents per share):			
- Basic	10	10.23	8.37
- Diluted	10	10.10	8.27

The accompanying notes form an integral part of the financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	2026 A$'000	2025 A$'000
ASSETS			
Current assets			
Cash and cash equivalents	13	54,629	102,940
Trade and other receivables	11	237,186	52,328
Contract assets	4(b)	277,668	154,969
Other current assets	12	4,643	4,001
Income tax receivable		-	8,697
		574,126	322,935
Non-current assets			
Property, plant and equipment	14	619,555	568,170
Investment properties	15	21,082	19,706
Intangible assets	16	10	10
Deferred tax assets	9	5,145	1,078
		645,792	588,964
TOTAL ASSETS		1,219,918	911,899
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	20	267,788	86,835
Contract liabilities	4(b)	102,817	71,447
Lease liabilities	23	6,365	5,442
Income tax payable		9,433	-
Provisions	22	16,662	13,659
		403,065	177,383
Non-current liabilities			
Lease liabilities	23	59,996	55,069
Borrowings	21	60,000	60,000
Provisions	22	1,550	379
Deferred tax liabilities	9	104,111	88,556
		225,657	204,004
TOTAL LIABILITIES		628,722	381,387
Capital and reserves			
Share capital	24	33,402	32,812
Asset revaluation reserve	27	228,525	190,134
Other reserves	28	9,256	9,071
Retained earnings		320,274	298,756
Total equity attributable to the Owners of the Company		591,457	530,773
Non-controlling interest		(261)	(261)
TOTAL EQUITY		591,196	530,512
TOTAL LIABILITIES AND EQUITY		1,219,918	911,899

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Share capital 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
2026							
Balance as at 1 July 2025	32,812	190,134	9,071	298,756	530,773	(261)	530,512
Profit for the year	-	-	-	52,096	52,096	-	52,096
OCI* for the year:							
Gain on revaluation of freehold land & buildings	-	54,844	-	-	54,844	-	54,844
Income tax relating to this item	-	(16,453)	-	-	(16,453)	-	(16,453)
Total comprehensive income for the year	-	38,391	-	52,096	90,487	-	90,487
Recognition of share based payment	-	-	775	-	775	-	775
Employee share awards vested	590	-	(590)	-	-	-	-
Dividends paid (Note 25)	-	-	-	(30,578)	(30,578)	-	(30,578)
Balance as at 30 June 2026	33,402	228,525	9,256	320,274	591,457	(261)	591,196

	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
2025								
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 (Note 25)	-	-	-	-	(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

*OCI – Other Comprehensive Income

The accompanying notes form an integral part of the financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 A$'000	2025 A$'000
Cash Flows from Operating Activities			
Profit before income tax		74,148	60,575
Adjustments for:			
Depreciation of property, plant and equipment and investment properties – leasehold land	14,15	23,729	21,433
Gain on disposal of property, plant and equipment	5	(459)	(9)
Fair value gain on investment property recognised in profit or loss	15	(1,030)	(1,150)
Loss allowance on contract assets	4(b)	788	-
Finance cost	6,8	9,446	9,681
Interest income	5	(1,815)	(1,725)
Equity-settled share based payment		775	354
Foreign exchange differences		1,576	108
Operating cash flow before working capital changes		107,158	89,267
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(184,858)	42,274
(Increase)/decrease in contract assets		(122,699)	18,619
(Increase) in other current assets		(642)	(2,608)
Increase/(decrease) in trade and other payables		157,342	(66,983)
Increase in contract liabilities		31,370	22,155
Increase/(decrease) in provisions		4,174	(4,910)
Cash (used in)/generated from operations		(8,155)	97,814
Interest received		1,815	1,725
Finance cost paid		(7,890)	(8,338)
Income tax refund		6,861	347
Income tax paid		(15,748)	(30,636)
Net cash (used in)/generated from operating activities		(23,117)	60,912
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		559	79
Purchase of property, plant and equipment	14	(5,400)	(4,815)
Acquisition of subsidiary, net of cash paid	18	16,533	-
Net cash generated from/(used in) investing activities		11,692	(4,736)
Cash Flows from Financing Activities			
Proceeds from borrowings		132,760	37,800
Repayment of borrowings		(132,299)	(41,800)
Repayment of principal lease liabilities		(6,769)	(7,182)
Dividends paid	25	(30,578)	(30,511)
Net cash used in financing activities		(36,886)	(41,693)
Net (decrease)/increase in cash and cash equivalents		(48,311)	14,483
Cash and cash equivalent at the beginning of the year		102,940	88,457
Cash and cash equivalent at the end of the year		54,629	102,940

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

(continued)

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	
2026						
Borrowings	60,000	132,760	(132,299)	-	(461)	60,000
Lease liabilities	60,511	-	(6,769)	9,064	3,555	66,361
2025						
Borrowings	64,000	37,800	(41,800)	-	-	60,000
Lease liabilities	57,297	-	(7,182)	6,652	3,744	60,511

The accompanying notes form an integral part of the financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 June 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

These are the consolidated financial statements for Civmec Limited (the 'Company') and its controlled entities (collectively referred to as the 'Group') for the financial year ended 30 June 2026. The Company is a publicly listed company incorporated and domiciled in Australia. The Company has been listed on 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.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries, joint ventures, associate, and joint operations are set out in Notes 17 and 19 respectively.

The financial statements for the financial year ended 30 June 2026 were approved and authorised for issue on the date of the statement by the board of directors in accordance with a resolution of the directors on the date of the Directors' Declaration.

2. Material accounting policies

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 as applicable for for-profit entities. They also comply with Singapore Financial Reporting Standards (International) ('SFRS(I)').

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation on freehold land and buildings and investment properties. They are presented in Australian Dollar (A$), which is the functional and presentation currency of the Group. All amounts are rounded to the nearest thousand Australian Dollar (A$'000) unless otherwise specified.

The Group have rounded values to the nearest thousand dollars (A$'000), unless otherwise stated, as allowed under the ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2026/183.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual agreements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(b) Basis of consolidation (continued)

(i) Subsidiaries (continued)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non- controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non- controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognised in accordance with AASB 9/SFRS(I) 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non- controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between Group companies have been eliminated. Unrealised losses have also been eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Change in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(b) Basis of consolidation (continued)

(ii) Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

Joint venture

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

Joint operations

The Group's joint operations are joint arrangements whereby the parties (the joint operators) that have joint control of the arrangement have rights to the assets, and obligations to the liabilities, relating to the arrangement.

The Group recognises, in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

When the Group sells or contributes assets to a joint operation, the Group recognises gains or losses on the sale or contribution of assets that are attributable to the interest of the other joint operations. The Group recognises the full amount of any loss when the sale or contribution of assets provides evidence of a reduction in the net realisable value, or an impairment loss, of those assets.

When the Group purchases assets from a joint operation, it does not recognise its share of the gains and losses until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of the assets to be purchased or and impairment loss.

The accounting policies of the assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(c) Investment in subsidiary companies

Investments in subsidiary companies are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Investment in associate

The Group recognises its interest in an associate as an investment and accounts for the investment using the equity method.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

(e) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Construction contract revenue

The Group provides engineering and construction services to customers through contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards the 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 measurement of progress and instead are expensed as incurred.

In some circumstances, such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, adjusted for expected returns. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management and included in the transaction only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Estimates of revenues, costs or the extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

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Financial Report

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(e) Revenue recognition (continued)

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. If the value of the goods transferred by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract which is within the scope of another AASB/SFRS(I) (e.g. Inventories), these have been accounted for in accordance with those other AASB/SFRS(I). If these are not within the scope of another AASB/SFRS(I), the Group will capitalise these as contract cost assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Sale of goods and services

Revenue from the sale of goods and services in the ordinary course of business are recognised when the Group satisfies a PO by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for the time value of money if the contract includes a significant financing component. The consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

The Group considers certain services to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services. Discounts are not considered as they are only given in rare circumstances and are never material. Revenue from the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(e) Revenue recognition (continued)

Rental income

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

(f) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to R&D expenditure already incurred it is recognised in the income statement in the period it became receivable.

(g) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue as set out in Note 2(e) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ('ECLs') in accordance with the policy set out in Note 2(j) and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue as set out in Note 2(e). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

(h) Income tax

Income tax expense represents the sum of current tax expense and deferred tax expense.

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognised on all temporary differences except for taxable temporary differences associated with investments in subsidiaries and joint venture, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries and interest in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(h) Income tax (continued)

Deferred tax assets and liabilities are measured:

- at the tax rates that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- based on the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current income taxes are recognised in profit and loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sale tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

Relevance of tax consolidation to the Group

On 1 July 2014, Civmec Singapore Limited (the former parent entity) and its wholly- owned Australian tax resident entities formed a tax consolidated group under Australian Taxation Law, with Civmec Singapore Limited as head entity of the tax consolidated group.

From 4 September 2024, the Company and its wholly-owned Australian tax resident entities, including Civmec Singapore Limited, continued the tax consolidated group under Australian Taxation Law with the Company replacing Civmec Singapore Limited as the new head entity of the tax consolidated group.

The member of the tax consolidated group are identified in Note 17.

Under tax consolidation, the Company and its wholly-owned Australian tax resident entity are taxed as a single entity.

Tax expense or benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using the 'stand-alone taxpayer' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax consolidated group are recognised by the Company (as head entity in the tax consolidated group). Due to the existence of a tax funding agreement between the entities in the tax consolidated group, amounts are recognised as payable to, or receivable by, the Company and each member of the Group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax consolidated group in accordance with the agreement.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(h) Income tax (continued)

Nature of Tax Funding Arrangements and Tax Sharing Agreements

Entities within the tax consolidated group have entered into a tax funding agreement and a tax sharing agreement with the head entity (previously with Civmec Singapore Limited and now with the Company). Under the terms of the tax funding agreement, the Company and each of the entities in the tax consolidated group have agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. The tax sharing agreement entered into between members of the tax consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax consolidated group.

(i) Foreign currency translation

Functional and presentation currency

The financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to each entity (the 'functional currency'). The financial statements are presented in Australian Dollars ('A$'), which is the functional currency of the Company.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ('foreign currencies') are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the consolidated financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group companies

The consolidated results and financial position of foreign operations whose functional currency is different from the Group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;
- Income or expense for each statements presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and
- All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in other comprehensive income in the period in which they are incurred.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or loss of joint control over a jointly controlled entity that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(j) Financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ('FVOCI'); and
- Fair value through profit or loss ('FVPL').

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives, if any, are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Debt instruments mainly comprise cash and cash equivalents, trade and other receivables and contract assets.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ('OCI') and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in 'other income / other expenses'. Interest income from these financial assets is recognised using the effective interest rate method and presented in 'interest income', if any.
- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in 'other income / other expenses', if any.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(j) Financial assets (continued)

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

For trade receivables and contract assets, the Group applies the simplified approach permitted by AASB 9/SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, the Group applies the general approach. For the purpose of impairment assessment for other receivables, the loss allowance is measured at an amount equal to 12-month ECL, which reflects the low credit risk of the exposures.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession(s) that the lender(s) would not other consider (e.g. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise);
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to recovery efforts under the Group's recovery procedures. Any recoveries made are recognised in profit or loss.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Property, plant and equipment

Recognition and measurement

Freehold land and buildings

The Group is using the revaluation model for this class of property. Under the revaluation model, freehold land and buildings are initially recognised at cost. Such costs, including the construction costs and borrowing costs that are eligible for capitalisation, are subsequently carried at their revalued amount, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount do not differ materially from those that would be determined using fair values at the end of the reporting period.

Freehold land and buildings are revalued annually by an independent valuer, with fair values assessed through desktop valuation each year and a comprehensive physical valuation undertaken at least every three years. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation are recognised in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases in carrying amounts are recognised in profit or loss.

Other property, plant and equipment

All other items of property are measured at cost less accumulated depreciation and accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3 for details of critical judgements of impairment of property, plant and equipment).

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(l) Property, plant and equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Assets under construction are not depreciated as they are not yet ready for their intended use as at the end of the reporting period.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Buildings	2% - 33%
Plant and equipment	3% - 33%
Leasehold land	1% - 2%
Leased assets	5% - 33%
Small tools	5% - 33%
Motor vehicles	5% - 20%
Office and IT equipment	5% - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

(m) Investment properties

Investment properties, which are properties held to earn rental income and/or for capital appreciation (including property under construction for such purposes and land under operating leases that is held for long-term capital appreciation or for a current indeterminate use), are measured initially at its cost, including transaction costs.

Buildings

Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest-and-best use basis. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Leasehold land

Subsequent to initial recognition, investment properties are accounted for in accordance with the cost model that is cost less accumulated depreciation and less accumulated impairment losses. The depreciation is calculated on a straight-line basis over its lease term.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements are capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(m) Investment properties (continued)

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

(n) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash- generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is more likely than not that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Financial liability and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

An entity shall recognise a financial liability on its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial liability is recognised initially at fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit and loss when the liabilities are derecognised, and through amortisation process.

Borrowings

Borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Leases

The Group as Lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right- of-use assets in 'Property, plant and equipment', 'Investment properties' and lease liabilities in 'Lease liabilities' in the consolidated statement of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(r) Leases (continued)

The Group as Lessee (continued)

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short- term leases that have lease terms of 12 months or less, as well as leases of low value assets.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

The Group as Lessor

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognized in income on a straight-line basis over the lease term.

(s) Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed. The Group has no further payment obligations once the contributions have been paid.

Provision for employee benefits

Provisions are made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using the market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

Share-based payments

Equity-settled share-based payments

The grant date fair value of equity-settled share-based payments is recognised as an expense over the period when the associated service is rendered (the vesting period), with a corresponding increase in equity. Vesting conditions, other than market conditions are used to determine the number of awards that are expected to vest, the estimate being adjusted at each period as necessary. If these conditions are not met, the cumulative expense recognised in relation to these awards will be nil. At each balance sheet date, the Group revises its estimates of the number of shares under rights that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the Equity-settled employee benefits reserve over the remaining vesting period.

When an award is cancelled the remaining amount of the grant date fair value that has not already been recognised, will be recognised immediately as an expense in the income statement.

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Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(s) Employee benefits (continued)

Share-based payments (continued)

Cash-settled share-based payments

For the cash-settled share-based payments, a liability for the fair value of services received is recognised and remeasured at each reporting dated over the vesting period and right up to the date of settlement, with changes recognised in profit or loss. At settlement, the value is based on the five-day weighted average share price of ASX following the release of audited financial statements.

No expense is recognised for rights that do not ultimately vest, except for rights where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received at the grant date. This is then capitalised or expensed as appropriate.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Treasury shares

When any entity within the Group purchases the Company's ordinary shares ('treasury shares'), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or re-issued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of the earnings of the Company.

When treasury shares are subsequently sold or re-issued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

Notes to the Consolidated Financial Statements

2. Material accounting policies (continued)

(v) Related parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity').

a. A person or a close member of that person's family is related to a reporting entity if that person:

- has control or joint control over the reporting entity;
- has significant influence over the reporting entity; or
- is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. An entity is related to a reporting entity if any of the following conditions applies:

- the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- both entities are joint ventures of the same third party;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
- the entity is controlled or jointly controlled by a person identified in (a);
- a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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Notes to the Consolidated Financial Statements

3. Critical accounting estimates and judgments

In preparing the 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) 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.

(i) Impairment of trade and other receivables and contract assets

As at 30 June 2026, the Group's trade and other receivables and contract assets amounted to A$237,186,000 (2025: A$52,328,000) and A$277,668,000 (2025: A$154,969,000) respectively, net of allowance for impairment, if any, arising from the Group's different revenue segments as disclosed in Note 32 to the financial statements.

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. No allowance of impairment for trade and other receivables were recognised as at 30 June 2026 (2025: Nil). The Group has recognised an amount of A$788,000 impairment of contract assets under the Group's internal credit evaluation as at 30 June 2026 (2025: Nil).

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.

The Group's and the Company's credit risk exposure for trade receivables by different revenue segment are set out in Note 33(a).

(ii) Judgement and method used in estimating construction contract revenue

As discussed in Note 2(e) to the financial statements, 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 from similar projects, the work of experts, and the status of discussions and agreements with customers, taking into consideration the nature and scope of work.

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.

Notes to the Consolidated Financial Statements

3. Critical accounting estimates and judgments (continued)

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

(iii) 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.

(iv) Impairment of property, plant and equipment and valuation investment properties

The Group assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. Indicators of impairment include significant changes in asset usage, significant declines in market value, obsolescence or physical damage of an asset, significant underperformance relative to expected historical or future operating results and significant adverse industry or economic trends.

When such indicators exist, the recoverable amount of the asset is estimated, and an impairment loss is recognised when the carrying amount exceeds the recoverable amount.

Investment properties are measured at fair value, with changes in fair value recognised in profit or loss. Accordingly, investment properties are not subject to a separate impairment assessment.

No impairment loss on property, plant and equipment and investment properties was recorded for the financial years ended 30 June 2026 and 2025. The carrying amount of property, plant and equipment and investment properties at 30 June 2026 is A$619,555,000 (2025: A$568,170,000) and A$21,082,000 (2025: A$19,706,000), respectively.

(v) 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.

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Notes to the Consolidated Financial Statements

3. Critical accounting estimates and judgments (continued)

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

(vi) 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.

The carrying amount of the freehold land and buildings and investment properties at the reporting date is disclosed in Note 14 and Note 15. If the selling prices and price per unit measurement of the freehold land and buildings determined by valuation experts had been 5% higher/lower, the carrying amount of the freehold land and buildings and investment properties would have been A$26,250,000 (2025: A$23,899,000) higher/lower.

(vii) Business acquisition

Judgement is required in determining the fair value of assets acquired and liabilities assumed in a business combination, which can have material impact on the net identifiable assets. Employee leave provisions assumed at acquisition have been recognised at the carrying amount of employee entitlements as at the acquisition date.

Judgement is also required in determining the fair value of the contingent consideration which includes consideration on the construction progress, estimates to complete compared to the schedule and performance guarantees.

These judgments have been applied, where relevant, in accounting for the acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd) which was effective on 1 July 2025.

Notes to the Consolidated Financial Statements

3. Critical accounting estimates and judgments (continued)

(b) 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 financial year.

(i) Estimation of total contract costs for contracts

The Group has significant ongoing construction contracts as at 30 June 2026 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.

If the estimated total contract sum decreases by 1% from management's estimates, the Group's profit before income tax will decrease by approximately A$9,030,000 (2025: A$8,106,000).

If the remaining estimated contract costs increase by 1% from management's estimates, the Group's profit before income tax will decrease by approximately A$7,983,000 (2025: A$7,176,000).

(ii) 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 year. There is no change in the estimated useful lives of plant and equipment and investment properties – leasehold land during the current financial year.

The carrying amount of the Group's property, plant and equipment and investment properties – leasehold land as at 30 June 2026 was A$619,555,000 (2025: A$568,170,000) and A$2,912,000 (2025: A$2,566,000) respectively. A 10% difference in the expected useful lives of these assets from management's estimate would result in an approximately A$2,373,000 (2025: A$2,143,000) variance in the Group's profit before tax.

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Notes to the Consolidated Financial Statements

3. Critical accounting estimates and judgments (continued)

(b) Key sources of estimation uncertainty (continued)

(iii) 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. The carrying amounts of the Group's current income tax positions as at 30 June 2026 were income tax payable of A$9,433,000 (2025: A$8,697,000 receivable). The carrying amounts of the Group's deferred tax assets and deferred tax liabilities as at 30 June 2026 are disclosed in Note 9 to the financial statements.

(iv) 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.

4. Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time as follows:

	2026 A$'000	2025 A$'000
Over time:		
Revenue from construction contracts	786,764	710,883
Revenue from the rendering of services	114,024	96,560
	900,788	807,443
At a point in time:		
Revenue from the rendering of services	1,052	1,718
Revenue from sale of goods	1,144	1,425
	2,196	3,143
	902,984	810,586

Revenue from the rendering of services

Contracts where payment is made for the provision of labour and materials without any risk or penalty for performance is classified as revenue from the rendering of services.

Segment analysis

The segment analysis of the Group is disclosed in Note 32 to the financial statements.

Notes to the Consolidated Financial Statements

4. Revenue from contracts with customers (continued)

(b) Contract assets and liabilities

	2026 A$'000	2025 A$'000	1 July 2024 A$'000
Contract assets	277,668	154,969	173,588
Contract liabilities	(102,817)	(71,447)	(49,292)

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date on construction contracts. The contract assets are transferred to trade receivables when the rights become unconditional, which usually occurs when the customer certifies the progress claims.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts and progress billings issued in excess of the Group's rights to the consideration in respect of construction contract revenue.

(i) Significant changes in contract balances

	2026 A$'000	2025 A$'000
Contract assets:		
Contract assets reclassified to trade receivables	(23,091)	(103,474)
Changes in measurement of progress	146,578	84,855
Loss allowance on contract assets	(788)	-
Contract liabilities:		
Revenue recognised in the current year that was included in the contract liability balance at the beginning of the year	36,501	40,199
Increase due to cash received, excluding amounts recognised as revenue during the year	(45,676)	(62,354)
Increase due to acquisition of a subsidiary (Note 18)	(22,195)	-

In accordance with Note 2(e) to the financial statements, contract assets adjustments relating to changes in the estimated transaction price were made following receipt of revised independent legal and expert advice on completed contracts.

An amount of A$788,000 loss allowance of contract assets was provided under the Group's internal credit evaluation as at 30 June 2026 (2025: Nil).

(ii) Unsatisfied performance obligations

	2026 A$'000	2025 A$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 30 June	1,493,387	621,673

The Group expects that the aggregate amount of the transaction price allocated to unsatisfied performance obligations as of 30 June 2026 will be recognised as revenue as the Group continues to perform to complete the obligations, which is expected to occur over the next few years up to 2029. The amount disclosed above does not include variable consideration which is subject to constraint.

As permitted under the AASB 15/SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods of one year or less, or are billed based on time incurred, is not disclosed.

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Notes to the Consolidated Financial Statements

5. Other income

	2026 A$'000	2025 A$'000
Insurance recoveries	11	12
Fuel tax rebate	280	584
Interest income:		
- Bank balances	1,814	1,702
- Tax authorities	1	23
	1,815	1,725
Gain on disposal of property, plant and equipment	459	9
Gain on lease termination	88	-
Fair value gain on investment property at fair value through profit or loss	1,030	1,150
Subsidies and incentives	16	40
Miscellaneous income	88	32
	3,787	3,552

Subsidies and incentives

The Group received Wage Subsidy and Jobs and Skills WA Employer Incentives from the Government for hiring eligible participants.

Notes to the Consolidated Financial Statements

6. Profit before income tax

The following items have been included in arriving at profit before income tax:

	Note	2026 A$'000	2025 A$'000
Included in cost of sales:			
Direct materials		102,334	89,146
Employee benefits	7	381,840	421,675
Subcontract works		201,909	82,784
Workshop and other overheads		84,636	98,906
Depreciation of property, plant and equipment and investment properties – leasehold land	14,15	23,587	21,338
Finance costs on lease liabilities	8	3,993	3,797
		798,299	717,646
Included in administrative expenses:			
Audit and review fees: Auditors of the Company		353	313
Non-audit fees: Other auditors		84	155
Business development		258	609
Communications		3,501	3,086
Depreciation of property, plant and equipment	14	142	95
Non-executive Directors' fees		332	354
Employee benefits	7	18,181	17,651
Occupancy expenses		572	563
Company and office costs		732	2,122
Impairment loss on contract assets		788	-
Other administrative expenses		429	663
Tax and other professional fees		1,923	4,314
Net foreign exchange loss		1,576	108
		28,871	30,033

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Notes to the Consolidated Financial Statements

7. Employee benefits expenses

	Note	2026 A$'000	2025 A$'000
Included in cost of sales	6		
Wages and salaries		358,229	397,412
Contributions to defined contribution plans		20,724	21,825
Other employee benefits		2,887	2,438
		381,840	421,675
Included in administrative expenses	6		
Wages and salaries		13,307	14,416
Contributions to defined contribution plans		1,644	1,446
Other employee benefits		327	336
Share based payment		2,903	1,453
		18,181	17,651

8. Finance costs

	Note	2026 A$'000	2025 A$'000
Corporate market loan and line fees		4,156	4,633
Lease liabilities		879	805
Other finance costs		418	446
		5,453	5,884
Included in cost of sales			
Lease liabilities	6	3,993	3,797
Total finance costs		9,446	9,681

9. Income tax expense

	2026 A$'000	2025 A$'000
Current income tax	27,317	14,126
Deferred income tax	(5,272)	4,391
	22,045	18,517
Under/(over) provision in prior years		
Current income tax	(300)	4
Deferred income tax	307	(482)
	7	(478)
	22,052	18,039
Deferred income tax expense on revaluation of freehold land and buildings recognised in other comprehensive income	16,453	12,586

Notes to the Consolidated Financial Statements

9. Income tax expense (continued)

The Group's tax on profit before income tax differs from the amount that would arise using the Australian standard rate of income tax as follows:

	2026 A$'000	2025 A$'000
Profit before income tax	74,148	60,575
Income tax at 30%	22,244	18,173
Add/(deduct) the tax effects of:		
Under provision of current tax expense in prior years	6	4
Over provision of deferred tax expense in prior years	1	(482)
Non-deductible expenses	(199)	344
	22,052	18,039
Weighted average effective tax rates	29.7%	29.8%

As at 30 June 2026, the Group has capital tax losses of approximately A$2,079,658 (2025: A$2,079,658) that are available for offset against future capital gains of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these capital tax losses is subject to the agreement of tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The deferred tax assets arising from these capital losses amounted to A$623,897 (2025: A$623,897) and are not recognised as there is no reasonable certainty that future capital gains will be available to utilise the capital tax losses.

The tax rate used for the 2026 and 2025 reconciliations above is the corporate tax rate of 30% payable by corporate entities in Australia on taxable profits under the tax law in that jurisdiction. The Group's operations are primarily located in Australia.

Deferred taxes

	Opening A$'000	Charged to profit & loss A$'000	Charged to OCI* A$'000	Closing A$'000
2026				
Property, plant and equipment	(96,815)	2,841	(16,453)	(110,427)
Receivables	(197)	213	-	16
Trade and other payables	1,614	874	-	2,488
Provisions	4,565	1,086	-	5,651
Leases liabilities	2,738	157	-	2,895
Others	617	(206)	-	411
	(87,478)	4,965	(16,453)	(98,966)
2025				
Property, plant and equipment	(82,931)	(1,298)	(12,586)	(96,815)
Receivables	(210)	13	-	(197)
Trade and other payables	2,305	(691)	-	1,614
Provisions	6,908	(2,343)	-	4,565
Leases liabilities	2,606	132	-	2,738
Others	339	278	-	617
	(70,983)	(3,909)	(12,586)	(87,478)

* Other Comprehensive Income

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Notes to the Consolidated Financial Statements

10. Earnings per share

	2026	2025
Profit attributable to the owners of the Company (A$'000)	52,096	42,536
Share capital (A$'000)	33,402	32,812
Weighted average number of ordinary share issued		
- Basic	509,350,750	508,273,630
- Diluted	515,926,953	512,079,630
Earnings per ordinary share (A$ cents)		
- Basic	10.23	8.37
- Diluted	10.10	8.27

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 2026, the diluted earnings per share includes the effect of 6,576,203 unissued ordinary shares granted under 2024 Civmec Performance Rights Plan due to the performance targets are likely to be met (Note 26). The effect of the inclusion is dilutive. (2025: 6,089,000, dilutive).

11. Trade and other receivables

	2026 A$'000	2025 A$'000
Current:		
Trade receivables		
- Third parties	110,597	51,609
- Retention sum receivables	51	12
Total trade receivables	110,648	51,621
Other receivables	1,260	707
Pre-acquisition contract milestone payments receivable from Commonwealth of Australia[1]	125,278	-
Total trade and other receivables	237,186	52,328

Note:
1. Amount recognised through the acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd).

No impairment loss of trade and other receivables were provided as at 30 June 2026 (2025: Nil).

The Group's internal credit evaluation practices and basis for recognition and measurement for expected credit losses are disclosed in Note 33(a) to the financial statements.

Notes to the Consolidated Financial Statements

12. Other current assets

	2026 A$'000	2025 A$'000
Prepayment	3,589	3,343
Consumables inventory	1,054	658
	4,643	4,001

13. Cash and cash equivalents

	2026 A$'000	2025 A$'000
Cash at bank and on hand	54,629	102,940

Cash at bank earn interest at floating rates ranging from 0.01% to 4.20% (2025: 0.01% to 4.00%) per annum.

A floating charge over cash and cash equivalents has been provided for certain debt.

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Notes to the Consolidated Financial Statements

14. Property, plant and equipment

	Freehold land A$'000	Lease-hold land and buildings A$'000	Buildings A$'000	Plant and equip-ment A$'000	Small tools A$'000	Motor vehicles A$'000	Office equip-ment A$'000	IT equip-ment A$'000	Assets under construc-tion A$'000	Total A$'000
2026										
Cost or valuation										
At 1 July 2025	34,735	40,932	425,908	126,657	11,096	13,363	866	3,803	4,268	661,628
Additions	39	-	460	3,192	157	-	80	2	1,470	5,400
Additions – ROU	-	2,400	-	7,815	139	1,048	-	101	39	11,542
Additions via business combination	-	-	-	2,689	-	-	255	420	-	3,364
Transfer	-	-	1,998	71	-	-	-	-	(2,069)	-
Revaluation increase	5,776	-	37,513	-	-	-	-	-	-	43,289
Disposals	-	-	-	(1,278)	-	(830)	-	-	-	(2,108)
At cost at 30 June 2026	-	43,332	-	139,146	11,392	13,581	1,201	4,326	3,708	216,686
At valuation at 30 June 2026	40,550	-	465,879	-	-	-	-	-	-	506,429
At 30 June 2026	40,550	43,332	465,879	139,146	11,392	13,581	1,201	4,326	3,708	723,115
Accumulated depreciation										
At 1 July 2025	-	(6,950)	-	(65,997)	(8,581)	(7,754)	(801)	(3,375)	-	(93,458)
Depreciation for the year	-	(1,022)	(11,555)	(8,357)	(1,043)	(1,315)	(102)	(271)	-	(23,665)
Revaluation	-	-	11,555	-	-	-	-	-	-	11,555
Disposals	-	-	-	1,187	-	821	-	-	-	2,008
At 30 June 2026	-	(7,972)	-	(73,167)	(9,624)	(8,248)	(903)	(3,646)	-	(103,560)
Net carrying amount										
At cost	-	35,360	-	65,979	1,768	5,333	298	680	3,708	113,126
At valuation	40,550	-	465,879	-	-	-	-	-	-	506,429
At 30 June 2026	40,550	35,360	465,879	65,979	1,768	5,333	298	680	3,708	619,555

Notes to the Consolidated Financial Statements

14. Property, plant and equipment (continued)

	Freehold land A$'000	Lease-hold land and buildings A$'000	Buildings A$'000	Plant and equip-ment A$'000	Small tools A$'000	Motor vehicles A$'000	Office equip-ment A$'000	IT equip-ment A$'000	Assets under construc-tion A$'000	Total A$'000
2025										
Cost or valuation										
At 1 July 2024	29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	616,246
Additions	-	-	1,050	1,222	212	-	6	141	2,184	4,815
Additions – ROU	-	3,282	-	3,222	-	2,110	-	222	620	9,456
Transfer	2,606	-	3,914	3,918	(50)	-	-	-	(10,388)	-
Revaluation increase	2,644	-	29,613	-	-	-	-	-	-	32,257
Disposals	-	-	-	(540)	(520)	(86)	-	-	-	(1,146)
At cost at 30 June 2025	-	40,932	-	126,657	11,096	13,363	866	3,803	4,268	200,985
At valuation at 30 June 2025	34,735	-	425,908	-	-	-	-	-	-	460,643
At 30 June 2025	34,735	40,932	425,908	126,657	11,096	13,363	866	3,803	4,268	661,628
Accumulated depreciation										
At 1 July 2024	-	(5,971)	-	(58,840)	(7,928)	(6,600)	(769)	(3,298)	-	(83,406)
Depreciation for the year	-	(979)	(10,244)	(7,651)	(1,205)	(1,184)	(32)	(77)	-	(21,372)
Revaluation	-	-	10,244	-	-	-	-	-	-	10,244
Transfer	-	-	-	(32)	32	-	-	-	-	-
Disposals	-	-	-	526	520	30	-	-	-	1,076
At 30 June 2025	-	(6,950)	-	(65,997)	(8,581)	(7,754)	(801)	(3,375)	-	(93,458)
Net carrying amount										
At cost	-	33,982	-	60,660	2,515	5,609	65	428	4,268	107,527
At valuation	34,735	-	425,908	-	-	-	-	-	-	460,643
At 30 June 2025	34,735	33,982	425,908	60,660	2,515	5,609	65	428	4,268	568,170

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Notes to the Consolidated Financial Statements

14. Property, plant and equipment (continued)

Depreciation expenses are classified as follows:

	2026 A$'000	2025 A$'000
Included in cost of sales	23,523	21,277
Included in administrative expenses	142	95
	23,665	21,372

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: a) 34-year lease from August 2010, with further 35 years option b) 30-year lease from March 2014, with further 35 years option c) 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
38A Old Punt Road, Tomago, New South Wales	Land / New road to be constructed	Freehold

Freehold land and buildings carried at fair value

At 30 June 2026, 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.

Notes to the Consolidated Financial Statements

14. 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 2026 and 30 June 2025 are as follows:

	Level 1 A$'000	Level 2 A$'000	Level 3 A$'000	Fair value as at 30 June 2026 A$'000
Freehold land	-	40,550	-	40,550
Buildings	-	12,050	453,829	465,879

	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 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 3(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 2026 and 2025:

Description	Fair value as at 30 June 2026 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	453,829	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$895 to $7,643	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.

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.

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Notes to the Consolidated Financial Statements

14. 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 represents the changes in level 3 items for the financial years ended 30 June 2026 and 30 June 2025:

	2026 A$'000	2025 A$'000
At the beginning of the year	413,963	384,786
Acquisition	2,458	1,050
Depreciation	(11,081)	(9,840)
Gain on revaluation of buildings	48,489	37,967
Closing balance	453,829	413,963

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:

	2026 A$'000	2025 A$'000
Freehold land*	22,687	22,648
Buildings	234,457	231,999
Accumulated depreciation	(56,150)	(48,763)
Net book value	200,994	205,884

* exclude freehold land under Asset under construction

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are also disclosed in Note 23.

As at the balance sheet date, the net book value of property, plant and equipment that were under lease liabilities was A$78,230,000 (2025: A$72,306,000) (Note 23).

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

Description	Borrowings	2026 A$'000	2025 A$'000
Leasehold plant and equipment	Lease liabilities	42,859	38,393
Remaining property, plant and equipment	Multi-option facility	576,696	529,777
		619,555	568,170

The details of the borrowings are disclosed in Note 21.

Notes to the Consolidated Financial Statements

15. Investment properties

	Buildings A$'000	Leasehold land A$'000	Total A$'000
2026			
Cost or valuation			
At 1 July 2025	17,140	2,755	19,895
Addition – ROU	-	410	410
Revaluation increase – recognise in profit or loss	1,030	-	1,030
At 30 June 2026	18,170	3,165	21,335
Accumulated depreciation			
At 1 July 2025	-	(189)	(189)
Depreciation for the year	-	(64)	(64)
At 30 June 2026	-	(253)	(253)
Net carrying amount			
At 30 June 2026	18,170	2,912	21,082
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
As 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

Buildings carried at fair value

At 30 June 2026, 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$18,170,000 (2025: A$17,140,000) has been categorised as a level 3 fair value based on the inputs to the valuation technique used.

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Notes to the Consolidated Financial Statements

15. Investment properties (continued)

Buildings carried at fair value (continued)

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 2026 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	18,170	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value.
			Estimated construction costs per square metre	A$1,764	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 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.

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

	2026 A$'000	2025 A$'000
Rental income	351	351
Direct operating expenses from investment property that generate rental income	(445)	(419)

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

Description	Borrowings	2026 A$'000	2025 A$'000
Investment properties	Multi-option facility	21,082	19,706

Notes to the Consolidated Financial Statements

16. Intangible assets

	2026 A$'000	2025 A$'000
Goodwill	10	10

Goodwill has been allocated to the cash-generating unit, Metals and Minerals division.

Management is of the opinion that the recoverable amount will exceed the carrying amount on the basis that this cash generating unit has been generating profit since acquisition and management forecasts the results of this subsidiary to be in a net profit position for the financial year ended 30 June 2026. In arriving at this assessment, management has determined the recoverable amount using a two (2025: two) years forecasting process based on the current order book, projected orders and a consumer price index on direct costs and overhead costs.

17. Investment in subsidiaries

The Group's material subsidiaries are listed below. The ownership interests reflect the Group's direct interest in the ordinary shares of the entity. The proportion of ownership interests held also equals the voting rights held by the Group. The country of incorporation is also the principal place of business unless noted otherwise.

Name of entity	Principal activities	Country of incorporation	Equity held by the Group 2026 %	Equity held by the Group 2025 %
Held by the Company				
Civmec Singapore Limited[1]	Asset holding company	Singapore	100	100
Civmec Defence Industries Pty Ltd[3][4]	Marine and defence services	Australia	100	-
Held by Civmec Singapore Limited				
Civmec Construction & Engineering Pty Ltd[1][4]	Engineering and construction services	Australia	100	100
Held by Civmec Construction & Engineering Pty Ltd				
Civmec Holdings Pty Ltd[1]	Asset holding company	Australia	100	100
Multidiscipline Solutions Pty Ltd[1]	Labour supply	Australia	100	100
Civmec Pipe Products Pty Ltd[2]	Asset holding company	Australia	-	83.5
Civmec Electrical and Instrumentation Pty Ltd[1]	Electrical services	Australia	100	100
Forgacs Marine and Defence Pty Ltd[1]	Marine and defence services	Australia	100	100

Note:
(1) Included in Australia tax consolidated group.
(2) The company was deregistered during the current financial year.
(3) Acquired on 1 July 2025. Previously known as Luerssen Australia Pty Ltd.
(4) These entities have entered into Deed of Cross Guarantee with the Company (Note 40).

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Notes to the Consolidated Financial Statements

18. Acquisition

Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd ('CDI'))

On 1 July 2025, the Group acquired 100% of the shares in Luerssen Australia Pty Ltd, a company engaged in shipbuilding activities primarily for the Arafura-class Offshore Patrol Vessel ('OPV') program under SEA1180. Following the acquisition, the company became a consolidated subsidiary of the Group from the acquisition date. As a result of the acquisition, the Group is expected to strengthen its role in Australia's naval shipbuilding sector and remain in place to support the ongoing delivery of the SEA1180 OPV program, which is established to replace the ageing Armidale-class patrol boats and to deliver new generation of Offshore Patrol Vessels. The acquisition is accounted for as a business combination.

The following table summaries the consideration paid for and the fair value of assets acquired and liabilities assumed at the acquisition date.

	Fair value A$000
Acquisition cost	
Cash consideration	20,000
Less: Contribution to Civmec from CoA Recovered Claim	(2,500)
Net value of consideration	17,500
Assets acquired and liabilities assumed	
Cash and cash equivalents	36,533
Trade and other receivables	128,315
Other current asset	12
Property, plant and equipment	3,364
Right-of-use assets	1,803
Trade and other payables	(128,315)
Contract liability	(22,195)
Lease liabilities	(2,017)
Total identifiable assets and liabilities	17,500

During the current financial year, the Group has recognised external consultant costs amounting to A$60,000. These acquisition-related costs have been included in the Administrative Expenses.

Amortisation

The contract liability recognised on acquisition arose from the fair value adjustment recorded as part of the purchase price allocation relating to the SEA1180 contract.

Management has assessed the relevant facts and circumstances at the reporting date and concluded that no release of the acquired contract liability should be recognised during the current financial year. Accordingly, the carrying amount of the contract liability remains unchanged as at 30 June 2026.

Management will continue to assess the appropriate timing and pattern of release of the contract liability as the contract progresses.

Contingent liabilities

Under the terms of the Share Sale Deed, the Vendor has indemnified the Group with respect to all such liabilities with retention amounts of A$5 million to January 2028 and A$2.5 million to January 2029 being held back from the Outstanding Milestone Payment. This has not been included in the balance sheet at acquisition date.

Contribution to the Group

Due to contracted confidentiality obligations, we are unable to specifically disclose the financial contribution of CDI to the Group. It forms part of the Segmentation reporting contained in Note 32.

Notes to the Consolidated Financial Statements

19. Joint operations

The Group has interests in the following joint operation which is proportionately consolidated:

Name of entity	Principal activities	Country of incorporation	Ownership interest held by the Group 2026 %	Ownership interest held by the Group 2025 %
Held by Civmec Construction & Engineering Pty Ltd				
Black & Veatch Civmec JV ('BCJV')[1]	Engineering and construction services	Australia	50	50
Civmec Construction & Engineering Pty Ltd and Seymour Whyte Constructions Pty Ltd and WSP Australia Pty Ltd ('Causeway Link Alliance')[2]	Engineering and construction services	Australia	53.78	53.78
Aurecon Australasia Pty Ltd & Civmec Construction & Engineering Pty Ltd & Seymour Whyte Constructions Pty Ltd[3]	Engineering and construction services	Australia	20.00[4]	-

Note:
1. BCJV project is for the design and construction of a wastewater treatment plant upgrade.
2. Causeway Link Alliance is for the design and construction of the Causeway Pedestrian and Cyclist Bridges in the Perth metropolitan area.
3. The alliance is for the planning and design development of the Perth Sporting and Entertainment Precinct Project.
4. The proportion of corporate overhead and profit at Phase 1. The proportion changes across different phases.

20. Trade and other payables

	2026 A$'000	2025 A$'000
Trade creditors	79,455	35,228
Sundry payables and accruals	98,213	46,244
Goods and services tax payable	5,588	1,263
Other taxes payable	3,161	4,100
Payable to Naval Vessels Luerssen ('NVL')	81,371	-
	267,788	86,835

Trade and other payables are usually paid within 45 days (2025: 45 days).

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Notes to the Consolidated Financial Statements

21. Borrowings

	2026 A$'000	2025 A$'000
Non-current:		
Multi-option facility – secured	60,000	60,000
	60,000	60,000

Multi-option facility

During the current financial year, the existing bank facilities have been renegotiated and consolidated into a revolving multi-option facility. Therefore, the quarterly limit reduction is no longer in effect. The facility can be used for revolving Corporate Market Loan, Letter of Credit and Bank Guarantee. The facility expiry date is 31 January 2028 and the facility agreement includes a provision allowing the bank to extend the facility.

As at 30 June 2026, the Group has a bank facility limit amounting to A$160 million (2025: A$156 million), which was 39.0% utilised (2025: 40.5% utilised). Interest rates are variable and ranged between 4.49% to 5.34% (2025: 4.98% to 5.55%) per annum during the current financial year.

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 2026, the Group met all these financial covenants.

General security deed

The facility is secured by certain property, plant and equipment and investment properties as disclosed in Note 14 and Note 15 to the financial statements.

Notes to the Consolidated Financial Statements

22. Provisions for employee benefits

	2026 A$'000	2025 A$'000
Current:		
Provision for short-term employee benefits	16,662	13,659
Non-current:		
Provision for long-term employee benefits	1,550	379
	18,212	14,038

The movements in provisions are as follows:

	2026 A$'000	2025 A$'000
Current:		
At the beginning of the year	13,659	18,455
Provisions made during the year:		
- Included in employee benefits	23,698	25,948
Provisions utilised during the year	(20,889)	(31,165)
Reclassified from non-current	194	421
At the end of the year	16,662	13,659
Non-current:		
At the beginning of the year	379	493
Provisions made during the year		
- Included in employee benefits	641	91
Adjustment due to change in probability %	902	340
Provisions reversed during the year	(178)	(124)
Reclassified to current	(194)	(421)
At the end of the year	1,550	379

Short-term benefits

The provisions pertain to employee benefits for annual leave, rostered days off and non-vesting personal leave that are expected to be settled within 12 months of the reporting date. The liability of long service leave that is payable to employees who have completed at least 7 years of continuous employment is also classified as current. They are measured at the amounts expected to be paid when the liability is settled.

Long-term benefits

The provisions mainly pertain to employee benefits relating to long service leave. The liability is measured as the present value of the expected future payments to be made. The probability of long service leave being taken is based upon historical data and the discount rate of 4.83% used (2025: 3.95%).

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Notes to the Consolidated Financial Statements

23. Leases

(a) The Group as lessee

Nature of the Group's leasing activities

The Group has entered into leases of land and buildings in respect of its offices, facilities and workshops. The Group has the following leases:

- The Henderson land lease at Lot 804 (16) Nautical Drive, Henderson, Western Australia is for a 34- year period from August 2010 with an option to renew for a further 35 years (reasonably certain to be exercised). Rent increases as per the CPI Index.
- The Henderson land lease on extended area at Lot 804 (16) Nautical Drive, Henderson, Western Australia is for a 28-year period from December 2016 with an option to renew for a further 45 years (reasonably certain to be exercised). Rent increases as per the CPI Index.
- The Henderson land lease at Lot 101 (1) Welding Pass, Henderson, Western Australia is 28-year lease from November 2019 with further 22 years option (reasonably certain to be exercised). Rent increases as per the CPI Index.
- A workshop lease at 4/379 Spearwood Avenue, Bibra Lake, Western Australia is for 3-year lease from July 2022 with a first further 2 years option and a second further 3 years option (reasonably certain to be exercised). Rent increases 2.5% on each anniversary of the start date on the initial lease term and subsequently increases as per CPI index.

The Group also leases motor vehicles, workshop equipment and office fitout from non-related parties under lease liabilities. The Group will obtain the ownership of the leased assets from the lessor at no extra cost at the end of the lease term. The average lease term is between 4 and 5 years.

The present values of lease liabilities are analysed as follows:

	Minimum lease payments A$'000	Future finance charges A$'000	Net present value of minimum lease payments A$'000
2026			
Current:			
Within one year	11,529	(5,164)	6,365
Non-current:			
Between two and five years	31,413	(17,043)	14,370
Later than five years	207,458	(161,832)	45,626
	238,871	(178,875)	59,996
	250,400	(184,039)	66,361
2025			
Current:			
Within one year	9,939	(4,497)	5,442
Non-current:			
Between two and five years	27,386	(16,022)	11,364
Later than five years	199,573	(155,868)	43,705
	226,959	(171,890)	55,069
	236,898	(176,387)	60,511

Notes to the Consolidated Financial Statements

23. Leases (continued)

(a) The Group as lessee (continued)

Nature of the Group's leasing activities (continued)

Lease liabilities are presented in the statement of financial position as follows:

	2026 A$'000	2025 A$'000
Present value of lease liabilities		
Current:		
Within one year	6,365	5,442
Non-current:		
Between two and five years Later	14,370	11,364
than five years	45,626	43,705
	59,996	55,069
	66,361	60,511

The effective interest rates range from 2.14% to 8.60% (2025: 2.14% to 8.60%) per annum.

Carrying amount of right-of-use assets within Property, Plant and Equipment

	2026 A$'000	2025 A$'000
Leasehold land & buildings	35,360	33,982
Small tools	610	579
Plant and equipment	36,338	31,840
Motor vehicles	4,996	5,063
Office & IT equipment	256	222
Asset under construction	659	620
	78,219	72,306

Carrying amount of right-of-use assets within Investment Properties

	2026 A$'000	2025 A$'000
Leasehold land & buildings	2,912	2,566

During the current financial year, there was an addition of A$11,542,000 to right-of-use assets within Property, Plant and Equipment and A$410,000 within Investment Properties (Note 14 and Note 15).

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Notes to the Consolidated Financial Statements

23. Leases (continued)

(a) The Group as lessee (continued)

Amounts recognised in profit or loss

	Note	2026 A$'000	2025 A$'000
Depreciation charged for the year:			
- Leasehold land & building		1,022	1,040
- Small tools		108	101
- Plant and equipment		3,317	2,917
- Motor vehicles		1,115	977
- Office & IT equipment		67	13
Interest on lease liabilities	8	4,872	4,602
Expenses relating to short-term leases		523	304

(b) The Group as lessor

The Group sub-leased its investment property under an operating lease which also included pay to build and occupy conditions. A net amount of A$9,236,000 was received in advance during the year ended 30 June 2021 from the sub-lessee as part of the pay to build conditions. Revenue from the advance is being recognised over the tenure of the land. The sub-lessee does not have an option to purchase the property at the expiry of the lease period. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties is disclosed in Note 15.

Future minimum rental receivables under non-cancellable operating leases as at the end of the reporting period are as follows:

	2026 A$'000	2025 A$'000
Present value of rental receivables:		
Within one year	343	346
Between one year and two years	343	346
Between two years and three years	330	336
Between three years and four years	330	336
Between four years and five years	330	336
Later than five years	3,301	4,112
	4,977	5,812

The present value of rental receivables changes due to the change in CPI. When the CPI rises, indicating higher inflation, the present value decreases. Conversely, a drop in CPI indicating lower inflation, which increases the present value. The annual trimmed mean CPI was 4.0% to the quarter ended 30 June 2026 (2025: 2.7%).

Notes to the Consolidated Financial Statements

24. Share capital

Fully paid ordinary shares

	30 June 2026		30 June 2025	
	No. of shares	A$'000	No. of shares	A$'000
At the beginning of the year	508,528,000	32,812	507,606,000	32,358*
Share issued during the year				
- Conversion of performance rights	1,097,000	590	937,000	464
Cancellation of treasury shares	-	-	(15,000)	(10)
At the end of the year	509,625,000	33,402	508,528,000	32,812

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

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, 1,097,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel ('KMP') and other management.

25. Dividends

Dividends are recognised as a liability at the time the Directors resolve to pay or declare the dividend.

(a) Dividends recognised during the year

	Franked / unfranked	Dividend per share (Australia cents)	Total A$'000
2026			
2025 Final ordinary dividend: paid on 24 Oct 2025	Franked	3.5	17,837
2026 Interim ordinary dividend paid on 10 Apr 2026	Franked	2.5	12,741
			30,578
2025			
2024 Final ordinary dividend: paid on 25 Oct 2024	Franked	3.5	17,798
2025 Interim ordinary dividend paid on 11 Apr 2025	Franked	2.5	12,713
			30,511

(b) Unrecognised amounts

	2026 A$'000	2025 A$'000
Final franked dividends of 3.5 Australia cents per ordinary share for the financial year ended 30 June 2026 (2025: 3.5 Australia cents)	17,837	17,837

Notes to the Consolidated Financial Statements

25. Dividends (continued)

(c) Franking credit balance

	2026 A$'000	2025 A$'000
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2025: 30%)	65,531	69,668
Impact on the franking account of dividends declared by the Board	(7,644)	(7,628)
	57,887	62,040

Tax rates

The tax rate at which paid dividends have been franked is 30% (2025: 30%). Dividends payable will be franked at the rate of 30% (2025: 30%).

Recognition and measurement

A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date.

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Notes to the Consolidated Financial Statements

26. Share-based payments

Performance rights plan

The 2024 Civmec Key Senior Executives Performance Rights Plan was approved and adopted at the Extraordinary General Meeting ('EGM') held on 1 August 2024.

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 6: Performance period 1 July 2022 to 30 June 2025 (Granted in FY2023)	2,134,000	(1,097,000)	(1,037,000)	-	$0.51
Tranche 7: Performance period 1 July 2023 to 30 June 2026 (Granted in FY2024)	1,817,000	-	(275,000)	1,542,000	$0.63
Tranche 8: Performance period 1 July 2024 to 30 June 2027 (Granted in FY2025)	2,283,000	-	(192,000)	2,091,000	$0.69
Tranche 9: Performance period 1 July 2025 to 30 June 2028 (Granted in FY2026)	1,599,000	-	(628,000)	971,000	$0.85
Retention plan: Performance period 1 July 2025 to 30 June 2030	7,376,000	-	(2,005,000)	5,371,000	$0.76 - $1.15
Balance as at 30 June 2026				9,975,000	

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.

During the current financial year, the Group has recognised A$775,000 of equity-settled share- based payment expense (2025: A$354,000).

Notes to the Consolidated Financial Statements

27. Asset revaluation reserve

	Note	2026 A$'000	2025 A$'000
At the beginning of the year		190,134	160,219
Gain on revaluation of freehold land and buildings		54,844	42,501
Deferred tax liability arising on revaluation	9	(16,453)	(12,586)
At the end of the year		228,525	190,134

28. Other reserves

	2026 A$'000	2025 A$'000
Merger reserve	7,578	7,578
Waiver of loan payable to a related party	277	277
Equity-settled employee benefits reserve	1,401	1,216
	9,256	9,071

(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.

29. Capital expenditure commitments

The Group has contracted capital expenditure commitments at the reporting date but not recognised in the financial statement as follows:

	2026 A$'000	2025 A$'000
Plant and equipment purchases	1,752	254
Capital projects	-	39
	1,752	293

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Notes to the Consolidated Financial Statements

30. 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 2026, the Group has given the following:

	2026 A$'000	2025 A$'000
Bank guarantees	2,397	2,442
Surety bond facility	282,339	183,608
	284,736	186,050

The surety bond facility is provided for the provision of performance bonds to customers of the Group. It has a limit of A$417 million (2025: A$400 million) as at 30 June 2026.

There were no contingent assets recognised as at 30 June 2026 or 30 June 2025.

31. 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) (16.53%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (16.51%). Patrick John Tallon is a beneficiary of the Kariong 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 provided, excluding statutory cost, to key management personnel is as follows:

	2026 A$'000	2025 A$'000
Short-term employee benefits	3,932	3,609
Long term benefits	(115)[1]	(68)[1]
Post-employment benefits	120	117
Share-based payments	1,189	1,092
Non-executive Directors' fees	332	354
	5,458	5,104

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

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Notes to the Consolidated Financial Statements

31. 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:

	2026	2025
Performance rights		
Directors	-	996,000
Key management personnel	1,376,000	332,000

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.

There were no transactions with related parties during the current financial year (2025: A$142,000).

32. Financial information by segments

Management has determined the operating segments based on the internal reports which are regularly reviewed by the Operations Management that are used to make strategic decisions.

The Operations Management comprises of the Executive Chairman, Chief Executive Officer, Chief Financial Officer and the department heads of each operating segment.

The business is managed primarily on the basis of different products and services as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Notes to the Consolidated Financial Statements

32. Financial information by segments (continued)

The Group is organised into the following main business segments:

- Energy
- Resources
- Infrastructure, Marine & Defence

The business activities include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

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.

Basis of accounting for purpose of reporting by operating segments

(i) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the consolidated financial statements of the Group.

(ii) Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reviewed quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs.

(iii) Segment assets and liabilities

The Group does not identify nor segregate its assets and liabilities in operating segments as these are managed on a 'group basis'.

Geographical segments (secondary reporting)

Revenue is based on the location of customers regardless of where the services are rendered. Non-current assets are based on the location of those assets:

	Revenue		Non-current assets	
	2026 A$'000	2025 A$'000	2026 A$'000	2025 A$'000
Australia	902,984	810,586	645,792	588,964

Major customers

The Group has a number of customers to whom it provides both products and services. For the year ended 30 June 2026, the Group supplies to three (2025: three, Resources) major external customers in the Resources and Infrastructure, Marine and Defence segments. The major customers account for approximately 50.09% (2025: 51.4%) of external revenue.

Notes to the Consolidated Financial Statements

32. Financial information by segments (continued)

	2026				2025			
	Energy A$'000	Resources A$'000	Infrastructure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resources A$'000	Infrastructure, Marine and Defence A$'000	Total A$'000
Revenue	105,690	587,112	210,182	902,984	65,188	641,231	104,167	810,586
Cost of sales (excluding depn)*	(89,061)	(503,103)	(182,548)	(774,712)	(55,710)	(574,602)	(65,996)	(696,308)
Depreciation expenses	(2,297)	(16,721)	(4,569)	(23,587)	(1,403)	(17,693)	(2,242)	(21,338)
Segment results	14,332	67,288	23,065	104,685	8,075	48,936	35,929	92,940
Other income				3,787				3,552
Unallocated costs:								
Admin expenses**				(28,729)				(29,938)
Depn in admin expenses**				(142)				(95)
Finance costs				(5,453)				(5,884)
Profit before income tax				74,148				60,575
Income tax expense				(22,052)				(18,039)
Profit for the year				52,096				42,536

	As at 30 June 2026				As at 30 June 2025			
	Energy A$'000	Resources A$'000	Infrastructure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resources A$'000	Infrastructure, Marine and Defence A$'000	Total A$'000
Segment assets								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				1,210,120				906,810
Other current assets				4,643				4,001
Deferred tax assets				5,145				1,078
Total assets				1,219,918				911,899
Segment liabilities								
Unallocated liabilities:								
Liabilities				550,510				307,349
Borrowings				60,000				60,000
Provisions				18,212				14,038
Total liabilities				628,722				381,387
Other segment information								
Capital expenditure during the year				5,400				4,815

* Depn stands for depreciation.
** Administrative expenses above exclude depreciation which is disclosed separately above.

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33. Financial risk management objectives and policies

The Group and the Company financial risk management policies set out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group and the Company do not hold or issue derivative financial instruments for speculative purposes.

As at 30 June 2026, the Group's and the Company's financial instruments mainly consisted of cash and cash equivalents, trade and other receivables, contract assets, trade and other payables, contract liabilities, lease liabilities and borrowings.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(a) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations under a financial instrument or customer contract, resulting to a financial loss to the Group. The Group is exposed to credit risk primarily from trade and other receivables, contract assets and cash and cash equivalents. As the Group and the Company do not hold any collateral, the Group's maximum exposure to credit risk is the carrying amount of that class of financial instruments on the consolidated Statement of Financial Position amounting to A$573,685,000 at 30 June 2026 (2025: A$310,237,000), except for financial guarantees as disclosed in Note 30 to the financial statements.

The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

The Group assesses the probability of default at initial recognition of a financial asset and continuously monitors whether there has been a significant increase in credit risk throughout the reporting period. In assessing whether there has been a significant increase in credit risk, the Group compares the risk of default at the reporting date with the risk of default at the date of initial recognition.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement for expected credit losses ('ECL'):

Internal rating grades	Definition	Basis for recognition and measurement of ECL
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition (>60 days past due).	Lifetime ECL (not credit- impaired)
ii. Non-performing	There is evidence indicating that the asset is credit-impaired (>90 days past due).	Lifetime ECL (credit-impaired)
v. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

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33. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

Trade receivables and contract assets

The Group's objective is to achieve sustainable revenue growth while minimising losses arising from credit risk exposure. Credit evaluations, which incorporates both qualitative and quantitative assessments of each customer, are performed and approved by management before credit is granted. The Group also closely monitors customers' payment patterns and credit exposures on an on-going basis.

The Group applies the simplified approach in determining the ECL allowance for all trade receivables and contract assets. Under the simplified approach, the loss allowance is measured at an amount equal to the lifetime ECL.

The Group uses a provision matrix to measure the lifetime ECL for trade receivables and contract assets. Balances subject to ECL assessment are grouped based on shared credit risk characteristics and days past due. The ECL rates are determined based on the credit risk profile of each counterparty and are adjusted for historical loss experience and forward-looking macroeconomic information.

Contract assets relate mainly to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates applied to trade receivables are a reasonable approximation of those applied to contract assets.

Financial assets are written off when there is no reasonable expectation of recovering the contractual cash flow, such as where a debtor has failed to engage in a repayment plan with the Group and it is considered probable that the debtor will enter bankruptcy or other financial reorganisation. Where receivables have been written off, the Group continues to pursue recovery actions where appropriate. Any subsequent recoveries are recognised in profit or loss.

As at 30 June 2026, the Group has a concentration of credit risk on two debtors (2025: two debtors) that individually represents 35.4% and 21.0% (2025: 43.7% and 14.3%) of total trade and other receivables and contract assets.

The Group's credit risk exposure in relation to trade receivables and contract assets under AASB/SFRS(I) 9 as at 30 June 2026 and 2025 are set out in the provision matrix as follows:

		Days past due			
	Current A$'000	Within 60 days A$'000	61 to 90 days A$'000	More than 90 days A$'000	Total A$'000
2026					
Trade receivables	97,581	13,067	-	-	110,648
Contract assets	277,668	-	-	-	277,668
Carrying amount	375,249	13,067	-	-	388,316
Total estimated gross carrying amount at default*	245,812	-	-	-	245,812
Weighted average ECL rate**	0.32%	-	-	-	0.32%
Loss allowance for ECL	788	-	-	-	788
By segment:					
Resources	220	-	-	-	220
Infrastructure, Marine & Defence	568	-	-	-	568

* represents the balance that was subject to the Group's expected credit loss assessment at the reporting date.

** Expected credit loss rates ranging from 0.30% to 0.41% were applied based on the credit risk profile of the respective counterparties. The weighted average ECL rate of 0.32% represents the blended rate derived from these individual assessments.

Notes to the Consolidated Financial Statements

33. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

Trade receivables and contract assets (continued)

The Group's credit risk exposure in relation to trade receivables and contract assets under AASB/SFRS(I) 9 as at 30 June 2026 and 2025 are set out in the provision matrix as follows: (continued)

	Current A$'000	Days past due			Total A$'000
		Within 60 days A$'000	61 to 90 days A$'000	More than 90 days A$'000	
2025					
Trade receivables	49,726	1,895	-	-	51,621
Contract assets	154,969	-	-	-	154,969
Carrying amount	204,695	1,895	-	-	206,590

No loss allowances were provided for 30 June 2025.

There is no ageing analysis for contract assets as these mainly relate to variable considerations which have yet to be invoiced.

The Group has assessed and concluded that trade receivables are subject to immaterial credit loss. There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

Other receivables

The Group applies the general approach to provide for the ECL for other receivables. Under the general approach, the loss allowance is measured at an amount equal to the 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

Impairment of these balances have been measured on the 12-month ECL basis which reflects the low credit risk of exposures. These amounts are subject to immaterial credit loss.

Cash and cash equivalents

The cash and bank balances are entered into with bank and financial institution counterparties, which are rated at least AA, based on international credit rating agencies.

For the purpose of impairment, cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

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Notes to the Consolidated Financial Statements

33. Financial risk management objectives and policies (continued)

(b) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating rate debt. At 30 June 2026, approximately 16.7% (2025: 21.7%) of the Group's debt is fixed. The Group's borrowings at variable rates are denominated mainly in A$. If the A$ interest rates increase/decrease by 1% (2025: 1%) with all other variables remain constant, the Group's profit before tax will be approximately lower/higher by A$600,000 (2025: A$600,000) as a result of higher/lower interest expenses on these borrowings.

The Group has cash balances placed with reputable banks and financial institutions. Such balances are placed on varying maturities and generate interest income for the Group and the Company.

The Group obtains additional financing through bank borrowings and leasing arrangements. Information relating to the Group's interest rate exposure is also disclosed in the notes on the Group's borrowings and leasing obligations. They are both fixed and floating rates of interest. The policy is to retain flexibility in selecting borrowings at both fixed and floating rates interest.

	Variable rates		Fixed rates		Non-interest bearing A$'000	Total A$'000
	Within 1 year A$'000	Between 2 to 5 years A$'000	Within 1 year A$'000	Between 2 to 5 years A$'000		
2026						
Financial assets						
Cash and cash equivalents	54,629	-	-	-	-	54,629
Trade and other receivables	-	-	-	-	237,186	237,186
	54,629	-	-	-	237,186	291,815
Financial liabilities						
Trade and other payables	-	-	-	-	267,788	267,788
Lease liabilities	-	-	6,365	59,996	-	66,361
Borrowings	-	60,000	-	-	-	60,000
	-	60,000	6,365	59,996	267,788	394,149
2025						
Financial assets						
Cash and cash equivalents	102,940	-	-	-	-	102,940
Trade and other receivables	-	-	-	-	52,328	52,328
	102,940	-	-	-	52,328	155,268
Financial liabilities						
Trade and other payables	-	-	-	-	86,835	86,835
Lease liabilities	-	-	5,442	55,069	-	60,511
Borrowings	-	60,000	-	-	-	60,000
	-	60,000	5,442	55,069	86,835	207,346

Notes to the Consolidated Financial Statements

33. Financial risk management objectives and policies (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its commitments concerning its financial liabilities. The Group and the Company manages this risk through the following mechanism:

Preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;

- Monitoring undrawn credit facilities;
- Maintaining credit risk related to financial assets;
- Obtaining funding from a variety of sources;
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward. Balances due within 12 months equal their carrying amount as the impact of discounting is not significant.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities (exclude contract liabilities)

	Contracted undiscounted cash flows				
	Carrying amount A$'000	Within 1 year A$'000	Between 2 to 5 years A$'000	More than 5 years A$'000	Total A$'000
2026					
Financial liabilities					
Trade and other payables	267,788	267,788	-	-	267,788
Lease liabilities	66,361	11,529	31,413	207,458	250,400
Borrowings	60,000	3,307	66,795	-	70,102
	394,149	282,624	98,208	207,458	588,290
2025					
Financial liabilities					
Trade and other payables	86,835	86,835	-	-	86,835
Lease liabilities	60,511	9,939	27,386	199,573	236,898
Borrowings	60,000	3,198	63,368	-	66,566
	207,346	99,972	90,754	199,573	390,299

Borrowings facilities

The Group's undrawn borrowings facilities and guarantees are disclosed in Notes 21 and 30 to the financial statements respectively.

Credit card facilities

The Group maintains corporate credit card facilities with its major financial institutions. These facilities support travel and operational expenditure across the Group. As of 30 June 2026, the total approved limit was A$10.8 million (2025: A$0.5 million), of which A$6.0 million had been utilised (A$0.1 million utilised). Outstanding credit card balances are included in Trade and Other Payables as they are short-term in nature and are payable within normal commercial terms.

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Notes to the Consolidated Financial Statements

33. Financial risk management objectives and policies (continued)

(d) Capital management

Management controls the capital of the Group in order to maintain a good debt-to-equity ratio, provide the shareholders with adequate returns and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Group and the Company have no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distribution to shareholders and share issues.

The net debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as total financial liabilities less cash and cash equivalents.

	2026 A$'000	2025 A$'000
Net debt	339,520	104,406
Total equity	591,196	530,512
Net debt-to-equity ratio	0.57	0.20

(e) Fair value estimation

Financial instruments

The fair values of financial assets and financial liabilities can be compared to their carrying values as presented in the consolidated statement of financial position. Fair values are those amounts at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated.

The fair value of current financial assets and financial liabilities approximate the carrying value due to the liquid nature of these assets and/or the short-term nature of these financial rights and obligations.

The fair value of non-current borrowings are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the reporting date. The carrying amounts of financial assets and financial liabilities are assumed to approximate their respective fair values. The Group does not anticipate that the carrying amounts recorded at the balance sheet date would be significantly different from the values that would eventually be received or settled.

Fair value hierarchy

The Group categories fair value measurement using a fair value hierarchy that is depend on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Consolidated Financial Statements

34. Litigation

Perth stadium project

In February 2019, the Group lodged a writ in the Supreme Court of Western Australia against Brookfield Multiplex Engineering and Infrastructure Pty Ltd ('Brookfield Multiplex'), in relation to the valuation of additional time and changes to the works undertaken in the delivery of the new Perth Stadium project in Western Australia.

The Group is seeking a determination from the Supreme Court to recover costs associated with the changes in scope and nature of the works required to be completed and for the granting of Practical Completion. The proceedings are ongoing as at the date of this report.

35. Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are relevant to the Group and effective for annual financial periods beginning on or after 1 July 2025. The adoption of these standards and interpretations did not have any material effect on the financial statements of the Group.

36. New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning on or after 1 July 2026 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

Applicable to 2028 financial statements:

- AASB 18/SFRS(I) 18: *Presentation and Disclosure in Financial Statements*

  This standard will replace AASB 101/SFRS(I) 1-1 Presentation of Financial Statements. Whilst many of the requirements will remain consistent, the new standard will have an impact on the presentation of the Consolidated Statement of Comprehensive Income and a consequential impact on the Consolidated Statement of Cash Flows. It will also require the disclosure of non-AASB/SFRS(I) management performance measures and may impact the level of aggregation and disaggregation throughout the primary financial statements and the notes.

  An entity is required to apply the amendments to AASB 101/SFRS(I) 1-1 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. AASB 18/SFRS(I) 18 requires retrospective application with specific transition provisions.

  The directors will determine the impact on the presentation of the Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flows when effective.

- SFRS(I) 19: *Subsidiaries without Public Accountability: Disclosures*
- Amendments to AASB 121/SFRS(I) *1-21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency*

  Amendments to AASB 128/SFRS(I) *1-28 Investments in Associates and Joint Ventures: Fair Value Option for Investments in Associates and Joint Ventures*

Unspecified effective date, early adoption permitted:

- Amendments to AASB 10 and AASB 128 / SFRS(I) 10 and SFRS(I) 1-28: *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The directors of the Company expect that the adoption of the new and revised standards above will have no material impact on the financial statements in the year of initial application.

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Notes to the Consolidated Financial Statements

37. Subsequent events

There have been no subsequent material events that would require disclosure in the financial statements.

38. Other disclosures

There were no significant seasonal factors affecting the business during the current financial year.

39. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by the Auditor of the Group:

	2026 A$'000	2025 A$'000
Audit or review of the financial statements and sustainability report		
- Moore Australia Audit (WA)	207	171
- Moore Stephens LLP*	146	142
Total Auditors' remuneration	353	313

* Equivalent to S$127,000 for current financial year (2025: S$118,000)

Notes to the Consolidated Financial Statements

40. Deed of Cross Guarantee

The Company and its wholly-owned subsidiaries noted below entered into a Deed of Cross Guarantee (Deed) on 30 June 2026. Under the Deed, each Group Entity, including the Parent and its subsidiaries, guarantees payment in full of the debts of every other Group Entity to its creditors. The guarantees become enforceable upon certain winding-up events specified in the Corporations Act, or, in other winding-up events, if any creditor remains unpaid six months after the commencement of the winding up.

The following entities are party to the Deed under which each member guarantees the debts of the others:

- Civmec Limited
- Civmec Construction & Engineering Pty Ltd
- Civmec Defence Industries Pty Ltd ('CDI')

By entering into the Deed, the wholly-owned subsidiaries have been relieved from the requirement for preparation, audit and lodgement of their financial statements and Directors' Report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

Set out below is a consolidated statement of profit or loss and other comprehensive income, summary of movements in consolidated retained earnings and consolidated statement of financial position, comprising the Company and its wholly-owned entities (Extended Closed Group) which are a party to the Deed, after eliminating transactions between parties of the Deed:

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2026

	Closed Group	
	2026 A$'000	2025* A$'000
Revenue	886,535	776,849
Cost of sales	(783,593)	(695,896)
Gross profit	102,942	80,953
Other income	33,462	37,636
Administrative expenses	(29,430)	(31,243)
Finance costs	(2,179)	(2,501)
Profit before income tax	104,795	84,845
Income tax expense	(30,653)	(14,523)
Profit for the year	74,142	70,322
Other comprehensive income/(loss)	-	-
Total comprehensive income for the year	74,142	70,322
Profit and Total comprehensive income attributable to:		
Owners of the Company	74,142	70,322
Non-controlling interest	-	-
	74,142	70,322

*Comparative information includes only Civmec Limited and Civmec Construction & Engineering Pty Ltd prior to the acquisition of CDI on 1 July 2025.

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Notes to the Consolidated Financial Statements

40. Deed of Cross Guarantee (continued)

Statement of Financial Position
As at 30 June 2026

	2026 A$'000	2025* A$'000
ASSETS		
Current assets		
Cash and cash equivalents	52,875	101,254
Trade and other receivables	350,175	162,554
Contract assets	248,375	154,954
Other current assets	4,546	3,845
Income tax receivable	-	8,563
	655,971	431,170
Non-current assets		
Investment in subsidiaries	32,198	32,198
Properties, plant and equipment	64,108	65,761
Intangible assets	10	10
Deferred tax assets	4,239	693
	100,555	98,662
TOTAL ASSETS	756,526	529,832
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	266,550	83,786
Contract liabilities	71,423	63,007
Lease liabilities	7,079	6,605
Income tax payable	18,616	-
Provisions	15,197	13,427
	378,865	166,825
Non-current liabilities		
Lease liabilities	12,803	16,095
Provisions	1,543	377
	14,346	16,472
TOTAL LIABILITIES	393,211	183,297
Capital and reserves		
Share capital	33,402	32,813
Other reserves	12,203	8,967
Retained earnings	317,710	304,755
TOTAL EQUITY	363,315	346,535
TOTAL LIABILITIES AND EQUITY	756,526	529,832

*Comparative information includes only Civmec Limited and Civmec Construction & Engineering Pty Ltd prior to the acquisition of CDI on 1 July 2025.

Notes to the Consolidated Financial Statements

41. Parent Entity

Summary financial information

	2026 A$'000	2025 A$'000
Current assets	44,213	51,704
Total assets	101,742	89,246
Current liabilities	63,361	48,750
Total liabilities	63,361	48,750
Issued capital	33,402	32,812
Retained earnings	81	2,971
Share-based payments reserve	1,401	1,216
Other reserves	3,497	3,497
Total shareholder equity	38,381	40,496
Profit for the year	27,688	14,877
Total comprehensive income for the year	27,688	14,877

Material accounting policies

The accounting policies of the Parent are consistent with those of the Group.

Parent entity's contractual commitments for property, plant and equipment

The Company has no contractual commitments to acquire property, plant and equipment.

Guarantees entered into by the Parent entity in relation to the debts of its subsidiaries

The parent has entered into a Deed with the effect that the Parent guarantees the debt of members of the Extended Closed Group. Further details of the Deed and the Extended Closed Group are disclosed in Note 40.

Subsidiary Guarantees

The Company provides parent company guarantee (PCG) to clients from time to time when a subsidiary enters into a contractual agreement. These guarantees and indemnities only give rise to a liability in the event that the subsidiary is unable to perform its contractual obligations.

During the course of business, the Company also provides letters of credit for international trading when required.

Contingent liabilities

There are no other known contingent liabilities of the Company. Refer to Note 30 for details of contingent liabilities of Group entities.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2026

Entity name	Entity type	Country of incorporation	Equity held %	Australian tax residency status	Foreign countries tax residency
Civmec Limited	Body corporate	Australia	N/A	Australian	N/A
Civmec Singapore Limited	Body corporate	Singapore	100.00	Australian	N/A
Civmec Construction & Engineering Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Civmec Defence Industries Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Civmec Holdings Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Multidiscipline Solutions Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Civmec Electrical and Instrumentation Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Forgacs Marine and Defence Pty Ltd	Body corporate	Australia	100.00	Australian	N/A
Black & Veatch Civmec JV ('BCJV')	Participant in joint operations	Australia	50.00	Australian	N/A
Civmec Construction & Engineering Pty Ltd and Seymour Whyte Constructions Pty Ltd and WSP Australia Pty Ltd ('Causeway Link Alliance')	Participant in joint operations	Australia	53.78	Australian	N/A
Aurecon Australasia Pty Ltd & Civmec Construction & Engineering Pty Ltd & Seymour Whyte Constructions Pty Ltd	Participant in joint operations	Australia	20.00*	Australian	N/A

* The proportion of corporate overhead and profit changes across different phases.

DIRECTORS' DECLARATION

In the Directors' opinion

(a) The financial statements and notes for Civmec Limited and its controlled entities for the year ended 30 June 2026 have been prepared in accordance with the Corporation Act (2001) including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date;

  (ii) complying with Australian Accounting Standards and the Corporations Regulations (2001); and

(b) The financial statements comply with Singapore Financial Reporting Standards (International) as disclosed in Note 2.

(c) The consolidated entity disclosure statement for Civmec Limited and its controlled entities as at 30 June 2026 is true and correct.

(d) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable. At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liability to which they are, or may become, subject by virtue of the deed of cross guarantee (pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785) described in Note 40 to the financial statements.

The directors have received the declarations required by the Chief Executive Officer and Chief Financial Officer as required by section 295A of the Corporations Act (2001).

This declaration has been made in accordance with resolution of the Directors.

James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
27 August 2026

Patrick John Tallon
Chief Executive Officer
Civmec Limited
27 August 2026

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INDEPENDENT AUDITOR'S REPORT

(on Financial Report)

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Independent Audit Report
To the members of Civmec Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civmec Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 30 June 2026, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration. The Group consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the consolidated financial position as at 30 June 2026 and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows for the year then ended; and

ii. complying with Australian Accounting Standards, Singapore Financial Reporting Standards (International) ("SFRS(I)") and the *Corporations Regulations 2001.*

Basis for Opinion

Moore Australia Audit (WA)

We conducted our audit in accordance with Australian Auditing Standards ("AASs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Moore Stephens LLP

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Moore Australia Audit (WA) – ABN 16 874 357 907
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Independent Auditor's Report (on Financial Report)

MOORE

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Accounting for Construction Contracts	
We refer to Note 3(a)(ii)-(iii) and 3(b)(i) under "Critical accounting estimates and judgments", Note 4(a) and Note 34 of the financial statements. During the financial year ended 30 June 2026, revenue from construction contracts amounted to A$786.8 million which represented 87% of the Group's total revenue. Contract revenue comprises the initial amount agreed in the contract and variations in the contract as constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently removed. The amount of revenue recognised is based on the Group's progress towards completion of the construction contract, determined based on the proportion of construction costs incurred to date to the estimated total contract costs ("input method"). The Group uses the input method to measure project progress and recognises contract revenue in accordance with AASB / SFRS(I) 15 *Revenue from Contracts with Customers*. Estimates of revenues, costs or the extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. The determination of estimated contract revenue, total contract costs and costs to complete require significant judgment which may impact on amounts of the construction contract revenue and profits	Our procedures included, amongst others: • We performed procedures to understand the projects through discussions with management and examination of key project documents including contracts and correspondence with customers on delays and extension of time. We evaluated the relevant key controls put in place by the management over the construction contract revenue and costs recognition on construction contracts. • In relation to the contract revenue for projects, on a sample basis, we have: o Traced the contract sums to the contracts and variation orders entered into by the Group and its customers. o Challenged the appropriateness of the Group's judgment on the variations and claims included in the computation of the construction contract revenue via scrutiny of relevant customer correspondence and inspecting key clauses in the contracts and variation orders. o Reviewed minutes of operational & executive meetings, held discussions with senior operational and financial management, as well as the Group's legal advisors where appropriate, to evaluate management's assessment that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently removed. o Assessed the adequacy of the provision for any onerous contracts based on our understanding of the projects. This includes reviewing management's assessment of provision for onerous contracts by focusing on projects with low or negative margins. We have also held discussions with senior operational and financial management, where appropriate, on these projects.

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Independent Auditor's Report (on Financial Report)

MOORE

Key audit matter	How the matter was addressed in our audit
recognised during the year, including the provision for onerous contracts. We have therefore, identified this as a key audit matter.	• In relation to total contract costs, on a sample basis, we have: o Tested costs incurred to date and agreed these to supporting documentation. o Conducted a walkthrough of the Group's process for preparing project cost forecasts. o Performed analytical procedures comparing forecast costs to date with original budget costs to evaluate the accuracy of the management's estimation process. o Evaluated the appropriateness of inputs, amongst others, materials, subcontractor and labour costs used by the management in their estimation of the total cost to complete the contract or project, and obtain supporting documentation on the major inputs. o We examined key project documentation and discussed the progress of the significant projects with the Group's key project personnel and management for significant events that could impact the estimated total contract costs and stage of completion. • We have recomputed the percentage of completion based on actual cumulative contract costs incurred to date to the total estimated contract costs for individually significant projects. • We have checked the arithmetic accuracy of the revenue and profit recognised based on the percentage of completion computation for individually significant projects and traced the revenue for the current year based on the measurement of progress to the accounting records. • We have also assessed the adequacy of the disclosures of key accounting estimates and the sensitivity of the inputs to the estimates and found the disclosures in the financial statements to be appropriate. **Our audit findings** We are satisfied that the judgments applied by management in accounting for construction contracts are reasonable.

Independent Auditor's Report (on Financial Report)

MOORE

Key audit matter	How the matter was addressed in our audit
Recoverability of trade and other receivables and contract assets	
We refer to Note 3(a)(i) under "Critical accounting estimates and judgments", Note 4(b), Note 11 and Note 33(a) to the financial statements. The carrying amount of trade and other receivables and contract assets of the Group was A$237.2 million and A$277.7 million as at 30 June 2026 respectively. We focused on this area because of its significance and the degree of judgement required in determining the carrying amount of trade and other receivables and contract assets as at the reporting date. In accordance with AASB / SFRS(I) 9 *Financial Instruments*, the Group assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.	Our procedures included, amongst others: • We obtained an understanding of the Group credit policy and evaluated the processes for identifying impairment indicators. • We reviewed and tested the ageing of trade and other receivables. • We reviewed management's assessment on the credit worthiness of selected customers. • We assessed current ongoing negotiations and settlements of significant contracts subject to modifications, to identify if the collectability of contract consideration is highly probable. • We discussed with the key management on the adequacy of the allowance for impairment recorded by the Group and reviewed the supporting documents provided by management in relation to their assessment. **Our audit findings** Based on our audit procedures, we found management's assessment of the recoverability of trade and other receivables and contract assets to be reasonable and the disclosures to be appropriate.
Valuation of property, plant and equipment and investment properties	
We refer to Note 3(a)(vi) under "Critical accounting estimates and judgments", Note 5, Note 14, Note 15 and Note 27 to the financial statements. The carrying amount of property, plant and equipment and investment properties of the Group was A$619.6 million and A$21.1 million respectively as at 30 June 2026, of which the fair value of the freehold land and buildings and investment properties had been assessed as having a fair value of A$506.4 million and A$18.2 million respectively. The valuation of property, plant and equipment and investment properties is significant to our audit due to the use of various valuation techniques which involve significant judgments and critical estimates.	Our procedures included, amongst others: • We assessed the competence, capabilities and independence of the professional valuer engaged by the Group. • We discussed and considered the reasonableness of the valuation methodologies used, as well as reviewed the key assumptions and inputs used by the professional valuer in determining the valuation of each property. • We assessed the reasonableness of the market value of properties by benchmarking them against those of comparable properties when there is comparative market sales evidence. • We evaluated the reasonableness of the key data and assumptions used in the Depreciated Replacement Cost approach by the valuer when there is no comparable market sales evidence.

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Independent Auditor's Report (on Financial Report)

MOORE

Key audit matter	How the matter was addressed in our audit
The key assumptions used in the fair valuation are also disclosed in Note 14 and Note 15 to the financial statements. Management relied on independent external valuations for the fair valuation of its freehold land and buildings and investment properties.	• We also assessed the appropriateness of the disclosures relating to the valuation techniques and key inputs applied by the professional valuer. **Our audit findings** The external valuer is a member of a recognised body for professional valuers. We found that the valuation methodologies used to be appropriate and the key assumptions used were within the range of market data.
Acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd or "CDI")	
We refer to Note 3(a)(vii) under "Critical accounting estimates and judgments" and Note 18 to the financial statements. On 1 July 2025, the Group completed the acquisition for all of the shares in CDI and thereby gained control at that date. The acquisition was accounted for as a business combination in accordance with AASB / SFRS(I) 3 Business Combinations. Accounting for this transaction is complex, requiring management to exercise judgment to determine the fair values of the acquired identifiable assets and liabilities and determining the allocation of purchase consideration to any separately identifiable intangible assets. We focused on this area as a key audit matter due to the size of the acquisition, significance of the amounts involved and the judgment involved in accounting for the transaction.	Our procedures included, amongst others: • We obtained the sale and purchase agreement to understand key terms and conditions of the transaction. • We assessed whether the acquired subsidiary met the definition of a business. • We assessed the methodical approach in identifying and estimating the fair values of the assets acquired and liabilities assumed at the acquisition date. This process was undertaken by management with the aid of a purchase price allocation ("PPA") report prepared by an independent consultant. We also assessed the qualifications, competence, objectivity and independence of the consultant in assessing the reliability of the PPA report. • We tested the fair value of identifiable assets and liabilities acquired including any fair value adjustments against the PPA report and other source documentation for reasonableness. • We have reviewed the appropriateness and adequacy of the relevant disclosures in the financial statements. **Our audit findings** We are satisfied that the acquisition has been appropriately accounted for and adequately disclosed in the financial statements.

Independent Auditor's Report (on Financial Report)

MOORE

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards, SFRS(I) and the *Corporations Act 2001*;

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

c) for such internal control as the directors determine is necessary to enable the preparation of:

   i. the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

   ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the AASs and SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. A further description of our responsibilities for the audit of the financial report in accordance with AASs is located on the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (on Financial Report)

MOORE

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent Auditor's Report (on Financial Report)

MOORE

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included within the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Civmec Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with AASs.

Suan Lee Tan
Partner
Moore Australia Audit (WA)

Perth 27 August 2026

Moore Australia Audit (WA)
Chartered Accountants

Michelle Chong
Partner
Moore Stephens LLP

Singapore 27 August 2026

Moore Stephens LLP
Public Accountants and Chartered Accountants

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SUSTAINABILITY REPORT

For the year ended 30 June 2026

About this report

This report has been prepared for Civmec Limited (the 'Company') and its controlled entities (collectively referred to as the 'Group') for the financial year ended 30 June 2026, which is consistent with that of the financial statements. The Company is a publicly listed company incorporated and domiciled in Australia. The Company is dually listed on the Australian Securities Exchange ('ASX') and the Singapore Exchange Limited ('SGX').

This report represents the Company's climate-related financial disclosures. The climate-related financial disclosures have been prepared in accordance with the Australian Accounting Standards Board (AASB)'s S2 *Climate-related Disclosures*, which is the mandatory Australian Sustainability Reporting Standard (ASRS) and prepared in compliance with the climate reporting requirements under chapter 2M of the Australian Corporations Act 2001. The standard's requirements are based on the recommendations of the former Task Force on Climate-related Financial Disclosures (TCFD), which the Group has reported against since FY23. Given the alignment between TCFD and AASB S2 (which is based on the IFRS S2 standard), this report is also consistent with the recommendations of the TCFD.

As this is the first year in which the Group has applied AASB S2, the Group has elected to not disclose Scope 3 greenhouse gas (GHG) emissions information, consistent with transitional relief under AASB S2. In some instances, the Group has also elected not to present comparative information in this report, also consistent with the transitional relief provisions.

Any monetary amounts are presented in Australian Dollar (A$), which is the functional and presentation currency of the Group.

Significant judgements and uncertainties

In preparing this report, the Group has exercised judgement in determining what information is relevant and material. The preparation of climate-related disclosures requires the use of estimates in areas where amounts cannot be measured directly. Estimates and assumptions have been applied where information relates to the value chain, involves forward-looking assessments or subject to data limitations. As a result, the climate-related disclosures are subject to inherent uncertainty and rely on a range of assumptions, professional judgement, methodologies and inputs as at the reporting date.

Judgements and assumptions applied include the use and interpretation of climate-related data (including forward-looking information), the estimation and quantification of greenhouse gas emissions, the analysis and modelling undertaken to assess potential scenario outcomes and the use of data from third parties, amongst other factors.

In addition to the factors described above, there are additional inherent limitations with scenario analysis, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenario analysis does not indicate probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate. Scenarios do not constitute definitive outcomes or probabilities and should be interpreted with caution.

Forward-looking statements regarding climate change include scenario analysis, energy transition pathways and the Group's strategies and plans relating to climate change are inherently uncertain and may change over time. Statements are based on current expectations and reflect judgements, assumptions and estimates, however a range of variables, including legislative and policy changes, technological developments, market conditions and environmental factors, may cause actual outcomes to differ materially.

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1. Governance

1.1 Board oversight

The Board of Directors (the 'Board') is responsible for the oversight of climate-related risks and opportunities, as outlined in the Board Charter. The Group maintains a clearly defined risk appetite statement, supported by comprehensive risk management and compliance frameworks that align operational activities with the strategic plan. These frameworks help guide the level of risk the company is prepared to accept in pursuit of its objectives. The Board approves the Group's risk appetite and oversees its principal risks. The Board is supported in monitoring a range of current and emerging climate-related risks by the Risk & Conflicts Committee (RCC).

The skills and core competencies of the Board are set out in the Report on Corporate Governance, Board Composition and Guidance (Principle 2.4). The Board has completed a climate skills assessment, assessing Directors' experience, knowledge and qualifications in relation to climate-related matters. The assessment shows any competency gaps in relation to climate knowledge and informs the determination of any training needs. This identified that four out of five members have experience related to climate-related matters. The Group considers that the Board's broad professional and extensive experience, industry exposure and existing governance capabilities provide the necessary skills and competencies to oversee the Group's approach to climate-related matters. The Board regularly reviews emerging sustainability and climate-related risks and opportunities through updates from management and other insights gained through wider industry involvement, with training provided as required.

The Board is responsible for setting and overseeing the progress of climate related targets. In FY26, the Group continued to strengthen its oversight of climate-related matters. The Board maintained its resolution to receive quarterly updates on the development of climate-related risks, opportunities, and business impacts, with particular focus on long-term resilience, capital allocation, and exposure to regulatory and market transitions. These updates are compiled and reported with the support from executive management.

As part of this ongoing process, the Board was kept informed of the rapidly evolving climate-related financial disclosure requirements for both the SGX and ASX. This included updates on forward-looking reporting areas, the timing of new disclosure obligations, assurance schedules, and directors' responsibilities regarding compliance. Climate-related considerations are incorporated into strategic decisions, major transactions, capital allocation, and risk policies. Examples of key climate topics considered by the Board in FY26 include:

- the Company's obligations under the Australian Sustainability Reporting Standard Climate-related Disclosures Standard S2 (AASB S2);
- climate-related performance metrics, including progress towards emissions-reduction targets and resilience objectives;
- results from the climate scenario analysis and climate related risks and opportunities resilience workshop conducted in April 2026;
- emerging trends and opportunities arising from the energy transition; and
- information on the cost and feasibility of potential decarbonisation initiatives.

No material trade-offs between climate-related risks or opportunities were considered in the financial year. In FY26, the Group introduced climate-related considerations to form part of director remuneration. Compliance and implementation of the AASB S2 standard was introduced to make up 10% of the individual short-term incentives into director remuneration, which will be forfeited if the Company is unable to successfully implement AASB S2 reporting requirements. See the Remuneration Report for further details on remuneration.

1.2 Risk & Conflicts Committee (RCC)

Oversight of business risks and opportunities, including those related to climate, is delegated to the Risk & Conflicts Committee (RCC). This committee, comprising of three independent directors and convening quarterly, is responsible for overseeing the Group's risk strategy. Its duties include monitoring risk exposure, reviewing internal audit findings on the effectiveness of control measures, and assessing management's perspective on acceptable risk levels across business units. To support its duties in overseeing climate risk, the chair completed additional training in relation to the climate transition in May 2026. A consistent methodology is used to compile the Group Risk Report, which highlights key risks for the RCC to review, including climate related risks and opportunities. In FY26, the RCC endorsed the updated climate risk and opportunities register. The RCC evaluates these risks and provides feedback to the Board on the Group's overall risk position and exposure.

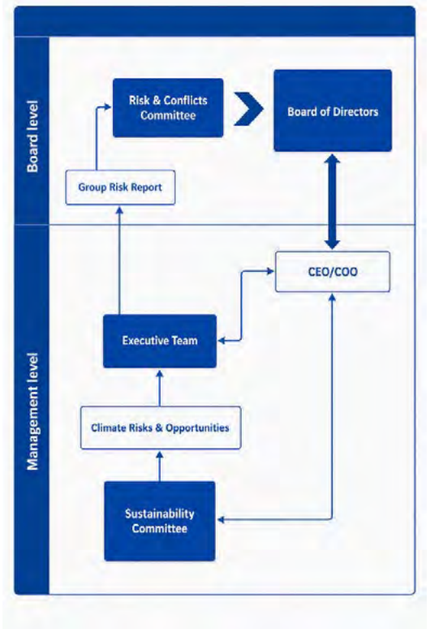
1. Governance (continued)

1.3 Management roles

Sustainability, including climate-related issues, is driven by the Group's executive team and chaired by the CEO. The CEO has responsibility and accountability for the implementation of risk management throughout Civmec, as outlined in the Risk Management Framework. Climate-related risks and opportunities are integrated into the Group's enterprise-wide risk management framework.

Risks and opportunities are identified by management and supporting functions through the climate risk and resilience workshop, which included the CFO and key management personnel and subject matter experts spanning across operations, sustainability, human resources and finance.

Management integrates climate considerations into project planning, asset management, procurement, and client engagement. Climate-related risks and opportunities are monitored through scenario planning and incorporated into operational decision-making.



The Group's governance framework establishes a comprehensive suite of policies, procedures and guidelines that embed climate-related considerations across the business and influence multiple aspects of operations, from strategic planning to project delivery. Management applies this framework to ensure robust due diligence, regulatory compliance and the consistent delivery of sustainable value for stakeholders. To support effective oversight, the Group utilises internal software and business intelligence tools to collect, analyse and review climate-related data. These controls are monitored and continue to be strengthened through continuous improvement.

1.4 Sustainability Committee (SC)

Since its establishment in FY23, the Sustainability Committee has provided an additional management structure to support the development of the Group's sustainability governance and further integrate sustainability issues across the business. Members of the SC include the CFO and representatives from various business units, including Sustainability, HSEQ, HR, Finance, and Proposals.

The SC is responsible for developing the climate-related risks and opportunities register and reports directly to the executive team and CEO, recommending climate-related strategies, actions, and targets. The SC continues to report to the executive team on outcomes from committee meetings, including climate-related issues and the progress against targets.

2. Strategy

2.1 Climate-related risks and opportunities

Climate-related risks and opportunities are identified and assessed in line with the Group's enterprise risk management process. The Group considers transition risks, such as policy and legal risks, technology risks, market risks, reputational risks as well as acute and chronic physical climate risks when identifying which climate related risks which could have a material impact on the Group's business model, strategy, or financial statements. Climate risks and opportunities are considered material when they could reasonably be expected to influence decisions made by primary users of general-purpose financial reports.

In April 2026, the Group held a climate resilience workshop with select subject matter experts (SMEs) from across the business, with the goal to identify and analyse climate related risks and opportunities that could reasonably affect the Group in the short, medium and long term. SMEs examined potential impacts on the Group's operations, strategy, business model and value chain. Participants were encouraged to explore areas of the business that may be vulnerable to climate related impacts. This included identifying locations more prone to physical impacts of climate change and functional areas of the business and value chain at greater risk from transitional impacts. Participants identified current and future mitigation/adaption measures and assessed the maximum reasonable consequence and likelihood of occurrence for risks and opportunities identified.

Coinciding with the workshop, the Group engaged an external consultant to conduct a scenario analysis to support the identification and assessment of climate-related risks and opportunities that may affect the Group's operations in the short, medium and long term. The analysis, completed in May 2026, was informed by the Climate Risk and Opportunities Register, developed from the FY26 climate resilience workshop.

The risks and opportunities outlined below present key information on the types of climate-related risks and opportunities which are reasonably expected to impact the Group in the foreseeable future, informed by the scenario analysis, Climate Risk and Opportunities Register and climate resilience workshop.

Risk and opportunities assessment scope and parameters:

- The Group considered the following time horizons; short (0-3 years), medium (3-10 years) and long (10+years), aligned to the Group's project-based planning cycles.
- All the Group's current locations and sectors were included. The Group operates across four sites and multiple segments.
- Impacts within the Group's current operations and value chain were assessed.

Based on the Group's climate-related risk and opportunities assessment and scenario analysis, no climate-related matters had a material impact on recognised assets, liabilities, revenue, expenses or cashflows in the financial year. The Group's current operations and strategy are resilient to the risks identified. This assessment considered the diverse nature of operations, the geographic spread of operational locations, and the short, medium and long-term time horizons over which climate-related impacts may reasonably be expected to arise. The assessment also reflects the mitigation and adaptation measures embedded within the business and strategic planning processes. Based on the analysis, the Group is resilient to the risks and that arise from the effects of climate change and the climate transition.

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2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Risks that could reasonably affect the Group

Risk description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Cyclone & storm surge damage Increased frequency and severity of tropical cyclones and associated storm surge damage to port-adjacent facilities.	Physical Acute	Short to medium	Extreme weather events result in business interruption from lost workdays and potential damage to infrastructure affecting energy supply to the Group's sites which may cause project delays. Storms, heavy rainfall and floods may lead to a disruption of the electricity network, and supply of significant materials including steel. Other impacts include disruption of access to facilities and construction sites and the transportation routes to support projects. Locations more vulnerable to this risk include Henderson and Newcastle facilities, remote site locations and land- and sea-based supply routes for projects.	The Group maintains an up-to-date Business Continuity Plan which guides actions in the instances of any physical disruptions. Back-up generators are at key facilities in the case of any disruption to the electricity network. The Group has appropriate design ratings on buildings and infrastructure, such as Port Hedland being cyclone rated and assets are covered by insurance. The Group has identified a flood risk at Newcastle and are monitoring this specific risk to assess if a storm water and flood risk assessment and response plan should be scoped in the future.	Current: The Group has not identified any material financial impacts in the current reporting period that are directly attributable to this risk. Cyclone and weather-related events experienced during the year did not result in a material financial impact. Anticipated: Increased business interruption days from lost workdays and potential damage to energy infrastructure resulting in project delay costs. Insurance premiums are expected to increase under all scenarios. Insurance availability at Port Hedland is of most concern under a high emissions scenario. Increased capital expenditure to support upgrades in facilities and for more climate-resilient assets.
Rising temperatures Extended periods of high temperatures (i.e. heatwaves) may lead to heat stress affecting the health, safety and productivity of workers. Areas vulnerable to this risk include facilities and projects located in the Pilbara and Gladstone.	Physical Acute	Short to medium	Heat stress may lead to an increased potential for injury, heat related illness and require additional health monitoring and PPE requirements.	The Group has existing heat stress management procedures, PPE, weather monitoring and stop work triggers. Inclement weather provisions are in project contracts and weather contingencies in tender preparations. The Group monitor prior weather patterns to ensure management procedures and provisions are relevant with changing weather patterns in operational areas.	Current: The Group has not identified any material financial impacts in the current reporting period that are directly attributable to this risk. Heat stress impacts experienced during the year did not result in a material financial impact. Anticipated: Extreme heat increases the number of business interruption days and reduces productivity which can detrimentally affect project schedules and increase project costs. Increased frequency of heat-related illness can increase workers compensation claims and drive-up insurance costs.

2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Risk description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Sea level rise Long-term sea level rise and coastal inundation, particularly threatening Henderson and Newcastle sites.	Physical Chronic	Long	On a long-term time horizon, its expected rising sea levels to increase flooding at coastal facilities which disrupts land and sea-based transportation causing supply-chain delays, increased maintenance costs to infrastructure and higher insurance premiums.	The Group conducts 3-yearly reviews of government coastal inundation models for Henderson. A long-term facility adaptation plan will be developed, if required, noting that development in the area will contemplate these requirements. The Group use modelling to monitor and understand resilience of locations. The Group use local sourcing alternatives where appropriate. The Group will consider mapping critical supply chain points against climate hazard exposure, if deemed necessary.	This risk is long term in nature and has not yet had a financial impact on the Group. The Group is monitoring this long-term risk, which could require long term site hardening capital investment if it materialises. Anticipated financial impact has not been quantified due to there being a high level of measurement uncertainty and the resulting estimated financial impacts would not be useful.
Policy and regulatory change Government policies that support the transition or enforce emissions reduction. For example, Australia introduces a carbon tax, a carbon border adjustments mechanism, or sector-specific targets.	Transition Policy and legal	Short to medium	The Group monitors the regulatory landscape for any changes to current policies. The introduction of any regulated change would come with significant warning. The Group must ensure that contracts respond to new laws or the introduction of new taxes. Associated costs are expected to be recoverable through project pricing, with clients also passing through their own carbon pricing costs.	In addition to monitoring the regulatory landscape, the Group is monitoring the role internal carbon pricing could play in planning and investment decisions.	Current: The Group has not identified any financial impacts in the current reporting period that are directly attributable to this risk. Anticipated: Increased taxation if Australia introduces a carbon tax. Increased compliance costs. Additionally, the cost of compliance for clients increases which may lead to clients seeking to cut costs in other parts of their business or to slow the development of new projects and/or cutting maintenance costs. This could result in negative impacts on revenue and cash flow to the Company.
Change in Engineering Standards Climate-adjusted Australian Standards for wind loading, flood levels, and fire ratings may require redesign or upgrade of existing and new infrastructure as a result of the physical impacts of climate change.	Transition Policy and legal	Medium	Increased technical specifications and compliance requirements impacting the Company and the value chain.	The Group monitors Standards Australia updates for climate-adjusted codes. In the instance of any changes to existing standards, the Group will assess existing facilities against standard changes and make necessary upgrades to remain compliant.	Current: The Group has not identified any material financial impacts in the current reporting period that are directly attributable to this risk. Anticipated: Engineering standards are assessed in the design phase, therefore there is an incremental design cost risk in the case of any changes to existing standards. Additionally, there are increased costs associated with upgrades, repairs and increased compliance costs. The anticipated financial impact has not been quantified due to there being a high level of measurement uncertainty and the resulting estimated financial impacts would not be useful.
Client sector structural shift Downturn in fossil fuel industries resulting in reduced demand for work, coinciding with an uplift in renewables and critical minerals sectors which the Group may not have the right expertise to meet demand.	Transition Market	Medium	The energy transition reduces demand in fossil fuel-related projects which renders specific resources, skills, and equipment, creating stranded asset and workforce redundancy risks. Simultaneously, the energy transition requires new technical skills in critical minerals, hydrogen, electrification, carbon capture and storage and green fabrication not present in the current workforce, reducing competitiveness for emerging project types.	The Group has a diverse sector portfolio and ensures a sector diversification strategy is in place which includes scenario planning for technology and market transitions. Most core skills that personnel have are transferrable and not directly linked to any given commodity. The Group actively monitors the project opportunity pipeline to ensure the Group has the right resources to match shifts in client demands and maps current capabilities against transition infrastructure requirements. As a registered training organisation (RTO) the Group has internal training capabilities to ensure a skilled and relevant workforce.	Current: The Group has not identified any material financial impacts in the current reporting period that are directly attributable to this risk. Anticipated: Without alternative revenue sources, a downturn in fossil fuel related projects could result in a reduction in revenue and reduce cash flow. The Group's revenue from coal related revenue is expected to decline. In FY26, coal related revenue represented approximately A$24.9M, or 3% of total revenue.

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2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Risk description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Unstable input costs Energy transition drives volatility in energy, fuel, steel, and materials costs, eroding margins on fixed-price contracts and making long-duration project pricing unreliable.	Transition Market	Short to medium	A number of projects are sensitive to energy, transport and materials costs, and rising prices can create operational instability that ripples through project delivery. Volatility in key inputs may disrupt supply chains, lead to delays and reduce productivity. Rising energy and input pressures can also contribute to broader supply chain instability, as suppliers adjust operations, reduce capacity or alter delivery schedules in response to resource constraints. Clients are likely to pass through their own cost pressures. Rising energy costs accelerate investment in renewable self-generation capabilities and more energy-efficient technologies which influence long-term strategic planning.	Expanding solar PV assets as a safeguard against increasing electricity prices. The Group has cost escalation provisions in contracts and may develop input cost volatility scenarios for tender pricing if appropriate.	Current: The Group has not identified any material financial impacts in the current reporting period that are directly attributable to this risk. Whilst there has been an increase in costs due to volatile fuel prices, this has been driven by geo-political events rather than climate change. Anticipated: Project price increases from volatile input costs and pressure on project margins. Volatility in the electricity market will lead to increasing electricity costs for facilities, impacting costs and cash flow on the Group. Capital expenditure in additional solar PV assets at the Henderson facility is expected in FY27. Further expansion of solar is expected in the medium-long term. Whilst there is upfront capital investment, it is expected to have cost savings from reduced electricity purchases and a positive return on investment.

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2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Risk description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Client expectations and technology adaption Inability to meet evolving client expectations for low carbon solutions and climate risk management, including timely adoption of emerging low carbon technologies (e.g., green steel, low carbon concrete, hydrogen welding, electric cranes) leading to loss of contracts and preferred contractor status.	Transition Technology and reputation	Short to medium	Late technology adoption could make the Group less competitive in tenders, increase project delivery risk, strain supplier relationships and potentially exclude us from major future infrastructure and energy projects. The Group's prominence as a Tier 1 contractor makes it a primary target for client supply chain decarbonisation programs, increasing compliance burden and audit obligations. Growing community concern about climate change shifts public sentiment against heavy industry contractors, affecting social licence, workforce attraction, and ESG-sensitive client relationships.	Scenario planning for technology outcomes and tracking emerging technology developments. The Group to develop a technology adoption roadmap aligned with client timelines. AASB S2 disclosure requirements including GHG emission disclosures and additional sustainability communications ensures reporting obligations and expectations are met. Continuous community engagement at the site level. State government commitment to local manufacturing.	Current: Whilst the Group has not identified any material impacts in the current reporting period that are directly attributable to this risk, the Group has invested in decarbonisation and electrification technology. See capital deployment metric in 4.2 Risk and opportunity adaption section for details. Anticipated: It is expected that new low-carbon materials will come at a price, which will be passed onto the client. However, procuring supplies of these new materials will be challenging due to the high demand. An inability to acquire the new materials could affect the Group's competitiveness, thus resulting in loss of revenue. It is expected that capital investment in emerging technology and low-carbon infrastructure in future years will grow as technology becomes more readily available and commercially viable. For example, the Group is planning to install a ~900-kW solar PV system at the Henderson facility in FY27.

2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Opportunities that could reasonably affect the Group

Opportunities description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Energy Transition Infrastructure The energy transition drives substantial investment in infrastructure requiring the Group's heavy engineering and fabrication capabilities.	Market	Short to medium	With a growing offshore oil and gas decommissioning market, there is an opportunity to focus on manufacturing equipment to help support effective decommissioning. Henderson is ideally positioned for WA decommissioning work, with some work already completed. Australia's offshore wind sector is also developing rapidly, and the Group's heavy fabrication capabilities at Henderson is well suited to manufacturing offshore wind foundations, jackets and topsides. The broader energy transition is also driving demand for engineered components such as electrolysers, heat exchangers and pressure vessels to original equipment manufacturer specifications. Other energy transition infrastructure opportunities are emerging, such as installation of charging facilities and other low-carbon infrastructure, which is expected to grow more in the medium to long term.	Positioning the Group as a progressive leader in energy transition activities expands market opportunities and attracts growing and emerging industries seeking credible Australian heavy engineering partners. The Group continues to monitor opportunities to ensure that the pipeline of work is identified and the Group is part of the consideration process. The Group may look to map capabilities against energy transition infrastructure requirements and develop a targeted business development strategy for focus sectors if required. Periodic review and refinement of the Company's corporate strategy ensures that opportunities aligned with the Company's business model are identified.	Current: The Group's current revenue includes energy transition infrastructure such as installation of charging facilities and oil and gas decommissioning. See Assets or business activities aligned with climate-related opportunities metric in 4.2 Risk and Opportunity adaption section for details. Anticipated: With a growing offshore oil and gas decommissioning market there are increased opportunities to support decommissioning activities, positively impacting revenue. The Group is well positioned to capture higher margin clean energy equipment opportunities which supports long term revenue growth. It is anticipated that revenue related to decommissioning activities and offshore wind will grow in the medium to long term.
Expansion of Critical Minerals The volume of critical minerals needed to support low emissions technology will increase substantially up to 2050. For mineral rich areas such as Western Australia, this will lead to a dramatic increase in the mining and processing of critical minerals.	Market	Short to medium	The Group currently engages in projects related to critical mineral extraction for transitioning to a low-carbon economy. Mineral extraction is expected to grow to support the demand required to produce clean energy technology. Construction projects tend to be more susceptible to impacts of commodity price volatility, however critical mineral projects are expected to remain a stable revenue stream.	The Group is already positioned as a key partner for many critical mineral mining companies. Positioning the Group as a leader attracts new market opportunities.	Current: The Group is already supporting a number of critical mineral related projects in its construction and manufacturing division. See Assets or business activities aligned with climate-related opportunities metric in 4.2 Risk and Opportunity adaption section for details. Anticipated: Revenue related to critical minerals extraction is expected to grow to support growing low-carbon and green technology industries.

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2. Strategy (continued)

2.1 Climate-related risks and opportunities (continued)

Opportunities description	Risk type	Time horizon	Current and anticipated effects on business model and value chain	Mitigation and adaption strategy	Current and anticipated financial impacts
Energy sources **Increasing** volatility of the electricity grid will likely occur simultaneously with the decrease in costs of solar PV and battery storage.	Energy source	Short	The Group has already successfully installed a 600-kW solar PV system at the Newcastle facility, with plans to install another ~900-kW system at Henderson, hedging against future electricity prices.	Opportunities exist for additional battery storage and energy efficiency measures at manufacturing facilities to reduce the impact of electricity costs and Scope 2 emissions. The Group believes reducing gross GHG emissions delivers more direct, measurable, and long-term environmental benefits than relying on external mechanisms such as carbon credits, so proactively reducing the Group's own fossil fuel consumption through fleet electrification and on-site renewables is expected. This reduces operating costs, lowers Scope 1 emissions, and strengthens ESG credentials with clients.	Current: Greater energy independence through the use of solar PV and batteries at the Group's Henderson and Newcastle facilities reduces costs associated with electricity price spikes. Australian Government funding programs provide substantial grant and concessional finance opportunities for industrial decarbonisation, renewable energy self-generation, facility resilience upgrades, and clean energy manufacturing capability. Anticipated: Capital investment in additional solar PV assets at the Henderson facility is expected in FY27. Further expansion of solar is expected in the medium-long term. Whilst there is upfront capital investment, it is expected to have cost savings from reduced electricity purchases and a positive return on investment.

2. Strategy (continued)

2.2 Strategy and decision making

As part of the Group's corporate strategy, the Board has endorsed a net zero by 2050 target, with an interim target of 50% reduction in Scope 1 and 2 emissions intensity by 2030, relative to 2022 levels. The Group's climate strategy focuses on being flexible and adaptable to market shifts and emerging technologies, while reducing absolute carbon reductions through targeted carbon reduction initiatives. The Group is committed to reducing GHG emissions, adapting to evolving climate conditions, and supporting a low-carbon future, including the delivery of projects that are critical to enabling this transition.

The Group's climate transition and adaption plan, together with the 2030 and 2050 emissions targets, prioritises commercially viable solutions, supports a just and orderly transition and enables the production of materials essential to the global energy transition. The Board provides strategic oversight of the transition plan, while executive management leads its implementation across the organisation.

The Group's climate transition pathway focuses on four pillars, which are aimed to enable success across the decarbonisation journey, resilience, and long term transition to a low-carbon economy:

Process	Recognising that the energy transition may be rapid and nonlinear, the Group's processes and strategies will remain agile and flexible to adjust to changes in market and climate forces.
Technology	Acknowledging that current technologies are insufficient for achieving net zero emissions, The Group will seek to utilise proven technology to decarbonise.
Collaboration	Understanding that climate challenges require collective effort, the Group will collaborate with clients, suppliers, experts in the field, and interested parties to enhance mutual benefits.
Knowledge	Emphasising the importance of informed decision-making, the Group will invest in generating knowledge to anticipate future trajectories, risks and opportunities.

Maintaining a flexible approach and adoption strategy allows the Group to respond to climate risks and opportunities as they materialise. For example, key mitigation and adaption measures include:

Capital allocation	Climate related considerations are embedded into the Group's capital allocation process to ensure investments enhance the resilience and long term performance of the asset base. This includes prioritising climate resilient infrastructure, such as the cyclone rated Port Hedland facility, as well as funding emissions reduction initiatives such as solar PV installation and hybrid vehicle trials across the Group's operations. By integrating these factors into investment decisions, the Group prioritises assets and projects that support operational continuity and broader decarbonisation objectives. It is anticipated that the funding required to realise opportunities and mitigate the identified risks will be fully supported by revenues generated from standard business activities.
Resource allocation	The Group has a flexible and adaptable workforce and a broad portfolio, allowing the Group to respond to demand and sectoral shifts. The Group monitors the pipeline of work to ensure the Group has the right workforce to meet the demand of expected projects and allocate resources appropriately to maximise delivery efficiency, maintain capability across priority areas, and ensure teams are deployed where they can create the greatest value. This approach enables the Group to stay responsive to emerging opportunities, manage risks proactively, and sustain a workforce that is both resilient and future ready.
Responding to market preferences and emerging technologies	The Group assess evolving market expectations, the growing shift toward low carbon solutions, and emerging technologies to identify practical opportunities that strengthen climate resilience and support long term emissions reductions to ensure that climate risks are mitigated and opportunities are maximised. This ensures investment and operational decisions remain aligned with current market expectations in the transition to a lower carbon economy.
Insurance	The Group maintains comprehensive insurance coverage to safeguard assets and mitigate the financial impact of any physical risks that may materialise and affect assets and operations.

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2. Strategy (continued)

2.2 Strategy and decision making (continued)

The Group plans to meet GHG reduction targets through a range of carbon reduction initiatives. The Group's carbon reduction strategy currently focuses on reducing absolute emissions. The Group believes reducing gross GHG emissions delivers more direct, measurable, and long-term environmental benefits, strengthens operational efficiency, and better positions the business for a low carbon transition, rather than relying on external mechanisms to compensate for emissions. Key carbon reduction initiatives include:

Low-carbon energy alternatives	During FY25 the Group installed a 600-kW solar photovoltaic (PV) system at the Newcastle facility, which was fully up and running from January 2025. This combined with already existing solar PV system at Henderson reduced Scope 2 GHGs by approximately 135 tCO^2e in FY26. The Group is currently exploring opportunities to further increase renewable solar generation at the Henderson facility, where the Group is hoping to install another ~900-kW solar PV system, further reducing Scope 2 GHGs and safeguard against potential electricity price increases. The Group has ordered solar lighting towers, further strengthening the transition to renewable energy alternatives and remains open to adopting other renewable energy assets as they become available. The Group continues to investigate suitable low-carbon energy alternatives as part of the broader transition towards cleaner, more efficient operations and to further reduce GHG emissions.
Energy and resource efficiency	Energy efficiency initiatives focus on improving the performance of equipment and processes so that the same operational output can be achieved using less energy. The Group has undergone upgrades to replace traditional lighting with more energy-efficient LED lighting and uses smart building controls such as set timers for lighting to improve the energy efficiency of assets.
Electrification of assets	During FY26, the Group expanded electrical machinery assets through the acquisition of electric side loaders and electric forklifts. For the first time, the Group also purchased the first fleet of light hybrid vehicles, with wider adoption being explored. It is expected that investing in hybrid and electric assets will increase in future years, particularly as technology becomes more available in the heavy machinery industry.
Indirect mitigation and adaption	The Group supports the transition to a low carbon economy through supporting rare earth mineral projects and client's decarbonisation projects. The Group has become a significant contributor to supporting local lithium miners and refiners to expand their operations to meet global lithium demand. In FY26, the Group delivered construction on Fortescue's Green Iron Metal Project at the Christmas Creek Green Energy Hub, to support decarbonisation in the steel making industry. As the Group aim to reduce the impact in the value chain, the Group look to procure lower carbon impact alternatives such as Green Steel and Green Concrete. By integrating lower impact materials into projects and operations, the Group aim to support the growth of emerging low carbon industries and accelerate the transition to more sustainable construction practices.

Business model adaptability

The Group's business model is contract-based rather than asset-ownership based. The Group does not own or operate the long-lived, emissions-intensive assets that the Group's clients may own, does not hold commodity reserves, and revenue is not dependent on the continued operation of any single asset, commodity or client. The short-term duration of contracts enables the Group to implement operational changes in response to increasing physical impacts of climate change and developments in the transition to a low-carbon economy.

Having a multi-site presence across WA, NSW, and QLD reduces the impact of any single climate event on total operations, providing natural geographic hedging. Having established, purpose-built facilities across multiple sites reduces climate disruption risk and differentiates the Group in client prequalification and tender responses.

The Group's capital is invested in general-purpose heavy engineering, fabrication, assembly and maintenance capability, which is not specific to any one sector or commodity. The same facilities and workforce that deliver resources infrastructure also deliver defence, energy and public infrastructure work.

The Group's large-scale manufacturing capacity enables vertical integration, skipping supply chain intermediaries to improve margins and reduce exposure to climate-driven supply disruption. Using a localised workforce reduces exposure to travel and logistics disruption during climate events, maintaining site productivity when remote FIFO arrangements are compromised. Furthermore, supply chain reliability is enhanced by the Group's limited use of suppliers outside of Australia.

The Group's contract portfolio turns over continuously and the order book is progressively replaced through ongoing tendering activity. Pricing, contract terms, risk allocation and sector mix are therefore reset frequently rather than being fixed for the life of an asset. Where climate-related cost pressures emerge in energy, insurance, carbon or weather-related productivity, the Group are able to reflect these in the pricing and risk allocation of subsequent tenders, and to reweight the sectors pursued, over a period measured in years rather than decades. The Group's progressive shift towards Defence, Energy and long-term maintenance work demonstrates this capability in practice. The Group's strategy continues to embrace adaptability through expansion into diverse sectors.

The Group's exposure in any reporting period is therefore a function of the contracts already in progress, and this is reflected in the cost and margin impacts modelled in the 2.3 Climate Resilience section.

2. Strategy (continued)

2.3 Climate resilience

The Group has undertaken climate scenario analysis since FY24 to assess its climate resilience. This year, the Group strengthened its approach by engaging an external consultant to assess six scenarios and ensure alignment with the specific requirements of AASB S2. The six scenarios cover a diverse range of scenarios (1.5°C to 3.5°C warming scenarios) and reflect the Group's operations, with Australian policy directions, dual-listing disclosure requirements and materiality of client-sector decarbonisation pathways. The six scenarios assessed were:

Low emission scenarios	High emission scenarios	Industry and Civmec specific scenarios
S1: Australian Treasury (2025) Net Zero Transformation — Baseline Orderly scenario. Key assumptions: • Emission reductions consistent with keeping average temperature increases to less than 2°C, in line with the Paris Agreement. • Australia builds on existing climate and energy policies, to achieve emissions reduction targets and net zero by 2050 via and orderly and efficient transition pathway. • Australia achieves 65% emissions reductions by 2035. • Exports of clean energy embedded products commence but new, globally competitive export industries do not rapidly build to scale. **S3: IPCC AR6 — SSP1-2.6 (Low Physical Risk).** Key assumptions: • 1.8°C average global warming at 2100, associated with early and aggressive global mitigation, aligned with the Paris Agreement. • Stringent policies and technological innovation help reach Net Zero after 2050.	**S2: Australian Treasury (2025) Net Zero Transformation — Disorderly Transition scenario.** Key assumptions: • Australia delays further climate action, resulting in increased costs over time from a transition path that is more uncertain and disorderly. • Existing climate policies remain in place, but Australia does not set a 2035 emissions target and does not undertake further climate policy action until the 2040s. • Australia makes minimal progress on economy-wide emission reduction throughout the 2030s, needing to accelerate emission reductions from 2040 to achieve net zero by 2050. • Prior to 2040, policy uncertainty is heightened, resulting in lower and misallocated investment. **S4: IPCC AR6 — SSP3-7.0 (High Physical Risk scenario).** Key assumptions: • 2.8°C to 4.6°C of global warming at 2100. • Weak climate policy. • Sever physical impacts affecting Civmec including long-term (2100+) estimates 2m Sea Level Rish (SLR) at Henderson, >50ºC extreme heat at Port Hedland, Hunter River flooding at Newcastle and severe heatwave frequency at Gladstone.	**S5: Sector Demand Upside scenario drawing on Treasury Renewable Exports pathway and Department of Industry, Science and Resources (DISR) sector plans.** Key assumptions • Revenue upside from clean energy export growth (Green iron, hydrogen, ammonia), critical minerals processing, offshore decommissioning, defence shipbuilding growth and offshore wind fabrication. • The Group captures a proportional share of the transition-era pipeline. **S6: Client Decarbonisation Pressure scenario.** Key assumptions: • Market-led scenario from Tier 1 clients accelerating their own decarbonisation. • Tier 1 clients embedding carbon-costs pass-through, low-carbon procurement criteria, Scope 3 reporting, and contract repricing.

Qualitative and quantitative analysis has been performed to assess the resilience of the Company's business model and strategy under the six scenarios across short, medium and long-term horizons.

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2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.1 Qualitative scenario analysis

Physical risk	Physical risks are minor in the near term across all four sites. Port Hedland, Gladstone and Newcastle carry the greatest near-term exposure with cyclone intensification and extreme heat at Port Hedland, increased heatwave frequency and drought at Gladstone, and Hunter River flooding at Newcastle. Under low emission scenarios, physical risk remains modest but includes progressive heat stress at Port Hedland and Gladstone, as well as residual coastal exposure at Henderson. Under high emission scenarios, business interruption days is expected to increase alongside elevated insurance premiums, potential insurer withdrawal from exposed regions and higher site hardening capital expenditure is expected. Direct physical climate damage to the Group's sites, remains comparatively modest in absolute cost terms even under the high-physical-risk pathway due to the short-term nature of the Group's contacts and the ability to renew assumptions. Existing site controls and current weather interruption contract provisions are adequate to manage near-term, plausible events under all scenarios. Long-term exposure may increase incrementally under high-warming pathways, particularly at Henderson, where sea-level rise projections of 2m or more by 2100 under SSP3-7.0 (S4) present a potential risk, however facilities will be engineered appropriately into the future to manage these conditions.
Transition risk	Across the range of climate scenarios, the Group faces a mix of transition risks, with the scale and timing varying depending on policy alignment and client shift. In low emission environments, the Group encounters tightening carbon policies, evolving client requirements and resource sector compression. High emission pathways introduce greater volatility, including unpredictable electricity prices and misaligned client investment cycles. A sector demand upside scenario (S5) presents an execution risk on capturing the pipeline of work. Market led decarbonisation pressure (S6) adds another layer of risk, as Tier 1 clients increasingly require robust emissions data, low carbon procurement and credible abatement pathways.
Opportunities	Every scenario presents meaningful opportunities for the Group. An orderly transition (S1) supports long-term capital planning and unlocks strong pipelines in energy, critical minerals and climate-resilient infrastructure. A high-physical risk scenario (S4) creates additional demand for climate adapted design, coastal resilience and infrastructure hardening. The upside scenario (S5) highlights a substantial multi decade opportunity across green iron, hydrogen, critical minerals and offshore decommissioning. Across all scenarios, the qualitative analysis indicates that transition exposures, particularly sector demand shifts and client decarbonisation pressure, are the primary drivers of long-term value for the Group. Policy, market, technology and client shift around decarbonisation have a greater influence on future revenue, margins and growth.

2.3.2 Quantitative scenario analysis

The Group's commercial financial model has been used to assess the directional financial impact of the six climate scenarios on the business across the four modelled time horizons. The analysis applies six scenario rules as overlay adjustments to the FY2026 half-year baseline (annualised). It generates estimates of the incremental impact on cost, revenue, margin, and EBITDA under each pathway. Results are presented on an unmitigated (gross) basis to illustrate the full potential financial exposure.

Electricity cost impacts

The Group estimated the incremental costs to electricity by applying an electricity price uplift to current annualised electricity spend. This yields the following incremental electricity cost exposure by time horizon, rounded to the nearest thousand Australian Dollars (A$'000):

FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
0 - 140,000	0 - 298,000	88,000 - 439,000	175,000 - 948,000

Exposure and Adaptation Measures

The Group's electricity exposure is modest in absolute terms, approximately 1.0% of estimated EBITDA at peak under a high emissions scenario, and a material portion of the incremental cost is expected to be recoverable through project tender pricing, where electricity is a disclosed input cost (particularly for energy-intensive fabrication work at Henderson). Renewable energy self-generation opportunities at Henderson, Newcastle and Gladstone provide an additional offset by reducing exposure to grid price volatility.

Sustainability Report

2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.2 Quantitative scenario analysis (continued)

Insurance premium impacts

Under the low emissions scenarios (S1 and S3) and the high-physical risk scenario (S4), the Group have applied an insurance premium uplift to the current annual premium. The results projected the following range of incremental premium cost increases rounded to the nearest thousand Australian Dollars (A$'000):

FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
0 - 446,000	89,000 - 459,000	149,000 - 468,000	238,000 - 594,000

Exposure and Adaptation Measures

Insurance premium exposure is notable despite small absolute values, due to availability concerns. The high-physical risk scenario also carries a qualitative risk of selective insurer withdrawal from cyclone-exposed assets at Port Hedland, which would require alternative risk transfer arrangements (captive insurance, parametric products, co-insurance).

A material proportion of insurance premium escalation is expected to be recoverable through project overhead pricing and through CPI-linked contract escalation provisions. Physical site hardening investments (cyclone-rated infrastructure at Port Hedland and stormwater drainage at coastal sites) directly reduce the actuarial risk and are expected to moderate premium growth. Newcastle flood risk has been identified as a risk which the Group are monitoring, with potential for a site specific flood risk study and response plan to be carried out, if deemed necessary, with any subsequent adaptation investments at Newcastle expected to provide additional risk mitigation once implemented.

Business interruption

Physical climate risk has been quantified using a business interruption days methodology calibrated to the Group's current operational footprint. The methodology converts scenario-driven hazard intensity into additional aggregate business interruption costs. Amounts are rounded to the nearest thousand Australian Dollars (A$'000):

FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
141,000 - 236,000	236,000 - 472,000	330,000 - 707,000	377,000 - 943,000

Exposure and Adaptation Measures

The largest site-level exposure to these increments is in Port Hedland, where cyclone intensification and extreme heat (projected to exceed 50°C under SSP3-7.0) drive the bulk of the projected business interruption days.

The Group has implemented a range of adaptation responses that reduce business interruption days below the modelled levels, including:

- site hardening and cyclone-rated infrastructure at Port Hedland;
- contract provisions for cyclone interruptions;
- monitoring weather patterns including cyclone, stormwater and flood risks;
- shaded and cooled work areas, hydration protocols and rescheduled shift patterns at Port Hedland and Gladstone to manage heat stress; and
- updated emergency response and business continuity procedures across all sites.

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Sustainability Report

2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.2 Quantitative scenario analysis (continued)

Project margin sensitivity

The Group has applied a percentage adjustment to the Group's current gross project margins by sector, to analyse the impact on revenue under the different scenarios. Applying sector-level margin-point adjustments to the Group's current sector revenue mix and baseline margins yields the following net margin impact across the portfolio rounded to the nearest thousand Australian Dollars (A$'000):

Scenario	FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
Orderly (S1)	-	(215,000)	(322,000)	(430,000)
Disorderly (S2)	-	(665,000)	(1,105,000)	(1,585,000)
Sector upside (S5)	-	39,531,000	75,924,000	-
Client decarbonisation pressure (S6)	-	(1,209,000)	(992,000)	-

Exposure and Adaptation Measures

Under the orderly pathway, Resource margins tighten progressively and Energy margins improve. Under the disorderly pathway, all sectors except Defence face margin compression. The impact is modest relative to the Group's EBITDA, because Defence margins remain stable across all scenarios. Portfolio pivot towards Defence, Energy and Maintenance mitigates exposure to margin compressions. The Group can also respond to the changes in assumptions and incorporate the changes into future contract tenders.

Carbon costs

The Group has modelled carbon costs for resilience testing purposes. These costs do not represent internal carbon prices used as part of formal capital allocation or operational decision-making processes. Applying a modelled carbon price to the Group's FY26 Scope 1 and Scope 2 emissions of 7,156 tCO^2e per annum yields the following carbon cost exposure:

Scenario	Carbon costs	FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
Orderly (S1)	Carbon cost exposure	232,570	322,020	465,140	629,728
Disorderly (S2)	Carbon cost exposure	157,432	214,680	701,288	1,431,200

Exposure and Adaptation Measures

The Group is not currently captured under the Safeguard Mechanism, with its annual emissions remaining well below the 100,000 tCO^2ethreshold for covered facilities. The modelled carbon price exposure is therefore not a direct compliance cost but rather an internal model price reflecting:

- The cost of voluntary abatement investments that the Group may choose to make.
- The carbon cost that Tier 1 clients are expected to pass through in contracts.
- The tender-pricing premium or discount associated with high- versus low-emissions service offerings.

A material portion of carbon cost exposure is expected to be recoverable through project pricing, with clients passing through their own Safeguard Mechanism or carbon pricing costs. The Group's own decarbonisation actions, including renewable energy self-generation at Henderson and Newcastle, electrification of mobile plant, and energy efficiency in fabrication processes, are expected to reduce the emissions base against which the shadow price is applied, partially offsetting the gross cost trajectory.

2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.2 Quantitative scenario analysis (continued)

Sector demand and pipeline volume

This is the single most material driver of scenario-driven financial variance. Applying sector demand multipliers to the forward pipeline produces the following incremental revenue impacts under each scenario. All amounts are rounded to the nearest thousand Australian Dollars (A$'000):

Scenario	FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$	Commentary
Orderly (S1)	30,867,000	19,744,000	19,785,000	19,588,000	Sustained revenue uplift driven by Defence and Energy sectors, net of Resources sector contraction.
Disorderly (S2)	49,079,000	43,552,000	27,337,000	(9,550,000)	Near-term upside from persistent fossil demand; post-2035 reversal as the Resources cliff hits outweighing Defence and Energy growth.
Sector Upside (S5)	-	329,708,000	658,824,000	-	Full pipeline capture scenario: green metals, offshore wind, critical minerals, Hay Point, AUKUS expansion.
Client Decarbonisation pressure (S6)	-	(8,064,000)	(7,672,000)	-	Tier 1 client decarbonisation-driven tender reshaping reduces Resources sector pipeline.

Exposure and Adaptation Measures

The Resources sector faces the greatest exposure to transition risks, notably from hydrocarbon demand revenue which is expected to contract despite the rising demand for critical minerals. Coal is the most vulnerable resource, with coal-related activities being exposed to a higher transitional risk. This contraction is partially offset by positive revenue contributions from energy transition projects (such as rare earths), Defence and Energy sectors.

The Group has a diverse project portfolio and provided the Group execute a pivot into transition-aligned sectors, it is well positioned to capture a proportional share of the emerging pipeline. For example, diversification into critical minerals, offshore decommissioning, green metals, offshore wind, AUKUS, Hunter-class frigates and climate-proofing infrastructure.

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2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.3 Resilience conclusion

Based on the Group's climate-related risk and opportunities assessment and scenario analysis, current operations and strategy are resilient to the risks identified. The Group's strategic pivot toward transition aligned sectors, combined with early investment in emissions data, low carbon materials and site resilience, positions the business to remain resilient across all scenarios, with resilience ranging from very high in upside conditions to medium low in the most challenging high emissions environment. Overall resilience for the Group is assessed as moderate to high over the next 10–15 years, supported by the diversified four-site and multi segment footprint, a project-based business model that allows pricing to reset every 2–3 years, an active sustainability program, strong governance, and substantial financial headroom between current EBITDA and modelled peak climate-related cost impacts.-

The quantitative analysis shows the Group's resilience to the financial impacts of climate change across all time horizons. The Group's diversified assets and proactive approach to climate governance supports long-term financial stability. A diversified four-site, multi segment heavy engineering and manufacturing portfolio shows moderate-to-high resilience across all scenarios tested. The quantitative analysis reinforces that the climate transition presents materially more upside than downside for the Group.

The primary resilience challenge emerges in later decades under the compounding worst-case scenario, where resilience could weaken if the pivot into transition-aligned sectors does not keep up with tightening policy settings and increasing physical hazards. This risk is actively managed through the strategic plan and forward capacity allocation. Residual unmitigated exposures are concentrated in:

- Insurance availability risk in the disorderly and high physical pathway (a risk that is actively monitored)
- Resources-sector revenue contraction in the disorderly pathway post-FY2035 (mitigated through sector pivot and growth in Defence, energy transition, infrastructure and maintenance)
- The residual physical climate risk at coastal sites in the high physical risk pathway (mitigated through site hardening and long-term capacity planning).

Given existing mitigations, adaptable business structure and continued strategic pivot into transition-aligned sectors, the Group is well positioned to capture emerging opportunities in the years ahead.

2.3.4 Methodology and assumptions

The Group's scenario analysis considers the following time horizons; short (0-3 years), medium (3-10 years) and long (10+years), aligned to the Group's project-based planning cycles, with financial modelled snap shots at FY2027, FY2030, FY2035 and FY2040. All of the Group's current locations and sectors are considered. Impacts within the Group's current operations and value chain are considered.

Climate scenario analysis was conducted using a risk assessment methodology aligned with the potential materiality of climate related risks and grounded in sound scientific and technical principles by using information. The Group's commercial financial model has been used to assess the directional financial impact of the six climate scenarios on the business across the four modelled time horizons. The analysis applies the six scenario rules as overlay adjustments to the FY2026 half-year baseline (annualised). It generates estimates of the incremental impact on cost, revenue, margin, and EBITDA under selected pathways.

Rule parameters have been derived from credible and publicly available sources. These include Australian Treasury Net Zero Plan transition modelling, the Treasury Renewable Energy Superpower export analysis, the International Panel Climate Change (IPCC) Sixth Assessment Report pathways (Shared Socioeconomic Pathway (SSP) SSP1-2.6 and SSP3-7.0), NGFS transition scenarios, the Department of Industry, Science and Resources Industry and Resources Sector Plans, the Department of Climate Change, Energy, the Environment and Water (DCCEEW) policy publications, Australian Energy Market Operator (AEMO) Integrated System Plan assumptions, the Critical Minerals Strategy 2023–2030, published AUKUS Pillar 1 and Pillar 2 implementation pathways, and the Group's own operational and financial data for FY2026 H1.

2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.4 Methodology and assumptions (continued)

The quantitative scenario analysis is based on a number of assumptions that are considered to have the greatest influence on estimated financial impacts. Actual outcomes may differ materially from these assumptions. These assumptions include:

- Electricity costs:

Scenario	FY2027	FY2030	FY2035	FY2040
Orderly (S1)	0%	0%	+5%	+10%
Disorderly (S2)	+8%	+17%	+25%	+54%

Electricity price increases were applied to FY26 half-year (annualised) electricity expenditure to estimate future cost exposure. Electricity price increases reflect the differing policy responses, generation mix transitions and market volatility under each scenario.

- Insurance premiums:

Scenario	FY2027	FY2030	FY2035	FY2040
Orderly (S1)	0%	+3%	+5%	+8%
Disorderly (S2)	+5%	+10%	+15%	+20%
SSP3-7.0 High Physical Risk (S4)	+15%	+15%	+15%	+15%

Percentage increases are applied to the Group's FY26 half-year (annualised) insurance premiums. Insurance premium assumptions reflect the Group's exposure to cyclone, flood and heat-related risks at Port Hedland, Gladstone and Newcastle, together with expected insurer repricing of exposed assets.

- Business interruption:

Business interruption days has been quantified using a business interruption days methodology calibrated to the Group's current operational footprint. The methodology converts scenario-driven hazard intensity into additional aggregate business interruption days per annum, applying a daily cost of A$47,150 (41 workers × 10-hour day × $115/hour direct labour). This cost basis is deliberately conservative. It captures direct lost labour productivity only and excludes indirect costs (project delay penalties, demobilisation/remobilisation, equipment downtime, client liquidated damages) that would materialise in a real-world extended business interruption event. Number of business interruption days assumptions under each scenario:

Scenario	FY2027	FY2030	FY2035	FY2040
Orderly (S1)	+ 3 days	+5 days	+7 days	+8 days
Disorderly (S2)	+5 days	+10 days	+15 days	+20 days

Business interruption day increases reflect the anticipated increase in frequency and severity of extreme weather events, particularly in Port Hedland and Gladstone, including increases to heatwaves, cyclones, and disruptions to coastal and remote area operations.

- Project Margin Sensitivity adjustments:

Scenario	FY2027	FY2030	FY2035	FY2040
Orderly (S1)	-	Resource sector -0.5% and Energy sector +0.5%	Resource sector -0.75% and Energy sector +0.75%	Resource sector -1% and Energy sector +1%
Disorderly (S2)	-	Resource sector -1%, Energy sector -0.5% and Maintenance sector -0.5%	Resource sector -1.75%, Energy sector -0.5% and Maintenance sector -0.5%	Resource sector -2.5%, Energy sector -0.75% and Maintenance sector -1%

Project margin sensitivity by sector assumptions have been constructed by triangulating the directionality of Treasury and IPCC scenarios with sector-specific policy pipelines, observed procurement behaviour and reasoned judgement.

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2. Strategy (continued)

2.3 Climate resilience (continued)

2.3.4 Methodology and assumptions (continued)

- Model Carbon Cost prices:

Scenario	FY2027 A$	FY2030 A$	FY2035 A$	FY2040 A$
Orderly (S1)	32.50	45.00	65.00	88.00
Disorderly (S2)	22.00	30.00	98.00	200.00

Model carbon costs are applied to the FY26 Scope 1 and Scope 2 GHG emissions. Under both scenarios modelled costs are expected to increase in line with tightening climate-related policies and emissions-reduction targets.

- Sector demand and pipeline volume:

Scenario	FY2027	FY2030	FY2035	FY2040
Orderly (S1)	Defence sector +8%, Resources sector +0% and Energy sector +10%	Defence sector +15%, Resources sector -8% and Energy sector +20%	Defence sector +23%, Resources sector -15% and Energy sector +33%	Defence sector +30%, Resources sector -20% and Energy sector +40%
Disorderly (S2)	Defence sector +8%, Resources sector +5% and Energy sector +5%	Defence sector +15%, Resources sector +0% and Energy sector +8%	Defence sector +23%, Resources sector -10% and Energy sector +20%	Defence sector +30%, Resources sector -28% and Energy sector +48%

Upside (S5) and Client decarbonisation pressure (S6) is only calculated for FY2030 and FY2035 timeframes. Under the upside scenario (S5), the Group is assumed to capture a proportionate share of forecast growth in offshore wind, critical minerals, green metals, AUKUS and energy-transition infrastructure projects. Under the client decarbonisation pressure scenario (S6), the Group assumes a contraction in Resources revenue.

Sector demand and pipeline volumes assumptions have been constructed by triangulating the directionality of Treasury and IPCC scenarios with sector-specific policy pipelines, observed procurement behaviour and reasoned judgement. The analysis assumes continued growth in Defence, energy transition, offshore decommissioning, critical minerals and infrastructure markets. Under the disorderly transition scenario, revenue related to hydrocarbon projects is assumed to decline progressively beyond FY2035, while Defence and energy-transition sectors continue to expand.

These scenarios consider the technological developments which are assumed to progress in line with industry trends, including advances in clean energy, low carbon steel and concrete, improvements in electrified heavy equipment and emerging hydrogen and renewable energy infrastructure that may influence the project pipeline, operational footprint and technology adoption.

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3. Risk Management

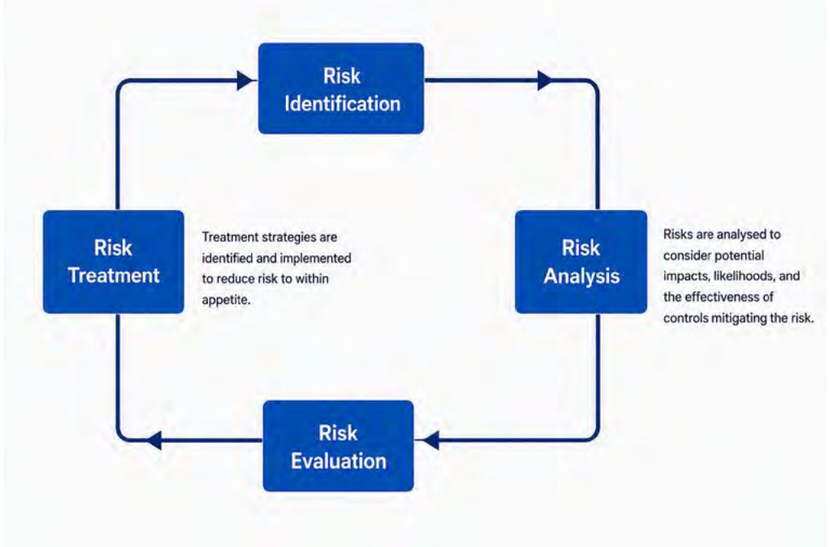
3.1 Climate-related risk management process

The Group maintains a clearly defined risk appetite statement, supported by comprehensive risk management and compliance frameworks that align operational activities with the strategic plan. These frameworks help guide the level of risk the Group is prepared to accept in pursuit of its objectives. The Group's risk assessment and treatment process aligns with the ISO 31000 Risk Management standard.

The Group assesses and discloses the current and anticipated climate-related risks and opportunities that could reasonably impact the business including physical risks, transition risks, and associated opportunities. The Board and executive management contributed to the design of this process and reviewed its outcomes. Risks and opportunities were assessed against potential effects on the business model, strategy, or financial statements over the short, medium and long term. Where sufficient information is available, the Group has undertaken an assessment of the potential financial impact of these risks and opportunities.

Climate change poses both risks and opportunities across environmental, economic, and social dimensions. The Group recognises its responsibility to address these challenges proactively. The Group recognises that climate-related risks and opportunities have the potential to influence financial position, performance, and cash flows over time. Consistent with the Group's enterprise-wide Risk Management Framework, the Group identifies, manages, prioritises and monitors climate-related risks throughout all areas of the business, alongside other strategic, operational and financial risks. The Group continues to monitor the impacts of climate change on the business and the Group's ability to remain resilient, with a formal review of risks and opportunities conducted on an annual basis.

Quantification of the financial impact of climate-risk and opportunities enables the Group to perform cost-benefit analyses on the implementation of related action plans. This process also helps determine the level of risk the Group is willing to accept, with sound risk acceptance supporting competitive advantage at both the Group and project levels. Risks with the largest potential consequences are prioritised and the Group applies appropriate responses to mitigate them. Identified opportunities are assessed and prioritised based on their financial potential, likelihood of realisation, commercial viability and alignment with strategic objectives.



The Group's climate risk register is reviewed on an annual basis. In FY26, an external consultant was engaged for the first time to support a comprehensive assessment of climate-related risks and opportunities. This included the scenario analysis and resilience testing to evaluate the potential impacts of different climate futures on the Groups operations and strategic outlook. The updated climate risk and opportunity register was further refined through a workshop involving subject matter experts from across the business, ensuring that insights reflect both operational realities and emerging industry expectations. The climate risk and opportunity register was endorsed by the Risk and Conflicts Committee (RCC) and communicated with the Board.

4. Metrics and targets

4.1 GHG emissions

The Group is committed to achieving net zero emissions throughout its entire operations by 2050, as well as an interim target to reduce Scope 1 and Scope 2 emissions intensity by 50%, to 5.67 tCO^2e/A$m revenue, by 2030 (compared to a 2022 base year). The long-term target was set in FY24, and near-term target in FY25, as recommended by the Sustainability Committee, endorsed by the executive team and finally approved by the Board. The long-term target is consistent with the Paris Agreement which is aimed to limit global warming to well below 2°C. The near-term target provides a clear goal of driving immediate action and preventing delaying decarbonisation to help the Group achieve its long-term target. Targets are reviewed against globally accepted initiatives and targets, and the Group remains alert for any changes that would prompt a review of set targets.

The Group's progress towards targets is monitored through tracking Scope 1, Scope 2 (location-based), and Scope 1 and Scope 2 GHG intensity metrics. The Group's GHGs are reviewed by the Sustainability Committee, Executive team and the Board to monitor and track progress against targets. The tracking and monitoring of the Group's progress towards achieving its target metrics were established after the end of FY26.

GHG emissions

Performance Metric	Unit	FY26	FY26 Target	Target met?	FY27 Target
Scope 1	tCO^2e	1,838	<1,566*	×	<1,772
Scope 2 (location-based)	tCO^2e	5,318	<4,896*	×	<5,114
Scope 1+2 GHG intensity	tCO^2e/A$m revenue	7.92	<8.5**	✓	<7.79

Note:

* FY26 targets have been restated and calculated based on a linear pathway, from the FY25 results, to achieve the long-term target.
** FY26 target has been restated and calculated based on a linear pathway, from the FY22 base year, to achieve the near-term target.

While the Group's Scope 1 and Scope 2 GHG emissions increased by 13% and 4%, respectively, the combined Scope 1 and 2 GHG emissions intensity fell by 5%, remaining on track to meet the 2030 target. Scope 2 emissions are calculated using the location-based approach, which the Group believes most accurately represents the physical realities of the energy delivered to site locations. Currently, the Group does not acquire unbundled or bundled green attribute certificates, nor does the Group purchase carbon credits. The Group plans to meet the GHG reduction targets through a range of carbon reduction initiatives to reduce absolute emissions. See 2.2 Strategy and Decision Making section for details on how the Group intends to meet set targets. In the future, the Group may consider the use of contractual arrangements, such as green energy contracts and carbon credits, to reduce net emissions and environmental impact, in line with the 2050 net zero target and commitment to limiting global warming to 1.5°C.

A key factor in implementing the Group's strategy and achieving targets is the investment in solar PV at operational facilities. The summary below outlines the estimated impact of the current investment in onsite solar PV to date:

Performance Metric	Unit	FY23	FY24	FY25	FY26
Solar PV electricity consumed	kWh	1,364	14,059	112,645	213,397
GHGs avoided	tCO^2e	1	7	73	135

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4. Metrics and targets (continued)

4.2 Risk and opportunity adaption

The Group has assessed its assets and business activities exposed to climate physical and transition risks, and climate opportunities.

The Group identified contraction in hydrocarbon demand, with coal expected to experience the greatest impact. As a result, the Group considers coal-related revenue to be materially vulnerable to climate transition risks associated with the shift to a lower-carbon economy. Despite this, the Group identified the upside from transition revenue is significantly greater than any potential modelled downside. The sector demand growth driven by AUKUS and continuous naval shipbuilding in Defence, and by renewable energy infrastructure, grid, hydrogen and critical minerals investment in energy generates positive EBITDA uplift across all orderly scenarios throughout the modelled horizon. See 2.3 Climate Resilience section for further details. The Group's project-based model, with typical contract durations of 2–3 years, allows pricing to reset at each tender cycle, enabling climate cost pass-through and portfolio rebalancing at a cadence faster than most transition or physical risk pathways materialise. The four-site and multi segment footprint distributes exposure across geographies and demand drivers. Defence providing a structurally growing, climate-policy-independent revenue base.

The Group did not identify assets or business activities with material vulnerability to climate physical risks. Physical risks don't threaten the Group financially in the near or medium term. Whilst Port Hedland, Gladstone and Newcastle have the most exposure over the long-term time horizon, the Group do not assess these to be material and will engineer facilities appropriately into the future to manage future conditions. The Group's insurance regime hedges against the financial consequence of acute physical events, further reducing the potential impacts of climate-related physical risks on the Group's operations and financial performance. Inclement weather provisions are in project contracts and weather contingencies in tender preparations mitigating the financial impact of any business interruption days. Refer to the 2.3 Climate Resilience section for more details.

The Group's order book covers work tailored towards climate-related projects and transition opportunities. Climate related projects include work related to critical mineral extraction and client decarbonisation projects. Demand for climate-related transition opportunities is expected to grow in the near-term as government policy tightens and clients prioritise their own decarbonisation targets. All amounts are rounded to the nearest thousand Australian Dollars (A$'000).

Metric description	AUD$	%
Assets or business activities vulnerable to climate-related transition risks[1]	24,900,000	3
Assets or business activities vulnerable to climate-related physical risks	-	-
Assets or business activities aligned with climate-related opportunities[2]	334,006,000	23

Note:
1. Calculated as revenue from coal industry related projects. The percentage is calculated as total revenue from the coal industry divided by total revenue.
2. Calculated as the value of order book of projects directly related to transition activities, primarily being critical mineral extraction and client decarbonisation projects. The percentage is calculated as the total value of order book of projects directly related to transition activities divided by the total order book amount.

The Group is currently investing in assets and infrastructure to support the transition to a low-carbon economy. In FY26, this primarily included purchasing the first fleet of hybrid light weight vehicles and electrical heavy machinery such as side loaders and forklifts. Capital deployment, rounded to the nearest thousand Australian Dollars (A$'000):

Metric description	AUD$
Capital expenditure, financing or investment deployed towards climate-related risks and opportunities	613,000

4.3 Internal carbon pricing

The Group has not yet adopted an internal carbon price. The Group are assessing the role internal carbon pricing could play in supporting decarbonisation planning, investment evaluation and performance monitoring, and may look at developing an approach that is appropriate and useful for the Group in the future.

Financial Report

Sustainability Report

4. Metrics and targets (continued)

4.4 Carbon credits

Currently, the Group doesn't engage in a carbon offsetting program. While the Group's current focus is on reducing gross Scope 1 and Scope 2 GHGs, it may explore the option of purchasing carbon offsets in the future if this is deemed necessary to achieve set targets. The Group continues to focus on reducing absolute GHGs from operations as it believes they deliver more direct, measurable, and long-term environmental benefits, strengthen operational efficiency, and better position the business for a low carbon transition, rather than relying on external mechanisms to compensate for emissions.

4.5 Basis of preparation

The basis of reporting defines the Group's reporting methodologies, criteria and assumptions for Scope 1 and Scope 2 (location-based) Greenhouse Gas (GHG) emissions and GHG emissions intensity. The Group's GHG emissions accounting methodologies are consistent with AASB S2 and the World Resource Institute/World Business Council for Sustainable Development Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard, including the Scope 2 Guidance.

Scope and boundary

The scope of the Group's GHG emissions includes Civmec and all its subsidiaries and joint ventures, which is consistent with the financial statements.

The organisational boundary for emissions accounting includes all Group entities. Although one controlled entity exists outside of Australia (i.e. Civmec Singapore Ltd), there are no established emission sources associated with the entity (i.e. no corporate offices or operational activities). The Group does not disaggregate emissions associated with subsidiaries due to data limitations, since all activities are managed through the Civmec Head Office, not per subsidiary. Joint venture emissions will be disaggregated and disclosed when applicable.

The Group applies the operational control approach when determining Scope 1 and Scope 2 GHG emissions. This means the Group account for 100% of emissions from operations over which it has operational control. An operation is defined as having operational control when it has the authority to introduce and implement any or all of the following for the operations in which it conducts its activities:

- operating policies
- health and safety policies
- environmental policies

On an annual basis, the Group undertakes a comprehensive review of projects and joint ventures to assess whether the Group has operational control or not, to ensure GHG emissions reporting is complete. Where the Group is performing duties at a client's site, though the Group will have its own policies as listed above, those polices must abide by the client's policies foremost, and therefore the client has the greatest authority. For example, this includes the Group's construction and shutdown maintenance projects where emission associated with these activities falls outside the Group's operating boundary. For joint ventures, it is assumed the lead contractor has operational control.

All UNFCCC/Kyoto Protocol GHGs are included in the calculations, reported in tCO^2e.

Sustainability Report

4. Metrics and targets (continued)

4.5 Basis of preparation (continued)

GHG emissions calculation methodology

Where possible, the Group uses direct measurement, or primary data associated with energy consumption to measure Scope 1 and 2 emissions. Consumption of energy is measured at the delivery point of that energy to the Group, not at the point of combustion. This approach is a more accurate and consistent approach to monitoring emissions. Key inputs include energy consumption sourced from suppliers, contractors, and project teams and emission factors sourced from reliable and the most relevant emission factor database available.

Scope 1 GHG Emissions:

- **Sources:** Liquid fuels (diesel, unleaded petrol, E10) and gases (acetylene, LPG and carbon dioxide) used in direct sources such as combustion in machinery, vehicles, and generators as well as any refrigerant top ups in the reporting period.
- **Emission factors:** The annual Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW), Australian National Greenhouse Accounts Factors and for Acetylene; the supplier energy content factor and the California Energy Commission emission factor. The relevant emission factor for the fuel type or refrigerant type is applied.
- **Unit:** Metric tonnes of carbon dioxide equivalents (tCO^2e)
- **Method:** Civmec records fuel purchase quantities based on primary data such as invoices. The fuel quantity is combined with the relevant energy content factor to determine the calorific value (for example, to convert Liters of diesel to GJ) and the relevant emission factor is applied to determine the associated GHG emissions. If there are any refrigerant top ups in the reporting period, maintenance reports are used as the source for the refrigerant type and quantity, which is then multiplied by the relevant emission factor.

Scope 2 (location-based) GHG Emissions:

- **Sources**: Purchased electricity used to power the Group's fabrication facilities, offices and construction sites. Civmec does not purchase any steam, heating or cooling.
- **Emission factors:** The annual Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW), Australian National Greenhouse Accounts Factors. The most relevant grid average emission factor for the region and reporting period is applied.
- **Unit:** Metric tonnes of carbon dioxide equivalents (tCO^2e)
- **Method:** Civmec records electricity quantities (kwh) based on primary data such as invoices. Where primary data is not available by the end of the reporting period, a monthly average will be used. The electricity quantity is combined with the relevant regional grid average emission factor.

Scope 1 and 2 GHG Emissions Intensity:

- **Sources:** Scope 1 and Scope 2 (location-based) GHGs as defined above. Revenue from the financial statements.
- **Unit:** Metric tonnes of carbon dioxide equivalents (tCO^2e) per AUD$ million revenue.
- **Base year:** The Company's Scope 1 and Scope 2 GHG Emissions Intensity in 2022 was 11.33 tCO^2e/A$m. 2022 was selected as the base year as it provides complete, high quality emissions data and represents a typical year of operations.
- **Method:** The total combined absolute gross Scope 1 and Scope 2 GHGs is divided by total revenue, expressed per AUD$ million.

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DIRECTORS' DECLARATION

In the Directors' opinion:

(a) Civmec has taken reasonable steps to ensure that the Sustainability Report, are in accordance with the Corporations Act 2001 (the Act), including:

(i) complying with section 296C of the Act (complying with the Australian Accounting Standard AASB S2 Climate-related Disclosures); and

(ii) complying with section 296D of the Act (climate statement disclosures).

This declaration has been made in accordance with resolution of the directors.

James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
27 August 2026

Patrick John Tallon
Chief Executive Officer
Civmec Limited
27 August 2026

AUDITOR'S INDEPENDENCE DECLARATION

(Sustainability Assurance Engagement)

MOORE

Moore Australia Audit (WA)

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Auditor's Independence Declaration
Under Section 307C of the Corporations Act 2001

To the directors of Civmec Limited

As lead auditor for the review of the specified sustainability disclosures in the sustainability report, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review, and

b) no contraventions of any applicable code of professional conduct in relation to the review.

James Arthur
Partner
Moore Australia Audit (WA)

Moore Australia Audit (WA)
Chartered Accountants

Perth 27 August 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

(on Specified Sustainability Disclosures)

MOORE

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INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES

To the members of Civmec Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Civmec Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Table 1: The specified Sustainability Disclosures

Sustainability Disclosures	**Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)**	**Location in Sustainability Report**
Governance	Paragraph 6	Governance disclosures presented on pages 127 to 128
Strategy (Climate-related risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	The climate-related risks and opportunities as disclosed on page 129 and in the first two columns of the table on pages 130 to 136
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	The following emissions disclosures presented on page 148: • Scope 1 emissions: 1,838 tCO2e • Scope 2 (location-based) emissions: 5,318 tCO2e The additional information presented on pages 150 to 151.

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures (the relevant criteria) and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

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Independent Auditor's Review Report (on Specified Sustainability Disclosures)

MOORE

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibility for the Review of the specified Sustainability Disclosures section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the Annual Report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures described in Table 1 and our auditor's report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report, including the Remuneration Report, included in the Annual Report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the specified Sustainability Disclosures

The Sustainability Report contains forward-looking information, including climate scenarios, assumptions, projections, forecasts and estimates. Such information is inherently uncertain and may not materialise as anticipated. We do not provide assurance on the achievability of this prospective information.

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Independent Auditor's Review Report (on Specified Sustainability Disclosures)

MOORE

In addition, greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by differences in methodologies, assumptions and estimation techniques used in measuring those emissions.

Auditor's Responsibility for the Review of the specified Sustainability Disclosures

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected and assessed charters, policies, minutes of meetings of those charged with governance of climate-related matters, and other underlying evidence supporting the specified Sustainability Disclosures on governance
- Obtained an understanding of the systems, processes and controls used to collect, aggregate and report climate-related information included within the specified Sustainability Disclosures;
- Performed enquiries of management and examined underlying evidence to assess the completeness and accuracy of operations within the organisational boundary for the Group, and sources of emissions, in the context of the specified Sustainability Disclosures;
- Performed enquiries of management regarding the approach taken by the Group to identify climate-related risks and opportunities and the related governance arrangements;
- Tested, on a sample basis, the calculations of Scope 1 and 2 emissions, including testing the activity data used within the calculations;
- Made enquiries of management regarding the greenhouse gas calculation methodologies, emissions factors and key assumptions applied in preparing Scope 1 and Scope 2 emissions disclosures; and
- Evaluated the presentation and disclosure of the specified Sustainability Disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement.

James Arthur
Partner
Moore Australia Audit (WA)
Perth 27 August 2026

MOORE AUSTRALIA

Moore Australia Audit (WA)
Chartered Accountants

Additional Information





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ADDITIONAL INFORMATION

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STATISTICS OF SHAREHOLDERS

Shareholders' Statistics and Distribution as at 7 September 2026

Class of shares: Ordinary shares
Voting rights: One vote per ordinary share
No. of issued shares: 509,625,000

Distribution of Shareholdings

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	NO. OF SHARES	%
1–1,000	596	344,691	0.07
1,001–5,000	686	1,899,165	0.37
5,001–10,000	351	2,660,256	0.52
10,001–100,000	602	18,459,015	3.62
100,001 and above	68	486,261,873	95.42
Rounding			0.00
Total	**2303**	**509,625,000**	**100.00**

Substantial Shareholders

NAME	INTEREST	
	NO. OF SHARES	%
J & O Fitzgerald Family Trust	84,238,077	16.5
Goldfirm Pty Ltd*	84,138,077	16.5
Kariong Investment Trust		
Patrick John Tallon		
Michael Lorrain Vaz	34,387,000	6.7

Note:
* Goldfirm Pty Ltd is the trustee of the Kariong Investment Trust. Mr Patrick John Tallon has an indirect interest in the shares which are held by Goldfirm Pty Ltd as trustee for the Kariong Investment Trust.

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Twenty Largest Shareholders as at 7 September 2026

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	SINGAPORE CONTROL A/C\C	160,161,011	31.43
2	MR JAMES FINBARR FITZGERALD + MRS OLIVE TERESA FITZGERALD <J & O FITZGERALD FAMILY A/C>	84,238,077	16.53
3	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 1 A/C>	53,146,012	10.43
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	41,938,810	8.23
5	CITICORP NOMINEES PTY LTD	39,684,672	7.79
6	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 2 A/C>	21,420,794	4.20
7	BNP PARIBAS NOMS PTY LTD	15,689,570	3.08
8	R.C.S.S. VITELLI NOMINEES PTY LTD <R & C VITELLI FAMILY A/C>	13,354,550	2.62
9	SIKELIA PTY LTD <SIKELIA FAMILY A/C>	12,767,760	2.51
10	WHISKEY TANGO HOLDINGS PTY LTD <FAM A/C>	8,775,250	1.72
11	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 1 A/C>	6,783,246	1.33
12	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,331,335	0.65
13	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 2 A/C>	2,734,025	0.54
14	UBS NOMINEES PTY LTD	2,210,338	0.43
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	1,927,844	0.38
16	BAAN PAISAN CHAROEN PTY LTD <BAAN PAISAN CHAROEN FAM A/C>	1,533,147	0.30
17	CODE NOMINEES PTY LTD <RETAIL A/C>	1,492,524	0.29
18	MR RODNEY JOHN BOWES + MRS MARGARET MARY BOWES <BOWCON FAMILY A/C>	1,305,079	0.26
19	DR ANDREW RICHARD CONWAY + DR VANESSA JOY TEAGUE	1,000,000	0.20
20	DAVID WILLIAM POWER + ANITA FRANCIS POWER <POWER FAMILY A/C>	989,000	0.19
Total		474,483,044	93.10

Note: The percentage is based on 509,625,000 shares as at 7 September 2026.

Percentage of Shareholding in Public's Hands

Based on Shareholders' Information as at 7 September 2026 and to the best knowledge of the Directors, approximately 60% of the issued ordinary shares of the company is held in the hands of the public (on basis of information available to the company). Accordingly, the company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

DISCLOSURE OF INFORMATION OF DIRECTORS SEEKING RE-ELECTION

Patrick John Tallon and Ambrose Law are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company ('AGM').

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	PATRICK JOHN TALLON	AMBROSE LAW
Date of Appointment	4 September 2024 following the Company's redomiciliation. First appointed to the Civmec Board on 27 March 2012.	30 October 2024
Date of last re-election	30 October 2024	30 October 2024
Age	56	70
Country of principal residence	Australia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Refer to the Report on Corporate Governance, Board Membership, included in this Annual Report (pages 29-33).	
Whether appointment is executive, and if so, the area of responsibility	Executive Director. Chief Executive Officer responsible for the Company's day-to-day business and implementation of the strategy approved by the Board.	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chief Executive Officer	Lead Independent Director • Audit Committee Chairman • Nominating Committee Member • Remuneration Committee Member • Risks and Conflicts Committee Chairman
Professional qualifications	38 years of experience in the construction, engineering and manufacturing sectors.	Chartered Accountant in New Zealand and Singapore Bachelor of Commerce, Victoria University of Wellington, New Zealand
Working experience and occupation(s) during the past 10 years	Chief Executive Officer and co-founder of Civmec. Leads implementation of the Company's strategic objectives, with a focus on operational excellence, workforce engagement and sustainable growth across all business units.	Extensive experience in senior financial roles across multiple countries, including banking and finance, public accounting, corporate governance and risk management.
Shareholding interest in the listed issuer and its subsidiaries	84,138,077	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	Present Current directorships of listed entities: Nil	Present Global Testing Corporation (SGX listed) - Lead Independent Director, Chair of Audit Committee, member of NM and RC Coca-Cola Euro-Pacific Partners Investments Pte Ltd - Independent Director

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	PATRICK JOHN TALLON	AMBROSE LAW
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes Civmec Singapore Limited (previously named Civmec Limited) director since 27 March 2012	Yes Global Testing Corporation (December 2021 to present)

CORPORATE REGISTRY

Board of Directors

Mr James Finbarr Fitzgerald
(Executive Chairman)

Mr Patrick John Tallon
(Chief Executive Officer)

Mr Ambrose Law
(Lead Independent Director)

Ms Ong Beng Hong
(Independent Director)

Mr Gary Gray
(Independent Director)

Audit Committee

Mr Ambrose Law (Chairperson)

Ms Ong Beng Hong

Mr Gary Gray

Remuneration Committee

Ms Ong Beng Hong (Chairperson)

Mr Gary Gray

Mr Ambrose Law

Nominating Committee

Mr Gary Gray (Chairperson)

Ms Ong Beng Hong

Mr Ambrose Law

Risks and Conflicts Committee

Mr Ambrose Law (Chairperson)

Mr Gary Gray

Ms Ong Beng Hong

Company Secretaries

Mr Bojan Cica (Civmec Limited)

Ms Chan Lai Yin (Civmec Singapore Limited)

Registered Office

16 Nautical Drive, Henderson
WA 6166, Australia

Tel: (61) 8 9437 6288
Fax: (61) 8 9437 6388

Principal Office and Contact Details

16 Nautical Drive, Henderson
WA 6166, Australia

Tel: (61) 8 9437 6288
Fax: (61) 8 9437 6388

Share Registrar and Share Transfer Agent

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
9 Raffles Place, #26-01
Singapore 048619

Computershare Investor Services Pty Limited
Level 17
221 St Georges Terrace
Perth WA 6000
Australia

Joint Auditors

Moore Stephens LLP
10 Anson Road, #29-15 International Plaza
Singapore 079903

Partner in Charge: Michelle Chong
(Appointed since the financial year
ended 30 June 2025)

Moore Australia (WA) Pty Ltd
Level 15 Exchange Tower
2 The Esplanade
Perth WA 6000

Partner in Charge: Suan Lee Tan
(Appointed as joint auditor on
30 October 2024)

Principal Banker

National Australia Bank
Level 14
100 St Georges Terrace
Perth WA 6000
Australia

Corporate Website

http://www.civmec.com.au

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Additional Information

GRI INDEX

Reporting Standard

GRI 1: Foundation 2021

Statement of Use

Civmec Limited has reported the information cited in this GRI content index for the period 1 July 2025 to 30 June 2026 (FY26) with reference to the GRI Standards.

GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
GRI 2: GENERAL DISCLOSURES			
THE ORGANISATION AND ITS REPORTING PRACTICES			
2-1	Organisational details	About This Report | Inside Cover About Civmec | Pages 4–5 Key Projects | Pages 24–25 Notes to the Consolidated Financial Statements/1 | Page 135	
2-2	Entities included in the organisation's sustainability reporting	Notes to the Consolidated Financial Statements/2 | Page 135–152 Notes to the Consolidated Financial Statements/17 | Page 172	
2-3	Reporting period, frequency and contact point	About This Report | Inside Cover Reporting Approach | Page 47 Sustainability Report | Page 209 Corporate Registry | Page 246	
2-4	Restatements of information	Sustainability Performance Data | Pages 78–81	
2-5	External assurance	Independent Auditor's Review Report (on Specified Sustainability Disclosures) | Pages 237–239	
ACTIVITIES AND WORKERS			
2-6	Activities, value chain and other business relationships	About Civmec | Pages 4–5 Operational Review | Pages 22–43 Modern Slavery Statement | **https://www.civmec.com.au/investors/modern-slavery-statement/**	
2-7	Employees	People | Pages 56–65 Sustainability Performance Data | Pages 78–81	*Information unavailable/incomplete* Civmec's reporting system does not have the capability to provide all required breakdowns by region.
2-8	Workers who are not employees		*Information unavailable/incomplete* This information is unavailable in our current reporting system. We are currently investigating ways to expand our resources reporting.
GOVERNANCE			
2-9	Governance structure and composition	Report on Corporate Governance/Board Matters/Board Composition and Guidance | Pages 109–111	
2-10	Nomination and selection of the highest governance body	Report on Corporate Governance/Board Matters/Board Composition and Guidance | Pages 109–111 Report on Corporate Governance/Board Matters/Board Membership | Pages 112–114	

GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
2-11	Chair of the highest governance body	Report on Corporate Governance/Board Matters/The Board's Conduct of Affairs | Pages 105–108 Report on Corporate Governance/Board Matters/Board Composition and Guidance | Pages 109–111	
2-12	Role of the highest governance body in overseeing the management of impacts	Board Statement | Page 46 Reporting Approach | Page 47 Report on Corporate Governance/Board Matters/The Board's Conduct of Affairs | Pages 105–108 Report on Corporate Governance/Board Matters/Managing Stakeholders' Relationships | Page 129 Sustainability Report/Governance | Pages 210–211	
2-13	Delegation of responsibility for managing impacts	Board Statement | Page 46 Sustainability Report/Governance | Pages 210–211	
2-14	Role of the highest governance body in sustainability reporting	Board Statement | Page 46 Reporting Approach | Page 47 Sustainability Report/Governance | Pages 210–211	
2-15	Conflicts of interest	Report on Corporate Governance/Board Matters/The Board's Conduct of Affairs | Pages 105–108 Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125	
2-16	Communication of critical concerns	Business Ethics | Pages 74–75 Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125	
2-17	Collective knowledge of highest governance body	Board Statement | Page 46 Report on Corporate Governance/Board Matters/The Board's Conduct of Affairs | Pages 105–108	
2-18	Evaluation of the performance of the highest governance body	Report on Corporate Governance/Board Matters/Board Membership | Pages 112–114 Report on Corporate Governance/Board Matters/Board Performance | Page 115	
2-19	Remuneration policies	Report on Corporate Governance/ Remuneration Matters/Procedures for Developing Remuneration Policies | Pages 116–117 Directors' Report/Remuneration Report | Pages 90–102	
2-20	Process to determine remuneration	Report on Corporate Governance/ Remuneration Matters/Disclosure on Remuneration | Page 119 Directors' Report/Remuneration Report | Pages 90–102	
2-21	Annual total compensation ratio	Report on Corporate Governance/ Remuneration Matters/Disclosure on Remuneration | Page 119 Directors' Report/Remuneration Report | Pages 90–102	*Confidentiality constraints* For competitive reasons and the sensitive nature of such information, the Board has elected not to disclose the compensation ratio.

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GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
STRATEGY, POLICIES AND PRACTICES			
2-22	Statement on sustainable development strategy	Board Statement | Page 46	
2-23	Policy commitments	Sustainability | Pages 44–79 Business Ethics | Pages 74–75 Civmec Website/Policies | **https://www.civmec.com.au/policies/**	
2-24	Embedding policy commitments	Board Statement | Page 46 Business Ethics | Pages 74–75 Report on Corporate Governance/Risk Management and Internal Controls | Pages 120–121	
2-25	Processes to remediate negative impacts	Sustainability | Pages 44–81 Business Ethics | Pages 74–75 Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125	
2-26	Mechanisms for seeking advice and raising concerns	Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125	
2-27	Compliance with laws and regulations	Sustainability | Pages 44–81	
2-28	Membership associations	People | Pages 56–65	
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement	Reporting Approach | Page 47 People | Pages 56–65 Report on Corporate Governance/Shareholder Rights and Engagement | Pages 126–128	
2-30	Collective bargaining agreements	People/Attraction and Retention | **Pages 56–57** Sustainability Performance Data | Pages 78–81	
GRI 3: MATERIAL TOPICS			
3-1	Process to determine material topics	Reporting Approach | Page 47	
3-2	List of material topics		
3-3	Management of material topics	Sustainability | Pages 44–81	
ECONOMIC TOPICS			
GRI 201: ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	Executive Chairman's Statement | Pages 6–9 Financial Summary | Pages 16–17 Financial Report | Pages 82–239	
201-2	Financial implications and other risks and opportunities due to climate change	Climate | Pages 52–55 Sustainability Report/2. Strategy/2.1 Climate-related risks and opportunities | **Pages 213–219**	
201-3	Defined benefit plan obligations and other retirement plans	Notes to the Consolidated Financial Statements/2 | Pages 135–152	

GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
201-4	Financial assistance received from government	Notes to the Consolidated Financial Statements/5 | Page 159	
GRI 204: PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers	Sustainability Highlights | Pages 50–51 Business Ethics/Ethical Supply Chain | **Page 75**	During FY26, 62% of procurement was sourced from local suppliers, defined by having headquarters within 100 km of our main operations. Overall, 98% of total procurement was sourced from Australian suppliers.
GRI 205: ANTI-CORRUPTION			
205-1	Operations assessed for risks related to corruption	Business Ethics | Pages 74–75 Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125	
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		
GRI 206: ANTI-COMPETITIVE BEHAVIOUR			
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Business Ethics | Pages 74–75	
GRI 207: TAX			
207-1	Approach to tax	Notes to the Consolidated Financial Statements/2 | Pages 135–152 Notes to the Consolidated Financial Statements/3 | Pages 153–157 Report on Corporate Governance/ Accountability and Audit/Audit Committee | Pages 122–125 Financial Report | Pages 82–239	
207-2	Tax governance, control and risk management		
207-3	Stakeholder engagement and management of concerns related to tax		
207-4	Country-by-country reporting		
ENVIRONMENTAL ISSUES			
GRI 301: MATERIALS			
301-1	Materials used by weight or volume		*Information unavailable/incomplete* Calculation of materials used is under development.
301-2	Recycled input materials used	Climate/Value Chain Impact | **Pages 54–55**	
301-3	Reclaimed products and their packaging materials		*Not applicable* Not relevant to Civmec.
GRI 302: ENERGY			
302-1	Energy consumption within the organisation	Sustainability Performance Data | Pages 78–81	
302-2	Energy consumption outside of the organisation		Energy consumption outside of the organisation has not been calculated. This will occur as part of calculations for Scope 3 emissions.
302-3	Energy intensity	Sustainability Performance Data | Pages 78–81	

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GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
302-4	Reduction of energy consumption	Climate/Energy Use and Efficiency | Page 53	*Information unavailable/incomplete* We are currently reviewing systems to better track reductions in energy consumption from efficiency initiatives.
302-5	Reductions in energy requirements of products and services		*Not applicable* Not relevant to Civmec.
GRI 303: WATER AND EFFLUENTS			
303-1	Interactions with water as a shared resource		*Not applicable* Not relevant to Civmec.
303-2	Management of water discharge-related impacts		Civmec maintains a licence to discharge from our Henderson facility asset management workshop. All other locations send wastewater offsite for treatment.
303-3	Water withdrawal	Sustainability Performance Data | Pages 78–81	
303-4	Water discharge		Wastewater from the maintenance workshop is treated through an oil water separator to meet the standards of discharge to sewer.
303-5	Water consumption		Water consumption is immaterial and is limited to domestic purposes and minimal evaporation.
GRI 305: EMISSIONS			
305-1	Direct (Scope 1) GHG emissions	Sustainability Performance Data | Pages 78–81	
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Performance Data | Pages 78–81	
305-3	Other indirect (Scope 3) GHG emissions		Scope 3 calculation methodologies are being prepared and are expected to be published from FY27 onwards.
305-4	GHG emissions intensity	Sustainability Performance Data | Pages 78–81	
305-5	Reduction of GHG emissions	Climate/GHG Emissions | **Page 54**	
305-6	Emissions of ozone-depleting substances (ODS)		No significant emissions of ozone depleting substances.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		No significant emissions of Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.
GRI 306: WASTE			
306-1	Waste generation and significant waste-related impacts		Not applicable Not relevant to Civmec.
306-2	Management of significant waste-related impacts		Not applicable Not relevant to Civmec.
306-3	Waste generated	Sustainability Performance Data | Pages 78–81	
306-4	Waste diverted from disposal	Sustainability Performance Data | Pages 78–81	
306-5	Waste directed to disposal	Sustainability Performance Data | Pages 78–81	

GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1	New suppliers that were screened using environmental criteria	Ethical Supply Chain | **Page 75**	
308-2	Negative environmental impacts in the supply chain and actions taken		*Information unavailable/incomplete* Systems for understanding negative environmental impacts are still under development.
SOCIAL TOPICS			
GRI 401: EMPLOYMENT			
401-1	New employee hires and turnover	People | Pages 56–65	*Information unavailable/incomplete* Given that our current reporting system does not differentiate between employees hired for short-term shutdown and/or maintenance contracts, and other casual employees, new employee hires and turnover rates have been excluded so as not to provide an inaccurate representation of employee satisfaction levels. We are currently investigating ways to expand our resources reporting in order to provide an accurate representation of turnover and retention.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People | Pages 56–65	
401-3	Parental leave	People | Pages 56–65	
GRI 402: LABOUR MANAGEMENT			
402-1	Minimum notice periods regarding operational changes		This varies due to the nature of the business. A term within an enterprise agreement will detail consultation periods required for significant and operational requirements. Where there is no written agreement or requirement, Civmec will generally consult with workers as appropriate of the change and within the Fair Work Act.
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	Health and Safety | **Pages 66–71**	

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GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
403-2	Hazard identification, risk assessment, and incident investigation		Civmec emphasises proactive hazard identification and contingency planning to manage HSE risks across its operations. This involves prioritising risk elimination and minimisation, following a systematic Hierarchy of Controls. Hazards, categorised broadly, are identified using risk management tools, considering numerous factors like routine activities, human factors, and emergency situations. Workers report hazards through structured processes such as hazard report cards and workplace inspections, ensuring immediate action for severe risks and systematic resolution for others. Civmec promotes a Fair and Just culture, balancing accountability with learning and improvement, and grants workers the authority to stop unsafe work without negative consequence, ensuring safety remains paramount. As is necessary and appropriate, incidents undergo thorough investigation, employing risk assessments and corrective actions aligned with the severity of the event, promoting continuous improvement and prevention of recurrence through rigorous follow-up and communication of findings.
403-3	Occupational health services	Health and Safety | **Pages 66–71**	Civmec's occupational health services play a crucial role in identifying and mitigating risks to ensure a safe working environment. Pre-employment medical assessments are conducted to evaluate the fitness of individuals for specific roles, guided by Civmec's standards and procedures. Health surveillance programs, including hearing and respiratory evaluations, are tailored based on risk assessments and regulatory requirements to monitor and maintain workers' health. Confidentiality of health-related information is strictly maintained under the Privacy Act 1988 (Cth), ensuring that all personal medical data is securely stored and accessed only by authorised personnel according to Civmec's policies. This information is not used for favourable or unfavourable treatment of workers and adheres to legal and ethical standards to safeguard employee privacy and wellbeing.
403-4	Worker participation, consultation and communication on occupational health and safety		Formal participation, consultation, and communication are integral processes involving all levels of the organisation, including employees and subcontractors. These processes are designed to encourage active engagement, open discussion, and the sharing of insights related to health, safety, and environmental management systems. Various methods such as daily pre-start and toolbox meetings, H&S committee meetings, H&S inductions, and targeted inspections facilitate ongoing dialogue. H&S Representatives may be elected to promote H&S concerns, ensuring they liaise with management and participate in decision-making. Committees, composed of management, employees, and subcontractors, meet monthly to review incidents, discuss improvements, and monitor industry trends. Civmec supports these roles with training and strives to remove obstacles to effective participation, ensuring all concerns are addressed promptly and transparently.

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GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
403-5	Worker training on occupational health and safety	Health and Safety | **Pages 66–71** **Sustainability Performance Data | Pages 78–81**	
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-8	**Workers covered by an occupational health and safety management system**		
403-9	**Work-related injuries**		
403-10	**Work-related ill health**		
GRI 404: TRAINING AND EDUCATION			
404-1	Average hours of training per employee per year	People/Training and Development | **Pages 57–59**	*Information unavailable/incomplete* Although we have access to training data, our current system does not fully encompass the extensive range of training programs offered throughout our entire organisation. We are presently in the process of evaluating improved methods for accurately measuring and reporting training data.
404-2	Programs for upgrading employee skills and transition assistance programs	People/Training and Development | **Pages 57–59**	Civmec has one transition program – the Veterans' Employment Program. Civmec also has Career Development Programs, open to all Western Australian Civmec employees with a company email account. During FY26, Civmec invested in upskilling employees through the following external programs: *Primavera P6 Fundamentals Course, Advance Life Support, BIM Technologies BentleySynchro4D, Lead Auditor Skill Set, AS2214, NACE 1, NACE 1 & 2 Training, CSWIP, TAESS00019 Assessor Skill Set, AMPP Coating Inspector Program Level 2, AS 1796 & 2214,* and *E40116 Training and Assessing Upgrade.*
404-3	Percentage of employees receiving regular performance and development reviews	People/Attraction and Retention | **Pages 56–57**	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	People/Diversity and Equal Opportunity | **Pages 60–63** **Sustainability Performance Data | Pages 78–81**	

GRI	DESCRIPTION	LOCATION OF INFORMATION	NOTES/OMISSIONS
405-2	Ratio of basic salary and remuneration of women to men	Workplace Gender Equality Agency (WGEA) Website | **https://www.wgea.gov.au/Data-Explorer**	The company is committed to equal pay for equal work for both women and men, as reflected in our remuneration principles. We conduct an annual remuneration review, analysing any gaps to ensure they can be explained by market forces such as industry pay rates, location, supply and demand for qualifications, individual performance, experience, and working hours. The company submits compliance reports to the WGEA annually, which can be accessed on the **WGEA website**.
GRI 406: NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken	People | Pages 56–65	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Business Ethics | Pages 74–75 Modern Slavery Statement | **https://www.civmec.com.au/investors/modern-slavery-statement/**	
GRI 408: CHILD LABOUR			
408-1	Operations and suppliers at significant risk for incidents of child labour	Business Ethics/Modern Slavery | Page 75	
GRI 409: FORCED OR COMPULSORY LABOUR			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Business Ethics/Modern Slavery | Page 75 Modern Slavery Statement | **https://www.civmec.com.au/investors/modern-slavery-statement/**	
GRI 411: RIGHTS OF INDIGENOUS PEOPLES			
411-1	Incidents of violations involving rights of Indigenous peoples		During the year, Civmec did not identify any incidents of violations involving the rights of Indigenous peoples.
GRI 413: LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programs		
413-2	Operations with significant actual and potential negative impacts on local communities		
GRI 414: SUPPLIER SOCIAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria	Ethical Supply Chain | **Page 75**	
414-2	Negative social impacts in the supply chain and actions taken		*Information unavailable/incomplete* With the implementation of our new vendor management system, processes for understanding and improving upstream negative social impacts are still under development.



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