Appendix 4E

SITE GROUP INTERNATIONAL LIMITED AND CONTROLLED ENTITIES

ABN: 73 003 201 910

PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Report for the year ended 30 June 2023

This report includes results for Site Group International Limited and its controlled entities for the year ended 30 June 2023 (current period) compared with the year ended 30 June 2022 (prior period).

The financial results of Site Group International Limited and its controlled entities are prepared in accordance with requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The preliminary final report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 which are attached.

Key Information

Results for announcement to the market

	30-Jun 2023	2022	Change 23-22 %	
Revenue from ordinary activities	6,917,693	7,141,825	(3%)	Decrease
Loss after tax from continuing operations	(3,898,551)	(4,849,024)	(20%)	Decrease of loss
Net profit / (loss) attributable to members	19,220,288	(7,254,842)		

Commentary on the results for the year

Results for Site Group International Limited show a revenue line of $6,917,693 compared to $7,141,825 in the prior corresponding period. The loss for the period from continuing operations was $3,898,551 down from the loss of $4,849,024 in the prior corresponding period. The total result for the year incorporates the gain on sale of subsidiary company, Site Group Holdings Pty Ltd of $24,555,982.

Refer to the Directors report for discussion of the review of operations for the year.

Dividends paid

There have been no dividends paid.

Dividend reinvestment plan

There was no dividend reinvestment plan in operation during the year.

Net tangible assets per share

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.10 cents	(2.59) cents

Control gained or lost over entities during the year

Control Gained: None

Control Lost: Site Group Holdings Pty Ltd from 23 November 2022

Associates and joint ventures

Site Group Holdings Pty Ltd is treated as an associate of the company from 23 November 2022.

Audit

The financial statements accompanying this Appendix 4E have been audited. The Independent Auditor's Report includes a paragraph drawing attention to the going concern disclosure in the financial report that indicates a material uncertainty in relation to going concern.

Attachments

The annual report of Site Group International Limited for the year ended 30 June 2023 is attached.

Signed

As authorised by the Board of Directors.

Craig Dawson
Director

Date: 31 August 2023

Site Group International Limited
and Controlled Entities

ABN 73 003 201 910

Annual report – 30 June 2023

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Director Letter

Results for Site Group International Limited show revenue from continuing operations of $6,917,693 compared to $7,141,825 in the prior corresponding period. The earnings before interest, taxes, depreciation and amortisation (EBITDA) from continuing operations was a loss of $1,871,494 compared to a loss of $2,803,882 in the prior corresponding period.

As reported during the year, Site has several assets and business units that are now showing recovery from what has been a heavily Covid impacted 3 years. As the company's core assets relied on revenues generated from cross border transactions, these were significantly impacted by closing of international borders preventing the transfer of labour and training services between jurisdictions.

As of now the highlights of the opportunities for Site include:

- The continuing steps towards potential development of SIT`s 30-hectare leasehold facility in Clark Philippines;
- Continue to explore opportunities that could bring additional revenue through the utilisation of the existing facility;
- a recovery in training projects from customers such as OceanaGold (mining training at the Clark underground mine training facility) and the GE turbine training at the purpose designed and constructed GE training facility at Clark;
- the open for business and development approach in the Kingdom of Saudi Arabia (KSA) including the recovery of existing projects and the winning of new contracts;
- the recovery of the PNG market post covid restrictions; and
- the recovery of the Australian CRICOS education market for international students in Australia.

Following shareholder approval in November 2022, Site completed the sale of 61.6% of subsidiary Site Group Holdings Pty Limited to an investor group consisting of a related party, existing substantial shareholders of Site as well as high net worth investors for $US10.005m. The transaction values the Clark property at $US16.25m and Site retains 38.4% of the project.

Key capital raising initiatives were completed in the second half of the financial year including:

- a placement for $750,000 at 0.003 per share to sophisticated and professional investors; and
- a 1:1 non renounceable entitlement offer at $0.003 per share and subsequent shortfall placement to sophisticated and professional investors raising a total of $3.9m.

These were a key step in recapitalising the company and allowed significant improvement of the Balance sheet including the retirement of all interest-bearing debt.

The expectation of significant training contract wins in KSA previously alluded to in conjunction with increasing cohort numbers at the MCTC facility, remain a likely indicator that this region will drive significant growth in the international training business during 2024.

The Company is awaiting the outcome of its application to seek leave to appeal the full bench decision of the Federal court for Site's adverse decision in the litigation with the ACCC.

I would like to thank my fellow Board members, our Chairman, Nicasio Alcantara and CEO of Site Institute, Jason Anfield, all management and staff and equally all shareholders for their ongoing support.

Craig Dawson
Director

Corporate Directory

Directors	Nicasio Alcantara Craig Dawson Jason Anfield
Company Secretary	Craig Dawson
Principal registered office in Australia	Site Group International Limited Level 2, 488 Queen Street Brisbane Qld 4000 Telephone: +61 7 3114 5188
Principal place of business	Site Group International Limited Level 2, 488 Queen Street Brisbane Qld 4000 Telephone: +61 7 3114 5188
Share registry	Computershare Investor Services Pty Limited Level 1, 200 Mary Street Brisbane QLD 4000, Australia Telephone: +61 7 3237 2100
Auditor	Pitcher Partners Level 38, 345 Queen Street Brisbane QLD 4000, Australia Telephone: +61 7 3222 8444
Solicitors	Hopgood Ganim Level 8, 1 Eagle Street Brisbane Qld 4000 Telephone: +61 7 3024 0000
Bankers	National Australia Bank Level 17, 259 Queen Street Brisbane QLD 4000
Stock exchange listing	Site Group International Limited shares are listed on the Australian Securities Exchange (code: SIT)
Website address	www.site.edu.au

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SITE GROUP INTERNATIONAL LIMITED AND CONTROLLED ENTITIES

ABN: 73 003 201 910

Financial Report for the Year Ended

30 June 2023

Directors' Report

Your Directors submit herewith the financial report of Site Group International Limited (the Company) and its controlled entities (the Group) for the year ended 30 June 2023.

Directors

The directors in office at any time during or since the end of the financial year, together with their qualifications and experience are:

Nicasio Alcantara BA, MBA – Chairman and Non-Executive Director

Mr Alcantara was appointed Director of the company on 12 October 2010 and has been a director of Site Group Holdings Pty Ltd since June 2009. Mr Alcantara is an experienced director with over 40 years' experience in both public and private companies and his diverse industry experience includes manufacturing, banking & finance, property, information technology, agriculture and power & energy.

Mr Alcantara is currently a director of Alsons Corporation, Alsons Development & Investment Corporation, C. Alcantara & Sons Inc., Lima Land Inc., Sarangani Agricultural Co. Inc, Seafront Resources Corporation (appointed 1995), the Philodrill Corporation (appointed 1991), Indophil Resources NL (appointed 29 December 2011) and BDO Private Bank Inc.

Mr Alcantara has also previously been Chairman and President of Alsons Consolidated Resources Inc., Iligan Cement Corporation, Alsons Cement Corporation, Northern Mindanao Power Corporation and Refractories Corporation of the Philippines. He was also previously Chairman and Chief Executive Officer of Petron Corporation and a director of Bank One Savings and Bancasia Capital Corporation.

Craig Dawson BCom, ACA - Executive Director

Mr Dawson is the Chief Financial Officer and Company Secretary of the Group. He brings extensive financial management experience gained in ASX listed entities with both local and international operations in a variety of industries including media, financial services, gaming and wagering and most recently in the rapidly growing online sector.

Most notably, Mr Dawson was CFO of Wotif.com for over 4 years as the group experienced rapid earnings growth, greatly extended its geographical reach and expanded its brands and products through both organic and acquisition growth. Prior to that, Mr Dawson was Queensland General Manager – Corporate Services at Tatts Group Limited heading up the finance and administration divisions of Tatts Queensland operations.

Mr Dawson holds a Bachelor of Commerce and is a Chartered Accountant.

Jason Anfield BInt Bus, MBA - Executive Director

Mr Anfield is the Site Institute CEO. He brings extensive experience in operational, managerial, and strategic roles across a wide range of industries and international settings. With 9 years based in Tokyo, Mr Anfield worked on commercialising projects in Southeast Asia, Europe and the US across industries as diverse as commercial real estate, fashion, hospitality, aquaculture, food processing and timber products. Partnering companies included TAG Group SA, Mitsubishi, Okura, Nichirei, House of Florence and ABC Foods.

Following experience in the Australia's Higher Education and Vocational Training sectors, in 2011 Mr Anfield established the Business Productivity Institute, servicing the upskilling needs of the business services and construction industries. Clients included Construction Skills Queensland, Department of Transport and Main Roads, QUT and Transcity (Acciona, BMD and Ghella).

Mr Anfield joined Site group in 2015. He holds a Bachelor of International Business and an MBA.

Committee membership

As at the date of this report, the company had an Audit and Risk committee and a Nomination and Remuneration committee of the board of directors. Members acting on the committees of the board during the year and up to the date of this report were:

Audit and Risk Committee (AC)

- Nicasio Alcantara (c)
- Jason Anfield

Both Mr Anfield and Mr Alcantara have extensive corporate experience and are qualified to serve on this Committee.

Nomination and Remuneration Committee (NRC)

- Nicasio Alcantara (c)
- Jason Anfield

(c) Designates the chairman of the committee.

Meetings of Committees

	Board No.	Attended No.	AC No.	Attended No.	NRC No.	Attended No.
Nicasio Alcantara	5	5	2	2	1	1
Craig Dawson	5	5	2	2	1	1
Jason Anfield	5	5	2	2	1	1

All directors were eligible to attend all meetings held.

Principal activity

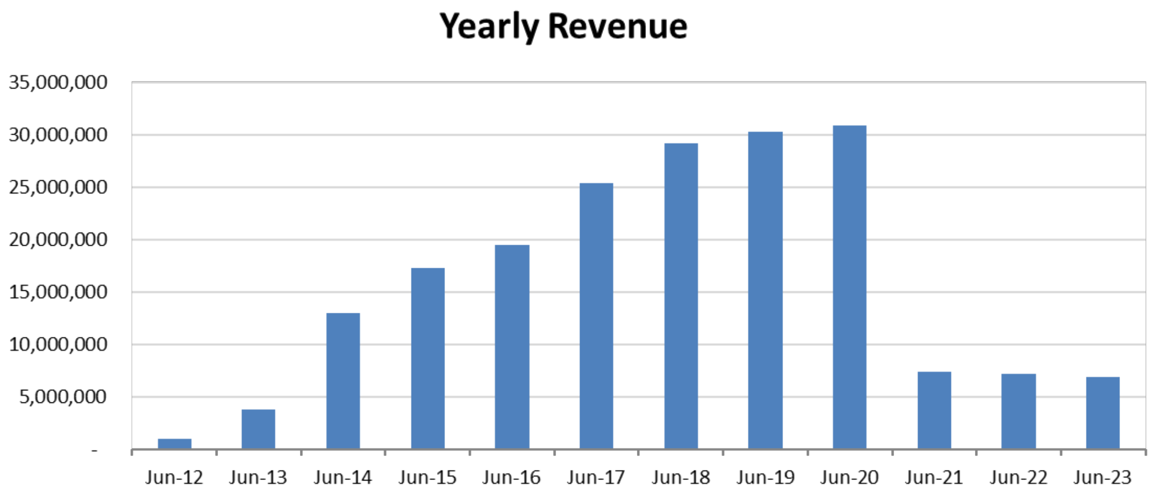
The principal activity of the company during the period was the provision of training and education services in Australia and Internationally. The company is delivering workforce solutions across a variety of industries to both retail and corporate clients. There has been no significant change in the principal activities of the consolidated entity during the period.

Directors' Report continued

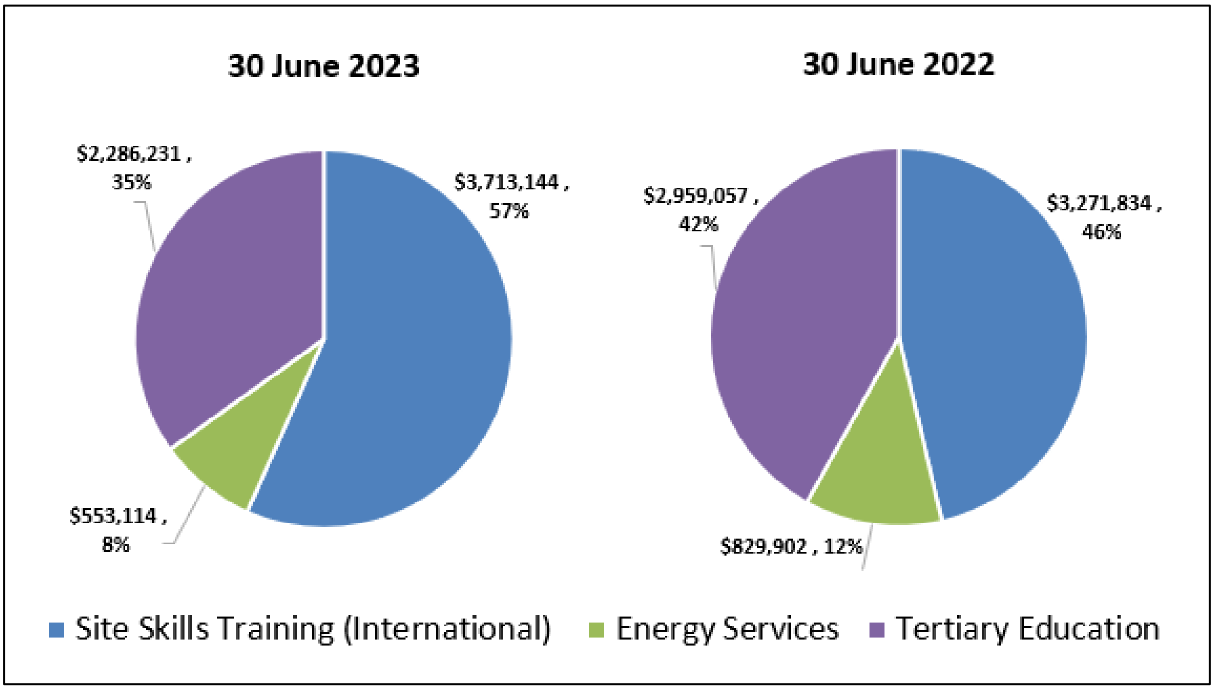
Operating and financial review

Group

Site historical revenue is demonstrated in the below graph. Total revenue from continuing operations for the year ended 30 June 2023 was down 3% to $6,917,693 (2022: $7,141,825).



Revenue contribution and activity by each segment is illustrated in the two charts below.



Gross Revenue by Segment 30 June 2023 versus 30 June 2022 (excludes eliminations)

Operating and financial review continued

The below table shows the result for the Group over the last 4 years.

Financial Summary

	30-Jun 2023 $	30-Jun 2022 $	Change 23-22 %	30-Jun 2021 $	Change 22-21 %	30-Jun 2020 $	Change 21-20 %
Revenue	6,917,693	7,141,825	(3%)	7,362,539	(3%)	15,320,718	(52%)
Net profit / (loss)	(3,898,551)	(4,849,024)	(20%)	(8,637,238)	(44%)	(8,095,105)	7%
add back							
Depreciation and amortisation	1,041,094	1,127,170	(8%)	1,436,904	(22%)	1,603,270	(10%)
Interest expense	881,066	935,780	(6%)	1,723,418	(46%)	2,054,097	(16%)
Income tax expense / (benefit)	112,771	(11,904)	-	(60,316)	-	945,120	-
deduct						-	
Interest income	7,874	5,904	33%	14,905	(60%)	24,291	(39%)
EBITDA* - Continuing Operations	(1,871,494)	(2,803,882)	(33%)	(5,552,137)	(49%)	(3,516,909)	58%
EBITDA* - Discontinued Operations	23,820,118	(1,354,896)	-	2,748,661	-	(1,960,053)	-
Non recurring items							
Impairment of PP&E, intangibles and right of use assets	-	469,291		3,961,403		1,096,000	
Gain on sale of subsidiary	(24,555,982)	-		-		-	
Gain on sale of SST Domestic business	-	-		(3,569,996)		-	
EBITDA before non recurring items	(2,607,358)	(3,689,487)	(29%)	(2,412,069)	53%	(4,380,962)	(45%)
Operating cash inflow /(outflow)	(3,631,987)	(1,698,101)	-	(1,791,755)	-	(3,771,644)	-

** Earnings before interest, tax, depreciation, and amortisation (EBITDA) is a non-IFRS measure which is readily calculated and has broad acceptance and is used by regular users of published financial statements as a proxy for overall operating performance. EBITDA is not an audited number.*
***This a non-IFRS measure and is not an audited number.*

For the year ended 30 June 2023, Site Group International Limited reported a loss after tax from continuing operations of $3,898,551 compared to an after-tax loss of $4,849,024 in the previous corresponding period. The earnings before interest, taxes, depreciation, and amortisation (EBITDA) from continuing operations was a loss of $1,871,494 compared to a loss of $2,803,882 in the previous period.

Following shareholder approval, the sale of 61.6% in the Company's subsidiary, Site Group Holdings Pty Ltd (SGH), the holder of the Clark lease, was concluded with the transaction completed on 23 November 2022. The Group continues to work with the new shareholders in SGH to maximise the value of the Clark asset.

During the final quarter of FY23, the company successfully completed a capital raise of $3.9m through an entitlement offer to existing shareholders and a placement to sophisticated and professional investors at an issue price of $0.003 per share. The capital raise met the initial raise target and was conducted at a discount to the 30-day VWAP.

Due to the capital raise and other activities completed during the financial year the balance sheet of the company included significant improvement on the previous financial year with positive net assets of $2,567,380 versus a net liability in the previous year of $21,752,604. As at 30 June 2023, the group has no interest bearing debt compared to a $10,511,908 debt level at 30 June 2022.

Operating and financial review continued

Site Skills Training – International

Site Skills Training – International division provides training and competency assurance services to organisations and governments in countries where local workforces require additional skills to meet global standards. The segment, based at Site's major training facility in Clark Freeport Zone near Manila in the Philippines, experienced a 13% increase in revenue to $3,713,144 in the 12 months to June 2023, compared with $3,271,834 in the prior year. EBITDA was a profit of $219,583 compared to an EBITDA loss of $773,607 in the prior year.

The reopening of international borders is leading to a significant lift in utilisation of the Clark facility in the Philippines with historical customers Fieldcore and OceanaGold having recommenced training in July 2022. Additionally, Site WorkReady is increasing the provision of skilled trades people for markets in Australia, New Zealand and Africa.

Site has seen increasing numbers of trainees for KSA (Kingdom of Saudi Arabia) in line with the forecast revenue targets for the region. The rapid growth led to an establishment of a partnership with the Saudi Water Academy to increase the training capacity for the current trades being delivered and also to expand on the course offering in the region.

Energy Services

The Energy services segment incorporating the Wild Geese International business in Perth and the internationally based Site Group International Energy division ("SGI") provides specialist training services to the oil and gas industry including workforce design and identification, skills training and competency assessment and assurance.

Revenue for the 12 months decreased by 33% to $553,114 (2022: $829,902) with an EBITDA profit of $121,233 (2022: EBITDA loss of $147,508).

Wild Geese International has continued its successful involvement with the Queensland Natural Gas Exploration and Production Industry forum for the delivery of Queensland wide Industry Safety Inductions.

Tertiary Education

This segment provides tertiary education in Australia for international students seeking to develop careers in a range of different disciplines with a focus on connecting learning and industry practice in an innovative environment.

The growth rate of this division slowed from previous years with reported revenue of $2,286,231 in 2023, down from $2,959,057 in 2022. An EBITDA loss of $18,198 was recorded compared to an EBITDA of $132,721 in 2022.

Site Institute is continuing to see improving demand for its CRICOS Engineering and Trade courses at existing facilities. The value of new student applications received during the final quarter of the year increased to $1.6m, up 44% compared to the third quarter, demonstrating a return to pre-covid levels. This increase in new international student applications is encouraging, despite some evidence of visa processing delays and inconsistencies with visa issued for VET-sector international students increasing uncertainty around conversion rates and new student commencement projections.

The fit out of Site Institute's new regional campus at the Gold Coast commenced during the final quarter of the year. With works expected to be completed during Q2 FY24, the new campus is projected to be operational and accepting students by Q2 FY24, adding a regional presence and increased capacity to Site Institute's offering.

Operating and financial review continued

Cash position

At 30 June 2023, the Company had cash reserves of $267,936 and a net current asset deficiency of $2,214,261. No amount is reflected in the balance sheet for the receivable due from the Commonwealth Government Department of Education and Training (DET), even though the Group maintains the position that it is entitled to the funds.

The Company is expecting the second and final earn out payment in FY24 from the sale of the Site Skills Training Domestic business completed in April 2021.

Risks

Risk management is overseen by the Audit and Risk Committee for the Group via the maintenance and review of a risk register.

The following sets out a summary of some of the key risks relevant to the Company and its operations:

Risk	Details
Regulatory risk	The Group operates in a highly regulated market and the Group is regulated by the Australian Federal and State Governments and the Philippine Government. Failure to meet regulatory requirements may impact materially on the business.
Financing	The ability to implement its business strategy may be dependent upon the Group's capacity to raise additional capital. There is a risk that the Group may not be able to secure such funding on satisfactory terms or at all.
Sovereign risk	The Group has significant operations in the Philippines. Those operations are potentially subject to a degree of political risk and civil disobedience, although the location of Clark Education City within the Clark Freeport Zone helps mitigate such risks.
Cultural unrest	Any cultural unrest or perceived cultural unrest in the location of the campuses may result in decreased client interest.
Competition	The market for education services in Australia and worldwide is highly competitive and the Group is likely to encounter strong competition from other entities as well as other countries for training and education.
Industry downturn	The industries to which the Group provides services may be affected by factors outside the Group's control.
Limited operating history	Site's business model is relatively new, and Site is yet to generate recurring profits from its group activities. The Group will be subject to all of the business risks and uncertainties associated with any developing business enterprise.
Material contracts	The Group has entered into various contracts which are important to the future of the Group. Any failure by counterparties to perform their job, or obligations could have an adverse effect on the Group.
CDC lease	Through its investment in SGH, the Group has a long-term lease with Clark Development Corporation (**CDC**). There are a number of circumstances in which the CDC lease may be terminated (subject to compliance with provisions enabling certain breaches to be remedied) by CDC in which case SGH does not have any rights to compensation or reimbursement for funds expended on the leased land, improvements and moveables on the leased property pass to

Risk	Details
	CDC on termination. Such termination may occur where SGH has breached a provision of the CDC lease or where there is an insolvency event. The CDC lease may also be terminated in the event of any governmental expropriation of the leased property. In the event that the CDC lease was terminated, SGH would no longer be in a position to operate its Philippines facility which would have significant impact on the Group and the Group's ongoing operations.
Currency	Some of Site's revenue streams and expenses are denominated in currencies other than the Australian Dollar. It is possible that foreign exchange rates could move in a manner which would be unfavourable to the Company.
Large holdings by some shareholders	Two existing shareholders (and their associates) have combined holdings of approximately 30% of the shares which may impact on liquidity in the public market for share trading which may affect the market price.
Key employees	A small number of key employees are responsible for the day to day and strategic management of the Group. The Company has sought to mitigate the risk associated with this structure through entering service and employment agreements.
Natural catastrophe	The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, drought, volcanic eruption and earthquakes. There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Group's operations.
Foreign judgements	Whilst there are procedures for recognising foreign laws and judgements in the Philippines, the Philippine courts may reject the applicability of foreign law or judgment when the foreign law, judgment or contract is contrary to a sound and established public policy of the forum. Additionally, Philippine prohibitive laws concerning persons, their acts or property, and those which have for their object public order, public policy and good customs shall not be rendered ineffective by laws or judgements promulgated, or by determinations or conventions agreed upon in a foreign country. Accordingly, the enforcement of rights of the Group within the Philippines with respect to foreign judgments and laws may be adversely affected by observance of Philippine procedural laws.
Material arrangements	The Group has and expects to continue to enter into arrangements which are important to the future of the Group. It may be the case that these arrangements are non-binding and therefore unenforceable. The Group is also reliant upon third parties maintaining appropriate qualifications and accreditations and to the extent that these are not maintained, there may be an adverse impact on the Group.
Geographic concentration	The Group's expansion plans include the Philippines, Western Australia, Northern Territory and Queensland as well as potentially other national and international jurisdictions. If there are circumstances which impact negatively on these jurisdictions, this may adversely affect the Group's continuing operations.

Operating and financial review continued

2024 Outlook

The capital raise consisting of the entitlement offer and shortfall placement was completed in June 2023. This is the key step in recapitalising Site after years of Covid-related disruptions, with a goal to enable management to pursue several tangible value creation avenues. Beyond returning to pre-pandemic activity and growth in Australia, there are significant global revenue opportunities, e.g. in upskilling Saudi Arabia's workforce under the Kingdom's Vision 2030 for which the company is well positioned thanks to Site's partnership with Saudi Aramco. The Company's stake in the commercial land holding in Clark represents an added tangible asset with a medium-term development-for-sale opportunity on the back of the Philippines' government's efforts to decentralise the country away from Manila.

The funds raised were used to progress the development of the remaining share in the lease holding at the Clark site in the Philippines (of which Site continues to own a 38.4% stake), and support ongoing working capital requirements for the purpose of pursuing Site's global revenue pipeline.

Directors' shareholdings as of the date of this report

Director	Shares
Nicasio Alcantara	8,371,325
Jason Anfield	1,600,000
Craig Dawson	3,000,000

Significant changes in state of affairs

During the year the Group was involved in the following significant transactions:

Clark Property Transaction
Following shareholder approval, the sale of 61.6% in the Company's subsidiary, Site Group Holdings Pty Ltd (SGH), the holder of the Clark lease, was concluded with the transaction completed on 23 November 2022. Total consideration was US$10.005m. The Group continues to work with the new shareholders in SGH to maximise the value of the Clark asset.

Capital Raise
On 1 March 2023 the company completed a share placement to sophisticated and professional investors through the issue of 250 million shares at $0.003 each placement raising $750,000.

During the final quarter of FY23, the company successfully completed a capital raise of $3.9m through an entitlement offer to existing shareholders and a placement to sophisticated and professional investors at an issue price of $0.003 per share.

After balance date events

Other than as noted elsewhere in this report, there has been no other significant events post balance date.

Dividends paid

There have been no dividends paid.

Environmental issues

The Group's operations are not regulated by any significant environment regulation under a law of the Commonwealth or of a State or Territory.

Share options

As at the date of this report there were 41,666,667 unissued shares under options provided to financiers of the company. No options were granted or exercised during the current year or up to the date of this report.

In November 2011 the Shareholders approved the establishment of an Employee Share Plan that would enable employees, directors and eligible associates to subscribe for shares in the Company. Under the terms of the plan an eligible person is offered shares in the Company at a price determined by the board with a corresponding interest free loan to assist the person to subscribe for the shares. The shares are escrowed in two tranches with 50% being escrowed for 12 months and 50% being escrowed for 24 months. Subsequent to these minimum restriction periods, the shares are available for release from escrow on the repayment of the loan, and subject to continuation of employment (or acting as an associate or director) at the time of repayment.

As at 31 August 2023, there are 7,450,000 ordinary shares subject to escrow restrictions. Details of these are outlined in Note 20 of the financial report.

Indemnification and insurance of directors and officers

During the financial year, the Company paid premiums for directors' and officers' liability insurance in respect of Directors and officers, including executive officers of the Company and Directors, executive officers and secretaries of its controlled entities as permitted by the *Corporations Act 2001*. The terms of the policy prohibit disclosure of details of the insurance cover and premiums.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Pitcher Partners, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Pitcher Partners during or since the financial year.

Non-audit services

Non-audit services were provided by the company's auditor, Pitcher Partners, in the current financial year and in the comparative financial year. The Directors are satisfied that the provision of non-audit services is compatible with the general standards of independence for the auditor imposed by the *Corporations Act 2001*. Refer to note 27 Auditor's Remuneration in the financial report for details and amounts for the provision of non-audit services.

Remuneration Report (audited)

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of Site Group International Limited (the Company) and its controlled entities (the Group) in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term "executive" includes the executive directors and other senior executives of the Group.

Nomination and Remuneration Committee
The directors established a Nomination and Remuneration Committee in 2012 and have agreed a charter and process. The committee convened once during the 2022 financial year with final discussions about remuneration or appointments being approved by the full board. The Nomination and Remuneration committee comprises one independent Non-Executive Directors (NEDs).

The Nomination and Remuneration Committee has delegated decision making authority for some matters related to the remuneration arrangements for NEDs and executives and is required to make recommendations to the board on other matters.

Specifically, the board approves the remuneration arrangements of the executives. The board also sets the aggregate remuneration of NEDs, which is then subject to shareholder approval, and NED fee levels.

The board did not seek advice from external remuneration consultants during the year.

The remuneration of the Executive Directors and Non-Executive Directors is set by the Chairman of Directors and ratified by the Board of Directors.

Directors

The following persons were directors of the Company during the financial year:

- Nicasio Alcantara – Non-Executive Director
- Craig Dawson – Chief Financial Officer
- Jason Anfield – Chief Executive Officer, Site Institute Pty Ltd

Executives (other than directors) with the greatest authority for strategic direction and management

The following person was the executive with the highest authority for the strategic direction and management of the Group ("specified executives") during the financial year;

- Vernon Wills – Executive

This executive was also considered part of the Key Management Personnel of the Group.

Remuneration Report (audited) continued

Remuneration of directors and executives

Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered.

Relationship between remuneration and financial performance

The Group has been impacted by a number of factors and has led to the divestment of assets of the Group. This process has incurred additional costs during this process. Therefore, there is no direct relationship between the Group's financial performance and either the remuneration of directors and executives or the issue of shares and options to the directors and executives. Remuneration is set at levels to reflect market conditions and encourage the continued services of directors and executives.

Executive and non-executive directors

Fees and payments to executives and non-executive directors reflect the demands which are made on, and the responsibilities of the directors. Executive and non-executive directors' fees and payments are reviewed annually by the Board.

Directors' fees

There were Directors' fees paid during the year to the NEDs with the executive director receiving a fixed salary of a full-time employee.

Executive pay

The executive pay and reward framework has the following components:

- Base pay benefits
- Other remuneration such as fringe benefits and superannuation
- STI payable based on predetermined KPI's
- Eligibility to participate in the Employee Share Plan

The combination of these comprises the executive's total remuneration.

Base pay

Base pay is structured as a total employment cost package which is delivered in cash. Executives are offered a competitive base pay that comprises the fixed component of pay. Base pay for senior executives is reviewed annually. An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases fixed in any senior executives' contracts.

Retirement benefits

Retirement benefits are delivered under a range of different superannuation funds. These funds provide accumulated benefits. Where applicable, statutory amounts are contributed to super funds for all Australian based Directors and Executives.

Executive contractual arrangements

As Non-Executive Directors are not employees of the company, there are no contractual agreements with these parties.

Vernon Wills was employed as an Executive through a services contract with Wayburn Holdings Pty Limited on consistent terms with other executives. No sign on shares were granted.

Escrowed shares are issued at the discretion of the Remuneration Committee from time to time.

Remuneration Report (audited) continued

Remuneration arrangements for other executives are formalised in employment agreements. Details of these contracts are provided below. All other executives have contracts with unspecified ending dates. The contracts are continuing unless terminated by either party. Executive termination provisions are as follows:

	Employer initiated termination	*Termination for cause*	*Employee initiated termination*
Executive notice period	3 Months	None	3 Months
CFO notice period	6 months	None	3 Months

CFO Termination Benefit

The Company may terminate the employment contract of the CFO at any time or for any reason or for no reason by providing 6 months written notice and paying a lump sum equal to the base amount. The Base amount is equal to the actual remuneration received for the preceding 12-month period (inclusive of the 6 month notice period) including any other entitlement accrued to that point.

Details of remuneration

Details of the remuneration of each director of the Company and the specified executive of the Group, including their personally related entities, are set out in the following tables.

Directors

The board seeks to set NED fees at a level which provides the Group with an ability to attract and retain NEDs with the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The Group's constitution and ASX listing rules specifies the NED maximum aggregate fee pool shall be determined from time to time at a general meeting. The latest determination was at the 2010 AGM held on 22 November 2010 when shareholders approved an aggregate fee pool of $350,000 per year.

NED fees consist of base fees and committee fees recognising the additional time commitment required by NEDs who serve on Board committees. The NEDs may be reimbursed for expenses reasonably incurred for attending to the Group's affairs. NEDs do not receive retirement benefits beyond applicable superannuation contributions.

Director & Specified Executives Disclosure

2023	**Short Term Benefits**			**Post-employment**	**Long Term Benefits**	**Share-based Payments**		Total
Name	Cash Salary $	Directors Fees $	Non- monetary benefits $	Super-annuation $	Long Service Leave $	Options $	Shares $	$
Vernon Wills	400,000	-	49,613	-	-	-	-	449,613
Nicasio Alcantara	-	29,942	-	-	-	-	-	29,942
Craig Dawson	273,973	-	17,155	28,767	5,251	-	-	325,146
Jason Anfield	204,258	-	3,758	21,447	15,477	-	-	244,940
Total	878,231	29,942	70,526	50,214	20,728	-	-	1,049,641

Remuneration Report (audited) continued

2022	Short Term Benefits			Post-employment	Long Term Benefits	Share-based Payments		Total
Name	Cash Salary $	Directors Fees $	Non- monetary benefits $	Super-annuation $	Long Service Leave $	Options $	Shares $	$
Vernon Wills	400,000	-	48,712	-	-	-	-	448,712
Nicasio Alcantara	-	83,305	-	-	-	-	-	83,305
Craig Dawson	273,973	-	26,480	27,397	5,453	-	-	333,303
Brett McPhee[1]	137,205	-	-	-	-	-	-	137,205
Jason Anfield[2]	12,663	-	532	1,266	332	-	-	14,793
Total	823,841	83,305	75,724	28,663	5,785	-	-	1,017,318

[1] Resigned as Director May 2022
[2] Appointed as Director May 2022

Short term incentive (STI)

Under the STI plan, executives have the opportunity to earn an annual incentive award which is delivered in cash or shares at the discretion of the Remuneration Committee. The STI recognises and rewards short term performance. The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measures.

Group EBITDA and business unit EBITDA are the measures against which management and the remuneration committee assess the short-term financial performance of the Group. Both Mr Wills and Mr Dawson had a maximum STI opportunity of 30% of their fixed remuneration. For FY23 and FY22, 0% was earned and 100% forfeited because the service criteria were not met.

Director and key management personnel options and rights holdings

There were no options over ordinary shares held during the financial year by each KMP of the Group, other than in respect of the employee share plan below.

Director and key management personnel participation in the employee share plan

In November 2011 the Shareholders approved the establishment of an Employee Share Plan that would enable employees, directors and eligible associates to subscribe for shares in the Company. Under the terms of the plan an eligible person is offered shares in the Company at a price determined by the board with a corresponding interest free loan to assist the person to subscribe for the shares. The shares are escrowed in two tranches with 50% being escrowed for a minimum of 12 months and 50% being escrowed for a minimum of 24 months. Subsequent to these minimum restriction periods, the shares are available for release from escrow (i.e. vested and exercisable option) on the repayment of the loan, and subject to continuation of employment (including acting as an associate or director) at the time of repayment.

For accounting purposes these shares are treated as if these were share options, as whilst the shares have been issued to the employee their rights to access the shares are subject to both a time based requirement (continued employment to escrow dates) and valuation uncertainty (share price exceeds issue price at date of escrow release). Accordingly, shares issued under the plan are valued using a Black Scholes Option Valuation model with the expense being recognised over the escrow period as a share based payment.

Remuneration Report (audited) continued

Mr Dawson was awarded 1,000,000 shares, Mr McPhee 750,000 and Mr Anfield 250,000 shares under the plan, with a grant date of 8 March 2019 and a loan price (option exercise price) of 4 cents per share with half escrowed to 29 March 2019 and the other half escrowed to 29 March 2020. No amount has been paid in respect of these shares. The related options have a grant date fair value of 0.64 cents per share and 0.97 cents per share respectively for each tranche. There are no performance conditions attached to the shares other than the employee remaining with the group during the escrow period. The shares have an expiry date (last option exercise date) of 29 March 2022.

The number of ordinary shares held by each KMP of the Group under the plan is as follows:

Name	Balance 1 July 2022	Granted as remuneration	Shares sold	Forfeited	Balance 30 June 2023	Tradable	Escrowed	Vested and Exercisable
Craig Dawson	1,000,000	-	-	-	1,000,000	-	1,000,000	1,000,000
Jason Anfield	250,000	-	-	-	250,000	-	250,000	250,000
Total	1,250,000	-	-	-	1,250,000	-	1,250,000	1,250,000

Director and key management personnel share holdings

The number of ordinary shares held by each KMP, other than shares under the Employee Share plan, is as follows:

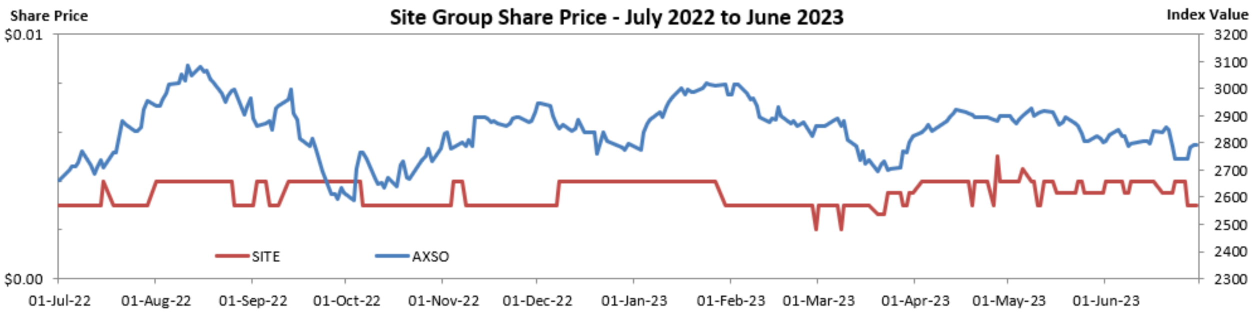
Name	Balance 1 July 2022	Granted as remuneration	Shares purchased	Shares sold	Balance 30 June 2023
Vern Wills	123,395,630	-	236,666,666	-	360,062,296
Nicasio Alcantara	8,371,325	-	-	-	8,371,325
Craig Dawson	1,000,000	-	1,000,000	-	2,000,000
Jason Anfield	800,000	-	550,000	-	1,350,000
Total	133,566,955	-	238,216,666	-	371,783,621

Executive remuneration outcomes for 2023

As noted earlier the company is actively developing its core business in Asia and Australia in addition to the maximisation of the Clark property. Executive Remuneration is targeted at attracting and retaining quality people to lead the Company through this phase and on to profitability. The Company has incurred losses since 2017 however there are a number of metrics that may be used to judge the effectiveness of the leadership team during this period.

Remuneration Report (audited) continued

Share price performance



The graph above illustrates the relative performance of the Company share price over the past 12 months. The blue line is the performance of the small ordinaries index – in comparative terms the Company's share price has been significantly negatively impacted due to the regulatory actions currently in progress and the COVID-19 pandemic.

Revenue growth

The following table details reported revenue of the core business including the discontinued for the past five years:

	2023	2022	2021	2020	2019
Total revenue ($)	6,917,693	7,141,825	16,939,116	27,259,059	30,913,290
Growth %	(3%)	(58%)	(38%)	(12%)	2%

Net profit/ (loss) and earnings/ (loss) per share

The following table details the net profit/ (loss) and earnings/ (loss) per share including the discontinued operation for the past seven years:

	2023	2022	2021	2020	2019
Total profit/(loss)	19,220,288	(7,254,842)	(7,276,206)	(10,264,692)	(4,742,968)
Change %	365%	0%	29%	(116%)	22%
Earnings/(loss) per Share (cents)	1.51	(0.86)	(0.86)	(1.32)	(0.69)
Share price at year end	$0.003	$0.003	$0.011	$0.035	$0.027

The impact of the impairments reported, and the unexpected impact of COVID-19 on industries around the world has substantially impacted face to face delivery of training.

The leadership team are focused on continuing to grow the core business revenue, adapting to the current market environment, controlling costs and growing earnings.

Directors' Report continued

Remuneration Report (audited) continued

Approval of the FY2022 Remuneration Report

At the Annual General Meeting of the Company on 30 November 2022, the FY2022 remuneration report was adopted by the shareholders with a vote of 99% in favour.

Loan from Director related entity – Punta Properties Inc

On 21 June 2018, the Group announced a financing facility of US$4million with Punta Properties, a company associated with Non-Executive Director Nicasio Alcantara. Repayment of funds drawn under the facility were via cash or equity to be issued at the last issue price of 4 cents per share subject to approval of shareholders. Interest charged on the loan was at a fixed rate of 10% per annum.

On 23 November 2022, as part of the sale of Site Group Holdings Pty Ltd, the finance facility was repaid in full (Punta conversion amount) via the issue of equity in SGH.

Movements in the loan balance during the year are as follows:

	2023 $	2022 $
Opening Balance	7,642,015	5,234,958
Drawdowns	-	1,366,092
Interest accrued during the year	291,402	458,128
Foreign Currency movement	445,032	582,837
Repayment of loan in full (via the issue of equity in SGH - refer Note 28)	(8,378,449)	-
Closing Balance	-	7,642,015

END OF REMUNERATION REPORT

Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.

Craig Dawson
Director
31 August 2023

Corporate Governance Statement

The Australian Securities Exchange Limited (ASX) listing rules require a listed Company to provide in its annual report a statement of the main corporate governance practices that it had in place during the reporting period. The ASX listing rules also require a listed Company to report any instances where it has failed to follow the recommendations issued by the ASX Corporate Governance Council ("the Principles of Good Corporate Governance and Best Practice Recommendations, 4th Edition") and the reasons for not following them.

The best practice recommendations of the ASX Corporate Governance Council are differentiated between eight core principles that the council believes underlie good corporate governance. The board's statements to each core area are noted below:

Principle 1: Lay solid foundations for management and oversight

The ASX Corporate Governance Council guidelines recommend that the board recognise and publish the respective roles and responsibilities of the board and management and how their performance is monitored and evaluated. The framework of responsibilities should be designed to:

- *enable the board to provide strategic guidance for the Company and effective oversight of management;*
- *clarify the respective roles and responsibilities of board members and senior executives in order to facilitate board and management accountability;*
- *undertake appropriate background checks on proposed new directors and ensure sufficient material information about a director being re-elected is provided to security holders;*
- *ensure a balance of authority so that no single individual has unfettered powers;*
- *ensure the Company enter in to written agreements with each director and senior executive setting out the terms of their appointment;*
- *ensure the company secretary be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board;*
- *establish a policy concerning diversity, that should include a requirement for the board to:*
  - *establish measurable objectives for gender diversity;*
  - *assess annually the objectives set for achieving gender diversity; and*
  - *assess annually the progress made towards achieving the objectives set; and*
- *evaluate the performance of senior executives, the board, committees and individual directors.*

The board of Site Group International Limited are responsible for:

- establishment of long term goals and strategic plans to achieve those goals;
- the review and adoption of the annual business plan and budgets for the financial performance of the Company and monitoring the results on a monthly basis;
- appointment and removal of the chief executive officer;
- ensuring that the Company has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities; and
- the approval of the annual and half yearly financial statements and reports.

These and other responsibilities are detailed in the approved Board Charter approved in February 2012.

Corporate Governance Statement continued

The board meets on a regular basis to review the performance of the Company against its goals both financial and non-financial. In normal circumstances, prior to the scheduled board meetings, each board member is provided with a formal board package containing appropriate management and financial reports.

Written agreements are entered in to with each director clearly setting out their roles and responsibilities. The responsibilities of the management including the chief executive officer and chief financial officer are contained in letters of appointment and job descriptions given to each executive on appointment and updated from time to time, usually annually.

The board has not established formal evaluation criteria for the review of itself or its committees and has not undertaken a specific performance evaluation. The Site Group International Limited board uses a personal evaluation review to review the performance of Directors. Individual Directors are asked to communicate to the Chairman on a confidential basis to comment on their own performance, and the performance of the board and its committee. Key executives are reviewed periodically against the business objectives and their own contractual obligations, including their personal KPIs.

Appropriate background checks are conducted on proposed new Directors and material information about a director being re-elected is provided to security holders.

The company secretary work directly with the chair on the functioning of all board and committee procedures.

The board approved and issued a Diversity Policy in January 2012. The nature of the Site Skills Training part of the business providing high risk licencing and trades training results in a high proportion of the trainers being male however the company actively encourages the recruitment of female staff/contractors where available.

No specific measurable objectives have been established at this stage. As noted above, as the nature of the company's business is quite specific, setting measurable objectives may restrict the company's development at this stage. Notwithstanding this, the company actively encourages the recruitment of female staff/contractors where available and will continue to recruit and promote regardless of gender, age, ethnicity or cultural background.

The following table indicates the current gender mix of employees: -

	Male	Female	Male	Female	**Total**
Board	3	0	100%	0%	**3**
Executive and Senior Managers	3	1	75%	25%	**4**
All Other	25	19	57%	43%	**44**
Total	**31**	**20**	**69%**	**31%**	**51**

Principle 2: Structure the board to add value

The ASX Corporate Governance Council guidelines recommend that the board be structured in such a way that it:

- *is of an effective composition, size and commitment to adequately discharge its responsibilities;*
- *has a proper understanding of, and competence to deal with, the current and emerging issues of the business; and*
- *has an appropriate number of independent non-executive directors who can challenge management and represent the best interests of security holders as a whole.*

To achieve best practice the Council recommends that:

- *the board should establish a nomination committee;*
- *listed entities should disclose a board skills matrix;*
- *a majority of the board be "independent" Directors;*
- *the chairperson be an "independent" Director and should not be the same person as the CEO; and*
- *listed entities have a program for inducting new directors and provide appropriate professional development opportunities.*

The Company has a Nomination and Remuneration Committee (the Committee) and the board has approved the charter for the Nomination and Remuneration Committee. The Committee charter is set out on the Company's website.

The number of meetings of the Committee held during 2023 is set out in the Directors' Report.

In 2023 the Committee comprised Mr Nicasio Alcantara and Jason Anfield. The Council recommends that remuneration committees be comprised of at least three independent directors. Mr Alcantara is a non-executive director. Due to Messrs, Alcantara and Anfield's extensive corporate history and experience, the company believes that given the size and nature of its operations, non-compliance has not been detrimental.

The Company is developing an appropriate board skills matrix. Comprehensive details about each director's experience and skills are set out in the Directors' Report.

Site Group International Limited's current board consists of one non-executive Director and two executive Directors. The Chairman of the Board Mr Alcantara is not considered to be independent due to being a substantial security holder. In accordance with the Council's definition of independence, both Mr Anfield and Mr Dawson are not considered independent as they are employed in an executive capacity.

Directors have the right to seek independent professional advice and are encouraged to undertake appropriate professional development opportunities in the furtherance of their duties as Directors at the Group's expense. Informal induction is provided to any new Directors.

Principle 3: Act ethically and responsibly

The ASX Corporate Governance Council guidelines recommend that the Company should:

- *clarify the standards of ethical behaviour of Directors and executives by establishing a code of conduct and encourage the observance of those standards; and*

the policy or a summary of that policy is to be disclosed.

Site Group International Limited has a published code of conduct to guide executives, management, and employees in carrying out their duties and responsibilities. The code of conduct covers such matters as:

- responsibilities to shareholders;
- compliance with laws and regulations;
- relations with customers and suppliers;
- ethical responsibilities;
- employment practices; and
- responsibilities to the environment and the community.

Principle 4: Safeguard integrity in corporate reporting

The ASX Corporate Governance Council guidelines recommend that the Company have formal and rigorous processes that independently verify and safeguard the integrity of the company's corporate reporting.

To achieve best practice the Council recommends that:

- *the board should establish an audit committee;*
- *CEO and CFO sign declarations attesting to the accuracy of the Company's accounts and that appropriate internal controls are in place; and*
- *the Company ensure the external auditor attends the AGM.*

The Company has an Audit Committee and the number of meetings of the committee held during the 2023 year is set out in the Directors' Report. In 2023 the committee comprised Mr Brett McPhee, Mr Anfield and Mr Nicasio Alcantara. The Council recommends that audit committees be comprised of at least three independent directors. Due to Messrs Alcantara, McPhee and Anfield extensive corporate history and experience in financial matters, the company believes that given the size and nature of its operations, non-compliance has not been detrimental.

Audit committee meetings are attended, by invitation, by the engagement partner (or their nominee) from the Company's external auditor and such other senior staff or professional people as may be appropriate from time to time.

Each year the Chief Executive Officer and Chief Financial Officer sign declarations in accordance with section 295A of the Corporations Act, to confirm that the accounts are correct and in accordance with relevant legislation and that appropriate financial controls are in place.

The external auditors are required to attend the annual general meeting and are available to answer any questions from security holders relevant to the audit.

Principle 5: Make timely and balanced disclosure

The ASX Corporate Governance Council guidelines recommend that a Company make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities. It recommends that it put in place mechanisms designed to ensure all investors have equal and timely access to material information concerning the Company (including its financial position, performance, ownership and governance), and that a Company's announcements are factual and presented in a clear and balanced way.

The board and senior management team at Site Group International Limited are conscious of the ASX Listing Rule continuous disclosure requirements and have processes in place to ensure compliance. Company policy requires:

- all announcements be reviewed by the Chairman and all directors; and
- all media comment is by the Chairman and Chief Financial Officer.

Principle 6: Respect the rights of security holders

The ASX Corporate Governance Council guidelines recommend that a Company respects the rights of security holders by providing them with appropriate information and facilitates to allow them to exercise those rights effectively.

To achieve best practice, the Council recommends that Companies:

- *Provide information about themselves and their governance on their website;*
- *Design and implement a suitable investor relations program to facilitate effective two-way communication with investors;*
- *Disclose policies and processes to encourage participation at meetings of security holders; and*
- *Provide security holders with the option to receive communications electronically.*

Site Group International Limited promotes effective communication with shareholders and encourages effective participation at general meetings by providing information to shareholders:

- Through the release of information to the market via the ASX;
- Through the distribution of the Annual Report and notices of annual general meeting;
- Through shareholder meetings and investor presentations; and
- By posting relevant information on Site Group International's website: www.site.edu.au

The company's website has a dedicated investor relations section for the purpose of publishing all important company information and relevant announcements made to the market.

The external auditors are required to attend the annual general meeting and are available to answer any shareholder questions about the conduct of the audit and preparation of the audit report.

The external auditors are required to attend the annual general meeting and are available to answer any questions from security holders relevant to the audit.

Principle 7: Recognise and manage risk

The ASX Corporate Governance Council guidelines recommend that the Company establish a sound risk management framework to identify and manage risk on an ongoing basis. It recommends that the system be designed to identify, assess, monitor and manage risk; and inform investors of material changes to the Company's risk profile. It suggests that to achieve "best practice", the board or an appropriate board committee should establish policies on risk oversight and that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

The Audit and Risk Committee has in its Charter the requirement to consider risks that the Company has to manage.

The Company has established a Risk Register that is reviewed by the Audit and Risk Committee annually. Risks are assessed and ranked in accordance with generally accepted risk management practices with appropriate mitigation strategies adopted where possible.

The Company does not have a separate internal audit function. The board considers that the Company is not currently of the size or complexity to justify a separate internal audit function, and that appropriate internal financial controls are in place. Such controls are monitored by senior financial management and the Audit and Risk Committee.

In addition, the board does consider the recommendations of the external auditors and other external advisers and where considered necessary, appropriate action is taken to ensure that an environment is in place that key risks, as identified, are managed.

The Director's Report sets out some of the key risks relevant to the Company and its operations. Although not specifically defined as such, the risks include economic, environmental and social sustainability risks. As noted above, the Company regularly reviews risks facing the Company and adopts appropriate mitigation strategies where possible.

Principle 8: Remunerate fairly and responsibly

The ASX Corporate Governance Council guidelines recommend that the Company ensures that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined. In this regard it recommends that companies adopt remuneration policies that:

- *attract and retain high quality Directors;*
- *attract, retain and motivate high quality senior executives; and*

to align their interests with the creation of value for security holders.

The Company has a Nomination and Remuneration Committee and the board has approved the charter for the Nomination and Remuneration Committee. The Committee charter is set out on the Company's website.

The number of meetings of the committee held during the 2023 year is set out in the Directors' Report.

In 2023 the Committee comprised two members of the Board. The Council recommends that remuneration committees be comprised of at least three independent directors. Due to Messrs Alcantara and Anfield's extensive corporate history and experience, the company believes that given the size and nature of its operations, non-compliance has not been detrimental.

All matters of remuneration and executive appointments were also considered by the full board. At this stage it is reasonable that the board be accountable for setting their own remuneration and that of senior executives.

The remuneration of the board's non-executive and executive directors is set out in the relevant section of the Annual Report. Details of the nature and amount of each element of the remuneration of each director of the Company and the key management personnel of the Company are disclosed in the relevant section of the Annual Report. There is no retirement benefit scheme for directors other than payment of statutory superannuation.

The Company has adopted a Trading Policy that includes a prohibition on hedging, aimed at ensuring participants do not enter into arrangements which would have the effect of limiting their exposure to risk relating to an element of their remuneration.

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The Directors
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BRISBANE QLD 4000

Auditor's Independence Declaration

In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards).*

This declaration is in respect of Site Group International Limited and the entities it controlled during the year.

Pitcher Partners

PITCHER PARTNERS

J. Evans

JASON EVANS
Partner

Brisbane, Queensland
31 August 2023

Statement of Profit or Loss and Other Comprehensive Income

	Note	Consolidated Group 2023 $	2022 $
Continuing operations			
Revenue from contracts with customers	4	6,917,693	7,141,825
Interest income		7,874	5,904
Total income		6,925,567	7,147,729
Contractor and other service providers		(146,896)	(1,310,787)
Other direct fees and costs		(858,354)	(1,317,821)
Employee benefits expense	5	(4,031,451)	(3,324,247)
Sales and marketing expense		(587,790)	(766,969)
Occupancy expenses		(438,729)	(374,663)
Depreciation and amortisation expense	5	(1,041,094)	(1,127,170)
Impairment expense	11	-	(469,291)
Finance costs	5	(881,066)	(935,780)
Foreign currency (loss)		(326,258)	(671,717)
Fair value (loss)/ gain of financial liabilities at fair value through profit and loss	17	5,055	252,458
Share of net profit of associate account for using the equity method	28	(178,948)	-
Other expenses	5	(2,225,816)	(1,962,670)
Profit (Loss) before tax from continuing operations		(3,785,780)	(4,860,928)
Income tax (expense) / benefit	6	(112,771)	11,904
Profit (Loss) for the period from continuing operations		(3,898,551)	(4,849,024)
Profit/(Loss) for the year from discontinued operations	24	23,118,839	(2,405,818)
Profit (Loss) for the period		19,220,288	(7,254,842)
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent years (net of tax):			
Translation of foreign operations		9,894	4,593
Items not to be reclassified to profit or loss in subsequent years (net of tax):			
Remeasurement gain/(loss) on defined benefit plan	16	4,822	44,445
Total other comprehensive income /(loss)		14,716	49,038
Total comprehensive profit (loss)		19,235,004	(7,205,804)
Earnings per share			
Earnings per share for loss attributable to the ordinary equity holders of the parent			
Basic and diluted (cents per share)	3	1.51	(0.86)
Earnings per share for continuing operations			
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the parent			
Basic and diluted (cents per share)	3	(0.31)	(0.58)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

	Note	Consolidated Group 2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		267,936	139,287
Trade and other receivables	7	939,024	1,012,711
Contract assets	8	32,551	10,353
Inventories		6,965	11,471
Prepayments		169,326	159,116
Financial assets at fair value through profit or loss	24	777,297	600,000
Current tax assets		5,678	-
TOTAL CURRENT ASSETS		2,198,777	1,932,938
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,924,640	3,132,956
Right-of-use assets	12	880,084	3,675,803
Intangible assets	10	2,060	2,034
Security deposits		495,320	523,910
Investments accounted for using the equity method	28	6,400,503	-
Other non-current financial assets		16,435	16,435
Financial assets at fair value through profit or loss	24	-	783,085
Deferred income tax asset	6	335,106	767,993
TOTAL NON-CURRENT ASSETS		11,054,148	8,902,216
TOTAL ASSETS		13,252,925	10,835,154
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	3,366,374	8,425,843
Contract liabilites	14	48,945	43,305
Interest bearing debt	15	-	10,511,908
Lease liabilities	12	488,580	1,062,640
Current tax liabilities		-	2,598
Provisions	16	505,610	299,024
Financial liabilities at fair value through profit or loss	17	3,530	8,585
TOTAL CURRENT LIABILITIES		4,413,039	20,353,903
NON-CURRENT LIABILITIES			
Trade and other payables	13	5,595,083	5,595,083
Provisions	16	102,927	232,482
Lease liabilities	12	574,496	6,406,290
TOTAL NON-CURRENT LIABILITIES		6,272,506	12,233,855
TOTAL LIABILITIES		10,685,545	32,587,758
NET ASSETS		2,567,380	(21,752,604)
EQUITY			
Issued capital	18	88,804,521	83,719,540
Reserves	19	2,710,126	2,700,232
Accumulated losses	19	(88,947,267)	(108,172,376)
TOTAL EQUITY		2,567,380	(21,752,604)

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

	Share Capital	Accumulated losses	Foreign currency translation reserve	Share based payments reserve	Total
	(note 18)	(note 19)	(note 19)	(note 19)	
Consolidated Group	$	$	$	$	$
Balance at 30 June 2021	83,719,540	(100,961,979)	1,157,277	1,538,362	(14,546,800)
Comprehensive income					
Loss for the year	-	(7,254,842)	-	-	(7,254,842)
Other comprehensive income for the year	-	44,445	4,593	-	49,038
Total comprehensive income /(loss) for the year	-	(7,210,397)	4,593	-	(7,205,804)
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the year	-	-	-	-	-
Transaction costs	-	-	-	-	-
Share-based payments	-	-	-	-	-
Total transactions with owners and other transfers	-	-	-	-	-
Balance at 30 June 2022	83,719,540	(108,172,376)	1,161,870	1,538,362	(21,752,604)
Comprehensive income					
Profit for the year	-	19,220,287	-	-	19,220,287
Other comprehensive income for the year	-	4,822	9,894	-	14,716
Total comprehensive income /(loss) for the year	-	19,225,109	9,894	-	19,235,003
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the year	5,388,735	-	-	-	5,388,735
Transaction costs	(303,754)	-	-	-	(303,754)
Share-based payments	-	-	-	-	-
Total transactions with owners and other transfers	5,084,981	-	-	-	5,084,981
Balance at 30 June 2023	88,804,521	(88,947,267)	1,171,764	1,538,362	2,567,380

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

	Note	Consolidated Group 2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		6,947,477	7,499,843
Payments to suppliers and employees		(9,891,216)	(8,353,278)
Interest received		2,150	768
Interest paid		(682,970)	(841,907)
Income tax paid		(7,428)	(3,527)
Net cash used in operating activities	25	(3,631,987)	(1,698,101)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(118,975)	(24,268)
Payments for investments	28	(225,406)	-
Proceeds from sale of entities	28	3,000,240	-
Proceeds from sale of business		558,015	-
Cash backed performance bonds		(39,915)	196,087
Net cash provided investing activities		3,173,959	171,819
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		4,943,735	-
Proceeds from borrowings		-	2,196,092
Repayment of borrowings		(2,526,989)	-
Principal repayments - lease liabilities	12	(1,489,503)	(678,711)
Transaction costs on shares		(332,366)	-
Net cash provided by financing activities		594,877	1,517,381
Net increase / (decrease) in cash held		136,849	(8,901)
Effect of exchange rates on cash holdings in foreign currencies		(8,200)	(17,865)
Cash and cash equivalents at beginning of financial year		139,287	166,053
Cash and cash equivalents at end of financial year		267,936	139,287

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Year Ended 30 June 2023

Note 1 Corporate Information

The consolidated financial report of Site Group International Limited (the Company) and its controlled entities (the Group) for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 31 August 2023.

Site Group International Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX Code: SIT). The Group is a for-profit entity for the purposes of preparation of this financial report.

The nature of the operations and principal activities of the Group are described in the directors' report.

Note 1a Summary of significant accounting policies

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to the years presented unless otherwise stated.

Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise stated.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Significant accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report is presented in Australian dollars and unless otherwise stated are rounded to the nearest dollar.

(a) Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards as issued by the International Accounting Standards Board.

(b) Going concern

For the financial year ended 30 June 2023 the Group made a loss of $3,898,551 (2022: loss of $4,849,024) and the cash outflow from operating activities for the year was $3,631,987 (2022: $1,698,101). At 30 June 2023, the Group had net assets of $2,567,380 (2022: deficiency of $21,752,604) and a net current asset deficiency of $2,214,261 (2022: deficiency of $18,420,965). Notwithstanding the reported results, this financial report has been prepared on a going concern basis as the directors consider that the company and the consolidated entity will be able to realise their assets and settle their liabilities in the normal course of business and at amount stated in the financial report.

The directors have made enquiries of management, examined the Group current financial position and financial forecasts and have a reasonable expectation that the company and the Group has adequate financial resources to continue as a going concern.

Note 1a Summary of significant accounting policies continued

Significant matters identified by the directors include:-

- The reported loss after tax from continuing operations of $3,898,551 is not considered by the Directors to reflect the expected future performance of the Group.
- Following the sale of Site Skills Training domestic assets the Group is expecting a further payment in FY24 (estimated at $0.77m).
- The Group has sold 61.6% of Site Group Holdings Pty Ltd for $US10.005m, retaining 38.4% ownership of the Clark property project. The Group has the ability to sell down further ownership interest in the project to raise funding as required.

The continuation of the company and the Group as a going concern is dependent on the ability to achieve the following objectives:-

- Forecast cash flow from operations including savings associated with restructuring and streamlining the corporate operations following completion of the asset sale of Site Skills Training in Australia;
- Forecast cash flow from realisation of the value of the Clark Property project in the form of third party investors providing funds to enable the Group to proceed with its strategy of maximising the value of the leasehold;
- Proposed capital expenditure management; and
- Support of its investors through capital raising by way of debt or equity.

Should the above actions not generate the expected cash flow, there would be a material uncertainty which would cast significant doubt as to whether the Group would be able to meets its debts as and when they fall due, and therefore continue as a going concern. The Group may be required to realise assets and extinguish liabilities other than in the course of business and at amount different from those stated in the financial statements.

The report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the company and the Group not continue as a going concern.

Note 1a Summary of significant accounting policies continued

(c) New or amended Accounting Standards and Interpretations adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

Conceptual framework for financial reporting (Conceptual Framework)

The Group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

(d) Basis of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of the Group as at, and for the period ended, 30 June each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- The rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(i) Associates
Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Note 1a Summary of significant accounting policies continued

(ii) Equity method
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iii) Changes in ownership interests
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(e) Foreign currency translation

Both the functional and presentation currency of Site Group International Limited and its Australian subsidiaries are Australian dollars ($). The Philippines branch's functional currency is the Philippine Peso (PHP), Site Group International Pte Ltd's functional currency is Singapore Dollars (SGD) and Competent Project Management Sdn Bhd's functional currency is Malaysian Ringgit (MYR). Each of these is translated to the presentation currency.

On consolidation, the assets and liabilities of the Asian operations are translated into Australian Dollars at the rate of exchange prevailing at the reporting date and the statement of profit or loss and other comprehensive income is translated at the exchange rate prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

Note 1a Summary of significant accounting policies continued

(f) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and in the statement of cash flows comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Financial instruments – initial recognition and subsequent measurement

Financial assets

Initial recognition and measurement

Financial assets within the scope of AASB 9 *Financial Instruments* are classified at amortised cost, at fair value through profit and loss, or at fair value through other comprehensive income. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except financial assets recorded at fair value through profit or loss, on the basis of both the Group's business model for managing the financial assets, and the contractual cash flow characteristics of the financial asset.

The Group's financial assets include cash and short-term deposits (amortised cost), receivables from contracts with customers (amortised cost), other receivables (amortised costs), and quoted and unquoted financial instruments (fair value through profit and loss).

Receivables from contracts with customers are recognised when the Group has an unconditional right to consideration arising from the transfer of goods or services to the customer (i.e. only the passage of time is required before payment of the consideration is due). Where this is not the case, the resultant asset is a contract asset (refer note 1a (p)).

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset. Other financial assets are recognised if the entity becomes party to contract provisions of the asset.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as described below.

Financial assets at amortised cost
Subsequent to initial measurement, these assets are measured at amortised cost using the Effective Interest Rate (EIR) method, less allowances for credit losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest revenue in the statement of profit or loss and other comprehensive income.

Financial assets at fair value through profit and loss
Subsequent to initial measurement, these assets are measured at fair value with changes in fair value being recognised in profit or loss as they arise.

Note 1a Summary of significant accounting policies continued

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets at amortised cost

The Group applies the simplified expected credit loss model prescribed in AASB 9 to determine an allowance for expected credit losses on receivables from contracts with customers and its other receivables measured at amortised cost. Under this approach, the lifetime expected credit losses are estimated using a provision matrix based on historical losses observed on similar assets, adjusted for the Group's forecasts of future economic conditions. The measurement of expected credit losses reflects the Group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. The Group has identified contractual payments more than 90 days past due as default events for the purpose of measuring expected credit losses. These default events have been selected based on the Group's historical experience.

Financial liabilities

Initial recognition and measurement
Financial liabilities within the scope of AASB 9 *Financial Instruments* are classified as at amortised cost, at fair value through profit and loss, or as derivatives designated as hedging instruments as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. The Group's financial liabilities include trade and other payables (amortised costs), loans and borrowings (amortised cost) and derivative financial instruments (fair value through profit and loss).

Loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss and other comprehensive income.

Derivative financial instruments
Derivative financial instruments held by the Group represent embedded conversion options on borrowing facilities. The embedded derivative component of the debt is required to be separated and accounted for as at fair value through profit and loss, with fair value gains and losses on remeasurement recognised in profit and loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Note 1a Summary of significant accounting policies continued

(h) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously

(i) Property, plant, and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Leasehold Improvements
Leasehold improvements are initially shown at their cost, less subsequent depreciation.

Plant and Equipment
Plant and equipment are measured on the cost basis, less depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to profit and loss during the financial period when they are incurred.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvement.

The estimated lives used for each class of depreciable assets are:

Class of fixed asset	Estimated Life
Leasehold improvements	2 – 25 years
Furniture and fittings	2 – 20 years
Computer equipment	3 – 5 years
Vehicles	3 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

(j) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Note 1a Summary of significant accounting policies continued

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Covid-19 related rent concessions

The Group has elected to apply the practical expedient (as permitted by Australian Accounting Standards) not to assess whether rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications, and to account for any changes in lease payments resulting from the rent concessions as if the changes were not lease modifications. Any gains arising from Covid-19 related rent concessions are recognised in profit or loss.

The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) any reduction in lease payments affects only payments due on or before 30 June 2022; and
(c) there is no substantive change to other terms and conditions of the lease.

Note 1a Summary of significant accounting policies continued

(k) Intangible assets

Goodwill
Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, and liabilities. After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to impairment testing on an annual basis or whenever there is an indication of impairment.

Training Licences and Course Material
Site Group acquires licenced course material with significant scope (approved courses) in high risk training. The economic potential of these licences and courses was assessed as part of the acquisition price and recorded as an intangible asset which is being amortised on a straight line basis over five years.

Licences
Site Group acquires licences to offer scope of training and access to government funding options. The economic potential of these licences was assessed as part of the acquisition price and recorded as an intangible asset and amortised on a straight line basis over 20 years.

Customer Contracts
Site Group acquires customer contracts with significant value to be realised through the profit and loss in future periods. The economic potential of these contracts is measured as a risk adjusted discounted cash flow to be generated from these contracts and recorded as an intangible asset which is amortised on a straight line basis over the relevant contract period.

Brand
Site Group acquires brands that are recognised by customers in relevant markets and generate future activity for the company. The economic potential of these brands in the form of future revenue generating potential is assessed as a discounted cash flow and recorded as an indefinite useful life intangible and tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(l) Impairment of non-financial assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where an individual asset does not independently generate cash flows, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(m) Provisions and employee benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of cash or non-cash resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Note 1a Summary of significant accounting policies continued

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Based on historical evidence no discounting of annual leave has been applied. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable. Liabilities for wages, salaries and annual leave are recognised as current liabilities and the Group does not have an unconditional right to defer settlement beyond 12 months.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees once an employee reaches five years of service. Expected future payments are discounted using market yields at the reporting date on the applicable corporate bonds with terms to maturity and currencies that match, the estimated future cash outflows. Where the Group has an unconditional right to defer settlement of the liability beyond 12 months of the balance date, the provision is classified as non-current.

(iii) Post employment obligations

The liability recognised in the balance sheet in respect of the retirement obligations of staff in the Philippines is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit cost method. Remeasurement gains and losses arising from experience adjustments and change sin actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the statement of change in equity and in the balance sheet.

For defined contribution plans, the Group pays contributions to publicly or privately administered superannuation plan on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

(n) Taxes

Current Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Note 1a Summary of significant accounting policies continued

Deferred Income Tax
Deferred tax is provided using the balance sheet liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities (DTL) are recognised for all taxable temporary differences except:

- When the DTL arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and probable the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets (DTA) are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of DTA is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed each reporting date and are recognised to the extent it has become probable that future taxable profit will allow recovery of the deferred tax asset.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Tax consolidation legislation
Site Group International Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Site Group International Limited and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, Site Group International Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Note 1a Summary of significant accounting policies continued

Any differences between the amounts assumed and the amounts receivable or payable under the tax funding agreement are recognised as contributions to (or distribution from) wholly owned tax consolidated entities.

Goods and services tax (GST)
Revenues, expenses, assets and liabilities are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. GST receivable and payable has been offset against one another. Commitments are shown net of GST. In the statement of cash flows, receipts from customers are shown inclusive of GST and payments to suppliers and employees are shown inclusive of GST and GST recovered from the tax office is shown in receipts from customers.

(o) Revenue recognition

Revenue from contracts with customers is recognised either at a point in time or over time depending on the nature of the contract, including the timing of satisfaction of performance obligations and the transfer of control to the customer. The Group's contracts with customers fall into the following categories:

Revenue Stream		Nature of Goods or Services Promised	Typical Performance Obligations	When Performance Obligation is Typically Satisfied	Method Used to Determine Progress Towards Complete Satisfaction of Performance Obligation
Course fees and Government subsidies		Training Service	Delivery of training course	Over time, being throughout the period of the course. For short-term (i.e. one day) courses the performance obligation may be satisfied at a point in time, being the date of course delivery.	An output method is used being contact days elapsed as a percentage of total contact days. This is considered the most appropriate basis for recognition of revenue as it is readily observable and sufficiently linked to the performance obligations specified in the contract.
Project income	*Specific projects with performance milestones & project delivery indicators*	Construction of Safe Life Processing Plant (SLPP)	Specific project milestones as specified in each individual contract.	Performance obligation: Specific project milestones as specified in contract, with a transaction price allocated to each milestone. Project delivery in most instances will not extend over more than one financial period.	An input method is used, based on the amount of contract costs incurred as a percentage of budgeted contract costs
		Facility accommodation			
	Ongoing project service income	Facility Management of Safe Life Processing Plant (SLPP)	Delivery of a service over the length of the contract period.	Over time, being as the services are delivered over the duration of the contract.	An output method is applied based on either time elapsed, units delivered, or milestones reached dependent on the terms of the individual contracts. Control is considered to pass in a manner consistent with measurement provided by this method.
Placement services		Recruitment and labour hire services	1. Placement of personnel at inception 2. Provision of employee for a fixed period of time	Placement: At a point in time, being when the employee has been successfully placed (i.e. acceptance of placement by customer). Provision of employee: Over time, being the period of time that staff are employed.	An output method (time elapsed on percentage of total time) is used. This reflects the expectation of consistency in transfer of services over the contract period for labour services.

Note 1a Summary of significant accounting policies continued

Contracts with customers do not typically involve a significant financing component. Course fee contracts may specify an entitlement to receive a portion of the contract value in advance of services being provided, however the period of time between payment being received and course delivery is generally not greater than 12 months. Amounts received in advance of services being provided are recognised as contract liabilities (refer note 1a (p)).

In the prior year the Group was eligible for the Australian Job Keeper wage subsidy and cash flow boost schemes during the year. Revenue from these government grant and subsidy is recognised when the Group is entitled to receive them.

No disclosure has been made within the financial statements of the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period, as these performance obligations relate to contracts that have an original expected duration of one year or less.

There are no elements of consideration under any of the above revenue streams that are variable in nature.

(p) Contract assets and contract liabilities

Contract assets represent the Group's right to consideration (not being an unconditional right recognised as a receivable) in exchange for goods or services transferred to the customer. Contract assets are measured at the amount of consideration that the Group expects to be entitled in exchange for goods or services transferred to the customer.

Contract liabilities represent the Group's obligation to transfer goods or services to the customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as contract liabilities are subsequently recognised as revenue when the Group transfers the contracted goods or services to the customer.

(q) Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(r) Share-based payment transactions

The Group provides benefits to its employees (including key management personnel) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions). Site Group currently has an Employee Share Plan (ESP), which provides benefits to directors and all eligible employees. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a binomial model, further details of which are given in note 20.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

Note 1a Summary of significant accounting policies continued

At each subsequent reporting date until vesting, the cumulative charge to profit or loss is the product of:

- The grant date fair value of the award;
- The current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non- market performance conditions being met; and
- The expired portion of the vesting period.

The charge to profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity. The expense associated with equity-settled awards granted by Site Group to employees of subsidiaries are recorded as an expense in the subsidiary and funded by advances from the parent which eliminate on consolidation. The expense recognised by the Group is the total expense associated with all awards.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition or non-vesting condition is considered to vest irrespective of whether or not that market condition or non-vesting is fulfilled, provided that all other conditions are satisfied.

(s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax as applicable, from the proceeds.

(t) Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Group measures derivative financial liabilities at fair value through profit and loss (refer note 1a(g)) on a recurring basis. The valuation of these derivatives involves the use of unobservable inputs (level 3), which are detailed together with a reconciliation of changes in the fair value of these liabilities throughout the period in note 17.

The carrying values of other financial assets and financial liabilities as disclosed in note 24 approximate their fair values.

Note 1b Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result which form the basis of the carrying values of assets and liabilities that aren't readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details may be found in the relevant notes to the financial statements.

(a) Significant accounting judgements

Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (eg construction of significant leasehold improvements).

Recovery of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent it is probable that future taxable profits will be available against which the losses can be utilised. . Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Total carried forward tax losses for the Group as at 30 June 2023 totalled $39,215,387 (balance at 30 June 2022 $45,658,684). Total carried forward capital losses as at 30 June 2023 amount to $Nil (30 June 2022: $Nil).

Impairment of non-financial assets other than goodwill and indefinite life intangibles

The Group assesses impairment of assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include technology, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. Given the current uncertain economic environment management considered that the indicators of impairment were significant enough and as such these assets have been tested for impairment in this financial period, refer below.

Note 1b Significant accounting judgements, estimates and assumptions continued

Existence of significant influence

Following the sale of 61.6% of Site Group Holdings Pty Ltd, Site Group international Limited is entitled to 1 board seat out of 3 via the shareholders agreement and participates in all significant financial and operating decisions. The Group has therefore determined that is has significant influence over this entity from 23 November 2022 and has equity accounted the investment from this date. The initial fair on date of sale was $6,354,045 (Refer note 28).

(b) Significant accounting estimates and assumptions

Impairment of non-current assets

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. Further, the Group considers whether other non-current assets are impaired whenever there is an indication that impairment may exist. This requires an estimation of the recoverable amount of the cash generating units, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated.

The prior year impairment of $469,291 related to goodwill and right of use assets. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in note 11.

Revenue recognition – Course fees

The Group recognises the revenue earned from delivery of a course over the period of the course that the service is provided. Where the duration of the course goes over a reporting date this is recorded as a contract liability on the statement of financial position. In calculating the amount of contract liability, consideration is also given to the probability of reversals and student refunds and the impact on the level of income recorded.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses the incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation. The Group estimates the IBR based on recent third-party financing received and makes adjustments specific to the lease if required e.g. term, country currency and security.

Contingent consideration asset

The Group has determined the fair value of the potential cash consideration receivable following the sale of Site Skills Training - Domestic in FY2023 by estimating the present value of future cash flows.

Inputs and assumptions are discussed further in note 24.

Investments accounted for using the equity method

The fair value of the equity interest retained by the Group (38.4%) in Site Group Holdings Pty Ltd is based on the independent valuation disclosed in the Independent Expert's Report prepared by Advisory Partner Connect Pty Ltd.

Note 2 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group has organised its business into three separate units based on the products and services offered – the Chief Operating Decision Makers ("CODM"), being the directors and executive management of the Group, review the results on this basis.

The three reportable business segments of the Group are:

- **Site Skills Training - International** operates a 300,000m^2 facility at Clark Freeport Zone in the Philippines allowing the company to deliver Australian standard training in a low cost and controlled environment. This facility has the capacity to complete large scale residential training programs customised to meet client specific requirements. This division also incorporates Site WorkReady being the recruitment and assessment division for international clients.

- **Energy Services** refers to the establishment of specialised energy training and services delivered to the Oil and Gas industry.

- **Tertiary Education** delivers Diploma and certificate level courses at Site's campuses in Australia through the Site Institute brand and also English language courses and conferences internationally through the TESOL Asia business.

The CODM monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit/loss consistent with the operating profit/loss in the consolidated financial statements. Group financing and corporate overheads are managed on a group basis and not allocated to operating segments. Transfer prices between the operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following is an analysis of the revenue and results for the period, analysed by reportable operating unit:

Note 2 Operating Segments continued

Year ended 30 June 2023

	Site Skills Training (International) $	Energy Services $	Tertiary Education $	Total Segments $	Corporate and Eliminations $	Total $
Revenue from contracts with customers						
Revenue from contracts with customers - external customer	3,713,144	553,114	2,286,231	6,552,489	365,204	6,917,693
Revenue from contracts with customers - inter-segment		-	-	-	-	-
Total segment revenue	3,713,144	553,114	2,286,231	6,552,489	365,204	6,917,693
Segment net operating profit / (loss) before tax	**(236,178)**	**119,145**	**(284,728)**	**(401,761)**	**(3,205,071)**	**(3,606,832)**
Interest revenue	4,576	-	-	4,576	3,298	7,874
Interest expense	(72,750)	(2,088)	(78,177)	(153,015)	(728,051)	(881,066)
Depreciation and amortisation	(387,587)	-	(188,353)	(575,940)	(465,154)	(1,041,094)
EBITDA	**219,583**	**121,233**	**(18,198)**	**322,618**	**(2,015,164)**	**(1,692,546)**
Segment assets as at 30 June 2023	3,762,469	46,036	1,218,520	5,027,025	7,401,089	12,428,114
Segment liabilities as at 30 June 2023	656,080	70,771	1,698,940	2,425,791	6,856,703	9,282,494
Capital expenditure as at 30 June 2023	90,137	-	52,738	142,875	10,363	153,238

Year ended 30 June 2022

	Site Skills Training (International) $	Energy Services $	Tertiary Education $	Total Segments $	Corporate and Eliminations $	Total $
Revenue from contracts with customers						
Revenue from contracts with customers - external customer	3,252,379	829,902	2,959,057	7,041,338	100,487	7,141,825
Revenue from contracts with customers - inter-segment	19,455	-	-	19,455	(19,455)	-
Total segment revenue	3,271,834	829,902	2,959,057	7,060,793	81,032	7,141,825
Segment net operating profit / (loss) before tax	**(1,322,246)**	**(144,581)**	**(329,810)**	**(1,796,637)**	**(3,064,291)**	**(4,860,928)**
Interest revenue	5,221	-	-	5,221	683	5,904
Interest expense	(54,312)	(4,082)	(45,384)	(103,778)	(832,002)	(935,780)
Depreciation and amortisation	(499,548)	7,009	(151,705)	(644,244)	(482,926)	(1,127,170)
EBITDA	**(773,607)**	**(147,508)**	**(132,721)**	**(1,053,836)**	**(1,750,046)**	**(2,803,882)**
Segment assets as at 30 June 2022	6,706,972	310,373	643,932	7,661,277	1,734,886	9,396,163
Segment liabilities as at 30 June 2022	9,127,841	436,964	1,674,974	11,239,779	19,354,023	30,593,802
Capital expenditure as at 30 June 2022	4,234	-	19,034	23,268	1,000	24,268

Note 2 Operating Segments continued

	Consolidated Group 2023 $	Consolidated Group 2022 $
Reconciliation of loss		
Segment loss	(401,761)	(1,796,637)
Inter-company management fees	786,669	1,334,448
Head office occupancy costs	(13,609)	(19,445)
Corporate employee benefits including Directors costs	(1,017,742)	(1,408,212)
Legal accounting and other professional fees	(371,985)	(153,081)
Travel costs	(93,337)	(18,152)
Depreciation and amortisation expense	(465,154)	(482,926)
Finance costs	(637,830)	(832,002)
Fair value gain/loss of financial Liabilities at fair value	5,055	252,458
Other corporate costs	(1,762,342)	(1,818,411)
Corporate income	365,204	81,032
Group profit (loss) before tax from continuing operations	**(3,606,832)**	**(4,860,928)**
Reconciliation of assets		
Segment operating assets	5,027,025	7,661,277
Discontinued operations	824,811	1,438,991
Corporate assets		
Cash at bank	104,411	15,780
Security deposits	260,221	258,083
Investments accounted for using the equity method	6,400,503	-
Other assets	635,954	1,474,032
Inter-segment receivables	-	(13,009)
Total assets per statement of financial position	**13,252,925**	**10,835,154**
Reconciliation of liabilities		
Segment operating liabilities	2,425,791	11,239,779
Discontinued operations	1,403,051	1,993,956
Corporate liabilities		
Corporate trade payables	6,174,087	7,603,668
Interest bearing debt	275,674	11,293,218
Other financial liabilites	3,530	8,585
Other liabilities	403,412	448,552
Total liabilities per statement of financial position	**10,685,545**	**32,587,758**

Note 2 Operating Segments continued

Disaggregation of Revenues

As disclosed in note 1a(o), the Group derives its revenue from the transfer of services over time and at a point in time. The following table provided a disaggregation of revenue by major revenue class and by geographical location.

Year ended 30 June 2023

	Australia	Asia	Corporate and Eliminations	Total
	$	$	$	$
Revenue from contracts with customers - external				
Course fees	2,553,346	3,459,571	114,683	6,127,600
Placement services	-	72,394	-	72,394
Government subsidies received	-	-	(16,241)	(16,241)
Project income	130,008	155,991	-	285,999
Other revenue	-	181,179	266,762	447,941
Total revenue from contracts with customers - external	**2,683,354**	**3,869,135**	**365,204**	**6,917,693**
Revenue from contracts with customers - inter segment	-	-	-	-
Total revenue from contracts with customers	**2,683,354**	**3,869,135**	**365,204**	**6,917,693**
Timing of revenue recognition				
Goods transferred at a point in time	-	-	9,364	9,364
Services transferred over time	2,683,353	3,869,136	355,840	6,908,329
Total revenue from contracts with customers	**2,683,353**	**3,869,136**	**365,204**	**6,917,693**

Year ended 30 June 2022

	Australia	Asia	Corporate and Eliminations	Total
	$	$	$	$
Revenue from contracts with customers - external				
Course fees	3,186,878	2,949,429	-	6,136,307
Placement services	-	100,559	-	100,559
Project income	310,420	260,482	-	570,902
Other revenue	1,364	232,206	100,487	334,057
Total revenue from contracts with customers - external	**3,498,662**	**3,542,676**	**100,487**	**7,141,825**
Revenue from contracts with customers - inter segment	-	19,455	(19,455)	-
Total revenue from contracts with customers	**3,498,662**	**3,562,131**	**81,032**	**7,141,825**
Timing of revenue recognition				
Goods transferred at a point in time	-	53	7,286	7,339
Services transferred over time	3,498,662	3,562,078	73,746	7,134,486
Total revenue from contracts with customers	**3,498,662**	**3,562,131**	**81,032**	**7,141,825**

Note 3 Earnings per Share

	Consolidated Group	
	2023	2022
	$	$
a) Earnings used in calculating earnings per share		
For basic and diluted earnings per share:		
Net loss excluding discontinued operations expense attributable to ordinary equity holders of the parent	(3,898,551)	(4,849,024)
Net loss attributable to ordinary equity holders of the parent	19,220,288	(7,254,842)
b) Weighted average number of shares	No.	No.
Weighted average number of ordinary shares for basic and diluted earnings per share	1,271,971,506	842,361,127
c) (Loss) / earnings per share (cents)		
Loss per share excluding discontinued operations attributable to the ordinary equity holders of the parent	(0.31)	(0.77)
Loss per share attributable to the ordinary equity holders of the parent	1.51	(0.86)

Options outstanding are anti-dilutive and therefore were not considered in the calculation of diluted earnings per share for the year ended 30 June 2023 and 2022.

To calculate the EPS excluding discontinued operations, the weighted average number of ordinary shares is as per above. The following table provides profit / (loss) amounts used.

	Consolidated Group	
	2023	2022
	$	$
Net profit /(loss) from discontinued operations attributable to ordinary equity holders of the parent	23,118,839	(2,405,818)

Note 4 Revenue from Contracts with Customers from Continuing Operations

	Consolidated Group	
	2023	2022
	$	$
Revenue from continuing operations		
Course fees	6,127,600	6,136,307
Placement services	72,394	100,559
Government support and subsidies	(16,241)	-
Project income	285,999	570,902
Other revenue	447,941	334,057
	6,917,693	7,141,825

	Consolidated Group	
	2023	2022
	$	$
Other Revenue & Income		
Interest income	7,874	13,262
	7,874	13,262

Note 5 Expenses from Continuing Operations

	Note	Consolidated Group 2023 $	2022 $
Employee benefits expense			
Wages and salaries		3,477,654	2,967,631
Superannuation expense		222,365	247,488
Payroll tax and workers compensation		76,467	108,490
Changes in provisions for annual and long-service leave		119,540	(90,482)
Other employment expenses		135,425	91,120
		4,031,451	3,324,247
Other expenses			
Legal, accounting and other professional fees		692,036	277,308
Travel & accommodation		208,185	82,141
Consultants cost		505,391	602,212
Administrative expenses		820,204	1,003,216
		2,225,816	1,964,877
Finance costs			
Interest expense - third parties		489,534	327,310
Interest expense - related parties		291,402	458,128
Interest expense - lease liabilities		102,293	145,803
Facilities fee		(2,163)	4,539
		881,066	935,780
Depreciation and amortisation			
Depreciation of property, plant & equipment	9	456,269	466,451
Amortisation of intangible assets	10	1,114	2,004
Depreciation of right-of-use assets	12	583,711	658,715
		1,041,094	1,127,170

Note 6 Taxation

	Note	Consolidated Group 2023 $	2022 $
a) Income tax expense			
The major components of income tax expense are:			
Statement of profit or loss and other comprehensive income			
Current income tax			
Current income tax charge		-	5,497
Adjustments in respect of current income tax of previous years		(1,227)	(9,801)
Deferred income tax			
Relating to origination and reversal of timing differences		432,971	63,153
Income tax expense reported in the statement of profit or loss and other comprehensive income		431,744	58,849
Income tax expense is attributable to			
Profit (loss) from continuing operations		112,770	(11,904)
Profit (loss) from discontinued operations	24	318,974	70,753
b) Numerical reconciliation of income tax expense to prima facie tax payable			
Total Profit / (loss) before income tax		19,652,017	(7,195,993)
At the parent entity's statutory income tax rate of 30% (2022 - 30%)		5,895,605	(2,158,798)
Differential in overseas tax rate to Australian tax rate		431,745	58,849
Non-assessable income		(1,863,117)	(1,070,920)
Non-deductible expenses		1,749,462	2,009,816
Utilisation of previously unrecognised tax losses		(5,781,951)	-
Impairment of PP&E, intangibles and right of use assets		-	132,305
Deferred tax asset not recognised		-	1,087,598
Income tax expense		431,744	58,850

Total carried forward tax losses for the Group as at 30 June 2023 totalled $39,215,387 (balance at 30 June 2022 $45,658,684). Total carried forward capital losses as at 30 June 2023 amount to $Nil (30 June 2022: $Nil).

c) Deferred tax

	Consolidated statement of financial position 2023 $	2022 $	Consolidated statement of profit or loss 2023 $	2022 $
Accrued expenses	124,477	553,849	429,372	(46,147)
Superannuation payable	17,344	16,873	(471)	4,476
Provision for leave balance	135,866	100,004	(35,862)	13,746
Provision for impairment of receivables	13,500	13,500	-	67,800
Provision for re-credits	-	23,717	23,717	-
Plant and Equipment under lease	40,345	67,033	26,688	27,704
Other foreign entity deferrals	3,574	(6,983)	(10,473)	(4,426)
Deferred tax benefit			**432,971**	**63,153**
Net deferred tax assets	**335,106**	**767,993**		

Reconciliation of net deferred tax asset / (liability)	2023 $	2022 $
As of 1 July	767,993	830,838
Opening balance adjustment	84	308
Tax income during the period recognised in profit or loss	(432,971)	(63,153)
As at 30 June	**335,106**	**767,993**

Note 7 Trade and Other Receivables

	Note	Consolidated Group 2023 $	2022 $
CURRENT			
Receivables from contracts with customers		21,884,971	21,915,400
Allowances for expected credit losses	7(a)	(21,048,710)	(21,022,645)
		836,261	892,755
Other receivables		102,763	119,956
Total current trade and other receivables		939,024	1,012,711

Trade receivables includes an amount of $20,977,645, representing a portion of a total reconciliation payment of $28,969,145 receivable from the Commonwealth Government Department of Education and Training (DET) for services performed prior to 30 June 2017. The difference of $7,991,500 was impaired in an earlier period, which should not be taken as an assertion by the Group that the Group is not entitled to this amount.

The expected loss rate for this balance (refer below) has been set at 100% considering the uncertain circumstances with regard to the reconciliation payment. The loss allowance will be re-assessed as the matter progresses and does not in any way alter the belief of the Board and Management that the Group is entitled to the full reconciliation amount of $28,969,145 in full and that the monies are legitimately due and payable under the relevant legislation as it then applied.

a) Allowance for expected credit losses

As described in note 1a(g), the Group applies the simplified expected credit loss model prescribed in AASB 9 to determine an allowance for expected credit losses on its receivables from contracts with customers (trade receivables) and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles for credit sales over a period of 3 years before 30 June 2023 and 30 June 2022 respectively and the corresponding historical credit losses experienced within this period.

The historical loss rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group identifies GDP growth conditions to be the most relevant factor and accordingly adjusts the historical loss rates based on the expected change in this factor.

Note 7 Trade and Other Receivables continued

The tables below show the calculation of the expected credit loss provision at both 30 June 2023 and 30 June 2022.

Consolidated Group	Trade receivables - Days past due					
	Total	0-30 days	31-60 days	61-90 days	+91 days	Discontinued Operation
30 June 2023						
Expected credit loss rate		2.0%	4.0%	14.0%	18.5%	
Estimated total gross carrying	**21,884,971**	529,031	48,852	26,855	21,280,233	
Expected credit loss	**21,048,710**	10,400	1,967	3,751	21,032,592	-
30 June 2022						
Expected credit loss rate		1.5%	2.9%	6.3%	14.3%	
Estimated total gross carrying	**21,915,400**	418,568	175,091	33,405	310,691	20,977,645
Expected credit loss	**21,022,645**	6,476	5,158	2,101	31,265	20,977,645

The closing loss allowances for receivables from contracts with customers and contract assets as at 30 June 2023 reconcile to the opening loss allowances as follows:

Movement in the provision for impairment

	Consolidated Group 2023 $	Consolidated Group 2022 $
Opening balance – calculated under AASB 9	21,022,645	21,248,645
Increase/(reversal) of loss allowance recognised in profit or loss	26,065	(226,000)
Amounts written off	-	-
Foreign Exchange movement	-	-
Closing Balance	21,048,710	21,022,645

Other receivables are excluded from the above analysis as these represent balances due from taxation authorities for which the expected loss rate is 0%.

b) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

At 30 June 2023, Group receivables, before allowance for expected credit losses, included one customer that owed $20,977,645 (as noted above).

c) Foreign exchange and interest rate risk

Detail regarding foreign exchange and interest rate risk exposure is disclosed in note 26.

Note 8 Contract Assets

	Consolidated Group 2023 $	Consolidated Group 2022 $
Accrued revenue	32,551	10,353

Note 9 Property, Plant and Equipment

	Consolidated Group 2023 $	Consolidated Group 2022 $
Plant and equipment		
Leasehold improvements		
At cost	8,172,003	7,893,709
Accumulated depreciation and impairment	(7,206,676)	(6,632,099)
Net carrying amount - leasehold improvements	965,327	1,261,610
Capital works in progress		
At cost	1,893,206	1,758,687
Computer equipment		
At cost	802,142	790,931
Accumulated depreciation	(775,212)	(735,491)
Net carrying amount - computers	26,930	55,440
Furniture and fittings		
At cost	2,215,118	2,146,643
Accumulated depreciation	(2,175,941)	(2,089,423)
Net carrying amount - furniture and fittings	39,177	57,220
Vehicles		
At cost	241,227	235,039
Accumulated depreciation	(241,227)	(217,062)
Net carrying amount - vehicles	-	17,977
Total property, plant and equipment	2,924,640	3,150,934

Note 9 Property, Plant and Equipment continued

(a) Movements in Carrying Amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Leasehold Improvements	Capital Works in Progress	Computers	Furniture & Fittings	Vehicles	Total
	$	$	$	$	$	$
Consolidated Group:						
Balance at 30 June 2021	1,676,483	1,816,337	93,933	93,827	50,467	3,731,047
Additions	3,779	2,536	9,182	8,771	-	24,268
Disposals	-	-	(5,376)	-	-	(5,376)
Depreciation expense	(379,121)	-	(43,463)	(44,933)	(31,448)	(498,965)
Exchange rate differences	(39,531)	(60,186)	1,164	(445)	(1,042)	(100,040)
Balance at 30 June 2022	**1,261,610**	**1,758,687**	**55,440**	**57,220**	**17,977**	**3,150,934**
Additions	50,761	82,140	10,363	8,834	-	152,098
Disposals	-	-	-	-	-	-
Depreciation expense	(371,862)	-	(38,873)	(27,682)	(17,852)	(456,269)
Impairment expense	-	-	-	-	-	-
Exchange rate differences	24,818	52,379	-	805	(125)	77,877
Balance at 30 June 2023	**965,327**	**1,893,206**	**26,930**	**39,177**	-	**2,924,640**

Note 10 Intangible Assets

	Consolidated Group 2023	Consolidated Group 2022
	$	$
Non-Current		
Goodwill		
Net carrying value	-	-
Training licences and course material		
Cost	626,136	1,613,191
Accumulated amortisation and impairment	(624,076)	(1,611,157)
Net carrying value	2,060	2,034
Customer contracts		
Cost	1,615,542	1,615,542
Accumulated amortisation	(1,615,542)	(1,615,542)
Net carrying value	-	-
Software development		
Cost	115,745	115,745
Accumulated amortisation	(115,745)	(115,745)
Net carrying value	-	-
Total intangible assets	2,060	2,034

Note 10 Intangible Assets continued

(a) Reconciliation of carrying amounts at the beginning and end of the period

Movements in carrying amounts for each class of intangible between the beginning and the end of the current financial year:

(a) Reconciliation of carrying amounts at the beginning and end of the period

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Goodwill	Training Licences Courses	Total
	$	$	$
Consolidated Group:			
Balance at 30 June 2021	441,015	3,989	445,004
Amortisation expense	-	(2,004)	(2,004)
Impairment expense	(441,015)	-	(441,015)
Exchange rate differences	-	49	49
Balance at 30 June 2022	**-**	**2,034**	**2,034**
Additions	-	1,140	1,140
Amortisation expense	-	(1,114)	(1,114)
Balance at June 2023	**-**	**2,060**	**2,060**

Note 11 Impairment Testing

An impairment expense is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The recoverable amount of property, plant and equipment and intangible assets is based on value-in-use calculations. Value-in-use is calculated based on the present value of future cash flow projections over a five-year period including a terminal value calculation.

The Group’s cash generating units are as follows:

- Site Skills Training - International
- Tertiary Education
- Energy Services

As a result of the sale of Site Group Holdings Pty Ltd, the Group no longer recognises Clark Property Development as a cash generating unit.

Note 11 Impairment Testing continued

Due to current economic conditions, the Group sought to reassess the impairment of property, plant and equipment and intangible balances of all CGUs. As a result of the testing, there have been no impairment charges for the period.

Site Skills Training – International cash-generating unit

The recoverable amount of the *Site Skills Training – International CGU* of $3,874,247 as at 30 June 2023 ($3,888,164 as at 30 June 2022) has been determined based on the cash generating unit's value in use calculation using projected cash flows from financial budgets covering a 5-year period.

Key inputs into the impairment model included a pre-tax discount rate of 15.49% (2022: 15.49%), annual revenue growth rate over the 5-year forecast period of 10-122% (2022: 10-24%), annual EBITDA margins of 15-19% (2022: 11-20%) and a terminal growth rate of 0% (2022: 0%).

As a result of this analysis, management did not recognise an impairment charge (2022: No impairment charge).

Tertiary Education cash-generating unit

The recoverable amount of the *Tertiary Education CGU* of $1,695,145 as at 30 June 2023 ($1,053,834 as at 30 June 2022) has been determined based on the cash generating unit's value in use calculation using projected cash flows from financial budgets covering a 5-year period.

Key inputs into the impairment model included a pre-tax discount rate of 17.14% (2022: 17.14%), annual revenue growth rate over the 5-year forecast period of 10%-32% (2022: 0%-10%), annual EBITDA margins of 3-11% (2022: 2-13%), and a terminal growth rate of 0% (2022:0%).

As a result of this analysis, management did not recognise an impairment charge (2022: $441,015 impairment charge).

Energy Services cash-generating unit

The recoverable amount of the *Energy Services CGU* remains *$nil* as at 30 June 2023 ($Nil as at 30 June 2022).

Sensitivity to changes in assumptions.

The calculation of value in use for the cash generating units is most sensitive to changes in the following assumptions:

- Revenue growth
- Gross Margins
- Discount rates

Revenue growth

Revenue growth is based on the specific circumstances of each CGU. A decrease in demand can lead to a decline in revenue growth. A decrease in the annual revenue growth rate by 2.0% (2022: 2.5%) would result in an impairment to the Site Skills Training – International. A decrease in the rate by 7% (2022: 1.5%) would result in an impairment to the Tertiary Education CGU.

Note 11 Impairment Testing continued

Gross Margins

Gross margins are assumed to be maintained at historical levels. A decrease in demand can lead to a decline in the gross margin. A decrease in the gross margin by 2.0% (2022: 2.5%) would result in an impairment to the Site Skills Training – International CGU. A decrease in the rate by 4.0% (2022: 1.5%) would result in an impairment to the Tertiary Education CGU.

Discount rates

The discount rate calculation is based on the specific circumstances of each CGU and is derived from its weighted average cost of capital (WACC). A rise in the discount rate to 19.71% (2022: 19.52% would result in an impairment to the Site Skills Training – International CGU. A rise in the discount rate to 29.15% (2022: 19.85%) would result in an impairment to the Tertiary CGU.

Note 12 Right-of-Use Assets and Lease Liabilities

Leased assets

	Consolidated Group	
	2023	2022
	$	$
Right-of-use assets		
Buildings under lease arrangements		
At cost	3,250,741	2,864,607
Accumulated depreciation and impairment	(2,370,657)	(2,019,621)
	880,084	844,986
Land under lease arrangements		
At cost	-	3,488,166
Accumulated depreciation	-	(675,327)
	-	2,812,839
Vehicles under lease arrangements		
At cost	45,599	45,599
Accumulated depreciation	(45,599)	(45,599)
	-	-
Total carrying amount of leased assets	880,084	3,657,825

Lease terms are negotiated on an individual basis and contain a range of terms and conditions. In the comparative year, leased assets included the 300,000m^2 Clark Property (Land). The asset was transferred out in November 2023 as part of the sale of SGH (refer note 28).

Note 12 Right-of-Use Assets and Lease Liabilities continued

Movements in carrying amounts for each class of right-of-use asset between the beginning and the end of the current financial year are as follows:

	Land $	Buildings $	Motor Vehicles $	Total $
Balance at 30 June 2021	**3,147,234**	**1,105,714**	**6,460**	**4,259,408**
Additions	-	391,771	-	391,771
Depreciation	(234,736)	(620,808)	(6,460)	(862,004)
Impairment loss	-	(28,276)	-	(28,276)
Exchange rate differences	(99,659)	(3,415)	-	(103,074)
Balance at 30 June 2022	**2,812,839**	**844,986**	**-**	**3,657,825**
Additions	-	607,497	-	607,497
Depreciation	(105,815)	(583,711)	-	(689,526)
Transfers (out) - sale of subsidiary	(2,795,748)	-	-	(2,795,748)
Exchange rate differences	88,724	11,312	-	100,036
Balance at 30 June 2023	**-**	**880,084**	**-**	**880,084**

Lease liabilities

	Consolidated Group	
	2023 $	2022 $
Lease liabilities - current		
Land	-	191,528
Buildings	487,720	860,118
Motor vehicles	860	10,994
	488,580	1,062,640
Lease liabilities - non-current		
Land	-	5,973,047
Buildings	574,496	433,243
	574,496	6,406,290
Total carrying amount of lease liabilities	1,063,076	7,468,930

Note 12 Right-of-Use Assets and Lease Liabilities continued

Movements in lease liabilities for each class of right-of-use asset between the beginning and the end of the current financial year are as follows:

	Land	Buildings	Motor Vehicles	Total
	$	$	$	$
Balance at 30 June 2021	**5,855,558**	**1,665,855**	**21,591**	**7,543,004**
Additions	-	391,771	-	391,771
Lease repayments	(801,716)	(921,712)	(10,597)	(1,734,025)
Interest	587,612	145,322	-	732,934
Exchange rate differences	523,121	12,125	-	535,246
Balance at 30 June 2022	**6,164,575**	**1,293,361**	**10,994**	**7,468,930**
Additions	-	607,497	-	607,497
Lease repayments	(334,389)	(1,085,248)	(10,343)	(1,429,980)
Interest	260,626	102,083	209	362,918
Transfers (out) - sale of subsidiary	(6,503,486)	-	-	(6,503,486)
Exchange rate differences	412,674	144,523	-	557,197
Balance at 30 June 2023	**-**	**1,062,216**	**860**	**1,063,076**

In addition to the depreciation and interest disclosed above, the Group recognised the following expenses relating to leases:

	2023	2022
	$	$
Expense relating to leases of 12-months or less (for which a lease asset and lease liability has not been recognised)	(12,000)	(8,000)
Expense relating to leases of low value assets (for which a lease asset and lease liability has not been recognised)	(73,871)	(76,207)

The total cash outflow for leases for the year ended 30 June 2023 was $1,489,503 (2022: $1,892,312).

Note 13 Trade and Other Payables

	Consolidated Group	
	2023	2022
	$	$
Current		
Unsecured liabilities		
Trade payables	1,064,407	4,095,583
Employee related payables	1,484,716	2,248,607
Accruals	722,192	1,870,699
Other payables	95,059	210,954
Total trade and other payables	3,366,374	8,425,843

	Consolidated Group	
	2023	2022
	$	$
Non-current		
Unsecured liabilities		
Trade payables	4,581,310	4,581,310
Accruals	1,013,773	1,013,773
Total trade and other payables	5,595,083	5,595,083

Non-current trade payables and accruals balances include commission payable to agents on receipt of the reconciliation payment receivable from the DET (see note 7).

The non-current accruals account also includes $475,352 representing executive STI bonuses payable on receipt of the reconciliation payment receivable from the DET.

Amounts have been classified as non-current as the Group has no contractual obligation to settle the liabilities unless payment of the outstanding receivable due from the Commonwealth Government as per note 7 is received. Although the Group intends to pursue recovery of the outstanding receivable in full, as such recovery action is at the discretion of the Group, the directors are satisfied that an unconditional right of deferral exists for the liabilities until such time as the debtor is received.

(a) Fair value

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

(b) Related party payables

For terms and conditions relating to related party payables refer to note 21.

(c) Interest rate, foreign exchange and liquidity risk

Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in note 26.

Note 14 Contract Balances

The amount of the contract liability recognised at the beginning of the period was recognised as revenue during the 2023 year. All contract liabilities outstanding at 30 June 2023 are expected to be recognised as revenue within the next twelve months.

	Consolidated Group	
	2023	2022
	$	$
Unearned revenue	48,945	43,305

	Consolidated Group	
	2023	2022
	$	$
At 1 July 2021	43,305	88,113
Deferred during the year	372,376	569,536
Released to statement of profit or loss	(366,736)	(614,344)
At 30 June 2022	48,945	43,305

Note 15 Interest Bearing Debt

Current financial liabilities

	Consolidated Group	
	2023	2022
	$	$
Secured loans due within 12 months	-	2,869,893
Unsecured related party loans - current	-	7,642,015
	-	10,511,908

All current financial liabilities were paid in full as part of the sale of SGH (note 28) and share rights issue in May 2023 (note 18).

Note 16 Provisions

Current	Consolidated Group 2023 $	Consolidated Group 2022 $
Employee - annual leave	265,477	194,122
Provision for long service leave	134,619	-
Other	105,514	104,902
	505,610	299,024

Non-current	Consolidated Group 2023 $	Consolidated Group 2022 $
Provision for long service leave	52,791	139,225
Provision for pension liability	50,136	93,257
	102,927	232,482

Pension Liability

The Group has an obligation in the Philippines to provide for the retirement obligations of staff after 5 years of service should that person reach retirement age. The defined benefit plan is unfunded and covers the majority of permanent employees.

The tables below summarise the amount of the defined benefit liability recognised in the statement of financial position and components of defined benefit expense and remeasurement losses on the defined benefit liability recognised in the statement of profit or loss and other comprehensive loss for the current and comparative period.

Movement in the defined benefit liability is as follows:

	2023 $	2022 $
Balance at beginning of the year	93,257	150,617
Defined benefits expense	8,483	31,386
Benefits paid	(1,526)	(44,301)
Transfers out	(45,256)	-
Remeasurement of losses recognised in other comprehensive income	(4,822)	(44,445)
Balance at end of the year	50,136	93,257

The defined benefit expense is as follows:

	2023 $	2022 $
Current service cost	6,028	25,671
Interest cost	2,455	5,715
	8,483	31,386

Note 16 Provisions continued

The remeasurement of losses in the defined benefit liability is as follows:

	2023 $	2022 $
Actuarial losses due to:		
Changes in financial assumptions	(5,371)	(14,127)
Experience adjustments	549	(30,318)
	(4,822)	(44,445)

Movements in the present value of the defined benefit obligation are as follows:

	2023 $	2022 $
Present value of the defined benefit obligation at the beginning of the year	93,257	150,617
Current service cost	6,028	25,671
Benefits paid	(1,526)	(44,301)
Actuarial losses	(4,822)	(44,445)
Interest cost	2,455	5,715
Settlement loss	-	-
Transfers out	(45,256)	-
Present value of defined benefits obligation at end of year	50,136	93,257

The weighted average duration of the defined benefits liability is 8.9 years and 6.9 years as at 30 June 2023 and 2022, respectively.

As at 30 June 2023, the undiscounted benefits payments within 10 years amounted to $66,283 (2022: $179,625).

Shown below is the maturity analysis of the undiscounted benefit payments as at 30 June:

Financial Year	Expected benefits payments 2023 $	Expected benefits payments 2022 $
1	615	3,390
2	774	1,887
3	965	2,509
4	10,339	108,145
5	12,287	11,536
6 -10	41,303	52,158

The principal actuarial assumptions used in determining the defined benefits liability for the retirement plan are shown below:

	2023	2022
Discount rate	6.26%	6.90%
Salary increase rate	5.00%	5.00%

Note 16 Provisions continued

The sensitivity analysis below has been determined based on reasonably possible changes of each significant actuarial assumption on the defined benefit liability as at the end of the reporting period, assuming all other actuarial assumptions were held constant.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another:

Actuarial assumption	2023		2022	
	Increase/ decrease in actuarial	Effect on defined benefit liability	Increase/ decrease in actuarial	Effect on defined benefit liability
Discount	1%	(4,175)	1%	(6,009)
	-1%	4,714	-1%	6,798
Salary increase rate	1%	4,726	1%	6,860
	-1%	(4,261)	-1%	(6,166)

Note 17 Financial Liabilities at Fair Value Through Profit or Loss

The carrying values of all financial instruments approximate their fair values at end of reporting period.

	Consolidated Group	
	2023	2022
	$	$
Current		
Derivative Liability	3,530	8,585

The derivative liability balance represents the fair value of the 41,666,667 options issued as part of the financing agreement with Lucerne Investment Partners (Lucerne), Aligned Capital & Armada Trading. These options have an exercise price of $0.03 per share.

The above derivatives are valued using a Black Scholes model and are carried at fair value.

The following amounts were recognised in profit or loss in relation to derivatives:

	2023	2022
	$	$
Fair value gain / (loss) on options valued as part of the financing agreement with investors	5,055	158,213
Fair value gain / (loss) on conversion feature of the loan with Punta Properties inc	-	94,245
	5,055	252,458

Proposed Options

In March 2023, the Group announced the proposed issue of options as follows:

- 125,000,000 options to Lucerne Finance exercisable at $0.003 each, expiring 31 December 2024.
- 75,000,000 options to Armada Trading exercisable at $0.003 each, expiring 2 March 2026
- 125,000,000 options to March 2023 share placement participants. The terms include an issue price of $0.003 each with an attached option issued on a 1 for 2 basis exercisable at 0.006 for up to 2 years from the date of issue

Note 17 Financial Liabilities at Fair Value Through Profit or Loss continued

- 43,374,837 options to the lead manager of the entitlement offer Reach financial as part of their mandate letter. They are entitled to 1 option for every 30 new shares exercisable for 2 years at $0.006 each.

The options are subject to shareholder approval and will be valued at the date of issue.

Note 18 Issued Capital

	Consolidated Group	
	2023	2022
	$	$
2,603,606,215 fully paid ordinary shares; 1,116,000 partly paid ordinary shares (2022: 842,361,127 fully paid ordinary shares; 1,116,000 partly paid ordinary shares)	91,558,773	86,170,038
Cost of capital raising	(2,754,252)	(2,450,498)
	88,804,521	83,719,540

(a) Ordinary Shares

	No. Shares	$
30 June 2021 & 30 June 2022 share capital	842,361,127	83,719,540
Share issue - 03 August 2022	210,000,000	735,000
Share issue - 08 March 2023	250,000,000	750,000
Share issue - 03 May 2023	53,091,217	159,274
Share issue - 10 May 2023	680,242,217	2,040,726
Share issue - 19 May 2023	433,333,324	1,300,000
Share issue - 09 June 2023	134,578,330	403,735
Transaction costs relating to capital raising		(303,754)
30 June 2023 share capital	2,603,606,215	88,804,521

On 3 August 2022 – the Company issued 210,000,000 shares under a placement to sophisticated and professional investors at a price of $0.0035 per share.
On 8 March 2023 – the Company issued 250,000,000 shares under a placement to sophisticated and professional investors at a price of $0.003 per share.
On 3 May 2023 – the Company issued 53,091,217 shares to sophisticated and professional investors under a non-renounceable pro-rata Entitlement Offer of one (1) New Share for every one (1) Share at a price of $0.003 per share.
On 10 May 2023 – the Company issued 680,242,217 shares to sophisticated and professional investors under a non-renounceable pro-rata Entitlement Offer of one (1) New Share for every one (1) Share at a price of $0.003 per share.
On 19 May 2023 – the Company issued 433,333,324 shares to sophisticated and professional investors under a non-renounceable pro-rata Entitlement Offer of one (1) New Share for every one (1) Share at a price of $0.003 per share.
On 19 May 2023 – the Company issued 134,578,330 shares to sophisticated and professional investors under a non-renounceable pro-rata Entitlement Offer of one (1) New Share for every one (1) Share at a price of $0.003 per share.

Note 18 Issued Capital continued

b) Options

i. For information relating to the Site Group International Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end. Refer to Note 20: Share-based Payments.

ii. During 2023 and 2022, no options were issued to key management personnel.

c) Capital management

Management control the capital of the Group in order to ensure that the Group can fund its operations and continue as a going concern. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

During 2023 and 2022, the Group did not pay any dividends.

Note 19 Accumulated Losses and Reserves

(a) Movement in accumulated losses and reserves

	Consolidated Group	
	2023 $	2022 $
Balance 1 July	(108,172,376)	(100,961,979)
Net (loss) / profit for the period	19,220,287	(7,254,842)
Other comprehensive income / (loss)	4,822	44,445
Balance 30 June	(88,947,267)	(108,172,376)

(b) Other reserves

	Consolidated Group		
	Share based payments $	Foreign currency translation $	Total $
At 30 June 2021	1,538,362	1,157,277	2,695,639
Foreign currency translation	-	4,593	4,593
Share based payment	-	-	-
At 30 June 2022	1,538,362	1,161,870	2,700,232
Foreign currency translation	-	9,894	9,894
Share based payment	-	-	-
At 30 June 2023	1,538,362	1,171,764	2,710,126

Note 19 Accumulated Losses and Reserves continued

(c) Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

Share based payments reserve

The share based payments reserve is used to record the value of share based payments provided to employees, including KMP, as part of their remuneration. Refer to note 20 for further details.

Note 20 Share Based Payments

The expense recognised for services received during the year is shown in the table below:

	Consolidated Group	
	2023	2022
	$	$
Share options expense		
Expense/(write back) arising from equity-settled share-based payments	-	-
Employee services		
Expense arising from the amortisation of employee sign on and bonus shares	-	-
Expense arising from the amortisation of the employee share plan	-	-
Total expense arising from share based payment transactions	-	-

(a) Employee share plan

In November 2011 the Shareholders approved the establishment of an Employee Share Plan that would enable employees, directors and eligible associates to subscribe for shares in the Company. Under the terms of the plan an eligible person is offered shares in the Company at a price determined by the board with a corresponding interest free loan to assist the person to subscribe for the shares.

The shares are escrowed in two tranches with 50% being escrowed for a minimum of 12 months and 50% being escrowed for a minimum of 24 months. Subsequent to these minimum restriction periods, the shares are available for release from escrow (i.e. a vested and exercisable option) on the repayment of the loan, and subject to continuation of employment (including acting as an associate or director) at the time of repayment.

For accounting purposes these shares are treated as if these were share options, as whilst the shares have been issued to the employee their rights to access the shares are subject to both a time based requirement (continued employment to escrow dates) and valuation uncertainty (share price exceeds issue price at date of escrow release). Accordingly, shares issued under the plan are valued using a Black Scholes Option Valuation model with the expense being recognised over the escrow period as a share based payment.

Note 20 Share Based Payments continued

A summary of shares issued under the plan are below:

	2023 No. of shares	2023 Weighted average exercise price	2022 No. of shares	2022 Weighted average exercise price
Outstanding at the beginning of the period	7,450,000	$0.04	7,450,000	$0.04
Granted during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	7,450,000	$0.04	7,450,000	$0.04
Exercisable (vested) at the end of the period	7,450,000	$0.04	7,450,000	$0.04

The outstanding shares noted above were issued under the plan on 8 March 2019 had the following terms:

	Agreement date 29 March 2018 Issued 8 March 2019	
Employee Share Plan	Tranche 1 escrowed for 12 months to 29 March 2019	Tranche 2 escrowed for 24 months to 29 March 2020
Number of shares issued	3,850,000	3,850,000
Fair value	$24,357	$37,378
Price paid per share	$0.040	$0.040
Market price of shares at grant date	$0.036	$0.036
Expected volatility	52.25%	52.25%
Risk free interest rate	2.60%	2.60%
Dividend yield	0%	0%
Escrow period of shares	12 months	24 months

(b) Employee sign-on and bonus shares

From time to time the Group issues shares to employees as an incentive for accepting employment with the Group. Shares are issued at the volume weighted average price (VWAP) of the Group's stock trading for the period prior to issuance. Shares are subject to escrow periods which vary depending on the contracts with the employee, and the value of the shares is recognised as an expense over the escrow period subject to continuing employment with the Group. No such shares have been issued in either the current or comparative financial years.

(c) Share-based payments to service providers

No share-based payment arrangements were entered into with service providers in the current or prior period.

Note 21 Related Party Transactions

(a) The Group's main related parties are as follows:

i. **Entities exercising control over the Group:**
The ultimate parent entity, which exercises control over the Group, is Site Group International Limited which is incorporated in Australia.

ii. **Key Management Personnel:**
Any person(s) 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 are considered key management personnel.
For details of disclosures relating to remuneration of key management personnel, refer to Note 23.

(b) 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.

On 23 November 2022, as part of the sale of Site Group Holdings Pty Ltd, outstanding payments for services rendered including an incentive fee owing to Punta Properties were paid in full (refer note 28).

(c) Amounts outstanding from related parties

As disclosed in the remuneration report, Directors and key management personnel participate in the employee share plan whereby they are offered shares in the Company with a corresponding interest free loan. The loan from the Company must be repaid prior to the shares being sold or transferred by the employee. During the 2023 and 2022 there were no shares issued to directors or key management personnel.

(d) Other transactions with related parties

During the current and comparative period, the Group made use of unsecured loan facilities with Non-Executive Directors and their related parties, as follows:
Punta Properties Inc.

On 21 June 2018, the Group announced a financing facility of US$4million with Punta Properties, a company associated with Non-executive Director, Nicasio Alcantara. Repayment of funds drawn under the facility was to be via cash or equity to be issued at the last issue price of 4 cents per share subject to approval of shareholders.

Settlement of the outstanding loan balance was expected to occur following a project realisation on the Clark property. The potential settlement of the loan balance (which is variable, based on the loan being denominated in a currency other than the Group's functional currency of Australian dollars) through issuance of shares represents an embedded derivative liability (see note 15).

On 23 November 2022, as part of the sale of Site Group Holdings Pty Ltd, the finance facility was repaid in full (Punta conversion amount) via the issue of equity in SGH.

Movements in the financing facility during the period were as follows:

Note 21 Related Party Transactions continued

	2023	2022
	$	$
Opening Balance	7,642,015	5,234,958
Drawdowns	-	1,366,092
Interest accrued during the year	291,402	458,128
Foreign Currency movement	445,032	582,837
Repayment of loan in full (via the issue of equity in SGH - refer Note 28)	(8,378,449)	-
Closing Balance	-	7,642,015

Note 22 Controlled Entities

	Principle activities	Country of Incorporation	Percentage Owned (%)* 2023	Percentage Owned (%)* 2022
Subsidiaries of Site Group International Limited:				
Site Group Holdings Pty Ltd	Holding company	Australia	0%[1]	100%
Site Education Australia Pty Ltd	Holding company	Australia	100%	100%
Site WorkReady Pty Ltd	Labour services	Australia	100%	100%
Study Corp Australia Pty Ltd (*Formerly Site Labourhire Pty Ltd*)	Holding company	Australia	100%	100%
Site Skills Group Pty Ltd	Education and training	Australia	100%	100%
Site Skills Academy Pty Ltd	Education and training	Australia	100%	100%
Site WorkReady (Philippines) Pty Ltd	Holding company	Australia	100%	100%
Axis Training Group Pty Ltd	Education and training	Australia	100%	100%
Romea Consulting Pty Ltd	Education and training	Australia	100%	100%
Site Group international Pte Ltd	Competency development	Singapore	100%	100%
Competent Project Management Sdn Bhd	Competency development	Malaysia	100%	100%
Productivity Partners Pty Ltd	Education and training	Australia	100%	100%
Wild Geese International Pty Ltd	Oil & Gas consultancy	Australia	100%	100%
Site Institute Pty Ltd *(Formerly Innovium Pty Ltd)*	Education and training	Australia	100%	100%

* Percentage of voting power is in proportion to ownership

[1] Refer Note 29

Note 23 Interests of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2023.

The totals of remuneration paid to KMP of the Group during the year are as follows:

	Consolidated Group 2023	Consolidated Group 2022
	$	$
Short-term employee benefits	978,699	982,870
Post-employment benefits	50,214	28,663
Other long term benefits	20,728	5,785
	1,049,641	1,017,318

Note 24 Discontinued Operations

In December 2016, the Group publicly announced the closure of Productivity Partners Pty Ltd's business, and as a result was classified as a discontinued operation. The company is no longer included in the 'Tertiary Education' segment of the segment note.

In April 2021, the Group sold its Site Skills Training – Domestic business to Competency Training Pty Ltd, a subsidiary of Verbrec Ltd (ASX: VBC). The sale of the business is reported in the prior period as discontinued operations.

On 7 March 2022, the Group announced a transaction involving the sale of its subsidiary Site Group Holdings Pty Ltd ACN 121 485 729 (SGH). The sale was finalised on 23 November 2022 with the Group retaining a 38.4% interest in SGH, and an Investor Group holding the balance of 61.6%. The Group has determined that it no longer controls SGH and it is deconsolidated from that date. As a result, the SGH operations have been classified as discontinued and the company is no longer included in the 'SST International' segment of the segment note.

Financial information relating to the discontinued operations is set out below.

Financial performance information

	2023 $	2022 $
Revenue	3,214	7,358
Expenses	(1,121,383)	(2,221,239)
Profit / (loss) before income tax	(1,118,169)	(2,213,881)
Income tax expense	(318,974)	(70,753)
Profit / (loss) after income tax of discontinued operations	(1,437,143)	(2,284,634)
Gain / (loss) on sale of business after income tax	-	(121,184)
Gain / (loss) on sale of subsidairy after income tax	24,555,982	-
Profit / (loss) from discontinued operations	23,118,839	(2,405,818)

There is no other comprehensive income in the discontinued operations.

The net cash flows incurred by discontinued operations are as follows.

	2023 $	2022 $
Operating	(284,513)	(713,109)
Investing	(55,586)	(171,776)
Financing	-	-
Net cash outflow	(340,099)	(884,885)

Earn out clause – Sale of Site Skills Training – Domestic

In the event Competency Training Pty Ltd achieves certain revenue target post settlement for the periods ended 30 June 2022 and 30 June 2023 as specified in an 'earn out' clause in the sale agreement, additional cash consideration of up to $2,500,000 will be receivable.

At the time of sale, the fair value of the consideration was determined to be $1,504,269 and was recognised as a financial asset at fair value through profit or loss. For the period ended 30 June 2022, the Group received $605,789 from Competency Training Pty Ltd as additional cash consideration.

Note 24 Discontinued Operations continued

At 30 June 2023, the fair value for second 'earn out period' was determined as a level 3 measurement with unobservable inputs of a risk adjusted discount rate of 14.93% and expected cash inflows of $777,297.

Note 25 Cash Flow Information

	Consolidated Group	
	2023	2022
	$	$
Reconciliation of net (loss) / profit after tax to net cash flows from operations		
Profit / Loss after income tax expense	19,550,960	(7,254,842)
Non cash items		
Depreciation and amortisation	1,041,094	1,362,973
Impairment loss	25,914	469,291
Net exchange diifferences	326,258	1,437,763
Bad debts	(31,153)	(206,544)
Fair value gain on derivatives	(5,055)	(252,458)
Fair value gain on financial assets	(7,365,575)	(121,184)
Interest accrued	200,259	676,465
Net (profit) / loss on sale of plant & equipment	-	-
Net (profit) / loss on sale of Subsidiary	(12,543,455)	-
	1,199,247	(3,888,536)
Change in assets and liabilities		
Decrease in receivables	74,841	176,986
Decrease in contract assets	(22,198)	30,649
Decrease in inventory	3,739	2,283
Decrease in prepayments	(10,435)	73,461
Decrease / (Increase) in deferred tax assets	102,215	63,162
Decrease / (Increase) in other assets	-	-
Increase / (Decrease) in payables and accruals	(5,059,469)	2,034,544
Increase / (Decrease) in contract liabilities	5,640	(46,870)
Increase / (Decrease) in provisions	77,031	(135,431)
Increase / (Decrease) in current tax liabilities	(2,598)	(8,349)
Net cash used in operating activities	(3,631,987)	(1,698,101)

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets – note 12.
- deferred settlement of part proceeds of the sale of the Site Skills Training – Domestic business – note 24
- options issued as part of financing arrangements to existing investors – note 17.

Note 26 Financial Risk Management

The totals for each category of financial instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
Financial assets			
Cash and cash equivalents		267,936	139,287
Loans and receivables	7	939,024	1,012,711
Financial assets at fair value through profit or loss	24	777,297	1,383,085
Other non-current financial assets		241,841	16,435
Total financial assets		2,226,098	2,551,518
Financial liabilities			
Current			
— Trade and other payables	13	3,366,374	8,425,843
— Interest bearing debt	15	-	10,511,908
— Lease liabilities	12	488,580	1,062,640
— Financial liabilities at fair value through profit or loss	17	3,530	8,585
Non-current			
— Trade and other payables	13	5,595,083	5,595,083
— Interest bearing debt	15	-	-
— Lease liabilities	12	574,496	6,406,290
— Financial liabilities at fair value through profit or loss	17	-	-
Total financial liabilities		10,028,063	32,010,349

(a) Liquidity Risk

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities, reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

		Within 1 Year		1 to 5 Years		Over 5 Years		Total	
		2023 $	2022 $	2023 $	2022 $	2023 $	2022 $	**2023** $	**2022** $
Financial liabilities due for payment									
Trade and other payables		3,366,374	8,425,843	5,595,083	5,595,083	-	-	8,961,457	14,020,926
Interest bearing debt	- Principal	-	8,502,850	-	-	-	-	-	8,502,850
	- Interest	-	2,009,057	-	-	-	-	-	2,009,057
Lease liabilities	- Principal	488,580	1,062,640	574,496	1,431,266	-	4,975,024	1,063,076	7,468,930
	- Interest	72,477	593,984	214,071	3,113,948	-	1,236,068	286,548	4,944,000
Other financial liabilities		3,530	8,585	-	-	-	-	3,530	8,585
Total expected outflows		3,930,961	20,602,959	6,383,650	10,140,297	-	6,211,092	10,314,611	36,954,348
Financial assets - cash flows realisable									
Cash and cash equivalents		267,936	139,287	-	-	-	-	267,936	139,287
Loans and receivables		939,024	1,012,711	-	-	-	-	939,024	1,012,711
Financial assets at fair value through profit or loss		777,297	600,000	-	783,085	-	-	777,297	1,383,085
Other non-current financial assets		-	-	241,841	16,435	-	-	241,841	16,435
		1,984,257	1,751,998	241,841	799,520	-	-	2,226,098	2,551,518
Net (outflow) / inflow		**(1,946,704)**	**(18,850,961)**	**(6,141,809)**	**(9,340,777)**	**-**	**6,211,092**	**(8,088,513)**	**(34,402,830)**

Note 26 Financial Risk Management continued

The outflow indicated above within 1 year will be funded through cash inflows from the projected growth of the Site Skills Training International operations, particularly in the Kingdom of Saudi Arabia (KSA).

The outflow in subsequent years is partly attributable to financial liabilities which will only require settlement where a corresponding inflow of economic benefits is received in settlement of fully impaired receivables, as disclosed in note 7.

(i) Financing arrangements

During the comparative year, the Group had access to the following undrawn loan facility.

	Consolidated Group	
	2023	2022
	$	$
Expiring beyond one year (unsecured reated party loans)	-	145,458

The loan facility with Punta Properties was settled in full on 24 November 2022.

(b) Interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's holding of cash as borrowings are under fixed interest agreements. The following table depicts the sensitivity of the Group's results to reasonably possible changes in interest rates.

	Consolidated Group	
	2023	2022
Financial assets	$	$
Cash and cash equivalents	267,936	139,287

	Post Tax Profit		Other Comprehensive Income	
	higher / (lower)		higher / (lower)	
	2023	2022	2023	2022
Consolidated	$	$	$	$
1% (100 basis points)	1,876	975	-	-
.5% (50 basis points)	(938)	(488)	-	-

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate. The Group is exposed to foreign currency risk on cash balances held in US Dollars (USD). At 30 June 2023 the Group had total cash and cash equivalents denominated in USD of $137,993 (2022: USD $24,503).

Note 26 Financial Risk Management continued

The following table shows the foreign currency risk on the financial assets and liabilities of the Group's operations denominated in currencies other than the functional currency of the operations.

	Post Tax Profit		Other Comprehensive Income	
	higher / (lower)		higher / (lower)	
	2023	2022	2023	2022
	$	$	$	$
Consolidated				
USD Rate+15%	25,590	4,399	-	-
USD Rate-15%	(18,914)	(3,252)	-	-

(d) Price risk

The Group is not materially exposed to price risk.

(e) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and short-term deposits, receivables from contracts with customers, other receivables, and quoted and unquoted financial instruments. The Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note).

Credit risk is managed on a group basis. For banks and financial institutions, only those with a long operating history and with a minimum rating of 'A' are accepted.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its receivables from contracts with customers and other receivables. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's experience of bad debts has not been significant. The group determines an allowance for expected credit losses at each reporting date. Details of this allowance and the basis on which it has been determined are outlined in note 7.

Note 27 Auditors Remuneration

	Consolidated Group	
	2023	2022
	$	$
Remuneration of Pitcher Partners as current auditor of the parent entity for:		
— auditing or reviewing the financial report	117,000	116,500
— taxation services	12,000	12,000
Remuneration of entities affiliated with Pitcher Partners for:		
— auditing or reviewing the financial statements of subsidiaries	17,429	11,107
Remuneration of other auditors of subsidiaries for:		
— auditing or reviewing the financial statements of subsidiaries	11,332	11,452
— taxation services	13,462	7,581
	24,794	19,033

Note 28 Sale of Subsidiary

On 7 March 2022, the Group announced a transaction involving the sale of its subsidiary Site Group Holdings Pty Ltd ACN 121 485 729 (SGH). The sale was finalised on 23 November 2022 with the Group retaining a 38.4% interest in SGH, and an Investor Group holding the balance of 61.6%.

The Group has determined that it no longer controls SGH and it is deconsolidated from that date. The Group considers its investment as an associate and is equity accounted from that date.

Background & Financial information

SGH is the holder of a long-term lease at Clark Freeport Zone in the Philippines consisting of 30.7136 hectares. At the date of sale, SGH was utilising only a small part of the site the subject of the Clark Lease for its training and competency assurance services operations.

The financial performance of SGH from 1 July 2022 to the date of completion of the sale (23 November 2022) is presented below:

	$
Income	
Revenue from contracts with customers	1,043,776
Interest income	5,157
Gain on intercompany debt forgiveness	3,044,320
Total income	4,093,253
Expenses	(2,123,894)
Profit before tax from continuing operations	1,969,359
Income tax expense	11,699
Profit for the period from continuing operations	1,981,058

On 23 November 2022, in accordance with the terms of the sale, the assets and liabilities of the training and competency assurance services business (Site Skills Training International) were transferred from SGH to a new company owned by the Group.

Following the transfer, the carrying value of the net liabilities in SGH as at the date of sale (23 November 2022) were as follows:

	23-Nov-22 $
ASSETS	
Cash and cash equivalents	376,735
Right-of-use assets	2,577,376
Security deposits	210,721
TOTAL ASSETS	3,164,832
LIABILITIES	
Lease liabilities - Current	93,870
Lease liabilities - Non-current	6,217,735
TOTAL LIABILITIES	6,311,605
NET LIABILITIES	(3,146,773)

Note 28 Sale of Subsidiary continued

Transaction details

Consideration totalling $15,055,164 (US$10.05m) was provided through a combination of cash and the partial conversion of debt owed by the Group to some members of the Investor Group.

Calculation of the gain on sale is presented below:

	$
Consideration received	
Cash	3,000,240
Debt conversion amount	12,054,924
Total disposal consideration	15,055,164
Carrying value of (net assets) / liabilities deconsolidated	3,146,773
Fair value of equity interest retained	6,354,045
Gain on sale before income tax	24,555,982
Income tax	-
Gain on sale after tax	24,555,982

A breakdown of the consideration received and the Investor Group holding balance (61.6%) is provided below:

Investor Group	**% share of SGH**	**Consideration Received**	
		Debt conversion	**Cash**
Punta Properties	44.6%	11,004,924	-
Armada Trading Pty Ltd	9.8%	-	2,400,240
Wayburn Holdings Pty Ltd	2.6%	600,000	-
Lucerne Finance Pty Ltd	1.9%	450,000	-
Llwyn Pty Ltd ATF Llwyn York Trust & Llwyn Wentbridge Trust	2.6%	-	600,000
Total	**61.6%**	**12,054,924**	**3,000,240**

The Punta Properties and Wayburn Holdings debt conversion amounts included outstanding payments for services rendered and reimbursement for costs paid on behalf of the Group. A breakdown of the debt conversion amounts are presented below:

	Punta Properties $	Wayburn Holdings $
Repayment of loan in full (Note 21)	8,378,449	-
Incentive Fee*	316,260	103,194
Other fees & charges for services rendered	2,310,215	496,806
	11,004,924	600,000

** The incentive fee has been classified under legal, accounting, and other professional fees – refer to Note 5*

The fair value of the equity interest retained by the Group (38.4%) is based on the independent valuation disclosed in the Independent Expert's Report prepared by Advisory Partner Connect Pty Ltd.

Note 28 Sale of Subsidiary continued

The Group's share of net loss in SGH for the period 24 November 2022 to 30 June 2023 totalled $178,948 and was accounted for using the equity accounting method.

At 30 June 2023 the fair value of equity interest retained by the Group was as follows:

Initial Fair value on date of sale	6,354,045
Investment contribution	225,406
Share of net loss	(178,948)
Closing investment value 30/06/2023	**6,400,503**

Note 29 Events after the Reporting Period

Other than as noted elsewhere in this report there has been no other significant events post balance date.

Note 30 Parent Company Information

The following information has been extracted from the books and records of the parent, Site Group International Limited, and has been prepared in accordance with the Accounting Standards.

	2023 $	2022 $
Statement of Financial Position		
Assets		
Current assets	2,157,068	1,012,963
Non-current assets	10,694,504	6,232,537
Total Assets	12,851,572	7,245,500
Liabilities		
Current liabilities	1,779,944	6,255,118
Non-current liabilities	140,446	8,002,326
Total liabilities	1,920,390	14,257,444
Net Assets (Liabilities)	10,931,182	(7,011,944)
Equity		
Issued capital	78,331,799	73,246,818
Accumulated losses	(68,788,015)	(81,682,455)
Share based payments reserve	1,387,398	1,423,693
Total Equity/ (Deficiency of Equity)	10,931,182	(7,011,944)
Statement of Comprehensive Income		
Total loss of the parent entity	3,865,162	(28,244,515)
Total comprehensive loss of the parent	3,865,162	(28,244,515)

The Parent entity has no commitments to purchase property, plant and equipment and has no contingent liabilities.

Note 31 Contingencies

Legal claim contingency

As noted in the Directors report, the ACCC has commenced civil proceedings against Site, Productivity Partners and two former executives in relation to enrolment practices of Productivity Partners. An estimate of the financial effect of the matter has not been disclosed as it is not yet practicable to determine such an estimate, having regard to the timing of proceedings and the prevailing uncertainty surrounding the outcome of these proceedings. The case was heard in June 2020 and after an initial adverse finding on 2 July 2021, this decision was appealed in May 2022. Following a 2-1 majority adverse decision the company received in April 2023, Site proceeded to seek leave to appeal the decision on 5 May 2023.

Notes to the Financial Statements for the Year Ended 30 June 2023 continued

Note 32 Company Details

The registered office of the company is:

Site Group International Limited
Level 2, 488 Queen Street,
Brisbane Qld 4000

The principal places of business are:

Site Skills Training – International:
- Centennial Road, Clark Freeport Zone, Pampanga, Philippines 2023

Competent Project Management
- 112, Robinson Road #8-01, Singapore 068909
- 17G, Jalan Hijauan 3, Horizon Hills, 79100 Nusajaya, Johor

Site Institute Pty Limited
- Level 2 & 3, 488 Queen Street, Brisbane QLD 4000
- 2/855 Boundary Road, Coopers Plains QLD 4108

Directors' Declaration

In accordance with a resolution of the directors of Site Group International Limited, I state that:

1. In the opinion of directors:

   a) the financial statements and notes of Site Group International Limited for the financial year ended 30 June 2023 are in accordance with the *Corporations Act 2001*, including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
      ii. comply with Accounting Standards and the Corporations Regulations 2001; and

   b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1a (a); and

   c) subject to the matters discussed in Note 1a (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board

Craig Dawson
Director

Brisbane, 31 August 2023

Level 38, 345 Queen Street
Brisbane, QLD 4000

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Independent Auditor's Report to the Members of Site Group International Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Site Group International Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1a(b) "Going Concern" in the Financial Report. The conditions disclosed in Note 1a(b) indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amount stated in the Financial Report. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Impairment testing of Cash-Generating Units ("CGUs") **Refer to Note 1b and Note 11**	
AASB 136 *Impairment of Assets* requires the Group to undertake an annual impairment assessment for all cash-generating units ("CGUs") to which goodwill or intangible assets with an indefinite useful life are allocated. Further, an impairment assessment is required to be completed for all other assets where indicators of impairment are present. During the year, no impairment expense was recorded by the Group against the assets in all CGUs. Impairment testing of the Group's CGUs is a key audit matter due to the current operations of the Group and the ability to generate required revenue growth and produce sustainable operating cashflows.	Our procedures included, amongst others: • Obtaining an understanding of the controls over the valuation of non-current assets, and evaluating the design and implementation of those controls; • Checking the mathematical accuracy of the Board approved FY24 cash flow forecasts and methodology of the impairment model; • Confirming consistency of the impairment testing calculations and inputs applied by the Group with the requirements of AASB 136; • Assessing the key assumptions within the impairment testing calculations including forecast cash flows, growth rates, discount rates and terminal values; • Applying our knowledge of the business and corroborated our work with external information where possible; • Performing sensitivity analysis in respect of the key assumptions and assessing the potential impact of reasonably possible change to those assumptions; and • Assessing the adequacy of disclosures.
Fair Value of Contingent Consideration **Refer Note 24**	
On 12 April 2021, the Group sold its interest in the Site Skills Training – Domestic business to Verbrec Ltd for cash consideration comprising: • $1,439,189 of upfront cash; • A further $500,000 in cash subject to the descoping of the RTO designation; • A milestone payment of $1,000,000 in cash post 30 June 22 (FY22) if revenue exceeds $18,000,000 (pro-rata above $12,000,000); • A final milestone payment of $1,500,000 in cash post 30 June 23 (FY23) if revenue exceeds $20,000,000 (pro-rata above $12,000,000). As at 30 June 2023, the Group valued the FY23 contingent consideration at $777,297 (2022: $783,085). The fair value of the contingent consideration was a key audit matter given its financial significance to the Group's financial statements and cash flow forecast, and the complexity associated with estimating the fair value of the contingent consideration components.	We performed the following procedures, amongst others, in relation to this key audit matter: • Obtaining an understanding of the controls over the valuation of the contingent consideration, and evaluating the design and implementation of those controls; • Checking the mathematical accuracy of the valuation model; • Obtained and read the Sale and Purchase Agreement to develop an understanding of the contractual terms of the transaction; • Compared the amount of cash received to date to the relevant bank statements and settlement reconciliation; • Evaluated the appropriateness of the methodology and significant assumptions used by the Group to develop the fair value estimate for the contingent consideration including the discount rate and probability of achieving the earnout revenue targets; and • Considered the reasonableness of the related disclosures in line with the requirements of Australian Accounting Standards.

Sale of subsidiary – Site Group Holdings Refer Note 28	
The sale of 61.6% of Site Group Holdings and subsequent recognition of the remaining equity accounted interest is a key audit matter due to: • the sale being significant to the understanding of the financial performance and financial position of the Group; • the size of the gain on sale of discontinued operations; and • the estimation involved in determining the fair value of the disposal and subsequent equity accounted investment. These factors and the complexity of the disposal accounting and subsequent equity accounted investment required significant audit effort and involvement of senior audit team members in assessing this key audit matter.	Our procedures included: • Reviewing the terms of the underlying transaction agreements to understand the terms and conditions of the disposal; • Evaluated the substance of the sale using the terms and conditions of the underlying transaction agreements against the criteria for discontinued operations in the accounting standards; • Assessed if the purchase consideration recognised by the Group had been recognised in accordance with the terms and conditions of the underlying transaction agreements and the requirements of the accounting standards; • Assessed whether the Group accurately determined the value of assets and liabilities derecognised as at the date of sale and whether the operating result to the point of sale was correctly recorded; • Checked the gain on sale of discontinued operations by re-performing a comparison of the carrying value of the attributed disposal assets and liabilities from the trial balance amounts to the consideration recognised; • Engaged the assistance of our taxation specialists and evaluated the associated tax implications of the sale against the requirements of the tax legislation; • Evaluated the disclosures including the presentation as a discontinued operation against the requirements of the accounting standards, challenging the inclusion or not of amounts using their features and their role in the continuing business; • Assessing the calculation of the subsequently recognised equity accounted investment and reviewed the share of the loss captured within the continuing operations of the Group.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 16 to 22 of the directors' report for the year ended 30 June 2023. In our opinion, the Remuneration Report of Site Group International Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners

PITCHER PARTNERS

J. Evans

JASON EVANS
Partner

Brisbane, Queensland
31 August 2023

Shareholder Information

1 Twenty Largest Shareholders

(i) Ordinary shares inclusive of escrowed ordinary shares

As at 25 August 2023, there are 2,595,040,215 ordinary shares and an additional 7,450,000 ordinary shares subject to escrow restrictions.

The names of the twenty largest holders of ordinary shares including the ordinary shares in escrow are listed below:

Name	No. of Ordinary Shares Held	% of Issued Capital
NATIONAL NOMINEES LIMITED	290,000,000	11.14
ARMADA TRADING PTY LIMITED	199,166,666	7.65
LUCERNE SAF PTY LTD	166,666,666	6.40
ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	100,000,000	3.84
WAYBURN HOLDINGS PTY LTD	100,000,000	3.84
MR VERNON ALAN WILLS <THE WILLS FAMILY A/C>	100,000,000	3.84
MR VERNON ALAN WILLS + MS JILLAINE PATRICE WILLS <WILLS FAMILY SUPER FUND A/C>	70,522,330	2.71
HOOKED SCARF PTY LTD <JOHN CLENNETT S/F A/C>	66,666,666	2.56
BOND STREET CUSTODIANS LIMITED <TRYLAN - D83486 A/C>	50,000,000	1.92
MR DAVID FREDERICK OAKLEY <DFO INVESTMENT A/C>	46,666,666	1.79
MR VERNON ALAN WILLS + MS JILLAINE PATRICE WILLS	44,140,703	1.70
MRS JILLAINE PATRICE WILLS + MR VERNON ALAN WILLS <THE WILLS FAMILY S/F A/C>	43,594,263	1.68
MR PETER JOHN JONES	39,940,587	1.53
MGL CORP PTY LTD	32,985,858	1.27
MR GARY LINTON + MRS CHERYL LINTON	31,200,000	1.20
38 PTY LTD <CC CAPITAL A/C>	30,888,890	1.19
KINSEY LACHLAN NICHOLAS COTTON	28,745,000	1.10
MS LESLEY ANNE STARKY	28,666,666	1.10
AEI AUSTRALIA PTY LTD <ROD LADD FAMILY A/C>	27,000,000	1.04
MR CLIVE ANDERSON COLVILLE STEELE + MRS JILLIAN LOUISE STEELE <STEELE FAMILY S/F A/C>	26,166,666	1.01

(ii) Ordinary shares

The names of the twenty largest holders of fully paid ordinary shares are listed below:

Name	No. of Ordinary Shares Held	% of fully paid shares
NATIONAL NOMINEES LIMITED	290,000,000	11.18
ARMADA TRADING PTY LIMITED	199,166,666	7.67
LUCERNE SAF PTY LTD	166,666,666	6.42
ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	100,000,000	3.85
WAYBURN HOLDINGS PTY LTD	100,000,000	3.85
MR VERNON ALAN WILLS <THE WILLS FAMILY A/C>	100,000,000	3.85

Name	No. of Ordinary Shares Held	% of fully paid shares
MR VERNON ALAN WILLS + MS JILLAINE PATRICE WILLS <WILLS FAMILY SUPER FUND A/C>	70,522,330	2.72
HOOKED SCARF PTY LTD <JOHN CLENNETT S/F A/C>	66,666,666	2.57
BOND STREET CUSTODIANS LIMITED <TRYLAN - D83486 A/C>	50,000,000	1.93
MR DAVID FREDERICK OAKLEY <DFO INVESTMENT A/C>	46,666,666	1.80
MR VERNON ALAN WILLS + MS JILLAINE PATRICE WILLS	44,140,703	1.70
MRS JILLAINE PATRICE WILLS + MR VERNON ALAN WILLS <THE WILLS FAMILY S/F A/C>	43,594,263	1.68
MR PETER JOHN JONES	39,940,587	1.54
MGL CORP PTY LTD	32,985,858	1.27
MR GARY LINTON + MRS CHERYL LINTON	31,200,000	1.20
38 PTY LTD <CC CAPITAL A/C>	30,888,890	1.19
KINSEY LACHLAN NICHOLAS COTTON	28,745,000	1.11
MS LESLEY ANNE STARKY	28,666,666	1.10
AEI AUSTRALIA PTY LTD <ROD LADD FAMILY A/C>	27,000,000	1.04
MR CLIVE ANDERSON COLVILLE STEELE + MRS JILLIAN LOUISE STEELE <STEELE FAMILY S/F A/C>	26,166,666	1.01

(iii) Escrowed shares

The names of the top twenty holders of the escrowed shares are listed below:

Name	No. of Escrowed Shares Held	% of escrowed shares
CRAIG ANTHONY DAWSON	1,000,000	13.42
BRETT MCPHEE	750,000	10.07
ISMAIL TAHIR	600,000	8.05
NOEL CHENEY	500,000	6.71
MICHAEL WALLACE	500,000	6.71
MIKE COSTELLOE	400,000	5.37
NEIL COSTELLOE	400,000	5.37
SUDHHER GOVINDPILLAI	400,000	5.37
SHAAGUL HAMEETH	400,000	5.37
MR JARROD PETER BELCHER	300,000	4.03
MS KATIE HURSE	300,000	4.03
MR JAMIE VERNON WILLS	300,000	4.03
JASON ANFIELD	250,000	3.36
SITI SUZANA BT BASRI	250,000	3.36
JAYSHEN RAMANAH	250,000	3.36
MR BERESFORD PAUL ROBERTSON	250,000	3.36
CHRISTOPHER LAMBERT	100,000	1.34
MOHAMMED AKBERY	50,000	0.67
RODNEY ANDERSON	50,000	0.67
AARON BANDHOLZ	50,000	0.67

Shareholder Information continued

(iii) Partly paid shares

There are 1,116,000 partly paid shares, paid to $0.01, held by eight individual shareholders. $0.24 per share may be called up in the event of winding up the company.

The names of the holders are listed below:

Name	No of partly paid shares held	% of Partly Paid Shares
BARON INVESTMENTS PTY LIMITED	488,376	43.76%
BARON NOMINEES PTY LTD	400,000	35.84%
QUEVY HOLDINGS PTY LTD	195,624	17.53%
M B HUNNIFORD	24,000	2.15%
ESTATE LATE PETER GAME	2,000	0.18%
ESTATE LATE PETER AYLWARD GAME <EST LATE B E GAME A/C>	2,000	0.18%
P C TOOMEY	2,000	0.18%
R TOOMEY	2,000	0.18%
Total of partly paid shares issued	**1,116,000**	**100%**

(iv) Unquoted equity securities

There are 41,666,667 options issued in conjunction with loan facilities to 7 investors.

2 Distribution of Equity Securities

Analysis of numbers of holders by size of holding:

(i) Fully paid ordinary shares

Distribution	Number of Holders	Number of Shares
1 - 1,000	83	41,453
1,001 - 5,000	53	149,850
5,001 - 10,000	67	598,134
10,001 - 100,000	178	8,940,613
Greater than 100,000	435	2,592,760,165
Totals	**816**	**2,602,490,215**

(ii) Partly paid shares, paid to $0.01

Distribution	Number of Holders	Number of Shares
1 – 1,000	-	-
1,001 – 5,000	4	8,000
5,001 – 10,000	-	-
10,001 – 100,000	1	24,000
Greater than 100,000	3	1,084,000
Totals	**8**	**1,116,000**

(iii) Escrowed ordinary shares

Distribution	Number of Holders	Number of Shares
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	15	600,000
Greater than 100,000	16	6,850,000
Totals	**31**	**7,450,000**

(iv) Unmarketable parcels

	Minimum parcel size	Holders	Shares
Minimum $500 parcel at $0.003 per share	166,667	422	15,146,476

3 Voting Rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares: Subject to any rights or restrictions for the time being attached to any class of shares, at a meeting of shareholders each shareholder entitled to vote may vote in person or by proxy or attorney or, being a corporation, by representative duly authorised under the Corporations Law, and has one vote on a show of hands and one vote per fully paid share on a poll.

4 Substantial Shareholders

Substantial shareholder notices lodged with the Company:

Substantial Shareholder	Number of Shares
Mr Vernon Alan Wills, Ms Jillaine Patrice Wills and Wayburn Holdings Pty Ltd	360,062,296
EGP Capital Pty Ltd	290,000,000
Armada Trading Pty Ltd	199,166,666
Lucerne SAF Pty Ltd	166,666,666