



CIVMEC LIMITED
(Company Registration Number 201011837H)

Corporate and Business Update

October 2021

PERTH, SINGAPORE 28th October 2021 – Civmec Limited (“Civmec” or the “Group”) is pleased to provide an update on its recent developments and financial performance for the September 2021 quarter.

Q1 FY2022 Financial Performance

The Group continues to deliver strong financial results, with Q1 FY2022 (quarter ending 30 September 2021) experiencing growth in both top and bottom lines compared to both Q1 and Q4 of FY2021.

Key financial metrics (unaudited)

	Q1 FY2022 A\$'000	Q1 FY2021 A\$'000	+ / (-) %	Q4 FY2021 A\$'000	+ / (-) %
Sales revenue	197,447	149,798	31.8	184,586	7.0
Gross profit	20,692	15,457	33.9	21,282	-2.8
EBITDA	21,358	14,627	46.0	20,049	6.5
EBITDA Margin	10.8%	9.8%	1.0pp*	10.9%	-0.1pp*
NPAT	10,798	6,678	61.7	10,663	1.3
NPAT Margin	5.5%	4.5%	1.0pp*	5.8%	-0.2pp*
Earnings per share attributable to equity holders of the Company (cents per share)	2.16	1.33		2.13	
Order book at 30 September	1,145,000	946,000		1,105,000	

*pp = percentage points

The growth in revenues has continued quarter on quarter and gross margins remain strong. The contribution of gross margins coupled with disciplined control over administrative costs of the Group have enabled earnings per share to increase quarter on quarter.

The Group has maintained its order book at over A\$1 billion throughout this calendar year and is confident it will continue to generate solid returns for investors throughout FY2022.

New Awards in Maintenance and Capital Works

As announced on 18th October 2021, Civmec has recently secured A\$130 million of new maintenance and capital works contracts on both the East and West coasts of Australia.

With the recent awards, we have now established resident regional managers in both our facilities in Port Hedland (Western Australia) and Gladstone (Queensland).

We have also secured several other maintenance contracts from other new clients on both the East and West coasts.

In the short to medium term, we see sustainment works, maintenance and capital works as strong avenues of growth.



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Shipbuilding

As part of the SEA 1180 shipbuilding program for the Commonwealth of Australia, construction of the fifth offshore patrol vessel (“**OPV5**”) is scheduled to commence on schedule in our Henderson facility in Western Australia in Q2 FY2022. With commencement of OPV5, there will be three OPVs under construction in our Henderson facility. This is expected to continue for the remainder of the OPV program as it approaches a steady state rate of production.

Tendering

We continue to see a strong pipeline of tendering opportunities in the sectors we operate. We continue to have early contractor involvement with many existing and new clients across various commodities for future opportunities and expect to continue to replenish our order book throughout FY2022.

Emerging Opportunities

With an increasing focus on emissions reductions worldwide, Australia is beginning to see increased activity with announcements for development of plants associated with supply of battery minerals, rare earths, hydrogen and ammonia plants. Australia’s CSIRO has reported that in Australia and New Zealand there are sixty hydrogen projects in various stages of development⁽¹⁾. The skills and experience Civmec have gained since inception mean we are well placed to secure contracts for the manufacture of components and construction of these plants in the future.

COVID-19 Update

The Group continues to monitor the COVID-19 situation and is pleased that the impact of the pandemic so far remains minimal. There has been tightening of labour availability to service projects due to ongoing domestic and international border restrictions, however with generally high vaccination rates in Australia indications are that these restrictions will be largely removed by the end of FY2022.

(1) Link to CSIRO website <https://research.csiro.au/hyresource/projects/facilities/>

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

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

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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), Gladstone (Queensland, Australia), and Broome (Western Australia). The company is listed on the SGX (Singapore) and the ASX (Australia). 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.