CIVMEC LIMITED

(Company Registration No: 201011837H)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS and FULL YEAR ENDED 30 JUNE 2023

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

	Note	Group 6 months ended 30 June 2023 A$'000	6 months ended 30 June 2022 A$'000	12 months ended 30 June 2023 A$'000	12 months ended 30 June 2022 A$'000
Revenue	4	412,015	419,942	830,866	809,295
Cost of sales		(354,660)	(371,314)	(721,695)	(718,458)
Gross profit		57,355	48,628	109,171	90,837
Other income	5	2,145	1,907	2,631	2,919
Share of loss of joint venture		-	(4)	-	(5)
Administrative expenses		(14,613)	(10,866)	(24,606)	(20,052)
Other reversal		149	1,274	149	1,152
Finance costs		(2,649)	(1,512)	(4,774)	(4,868)
Profit before income tax	5	42,387	39,427	82,571	69,983
Income tax expense	7	(12,980)	(11,280)	(24,898)	(19,242)
Profit for the period		29,407	28,147	57,673	50,741
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Net gain on revaluation of freehold land and buildings		12,100	37,119	12,100	37,119
Total comprehensive income for the period		41,507	65,266	69,773	87,860
Profit attributable to:					
Owners of the Company		29,407	28,168	57,655	50,762
Non-controlling interest		-	(21)	18	(21)
		29,407	28,147	57,673	50,741
Total comprehensive income attributable to:					
Owners of the Company		41,507	65,287	69,755	87,881
Non-controlling interest		-	(21)	18	(21)
		41,507	65,266	69,773	87,860
Earnings per share attributable to equity holders of the Company (cents per share):					
- Basic	8	5.83	5.61	11.42	10.11
- Diluted	8	5.69	5.61	11.16	10.11

B. Condensed interim statements of financial position

	Note	Group		Company	
		As at 30 June 2023 A$'000	As at 30 June 2022 A$'000	As at 30 June 2023 A$'000	As at 30 June 2022 A$'000
ASSETS					
Current assets					
Cash and cash equivalents		70,381	40,841	-	7
Trade and other receivables		108,243	95,030	33,117	34,831
Contract assets		100,093	121,654	-	-
Other current assets		2,274	1,829	-	-
		280,991	259,354	33,117	34,838
Non-current assets					
Investment in subsidiaries		-	-	8,324	7,579
Property, plant and equipment		476,302	448,092	-	-
Investment properties	11	17,184	16,805	-	-
Intangible assets		10	10	-	-
Deferred tax assets		47	1,401	30	86
		493,543	466,308	8,354	7,665
TOTAL ASSETS		774,534	725,662	41,471	42,503
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		117,671	111,671	2,494	192
Contract liabilities		44,706	43,325	-	-
Lease liabilities		10,193	10,564	-	-
Borrowings	12	8,000	28,000	-	-
Income tax payable		673	3,774	664	3,774
Provisions		16,175	11,350	-	-
		197,418	208,684	3,158	3,966
Non-current liabilities					
Lease liabilities		47,142	45,357	-	-
Borrowings	12	48,500	46,000	-	-
Provisions		2,411	4,726	-	-
Deferred tax liabilities		58,454	49,781	-	-
		156,507	145,864	-	-
TOTAL LIABILITIES		353,925	354,548	3,158	3,966
Capital and Reserves					
Share capital	13	29,807	29,807	29,807	29,807
Treasury shares		(10)	(10)	(10)	(10)
Asset revaluation reserve		129,577	117,477	-	-
Other reserves		11,497	11,570	7,885	7,958
Retained earnings		249,999	212,549	631	782
Total equity attributable to the Owners of the Company		420,870	371,393	38,313	38,537
Non-controlling interest		(261)	(279)	-	-
TOTAL EQUITY		420,609	371,114	38,313	38,537
TOTAL LIABILITIES AND EQUITY		774,534	725,662	41,471	42,503

C. Condensed interim statements of changes in equity

GROUP	Share capital A$'000	Treasury shares A$'000	Other reserves: Asset revaluation reserve A$'000	Other reserves: Merger reserve A$'000	Other reserves: Equity-settled employee benefits reserve A$'000	Other reserves: Other reserves A$'000	Retained earnings A$'000	Total A$'000	Non-controlling interest A$'000	Total A$'000
Balance as at 1 July 2022	29,807	(10)	117,477	7,578	3,715	277	212,549	371,393	(279)	371,114
Profit for the year	-	-	-	-	-	-	57,655	57,655	18	57,673
Other comprehensive income for the year:										
Net gain on revaluation of freehold land and buildings	-	-	12,100	-	-	-	-	12,100	-	12,100
Total comprehensive income for the year	-	-	12,100	-	-	-	57,655	69,755	18	69,773
Recognition of share based payment	-	-	-	-	1,073	-	-	1,073	-	1,073
Reclassification to cash-settled employee benefits	-	-	-	-	(1,146)	-	-	(1,146)	-	(1,146)
Dividends paid	-	-	-	-	-	-	(20,205)	(20,205)	-	(20,205)
Balance as at 30 June 2023	29,807	(10)	129,577	7,578	3,642	277	249,999	420,870	(261)	420,609
Balance as at 1 July 2021	29,807	(10)	80,358	7,578	2,280	277	171,836	292,126	(258)	291,868
Profit for the year	-	-	-	-	-	-	50,762	50,762	(21)	50,741
Other comprehensive income for the year:										
Net gain on revaluation of freehold land and buildings	-	-	37,119	-	-	-	-	37,119	-	37,119
Total comprehensive income for the year	-	-	37,119	-	-	-	50,762	87,881	(21)	87,860
Recognition of share based payment	-	-	-	-	1,435	-	-	1,435	-	1,435
Dividends paid	-	-	-	-	-	-	(10,049)	(10,049)	-	(10,049)
Balance as at 30 June 2022	29,807	(10)	117,477	7,578	3,715	277	212,549	371,393	(279)	371,114

C. Condensed interim statements of changes in equity (continued)

COMPANY	Share capital A$'000	Treasury shares A$'000	Merger reserve A$'000	Other reserves: Equity-settled employee benefits reserve A$'000	Other reserves A$'000	Retained earnings A$'000	Total A$'000
Balance as at 1 July 2022	29,807	(10)	7,578	3,715	(3,335)	782	38,537
Profit for the year	-	-	-	-	-	20,054	20,054
Other comprehensive income for the year:							
Total comprehensive income for the year	-	-	-	-	-	20,054	20,054
Recognition of share based payment	-	-	-	1,073	-	-	1,073
Reclassification to cash-settled employee benefits	-	-	-	(1,146)	-	-	(1,146)
Dividends paid	-	-	-	-	-	(20,205)	(20,205)
Balance as at 30 June 2023	29,807	(10)	7,578	3,642	(3,335)	631	38,313
Balance as at 1 July 2021	29,807	(10)	7,578	2,280	(3,335)	4,001	40,321
Profit for the year	-	-	-	-	-	6,830	6,830
Other comprehensive income for the year:	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	6,830	6,830
Recognition of share based payment	-	-	-	1,435	-	-	1,435
Dividends paid	-	-	-	-	-	(10,049)	(10,049)
Balance as at 30 June 2022	29,807	(10)	7,578	3,715	(3,335)	782	38,537

D. Condensed interim consolidated statement of cash flows

	Note	Group 12 months ended 30 June 2023 A$'000	Group 12 months ended 30 June 2022 A$'000
Cash Flows from Operating Activities			
Profit before income tax		82,571	69,983
Adjustment for:			
Depreciation of property, plant and equipment and investment properties – leasehold land	5	18,418	16,600
Gain on disposal of property, plant and equipment		(331)	(176)
Gain on disposal of interest in a former associate		(80)	-
Share of loss of a joint venture		-	5
Impairment loss on loan to an associate		-	127
Trade receivables written off		-	37
Fair value gains on investment property at fair value through profit or loss		(420)	(1,640)
Reversal of bad debt		-	(23)
Reversal of impairment loss on loan to an associate		-	(328)
Reversal of revaluation loss on freehold land and buildings		(149)	(967)
Finance cost		8,090	7,947
Interest income		(1,099)	(156)
Equity-settled share based payments		1,073	1,435
Foreign exchange differences		(30)	83
Operating cash flow before working capital changes		108,043	92,927
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(13,213)	(7,227)
(Increase)/decrease in contract assets		21,561	(39,012)
(Increase)/decrease in other current assets		(445)	74
Increase/(decrease) in trade and other payables		2,991	23,566
Increase/(decrease) in contract liabilities		1,381	(36,813)
Increase/(decrease) in provisions		2,510	2,697
Cash generated from operations		122,828	36,212
Interest received		1,099	29
Finance cost paid		(6,707)	(7,310)
Income tax refund		2,190	598
Income taxes paid		(24,170)	(27,755)
Net cash generated from operating activities		95,240	1,774
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		428	334
Purchase of property, plant and equipment	10	(19,880)	(6,904)
Proceeds from disposal of interest in a former associate		80	-
Cash distribution from joint venture		-	52
Net cash used in investing activities		(19,372)	(6,518)

D. Condensed interim consolidated statement of cash flows

(continued)

	Note	Group 12 months ended 30 June 2023 A$'000	30 June 2022 A$'000
Cash Flows from Financing Activities			
Proceeds from borrowings		45,500	154,437
Repayment of borrowings		(63,000)	(139,452)
Repayment of principal lease liabilities		(8,623)	(7,533)
Dividends paid		(20,205)	(10,037)
Net cash used in financing activities		(46,328)	(2,585)
Net increase/(decrease) in cash and cash equivalents		29,540	(7,331)
Cash and cash equivalents at the beginning of the year		40,841	48,172
Cash and cash equivalents at the end of the year		70,381	40,841

E. Notes to the condensed interim consolidated financial statements

1 Company information

Civmec Limited (the "Company") is incorporated and domiciled in Singapore and its shares are publicly traded on the Singapore Exchange and the Australian Stock Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the Group). The primary 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), precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

2 Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Australia dollars (AUD or A$), which is the functional currency of the Company. All financial information presented in Australia dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions 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 be reasonable under the circumstances, the results of which form the basis of making judgments 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 2022.

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

2 Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Critical judgements in applying the Group's accounting policies

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Impairment of trade and other receivables and contract assets

The Group applies the simplified approach to provide for the ECL ("Expected Credit Losses") for all trade receivables and contract assets at an amount equal to the lifetime ECL. ECLs are a probability weighted estimate (based on the Group's historical experience) measured as the present value of all cash shortfalls on default financial assets considering both quantitative and qualitative information and analysis. Factors considered in individual assessment are geographical regions, payment history, past due status and term.

Construction contract revenue

Construction contract revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation ("PO") are excluded from the measure of progress and instead are expensed as incurred.

Construction contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that is highly probable that a significant reversal in the amount of the cumulative revenue will not occur.

In estimating the variable consideration for contract revenue, the Group uses the expected value amount method to estimate the transaction price. The expected value is the sum of probability-weighted amounts in a range of possible consideration amounts. Management has relied on historical experience and the work of experts, analysed by customers and nature of scope of work, from prior years.

Management has exercised judgement in applying the constraint on the estimated variable consideration that can be included in the transaction price. For variations claims, management has determined that a portion of the estimated variable consideration is subject to the constraint as, based on past experience with the customers, it is highly probable that a significant reversal in the cumulative amount of revenue recognised will occur, and therefore will not be recognised as revenue.

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

2 Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

(a) Critical judgements in applying the Group's accounting policies (continued)

Legal proceedings

The Group is exposed to the risk of claims and litigation which can arise for various reasons, including changes in scope of work, delay and disputes etc. Given the nature of the business, variation orders, additional works and prolongation costs are common. As some of these items could be subjective and hence contentious in nature, the Group may from time to time be involved in adjudication or legal processes.

In making its judgment as to whether it is probable that any such adjudication decisions or litigation will result in a liability and whether any such liability can be measured reliably, management relies on past experience and the opinion of legal advisors and technical experts.

In making that overall judgment, management has included in its consideration the likely outcome of the claims. Although an adverse outcome of those claims could have a material adverse impact on the financial position of the Group, management have taken the view that such a material adverse outcome is very unlikely.

Impairment of property, plant and equipment and investment properties

The Group assesses impairment of property, plant and equipment and investment properties at each year end by evaluating conditions specific to the Group that may lead to impairment of assets. Adjustments are made when considered necessary.

Impairment assessment of property, plant and equipment and investment properties includes considering certain indications such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant under performance relative to the expected historical or future operating results and significant negative industry or economic trends.

Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease term is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of the leasehold land and buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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

2 Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

(a) Critical judgements in applying the Group's accounting policies (continued)

Valuation of freehold land and buildings and investment properties

The Group carries its freehold land and building and investment properties at fair values which are determined by an independent real estate valuation expert using the highest-and-best use approach which is generally the sales comparison approach (i.e. the basis of market value). In arriving at the valuation figure, the valuer has taken into consideration the prevailing market conditions and differences between the freehold land and building and investment properties and the comparables in terms of location, tenure, size, shape, design and layout, age and condition of the buildings, dates of transactions and other factors affecting their values. The most significant inputs in this valuation approach are the selling price per square meter and the usage of the properties. The estimates are based on local market conditions existing at the reporting date.

Fair values of buildings with no available market information are determined by the independent real estate valuation expert using the depreciated replacement cost method, which involves estimating the current replacement cost of the buildings and from which deductions are made to allow for depreciation due to age, condition and functional obsolescence. The replacement cost is then added to the land value to derive the fair value. The land value is determined based on the direct comparison method with transactions of comparable plots of land within the vicinity and elsewhere. In arriving at the valuation figure, the valuation expert has taken into consideration the prevailing market condition and differences between the freehold land and buildings and the comparable in terms of location, tenure, size, shape, design and layout, age and condition, dates of transactions and other factors affecting their values. The most significant inputs into this valuation approach are the estimated construction costs, depreciation rates and developer profit margin.

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

2 Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

(b) Key sources of estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following:

Estimation of total contract costs for contracts

The Group has significant ongoing construction contracts as at 30 June 2023 that are non-cancellable. For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. When it is probable that the total contract costs will exceed the total construction revenue, a provision for onerous contracts is recognised immediately.

Significant assumptions are used to estimate the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion and completeness of provision for onerous contracts recognised. In making these estimates, management has relied on past experience and the work of specialists.

The Group includes incremental costs of fulfilling the contracts which are the cost of materials and labour required to construct the projects. In estimating the forecast costs, the management exercised judgement in considering costs that relate directly to the contracts.

Estimation of useful lives of property, plant and equipment and investment properties – leasehold land

The useful lives of assets have been based on historical experience, lease terms and best available information for similar items in the industry. These estimations will affect the depreciation expense recognised in the financial year. There is no change in the estimated useful lives of plant and equipment and investment properties – leasehold land during the current financial period.

Income taxes

The Group has exposure to income taxes of which a portion of these taxes arose from certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises receivables or liabilities on expected tax issues based on their best estimates of the likely taxes recoverable or due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made.

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

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical 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.

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

4 Segment and revenue information (continued)

4.1 Reportable segments

	Group 12 months ended 30 June 2023				Group 12 months ended 30 June 2022			
	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000
Revenue	42,960	678,581	109,325	830,866	30,192	630,902	148,201	809,295
Cost of sales (excluding depreciation)	(36,699)	(573,638)	(93,115)	(703,452)	(25,850)	(547,421)	(128,800)	(702,071)
Depreciation expense	(781)	(15,476)	(1,986)	(18,243)	(929)	(12,155)	(3,303)	(16,387)
Segment results	**5,480**	**89,467**	**14,224**	**109,171**	**3,413**	**71,326**	**16,098**	**90,837**
Other income				2,631				2,919
Share of loss of joint venture				-	(5)	-	-	(5)
Unallocated costs								
Administrative expenses*				(24,431)				(19,839)
Depreciation in admin expense*				(175)				(213)
Finance costs				(4,774)				(4,868)
Trade receivables written off				-	-	(37)	-	(37)
Impairment loss on loan to an associate				-	-	(127)	-	(127)
Reversal of:								
- bad debt				-	-	23	-	23
- impairment loss on loan to an associate				-	-	328	-	328
- revaluation loss on freehold land and buildings				149				967
Other expenses				-				(2)
Profit before income tax				82,571				69,983
Income tax expense				(24,898)				(19,242)
Profit for the year				**57,673**				**50,741**
				As at 30 June 2023				**As at 30 June 2022**
Segment assets:								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				772,203				722,422
Other current assets				2,274				1,829
Deferred tax assets				47				1,401
Total assets				**774,534**				**725,662**
Segment liabilities:								
Unallocated liabilities								
Liabilities				278,839				264,472
Borrowings				56,500				74,000
Provisions				18,586				16,076
Total liabilities				**353,925**				**354,548**

*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

	Group 6 months ended 30 June 2023				Group 6 months ended 30 June 2022			
	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000
Types of goods or services:								
Construction contract	23,692	280,832	51,530	356,054	1,355	284,971	80,522	366,848
Rendering of services	1,961	52,459	907	55,327	3,608	48,402	630	52,640
Sales of goods	-	634	-	634	-	454	-	454
Total revenue	25,653	333,925	52,437	412,015	4,963	333,827	81,152	419,942
Timing of revenue recognition:								
At a point in time	-	634	907	1,541	-	454	613	1,067
Over time	25,653	333,291	51,530	410,474	4,963	333,373	80,539	418,875
Total revenue	25,653	333,925	52,437	412,015	4,963	333,827	81,152	419,942
Geographical information:								
Australia	25,653	333,925	52,437	412,015	4,963	333,827	81,152	419,942

	Group 12 months ended 30 June 2023				Group 12 months ended 30 June 2022			
	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000	Energy A$'000	Resources A$'000	Infra-structure, Marine & Defence A$'000	Total A$'000
Types of goods or services:								
Construction contract	40,496	563,664	107,575	711,735	25,648	477,025	147,004	649,677
Rendering of services	2,464	113,374	1,750	117,588	4,544	152,871	1,197	158,612
Sales of goods	-	1,543	-	1,543	-	1,006	-	1,006
Total revenue	42,960	678,581	109,325	830,866	30,192	630,902	148,201	809,295
Timing of revenue recognition:								
At a point in time	-	1,543	1,750	3,293	-	1,006	1,180	2,186
Over time	42,960	677,038	107,575	827,573	30,192	629,896	147,021	807,109
Total revenue	42,960	678,581	109,325	830,866	30,192	630,902	148,201	809,295
Geographical information:								
Australia	42,960	678,581	109,325	830,866	30,192	630,902	148,201	809,295

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

4 Segment and revenue information (continued)

4.2 Disaggregation of revenue (continued)

A breakdown of sales:

	Group		
	12 months ended 30 June 2023 A$'000	12 months ended 30 June 2022 A$'000	Increase / (decrease) %
Sales reported for the first half year	418,851	389,353	7.6
Operating profit after tax before deducting NCI for the first half year	28,248	22,594	25.0
Sales reported for second half year	412,015	419,942	(1.9)
Operating profit after tax before deducting NCI for the second half year	29,407	28,168	4.4

5 Profit before income tax

5.1 Significant items

	Group			
	6 months ended		12 months ended	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Other income				
Insurance recoveries	45	8	53	595
Fuel tax rebate	433	78	489	171
Interest income	814	39	1,099	156
Gain on disposal of property, plant and equipment	306	51	331	176
Gain on disposal of interest in a former associate	80	-	80	-
Fair value gain on investment property at fair value through profit or loss	420	1,640	420	1,640
Subsidies and incentives	43	85	127	171
Net foreign exchange gain	2	-	30	-
Sundry revenue	2	6	2	10
	2,145	1,907	2,631	2,919
Depreciation of property, plant and equipment and investment properties – leasehold land				
Included in cost of sales	9,300	8,695	18,243	16,387
Included in administrative expenses	89	95	175	213
	9,389	8,790	18,418	16,600

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

5 Profit before income tax (continued)

5.1 Significant items (continued)

	Group			
	6 months ended		12 months ended	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Finance costs				
Corporate market loan and line fees	2,064	967	3,637	1,502
Trade finances	-	141	102	164
Lease liabilities	361	356	767	757
Secured notes	-	-	-	2,350
Other finance costs	224	48	268	95
	2,649	1,512	4,774	4,868
Included in cost of sales:				
Lease liabilities	1,685	1,548	3,316	3,079
Total finance costs	4,334	3,060	8,090	7,947
Other (reversal)/expenses				
Trade receivables written off	-	-	-	37
Impairment loss on loan to an associate	-	19	-	127
Reversal of bad debt	-	-	-	(23)
Reversal of impairment loss on loan to an associate	-	(328)	-	(328)
Reversal of revaluation loss on freehold land and buildings[(1)]	(149)	(967)	(149)	(967)
Other expenses	-	2	-	2
	(149)	(1,274)	(149)	(1,152)

1. The fair value of freehold land and buildings at 2-8 Stuart Drive, Henderson increased as a result of a revaluation carried out at 30 June 2023. The net revaluation increase reverses its net revaluation loss previously recognised in the financial year ended 30 June 2020 (2022: $967,000 reversal).

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) (19.35%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (19.33%). 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.

Remuneration paid to key management personnel is as follows:

	Group			
	6 months ended		12 months ended	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Directors' remuneration				
- Salaries and other related costs	1,320	925	3,552	3,034
- Directors' fees	148	131	290	261
- Share-based payment*	677	160	1,153	160
- Benefits including defined contribution plans	73	75	141	140
Other key management personnel				
- Salaries and other related costs	1,107	1,168	2,928	2,948
- Share-based payment	255	514	480	514
- Benefits including defined contribution plans	130	124	246	235
	3,710	3,097	8,790	7,292

*includes cash-settled share-based payment

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

6 Related party transactions (continued)

Directors' interest in employee share benefit plans

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

	Group As at 30 June 2023 No.	Group As at 30 June 2022 No.
Share options		
Directors	-	-
Key management personnel	1,000,000	2,000,000
Performance rights		
Directors	2,774,000	4,380,000
Key management personnel	2,999,000	3,982,000

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 was no transaction with related parties during the current period.

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:

	Group			
	6 months ended		12 months ended	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Current income tax expense	9,354	6,814	20,056	16,539
Deferred income tax expense relating to origination and reversal of temporary differences	3,626	4,466	4,842	2,703
Total income tax expense	12,980	11,280	24,898	19,242

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

8 Earnings per share

	Group			
	6 months ended		12 months ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Profit attributable to owners of the Company (A$'000)	29,407	28,168	57,655	50,762
Weighted average number of shares				
- Basic	504,683,775	502,239,178	504,683,775	502,239,178
- Diluted	516,633,775	502,266,373	516,633,775	502,266,373
Earnings per ordinary share (A$ cents)				
- Basic	5.83	5.61	11.42	10.11
- Diluted	5.69	5.61	11.16	10.11

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.

As at 30 June 2023, the diluted earnings per share includes the effect of 7,950,000 unissued ordinary shares granted under CPRP due to the performance targets are likely to be met. The effect of the inclusion is dilutive (2022:9,926,000, dilutive).

As at 30 June 2023, the diluted earnings per share includes the effect of 4,000,000 unissued ordinary shares granted under CESOS. The effect of the inclusion is dilutive (2022: 4,000,000, anti-dilutive).

9 Net asset value

	Group		Company	
	As at		As at	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Net assets attributable to owners	420,870	371,393	38,313	38,537
Net asset value per ordinary share based on issued share capital at the end of the respective periods (A$ cents)	83.32	73.92	7.58	7.67

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 30 June 2023 of 505,117,000 (2022: 502,435,000) and excludes treasury shares of 15,000 (2022:15,000).

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

10 Property, plant and equipment

During the financial year ended 30 June 2023, the Group acquired assets amounting to A$19,880,000 (2022: A$6,904,000).

At the balance sheet date, 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: i. 34-year lease from August 2010, with further 35 years option ii. 30-year lease from March 2014, with further 35 years option iii. 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 & Lot 325 Hedland Junction, Wedgefield, Port Hedland	Land and buildings / Manufacturing workshop and office facility. This property is currently classified under Asset under construction.	Freehold
10 Eucla Close, South Hedland, Western Australia	Land and buildings / Accommodation support	Freehold

Freehold land and buildings carried at fair value

At 30 June 2023, an independent valuation was carried out by Asset Valuation Advisory on all the freehold land and buildings of the Group. 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.

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

10 Property, plant and equipment (continued)

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

		Group	
		As at	
Description	Borrowings	30 June 2023 A$'000	30 June 2022 A$'000
Leased plant and equipment	Lease liabilities	35,250	33,996
Remaining property, plant and equipment	Corporate market loan, multi-option	441,052	414,096
		476,302	448,092

11 Investment properties

	Buildings A$'000	Leasehold land A$'000	Total A$'000
2023			
Cost or valuation			
At 1 July 2022	14,840	2,006	16,846
Revaluation increase – recognised in profit or loss	420	-	420
At 30 June 2023	15,260	2,006	17,266
Accumulated depreciation			
At 1 July 2022	-	(41)	(41)
Depreciation for the year	-	(41)	(41)
At 30 June 2023	-	(82)	(82)
Net carrying amount			
At 30 June 2023	15,260	1,924	17,184

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

11 Investment properties (continued)

	Buildings A$'000	Leasehold land A$'000	Total A$'000
2022			
Cost or valuation			
At 1 July 2021	-	-	-
Transfer from property, plant and equipment	13,200	1,912	15,112
Addition – ROU	-	94	94
Revaluation increase – recognised in profit or loss	1,640	-	1,640
At 30 June 2022	14,840	2,006	16,846
Accumulated depreciation			
At 1 July 2021	-	-	-
Depreciation for the year	-	(41)	(41)
At 30 June 2022	-	(41)	(41)
Net carrying amount			
At 30 June 2022	14,840	1,965	16,805

Buildings carried at fair value

At 30 June 2023, an independent valuation was carried out by Asset Valuation Advisory on the investment properties of the Group. 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 month lease from July 2021, with 2 options to renew for a further 3 years each

The fair value measurement for the investment property of A$15,260,000 (2022: A$14,840,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used.

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

11 Investment properties (continued)

Buildings carried at fair value (continued)

Valuation techniques used to derive Level 3 fair values

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 30 June 2023 A$'000	Valuation techniques	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	15,260	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value.
			Estimated construction costs per square metre	$1,391	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 8%	The higher the profit margin, the higher the fair value.

Description	Fair value as at 30 June 2022 A$'000	Valuation techniques	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	14,840	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value.
			Estimated construction costs per square metre	$1,318	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 8%	The higher the profit margin, the higher the fair value.

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%.

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

Amounts recognised in profit or loss for investment properties

	Group			
	6 months ended		12 months ended	
	30 June 2023 A$'000	30 June 2022 A$'000	30 June 2023 A$'000	30 June 2022 A$'000
Rental income	175	222	510	329
Direct operating expenses from investment property that generated rental income	(202)	(147)	(345)	(273)

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

		Group	
		As at	
Description	Borrowings	30 June 2023 A$'000	30 June 2022 A$'000
Investment properties	Corporate market loan, multi-option	17,184	16,805

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

12 Borrowings

	Group			
	As at		As at	
	30 June 2023 Secured A$'000	30 June 2023 Unsecured A$'000	30 June 2022 Secured A$'000	30 June 2022 Unsecured A$'000
Amount repayable in one year or less, or on demand:				
Corporate market loan	8,000	-	8,000	-
Trade finance	-	-	20,000	-
	8,000	-	28,000	-
Amount repayable after one year, or on demand:				
Corporate market loan	48,500	-	46,000	-
Total borrowings	56,500	-	74,000	-

Corporate market loan

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 30 June 2023, the Group met all of these financial covenants.

As at 30 June 2023, the Group has a commercial bank facility amounting to A$70 million (2022: A$54 million) which was 81% utilised (2022: fully utilised). The facility is repaid at an amount of A$8 million per annum. Interest rates are variable and ranged between 1.53% to 5.01% (2022: 1.34% to 4.13%) per annum during the current financial year.

Trade finance

The Group has a multi-option facility of A$65 million which was 2% utilised as at 30 June 2023 (2022: 50% utilised). It can be used for trade financing, bank guarantees and letters of credit. Interest rates are fixed at the time of drawing and ranged between 2.59% to 3.99% (2022: 1.29% to 1.80%) per annum during the current financial year.

General security deed

Both the commercial bank and multi-option facilities are 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)

13 Share capital

Fully paid ordinary shares

	Group and Company			
	30 June 2023		30 June 2022	
	No. of shares	A$'000	No. of shares	A$'000
At the beginning of the year	502,450,000	29,807	501,100,000	29,807
Share issued during the year				
- Conversion of performance rights	2,682,000	-	1,350,000	-
At the end of the period	505,132,000	29,807	502,450,000	29,807

During the current year, 2,682,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel (KMP) and other management.

Treasury shares

As at 30 June 2023, 15,000 shares are held as Treasury Shares (2022: 15,000).

Shares options

As at 30 June 2023, there were outstanding options for 4,000,000 (2022: 4,000,000) unissued ordinary shares under the employee share option scheme. The exercise price is Singapore dollars $0.65 per share. These options are exercisable on or before 11 September 2023.

Performance rights

7,950,000 rights remain unvested as at 30 June 2023 (2022: 9,926,000).

During the current year, 2,682,000 rights were vested and converted to shares, 2,134,000 rights were issued, and 1,428,000 rights were cancelled.

14 Subsequent events

There are no subsequent events which have led to adjustments to this set of interim financial statements.

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

2H2023 vs 2H2022

Revenue for the half-year ended 30 June 2023 ("2H2023") slightly decreased 1.9% to A$412.0 million from A$419.9 million for the half-year ended 30 June 2022 ("2H2022") mainly due to the timing of revenue recognition on projects.

Gross profit for 2H2023 however increased 17.9% to A$57.4 million from A$48.6 million in 2H2022 reflecting the improvement in gross profit margins from 11.6% to 13.9%

Other income increased by 12.5% to A$2.1 million in 2H2023 compared to 2H2022 mainly due to interest income, fuel tax credits, gain on disposal of plant and equipment and gain on disposal of interest in Civtec Africa.

Administrative expenses increased by 34.5% in 2H2023 compared to 2H2022 mainly due to increase in employee benefits, marketing and tendering costs and consultant fees.

During the period ended 2H2023, there was a reversal of revaluation loss on freehold land and buildings due to its fair value increment from an independent valuation carried out at 30 June 2023.

Finance cost is reduced by 75.2% in 2H2023 compared to 2H2022 as a result of lower borrowings in the period offsetting higher interest rates payable on borrowings.

Net profit attributable to shareholders increased 4.4% to A$29.4 million in 2H2023 from A$28.2 million in 2H2022 as a result of improved gross margins in the period coupled with an increase in other income flowing through to the bottom line.

2H2023 vs 1H2023

Revenue for the half-year ended 30 June 2023 ("2H2023") decreased slightly by 1.6% to A$412.0 million from A$418.9 million for the half-year ended 31 December 2022 ("1H2023") mainly due to the timing of revenue recognition on projects.

Gross profit for 2H2023 however increased 10.7% to A$57.4 million from A$51.8 million reflecting the improvement in gross profit margins from 12.4% to 13.9%.

Administrative expenses increased by 46.2% in 2H2023 compared to 1H2023 mainly due to increase in employee benefits, marketing and tendering costs and consultant fees.

Net profit attributable to shareholders increased 4.1% to A$29.4 million in 2H2023 from A$28.2 million in 1H2023 as a result of improved profit margins coupled with an increase in other income flowing through to the bottom line.

2 Review of performance of the Group (continued)

Statement of comprehensive income (continued)

FY2023 vs FY2022

For the twelve months ended 30 June 2023 ("FY2023") revenue increased 2.7% to A$830.9 million from A$809.3 million due to the timing of revenue recognition on projects.

Gross profit for FY2023 increased 20.2% to A$109.2 million from A$90.8 million in FY2022 reflecting the increase in revenue and improvement in gross profit margins from 11.2 % to 13.1%.

Other income for FY2023 decreased by 9.9% to A$2.6 million from A$2.9 million in FY2022 mainly due to the larger fair value gain on an investment property realised in FY2022 partially offset by the increase in interest income in FY2023.

Administration expenses for FY2023 increased by 22.7% compared to FY2022 mainly due to an increase in employee benefits, marketing and tendering costs, and consultant fees.

Other reversal were 87.1% lower at A$0.1 million in FY2023 compared to A$1.2 million in FY2022 mainly due to the reversal of an impairment loss on a loan to a former associate and the larger reversal of revaluation loss on freehold land and buildings realised in FY2022.

Finance costs for FY2023 decreased slightly by 1.9% to A$4.8 million from A$4.9 million in FY2022 due to lower borrowings in the period offsetting higher interest rates payable on borrowings.

Net profit attributable to shareholders increased 13.6% to A$57.7 million in FY2023 from A$50.8 million in FY2022 as a result of increased revenue with improved gross margin.

Business Segments

Revenue for the Energy segment increased 42.3% to A$43.0 million (FY2022: A$30.2 million) as new projects commenced. Gross profit margin for this sector improved to 12.8% in FY2023 compared to 11.3% in FY2022.

Revenue for the Resources segment increased 7.6% to A$678.6 million (FY2022: A$630.9 million) due to increased activity levels and the timing of revenue recognition on projects. Gross profit for the sector increased by 25.4% to A$89.5 million in FY2023 compared to A$71.3 million in FY2022. Gross profit margin improved to 13.2% in FY2023 (FY2022: 11.3%).

Revenue for the Infrastructure, Marine & Defence segment decreased 26.2% to A$109.3 million (FY2022: A$148.2 million) due to the timing of revenue recognition on projects. Gross profit margin for this sector however improved to 13.0% in FY2023 compared to 10.9% in FY2022.

2 Review of performance of the Group (continued)

Statement of financial position

Total shareholders' equity increased to A$420.9 million as at 30 June 2023 from A$371.4 million as at 30 June 2022 as a result of profit earned in the period and asset revaluation gains which is partially offset by dividends paid.

Trade and other receivables increased to A$108.2 million as at 30 June 2023 from A$95.0 million as at 30 June 2022 due to timing of invoicing at the end of the period.

Contract assets reduced to A$100.1 million as at 30 June 2023 from A$121.7 million as at 30 June 2022 reflecting the timing of payment claims and revenue recognition on current projects.

Trade and other payables increased to A$117.7 million as at 30 June 2023 from A$111.7 million as at 30 June 2022 due to the increased project activity. Contract liabilities increased to A$44.7 million as at 30 June 2023 from A$43.3 million as at 30 June 2022 reflecting the timing of payment claims and revenue recognition on current projects.

Cash and cash equivalent as at 30 June 2023 were A$70.4 million increasing from A$40.8 million as at 30 June 2022 mainly as a result of the increased cash generated from operations in the period.

Property, plant and equipment increased to A$476.3 million as at 30 June 2023 from A$448.1 million as at 30 June 2022 mainly attributable to the revaluation increment on freehold land and buildings, new right-of-use assets on leasehold properties, re-measurement of existing right-of-use assets due to price escalation and purchase of new assets including properties in Port Hedland which is partially offset by the depreciation expenses for the period.

Overall lease liabilities increased to A$57.3 million as at 30 June 2023 from A$55.9 million as at 30 June 2022 as a result of new lease arrangements entered and re-measurement of existing leases due to increased price escalation during the period, offset by the repayment of principal lease liabilities.

Overall borrowings reduced to A$56.5 million as at 30 June 2023 from A$74.0 million as at 30 June 2022 as a result of repayment of borrowings in the period utilising the increased cash generated from operations.

2 Review of performance of the Group (continued)

Statement of cash flows

Overall cashflow before working capital changes was A$108.0 million for the twelve months ended 30 June 2023 ("FY2023") compared to A$92.9 million for the twelve months ended 30 June 2022 ("FY2022") reflecting the increased revenue and increased gross profit margin in the period.

Cash generated from operations remained positive at A$122.8 million for FY2023 compared to A$36.2 million in FY2022 reflecting changes in working capital requirements in the period. Net cash generated from operating activities increased to A$95.2 million for FY2023 compared to A$1.8 million in FY2022 mainly due to the timing of revenue recognition, timing of tax payments and improved gross margin.

The Group spent A$19.9 million on capital expenditure, predominantly to purchase properties in Port Hedland and development of the Port Hedland facility and for replacement of ageing plant and equipment with new equipment.

The Group made net repayments of A$17.5 million on borrowings and made repayments against leases of A$8.6 million. The Group also paid a final dividend of A$10.1 million relating to the financial year ended 30 June 2022 and an interim dividend of A$10.1 million relating to the financial year ended 30 June 2023.

As at 30 June 2023, the Group's cash and cash equivalents were A$70.4 million an increase from A$40.8 million as at 30 June 2022.

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

No forecast or prospect statement has previously been disclosed.

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 and construction provider to the Energy, Resources, Infrastructure, Marine & Defence sectors.

The group continues to operate in a period of historically low unemployment and labour availability, while improved from levels seen in early 2022, is still constrained requiring a targeted approach to securing work.

Following the Australian Government's Defence Strategic Review they have indicated that an analysis of the Navy's future surface fleet requirements will be released by the end of calendar year 2023.

Tendering activity remains strong across all sectors that we operate in, and the Group is focused on securing projects that will allow it to grow the workforce at a sustainable pace. Tendering opportunities remain plentiful and the overall business outlook is positive.

As at 30 June 2023, the order book stood at A$1.15 billion (compared to A$1.04 billion at 30 June 2022). This order book secures the majority of the revenue planned for the next 12 months, with a portion of the secured order book extending as far as 2029.

5 Dividend information

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

Name of Dividend	Final (Foreign Sourced)
Dividend Type	Cash
Dividend Amount per Share	3.0 Australian Cents
Tax Rate	Tax Exempt
Number of Shares	505,117,000

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	Final (Foreign Sourced)
Dividend Type	Cash
Dividend Amount per Share	2.0 Australian Cent
Tax Rate	Tax Exempt
Number of Shares	502,435,000

c) Date payable

The proposed final dividend is subject to approval by shareholders in the forthcoming Annual General Meeting. Subject to approval by shareholders, the dividend will be payable on 14 December 2023.

d) Books closure date

Share Transfer Books of Civmec Limited (the "Company") will be closed on 1 December 2023, for the preparation of dividend warrants to the proposed tax exempt (Foreign Sourced) Final dividend of A$0.03 for the financial year ended 30 June 2023 ("Final Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to 5:00 p.m. on 30 November 2023 ("Record Date") by the Company's Singapore Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00 Singapore 068898 will be registered to determine Members' entitlements to the Final Dividend. Members whose 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 Final Dividend.

6 Interested person transactions

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

There were no interested person transactions for the 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.

8 Review of performance of the Group – turnover and earnings

Please refer to section E4 and F2 for further details.

9 Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

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-month period ended 30 June 2023 to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD

James Finbarr Fitzgerald
Executive Chairman

28 August 2023