



Engineering Success

Annual Report 2024

FOR THE YEAR ENDED 30 JUNE 2024
Company Registration No: 201011837H



Acknowledgement of Country

Civmec acknowledges the Traditional Custodians and their Ancestors of the lands across Australia where we conduct our business. We recognise and respect their continuing connection to land, waters and community. We pay respect to all Aboriginal and Torres Strait Islander peoples throughout Australia, and to their Elders past and present.

Civmec Values

Our vision is to grow sustainably, delivering mutually beneficial outcomes for all stakeholders. Our culture, the way we think and operate, is underpinned by our values.



Commitment

Our individual commitment facilitates our success



Innovation

Our innovative approach drives continuous improvement



Value Driven

Our performance driven culture delivers value



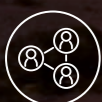
Make a Difference

Our ability to influence and challenge drives sustainability



Excellence

Our pursuit of excellence makes us a world-class service provider



Collaboration

Our focus on working together drives sustainable partnerships

About This Report

The purpose of this report is to provide stakeholders with information relating to the Civmec Group's financial, operational and sustainability performance for the financial year of 1 July 2023 to 30 June 2024 (FY24).

Financial statements included in this report are for Civmec Singapore Limited (Singapore Company Registration Number 201011837H, previously named Civmec Limited). For FY24, Civmec Singapore Limited was the ultimate holding company of the Civmec group of companies. Subsequent to 30 June 2024, Civmec Limited was acquired by Civmec Australia Limited (ACN 672 407 171) through a scheme of arrangement. Civmec Limited was renamed to Civmec Singapore Limited and Civmec Australia Limited was renamed to Civmec Limited. The Civmec group of companies continues to be dual listed on the ASX (ASX:CVL) and SGX (SGX:P9D).

All references to 'Indigenous' or 'First Nations' peoples are intended to be inclusive of all Australian Aboriginal and Torres Strait Islander peoples.

1.0	Business Overview	02
1.1	About Civmec	04
1.2	Executive Chairman's Statement	06
1.3	Chief Executive Officer's Report	10
1.4	FY24 Highlights	14
1.5	Financial Summary FY24	16
1.6	Board of Directors	18
1.7	Executive Team	20
2.0	Operational Review	22
2.1	Key Projects FY24	24
2.2	Energy Sector	26
2.3	Resources Sector	30
2.4	Infrastructure, Marine and Defence Sector	36
3.0	Sustainability	40
3.1	Board Statement	42
3.2	Reporting Approach	43
3.3	ESG Highlights	44
3.4	Cyber Security	46
3.5	Climate	48
3.6	Business Ethics	62
3.7	People	66
3.8	Health and Safety	76
3.9	ESG Performance Data	82
4.0	Financial Report	86
4.1	Directors' Statement	88
4.2	Report on Corporate Governance	92
4.3	Independent Auditor's Report	119
4.4	Consolidated Income Statement	128
4.5	Consolidated Statement of Comprehensive Income	129
4.6	Statement of Financial Position	130
4.7	Consolidated Statement of Changes in Equity	131
4.8	Consolidated Statement of Cash Flows	132
4.9	Notes to the Financial Statements	134
5.0	Additional Information	194
5.1	Statistics of Shareholders	196
5.2	Disclosure of Information of Directors Seeking Re-election	198
5.3	Corporate Registry	203
5.4	GRI Content Index	204
5.5	TCFD Index	216



1.0

Business Overview

1.1 About Civec	04
1.2 Executive Chairman's Statement	06
1.3 Chief Executive Officer's Report	10
1.4 FY24 Highlights	14
1.5 Financial Summary FY24	16
1.6 Board of Directors	18
1.7 Executive Team	20

About Civec

15 years of Australian success

Since our inception in 2009, Civec has proudly delivered high-quality projects across a range of sectors throughout Australia.

From the beginning, we set out to form a company that would deliver projects at a scale that would position Civec as a world leader in construction programs for the energy, resource, infrastructure, marine and defence sectors.

Over this time, we continually developed and refined our capabilities. We followed our plan, establishing world-class facilities in strategic locations around the country. We believed in the value our local offering would bring to communities, clients and stakeholders.

Sustainability immediately became integral to our operations. We care about people and the environment, and we aim to consistently give back. We also take seriously our role in training and developing Australia's future workforce. Through prioritising organic growth, many of our employees have seized the opportunity to develop their careers and capabilities alongside us, and are now an integral part of our company's success.

Today, 15 years on, Civec is recognised for its comprehensive and multidisciplinary services, delivering turnkey solutions to the wide array of clients who place their trust in our ability. Our onsite construction and maintenance teams are supported by our offsite manufacturing capabilities. Across the nation, each of our facilities can operate independently, as well as collaboratively on specific projects, ensuring we deliver our projects on time and on schedule.

As we look to the future, we will continue to act in the best interests of our people, communities and the environment around us. We are confident that our growth trajectory is sustainable, and we will be a driving force behind Australian projects for many years to come.



Executive Chairman's Statement



It is with great pride that I present this year's Annual Report, on behalf of the Civmec Board of Directors. This report signifies an important milestone for our company as we not only unveil the results of our performance over the past year, but also celebrate 15 years of Australian success – something I am proud to have been a part of.

Back in 2009, we had a vision: to create a successful, multidisciplinary organisation with a variety of diverse and integrated capabilities. One of our early goals was to prove to our customers the value of local manufacturing and encourage more heavy engineering projects to stay within Australian shores. To this end, we are consistently achieving this goal, with an increasing number of clients realising that value, seeking out our services and returning to us, repeatedly, to deliver to their requirements.

Fittingly, this is our first Annual Report since announcing our intention to redomicile the head company from Singapore to Australia. This became effective on 4 September 2024, through a restructuring of the company by way of a scheme of arrangement. We greatly value both our Australian and Singaporean shareholders and we are optimistic that this will further position Civmec as the contractor of choice for future Australian content requirements, not only increasing our opportunity pool, but further strengthening the business and its overall appeal to investors.

Financial Performance

I am pleased to report that in FY24, Civmec achieved exceptional financial results, culminating in our revenue surpassing A\$1 billion for the first time in our history. Furthermore, we attained our highest ever Net Profit After Tax figure, A\$64.4 million – a remarkable achievement that reflects our unrelenting commitment to growth.

We strengthened our cash position, transitioning from a net borrowing position of A\$76.5 million in FY19 to a net cash position of A\$24.5 million (excluding lease liabilities). Our increased net assets now stand at an impressive A\$488.2 million. These achievements underscore the effectiveness of our financial strategy over the past fifteen years.

We will continue to focus on cash generation and the maintenance of a strong balance sheet to support our strong operational performance and growth strategy.

Dividends

Our objective at Civmec is to create value for shareholders through delivering consistent, stable and reliable returns. Since our listing on the ASX, we have generated A\$232.2 million in profit and returned more than A\$75.5 million to our shareholders through dividends.

Our Board of Directors has declared a final cash dividend of A\$0.035 per share. The payment will bring the full-year dividend to A\$0.06 per share, representing a 47% payout ratio, and will be paid on 25 October 2024.

People

Our people are the heartbeat of our direct operations and support services, and, without them, we wouldn't be where we are today. During FY24, we provided employment either directly or indirectly for over 4,000 people, including almost 150 apprentices, graduates, and trainees.

We also continued to equip workers with additional skills, delivering 56 units of competency to almost 2,500 participants through our in-house registered training organisation (RTO).

Our leadership and professional development programs, such as our internal LEAD program, were ongoing, reaffirming our strong commitment to the promotion of organic growth within the company. In fact, this year, it is pleasing to report that around 90 people completed our leading hand or supervisory position courses, successfully progressing to the next stages of their career with us.

It's important that everyone at Civmec feels equally valued and welcome, so we continue to promote diversity across our facilities and sites with visible action and representation. This year, a personal highlight of mine was hosting the Matagarup Elders Group for a tour of our Henderson facility, during which the group generously provided insight into their culture and connection to the lands and waters in Perth.



Matagarup Elders Group, Henderson

Sustainability

Our journey towards a more sustainable future continues, as we strive for the most effective management of our environmental, social and governance (ESG) risks, obligations and opportunities. The Board has committed to a target of net zero emissions by 2050, and to achieve this has set a target of greater than 50% reduction in Scope 1 and Scope 2 emissions intensity by 2030 (compared to 2022 levels).

On the topic of sustainability, I would like to highlight the Causeway Pedestrian and Cyclist Bridges Project, underway during FY24. Throughout the project, great respect has been shown for the environment and the rich Aboriginal history of the site. The project has embraced diversity, with equal representation of males and females in management roles, and two thirds of the site apprentices and trainees of Aboriginal descent. The project is also a prime example of effective collaboration between non-Indigenous and Indigenous businesses. A detailed case study on the project is included within this report on page 52.

Governance

At Civec, we are unwavering in our commitment to responsible corporate governance and transparency, striving for the highest levels of integrity and accountability. For the past twelve years, we have done so with the support of Independent Directors Chong Teck Sin, Wong Fook Choy Sunny, and Douglas Owen Chester, whose time with us will end in October 2024 due to SGX Listing Rules on director independence.

We are pleased to announce that the nomination committee has shortlisted new Independent Directors to ensure that the Board holds the required skills, commitment, and knowledge whilst having a diverse range of perspectives. These individuals will be nominated for shareholder approval at the AGM. New Independent Directors Ms Ong Beng Hong, Mr Gary Gray, and Mr Ambrose Law bring with them a diverse range of skills and experience. Ms Ong Beng Hong is the Joint Managing Director of Wong Tan & Molly Lim LLC, specialising in corporate, banking, finance, and capital markets law.

Mr Gary Gray is a distinguished professional with experience as the Australian Ambassador to Ireland, a former member of the Australian Parliament, and in senior executive and Board member roles. Mr Ambrose Law is a seasoned Chartered Accountant with extensive experience in senior financial roles across multiple countries. I am confident that their strategic guidance and oversight will add great value, as we continue to deliver safely, sustainably, and in the best interests of our stakeholders.

Outlook

Looking ahead, I believe that Civec is well positioned for our next chapter. During a recent strategy session with our executive leadership team, we outlined high-level targets and a staged, planned approach to achieve certain goals by 2030, signifying a new stage of our business that I am excited to see unfold. With a clear roadmap in place, a well-established platform for growth, and a strong executive team who are achievement focused, we have all the foundations set for building long-term, sustainable value.

To conclude, I wish to thank all those who have played a role in our success, not just this year, but since we opened our doors in 2009. This includes our employees, our delivery partners, suppliers, clients, executive management team and our Board.

As we prepare to bid our current Independent Directors farewell, I would like to take the opportunity to sincerely thank them for their insight and guidance over the years. Their contributions have been instrumental in our journey of success.

Finally, to our shareholders, thank you for your continued trust and confidence in Civec. Your ongoing support and encouragement are much appreciated.



James Fitzgerald
Executive Chairman



Chief Executive Officer's Report



As we celebrate 15 years of operations, I would like to begin by expressing my genuine gratitude to everyone who has played a part, regardless of size, in driving our success. I feel we have all worked hard and truly believe our collective efforts and incredible team culture have made us who we are today – a strong, resilient and highly capable Tier 1 construction, maintenance and heavy engineering contractor in the disciplines and sectors we operate in across Australia.

FY24 was one of our best years yet, with excellent financial and operational achievements, and many exciting projects underway and on the horizon. Notably, we completed our new Port Hedland facility, providing us with a modern, well-equipped and well-resourced hub at the ready for our customers in WA's north-west. In Gladstone, we were fortunate to secure a parcel of land for our new facility, complete with an adjoining building. The strategic purchase will enable the new facility to become operational faster than completing a new build, allowing us to serve our local clients better and grow our maintenance offering for our regional clients.

Business Performance

We successfully concluded several high-profile projects, including our construction package at Iron Bridge and a civil package at Kemerton. Our Henderson and Newcastle facilities continued to deliver major manufacturing projects, often working collaboratively to support each other's operations.

In September we saw an opening to launch our new balanced machines service offering. From discussions with our clients, we were made aware of the high demand for a variety of machines, such as stackers, shiploaders and reclaimers, across many of our clients' portfolios. Now complete with our own specialised in-house design and engineering team, combined with our longstanding manufacturing capability, we present as an Original Equipment Manufacturer (OEM) of balanced machines. Customers can utilise our full service from design through to fabrication, assembly, after-sales support and maintenance, all within Australia, setting us apart from our peers. On the back of this, we secured our first related contract in October 2023 – a three-year machine risk management program (with two year option) for Fortescue reclaimers, shiploaders and stackers – and overall interest and tendering activity is strong. Civmec is already known as a world leader in the manufacturing of balanced machines and now we can further expand and improve the service offering by having the capability to control the front end, in the engineering design.

Our infrastructure division continues to grow in alignment with our strategic plan. This year, we were pleased to secure a state-wide panel agreement with Main Roads WA and commenced our first road widening project, demonstrating our increasing traction in the infrastructure sector. Great progress was also made on our various national bridge projects, positioning us for larger projects in the future.

The completion of our Port Hedland facility will bolster our maintenance division, which gained a series of new contract awards throughout the year. Many of those are multiple-year agreements, with possible extension options at the end of their initial terms. I am confident we will experience further growth in this area as we continue to expand our client base and showcase the advantages of our approach.

In the defence sector, the Federal Government's decision to reduce the Offshore Patrol Vessel (OPV) contract from twelve to six ships was disappointing; however, the flexibility of our business model has enabled us to redeploy those resources into other business areas while we await new contracts. I am immensely proud of our shipbuilding team for their achievements – we successfully met our contractual requirements for our scope of the program and have now proven our expertise and ability to meet the exacting standards of the Royal Australian Navy. I am confident that, with our purpose-built facilities and demonstrated capabilities, we are well positioned to secure future shipbuilding contracts when they arise.

Underpinning our performance was our continued commitment to health and safety. No better was this exemplified than by our Newcastle facility, which achieved a 12-month rolling Total Recordable Injury Frequency Rate (TRIFR) of 0.00 in July 2023 – a commendable achievement. Throughout the year, we implemented a range of new initiatives and I am pleased to report that our Lost Time Injury Frequency Rate (LTIFR) decreased by more than half.

In addition to physical wellbeing, we place equal importance on the mental wellbeing of our workforce. Since its introduction in 2021, our mental health strategy has grown into a strongly implemented program and enabled us to greatly improve our awareness, training, and management of psychosocial risks.

People

Again, I gratefully acknowledge the collective efforts and contributions of our entire Civmec team.



Waaliti Foundation, Henderson

Many of our people have been with us for a considerable time, and I appreciate their loyalty and dedication. In fact, since our inception, we have had 273 employees reach their five-year tenure, including 130 who have exceeded ten years. Their commitment speaks volumes about our company culture, something I am very proud of.

With the recruitment landscape continually evolving, it's important we are agile in our approach to attracting and retaining talent. Following analysis of our resourcing strategies this year, we implemented several new digital techniques and campaigns. These included increasing our reach, improving our systems, and making the application process simpler. We also investigated ways to be more efficient and lean in our operations, encouraging innovation and ensuring our support services deliver optimal assistance to our teams on the ground.

We must consider the future of our industry and the people who will be a part of it. Addressing our commitment to this, in the past year our Learning and Development team participated in more than 20 career expos across Perth, Newcastle, Gladstone, Brisbane, and internationally in parts of Europe.

Our RTO delivered more than 22,500 hours of training to facilitate the needs and desires of our internal workforce. We also conducted multiple facility tours, and continue to provide coaching, mentoring and training to local students of all ages.

Pleasingly, our apprentice numbers are at the highest levels they have ever been, and we continue to offer development programs to our workforce at all levels, from senior professionals to LEAD training for leading hands and supervisors. We invested more resources into our Graduate Program to encourage the brightest minds to commence their careers with us, and we also introduced a new Veterans' Employment program, providing opportunities and training to assist veteran integration into the workforce.

Our second Reconciliation Action Plan (RAP) was launched in September 2023, outlining our commitment to bridging the gap towards reconciliation and detailing how we can contribute meaningfully to the communities surrounding our operations. I believe that we can make a difference in Australia's reconciliation journey with ongoing and increasing collaborations with Indigenous businesses and by fostering a diverse and inclusive workforce.

We have increased our efforts surrounding inclusion and equity through initiatives, such as targeted recruitment campaigns and pathways to higher qualifications. I'm also aware that many people now seek some degree of flexibility in the workplace to assist with a healthy work-life balance, so we have made efforts to be more accommodating this year to what our people want, while ensuring we remain focused on what is best for the business.

Sustainability

Recognising the paramount importance of ESG opportunities and risks to the business, we restructured our organisation this year to have the ESG Lead report directly to myself. Our Sustainability Committee led various initiatives throughout the year, including increasing renewable energy options at our facilities, with additional solar power implementations planned. We also made efforts to improve our approach to modern slavery in the supply chain, developing systems and processes for governance and assessment, and increasing targeted training within the business.

We continue to deliver in the green energy space, not just in construction, but, increasingly, clients are selecting us for their maintenance requirements. We now have a solid portfolio of works – both completed and ongoing – in Australia's battery and critical minerals industry, and I am proud that we are contributing to the world's decarbonisation efforts.

Giving back to the community is important to us, and this year we supported many charities, events and individuals, including the Vinnies CEO Sleepout, where I was joined by our EGM Maintenance, Mylon Manusiu. This was my sixth time taking part and, I am delighted to say, my most successful fundraising campaign yet. I thank everyone who donated to Vinnies on my behalf. Your combined generosity meant we raised more than A\$150,000 to support the Vinnies campaign against homelessness – the highest amount collected by a team in Western Australia, the third highest amount collected by a team in Australia, and a significant increase on the amount raised in previous years.



Future

Our focus remains on driving growth through operational efficiency, sustainability, and workforce development. As our energy and resources clients experience rising needs for maintenance and sustaining capital works, we aim to maximise the utilisation of our regional facilities by securing and delivering works packages that will continue to boost our revenue in our maintenance sector. We see significant potential in projects that align with our multidisciplinary capabilities.

The award of our first road widening contract was particularly pleasing as it expands the scope of our infrastructure work. I do feel we are gaining momentum in the infrastructure sector, and, as we continue to successfully deliver roads and bridges, we are well positioned to increase our accreditation levels and pursue larger-scale and more complex projects. Within the defence sector, we remain committed to supporting the Australian Government with our shipbuilding expertise. Our facilities and location offer undeniable benefits for future shipbuilding and sustainment campaigns, and we are ready to deliver.

To conclude, I would like to thank all of our stakeholders – employees, executive leaders, subcontractors, suppliers, clients, and investors – for their role in our success. Thank you for being part of our 15-year journey, and here's to the next 15 and beyond.

Patrick Tallon
Chief Executive Officer



Northam-Cranbrook Road Widening

FY24 Highlights



4,000+
people employed directly or indirectly



162
projects completed or in delivery during FY24



56%
decrease in lost time injury frequency rate



130
employees with 10+ year tenure



2050
target endorsed for Net Zero Emissions



22,500
training hours delivered through Civmec RTO

2023

July

- NAIDOC week celebrated, including special event hosted at Covalent Lithium
- ARRA Group apprentices tour Henderson facility
- Newcastle achieves 12-month rolling TRIFR of 0.00

August

- 'Safe and Strong' safety campaign underway, promoting enhanced safety
- Jeans for Genes fundraising event for genetic conditions

September

- Continued support of mental health across all facilities and sites with R U OK? Day events and Blue Arm Band initiative
- Launch of new balanced machines service offering, with dedicated Perth-based engineering design team
- Second RAP released – *Reflect*
- National Diversity month celebrated, shining a light on the diverse flora and fauna surrounding the areas where Civmec conducts operations

October

- Announcement of two new manufacturing contracts – Pilgangoora P680 Project and Molonglo River Bridge (ACT), and several maintenance awards
- First balanced machines contract awarded (machine risk management contract agreement with Fortescue)
- Hosted Matagarup Elders Group (MEG) at Henderson



November

- 'Highest Growth in Profit After Tax (PAT) Over Three Years' award at Singapore's Centurion Club Awards, as well as 'Overall Sector Winner' in the Industrial and Commercial Services and Industrial Goods sector
- Indo Pacific International Maritime Expo in Sydney
- Winner of 'Most Transparent Company' in Industrials category at SIAS Awards
- First project commenced at new Port Hedland facility

December

- Successful completion of Iron Bridge Magnetite Project (SMPEI package)



- Volunteering at St Pat's – hamper packing and annual Christmas lunch
- Collected more than 350kg for Foodbank in Christmas donation drive
- Supported Band Together Against Cancer
- Financial donations made to St Pat's, Anglicare WA, Waalitj Foundation



January

- New cohort of Graduate Engineers welcomed
- Bucket wheel and bucket wheel ring chute delivered for Port Waratah
- Special veterans' opportunities program launched, supporting veterans' employment

February

- Announcement of 1H FY24 results with increased revenue, profits, EBITDA, cash position, and earnings per share (compared to 1H FY23)
- 'Crew of the Month' award at Western Range
- First bridge segment delivered for the Causeway Pedestrian and Cyclist Bridges Project
- Road widening project commenced for Main Roads WA



March

- International Women's Day celebrations
- Down Under live international recruitment tour
- Curtin Civil Engineering Association visit Henderson



April

- Land secured in Gladstone for new facility (utilising existing adjoining building)
- Conducted Executive Leadership Group Strategy Session, outlining targets to 2030
- Causeway Project digging stick pylon installation with 1,600-tonne crawler crane
- Attended Waalitj Business Hub to connect and collaborate with Indigenous suppliers

May

- P680 Project completed, announcement of series of panel contract awards, P1000 Expansion Project (construction award) and Gorgon CCS (manufacturing award)
- Delivered cyber security lecture at Murdoch University, kickstarting new collaboration
- National Reconciliation Week celebrated
- Two Civmec employees nominated in 40 Under 40 Awards



June

- Successful completion of Kemerton Project (civil and concrete) and OPV program (Civmec portion)
- Over A\$150,000 raised for Vinnies CEO Sleepout
- Achieved record A\$1 billion+ revenue for FY24

Financial Summary FY24

Sales revenue
A\$1.03b
 FY23 \$830.9m
 ▲ 24.4%

EBITDA¹
A\$120.8m
 FY23 \$109.1m
 ▲ 10.7%

NPAT²
A\$64.4m
 FY23 \$57.7m
 ▲ 11.7%

Net assets
 (Australian cents per share)
96.23c
 FY23 A\$83.32
 ▲ 15.5%

Full year dividend
 (Australian cents per share)
6.0c
 FY23 5.0c
 ▲ 20.0%

Earnings
 (Australian cents per share)
12.7c
 FY23 11.42c
 ▲ 11.2%

For the financial year ended 30 June 2024 (FY24), the Group's revenue increased to A\$1.03 billion, an increase of A\$202.6 million from FY23 – the first time in the Group's history that revenue exceeded A\$1 billion. Net profit after tax (NPAT) rose by 11.7% to a record A\$64.4 million.

This takes earnings per share to 12.7 cents, demonstrating the Group's proven ability to deliver solid, consistent returns to investors.

The net cash position (excluding leases) increased to A\$24.5 million from A\$13.4 million in FY23.

Earnings before interest, tax, depreciation, and amortisation (EBITDA) reached A\$120.8 million, increasing by A\$11.7 million compared to the previous year's figures.

The interim dividend was 2.5 Australian cents, up 0.5 cents from 1H FY23, with the final year dividend declared at 3.5 cents, to be paid on 25 October 2024.

The returns demonstrate the Group's proven ability to deliver solid, consistent returns to investors.

The Group has secured land and an adjoining building at Gladstone, to be fitted out in FY25. Capital expenditure for the first stage of the new Port Hedland facility is complete. This has factored into the increase in value of property, plant, and equipment (PPE) from A\$476.3 million to A\$532.8 million. As of 30 June 2024, the Group reported total assets of A\$910.3 million, net assets of A\$488.2 million, and a net asset per share of 96.23 cents.

The order book, buoyed by significant contract awards and extensions from new and existing clients, concluded FY24 strongly at A\$853.4 million.

¹ EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation

² NPAT: Net Profit After Tax

³ NAPS: Net Assets Per Share

⁴ CPS: Cents Per Share

⁵ EPS: Earnings Per Share

* as at 30 June 2024

^ as at 30 June 2023

[Click here for FY24 Financial Report](#)

Financial snapshot

A\$ million	FY24	FY23	CHANGE
Sales revenue	1,033.5	830.9	24.4%
EBITDA	120.8	109.1	10.7%
NPAT	64.4	57.7	11.7%
Cash generated from operations	96.9	122.8	(21.1)%
Earnings per share (Australian cents)	12.7c	11.42c	11.2%
Full year dividend per share (Australian cents)	6.0c	5.0c	20.0%
Order book	853.4*	1,039^	(17.9)%

Revenue (A\$m)

FY24	1,033.5m
FY23	830.9m
FY22	809.3m
FY21	674.2m
FY20	391.9m

EBITDA¹ (A\$m)

FY24	120.8m
FY23	109.1m
FY22	94.5m
FY21	73.8m
FY20	38.5m

NPAT² (A\$m)

FY24	64.4m
FY23	57.7m
FY22	50.7m
FY21	34.6m
FY20	17.5m

NAPS³ (A\$ cents)

FY24	96.23c
FY23	83.32c
FY22	73.92c
FY21	58.30c
FY20	52.53c

Full year dividend CPS⁴

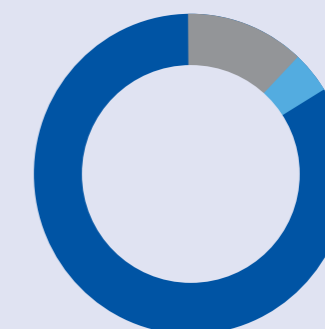
FY24	6.0c
FY23	5.0c
FY22	3.0c
FY21	1.0c
FY20	1.0c

EPS⁵ (A\$ cents)


FY24	12.7c
FY23	11.42c
FY22	10.11c
FY21	6.94c
FY20	3.51c

Revenue by sector

Energy 3% Resources 85% Infrastructure, Marine and Defence 12%




Board of Directors



James Finbarr Fitzgerald
Executive Chairman

James Finbarr Fitzgerald joined the Civmec Board on 27 March 2012. A dedicated leader with over 40 years' experience, he guides the corporate direction of the company, oversees overall business and financial performance, and ensures compliance with corporate governance guidelines.

He has served on the Centre for Defence Industry Capability (CDIC) Board, as well as a Defence Panel Expert for the AusIndustry Modern Manufacturing Initiative. With a strong commitment to Australia's workforce, James is an advocate for training and development, and a champion of diversity and equal opportunity.



Patrick John Tallon
Chief Executive Officer

Patrick John Tallon was appointed to the Board on 27 March 2012 and has 37 years of industry experience. Since co-founding Civmec with James Fitzgerald, he has developed and refined his knowledge across all operating sectors. Patrick is responsible for the implementation of the company's strategic plans, with an emphasis on safety, people, sustainability and growth.


A commanding leader, Patrick drives the company's positive safety and workplace culture, and regularly communicates with both internal and external stakeholders. He is dedicated to continuous improvement of the business through training and innovation, and is also strongly committed to community engagement. An active supporter of many charities and events, Patrick has become well known for his philanthropy, raising over \$385,000 for homelessness in recent years.



Kevin James Deery
Chief Operating Officer/Acting Chief Financial Officer

Kevin James Deery joined the Civmec Board on 27 March 2012. With a Bachelor of Engineering (Mechanical) degree, he has more than 30 years of experience managing major Australian manufacturing and construction projects. Overseeing the operational activity of the Group, Kevin is responsible for ensuring a safe workplace and the successful delivery of projects within stringent quality, budget, and schedule parameters.

As the acting Chief Financial Officer, Kevin also manages the company's finance team, providing leadership and strategic direction to ensure consistent and sustainable growth in the medium and long term.



Chong Teck Sin
Lead Independent Director

Chong Teck Sin was appointed to the Board on 27 March 2012. He has a Bachelor of Engineering from the University of Tokyo and a Master of Business Administration from the National University of Singapore.

He holds positions as an Independent Director of AIMS APAC REITS Management Limited, and as a Director of Civmec Construction & Engineering, Singapore Pte Ltd and Ranhill Pte Ltd. Within Civmec Limited, he serves as Chairperson for both the Audit Committee (AC) and the Risks and Conflicts Committee (RCC).



Wong Fook Choy Sunny
Independent Director

Sunny Wong Fook Choy joined the Board on 27 March 2012, with a Bachelor of Law (Honours) from the National University of Singapore.

As a practicing advocate and solicitor of the Supreme Court of Singapore, he currently serves as a consultant with Wong Tan & Molly Lim LLC, a legal firm he co-founded in 1994. Within the Civmec Limited Board, he has the role of Chairperson of the Remuneration Committee (RC).



Douglas Owen Chester
Independent Director

Douglas Owen Chester has served as a company director in Australia and in Singapore for the past twelve years, since retiring from the Australian Public Service in 2012. He joined the Board of Civmec on 2 November 2012 and is the Chairperson of the Nominating Committee.

He was previously a senior Australian Government official and diplomat, serving in Washington, Brunei and Singapore. He spent five years as Deputy Secretary in the Department of Foreign Affairs and Trade and, prior to his retirement from the public service, held the role of Australia's High Commissioner to Singapore.

Mr Chester holds a Bachelor of Science (Honours) from the Australian National University. He is a member of the Australian Institute of Company Directors (AICD) and the Singapore Institute of Directors (SID).


Executive Team



Adam Goldsmith
Executive Group Manager – Operational Support

Adam Goldsmith joined the Group in 2017, with over 30 years' experience in commercial and risk management in Australia and the UK. He is a Fellow of the Royal Institute of Chartered Surveyors and a Graduate of the Australian Institute of Company Directors, with quantity surveying and construction law qualifications.


Responsible for overseeing the support services of the Group, including commercial, procurement, HR, business systems and information technology, he ensures that the support services aspects of the business run as effectively and efficiently as possible to optimise operational efficiencies.



Peter Ricciardello
Executive Group Manager – Proposals and Growth

Peter Ricciardello joined the Civec Group in 2017, bringing with him over 25 years of extensive experience across large-scale manufacturing and construction projects.


As a seasoned engineering professional and highly experienced manager, he plays a pivotal role in Civec's ongoing strategic growth. Peter is responsible for identifying and targeting new business opportunities, nurturing existing client relationships, strategic planning and growth initiatives, and overseeing tendering activities for the business.



Charles Sweeney
Executive General Manager – Construction

Charles Sweeney has been with Civec since its inception, playing a pivotal role in the company's growth and success. Since 2013, he has led the Group's construction division with a passion for effective leadership and a commitment to excellence. Under his guidance, Civec has successfully completed numerous high-profile projects, earning a reputation for quality and reliability.

Charles is dedicated to continuous improvement in operations, always seeking innovative solutions for clients. He prioritises the highest standards in safety, quality, and productivity, ensuring that Civec remains at the forefront of the industry. Additionally, Charles serves as the company nominee for Civec's electrical and building licences, underscoring his broad expertise and leadership within the organisation.



David Power
Executive General Manager – Manufacturing

David Power joined the company in 2011 and was appointed to the executive team in 2019. He has over 16 years of experience in the manufacturing and construction industries.

Overseeing the manufacturing business unit, including Civec's Henderson and Newcastle facilities, he is responsible for maximising production efficiencies and managing schedule and budget expectations, as well as supporting the construction business unit. David is dedicated to delivering safe, high-quality, value-driven solutions, reflecting his commitment to excellence and client satisfaction.

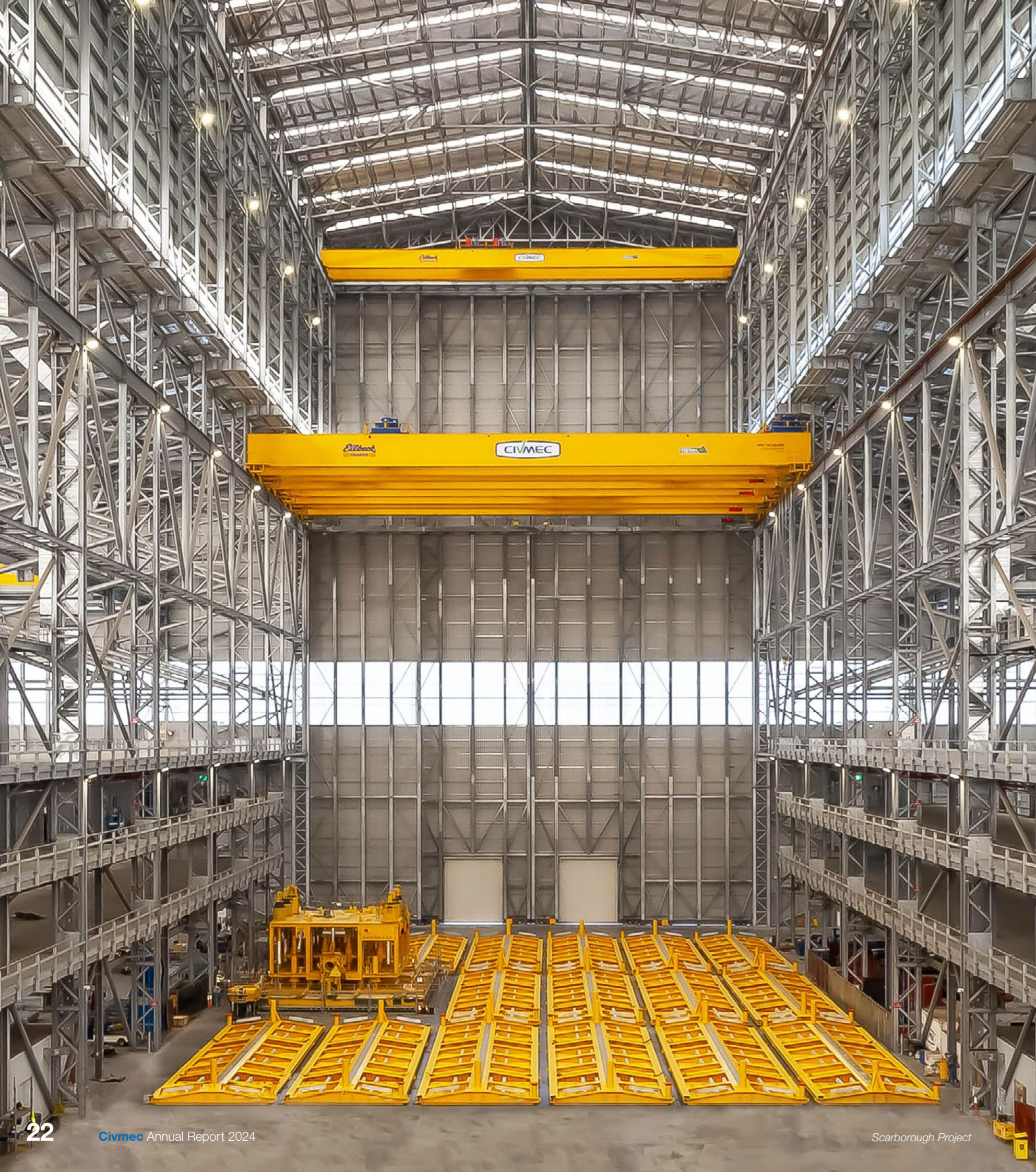


Mylon Manusiu
Executive General Manager – Maintenance and Capital Works, Refineries and Smelters

Mylon Manusiu has been with the company since 2015 and has more than 25 years' experience in the resources and energy sectors.

Leading the company's maintenance and capital works division, he oversees maintenance and minor capital projects, including refineries, smelters and specialised refractory works.

Predominantly based on the east coast, Mylon has played a key role in the nationwide growth of the maintenance division. This year, Mylon took part in the Vinnies CEO Sleepout alongside Pat, raising over A\$17,000 for Vinnies.



2.0 Operational Review

2.1 Key Projects FY24	24
2.2 Energy Sector	26
2.3 Resources Sector	30
2.4 Infrastructure, Marine and Defence Sector	36

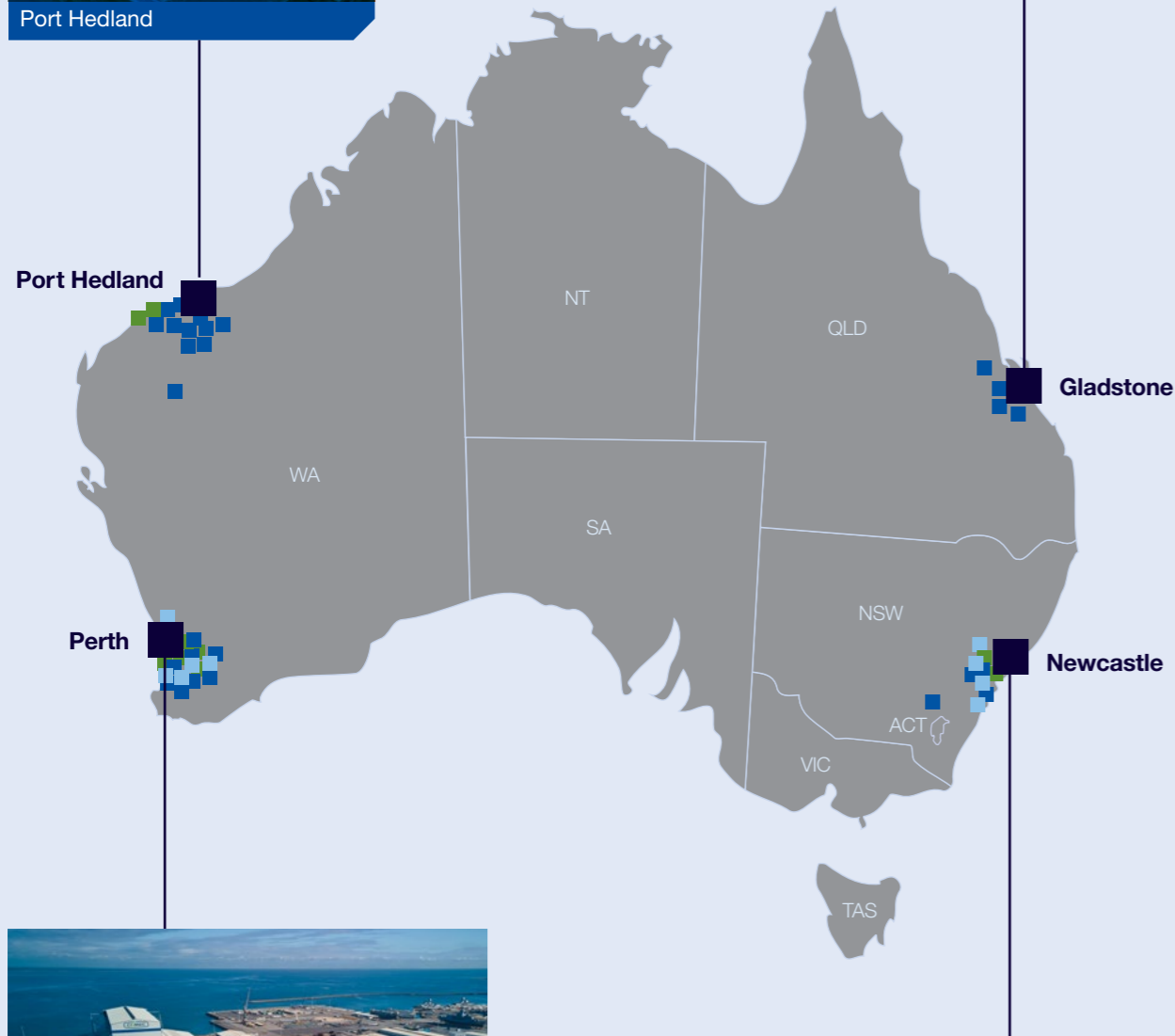
Key Projects FY24



Port Hedland



Gladstone



Henderson (Head Office)



Newcastle



Energy



Resources



Infrastructure, Marine and Defence

- Baker Hughes for Chevron Australia**
Jansz-Io Compression Project Subsea Compression Manifold Structure (J-IC SCMS) – subsea structures
Henderson, WA
- Chevron Australia**
Gorgon Carbon Capture and Storage (CCS) – fabrication and pre-assembly of modules
Henderson, WA
- Inpex Australia**
Ichthys Project – deck strengthening
Henderson, WA
- NCIG**
Maintenance works
Newcastle, NSW
- OneSubsea**
Julimar Development Project Phase 3 (JDP3) – fabrication
Henderson, WA
- Port Waratah**
Bucket wheel and bucket wheel ring chute
Newcastle, NSW
- Subsea7 executed by Subsea Integration Alliance**
Scarborough Project – subsea structures
Henderson, WA
- Woodside Energy**
Five-year term agreement, with two one-year extension options
Karratha, WA
- Yara**
Maintenance at fertiliser and nitrates facilities
Karratha, WA

- Albemarle**
Kemerton Lithium Expansion Project
Kemerton, WA
- Albemarle**
Maintenance, shutdown and sustaining capital projects
Kemerton, WA
- Alcoa Australia**
Calciner maintenance, major overhaul and repair services to Alcoa mines
Pinjarra, Wagerup and Kwinana, WA
- Austin Engineering**
Dumper tray body assembly
Newcastle, NSW
- BHP**
Nelson Point Car Dumper 3 (CD3) Replacement Project
Henderson, WA
- BHP**
Port Debottlenecking Project Stage One (PDP1) – civils and bulk earthworks
Pilbara, WA
- BHP**
Site Engineering Panel – three-year contract, with two one-year extension options
Pilbara, WA
- Cargill Australia**
Maintenance works
Newcastle, NSW
- Cockburn Cement – Adbri**
Shutdown services
Munster, WA

- Coronado Curragh**
Maintenance works
Gladstone, QLD
- Covalent Lithium**
Lithium Refinery Project – construction
Kwinana, WA
- Dampier Salt**
Balanced machines maintenance
Port Hedland and Dampier, WA
- Fortescue**
Maintenance works, capital upgrades works (Cloudbreak), and balanced machines – machine risk management program
Pilbara, WA
- Graymont Australia**
Refractory and mechanical maintenance works
Galong, NSW
- Iron Bridge JV (IBJV)**
Iron Bridge Magnetite Project – structural, mechanical, piping, electrical and instrumentation (SMPEI)
Marble Bar, WA
- IBJV**
Iron Bridge – punchlist works
Marble Bar, WA
- Pilbara Minerals**
Pilgangoora P1000 Expansion Project – SMPEI
Pilbara, WA

- Pilbara Minerals**
Pilgangoora P680 Expansion Project – steel fabrication
Pilbara, WA
- Pilbara Minerals**
Pilgangoora – shutdown and maintenance services agreement
Pilbara, WA
- QMAG Pty Ltd**
Maintenance works
Central QLD
- Queensland Alumina Limited**
Mechanical maintenance works to support major shutdowns
Gladstone, QLD
- Rio Tinto**
Western Range Project – primary crusher, conveyors and tie-in works
Paraburdoo, WA
- Rio Tinto**
Maintenance and refractory term contract for Boyne Smelters Limited (BSL)
Gladstone, QLD
- Roy Hill**
Maintenance agreement for shutdown and maintenance support services for fixed plant assets
Pilbara, WA
- Schlam Payload**
Dumper tray body assembly
Newcastle, NSW

- BMD Constructions**
Molonglo River Bridge Crossing
Newcastle, NSW
- Ferrovial Gamuda JV**
Coffs Harbour Bypass Pedestrian Bridge
Newcastle, NSW
- Fitzroy Bridge Alliance**
New Fitzroy Bridge Project
Henderson, WA
- Luerssen Australia**
SEA 1180 Offshore Patrol Vessel Program
Henderson, WA
- Main Roads WA**
Causeway Pedestrian and Cyclist Bridges
Henderson and Perth, WA
- Main Roads WA**
State-wide Road Construction Panel Agreement – M031 Northam-Cranbrook Road Widening Project
Brookton to Beverley, WA
- Transport for NSW**
Sydney Gateway Bridge Project Stage 3
Newcastle, NSW
- Transport for NSW**
Western Distributor Smart Motorway (WDSM) – gantry fabrication
Newcastle, NSW

Energy Sector



Scarborough (front) and J-IC SCMS (back) Projects

Awarded new contracts by Chevron Australia, Inpex and OneSubsea

Continued major subsea works for Scarborough Project and J-IC SCMS

Recognised by clients for remarkable quality outcomes

Civmec continued to deliver best-in-class services for energy sector clients, our diverse capabilities and cutting-edge facilities enabling us to provide high-quality, on-time manufacturing, as well as offering maintenance solutions.

During the year, manufacturing of subsea components for Subsea Integration Alliance (SIA) on the Woodside operated Scarborough Project was ongoing. Our scope on the project includes the supply, manufacture and testing of 30 subsea structures, with a combined weight of 2,000 tonnes, to be shipped in five separate loadouts. Having commenced the project in 2022, we have completed 27 of these structures to date, some of which are now in their final position in approximately 1,000-metre water depth below sea level.

We made substantial progress on the Jansz-Io Compression Project Subsea Compression Manifold Station (J-IC SCMS) for Chevron Australia, which involves the supply, fabrication and testing of an SCMS module, foundation and subsea pig launcher/receiver SSPLR. The module is the largest subsea structure Civmec has built to date, weighing approximately 680 tonnes.

On top of this, we received several new contract awards in the energy sector from new and existing clients. In late 2023, OneSubsea awarded Civmec the fabrication of a subsea manifold and mudmat for the Julimar Development Project Phase 3 (JDP3), with the finished combined weight of the modules exceeding 100 tonnes.

With a long history of successful delivery on the Gorgon LNG Project, in May we announced the award of a comprehensive supply contract by Chevron Australia for multiple steel and pipe modules for the Gorgon Carbon Capture and Storage (CCS) system. To be delivered from our Henderson facilities, the scope includes procurement, manufacturing, assembly and testing of a series of modules, loose steel and piping for the project.

Our maintenance and capital works order book was strengthened with a master agreement for engineering, procurement and construction activities for Wesfarmers Chemicals, Energy and Fertilisers (WesCEF). The three-year works agreement with two optional one-year extensions, for medium-sized brownfield projects and maintenance at CSBP in Kwinana, will significantly reinforce our onsite presence in the delivery of maintenance and turnarounds to the energy-related sector. We also provided multidisciplinary services to Yara Pilbara Nitrates, securing additional scopes – including rope access and temporary labour hire – on the back of a successful shutdown campaign at their Karratha nitrates facility.

We are now well advanced into our five-year non-binding outline agreement with Woodside Energy to support their onshore and offshore production facilities and capital projects. This agreement has provided our manufacturing team with a range of packages over the year, with scopes including supply, fabrication, assembly and surface treatment of various components. Two one-year extension options are available upon conclusion of the five-year term.

On the east coast, we successfully delivered a bucket wheel and ring chute for Port Waratah Coal Services – a contract that included the supply, fabrication, machining, surface treatment and delivery to site via barge and truck. In an innovative logistical exercise, a marine transport solution was provided to the client due to the bucket wheel being too wide to travel by road. Delivery was expedited to ensure the modules reached the site before Christmas closures.

The ongoing project deliveries and new contract awards underscore our capabilities and proven capacity to deliver the high-quality solutions the energy sector demands. Our clients regularly communicate their high satisfaction with the product we are supplying, with some even advocating that the quality of the product they receive at Civmec surpasses anything they receive elsewhere in the world, so we are setting the benchmark for the quality standards our clients seek to secure, globally. Consequently, we are not only receiving repeat orders but also securing new, increasingly significant contracts.

Our persistence throughout periods of lower activity is now yielding results, as clients increasingly recognise the value of local engineering. With our strong positioning to capitalise on the opportunity pipeline in the sector, our long-term outlook remains positive. Going forward, we aim to strengthen our partnerships with subsea and other energy clients, while continuing to expand our presence on site in sustaining capital and other maintenance projects.



Julimar Development Project Phase 3 (JDP3) manufacturing

Client
OneSubsea

Location
Henderson, WA

Duration
November 2023 – late 2024

Civmec's scope on JDP3 includes the supply, manufacture, surface treatment, inspection, testing and packing of a 66-tonne two-slot subsea manifold, complete with large bore super duplex header, and a 35-tonne removable mudmat.

Completion, which includes packing and preparing the two structures for delivery, is forecast for late CY2024.



Scarborough Project
manufacturing

Client
Subsea7, executed by Subsea Integration Alliance (SIA)

Location
Henderson, WA

Duration
April 2022 – H2 2024

Civmec was awarded a subsea structures contract by Subsea7 on behalf of SIA for the Woodside Energy operated Scarborough Project.

The scope includes the supply, manufacture, surface treatment, testing and delivery of 30 structures for the project, including 13 mudmats, 7 inline tee (ILT) structures, 6 flow line end termination (FLET) structures, a riser base manifold (RBM), a RBM foundation, 32-inch pig launcher receiver (PLR) and 16-inch PLR. In FY24, we completed fabrication, surface treatment, testing and loadout of 27 of the structures.



Jansz-Lo Compression Project
Subsea Compression Manifold Station (J-IC SCMS)
manufacturing

Client
Baker Hughes for Chevron Australia

Location
Henderson, WA

Duration
August 2022 – late 2024

Civmec was contracted to supply and fabricate subsea structures, including a 540-tonne SCMS module, a 680-tonne foundation, and a six-inch HCCS-L SSPLR, complete with structural, piping, valves and connection system.

During FY24, we completed fabrication and painting of the module, fabrication, painting and assembly of the foundation, welding and TSA (thermal spray aluminium) of the large bore piping spools, and welding and piping of the small-bore piping.

Resources Sector



Iron Bridge Magnetite Project

29% increase
in revenue to A\$876.5 million

Successful completion of major packages, including Iron Bridge SMPEI and Kemerton

Launched new balanced machines service offering, secured first maintenance-related contract

Awarded new contracts in the lithium space

Consistent growth was sustained in the resources sector, with our vertical delivery model continuing to attract clients who recognise the cost and schedule advantages that can be gained. Civmec's FY24 revenue in the sector was A\$876.5 million, increasing by A\$197.9 million on the previous financial year.

After more than three years on site at Iron Bridge, we successfully completed our onsite SMPEI scope for construction of the dry plant in December 2023 – a package that incorporated 2.5 million work hours, 40,000 tonnes of modules, and the largest electrical and instrumentation (EI) scope in Civmec history. This major project has become one of Civmec's most successful, multidisciplined projects to date, leading to the award of modifications and punchlist works on the same site, ensuring we remain a part of this project.

Our Western Range packages for Rio Tinto are well underway, with brownfields tie-in to the existing Coarse Ore Stockpile (COS) predominantly complete at the end of June. In a demonstration of the Civmec values of *innovation* and *collaboration*, our team cooperated with the client and their engineers to offer an alternative formwork solution and establish a precast yard onsite, thereby somewhat de-risking the shutdown works and increasing schedule efficiency. The greenfields construction is also well advanced to include civil works for the primary crusher and transfer

stations, and installation of the associated structural steel, while several kilometres of low-level modules for the overland conveyor are already installed. With works scheduled to continue well into FY25, this full vertical package incorporates construction of the new crusher, 17 kilometres of conveyors, a creek crossing, several transfer stations and other integrated structures. Fabrication and modularisation are being undertaken from both our west and east coast facilities.

On the Kemerton Lithium Expansion Project, we completed our civil and concrete package for the Trains 3 and 4 (K3 and K4) expansion, erecting around 19,000 square metres of formwork, pouring around 17,500 cubic metres of concrete, and placement and fixing of around 2,500 tonnes of reinforcing steel. In total, we installed more than 310 precast concrete units for the project, as well as ten major concrete plinths up to 15 metres in height.

For long-time client BHP, we closed out the remaining scope on the Port Debottlenecking Stage One (PDP1) civil and bulk earthworks package at Nelson Point. We also provided ongoing support to BHP under our site engineering panel agreement.

In addition, we concluded the fabrication of the Car Dumper 3 (CD3) cage structure and mechanical components, as well the design, fabrication and erection of a purpose-build post weld heat treatment (PWHT) facility for the car dumper – currently the largest PWHT oven in Australia. The CD3 project is forecast for completion in early CY2025.

We continued works in the lithium space for Covalent Lithium with the ongoing construction of their Kwinana lithium hydroxide refinery. Our substantial scope on the project includes structural and piping fabrication, SMP erection, refractory lining, insulation and EI installation works. With a resourcing level consistently in excess of 800 people on site, this is a very important piece of infrastructure for our client, Covalent Lithium.

With methodologies in place to enhance quality and optimise efficiency, we continue to manufacture and assemble dumper tray bodies for NSW Hunter Valley clients from our Newcastle facility. This financial year, we completed an impressive output of 104 trays, the two trays per week average providing a consistent and reliable revenue stream to our Newcastle facility.



Lithium Refinery construction

Client
Covalent Lithium

Location
Kwinana, WA

Duration
December 2021 – late 2024

Civmec is providing integrated construction services in a major contract for Covalent Lithium's new lithium hydroxide refinery, located south of Perth.

The scope covers most disciplines, including SMPEI, precast concrete, refractory lining and insulation.



Pilbara Minerals' P1000 Expansion Project, June 2024

Further demonstrating our diversified service offering, we secured a contract for the site installation of SMP and E&I components with Pilbara Minerals on the P1000 Expansion Project at their lithium operation near Port Hedland, Western Australia. The contract encompasses a broad range of our in-house capabilities and underscores our integrated approach to project delivery. This package is our second for Pilbara Minerals and comes on the back of the successful fabrication of components this year for their P680 Expansion Project, in which we delivered 1,600 tonnes of structural steel components for the crushing and sorting process of their plant, utilising both our Henderson and Newcastle facilities.

Maintenance

Civmec has built a strong reputation for delivering reliable and competitive maintenance and shutdown support solutions. By closely collaborating with our clients and understanding their assets, we aim to maximise efficiency and minimise disruptions to their operations.

During the period, the depth of maintenance services and clients grew with the award of several contracts on both sides of the country. These included a contract to service punchlist items at Iron Bridge, ongoing maintenance and sustaining capital projects at Albemarle's Kemerton lithium plant, and various maintenance, shutdown and refractory contracts, including Cargill Australia, Cockburn Cement – Adbri and Graymont.

Additionally, we were awarded an umbrella agreement contract to 2026 for Coronado Curragh mine; and a two-year (with potential two-year extension) shutdown and services agreement for Pilbara Minerals.

Under our ongoing maintenance agreement for shutdown and support services, we continued to service Roy Hill Port and Process Service Area (PSA) fixed plant assets, which, during FY24, led to additional capital works projects being secured.

We delivered maintenance support across Fortescue's facilities portfolio, as well as sustaining capital works to supply and fabricate a process water tank at their Cloudbreak operations. We continue to maintain service agreements and deliver major shutdowns with long-standing clients such as Alcoa Australia, BHP and QAL, with Alcoa Australia extending our service agreement in 2023 for an additional two years expiring January 2026, taking the contract life to a notable nine years. The full list of maintenance contracts is located on page 24.

We consider the medium to long-term outlook to be strong in the resources sector and have experienced a high level of early engagement directly with clients and their engineering partners about the timing of our capacity availability. This leads us to anticipate consistent revenue as we continue tendering strongly in the construction and maintenance spaces. Our goal is to enhance our revenue stream in the sustaining capital areas and capitalise on the opportunity pipeline across all sectors.

The benefits of providing the full vertical package can be seen by clients and this will assist us in securing work, as we continue to deliver turnkey solutions.

A new and unique Australian offering

This year, Civmec introduced a complete balanced machines service offering, adding design and engineering capabilities to our already well-established fabrication and construction services. The new division makes us a fully-fledged Original Equipment Manufacturer (OEM) of balanced machines, including stackers, reclaimers, and shiploaders. The advantage to clients is our ability to provide complete machine design, manufacture, assembly, commissioning, and after-sales support within Australia, reducing interface risks and streamlining the process from inception to completion.

With active tendering underway and considerable interest from existing clients, the new division has

been well received, securing its inaugural contract in October with Fortescue at their Anderson Point operations. This machine risk management program encompasses the inspection and maintenance of the site's balanced machines during monthly shutdowns. For Dampier Salt, we have secured various scopes to deliver critical works on shiploaders and gangways at their Dampier and Port Hedland operations.

We are in regular discussions with our clients and are aware of the large demand for new and replacement machines, as well as the repair and maintenance of an extensive number of machines across many commodities and geographical regions within Australia, some of which are already under tender. The balanced machines team is growing in line with both current and expected demand, and now has strong, experienced leadership in place, which is providing a lower risk model for our clients' consideration, compared to building overseas.

Kemerton Lithium Expansion Project

civil and concrete

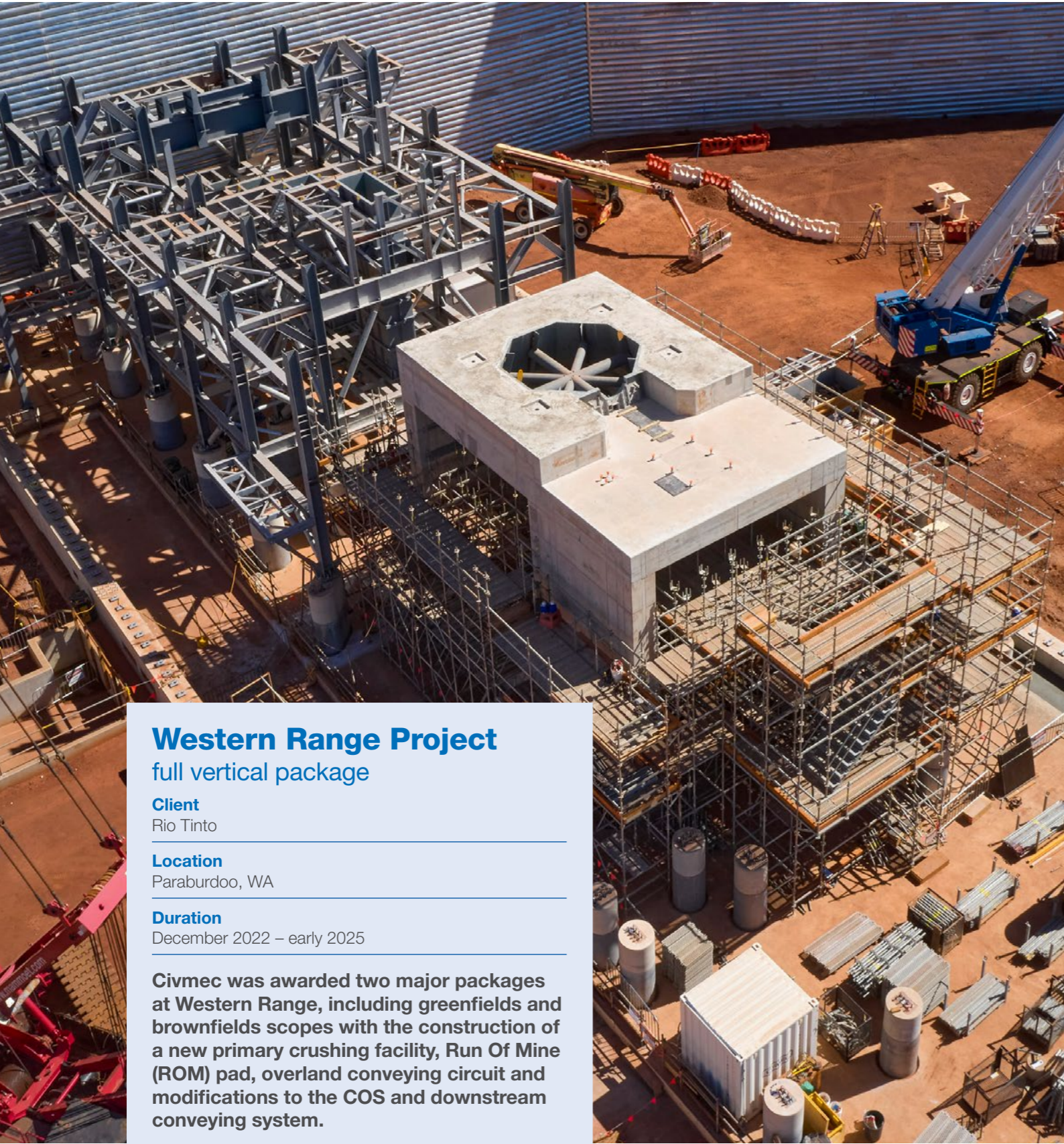
Client
Albemarle

Location
Kemerton, WA

Duration
March 2023 – June 2024

Civmec completed our civil and concrete scope on the Kemerton K3 and K4 expansion.

In total, we installed over 310 precast units and around 19,000m² of formwork, in addition to pouring circa 17,500m³ of concrete.



Western Range Project full vertical package

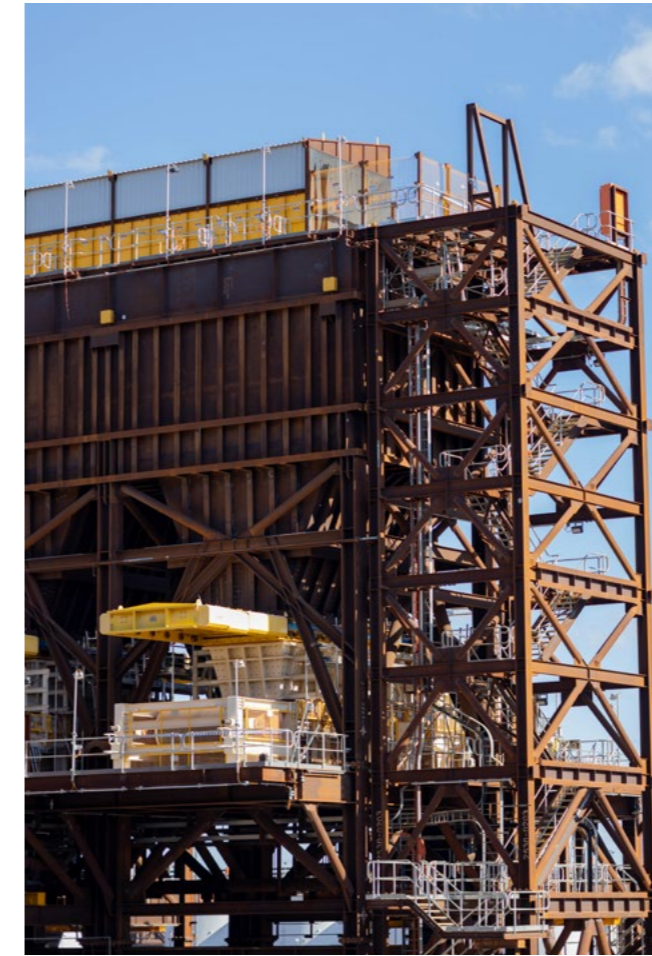
Client
Rio Tinto

Location
Paraburdoo, WA

Duration
December 2022 – early 2025

Civmec was awarded two major packages at Western Range, including greenfields and brownfields scopes with the construction of a new primary crushing facility, Run Of Mine (ROM) pad, overland conveying circuit and modifications to the COS and downstream conveying system.

Brownfields works are now complete, with greenfields scheduled for completion during FY25.



Iron Bridge Magnetite Project SMPEI

Client
Iron Bridge JV (IBJV)

Location
Marble Bar, WA

Duration
August 2021 – December 2023

Onsite, Civmec finalised delivery of the structural, mechanical, piping, electrical and installation (SMPEI) construction of the dry plant. This included the installation of 40,000 tonnes of modules.

Previously, under a separate contract, Civmec delivered a civil and concrete package on the project. Following the successful delivery of these contracts, in FY24 we were awarded a contract for process plant punchlist items providing multidisciplinary labour for modifications and shutdowns.

Cargill Australia maintenance works

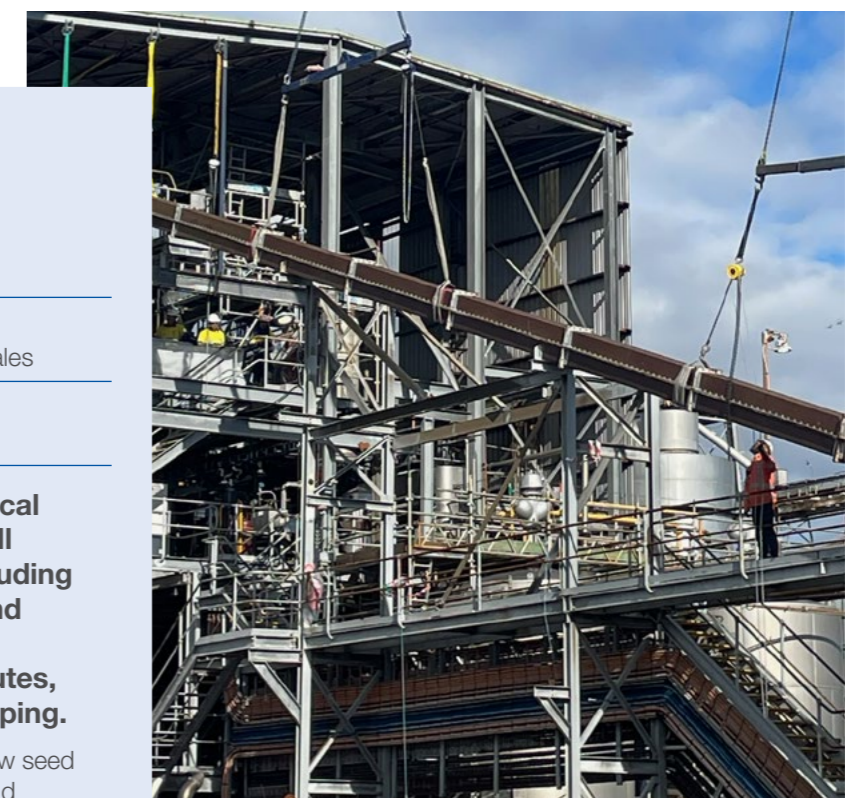
Client
Cargill Australia

Location
Kooragang Island, New South Wales

Duration
January 2024 – June 2024

Civmec delivered mechanical installation works to Cargill Australia during FY24, including the fabrication, removal and installation of new larger throughput conveyors, chutes, cyclones, platforms and piping.

We also removed and installed new seed cleaning, oil cooker, drag tanks and associated pipe works.



Infrastructure, Marine and Defence Sector



Causeway Pedestrian and Cyclist Bridges Project

15% increase in revenue to A\$126.0 million

Acceptance onto Main Roads WA state-wide road construction panel agreement

Successful completion of Royal Australian Navy's OPV Program

Continued delivery and new awards of bridge projects across Australia

Continuously building on our accreditations and expertise, Civmec has become a key Tier 1 contractor in the infrastructure, marine and defence sector. This year, we made significant strides by securing and working on major projects across the country, ending the fiscal year with sector revenue of A\$126.0 million, up A\$16.6 million from FY23.

In what is set to become a landmark for Perth city, we made excellent progress on the Causeway Pedestrian and Cyclist Bridges project for Main Roads WA, completing groundworks and piling, fabrication and installation of all pylons and segments over water, as well as the installation of stay cables on bridge one. Installation of a digging stick pylon was undertaken in April, utilising a 1,600-tonne crawler – one of the largest cranes in Australia. In total, the bridges comprise more than 2,000 tonnes of weathering steel, fabricated at our Henderson facilities, supported by stay cables and concrete abutments. Feature lighting, which is set to be installed on the stay cables, will allow for programmed event lighting shows.

In a contract with the Fitzroy Bridge Alliance for Main Roads WA, Civmec was awarded a fabrication scope on the New Fitzroy River Bridge Project. The bridge, located in WA's Kimberley region and previously damaged by storms, is a critical piece of infrastructure in the area and therefore required accelerated delivery of all scope. The design solution involved the use of innovative weathering steel material and modularising

[Click here to view the Causeway Bridges pylon installation video](#)

segments to facilitate the timely construction of the 268-metre-long bridge. Civmec successfully navigated the material logistical challenges posed by the short timeframe and 'just in time' design changes, successfully evolving our fabrication processes to manage 1,200 tonnes of weathering grade steel to deliver a high-quality bridge module on time.

During FY24, we were accepted onto the Main Roads WA construction panel and secured our first contract for the M031 Northam-Cranbrook Road Widening Project in rural Western Australia. The project, which commenced in February, includes 27 kilometres of road upgrades, full overlay and widening, and stormwater drain improvements. The award by Main Roads WA not only expands our scope of infrastructure work, it also builds on our objective to increase our road construction accreditation levels.

On the east, we continued to deliver high-quality bridges, including the early FY24 completion of our works on the Sydney Gateway Project. Completing the project ahead of schedule, our scope included the supply, fabrication and onsite assembly of 20 steel trough girders for Span 6 and 11. Due to the high-precision tolerance achieved offsite at our Newcastle facility, we were able to complete onsite assembly with zero issues or delays.

In a contract awarded in July 2023, we worked on the Coffs Harbour Bypass Pedestrian Bridge, the scope of which includes the supply, fabrication, protective treatment, delivery and on-site splicing of three bridge spans. We also completed a gantry fabrication project on the Western Distributor Smart Motorway in NSW, supplying, fabricating, surface treating and delivering 19 gantries weighing around 180 tonnes.

In the heaviest girder project ever secured by Civmec, we commenced works on the Molonglo River Bridge Crossing in Canberra – a major public infrastructure project for the Australian Capital Territory (ACT), which will span 200 metres (at 23 metres height) once complete. Our scope includes the supply, fabrication, internal protective treatment, and delivery of four steel girders. Works for this major project are being undertaken from our Newcastle facility, and will continue throughout next financial year.

In February, the Australian Government reduced the Arafura OPV contract from twelve to six vessels. Our scope on OPV6 was successfully completed by June of FY24. Our shipbuilding workforce – consisting white-collar and blue-collar employees, apprentices and trainees – was redeployed to other existing contracts, demonstrating the diversity of our offering and proving our lack of reliance on any one sector.

As we head into FY25 and beyond, with the experience gained on the OPV contract and continual improvement demonstrated in production efficiencies and quality, Civmec stands, confidently, in readiness for future marine and defence contract awards. We are excited for the long-term outlook, with forecast spending at the Henderson precinct predicted to exceed A\$25 billion over the next ten-year period.



Northam-Cranbrook Road Widening

civil and concrete

Client
Main Roads WA

Location
Rural WA (Great Southern Highway between Brookton and Beverley)

Duration
February 2024 – late 2024

Scope includes 27 kilometres of road upgrades, shoulder widening using wet mix stabilisation, ex situ bitumen stabilisation, full overlay and widening, and stormwater drainage improvements.

This financial year, six kilometres of shoulder widening was completed, with overlay and widening in progress.



Causeway Pedestrian and Cyclist Bridges manufacturing and construction

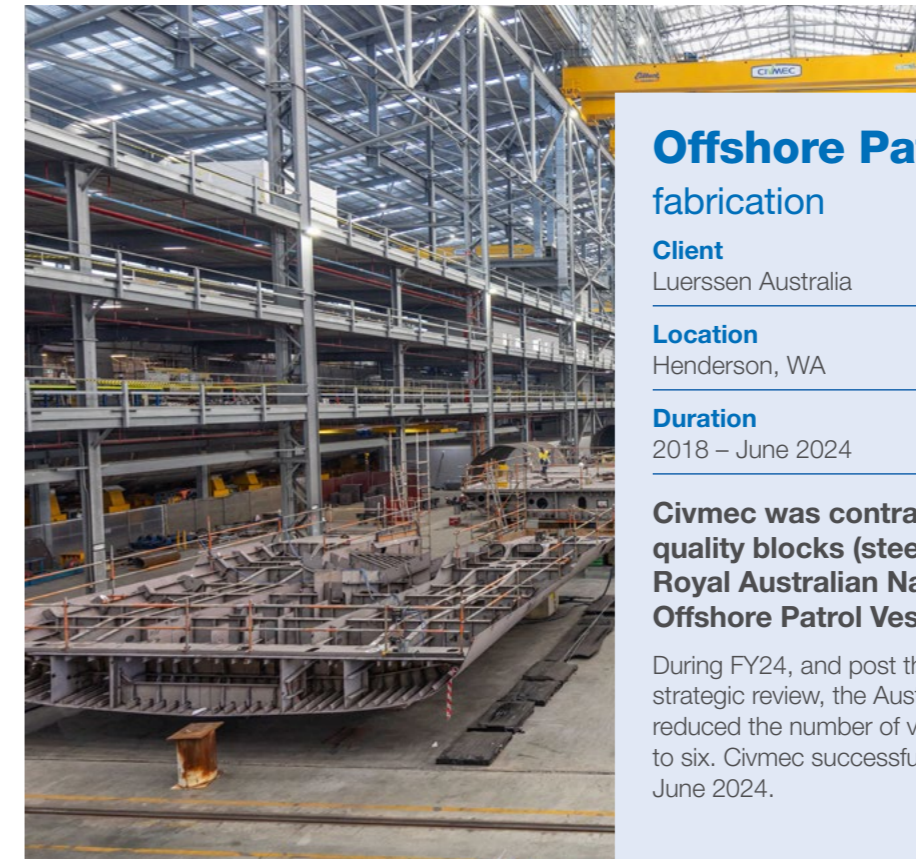
Client
Main Roads WA

Location
Perth, WA

Duration
April 2022 – mid 2025

The Causeway Pedestrian and Cyclist Bridges, consisting of two cable-stayed bridges measuring 220 and 270 metres long, will link the Victoria Park foreshore to Heirisson Island and the Perth CBD.

Civmec is working in an integrated alliance with Seymour Whyte Constructions, WSP, and Main Roads WA on the project. The full scope includes architectural and engineering design; fabrication and transportation to site of approximately 2,000 tonnes of complex steel structures; ground preparation, earthworks and piling for approach embankments; in-river works, including piling, pile caps and pylon structures; and structural erection and electrical installation.



Offshore Patrol Vessels fabrication

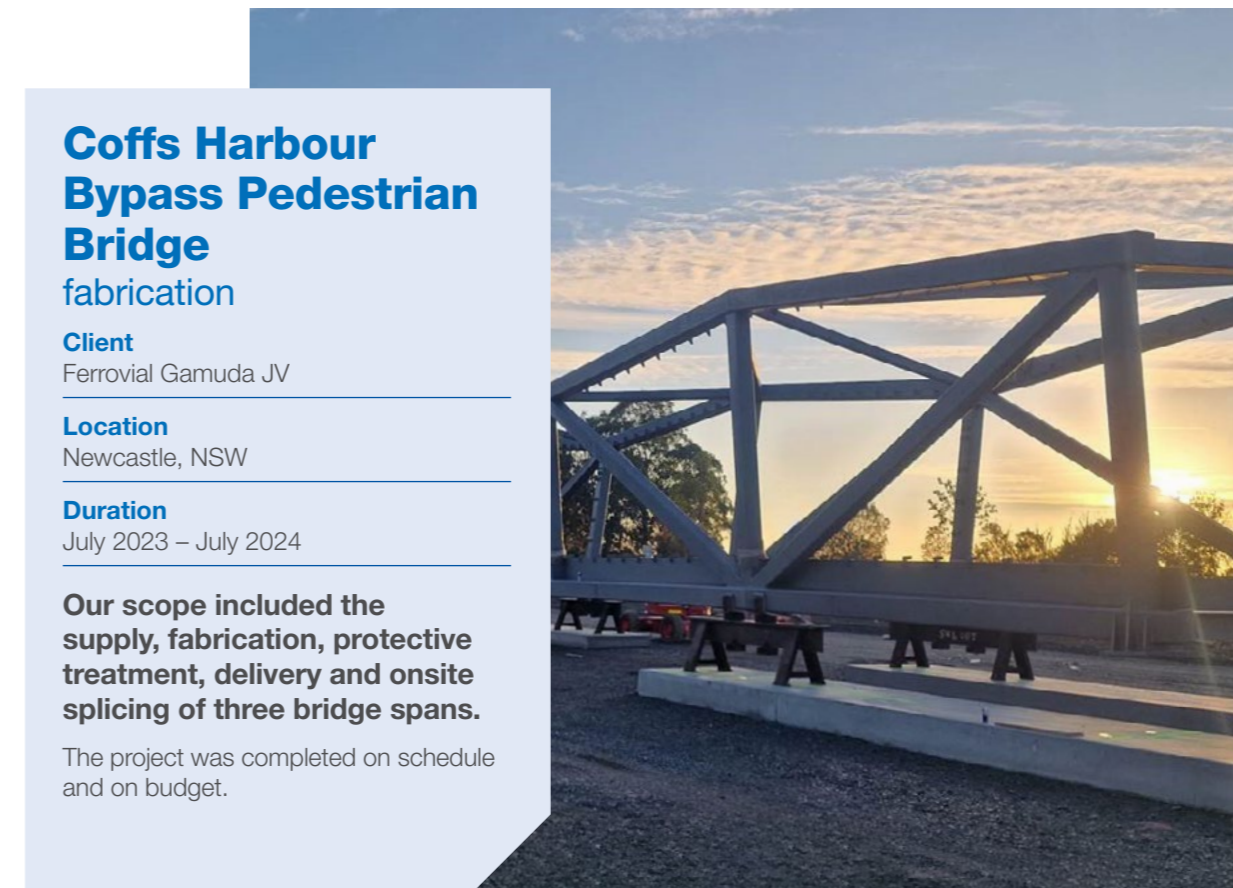
Client
Luerssen Australia

Location
Henderson, WA

Duration
2018 – June 2024

Civmec was contracted to deliver high-quality blocks (steel sections) for the Royal Australian Navy's Arafura Class Offshore Patrol Vessels.

During FY24, and post the release of the defence strategic review, the Australian Federal Government reduced the number of vessels required from twelve to six. Civmec successfully completed our scope by June 2024.



Coffs Harbour Bypass Pedestrian Bridge fabrication

Client
Ferrovia Gamuda JV

Location
Newcastle, NSW

Duration
July 2023 – July 2024

Our scope included the supply, fabrication, protective treatment, delivery and onsite splicing of three bridge spans.

The project was completed on schedule and on budget.



3.0

Sustainability

3.1 Board Statement	42
3.2 Reporting Approach	43
3.3 ESG Highlights	44
3.4 Cyber Security	46
3.5 Climate	48
3.6 Business Ethics	62
3.7 People	66
3.8 Health and Safety	76
3.9 ESG Performance Data	82

Business Overview

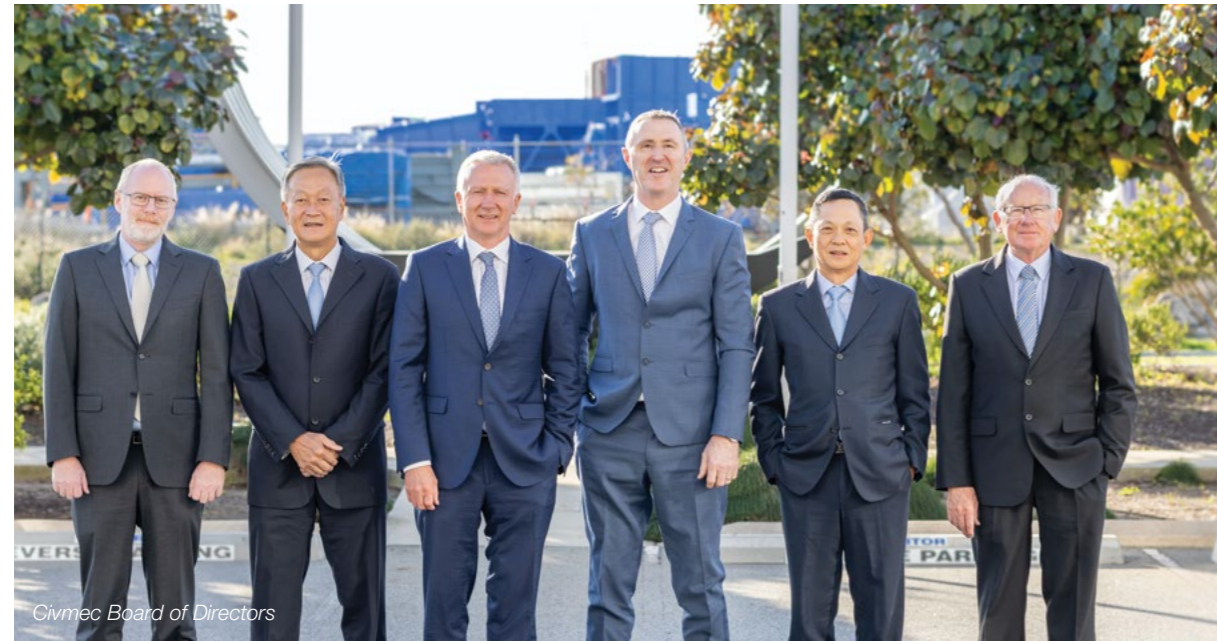
Operational Review

Sustainability

Financial Report

Additional Information

Board Statement



Civmec Board of Directors

Sustainability must be embedded into every aspect of our business in order to deliver social and economic value to our stakeholders, act with environmental responsibility, and achieve long-term success.

As the Board of Directors of Civmec, we are committed to ensuring that material ESG risks and opportunities are identified and integrated into the company's overall corporate strategy.

FY24 marks our second year of incorporating the Sustainability Report into our Annual Report. It is also our second assessment of climate-related risks and opportunities aligning with the Task Force for Climate-related Financial Disclosures (TCFD) framework, as required by the SGX. Throughout the reporting period, the Board of Directors continued to maintain oversight in the company's progress on climate-related risks and opportunities through regular updates from management. In addition, Civmec continues to monitor the incoming mandatory climate-related reporting changes in Singapore and Australia, and is actively taking steps to prepare for them. Further TCFD details can be found on page 55.

As a leading Australian construction, manufacturing and maintenance company, we understand the significant impact our business can have on people, communities, and the environment, and the opportunities that the energy transition presents for our business to contribute to decarbonisation efforts being enacted throughout the world. We have a responsibility to all stakeholders and all those involved in our operations, in any way, to ensure best efforts are made to preserve the environment for future generations. This year, the Board was pleased to formally announce our commitment to a net zero emission target of 2050, as we progress further towards a lower carbon economy.

Our sustainability agenda remains focused on:

- continuing to operate with integrity;
- actively contributing to the success and welfare of our people and the communities in which we operate;
- ensuring our operations have minimal environmental impact; and
- achieving our people, health, safety, environment, and financial targets.

By continuously improving our sustainability performance, and transparently reporting on our progress, we aim to generate enduring value for people, communities, the environment, and the national economy.

Sincerely,
Civmec Board

Reporting Approach

Since 2018, we have reported our sustainability approach and performance, annually, in accordance with the Global Reporting Initiative (GRI) Standards: Core Option framework. These standards allow us to report against a common set of ESG metrics, facilitating consistency and comparability between us and other companies, and allowing us to benchmark our own performance over time.

Our sustainability processes are subject to internal review, and we have an internal Sustainability Committee who provides a structured advisory forum to improve governance on sustainability issues. The Committee reports to the Civmec executive team, making recommendations on sustainability-related risks, opportunities, initiatives and performance, and the executive team is overseen by the Board of Directors.

During FY24, we made efforts to review and enhance our practices and reporting processes by:

- developing a new framework for identifying and assessing ESG risks and opportunities;
- undertaking a review of the GRI reporting standards and updating our reporting metrics based on the outcomes of the review;
- creating a formal governance structure to strengthen accountability in ESG and sustainability-related issues; and
- improving our materiality assessment processes to support a more strategic approach to non-financial risk.

Civmec Limited has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024. A GRI content index is located on page 204 of this report.

Stakeholders and Materiality

Through materiality assessments, we identify, refine, and evaluate potential ESG issues that could affect

our key stakeholders, including employees, partners, subcontractors, suppliers, clients, and communities.

The outcomes of our materiality assessments are incorporated into our overall business strategies and sustainability targets.

Following an internal review of our materiality assessment processes in FY24, a materiality workshop was held with subject matter experts identifying the most material topics to the business. The top five materiality categories, in order of priority, were identified as:

- cyber security;
- climate;
- business ethics;
- people (attraction, retention and development); and
- occupational health and safety.

Sustainable Development Goals

In 2015, the United Nations determined 17 Sustainable Development Goals (SDGs) as part of its 2030 Agenda for Sustainable Development. Civmec supports these SDGs and understands we can contribute positively through our own sustainable business practices. Currently, we believe our prime areas of influence and impact are reducing inequalities, ensuring responsible consumption and production, focusing on industry innovation, inclusion, resilient infrastructure, climate action and partnerships for the goals.

We acknowledge that our ability to effect positive outcomes across the Sustainable Development Goals (SDGs) varies, depending on the goal.

Throughout this report, SDG symbols are referenced at the beginning of each section. The order of these symbols reflects our perceived impact on each SDG, arranged from greatest to least.



ESG highlights



At Civmec, we recognise that the sustainability of our business is intrinsically linked to the successful management of environmental, social and governance (ESG) risks, obligations and opportunities.



A\$532m
overall amount paid to Australian suppliers



A\$354m
overall amount paid to local suppliers
defined by having headquarters within 100km of our main operations or 20km from our asset yards



2,934
people directly employed across Australia



60%
reduction in Scope 1 emissions compared to FY23



146
apprentices, trainees and graduates

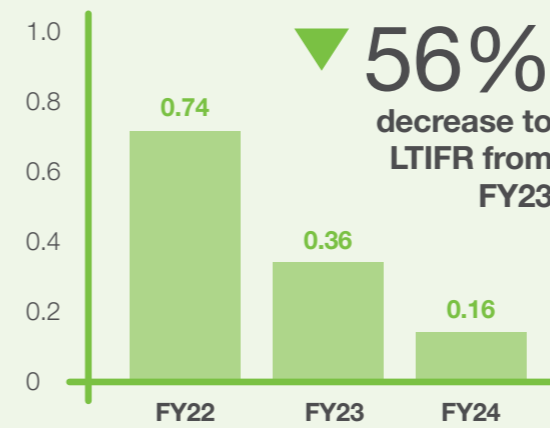


0 incidents of corruption, anti-competitive behaviour, modern slavery or human rights violations



A\$5.8m paid to Indigenous-owned enterprises

During FY24, Civmec paid over A\$5.8 million to Indigenous-owned suppliers and businesses. This was an increase of 340% on the previous year's spend. Civmec is proud to partner with Aboriginal and Torres Strait Islander businesses whenever possible to achieve mutually beneficial outcomes.



LTIFR: Lost Time Injury Frequency Rate

8,953

cyber security training sessions delivered to employees throughout FY24.

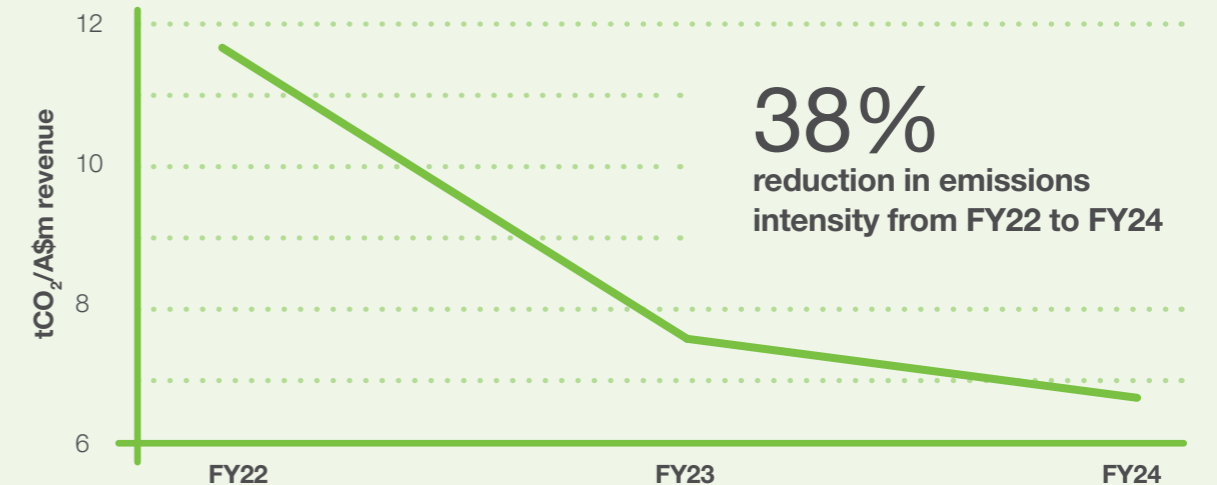


Twelve campaigns were rolled out company-wide, as well as specialised training sessions delivered to the executive team.



13% reduction in energy intensity

Civmec's energy intensity for FY24 was 6.69, a reduction of 13% based on adjusted emissions calculations for FY23. We continue to improve our emissions calculations to ensure greater compliance with relevant standards.



Cyber Security

SDG MOST IMPACTED:



Cyber security has become a cornerstone of our digital strategy at Civmec. Ensuring the protection of our systems, data, and assets is not just a technical necessity but a critical component of maintaining stakeholder trust and business resilience.

Our investment in cyber security helps to safeguard our business operations against increasing cyber threats, and ensures we are prepared to respond in the event of an incident.

In terms of data, we uphold the highest standards of privacy and protection, ensuring compliance with all relevant laws governing the collection, use, and protection of personal information. We only collect and handle personal information when necessary for legitimate business purposes.

Approach

Civmec has a dedicated cyber security team, who collaborates closely with Information Technology (IT), Business Systems and operational departments to ensure a unified approach to risk management and threat mitigation. This engagement spans across the entire business, from strategic planning and policy

development to day-to-day operations, such as data handling, security guidance, awareness training, and incident response. We have continued to invest in and grow the cyber security team to align with our targets. The increase in investment is supported by the Board's continued commitment to cyber security. We also work with the Australian Cyber Security Centre (ACSC) and Perth Joint Cyber Security Centre (JCSC).

During FY24, we maintained our adherence to the Australian Signals Directorate (ASD) Essential Eight security controls, which establish a baseline of security measures that align with national best practises. With our maturation, we have embedded these controls into our core Information and Communications Technology (ICT) operational functions, along with significant governance expansion throughout the ICT, security, and systems teams.

Our Defence Industry Security Program (DISP) assurance rating remains at the elevated level achieved last financial year, underscoring our commitment to the protection of our people, assets, reputation and brand.

Development

In a proactive effort to enhance our cyber security posture, during FY24, we established external incident response partnerships. These ensure we have the resources to respond with agility and precision to protect our assets and stakeholders in the event of any security incident.

We re-developed our cyber incident response plan to streamline our approach to potential threats, and we significantly enhanced our extended detection and response capabilities with the replacement of legacy security systems. We also embedded a vulnerability program into our daily security operations.

With the continued emergence of sophisticated threats, such as advanced persistent threats (APTs), ransomware, and supply chain attacks, we implemented a range of pre-emptive measures, including Enhanced Threat Intelligence (ETI) and ransomware defence. Our ETI leverages threat intelligence tools to identify and mitigate risks before they impact our systems, including vulnerability management programs, threat hunting operations, and anomalous activity monitoring. Our ransomware defence mechanisms were strengthened through improved backup strategies, and enhanced incident response plans for systems identified of critical importance through a business impact analysis.

To support the advancements made throughout the year, we expanded our security team, welcoming new members who bring diverse skills and perspectives.



This included the appointment of a new cyber security intern through a Defence scholarship.

Further demonstrating our commitment to nurturing the future talent of our industry, we initiated a new partnership with Murdoch University, our inaugural lecture to cyber security students marking the first step towards future research collaborations. We look forward to seeing this partnership develop and are pleased to contribute to the education and development of the next generation of cyber security professionals.

Training

In line with our dedication to embedding cyber security within our company culture, we provide regular, essential training to all personnel who have a digital presence in our organisation, in addition to the comprehensive onboarding training provided to new staff.

In FY24, this included monthly training courses for all employees, 11 in-person sessions with the Civmec executive team, and multiple company-wide phishing simulations. All failures of simulated attacks received additional training. In total, 8,935 training sessions were completed.

Future

Looking forward, we know that vigilance and cyber awareness are paramount to safeguarding our systems, assets, and information, which ultimately impacts our reputation as a business. We are committed to enhancing, improving, and adapting to best prepare for potential cyber security challenges, and will continue to promote a strong security culture throughout our organisation.

[Click here for Civmec Security Policy](#)



SDGs MOST IMPACTED:



Climate Change

With growing attention on structural changes towards climate issues in the economic sector, Civec continues to focus heavily on understanding and addressing the impacts of climate change on our future and our ability to remain resilient.

In addition, we continue to investigate ways in which we can seize opportunities that arise in the transition to a low carbon economy.

This year, our Board endorsed a Net Zero Emissions (NZE) by 2050 goal, underscoring our commitment to integrating climate change and its impacts into our business strategy, business model and cash flow management.

Realising the importance of this goal and the proposed changes to reporting requirements for the ASX and SGX, we are developing a Civec Climate Strategy to clearly articulate how the company intends to move towards that goal. The four key pillars of the Civec Climate Strategy are:

Process

Recognising that the energy transition may be rapid and nonlinear, Civec business processes and strategies will remain agile and flexible to adjust to changes in market and climate forces.



Technology

Acknowledging that current technologies are insufficient for achieving net zero emissions, Civec will seek to utilise proven technology to decarbonise.



Collaboration

Understanding that climate challenges require collective effort, Civec will collaborate with clients, suppliers, experts in the field, and interested parties to enhance our mutual benefits.



Knowledge

Emphasising the importance of informed decision-making, Civec will invest in generating knowledge to anticipate future trajectories, risks and opportunities.



As a business, we recognise the uncertainties posed by climate change. Therefore, understanding the risks and opportunities associated with climate change presents a considerable challenge. Using scenario analysis as a form of risk assessment, we commenced the identification process of short- and medium-term risks and opportunities through the lens of various climate futures. We will continue to refine this approach as our understanding of future scenarios develops, along with our capabilities to utilise scenario analysis to quantify the impacts of climate change.

Following the endorsement of the NZE by 2050 goal, and as part of the Civec Climate Strategy, we began developing near-term targets and plans to reach those targets as part of our transition planning. These plans include initiatives in energy and resource efficiency, low carbon energy and material alternatives, and electrification. Our progress will continue to be documented in future Annual Reports, in line with our commitment to transparency and accountability.

During the year, Civec established a working group to identify opportunities to reduce climate emissions and improve resource efficiency. The Climate & Resource Efficiency (C&RE) working group has developed a list of priority ideas, including small-scale solar photovoltaic (PV) devices for site stores, investigating lower carbon steel suppliers, and the recycling of thinners. The C&RE working group continues to refine these ideas to form a business case for their implementation.

[Click here for more information within TCFD section](#)

[Click here for Civec Environmental Policy](#)

Energy and Emissions

Energy

Energy is a core input into Civec's business. The efficient use of energy in activities such as steel fabrication, bridge construction, and refractory maintenance is a responsibility that Civec takes very seriously. By tracking energy use, Civec is better able to focus its efforts on seeking opportunities for reducing our emissions and those of our clients.

Overall energy consumption was slightly above our FY23 result, with an increase of a modest 2%.

However, the 18% decrease in energy intensity, year on year, highlights a significant improvement in productivity at a similar rate of energy consumption. The energy profile was almost identical to previous years with electricity being the dominant source of energy consumption across the business. Divisional profiles varied with electricity contributing to over 80% of energy consumption in manufacturing, and energy consumption in construction and maintenance being primarily from liquid fuels.

We believe that energy efficiency has a major role to play in the energy transition. During the year, we continued to investigate options for greater energy efficiency through undertaking lighting audits in our facilities to pinpoint opportunities for energy savings, and interrogating our project-related energy data to identify patterns of energy use for different equipment types.

Emissions

Civec has been reporting its emissions since 2018 and continues to improve emissions calculations to ensure greater compliance with the relevant standards. During FY24, we engaged Deloitte to assess the readiness of our emissions reporting in line with the anticipated introduction of the climate-related financial reporting in Australia.



Following that assessment, Civmec reassessed its definition of 'operational control' to bring it more in line with the National Greenhouse and Energy Reporting Act 2007 (NGER Act) and the Greenhouse Gas Emissions protocol. This change resulted in a significant difference to project-related emissions calculations, with a 60% reduction in Scope 1 emissions for FY23, when compared with last year's Annual Report.

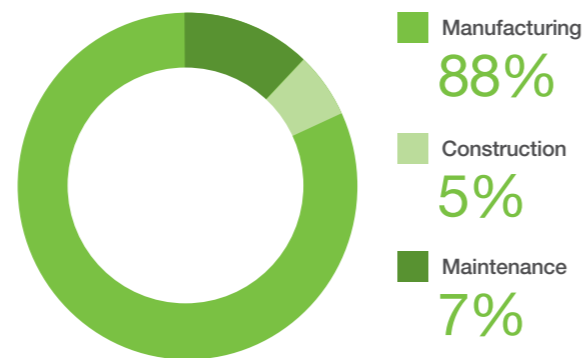
Utilising the new methods of calculation, Civmec recorded an 8% increase in total Scope 1 and 2 emissions, when compared with the adjusted FY23 figures. The increase was driven mainly by emissions from two construction projects for which Civmec maintained operational control. Pleasingly, the FY24 emissions intensity saw a 13% decrease, based on the adjusted FY23 result.

During the year, Civmec continued to explore opportunities for reducing emissions by converting to more sustainable forms of energy production. This included the procurement of a 600kW solar PV system for our Newcastle facility, with a projected reduction of over 40% of the emissions for the facility. Civmec will continue to explore the solar PV option for its other facilities as a means of reducing its overall Scope 2 emissions. As part of supporting our clients' efforts towards decarbonisation, in an example of a proactive initiative, Civmec continued its transition in our construction division, with the introduction of

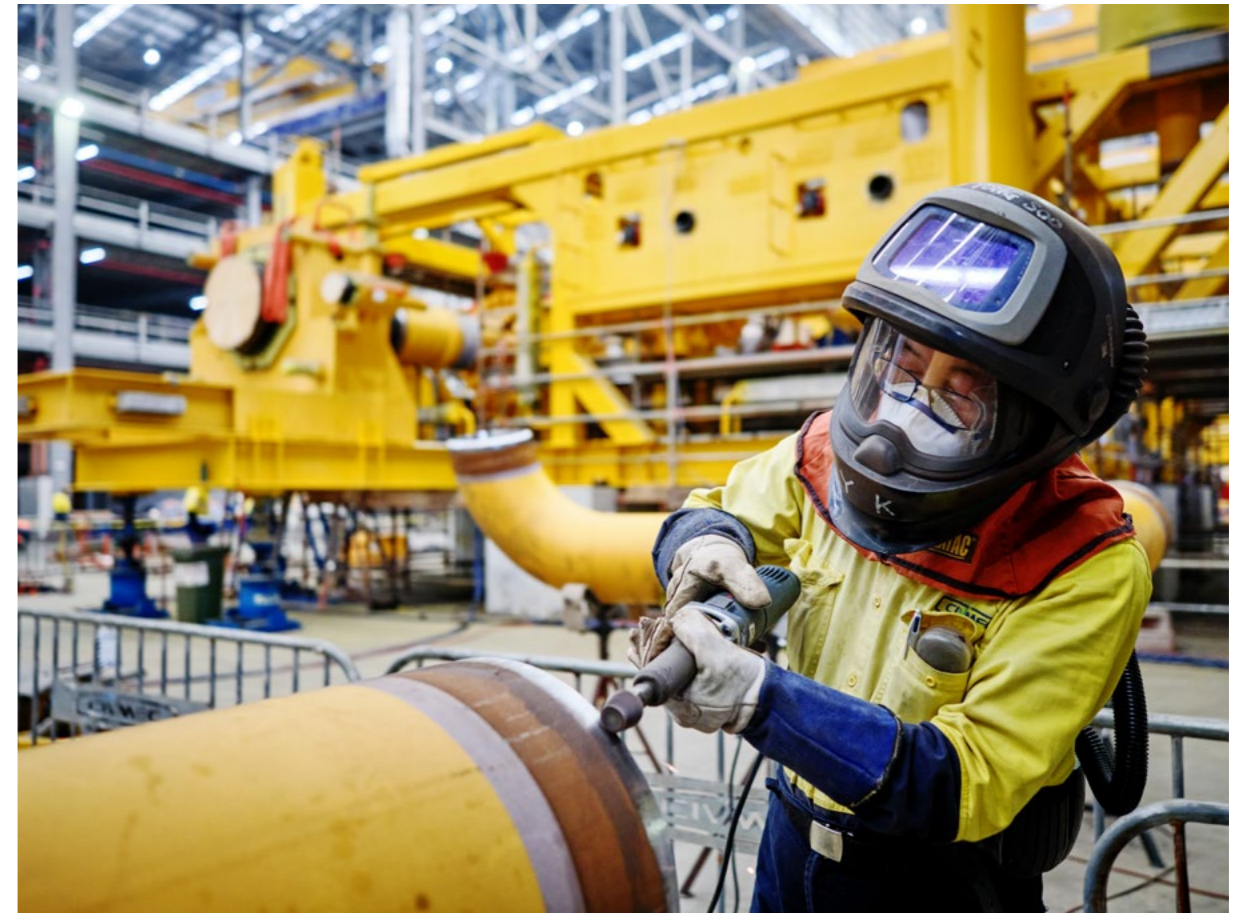
20 new solar lighting towers leading to a projected reduction in Scope 1 and Scope 3 emissions of 430 tonnes of CO₂e per year.

We remain vigilant in assessing the market for new technologies that will assist us and our clients in achieving emissions reduction. Following an analysis of our project emissions data, we identified generators as significant and regular contributors to project emissions profiles and as such commenced investigations into the potential use of new hybrid generator technology.

Emissions profile by division



[Click here for detailed energy and emissions performance data](#)



Resource Efficiency

Civmec consumes large quantities of resources in its manufacturing, construction, and maintenance activities, such as steel and concrete. These operations also generate waste materials such as building waste, timber, cardboard, and hard plastics.

Resource efficiency involves using the Earth's limited resources in a sustainable manner while minimising impacts on the environment. The benefits of efficient resource use can include reduced costs, increased productivity, time saving, and minimised impacts on biodiversity. Most importantly, greater resource efficiency results in lower greenhouse gas emissions. Resource efficiency encompasses using input materials more efficiently, finding alternatives to existing products which have a smaller environmental footprint, and finding ways to re-use and recycle waste products.

Steel is a pivotal material input in the delivery of our manufactured products. Steel also carries considerable embodied carbon in its extraction, refining and transport, prior to its use in the structures

required by our clients. Utilising precision machinery and skilled operators, we achieve over 97% material efficiency for structural steel and up to 92% for plate steel. All scrap steel is recycled, as part of the 90% circulatory of steel. In FY24, the total mass of steel sent for recycling was 3,521 tonnes, which equates to a materials recovery rate of 90%.

To enhance resource efficiency for our clients where possible, we introduced an option for lower carbon concrete in our tenders. By using supplementary cementitious products, such as blast furnace slag – a waste product from steel production – as a partial replacement for cement, concrete suppliers can provide products that reduce embedded carbon emissions by up to 40%. Another example of our commitment to adding value and offering sustainable alternatives is illustrated in our EonCoat case study on page 54.

[Click here for more resource metrics and performance data](#)



Case Study Building Another Perth Icon

Perth Causeway Pedestrian and Cyclist Bridges Project

Civmec, as part of a Main Roads WA Alliance team, commenced construction in FY23 of the Causeway Pedestrian and Cyclist Bridges (CPCB) project. Fabrication of the bridges was also undertaken at Civmec’s Henderson facility.

The CPCB project delivers a landmark pedestrian and cyclist connection across the Derbarl Yerrigan (Swan River) that responds to the unique cultural and historic significance of the area, integrates with the existing landscape and urban design of the local area, and provides an attractive link for both tourists and the wider community. The project introduces two six-metre-wide interconnected bridges across the Swan River, connecting the Victoria Park foreshore at McCallum Park to the Perth CBD at Point Fraser, via Heirisson Island, alleviating the growing pressure on the paths of the existing Causeway Bridge, which are used by more than 3,000 cyclists and pedestrians every day.

Located on Whadjuk Noongar Boodja, the land is rich in both historic and cultural context. The bridges’ design references prominent Whadjuk Noongar people, including Yagan, a warrior and young leader, represented by a boomerang inspired pylon, and Balbuk, who fought against the Swan Coastal Plains’ over-development and is represented by two digging stick-inspired pylons.

The cable-stay design ensures less impact to the sacred Derbarl Yerrigan, with only three permanent pylons required to support both bridges. The S-shaped curves of the bridges’ design, which represent the sinuous movement of the Wagyl

(rainbow serpent), supports increased clearance heights above the river and minimises the number of trees impacted by construction. The design of the bridges resulted from consultation with key stakeholders, including local governments, Traditional Owners, specialist groups, cycling and boating authorities and other government agencies, and took into consideration path user requirements, local developments on either side of the bridges, future maritime height allowances and the needs of existing river users. The new bridges and associated landscape are intended to serve as a forward-looking piece of civic infrastructure.

Environmental

A key aim of the project was to drive a more efficient and sustainable use of resources. This was achieved through the improved management of materials, resource recovery, waste avoidance and contamination remediation.

The project further reduced the total number of trees required to be removed through a staged vegetation clearing process. This challenged the team to refine a number of construction methodologies, with the aim of reducing construction impacts on established trees. Some of the identified solutions included Geoweb root protection systems that, when applied, reduced the impact of construction vehicles to tree root zones by reducing point loads compaction of soils, and BioPrime Trace – a biostimulant designed to address issues affecting long-term plant vitality by promoting the efficient delivery of micro- and macronutrients, decreasing soil compaction, and reducing plant stress.

Social

An advisory group, comprising Whadjuk Elders, was established especially for this project. The group’s name, Matagarup Elders Group (MEG), was selected by its members and is symbolic of the project footprint on the Derbarl Yerrigan near Matagarup (Heirisson Island). In addition to the MEG providing valuable cultural input to inform the design elements, the group was also consulted on public art and visual design elements, including signage. MEG members and nominated representatives also played an integral role as Aboriginal Cultural Monitors on Heirisson Island, ensuring the identification of any items of Aboriginal Cultural Heritage, which may be uncovered during construction, are protected and managed.

A key focus area for the project was creating meaningful opportunities to increase Aboriginal participation and improve female participation. Industry-leading targets were set for gender diversity and gender equity. The project facilitated opportunities to heighten the awareness of STEM career pathways, with a particular focus on targeting future uptake of STEM subjects by females and Aboriginal youth.

Acknowledging the varied levels of cultural awareness and understanding, the project partnered with Noongar Advisors and Elders to deliver cultural awareness training. Held on country, staff heard from Aboriginal Elders, participated in traditional ceremonies, and learnt about the significance of country. The project also partnered with SBS to deliver diversity and inclusion training.

ESG Highlights Perth Causeway and Pedestrian Bridges Project



75%
of construction and office waste diverted from landfill



96%
of trees removed were donated to stakeholders



100%
of acid sulphate soils remediated



550kL
of wastewater remediated and re-used onsite



100%
of spoil re-used



72%
of textile waste recycled (uniforms, PPE, hard hats and boots)



A\$3m+
spent on Aboriginal businesses



16
number of Aboriginal businesses engaged



14%
of construction hours were by Aboriginal workers



16%
of project hours were by female workers



50%
of management roles held by females



66%
of site apprentices/trainees were Aboriginal



Case Study EonCoat

Our clients demand high-quality, durable products that are suitable for challenging environments. They require products that are safe to manufacture and use, that will not create a source of environmental contamination. Civec continues to strive to exceed our clients' expectations by identifying new and innovative solutions.

A prime example of this is Civec's current investigation into surface treatment coatings. Coatings play an important role in protecting our steel structures against corrosion and extending their lifespan. Traditional organic coatings have the potential to pose health risks to workers during application, contribute to air quality issues like ozone depletion, and increase climate impact through Volatile Organic Compounds (VOCs). They also generate significant waste.

This year, Civec partnered with EonCoat to trial a new coating for carbon steel. EonCoat provides a two-part protection system – an iron phosphate layer forming a chemical shield on the steel surface and an outer ceramic guard layer. EonCoat is resistant to the heat effects of welding, which often create corrosion hotspots. This is a key feature for the prevention of corrosion in the underside (soil facing) of steel tank floors, where corrosion-induced seepage can be a long-term problem that is difficult to manage. This is an issue that has plagued large fuel storage tanks in the past.

EonCoat excels in safety and environmental performance. EonCoat is an inorganic, water-based coating, which means that it creates no VOCs or toxins and is non-flammable, reducing safety and health risks associated with its application. These characteristics also mean that EonCoat will not generate harmful air pollution following application, and that the waste products, such as residual coating generating during application, or any loss of coating as a result to damage of the steel structures on which it is applied, will not generate any negative environmental impacts.

Moreover, EonCoat requires just one single coat, drying in 15 minutes to enable QC testing to be undertaken. This is significantly faster than the multiple applications required with other coatings, and hence will improve the productivity in our surface treatment tasks.

Working with EonCoat, we are rapidly advancing our application capabilities and efficiency, which has generated considerable interest from a number of clients. We will continue to consider the greater extent of locations and items that it can be applied to as a suitable option. We are confident that we will be able to add EonCoat to our list of environmentally friendly and durable alternatives for future projects, and support our clients in generating a more sustainable future.

Task Force on Climate-related Financial Disclosures

Governance

Board Oversight

Civec continued to apply the TCFD recommendations and develop additional climate governance mechanisms so that, in time, there is explicit oversight of climate-related risks and opportunities by the Board of Directors (Board) and designation of climate-related responsibilities to management.

Civec has a risk appetite statement, risk management framework and compliance framework that align its business operational activities against the objectives of the strategic plan to calculate the level of risk that it is willing to assume.

The Board exercises oversight on the risks and opportunities (including climate-related risk) to the business through the Risks and Conflicts Committee (RCC). The primary responsibility of the RCC, which is made up of three Independent Directors and meets quarterly, is to review and monitor the Group's risk management strategy and includes monitoring of the risk exposures, reviewing internal audit reports on the adequacy of controls in place to mitigate risks, and management's views on the acceptable

and appropriate level of risk faced by the Group's Business Units. A consistent process is followed to prepare the Group Risk Report, which summarises the salient risks, for the RCC. The RCC reviews these salient risks and provides feedback on the Group's risk performance and exposure to the Board.

In FY24, to support the Board's oversight of climate-related issues, the Board resolved to receive a quarterly update on the development of climate-related risks, opportunities and impacts on the business. Updates are compiled and reported to the Board by the ESG Lead.

As part of the updates, the Board was informed of the rapidly evolving climate-related financial disclosure requirements for the SGX and ASX. This included areas of reporting that may involve forward-looking statements of information regarding the timing of the new reporting requirements and the schedule for the assurance requirements, and the directors' obligations for the overall reporting requirements.

During FY24, the Board endorsed the NZE by 2050 goal and requested that management determines interim targets for 2030 and 2040, along with appropriate plans to achieve those targets. The ESG Lead has kept the Board informed of progress in developing near term targets, with the Board directing management to focus on developing emissions reductions targets for 2030 and 2040.



Port Debottlenecking Project Stage One (PDP1)



Transport of hoppers for Western Range Project

Management Roles

At a management level, the executive team is comprised of the Executive Chairman, Chief Executive Officer (CEO), Chief Operating Officer (COO) and Acting CFO (being a single person), the Executive Group Manager (EGM) – Operational Support, EGM – Proposals and Growth, EGM – Maintenance, EGM – Construction and EGM – Manufacturing. The executive team meets on a monthly basis with an agenda, which includes reviewing of salient risks to the business and mitigation strategies. The EGM – Operational Support is responsible for the risk management system and overseeing the strategic plan process.

Sustainability, including climate-related issues, is driven by the Civmec executive team and chaired by the CEO. Individual executive managers are assessed on factors that include contributions to the Board’s long-range planning and strategies.

In FY24, as part of Civmec’s increasing alignment with the TCFD recommendations, members of the executive team and management participated in scenario analysis to explore the potential impacts of climate-related risks and opportunities. This involved an initial training session to build capacity and a series of two workshops. Further information is provided in the ‘Strategy’ section overleaf. Since its establishment

in FY23, the Sustainability Committee (SC) has provided an additional management structure in order to develop Civmec’s sustainability governance and further integrate sustainability issues across the business. Members of the SC include the COO and representation from business units, including HSEQ, HR, Finance, and Proposals. The SC is responsible for issuing the development of the climate-related risks and opportunities register. The SC also reports directly to the executive team and CEO to recommend climate-related strategies, actions and targets. It is intended that the SC will be utilised to take further steps to formalise and embed its role in the management of climate-related issues in the next financial year.

The SC maintained management oversight on the sustainability agenda for Civmec, including monitoring of progress on the development of near-term targets. At the direction of the SC, a review was undertaken of Civmec’s materiality issues. The outcome of the review included the identification of climate as one of the material issues for the business. In FY24 membership of the SC expanded to include the Pre-contracts Commercial Manager, Group Manager for Commercial & Operational Risk, and a project manager from our operations team, and thereby diversify the perspectives and areas of expertise of the committee.

The SC continues to report to the executive team on climate-related issues on a monthly basis. An additional governance mechanism has been introduced to establish a direct reporting line of the ESG Lead to the CEO. This change has, in part, been to initiate further accountability for climate and sustainability-related responsibilities across the business.

Reporting through to the SC, the C&RE working group met four times with representation from each of the divisions. The C&RE working group provides a bottom-up approach to assisting Civmec in achieving its climate goals.

Strategy

As part of a continued development in understanding the risks, opportunities and potential financial impacts associated with climate change, Civmec took its first steps in undertaking scenario analysis during the reporting period. Recognising that developing the internal capability to fully explore the business impacts of differing climate scenarios is likely to take several years, a series of externally facilitated workshops and breakout sessions were conducted to draw out qualitative high-level risks for the business. The workshops included a cross functional team made up of executives and senior management, with accountabilities across construction, manufacturing, finance, commercial, supply chain, HR, OHS and ESG. The diverse mix of participants ensured that a wide range of perspectives were considered in the analysis of business impacts.



Using global reference scenarios, the scenario analysis examined two credible futures based on society’s response to climate change:

The high emissions scenario references the IPCC1 RCP 8.5 scenario, in which fossil fuel usage continues to increase and emissions continue to rise. This results in a modelled average global temperature increase of over 3°C by 2100, or an increase of approximately 2.5°C by 2050. The high emissions scenario is used to test the strategic and operational resilience of the business in a possible worst case for the physical impacts of climate change.

The transition scenario references the IEA NZE scenario, which maps a path to achieving a net zero energy sector by 2050 and is aligned with limiting global warming to 1.5°C above pre-industrial revolution baseline. The scenario incorporates rapid deployment of clean energy technologies and energy efficiency and features significant and rapid change in government policy, global markets, technology uptake and customer preferences. The transition scenario tests the resilience of company’s strategy and business model to such rapid change.

In the workshops, the risks and opportunities of each scenario were identified in the short term, up to 2030, and then the medium to long term from 2030 to 2050. Beyond 2050 was not explored as the timeframe (over 25 years) is well beyond any reasonable planning horizon for the company.

The analysis of the climate-related risks and opportunities included investigating Civmec’s business (operations, strategy and business model) and its value chain. Participants were encouraged to dive deeply into areas of the business that were vulnerable to climate-related impacts. This included identifying locations more prone to physical impacts of climate change, and functional areas of the business and value chain at greater risk from transitional impacts.

The workshop concluded that Civmec’s current operations and strategy have not been adversely impacted by climate change. The current strategy has enabled Civmec to respond positively to the transition opportunities. Progress on work to improve resource efficiency and to develop emissions reduction targets forms part of Civmec’s strategic response to climate-related risks and opportunities.

Risks and Opportunities

Risks

Risk Description	Risk Type	Time Horizon	Impact
<i>Worker Productivity and Wellbeing</i> Extended periods of high temperatures (i.e. heatwaves) may lead heat stress affecting the health, safety and productivity of workers. Areas vulnerable to this risk include facilities and projects located in the Pilbara and Gladstone.	Physical	Short to medium term	Heat stress may lead to an increased potential for injury and require additional health monitoring and PPE requirements. Reduced productivity may impact construction project schedules.
<i>Disruption of supply chains</i> Storms, heavy rainfall, floods and heatwaves, may lead to a disruption of the electricity network, and supply of significant materials including steel. Other impacts include disruption of access to facilities and construction sites and the supply routes to support projects. Locations vulnerable to this risk include Henderson and Newcastle facilities, remote sites locations and land- and sea-based supply routes for projects.	Physical	Short to medium term	Disruption of supply chains specifically associated with key inputs into facilities (i.e. electricity and steel) leads to downtime and affects manufacturing schedule. Disruption of supply lines to construction projects results in delays to project schedules. These delays may increase expenses and affect cash flow.
<i>Damage to Facilities</i> Storms, heavy rainfall, floods, tidal surges and sea level rises may lead to damage through coastal inundation (Port Hedland, Gladstone, Henderson) and saline intrusion (Port Hedland), and disruption through flooding to access road to facilities (Newcastle).	Physical	Short to medium term	Increasing frequency and severity of climate impacts is likely to result in increased capital expenditure to support upgrades in facilities and for more climate-resilient assets. It is also expected that insurance premiums will rise as a result of climate change.
<i>Downturn in the Oil and Gas Industry</i> The International Energy Agency (IEA) anticipates that no new approvals for long lead time conventional oil and gas fields are required for a Net Zero Emissions by 2050 scenario.	Transition - Market	Medium term	Currently, 3% of Civec's revenue comes from the energy sector, which includes the oil and gas industry. Without alternative revenue sources, a downturn could result in a reduction in revenue and impact on cash flow. Civec is continuing to see recent approvals for development of new fields and proposals for new developments so this risk may not be realised until later than anticipated by IEA.
<i>Increasing Energy Prices</i> As more renewable energy enters the electricity grid it is possible that electricity market will become volatile.	Transition - Market	Short term.	Volatility in the electricity market will lead to increasing electricity costs for facilities, impacting on costs and cash flow of the business.
<i>Costs of Compliance to Government Policy and Regulation</i> It is likely that the government will continue to implement policies that support the transition or enforce emissions reduction. There will be a cost of compliance to existing and future government policy and regulation.	Transition - Policy	Short to medium term.	Civec is not currently directly subject to such policy and regulation, however as the cost of compliance for clients increases this may lead to clients seeking to cut costs in other parts of their business or to slowing the development of new projects and/or cutting maintenance costs. This could result in impacts on revenue and cash flow of the business.

Risk Description	Risk Type	Time Horizon	Impact
<i>New low carbon materials supply</i> As all sectors decarbonise, new materials such as green steel and green concrete will emerge on the market. The NZE scenario would see these materials being rapidly adopted by the manufacturing and construction industry.	Transition - Materials	Medium term.	It is expected that new low carbon materials will come at a price, which will be passed onto the client. However, procuring supplies of these new materials will be challenging due to the high demand. An inability to acquire the new materials could affect Civec's competitiveness, thus impacting on revenue.

Opportunities

Opportunity Description	Opportunity Type	Time Horizon	Impact
<i>Expansion of Critical Minerals</i> The volume of critical minerals needed to support low emissions technology will increase substantially up to 2050. For mineral rich areas such as Western Australia, this will lead to a dramatic increase in the mining and processing of critical minerals.	Markets	Short to medium term	Civec is already supporting a number of the critical minerals developments in its construction and manufacturing division. These construction projects tend to be more susceptible to impacts of commodity price volatility, however critical minerals projects are expected to remain an opportunity for supporting Civec's revenue.
<i>Energy Sources</i> Increasing volatility of the electricity grid will likely occur simultaneously with the decrease in costs of solar PV and battery storage.	Energy source	Short term	Greater energy independence through the use of solar PV and battery at the manufacturing facilities provides the opportunity to avoid/limit costs associated with electricity price spikes and also significantly reduce emissions.
<i>Government Policy</i> Existing government policy mandates the emissions reduction for the top 200 emitting sites. State legislation, in a number of jurisdictions, requires emissions reduction for new developments. It is likely policy supporting emissions reduction will become more widespread as the transition develops.	Products and services (development and/or expansion of low emission goods and services)	Short to medium term	Supporting clients in advancing mandatory emissions reduction will be viewed as highly favourable and will support Civec's reputation of being a reliable partner in project development.
<i>Development of climate adaptation solutions</i> Heavy rainfall and flooding will likely lead to an increase in damage to state-owned roads and bridge.	Products and services	Short to medium term	Civec has developed the capability for bridge and road construction including several iconic infrastructure projects. Civec has positioned itself to support the state governments in responding to the impacts of climate change. This may result in improved competitive position and increased revenue.
<i>Operational and strategic flexibility</i> Short-term duration of contracts enables Civec to implement operational changes in response to increasing physical impacts of climate change and developments in the transition to a low carbon economy. Strategy continues to embrace adaptability through expansion into diverse sectors. Supply chain reliability is enhanced by Civec's limited use of suppliers outside of Australia.	Resilience	Short to medium term	Flexibility of operations and strategy can enhance competitive position, reduce expenses and increase revenues.

Throughout the scenario analysis process, it became apparent that an interconnectivity exists between transition risks and opportunities. An example is the impact of the critical minerals opportunity being seen as an offset for a downturn in oil and gas, but further analysis finding additional limitations to the critical minerals opportunity. This example highlights the complexity of the challenges that business are likely to face in a transition to a low carbon economy and the need to investigate these relationships at greater depth.

The preliminary analysis of climate-related risks and opportunities associated with the two climate scenarios involved a qualitative assessment of the financial impacts on the business. The next steps in the scenario analysis will be to refine the risks and opportunities at a more granular level, including greater scrutiny on geographic locations, begin the process of quantifying impacts and determine the level of risk in accordance with our Risk Management Framework (RMF).

Resilience

Taking into account the initial findings of the scenario analysis, Civmec's strategic and operational resilience was assessed.

In respect of transition risks and opportunities in the short and medium term, Civmec is already playing a role in the advancement of critical minerals mining and processing which demonstrates the resilience of Civmec's strategy. Opportunities in this market and other markets may help to mitigate risks arising from a downturn in oil and gas. Further analysis will be undertaken to consider the financial impacts of these risks and opportunities and the implications for Civmec's strategy and business model.

The relatively short-term nature of contracts and the ability of the company to continue to adapt and respond to the changing climate drives operational resilience to physical impacts. In the short term, the facilities at Henderson, Newcastle, Port Hedland and Gladstone remain resilient to the physical impacts of climate change. However more detailed assessment of physical risks for the two major facilities at Henderson and Newcastle is required to fully understand resilience in the medium term.

Risk Management

Civmec's RMF is well embedded within the business processes of the Group. The RMF outlines the principles, approach, responsibilities and guidance for identifying, assessing and managing risk.

The RMF requires identification and assessment of corporate and Group level risk, undertaken in a workshop setting. Following the identification and assessment of risks and opportunities, mitigation or risk treatment plans are developed to either better understand the risk or to reduce the likelihood or consequence of the risk to within the risk appetite.

By utilising the RMF, the process of assessing business risks is standardised and can be compared across disciplines. Scenario analysis is a new tool to the RMF, and further work is required to bring the preliminary outcomes of the analysis in line with the RMF.

Business Risk is under the responsibility of the Executive Group Manager - Operational Support whilst risk treatment plans are delegated to the responsible business unit depending on the nature of the risk. Salient risk and risk treatment plans are incorporated into the strategic planning process.

Individual Executive managers are assessed on their contribution to the Board's long-term planning and strategy.

Updates on material risks are reported by the executive team through to the RCC via the Group Risk Report. The Group Risk Report may make recommendations, or have considerations, for the RCC to consider and give advice to the Board as part of the Board oversight.

During FY24, Civmec began to refine its identification of climate-related risks using scenario analysis. Although still under development, scenario analysis assists in risk analysis by providing for the uncertainty associated with societies response to climate change and predictions regarding the physical impacts of climate change.

The preliminary outcomes of the scenario analysis have been reported through the executive team for review and approval, with the recognition that further, more detailed work is required to the risks at a more granular level and to develop suitable mitigation.

Metrics and Targets

Civmec has included annual reporting of emissions from its manufacturing facilities (Henderson and Newcastle) in its Sustainability Report since FY18. Metrics have included Scope 1 and 2 emissions, measured as tonnes of carbon dioxide equivalent, or tCO₂e (as defined by the Greenhouse Gas Emissions Protocol: A Corporate Accounting and Reporting Standard) and emissions intensity, measured as total tonnes of carbon dioxide equivalent per millions of Australian dollars of revenue from manufacturing, or tCO₂e/A\$m. Given the year-on-year variability in activities undertaken by the Civmec Group, the emission intensity metric provides a high-level proxy for the influences of excellence and innovation, two of the Group's core values.

As part of preparations for the impending climate-related financial reporting for the ASX and SGX, Civmec commissioned Deloitte to undertake an internal readiness assessment for reporting of Scope 1 and Scope 2 emissions. The assessment found a misalignment on the Civmec's definition of 'operational control' and the guidance found in the Greenhouse Gas Emissions protocol. This change resulted in a significant difference to project-related emissions calculations, with a 60% reduction in Scope 1 emissions for FY23, when compared with last year's Annual Report.

	Scope 1 (tCO ₂)	Scope 2 (tCO ₂ e)	Emissions intensity (\$tCO ₂ e/A\$m)
FY23	992 ¹	5,520	7.80 ¹
FY24	1,301	5,759	6.79

⁽¹⁾ FY23 figures adjusted based on improved emissions calculation associated with operational control definition.

During FY24, Civmec commenced the complex task of calculating its Scope 3 emissions. This work included defining the scope and battery limits of the calculations, based on the Greenhouse Gas Protocol, and investigating the most appropriate methods for each Scope 3 category. In FY25, Civmec plans to undertake the calculation to complete its first Scope 3 disclosure.

Absolute emissions and emissions intensity are metrics that can provide insight to the potential impacts of developments in policy, regulation, markets and technology in response to climate change. As Civmec continues to refine its assessment and understanding of climate-related risks and opportunities, the Group will develop other appropriate metrics to measure and manage the extent to which Civmec's business may be affected. Civmec will also continue to monitor the emerging requirements of climate-related financial reporting to ensure alignment with any metrics mandated by those requirements.

With the Board's endorsement of the NZE by 2050 goal, and its direction on the timeframe for near-term targets (2030 and 2040) work commenced on developing the greenhouse gas emissions reduction targets in line with the Science Based Targets initiative. This work forms an essential part of the development of the Civmec Climate Strategy and includes identifying a pathway for achieving those targets. At the time of this disclosure, targets have not yet been finalised.

Other key climate-related targets such as those related to energy usage, energy sources, resource efficiency and materials will also be developed as part of the Civmec Climate Strategy. Metrics on these issues are included in the Climate and Performance Data sections of this report.

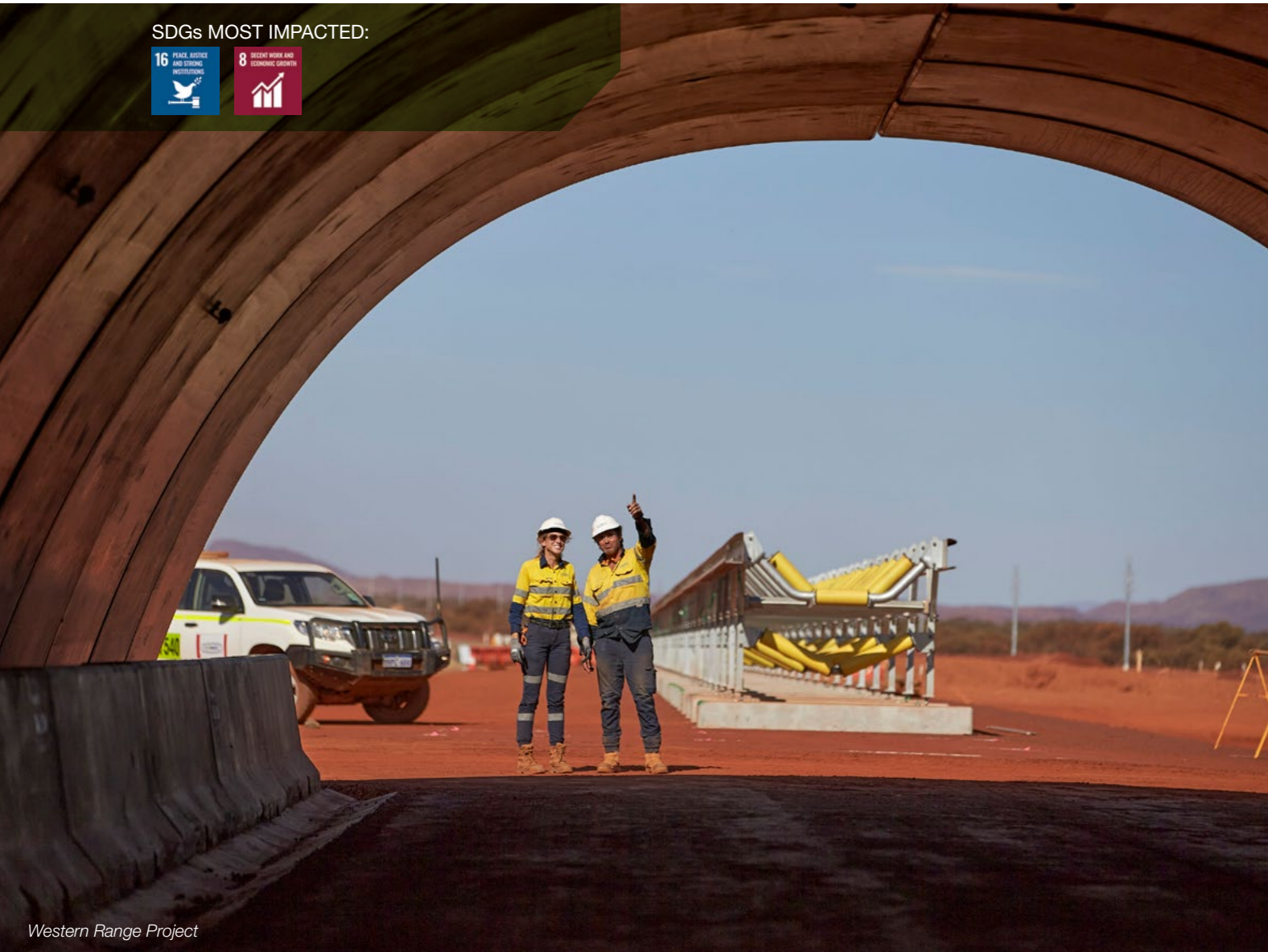
[Click here for climate change information](#)

[Click here for ESG performance data](#)



Business Ethics

SDGs MOST IMPACTED:



Western Range Project

Code of Conduct

Civmec is committed to upholding the highest standards of ethical conduct in the interests of our stakeholders, the wider community, and the environment. We believe ethical conduct is not merely related to standards of behaviour characterised by complying with the law and our various policies, but also by acting fairly, honestly, and with integrity.

Civmec's Code of Conduct establishes a standard of behaviour and workplace culture that guides our employees as they perform their duties, make decisions, and represent the company. It extends to all representatives of the Group, including suppliers and contractors, regardless of location.

Founded on integrity, openness and accountability, the Code of Conduct is supported by our six core company values: commitment, innovation, value-driven, making a difference excellence and collaboration.

Publicly available to view on our website, the Code of Conduct has been approved by the Civmec Board and is reviewed regularly to ensure continuous improvement.

[Click here for Civmec Code of Conduct](#)

Anti-corruption

Assessment Processes

In FY24, Civmec undertook thorough assessments by management teams to evaluate the implementation and effectiveness of anti-corruption practices, and to document any incidents.

As part of our commitment to ethical conduct, all new major suppliers are required to adhere to our Code of Conduct and be committed to our zero-tolerance policy against bribery and corruption. Compliance is monitored through regular audits and evaluations, with immediate reporting of any violations.

Corruption risks are investigated as part of our ongoing internal auditing processes. Suspicions of corruption trigger thorough investigations, which are led by the HR business unit and executive management (as well as any other relevant business units), with specialised third-party assistance engaged as necessary. The Risks and Conflicts Committee is informed of any investigations that are undertaken and assess the findings of those investigations. Where appropriate, the committee may decide to participate in the decision-making process as to what might be deemed a suitable position for the company to take on any matter, particularly ones of a more significant nature.

These actions may include termination of employment or contracts with business partners, or adjustments to such contracts for precautionary reasons. The committee also participates in decision-making processes on significant matters, ensuring the company's position is appropriately aligned.

Communication and Training

Our strategy for combatting corruption is anchored within our Code of Conduct, which explicitly prohibits any form of bribery or corruption. Compliance with this code is not only a fundamental aspect of the

employment contract and onboarding program, but also a personal obligation of each Civmec employee. All Board members, employees, and business partners, across all regions, are aware of and informed about our anti-corruption measures.

We offer regular pertinent training sessions specifically designed to prevent violations of our Code of Conduct and communicate our anti-corruption policies and procedures. These sessions include a mixture of e-learning modules and interactive classroom courses tailored to different groups, in addition to practical case studies. Multimedia tools are utilised to enhance engagement and understanding. The significance of active participation in training sessions is consistently emphasised, with many courses requiring compulsory attendance for employees in relevant roles.

Training sessions are delivered by our internal legal, audit, and compliance teams. They are carefully scheduled within specified timeframes to ensure timely and effective dissemination of vital information.

Recorded Incidents

We recognise that our employees are our most effective resource for detecting corruption. Therefore, we foster a culture of transparency and empowerment, encouraging them to report any violations.

This year, Civmec reported zero confirmed incidents of corruption. There were zero confirmed incidents that led to non-renewal or termination of contract with a business partner violating corruption. There were also zero public legal cases regarding corruption brought against the organisation or Civmec employees.

[Click here for Civmec Anti-bribery and Corruption Policy](#)



Anti-competitive Behaviour

Civmec operates across diverse regions and market sectors, engaging with various customers, competitors, suppliers, and stakeholders. Ensuring compliance with relevant laws and business practices, especially those addressing anti-competitive behaviours, is crucial for our sustained success. We are committed to integrity and fostering a competitive and equitable market environment, adhering to the Competition and Consumer Act (CCA) and the Australian Consumer Law (ACL).

Approach

Our approach to anti-competitive behaviour follows key guidelines regulated by the Australian Competition & Consumer Commission (ACCC). Our policies strictly prohibit any Civmec representative from engaging in activities that contravene the CCA, including:

- “cartel” conduct
 - price fixing – Civmec and its competitors agreeing on a pricing structure rather than competing against each other;
 - market sharing – Civmec and its competitors agreeing to divide a market to reduce or avoid competition;
 - bid rigging – Civmec and other competitive suppliers communicating before lodging their bids and agree among themselves who will win and at what price; and
 - restricting output or limiting the amount of goods and services Civmec makes available to buyers.
- Engaging in conduct which has the purpose, effect or likely effect of substantially lessening competition in a market which Civmec operates with arrangements such as:
 - exclusive dealing in so far as it restricts the ability of a purchaser to buy goods or services from a competitor of Civmec or Civmec only supplying goods or services (or refusing to supply) on the condition that the buyer also acquires goods or services from a nominated third party (third line forcing); and
 - resale price maintenance by preventing a party re-selling Civmec’s goods or services below a particular minimum price;
 - any agreements that substantially reduce market competition

Compliance

Non-compliance with Civmec’s anti-competitive policy may lead to prosecution under the CCA and ACL for companies and individuals including substantial fines, civil or criminal liabilities, and disciplinary action for employees, including dismissal. Such breaches pose significant financial and reputational risks and could jeopardise our business licences.

The Executive General Manager – Operational Support oversees our compliance with competition laws. We urge our staff to remain vigilant and proactive in identifying potential breaches of the CCA and encourage the immediate reporting of any concerns to their line manager or the Executive General Manager – Operational Support.

During FY24, Civmec had zero legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation. Furthermore, to date, Civmec has never received or been the subject of any legal action in relation to anti-competitive behaviour.

Human Rights

Human rights are universal, indivisible, and interdependent, regardless of nationality, ethnicity, religion, gender or status. Civmec has aligned with the United Nations Guiding Principles for Business and Human Rights in recognising the importance of respecting the human rights of its employees, of those people working in its value chain, and of the communities in which it operates. This includes matters such as considerations of Aboriginal and Torres Strait Islanders as the first people of Australia, and the potential impacts of Modern Slavery within our own recruitment process, and our supply chain.

No human rights violations were identified during the reporting period.

Modern Slavery

The ability to undertake work for a fair wage, with fair conditions, and without fear of exploitation, debt bondage or physical or psychological threats, is a right every worker should be afforded. Whether that worker is on a Civmec project site or part of the chain of supply for the goods and services necessary to allow Civmec undertake its projects, no worker should be a victim of modern slavery.

This year, we continued to focus our efforts on developing systems and processes to improve governance on modern slavery and assess the potential for modern slavery in our supply chain. This included establishing a risk-based approach for

suppliers, based on the types of goods and services provided and the location of where those goods and services are produced. We also implemented training packages to raise awareness for specific staff in the areas of HR, procurement and project management, to support them in identifying potential triggers for modern slavery risk.

During the year, Civmec did not identify any incidents of child labour or forced or compulsory labour through our internal audit program.

Civmec has a Modern Slavery Statement and Modern Slavery Policy, both of which are available to view on

the Civmec website. Each are reviewed regularly and updated, as appropriate, to outline our procedures for monitoring and reducing the risk of modern slavery in our operations or supply chains.

[Click here for Civmec Modern Slavery Statement](#)

[Click here for Civmec Modern Slavery Policy](#)



Civmec Henderson



Attraction and Retention

Identifying, attracting and retaining high-quality talent is a crucial factor for our business to operate successfully. Therefore, we must pay careful consideration to workplace culture, career development opportunities, and other strategies to create a positive employee experience. We continue to hire based on attitude, first and foremost, because we believe that skills can be developed and taught.

During FY24, Civmec directly employed 2,934 people across the country. With growing competition for workers and so many varying social and economic factors influencing workforce decision-making, it has never been more important for us to be responsive and innovative in the ever-changing recruitment landscape, while still maintaining standards and expectations of the business from those we currently

have employed and for those coming on board. This year, with this in mind, we implemented several new approaches, campaigns and strategies.

Improved Application Process

By introducing a 'Quick Apply' recruitment landing page and updating our internal processes, we have streamlined our application system, making applying for jobs faster and easier, allowing us to build a larger database of potential candidates.

Increasing Reach

This year, we intensified our marketing campaigns to target a wider range of candidates, employing new digital campaign strategies that were monitored, measured and adapted to increase reach and improve campaign efficiency.

Targeting Diversity

In an effort to attract more females into our industry, and particularly into blue collar roles, we ran targeted campaigns that show females and other diversified groups of people involved in our operations. We also began targeting veterans to improve the range of skills, perspectives and experiences within our operations.

Recruitment Expos

We attended a number of recruitment exhibitions, both across Australia and overseas, including the Down Under Live event in the UK. We also exhibited at various local education institutes, such as attending a career expo at a local TAFE to meet with apprentices and graduates.

Larger Apprentice Intake

Our commitment to the future of our industry was reflected in the engagement of apprentices, with a 12.5% increase in apprentice numbers compared to FY23. Civmec apprentices have the opportunity to work across a diverse range of specialist capabilities and sectors.

Improved Graduate Program

We intensified our Graduate Program throughout FY24, improving our external communication channels, visiting colleges and universities, and hosting tours at our office and production facilities. One such tour was held in March, where we welcomed members of the Curtin Civil Engineering Association (CCEA), with students shown around the Henderson facility and given detailed information on working with Civmec and the wide range of opportunities available. During the year, we also engaged with Curtin University students to showcase our OHS graduate career opportunities, which directly led to the recruitment of new graduates in the OHS department. In total this year, Civmec employed 30 graduates.

Reviewed Internal Processes

By investigating ways that we could be more efficient and lean in our operations, we are encouraging innovation and ensuring our support services teams are providing optimal assistance to our teams in operations.

Flexible Working Arrangements

We recognise that people increasingly want flexibility and genuine opportunities within the business to develop their careers. We have therefore become more receptive to accommodating different requests



throughout the recruitment process, such as incorporating hybrid working conditions into position offers.

Improved Parental Leave Scheme

Identifying an area that we could improve, we approved a revised parental leave scheme in FY24, increasing the amount of paid parental leave (PPL) available for primary caregivers to twelve weeks. Prior to this, caregivers were paid between four and ten weeks, based on a tiered return to work timeframe. We also substantially increased the amount of PPL for secondary carers.

We know it is not enough to simply attract talent. Retaining talent through development, rewards and career growth opportunities is equally important. Our team must be treated fairly, and diversity should be celebrated. Throughout the year, Civmec continued to devote time and effort to retaining our valuable employees.

Team Culture

During FY24, we maintained our focus on positive workplace culture, continuing to promote the mantra that we are all one team, blue collar and white collar together. Whichever role or position a person has at Civmec, each contributes to the success of the company. Reflecting this, we celebrate each year with an all-inclusive work Christmas function in each state, which welcomes employees from all areas of the business – operations, support and management – and their partners, to the same high-quality event.

Career Development

Civmec has an inhouse RTO and numerous career development programs that take place across the year. Examples of these include our leadership programs, apprenticeship and graduate programs, traineeships, and upskilling opportunities. Throughout FY24, we continued to provide training and professional development opportunities to our employees at all levels of the business. This included the identification of high potential individuals and succession planning, focussing on three main areas – executive management, key operational roles and diversity targets.

Performance Appraisals

As we approach the completion of each year, and in preparedness for the coming year, we conduct an annual Performance and Career Appraisal process. Through reviewing and goal setting, the

process identifies learning, development, and career opportunities, which are monitored and supported where possible throughout the year. Through this approach, many of our employees have pursued leadership and management qualifications.

Rewarding Loyalty

An increasing number of Civmec employees have been with us for at least ten years, and we choose to recognise and celebrate this relationship and reciprocal loyalty. This year, our annual ten-year tenure celebratory event was held in Fremantle, Western Australia. To date, Civmec has had 130 employees stay with the company for at least ten years, with 273 in total exceeding five years.

Celebrating Individual Success

This year, we were extremely proud to have two Civmec employees nominated in the 40 Under

40 awards, which recognises Western Australia's leading entrepreneurs, innovators and future leaders under the age of 40. We also commend the various employees who presented at events and forums, showcasing their expertise and knowledge. We were thrilled to have one of our female apprentices featured in Australian Mining magazine, where she discussed her journey with Civmec so far and encouraged other women who are considering a similar career to pursue those goals.

Employee Benefit Program

All Civmec employees have access to our benefits program, which encompasses a range of offers and discounts on health, travel, automotive, insurance, goods, and services. In addition, both full-time and part-time employees receive long service leave and paid parental leave, and both full-time and part-time staff are covered by personal accident and sickness insurance.





Training and Development

Civmec has invested significantly in our facilities and training programs, including our own registered training organisation (RTO code 52645), which is nationally accredited through the Australian Skills Quality Authority (ASQA). Our training programs are a fundamental component of our retention strategy, designed to equip our workforce with essential skills and drive a culture of continuous growth and personal development.

The RTO has the scope to deliver six qualifications: Certificate IV in Business, Certificate IV in Leadership and Management, Certificate IV in Work Health and Safety, and Certificate IV in Engineering, as well as Diplomas in Quality, and Leadership and Management. It also offers 44 units of competence, including High Risk Work Licenses for cranes, scaffolding, forklifts and elevated work platforms, units covering various mobile plant and equipment, Work Health and Safety, First Aid, low voltage rescue, driver training and emergency response.

During FY24, our primary areas of in-house training focussed on supporting the pre-mobilisation requirements of our projects. The top five courses and number of attendees included:

- Work Safely at Heights – 403
- Confined Space Entry – 323
- First Aid / CPR – 276
- Fire Attack – 190
- Light Vehicles – 135

Our successful Career Pathways Program continued, which offers our employees the opportunity to self-nominate for one of four of our qualifications. This year, 18 employees enrolled in the 18-month program. Our Leadership and Development Program was ongoing, aimed at developing leaders who have already made an impact at Civmec, and who will be further developed in an action-oriented, evidence-based course. Launched in 2019, our internal LEAD program tailored for frontline leaders also continued, which aims to upskill blue-collar workers to supervisor or leading hand positions. 64 leading hands and 25 supervisors completed this course in FY24.

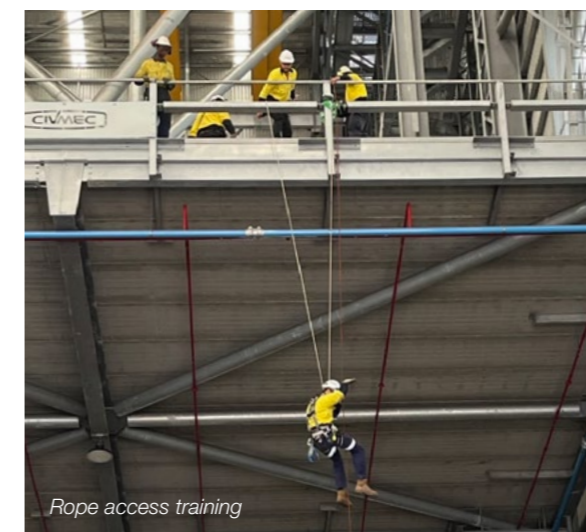
We also continued to develop our apprenticeship, traineeship and graduate programs, employing more than 100 apprentices and trainees across the financial year. Our Graduate Program now has a graduate engineering intake every January and June.

Since the initial program launch, we have had 27 Graduate Engineers join the program. There are currently 19 Graduate Engineers enrolled at various stages of progress. Graduates are rotated through several disciplines providing exposure to all areas of the business in a range of locations.

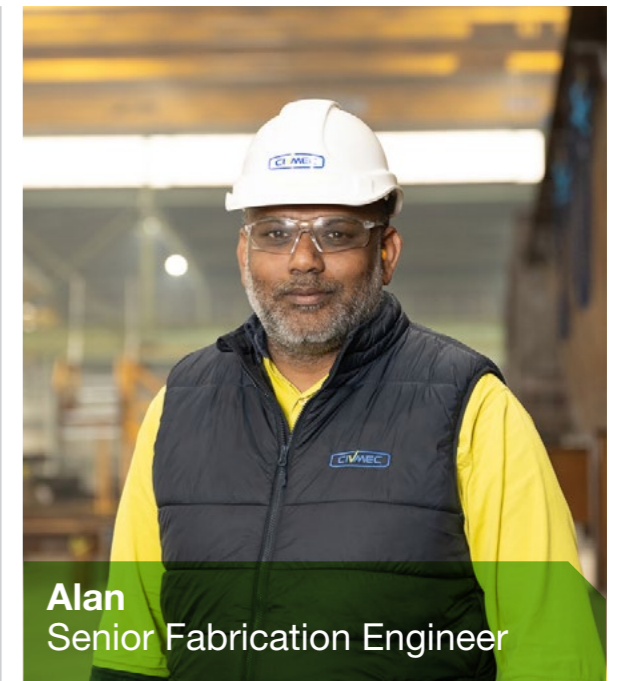
In the past five years, our Learning and Development team (which includes the RTO team) has quadrupled in numbers, as more employees seek training opportunities to progress their careers within the Civmec business. This year, the team participated in 16 career expos at various public and private secondary schools across the Perth metropolitan area. The team also represented Civmec at the Careers and Employment Expo in Brisbane and Perth, Newcastle Careers Link Expo, Newcastle University Engineering and Science Expo, the Gladstone Careers Expo and 10th Military, Families and Emergency Services Career Summit.

Tours of our Henderson facility were conducted as part of our stakeholder engagement to various organisations, including the Royal Australian Navy, South Metropolitan TAFE Engineering Students, Smith Family Institute – Reach Out Program participants, Cecil Andrews College, and Kelmscott Senior High School students.

Civmec's RTO has continued to provide coaching, mentoring and training to Canning Vale College's year 11 and 12 students studying Certificate III in Sports and Recreation and Certificate III in Community Services. 35 students enrolled in Civmec's First Aid Program, which was delivered free of charge by the teaching staff under supervision of Civmec trainers and assessors. The program commenced in 2022 and continues through to this day.



Rope access training



Alan
Senior Fabrication Engineer

I joined Civmec in 2016 as a Project Engineer, right when the East Coast facility was acquired. Over the past eight years, I've had the privilege of witnessing and contributing to the company's remarkable growth. This includes significant facility upgrades that have enhanced our capabilities and strengthened the Civmec identity.

What truly sets Civmec apart is its culture. It's a culture that embraces its people, celebrates successes, and makes coming to work every day a pleasure. This supportive environment has been a cornerstone of my positive experience here.

During my time here with Civmec, I can say we get more than promised and offered, from the employee benefits, the opportunity to learn and grow, and to be part of major iconic projects. My managers are very transparent and approachable.

Reflecting on my journey, I am proud to be part of Civmec. The company's commitment to valuing its employees and fostering a positive culture has enabled me to grow and feel passionate about my career. It's been an incredible eight years, and I eagerly look forward to the next eight!



Jelena
Cost Controller

I joined Civmec in 2011 as a Data Entry Clerk when the company was much smaller than it is today. There were only a few people in our team back then and nowhere near the amount of infrastructure around us.

Over the years it was exciting to not only see the company grow, but also to be a part of that growth.

In my career at Civmec, I have progressed from a Data Entry Clerk, to the Accounts team, then onto Project Accountant and now a Cost Controller in the construction division.

I have always felt supported in my career progression and have enjoyed learning new things along the way and working with a great team.

My favourite part about working here would have to be that no two days are the same and I am exposed to lots of different things daily.

I am looking forward to progressing further and seeing what other opportunities come my way.

Diversity and Equal Opportunity

Civmec promotes a fair, equal, and inclusive workplace where every person is welcome. We believe that people from all backgrounds and cultures – of varying ages, genders, and experience levels – will create value and innovation for the business when free to contribute their own unique ideas and perspectives.

During the year, our corporate office reached a 50:50 male-to-female ratio, meeting our FY24 target. Overall male-to-female ratio, including the traditionally male-dominated operational roles, was approximately 9:1. In efforts to increase female representation across all divisions, we continued with initiatives, such as targeted recruitment campaigns, reviewing occupations that can provide more flexible rosters, identifying new pathways for employment or to higher level qualifications, and increasing the number of flexible training programs through our RTO. Notably, our percentage of female graduates almost tripled to 20 per cent, compared to 7 per cent in FY23.

Understanding the value and skills that veterans can bring to the workplace, Civmec became an active supporter of Veterans' Employment in October 2023. Through this, we pledged to provide opportunities to veterans and seek to understand how veterans' skills and experience can translate into civilian skills and contribute to the business. We have also partnered with Working Spirit, who have a Veterans Transition Employment Portal, providing veteran jobseekers access to employment opportunities outside of the defence force. Our Learning and Development department provides tailored training, mentoring, and coaching to support veterans in their transition into the workforce, as well as ensures our HR policies equitably support the recruitment and retention of all employees, including veterans.

[Click here for Civmec Diversity and Equal Opportunity Policies](#)

Reconciliation

In September 2023, Civmec released our second Reconciliation Action Plan (RAP) – *Reflect*. The RAP outlines how we will work to bridge the gap towards reconciliation and contribute positively to the communities in which we operate. Activities undertaken during the RAP will include continually identifying and establishing new and enhancing existing relationships with Aboriginal and Torres Strait Islander community groups and Indigenous suppliers

and contractors; increasing employee awareness on Aboriginal history, culture and traditions; and investigating barriers for the inclusion of Aboriginal and Torres Strait Islanders in our recruitment and supply chain processes.

Recognising that our company can have influence and make a difference, we are determined to promote awareness and understanding, educate, and build

strong and respectful relationships. We will continue to strive to create opportunities for collaboration with Aboriginal and Torres Strait Islander owned businesses and nurture a workforce that is diverse, inclusive, and culturally proud.

[Click here for Civmec RAP](#)



NAIDOC week at Covalent Lithium site

Community

Civmec is proud to support a diverse range of community groups, with the aim of driving positive social change where it's needed most. Our commitment to the value, make a difference, means we pay particular attention to the disadvantaged and vulnerable, as well as the people and communities that represent Australia's future.

With the completion of our new Port Hedland facility this year, we have created additional employment and training benefits for the region. The purchase of local accommodation has also provided economic and social benefits through the flow-on effects of having residential workers, as well as fly in, fly out (FIFO) teams.



Homeless and Vulnerable

Civmec's long-standing commitment to the fight against homelessness continued. We supported the Vinnies CEO Sleepout for the sixth time, running a month-long national campaign to raise funds and awareness for homeless and vulnerable members of our community. At the conclusion of the campaign, we had raised more than A\$150,000 – enough to provide over 5,000 meals, 1,000 beds, and almost 500 individual support programs.



Throughout the year, we also donated money and volunteering to the St Patrick's Community Support Centre, a local not-for-profit organisation that provides accommodation, meals, and other services to vulnerable and homeless members of the community.

In December, Civmec's CEO and Executive Chairman visited Anglicare's youth homelessness facility in Perth city, witnessing the support, access and training being provided to homeless young people to help them thrive in the long-term. It was our pleasure to present Anglicare with funds to assist in these important efforts. We also ran a donation drive for Foodbank, collecting over 350 kilograms of food and other non-perishable items for people and families in need at Christmas.



First Nations

We are committed to working with Aboriginal groups and businesses to improve representation and ensure our work benefits local communities. During FY24, we more than tripled our previous year's spend with First Nations businesses to around A\$6 million. We now have 50 approved Indigenous suppliers and are committed to seeking mutually beneficial partnerships that increase employment, personal development, and entrepreneurship opportunities for Indigenous peoples.

In December we hosted representatives from Waalitj Foundation at our Henderson facility, presenting them with a donation in support of their vision to empower First Nations peoples through education, employment and business. We also attended a Waalitj Business Hub event in April, delivering a presentation about Civmec and discussing future collaboration possibilities.



During NAIDOC week, we facilitated a special event at the Covalent Lithium site, with 700 attendees enjoying an engaging presentation by Tony Shaw of Indigenous Services Australia, before a musical performance by the Yabu Band and team lunch. We also held celebrations at our other facilities, encouraging all our people to come together to learn, share and amplify the voices of First Nations Australia.



Community Support

We are also committed to supporting community groups and charity organisations. Some examples of this include holding a Jeans for Genes Day fundraiser, and assisting local clubs and individuals, such as the Spearwood Lions Futsal Club, whom we provided sponsorship of their 2023 International Club Championships.

In FY24, we were also the major sponsor of Band Together Against Cancer, a popular community fundraising event held in the Hunter Region, which raised raising funds for Camp Quality.



Health and Safety

SDGs MOST IMPACTED:



At Civmec, the health and safety of our entire workforce, and all those involved with our operations in any way, is of paramount importance to us. Consequently, we are committed to doing all we can to ensure these people return home safely at the end of every working day.

Our Health and Safety Management System (HSMS) is applied consistently across all areas of our business operations and applies to all workers. It operates as a model of continual improvement, ensuring that our HSMS stays current with regulatory changes, industry trends, advancements in technology, and emerging risks. It has been developed to suit varying work environments, project scopes, and client requirements, allowing the system to be easily applied to new areas of business growth.

Central to our HSMS is our Health and Safety Policy, and Never Assume charter, which reminds our people to never assume an action or work environment is safe. Every employee is empowered and obligated to stop work and address any perceived unsafe acts, conditions, or behaviours.

We have a set of Critical Safety Essentials, which outlines the behavioural expectations for all Civmec employees and contractors. These mandatory principles are communicated clearly and regularly to everyone who works for or represents Civmec.

Complementing this, at our Henderson facility, Civmec has an onsite fitness-for-work health centre and, as a registered training organisation, offers specialised training specific to our H&S systems.

[Click here for Civmec Health and Safety Policies and Never Assume Charter](#)

Certifications and Audits

Civmec's HSMS is certified to ISO 45001:2018 for occupational health and safety management systems. We also hold ISO 14001:2015 for environmental management systems certification and ISO 9001:2015 for quality management systems certification.

In May, our HSMS was externally audited. This external audit process consisted of site visits to our facilities in Henderson and Newcastle, along with various project sites. The most recent audit provided good assurance of the ongoing application of our HSMS with no non-conformances issued. A three-year re-certification audit will be undertaken in 2025.

Health and Safety Performance

Civmec recorded a 16% increase in the number of hours worked this year, driven by several large projects running concurrently, and we are pleased to report a 56% decrease in our lost time injury frequency rates (LTIFR) for the July to June period.

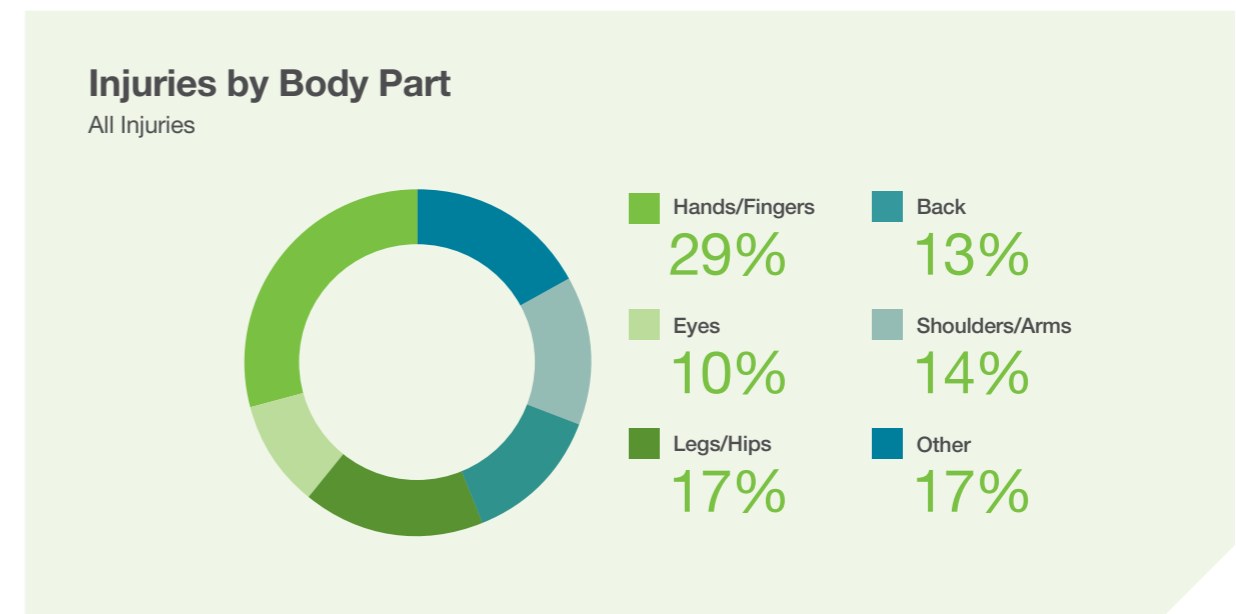
This year, we appointed an Injury Management and Health (IMH) Lead to oversee our health centre, injury management, workers' compensation and to drive proactive improvements in injury prevention. An important aspect of this new role has been to focus on early intervention strategies to facilitate the timely return of injured workers to their pre-injury roles. This initiative positively impacted workers' health and mental wellbeing, and subsequently lead to a reduction in the volume of claims and associated workers' compensation costs.

During the year, at our Henderson facility, we trialled a wearable technology system on a variety of employees as they undertook varying tasks, to retrieve data on the impact those tasks were having on the physical body. The gathering of this data allows us to consider how we can better carry out the tasks to ensure that negative impacts are reduced. Control measures, such as the utilisation of alternate mechanical equipment and improved task planning (to consider ergonomic set up and body positioning), are already being implemented based on the findings. The success of the trial has resulted in an allocation of additional funds and resources to expand the program beyond the workshops and out to other areas of our business, including many construction and maintenance sites, where different tasks and musculoskeletal risks will be assessed.

There was a strong focus on hand safety and reduction of hand injuries during the year. We held several hand injury prevention workshops with our key divisional leaders and workers to discuss and trial hands free tooling and engineering solutions. There were a number of changes to work processes, particularly within our facilities, but also across other areas of the business. The increased focus in this area contributed to a notable reduction in hand injuries recorded.

Civmec recorded zero fatalities, and zero fines or prosecutions for health and safety events in FY24.

[Click here for detailed H&S performance data](#)





Case Study Hands-free Approach

We use our hands for almost everything we do, so protecting hands from danger and ensuring they are not placed in the 'line of fire' is recognised as vitally important in our workplace.

In early 2024, Civmec introduced a new hands-free approach to the manual movement of steel at the Henderson facility. This included:

- push/pull sticks for handling crane loads;
- eyeletted taglines; and
- magnetic lifters for lifting, moving, and transporting plates, angles and pipes (weighing up to 20kg)

The tools introduced ensure that hands are outside of crush or pinch zones and allow a hands-free approach to manual movement of steel around our facilities.

The changes have been communicated through pre-start meetings, Hand Safety toolbox meetings and proactive safety shares. We have also updated risk assessment documents, while crane and lifting procedures have been updated to reflect the new requirements.

Since implementing these initiatives and, combined with our increased focus on hand injury prevention, there has been a notable reduction in hand injuries being recorded.

Health and Safety Initiatives

With our ongoing commitment to continual improvement, and the integration of health and safety into all workplace activities, this year Civmec introduced a range of proactive initiatives to prioritise H&S matters and ensure workforce health and wellbeing. Key initiatives this year included:

- introducing a new health and wellbeing program featuring proactive health screenings, including heart and diabetes risks, and assessments by a Registered Nurse covering vision, BMI, blood pressure, and blood sugar levels;
- rolling out our Helping Hands initiative which included hand injury prevention workshops, hands-free engineering solutions and revised training packages;
- conducting regular targeted safety campaigns focusing on areas of high occupational risks, such as musculoskeletal and hand injuries;
- providing ongoing employee access to the Henderson health centre for pre-employment medical assessments and ongoing health screening, such as hearing and spirometry;
- appointing an Injury Management and Health (IMH) Lead to oversee injury management and drive proactive improvements in injury prevention;
- partnering with a local pharmacy to provide free influenza vaccinations at our Henderson facility;
- successful trialling of wearable monitoring technology at our Henderson facility to allow a better understanding of the impacts of various work activities on the body, leading to its implementation across other operational areas;
- launching a 12-month physical movement program, Movewell 365, aimed at reducing musculoskeletal injuries; and
- reviewing crisis management and business continuity procedures, focusing on critical business activities and integrating updated procedures for cyber incident response and IT disaster recovery, ensuring business preparedness across a number of potential scenarios.



Civmec Health Centre



Mental Health and Wellbeing

At Civmec, we acknowledge that mental health and wellbeing is as imperative as physical health. We have comprehensive strategies and initiatives to support our employees, guided by our Mental Health Strategy 2021-2024. Highlights of our mental health programs and initiatives in FY24 included:

- launching a new Managing Psychosocial Hazards and Risk Factors procedure, with training provided to corporate and operational leaders and workers;
- continuation of the Civmec Employee Assistance Program (EAP), offering confidential counselling and support services to employees and their families;

- partnering with MATES in Construction to promote mental health tailored to the construction industry, including supporting their collaboration with the University of Western Australia on mental health surveys, studies and initiatives;
- ongoing Mental Health First Aid training across our business, equipping employees with the skills to recognise and respond to mental health challenges effectively;
- participating in R U OK? Day activities and driving the Blue Arm Band initiative, which promoted meaningful conversations and the wearing of a blue arm band to signify checking in with a colleague;

- introducing a support services card and personal safety guide during R U OK? Day with contact details for 11 support services, including Civmec EAP, Lifeline, and Beyond Blue;
- ongoing display of blue trees across our operations, which serve as visible symbols of our commitment to mental health awareness and encouraging open conversations;
- continuation of our Know the Line workplace behaviour program, maintaining our zero-tolerance approach to bullying, discrimination, and harassment, and reinforcing respectful workplace behaviours;
- continuation of our Buddy program, which supports new starters by pairing them with experienced colleagues to facilitate integration and provide support;
- continuation of our successful Employee Benefits program, which includes health insurance discounts, travel discounts, and financial advisory services, contributing to the overall wellbeing of our workforce; and
- provision of onsite health and wellbeing services, which feature onsite medical facilities, active lifestyle programs, and injury management services to support physical and mental health.

Civmec has an ongoing commitment to sustaining mentally healthy workplace environments. Our continuous efforts through ongoing education, proactive initiatives, and comprehensive support systems demonstrates our commitment to our people. We believe a physically and mentally healthy worker is a happier person and, in turn, will likely be a more efficient employee and have greater job satisfaction.

Future

Looking ahead, Civmec remains committed to enhancing the health and safety of our workforce through strategic initiatives and innovative solutions. We plan to achieve full implementation of the Movewell 365 program, incorporating the use of the aforementioned wearable technology to further assist in the implementation of best practice work methodologies to support in the reduction of musculoskeletal injuries across our operations.

In response to the historically higher incident and injury rates during the months of July and August, we will deploy a new initiative to reinforce our safety protocols. Additionally, we will integrate hands-free engineering solutions into our standard operating processes to minimise hand injuries.

Our experienced Registered Nurses will continue to spearhead proactive health and wellness initiatives in our health centre, promoting an environment of improved overall health and wellbeing for all employees.



ESG Performance Data

Performance Metric	Unit	FY23	FY24 Target	FY24	Result	FY25 Target
Environmental						
Environmental Performance						
Significant environmental incidents (> Level 4)		0	0	0	✓	0
Prosecutions and infringement notices		0	0	0	✓	0
Recycling participation rate ¹		76%	>75%	74%	✗	>75%
Energy and Emissions						
Absolute Energy ²	TJ	50		51	2% increase	<52
Absolute Energy Intensity ²	TJ/A\$m	0.059		0.049	23% decrease	<0.045
Absolute Scope 1 GHG Emissions	tCO2e	992		1,301	31% increase	<1,301
Absolute Scope 2 GHG Emissions	tCO2e	5,520		5,759	4.3% increase	<5,500
Absolute Emissions Intensity	tCO2e/A\$m	7.80		6.79	13% decrease	<6.45
Materials						
Materials Recovery Rate ³		85%	87%	90%	✓	>85%
Water Consumption						
Henderson and Newcastle	kL	15,831		26,104		
Social						
Health and Safety Performance						
LTIFR ⁴	per million hours worked	0.36	<0.5	0.16	✓	<0.35
AIFR ⁵	per million hours worked	50.24	<45.00	50.85	✗	<45.00
Fatalities		0	0	0	✓	0
Fines and prosecutions		0	0	0	✓	0
Severity rate	lost days per million hours worked	15.42		2.04		

Employment	
Total employees (direct) ⁶	2,934
Total permanent employees ⁶	2,198
Total temporary (labour hire and contractor) employees ⁶	819
Total non-guaranteed hours (casual) employees ⁶	620
Total full-time employees ⁶	Included within permanent employee count
Total part-time employees ⁶	Included within permanent employee count
Total apprentices (including trainees) ⁶	116
Total graduates ⁵	30

Performance Metric	Unit	FY23	FY24 Target	FY24	Result	FY25 Target
Diversity and Equal Opportunity						
Women employed ⁶	as total % of office-based employees	49.57%	Sustain FY23 result ⁸	50.89%	✓	Sustain FY24 result ⁸ (50%)
Women employed ⁶	as total % of all employees	9.38%	Sustain FY23 result ⁸	10.35%	✓	Sustain FY24 result ⁸ (10%)
Women in management roles ⁶	as total % of head office-based management employees	11.11%	Sustain FY23 result ⁸	7.14%	✗	Sustain FY24 result ⁸ (7.14%)
Aboriginal and Torres Strait Islander representation ^{6, 9}	as total % of blue-collar employees	0.94%	Sustain FY23 result ⁸	1.00%	✓	Sustain FY24 result ⁸ (1%)
Aboriginal and Torres Strait Islander representation ^{6, 9}	as total % of all employees	.82%	Sustain FY23 result ⁸	0.83%	✓	Sustain FY24 result ⁸ (0.83%)
Veterans employed		-	-	10	N/A (new metric added in FY24)	Minimum of 10 per annum
Apprentices employed ⁷		96	Sustain FY23 result ⁸	108	✓	Sustain monthly average of 100
Total employees by age	Under 30 years	30 to 50 years		Over 50 years		Total
	20%	55%	25%	100%		
Total employees by gender	Male	Female		Other/not disclosed		Total
	90%	10%	-	100%		
Total apprentices and trainees by gender	Male	Female		Other/not disclosed		Total
	110	6	-	116		
Total graduates by gender	Male	Female		Other/not disclosed		Total
	24	6	-	30		
White collar	Under 30 years	30 to 50 years		Over 50 years		
<i>Chief Executive Officer and Board</i>						
Male				100%		
Female						
<i>Key Management Personnel/General Managers/Group Managers</i>						
Male		64%		27%		
Female		9%				
<i>Managers</i>						
Male	1%	58%		33%		
Female	1%	5%		2%		
<i>Professionals</i>						
Male	16%	49%		16%		
Female	3%	12%		4%		

Performance Metric	Unit	FY23	FY24 Target	FY24	Result	FY25 Target
Clerical and Administrative						
Male	7%	16%		6%		
Female	24%	26%		21%		
Blue collar ¹⁰	Under 30 years	30 to 50 years		Over 50 years		
Technicians and Trades						
Male	13%	56%		28%		
Female		2%		1%		
Machinery Operators and Drivers						
Male	8%	46%		39%		
Female	3%	4%				
Trade Support						
Male	24%	45%		19%		
Female	5%	6%		1%		
Governance						
Anti-corruption						
Confirmed incidents of corruption				0		
Confirmed incidents that led to non-renewal or termination of contract with a business partner violating corruption				0		
Public legal cases regarding corruption brought against the organisation or Civec employees.				0		
Anti-competitive Behaviour						
Legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation				0		
Board Composition						
Total Board members	6				6	
Board members by gender	Male	Female		Male	Female	
	6	0		6	0	
Board members by age	Under 30	30 to 50 years	50+ years	Under 30	30 to 50 years	50+ years
	0	0	6	0	0	6
Modern Slavery						
Incidents of child labour or forced or compulsory labour identified through internal audit program				0		

- Notes:
- (1) Rate derived from total amount of materials recycled compared to total amount of waste generated, and measured at manufacturing facilities only
 - (2) Due to the changes in emissions calculations, energy has also been re-calculated. FY23 energy has been back-calculated using the new calculations
 - (3) Materials recovery rate: total waste, measured by weight, which has been diverted from landfill as a percentage of total waste generated
 - (4) LTIFR: Lost Time Incident Frequency Rate
 - (5) AIFR: All Injury Frequency Rate
 - (6) Highest figure month
 - (7) Monthly average
 - (8) Strategy is to maintain current levels, at minimum
 - (9) Estimated figure – identifying as Aboriginal and/or Torres Strait Islander is not a mandatory question during the employment onboarding process
 - (10) Apprentices are not included in blue collar age statistics



Western Range Project



4.0

Financial Report

4.1 Directors' Statement	88
4.2 Report on Corporate Governance	92
4.3 Independent Auditor's Report	119
4.4 Consolidated Income Statement	128
4.5 Consolidated Statement of Comprehensive Income	129
4.6 Statement of Financial Position	130
4.7 Consolidated Statement of Changes in Equity	131
4.8 Consolidated Statement of Cash Flows	132
4.9 Notes to the Financial Statements	134

Directors' Statement

30 June 2024

The Directors present their report to the members together with the audited consolidated financial statements of Civmec Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the financial year ended 30 June 2024 and the statement of financial position of the Company as at 30 June 2024.

In the opinion of the Directors:

- (a) the statement of financial position of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 30 June 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. Directors

The Directors of the Company in office at the date of this report are as follows:

Mr. James Finbarr Fitzgerald	<i>Executive Chairman</i>
Mr. Patrick John Tallon	<i>Chief Executive Officer</i>
Mr. Kevin James Deery	<i>Chief Operating Officer / Acting Chief Financial Officer</i>
Mr. Chong Teck Sin	<i>Lead Independent Director</i>
Mr. Wong Fook Choy Sunny	<i>Independent Director</i>
Mr. Douglas Owen Chester	<i>Independent Director</i>

2. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as disclosed under "Performance Rights Plan" in this report.

3. Directors' interest

The interests of the directors holding office at the end of the financial year in the share capital of the Company and related corporations as recorded in the register of directors' shareholdings were as follows:

	Holdings registered in the name of directors		Holdings in which a director is deemed to have an interest	
	As at 1 July 2023	As at 30 June 2024	As at 1 July 2023	As at 30 June 2024
The Company	No. of Ordinary Shares			
Mr. James Finbarr Fitzgerald	-	-	97,720,806	97,720,806
Mr. Patrick John Tallon	54,000	54,000	97,566,806	97,566,806
Mr. Kevin James Deery	823,000	1,418,000	8,775,250	8,775,250
Mr. Douglas Owen Chester	-	-	70,000	70,000

There was no change in any of the above-mentioned interests between the end of the financial year and report date.

Except as disclosed in this report, no Director who held office at the end of the financial year had interest in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment, if later or at the end of the financial year.

4. Performance rights plan

Civmec Limited Performance Rights Plan

The Civmec Limited Performance Rights Plan (the "CPRP") for key senior executives of the Group was approved and adopted by shareholders at the Annual General Meeting ("AGM") held on 25 October 2019.

The Remuneration Committee (the "RC") administering the Scheme comprises Directors, Mr. Wong Fook Choy Sunny (Chairman of the Committee), Mr. Chong Teck Sin and Mr. Douglas Owen Chester.

Performance rights are a right to one issued ordinary share of the Company granted under the CPRP.

The CPRP is designed to reinforce the vital equity culture at the top management level and to further align the interests of the Company's top management with those of Shareholders.

Principal terms of the Scheme

(i) Participants

Under the rules of the Scheme, Key Senior Executives who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time, shall be eligible to participate in the Plan at the absolute discretion of the Committee. It also serves as an incentive for the recruitment and retention of talented senior executives.

Persons who are Controlling Shareholders and their Associates shall be eligible to participate in the CPRP if:

- (a) their participation in the Civmec Performance Rights Plan; and
- (b) the actual number and terms of the Performance Rights to be granted to them have been approved by independent Shareholders of the Company in separate resolutions for each such person.

(ii) Size of the Scheme

The aggregate number of Ordinary Shares which may be delivered pursuant to CPRP granted under the Plan on any date, when added to (i) the total number of Shares issued or issuable in respect of Performance Rights granted under the Plan, and (ii) any other share schemes adopted by the Company, shall not exceed 15% of the total number of issued Shares on the day immediately preceding the relevant Date of the Award (or such other limit as the SGX-ST may determine from time to time).

(iii) Grant of Awards

The grant of awards may be made on an annual basis following the Company's AGM, or at any time, from time to time at the discretion of the Committee.

When considering the value of the award to be provided, the Committee primarily considers the number of Award shares and the performance condition within the performance period.

(iv) Lapse of Awards

Special provisions in the rules of the Plan deal with the lapse of Awards in circumstances which include the termination of the participant's employment in the Company, the bankruptcy of the participant, the retirement of the participant, a misconduct of the participant, a take-over of the Company and the winding-up of the Company.

(v) Vesting of Performance Rights

A Performance Right refers to a right to one issued ordinary share of the Company granted under the scheme for no consideration. The Performance Rights are subject to the following vesting criteria:

1. Satisfaction of gateway hurdles
2. Achievement of company performance measures

4. Performance rights plan (continued)

Civmec Limited Performance Rights Plan (continued)

Gateway Hurdles

The following two gateway hurdles need to be satisfied for any vesting, regardless of achievement of company performance measures.

- personal performance reviews have been received over the performance period at a satisfactory level (as determined by the Committee); and
- the participant remains employed with Civmec

Company Performance Measures

To the extent the gateway hurdles are satisfied, 100% of the vesting will be based on the absolute earnings per share (aEPS) outcome. aEPS is based on the achievement of certain predetermined performance targets determined by the Committee. The vesting schedule is as follows:

Long term incentive (LTI) proportion vesting	aEPS (100%)
50%	Target =90% of three-year average annual result
Pro-rata between 50% and 100%	Outcome achieved between target and stretch
100%	Stretch >110% of three-year average annual result

The Committee has the discretion to determine whether the performance targets have been met.

(vi) Release of Awards

After the end of each performance period, the RC will review the performance targets specified in respect of the Award and if they have been satisfied, will release Awards to Participants.

(vii) Duration of the Plan

The Plan shall continue in operation for a maximum duration of ten years and may be continued for any further period thereafter with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

Awards granted under the Scheme

The following rights have been granted but remain unvested at 30 June 2024:

Year of Award	No. of rights granted	No. of unvested rights
FY 2021/22	1,773,000	1,338,000
FY 2022/23	2,134,000	2,134,000
FY 2023/24	1,817,000	1,817,000

FY2022 Performance rights grant
Rights will vest as follows:

- Tranche 5: 3 year performance period (1 July 2021 to 30 June 2024)

FY2023 Performance rights grant
Rights will vest as follows:

- Tranche 6: 3 year performance period (1 July 2022 to 30 June 2025)

FY2024 Performance rights grant
Rights will vest as follows:

- Tranche 7: 3 year performance period (1 July 2023 to 30 June 2026)

4. Performance rights plan (continued)

Civmec Limited Performance Rights Plan (continued)

The number of performance rights in the Company held during the financial year by each director and key management personnel ('KMP') of the consolidated entity, is set out below:

	Balance at appointment date or 1 July 2023	Granted	Vested	Expired / Other	Balance 30 June 2024
Directors					
James Fitzgerald	714,000	-	-	(714,000)	-
Patrick Tallon	714,000	-	-	(714,000)	-
Kevin Deery	1,346,000	306,000	(595,000)	-	1,057,000
Key Management Personnel					
Charles Sweeney	674,000	153,000	(298,000)	-	529,000
Adam Goldsmith	674,000	153,000	(298,000)	-	529,000
David Power	674,000	153,000	(298,000)	-	529,000
Mylon Manusiu	674,000	153,000	(298,000)	-	529,000
Peter Ricciardello	303,000	153,000	(60,000)	-	396,000

5. Audit committee

The members of the Audit Committee ("AC") at the end of the financial year are as follows:

Mr. Chong Teck Sin	<i>Chairman</i>
Mr. Wong Fook Choy Sunny	<i>Member</i>
Mr. Douglas Owen Chester	<i>Member</i>

All members of the Audit Committee are Non-Executive Directors. The AC performs the functions specified by the Listing Manual of the Singapore Exchange Securities Trading Limited ('SGX-ST'), the Listing Rules of the Australian Securities Exchange ('ASX'), the Code of Corporate Governance and Section 201B(5) of the Singapore Companies Act 1967.

The nature and extent of the functions performed by the Audit Committee are detailed in the Report on Corporate Governance set out in the Annual Report of the Company.

6. Independent auditor

The independent auditor, Moore Stephens LLP & Moore Australia Audit (WA), Public Accountants and Chartered Accountants, have expressed their willingness to accept appointment as joint auditors for the Group. The change to joint auditors is the result of the Group's change of domicile to Australia via a scheme of arrangement.

On behalf of the Board of Directors

James Finbarr Fitzgerald
Executive Chairman
Civmec Limited
29 August 2024

Patrick John Tallon
Chief Executive Officer
Civmec Limited
29 August 2024

Report on Corporate Governance

30 June 2024

Introduction

The Board of Directors (the 'Board') and the senior management of Civmec Limited ('Civmec' or the 'Company') together with its subsidiaries (the 'Group'), recognise the importance of good corporate governance in ensuring greater transparency and protecting the interests of shareholders, as well as strengthening investors' confidence in its management and financial reporting and are, accordingly, committed to maintaining a high standard of corporate governance throughout the Group.

This corporate governance report ('Report') describes the Company's corporate governance framework and practices that were in place during the financial year ended 30 June 2024 (FY2024) with specific reference to the Principles and Provisions of the Singapore Code of Corporate Governance 2018 (the 'Code') and the 4th edition of the Australian Securities Exchange ('ASX') Corporate Governance Principles and Recommendations ('ASX Principles and Recommendations'), which is also available on the Company's corporate website.

In line with the commitment of the Company to maintaining high standards of corporate governance, the Company continually reviews its corporate governance processes to strive to comply with the Code. To the extent the Company's practices may vary from the provisions of the Code for FY2024, the Company has explained how its practices are consistent with the intent of the relevant principles of the Code.

The Board is pleased to report compliance of the Company with the Code, the Listing Manual of the Singapore Exchange Securities Limited (the 'SGX-ST'), and the Listing Rules of the ASX, where applicable, except where otherwise stated.

Board Matters

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Apart from its statutory duties and responsibilities, the Board's functions include:

- overseeing the management and affairs of the Group and approving the Group's corporate strategy and directions;
- implementing policies in relation to financial matters, which include risk management and internal control and compliance;
- reviewing the financial performance of the Group, approving investment proposals and setting values and standards, including ethical standards for the Company and the Group;
- ensuring that the Group has in place an appropriate risk management framework and setting the risk appetite within which the Board expects senior management to operate;
- approving the appointment, and when necessary replacement, of the senior management personnel; and
- developing and reviewing corporate governance principles and policies.

All Directors are aware of their fiduciary duties and exercise due diligence and independent judgement in ensuring that their decisions are objective and in the best interests of the Company. Directors who face conflicts of interest disclose their interests and voluntarily recuse themselves from discussions and decisions involving the issues of conflict.

Board Matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.2 Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.

The Company encourages the Directors to learn and develop their directorship skills. The Directors may attend training, conferences and seminars which may have a bearing on their duties and contribution to the Board, organised by professional bodies, regulatory institutions and corporations at the Company's expense, to keep themselves updated on the latest developments concerning the Group and to keep abreast of the latest regulatory changes.

Each quarter, the Board was briefed and/or updated on recent changes to the accounting standards and industry developments and business initiatives.

All the Board members are actively engaged and play an important role in ensuring good corporate governance within the Company. Visits to the Company's business premises are arranged to acquaint the Non-Executive Directors with the Company's operations and ensure that all the Directors are familiar with the Company's business, policies and governance practices.

Prior to their respective appointments to the Board, each Director was given an orientation and induction programme to familiarise themselves with the Company's business activities, strategic directions, policies and key new projects and have undertaken all appropriate checks (including the person's character, experience, education, criminal record and bankruptcy history). In addition, newly appointed senior management personnel are subject to the same orientation and induction programme including performing appropriate checks in accordance with the Company's onboarding policies and procedures before the personnel are introduced to the senior management team. Upon appointment of each Director and key management personnel, (senior executive), the Company provides a Services Agreement to the Director and key management personnel (senior executive) setting out their duties and obligations.

Provision 1.3 The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.

The Board has delegated the day-to-day management of the Group to the senior management, headed by the Executive Chairman, Mr. James Finbarr Fitzgerald, the Chief Executive Officer, Mr. Patrick John Tallon and the Chief Operating Officer/Acting Chief Financial Officer, Mr. Kevin James Deery. The Board has reviewed and adopted the delegation of authority ('DOA') during FY2024 regarding the signing authority and limits. The DOA sets out the authorisation levels required for specific transactions, including those requiring Board approval.

Matters that are specifically reserved for the approval of the Board include, among others:

- reviewing the adequacy and integrity of the Group's internal controls, risk management systems, compliance and financial reporting systems;
- approving the annual budgets and business plans;
- approving major investment or expenditure;
- approving material acquisitions and disposal of assets;
- approving the Company's periodic and full-year results announcements for release to the SGX-ST and ASX;
- approving the annual report and audited financial statements;
- monitoring senior management's performance;
- recommending share issuance, dividend payments and other returns to shareholders;
- ensuring accurate, adequate and timely reporting to, and communication with shareholders; and
- assuming responsibility for corporate governance.

Board Matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.4 Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.

To assist in the execution of its responsibilities, the Board has established several Board Committees namely; Audit Committee ('AC'), Nominating Committee ('NC'), Remuneration Committee ('RC') and Risks and Conflicts Committee ('RCC'). These committees' function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis. The effectiveness of these committees is also regularly monitored and reviewed by the Board. The roles and responsibilities of these committees are described in the following sections of this report.

Provision 1.5 Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

The Board meets on a regular basis and when necessary, to address any specific significant matters that may arise. Board meetings are scheduled in advance. The Constitution of the Company provides for Directors to conduct meetings by teleconferencing or videoconferencing or other similar means of communication whereby all persons participating in the meeting are able to hear each other. The Board and Board Committees may also make decisions by way of circulating resolutions.

The number of Board and Board Committee meetings held and attended by each Board member during the financial year ended 30 June 2024 is set out below:

	Board Committees				
	Board	Audit Committee	Remuneration Committee	Nominating Committee	Risks and Conflicts Committee
No. of Meetings Held	4	4	2	2	4
No. of Meeting Attended					
James Finbarr Fitzgerald	4	4*	2*	2*	4*
Patrick John Tallon	4	4*	2*	2*	4*
Kevin James Deery	4	4*	2*	2*	4*
Chong Teck Sin	4	4	2	2	4
Wong Fook Choy Sunny	4	4	2	2	4
Douglas Owen Chester	4	4	2	2	4

*By invitation

Provision 1.6 Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

The Board is informed of all material events and transactions as and when they occur. The senior management consults Board members as necessary and appropriate. Detailed Board papers, agenda and related material, background or explanatory information relating to matters to be discussed are sent out to the Directors, at least a week prior to each meeting, so all Directors may better understand the issues beforehand, allowing more time for discussions and deliberations.

Directors are provided with a copy of documents containing a wide range of relevant information, including but not limited to quarterly and annual financial results, progress reports of the Group's operations, corporate and business developments, management information, sector performance, budgets, forecast, capital expenditure and personnel statistics, reports from both external and internal auditors, significant project updates, business strategies, risk analysis and assessments and relevant regulatory updates.

Board Matters (continued)

The Board's Conduct of Affairs (continued)

Principle 1 (continued)

Provision 1.6 (continued)

The senior management's proposals to the Board for approval include background and explanatory information such as, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings. To keep Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an ongoing basis.

The Company Secretaries administer and are available to attend Board meetings and assist the Chairman in implementing appropriate Board procedures to facilitate compliance with the Company's Constitution. The Company Secretaries also ensure that the requirements of the Companies Act (Chapter 50), SGX-ST Listing Manual, ASX Listing Rules and other governance matters applicable to the Company are complied with. The Company Secretaries work together with the Company to ensure compliance with all relevant rules and regulations.

All Directors are updated regularly on changes to the Company's policies and are kept updated on relevant new laws and regulations including Directors' duties and responsibilities, corporate governance and financial reporting standards. Newly appointed Directors are given briefings by the Management on the business activities of the Group.

Provision 1.7 Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.

The Board has separate and independent access to the senior management of the Company and the Company Secretaries at all times. Requests for information are dealt with promptly by senior management.

The Company Secretaries are appointed by the Board and are accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The removal of the Company Secretaries are subject to the approval of the Board. The Company Secretaries work closely with the Chairman to manage the flow of information between the Board, its committees and senior management across the Company.

The Board in fulfilling its responsibilities can, as a collective body or individually as Board members, when deemed fit, direct the Company and at the Company's expense, appoint independent professionals to render advice.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 An 'independent' director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence. Each independent director is required to declare their independence by duly completing and submitting a 'Confirmation of Independence' form. The declaration requires each Director to assess whether they consider themselves independent and not having any form of relationships identified in the Code. Each Director is required to declare any circumstances in which they may be considered non-independent. The NC reviews the Confirmation of Independence to determine whether a Director is independent. The NC also considers the actions and conduct of the independent directors, including in formal Board meetings, to assess their independence.

Board Matters (continued)

Board Composition and Guidance (continued)

Principle 2 (continued)

Provision 2.1 (continued)

As at FY2024, Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester have served on the Board for more than 9 years from the date of their first appointment. Based on Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester ('Independent Directors') declaration, the Independent Directors do not have relationships or circumstances that are likely to affect or that could affect their judgement which could compromise their independence on board matters.

In line with the SGX-ST Listing Rule 210(5)(d)(iii) which was in effect at the time of the AGM, the continued appointment of an Independent Director who has served the Board for an aggregate of more than 9 years was subject to the approval of (a) all shareholders and (b) shareholders, excluding shareholders who are directors and Chief Executive Officer of the Company ('Two-Tier Voting').

In this respect, the approval of the shareholders was obtained through a Two-Tier Voting at the AGM on 28 Oct 2022 for Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester to continue in office as a Independent Non-Executive Director of the Company, notwithstanding that they have served as an Independent Non-Executive Director of the Company for an aggregate term of more than nine years.

The new SGX-ST Listing Rule 210(5)(d)(iv) and the Transitional Practice Note 4 of the SGX Listing Manual states that a Director will not be independent if they have been a director of the issuer for an aggregate period of more than 9 years. Rule 210(5)(d)(iv) takes effect from an issuer's AGM for the financial year ending on or after 31 December 2023, which is anticipated to occur in October 2024. As such, during the transitional period, Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester can continue in office as Independent Non-Executive Directors of the Company.

The Independent Directors have, over time, not only gained valuable insight into the Group, its business, markets and industry but have brought the breadth and depth of their business experience to the Company. Their length of service has not in any way interfered with their exercise of independent judgment nor hindered their ability to act in the best interests of the Company. The Board has concluded that Independent Directors continue to remain objective and independent-minded in Board determinations.

Taking into account the above after due consideration and careful assessment, and also having weighed the need for Board refreshment against tenure for relative benefit, the NC and the Board are of the view that the Independent Directors continue to be considered an Independent Director notwithstanding that they have served on the Board beyond 9 years.

Provision 2.2 Independent directors make up a majority of the Board where the Chairman is not independent

As at the date of this Report, the Board comprises six (6) Directors, three (3) of whom are Executive Directors and the remaining three (3) Directors being Independent Directors who make up half of the Board. Accordingly no individual, or group of individuals, dominates the Board's decision-making as half of the Board consist of Independent Directors.

The majority of the Company's Board are not Independent Directors, including the Chairman. The Board's current composition offers a good balance of diversity and professional background of Directors. It brings a range of longer-term benefits to the Company in contrast to having a majority percentage of Independent Directors serving on the Board.

Collectively, the Executive Directors and Independent Directors bring a wide range of experience and expertise as they all currently occupy or have occupied senior positions in industry and/or government, and as such, each contributes significantly to Board decisions.

To strengthen the independence of the Board, the Company has appointed a Lead Independent Director, Mr. Chong Teck Sin, to co-ordinate and lead the Independent Directors, providing non-executive perspectives and a balanced viewpoint.

The Lead Independent Director will represent the Independent Directors in responding to shareholders' questions and comments that are directed to the Independent Directors as a group.

Board Matters (continued)

Board Composition and Guidance (continued)

Principle 2 (continued)

Provision 2.3 Non-executive directors make up a majority of the Board

As at the date of this Report, the Board comprises six (6) Directors, three (3) of whom are Executive Directors and the remaining three (3) Directors being Independent Directors who make up half of the Board.

Whilst Non-Executive Directors do not make up a majority of the Board, the Board considers the management and oversight function with Executive Directors heavily involved in management activities while Non-Executive Directors exercise an oversight role which brings a range of longer term benefits to the Company. Diversity of thought and professional background of Directors allow decisions to be made in the best interest of the Company.

The Non-Executive Directors provide constructive review and assist the Board to facilitate and develop proposals on strategy and monitor the performance of senior management in meeting agreed objectives. The Non-Executive Directors have full access to and co-operation from the Company's senior management and officers. They have full discretion to have separate meetings without the presence of senior management and to invite any Director or officer to the meetings as and when warranted.

Provision 2.4 The Board and board committees are of an appropriate size and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report

The Board, in concurrence with the NC, is of the view that the current Board and the Board Committees comprise an appropriate balance and diversity of skills, experience and knowledge of the Company, which provides broad diversity of expertise such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge who, as a group, provide core competencies necessary to meet the Company's requirements. Further details on the key information and the profile of the Directors including their academic and professional qualifications, and other directorships in other listed companies are set out on related pages of this annual report.

The current Board composition provides a diversity of skill, experience, and knowledge to the Company as follows:

Core Competencies	Balance and Diversity of the Board	
	Number of Directors	Proportion of Board
Business management	6	100%
Accounting or finance	6	100%
Legal or corporate governance	6	100%
Strategic planning experience	6	100%
Relevant industry knowledge or experience	4	67%
Gender:		
Male	6	100%
Female	0	0

Board Matters (continued)

Board Composition and Guidance (continued)

Principle 2 (continued)

Provision 2.4 (continued)

The composition and renewal of the Board, including the need for progressive refreshing of the Board, is reviewed on an annual basis by the NC to ensure that the Board has the appropriate balance and mix of skills, knowledge, expertise, experience and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate and possesses the necessary competencies for effective decision making. The Company's Annual Sustainability Report clearly articulates its strategy, targets, performance, and future focus in relation to diversity of the Company as a whole. If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director, the NC, in consultation with the Board, will consider the range of diversity perspectives, including, but not limited to, those described in the Company's Diversity Policy and select the appropriate candidate for the position. The selection of the Directors will be based on merit and potential contribution to the Board, and candidates will be considered against objective criteria that complements and expands the skills and experience of the Board as a whole, and having given due regard to the overall balance and effectiveness of a diverse Board. The main objective is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the attainment of the Company's strategic objectives and its sustainable development. The NC has not set a specific target for board diversity as it may detract from the more fundamental principle that the candidate must be of the right fit and meet the relevant needs and vision of the Company.

Provision 2.5 Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

To strengthen the independence of the Board, the Company has appointed a Lead Independent Director, Mr. Chong Teck Sin, to co-ordinate and lead the Independent Directors, providing a non-executive perspective and balanced viewpoint.

The Independent Directors communicate regularly without the presence of the other Executive Directors and senior management, to discuss matters such as succession and leadership development planning, board processes and corporate governance matters. Feedback on the outcomes of these discussions is provided to the Executive Chairman.

To facilitate an effective review of the senior management, the Non-Executive Directors meet as and when necessary at least once a year with Auditors without the presence of the senior management.

The Board and senior management fully appreciate that the fundamentals of good corporate governance comprise of an effective and robust Board whose members engage in open and constructive debate and challenge senior management on its assumptions and proposals.

Board Matters (continued)

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 The Chairman and the Chief Executive Officer ('CEO') are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

Mr. James Finbarr Fitzgerald is the Executive Chairman of the Company, while Mr. Patrick John Tallon is an Executive Director and Chief Executive Officer ('CEO').

The Executive Chairman and the Chief Executive Officer are not related.

Provision 3.2 The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO

Whilst the Board does not have an independent Chairman, the roles of the Executive Chairman and that of the CEO are clearly delineated. The Board believes that while the Chairman is not independent, the current composition of the Board with its combined skills and capability, and its mix of experience, best serve the interests of shareholders.

The two roles are separated whereby the Executive Chairman bears responsibility for providing guidance on the corporate direction of the Group and leadership to the Board, and the CEO has executive responsibility for the Company's day-to-day business.

Provision 3.3 The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

The Company has appointed a Lead Independent Director, Mr. Chong Teck Sin. As well as representing the views of the Independent Directors, he is also available to shareholders and to facilitate a two-way flow of information between shareholders, the Executive Chairman and the Board. In addition, all the Board Committees are led and solely comprise of Independent Directors.

Board Matters (continued)

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 The Board establishes a Nominating Committee ('NC') to make recommendations to the Board on relevant matters relating to:

- (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;*
- (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;*
- (c) the review of training and professional development programmes for the Board and its directors; and*
- (d) the appointment and re-appointment of directors (including alternate directors, if any).*

The Company had established an NC to make recommendations to the Board on all board appointments.

The formal terms of reference of the NC are to:

- nominate senior management personnel, Directors (including Independent Directors) taking into consideration their competencies, contribution, performance and ability to commit sufficient time and attention to the affairs of the Group and considering their respective commitments outside the Group;
- review and recommend to the Board the composition of the Audit Committee, Remuneration Committee and Risks and Conflicts Committee;
- re-nominate Directors for re-election in accordance with the Constitution at each AGM and having regard to the Director's contribution and performance;
- determine annually whether or not a Director of the Company is independent;
- decide whether or not a Director is able to and has been adequately carrying out their duties as a Director;
- assess the performance of the Board annually as a whole and the individual contribution of each Director and senior management personnel to the effectiveness of the Board;
- review and recommend succession plans for Directors and senior management, in particular the Executive Chairman and the CEO; and
- review and recommend training and professional development programmes for the Board and senior management personnel.

The Company does not have a practice of appointing alternate Directors.

Board Matters (continued)

Board Membership (continued)

Principle 4 (continued)

Provision 4.1 (continued)

During the reporting period of the year, the NC has:

- reviewed the structure, size and composition of the Board and Board Committees;
- reviewed the independence of Directors;
- reviewed and undertaken the process for evaluating the Board, individual Directors, and senior management personnel performance;
- reviewed results of performance evaluation and provided feedback to the Chairman and Board Committees;
- reviewed the need for progressive refreshing of the Board and provided feedback to the Chairman and Board Committees;
- reviewed succession planning for the Chairman, CEO and senior management personnel and notified the Board; and
- discussed information required to be reported under the 2018 Code or Listing Manual.

Provision 4.2 The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC

The NC comprises of three members, all of whom including the NC Chairman are Independent Non-Executive Directors:

Mr. Douglas Owen Chester	– NC Chairman
Mr. Chong Teck Sin	– Member and Lead Independent Director
Mr. Wong Fook Choy Sunny	– Member

Provision 4.3 The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report

The process for the selection and appointment (or re-appointment) of Board members is as follows:

- the NC evaluates the balance of skills, knowledge and experience of the Board and, in light of such evaluation and in consultation with the Board, prepares a description of the role and the essential and desirable competencies for a particular appointment (or re-appointment);
- if required, the NC may engage consultants to undertake research on, or assess, candidates for new positions on the Board;
- the NC meets with short-listed candidates to assess their suitability and ensure that the candidates are aware of the expectations; and
- the NC makes recommendations to the Board for approval.

Pursuant to Article 118 of the Company's Constitution, all the directors are required to retire from office at every AGM of the Company.

After due review, the Board has accepted the recommendation of the NC and, accordingly, the Directors below will be offering themselves for re-election at the forthcoming AGM:

1. James Finbarr Fitzgerald
2. Patrick John Tallon
3. Kevin James Deery

The NC has shortlisted Independent Director candidates who possess the necessary experience and skills to contribute effectively to the Board. Once selection is finalized, the proposed new Independent Directors will be presented for shareholder approval at the October 2024 AGM.

Board Matters (continued)

Board Membership (continued)

Principle 4 (continued)

Provision 4.4 The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence. Each Independent Director is required to declare their independence by duly completing and submitting a 'Confirmation of Independence' form. The declaration requires each Director to assess whether they consider themselves independent and not having any of the relationships identified in the Code. Each Director is required to declare any circumstances in which they may be considered non-independent. The NC reviews the Confirmation of Independence to determine whether a Director is independent. The NC also considers the actions and conduct of the Independent Directors, including in formal Board meetings, to assess their independence. The NC has carefully reviewed and subsequently determined that the Independent Directors namely Mr. Chong Teck Sin, Mr. Wong Fook Choy Sunny and Mr. Douglas Owen Chester, are independent.

Provision 4.5 The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties

The dates of Director's initial appointment, last re-election and their directorships are set out below:

Name of Director	Date of Initial Appointment	Date of Last Re-election	Present Directorships in Listed Companies	Past Directorships in Listed Companies ⁽¹⁾
James Finbarr Fitzgerald	27 Mar 2012	31 Oct 2023	-	-
Patrick John Tallon	27 Mar 2012	31 Oct 2023	-	-
Kevin James Deery	27 Mar 2012	31 Oct 2023	-	-
Chong Teck Sin	27 Mar 2012	31 Oct 2023	AIMS APAC REITS Management Limited Multi-chem Limited	Changan Minsheng APLL Logistics Co., Ltd ⁽²⁾ InnoTek Limited
Wong Fook Choy Sunny	27 Mar 2012	31 Oct 2023	KSH Holdings Limited	Excelpoint Technology Ltd InnoTek Limited Mencast Holdings Ltd
Douglas Owen Chester	2 Nov 2021	31 Oct 2023	-	-

Notes:

(1) Past Directorships within the past 3 years

(2) Listed on Hong Kong Stock Exchange

Board Matters (continued)

Board Membership (continued)

Principle 4 (continued)

Provision 4.5 (continued)

The NC has considered and taken the view that it would not be appropriate at this time to set a limit on the number of listed company directorships that a Director may hold. Directors have different capabilities, the nature of the organisations in which they hold appointments and the committees on which they serve are of different complexities, and accordingly, each Director would personally determine the demands of their competing directorships and obligations and assess the number of listed company directorships they could hold and serve effectively. Currently, none of the Directors hold more than two (2) directorships in other listed companies.

In addition, the NC also determines annually whether a Director with multiple board representations is able to and has been adequately carrying out their duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board. The NC is satisfied that for FY2024 sufficient time and attention have been devoted by the Directors to the affairs of the Company and the Group. As such, there is presently no need to implement internal guidelines to address their competing time commitments notwithstanding that some of the Directors have multiple board representations.

The NC will, however, continue to review, from time to time, the Board representations and other principal commitments to ensure that Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1 The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board

For the year under review, the NC held two (2) meetings and evaluated the Board's performance as a whole and the contribution of each director to the effectiveness of the Board. The NC has adopted a formal process and criteria to assess the effectiveness of the Board and each of the Directors. The evaluation is carried out annually.

Provision 5.2 The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors

The NC undertakes an annual formal review and evaluation of both the Board's performance as a whole, as well as individual Director's performance, such as Board commitment, standard of conduct, competency, training & development and interaction with other Directors, senior management and stakeholders.

All Directors complete an evaluation questionnaire designed to seek their view on the various aspects of their individual and Board performance so as to assess the overall effectiveness of the Board.

The completed questionnaire is collated, and the results of the evaluation exercise are subsequently considered by the NC, before making recommendations to the Board. The Chairman of the Board may take actions as may be appropriate according to the results of the performance evaluation, which will be based on objective performance criteria proposed by the NC and approved by the Board.

The performance of individual Directors is assessed based on factors which include their attendance, participation at the Board and Board committee meetings and contributions to the Board in long range planning and the business strategies as well as their industry and business knowledge.

Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of their performance and re-nomination as a Director.

Board Matters (continued)

Board Performance (continued)

Principle 5 (continued)

Provision 5.2 (continued)

The NC conducted a performance evaluation of the Board and Board Committees for FY2024 consistent with this process and determined that all directors have demonstrated full commitment to their roles and contributed effectively in the discharge their duties. Both the NC and the Board are of the view that the Board has met its performance objectives for FY2024.

Remuneration Matters

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 The Board establishes a Remuneration Committee ('RC') to review and make recommendations to the Board on:

- (a) a framework of remuneration for the Board and key management personnel; and*
- (b) the specific remuneration packages for each director as well as for the key management personnel.*

The Company has established a RC to make recommendations to the Board on remuneration packages of individual Directors and key senior management personnel. The Company has developed a remuneration policy for fixing the remuneration packages of Directors and senior executives.

The formal terms of reference of the RC, are to:

- recommend to the Board a framework of remuneration for the Directors and key senior management personnel;
- determine specific remuneration packages for each Executive Director;
- review annually the remuneration of employees related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities; and
- perform such other acts as may be required by the SGX-ST and the Code, or ASX, from time to time.

The recommendations of the RC are submitted for endorsement by the entire Board. Each member of the RC abstains from voting on any resolutions in respect of their own remuneration package. Also, in the event that a member of the RC is related to the employee under review, they will abstain from participating in that review. Directors are not involved in the discussion and in deciding their own remuneration.

Provision 6.2 The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.

The RC comprises of three members, all of whom including the RC Chairman are Independent Non-Executive Directors:

Mr. Wong Fook Choy Sunny	– RC Chairman
Mr. Chong Teck Sin	– Member and Lead Independent Director
Mr. Douglas Owen Chester	– Member

Remuneration Matters (continued)

Procedures for Developing Remuneration Policies (continued)

Principle 6 (continued)

Provision 6.3 The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The RC has established a framework of remuneration for the Board and key senior management personnel covering all aspects of remuneration but not limited to Directors' fees, salaries, allowances, bonuses, incentive schemes and benefits-in-kind.

The RC also oversees the administration of the Civmec Limited Employee Share Option Scheme ('CESOS') and Civmec Limited Performance Rights Plan ('CPRP') upon the terms of reference as defined in the CESOS and CPRP. The CESOS and CPRP were established on 27 March 2012 and 25 October 2019 respectively, with a 10-year tenure commencing on the establishment date.

The Company has a policy that governs the Directors and senior management personnel dealing in securities trading. The securities trading policy reflects the Corporations Act 2001 prohibition on senior management personnel and their closely related parties from hedging the senior management personnel's incentive remuneration. The senior management personnel, and their immediate family and controlled entities are prohibited from entering into any arrangement that would have the effect of limiting the senior management personnel's exposure to risk relating to an element of the senior management personnel's remuneration that is unvested, or is vested but remains subject to a holding lock. The securities trading policy sets out closed periods for trading in securities by KMP including for one month prior to and 48 hours after release of half yearly and annual financial results. The policy also restricts KMP from engaging in short term trading of securities.

The RC reviews the fairness and reasonableness of the termination clauses of the service agreements of Executive Directors to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Directors and key senior management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors and key senior management personnel in the event of such exceptional circumstances of breach of fiduciary duty.

During the reporting period of the year, the RC has:

- reviewed and approved remuneration for Executives which includes salary, Short Term and Long Term incentives;
- reviewed benchmarking of fees for directors;
- reviewed the remuneration packages of employees in the Group which includes salary adjustments and bonus; and
- reviewed the remuneration package of the Executive Directors and CEO which includes salary, Short Term and Long Term incentives.

Provision 6.4 The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.

The RC has access to expert professional advice on human resource and remuneration matters whenever there is a need to consult externally.

During the financial year, the fixed remuneration of executives was benchmarked against peers based on the industry salary surveys sourced from AON Mining, Infrastructure & Engineering Remuneration Report.

Remuneration Matters (continued)

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1: A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company

Executive Directors and key senior management personnel remuneration comprises a fixed and a variable component, the latter of which is in the form of a bonus linked to the performance of the individual as well as the Group. In addition, short-term and long-term incentives, such as the CESOS and CPRP, are in place to strengthen the pay-for-performance framework by rewarding and recognising the key executives' contributions to the growth of the Group. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote long-term sustainability of the Group.

Refer to the Directors' Statement for details of Performance Rights granted to Executive Directors and key senior management personnel.

Provision 7.2 The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

The remuneration of the Independent Directors is in the form of a fixed fee which is subject to shareholders' approval at the AGM. Each member of the RC abstains from voting on any resolution, participating in any deliberation of the RC, and making any recommendation in respect of their own remuneration.

The Independent Directors' fees were derived using the fee structure as follows:

	Annual Fees (S\$)
Independent Director who is the Chairman of the Audit Committee	101,000
Other Independent Director	89,000

Provision 7.3 Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term

In making its recommendations to the Board on the level and mix of remuneration, the RC strives to be competitive, linking rewards with performance. It takes into consideration the essential factors to attract, retain and motivate the Directors and senior management needed to run the Company successfully, linking rewards to corporate and individual performance, and aligning their interest with those of the shareholders.

The Company has renewed the service agreements with the Executive Directors, Mr. James Finbarr Fitzgerald, Mr. Patrick John Tallon and Mr. Kevin James Deery. Each service agreement is valid for a period of three (3) years with effect from the date of expiry of the previous period. During the renewal period of three (3) years, either party may terminate the Service Agreement at any time by giving to the other party not less than six (6) months' notice in writing, or in lieu of notice, payment of amount equivalent to six (6) months' salary. The Executive Directors do not receive Director's fees.

Pursuant to Article 118 of the Company's Constitution, all the directors (including independent directors) are required to retire from office at every AGM of the Company, meaning that the independent directors are appointed for a one year term when elected.

The remuneration packages of the Executive Directors and the key senior management personnel are based on service agreements and their remuneration is determined having due regard to the performance of the individuals, the Group as well as market trends

Remuneration Matters (continued)

Disclosure on Remuneration

Principle 8 The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation

Provision 8.1 The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.

For competitive reasons and the sensitive nature of such information, the Board is of the opinion that it is in the best interests of the Company to not disclose remuneration of each individual Director for the year ended 30 June 2024. Instead, the Company discloses the bands of remuneration in the following tables below to avoid such information being exploited by competitors and to maintain personal confidentiality on remuneration matters:

For the year ended 30 June 2024					
Name of director	Salary	Bonus	Directors' fees	Allowances and other benefits	Total
A\$1,500,000 to A\$1,749,999					
James Finbarr Fitzgerald	43%	54%	-	3%	100%
Patrick John Tallon	43%	54%	-	3%	100%
A\$1,250,000 to A\$1,499,999					
Kevin James Deery	45%	52%	-	3%	100%
Below A\$250,000					
Chong Teck Sin	-	-	100%	-	100%
Douglas Owen Chester	-	-	100%	-	100%
Wong Fook Choy Sunny	-	-	100%	-	100%

Details of remuneration paid to key senior management personnel (who are not Directors of the Company) of the Group for the financial year ended 30 June 2024 are set out below:

For the year ended 30 June 2024					
Name of key executive	Designation	Salary	Bonus	Allowances and other benefits	Total
A\$850,000 to A\$1,099,999					
Charles Sweeney	Executive General Manager Construction	57%	37%	6%	100%
Adam Goldsmith	Executive Group Manager Operational Support	54%	41%	6%	100%
David Power	Executive General Manager Manufacturing	53%	40%	6%	100%
A\$600,000 to A\$849,999					
Mylon Manusiu	Executive General Manager – Maintenance & Refractory	49%	47%	4%	100%
Peter Ricciardello	Executive Group Manager Proposals and Growth	70%	23%	7%	100%

Remuneration Matters (continued)

Disclosure on Remuneration

Principle 8 (continued)

Provision 8.1 (continued)

The annual aggregate remuneration incurred for all the above-mentioned Directors and key senior management personnel of the Group, excluding equity-settled share based payment, is A\$7,947,000 (2023: A\$7,157,000).

The procedures for developing remuneration policies and for fixing the remuneration packages of individual directors have been set out under Principle 6 of the Corporate Governance Report above.

The relationships between the remuneration of the Board and key senior management personnel and the performance and value creation of the Company have been set out under Principle 6 of the Corporate Governance Report above.

Provision 8.2 The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.

For the year ended 30 June 2024		
Name of employee	Designation	Relationship
A\$120,000 to A\$220,000		
Thomas Tallon	Supervisor	Brother of CEO Patrick Tallon
Sean Fitzgerald	Developer	Son of Executive Chairman

The RC is of the view that the remuneration of these family members is in line with the company remuneration guidelines and commensurate with their job scope and level of responsibilities.

Provision 8.3 The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.

More details in relation to the CPRP can be found in the 'Directors' Statement' in the 'Financials' section of the Annual Report.

Accountability and Audit

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.

The Company has established the RCC to advise and make recommendations to the Board on risk and conflict matters.

The RCC is guided by its Terms of Reference which highlights its primary responsibilities are to:

- review and monitor the Group's risk management framework and activities, including the Group's levels of risk tolerance and risk policies;
- report to the Board regarding the Group's risk exposures, including the review risk assessment model used to monitor the risk exposures and senior management's views on the acceptable and appropriate level of risk faced by the Group's Business Units;
- recommend and adopt appropriate measures to control and mitigate the business risks of the Group, as and when these may arise;
- perform any other functions as may be agreed by the Board;
- review the Risk Register and Risk Management Framework; and
- requested revisions to the Risk Mitigation Plan presented by senior management to mitigate and monitor the risk exposure.

During the reporting period of the year, the RCC has:

- reviewed the Project Risk and Opportunity Reporting Improvements; and
- reviewed the Policies adopted by the Company such as Bribery & Corruption Policy and Procedures and the Code of Conduct.

The RCC reviews all significant control policies and procedures and highlights all significant risk matters to the Board for discussion and to take appropriate actions, if required.

The RCC comprises three members, all of whom, including the RCC Chairman are Independent Non-Executive Directors:

Mr. Chong Teck Sin	– RCC Chairman and Lead Independent Director
Mr. Douglas Owen Chester	– Member
Mr. Wong Fook Choy Sunny	– Member

Accountability and Audit (continued)

Risk Management and Internal Controls (continued)

Principle 9 (continued)

Provision 9.2 The Board requires and discloses in the company's annual report that it has received assurance from:

- (a) the CEO and the Chief Financial Officer ('CFO') that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and*
- (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.*

The Group's internal controls and systems are designed to provide reasonable assurance on the integrity and reliability of the financial information and to safeguard and maintain accountability of its assets. Procedures are in place to identify major business risks and evaluate potential financial effects, as well as the authorisation of capital expenditure and investments.

The external auditors carry out, in the course of their statutory audit, an annual review of the effectiveness of the Group's key internal controls, including financial, operational, compliance, information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan. Any material weaknesses in internal controls, together with recommendations for improvement, are reported to the AC and RCC.

The Company's internal audit function prepares an annual internal audit plan, which takes account of the Company's key risks and other assurance activities performed, enabling internal audit resources to be targeted to areas of greatest value across the Company's operations, including group and subsidiary structures. Processes subject to internal audit include financial, administrative, operational and project specific activities and systems. The internal audit function provides advice on the effectiveness of risk management processes and material internal controls, recommends corrective actions and control improvements and follows up on the implementation of action plans designed by management to address any control deficiencies or improvement opportunities. Internal audit reports containing internal audit results, recommendations and agreed action plans are presented to the AC on a quarterly basis.

The Company appoints internal auditors to carry out a review of the adequacy and effectiveness of the Group's key internal controls, including financial, operational, compliance and information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan.

In the absence of evidence to the contrary, the Board is satisfied the system of internal controls maintained by the Company and that was in place throughout the financial year and up to the date of this report provides reasonable, but not absolute, assurance against material financial misstatements or losses, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational and compliance risks. Based on the risk management and internal control systems established and implemented by the Group, and work conducted by the internal auditors, external auditors and our internal audit team, the Board, with the concurrence of the AC, is satisfied the Company's system of internal controls and risk management procedures maintained by the Group are adequate and effective to meet the needs of the Company in addressing the financial, operational, compliance, information technology controls and risk management systems in the Group's current business environment, with no material weaknesses identified.

The Board has received assurances from the CEO and acting Chief Financial Officer that:

- (i) the financial records have been properly maintained (and the financial statements comply with the appropriate accounting standards) and the financial statements give a true and fair view of the Company's operations and finances; and
- (ii) the Company's risk management and internal control systems are adequate and effective.

The Board notes that all internal control systems are designed to manage rather than eliminate risks and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error losses, fraud or other irregularities.

Accountability and Audit (continued)

Audit Committee

Principle 10: The Board has an Audit Committee ('AC') which discharges its duties objectively.

Provision 10.1 The duties of the AC include:

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;*
- (b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;*
- (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;*
- (d) making recommendations to the Board on:*
 - (i) the proposals to the shareholders on the appointment and removal of external auditors; and*
 - (ii) the remuneration and terms of engagement of the external auditors;*
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and*
- (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.*

The AC is governed by terms of reference with its primary responsibilities as follows:

- to assist the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records, and develop and maintain effective systems of internal control with the overall objective of ensuring that our management creates and maintains an effective control environment in the Group;
- to provide a channel of communication between the Board, the management team, the external auditors and internal auditors on matters relating to audit;
- to monitor senior management's commitment to the establishment and maintenance of a satisfactory control environment and an effective system of internal control (including any arrangements for internal audit);
- to monitor and review the scope and results of external audit and its cost effectiveness and the independence and objectivity of the external auditors; and
- to monitor and review the scope and results of internal audit and the cost effectiveness of the internal auditors.

In addition, the functions of the AC are to:

- review with the external auditors the audit plans, their evaluation of the system of internal controls, their management letter and the management's response thereto;
- review with the internal auditors the internal audit plans and their evaluation of the adequacy of the internal control and accounting system before submission of the results of such review to the Board for approval;
- review the quarterly and annual financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the SGX-ST Listing Manual, ASX Listing Rules and any other relevant and statutory or regulatory requirements;
- review the internal control and procedures and ensure co-ordination between the external auditors and the management, review the assistance given by the management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);
- review and consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;

Accountability and Audit (continued)

Audit Committee (continued)

Principle 10 (continued)

Provision 10.1 (continued)

In addition, the functions of the AC are to: (continued)

- review and consider the appointment or re-appointment of the internal auditors and matters relating to resignation or dismissal of the auditors;
- review interested person transactions (if any);
- review the Groups' hedging policies, procedures and activities (if any) and monitor the implementation of the hedging procedure/policies, including reviewing the instruments, processes and practices in accordance with any hedging policies approved by the Board;
- review potential conflicts of interest, if any, and to set out a framework to resolve or mitigate such potential conflicts of interests;
- undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee;
- review and discuss with investigators, any suspected fraud, irregularity, or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response thereto;
- generally to undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual and ASX Listing Rules, and by such amendments made thereto from time to time;
- review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- review the findings of internal investigation into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position;
- review key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNET and ASX Online; and
- review the Group's compliance with such functions and duties as may be required under the relevant statutes or the SGX-ST Listing Manual and ASX Listing Rules, including such amendments made thereto from time to time.

The AC has the power to conduct or authorise investigations into any matters within its scope of responsibility. The AC is authorised to obtain independent professional advice whenever deemed necessary to discharge of its responsibilities at the Company's expenses.

The AC has the co-operation of and complete access to the Company's management. It has full discretion to invite any Director or Executive Officer to attend the meetings and has been given reasonable resources to enable the discharge of its functions.

Accountability and Audit (continued)

Audit Committee (continued)

Principle 10 (continued)

Provision 10.1 (continued)

As at the reporting period of the year, the AC has:

- reviewed the scope of work of the external auditors;
- reviewed the scope of work of the internal auditors;
- reviewed audit plans and discussed the results of the respective findings and their evaluation of the Company's system of internal accounting controls;
- reviewed interested person transactions of the Company;
- met with the Company's external auditors and internal auditors without the presence of the management;
- reviewed the external auditors' independence and objectivity;
- reviewed the Company's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the AC on a quarterly basis whenever there is a whistle-blowing issue; and
- reviewed and recommended the implementation of the tax internal controls testing plan and the results from the testing undertaken.

The AC, having reviewed the external auditors' non-audit services, is satisfied there were no non-audit services rendered that would affect the independence of the external auditors. The AC recognises the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on monetary consideration.

The aggregate amount of agreed fees to be paid to the external auditors, Moore Stephens LLP for FY2024 is A\$126,000 (equivalent S\$111,000) which comprises audit fee of A\$102,000 (equivalent S\$90,000) and A\$24,000 (equivalent S\$21,000) audit related fees. In association with the proposed change in domicile of the head company, the Board has proposed the appointment of Moore Australia Audit (WA) and Moore Stephens LLP as Joint Auditors at the forthcoming AGM.

The AC is kept abreast by the external auditors of changes to accounting standards, SGX-ST Listing Manual and ASX Listing Rules, and other regulations which could have an impact on the Group's business and financial statements.

The Company has a whistle-blowing policy where people may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts, bribery/corruption conduct, breach of code of conduct and other matters, and has ensured that arrangements are in place for independent investigations of such matters and for appropriate follow up actions. All whistle-blowing reports will be addressed to the AC Chairman, either directly or through STOpline, the independent third-party whistle-blowing service provider. Staff are regularly informed of the existence of the whistle-blowing mechanism and encouraged to report relevant matters. The identity of persons using this facility are kept confidential unless the person(s) indicate otherwise and the Company does not tolerate any victimisation of a whistleblower.

There were three reports received through the whistle-blowing system during FY2024. The reports involved various allegations that were thoroughly investigated. Some allegations were found to be unsubstantiated, while others have been resolved with the cooperation of the employees. Discussions among the involved parties led to a mutually satisfactory resolution for the substantiated concerns. None of the reports related to fraud.

Accountability and Audit (continued)

Audit committee (continued)

Principle 10 (continued)

Provision 10.2 The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee comprises the following three members, all of whom, including the AC Chairman, are Non-Executive Independent Directors:

Mr. Chong Teck Sin	– AC Chairman and Lead Independent Director
Mr. Douglas Owen Chester	– Member
Mr. Wong Fook Choy Sunny	– Member

The Board ensures that the members of the AC are appropriately qualified to discharge their responsibilities and they possess the requisite accounting and/or financial management expertise and experience.

Provision 10.3 The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation:

- (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case,*
- (b) for as long as they have any financial interest in the auditing firm or auditing corporation.*

None of the AC members are previous partners or directors of the Group's auditors, Moore Stephens LLP and none of the AC members hold any financial interest in Moore Stephens LLP.

Provision 10.4 The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.

The Board recognises the importance of maintaining an internal audit function, independent of the activities it audits, to maintain a sound system of internal control within the Company to safeguard shareholders' investments and the Company's assets.

The Company's internal audit function is outsourced to Deloitte, which is one of the Big Four multinational accounting organisations and it is independent of the Company's business activities. The internal audit team that provide expertise and industry insights to strengthen the Company's governance and risk management on an annual basis and comprises a director, a senior manager and supported by other staff, which have more than 30 years of relevant experience combined. The internal auditors conduct the audit based on the standards set by internationally recognised professional bodies. The annual internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. The internal auditors review the effectiveness of key internal controls in accordance with the internal audit plan.

Staffed by suitably qualified and experienced executives, the internal auditors have unrestricted direct access to the AC and unfettered access to all the Company's documents, properties and personnel. The internal auditors have a direct and primary reporting line to the AC and assist the AC in overseeing and monitoring the implementation and improvements required on internal control weaknesses identified. The AC reviews the adequacy and effectiveness of the internal audit function quarterly.

The role of the internal auditors is to support the AC in ensuring that the Group maintains a sound system of internal controls by monitoring and assessing the effectiveness of key controls and procedures, conducting in-depth audits of high-risk areas and undertaking investigations as directed by the AC.

The AC regularly reviews the performance of the internal auditors and determines their reappointment and level of remuneration.

The AC reviews the adequacy of the function of the internal audit annually and based on this review believes that the internal auditors have adequate resources to perform their function effectively and objectively and has unfettered access to the Company's documents, records, properties and personnel.

Accountability and Audit (continued)

Audit committee (continued)

Principle 10 (continued)

Provision 10.4 (continued)

The AC is satisfied with the effectiveness of the existing internal control systems put in place by senior management to meet the needs of the Group in its current business environment.

The Company's external auditors also conduct annual reviews of the effectiveness of the Group's material internal controls for financial reporting in accordance with the scope as laid out in their audit plans.

Shareholder Rights and Engagement

Shareholder Rights and Conduct of General Meetings

Principle 11 The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

The AGM and other shareholders' meetings will always be held at a reasonable place and time. The Company ensures that shareholders have the opportunity to participate effectively and to vote at shareholders' meetings. In this regard, shareholders are informed of shareholders' meetings through notices contained in annual reports or a circular sent to all shareholders. These notices are also published in the local newspaper and posted on SGXNET and ASX Online. Shareholders are able to send and receive communications electronically with the Company through its respective share registries platform in Singapore and Australia, details for doing so are available on the corporate website at www.civmec.com.au.

At AGM and other shareholders' meetings, the Executive Chairman ensures constructive dialogue between the Board and shareholders and upholds high standards of corporate governance. Shareholders are invited and given the opportunity to voice their views, put forth any questions and seek clarification on questions they may have regarding the Company. Shareholders are also informed of the rules and voting procedures governing such meetings under the relevant notice of meeting.

For greater transparency, the Company has adopted the voting of all its resolutions by poll at the general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages are announced at the meeting and via announcements on SGXNET and ASX Online made on the same day.

Provision 11.2 The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are 'bundled', the company explains the reasons and material implications in the notice of meeting.

Resolutions are, as far as possible, structured separately and may be voted on independently.

Shareholder Rights and Engagement (continued)

Shareholder Rights and Conduct of General Meetings (continued)

Principle 11 (continued)

Provision 11.3 All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.

The Directors and the external auditors are available at the AGM to answer shareholders' queries. In FY2023, all Directors and the external auditor attended the AGM.

Provision 11.4 The company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.

The Group fully supports the Code's principle to encourage shareholders' participation in and vote at all the general meetings. The Company's Constitution allows the appointment of not more than two proxies by shareholders to attend the AGM and vote on his/her/their behalf. Shareholders who hold shares through nominees are allowed, upon prior request through their nominees, to attend the general meetings as proxies without being constrained by the two-proxy requirement.

The Company, however, has not implemented measures to allow shareholders who are unable to vote in person at the Company's AGM the option to vote in absentia, such as via mail, electronic mail or facsimile transactions as the authentication of shareholder identity information and other related security issues remain a concern. The Company will review its Constitution from time to time.

Where an amendment to its Constitution is required to align the relevant provisions with the requirements of the SGX-ST Listing Manual and the ASX Listing Rules, shareholders' approval will be obtained.

Provision 11.5 The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company Secretaries prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and the senior management, and makes these minutes available to shareholders at the registered office of the Company at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 during normal business hours upon written request.

Minutes of general meetings will be published on the Company's corporate website within 30 days of the date of the meeting.

Provision 11.6 The company has a dividend policy and communicates it to shareholders

Civmec Limited is committed to providing excellent returns to its shareholders through a combination of longer-term capital growth and regular dividend payments. The Board considers a range of factors in determining the dividend payable in any year, including the business environment, balance sheet, working capital requirements of the business and potential investment opportunities. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. Any payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET and ASX Online when the Company discloses its financial results.

The Company's dividend policy is published on the Company's corporate website at www.civmec.com.au.

The Company has proposed a tax exempt (foreign source) Final Dividend of A\$0.035 per ordinary share for the financial year ended 30 June 2024. This dividend is fully franked for Australian tax resident shareholders.

Shareholder Rights and Engagement (continued)

Engagement with Shareholders

Principle 12 The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company

Provision 12.1 The company provides avenues for communication between the Board and all shareholders and discloses in its annual report the steps taken to solicit and understand the views of shareholders.

The Board is mindful of its obligations to furnish timely information to its shareholders, the public and regulators and to ensure full disclosure of material information to its shareholders in compliance with the statutory requirements and the SGX-ST Listing Manual and ASX Listing Rules.

In this respect the Board is responsible for the release of half yearly and full year results, price sensitive information, the annual report and other material corporate developments in a timely manner and within the legally prescribed period. The Company does not practise selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST Listing Manual, the Companies Act of Singapore and the ASX Listing Rules, it is the Company's policy that all the shareholders should be equally informed, on a timely basis via SGXNET and ASX Online, of all major developments that will or expect to have an impact on the Company or the Group. The Board will also receive copies of all material market announcements promptly after they have been made by the Company. The Company also updates shareholders of its corporate developments and Continuous Disclosure Policy through its corporate website at www.civmec.com.au.

In addition, all price sensitive information was publicly released either before the Company met with any of the Company's investors or analysts or simultaneously with such meetings. Financial results and other corporate announcements of the Company are disseminated through announcements via SGXNET and ASX Online.

Provision 12.2 The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The Company has in place an Investor Relations Policy which sets out the principles and practices that the Company applies in order to provide shareholders and prospective investors with information necessary to make well informed investment decisions and to ensure a level playing field.

In addition, the Group has in-house professionals that support the Company to promote relations with, and act as liaison for, institutional investors and public shareholders.

Provision 12.3 The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.

Relevant contact information through which shareholders may contact the Company are published on its corporate website at <https://www.civmec.com.au/investors/shareholder-services/>.

Independent Auditor's Report

30 June 2024

Managing stakeholders relationships

Engagement with Stakeholders

Principle 13 The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served

Provision 13.1 The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

Provision 13.2 The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

Provision 13.3 The company maintains a current corporate website to communicate and engage with stakeholders.

The Company engages its stakeholders through different channels to establish, address and monitor the material environmental, social and governance (ESG) factors of the Company's operations and its impact on the various stakeholders. Such stakeholders include employees, community, government, regulators, shareholders and investors.

The Company engages stakeholders through the various channels that are already in place, understanding its stakeholders' concerns better, and addressing any issues that they may face. In addition, engagement channels and frequencies are reviewed periodically to ensure that they are sufficient to deal with current identified stakeholders' ESG-related issues.

The Company is committed to enhance and improve the current engagement initiatives, while staying abreast of new trends or developments that may affect the sustainability standing of the Company, and eventually devise corresponding measures to resolve the new ESG issues.

The Company's website can be found at www.civmec.com.au. and includes a tab labelled 'Investors' which provides investors with all the information they may require.

Other Governance Practices

Material Contracts

There were no material contracts of the Company and its subsidiaries, including loans, involving the interests of any Director, the CEO or the controlling shareholders during FY2024.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and these interested persons' transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders. There were no material interested person transactions for FY2024.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Civmec Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material of accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financials as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Accounting for construction contracts	Our response
<p>We refer to Note 3(a)(ii), 3(a)(iii) and 3(b)(i) under "Critical Accounting Judgements and Key Sources of Estimation Uncertainty", Note 4(a) and Note 33 to the financial statements.</p> <p>During the financial year ended 30 June 2024, revenue from construction contracts amounted to A\$926.7 million which represented 90% of the total revenue of the Group.</p> <p>Contract revenue comprises the initial amount agreed in the contract and variations in the contract as constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently removed.</p> <p>The amount of revenue recognised is based on the Group's progress towards completion of the construction contract, determined based on the proportion of construction costs incurred to date to the estimated total contract costs ("input method"). The Group uses the input method to measure project progress and recognises contract revenue in accordance with SFRS(I) 15 Revenue from Contracts with Customers.</p>	<ul style="list-style-type: none"> • We performed procedures to understand the projects through discussions with management and examination of key project documents including contracts and correspondences with customers on delays and extension of time. We evaluated the relevant key controls put in place by the management over the construction contract revenue and costs recognition on construction contracts. • In relation to the contract revenue for projects, on a sample basis, we have: <ul style="list-style-type: none"> ○ Traced the contract sums to the contracts and variation orders entered into by the Group and its customers. ○ Challenged the appropriateness of the Group's judgement on the variations and claims included in the computation of the construction contract revenue via scrutiny of relevant customer correspondence, legal/specialist consultant correspondence and inspecting key clauses in the contracts and variation orders.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Accounting for construction contracts (continued)	Our response (continued)
<p>Estimates of revenues, costs or the extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.</p> <p>The determination of estimated contract revenue, total contract costs and costs to complete require significant judgement which may impact on the amounts of construction contract revenue and profits recognised during the year, including the provision for onerous contracts. We have therefore, identified this as a key audit matter.</p>	<ul style="list-style-type: none"> ○ Held discussions with senior operational and financial management, as well as the Group's legal advisors and specialist consultants where appropriate, to evaluate management's assessment that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently removed. ○ Assessed the adequacy of the provision for onerous contracts based on our understanding of the projects. This includes reviewing management's assessment of provision for onerous contracts by focusing on projects with low or negative margins. We have also held discussions with senior operational and financial management, where appropriate on these projects. • In relation to total contract costs, on a sample basis, we have: <ul style="list-style-type: none"> ○ Tested costs incurred to date and agreed these to supporting documentation. ○ Evaluated the appropriateness of inputs, amongst others, materials, subcontractor and labour costs used by management in their estimation of the total cost to complete the contract or project, and obtained supporting documentation on the major inputs.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Accounting for construction contracts (continued)	<p>Our response (continued)</p> <ul style="list-style-type: none"> ○ We examined key project documentation and discussed the progress of the significant projects with the Group's key project personnel and management for significant events that could impact the estimated total contract costs and stage of completion. • We have recomputed the percentage of completion based on actual cumulative contract costs incurred to date to the total estimated contract costs for individually significant projects. • We checked the arithmetic accuracy of the revenue and profit recognised based on the percentage of completion computation for individually significant projects and traced the revenue for the current year based on the measurement of progress to the accounting records. • We have also assessed the adequacy of the disclosures of the key accounting estimates and the sensitivity of the inputs to the estimates and found the disclosures in the financial statements to be appropriate. <p><u>Our audit findings:</u></p> <p>We are satisfied that the judgements applied by management in accounting for construction contracts are reasonable.</p>



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of trade and other receivables and contract assets	<p>Our response</p> <p>We refer to Note 3(a)(i) under "Critical Accounting Judgements and Key Sources of Estimation Uncertainty", Note 4(b), Note 11 and Note 32(a) to the financial statements.</p> <p>The carrying amount of trade and other receivables and contract assets of the Group was A\$94.6 million and A\$173.5 million as at 30 June 2024 respectively. We focused on this area because of its significance and the degree of judgement required in determining the carrying amount of trade and other receivables and contract assets as at the reporting date.</p> <p>In accordance with SFRS(I) 9 Financial Instruments, the Group assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.</p> <ul style="list-style-type: none"> • We obtained an understanding of the Group credit policy and evaluated the processes for identifying impairment indicators. • We have reviewed and tested the ageing of trade and other receivables. • We have reviewed management's assessment on the credit worthiness of selected customers. • We have also assessed current ongoing negotiations and settlements of significant contracts subject to modifications, to identify if the collectability of contract consideration is highly probable. • We further discussed with the key management and the component auditors on the adequacy of the allowance for impairment recorded by the Group and reviewed the supporting documents provided by management in relation to their assessment. • We have also reviewed the adequacy and appropriateness of the impairment charge based on the available information. <p><u>Our audit findings:</u></p> <p>Based on our audit procedures, we found management's assessment of the recoverability of trade and other receivables and contract assets to be reasonable and the disclosures to be appropriate.</p>



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
<p>Valuation of property, plant and equipment and investment properties</p> <p>We refer to Note 3(a)(vi), Note 5, Note 14, Note 15 and Note 26 to the financial statements.</p> <p>The carrying amount of property, plant and equipment and investment properties of the Group was A\$532.8 million and A\$18.46 million respectively as at 30 June 2024, of which the fair value of the freehold land and buildings and investment properties had been assessed as having a fair value of A\$420.8 million and A\$15.9 million respectively.</p> <p>The valuation of property, plant and equipment and investment properties is significant to our audit due to the use of various valuation techniques which involve significant judgements and critical estimates.</p> <p>The key assumptions used in the fair valuation are also disclosed in Note 14 and Note 15 to the financial statements.</p> <p>Management relied on independent external valuations for the fair valuation of its freehold land and buildings and investment properties.</p>	<p>Our response</p> <ul style="list-style-type: none"> We assessed the competence, capabilities and independence of the professional valuer engaged by the Group. We discussed and considered the reasonableness of the valuation methodologies used, as well as reviewed the key assumptions and inputs used with the professional valuer in determining the valuation of each property. We assessed the reasonableness of the market value of properties by benchmarking them against those of comparable properties when there are comparable market sales evidence. We evaluated the reasonableness of the key data and assumptions used in the Depreciated Replacement Cost approach by the valuer when there are no comparable market sales evidence. We also assessed the appropriateness of the disclosures relating to the valuation techniques and key inputs applied by the professional valuer. <p><u>Our audit findings:</u></p> <p>The external valuer is a member of a recognised body for professional valuers. We found that the valuation methodologies used to be appropriate and the key assumptions used were within the range of market data.</p>



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Other Information

Management is responsible for the other information. The other information comprises the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



MOORE STEPHENS LLP
CHARTERED ACCOUNTANTS OF SINGAPORE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CIVMEC LIMITED
(Incorporated in Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Christopher Bruce Johnson.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
29 August 2024

Consolidated Income Statement

For the year ended 30 June 2024

	Note	Group	
		2024 A\$'000	2023 A\$'000
Revenue	4(a)	1,033,473	830,866
Cost of sales		(914,442)	(721,695)
Gross profit		119,031	109,171
Other income	5	5,330	2,631
Administrative expenses		(27,310)	(24,606)
Other reversal		495	149
Finance costs	8	(6,055)	(4,774)
Profit before income tax		91,491	82,571
Income tax expense		(27,082)	(24,898)
Profit for the year		64,409	57,673
Profit attributable to:			
Owners of the Company		64,409	57,655
Non-controlling interest		-	18
		64,409	57,673
Earnings per share attributable to equity holders of the Company (cents per share):			
- Basic	10	12.70	11.42
- Diluted	10	12.57	11.16

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2024

	Note	Group	
		2024 A\$'000	2023 A\$'000
Profit for the year		64,409	57,673
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Net gain on revaluation of freehold land and buildings		30,642	12,100
Total comprehensive income for the year		95,051	69,773
Total comprehensive income attributable to:			
Owners of the Company		95,051	69,755
Non-controlling interest		-	18
		95,051	69,773

The accompanying notes form an integral part of the financial statements.

Statement of Financial Position

As at 30 June 2024

Note	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
ASSETS				
Current assets				
Cash and cash equivalents	13	88,457	70,381	2
Trade and other receivables	11	94,602	108,243	57,597
Contract assets	4(b)	173,588	100,093	-
Other current assets	12	1,393	2,274	-
		358,040	280,991	57,599
Non-current assets				
Investment in subsidiaries	17	-	-	7,579
Property, plant and equipment	14	532,840	476,302	-
Investment properties	15	18,459	17,184	-
Intangible assets	16	10	10	-
Deferred tax assets	9	968	47	72
		552,277	493,543	7,651
TOTAL ASSETS		910,317	774,534	65,250
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	19	153,149	117,671	2,012
Contract liabilities	4(b)	49,292	44,706	-
Lease liabilities	22	5,944	6,816	-
Borrowings	20	8,000	8,000	-
Income tax payable		7,462	673	7,462
Provisions	21	18,455	17,849	-
		242,302	195,715	9,474
Non-current liabilities				
Lease liabilities	22	51,353	50,519	-
Borrowings	20	56,000	48,500	-
Provisions	21	493	737	-
Deferred tax liabilities	9	71,951	58,454	-
		179,797	158,210	-
TOTAL LIABILITIES		422,099	353,925	9,474
Capital and Reserves				
Share capital	23(a)	29,918	29,807	29,918
Treasury shares	23(b)	(10)	(10)	(10)
Asset revaluation reserve	26	160,219	129,577	-
Other reserves	27	11,862	11,497	7,504
Retained earnings		286,490	249,999	18,364
Total equity attributable to the Owners of the Company		488,479	420,870	55,776
Non-controlling interest		(261)	(261)	-
TOTAL EQUITY		488,218	420,609	55,776
TOTAL LIABILITIES AND EQUITY				
		910,317	774,534	65,250

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Share capital	29,807	29,807	29,918	29,807
Treasury shares	(10)	(10)	(10)	(10)
Asset revaluation reserve	117,477	129,577	160,219	129,577
Other reserves	3,715	3,642	4,007	3,642
Merger reserve	7,578	7,578	7,578	7,578
Equity-settled employee benefits reserve	3,642	3,642	3,642	3,642
Other reserves	277	277	277	277
Retained earnings	212,549	249,999	286,490	249,999
Non-controlling interest	(279)	(261)	(261)	(261)
Total	371,393	420,870	488,479	420,609
Balance as at 1 July 2023	29,807	29,807	29,918	29,807
Profit for the year	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Net gain on revaluation of freehold land and buildings	-	30,642	30,642	30,642
Total comprehensive income for the year	-	30,642	30,642	30,642
Share options exercised: issuance of new ordinary shares	111	-	-	-
Recognition of share based payment	-	365	-	365
Dividends paid (Note 24(a))	-	(27,918)	-	(27,918)
Balance as at 30 June 2024	29,807	420,609	488,479	420,609

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	Group	
		2024 A\$'000	2023 A\$'000
Cash Flows from Operating Activities			
Profit before income tax		91,491	82,571
Adjustments for:			
Depreciation of property, plant and equipment and investment properties – leasehold land	14,15	19,676	18,418
Gain on disposal of property, plant and equipment	5	(64)	(331)
Gain on disposal of interest in a former associate	5	-	(80)
Fair value gain on investment property at fair value through profit or loss	15	(730)	(420)
Reversal of revaluation loss on freehold land and buildings	6	(495)	(149)
Finance cost	6,8	9,583	8,090
Interest income	5	(3,325)	(1,099)
Equity-settled share based payments		365	1,073
Foreign exchange differences		43	(30)
Operating cash flow before working capital changes		116,544	108,043
Changes in working capital:			
Decrease/(increase) in trade and other receivables		13,641	(13,213)
(Increase)/decrease in contract assets		(73,495)	21,561
Decrease/(increase) in other current assets		881	(445)
Increase in trade and other payables		34,353	2,991
Increase in contract liabilities		4,586	1,381
Increase in provisions		362	2,510
Cash generated from operations		96,872	122,828
Interest received		3,325	1,099
Finance cost paid		(8,078)	(6,707)
Income tax refund		2,681	2,190
Income tax paid		(23,446)	(24,170)
Net cash generated from operating activities		71,354	95,240

The accompanying notes form an integral part of the financial statements.

	Note	Group	
		2024 A\$'000	2023 A\$'000
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		112	428
Purchase of property, plant and equipment	14	(25,210)	(19,880)
Proceeds from disposal of interest in a former associate		-	80
Net cash used in investing activities		(25,098)	(19,372)
Cash Flows from Financing Activities			
Proceeds from borrowings		21,500	45,500
Repayment of borrowings		(14,000)	(63,000)
Repayment of principal lease liabilities		(7,873)	(8,623)
Proceeds from issuance of ordinary shares		111	-
Dividends paid	24(a)	(27,918)	(20,205)
Net cash used in financing activities		(28,180)	(46,328)
Net increase in cash and cash equivalents		18,076	29,540
Cash and cash equivalents at the beginning of the year		70,381	40,841
Cash and cash equivalents at the end of the year	13	88,457	70,381

The reconciliation of movements of liabilities to cash flows arising from financing activities is presented below:

	Opening A\$'000	Cash flows		Non-cash changes		Closing A\$'000
		Proceeds A\$'000	Repayment A\$'000	Addition A\$'000	Others A\$'000	
2024						
Borrowings	56,500	21,500	(14,000)	-	-	64,000
Lease liabilities	57,335	-	(7,873)	4,741	3,094	57,297
2023						
Borrowings	74,000	45,500	(63,000)	-	-	56,500
Lease liabilities	55,921	-	(8,623)	9,500	537	57,335

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

30 June 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Civmec Limited (the 'Company') was incorporated in the Republic of Singapore on 3 June 2010 under the Singapore Companies Act 1967 (the 'Act') as an investment holding company for the purpose of acquiring the subsidiary companies pursuant to the Restructuring Exercise. On 29 March 2012 the company changed its name to Civmec Limited. The Company has been listed on the Singapore Exchange Securities Ltd ('SGX-ST') since 13 April 2012. On 22 June 2019, the Company was listed on the Australian Securities Exchange ('ASX'). The Company now holds dual listing status. The Company has provided an option for shareholders to convert their shares with SGX-ST for shares with ASX, at the ratio of 1:1.

The registered office of the Company is at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 and the principal place of business is at 16 Nautical Drive, Henderson, WA 6166 Australia.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries, joint ventures, associate, and joint operations are set out in Notes 17 and 18 respectively.

The financial statements for the financial year ended 30 June 2024 were approved and authorised for issue on the date of the statement by the board of directors in accordance with a resolution of the directors on the date of the Directors' Statement.

Pending change of domicile of the head company of the Group

On 27 October 2023, the Company has entered into an implementation agreement with Civmec Australia Limited (the 'NewCo') with the intention to change the domicile of the head company of the Group from the Company (domiciled in Singapore) to the NewCo (domiciled in Australia). The Change of Domicile will be achieved through a restructuring of the Company by way of a scheme of arrangement in accordance with Section 210 of the Companies Act 1967 of Singapore.

Shareholders voted to approve the Scheme at a meeting held on 1 August 2024 and the Shareholders' Scheme has been sanctioned by the Court on 28 August 2024.

2. Material accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ('SFRS(I)') under the historical cost convention, except for the revaluation on freehold land and buildings and investment properties.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The Group has adopted the new or amended SFRS(I) and SFRS(I) Interpretations ('SFRS(I) INTs') that are mandatory for application for the financial year. The details are disclosed in Note 34 to the financial statements.

2. Material accounting policies (continued)

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual agreements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognised in accordance with SFRS(I) 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between Group companies have been eliminated. Unrealised losses have also been eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2. Material accounting policies (continued)

(b) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Change in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(ii) Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

Joint venture

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

Joint operations

The Group's joint operations are joint arrangements whereby the parties (the joint operators) that have joint control of the arrangement have rights to the assets, and obligations to the liabilities, relating to the arrangement.

The Group recognises, in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

When the Group sells or contributes assets to a joint operation, the Group recognises gains or losses on the sale or contribution of assets that are attributable to the interest of the other joint operations. The Group recognises the full amount of any loss when the sale or contribution of assets provides evidence of a reduction in the net realisable value, or an impairment loss, of those assets.

2. Material accounting policies (continued)

(b) Basis of consolidation (continued)

(ii) Joint arrangements (continued)

Joint operations (continued)

When the Group purchases assets from a joint operation, it does not recognise its share of the gains and losses until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of the assets to be purchased or an impairment loss.

The accounting policies of the assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(c) Investment in subsidiary companies

Investments in subsidiary companies are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Investment in associate

The Group recognises its interest in an associate as an investment and accounts for the investment using the equity method.

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

2. Material accounting policies (continued)

(e) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Construction contract revenue

The Group provides engineering and construction services to customers through contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards the 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 measurement of progress and instead are expensed as incurred.

In some circumstances, such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, adjusted for expected returns. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management and included in the transaction only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Estimates of revenues, costs or the extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

2. Material accounting policies (continued)

(e) Revenue recognition (continued)

Construction contract revenue (continued)

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. If the value of the goods transferred by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract which is within the scope of another SFRS(I) (e.g. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract cost assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Sale of goods and services

Revenue from the sale of goods and services in the ordinary course of business are recognised when the Group satisfies a PO by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for the time value of money if the contract includes a significant financing component. The consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

The Group considers certain services to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services. Discounts are not considered as they are only given in rare circumstances and are never material. Revenue from the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Rental income

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

2. Material accounting policies (continued)

(f) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to R&D expenditure already incurred it is recognised in the income statement in the period it became receivable.

(g) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue as set out in Note 2(e) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ('ECLs') in accordance with the policy set out in Note 2(j) and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue as set out in Note 2(e). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

(h) Income tax

Income tax expense represents the sum of current tax expense and deferred tax expense.

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognised on all temporary differences except for taxable temporary differences associated with investments in subsidiaries and joint venture, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries and interest in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured:

- (i) at the tax rates that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

2. Material accounting policies (continued)

(h) Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current income taxes are recognised in profit and loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sale tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(i) Foreign currency translation

Functional and presentation currency

The financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to each entity (the 'functional currency'). The financial statements are presented in Australian Dollars ('A\$'), which is the functional currency of the Company.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ('foreign currencies') are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the consolidated financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2. Material accounting policies (continued)

(i) Foreign currency translation (continued)

Group companies

The consolidated results and financial position of foreign operations whose functional currency is different from the Group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;
- Income or expense for each statements presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and
- All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in other comprehensive income in the period in which they are incurred.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or loss of joint control over a jointly controlled entity that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

(j) Financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ('FVOCI'); and
- Fair value through profit or loss ('FVPL').

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives, if any, are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2. Material accounting policies (continued)

(j) Financial assets (continued)

Subsequent measurement

Debt instruments mainly comprise cash and cash equivalents, trade and other receivables and contract assets.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ('OCI') and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in 'other income / other expenses'. Interest income from these financial assets is recognised using the effective interest rate method and presented in 'interest income', if any.
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in 'other income / other expenses', if any.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

For trade receivables and contract assets, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, the Group applies the general approach. For the purpose of impairment assessment for other receivables, the loss allowance is measured at an amount equal to 12-month ECL, which reflects the low credit risk of the exposures.

2. Material accounting policies (continued)

(j) Financial assets (continued)

Impairment (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession(s) that the lender(s) would not otherwise consider (e.g. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise);
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to recovery efforts under the Group's recovery procedures. Any recoveries made are recognised in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Property, plant and equipment

(i) Recognition and measurement

Freehold land and buildings

The Group is using the revaluation model for this class of property. Under the revaluation model, freehold land and buildings are initially recognised at cost. Such costs, including the construction costs and borrowing costs that are eligible for capitalisation, are subsequently carried at their revalued amount, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount do not differ materially from those that would be determined using fair values at the end of the reporting period.

Freehold land and buildings are revalued by independent professional valuers on triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation are recognised in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases in carrying amounts are recognised in profit or loss.

2. Material accounting policies (continued)

(l) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

Other property, plant and equipment

All other items of property are measured at cost less accumulated depreciation and accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognized either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3 for details of critical judgements of impairment of property, plant and equipment).

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

(ii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Assets under construction are not depreciated as they are not yet ready for their intended use as at the end of the reporting period.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Buildings	2% - 33%
Plant and equipment	3% - 33%
Leasehold land	1% - 2%
Leased assets	5% - 33%
Small tools	5% - 33%
Motor vehicles	6% - 20%
Office and IT equipment	5% - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

(m) Investment properties

Investment properties, which are properties held to earn rental income and/or for capital appreciation (including property under construction for such purposes and land under operating leases that is held for long-term capital appreciation or for a current indeterminate use), are measured initially at its cost, including transaction costs.

Buildings

Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest-and-best use basis. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

2. Material accounting policies (continued)

(m) Investment properties (continued)

Leasehold land

Subsequent to initial recognition, investment properties are accounted for in accordance with the cost model that is cost less accumulated depreciation and less accumulated impairment losses. The depreciation is calculated on a straight-line basis over its lease term.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements are capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

(n) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2. Material accounting policies (continued)

(o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is more likely than not that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Financial liability and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

An entity shall recognise a financial liability on its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial liability is recognised initially at fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit and loss when the liabilities are derecognised, and through amortisation process.

Borrowings

Borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2. Material accounting policies (continued)

(r) Leases

The Group as Lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets in 'Property, plant and equipment' and lease liabilities in 'Lease liabilities' in the statements of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

2. Material accounting policies (continued)

(r) Leases (continued)

The Group as Lessor

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognized in income on a straight-line basis over the lease term.

(s) Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed. The Group has no further payment obligations once the contributions have been paid.

Provision for employee benefits

Provisions are made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using the market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

Share-based payments

The Group operates an equity-settled share-based compensation plan. The fair value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period.

The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received at the grant date. This is then capitalised or expensed as appropriate.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2. Material accounting policies (continued)

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Treasury shares

When any entity within the Group purchases the Company's ordinary shares ('treasury shares'), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or re-issued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of the earnings of the Company.

When treasury shares are subsequently sold or re-issued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

(v) Related parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity').

- a. A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to a reporting entity if any of the following conditions applies:
 - i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - iii. both entities are joint ventures of the same third party;
 - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - vi. the entity is controlled or jointly controlled by a person identified in (a);
 - vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

In the process of applying the Group's accounting policies, the application of judgements that are expected to have a significant effect on the amounts recognised in the financial statements are discussed as follows.

(i) Impairment of trade and other receivables and contract assets

As at 30 June 2024, the Group's trade and other receivables and contract assets amounted to A\$94,602,000 (2023: A\$108,243,000) and A\$173,588,000 (2023: A\$100,093,000) respectively, net of allowance for impairment, if any, arising from the Group's different revenue segments as disclosed in Note 31 to the financial statements.

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 in Australia for each segment, payment history, past due status and term. No allowance of impairment for trade and other receivables were recognised as at 30 June 2024 (2023: Nil). No allowance for impairment of contract assets were recognised as at 30 June 2024 (2023: Nil).

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. So far as management is aware, there is no major customer in financial difficulties during the financial year except for those customers with impairment loss being recognised.

The Group's and the Company's credit risk exposure for trade receivables by different revenue segment are set out in Note 32(a).

(ii) Judgement and method used in estimating construction contract revenue

As discussed in Note 2(e) to the financial statements, 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.

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

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

(iii) 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.

(iv) 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.

No impairment loss on property, plant and equipment and investment properties was recorded for the financial years ended 30 June 2024 and 2023. The carrying amount of property, plant and equipment and investment properties at 30 June 2024 is A\$532,840,000 (2023: A\$476,302,000) and A\$18,459,000 (2023: A\$17,184,000) respectively.

(v) 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.

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

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

(vi) Valuation of freehold land and buildings and investment properties

The Group carries its freehold land and buildings 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.

The carrying amount of the freehold land and buildings and investment properties at the reporting date is disclosed in Note 14 and Note 15. If the selling prices and price per unit measurement of the freehold land and buildings determined by valuation experts had been 5% higher/lower, the carrying amount of the freehold land and buildings and investment properties would have been A\$21,041,000 higher/lower.

(b) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Estimation of total contract costs for contracts

The Group has significant ongoing construction contracts as at 30 June 2024 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.

If the estimated total contract sum decreases by 1% from management's estimates, the Group's profit before income tax will decrease by approximately A\$10,335,000 (2023: A\$8,309,000).

If the remaining estimated contract costs increase by 1% from management's estimates, the Group's profit before income tax will decrease by approximately A\$9,144,000 (2023: A\$7,220,000).

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

(b) Key sources of estimation uncertainty (continued)

(ii) 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 year.

The carrying amount of the Group's property, plant and equipment and investment properties – leasehold land as at 30 June 2024 was A\$532,840,000 (2023: A\$476,302,000) and A\$2,469,000 (2023: A\$1,924,000) respectively. A 10% difference in the expected useful lives of these assets from management's estimate would result in an approximately A\$1,968,000 (2023: A\$1,842,000) variance in the Group's profit before tax.

(iii) 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. The carrying amounts of the Group's and Company's current income tax positions as at 30 June 2024 were current income tax payable of A\$7,462,000 (2023: A\$673,000, payable). The carrying amounts of the Group's and Company's deferred tax assets and deferred tax liabilities as at 30 June 2024 are disclosed in Note 9 to the financial statements.

(iv) Employee performance rights

The Group measures the cost of equity-settled transactions with employees with reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the performance rights, volatility and dividend yield and making assumptions about them.

4. Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Over time:		
Revenue from construction contracts	926,742	711,735
Revenue from the rendering of services	102,834	115,838
	1,029,576	827,573
At a point in time:		
Revenue from the rendering of services	2,097	1,750
Revenue from sale of goods	1,800	1,543
	3,897	3,293
	1,033,473	830,866

Revenue from the rendering of services

Contracts where payment is made for the provision of labour and materials without any risk or penalty for performance is classified as revenue from the rendering of services.

Segment analysis

The segment analysis of the Group is disclosed in Note 31 to the financial statements.

(b) Contract assets and liabilities

	Group	
	2024 A\$'000	2023 A\$'000
Contract assets	173,588	100,093
Contract liabilities	(49,292)	(44,706)

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date on construction contracts. The contract assets are transferred to trade receivables when the rights become unconditional, which usually occurs when the customer certifies the progress claims.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts and progress billings issued in excess of the Group's rights to the consideration in respect of construction contract revenue.

4. Revenue from contracts with customers (continued)

(b) Contract assets and liabilities (continued)

(i) Significant changes in contract balances

	Group	
	2024 A\$'000	2023 A\$'000
Contract assets:		
Contract assets reclassified to trade receivables	(30,067)	(51,530)
Changes in measurement of progress	103,562	29,969
Contract liabilities:		
Revenue recognised in the current year that was included in the contract liability balance at the beginning of the year	35,931	34,180
Increase due to cash received, excluding amounts recognised as revenue during the year	(40,517)	(35,561)

In accordance with Note 2(e) to the financial statements, contract assets adjustments relating to changes in the estimated transaction price were made following receipt of revised independent legal and expert advice on completed contracts.

(ii) Unsatisfied performance obligations

	Group	
	2024 A\$'000	2023 A\$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 30 June	853,416	1,148,988

The Group expects that the aggregate amount of the transaction price allocated to unsatisfied performance obligations as of 30 June 2024 will be recognised as revenue as the Group continues to perform to complete the obligations, which is expected to occur over the next few years up to 2029. The amount disclosed above does not include variable consideration which is subject to constraint.

As permitted under the SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods of one year or less, or are billed based on time incurred, is not disclosed.

5. Other income

	Group	
	2024 A\$'000	2023 A\$'000
Insurance recoveries	383	53
Fuel tax rebate	785	489
Interest income:		
- Bank balances	3,252	1,099
- Tax authorities	73	-
	3,325	1,099
Gain on disposal of property, plant and equipment	64	331
Gain on disposal of interest in a former associate	-	80
Fair value gain on investment property at fair value through profit or loss	730	420
Subsidies and incentives	32	127
Net foreign exchange gain	-	30
Miscellaneous income	11	2
	5,330	2,631

Subsidies and incentives

The Group received Wage Subsidy and Jobs and Skills WA Employer Incentives from the Government for hiring eligible participants.

6. Profit before income tax

The following items have been included in arriving at profit before income tax:

	Group	
	2024 A\$'000	2023 A\$'000
Included in cost of sales:		
Direct materials	130,174	129,215
Employee benefits (Note 7)	485,349	398,089
Subcontract works	155,796	69,771
Workshop and other overheads	120,015	103,061
Depreciation of property, plant and equipment and investment properties – leasehold land (Note 14, 15)	19,580	18,243
Finance costs on lease liabilities (Note 8)	3,528	3,316
Included in administrative expenses:		
Audit fees:		
- Auditor of the Company	102	100
- Other auditors (network firm)	109	121
Non-audit fees:		
- Auditor of the Company	24	22
- Other auditors (network firm)	28	25
- Other auditors (non-network) firm	185	191
Business development	89	447
Communications	3,080	2,737
Depreciation of property, plant and equipment (Note 14)	96	175
Directors' fee	313	290
Employee benefits (Note 7)	18,545	15,889
Occupancy expenses	541	518
Office costs	1,185	1,031
Other administrative expenses	524	522
Tax and other professional fees	2,446	2,538
Net foreign exchange loss	43	-
Included in other reversal:		
Reversal of revaluation loss on freehold land and buildings ⁽¹⁾	(495)	(149)

Note:

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 2024. The net revaluation increase reverses its net revaluation loss previously recognised in the financial year ended 30 June 2020 (2023: A\$149,000 reversal).

7. Employee benefits Expenses

	Group	
	2024 A\$'000	2023 A\$'000
Included in cost of sales: (Note 6)		
Wages and salaries	456,460	374,045
Contributions to defined contribution plans	26,252	21,663
Other employee benefits	2,637	2,381
	485,349	398,089
Included in administrative expenses: (Note 6)		
Wages and salaries	15,348	11,145
Contributions to defined contribution plans	1,576	1,282
Other employee benefits	408	350
Share based payment	1,213	3,112
	18,545	15,889

8. Finance costs

	Group	
	2024 A\$'000	2023 A\$'000
Corporate market loan and line fees	4,824	3,637
Trade finances	-	102
Lease liabilities	801	767
Other finance costs	430	268
	6,055	4,774
Included in cost of sales:		
Lease liabilities (Note 6)	3,528	3,316
Total finance costs	9,583	8,090

9. Income tax expense

	Group	
	2024 A\$'000	2023 A\$'000
Current income tax	28,063	20,561
Deferred income tax	(580)	3,454
	27,483	24,015
(Over)/under provision in prior years		
- Current income tax	71	(505)
- Deferred income tax	(472)	1,388
	(401)	883
	27,082	24,898
Deferred income tax expense on revaluation of freehold land and buildings recognised in other comprehensive income	13,628	5,185

9. Income tax expense (continued)

The Group's tax on profit before income tax differs from the amount that would arise using the Australian standard rate of income tax as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Profit before income tax	91,491	82,571
Income tax at 30%	27,447	24,771
Add/(deduct) the tax effects of:		
Under provision of current tax expense in prior years	71	92
Over provision of current tax expense in prior years	-	(597)
Under provision of deferred tax expense in prior years	-	1,388
Over provision of deferred tax expense in prior years	(472)	-
Non-assessable income	-	(756)
Non-deductible expenses	36	-
	27,082	24,898
Weighted average effective tax rates	29.6%	30.2%

As at 30 June 2024, the Group has capital tax losses of approximately A\$2,080,000 (2023: A\$2,080,000) that are available for offset against future capital gains of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these capital tax losses is subject to the agreement of tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The deferred tax assets arising from these capital losses amounted to A\$624,000 (2023: A\$624,000) and are not recognised as there is no reasonable certainty that future capital gains will be available to utilise the capital tax losses.

The non-deductible expenses of the Group mainly relate to share based payment which are being treated as non-deductible for tax purposes.

The tax rate used for the 2024 and 2023 reconciliations above is the corporate tax rate of 30% payable by corporate entities in Australia on taxable profits under the tax law in that jurisdiction. The Group's operations are primarily located in Australia.

Deferred taxes

Group	Opening A\$'000	Charged to profit & loss A\$'000	Charged to OCI* A\$'000	Closing A\$'000
2024				
Property, plant and equipment	(68,743)	(560)	(13,628)	(82,931)
Receivables	-	(210)	-	(210)
Trade and other payables	1,452	853	-	2,305
Provisions	6,578	330	-	6,908
Leases liabilities	2,402	204	-	2,606
Others	(96)	435	-	339
	(58,407)	1,052	(13,628)	(70,983)
2023				
Property, plant and equipment	(58,681)	(4,877)	(5,185)	(68,743)
Receivables	(83)	83	-	-
Trade and other payables	2,369	(917)	-	1,452
Provisions	5,709	869	-	6,578
Leases liabilities	2,241	161	-	2,402
Others	65	(161)	-	(96)
	(48,380)	(4,842)	(5,185)	(58,407)

*Other Comprehensive Income

9. Income tax expense (continued)

Deferred taxes (continued)

Company	Opening A\$'000	Charged to profit & loss A\$'000	Closing A\$'000
2024			
Loan receivables	2	(2)	-
Trade and other payables	28	(4)	24
Others	-	48	48
	30	42	72
2023			
Loan receivables	76	(74)	2
Trade and other payables	10	18	28
	86	(56)	30

10. Earnings per share

Basic earnings per share is calculated by dividing the Group's net profit attributable to ordinary equity holders for the financial year by the weighted average number of ordinary shares issued.

	Group	
	2024	2023
Profit attributable to the owners of the Company (A\$'000)	64,409	57,655
Share capital (A\$'000)	29,918	29,807
Weighted average number of ordinary share issued		
- Basic	507,189,973	504,683,775
- Diluted	512,478,973	516,633,775
Earnings per ordinary share (A\$ cents)		
- Basic	12.70	11.42
- Diluted	12.57	11.16

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 year.

As at 30 June 2024, the diluted earnings per share includes the effect of 5,289,000 unissued ordinary shares granted under CPRP due to the performance targets are likely to be met (Note 25(a)). The effect of the inclusion is dilutive. (2023: 7,950,000, dilutive).

11. Trade and other receivables

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Current:				
Trade receivables				
- Third parties	94,076	107,650	-	-
- Retention sum receivables	12	12	-	-
	94,088	107,662	-	-
Receivables from subsidiaries	-	-	57,597	33,117
Other receivables	514	581	-	-
	94,602	108,243	57,597	33,117

The receivables from subsidiaries are non-trade, unsecured, interest-free and repayable on demand in cash. No impairment loss of trade and other receivables were provided as at 30 June 2024 (2023: Nil).

The Group's internal credit evaluation practices and basis for recognition and measurement for expected credit losses are disclosed in Note 32(a) to the financial statements.

12. Other current assets

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Prepayments	692	1,597	-	-
Consumables inventory	701	677	-	-
	1,393	2,274	-	-

13. Cash and cash equivalents

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Cash at bank and on hand	88,457	70,381	2	-

Cash at bank earn interest at floating rates ranging from 0.01% to 4.45% (2023: 0.01% to 3.95%) per annum.

A floating charge over cash and cash equivalents has been provided for certain debt.

14. Property, plant and equipment

	Group	Freehold land A\$'000	Leasehold land A\$'000	Buildings A\$'000	Plant and equipment A\$'000	Small tools A\$'000	Motor vehicles A\$'000	Office equipment A\$'000	IT equipment A\$'000	Assets under construction A\$'000	Total A\$'000
Cost or valuation											
At 1 July 2023		22,045	35,410	341,470	112,851	11,161	9,691	849	3,426	12,599	549,502
Additions		-	-	17,968	3,000	752	277	11	14	3,188	25,210
Additions – ROU		-	2,240	-	2,622	-	1,874	-	-	-	6,736
Transfer		3,543	-	235	544	(387)	-	-	-	(3,935)	-
Revaluation increase		3,897	-	31,658	-	-	-	-	-	-	35,555
Disposals		-	-	-	(182)	(72)	(503)	-	-	-	(757)
At cost at 30 June 2024		29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	195,430
At valuation at 30 June 2024		29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	420,816
At 30 June 2024		29,485	37,650	391,331	118,835	11,454	11,339	860	3,440	11,852	616,246
Accumulated depreciation											
At 1 July 2023		-	(5,005)	-	(51,023)	(7,138)	(6,079)	(738)	(3,217)	-	(73,200)
Depreciation for the year		-	(966)	(8,715)	(7,617)	(1,233)	(987)	(31)	(81)	-	(19,630)
Revaluation		-	-	8,715	-	-	-	-	-	-	8,715
Transfer		-	-	-	(374)	374	-	-	-	-	-
Disposals		-	-	-	174	69	466	-	-	-	709
At 30 June 2024		-	(5,971)	-	(58,840)	(7,928)	(6,600)	(769)	(3,298)	-	(83,406)
Net carrying amount											
At cost		-	31,679	-	59,995	3,526	4,739	91	142	11,852	112,024
At valuation		29,485	-	391,331	-	-	-	-	-	-	420,816
At 30 June 2024		29,485	31,679	391,331	59,995	3,526	4,739	91	142	11,852	532,840

14. Property, plant and equipment (continued)

Group	Freehold land A\$'000	Leasehold land A\$'000	Buildings A\$'000	Plant and equipment A\$'000	Small tools A\$'000	Motor vehicles A\$'000	Office equipment A\$'000	IT equipment A\$'000	Assets under construction A\$'000	Total A\$'000
2023										
Cost or valuation										
At 1 July 2022	21,200	30,549	328,734	98,321	10,330	8,690	766	3,357	9,543	511,490
Additions	245	-	4,237	3,685	237	-	83	69	11,324	19,880
Additions – ROU	-	4,861	-	3,599	-	1,040	-	-	-	9,500
Transfer	-	-	22	7,537	649	-	-	-	(8,208)	-
Reclassification	-	-	-	-	-	-	-	-	(60)	(60)
Revaluation increase	600	-	8,477	-	-	-	-	-	-	9,077
Disposals	-	-	-	(291)	(55)	(39)	-	-	-	(385)
At cost at 30 June 2023	-	35,410	-	112,851	11,161	9,691	849	3,426	12,599	185,987
At valuation at 30 June 2023	22,045	-	341,470	-	-	-	-	-	-	363,515
At 30 June 2023	22,045	35,410	341,470	112,851	11,161	9,691	849	3,426	12,599	549,502
Accumulated depreciation										
At 1 July 2022	-	(4,055)	-	(44,207)	(6,092)	(5,286)	(716)	(3,042)	-	(63,398)
Depreciation for the year	-	(950)	(8,287)	(7,013)	(1,099)	(831)	(22)	(175)	-	(18,377)
Revaluation	-	-	8,287	-	-	-	-	-	-	8,287
Disposals	-	-	-	197	53	38	-	-	-	288
At 30 June 2023	-	(5,005)	-	(51,023)	(7,138)	(6,079)	(738)	(3,217)	-	(73,200)
Net carrying amount										
At cost	-	30,405	-	61,828	4,023	3,612	111	209	12,599	112,787
At valuation	22,045	-	341,470	-	-	-	-	-	-	363,515
At 30 June 2023	22,045	30,405	341,470	61,828	4,023	3,612	111	209	12,599	476,302

14. Property, plant and equipment (continued)

Depreciation expenses are classified as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Included in cost of sales	19,534	18,202
Included in administrative expenses	96	175
	19,630	18,377

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 Hematite Drive & Lot 325 Furnace Road, Wedgefield, Port Hedland Western Australia	Land and buildings / Manufacturing workshop and office facility	Freehold
10 Eucla Close, South Hedland Western Australia	Land and buildings / Accommodation support	Freehold
45 Bensted Road, Callemondah, Gladstone Queensland	Land / New facility to be constructed. This is currently classified under Asset under construction	Freehold
2 George Mamalis, Callemondah Gladstone Queensland	Land and building / Workshop and office facility. This is currently classified under Asset under construction	Freehold

Freehold land and buildings carried at fair value

At 30 June 2024, 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.

14. Property, plant and equipment (continued)

Freehold land and buildings carried at fair value (continued)

Details of the Group's freehold land and buildings and information about the fair value hierarchy as at 30 June 2024 and 30 June 2023 are as follows:

	Level 1 A\$'000	Level 2 A\$'000	Level 3 A\$'000	Fair value as at 30 June 2024 A\$'000
Freehold land	-	29,485	-	29,485
Buildings	-	6,545	384,786	391,331

	Level 1 A\$'000	Level 2 A\$'000	Level 3 A\$'000	Fair value as at 30 June 2023 A\$'000
Freehold land	-	22,045	-	22,045
Buildings	-	6,155	335,315	341,470

Level 2 fair value of the Group's freehold land and building have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes as disclosed in Note 3(a)(vi) to the financial statements. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

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) as at 30 June 2024 and 2023:

Description	Fair value as at 30 June 2024 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	384,786	Depreciated Replacement Cost (DRC)	Depreciation rates	2% to 33%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,286 to A\$6,393	The higher the construction costs, the higher the fair value.
			Developer profit margin	5% to 10%	The higher the profit margin, the higher the fair value.

14. Property, plant and equipment (continued)

Freehold land and buildings carried at fair value (continued)

Valuation techniques used to derive Level 3 fair values (continued)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3) as at 30 June 2024 and 2023 (continued):

Description	Fair value as at 30 June 2023 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	335,315	Depreciated Replacement Cost (DRC)	Depreciation rates	2% to 33%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,079 to A\$5,571	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.

The following table represents the changes in level 3 items for the financial year ended 30 June 2024 and 30 June 2023:

	Group	
	2024 A\$'000	2023 A\$'000
At the beginning of the year	335,315	326,134
Acquisition	16,893	904
Depreciation	(8,463)	(8,169)
Gain on revaluation of buildings	41,041	16,446
Closing balance	384,786	335,315

There were no transfers between Level 1 and Level 2 during the year.

If the freehold land and building were stated on the historical cost basis, the carrying amount would be as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Freehold land*	20,042	16,499
Buildings	225,934	207,730
Accumulated depreciation	(41,484)	(35,077)
Net book value	204,492	189,152

*exclude freehold land under Asset under construction

14. Property, plant and equipment (continued)

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are also disclosed in Note 22.

As at the balance sheet date, the net book value of property, plant and equipment that were under lease liabilities was A\$67,847,000 (2023: A\$65,654,000) (Note 22).

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

Description	Borrowings	Group	
		2024 A\$'000	2023 A\$'000
Leased plant and equipment	Lease liabilities	36,167	35,250
Remaining property, plant and equipment	Corporate market loan, multi-option	496,673	441,052
		532,840	476,302

The details of the borrowings are disclosed in Note 20.

15. Investment properties

Group	Buildings A\$'000	Leasehold land A\$'000	Total A\$'000
2024			
Cost or valuation			
At 1 July 2023	15,260	2,006	17,266
Addition – ROU	-	591	591
Revaluation increase – recognised in profit or loss	730	-	730
At 30 June 2024	15,990	2,597	18,587
Accumulated depreciation			
At 1 July 2023	-	(82)	(82)
Depreciation for the year	-	(46)	(46)
At 30 June 2024	-	(128)	(128)
Net carrying amount			
At 30 June 2024	15,990	2,469	18,459
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

15. Investment properties (continued)

Buildings carried at fair value

At 30 June 2024, 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 months lease from July 2021, with 2 options to renew for a further 3 years each

The fair value measurement for the investment properties of A\$15,990,000 (2023: A\$15,260,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used.

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 2024 A\$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	15,990	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value
			Estimated construction costs per square metre	A\$1,491	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 2023 A\$'000	Valuation technique	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	A\$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.

15. 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 2.1%.

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

Amounts recognised in profit or loss for investment properties

	Group	
	2024 A\$'000	2023 A\$'000
Rental income	351	510
Direct operating expenses from investment property that generated rental income	(348)	(345)

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

Description	Borrowings	Group	
		2024 A\$'000	2023 A\$'000
Investment properties	Corporate market loan, multi-option	18,459	17,184

16. Intangible assets

	Group	
	2024 A\$'000	2023 A\$'000
Goodwill	10	10

Goodwill has been allocated to the cash-generating unit, Metals and Minerals division.

Management is of the opinion that the recoverable amount will exceed the carrying amount on the basis that this cash generating unit has been generating profit since acquisition and management forecasts the results of this subsidiary to be in a net profit position for the financial year ended 30 June 2024. In arriving at this assessment, management has determined the recoverable amount using a two (2023: two) years forecasting process based on the current order book, projected orders and a consumer price index ('CPI') factor of 3.25% (2023: 6.0%) per annum on direct costs and overhead costs.

17. Investment in subsidiaries

	Company	
	2024 A\$'000	2023 A\$'000
Unquoted equity shares, at cost	7,579	8,324

The movement in the Company's investment in subsidiaries was due to the derecognition of its investment in Civmec Construction & Engineering Singapore Pte Ltd ('CCESG') as a result of the deregistration of CCESG in Singapore during the current financial year.

There is no material non-controlling interest to be disclosed for the financial year ended 30 June 2024.

17. Investment in subsidiaries (continued)

The details of the Company's subsidiaries are as follows:

Name of entity	Principal activities	Country of incorporation	Equity held by the Group	
			2024 %	2023 %
Held by the Company				
Civmec Construction & Engineering Pty Ltd*	Engineering and construction services	Australia	100	100
Civmec Construction & Engineering Singapore Pte Ltd ⁽¹⁾	Engineering and construction services	Singapore	-	100
Held by Civmec Construction & Engineering Pty Ltd				
Civmec Holdings Pty Ltd*	Asset holding company	Australia	100	100
Multidiscipline Solutions Pty Ltd*	Asset holding company and labour supply	Australia	100	100
Civmec Pipe Products Pty Ltd*	Asset holding company	Australia	83.5	83.5
Civmec Electrical and Instrumentation Pty Ltd*	Electrical services	Australia	100	100
Forgacs Marine and Defence Pty Ltd*	Marine and defence services	Australia	100	100
Civmec Construction & Engineering Africa Ltd**	Asset holding company	Mauritius	100	100
Civmec-Mala PNG ⁽¹⁾	Engineering and construction services	Papua New Guinea	-	88

Held by Civmec Construction & Engineering Africa Ltd

Civmec Construction & Engineering Uganda Ltd ⁽¹⁾	Asset holding company	Uganda	-	100
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Notes:

* Audited by Moore Australia (WA) Pty Ltd, Australia.

** Reviewed by Moore Australia (WA) Pty Ltd, Australia for the purpose of consolidation

⁽¹⁾ The company was deregistered during the current financial year.

18. Joint operations

The Group has interests in the following joint operation which is proportionately consolidated:

Name of entity	Principal activities	Country of incorporation	Ownership interest held by the Group	
			2024 %	2023 %
Held by Civmec Construction & Engineering Pty Ltd				
Black & Veatch Civmec JV ('BCJV') ⁽¹⁾	Engineering and construction services	Australia	50	50
Civmec Construction & Engineering Pty Ltd and Seymour Whyte Constructions Pty Ltd and WSP Australia Pty Ltd ('Causeway Link Alliance') ⁽²⁾	Engineering and construction services	Australia	53.78	53.78

Notes:

⁽¹⁾ BCJV project is for the design and construction of a wastewater treatment plant upgrade.

⁽²⁾ Causeway Link Alliance is for the design and construction of the Causeway Pedestrian and Cyclist Bridges in the Perth metropolitan area.

19. Trade and other payables

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Trade creditors	58,040	45,972	-	-
Sundry payables and accruals	84,189	58,504	2,012	2,494
Goods and services tax payable	5,277	6,765	-	-
Other taxes payable	5,643	6,430	-	-
	153,149	117,671	2,012	2,494

Trade and other payables are usually paid within 45 days.

20. Borrowings

	Group	
	2024 A\$'000	2023 A\$'000
Current:		
Corporate market loan – secured [Note 20(a)]	8,000	8,000
Non-current:		
Corporate market loan - secured [Note 20(a)]	56,000	48,500
	64,000	56,500

(a) 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 2024, the Group met all of these financial covenants.

As at 30 June 2024, the Group has a commercial bank facility amounting to A\$64 million (2023: A\$70 million) which was fully utilised (2023: 81% utilised). The facility is repaid at an amount of A\$8 million per annum. Interest rates are variable and ranged between 5.02% to 5.47% (2023: 1.53% to 5.01%) per annum during the current financial year.

(b) Multi-option facility

The Group has a multi-option facility of A\$70 million (2023: A\$65 million) which was not utilised as at 30 June 2024 (2023: 2% 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 5.45% to 5.47% (2023: 2.59% to 3.99%) 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 14 and Note 15 to the financial statements.

21. Provisions for employee benefits

	Group	
	2024 A\$'000	2023 A\$'000
Current:		
Provision for short-term employee benefits	18,455	17,849
Non-current:		
Provision for long-term employee benefits	493	737
	18,948	18,586

The movements in provisions are as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Current:		
At the beginning of the year	17,849	11,350
Provisions made during the year		
- Included in employee benefits	26,568	25,336
Provisions utilised during the year	(27,003)	(22,828)
Reclassified from non-current	1,041	3,991
At the end of the year	18,455	17,849
Non-current:		
At the beginning of the year	737	4,726
Provisions made during the year		
- Included in employee benefits	440	1,771
Adjustment due to change in probability %	1,738	(1,050)
Provisions utilised during the year	(1,381)	(719)
Reclassified to current	(1,041)	(3,991)
At the end of the year	493	737

Short-term benefits

The provisions pertain to employee benefits for annual leave, rostered days off and non-vesting personal leave that are expected to be settled within 12 months of the reporting date. The liability of long service leave that is payable to employees who have completed at least 7 years of continuous employment is also classified as current. They are measured at the amounts expected to be paid when the liability is settled.

Long-term benefits

The provisions mainly pertain to employee benefits relating to long service leave. The liability is measured as the present value of the expected future payments to be made. The probability of long service leave being taken is based upon historical data and the discount rate used ranges from 5.04% to 5.53% (2023: 5.16% to 5.61%)

22. Leases

(a) The Group as lessee

Nature of the Group's leasing activities

The Group has entered into leases of land and buildings in respect of its offices, facilities and workshops. The Group has the following leases:

- The Henderson land lease at Lot 804 (16) Nautical Drive, Henderson, Western Australia is for a 34-year period from August 2010 with an option to renew for a further 35 years (reasonably certain to be exercised). Rent increases as per the CPI Index.
- The Henderson land lease on extended area at Lot 804 (16) Nautical Drive, Henderson, Western Australia is for a 28-year period from December 2016 with an option to renew for a further 45 years (reasonably certain to be exercised). Rent increases as per the CPI Index.
- The Henderson land lease at Lot 101 (1) Welding Pass, Henderson, Western Australia is 28-year lease from November 2019 with further 22 years option (reasonably certain to be exercised). Rent increases as per the CPI Index.
- A workshop lease at 4/379 Spearwood Avenue, Bibra Lake, Western Australia is for 3-year lease from July 2022 with a first further 2 years option and a second further 3 years option (reasonably certain to be exercised). Rent increases 2.5% on each anniversary of the start date on the initial lease term and subsequently increases as per CPI index.

The Group also leases motor vehicles, workshop equipment and office fitout from non-related parties under lease liabilities. The Group will obtain the ownership of the leased assets from the lessor at no extra cost at the end of the lease term. The average lease term is between 4 and 5 years.

The present values of lease liabilities are analysed as follows:

	Minimum lease payments A\$'000	Future finance charges A\$'000	Net present value of minimum lease payments A\$'000
Group 2024			
Current:			
Within one year	10,159	(4,215)	5,944
Non-current:			
Between two and five years	25,327	(14,875)	10,452
Later than five years	189,888	(148,987)	40,901
	215,215	(163,862)	51,333
	225,374	(168,077)	57,297
2023			
Current:			
Within one year	10,817	(4,001)	6,816
Non-current:			
Between two and five years	25,809	(14,068)	11,741
Later than five years	182,392	(143,614)	38,778
	208,201	(157,682)	50,519
	219,018	(161,683)	57,335

22. Leases (continued)

(a) The Group as lessee (continued)

Nature of the Group's leasing activities (continued)

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Present value of lease liabilities		
Current:		
Within one year	5,944	6,816
Non-current:		
Between two and five years	10,452	11,741
Later than five years	40,901	38,778
	51,333	50,519
	57,297	57,335

The effective interest rates range from 2.14% to 8.60% (2023: 2.14% to 8.60%) per annum.

Carrying amount of right-of-use assets within Property, Plant and Equipment

	Group	
	2024 A\$'000	2023 A\$'000
Leasehold land & buildings	31,679	30,405
Small tools	681	782
Plant and equipment	31,501	31,625
Motor vehicles	3,986	2,842
	67,847	65,654

Carrying amount of right-of-use assets within Investment Properties

	Group	
	2024 A\$'000	2023 A\$'000
Leasehold land	2,469	1,924

There was an addition of A\$7,327,000 to right-of-use assets during the year (Note 14 and Note 15).

Amounts recognised in profit or loss

	Group	
	2024 A\$'000	2023 A\$'000
Depreciation charged for the year:		
- Small tools	101	101
- Plant and equipment	2,746	2,447
- Motor vehicles	704	504
- Leasehold land & building	981	950
Interest on lease liabilities (Note 8)	4,329	4,083
Expenses relating to short-term leases	302	293

Other disclosures

Total cash outflow for leases	7,873	8,623
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22. Leases (continued)

(b) The Group as lessor

The Group sub-leased its investment property under an operating lease which also included pay to build and occupy conditions. A net amount of A\$9,236,000 was received in advance during the year ended 30 June 2021 from the sub-lessee as part of the pay to build conditions. Revenue from the advance is being recognised over the tenure of the land. The sub-lessee does not have an option to purchase the property at the expiry of the lease period. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties is disclosed in Note 15.

Future minimum rental receivables under non-cancellable operating leases as at the end of the reporting period are as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Present value of rental receivables		
Within one year	351	351
Between one year and two years	340	340
Between two years and three years	320	471
Between three years and four years	320	471
Between four years and five years	320	471
Later than five years	2,719	2,351
	4,370	4,455

23. Share capital

(a) Fully paid ordinary shares

	Group and Company			
	2024		2023	
	No. of shares	A\$'000	No. of shares	A\$'000
At the beginning of the year	505,132,000	29,807	502,450,000	29,807
Share issued during the year				
- Conversion of performance rights	2,324,000	-	2,682,000	-
- Conversion of share options	150,000	111	-	-
At the end of the year	507,606,000	29,918	505,132,000	29,807

The ordinary shares of the Company have no par value. All issued ordinary shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share without restrictions at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

During the current financial year, 2,324,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel ('KMP') and other management.

During the current financial year, 150,000 shares were issued pursuant to vesting and conversion of share options held by other management. The share options were offered at S\$0.65 each share under the Civmec Limited Employee Share Option Scheme (the 'CESOS') on 11 September 2013. Paid-up capital of the Company increased by A\$111,000.

23. Share capital (continued)

(b) Treasury shares

	Group and Company			
	2024		2023	
	No. of shares	A\$'000	No. of shares	A\$'000
At the beginning and end of the year	15,000	10	15,000	10

Treasury shares relate to ordinary shares of the Company that are held by the Company.

(c) Share options

	Group and Company			
	2024		2023	
	No. of shares	Exercise price	No. of shares	Exercise price
At the beginning of the year	4,000,000	S\$0.65	4,000,000	S\$0.65
- Converted into ordinary shares	(150,000)		-	
- Expired and cancelled	(3,850,000)			
At the end of the year	-	-	4,000,000	S\$0.65

The balance of the share options granted under the CESOS plan expired and were cancelled on 11 September 2023.

24. Dividends

(a) Declared and paid during the year

	Group	
	2024 A\$'000	2023 A\$'000
Final franked dividends of 3.0 Australia cents per ordinary share for the financial year ended 30 June 2023 (2023: 2.0 Australia cents)	15,228	10,103
Interim franked dividends of 2.5 Australia cents per ordinary share for the financial year ended 30 June 2024 (2023: 2.0 Australia cents)	12,690	10,102
Total dividends provided for or paid	27,918	20,205

(b) Unrecognised amounts

	Group	
	2024 A\$'000	2023 A\$'000
Final franked dividends of 3.5 Australia cents per ordinary share for the financial year ended 30 June 2024 (2023: 3.0 Australia cents), subject to change of domicile of the parent company	17,766	15,154

The final dividend is subject to completion of the change of domicile for the head company which is, anticipated to be become effective on 4 September 2024. Subject to completion of the change of domicile, the dividend will become payable on 25 October 2024.

24. Dividends (continued)

(c) Franking credit balance

	Group	
	2024 A\$'000	2023 A\$'000
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2023: 30%)	52,465	43,616
Impact on the franking account of dividends declared by the Board	(7,614)	(6,495)
	44,851	37,121

Tax rates

The tax rate at which paid dividends have been franked is 30% (2023: 30%). Dividends payable will be franked at the rate of 30% (2023: 30%).

Recognition and measurement

A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date.

25. Share-based payments

(a) Performance rights plan

The Civmec Limited Performance Rights Plan (the 'CPRP') for key senior executives of the Group was approved and adopted by shareholders at the Annual General Meeting held on 25 October 2019.

A Performance Right refers to a right to one issued ordinary share of the Company granted under the scheme for no consideration. To the extent the gateway hurdles are satisfied, 100% of the vesting will be based on the absolute earnings per share (aEPS) outcome. aEPS is based on the achievement of certain predetermined performance targets determined by the Committee. The Committee has the discretion to determine whether the performance targets have been met.

The balances of Performance Rights are as follows:

	Issued	Vested	Forfeited /Lapsed /Expired	Balance
Performance period 1 July 2020 to 30 June 2023 (Granted in FY2021)	4,289,000	(2,324,000)	(1,965,000)	-
Performance period 1 July 2021 to 30 June 2024 (Granted in FY2022)	1,773,000	-	(435,000)	1,338,000
Performance Period 1 July 2022 to 30 June 2025 (Granted in FY2023)	2,134,000	-	-	2,134,000
Performance Period 1 July 2023 to 30 June 2026 (Granted in FY2024)	1,817,000	-	-	1,817,000
Balance as at 30 June 2024				5,289,000

For the financial year ended 30 June 2024, the Group has recognised A\$365,000 of equity-settled share-based payment expense (2023: A\$1,073,000).

25. Share-based payments (continued)

(b) Employee share option scheme

The Civmec Limited Employee Share Option Scheme (the 'CESOS') was established on 27 March 2012 and formed part of the Civmec Limited prospectus dated 5 April 2012. The CESOS is a long term incentive scheme to reward and retain key management and employees of the Group whose service are integral to the success and the continued growth of the Group. Executive and non-executive directors (including independent directors) and employees of the Company, who are not controlling shareholders or their associates, are eligible to participate in the scheme. Controlling shareholders or their associates cannot participate in the scheme unless certain conditions are satisfied and shareholder approval is obtained.

The options are issued for no consideration and carry no entitlements to voting rights or dividends of the Group and are not transferable. The number of options granted is subject to approval by the Remuneration Committee and is based on a performance framework which incorporates financial and/or non-financial performance measurement criteria.

Options are forfeited immediately after the holder ceases to be employed by the Group (except in the case of ill health, retirement, redundancy or bankruptcy), unless the committee determines otherwise.

The options are issued with a strike price that is at the Remuneration Committee's discretion, set at a price as quoted on the Singapore Exchange for three market days immediately preceding the relevant date of grant of the option or at a discount to the market price (subject to a maximum discount of 20%).

The vesting period for options issued with no discount to market price is over one year. On 11 September 2013, 6,000,000 options were granted to employees under the CESOS to take up ordinary shares at an exercise price of S\$0.65 equivalent to A\$0.64 per share.

Movements in the number of share options are as follows:

	Group and Company			
	2024		2023	
	No.	WAEP	No.	WAEP
Outstanding at beginning of the year	4,000,000	S\$0.65	4,000,000	S\$0.65
- Exercised during the year	(150,000)	S\$0.65	-	-
- Expired and cancelled during the year	(3,850,000)	-	-	-
Exercisable at end of the year	-	-	4,000,000	-

During the current financial year, 150,000 shares options were exercised and converted into ordinary shares.

The balance of the share options granted under the CESOS plan expired and were cancelled on 11 September 2023.

26. Asset revaluation reserve

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
At the beginning of the year	129,577	117,477	-	-
Gain on revaluation of freehold land and buildings	44,270	17,285	-	-
Deferred tax liability arising on revaluation (Note 9)	(13,628)	(5,185)	-	-
At the end of the year	160,219	129,577	-	-

27. Other reserves

	Group		Company	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Merger reserve	7,578	7,578	7,578	7,578
Waiver of interest receivable from a subsidiary	-	-	(3,335)	(3,335)
Waiver of loan payable to a related party	277	277	-	-
De-registration of a subsidiary	-	-	(746)	-
Equity-settled employee benefits reserve	4,007	3,642	4,007	3,642
	11,862	11,497	7,504	7,885

(a) Merger reserve

Pursuant to the completion of the Restructuring Exercise, the share capital of Civmec Construction & Engineering Pty Ltd and Controlled Entities was adjusted to merger reserve based on the 'pooling of interest method'.

(b) Equity-settled employee benefits

The equity-settled employee benefits reserve relates to share options granted to employees under the employee share option plan and performance rights.

28. Capital expenditure commitments

The Group has contracted capital expenditure commitments at the reporting date but not recognised in the financial statement as follows:

	Group	
	2024 A\$'000	2023 A\$'000
Plant and equipment purchases	3,316	4,120
Capital projects	1,335	1,100
	4,651	5,220

29. Guarantees

Group

The Group is, in the normal course of business, required to provide guarantees in respect of their contractual performance related obligations. These guarantees and indemnities only give rise to a liability in the event that it is unable to perform its contractual obligations.

Company

The Company also provides parent company guarantee (PCG) to clients from time to time when a subsidiary enters into a contractual agreement. These guarantees and indemnities only give rise to a liability in the event that the subsidiary is unable to perform its contractual obligations.

During the course of business, the Company also provides letters of credit for international trading when required.

As at 30 June 2024, the Group has given the following:

	Group	
	2024 A\$'000	2023 A\$'000
Bank guarantees	2,442	1,396
Surety bond facility	137,266	140,067
	139,708	141,463

The surety bond facility is provided for the provision of performance bonds to customers of the Group. It has a limit of A\$403 million (2023: A\$405 million) as at 30 June 2024.

30. 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) (19.25%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (19.23%). 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	
	2024 A\$'000	2023 A\$'000
Directors' remuneration		
- Salaries and other related costs	2,911	2,635
- Directors' fees	313	290
- Cash-settled share-based payment	1,308	917
- Benefits including defined contribution plans	142	141
Other key management personnel		
- Salaries and other related costs	3,029	2,928
- Benefits including defined contribution plans	244	246
	7,947	7,157

30. 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	
	2024 No.	2023 No.
Share options		
Key management personnel	-	1,000,000
Performance rights		
Directors	1,057,000	2,774,000
Key management personnel	2,512,000	2,999,000

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 financial year (2023: Nil).

31. Financial information by segments

Management has determined the operating segments based on the internal reports which are regularly reviewed by the Operations Management that are used to make strategic decisions.

The Operations Management comprises of the Executive Chairman, Chief Executive Officer, Chief Operating Officer, Acting Chief Financial Officer and the department heads of each operating segment.

The business is managed primarily on the basis of different products and services as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

31. Financial information by segments (continued)

The Group is organised into the following main business segments:

- Energy
- Resources
- Infrastructure, Marine & Defence

The business activities 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.

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.

Basis of accounting for purpose of reporting by operating segments

(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the consolidated financial statements of the Group.

(b) Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reviewed quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs.

(c) Segment assets and liabilities

The Group does not identify nor segregate its assets and liabilities in operating segments as these are managed on a 'group basis'.

Geographical segments (secondary reporting)

Revenue is based on the location of customers regardless of where the services are rendered. Non-current assets are based on the location of those assets:

	Revenue		Non-current assets	
	2024 A\$'000	2023 A\$'000	2024 A\$'000	2023 A\$'000
Australia	1,033,473	830,866	552,277	493,543

Major customers

The Group has a number of customers to whom it provides both products and services. For the year ended 30 June 2024, the Group supplies to two (2023: two, Resources) external customers in the Resources segment. The major customers account for approximately 53.5% (2023: 51.0%) of external revenue.

31. Financial information by segments (continued)

	Group							
	2024				2023			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Revenue	31,039	876,478	125,956	1,033,473	42,960	678,581	109,325	830,866
Cost of sales (excluding depreciation)	(26,232)	(762,530)	(106,100)	(894,862)	(36,699)	(573,638)	(93,115)	(703,452)
Depreciation expenses	(475)	(17,177)	(1,928)	(19,580)	(781)	(15,476)	(1,986)	(18,243)
Segment results	4,332	96,771	17,928	119,031	5,480	89,467	14,224	109,171
Other income				5,330				2,631
Unallocated costs								
Administrative expenses*				(27,214)				(24,431)
Depreciation in admin expenses*				(96)				(175)
Reversal of:								
- revaluation loss on freehold land and buildings				495				149
Finance costs				(6,055)				(4,774)
Profit before income tax				91,491				82,571
Income tax expense				(27,082)				(24,898)
Profit for the year				64,409				57,673
	As at 30 June 2024				As at 30 June 2023			
	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000	Energy A\$'000	Resources A\$'000	Infra- structure, Marine and Defence A\$'000	Total A\$'000
Segment assets:								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				907,946				772,203
Other current assets				1,393				2,274
Deferred tax assets				968				47
Total assets				910,317				774,534
Segment liabilities:								
Unallocated liabilities								
Liabilities				339,151				278,839
Borrowings				64,000				56,500
Provisions				18,948				18,586
Total liabilities				422,099				353,925
Other segment information								
Capital expenditure during the year				25,210				19,880

* Administrative expenses above exclude depreciation which is disclosed separately above.

32. Financial risk management objectives and policies

The Group and the Company financial risk management policies set out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group and the Company do not hold or issue derivative financial instruments for speculative purposes.

As at 30 June 2024, the Group's and the Company's financial instruments mainly consisted of cash and cash equivalents, trade and other receivables, contract assets, trade and other payables, contract liabilities, lease liabilities and borrowings.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables, contract assets and cash and cash equivalents. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

Financial assets that are potentially subject to concentration of credit risk consist are principally bank deposits and receivables. The Group places its deposits with financial institutions and other creditworthy issuers and limits the amount of credit exposure to any one party. As at 30 June 2024, the Group has a concentration of credit risk on two debtors (2023: two debtors) that individually represents 32.06% and 21.13% (2023: 27.94% and 27.46%) of total trade and other receivables and contract assets.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except for financial guarantees as disclosed in Note 29 to the financial statements.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement for expected credit losses ('ECL'):

Internal rating grades	Definition	Basis for recognition and measurement of ECL
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition (>60 days past due).	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired (>90 days past due).	Lifetime ECL (credit-impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

32. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

Trade receivables and contract assets

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group has adopted the policy of dealing with customers with an appropriate credit history as a means of mitigating the credit risk exposures. Credit evaluation which takes into account qualitative and quantitative profile of each customer is performed and approved by management before credit is being granted. The Group also closely monitors customers' payment pattern and credit exposures on an on-going basis.

The Group applies the simplified approach to provide for the ECL for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to the lifetime ECL.

The Group uses a provision matrix to measure the lifetime ECL allowance for trade receivables and contract assets. In measuring the ECL, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate mainly to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the ECL rates, the Group considers historical loss rates for each category of customers, and adjusts for forward-looking macroeconomic data. The Group has identified the gross domestic product ('GDP') growth of the countries in which it sells goods and services to be the most relevant factor, and accordingly adjust the historical loss rates based on expected changes in this factor.

The Group considers a financial asset as in default when the counterparty fail to make contractual payments for a prolonged period of time when they fall due, and the Group may also consider internal and external information, such as significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation. Financial assets are written off when there is no reasonable expectation of recovering the contractual cash flow, such as a debtor failing to engage in a repayment plan with the Group and it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management has assessed and concluded that the ECL rate for trade receivables past due less than 1 year approximates Nil and is immaterial, while the ECL rate for trade receivables past due more than 1 year approximates 50% to 100%, except for specific cases where management has assessed the amount is still fully recoverable.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 30 June 2024 and 2023 are set out in the provision matrix as follows:

	Current A\$'000	Past due			Total A\$'000
		Within 60 days A\$'000	61 to 90 days A\$'000	More than 90 days A\$'000	
Group					
2024					
Trade receivables	66,454	27,634	-	-	94,088
2023					
Trade receivables	103,676	2,952	3	1,031	107,662

32. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

Trade receivables and contract assets (continued)

There is no ageing analysis for contract assets as these mainly relate to variable considerations which have yet to be invoiced.

The Group has assessed and concluded that trade receivables are subject to immaterial credit loss. There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

Other receivables

The Group applies the general approach to provide for the ECL for other receivables. Under the general approach, the loss allowance is measured at an amount equal to the 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

Impairment of these balances have been measured on the 12-month ECL basis which reflects the low credit risk of exposures. These amounts are subject to immaterial credit loss.

Cash and cash equivalents

The cash and bank balances are entered into with bank and financial institution counterparties, which are rated at least AA, based on international credit rating agencies.

For the purpose of impairment, cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(b) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating rate debt. At 30 June 2024, approximately 17.7% (2023: 21.6%) of the Group's debt is fixed. The Group's borrowings at variable rates are denominated mainly in A\$. If the A\$ interest rates increase/decrease by 1% (2023: 1%) with all other variables remain constant, the Group's profit before tax will be approximately lower/higher by A\$640,000 (2023: A\$565,000) as a result of higher/lower interest expenses on these borrowings.

The Group and the Company has cash balances placed with reputable banks and financial institutions. Such balances are placed on varying maturities and generate interest income for the Group and the Company.

32. Financial risk management objectives and policies (continued)

(b) Interest rate risk (continued)

The Group obtains additional financing through bank borrowings and leasing arrangements. Information relating to the Group's interest rate exposure is also disclosed in the notes on the Group's borrowings and leasing obligations. They are both fixed and floating rates of interest. The policy is to retain flexibility in selecting borrowings at both fixed and floating rates interest.

	Variable rates		Fixed rates		Non-interest bearing A\$'000	Total A\$'000
	Within 1 year A\$'000	Between 2 to 5 years A\$'000	Within 1 year A\$'000	Between 2 to 5 years A\$'000		
Group						
2024						
Financial assets						
Cash and cash equivalents	88,457	-	-	-	-	88,457
Trade and other receivables	-	-	-	-	94,602	94,602
	88,457	-	-	-	94,602	183,059
Financial liabilities						
Trade and other payables	-	-	-	-	153,149	153,149
Contract liabilities	-	-	-	-	49,292	49,292
Lease liabilities	-	-	5,944	51,353	-	57,297
Borrowings						
- Corporate market loan	8,000	56,000	-	-	-	64,000
	8,000	56,000	5,944	51,353	202,441	323,738
2023						
Financial assets						
Cash and cash equivalents	70,381	-	-	-	-	70,381
Trade and other receivables	-	-	-	-	108,243	108,243
	70,381	-	-	-	108,243	178,624
Financial liabilities						
Trade and other payables	-	-	-	-	104,476	104,476
Contract liabilities	-	-	-	-	44,706	44,706
Lease liabilities	-	-	10,193	47,142	-	57,335
Borrowings						
- Corporate market loan	8,000	48,500	-	-	-	56,500
	8,000	48,500	10,193	47,142	149,182	263,017

32. Financial risk management objectives and policies (continued)

(b) Interest rate risk (continued)

	Variable rates		Fixed rates		Non-interest bearing A\$'000	Total A\$'000
	Within 1 year A\$'000	Between 2 to 5 years A\$'000	Within 1 year A\$'000	Between 2 to 5 years A\$'000		
Company						
2024						
Financial assets						
Trade and other receivables	-	-	-	-	57,597	57,597
	-	-	-	-	57,597	57,597
Financial liabilities						
Trade and other payables	-	-	-	-	2,012	2,012
	-	-	-	-	2,012	2,012
2023						
Financial assets						
Trade and other receivables	-	-	-	-	33,117	33,117
	-	-	-	-	33,117	33,117
Financial liabilities						
Trade and other payables	-	-	-	-	2,494	2,494
	-	-	-	-	2,494	2,494

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its commitments concerning its financial liabilities. The Group and the Company manages this risk through the following mechanism:

- Preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- Monitoring undrawn credit facilities;
- Maintaining credit risk related to financial assets;
- Obtaining funding from a variety of sources;
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward. Balances due within 12 months equal their carrying amount as the impact of discounting is not significant.

32. Financial risk management objectives and policies (continued)

(c) Liquidity risk (continued)

The table below reflects an undiscounted contractual maturity analysis for financial liabilities (exclude contract liabilities).

Group	Carrying amount A\$'000	Contractual undiscounted cash flows			
		Within 1 year A\$'000	Between 2 to 5 years A\$'000	More than 5 years A\$'000	Total A\$'000
2024					
Financial liabilities					
Trade and other payables	153,149	153,149	-	-	153,149
Lease liabilities	57,297	10,159	25,327	189,888	225,374
Borrowings					
- Corporate market loan	64,000	8,424	58,968	-	67,392
Total financial liabilities	274,446	171,732	84,295	189,888	445,915
2023					
Financial liabilities					
Trade and other payables	104,476	104,476	-	-	104,476
Lease liabilities	57,335	14,195	42,720	162,104	219,019
Borrowings					
- Corporate market loan	56,500	8,401	50,932	-	59,333
Total financial liabilities	218,311	127,072	93,652	162,104	382,828

Company	Carrying amount A\$'000	Contractual undiscounted cash flows			
		Within 1 year A\$'000	Between 2 to 5 years A\$'000	More than 5 years A\$'000	Total A\$'000
2024					
Financial liabilities					
Trade and other payables	2,012	2,012	-	-	2,012
Total financial liabilities	2,012	2,012	-	-	2,012
2023					
Financial liabilities					
Trade and other payables	2,494	2,494	-	-	2,494
Total financial liabilities	2,494	2,494	-	-	2,494

The Group's undrawn borrowings facilities and guarantees are disclosed in Notes 20 and 29 to the financial statements respectively.

32. Financial risk management objectives and policies (continued)

(d) Capital management

Management controls the capital of the Group in order to maintain a good debt-to-equity ratio, provide the shareholders with adequate returns and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Group and the Company have no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distribution to shareholders and share issues.

The net debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as total financial liabilities less cash and cash equivalents.

	Group	
	2024 A\$'000	2023 A\$'000
Net debt	235,281	192,636
Total equity	488,218	420,609
Net debt-to-equity ratio	0.48	0.46

(e) Fair value estimation

Financial instruments

The fair values of financial assets and financial liabilities can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated.

The fair value of current financial assets and financial liabilities approximate the carrying value due to the liquid nature of these assets and/or the short-term nature of these financial rights and obligations.

The fair value of non-current receivables and borrowings are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the reporting date. The carrying amounts of financial assets and financial liabilities are assumed to approximate their respective fair values. The Group does not anticipate that the carrying amounts recorded at the balance sheet date would be significantly different from the values that would eventually be received or settled.

Fair value hierarchy

The Group categories fair value measurement using a fair value hierarchy that is depend on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

33. Litigation

Perth stadium project

In February 2019, the Group lodged a writ in the Supreme Court of Western Australia against Brookfield Multiplex Engineering and Infrastructure Pty Ltd ('Brookfield Multiplex'), in relation to the valuation of additional time and changes to the works undertaken in the delivery of the new Perth Stadium project in Western Australia.

The Group is seeking a determination from the Supreme Court to recover costs associated with the changes in scope and nature of the works required to be completed and for the granting of Practical Completion.

34. Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2023.

- Amendments to SFRS(I) 1-1: *Disclosure of Accounting Policies and SFRS(I) Practice Statement 2 Making Materiality Judgements*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to SFRS(I) 1-12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12 *International tax reform – Pillar Two Model Rule*

35. New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning on or after 1 July 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are effective for annual periods beginning on or after 1 July 2024:

Applicable to 2025 financial statements:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current liabilities with Covenants*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-7 and 7: *Supplier Finance Arrangements*

Applicable to 2026 financial statements:

- Amendments to SFRS(I) 1-21: *the Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*

Unspecified effective date, early adoption permitted:

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

36. Subsequent events

On 27 October 2023, the Company has entered into an implementation agreement with Civmec Australia Limited (the 'NewCo') with the intention to change the domicile of the head company of the Group from the Company (domiciled in Singapore) to the NewCo (domiciled in Australia). The Change of Domicile will be achieved through a restructuring of the Company by way of a scheme of arrangement in accordance with Section 210 of the Companies Act 1967 of Singapore.

The resolution to re-domicile Group's parent company was passed at the Shareholder Scheme meeting on 1 August 2024 and the Shareholders' Scheme has been sanctioned by the Court on 28 August 2024. The Company will lodge the Court Order on the 4 September 2024 with the Accounting and Corporate Regulatory Authority of Singapore and the scheme will take effect on and from the date of lodgement.



5.0

Additional Information

5.1 Statistics of Shareholders	196
5.2 Disclosure of Information of Directors Seeking Re-election	198
5.3 Corporate Registry	203
5.4 GRI Content Index	204
5.5 TCFD Index	216

Statistics of Shareholders

Shareholders' Statistics and Distribution as at 23 September 2024

Class of Shares:	Ordinary Shares
Voting Rights:	One vote per Ordinary Share
No. of issued shares:	507,591,000

Distribution of Shareholdings

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 1,000	166	17.8	112,690	0.02
1,001 - 5,000	328	35.2	937,281	0.18
5,001 - 10,000	154	16.5	1,222,228	0.24
10,001 - 100,000	246	26.4	7,914,327	1.56
100,001 and Above	39	4.2	497,404,474	97.99
Rounding				0.01
TOTAL	933	100.00	507,591,000	100.00

Substantial Shareholders

NAME	Interest	
	No. of Shares	%
JF & OT Fitzgerald Family Trust	97,720,806	19.25
Patrick John Tallon ⁽¹⁾	97,620,806	19.23
Goldfirm Pty Ltd ⁽¹⁾	97,566,806	19.22
Kariong Investment Trust ⁽¹⁾	97,566,806	19.22
Michael Lorraine Vaz	36,253,000	7.14

Note:

1. Goldfirm Pty Ltd is the trustee of the Kariong Investment Trust. Mr Patrick John Tallon has an indirect interest in the Shares which are held by Goldfirm Pty Ltd as trustee for the Kariong Investment Trust.

Twenty Largest Shareholders as at 23 September 2024

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	CENTRAL DEPOSITORY (PTE) LIMITED	249,728,681	49.20%
2	MR JAMES FINBARR FITZGERALD + MRS OLIVE TERESA FITZGERALD <J & O FITZGERALD FAMILY A/C>	97,720,806	19.25
3	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 1 A/C>	69,538,806	13.70
4	GOLDFIRM PTY LTD <KARIONG INVESTMENT NO 2 A/C>	28,028,000	5.52
5	CITICORP NOMINEES PTY LTD	21,734,413	4.28
6	WHISKEY TANGO HOLDINGS PTY LTD <FAM A/C>	8,775,250	1.73
7	BNP PARIBAS NOMS PTY LTD	7,898,936	1.56
8	BAAN PAISAN CHAROEN PTY LTD <BAAN PAISAN CHAROEN FAM A/C>	2,726,147	0.54
9	MR RODNEY JOHN BOWES + MRS MARGARET MARY BOWES <BOWCON FAMILY A/C>	1,433,650	0.28
10	MR KEVIN DEERY	1,418,000	0.28
11	DR ANDREW RICHARD CONWAY + DR VANESSA JOY TEAGUE	1,000,000	0.20
12	MR ADAM JAMES GOLDSMITH + MRS LORRAINE ALISON GOLDSMITH	786,000	0.15
13	DAVID WILLIAM POWER + ANITA FRANCIS POWER <POWER FAMILY A/C>	678,000	0.13
14	C & E SWEENEY PTY LTD <SWEENEY FAMILY A/C>	596,000	0.12
15	JEMASAIRE PTY LTD	596,000	0.12
16	MR RODNEY JOHN BOWES + MRS MARGARET MARY BOWES <BOWCON SUPER FUND A/C>	450,000	0.09
17	BEWDY PTY LTD <V & HL SWART SUPER A/C>	350,000	0.07
18	STEPHANIE FIONA BAPTIST	327,000	0.06
19	MR NOEL MCCAUSLAND <MCCAUSLAND FAMILY A/C>	320,000	0.06
20	STUARTCUMINS PTY LTD <CUMINS FAMILY SUPERFUND A/C>	280,000	0.06
	TOTAL:	494,385,689	97.40

Note: The percentage is based on 507,591,000 shares as at 23 September 2024.

Percentage of Shareholding in Public's Hands

Based on Shareholders' Information as at 23 September 2024 and to the best knowledge of the Directors, approximately 52.4% of the issued ordinary shares of the Company is held in the hands of the public (on basis of information available to the Company). Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Disclosure of Information of Directors Seeking Re-election

James Finbarr Fitzgerald, Patrick John Tallon, Kevin James Deery, Ambrose Law, Ong Beng Hong and Gary Gray are the Directors seeking re-election or election at the forthcoming Annual General Meeting of the Company to be convened on 30 October 2024 ('AGM').

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	James Finbarr Fitzgerald	Patrick John Tallon	Kevin James Deery	Ambrose Law	Ong Beng Hong	Gary Gray
Date of Appointment	4 September 2024	4 September 2024	4 September 2024	30 October 2024	30 October 2024	30 October 2024
Date of last re-appointment	N/A	N/A	N/A	N/A	N/A	N/A
Age	61	54	53	68	57	66
Country of principal residence	Australia	Australia	Australia	Singapore	Singapore	Australia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Refer to Report on Corporate Governance/Board Matters/Board Membership, included in this Annual Report (pages 100–103).					
Whether appointment is executive, and if so, the area of responsibility	Refer to overview of Board of Directors included in this Annual Report (pages 18–19).			Non-executive		
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman	Chief Executive Officer	Chief Operating Officer / acting Chief Financial Officer	Lead Independent Director • Audit Committee Chairman • Nominating Committee Member • Remuneration Committee Member • Risks and Conflicts Committee Chairman	Independent Director • Audit Committee Member • Nominating Committee Chairman • Remuneration Committee Member • Risks and Conflicts Committee Member	Independent Director • Audit Committee Member • Nominating Committee Chairman • Remuneration Committee Member • Risks and Conflicts Committee Member
Professional qualifications	Refer to overview of Board of Directors included in this Annual Report (pages 18–19).			Chartered Accountant in New Zealand and Singapore Bachelor of Commerce	LL.B (Hons) Advocate & Solicitor of the Supreme Court of Singapore	Bachelor of Economics ANU

	James Finbarr Fitzgerald	Patrick John Tallon	Kevin James Deery	Ambrose Law	Ong Beng Hong	Gary Gray
Working experience and occupation(s) during the past 10 years	Refer to overview of Board of Directors included in this Annual Report (pages 18–19).			Company Director (SGX listed and private companies)	Advocate & Solicitor, Director – Wong Tan & Molly Lim LLC Director – WTML Management Services Pte Ltd	Australian Ambassador: Ireland Member Independent Parliamentary Expenses Authority General Manager Public Affairs Mineral Resources Limited Board Member Australian Submarine Corporation Federal Parliamentarian and Cabinet Minister
Shareholding interest in the listed issuer and its subsidiaries	97,720,806	97,620,806	10,193,250	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No	No	No	No
Conflict of Interest (including any competing business)	No	No	No	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	Refer to Report on Corporate Governance (Board Membership) included in this Annual Report (pages 58 to 60).			Present Global Testing Corporation (SGX listed) - Lead Independent Director, Chair of Audit Committee, member of NM and RC Coca-Cola Euro-Pacific Partners Investments - Independent Director		

	James Finbarr Fitzgerald	Patrick John Tallon	Kevin James Deery	Ambrose Law	Ong Beng Hong	Gary Gray
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.						
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No	No

	James Finbarr Fitzgerald	Patrick John Tallon	Kevin James Deery	Ambrose Law	Ong Beng Hong	Gary Gray
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No	No	No

	James Finbarr Fitzgerald	Patrick John Tallon	Kevin James Deery	Ambrose Law	Ong Beng Hong	Gary Gray
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.						
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes Civmec Singapore Limited (previously named Civmec Limited) director since 27 March 2012	Yes Civmec Singapore Limited (previously named Civmec Limited) director since 27 March 2012	Yes Civmec Singapore Limited (previously named Civmec Limited) director since 27 March 2012	Yes Global Testing Corporation (December 2021 to present)	Yes Independent Director of Integra2000 Lts (5 November 1990 to 23 August 2006) Independent Director of Digiland International Limited (13 July 2004 to 29 October 2012) Independent Director of Intraco Limited (1 September 2022 to present) Independent Director of Moneymax Financial Services Ltd. (26 April 2024 to present)	No Gary Gray will attend all training processes mandated and will become a member of the AICD

Corporate Registry

Board of Directors

Mr James Finbarr Fitzgerald
(Executive Chairman)

Mr Patrick John Tallon
(Chief Executive Officer)

Mr Kevin James Deery
(Chief Operating Officer)

Mr Chong Teck Sin
(Lead Independent Director)

Mr Wong Fook Choy Sunny
(Independent Director)

Mr Douglas Owen Chester
(Independent Director)

Audit Committee

Mr Chong Teck Sin
(Chairman)

Mr Douglas Owen Chester
Mr Wong Fook Choy Sunny

Remuneration Committee

Mr Wong Fook Choy Sunny
(Chairman)

Mr Douglas Owen Chester
Mr Chong Teck Sin

Nominating Committee

Mr Douglas Owen Chester
(Chairman)

Mr Wong Fook Choy Sunny
Mr Chong Teck Sin

Risks and Conflicts Committee

Mr Chong Teck Sin
(Chairman)

Mr Douglas Owen Chester
Mr Wong Fook Choy Sunny

Company Secretaries

Ms Chan Lai Yin (Civmec Singapore Limited)
Mr Bojan Cica (Civmec Limited)

Registered Office

16 Nautical Drive, Henderson
WA 6166, Australia

Tel: (61) 8 9437 6288
Fax: (61) 8 9437 6388

Principal Office and Contact Details

16 Nautical Drive, Henderson
WA 6166, Australia

Tel: (61) 8 9437 6288
Fax: (61) 8 9437 6388

Share Registrar and Share Transfer Agent

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
9 Raffles Place, #26-01
Singapore 048619

Computershare Investor Services Pty Limited
Level 17
221 St Georges Terrace
Perth WA 6000
Australia

Auditors

Moore Stephens LLP
10 Anson Road, #29-15 International Plaza
Singapore 079903

Partner in Charge: Christopher Bruce Johnson
(Appointed since the financial year ended
30 June 2021)

Principal Banker

National Australia Bank
Level 14
100 St Georges Terrace
Perth WA 6000
Australia

Corporate Website

<http://www.civmec.com.au>

GRI Content Index

Reporting Standard

GRI 1: Foundation 2021

Statement Of Use

Civmec Limited has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024 (FY24).

GRI	Description	Location of Information	Notes/Omissions
GRI 2: General Disclosures			
The organisation and its reporting practices			
2-1	Organisational details	About This Report Page 01 About Civmec Pages 04–05 Key Projects FY24 Pages 24–25 Notes to the Financial Statements/1 Page 134	
2-2	Entities included in the organisation's sustainability reporting	Notes to the Financial Statements/2 Pages 134–150 Notes to the Financial Statements/17 Pages 170–171	
2-3	Reporting period, frequency and contact point	About This Report Page 01 Reporting Approach Page 43 Corporate Registry Page 203	
2-4	Restatements of information		Civmec has made no restatements of information in this report.
2-5	External assurance		Civmec did not seek external assurance in FY24.
Activities and workers			
2-6	Activities, value chain and other business relationships	About Civmec Pages 04–05 Operational Review Pages 22–39 Modern Slavery Statement https://www.civmec.com.au/investors/modern-slavery-statement/	
2-7	Employees	People Pages 66–75 ESG Performance Data Pages 82–84	<i>Information unavailable/incomplete</i> Civmec's reporting system does not have the capability to provide all required breakdowns by gender and region.
2-8	Workers who are not employees		<i>Information unavailable/incomplete</i> This information is unavailable in our current reporting system. We are currently investigating ways to expand our resources reporting.
Governance			
2-9	Governance structure and composition	Report on Corporate Governance/ Board Matters/Board Composition and Guidance Pages 95–98 Taskforce on Climate-related Financial Disclosures/Governance Pages 55–57	

GRI	Description	Location of Information	Notes/Omissions
2-10	Nomination and selection of the highest governance body	Report on Corporate Governance/ Board Matters/Board Composition and Guidance Pages 95–98 Report on Corporate Governance/ Board Matters/Board Membership Pages 100–103	
2-11	Chair of the highest governance body	Report on Corporate Governance/ Board Matters/The Board's Conduct of Affairs Pages 92–95 Report on Corporate Governance/ Board Matters/Board Composition and Guidance Pages 95–98	
2-12	Role of the highest governance body in overseeing the management of impacts	Board Statement Page 42 Reporting Approach Page 43 Report on Corporate Governance/ Board Matters/The Board's Conduct of Affairs Pages 92–95 Report on Corporate Governance/ Managing Stakeholders' Relationships Page 118 Taskforce on Climate-related Financial Disclosures/Governance Pages 55–57	
2-13	Delegation of responsibility for managing impacts	Chief Executive Officer's Report Pages 10–12 Board Statement Page 42 Taskforce on Climate-related Financial Disclosures/Governance Pages 55–57	
2-14	Role of the highest governance body in sustainability reporting	Board Statement Page 42 Reporting Approach Page 43 Taskforce on Climate-related Financial Disclosures/Governance Pages 55–57	
2-15	Conflicts of interest	Report on Corporate Governance/ Board Matters/The Board's Conduct of Affairs Pages 92–95 Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115	
2-16	Communication of critical concerns	Business Ethics Pages 62–63 Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115	
2-17	Collective knowledge of highest governance body	Board Statement Page 42 Report on Corporate Governance/ Board Matters/The Board's Conduct of Affairs Pages 92–95	

GRI	Description	Location of Information	Notes/Omissions
2-18	Evaluation of the performance of the highest governance body	Report on Corporate Governance/ Board Matters/Board Membership Pages 100–103 Report on Corporate Governance/ Board Matters/Board Performance Pages 103–104	
2-19	Remuneration policies	Report on Corporate Governance/ Remuneration Matters Pages 104–108	
2-20	Process to determine remuneration	Report on Corporate Governance/ Remuneration Matters Pages 104–108	
2-21	Annual total compensation ratio	Report on Corporate Governance/ Remuneration Matters/Disclosure on Remuneration Pages 107–108	<i>Confidentiality constraints</i> For competitive reasons and the sensitive nature of such information, the Board is of the opinion that it is in the best interests of the Company to not disclose remuneration of each individual Director for the year ended 30 June 2024. Instead, the Company discloses the bands of remuneration to avoid such information being exploited by competitors and to maintain personal confidentiality on remuneration matters.
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Board Statement Page 42	
2-23	Policy commitments	Sustainability Pages 40–85 Business Ethics Pages 62–63 Civmec Website/Policies https://www.civmec.com.au/approach/policies/	
2-24	Embedding policy commitments	Board Statement Page 42 Business Ethics Pages 62–63 Report on Corporate Governance/ Accountability and Audit/Risk Management and Internal Controls Pages 109–110	
2-25	Processes to remediate negative impacts	Sustainability Pages 40–85 Business Ethics Pages 62–63 Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115	
2-26	Mechanisms for seeking advice and raising concerns	Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115	

GRI	Description	Location of Information	Notes/Omissions
2-27	Compliance with laws and regulations	Sustainability Pages 40–85	
2-28	Membership associations	People Pages 66–75	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Reporting Approach Page 43 People Pages 66–75 Report on Corporate Governance/ Shareholder Rights and Engagement Pages 115–118	
2-30	Collective bargaining agreements		74.08% of employees are covered under a collective bargaining agreement. Employee salaries are benchmarked to market data and ensure that all employees received payment in excess of the applicable award or national minimum wage.
GRI 3: Material Topics			
3-1	Process to determine material topics	Reporting Approach Page 43	Civmec conducted an internal workshop with subject matter experts to determine material topics.
3-2	List of material topics		
3-3	Management of material topics	Sustainability Pages 40–85	
Economic Topics			
GRI 201: Economic Performance			
201-1	Direct economic value generated and distributed	Executive Chairman’s Statement Pages 06–08 Financial Summary Pages 16–17 Financial Report Pages 86–193	
201-2	Financial implications and other risks and opportunities due to climate change	Climate Pages 48–61	
201-3	Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements/2 Pages 134–150	
201-4	Financial assistance received from government	Notes to the Financial Statements/5 Page 157	

GRI	Description	Location of Information	Notes/Omissions
GRI 204: Procurement Practices			
204-1	Proportion of spending on local suppliers	ESG Highlights Pages 44–45	During FY24, 67% of procurement came from local suppliers, defined by having headquarters within 100km of our main operations or 20km from our asset yards.
GRI 205: Anti-corruption			
205-1	Operations assessed for risks related to corruption	Business Ethics Pages 62–63 Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115	
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		
GRI 206: Anti-competitive Behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Business Ethics Pages 62–63	
GRI 207: Tax			
207-1	Approach to tax	Notes to the Financial Statements/2 Pages 134–150 Notes to the Financial Statements/3 Pages 151–154 Report on Corporate Governance/ Accountability and Audit/Audit Committee Pages 111–115 Financial Report Pages 86–193	
207-2	Tax governance, control and risk management		
207-3	Stakeholder engagement and management of concerns related to tax		
207-4	Country-by-country reporting		
Environmental Issues			
GRI 301: Materials			
301-1	Materials used by weight or volume		Information unavailable/incomplete Calculation of materials used is under development.
301-2	Recycled input materials used		Steel manufacturing is 17% recycled.

GRI	Description	Location of Information	Notes/Omissions
301-3	Reclaimed products and their packaging materials		Not applicable Not relevant to Civec.
GRI 302: Energy			
302-1	Energy consumption within the organisation		50,169GJ total energy consumption in FY24.
302-2	Energy consumption outside of the organisation		Energy consumption outside of the organisation has not been calculated. This will occur as part of calculations for Scope 3 emissions.
302-3	Energy intensity	Climate Pages 48–61 ESG Performance Data Pages 82–84	
302-4	Reduction of energy consumption	Climate Pages 48–61 ESG Performance Data Pages 82–84	A small 2% increase in energy consumption, partially due to changes in the emissions factor for electricity in WA.
302-5	Reductions in energy requirements of products and services		Not applicable Not relevant to Civec.
GRI 303: Water and Effluents			
303-1	Interactions with water as a shared resource		Not applicable Not relevant to Civec.
303-2	Management of water discharge-related impacts		Civec maintains a licence to discharge from our Henderson facility asset management workshop. All other locations send wastewater offsite for treatment.
303-3	Water withdrawal		Not applicable Not relevant to Civec.
303-4	Water discharge		Wastewater from the maintenance workshop is treated through an oil water separator to meet the standards of discharge to sewer.
303-5	Water consumption	ESG Performance Data Pages 82–84	
GRI 304: Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Our Henderson facility lies in close proximity to the Cockburn Sound North high protection area. The Newcastle facility lies just upstream of the Hunter Wetlands National Park.

GRI	Description	Location of Information	Notes/Omissions
304-2	Significant impacts of activities, products, and services on biodiversity		No impacts.
304-3	Habitats protected or restored		<i>Not applicable</i> Not relevant to Civec.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		<i>Not applicable</i> Not relevant to Civec.
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Climate Pages 48–61 ESG Performance Data Pages 82–84	
305-2	Energy indirect (Scope 2) GHG emissions	Climate Pages 48–61 ESG Performance Data Pages 82–84	
305-3	Other indirect (Scope 3) GHG emissions		Scope 3 emissions have not been calculated.
305-4	GHG emissions intensity		6.79
305-5	Reduction of GHG emissions	Climate Pages 48–61 ESG Performance Data Pages 82–84	
305-6	Emissions of ozone-depleting substances (ODS)		No significant emissions of ozone depleting substances.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		No significant emissions of Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.
GRI 306: Waste			
306-1	Waste generation and significant waste-related impacts		<i>Not applicable</i> Not relevant to Civec.
306-2	Management of significant waste-related impacts		<i>Not applicable</i> Not relevant to Civec.

GRI	Description	Location of Information	Notes/Omissions
306-3	Waste generated		5,174 tonnes
306-4	Waste diverted from disposal		619 tonnes
306-5	Waste directed to disposal		3,846 tonnes
GRI 308: Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria		0
308-2	Negative environmental impacts in the supply chain and actions taken		<i>Information unavailable/incomplete</i> Systems for understanding negative environmental impacts still under development.
Social Topics			
GRI 401: Employment			
401-1	New employee hires and turnover	People Pages 66–75	<i>Information unavailable/incomplete</i> Given that our current reporting system does not differentiate between employees hired for short-term shutdown and/or maintenance contracts, and other casual employees, new employee hires and turnover rates have been excluded so as not to provide an inaccurate representation of employee satisfaction levels. We are currently investigating ways to expand our resources reporting in order to provide an accurate representation of turnover and retention.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People Pages 66–75	
401-3	Parental leave	People Pages 66–75	
GRI 402: Labour Management			
402-1	Minimum notice periods regarding operational changes		This varies due to the nature of the business. A term within an enterprise agreement will detail consultation periods required for significant and operational requirements. Where there is no written agreement or requirement, Civec will generally consult with workers as appropriate of the change and within the Fair Work Act.

GRI	Description	Location of Information	Notes/Omissions
GRI 403: Occupational Health and Safety			
403-1	Occupational health and safety management system	Health and Safety Pages 76–81	
403-2	Hazard identification, risk assessment, and incident investigation		Civmec emphasises proactive hazard identification and contingency planning to manage health, safety, and environmental risks across its operations. This involves prioritising risk elimination and minimisation, following a systematic Hierarchy of Controls. Hazards, categorised broadly, are identified using risk management tools, considering various factors like routine activities, human factors, and emergency situations. Workers report hazards through structured processes such as hazard report cards and workplace inspections, ensuring immediate action for severe risks and systematic resolution for others. Civmec promotes a Fair and Just culture, balancing accountability with learning and improvement, and grants workers the authority to stop unsafe work without penalty, ensuring safety remains paramount. All incidents undergo thorough investigation, employing risk assessments and corrective actions aligned with the severity of the event, promoting continuous improvement and prevention of recurrence through rigorous follow-up and communication of findings.
403-3	Occupational health services	Health and Safety Pages 76–81	Civmec’s H&S services play a crucial role in identifying and mitigating risks to ensure a safe working environment. Pre-employment medical assessments are conducted to evaluate the fitness of individuals for specific roles, guided by Civmec’s standards and procedures. Health surveillance programs, including hearing and respiratory evaluations, are tailored based on risk assessments and regulatory requirements to monitor and maintain workers’ health. Confidentiality of health-related information is strictly maintained under the Privacy Act 1988 (Cth), ensuring that all personal medical data is securely stored and accessed only by authorised personnel according to Civmec’s policies. This information is not used for favourable or unfavourable treatment of workers, and adheres to legal and ethical standards to safeguard employee privacy and wellbeing.

GRI	Description	Location of Information	Notes/Omissions
403-4	Worker participation, consultation and communication on occupational health and safety		Formal participation, consultation, and communication are integral processes involving all levels of the organisation, including employees and subcontractors. These processes are designed to encourage active engagement, open discussion, and the sharing of insights related to health, safety, and environmental management systems. Various methods such as daily pre-start and toolbox meetings, H&S committee meetings, H&S inductions, and targeted inspections facilitate ongoing dialogue. H&S Representatives may be elected to promote H&S concerns, ensuring they liaise with management and participate in decision-making. Committees, composed of management, employees, and subcontractors, meet monthly to review incidents, discuss improvements, and monitor industry trends. Civmec supports these roles with training and strives to remove obstacles to effective participation, ensuring all concerns are addressed promptly and transparently.
403-5	Worker training on occupational health and safety	Health and Safety Pages 76–81	
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related injuries		
403-10	Work-related ill health	Health and Safety Pages 76–81	

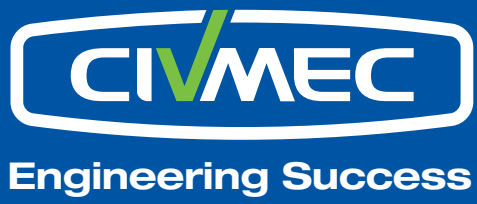
GRI	Description	Location of Information	Notes/Omissions
GRI 404: Training and Education			
404-1	Average hours of training per employee per year	People/Training and Development Pages 70–72	<i>Information unavailable/incomplete</i> Although we have access to training data, our current system does not fully encompass the extensive range of training programs offered throughout our entire organisation. We are presently in the process of evaluating improved methods for accurately measuring and reporting training data.
404-2	Programs for upgrading employee skills and transition assistance programs		<i>Information unavailable/incomplete</i> Our current reporting system does not capture this data.
404-3	Percentage of employees receiving regular performance and development reviews	People/Attraction and Retention Pages 66–69	
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	People/Diversity and Equal Opportunity Pages 72–73 ESG Performance Data Pages 82–84	
405-2	Ratio of basic salary and remuneration of women to men	Workplace Gender Equality Agency Website https://www.wgea.gov.au/data-statistics/data-explorer	The company is committed to equal pay for equal work for both women and men, as reflected in our remuneration principles. We conduct an annual remuneration review, analysing any gaps to ensure they can be explained by market forces such as industry pay rates, location, supply and demand for qualifications, individual performance, experience, and working hours. The company submits compliance reports to the WGEA annually, which can be accessed on the WGEA website.
GRI 406: Non-Discrimination			
406-1	Incidents of discrimination and corrective actions taken	People Pages 66–75	

GRI	Description	Location of Information	Notes/Omissions
GRI 407: Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Business Ethics Pages 62–63 Modern Slavery Statement https://www.civmec.com.au/investors/modern-slavery-statement/	
GRI 408: Child Labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	Business Ethics Pages 62–63 Modern Slavery Statement https://www.civmec.com.au/investors/modern-slavery-statement/	During the year, Civmec did not identify any incidents of child labour through our internal audit program.
GRI 409: Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Business Ethics Pages 62–63 Modern Slavery Statement https://www.civmec.com.au/investors/modern-slavery-statement/	During the year, Civmec did not identify any incidents of forced or compulsory labour through our internal audit program.
411: Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of Indigenous peoples	Business Ethics Pages 62–63	During the year, Civmec did not identify any incidents of violations involving the rights of Indigenous peoples.
GRI 413: Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	People/Community Pages 74–75	Civmec has two projects with dedicated stakeholder engagement with local communities – the Perth Causeway Pedestrian and Cyclist Bridges Project, and the M031 Northam-Cranbrook Road Widening Project.
GRI 414: Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria		One social assessment was conducted when a supplier was identified as having a high risk for modern slavery.
414-2	Negative social impacts in the supply chain and actions taken		Following the social assessment, the supplier was contacted regarding potential negative impacts and confirmed that they had appropriate processes in place to identify and mitigate those impacts within the supply chain.

TCFD Index

Description	Location of Information
Governance	
Describe the Board's oversight of climate-related risks and opportunities	Board Statement Page 42 Taskforce on Climate-related Financial Disclosures/ Governance Pages 55–57
Describe management's role in assessing and managing climate-related risks and opportunities	Taskforce on Climate-related Financial Disclosures/ Governance Pages 55–57
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Taskforce on Climate-related Financial Disclosures/Strategy Page 57
Describe the impact of climate-related risks and opportunities on the organisation's business strategy and financial planning	Climate Pages 48–61
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk Management	
Describe the organisation's processes for identifying and assessing climate-related risks	Taskforce on Climate-related Financial Disclosures/Risks and Opportunities Page 58–61
Describe the organisation's processes for managing climate-related risks	
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Taskforce on Climate-related Financial Disclosures/Metrics and Targets Page 61
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	ESG Performance Data Pages 82–84
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets scenarios, including a 2°C or lower scenario	





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