



## CIVMEC LIMITED

(Incorporated in Singapore on 3 June 2010)  
(Company Registration Number 201011837H)

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### LEASE AGREEMENT TO EXPAND HENDERSON FACILITY

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The Board of Directors of Civmec Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into an agreement with Western Australia Land Authority (trading as LandCorp) to lease approximately an additional seven hectares of land (the “**Land**”) adjoining its Henderson facility in Western Australia (the “**Lease**”).

The 28-year Lease is effective from 16 December 2016 and comes with an option for renewal for another 45 years. The Lease gives further space for development for Civmec via its subsidiary Forgacs Marine and Defence Pty Ltd to carry out construction, repair and maintenance of ships and submarines, including those under Australia’s naval defence acquisition programs.

Civmec completed the acquisition of Forgacs Engineering Pty Limited – Australia’s largest privately-owned engineering and shipbuilding company engaged in the defence and commercial markets – on 2 February 2016, strengthening its own capabilities in the defence services sector.

The total consideration for the entire Lease tenure is A\$26.5 million (approximately S\$28.1 million) which will be paid over 28 years.

The Group will finance the Lease consideration through internal funds. The transaction is not expected to have any material impact on the Group’s net tangible assets or earnings per share for the financial year ending 30 June 2017.

The following figures are computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual :-

Net asset value of assets to be disposed of, compared with the Group’s net asset value	Not applicable
Net profit attributable to the assets acquired, compared with the Group’s net profit	Not applicable
Aggregate value of consideration given, compared with the Company’s market capitalization (as at 13 December 2016)	14.2%
Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable

The Lease is a disclosable transaction under Rule 1010 of the SGX-ST Listing Manual.

Assuming the Lease had been effected on 30 June 2016, there would be no change in the net tangible assets per share of the Company as at 30 June 2016. Assuming it had been effected on 1 July 2015, there would be no change in the earnings per share of the Company for the financial year ended 30 June 2016.

None of the Directors or controlling shareholders of the Company has any direct or indirect interest in the Lease, save for their respective shareholdings in the Company (if any).

Copies of the lease agreement are available for inspection at the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

James Finbarr Fitzgerald  
Executive Chairman

13 December 2016