



CIVMEC LIMITED

(ACN 672 407 171)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE
HALF YEAR ENDED 31 DECEMBER 2024**

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Directors' Report

The Directors present their report to the members together with the Condensed Interim Consolidated Financial Statements of Civmec Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the half year ended 31 December 2024.

Directors

The names of the Directors of the Company who held office during and since the end of the half year are:

Directors appointed on 4 September 2024

Mr. James Finbarr Fitzgerald	<i>Executive Chairman</i>
Mr. Patrick John Tallon	<i>Chief Executive Officer</i>
Mr. Kevin James Deery	<i>Chief Operating Officer</i>

Directors appointed on 30 October 2024

Mr. Ambrose Law	<i>Lead Independent Director</i>
Ms. Ong Beng Hong	<i>Independent Director</i>
Mr. Gary Gray	<i>Independent Director</i>

Directors retired on 30 October 2024

Mr. Chong Teck Sin	<i>Lead Independent Director</i>
Mr. Wong Fook Choy Sunny	<i>Independent Director</i>
Mr. Douglas Owen Chester	<i>Independent Director</i>

The following Directors held office prior to the Company's listing on the Australian Securities Exchange ("ASX") and Singapore Exchange ("SGX") and while the Company was dormant. They each ceased office on 4 September 2024.

Mr. Adam James Goldsmith	<i>Director</i>
Mr. Charles John Sweeney	<i>Director</i>
Mr. Peter John Ricciardello	<i>Director</i>

Establishment of a New Group Organisational Structure

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

Review of Operations

The consolidated profit of the consolidated group for the financial year after providing for income tax amounted to A\$26,493,000 (31 December 2023: A\$31,893,000).

A review of the operations of the consolidated group during the financial year and the results of those operations due to the timing of revenue recognition on projects have seen a slight increase in sales of 2.1% to A\$502,861,000 (31 December 2023: A\$492,346,000). Consolidated group's gross profit, however, has decreased by 7.5% to A\$55,783,000 (31 December 2023: A\$60,291,000) with gross profit margin of 11.1% (31 December 2023: 12.2%).

Directors' Report (continued)

Joint auditor's independence declaration

The independence declaration from both Moore Stephens LLP and Moore Australia Audit (WA), as required under section 307C of the Corporations Act 2001 (as amended), is included on page 3 of this report.

Rounding of amounts

The amounts contained in these Condensed Interim Consolidated Financial Statements have been rounded to the nearest million dollars, except where otherwise indicated, as permitted by *ASIC Corporations Instrument 2016/191*.

Significant events since balance date

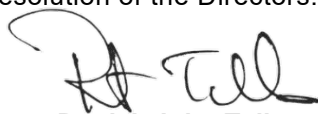
Update on Ownership Transfer of Luerssen Australia

On 15 October 2024, Civmec Limited and NVL B.V. & Co. KG (Naval Vessels Lürssen) of Bremen, Germany have entered into a non-binding Heads of Agreement detailing the framework for the transfer of ownership of Luerssen Australia Pty Ltd to Civmec Limited. As at the date of this report, Civmec Limited has made positive progress with the due diligence process, and both parties are working towards a revised Effective Date for the transfer of ownership to be on or before 1 July 2025.

Signed in accordance with a resolution of the Directors.



James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
13 February 2025



Patrick John Tallon
Chief Executive Officer
Civmec Limited
13 February 2025

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CIVMEC LIMITED**

As joint auditors for the review of Civmec Limited for the half-year ended 31 December 2024, we declare that, to the best of our knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements as set out in 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.



MICHELLE CHONG
PARTNER

Singapore 13th February 2025



MOORE STEPHENS LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS



SUAN-LEE TAN
PARTNER

Perth 13th February 2025



MOORE AUSTRALIA
MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Civmec Limited and its subsidiaries
Condensed Interim Consolidated Financial Statements
for the half year ended 31 December 2024

Consolidated Income Statement
for the half year ended 31 December 2024

	Note	Group	
		6 months ended	
		31 December 2024	31 December 2023
		A\$'000	A\$'000
Revenue	3	502,861	492,346
Cost of sales		(447,078)	(432,055)
Gross profit		55,783	60,291
Other income	3	1,452	1,976
Administrative expenses		(16,779)	(14,185)
Finance costs		(2,989)	(2,965)
Profit before income tax	4	37,467	45,117
Income tax expense		(10,974)	(13,224)
Profit for the period		26,493	31,893
Profit attributable to:			
Owners of the Company		26,493	31,894
Non-controlling interest		-	(1)
		26,493	31,893
Total comprehensive income attributable to:			
Owners of the Company		26,493	31,894
Non-controlling interest		-	(1)
		26,493	31,893
Earnings per share attributable to equity holders of the Company (cents per share):			
- Basic	5	5.21	6.29
- Diluted	5	5.15	6.23

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Financial Position
as at 31 December 2024

	Note	Group	
		As at	
		31 December 2024 A\$'000	30 June 2024 A\$'000
ASSETS			
Current assets			
Cash and cash equivalents	8	37,006	88,457
Trade and other receivables	6	97,080	94,602
Contract assets	7	198,756	173,588
Other current assets		2,727	1,393
Income tax receivable		329	-
		335,898	358,040
Non-current assets			
Property, plant and equipment	9	531,565	532,840
Investment properties	10	18,588	18,459
Intangible assets		10	10
Deferred tax assets		1,383	968
		551,546	552,277
TOTAL ASSETS		887,444	910,317
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	12	127,408	153,149
Contract liabilities	7	55,042	49,292
Lease liabilities	15	5,755	5,944
Borrowings	13	-	8,000
Income tax payable		-	7,462
Provisions	14	15,961	18,455
		204,166	242,302
Non-current liabilities			
Lease liabilities	15	54,854	51,353
Borrowings	13	60,000	56,000
Provisions	14	646	493
Deferred tax liabilities		70,454	71,951
		185,954	179,797
TOTAL LIABILITIES		390,120	422,099

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Financial Position
as at 31 December 2024

(continued)

	Note	Group	
		As at	
		31 December <u>2024</u> A\$'000	30 June <u>2024</u> A\$'000
Capital and Reserves			
Share capital	16	29,908	29,918
Treasury shares	16	-	(10)
Asset revaluation reserve	19	160,219	160,219
Other reserves	20	12,273	11,862
Retained earnings		295,185	286,490
Total equity attributable to the Owners of the Company		497,585	488,479
Non-controlling interest		(261)	(261)
TOTAL EQUITY		497,324	488,218
 TOTAL LIABILITIES AND EQUITY		887,444	910,317

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2024

Group	<u>Share capital</u> A\$'000	<u>Treasury shares</u> A\$'000	<u>Asset revaluation reserve</u> A\$'000	<u>Merger reserve</u> A\$'000	← Other reserves →		<u>Retained earnings</u> A\$'000	<u>Total</u> A\$'000	<u>Non-controlling interest</u> A\$'000	<u>Total</u> A\$'000
					<u>Equity-settled employee benefits reserve</u> A\$'000	<u>Other reserves</u> A\$'000				
Balance as at 1 July 2024	29,918	(10)	160,219	7,578	4,007	277	286,490	488,479	(261)	488,218
Profit for the period	-	-	-	-	-	-	26,493	26,493	-	26,493
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	26,493	26,493	-	26,493
Recognition of share based payment	-	-	-	-	411	-	-	411	-	411
Dividends paid	-	-	-	-	-	-	(17,798)	(17,798)	-	(17,798)
Cancellation of treasury shares	(10)	10	-	-	-	-	-	-	-	-
Balance as at 31 December 2024	29,908	-	160,219	7,578	4,418	277	295,185	497,585	(261)	497,324

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2024

Group	← Other reserves →						Retained earnings	Total	Non-controlling interest	Total
	Share capital	Treasury shares	Asset revaluation reserve	Merger reserve	Equity-settled employee benefits reserve	Other reserves				
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Balance as at 1 July 2023	29,807	(10)	129,577	7,578	3,642	277	249,999	420,870	(261)	420,609
Profit for the period	-	-	-	-	-	-	31,894	31,894	(1)	31,893
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	31,894	31,894	(1)	31,893
Share options exercised: new share issuance	111	-	-	-	-	-	-	111	-	111
Recognition of share based payment	-	-	-	-	225	-	-	225	-	225
Dividends paid	-	-	-	-	-	-	(15,228)	(15,228)	-	(15,228)
Balance as at 31 December 2023	29,918	(10)	129,577	7,578	3,867	277	266,665	437,872	(262)	437,610

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows
for the half-year ended 31 December 2024

Note	Group	
	6 months ended	
	31 December <u>2024</u> A\$'000	31 December <u>2023</u> A\$'000
Cash Flows from Operating Activities		
Profit before income tax	37,467	45,117
Adjustments for:		
Depreciation of property, plant and equipment and investment properties – leasehold land	10,609	9,838
Gain on disposal of property, plant and equipment	(14)	(79)
Finance cost	4,811	4,687
Interest income	(932)	(1,786)
Expense arising on equity-settled share based payments	411	225
Foreign exchange differences	79	73
Operating cash flow before working capital changes	52,431	58,075
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(2,478)	74,958
Increase in contract assets	(25,167)	(29,467)
(Increase)/decrease in other current assets	(1,334)	354
Decrease in trade and other payables	(26,178)	(2,080)
Increase in contract liabilities	5,750	11,288
Decrease in provisions	(2,341)	(1,946)
Cash generated from operations	683	111,182
Interest received	932	1,786
Finance cost paid	(3,619)	(3,433)
Income taxes refund	-	1,781
Income taxes paid	(20,677)	(11,939)
Net cash (used in)/generated from operating activities	(22,681)	99,377
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	75	96
Purchase of property, plant and equipment	(3,390)	(10,874)
Net cash used in investing activities	(3,315)	(10,778)

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows
for the half-year ended 31 December 2024

(continued)

	Note	Group	
		6 months ended	
		31 December 2024	31 December 2023
		A\$'000	A\$'000
Cash Flows from Financing Activities			
Proceeds from borrowings		37,800	7,500
Repayment of borrowings		(41,800)	(4,000)
Repayment of principal lease liabilities		(3,657)	(4,232)
Proceeds from share options exercised		-	111
Dividends paid		(17,798)	(15,228)
Net cash used in operating activities		(25,455)	(15,849)
Net (decrease)/increase in cash and cash equivalents		(51,451)	72,750
Cash and cash equivalents at the beginning of the period		88,457	70,381
Cash and cash equivalents at the end of the period	8	37,006	143,131

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

	<u>Opening</u> A\$'000	Cash flows		Non-cash changes		<u>Closing</u> A\$'000
		<u>Proceeds</u> A\$'000	<u>Repayment</u> A\$'000	<u>Addition</u> A\$'000	<u>Others</u> A\$'000	
	1 July 2024					31 December 2024
Borrowings	64,000	37,800	(41,800)	-	-	60,000
Lease liabilities	57,297	-	(3,657)	3,600	3,369	60,609
	1 July 2023					31 December 2023
Borrowings	56,500	7,500	(4,000)	-	-	60,000
Lease liabilities	57,335	-	(4,232)	2,758	2,738	58,599

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying condensed interim consolidated financial statements.

1 General information

Organisational Restructure

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

The Restructure was accounted for as a reverse acquisition in the Civmec Group consolidated financial statements as at 31 December 2024, with Civmec Singapore Limited identified as the acquirer in accordance with AASB 3 *Business Combinations* and SFRS(I) 3 *Business Combinations*. Accordingly, these condensed interim consolidated financial statements reflect a continuation of the Civmec Group. Refer to Supplementary Information section for additional details.

2 Material accounting policies

(a) Basis of preparation

These condensed interim consolidated financial statements of Civmec Limited (the “Company”) and its subsidiaries (the “Group”) for the six-month period ended 31 December 2024:

- have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: *Interim Financial Reporting* and Singapore Financial Reporting standards (International) SFRS(I) 1-34: *Interim Financial Reporting*.
- do not include all the information and disclosures required in the annual financial statements.
- should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 30 June 2024.
- presented in Australian dollars (AUD or A\$) unless otherwise stated.
- were approved by the Board of Directors on 12 February 2025.

(b) Accounting policies

The same accounting policies and methods of computation have been followed in these condensed interim consolidated financial statements as were applied in the 2024 Civmec Annual Report. The Group has considered the implications of new and amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

The Restructure involved the transfer of certain assets and entities between companies within the wider Civmec Group. From an accounting perspective, since these transfers were between wholly owned entities, they are considered common control transactions. The Group’s accounting policy for such transfers is to apply book value accounting. This policy choice did not have a material impact on the Group’s profit and loss or equity when the assets were transferred as part of the Restructure.

Notes to the Financial Statements

31 December 2024

2 Material accounting policies (continued)

(c) Use of estimates, assumptions and judgements

The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumption that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Notes to the Financial Statements
31 December 2024

3 Revenue and other income

	Group	
	6 months ended	
	31 December	31 December
	2024	2023
	A\$'000	A\$'000
Revenue		
Over time:		
Revenue from construction contracts	441,559	447,455
Revenue from the rendering of services ¹	59,226	43,283
	500,785	490,738
At a point in time:		
Revenue from the rendering of services ¹	1,071	766
Revenue from sales of goods	1,005	842
	2,076	1,608
	502,861	492,346
Other income		
Insurance recoveries	3	4
Fuel tax rebate	449	86
Interest income	932	1,786
Gain on disposal of property, plant and equipment	14	79
Subsidies and incentives ²	37	18
Sundry revenue	17	3
	1,452	1,976

1. 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.
2. The Group received Wage Subsidy and Jobs and Skills WA Employer Incentives from the Government for hiring eligible participants.

Notes to the Financial Statements
31 December 2024

4 Profit before income tax

The following items have been included in arriving at profit before income tax:

	Group	
	6 months ended	
	31 December <u>2024</u> A\$'000	31 December <u>2023</u> A\$'000
Included in cost of sales:		
Direct materials	56,268	61,399
Employee benefits	270,453	235,784
Subcontract works	51,003	65,769
Workshop and other overheads	56,976	57,597
Depreciation of property, plant and equipment and investment properties – leasehold land	10,556	9,784
Finance costs on lease liabilities	1,822	1,722
	1,822	1,722
Included in administrative expenses:		
Audit fees:		
- Auditors of the Company*	187	70
- Other auditors (network firm)	-	72
Non-audit fees:		
- Other auditors	62	122
Business development	232	311
Communications	1,847	1,559
Depreciation of property, plant and equipment and investment properties – leasehold land	53	54
Directors' fees	187	163
Employee benefits	9,493	9,242
Occupancy expenses	139	248
Office costs	1,585	668
Other administrative expenses	458	169
Tax and other professional fees	2,457	1,434
Net foreign exchange loss	79	73
	79	73

* Moore Stephens LLP and Moore Australia Audit (WA)(previously as network firm) are engaged as the independent joint auditors to review the consolidated financial statements of Civmec Limited and its subsidiaries for the half year ended 31 December 2024.

Notes to the Financial Statements
31 December 2024

5 Earnings per share

	Group	
	6 months ended	
	31 December <u>2024</u>	31 December <u>2023</u>
Profit attributable to the owners of the Company (A\$'000)	26,493	31,894
Weighted average number of ordinary shares issued		
- Basic	508,023,408	506,778,467
- Diluted	514,112,408	512,067,467
Earnings per ordinary share (A\$ cents)		
- Basic	5.21	6.29
- Diluted	5.15	6.23

Basic earnings per share (EPS) 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 period. Diluted EPS is calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares used in the basic EPS calculation for the effect of dilutive potential ordinary shares.

As at 31 December 2024, the diluted earnings per share includes the effect of 6,089,000 unissued ordinary shares granted under the Performance Rights Plan due to their dilutive effect (30 June 2024: 5,289,000, dilutive).

Notes to the Financial Statements
31 December 2024

6 Trade and other receivables

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Current:		
Trade receivables		
- Third parties	96,486	94,076
- Retention sum receivables	12	12
	96,498	94,088
Other receivables	582	514
	97,080	94,602

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are non-interest bearing and generally due for settlement within 60 days and therefore are all classified as current.

The Group's internal credit evaluation practices and basis for recognition and measurement for expected credit losses were consistent with those disclosed in the 30 June 2024 Civmec Limited's Annual Report.

7 Contract assets and liabilities

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Contract assets	198,756	173,588
Contract liabilities	(55,042)	(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.

Notes to the Financial Statements
31 December 2024

7 Contract assets and liabilities (continued)

(i) Significant changes in contract balances

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Contract assets:		
Contract assets reclassified to trade receivables	(100,398)	(30,067)
Changes in measurement of progress	125,566	103,562
<hr/>		
Contract liabilities:		
Revenue recognised in the current period that was included in the contract liability balance at the beginning of the period/year	7,513	35,931
Increase due to cash received, excluding amounts recognised as revenue during the period/year	(13,263)	(40,517)
<hr/>		

8 Cash and cash equivalents

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Cash at bank and on hand	37,006	88,457
<hr/>		

A floating charge over cash and cash equivalents has been provided for certain debt.

Notes to the Financial Statements
31 December 2024

9 Property, plant and equipment

	<u>Freehold land</u> A\$'000	<u>Leasehold land & buildings</u> A\$'000	<u>Buildings</u> A\$'000	<u>Plant and equipment</u> A\$'000	<u>Small tools</u> A\$'000	<u>Motor vehicles</u> A\$'000	<u>Office equipment</u> A\$'000	<u>IT equipment</u> A\$'000	<u>Assets under construc- tion</u> A\$'000	<u>Total</u> A\$'000
31 December 2024										
<u>Cost or valuation</u>										
At 1 July 2024	29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	616,246
Additions	-	-	990	474	97	-	6	93	1,730	3,390
Additions – ROU	-	3,122	-	1,153	-	1,701	-	-	-	5,976
Transfer	-	-	-	6	(6)	187	-	-	(187)	-
Disposals	-	-	-	(667)	(516)	(24)	-	-	-	(1,207)
At cost at										
31 December 2024	-	40,772	-	119,801	11,029	13,203	866	3,533	13,395	202,599
At valuation at										
31 December 2024	29,485	-	392,321	-	-	-	-	-	-	421,806
At 31 December 2024	29,485	40,772	392,321	119,801	11,029	13,203	866	3,533	13,395	624,405
<u>Accumulated depreciation</u>										
At 1 July 2024	-	(5,971)	-	(58,840)	(7,928)	(6,600)	(769)	(3,298)	-	(83,406)
Depreciation for the period	-	(463)	(5,061)	(3,818)	(614)	(566)	(16)	(42)	-	(10,580)
Transfer	-	-	-	(1)	1	-	-	-	-	-
Disposals	-	-	-	606	516	24	-	-	-	1,146
At 31 December 2024	-	(6,434)	(5,061)	(62,053)	(8,025)	(7,142)	(785)	(3,340)	-	(92,840)
<u>Net carrying amount</u>										
At cost	-	34,338	-	57,748	3,004	6,061	81	193	13,395	114,820
At valuation	29,485	-	387,260	-	-	-	-	-	-	416,745
At 31 December 2024	29,485	34,338	387,260	57,748	3,004	6,061	81	193	13,395	531,565

Notes to the Financial Statements
31 December 2024

9 Property, plant and equipment (continued)

	<u>Freehold land</u> A\$'000	<u>Leasehold land & buildings</u> A\$'000	<u>Buildings</u> A\$'000	<u>Plant and equipment</u> A\$'000	<u>Small tools</u> A\$'000	<u>Motor vehicles</u> A\$'000	<u>Office equipment</u> A\$'000	<u>IT equipment</u> A\$'000	<u>Assets under construc- tion</u> A\$'000	<u>Total</u> A\$'000
30 June 2024										
<u>Cost or valuation</u>										
At 1 July 2023	22,045	35,410	341,470	112,851	11,161	9,691	849	3,426	12,599	549,502
Additions	-	-	17,968	3,000	752	277	11	14	3,188	25,210
Additions – ROU	-	2,240	-	2,622	-	1,874	-	-	-	6,736
Transfer	3,543	-	235	544	(387)	-	-	-	(3,935)	-
Revaluation increase	3,897	-	31,658	-	-	-	-	-	-	35,555
Disposals	-	-	-	(182)	(72)	(503)	-	-	-	(757)
At cost at										
30 June 2024	-	37,650	-	118,835	11,454	11,339	860	3,440	11,852	195,430
At valuation at										
30 June 2024	29,485	-	391,331	-	-	-	-	-	-	420,816
At 30 June 2024	29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	616,246
<u>Accumulated depreciation</u>										
At 1 July 2023	-	(5,005)	-	(51,023)	(7,138)	(6,079)	(738)	(3,217)	-	(73,200)
Depreciation for the year	-	(966)	(8,715)	(7,617)	(1,233)	(987)	(31)	(81)	-	(19,630)
Revaluation	-	-	8,715	-	-	-	-	-	-	8,715
Transfer	-	-	-	(374)	374	-	-	-	-	-
Disposals	-	-	-	174	69	466	-	-	-	709
At 30 June 2024	-	(5,971)	-	(58,840)	(7,928)	(6,600)	(769)	(3,298)	-	(83,406)
<u>Net carrying amount</u>										
At cost	-	31,679	-	59,995	3,526	4,739	91	142	11,852	112,024
At valuation	29,485	-	391,331	-	-	-	-	-	-	420,816
At 30 June 2024	29,485	31,679	391,331	59,995	3,526	4,739	91	142	11,852	532,840

Notes to the Financial Statements
31 December 2024

9 Property, plant and equipment (continued)

Depreciation expenses are classified as follows:

	Group	
	6 months ended	
	31 December	31 December
	<u>2024</u>	<u>2023</u>
	A\$'000	A\$'000
Included in cost of sales	10,527	9,762
Included in administrative expenses	53	54
	10,580	9,816

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

<u>Location</u>	<u>Description / Existing use</u>	<u>Tenure</u>
2-8 Stuart Drive, Henderson, Western Australia	Land and buildings / Operational readiness and logistics support facility	Freehold
16 Nautical Drive, Henderson Western Australia	Buildings on leasehold land / Undercover waterfront, Manufacturing, Modularisation and Maintenance Facility	Leasehold land leases: i. 34-year lease from August 2010, with further 35 years option ii. 30-year lease from March 2014, with further 35 years option iii. 28-year lease from December 2016, with further 45 years option
35-39 Old Punt Road, Tomago New South Wales	Land and buildings / Manufacturing facility and modular assembly laydown area	Freehold
Lot 324 Hematite Drive & Lot 325 Furnace Road, Wedgefield, Port Hedland Western Australia	Land and buildings / Manufacturing facility and modular assembly laydown area	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. This is currently classified under Asset under construction	Freehold
2 George Mamalis, Callemondah, Gladstone Queensland	Land and building / Workshop and office facility. This is currently classified under Asset under construction	Freehold

Notes to the Financial Statements
31 December 2024

9 Property, plant and equipment (continued)

Freehold land and buildings carried at fair value

The latest valuation of the fair value of the freehold land and buildings of the Group was carried out by Asset Valuation Advisory at 30 June 2024. 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. No revaluation was performed during the period.

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

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Freehold land*	20,042	20,042
Buildings	220,517	225,934
Accumulated depreciation	(45,124)	(41,484)
Net book value	195,435	204,492

*exclude freehold land under Asset under construction

Right-of-use assets

Right-of-use assets acquired under leasing arrangement are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 15.

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

		Group	
		As at	
<u>Description</u>	<u>Borrowings</u>	31 December	30 June
		<u>2024</u>	<u>2024</u>
		A\$'000	A\$'000
Leased plant and equipment	Lease liabilities	37,228	36,167
Remaining property, plant and equipment	Corporate market loan, multi-option	494,337	496,673
		531,565	532,840

The details of borrowings are disclosed in Note 13.

Notes to the Financial Statements
31 December 2024

10 Investment properties

	<u>Buildings</u> A\$'000	<u>Leasehold land</u> A\$'000	<u>Total</u> A\$'000
31 December 2024			
<u>Cost or valuation</u>			
At 1 July 2024	15,990	2,597	18,587
Addition – ROU	-	158	158
At 31 December 2024	15,990	2,755	18,745
 <u>Accumulated depreciation</u>			
At 1 July 2024	-	(128)	(128)
Depreciation for the period	-	(29)	(29)
At 31 December 2024	-	(157)	(157)
 <u>Net carrying amount</u>			
At 31 December 2024	15,990	2,598	18,588
 30 June 2024			
<u>Cost or valuation</u>			
At 1 July 2023	15,260	2,006	17,266
Addition – ROU	-	591	591
Revaluation increase – recognised in profit or loss	730	-	730
At 30 June 2024	15,990	2,597	18,587
 <u>Accumulated depreciation</u>			
At 1 July 2023	-	(82)	(82)
Depreciation for the year	-	(46)	(46)
At 30 June 2024	-	(128)	(128)
 <u>Net carrying amount</u>			
At 30 June 2024	15,990	2,469	18,459

Buildings carried at fair value

The latest valuation of the fair value of the buildings was carried out by Asset Valuation Advisory as at 30 June 2024. 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.

Notes to the Financial Statements
31 December 2024

10 Investment properties (continued)

At the balance sheet date, the investment property held by the Group is as follows:

<u>Location</u>	<u>Description / Existing use</u>	<u>Tenure</u>
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

No revaluation was performed during the period. The fair value measurement for the investment property of A\$15,990,000 (30 June 2024: A\$15,990,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used.

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 property is leased to non-related parties under operating leases.

Amounts recognised in profit or loss for investment properties

	<u>Group</u>	
	<u>6 months ended</u>	
	<u>31 December</u> <u>2024</u> <u>A\$'000</u>	<u>31 December</u> <u>2023</u> <u>A\$'000</u>
Rental income	175	175
Direct operating expenses from investment property that generated rental income	(221)	(149)

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

<u>Description</u>	<u>Borrowings</u>	<u>Group</u>	
		<u>As at</u>	
		<u>31 December</u> <u>2024</u> <u>A\$'000</u>	<u>30 June</u> <u>2024</u> <u>A\$'000</u>
Investment properties	Corporate market loan, multi- option	18,588	18,459

Notes to the Financial Statements
31 December 2024

11 Joint operations

The Group has interests in the following joint operations which are proportionately consolidated:

<u>Name of entity</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<u>Ownership interest held by the Group</u>	
			<u>As at</u>	
			<u>31 December 2024</u>	<u>30 June 2024</u>
			%	%
Held by Civmec Construction & Engineering Pty Ltd				
Black & Veatch Civmec JV ('BCJV') ¹	Engineering and construction services	Australia	50.00	50.00
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

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.

12 Trade and other payables

	<u>Group</u>	
	<u>As at</u>	
	<u>31 December 2024</u>	<u>30 June 2024</u>
	A\$'000	A\$'000
Trade creditors	51,739	58,040
Sundry payables and accruals	63,938	84,189
Goods and services tax payable	6,210	5,277
Other taxes payable	5,521	5,643
	127,408	153,149

Trade and other payables are usually paid within 45 days.

Notes to the Financial Statements
31 December 2024

13 Borrowings

	Group	
	As at	
	31 December	30 June
	2024	2024
	A\$'000	A\$'000
Current:		
Corporate market loan – secured	-	8,000
Non-current:		
Corporate market loan – secured	60,000	56,000
Total borrowings	60,000	64,000

Corporate market loan

The Group is required by the banks to maintain certain financial ratios such as leverage ratio, tangible net worth and debt service cover ratio. As at 31 December 2024, the Group met all of these financial covenants.

As at 31 December 2024, the Group has a commercial bank facility amounting to A\$90 million (30 June 2024: A\$64 million) which was 66.7% utilised (30 June 2024: fully utilised). The facility limit reduces by A\$2 million per quarter with borrowings within A\$8 million of the facility limit becoming a current liability. The Group is only utilising 66.7% of the facility limit which does not require any re-payments within the next 12 months. Interest rates are variable and ranged between 5.53% to 5.55% (31 December 2023: 5.02% to 5.65%) per annum during the current financial period.

Multi-option facility

The Group has a multi-option facility of A\$70 million (30 June 2024: A\$70 million) which was 4.6% utilised as at 31 December 2024 (30 June 2024: 2.3% utilised). It can be used for revolving commercial loan, bank guarantees and letter of credit. Interest rates are fixed at the time of drawing, except for (1) revolving commercial loan with variable interest rates and (2) bank guarantees on which incur with issuance fee and service fee instead of interest.

General security deed

Both the commercial market loan and multi-option facilities are secured by certain property, plant and equipment and investment properties as disclosed in Note 9 and Note 10 to the financial statements.

Notes to the Financial Statements
31 December 2024

14 Provisions for employee benefits

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Current:		
Provisions for short-term employee benefits	15,961	18,455
Non-current:		
Provisions for long-term employee benefits	646	493
	16,607	18,948
	16,607	18,948

The movements in provisions are as follows:

Current:		
At the beginning of the period/year	18,455	17,849
Provisions made during the period/year		
- Included in employee benefits	19,912	26,568
Provisions utilised during the period/year	(22,552)	(27,003)
Reclassified from non-current	146	1,041
At the end of the period/year	15,961	18,455
	15,961	18,455
Non-current:		
At the beginning of the period/year	493	737
Provisions made during the period/year		
- Included in employee benefits	1,021	1,938
Adjustment due to change in salary adjustments / probability / discount rates	106	240
Provisions utilised during the period/year	(828)	(1,381)
Reclassified to current	(146)	(1,041)
At the end of the period/year	646	493
	646	493

Short-term benefits

The provisions pertain to employee benefits for annual leave, rostered days off and non-verting 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 used ranges from 4.11% to 5.06% (30 June 2024: 5.04% to 5.53%)

Notes to the Financial Statements
31 December 2024

15 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	Future finance charges	Net present value of minimum lease payments
	A\$'000	A\$'000	A\$'000
Group			
31 December 2024			
Current:			
Within a year	10,298	(4,543)	5,755
Non-current:			
Between two and five years	26,990	(15,936)	11,054
Later than five years	201,545	(157,745)	43,800
	228,535	(173,681)	54,854
	238,833	(178,224)	60,609

Notes to the Financial Statements
31 December 2024

15 Leases (continued)

(a) The Group as lessee (continued)

Nature of the Group's leasing activities (continued)

The present values of lease liabilities are analysed as follows: (continued)

	Minimum lease payments	Future finance charges	Net present value of minimum lease payments
	A\$'000	A\$'000	A\$'000
Group			
30 June 2024			
Current:			
Within a year	10,159	(4,215)	5,944
Non-current:			
Between two and five years	25,327	(14,875)	10,452
Later than five years	189,888	(148,987)	40,901
	215,215	(163,862)	51,353
	225,374	(168,077)	57,297

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	As at	
	31 December 2024	30 June 2024
	A\$'000	A\$'000
<u>Present value of lease liabilities</u>		
Within one year	5,755	5,944
Between two and five years	11,054	10,452
Later than five years	43,800	40,901
	54,854	51,353
	60,609	57,297

The effective interest rate ranges from 2.14% to 8.6% (31 December 2023: 2.14% to 8.6%) per annum.

Notes to the Financial Statements
31 December 2024

15 Leases (continued)

(a) The Group as lessee (continued)

Carrying amount of right-of-use assets within Property, plant and equipment

	Group	
	As at	
	31 December 2024	30 June 2024
	A\$'000	A\$'000
Leasehold land & buildings	34,338	31,679
Small tools	630	681
Plant and equipment	31,176	31,501
Motor vehicles	5,422	3,986
	71,566	67,847

There was an addition of A\$5,976,000 to right-of-use assets during the current financial period (Note 9).

Carrying amount of right-of-use assets within Investment Properties

	Group	
	As at	
	31 December 2024	30 June 2024
	A\$'000	A\$'000
Leasehold land	2,598	2,469

There was an addition of A\$158,000 to right-of-use assets during the current financial period (Note 10).

Amounts recognised in profit or loss

	Group	
	6 months ended	
	31 December 2024	31 December 2023
	A\$'000	A\$'000
Depreciation charged for the period:		
- Small tools	51	51
- Plant and equipment	1,478	1,340
- Motor vehicles	452	339
- Leasehold land & buildings	463	530
Interest on lease liabilities	2,206	2,129
Expenses relating to short-term leases	169	149
Other disclosures – Total cash flow for leases	3,657	4,232

Notes to the Financial Statements
31 December 2024

15 Leases (continued)

(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 10.

Future minimum rental receivables under non-cancellable operating leases as at the end of the reporting period are as follows:

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	A\$'000	A\$'000
Present value of rental receivables		
Within one year	351	351
Between one year and two years	341	340
Between two years and three years	325	320
Between three years and four years	325	320
Between four years and five years	325	320
Later than five years	3,039	2,719
	4,706	4,370
	4,706	4,370

Notes to the Financial Statements
31 December 2024

16 Share capital

(a) Fully paid ordinary shares

	Group			
	31 December 2024		30 June 2024	
	No. of shares	A\$'000	No. of shares	A\$'000
At the beginning of the period	507,606,000	29,918	505,132,000	29,807
Share issued during the period/year				
- Conversion of performance rights	937,000	-	2,324,000	-
- Conversion of share options	-	-	150,000	111
Cancellation of treasury shares	(15,000)	(10)	-	-
At the end of the period/year	508,528,000	29,908	507,606,000	29,918

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

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

(b) Treasury shares

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

Notes to the Financial Statements
31 December 2024

17 Dividends

	Group	
	6 months ended	
	31 December	31 December
	<u>2024</u>	<u>2023</u>
	A\$'000	A\$'000
(a) Declared and paid during the period Fully franked dividends of 3.5 Australia cents per ordinary share for the financial year ended 30 June 2024 (30 June 2023: 3.0 Australia cents)	17,798	15,228
(b) Unrecognised amounts Interim franked dividends of 2.5 Australia cents per ordinary share for the financial year ended 30 June 2025 (30 June 2024: 2.5 Australia cents)	12,713	12,690

(c) Franking credit balance

	Group	
	As at	
	31 December	31 December
	<u>2024</u>	<u>2023</u>
	A\$'000	A\$'000
Franking credits available for subsequent reporting periods based on a tax rate of 30% (30 June 2024: 30%)	62,926	47,318
Impact on the franking account of dividends declared by the Board	(5,448)	(5,438)
	57,478	44,851

Recognition and measurement

A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date.

Notes to the Financial Statements
31 December 2024

18 Share-based payments

Performance rights plan

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

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

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

The balances of Performance Rights are as follows:

	<u>Issued</u>	<u>Vested</u>	<u>Forfeited /Lapsed /Expired</u>	<u>Balance</u>
Performance period 1 July 2021 to 30 June 2024 (Granted in FY2022)	1,773,000	(937,000)	(836,000)	-
Performance Period 1 July 2022 to 30 June 2025 (Granted in FY2023)	2,134,000	-	(84,000)	2,050,000
Performance Period 1 July 2023 to 30 June 2026 (Granted in FY2024)	1,817,000	-	(61,000)	1,756,000
Performance Period 1 July 2024 to 30 June 2027 (Granted in FY2025)	2,283,000	-	-	2,283,000
Balance as at 31 December 2024				<u>6,089,000</u>

For the financial period ended 31 December 2024, the Group has recognised A\$411,000 of equity-settled share-based payment expense (30 June 2024: A\$365,000).

Notes to the Financial Statements
31 December 2024

19 Asset revaluation reserve

	Group	
	As at	
	31 December 2024 A\$'000	30 June 2024 A\$'000
At beginning of the period/year	160,219	129,577
Gain on revaluation of freehold land and buildings	-	44,270
Deferred tax liability arising on revaluation	-	(13,628)
At the end of the period/year	160,219	160,219

20 Other reserves

	Group	
	As at	
	31 December 2024 A\$'000	30 June 2024 A\$'000
Merger reserve (a)	7,578	7,578
Waiver of loan payable to a related party	277	277
Equity-settled employee benefits reserve (b)	4,418	4,007
	12,273	11,862

(a) Merger reserve

Pursuant to the completion of the previous Restructuring Exercise in the prior years, the share capital of Civmec Construction & Engineering Pty Ltd and Controlled Entities is adjusted to merger reserve based on the “pooling of interest method”.

(b) Equity-settled Employee Benefits Reserve

The equity-settled employee benefits reserve relates to share options granted to employees under the employee share option plan and performance rights.

Notes to the Financial Statements
31 December 2024

21 Capital expenditure commitments

The Group has contracted capital expenditure commitments at the reporting date but not recognised in the financial statement as follows:

	Group	
	As at	
	31 December 2024 A\$'000	30 June 2024 A\$'000
Plant and equipment purchases	1,012	3,316
Capital projects	204	1,335
	1,216	4,651

22 Guarantees

Group

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.

Company

The Company also provides parent company guarantee 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.

As at 31 December 2024, the Group has provided the following:

	Group	
	As at	
	31 December 2024 A\$'000	30 June 2024 A\$'000
Bank guarantees	2,442	2,442
Surety bond facility	144,808	137,266
	147,250	139,708

The surety bond facility is provided for the provision of performance bonds to customers of the Group. It has a limit of A\$400 million as at 31 December 2024 (30 June 2024: A\$403 million).

Notes to the Financial Statements
31 December 2024

23 Related party transactions

The Group's main related parties are as follows:

Entities Exercising Control over the Group

The largest shareholders are James Finbarr Fitzgerald and Olive Theresa Fitzgerald (acting as trustees for the JF & OT Fitzgerald Family Trust) (19.22%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (19.18%). 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.

Remuneration paid to key management personnel is as follows:

	Group	
	6 months ended	
	31 December	31 December
	<u>2024</u>	<u>2023</u>
	A\$'000	A\$'000
Directors' remuneration		
- Salaries and other related costs	2,239	1,819
- Directors' fees	187	163
- Share-based payment: cash-settled	1,145	1,308
- Benefits including defined contribution plans	75	71
Other key management personnel		
- Salaries and other related costs	2,430	1,793
- Benefits including defined contribution plans	115	108
	6,191	5,262

Directors' interest in employee share benefit plans

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

	Group	
	As at	
	31 December	30 June
	<u>2024</u>	<u>2024</u>
	No.	No.
Performance rights		
Directors	996,000	1,057,000
Key management personnel	3,480,000	2,512,000
	3,480,000	2,512,000

Notes to the Financial Statements

31 December 2024

23 Related party transactions (continued)

Other related parties

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

Transactions with related parties

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

Newpark WA Pty Ltd (as Trustee for The Fitzgerald Newpark Family Trust) purchased steel and other materials at arm's length from Civmec Construction & Engineering on 13 September 2024, valued at \$142,000 (ex GST). (31 December 2023: Nil).

24 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 Operating 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.

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.

Notes to the Financial Statements
31 December 2024

24 Financial information by segments (continued)

Basis of accounting for purpose of reporting by operating segments

(a) 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.

(b) 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.

(c) 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	
	6 months ended		As at	
	31 December <u>2024</u>	31 December <u>2023</u>	31 December <u>2024</u>	30 June <u>2024</u>
	A\$'000	A\$'000	A\$'000	A\$'000
Australia	502,861	492,346	551,546	552,277

Major customers

The Group has a number of customers to whom it provides both products and services. For the six-month ended 31 December 2024, the Group supplies to three (30 June 2024: two, Resources) major external customers in the Resources segment. The major customers account for approximately 59.0% (31 December 2023: 47.7%) of external revenue.

Notes to the Financial Statements
31 December 2024

24 Financial information by segments (continued)

	Group				Group			
	6 months ended 31 December 2024				6 months ended 31 December 2023			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Revenue	28,114	406,943	67,804	502,861	20,369	418,896	53,081	492,346
Cost of sales (excluding depreciation)	(25,520)	(370,062)	(40,940)	(436,522)	(17,467)	(360,681)	(44,123)	(422,271)
Depreciation expenses	(482)	(8,912)	(1,162)	(10,556)	(329)	(8,597)	(858)	(9,784)
Segment results	2,112	27,969	25,702	55,783	2,573	49,618	8,100	60,291
Other income				1,452				1,976
Unallocated costs:								
Administrative expenses*				(16,726)				(14,131)
Depreciation in admin expenses*				(53)				(54)
Finance costs				(2,989)				(2,965)
Profit before income tax				37,467				45,117
Income tax expense				(10,974)				(13,224)
Profit for the period				26,493				31,893

	Group				Group			
	As at 31 December 2024				As at 30 June 2024			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Segment assets								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				883,324				907,946
Other current assets				2,727				1,393
Deferred tax assets				1,383				968
Total assets				887,444				910,317
Segment liabilities								
Unallocated liabilities:								
Liabilities				313,513				339,151
Borrowings				60,000				64,000
Provisions				16,607				18,948
Total liabilities				390,120				422,099
Other information								
Capital expenditure during the period				3,390				10,874

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

Notes to the Financial Statements
31 December 2024

25 Significant events since the balance date

Material subsequent events have been disclosed in the directors' report.

26 Other disclosures

There were no significant seasonal factors affecting the business during the reporting period.

Directors' Declaration

In accordance with a resolution of the directors of Civmec Limited, the directors of the Company declare that:

1. The condensed interim consolidated financial statements and notes, as set out on pages 5 to 40, are in accordance with the *Corporations Act 2001* (and *Singapore Companies Act 1967*) including;
 - a. comply with Accounting Standard AASB 134: *Interim Financial Reporting* (and its international equivalent IAS 34 and SFRS(I) 1-34); and
 - b. giving a true and fair view of the financial position of the Group as at 31 December 2024 and its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
13 February 2025



Patrick John Tallon
Chief Executive Officer
Civmec Limited
13 February 2025

Supplementary information

As described in Note 1, Civmec Limited (formerly known as Civmec Australia Limited, domiciled in Australia) replaced Civmec Singapore Limited (formerly known as Civmec Limited, domiciled in Singapore) as the new listed parent company of Civmec Group, moving the head company's domicile from Singapore to Australia on 4 September 2024. This change was completed through a scheme of arrangement under Singapore's Companies Act.

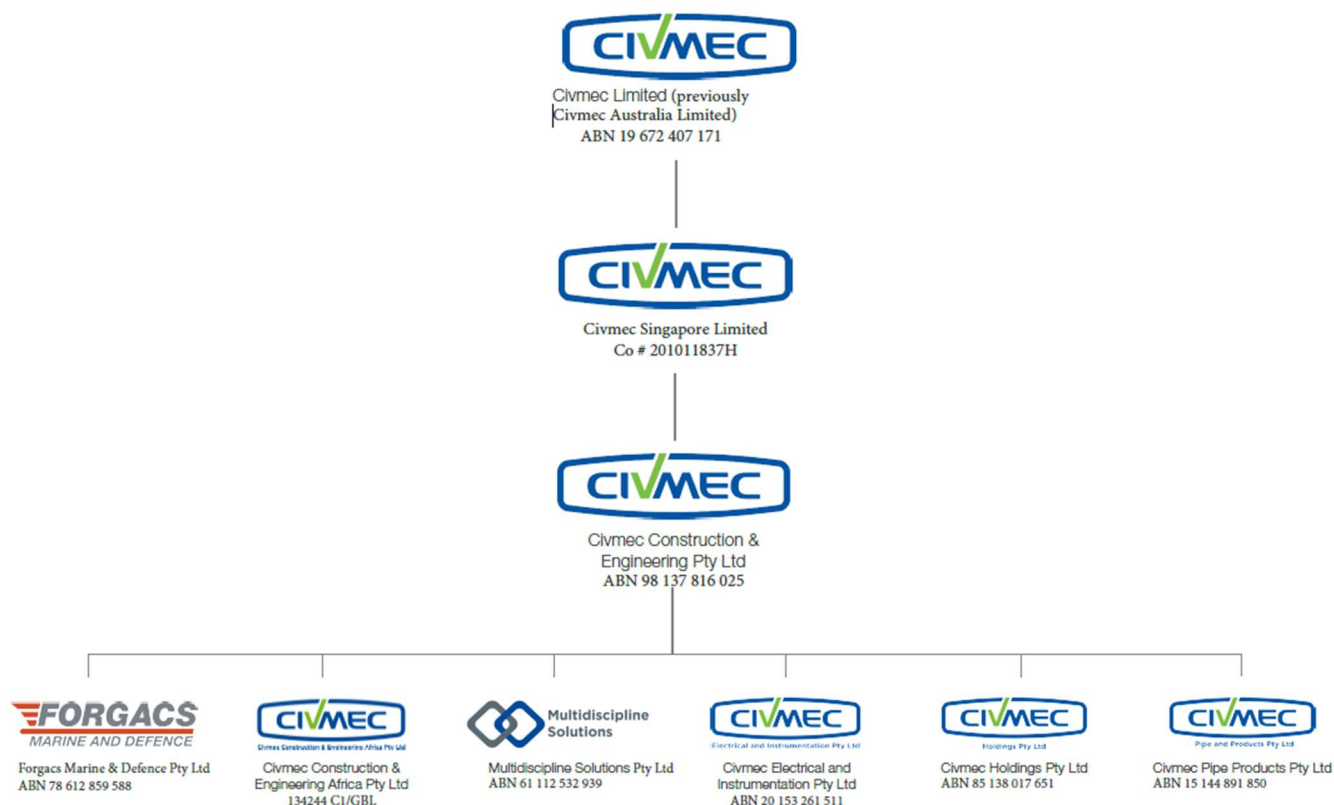
(a) Overview of the Restructure

The key steps undertaken in the Restructure were:

- New legal entity Civmec Australia Limited (the 'NewCo') was incorporated as a public limited company in Australia on 26 October 2023 for the sole purpose of the Change of Domicile.
- Existing shareholders of Civmec Limited (the 'Company') exchanged their ordinary shares and CHES Depository Interests (CDIs) in the Company for new ordinary shares in the NewCo on a 1 for 1 basis.
- NewCo replaced Civmec Limited as the new holding company of the Group.
- The existing listing of the Company on the Mainboard of the Singapore Exchange Securities Trading Limited (the 'SGX-ST') and the Australian Securities Exchange (the 'ASX') transferred to the NewCo.
- NewCo changed its name to 'Civmec Limited' and the Company changed its name to 'Civmec Singapore Pte Ltd).

(b) Composition of the Group

The composition of the Civmec Group after the Restructure is shown in the diagram below.



Civmec Limited and its subsidiaries
Condensed Interim Consolidated Financial Statements
for the half year ended 31 December 2024

Supplementary information (continued)

(c) Summary financial information

Condensed Income Statement

	Civmec Singapore Limited (formerly Civmec Limited) Consolidated		Civmec Limited (formerly Civmec Australia Limited) Consolidated	
	6 months ended		6 months ended	
	31 December <u>2024</u>	31 December <u>2023</u>	31 December <u>2024</u>	31 December <u>2023</u>
	A\$'000	A\$'000	A\$'000	A\$'000
Revenue	502,861	492,346	502,861	492,346
Gross profit	55,783	60,291	55,783	60,291
Other income	1,450	1,976	1,452	1,976
Administrative expenses	*(13,549)	(14,185)	(16,779)	(14,185)
Finance costs	(2,989)	(2,965)	(2,989)	(2,965)
Income tax expenses	(11,248)	(13,224)	(10,974)	(13,224)
Net profit for the period	29,447	31,893	26,493	31,893

*This includes reversal of long-term incentive expenses amounting to \$2.1M, which were transferred from Civmec Singapore Limited to the ultimate parent entity following the Restructure.

Condensed Balance Sheet

	Civmec Singapore Limited (formerly Civmec Limited) Consolidated		Civmec Limited (formerly Civmec Australia Limited) Consolidated	
	As at		As at	
	31 December <u>2024</u>	30 June <u>2024</u>	31 December <u>2024</u>	30 June <u>2024</u>
	A\$'000	A\$'000	A\$'000	A\$'000
Assets				
Cash and cash equivalent	37,003	88,457	37,006	88,457
Trade and other receivables	97,080	94,602	97,080	94,602
Contract assets	198,756	173,588	198,756	173,588
Property, plant and equipment	531,565	532,840	531,565	532,840
Investment properties	18,588	18,459	18,588	18,459
Others	4,120	2,371	4,449	2,371
Total assets	887,112	910,317	887,444	910,317
Liabilities				
Trade and other liabilities	*129,950	153,149	127,408	153,149
Contract liabilities	55,042	49,292	55,042	49,292
Lease liabilities	60,609	57,297	60,609	57,297
Borrowings	60,000	64,000	60,000	64,000
Provisions	16,607	18,948	16,607	18,948
Deferred tax liabilities	70,454	71,951	70,454	71,951
Other	-	7,462	-	7,462
Total liabilities	392,662	422,099	390,120	422,099
Total equity	494,450	488,218	497,324	488,218

*This includes an intercompany payable of \$2.8M owed to the ultimate parent entity.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CIVMEC LIMITED

Report on the Interim Financial Statements

Conclusion

We have reviewed the accompanying condensed consolidated interim financial statements ("Interim Financial Statements") of Civmec Limited ("the company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Review Conclusion by Moore Stephens LLP

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Interim Financial Statements do not give a true and fair view of the financial position of the Group as at 31 December 2024, and of its financial performance, its changes in equity and its cash flows for the half-year period ended 31 December 2024 in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*.

Basis for Conclusion by Moore Stephens LLP

We conducted our review in accordance with Singapore Standard on Review Engagements 2410: *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

Review Conclusion by Moore Australia Audit (WA)

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Statements of the company is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001.

Basis for Conclusion by Moore Australia Audit (WA)

We conducted our review in accordance with Auditing Standards on Review Engagements 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Interim Financial Statements

The directors of the company are responsible for the preparation of the Interim Financial Statements that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and SFRS(I) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the Interim Financial Statements that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Interim Financial Statements

Our responsibility is to express a conclusion on the Interim Financial Statements based on our review.

ASRE 2410 requires Moore Australia Audit (WA) to conclude whether anything has come to their attention that causes them to believe that the Interim Financial Statements is not in accordance with the *Corporations Act 2001* including:


- a) giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of the Interim Financial Statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing or Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



MICHELLE CHONG
PARTNER

Singapore 13th February 2025



MOORE STEPHENS LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS



SUAN-LEE TAN
PARTNER

Perth 13th February 2025



MOORE AUSTRALIA
MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS