



Engineering Success

CIVMEC ENTERS BINDING AGREEMENT TO ACQUIRE LUERSSSEN AUSTRALIA

Civmec Limited (“**Civmec**” or “**Group**”) (ASX:CVL, SGX:P9D) is pleased to announce that it has entered into a binding agreement to acquire 100% of the shares in Luerssen Australia Pty Ltd (“**Luerssen Australia**”) from NVL Australia GmbH (“**NVL**”). This strategic acquisition marks a significant milestone in Civmec’s evolution as a sovereign Australian shipbuilder and will see the full ownership transfer of the Luerssen Australia business, including all assets, employees, and licences, subject to the satisfaction of conditions precedent. The transaction strengthens Australia’s sovereign shipbuilding capability by consolidating design, construction, and operational expertise under a single, locally owned entity—enhancing national resilience and supporting long-term defence industry growth.

TRANSACTION TERMS

The key terms and conditions of Civmec’s acquisition of Luerssen Australia (the “**Acquisition**”) are set out in the table below:

Aspects	Details
Acquisition	Civmec will acquire 100% of the issued share capital in Luerssen Australia for a cash consideration of AUD 20 million.
Funding source	The purchase price will be funded entirely from Civmec’s existing cash reserves.
Liability management	Civmec and NVL will provide representations and warranties which are customary for a transaction of this type. NVL will retain responsibility for all liabilities, defects, claims and the operation of Luerssen Australia up until the transfer date.
Ongoing support	NVL will support Civmec and the SEA1180 OPV program via a structured Service Level Agreement, ensuring continuity and stability post-completion.
Milestone entitlements	NVL retains an entitlement to milestone payments earned under the OPV program prior to completion.
Working capital provision	A pre-agreed level of working capital will be retained within Luerssen Australia at completion to support post-completion operations.
Asset value	Plant and Equipment valued at AUD 3.6 million. No external valuation was conducted for the Acquisition.

For personal use only



Engineering Success

Conditions precedent	<p>Due Diligence & Approvals: Completion of satisfactory due diligence by Civmec and the parties having obtained any necessary third-party or regulatory consents and approvals including consent from the Commonwealth to the change of control in Luerssen Australia.</p> <p>Contractual Agreements: Certain ancillary agreements must be executed to (i) assign licences and intellectual property from NVL to Civmec; (ii) put in place service level agreements between NVL and Luerssen Australia and (iii) to vary existing contracts as required for the proposed change of control of Luerssen Australia.</p> <p>Transitional and Operational Readiness: NVL must demonstrate that any outstanding claims under or related to the OPV program relating to the period up until the transfer date have been settled or that NVL (and not Luerssen Australia) will be responsible for such claims following completion.</p> <p>Business Continuity: No material adverse change in respect of Luerssen Australia prior to completion.</p>
Non-competition	NVL will be restrained from business activities in Australia which would compete with the business of Civmec and Luerssen Australia post-completion.
Indicative completion date	Estimated 1 July 2025.

The parties are working towards a target completion date of 1 July 2025.

It is the intent that, following completion of the Acquisition, Luerssen Australia Pty Ltd will be renamed to 'Civmec Defence Industries Pty Ltd (CDI)' as a wholly owned subsidiary of Civmec Limited.

Civmec has received confirmation that Chapter 11 of the ASX Listing Rules does not apply to the Acquisition.

STRATEGIC RATIONALE

The Acquisition represents a pivotal step in Civmec's long-term strategy to strengthen its position as a sovereign Australian shipbuilder. By assuming full ownership of Luerssen Australia, Civmec consolidates its role in the SEA1180 Offshore Patrol Vessel (OPV) program, gaining direct control over program delivery, operational decision-making, and future capability development.

This Acquisition enhances Civmec's ability to deliver end-to-end naval shipbuilding solutions, from design through to commissioning, and unlocks opportunities to drive production efficiencies, accelerate delivery schedules, and secure future shipbuilding contracts. It also fast-tracks the development of Civmec's sovereign shipbuilding capabilities by integrating Luerssen Australia's experienced workforce, established systems, and technical know-how—enabling the Group to scale its defence operations and deliver five OPVs over the next 3.5 years.

For personal use only



Engineering Success

The Acquisition supports national objectives to grow Australia's industrial base and ensures continuity of performance on a strategically important program. With a structured transition plan and ongoing technical support from NVL under a Service Level Agreement, Civmec is well-positioned to deliver a seamless integration and realise long-term value from the transaction.

ABOUT LUERSSEN AUSTRALIA

Luerssen Australia Pty Ltd is a specialist naval shipbuilding company headquartered in Henderson, Western Australia, with operations also located in South Australia. Established to deliver the Royal Australian Navy's Arafura Class Offshore Patrol Vessels (OPVs) under the SEA1180 program, the company has developed a highly skilled work force that will transition with the Acquisition. Luerssen Australia has developed advanced shipbuilding knowledge and production methodologies from its parent company, NVL.

Luerssen Australia operates with a mature and integrated shipbuilding management system and a suite of engineering and training systems tailored to naval construction which will remain in use throughout the program. Luerssen Australia has also established a robust supply chain and subcontractor network, with a strong focus on local industry participation, particularly in Western Australia.

Through its role as prime contractor on the SEA1180 program, Luerssen Australia has delivered significant progress on the OPV fleet, with multiple ships under construction. Luerssen Australia's capabilities span engineering, integrated logistics support (ILS), configuration management, and training services—positioning it as a key contributor to Australia's sovereign shipbuilding capability.

Civmec Chairman James Fitzgerald said: *"This acquisition marks a defining moment in Civmec's evolution as a sovereign shipbuilder. By bringing Luerssen Australia into the Civmec Group, we are not only strengthening our position in the defence sector but also accelerating the development of our end-to-end shipbuilding capabilities. With a highly skilled workforce and established systems, we are well-positioned to deliver on current commitments and pursue future opportunities. Our focus now is on ensuring a seamless transition, maintaining program momentum, and building a platform for long-term growth in Australia's naval shipbuilding industry. We are excited to have the Luerssen Australia team join CDI and are looking forward to working directly with the Commonwealth. I would also like to take this opportunity to thank the Commonwealth and NVL for their trust in Civmec to deliver such a significant program of works."*

Luerssen Australia's Chairman (and CEO of NVL), Mr Tim Wagner said: *"We are proud of the foundation Luerssen Australia has built over the past eight years and the contribution it has made to Australia's sovereign shipbuilding capability. This transaction represents a natural evolution in that journey. Civmec has been a trusted partner throughout the SEA1180 program, and we are confident in their ability to lead the next phase of delivery. NVL remains committed to supporting Civmec and the program through a structured transition and ongoing technical collaboration. We look forward to seeing the continued success of the Offshore Patrol Vessel program and the long-term benefits this partnership will bring to Australia's defence industry."*

For personal use only



Engineering Success

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

For personal use only