

Appendix 4E adjustments

SRJ Technologies (ASX:SRJ; “SRJ” of “the Company”) refers to the announcements made on 23 January 2024 and 29 February 2024 advising of provisions for doubtful debts.

The Appendix 4E released on 29 February 2024 advised that the financial results remain unaudited. These results included revenue from an unreturned BoltEx[®] inventory that was retained offshore by a client. A provision for doubtful debt of 50% of the total invoiced amount was applied to this amount and the Appendix 4E stated that this provision may be adjusted further as the Company looked to negotiate settlement.

Since the release of the Appendix 4E, the Company has maintained discussions with the customer which have progressed and remained positive. However, the Board has made the decision to remove this revenue for 2023 in its entirety against the original unaudited position of 50% provision for the total invoiced amount.

The Board has taken this decision based upon ongoing discussions with the customer, and believe that there remains an opportunity for the Company to recoup this revenue through the purchasing of SRJ asset integrity solutions by the client moving forward.

The Board consider this is a valuable opportunity to build a long-term relationship to support the client’s fleet asset integrity management and is considered more beneficial than pursuing a legal resolution to resolve the doubtful debts.

The impact of the proposed settlement on the 31 December 2023 financial results are as follows:

	£
Turnover (Appendix 4E)	2,311,067
Adjustment following on-going settlement discussions	(750,047)
Turnover (Audited financial statements)	<u>1,561,020</u>
Administrative Expenses (Appendix 4E)	(2,931,128)
Removal of Doubtful debt provision	357,947
Reversal of unrealised foreign exchange loss	34,152
Administrative Expenses (Audited financial statements)	<u>(2,539,029)</u>
Debtors: amounts falling due within one year (Appendix 4E)	727,421
Adjustment to Trade Debtors	(357,948)
Debtors: amounts falling due within one year (Audited financial statements)	<u>369,473</u>

Key Information (GBP)	Appendix 4E	Audited Financial stats
	Year ended 31 Dec 2023	Year ended 31 Dec 2023
Revenue from ordinary activities	2,311,067*	1,561,020
Net operating loss	787,721	1,145,669
Loss after income tax and interest	929,727	1,287,675
Loss attributable to ordinary equity shareholders	927,669	1,285,617

*Reported figure was £1,953,120 after Doubtful Debt provision of £357,947

The Company is finalising the annual report with its auditors at present and will lodge the signed annual report on 28 March 2024.

Ends -

FOR FURTHER INFORMATION PLEASE CONTACT

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This announcement has been approved for release by the Board.

ABOUT SRJ TECHNOLOGIES

SRJ Technologies provides specialised engineering services and containment management solutions, elevating customer's integrity management performance.

We see real value in offering a wider range of asset integrity consulting services helping our customers to better understand the operational risks and where best to focus resource to minimise these risks.

SRJ's range of industry accredited products are designed to maintain and assure the integrity of pressure containment systems and therefore play an important role in the overall integrity of operating facilities.

Using pre-qualified service providers and manufacturers local to customer, SRJ is geolocation flexible and able to deliver a range of high quality, agile and cost-conscious solutions globally.

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