

**CIVMEC LIMITED  
 ABN 50 604 316 690**

**Preliminary final report  
 For the year ended 30 June 2019**

**Appendix 4E**

**Reporting period & previous corresponding period**

The current reporting period is for the year ended 30 June 2019  
 The prior period is for the year ended 30 June 2018

**Results for announcement to the market**

**A\$'000**

<b>Revenue from ordinary activities</b>	Down	30.5%	To	488,511
<b>Profit after tax attributable to members</b>	Down	59.6%	To	7,030
<b>Profit for the period attributable to members</b>	Down	59.6%	To	7,030

<b>Dividends</b>	<b>Amount per security</b>	<b>Franked amount per security</b>
<u>Financial Year Ended 30 June 2019</u>		
Final dividend	S\$0.007	S\$0.007
Interim dividend	-	-
<u>Financial Year Ended 30 June 2018</u>		
Final dividend	S\$0.007	S\$0.007
Interim dividend	-	-

**Dividend payments**

Date the 2019 final dividend is payable	12 December 2019
Record date to determine entitlements	29 November 2019
Date final dividend was declared	27 August 2019 **

\*\*As per Singapore compliance rules the dividend is subject to shareholder approval at the AGM

**Total dividends per security (interim plus final)**

	<b>2019</b>	<b>2018</b>
Ordinary Securities	0.7 Singapore cents	0.7 Singapore cents

**Total dividends paid on all securities**

	<b>2019</b> <b>A\$'000</b>	<b>2018</b> <b>A\$'000</b>
Ordinary Securities	3,631	3,450
<b>Total</b>	<b>3,631</b>	<b>3,450</b>

**Management discussion and analysis**

Revenue from operations of A\$488.5 million for the twelve months ended 30 June 2019 decreased 30.5% from A\$702.4M for the previous year as projects were completed during the year.

Gross profit for FY2019 decreased by 29.2% to A\$25.2 million from A\$35.7 million in FY2018 in line with the decreased revenue.

Net profit attributable to shareholders decreased 61.4% to A\$6.7 million in FY2019 from A\$17.4 million in FY2018 as a result of the lower revenue.

As at 30 June 2019 the Group's balance sheet reflected a cash position of A\$40.6 million with A\$68.2 million used in capital expenditure during the year in relation to the development of facilities in Henderson and Newcastle.

The Group's order book as at the end of June 2019 was A\$819 million.

Going forward, the Group will continue to deliver on its strategy of establishing consistent and recurring revenue streams and capitalising on major expansion project opportunities with key clients.

This includes the further growth of its specialised shutdown and maintenance service offering, with the requirement to maintain new plants in the Oil & Gas and Metals & Minerals sectors across Australia providing a significant future opportunities pipeline.

Delivery of the Royal Australian Navy's Offshore Patrol Vessel program will be ongoing until 2029, providing a sustained revenue stream over this period. The Federal Government's commitment to undertake its minor naval vessel continuous build program and sustainment of these vessels at Henderson will provide further construction and through-life support opportunities in the Marine & Defence sector going forward. With the completion of its new world-class assembly and maintenance hall during FY20, the Group is well positioned to optimise these opportunities. Capable of handling any of Australia's major projects across the resource, infrastructure and defence sectors, Civmec's substantial investment in this new facility is an integral element in securing the company's long-term future. When fully operational it will provide employment opportunities for up to an additional 1,000 personnel, including 100 new apprentices and trainees.

The Group will continue to capitalise on new construction and expansion projects in energy and resources, leveraging its multi-disciplinary, self-performance capability to provide partial or total delivery solutions. In the Oil & Gas sector, further investment in LNG is anticipated, including expansion and backfill projects and life extension developments for existing plants, in addition to new

developments. In particular, subsea activity is expected to continue to grow to support both new and recently constructed projects. Given the Group's past experience and specialist capability to support the delivery of subsea projects, it is well positioned to optimise opportunities as they come to market. With growing investment, it is anticipated further opportunities in iron ore will come to market in the short to medium term, enabling the Group to leverage its core disciplines to provide a single, vertically integrated, turnkey solution for its established client base.

Civmec's focus remains on providing quality, value-for-money engineering solutions for its clients, whilst maintaining a disciplined approach to capital and overhead management, to maximise shareholders' returns.

## Net tangible assets

Net tangible asset backing per ordinary security

	30 June 2019 Cents per share	30 June 2018 Cents per share
Net tangible asset backing per ordinary security	34.77	34.30

## Control gained or lost over entities having material effect

On 3 September 2018, the interest of the Group in Civtec Africa Ltd ('Civtec') was diluted from 50% to 31.9% as Civmec Construction & Engineering Uganda Ltd ('CCE Uganda'), an indirect subsidiary of the Company did not subscribe for additional shares in an equity raising of Civtec. Pursuant to the Dilution, Civtec remains as an associated company of CCE Uganda.

The total gain on deconsolidation attributable to the Group was A\$2,091,000.

## Details of associates and joint arrangements

### Joint Ventures

<u>Name of entity</u>	<u>Principal activities</u>	% of ownership interest held by the <u>Group</u>
Brown & Root Civmec Pty Ltd ('BRC')	Engineering and maintenance services	49

### Joint Operations

<u>Name of joint operation</u>	<u>Principal activities</u>	% of ownership interest held by the <u>Group</u>
Black & Veatch Civmec JV ("BCJV")	To deliver engineering, procurement and construction services in relation to the upgrade of the wastewater treatment plant at Woodman Point, Perth.	50
Amec Foster Wheeler Civmec JV ("ACJV")	to provide detailed design, procurement and installation of a process plant, administration office, workshop and warehouse for the Gruyere Gold Project near Laverton, Western Australia.	50
Swan River Bridge Alliance Civmec JV ("SRBA")	To manage and deliver the steel fabrication, painting and transportation of the arches and decks as part of the Matagarup Bridge in Perth, Western Australia.	33

### Associates

<u>Name of entity</u>	<u>Principal activities</u>	<u>% of ownership interest held by the Group</u>
Civtec Africa Ltd	Engineering and construction services	31.9

**Material interests in entities which are not controlled entities**

Not applicable

**Annual Meeting**

The annual general meeting will be held as follows:

Place	Carlton Hotel 76 Bra Basah Road, Singapore
Date	29 October 2019
Time	2.30pm

This report is based on accounts which have been audited.



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Justine Campbell  
Company Secretary

Date: 28 August 2019