



CIVMEC LIMITED

(Company Registration Number 201011837H)

PERTH/SINGAPORE, 29 August 2022

Civmec Delivers Record Results for FY22

Highlights

- Record revenue of A\$809.3 million, an increase of 20% from FY21
- EBITDA of A\$94.5 million, representing a 28.1% increase from FY21
- NPAT of A\$50.7 million representing a 46.5% increase from FY21
- Net Profit margin of 6.3%, up from 5.1% in FY21
- Earnings per share of 10.11 cents, up from 6.94 cents in FY21
- Net asset value per share of 74 cents, an increase of 26.8% from 30 June 2021
- Total dividend of 3.0 Australian cents for FY22, increased by 50%
- Celebrated 10 years of continuous profitability since listing on the SGX in April 2012

Civmec Limited (“Civmec” or the “Group”) has today released audited financial results for the year ended 30 June 2022 (“FY22”), delivering record revenue and profits together with a stronger balance sheet.

Key financial metrics compared to the previous financial year are set out in the table below:

<i>A\$ million</i>	<i>FY22</i>	<i>FY21</i>	<i>Change %</i>
<i>Revenue</i>	\$809.3	\$674.2	20.0
<i>EBITDA</i>	\$94.5	\$73.8	28.1
<i>NPAT</i>	\$50.7	\$34.6	46.5
<i>Net Profit Margin</i>	6.3%	5.1%	1.2pp
<i>Net Assets</i>	\$371.1	\$291.9	27.2
<i>Cash Generated from Operations</i>	\$36.2	\$72.9	(50.3)
<i>Net Asset Value per Share</i>	73.92c Australian	58.30c Australian	26.8
<i>Earnings per Share</i>	10.11c Australian	6.94c Australian	45.7
<i>Total Dividend Payment</i>	3.0c Australian	2.0c Australian	50.0
<i>Order Book (30 June)</i>	\$1,039	\$1,006	3.3

Chairman James Fitzgerald said: “Civmec continues to consistently grow revenue and profits with good performance across all operating sectors, delivering record results for the Group’s tenth year since listing on the Singapore Exchange (“SGX”). This places the Group in a strong financial position as we enter FY23, especially when combined with an order book in excess of A\$1 billion. In view of the financial performance delivered, the Board is recommending a final dividend of 2.0 Australian cents, which when combined with the 1.0 Australian cent interim dividend already paid takes the total dividend payout for FY22 to 3.0 Australian cents. Our balance sheet also continues to strengthen with the upward revaluation of our facilities,



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coupled with record profits. The Group now has net tangible assets of A\$371.1 million or 74 Australian cents per share”.

Operational Update

Following the successful completion of our contract with Albemarle for construction works at their Kemerton lithium plant, work has now commenced on our contract to construct the Kwinana lithium refinery for Covalent. This represents the fourth lithium plant that Civmec has been involved in.

Civmec also recently secured IRATA certification to provide rope access services to our clients. Rope access solutions are of particular interest to clients performing maintenance work on existing infrastructure as they allow quick and cost-effective access to difficult-to-reach areas and this certification should assist us in growing our maintenance offerings.

Our previously announced facility in Port Hedland has achieved a significant milestone with the recent settlement of the land purchase and gaining development approval. The facility will be developed over the next 12 months.

Activity in the Gladstone region of Central Queensland continues to ramp up. Recently, Civmec has been awarded contracts and contract extensions including:

- A one-year term contract with Rio Tinto for supply of full-time labour to perform Mechanical, Refractory and Electrical services at the Boyne Island smelter (BSL) in Gladstone QLD to assist with the Reduction Line Cell recovery.
- A contract with Rio Tinto for their Yarwun K1 Major Outage Services 2022. This contract involves the supply of all supervision, mechanical, scaffolding and refractory working requirements and associated equipment for performing inspection, maintenance and improvement works on the K1 Calciner unit during its regularly planned half yearly shutdowns in 2022.

As maintenance activity in the Gladstone, Queensland, region ramps up, we have made the decision to acquire a 28,510 m² land holding in the region to establish a permanent facility. This facility will replace the leased facility we currently occupy and allow us to expand our service offerings in the region. The facility will be developed over the next 18 months.

In the energy sector we are also seeing increased activity, resulting in the recent award of two contracts with Baker Hughes:

- For the supply of subsea structures and module for the Beach Energy Otway phase 5 project in Victoria. The contract includes the supply of a 4-slot production manifold with integrated foundation, supply of a 2-slot flowline end manifold (FLEM) with integrated foundation and supply of a 1-slot flowline end termination (FLET) with integrated foundation.
- For the supply of subsea control manifold structures (SCMS) for Chevron's Janz-lo field development approximately 130 km NW of Barrow Island.

Commenting on Civmec's order book of A\$1,039 million, Chief Executive Officer Patrick Tallon said: "Starting the new year on the back of record revenues and profits with a strong order book across all disciplines we operate in will allow us to maintain our focus on securing



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contracts that suit our capabilities best with timing that matches our capacity to deliver for our clients. I am particularly pleased with the increasing amount of term contracts we are securing and expect that our investment in facilities in both the Port Hedland and Gladstone regions will over time accelerate this momentum.

“Tendering activity remains strong across all sectors that we operate in, and we are focused on securing projects that will allow us to grow our workforce at a sustainable rate. We remain positive about the pipeline and the opportunities to continually replenish our order book. We are also increasingly focused on growing the proportion of revenue earned on long term contracts,” Mr Tallon stated.

People and Sustainability

In March 2022, Civmec launched its inaugural Leadership Development Program, which aims to shape and develop Civmec’s next generation of leaders. The course is designed for ambitious leaders who are already having a positive impact within the Group.

We continue to invest in the training and development of our people. This year, we are proud to have trained and provided employment to 130 apprentices, trainees, graduates and undergraduates. Having employed additional staff within Civmec’s Registered Training Organisation (RTO) to cater for the growing demand in training, in FY22 Civmec completed approximately 2,600 units of training.

Efforts to increase diversity within Civmec have seen the proportion of female to male employees at its highest ever. In FY22, at peak, 52% of our corporate head office were female, the percentage of female apprentices doubled to 8%, and over 30% of our Graduate Program intake, were female.

We recently appointed a full time Sustainability and Environmental Advisor to help establish and drive achievable sustainability goals. The role will guide Civmec’s internal sustainability action taskforce, which is currently focused on exploring ways to improve environmental performance throughout all our facilities and sites with initiatives as:

- completing a feasibility study for the installation of solar panels at our existing and future facilities at Port Hedland and Gladstone, in order to become carbon neutral and supplement grid power usage with a future target to achieving “Green” manufacturing across our facilities.
- promoting a new range of sustainable consumable items to phase out single-use plastics within our business.
- further improving having over 98% of our procurement sourced from within Australia.

The Group effectively navigated the challenges presented by the global COVID-19 pandemic, which included an increased level of cases within the organisation when Western Australian borders reopened, in addition to limitations on labour availability while borders were closed..

In April 2022, the company achieved the milestone of ten years since initial listing on the SGX.



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This announcement was authorised for release to the ASX and SGX by the Board.

*******End of Release*******

About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the Energy, Resources, Infrastructure and Marine & Defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Newcastle (New South Wales, Australia), Gladstone (Queensland, Australia), and Port Hedland (Western Australia). The company is listed on the SGX (Singapore SGX:P9D) and the ASX (Australia ASX:CVL). Its core capabilities 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.

For more information, please visit our website at www.civmec.com.au.