



CIVMEC LIMITED

(Company Registration No: 201011837H)

**FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE
THIRD QUARTER ENDED 31 MARCH 2019**



PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

INCOME STATEMENT

	Q3 FY2019	Q3 FY2018 Restated ¹	+ / (-) %	9M FY2019	Group 9M FY2018 Restated ¹	+ / (-)
	A\$'000	A\$'000		A\$'000	A\$'000	%
Sales revenue	80,090	186,339	(57.0)	415,120	485,928	(14.6)
Cost of sales	(74,743)	(173,784)	(57.0)	(394,956)	(459,419)	(14.0)
Gross profit	5,347	12,555	(57.4)	20,164	26,509	(23.9)
Other income	574	290	97.9	4,555	6,676	(31.8)
Administrative expenses	(4,368)	(3,960)	10.3	(13,017)	(12,635)	3.0
Finance costs	(1,392)	(1,234)	12.8	(3,925)	(3,035)	29.3
Profit before tax	161	7,651	(97.9)	7,777	17,515	(55.6)
Income tax expense	(20)	(695)	(97.1)	(874)	(3,177)	(72.5)
Profit for the period	141	6,956	(98.0)	6,903	14,338	(51.9)
<u>Profit attributable to:</u>						
Owners of the Company	141	7,245	(98.1)	5,955	14,899	(60.0)
Non-controlling interest	-	(289)	(100.0)	948	(561)	(269.0)
	141	6,956	(98.0)	6,903	14,338	(51.9)
Earnings per share attributable to equity holders of the Company (cents per share):						
• Basic	0.03	1.45		1.19	2.97	
• Diluted	0.03	1.45		1.19	2.97	

¹ The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for application for the annual periods beginning on or after 1 January 2018 and has applied them retrospectively. Accordingly, comparatives have been restated to take into account adjustments relating to SFRS(I) 1 First-time Adoption of SFRS(I) and SFRS(I) 15 Revenue from Contracts with Customers.



- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd):

STATEMENT OF COMPREHENSIVE INCOME

	Group			Group		
	Q3	Q3		9M	9M	
	FY2019	FY2018	+ / (-)	FY2019	FY2018	+ / (-)
	A\$'000	Restated A\$'000	%	A\$'000	Restated A\$'000	%
Profit for the period	141	6,956	(98.0)	6,903	14,338	(51.9)
<u>Other comprehensive (loss)/income:</u>						
<i>Item that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on re-translation from functional currency to presentation currency	-	61	(100.0)	(185)	58	(419.0)
Reclassification of translation reserve to the profit or loss account on deconsolidation	-	-	-	92	-	-
Total comprehensive income for the period	141	7,017	(98.0)	6,810	14,396	(52.7)
<u>Total comprehensive income attributable to:</u>						
Owners of the Company	141	7,306	(98.1)	5,862	14,957	(60.8)
Non-controlling interest	-	(289)	(100.1)	948	(561)	(269.4)
	141	7,017	(98.0)	6,810	14,396	(52.7)

1(a)(ii) Notes to the Income Statement and Consolidated Statement of Comprehensive Income.

A. Profit before income tax

The following items have been included in determining the profit before income tax:

	Group			Group		
	Q3 FY2019	Q3 FY2018 Restated	+ / (-)	9M FY2019	9M FY2018 Restated	+ / (-)
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
(Loss)/Gain on disposal of property, plant and equipment	(15)	-	-	55	19	189.5
Gain on deconsolidation of a subsidiary	-	-	-	2,091	-	-
Insurance recovery	279	62	350.0	1,497	5,752	(74.0)
Interest income	189	53	256.6	582	228	155.3
Fuel tax rebate	120	172	(30.2)	248	430	(42.3)
Share in loss of a joint venture	-	3	(100.0)	(2)	217	(100.9)
Sundry revenue	1	-	-	84	30	180.0
Total Other Income	574	290	97.9	4,555	6,676	(31.8)

B. Finance costs

	Group			Group		
	Q3 FY2019	Q3 FY2018 Restated	+ / (-)	9M FY2019	9M FY2018 Restated	+ / (-)
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Bank bills and bank guarantees	911	832	9.5	2,501	2,184	14.5
Interest expense	301	310	(2.9)	915	492	86.0
Finance leases	167	92	81.5	453	312	45.2
Others	13	-	-	55	47	17.0
Total Finance Costs	1,392	1,234	12.8	3,925	3,035	29.3

C. Depreciation expenses

	Group			Group		
	Q3 FY2019	Q3 FY2018 Restated	+ / (-)	9M FY2019	9M FY2018 Restated	+ / (-)
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Included in Cost of sales	2,416	2,519	(4.1)	7,480	7,431	0.7
Included in Administrative expenses	71	81	(12.3)	231	292	(20.9)
Total Depreciation	2,487	2,600	(4.3)	7,711	7,723	(0.2)

1(b)(i) Statement of Financial Position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	As at 31 March 2019 A\$'000	Group As at 30 June 2018 Restated A\$'000	As at 1 July 2017 Restated A\$'000	As at 31 March 2019 A\$'000	Company As at 30 June 2018 A\$'000	As at 1 July 2017 A\$'000
ASSETS						
Current assets						
Cash and cash equivalents	40,069	23,369	22,712	12	5	24
Trade and other receivables	82,369	132,366	58,335	28,754	34,285	27,615
Contract asset	140,701	135,244	79,596	-	-	-
Income tax recoverable	1,459	5,313	7,769	1,459	-	4,249
	<u>264,598</u>	<u>296,292</u>	<u>168,412</u>	<u>30,225</u>	<u>34,290</u>	<u>31,888</u>
Non-current assets						
Investments in subsidiaries	-	-	-	7,579	7,579	7,579
Investments in joint venture	-	-	122	-	-	-
Trade and other receivables	-	-	153	-	-	-
Property, plant and equipment	188,100	143,711	128,524	-	-	-
Intangible assets	10	10	10	-	-	-
Deferred tax assets	1,047	2,520	2,052	16	16	11
	<u>189,157</u>	<u>146,241</u>	<u>130,861</u>	<u>7,595</u>	<u>7,595</u>	<u>7,590</u>
TOTAL ASSETS	453,755	442,533	299,273	37,820	41,885	39,478
LIABILITIES AND EQUITY						
Current liabilities						
Trade and other payables	83,938	127,692	71,169	424	136	145
Contract liabilities	35,701	23,178	4,064	-	-	-
Borrowings	23,659	43,275	4,983	-	-	-
Provisions	6,217	9,197	4,831	-	-	-
Income tax payable	8	-	-	-	1,356	-
	<u>149,523</u>	<u>203,342</u>	<u>85,047</u>	<u>424</u>	<u>1,492</u>	<u>145</u>
Non-current liabilities						
Borrowings	125,490	64,434	53,555	-	-	-
Provisions	4,741	3,935	2,955	-	-	-
Deferred tax liabilities	-	-	955	-	-	-
	<u>130,231</u>	<u>68,369</u>	<u>57,465</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	279,754	271,711	142,512	424	1,492	145
Capital and Reserves						
Share capital	29,807	29,807	29,807	29,807	29,807	29,807
Treasury shares	(10)	(10)	(10)	(10)	(10)	(10)
Other reserves	7,818	7,911	7,818	4,484	4,513	4,483
Retained earnings	136,471	134,147	119,485	3,115	6,083	5,053
Total Equity Attributable to Owners	174,086	171,855	157,100	37,396	40,393	39,333
Non-controlling interest	(85)	(1,033)	(339)	-	-	-
TOTAL EQUITY	174,001	170,822	156,761	37,396	40,393	39,333
TOTAL LIABILITIES AND EQUITY	453,755	442,533	299,273	37,820	41,885	39,478

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

	Group As at 31 March 2019		Group As at 30 June 2018	
	A\$'000	A\$'000	A\$'000	A\$'000
	Secured	Unsecured	Restated Secured	Restated Unsecured
Amount repayable in one year or less, or on demand	23,659	-	43,275	-
Amount repayable after one year	125,490	-	64,434	-
Total	149,149	-	107,709	-

Details of collaterals

Finance leases:

The Group has A\$20.5 million (June 2018: A\$13.4 million) of finance leases for vehicles, workshop equipment and office fit out from non-related parties. The Group will obtain the ownership of the leased assets from the lessor at no extra cost at the end of the lease term.

Banking facilities:

As at 31 March 2019, the Group has drawn A\$128.2 million (June 2018: A\$98.1 million) of its banking facilities.

The Senior Secured Note and other banking facilities for the Civmec Group are secured by:

- General Security Deed – Civmec Holdings Pty Ltd with unsecured guarantee from Civmec Limited in relation to the Senior Secured Note
- Interlocking Guarantee & Indemnity supported by:
 - General Security Deed – Civmec Construction & Engineering Pty Ltd
 - General Security Deed – Civmec Limited
 - General Security Deed – Civmec Construction & Engineering Singapore Pte Ltd
 - Second-ranking General Security Deed – Civmec Holdings (subordinated to the security provided for the notes facility)
- Interlocking Group Master Asset Finance Agreement
- International Swap Dealer Association ("ISDA") Agreement – Australian Entities
- International Swap Dealers Association ("ISDA") Agreement – Singapore Entities

Total unutilised facilities amount to approximately A\$102.5 million, including bond facilities.



1(c) **Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group 9M FY2019 A\$'000	Group 9M FY2018 Restated A\$'000
Cash Flows from Operating Activities		
Profit before income tax	7,777	17,515
Adjustment for:		
Depreciation of property, plant and equipment	7,711	7,723
Loss/(Gain) on disposal of property, plant and equipment	37	(19)
Share in loss/(profit) of a joint venture	2	(217)
Gain on deconsolidation	(2,091)	-
Finance cost	3,925	3,035
Interest income	(582)	(229)
Foreign exchange differences	(274)	(17)
Operating cash flow before working capital changes	16,505	27,791
Changes in working capital:		
Decrease/(Increase) in trade and other receivables	45,354	(84,911)
(Decrease)/Increase in trade and other payables	(31,339)	77,021
(Decrease)/Increase in provisions	(2,173)	3,716
Cash generated from operations	28,347	23,617
Interest received	538	229
Finance cost paid	(1,945)	(3,035)
Income tax refund	8,711	-
Income taxes paid	(4,250)	(3,961)
Net cash generated from operating activities	31,401	16,850
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	92	64
Purchase of property, plant and equipment	(52,215)	(18,872)
Proceeds from related party loan	55	-
Investment in joint venture	-	(250)
Net cash used in investing activities	(52,068)	(19,058)
Cash Flows from Financing Activities		
Proceeds from borrowings	345,431	295,157
Repayment of borrowings	(304,432)	(260,166)
Dividends paid	(3,632)	(3,451)
Net cash generated from financing activities	37,367	31,540
Net increase in cash and cash equivalents	16,700	29,332
Cash and cash equivalents at the beginning of the financial period	23,369	22,712
Cash and cash equivalents at the end of the financial period	40,069	52,044



1(d) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity - GROUP

GROUP	Share capital A\$'000	Treasury shares A\$'000	Merger reserve A\$'000	Other Reserves		Retained earnings A\$'000	Total A\$'000	Non- Controlling interest A\$'000	Total equity A\$'000
				Translation reserve A\$'000	Option reserve A\$'000				
Balance as at 1 July 2017 – as previously reported	29,807	(10)	7,578	-	240	127,759	165,374	(339)	165,035
Effects of the adoption of SFRS(I) 15	-	-	-	-	-	(8,274)	(8,274)	-	(8,274)
At 1 July 2017, restated	29,807	(10)	7,578	-	240	119,485	157,100	(339)	156,761
Profit for the year	-	-	-	-	-	18,113	18,113	(694)	17,419
Other comprehensive income:									
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	93	-	-	93	-	93
Total comprehensive income for the year	-	-	-	93	-	18,113	18,206	(694)	17,512
Dividends paid	-	-	-	-	-	(3,451)	(3,451)	-	(3,451)
Balance as at 30 June 2018	29,807	(10)	7,578	93	240	134,147	171,855	(1,033)	170,822
At 1 July 2017, restated	29,807	(10)	7,578	-	240	119,485	157,100	(339)	156,761
Profit for the period	-	-	-	-	-	14,899	14,899	(561)	14,338
Other comprehensive income:									
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	58	-	-	58	-	58
Total comprehensive income for the period	-	-	-	58	-	14,899	14,957	(561)	14,396
Dividends paid	-	-	-	-	-	(3,451)	(3,451)	-	(3,451)
Balance as at 31 March 2018	29,807	(10)	7,578	58	240	130,933	168,606	(900)	167,706



- 1(d) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity – GROUP (Continued)

GROUP	Share capital A\$'000	Treasury shares A\$'000	Other Reserves			Retained earnings A\$'000	Total A\$'000	Non- Controlling interest A\$'000	Total equity A\$'000
			Merger reserve A\$'000	Translation reserve A\$'000	Option reserve A\$'000				
Balance as at 1 July 2018 – as previously reported	29,807	(10)	7,578	93	240	149,726	187,434	(1,033)	186,401
Effects of the adoption of SFRS(I) 15	-	-	-	-	-	(15,579)	(15,579)	-	(15,579)
At 1 July 2018, restated	29,807	(10)	7,578	93	240	134,147	171,855	(1,033)	170,822
Profit for the period	-	-	-	-	-	5,955	5,955	948	6,903
Other comprehensive income:									
Items that may be reclassified subsequently to profit or loss									
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	(185)	-	-	(185)	-	(185)
Elimination of non-controlling interest on deconsolidation	-	-	-	92	-	-	92	-	92
Total comprehensive income for the period	-	-	-	(93)	-	5,955	5,862	948	6,810
Dividends paid	-	-	-	-	-	(3,631)	(3,631)	-	(3,631)
Balance as at 31 March 2019	29,807	(10)	7,578	-	240	136,471	174,086	(85)	174,001



1(d) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity – Company

COMPANY	Other Reserves							Total equity A\$'000
	Share capital A\$'000	Treasury shares A\$'000	Merger reserve A\$'000	Translation reserve A\$'000	Option reserve A\$'000	Other reserve A\$'000	Retained earnings A\$'000	
Balance as at 1 July 2017	29,807	(10)	7,578	-	240	(3,335)	5,053	39,333
Profit for the year	-	-	-	-	-	-	4,480	4,480
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	30	-	-	-	30
Total comprehensive income for the year	-	-	-	30	-	-	4,480	4,510
Dividends paid	-	-	-	-	-	-	(3,450)	(3,450)
Balance as at 30 June 2018	29,807	(10)	7,578	30	240	(3,335)	6,083	40,393
Balance as at 1 July 2018	29,807	(10)	7,578	-	240	(3,335)	5,053	39,333
Profit for the period	-	-	-	-	-	-	3,260	3,260
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	30	-	-	-	30
Total comprehensive income for the period	-	-	-	30	-	-	3,260	3,290
Dividends paid	-	-	-	-	-	-	(3,451)	(3,451)
Balance as at 31 March 2018	29,807	(10)	7,578	30	240	(3,335)	4,862	39,172
Balance as at 1 July 2019	29,807	(10)	7,578	30	240	(3,335)	6,083	40,393
Profit for the period	-	-	-	-	-	-	663	663
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on re-translation from functional currency to presentation currency	-	-	-	(29)	-	-	-	(29)
Total comprehensive income for the period	-	-	-	(29)	-	-	663	634
Dividends paid	-	-	-	-	-	-	(3,631)	(3,631)
Balance as at 31 March 2019	29,807	(10)	7,578	1	240	(3,335)	3,115	37,396

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the issued and paid up capital of the Company since the previous financial year ended 30 June 2018.

As at 31 March 2019, of the total 501,000,000 shares on issue, 15,000 shares are held as Treasury shares (30 June 2018: 15,000).

The Company has no outstanding convertibles as at 31 March 2019 and 30 June 2018.

As at 31 March 2019 there were outstanding options for 4,000,000 (30 June 2018: 4,000,000) unissued ordinary shares under the employee share option scheme.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	31 March 2019	30 June 2018
	No. of shares	No. of shares
Balance of shares at beginning of period	501,000,000	501,000,000
Total number of shares as at end of the period	501,000,000	501,000,000
Total shares held as treasury shares	15,000	15,000
Total number of shares as at end of period, net of Treasury shares	500,985,000	500,985,000

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on. As at 31 March 2019, the Company held 15,000 of its issued shares as treasury shares.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been reviewed by our auditors.

- 3. Whether the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

As required by the listing rules of the Singapore Exchange, the Group has applied Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect from 1 July 2018. The Group's financial statements

for the year ending 30 June 2019 will be prepared in accordance with SFRS(I), issued by the Accounting Standards Council.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 30 June 2018, except for the change in presentation currency, now in Australian dollars and the mandatory adoption of new and revised SFRS(I) and Interpretations of SFRS(I) ("SFRS(I)" International) which becomes effective for the financial period beginning 1 July 2018 as follows:

- SFRS(I) 1 First-time adoption of SFRS(I)
- SFRS(I) 15 Revenue from Contracts with Customers

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The application of the new and revised standards and interpretations has no material effect on the presented financial statements, except as described as below:

a) Application of SFRS(I) 1

SFRS(I) 1 requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective 1 July 2018, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies.

b) Change in presentation currency to Australian dollars

The Civmec group largely operates within Australia where virtually all its income is derived. This change will help to provide a clearer understanding of the Group's financial results and improve comparability of the Group's performance. Comparative periods have restated in Australian dollars.

c) SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specific criteria is met.

The Group adopted SFRS(I) 15 using the retrospective approach in accordance with the mandatory requirements of SFRS(I) 1. Accordingly, comparatives have been restated to take into account adjustments relating to SFRS(I) 1 and SFRS(I) 15.

The new standard requires a higher threshold of probability for recognition of contract claims and variations whereby revenue is recognised when it is highly probable that a significant reversal of revenue will not occur in the future. Civmec Limited has operations across different industry sectors and geographical locations which are subject to different legal and contractual frameworks. Significant judgements and estimates are used in determining the impact of SFRS(I) 15, such as the probability of approval of variations and acceptance of claims, estimation of project completion date and assumed levels of project productivity. In making this assessment we have considered, for applicable contracts, the individual status of each contract variation.

The impact on the comparatives for the financial statements of this reporting quarter on adoption of SFRS(I) 1 and SFRS(I) 15 are as follows:

GROUP	9 months ended 31 March 2018		
	As previously reported A\$'000	SFRS(I) 15 Adjustments A\$'000	As Restated A\$'000
INCOME STATEMENT			
Revenue	489,558	(3,630)	485,928
Tax expense	(4,266)	1,089	(3,177)
COMPREHENSIVE INCOME STATEMENT			
Profit for the period after tax	16,879	(2,541)	14,338
CASH FLOW STATEMENT			
Profit before taxation	21,145	(3,630)	17,515
Changes in working capital	23,617	(3,630)	19,987

GROUP	As at 30 June 2018		
	As previously reported A\$'000	SFRS(I) 15 Adjustments A\$'000	As Restated A\$'000
STATEMENT OF FINANCIAL POSITION			
Current assets			
Income tax recoverable	-	5,313	5,313
Trade and other receivables	138,513	(6,147)	132,366
Contract assets	151,352	(16,108)	135,244
Current liabilities			
Trade and other payables	127,692	-	127,692
Income tax payable	1,363	(1,363)	-
Contract liabilities	23,178	-	23,178
Capital and reserves			
Retained earnings	149,726	(15,579)	134,147

GROUP	As at 1 July 2017		
	As previously reported A\$'000	SFRS(I) 15 Adjustments A\$'000	As Restated A\$'000
STATEMENT OF FINANCIAL POSITION			
Current assets			
Income tax recoverable	4,223	3,546	7,769
Trade and other receivables	63,496	(5,161)	58,335
Contract assets	86,225	(6,659)	79,596
Current liabilities			
Trade and other payables	71,169	-	71,169
Contract liabilities	4,064	-	4,064
Capital and reserves			
Retained earnings	127,759	(8,274)	119,485

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Q3 FY2019 A\$'000	Q3 FY2018 A\$'000 Restated	9M FY2019 A\$'000	9M FY2018 A\$'000 Restated
Profit after taxation attributable to owners*	141	7,245	5,955	14,899
Pre-invitation Share Capital	501,000,000	501,000,000	501,000,000	501,000,000
Weighted average number of shares				
• Basic	500,985,000	500,985,000	500,985,000	500,985,000
• Diluted	500,985,000	500,985,000	500,985,000	500,985,000
Earnings per ordinary share (A\$ cents)				
• Basic	0.03	1.45	1.19	2.97
• Diluted	0.03	1.45	1.19	2.97

*Basic earnings per share is calculated by dividing the consolidated profit after tax attributable to the equity holders of the company, by the average number of outstanding shares. As at 31 March 2019, the diluted earnings per share is the same as basic earnings per share as it does not include the effect of 4,000,000 unissued ordinary shares granted under CESOS. The effect is anti-dilutive.

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 31 March 2019 A\$'000	As at 30 June 2018 A\$'000 Restated	As at 31 March 2019 A\$'000	As at 30 June 2018 A\$'000
Net assets attributable to owners	174,001	171,855	37,396	40,393
Net asset value per ordinary share based on issued share capital at the end of the respective periods (A\$ cents)	34.73	34.30	7.46	8.06

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 31 March 2019 of 500,985,000 (30 June 2018: 500,985,000) and excludes treasury shares of 15,000 (30 June 2018: 15,000).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:
- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

A. Statement of Comprehensive Income

Q3 FY2019 vs Q2 FY2019

Revenue for the three months ended 31 March 2019 ("Q3 FY2019") decreased 40.6% to A\$80.1 million from A\$134.9 million for the three months ended 31 December 2018 ("Q2 FY2019") due to projects completing in the period and timing of commencement of new projects.

Gross profit for Q3 FY2019 increased by 32.8% to A\$5.3 million from A\$4.0 million in Q2 FY2019.

Other income for the three months ended 31 March 2019 ("Q3 FY2019") decreased by 65.4% to A\$574k from A\$1.7 million ("Q2 FY2019") primarily due to proceeds received from an insurance claim in the prior quarter.

Net profit attributable to shareholders decreased 88.8% to A\$141k in Q3 FY2019 from A\$1.3 million in Q2 FY2019 as a result of recognising cost overruns on some near completed EPC projects.

Q3 FY2019 vs Q3 FY2018

Revenue for the three months ended 31 March 2019 ("Q3 FY2019") decreased 57.0% to A\$80.1 million from A\$186.3 million for the three months ended 31 March 2018 ("Q2 FY2018") due to projects completing in the period and timing of commencement of new projects.

Gross profit for Q3 FY2019 decreased by 57.4% to A\$5.3 million from A\$12.5 million in Q2 FY2018 in line with the decrease in revenue.

Other income for the three months ended 31 March 2019 ("Q3 FY2019") increased by 97.9% to A\$574k from A\$290k ("Q3 FY2018") primarily due to the final proceeds from an insurance claim received in the period.

Net profit attributable to shareholders decreased 98.0% to A\$141k in Q3 FY2019 from A\$6.9 million in Q3 FY2018, as cost overruns on some near completed EPC projects were recognised during the period.

9M FY2019 vs 9M FY2018

Revenue for the nine months ended 31 March 2019 ("9M FY2019") decreased 14.6% to A\$415.1 million from A\$485.9 million for the nine months ended 31 March 2018 ("9M FY2018").

Gross profit for 9M FY2019 decreased by 23.9% to A\$20.2 million from A\$26.5 million in 9M FY2018 partially in line with decreased revenue.

Finance costs for the nine months ended 31 March 2019 ("9M FY2019") increased by 29.3% to A\$3.9 million from A\$3.0 million ("9M FY2018") due to interest costs associated with working capital lines and the secured note.

Net profit attributable to shareholders decreased 51.9% to A\$6.9 million in 9M FY2019 from A\$14.3 million in 9M FY2018 as a result of recognising cost overruns on some near completed EPC projects in the period.

B. Statement of Financial Position

Total shareholders' equity increased to A\$174.1 million as at 31 March 2019 from A\$171.8 million as at 30 June 2018.

Trade and other receivables & contract assets decreased to A\$223.1 million as at 31 March 2019 from A\$267.6 million as at 30 June 2018 as projects completed.

Trade and other payables & Contract liabilities decreased to A\$119.6 million as at 31 March 2019 from A\$150.9 million as at 30 June 2018 due to the decline in project activity.

Cash and cash equivalents as at 31 March 2019 was A\$40.1 million up from A\$23.4 million as at 30 June 2018 as a result of the proceeds received in relation to the Senior Secured Note raised for the construction of the shipbuilding facility and the positive cashflow from operations.

Non-current assets increased to A\$189.2 million as at 31 March 2019 from A\$146.2 million as at 30 June 2018, as a result of the Group's continued investment in its Henderson and Newcastle facilities.

Overall long-term borrowings increased to A\$125.5 million as at 31 March 2019 from A\$64.4 million as at 30 June 2018 as funds were deployed for capital investment.

C. Statement of Cash Flows for the 9 month period of FY2019

Operating cashflow before working capital changes was A\$16.5 million in the nine months of 9M FY2019 compared to A\$27.8 million in 9M FY2018. Net cashflow generated from operations in 9M FY2019 was positive at A\$31.4 million up from \$16.8 million in 9M FY2018.

The Group used A\$52.0 million in capital expenditure, predominantly related to the development of the facilities in Henderson and Newcastle.

The Group generated A\$37.4 million net cash from financing activities to assist in funding capital infrastructure and working capital fluctuations.

As at 31 March 2019 the Group's cash and cash equivalents were A\$40.1 million up from A\$23.4 million as at 30 June 2018.

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

Not Applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in the Group operates and any known factors or events that may affect the Group in the next reporting and the next 12 months.

Civmec is an integrated multi-disciplinary heavy engineering and construction provider to the Oil & Gas, Metals & Minerals, Infrastructure and Marine & Defence sectors.

With the pickup in Western Australia's resource sector, the Group has experienced a strong start to calendar year 2019, securing a number of projects. This includes a significant award from Albemarle Lithium Pty Ltd, for the construction of Australia's largest lithium hydroxide plant, to be built in Western Australia's south-west. The Group's involvement in the Albemarle project also extends to the supply of the kilns and cooler shells for the plant, on behalf of Metso, which are currently being fabricated at its Henderson facility.

Other noteworthy package awards during the period include the fabrication and modularisation of key components for BHP's South Flank iron ore mine currently under construction in the Pilbara region in Western Australia. The Group has secured works on this project directly with BHP and via ThyssenKrupp.

The further development of the Group's facilities in Henderson on the west coast and Newcastle on the east coast has continued. In Western Australia, construction of the new 70 metre high mega shipbuilding facility is well underway and on schedule for completion in late 2019. This facility will greatly enhance production and assembly output and will be available for future undercover ship construction and maintenance requirements.

The Group is optimistic about the medium to longer term future, with a significant increase in activity in the sectors where the company has historically operated most successfully, together with the emerging opportunities being presented in the marine and defence sector.

The order book currently stands at A\$820 million up from A\$540 million in December 2018.

Barring unforeseen circumstances, the Group expects to be profitable in the current financial year.

11. Dividend

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

Not applicable

b) Any dividend declared for the corresponding period of the immediately preceding financial year?

Not applicable

c) Date payable

Not applicable

d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared/recommendeded for the quarter ended 31 March 2019 as the Company reviews its dividend distribution in the fourth quarter of the financial year.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to the effect.**

No general mandate has been obtained for interested persons transactions.

There were no IPT transactions for the period.

14. **Negative confirmation pursuant to Rule 705(5).**

To the best of our knowledge, nothing has come to the attention of the Board which may render the financial results for the period ended 31 March 2019 to be false or misleading in any material aspect.

15. **Confirmation pursuant to Rule 720(1) of the Listing Manual**

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.

ON BEHALF OF THE BOARD



James Finbarr Fitzgerald
Executive Chairman

14 May 2019