



Engineering Success

# Q3 FY2024 Business Update

## Another Strong Quarter

### Highlights

- Revenue of A\$258.3 million, an increase of 37.6% from Q3 FY23
- NPAT of A\$17.1 million, an increase of 16.9% from Q3 FY23
- EBITDA of A\$31.6 million, representing a 15.2% increase from Q3 FY23
- Earnings per share of 3.4 cents, up from 2.9 cents in Q3 FY23
- Net cash balance of A\$35.9 million, a A\$52.6 million increase from Q3 FY23

Civmec Limited (“Civmec” or the “Group”) is pleased to announce its financial results for the third quarter ended 31 March 2024 (Q3 FY24), delivering increased revenue and profits together with a stronger balance sheet. Key financial metrics compared to the same period in the previous financial year are set out in the table below:

A\$ million	9M FY24	9M FY23	Change	Q3 FY24	Q3 FY23	Change
Revenue	<b>\$750.7</b>	\$606.6	23.7%	<b>\$258.3</b>	\$187.8	37.6%
EBITDA	<b>\$91.2</b>	\$80.4	13.5%	<b>\$31.6</b>	\$27.4	15.2%
EBITDA Margin	<b>12.2%</b>	13.3%	(1.1pp)	<b>12.2%</b>	14.6%	(2.4pp)
NPAT	<b>\$49.0</b>	\$42.9	14.2%	<b>\$17.1</b>	\$14.6	16.9%
Net Profit Margin	<b>6.5%</b>	7.1%	(0.6pp)	<b>6.6%</b>	7.8%	(1.2pp)
Net Cash				<b>\$35.9</b>	(-16.7)	n.m
Net Tangible Asset per Share				<b>89.6c Aust</b>	80.1c Aust	11.9%
Earnings per Share	<b>9.7c Aust</b>	8.5c Aust	13.8%	<b>3.4c Aust</b>	2.9c Aust	16.6%
Order Book				<b>\$821</b>	\$1,002 (31 Dec)	-18.1%

Chairman James Fitzgerald said: *“I am proud to announce another strong quarter for our shareholders, with continued growth in both top line revenue and bottom line earnings and resilient profit margins. An increase in the volume of maintenance related awards reflects our increasing focus on maintenance works as a significant pillar of growth for the company.”*

### Operational Update

#### Maintenance Awards:

With a continuous focus on the growth of the service offerings and expansion of client base, Civmec is delighted to announce a series of panel contract awards in the maintenance sector both on the west and east coast of Australia. The Contracts include:

- A contract for process plant punchlist works on at a recently completed construction site in the Pilbara which sees Civmec providing multi-discipline labour for modifications and shutdowns on the site.

CIVMEC LIMITED

(Company Registration Number 201011837H)



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- A master agreement for engineering, procurement and construction activities for Wesfarmers Chemicals, Energy and Fertilisers (WESCEF) in support of its brownfield projects including construction services and temporary labour hire.
- Various shutdown contracts for Cargill's facility located in Newcastle, NSW. Civmec will perform fabrication and site shutdown services for a plant upgrade including change out and modifications on existing equipment.
- Fabrication and installation of new gangways and associated components at a site in the Pilbara. This project includes fabrication, carry out required Structural, mechanical and piping installation (SMP) as well as, remediation electrical, communications and commissioning activities.
- A shutdown and maintenance services call-off agreement awarded by Pilbara Minerals. This contract involves the supply of labour, plant and equipment and other services to support shutdowns at the Pilgangoora Operation.
- Ongoing dump truck tray replacement orders that maintain Civmec's production rates for tray replacements at its Newcastle facility.
- Continued awards under existing panel and term agreements with existing clients.

With final finishings allowing Civmec's Port Hedland maintenance and workshop facility to now be practically complete, the focus will be on increasing utilisation of the facility and offering employment and apprenticeship opportunities to the local community as opportunities arise.

Civmec is also finalising land and facility plans for our Queensland maintenance hub in Gladstone which in turn will also create a new line of opportunity for the east coast based maintenance team.

### Construction Awards:

#### **Pilbara Minerals P1000 expansion project**

Further demonstrating Civmec's diversified service offering, the company has also secured a contract for the site installation of structural, mechanical, piping, and E&I components with Pilbara Minerals on the P1000 Expansion Project at their lithium operation near Port Hedland, Western Australia. This contract encompasses a broad range of Civmec's in-house capabilities and underscores our integrated approach to project delivery. This will be our second package of work for Pilbara Minerals as we near the completion of the fabrication of components for their P680 Expansion Project.

### Manufacturing Awards :

#### **Chevron Gorgon CCS Fabrication and Preassembly (Modules)**

Civmec has been awarded a comprehensive supply contract to deliver multiple steel and pipe modules for the Gorgon Carbon Capture and Storage (CCS) system. This contract highlights Civmec's robust capability in heavy engineering and our commitment to supporting the energy sector with high-quality solutions.

To be delivered from our extensive facilities in Henderson, Western Australia, Civmec will complete procurement, manufacture, assembly and testing of a series of modules, loose steel and piping for the project.



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### Defence Update

As outlined in the Australian Government's recently announced 'Independent analysis of Navy's surface combatant fleet', the initial requirements for 12 OPVs has been reduced to six vessels. Having recently completed our scope of supply for six vessels, Civmec has redeployed its shipbuilding workforce of staff, tradespeople, apprentices and trainees to support other existing contracts while more clarity on medium to longer term shipbuilding requirements is better understood. This underscores the Company's diversity of contracts, not being reliant on one sector and being flexible enough to transfer personnel to contracts in another sector pending the award of further defence work.

Leasing of space at Civmec's Henderson facility to our client for the consolidation of vessels is unaffected by this change. The change in Commonwealth requirement for the quantity of OPVs will not have any material impact on FY24 revenue or profits.

The long term outlook for shipbuilding is promising with a forecast spend over the next 10 years in the Henderson precinct forecast to be over A\$25 billion.

### Order Book

Tendering activities across the Group's operations is at historically high levels, with current priced opportunities approaching A\$10 billion as Civmec works closely with a range of clients on approved expansion, sustaining and maintenance opportunities as well as on a budgetary level for projects under feasibility studies. As a result of these engagements, Civmec sees significant opportunity for both order book replenishment and growth in the medium and longer term.

Taking into account these new awards and the reduced OPV program, Civmec's order book currently stands at approximately A\$821 million.

### Re-Domicile Update

In view of Civmec's operations and workforce being entirely Australian based, and Australian tax resident, on 27 October 2023, Civmec announced the proposed change of domicile of the head company of the group from Civmec Limited (domiciled in Singapore) to Civmec Australia Limited (domiciled in Australia). The change in domicile will be achieved through a restructuring of the Company by way of a scheme of arrangement which will position Civmec to better meet local content requirements, increasing the number of available opportunities for Civmec.

The Company is working with relevant regulatory bodies in Australia and Singapore to finalise the scheme documents and gain the relevant regulatory approvals before submitting the proposal to a shareholder vote. Updates on the timing of this will be provided as this information becomes available.



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

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

**About Civmec Limited**

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the Energy, Resources, Infrastructure and Marine & Defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Newcastle (New South Wales, Australia), Gladstone (Queensland, Australia), and Port Hedland (Western Australia). The company is listed on the SGX (Singapore SGX:P9D) and the ASX (Australia ASX:CVL). Its core capabilities include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

For more information, please visit our website at [www.civmec.com.au](http://www.civmec.com.au)