

CIVMEC LIMITED
(ACN 672 407 171)

AND ITS SUBSIDIARIES

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 31 DECEMBER 2025**

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

	Note	6 months ended	
		31 December 2025 A\$'000	31 December 2024 A\$'000
Revenue	4	380,443	502,861
Cost of sales		(335,577)	(447,078)
Gross profit		44,866	55,783
Other income	5.1	1,817	1,452
Administrative expenses		(13,943)	(16,779)
Finance costs	5.1	(2,510)	(2,989)
Profit before income tax		30,230	37,467
Income tax expense	7	(8,782)	(10,974)
Profit for the period		21,448	26,493
Profit attributable to:			
Owners of the Company		21,448	26,493
Non-controlling interest		-	-
		21,448	26,493
Total comprehensive income attributable to:			
Owners of the Company		21,448	26,493
Non-controlling interest		-	-
		21,448	26,493
Earnings per share attributable to equity holders of the Company (cents per share):			
- Basic	8	4.21	5.21
- Diluted	8	4.20	5.15

B. Condensed interim consolidated statement of financial position

	Note	Group As at	
		31 December 2025 A\$'000	30 June 2025 A\$'000
ASSETS			
Current assets			
Cash and cash equivalents		87,579	102,940
Trade and other receivables		202,548	52,328
Contract assets		178,812	154,969
Other current assets		8,438	4,001
Income tax receivable		-	8,697
		477,377	322,935
Non-current assets			
Property, plant and equipment	10	567,373	568,170
Investment properties	11	20,086	19,706
Intangible assets		10	10
Deferred tax assets		2,945	1,078
		590,414	588,964
TOTAL ASSETS		1,067,791	911,899
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		217,205	86,835
Contract liabilities		84,438	71,447
Lease liabilities		6,951	5,442
Income tax payable		994	-
Provisions		16,255	13,659
		325,843	177,383
Non-current liabilities			
Lease liabilities		57,569	55,069
Borrowings	13	60,000	60,000
Provisions		528	379
Deferred tax liabilities		89,257	88,556
		207,354	204,004
TOTAL LIABILITIES		533,197	381,387
Capital and Reserves			
Share capital	14	33,402	32,812
Asset revaluation reserve		190,134	190,134
Other reserves	16	8,952	9,071
Retained earnings		302,367	298,756
Total equity attributable to the Owners of the Company		534,855	530,773
Non-controlling interest		(261)	(261)
TOTAL EQUITY		534,594	530,512
TOTAL LIABILITIES AND EQUITY		1,067,791	911,899

C. Condensed interim consolidated statement of changes in equity

	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
31 December 2025								
Balance as at 1 July 2025	32,812	-	190,134	9,071	298,756	530,773	(261)	530,512
Profit for the period	-	-	-	-	21,448	21,448	-	21,448
OCI* for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	21,448	21,448	-	21,448
Recognition of share based payment	-	-	-	471	-	471	-	471
Employee share awards vested	590	-	-	(590)	-	-	-	-
Dividends paid	-	-	-	-	(17,837)	(17,837)	-	(17,837)
Balance as at 31 December 2025	33,402	-	190,134	8,952	302,367	534,855	(261)	534,594

	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
31 December 2024								
Balance as at 1 July 2024	(1) 32,358	(10)	160,219	(1) 19,422	286,490	488,479	(261)	488,218
Profit for the period	-	-	-	-	26,493	26,493	-	26,493
OCI* 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	32,348	(10)	160,219	9,833	295,185	497,585	(261)	497,324

Note:

*Other Comprehensive income/(loss)

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

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

D. Condensed interim consolidated statement of cash flows

	Note	6 months ended	
		31 December 2025 A\$'000	31 December 2024 A\$'000
Cash Flows from Operating Activities			
Profit before income tax		30,230	37,467
Adjustments for:			
Depreciation of property, plant and equipment and investment properties – leasehold land	10,11	11,274	10,609
Gain on disposal of property, plant and equipment	5.1	(76)	(14)
Finance cost		4,470	4,811
Interest income	5.1	(1,476)	(932)
Expense arising on equity-settled share based payments		471	411
Foreign exchange differences		39	79
Operating cash flow before working capital changes		44,932	52,431
 Changes in working capital:			
Increase in trade and other receivables		(150,220)	(2,478)
Increase in contract assets		(23,843)	(25,167)
Increase in other current assets		(4,437)	(1,334)
Increase/(decrease) in trade and other payables		141,269	(26,178)
(Decrease)/Increase in contract liabilities		(12,991)	5,750
Decrease in provisions		(2,745)	(2,341)
Cash (used in)/generated from operations		(8,035)	683
Interest received		1,476	932
Finance cost paid		(3,447)	(3,619)
Income tax refund		6,861	-
Income tax paid		(7,118)	(20,677)
Net cash used in operating activities		(10,263)	(22,681)
 Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		193	75
Purchase of property, plant and equipment	10	(1,056)	(3,390)
Acquisition of subsidiary, net of cash paid		16,533	-
Net cash generated from/(used in) investing activities		15,670	(3,315)
 Cash Flows from Financing Activities			
Proceeds from borrowings		1,421	37,800
Repayment of borrowings		(960)	(41,800)
Repayment of principal lease liabilities		(3,392)	(3,657)
Dividends paid		(17,837)	(17,798)
Net cash used in financing activities		(20,768)	(25,455)
 Net increase in cash and cash equivalents		(15,361)	(51,451)
Cash and cash equivalents at the beginning of the period		102,940	88,457
Cash and cash equivalents at the end of the period		87,579	37,006

E. Notes to the condensed interim consolidated financial statements

1. General information

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

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the Group).

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

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 2025:

- have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard ('AASB') 134 and Singapore Financial Reporting Standards (International)('SFRS(I)') 1-34: *Interim Financial Reporting*.
- do not include all the information and disclosures required in the annual financial statements.
- should be read in conjunction with the Group's audited consolidated financial statements for the year ended 30 June 2025.
- presented in Australian dollars (AUD or A\$) unless otherwise stated.
- were approved by the Board of Directors on 11 February 2026.

(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 2025 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.

(c) Use of estimates, assumptions and judgments

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 reasonable under the circumstances, the results of which form the basis of making judgements 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 2025, except for the below:

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.

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

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

- Energy
- Resources
- Infrastructure, Marine & Defence

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

4.1 Reportable segments

	6 months ended 31 December 2025				6 months ended 31 December 2024			
	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000
Revenue	59,637	222,658	98,148	380,443	28,114	406,943	67,804	502,861
Cost of sales (excluding depreciation)	(49,931)	(190,994)	(83,441)	(324,366)	(25,520)	(370,062)	(40,940)	(436,522)
Depreciation expenses	(1,462)	(7,343)	(2,406)	(11,211)	(482)	(8,912)	(1,162)	(10,556)
Segment results	8,244	24,321	12,301	44,866	2,112	27,969	25,702	55,783
Other income				1,817				1,452
Unallocated costs:								
Administrative expenses*				(13,880)				(16,726)
Depreciation in admin expenses*				(63)				(53)
Finance costs				(2,510)				(2,989)
Profit before income tax				30,230				37,467
Income tax expense				(8,782)				(10,974)
Profit for the period				21,448				26,493
	As at 31 December 2025				As at 30 June 2025			
	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000
Segment assets:								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				1,056,398				906,810
Other current assets				8,438				4,001
Deferred tax assets				2,945				1,078
Total assets				1,067,791				911,899
Segment liabilities:								
Unallocated liabilities:								
Liabilities				456,414				307,349
Borrowings				60,000				60,000
Provisions				16,783				14,038
Total liabilities				533,197				381,387
Other segment information								
Capital expenditure during the period/year				1,056				4,815

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

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

4. Segment and revenue information (continued)

4.2 Disaggregation of revenue

	6 months ended 31 December 2025				6 months ended 31 December 2024			
	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra-Marine & Defence A\$'000	Total A\$'000
<u>Types of goods or services</u>								
Construction contract	51,385	163,624	97,685	312,694	27,851	347,538	66,170	441,559
Rendering of services	8,252	58,437	463	67,152	263	58,400	1,634	60,297
Sales of goods	-	597	-	597	-	1,005	-	1,005
Total revenue	59,637	222,658	98,148	380,443	28,114	406,943	67,804	502,861
<u>Timing of revenue recognition</u>								
At a point in time	-	633	463	1,096	-	1,177	899	2,076
Over time	59,637	222,025	97,685	379,347	28,114	405,766	66,905	500,785
Total revenue	59,637	222,658	98,148	380,443	28,114	406,943	67,804	502,861
<u>Geographical information</u>								
Australia	59,637	222,658	98,148	380,443	28,114	406,943	67,804	502,861

5. Profit before income tax

5.1 Significant items

	6 months ended	
	31 December 2025 A\$'000	31 December 2024 A\$'000
<u>Other income</u>		
Insurance recoveries	8	3
Fuel tax rebate	167	449
Interest income	1,476	932
Gain on disposal of property, plant and equipment	76	14
Subsidies and incentives	12	37
Sundry revenue	78	17
	1,817	1,452
<u>Depreciation of property, plant and equipment and investment properties – leasehold land</u>		
Included in cost of sales	11,211	10,556
Included in administrative expenses	63	53
	11,274	10,609
<u>Finance costs</u>		
Corporate market loan and line fees	1,960	2,504
Lease liabilities	403	385
Other finance costs	147	100
	2,510	2,989
Included in cost of sales:		
Lease liabilities	1,960	1,822
Total finance costs	4,470	4,811

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

6. 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) (16.5%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (16.5%) 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.

Directors' interest in employee share benefit plans

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

	As at	
	31 December 2025 No.	30 June 2025 No.
Performance rights		
Directors	1,367,000*	996,000*
Key management personnel	1,365,000	332,000

Note:

* To be settled on a cash basis.

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 other related party transactions during the current financial period (31 December 2024: A\$142,000).

7. Income tax expense

The Group calculates the period income tax expense using the currently enacted tax rates that are applicable to the total earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended	
	31 December 2025 A\$'000	31 December 2024 A\$'000
Current income tax expense	9,948	10,753
Deferred income tax expense relating to origination and reversal of temporary differences	(1,166)	218
Total income tax expense	8,782	10,974

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

8. Earnings per share

	6 months ended	
	31 December 2025	31 December 2024
Profit attributable to the owners of the Company (A\$'000)	21,448	26,493
Share capital (A\$'000)	33,402	32,358
Weighted average number of ordinary share issued		
- Basic	509,082,462	508,023,408
- Diluted	511,912,462	514,112,408
Earnings per ordinary share (A\$ cents)		
- Basic	4.21	5.21
- Diluted	4.20	5.15

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 period. 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 31 December 2025, the diluted earnings per share includes the effect of 1,463,000 unissued ordinary shares granted under 2024 Civmec Performance Rights Plan due to the performance targets are likely to be met. The effect of the inclusion is dilutive. (31 December 2024: 6,089,000, dilutive).

9. Net asset value

	As at	
	31 December 2025	30 June 2025
Net assets attributable to owners (A\$'000)	534,855	530,773
Net asset value per ordinary share based on issued share capital at the end of the respective periods (A\$ cents)	104.95	104.37

Net asset value per share is calculated by dividing the net assets attributable to the equity holders of the Company by the number of issued shares as at 31 December 2025 of 509,625,000 (30 June 2025: 508,528,000).

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

10. Property, plant and equipment

During the six months ended 31 December 2025, the Group acquired assets amounting to A\$1,056,000 (31 December 2024: A\$3,390,000).

At the balance sheet, 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 (currently recognised as Asset under construction)	Freehold

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 2025. 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 current financial period.

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

Description	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Lease plant and equipment	Borrowings Lease liabilities	39,645 38,393
Remaining property, plant and equipment	Multi option facility	527,728 529,777
		567,373 568,170

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

11. Investment properties

	Buildings A\$'000	Leasehold land A\$'000	Total A\$'000
31 December 2025			
Cost or valuation			
At 1 July 2025	17,140	2,755	19,895
Addition – ROU	-	411	411
At 31 December 2025	17,140	3,166	20,306
Accumulated depreciation			
At 1 July 2025	-	(189)	(189)
Depreciation for the period	-	(31)	(31)
At 31 December 2025	-	(220)	(220)
Net carrying amount			
At 31 December 2025	17,140	2,946	20,086
30 June 2025			
Cost or valuation			
At 1 July 2024	15,990	2,597	18,587
Addition – ROU	-	158	158
Revaluation increase – recognise in profit or loss	1,150	-	1,150
At 30 June 2025	17,140	2,755	19,895
Accumulated depreciation			
At 1 July 2024	-	(128)	(128)
Depreciation for the year	-	(61)	(61)
At 30 June 2025	-	(189)	(189)
Net carrying amount			
At 30 June 2025	17,140	2,566	19,706

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 2025. The fair value is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy due to its specialised nature which is not readily traded in the marketplace.

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

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

The fair value measurement for the investment properties of A\$17,140,000 (30 June 2025: A\$17,140,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used. No revaluation was performed during the current financial period.

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

11. Investment properties (continued)

Leasehold land carried at cost

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

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

Amounts recognised in profit or loss for investment properties

	6 months ended	
	31 December 2025 A\$'000	31 December 2024 A\$'000
Rental income	175	175
Direct operating expenses from investment property that generate rental income	(200)	(221)

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

Description	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Investment properties	20,086	19,706

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

12. 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 Group had 12 months from the transaction completion date to make adjustments to the fair value of net identifiable assets acquired. The following table summarises the consideration paid for and the fair value of assets acquired and liabilities assumed at the acquisition date. These balances are provisional and subject to change within the 12 month measurement period, and any resulting changes will be reflected in the Group's financial statements as at 30 June 2026.

	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 period, 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 will be amortised on a straight-line basis over its estimated useful life of 4 years being the length of the contract, starting from the acquisition date.

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.

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

13. Borrowings

	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Amount repayable after one year, or on demand:		
Corporate market loan – secured	60,000	60,000
	60,000	60,000

Multi-option facility

During the current financial period, 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.

As at 31 December 2025, the Group has a bank facility limit amounting to A\$160 million (30 June 2025: A\$156 million), which was 39.2% utilised (30 June 2025: 40.5% utilised). Interest rates are variable and ranged between 4.49% to 4.98% (31 December 2024: 5.53% to 5.55%) per annum during the current financial period.

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 2025, 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 10 and Note 11 to the financial statements.

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

14. Share capital

(a) Fully paid ordinary shares

	31 December 2025		30 June 2025	
	No. of shares	A\$'000	No. of shares	A\$'000
At the beginning of the period/year	508,528,000	32,812	507,606,000	32,358*
Share issued during the period/year - Conversion of performance rights	1,097,000	590	937,000	464
Cancellation of treasury shares	-	-	(15,000)	(10)
At the end of the period/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 period, 1,097,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel ('KMP') and other management.

15. Share-based payments

Performance rights plan

The Performance Rights Plan ('PRP') for key senior executives of the Group was approved and adopted at the Extraordinary General Meeting ('EGM') held on 1 August 2024. The PRP is called the '2024 Civmec Key Senior Executives Performance Rights Plan'. A Performance Right refers to a right to one issued ordinary share of the Company granted under the scheme for no consideration. To the extent the gateway hurdles are satisfied, 100% of the vesting will be based on the absolute earnings per share (aEPS) outcome. aEPS is based on the achievement of certain predetermined performance targets determined by the Committee. The Committee has the discretion to determine whether the performance targets have been met.

The balances of outstanding Performance Rights are as follows:

	Issued	Vested	Forfeited/ Lapsed/ Expired	Balance	Fair value per right (AUD) ¹
Tranche 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
Balance as at 31 December 2025				3,633,000	

Accounted for but not yet issued	No.	Fair value per right (AUD) ¹
Tranche 9: Performance period 1 July 2025 to 30 June 2028	2,155,000	\$0.85

Note:

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

For the financial period ended 31 December 2025, the Group has recognised A\$471,000 of equity-settled share-based payment expense (31 December 2024: A\$411,000).

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

15. Share-based payments (continued)

Retention Incentive

The Remuneration Committee has approved a retention incentive plan for designated key senior executives of the Group. The incentive will vest following the completion of a five-year performance period. Participants may elect their preferred allocation of the incentive in a cash component (subject to an approved cap), with the remaining value as Performance Rights.

Accounted for but not yet issued	No.	Fair value per right (AUD) ¹
Performance period 1 July 2025 to 30 June 2030	5,373,000	\$0.76

Note:

1. The fair value per right 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.

16. Other reserves

	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Merger reserve ¹	7,578	7,578
Waiver of loan payable to a related party	277	277
Equity-settled employee benefits reserve	1,097	1,216
	8,952	9,071

Note:

1. 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'.

17. Capital expenditure commitments

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

	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Plant and equipment purchases	3,251	254
Capital projects	10	39
	3,261	293

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

18. 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 the reporting date, the Group has given the following:

	As at	
	31 December 2025 A\$'000	30 June 2025 A\$'000
Bank guarantees	2,442	2,442
Surety bond facility	193,851	183,608
	196,293	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\$400 million (30 June 2025: A\$400 million) as at 31 December 2025.

There were no contingent assets recognised as at 31 December 2025 or 30 June 2025.

19. Subsequent events

There have been no subsequent material events that would require disclosure in the financial statements.

20. Other disclosures

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

F. Other information required by Listing Rule Appendix 7.2

1. Review

These figures have not been audited or reviewed.

2. Review of performance of the Group

Statement of comprehensive income

1H2026 vs 1H2025

Revenue for six months ended 31 December 2025 ('1H2026') decreased by 24.3% to \$380.4 million from A\$502.9 million for the six months ended 31 December 2024 ('1H2025') mainly due to reduced activity levels following the completion of several major contracts and the timing of new contract awards which were largely secured towards the latter part of the current financial period.

Gross profit for 1H2026 decreased by 19.6% to A\$44.9 million compared with A\$55.8 million in 1H2025. Despite the reduction in activity, the gross margin improved to 11.8%, reflecting a higher gross profit percentage on the work performed.

Other income increased by 25.1% to A\$1.8 million in 1H2026 compared to 1H2025 mainly due to higher interest income earned from bank accounts.

Administrative expenses decreased by 16.9% mainly due lower company fees and consultant fees incurred in 1H2026, compared with higher expenses incurred relating to the change of domicile and changes to the way the Group classifies support function costs in 1H2025.

Total finance costs decreased by 7.1% in 1H2026 compared to 1H2025, as a result of lower interest and line fees paid on borrowings.

Net profit attributable to shareholders decreased 19.0% to A\$21.4 million in 1H2026, from A\$26.5 million in 1H2025 due to decreased activity levels during the period with an increased NPAT of 5.6% compared 1HFY25 to 5.3%

1H2026 vs 2H2025

Revenue for the six months ended 31 December 2025 ('1H2026') increased by 23.6% to A\$380.4 million from A\$307.7 million for the six months ended 30 June 2025 ('2H2025') mainly due to the commencement of several projects during the period.

Gross profit for 1H2026 increased 20.7% to A\$44.9 million from A\$37.2 million.

Administrative expenses increased by 5.2% in 1H2026 compared to 2H2025 mainly due to higher spending in salaries and employee incentive plans.

Net profit attributable to shareholders increased 33.7% to A\$21.4 million in 1H2026 from A\$16.0 million in 2H2025, as a result of improved gross profit during the period and an increase in activity levels.

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

2. Review of performance of the Group (continued)

Statement of financial position

Total shareholders' equity increased to A\$534.9 million as at 31 December 2025, up from A\$530.8 million as at 30 June 2025 as a result of profit earned in the period being partially offset by dividends paid in the period.

Trade and other receivables increased to A\$202.5 million as at 31 December 2025 from A\$52.3 million as at 30 June 2025 mainly due to timing of invoicing to customers during the period and the outstanding pre-acquisition contract milestone payments recoverable from the Commonwealth of Australia recognised through the acquisition of Luerssen Australia Pty Ltd (currently known as Cimc Defence Industries Pty Ltd).

Contract assets increased to A\$178.8 million as at 31 December 2025 from A\$155.0 million as at 30 June 2025 reflecting the timing of payment claims and revenue recognition on current projects and the milestone nature of Contract's within the Groups defence division.

Trade and other payables increased to A\$217.2 million as at 31 December 2025 from A\$86.8 million as at 30 June 2025 mainly due to recognition of outstanding pre-acquisition contract milestone payments payable through to NVL Australia GmbH in accordance with the Share Sale and Purchase Deed.

Contract liabilities increased to A\$84.4 million as at 31 December 2025 from A\$71.4 million as at 30 June 2025 reflecting the timing of payment claims and revenue recognition on current projects.

Cash and cash equivalents as at 31 December 2025 were A\$87.6 million, decreasing from A\$102.9 million as at 30 June 2025 mainly due to working capital requirements and dividend payment, partially offset by the net cash acquired.

Property, plant and equipment decreased to A\$567.4 million as at 31 December 2025 from A\$568.2 million as at 30 June 2025 mainly due to depreciation expenses incurred for the period partially offset by the re-measurement of existing right-of-use assets due to price escalation.

Overall lease liabilities increased to A\$64.5 million as at 31 December 2025 from A\$60.5 million as at 30 June 2025. This increase was driven by the acquisition of new assets through finance leases and the re-measurement of existing operating leases due to increased price escalation during the period, offset by the repayment of principal lease liabilities.

Overall borrowings remained at A\$60.0 million as at 31 December 2025. This was achieved through prudent cash management, with surplus liquidity from the previous period utilised to fulfil working capital requirements during the current period.

Statement of cash flows

Overall cashflow before working capital changes was A\$44.9 million for the six months ended 31 December 2025 ('1H2026') compared to A\$52.4 million for the six months ended 31 December 2024 ('1H2025') reflecting the decreased profit before tax in the period.

Despite a cash deficit from operating activities of A\$10.3 million for 1H2026, primarily driven by increased working capital needs from the new business division, the Group's liquidity was supported by the net cash acquired from the acquisition.

The Group incurred A\$1.1 million capital expenditure, primarily on replacing ageing plant and equipment with new equipment.

The financing activities were lower compared to 1H2025 mainly due to the reduced reliance on external debt during the current period.

As at 31 December 2025, the Group's cash and cash equivalents were A\$87.6 million decreased from A\$102.9 million as at 30 June 2025. The cash and cash equivalents balance as at 31 December 2025 was 136.7% higher compared to 31 December 2024.

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

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

The current results are in line with the commentary disclosed in paragraph 4 of the announcement of condensed interim financial statement for the second half and full year ended 30 June 2025 dated 28 August 2025.

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

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

The Group has observed a general uplift in market activity. Building on this momentum, the Group remains focused on converting its strong pipeline of tenders into secured contracts and continuing to leverage long-standing client relationships to further strengthen and grow the order book.

The Group continues to observe positive market conditions within its Balance Machine business unit, supported by increased client interest and higher levels of engagement. These trends reinforce the Group's expectation of strengthening activity and provide a solid platform for further conversion of opportunities within this segment.

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

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

5. Dividend information

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

Name of dividend	Interim (foreign sourced) 30 June 2026
Dividend type	Cash
Dividend amount per share	2.5 Australian Cents
Tax rate	Tax exempt
Number of shares	509,625,000

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

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

Name of dividend	Interim (foreign sourced) 30 June 2025
Dividend type	Cash
Dividend amount per share	2.5 Australian Cents
Tax rate	Tax exempt
Number of shares	508,528,000

c) Date payable
10 April 2026

d) Books closure date

Share Transfer Books of Civmec Limited (the "Company") will be closed on 26 March 2026, for the preparation of dividend warrants to the proposed tax exempt (Foreign Sourced) Interim dividend of A\$0.025 for the financial year ending 30 June 2026 ("Interim Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to 5:00 p.m. on 25 March 2026 ("Record Date") by the Company's Share Registrars will be registered to determined Members' entitlements to the Interim Dividend. Depositors who Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5:00 p.m. on the Record Date will be entitled to the Interim Dividend.

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

6. Interested person transactions

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

There was no interested person transactions conducted under shareholders' mandate for the current financial period.

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

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

Confirmations by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six months ended 31 December 2025 to be false or misleading in any material aspect.

On behalf of the board



James Finbarr Fitzgerald
Executive Chairman

12 February 2026