PERTH/SINGAPORE, 22 OCT 2025

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Responses to Questions in advance of AGM.

Civmec Limited ("Civmec" or the "Group") is pleased to provide responses to questions received in advance of the upcoming AGM to be held on 30 October 2025.

Q1. As noted in the chairman's statement, the group intensified its tendering efforts and adopted a disciplined approach to business development. The order book stood at A$1.25 billion as at 30 August 2025, following new contract awards and extensions exceeding A$600 million announced in late July 2025.

Historically, the order books were A$0.85 billion (FY2024), A$1.15 billion (FY2023), and A$1.04 billion (FY2022).

i) With the order book surpassing A$1.25 billion after the decline in FY2024, how does management interpret this rebound? Does the board view FY2024's contraction as a short-term fluctuation or as a signal of deeper volatility in project timing, a structural shift in underlying demand, or tender conversion rates?

Company Answer:

Management continues to view the FY2024 decline as a short-term fluctuation, consistent with prior guidance. This was anticipated to impact Q3 and Q4 of FY2025 and extend into the first half of FY2026.

Importantly, Civmec has observed a notable increase in activity within both the tendering and contract closeout space. The Group continues to work closely with clients to convert these opportunities, supporting its confidence in the near-term outlook. While project timing can vary, the current trajectory suggests a return to growth rather than a structural shift in demand or a deterioration in tender conversion rates.

The Board remains focused on maintaining a diversified pipeline and agile delivery capability to navigate market cycles and capitalise on emerging opportunities.

Net profit margin for the year was 5.2%, compared with 6.3% to 6.9% between FY2022 and FY2024.

ii) How does management balance growth in the order book with maintaining profit margins? What guidance has the board provided to ensure margins adequately reflect project complexity and risk exposure?

Company Answer:

Civmec maintains a disciplined approach to tendering, with a clear focus on securing projects that align with its core capabilities and are priced to reflect the complexity and risk profile of each opportunity. The Group does not pursue

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volume at the expense of profitability and continues to apply consistent margin expectations across its bids.

The Board has provided clear guidance that sustainable growth must be underpinned by sound commercial judgment. This includes ensuring that tendered margins are appropriate and that project selection supports long-term value creation. Civmec remains committed to expanding its order book through diversification and capability growth, while maintaining the operational and financial discipline required to protect margins.

iii) Would the board review the level of transparency in the annual report, and consider reinstating the five-year financial summary to enhance shareholders' ability to track performance trends and assess long-term progress?

Company Answer:

The Board recognises the importance of providing shareholders with clear and consistent long-term performance information. While the format and placement of certain disclosures have been adjusted in FY2025 to align with updated reporting requirements, particularly following the Company's change in domicile, the five-year performance summary has been maintained and remains part of the Annual Report. This information is now included within the Remuneration Report section and can be found on page 109.

The Board remains committed to transparency and will continue to review the structure and accessibility of disclosures to ensure they support shareholders in assessing the Company's progress over time.

Q2. For FY2025, group revenue declined by 22% to A$810.6 million from A$1.0 billion in FY2024, primarily due to the completion of major contracts. Gross profit fell 22% to A$92.9 million, though margins remained steady at 11.5%. Net profit attributable to shareholders decreased 34% to A$42.5 million, reflecting lower revenue and higher administrative expenses.

In addition, lithium and rare earth metals have come under renewed attention amid tightening export controls and heightened geopolitical tensions.

i) Does management see clients' final investment decisions (FIDs) being brought forward or delayed in light of current geopolitical uncertainties, and what visibility does the group have on its project pipeline?

Company Answer:

The Group acknowledges the evolving geopolitical landscape, particularly the renewed focus on critical minerals such as lithium and rare earths, and the implications this may have on client investment timing. While some clients may adopt a more cautious approach in the short term, Civmec continues to observe strong engagement across its diversified portfolio.

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Civmec has continued to diversify its revenue streams to reduce reliance on any single mineral, industry, or client. This strategy was further reinforced by the successful acquisition of Luerssen Australia on 1 July 2025, which significantly strengthens the Group's capabilities in the defence sector and expands its footprint in naval construction.

While delays in the award of new major projects were noted in both 1H and 2H FY2025, tendering activity remains elevated. The Group maintains a strong pipeline of opportunities and anticipates that this increased activity will translate into project awards in the near term. The acquisition of Luerssen Australia is expected to contribute positively to activity levels in the Infrastructure and Defence segments, further enhancing visibility across the Group's forward-looking portfolio.

ii) Could management outline the group's exposure to lithium and rare earth metals and how it is positioning itself to benefit from structural shifts in global supply chains and emerging investment trends in these sectors?

Company Answer:

Civmec has a strong track record in the lithium sector, having successfully delivered numerous large-scale projects in previous years including the Covalent Lithium hydroxide refinery which was completed in FY25. Currently, the Group continues to support the sector through the provision of maintenance and support services to operational and soon-to-be-operational lithium processing facilities.

In the rare earths space, Civmec is actively engaged in the design and construction of field-erected tanks and civil concrete works for Iluka Resources' Eneabba rare earths refinery, Australia's first fully integrated facility for the production of separated rare earth oxides. This landmark project will establish Western Australia as a strategic hub for downstream rare earth processing, positioning both Iluka and Australia at the forefront of global electrification efforts and supply chain diversification. Civmec is also exploring opportunities to expand its scope of work on this project.

Through these initiatives, the Group is well-positioned to benefit from structural shifts in global supply chains and the increasing investment momentum in critical minerals.

iii) Separately, can management elaborate on the addressable market opportunity for the new OEM balanced machines division? With headcount expanded rapidly from six to nearly 80 professional personnel in under two years, what measures are in place to ensure operational sustainability, safety and quality standards, and professional excellence are consistently maintained?

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Company Answer:

Civmec is actively tracking a significant market opportunity in Australia, with over 40 stackers, reclaimers, and ship loaders expected to require upgrade or replacement over the next 13 years. With its integrated turnkey capability, from in-house design and engineering to fabrication, assembly, and maintenance, Civmec is uniquely positioned to capture a meaningful share of this market. The Group's ability to deliver end-to-end solutions entirely within Australia sets it apart from competitors.

To support this growth, the OEM division has expanded at a strong pace, growing from six to nearly 80 professional personnel in under two years. Civmec has implemented several measures to ensure operational sustainability and uphold safety, quality, and professional excellence. These include:

-Ongoing training and development programs tailored to engineering and technical staff.

-A newly developed integrated progress tracking system that monitors performance and design deliverables across the division.

-A strong emphasis on efficiency and collaboration, supported by internal systems that align with Civmec's broader operational and safety standards.

-Ongoing quality audits and reviews being conducted by Civmec's corporate quality team.

These initiatives ensure that as the division scales, it maintains the high standards expected by clients and stakeholders, while continuing to deliver innovative and reliable solutions.

iv) Beyond the SEA 1180 Offshore Patrol Vessel programme, can management clarify whether the acquisition of Luerssen Australia Pty Ltd. provides strategic or financial benefits in adjacent markets, and when these synergies are expected to be realised?

Company Answer:

Civmec has been a key supplier to Luerssen throughout the SEA 1180 program. With the acquisition of Luerssen Australia, Civmec now assumes the role of prime contractor and shipbuilder in its own right. This transition brings significant strategic advantages, positioning the Group to directly pursue future naval shipbuilding programs and adjacent defence market opportunities. The acquisition strengthens Civmec's capabilities, enhances its competitive standing, and supports long-term growth in Australia's sovereign defence industry.

The Board views this development as a meaningful step in expanding the Group's presence across the defence sector, with synergies expected to be realised progressively as new programs are launched.

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Q3. All three former independent directors, namely Mr Chong Teck Sin, Wong Fook Choy Sunny and Douglas Chester, resigned on 30 October 2024, and they were succeeded by Mr Ambrose Law, Ms Ong Beng Hong and Mr Gary Gray who joined the board on the same day.

The biographies of the independent directors can be found on page 21 of the annual report.

i) Can the board or nominating committee (NC) elaborate on its approach to board succession planning and the robustness of its process? Specifically, how does the board ensure progressive renewal and continuity? What considerations drove the decision to effect a potentially disruptive reshuffle of the board with the simultaneous change of all three independent directors, despite knowing for years that the tenure of all three former independent directors had exceeded the nine-year limit.

Company Answer:

The changeout of all independent directors at once was driven by changes to SGX listing rules which introduced a hard limit on the tenure of independent directors with no possibility of extension. Prior to this hard limit being placed, shareholders have voted to at AGMs ratify the independence of the independent directors with a tenure beyond 9 years. Under the ASX code of governance the outgoing independent directors would still be considered independent today.

ii) With all three former independent directors retiring at the same time after more than 12 years, is there a risk that institutional knowledge has been lost?

Company Answer:

The board changeout occurred in an orderly manner with the incoming board having access to the outgoing board leading up to their appointment, including attending board and committee meetings as observers before their appointment. The incoming independent directors bring their own skills and experience to the board and have shown a positive influence on the future direction and governance of the company.

The company currently deviates from Provisions 2.2 and 2.3 of the Code of Corporate Governance, which require a majority of independent directors where the chairman is not independent, and a majority of non-executive directors respectively.

iii) Given the board's commitment to high governance standards, what challenges, if any, did the board encounter in meeting Provisions 2.2 and 2.3? Can the board clarify its plans to ensure compliance with the relevant provisions and outline the timeline for implementation?

Company Answer:

There are currently three non-executive independent directors and all Board committee members are independent which complies with listing rule requirements.

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

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

About Civmec Limited

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

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