



CIVMEC LIMITED
(Company Registration Number 201011837H)

Civmec Announces Financial Results for FY2019

A\$ million	FY2019	FY2018	Change (%)
Revenue	488.5	702.4	(30.5)
Gross Profit	25.5	38.4	(33.5)
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	24.0	39.7	(39.5)
Net Profit After Tax (NPAT)	7.0	17.4	(59.6)
Fully Diluted Earnings Per Share (cents)	1.21	3.62	(66.6)
Net Asset Value Per Share (cents)	As at 30 June 2019: 34.77		

PERTH/SINGAPORE, 28 August 2019 – Civmec Limited (“Civmec” or the “Group”) today announced its results for the financial year ending 30 June 2019 (“FY2019”), with revenue for the year of A\$488.5 million. Revenue does not include internal revenue relating to the construction of the new assembly and maintenance hall. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of A\$24.0 million and Net Profit After Tax (NPAT) of A\$7.0 million.

With a focus on strengthening the balance sheet, improving operating cashflow and lowering debt during FY2019, net cash generated from operating activities was A\$78.9 million, an increase of A\$98.6 million on the FY2018 position, with A\$40.7 million cash in the bank at year end. Reinforcing the Balance Sheet, the value of property, plant and equipment increased A\$57.3 million, as construction of the Group’s new assembly and maintenance hall progressed at Henderson, Western Australia.

Civmec’s Executive Chairman, Mr James Fitzgerald, said: “FY2019 was a year of consolidation, focused on the completion of a number of significant projects. Starting FY2020 with a strong order book, and with approximately \$120 million of new work secured since the beginning of this financial year, our focus remains on providing quality, value-for-money engineering solutions for our clients, whilst maintaining a disciplined approach to capital and overhead management, to maximise shareholders’ returns.”

With an order book of A\$819.0 million at year end FY2019, up from A\$700.0 million at the close of FY2018, the Group continued to deliver on its strategy of capitalising on major expansion project opportunities with key clients and establishing consistent and recurring revenue streams.

This included the award of significant scope from Albemarle, in the delivery of Australia’s largest lithium hydroxide plant being constructed south of Perth, including site civil works and



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fabrication and onsite installation of the plant's structural, mechanical & piping works. Extending its relationship with BHP, the Group was also awarded two separate major fabrication and modularisation packages, one directly with BHP and the other for thyssenkrupp, to support the delivery of its flagship South Flank iron ore mine in the Pilbara.

The Group's strategy to establish sustainable revenue streams has seen the further strengthening of its maintenance service offering over the past 12 months to capitalise on the significant opportunities pipeline for specialised shutdown and maintenance services required to maintain new plants constructed over the past decade in the Metals & Minerals and Oil & Gas sectors across Australia. This included the launch of a joint venture with Brown & Root (Brown & Root Civmec, or 'BRC'), securing a contract to support Chevron assets until the end of 2020, including the Gorgon and Wheatstone LNG facilities.

Delivery of the Royal Australian Navy's Offshore Patrol Vessel program will be ongoing until 2029, also providing a sustained revenue stream over this period. The Federal Government's commitment to undertake its minor naval vessel continuous build program and sustainment of these vessels at Henderson will provide further construction and through-life support opportunities in the Marine & Defence sector going forward.

With the announcement on 13 August of the award to deliver the Primary Crushing and Ore Processing Facility for Fortescue Metals Group's new Eliwana Mine and Rail project, this award, together with recently secured additional contracts within its maintenance division and subsea fabrication work for the Oil & Gas sector, brings the Group's order book to approximately A\$850 million.

Civmec's Chief Executive Officer, Mr Patrick Tallon, said: "With growing investment in our primary operating sectors, we are optimistic about the forward opportunities pipeline. We will continue to pursue construction and maintenance projects with key clients, leveraging our multi-disciplinary, self-performance capability to provide them with partial or total delivery solutions. With the completion of our new world-class assembly and maintenance hall during FY2020, our facility at Henderson will be the largest undercover modularisation and maintenance facility in Australia, ensuring we are well positioned to capitalise on these opportunities."

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

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About Civmec Limited

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

For more information, please visit our website at www.civmec.com.au