



**CIVMEC LIMITED**  
(Company Registration Number 201011837H)

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## **Civmec - Another Strong Quarter**

### **Highlights**

- **Continued stability in net profit, with return for the quarter of A\$4.0m**
- **Strengthening of revenue as major projects ramp up**
- **Local supply chain supporting the delivery of vital Western Australian resource projects and boosting employment**
- **New assembly and sustainment hall prepared for commencement of the current phase of the Royal Australian Navy's OPV program**
- **Robust order book of A\$767m**

**PERTH/SINGAPORE, 07 May 2020** – Civmec Limited (“Civmec” or the “Group”) has continued to deliver stable profit for FY2020, returning net profit after tax of A\$4.0 million in Q3, consistent with the previous two quarters (Q1 A\$3.8 million and Q2 A\$4.3 million). With a net profit margin of 4.2%, revenue for the quarter was strong at A\$95.5 million, contributing to year-to-date revenue of A\$261.6 million.

### **COVID-19 Update**

The Group has been very proactive with the implementation of measures at both its manufacturing and onsite facilities to prevent the spread of COVID-19. These actions have ensured that work can continue safely, in accordance with state and federal government guidelines. Every practicable step is being taken to maintain the health and well-being of employees, their families and all company stakeholders, whilst maintaining continuous operations, thereby keeping people employed.

“We have adjusted our operations to reflect the restrictions imposed by COVID-19, working to support the continued delivery of projects for our clients. This is critical, as many sectors of the economy are now experiencing significant pressure, and therefore we are committed to providing a service to the Australian resource and defence sectors to enable them to continue to operate and contribute to the broader economy. Our in-house manufacturing capabilities are of major benefit at this time. While many of the measures do come with a cost impact, they are minor compared to the impact that restricted operations could have had on the business,” said Mr Tallon.

### **Recent Activities**

The Group is continuing to demonstrate the strength of its in-house capabilities, with the award of several packages to support the delivery of vital Western Australian resource projects.

The Company's Metals & Minerals division has been awarded a number of Run-of-Mine (ROM) packages for long-term client Roy Hill, including a civil package for the primary crushing station and conveyor tunnel works, and the supply, fabrication, surface treatment and delivery of ROM wall sections and structural steel for the transfer station. The onsite civil works commenced in March and completion is anticipated by July, with the fabrication components being delivered progressively until late 2020.



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The division has also recently secured the Larego overland conveyor package from Alcoa. This is a vertical offering with the scope including civil works, fabrication, structural, mechanical & piping (SMP), electrical & instrumentation (E&I) and no-load commissioning. The project is scheduled for completion in early 2021.

The Oil & Gas division has been awarded a contract with Woodside, being managed by Worley, to supply, fabricate, surface treat, assemble, test and deliver an interconnector module and stair tower module for Woodside's Pluto LNG project. The scope of work will be completed in late 2020.

Civmec Chief Executive Officer, Mr Patrick Tallon, said: "These packages will employ more than 200 personnel, providing critical employment at a time when many industries are struggling to operate. Our local fabrication capability provides our clients with surety of delivery and we are very pleased to be given this opportunity to work with long-term partners Roy Hill, Alcoa, Worley and Woodside again."

### **Defence Sector Update**

The Group's new 53,000m<sup>2</sup> (usable floor area) assembly and sustainment hall is now well prepared for commencement of the current phase of the Royal Australian Navy's Offshore Patrol Vessel (OPV) program. Under the program, which commenced in late 2018 and will see the delivery of 12 OPVs, the preparation and profile cutting of steel plates for the first two vessels built in South Australia was undertaken by Civmec at its Henderson facility. Commencement of construction, with the processing and welding of first steel for OPV3 has now occurred. The consolidation of the ship's blocks will commence in the new assembly and sustainment hall in the coming months and will be a continuous process for all 10 OPVs to be built at the company's Henderson complex over the coming years.

The Group's order book as at 31 March 2020 was A\$767 million.

The forward tendering outlook remains positive, particularly given the Group's established local supply chains enabling it to continue to fully support the delivery of the company's projects.

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

David Tasker  
Chapter One Advisors  
T: +61 433 112 936  
E: [davidtasker@chapteroneadvisors.com.au](mailto:davidtasker@chapteroneadvisors.com.au)

### **About Civmec Limited**

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the Oil & Gas, Metals & Minerals, Infrastructure and Marine & Defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Newcastle (New South Wales, Australia) and Gladstone (Queensland, Australia). The company is listed on the SGX (Singapore) and the ASX (Australia). Its core capabilities include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical and 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](http://www.civmec.com.au)