



Q1FY2016 Results Briefing

13 November 2015



1. Q1FY2016 Financial Highlights

2. Recent Developments

- New Contract Awards
- Defence
- Infrastructure
- Metals and Minerals

3. Outlook



Q1FY2016 Highlights



Financial

- Revenue of S\$143.8m – up 25% from Q4FY2015
- NPAT of S\$8.7m – 6.0% – up 32% from Q4FY2015
- EPS at 1.73 Singapore cents
- Cash on hand of S\$25.7m – up 13%

Operations

- Awarded A\$141 million in new contracts in Q1FY2016
- Secured key contracts in the Infrastructure and Defence sector
- Secured EPC contract with BHP in joint venture with Sedgman

Strategy & Outlook

- Organic growth and diversification through expanding capabilities and geographical footprint
- Expand East Coast operations further – established precast facility in Macksville, NSW
- Established Defence business unit to develop future revenue stream



Q1FY2016 Results Snapshot



(S\$000)	Q1FY2016	Q4FY2015	Change (%)	Q1FY2015	Change (%)
Revenue	143,840	114,704	25.4	170,185	(15.5)
Gross Profit	17,506	14,066	24.5	20,029	(12.6)
NPAT	8,679	6,548	32.5	11,064	(21.6)
NPAT Margin (%)	6.0%	5.7%	0.3 ppt*	6.5%	(0.5) ppt*
EPS on fully diluted basis (cents)	1.73	1.29	34.1	2.21	(22.6)
Net Asset Value (NAV) per share (cents)	As at 30 Sep 2015: 30.94		As at 30 Jun 2015: 30.29		

* ppt denotes percentage points

Group Financial Position



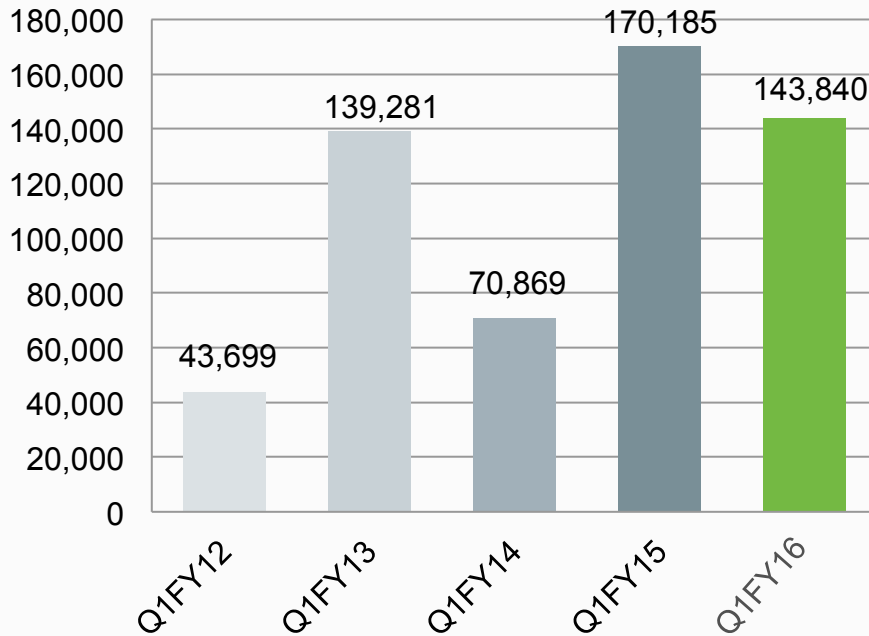
	Sep 2015	Jun 2015	Change (%)
Gross cash (S\$m)	25.7	37.6	(31.6)
Debt (S\$m)	24.7	25.4	(2.3)
Bank facilities & performance bonds			
- Utilised (A\$)	87,565	72,858	20.2
- Available (A\$)	107,435	67,142	60.0

- Operating cash flow affected by delays in payments which have since been received
- Bank's confidence resulted in increased facilities
- S\$6.8m used to repay debt in Q1FY2016

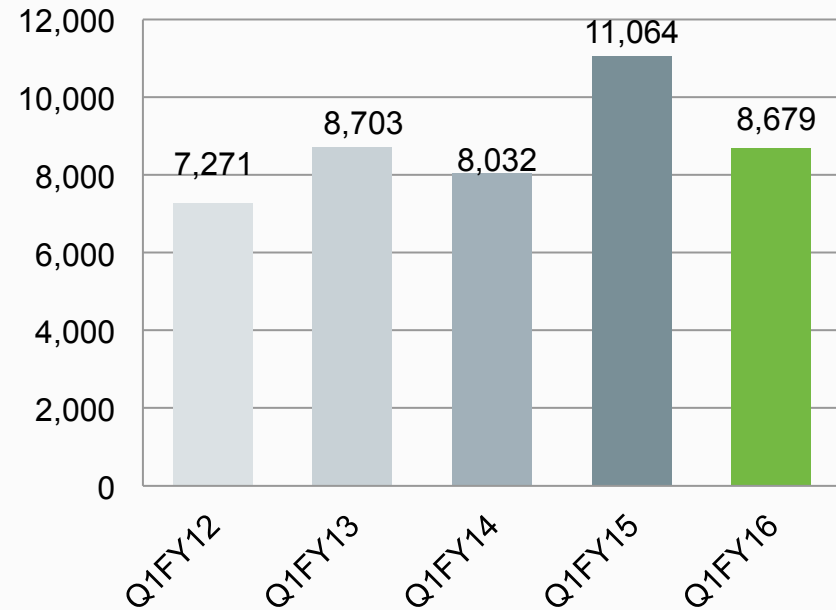
Revenue and NPAT (Historical Q1)



Revenue (S\$m)



NPAT (S\$m)

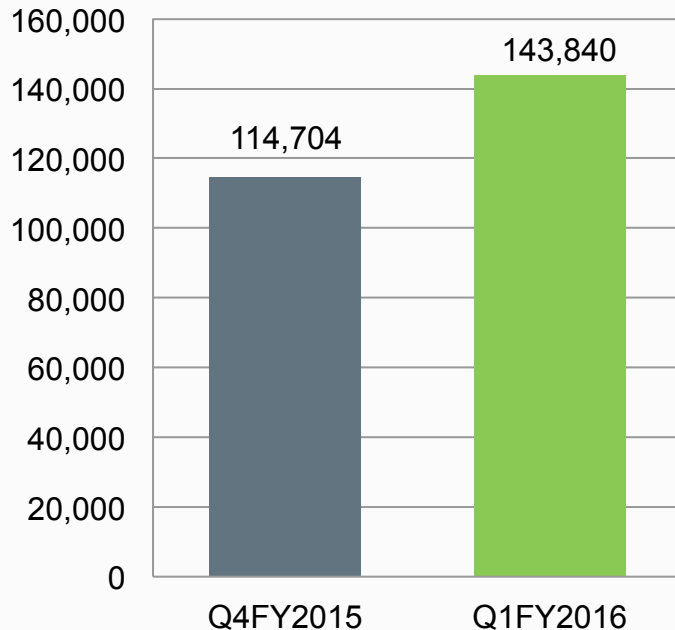


- Revenue and net profit decrease due to foreign exchange
- Australian dollar declined approximately 15% vs. Singapore dollar from Q1FY2015 to Q1FY2016

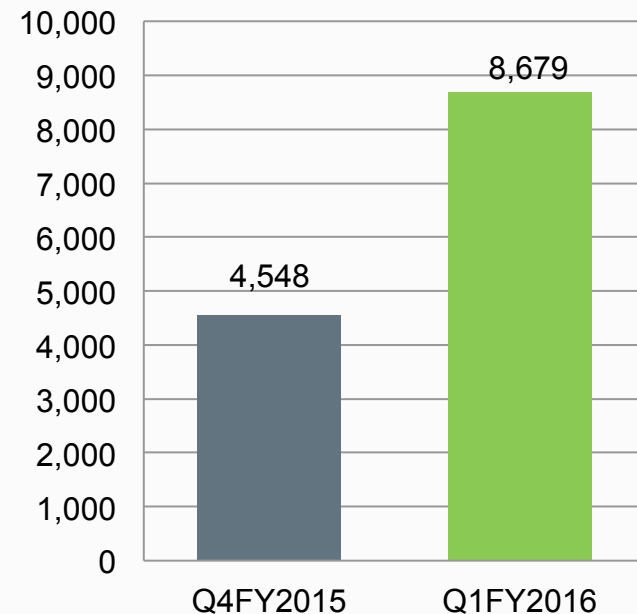
Revenue and NPAT (Q1FY2016 VS Q4FY2015)



Revenue (S\$m)



NPAT (S\$m)



- Topline increased 25.4% with revenue recognition from contracts secured in the second half of FY2015
- Net profit increased 32.5% on higher revenue and lower administrative expenses

New Contract Awards



Civmec has secured AUD\$45 million of new contracts and additional work on existing projects across all sectors

Contracts include:

- **IHI Engineering Australia Pty Ltd:** Structural, Mechanical, Piping and Electrical works for the South Hedland Power Station
- **Technip Oceania:** Fabrication of jumper spools for Shell's Prelude Floating LNG Project
- **Sedgman Limited:** Assembly of a Mobile Conveyor Bridge, Emergency Radial Stacker and associated components at Alcoa's Kwinana Filtration Plant
- Other additional contracts



Launched new division in September to target the defence sector

- Led by General Manager of Defence, Mike Deeks (former Royal Australian Navy Commodore)
- Targeting civil infrastructure works, with long-term plans for involvement in numerous Australian defence programs
- Requires investment of time and resources prior to project wins
- If successful, it will:
 - Provide important additional revenue stream
 - Expand Henderson facilities
 - Chart exciting new phase of growth; significant differentiator from peers



Secured first defence contract: civil works package for Department of Defence's Helicopter Aircrew Training System ("HATS") project

- Awarded by HATS' managing contractor, Lendlease
- Scope of work includes site civil works, excavation, demolition, road works and landscaping services for HATS; to be carried out at HMAS *Albatross*, Nowra, New South Wales
- Contract to commence immediately; expected to be completed in approximately 16 months
- This contract is evidence of clients' confidence in our multi-disciplinary capabilities and ability to deliver projects on a national scale.

Precast package for major highway project in NSW for Acciona Ferrovial JV

- To manufacture and deliver bridge barriers and transfloor panels for the 20-kilometre Warrell Creek and Nambucca Heads portion of works
- Establishment of a 30,000m² precast facility in Macksville, NSW
- Pacific Highway Upgrade is one of the largest road infrastructure projects in New South Wales that connects Sydney to Brisbane



Sedgman Civmec Joint Venture (“SCJV”) awarded significant contract by BHP Billiton Iron Ore

- Contract includes civil, structural, mechanical, piping, electrical and commissioning works at the Jimblebar mine in Pilbara, Western Australia
- The Engineering, Procurement, Construction and Commissioning works comprise installation of a new primary crusher and additional conveying capacity
- Work has commenced and will employ up to 270 personnel at its peak
- Contract underscores client’s confidence in SCJV’s collective service offerings, particularly in civil works and structural, mechanical and piping works



- Leverage core capabilities to continue organic growth
- Immediate geographical expansion within Australia, while continually surveying opportunities overseas
- Target certain projects via strategic alliances and joint venture partnerships
- Continue to target EPC projects
- Healthy Australian infrastructure spending (*A\$125bn) especially on east coast and in national defence (**A\$89bn)
- Defence sector offers significant long-term opportunities for the Group
- Strong balance sheet, with minimal debt, provides solid platform to pursue opportunities as they arise
- Remain positive about ability to enhance returns in core markets and expand presence in new sectors

*www.budget.gov.au/2014-15

**www.defence.gov.au

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Thank you

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