CIVMEC LIMITED

(ACN 672 407 171)

AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS and FULL YEAR ENDED

30 JUNE 2026

Content

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group			
		6 months ended		12 months ended	
	Note	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Revenue	4.1	522,541	307,725	902,984	810,586
Cost of sales		(462,722)	(270,568)	(798,299)	(717,646)
Gross profit		59,819	37,157	104,685	92,940
Other income	5.1	1,970	2,100	3,787	3,552
Administrative expenses		(14,928)	(13,254)	(28,871)	(30,033)
Finance costs	5.1	(2,943)	(2,895)	(5,453)	(5,884)
Profit before income tax		43,918	23,108	74,148	60,575
Income tax expense	7	(13,270)	(7,065)	(22,052)	(18,039)
Profit for the year		30,648	16,043	52,096	42,536

Other comprehensive income/(loss):
Items that will not be reclassified subsequently to profit or loss

Gain on revaluation of freehold land & buildings		54,844	42,501	54,844	42,501
Income tax relating to this item		(16,453)	(12,586)	(16,453)	(12,586)
Total comprehensive income for the year		69,039	45,958	90,487	72,451

Profit attributable to:

Owners of the Company		30,648	16,043	52,096	42,536
Non-controlling interest		-	-	-	-
		30,648	16,043	52,096	42,536

Total comprehensive income attributable to:

Owners of the Company		69,039	45,958	90,487	72,451
Non-controlling interest		-	-	-	-
		69,039	42,958	90,487	72,451

Earnings per share attributable to equity holders of the Company
(cents per share):

- Basic	8	6.02	3.16	10.23	8.37
- Diluted	8	5.94	3.13	10.10	8.27

B. Condensed interim statement of financial position

	Note	Group	
		As at 30 June 2026 A$'000	As at 30 June 2025 A$'000
ASSETS			
Current assets			
Cash and cash equivalents		54,629	102,940
Trade and other receivables		237,186	52,328
Contract assets		277,668	154,969
Other current assets		4,643	4,001
Income tax receivable		-	8,697
		574,126	322,935
Non-current assets			
Property, plant and equipment	10	619,555	568,170
Investment properties	11	21,082	19,706
Intangible assets		10	10
Deferred tax assets		5,145	1,078
		645,792	588,964
TOTAL ASSETS		1,219,918	911,899
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		267,788	86,835
Contract liabilities		102,817	71,447
Lease liabilities		6,365	5,442
Income tax payable		9,433	-
Provisions		16,662	13,659
		403,065	177,383
Non-current liabilities			
Lease liabilities		59,996	55,069
Borrowings		60,000	60,000
Provisions		1,550	379
Deferred tax liabilities		104,111	88,556
		225,657	204,004
TOTAL LIABILITIES		628,722	381,387
Capital and reserves			
Share capital	16	33,402	32,812
Asset revaluation reserve	18	228,525	190,134
Other reserves	19	9,256	9,071
Retained earnings		320,274	298,756
Total equity attributable to the Owners of the Company		591,457	530,773
Non-controlling interest		(261)	(261)
TOTAL EQUITY		591,196	530,512
TOTAL LIABILITIES AND EQUITY		1,219,918	911,899

C. Condensed interim statement of changes in equity

	Share capital A$'000	Asset revaluation reserve A$'000	Other reserves A$'000	Retained earnings A$'000	Total A$'000	Non-controlling interest A$'000	Total A$'000
2026							
Balance as at 1 July 2025	32,812	190,134	9,071	298,756	530,773	(261)	530,512
Profit for the year	-	-	-	52,096	52,096	-	52,096
OCI* for the year:							
Gain on revaluation of freehold land & buildings	-	54,844	-	-	54,844	-	54,844
Income tax relating to this item	-	(16,453)	-	-	(16,453)	-	(16,453)
Total comprehensive income for the year	-	38,391	-	52,096	90,487	-	90,487
Recognition of share based payment	-	-	775	-	775	-	775
Employee share awards vested	590	-	(590)	-	(590)	-	-
Dividends paid	-	-	-	(30,578)	(30,578)	-	(30,578)
Balance as at 30 June 2026	33,402	228,525	9,256	320,274	591,457	(261)	591,196

	Share capital A$'000	Treasury shares A$'000	Asset revaluation reserve A$'000	Other reserves A$'000	Retained earnings A$'000	Total A$'000	Non-controlling interest A$'000	Total A$'000
2025								
Balance as at 1 July 2024	32,358	(10)	160,219	9,422	286,490	488,479	(261)	488,218
Profit for the year	-	-	-	-	42,536	42,536	-	42,536
OCI* for the year:								
Gain on revaluation of freehold land & buildings	-	-	42,501	-	-	42,501	-	42,501
Income tax relating to this item	-	-	(12,588)	-	-	(12,588)	-	(12,588)
Total comprehensive income for the year	-	-	29,915	-	42,536	72,451	-	72,451
Recognition of share based payment	-	-	-	354	-	354	-	354
Employee share awards vested	464	-	-	(464)	-	-	-	-
Lapsed of share options	-	-	-	(241)	241	-	-	-
Cancellation of treasury shares	(10)	10	-	-	-	-	-	-
Dividends paid	-	-	-	-	(30,511)	(30,511)	-	(30,511)
Balance as at 30 June 2025	32,812	-	190,134	9,071	298,756	530,773	(261)	530,512

*Other Comprehensive income/(loss)

D. Condensed interim consolidated statement of cash flows

	Note	Group	
		12 months ended	
		30 June 2026 A$'000	30 June 2025 A$'000
Cash Flows from Operating Activities			
Profit before income tax		74,148	60,575
Adjustments for:			
Depreciation of property, plant and equipment and investment properties – leasehold land		23,729	21,433
Gain on disposal of property, plant and equipment		(459)	(9)
Fair value gain on investment property recognised in profit or loss		(1,030)	(1,150)
Finance cost		9,446	9,681
Interest income		(1,815)	(1,725)
Equity-settled share based payment		775	354
Foreign exchange differences		1,576	108
Operating cash flow before working capital changes		107,158	89,267
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(159,330)	42,274
Increase)/decrease in contract assets		(122,699)	18,619
(Increase) in other current assets		(642)	(2,608)
Increase/(decrease) in trade and other payables		131,814	(66,983)
Increase in contract liabilities		31,370	22,155
Increase/(decrease) in provisions		4,174	(4,910)
Cash (used in)/generated from operations		**(8,155)**	97,814
Interest received		1,815	1,725
Finance cost paid		(7,890)	(8,338)
Income tax refund		6,861	347
Income tax paid		(15,748)	(30,636)
Net cash (used in)/generated from operating activities		(23,117)	60,912
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		559	79
Purchase of property, plant and equipment		(5,400)	(4,815)
Acquisition of subsidiary, net of cash paid	13	16,533	-
Net cash generated from/(used in) investing activities		11,692	(4,736)
Cash Flows from Financing Activities			
Proceeds from borrowings		132,760	37,800
Repayment of borrowings		(132,299)	(41,800)
Repayment of principal lease liabilities		(6,769)	(7,182)
Dividends paid		(30,578)	(30,511)
Net cash used in financing activities		(36,886)	(41,693)
Net increase in cash and cash equivalents		(48,311)	14,483
Cash and cash equivalent at the beginning of the year		102,940	88,457
Cash and cash equivalent at the end of the year		54,629	102,940

D. Consolidated Statement of Cash Flows (continued)

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

		Cash flows		Non-cash changes		
	Opening A$'000	Proceeds A$'000	Repayment A$'000	Addition A$'000	Others A$'000	Closing A$'000
2026						
Borrowings	60,000	132,760	(132,299)	-	(461)	60,000
Lease liabilities	60,511	-	(6,769)	9,064	3,555	66,361
2025						
Borrowings	64,000	37,800	(41,800)	-	-	60,000
Lease liabilities	57,297	-	(7,182)	6,652	3,744	60,511

E. Notes to the condensed interim consolidated financial statements

1. General information

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise Civmec Limited (the 'Company') and its controlled entities (collectively, the 'Group'). The Company is a publicly listed company incorporated and domiciled in Australia. The Company has been listed on the Australian Securities Exchange ('ASX') and the Singapore Exchange Limited ('SGX'). The registered office of the Company and its 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 the Group include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), OEM material handling equipment, precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

2. Material accounting policies

(a) Basis of preparation

These condensed interim consolidated financial statements for the six months ended 30 June 2026:

- have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard ('AASB') 134 and Singapore Financial Reporting Standards (International)('SFRS(I)') 1-34: Interim Financial Reporting.
- do not include all the information and disclosures required in the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim consolidated financial statements for the six months ended 31 December 2025.
- should be read in conjunction with the Group's audited consolidated financial statements for the year ended 30 June 2026.
- presented in Australian dollars (AUD or A$) unless otherwise stated.
- were approved by the Board of Directors on 26 August 2026.

(b) Accounting policies

The accounting policies adopted are consistent with those applied in the previous financial period, which were prepared in accordance with AASB and SFRS(I). The Group has adopted new and amended standards that became applicable during the current financial reporting period. However, these changes did not require any modification to the existing accounting policies or retrospective adjustments.

(c) Use of estimates, assumptions and judgments

In preparing the condensed interim consolidated financial statements, management is required to make judgments, estimates and assumptions about the carrying amount 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 significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2025.

E. Notes to the condensed interim consolidated financial statements (continued)

2. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(i) 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:

Impairment of trade and other receivables and contract assets

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.

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.

Construction contract revenue

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.

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.

E. Notes to the condensed interim consolidated financial statements (continued)

2. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(i) Critical judgements in applying the Group's accounting policies (continued)

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.

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.

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.

E. Notes to the condensed interim consolidated financial statements (continued)

2. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(i) Critical judgements in applying the Group's accounting policies (continued)

Business acquisition

Judgement is required in determining the fair value of assets acquired and liabilities assumed in a business combination, which can have material impact on the net identifiable assets. Employee leave provisions assumed at acquisition have been recognised at the carrying amount of employee entitlements as at the acquisition date.

Judgement is also required in determining the fair value of the contingent consideration which includes consideration on the construction progress, estimates to complete compared to the schedule and performance guarantees.

These judgments have been applied, where relevant, in accounting for the acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd) which was effective on 1 July 2025.

(ii) 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 interim period are included in the following:

Estimation of total contract costs for contracts

The Group has significant ongoing construction contracts as at 30 June 2026 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.

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.

E. Notes to the condensed interim consolidated financial statements (continued)

2. Material accounting policies (continued)

(c) Use of estimates, assumptions and judgments (continued)

(ii) Key sources of estimation uncertainty (continued)

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.

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.

E. Notes to the condensed interim consolidated financial statements (continued)

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Segment and revenue information

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.

E. Notes to the condensed interim consolidated financial statements (continued)

4. Segment and revenue information (continued)

4.1 Reportable segments

	Group				Group			
	12 months ended 30 June 2026				12 months ended 30 June 2025			
	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000
Revenue	105,690	587,112	210,182	902,984	65,188	641,231	104,167	810,586
Cost of sales (excluding depn)*	(89,061)	(503,103)	(182,548)	(774,712)	(55,710)	(574,602)	(65,996)	(696,308)
Depreciation expenses	(2,297)	(16,721)	(4,569)	(23,587)	(1,403)	(17,693)	(2,242)	(21,338)
Segment results	14,332	67,288	23,065	104,685	8,075	48,936	35,929	92,940
Other income				3,787				3,552
Unallocated costs:								
Admin expenses**				(28,729)				(29,938)
Depn in admin expenses**				(142)				(95)
Finance costs				(5,453)				(5,884)
Profit before income tax				74,148				60,575
Income tax expense				(22,052)				(18,039)
Profit for the year				52,096				42,536

	As at 30 June 2026				As at 30 June 2025			
	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000
Segment assets								
Intangible assets	-	10	-	10	-	10	-	10
Unallocated assets:								
Assets				1,210,120				906,810
Other current assets				4,643				4,001
Deferred tax assets				5,145				1,078
Total assets				1,219,918				911,899
Segment liabilities								
Unallocated liabilities:								
Liabilities				550,510				307,349
Borrowings				60,000				60,000
Provisions				18,212				14,038
Total liabilities				628,722				381,387
Other segment information								
Capital expenditure during the year				5,400				4,815

* Depn stands for depreciation.
** Administrative expenses above exclude depreciation which is disclosed separately above.

E. Notes to the condensed interim consolidated financial statements (continued)

4. Segment and revenue information (continued)

4.2 Disaggregation of revenue

	Group				Group			
	6 months ended 30 June 2026				6 months ended 30 June 2025			
	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000
Types of goods or services:								
Construction contract	34,990	327,554	111,526	474,070	35,917	197,664	35,743	269,324
Rendering of services	11,063	36,353	508	47,924	1,157	36,204	620	37,981
Sales of goods	-	547	-	547	-	420	-	420
Total revenue	46,053	364,454	112,034	522,541	37,074	234,288	36,363	307,725
Timing of revenue recognition:								
At a point in time	-	592	508	1,100	-	447	620	1,067
Over time	46,053	363,862	111,526	521,441	37,074	233,841	35,743	306,658
Total revenue	46,053	364,454	112,034	522,541	37,074	234,288	36,363	307,725
Geographical information:								
Australia	46,053	364,454	112,034	522,541	37,074	234,288	36,363	307,725

	Group				Group			
	12 months ended 30 June 2026				12 months ended 30 June 2025			
	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000	Energy A$'000	Resour-ces A$'000	Infra-structure, Marine and Defence A$'000	Total A$'000
Types of goods or services:								
Construction contract	86,375	491,178	209,211	786,764	63,768	545,202	101,913	710,883
Rendering of services	19,315	94,790	971	115,076	1,420	94,604	2,254	98,278
Sales of goods	-	1,144	-	1,144	-	1,425	-	1,425
Total revenue	105,690	587,112	210,182	902,984	65,188	641,231	104,167	810,586
Timing of revenue recognition:								
At a point in time	-	1,225	971	2,196	-	1,624	1,519	3,143
Over time	105,690	585,887	209,211	900,788	65,188	639,607	102,648	807,443
Total revenue	105,690	587,112	210,182	902,984	65,188	641,231	104,167	810,586
Geographical information:								
Australia	105,690	587,112	210,182	902,984	65,188	641,321	104,167	810,586

E. Notes to the condensed interim consolidated financial statements (continued)

4. Segment and revenue information (continued)

4.2 Disaggregation of revenue (continued)

A breakdown of sales:

	Group		
	12 months ended		Increase / (decrease)
	30 June 2026 A$'000	30 June 2025 A$'000	%
Sales reported for the first half year	380,443	502,861	(24.3)
Operating profit after tax before deducting NCI for the first half year	21,448	26,493	(19.0)
Sales reported for the second half year	522,541	307,725	69.8
Operating profit after tax before deducting NCI for the second half year	30,648	16,043	91.0

5. Profit before income tax

5.1 Significant items

	Group			
	6 months ended		12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Other income				
Insurance recoveries	3	9	11	12
Fuel tax rebate	113	135	280	584
Interest income	339	793	1,815	1,725
Gain/(loss) on disposal of property, plant and equipment	383	(5)	459	9
Gain on lease termination	88	-	88	-
Fair value gain on investment property at fair value through profit or loss	1,030	1,150	1,030	1,150
Subsidies and incentives	4	3	16	40
Miscellaneous income	10	15	88	32
	1,970	2,100	3,787	3,552
Employee benefits				
Included in cost of sales	220,388	151,222	381,840	421,675
Included in administrative expenses	8,825	8,158	18,181	17,651
	229,213	159,380	400,021	439,326
Depreciation of property, plant and equipment and investment properties – leasehold land				
Included in cost of sales	12,376	10,782	23,587	21,338
Included in administrative expenses	79	42	142	95
	12,455	10,824	23,729	21,433

E. Notes to the condensed interim consolidated financial statements (continued)

5. Profit before income tax (continued)

5.1 Significant items (continued)

	Group			
	6 months ended		12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Finance cost				
Corporate market loan and line fees	2,196	2,129	4,156	4,633
Lease liabilities	476	420	879	805
Other finance costs	271	346	418	446
	2,943	2,895	5,453	5,884
Included in cost of sales:				
Lease liabilities	2,033	1,976	3,993	3,797
Total finance costs	4,976	4,871	9,446	9,681

6. 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) (16.53%) and Goldfirm Pty Ltd (acting as trustee for the Kariong Investment Trust) (16.51%). 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. Disclosures relating to Key Management Personnel is included in the Remuneration Report that is audited and forms part of the Directors' report.

The aggregate remuneration provided, excluding statutory cost, to key management personnel is as follows:

	12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000
Short-term employee benefits	3,932	3,609
Long term benefits	(115)[1]	(68)[1]
Post-employment benefits	120	117
Share-based payments	1,189	1,092
Non-executive Directors' fees	332	354
	5,458	5,104

Note:
1. Negative amount represents leave taken value greater than leave accrued during the year.

E. Notes to the condensed interim consolidated financial statements (continued)

6. 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:

	30 June 2026 No.	30 June 2025 No.
Performance rights		
Directors	-	996,000
Key management personnel	1,376,000	332,000

* Figures have been updated to align with the criteria used in the current financial year.

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 were no transactions with related parties during the current financial year (2025: A$142,000).

7. Income tax expense

	Group			
	6 months ended		12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Current income tax	17,346	3,377	27,317	14,126
Deferred income tax	(4,107)	4,140	(5,272)	4,391
Total income tax expense	13,239	7,517	22,045	18,039
Under/(over) provision in prior years				
Current income tax	(306)	-	(300)	4
Deferred income tax	337	(452)	307	(482)
	31	(452)	7	(478)
	13,270	7,065	22,052	18,039
Deferred income tax expense on revaluation of freehold land and buildings recognised in other comprehensive income	16,453	12,586	16,453	12,586

E. Notes to the condensed interim consolidated financial statements (continued)

7. Income tax expense (continued)

The Group's tax on profit income tax differs from the amount that would arise using the Australian standard rate of income tax as follows:

	Group			
	6 months ended		12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Profit before income tax	43,918	23,108	74,148	60,575
Income tax at 30%	13,176	6,932	22,244	18,173
Add/(deduct) the tax effects of:				
Under provision of current tax expense in prior years	-	-	6	4
Over provision of deferred tax expense in prior years	31	(452)	1	(482)
Non-deductible expenses	63	584	(199)	344
	13,270	7,065	22,052	18,039
Weighted average effective tax rates	30.22%	30.6%	29.7%	29.8%

As at 30 June 2026, the Group has capital tax losses of approximately A$2,079,658 (2025: A$2,079,658) 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$623,897 (2025: A$623,897) and are not recognised as there is no reasonable certainty that future capital gains will be available to utilise the capital tax losses.

The tax rate used for the 2026 and 2025 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

	Opening A$'000	Charged to profit & loss A$'000	Charged to OCI* A$'000	Closing A$'000
2026				
Property, plant and equipment	(96,815)	2,841	(16,453)	(110,427)
Receivables	(197)	213	-	16
Trade and other payables	1,614	874	-	2,488
Provisions	4,565	1,086	-	5,651
Leases liabilities	2,738	157	-	2,895
Others	617	(206)	-	411
	(87,478)	4,965	(16,453)	(98,966)
2025				
Property, plant and equipment	(82,931)	(1,298)	(12,586)	(96,815)
Receivables	(210)	13	-	(197)
Trade and other payables	2,305	(691)	-	1,614
Provisions	6,908	(2,343)	-	4,565
Leases liabilities	2,606	132	-	2,738
Others	339	278	-	617
	(70,983)	(3,909)	(12,586)	(87,478)

* Other Comprehensive Income

E. Notes to the condensed interim consolidated financial statements (continued)

8. Earnings per share

	Group			
	6 months ended		12 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Profit attributable to the owners of the Company (A$'000)	30,648	16,043	52,096	42,536
Share capital (A$'000)	33,402	32,812	33,402	32,812

Weighted average number of ordinary share issued				
- Basic	509,350,750	508,273,630	509,350,750	508,273,630
- Diluted	515,926,953	512,079,630	515,926,953	512,079,630

Earnings per ordinary share (A$ cents)				
- Basic	6.02	3.16	10.23	8.37
- Diluted	5.94	3.13	10.10	8.27

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.

Diluted earnings per share amounts are calculated by adjusting basic earnings per share by the weighted average number of shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

As at 30 June 2026, the diluted earnings per share includes the effect of 6,576,203 unissued ordinary shares granted under 2024 Civmec Performance Rights Plan due to the performance targets are likely to be met. The effect of the inclusion is dilutive (2025: 6,089,000, dilutive).

9. Net asset value

	30 June 2026	30 June 2025
Net assets attributable to owners (A$'000)	591,457	530,773
Net asset value per ordinary share based on issued share capital at the end of the respective periods (A$ cents)	116.06	104.37

Net asset value per share is calculated by dividing the net assets attributable to the equity holders of the Company by the number of issued shares as at 30 June 2026 of 509,625,000 (30 June 2025: 508,528,000).

E. Notes to the condensed interim consolidated financial statements (continued)

10. Property, plant and equipment

During the financial year ended 30 June 2026, the Group acquired assets amounting to A$5,400,000 (2025: A$4,815,000).

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: a) 34-year lease from August 2010, with further 35 years option b) 30-year lease from March 2014, with further 35 years option c) 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	Freehold
2 George Mamalis, Callemondah, Gladstone, Queensland	Land and building / Workshop and office facility	Freehold
38A Old Punt Road, Tomago, New South Wales	Land / New road to be constructed	Freehold

Freehold land and buildings carried at fair value

At 30 June 2026, 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.

E. Notes to the condensed interim consolidated financial statements (continued)

10. 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 2026 and 30 June 2025 are as follows:

	Level 1 A$'000	Level 2 A$'000	Level 3 A$'000	Fair value as at 30 June 2026 A$'000
Freehold land	-	40,550	-	40,550
Buildings	-	12,050	453,829	465,879

	Level 1 A$'000	Level 2 A$'000	Level 3 A$'000	Fair value as at 30 June 2025 A$'000
Freehold land	-	34,735	-	34,735
Buildings	-	11,945	413,963	425,908

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 2(c). 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 2026 and 2025:

Description	Fair value as at 30 June 2026 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	453,829	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$895 to $7,643	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.

Description	Fair value as at 30 June 2025 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	413,963	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$1,365 to A$7,071	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.

E. Notes to the condensed interim consolidated financial statements (continued)

10. 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 represents the changes in level 3 items for the financial years ended 30 June 2026 and 30 June 2025:

	2026 A$'000	2025 A$'000
At the beginning of the year	413,963	384,786
Acquisition	2,458	1,050
Depreciation	(11,081)	(9,840)
Gain on revaluation of buildings	48,489	37,967
Closing balance	453,829	413,963

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:

	2026 A$'000	2025 A$'000
Freehold land*	22,687	22,648
Buildings	234,457	231,999
Accumulated depreciation	(56,150)	(48,763)
Net book value	200,994	205,884

* exclude freehold land under Asset under construction

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class.

As at the balance sheet date, the net book value of property, plant and equipment that were under lease liabilities was A$78,230,000 (2025: A$72,306,000).

The carrying amount of property, plant and equipment that are pledged for security are as follows:

Description	Borrowings	2026 A$'000	2025 A$'000
Leasehold plant and equipment	Lease liabilities	42,859	38,393
Remaining property, plant and equipment	Multi-option facility	576,696	529,777
		619,555	568,170

The details of the borrowings are disclosed in Note 15.

E. Notes to the condensed interim consolidated financial statements (continued)

11. Investment properties

	Buildings A$'000	Leasehold land A$'000	Total A$'000
2026			
Cost or valuation			
At 1 July 2025	17,140	2,755	19,895
Addition – ROU	-	410	410
Revaluation increase – recognise in profit or loss	1,030	-	1,030
At 30 June 2026	18,170	3,165	21,335
Accumulated depreciation			
At 1 July 2025	-	(189)	(189)
Depreciation for the year	-	(64)	(64)
At 30 June 2026	-	(253)	(253)
Net carrying amount			
At 30 June 2026	18,170	2,912	21,082

2025			
Cost or valuation			
At 1 July 2024	15,990	2,597	18,587
Addition – ROU	-	158	158
Revaluation increase – recognise in profit or loss	1,150	-	1,150
As 30 June 2025	17,140	2,755	19,895
Accumulated depreciation			
At 1 July 2024	-	(128)	(128)
Depreciation for the year	-	(61)	(61)
At 30 June 2025	-	(189)	(189)
Net carrying amount			
At 30 June 2025	17,140	2,566	19,706

Buildings carried at fair value

At 30 June 2026, 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$18,170,000 (2025: A$17,140,000) has been categorized as a level 3 fair value based on the inputs to the valuation technique used.

11. Investment properties (continued)

Buildings carried at fair value (continued)

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 2026 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	18,170	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value.
			Estimated construction costs per square metre	A$1,764	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 2025 A$'000	Valuation technique	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Buildings	17,140	Depreciated Replacement Cost (DRC)	Depreciation rates	2%	The higher the depreciation rates, the lower the fair value.
			Estimated construction costs per square metre	A$1,636	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.

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			
	6 months ended		12 months ended	
	30 June 2026 A$'000	30 June 2025 A$'000	30 June 2026 A$'000	30 June 2025 A$'000
Rental income	176	176	351	351
Direct operating expenses from investment property that generate rental income	(245)	(198)	(445)	(419)

(b) The carrying amount of investment properties that are pledged for security is as follows:

Description	Borrowings	2026 A$'000	2025 A$'000
Investment properties	Multi-option facility	21,082	19,706

E. Notes to the condensed interim consolidated financial statements (continued)

12. Investment in subsidiaries

The Group's material subsidiaries are listed below. The ownership interests reflect the Group's direct interest in the ordinary shares of the entity. The proportion of ownership interests held also equals the voting rights held by the Group. The country of incorporation is also the principal place of business unless noted otherwise.

			Equity held by the Group	
Name of entity	**Principal activities**	**Country of incorporation**	**2026 %**	**2025 %**
Held by the Company				
Civmec Singapore Limited[1]	Asset holding company	Singapore	100	100
Civmec Defence Industries Pty Ltd[3][4]	Marine and defence services	Australia	100	-
Held by Civmec Singapore Limited				
Civmec Construction & Engineering Pty Ltd[1][4]	Engineering and construction services	Australia	100	100
Held by Civmec Construction & Engineering Pty Ltd				
Civmec Holdings Pty Ltd[1]	Asset holding company	Australia	100	100
Multidiscipline Solutions Pty Ltd[1]	Labour supply	Australia	100	100
Civmec Pipe Products Pty Ltd[2]	Asset holding company	Australia	-	83.5
Civmec Electrical and Instrumentation Pty Ltd[1]	Electrical services	Australia	100	100
Forgacs Marine and Defence Pty Ltd[1]	Marine and defence services	Australia	100	100

Note:
(1) Included in Australia tax consolidated group.
(2) The company was deregistered during the current financial year.
(3) Acquired on 1 July 2025. Previously known as Luerssen Australia Pty Ltd.
(4) These entities have entered into Deed of Cross Guarantee with the Company under ASIC Corporations Instrument 2016/785.

E. Notes to the condensed interim consolidated financial statements (continued)

13. Acquisition

Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd ('CDI')

On 1 July 2025, the Group acquired 100% of the shares in Luerssen Australia Pty Ltd, a company engaged in shipbuilding activities primarily for the Arafura-class Offshore Patrol Vessel ('OPV') program under SEA1180. Following the acquisition, the company became a consolidated subsidiary of the Group from the acquisition date. As a result of the acquisition, the Group is expected to strengthen its role in Australia's naval shipbuilding sector and remain in place to support the ongoing delivery of the SEA1180 OPV program, which is established to replace the ageing Armidale-class patrol boats and to deliver new generation of Offshore Patrol Vessels. The acquisition is accounted for as a business combination.

The following table summaries the consideration paid for and the fair value of assets acquired and liabilities assumed at the acquisition date.

	Fair value A$000
Acquisition cost	
Cash consideration	20,000
Less: Contribution to Civmec from CoA Recovered Claim	(2,500)
Net value of consideration	17,500
Assets acquired and liabilities assumed	
Cash and cash equivalents	36,533
Trade and other receivables	128,315
Other current asset	12
Property, plant and equipment	3,364
Right-of-use assets	1,803
Trade and other payables	(128,315)
Contract liability	(22,195)
Lease liabilities	(2,017)
Total identifiable assets and liabilities	17,500

During the current financial year, the Group has recognised external consultant costs amounting to A$60,000. These acquisition-related costs have been included in the Administrative Expenses.

Amortisation

The contract liability recognised on acquisition arose from the fair value adjustment recorded as part of the purchase price allocation relating to the SEA1180 contract.

Management has assessed the relevant facts and circumstances at the reporting date and concluded that no release of the acquired contract liability should be recognised during the current financial year. Accordingly, the carrying amount of the contract liability remains unchanged as at 30 June 2026.

Management will continue to assess the appropriate timing and pattern of release of the contract liability as the contract progresses.

Contingent liabilities

Under the terms of the Share Sale Deed, the Vendor has indemnified the Group with respect to all such liabilities with retention amounts of A$5 million to January 2028 and A$2.5 million to January 2029 being held back from the Outstanding Milestone Payment. This has not been included in the balance sheet at acquisition date.

Contribution to the Group

Due to contracted confidentiality obligations, we are unable to specifically disclose the financial contribution of CDI to the Group. It forms part of the Segmentation reporting contained in Note 4.

14. 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 2026 %	2025 %
Held by Civmec Construction & Engineering Pty Ltd				
Black & Veatch Civmec JV (‘BCJV’)[1]	Engineering and construction services	Australia	50.00	50.00
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
Aurecon Australasia Pty Ltd & Civmec Construction & Engineering Pty Ltd & Seymour Whyte Constructions Pty Ltd[3]	Engineering and construction services	Australia	20.00*	-

Note:
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.
3. The alliance is for the planning and design development of the Perth Sporting and Entertainment Precinct Project.
4. The proportion of corporate overhead and profit at Phase 1. The proportion changes across different phases.

15. Borrowings

	2026 A$'000	2025 A$'000
Non-current:		
Multi-option facility – secured	60,000	60,000
	60,000	60,000

Multi-option facility

During the current financial year, the existing bank facilities have been renegotiated and consolidated into a revolving multi-option facility. Therefore, the quarterly limit reduction is no longer in effect. The facility can be used for revolving Corporate Market Loan, Letter of Credit and Bank Guarantee.

As at 30 June 2026, the Group has a bank facility limit amounting to A$160 million (2025: A$156 million), which was 39.0% utilised (2025: 40.5% utilised). Interest rates are variable and ranged between 4.49% to 5.34% (2025: 4.98% to 5.55%) per annum during the current financial year.

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 2026, the Group met all these financial covenants.

General security deed

The facility is secured by certain property, plant and equipment and investment properties as disclosed in Note 10 and Note 11 to the financial statements.

E. Notes to the condensed interim consolidated financial statements (continued)

16. Share capital

Fully paid ordinary shares

	30 June 2026		30 June 2025	
	No. of shares	A$'000	No. of shares	A$'000
At the beginning of the year	508,528,000	32,812	507,606,000	32,358*
Share issued during the year				
- Conversion of performance rights	1,097,000	590	937,000	464
Cancellation of treasury shares	-	-	(15,000)	(10)
At the end of the year	509,625,000	33,402	508,528,000	32,812

* Reclassification of previously vested equity-settled employee benefits relating to prior financial years.

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, 1,097,000 shares were issued pursuant to vesting and conversion of performance rights held by key management personnel ('KMP') and other management.

17. Share-based payments

Performance rights plan

The 2024 Civmec Key Senior Executives Performance Rights Plan was approved and adopted at the Extraordinary General Meeting ('EGM') held on 1 August 2024.

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 outstanding Performance Rights are as follows:

	Issued	Vested	Forfeited/ Lapsed/ Expired	Balance	Fair value per right (AUD)[1]
Tranche 6: Performance period 1 July 2022 to 30 June 2025 (Granted in FY2023)	2,134,000	(1,097,000)	(1,037,000)	-	$0.51
Tranche 7: Performance period 1 July 2023 to 30 June 2026 (Granted in FY2024)	1,817,000	-	(275,000)	1,542,000	$0.63
Tranche 8: Performance period 1 July 2024 to 30 June 2027 (Granted in FY2025)	2,283,000	-	(192,000)	2,091,000	$0.69
Tranche 9: Performance period 1 July 2025 to 30 June 2028 (Granted in FY2026)	1,599,000	-	(628,000)	971,000	$0.85
Retention incentive: Performance period 1 July 2025 to 30 June 2030	7,376,000	-	(2,005,000)	5,371,000	$0.76 - $1.15
Balance as at 30 June 2026				9,975,000	

Note:

1. The fair value per right at grant for all tranches is determined using the Black-Scholes Model. This takes into account the share price at the grant date, the term of the right, the exercise price, expected price volatility, exercise probability, the risk-free interest rate over the term of the right, and the expected dividend yield.

During the current financial year, the Group has recognised A$775,000 of equity-settled share- based payment expense (2025: A$354,000).

E. Notes to the condensed interim consolidated financial statements (continued)

18. Asset revaluation reserve

	2026 A$'000	2025 A$'000
At the beginning of the year	190,134	160,219
Gain on revaluation of freehold land and buildings	54,844	42,501
Deferred tax liability arising on revaluation	(16,453)	(12,586)
At the end of the year	228,525	190,134

19. Other reserves

	2026 A$'000	2025 A$'000
Merger reserve	7,578	7,578
Waiver of loan payable to a related party	277	277
Equity-settled employee benefits reserve	1,401	1,216
	9,256	9,071

(a) Merger reserve

Pursuant to the completion of the previous Restructuring Exercise in financial year 2012, 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. Following the expiry of employee share option plan, the associated reserve balance was transferred to retained earnings, reflecting the lapse of the related equity instruments.

20. Contingent liabilities

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.

As at 30 June 2026, the Group has given the following:

	2026 A$'000	2025 A$'000
Bank guarantees	2,397	2,442
Surety bond facility	282,339	183,608
	284,736	186,050

The surety bond facility is provided for the provision of performance bonds to customers of the Group. It has a limit of A$417 million (2025: A$400 million) as at 30 June 2026.

There were no contingent assets recognised as at 30 June 2026 or 30 June 2025.

21. Subsequent events

There have been no subsequent material events that would require disclosure in the financial statements.

F. Other information required by Listing Rule Appendix 7.2

1 Review

These figures have not been audited or reviewed.

2 Review of performance of the Group

Statement of profit & loss and other comprehensive income

2H2026 vs 2H2025

Revenue for six months ended 30 June 2026 (‘2H2026’) increased 69.8% to A$522.5 million from A$307.7 million for the six months ended 30 June 2025 (‘2H2025’) mainly due to increase activity levels from the commencement of new contract awards.

Gross profit for 2H2026 increased 71.0% to A$59.8 million from A$37.2 million in 2H2025 reflecting the increase in revenue in the second half-year with gross margin of 11.4% from 12.1% in 2H2025.

Other income slightly decreased by 6.2% to A$2.0 million in 2H2026 compared to 2H2025 mainly due to lower interest income earned from bank accounts.

Administrative expenses increased by 12.6% in 2H2026 compared to 2H2025, primarily driven by higher employee benefits expenses, increased software licence fees, and foreign exchange losses arising from the foreign currencies’ settlement and the revaluation of foreign currency denominated bank accounts during the current financial period.

Finance costs slightly increased by 1.7% in 2H2026 compared to 2H2025 resulting from higher interest rate incurred during the current financial period.

Net profit attributable to shareholders increased by 91.0% to A$30.6 million in 2H2026, compared to A$16.0 million in 2H2025. The increase was largely attributable to revenue growth during current financial period, with improved project activity and earnings flowing through to the bottom line.

2H2026 vs 1H2026

Revenue for the half-year ended 30 June 2026 (‘2H2026’) increased 37.4% to A$522.5 million from A$380.4 million for the half-year ended 31 December 2025 (‘1H2026’) mainly due to increased activity levels of the Group during the current financial period.

Gross profit for 2H2026 was 33.3%% higher than in 1H2026, increasing from A$44.9 million to A$59.8 million, reflecting the higher revenue generated during the current financial period.

Administrative expenses increase by 7.1% in 2H2026 compared to 1H2026 primarily due to foreign exchange losses arising from the revaluation of foreign exchange currency denominated bank accounts.

Net profit attributable to shareholders increased by 42.9% to A$30.6 million in 2H2026, compared to A$21.4 million in the first half-year. The growth was primarily attributable to higher revenue levels during the current financial period, supported by an improvement in net profit margin from 5.6% to 5.9%.

F. Other information required by Listing Rule Appendix 7.2 (continued)

2 Review of performance of the Group (continued)

Statement of profit & loss and other comprehensive income (continued)

FY2026 vs FY2025

For the twelve months ended 30 June 2026 ('FY2026') revenue increased by 11.4% to A$903.0 million, compared with A$810.6 million for the twelve months ended 30 June 2025 ('FY2025'). The growth was primarily driven by the acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd ('CDI') and the increase in activity within the Resources segment which saw the commencement of several large projects.

Gross profit increased by 12.6% to A$104.7 million in FY2026, from A$92.9 million in FY2025, aligned with the higher revenue generated in FY2026.

Other income for FY2026 increased modestly by 6.6% to A$3.8 million. The increase was mainly attributable to higher interest income earned on bank accounts during the first half of the year, together with higher gains on the disposal of plant, property and equipment in the second half.

Administrative expenses decreased by 3.9% compared to FY2025, mainly due to lower company and consulting fees incurred in FY2026. This follows the higher costs incurred in FY2025 relating to the change of domicile and changes in the Group's support function.

Finance costs decreased by 7.3% in FY2026 compared to FY2025, reflecting lower interest payable and line fees paid associated with borrowings.

As a result, net profit attributable to shareholders increased by 22.5% to A$52.1 million in FY2026, from A$42.5 million in FY2025. The improvement was primarily driven by strong project execution and disciplined cost management, which translated into higher gross profit and enhanced overall profitability.

Business segments

Revenue for the Energy segment increased by 62.1% to A$105.7 million (FY2025: A$65.2 million), driven by higher activity levels across projects within the sector. As a result, gross profit increased by 77.5% to A$14.3 million, compared with A$8.1 million in FY2025.

Revenue for the Resources segment decreased by 8.4% to A$587.1 million (FY2025: A$641.2 million), reflecting lower activity levels during the year. Despite the decline in revenue, gross profit increased to A$67.3 million compared with FY2025, demonstrating improved profitability across the segment

Revenue for the Infrastructure, Marine & Defence segment increased by 101.8% to A$210.2 million (FY2025: A$104.2 million), driven by increased project activity during the year. However, gross profit for the segment decreased by 35.8% to A$23.1 million in FY2026. This was primarily due to the timing of profit recognition from the completed Boorloo Bridge project in FY2025.

F. Other information required by Listing Rule Appendix 7.2 (continued)

2 Review of performance of the Group (continued)

Statement of financial position

Total shareholders' equity increased to A$591.5 million as at 30 June 2026, from A$530.8 million as at 30 June 2025. The increase was primarily attributable to profits generated during the current financial year and the revaluation of freehold land and buildings, partially offset by dividends paid.

Trade and other receivables increased to A$237.2 million as at 30 June 2026, compared with A$52.3 million as at 30 June 2025. This increase was mainly attributable to balances recognised through the acquisition of Luerssen Australia Pty Ltd (now known as Civmec Defence Industries Pty Ltd ('CDI')) on 1 July 2026.

Contract assets increased to A$277.7 million as at 30 June 2026, from A$155.0 million as at 30 June 2025. The increase primarily reflects the timing of progress claim billings and the measurement of project progress on current projects.

Trade and other payables increased to A$267.8 million as at 30 June 2026, from A$86.8 million as at 30 June 2025, while Contract liabilities also increased to A$102.8 million from A$71.4 million over the same period. These increases were primarily driven by higher level of operational activity across the Group, balances recognised through the acquisition of Luerssen Australia Pty Ltd ('CDI') and cash received in advance for unperformed obligations, partially offset by revenue recognition on current projects.

Cash and cash equivalents decreased to A$54.6 million as at 30 June 2026, from A$102.9 million as at 30 June 2025. The decrease was mainly due to increased working capital requirements associated with the higher level of business activity during the current financial year.

Property, plant and equipment increased to A$619.6 million as at 30 June 2026, compared with A$568.2 million as at 30 June 2025. The increase was mainly attributable to the revaluation of freehold land and buildings, the re-measurement of existing right-of-use assets arising from price escalation adjustments and investment in new equipment. These increases were partially offset by the depreciation expenses recognised during the current financial year.

Overall lease liabilities increased to A$66.4 million as at 30 June 2026, primarily due to the remeasurement of existing lease arrangements following price escalation adjustments during the current financial year. This increase was partially offset by the repayment of principle lease liabilities.

Total borrowings remained at A$60.0 million as at 30 June 2026. This reflects the Group's prudent treasury and cash management, with surplus liquidity generated from the prior periods utilised to support increased working capital requirements during the current financial year.

Statement of cash flows

Cash flow generated before working capital movements increased A$107.2 million for the twelve months ended 30 June 2026 ('FY2026'), compared with A$89.3 million for the twelve months ended 30 June 2025 ('FY2025'), reflecting the Group's higher revenue and profitability during the current financial year.

Operating cash flow was an outflow of A$23.1 million for FY2026, primarily due to increased working capital requirements associated with the significant growth in business activities, as well as higher levels of unbilled work in progress.

Capital expenditure totalled A$5.4 million during the current financial year, with investment in new plant and equipment with focus on enhancing operational capability and efficiency.

The Group had a net increase in facility drawdown of A$0.5 million to support working capital and operational requirements. The Group also made lease liability repayment of A$6.8 million in FY2026. In addition, the Group paid a final dividend of A$17.8 million in respect of the financial year ended 30 June 2025 and an interim dividend of A$12.7 million in respect of the financial year ended 30 June 2026.

Consequently, cash and cash equivalents decreased to A$54.6 million as at 30 June 2026 from A$102.9 million as at 30 June 2025.

F. Other information required by Listing Rule Appendix 7.2 (continued)

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The current results are in line with the commentary disclosed in paragraph 4 of the announcement of condensed interim financial statement for the first half ended 31 December 2025 dated 12 February 2026.

4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Civmec is an integrated multi-disciplinary heavy engineering, construction and maintenance provider to the Energy, Resources, Infrastructure, Marine & Defence sectors.

The Group continues to focus on sustainable growth and profitability, with tendering activity remaining strong and well distributed across all sectors. Activity levels increased materially during FY26, supported by recent contract awards and a record order book, which provides forward revenue visibility into FY27 . The Group is actively deploying its growth strategy, including within the maintenance and defence sectors. The Group remains committed to delivering profitability and shareholder returns by prioritising the conversion of profitable work and maintaining disciplined project execution.

The Group has experienced a significant increase in early contractor involvement (ECI) engagements across multiple commodities, locations and divisions, positioning it to convert opportunities as they come to market.

F. Other information required by Listing Rule Appendix 7.2 (continued)

5 Dividend information

(a) Any dividend declared for the current financial period reported on?

Name of dividend	Final (foreign sourced) 30 June 2026
Dividend type	Cash
Dividend amount per share	3.5 Australian Cents
Tax rate	Tax exempt
Number of shares	509,625,000

Note: For Australian tax resident shareholders, the dividend payable is fully franked.

(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Final (foreign sourced) 30 June 2025
Dividend type	Cash
Dividend amount per share	3.5 Australian Cents
Tax rate	Tax exempt
Number of shares	508,528,000

(c) Date payable

23 October 2026

(d) Book closure date

Share Transfer Books of Civmec Limited (the "Company") will be closed on 14 October 2026, for the preparation of dividend warrants to the proposed tax exempt (Foreign Sourced) Final dividend of A$0.035 for the financial year ending 30 June 2026 ("Final Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to 5:00 p.m. on 13 October 2026 ("Record Date") by the Company's Share Registrars will be registered to determined Members' entitlements to the Interim Dividend. Depositors who Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5:00 p.m. on the Record Date will be entitled to the Final Dividend.

F. Other information required by Listing Rule Appendix 7.2 (continued)

6 Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

There was no interested person transactions conducted under shareholders' mandate for the six months ended 30 June 2026.

7 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

8 Review of performance of the Group – turnover and earnings

Please refer to Section E4 and F2 for further details.

9 Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

ON BEHALF OF THE BOARD

James Finbarr Fitzgerald
Executive Chairman
27 August 2026