

31 October 2024

## Appendix 4C and Quarterly Activities Report

### Announcement highlights:

- Site Group recorded operating cash net inflow of \$132K for the quarter.
- Progress towards registration as a Higher Training Institute under Saudi Arabia's Technical and Vocational Training Corporation (TVTC). Once granted, expected in early 2025, the group will commence delivery of 1, 2 and 3 yr Associate Diploma and Diploma programs in the region.
- Ongoing investment by strategic partner Al Ajmi who have invested a further A\$1m to-date supporting Site Group's facility set-up and licensing requirements. Further commitments of ~A\$800k for Riyadh facility expected to be realised in the coming quarter.
- The Kingdom of Saudi Arabia (KSA) business remains on track to achieve stage-1 rollout of c. 1,200 trainees during CY25. Licensing process is proceeding on track and our strategic partner (Al Ajmi) continues to firmly support the facility build.
- Multinational gold producer OceanaGold Corporation (TSX: OGC) 2<sup>nd</sup> cohort trainees commenced at our underground mining training at the Clark facility during the period.
- Progress on achievement of land development applications including FAR rating uplift on Clarke Property from 1.25 to 6-8 allowing for significant high-rise development to be lodged with the Clark Development Corporation (CDC).
- Record domestic enrolments at Site Institute of 361 students and quarterly revenue of \$1.1m, up 94% on previous corresponding period. Successful performance audit assessment for a further 7 years (from Australian Skills Quality Authority) assures our Australian footprint. Recently legislated student caps not expected to materially impact enrolment numbers during the 2025 academic year however impact is expected from 2026.
- Successful completion of \$1m capital raise during the quarter to fund growth initiatives and sufficiently capitalise the business for the next stage of growth.

**Site Group International Limited** ("Site", ASX:SIT), leading provider of education and training services, releases the Appendix 4C quarterly cash flow and operational activity review for the quarter ended 30 September 2024 (Q1 FY25).

Site recorded revenue for the quarter was \$1.8m and an EBITDA profit of \$80k. The cash position of Site at the end of the September was \$155k.

Operating cash of \$132k in the quarter reflected ongoing improvement in the domestic training operations offset by some administrative and setup costs relating to the Saudi Arabia business. Site continues to maintain no interest-bearing debt.

Following the successful institutional and wholesale placement and fully underwritten share purchase plan undertaken in September the business is sufficiently capitalised to continue to deliver on its global growth ambitions in Saudi Arabia, PNG, Australia and the Philippines.

### Site Group LLC – Saudi Arabia

Site Group LLC has continued to progress through the licensing and registration process to achieve full registration as a Higher Training Institute (HTI) under Saudi Arabia's Technical and Vocational

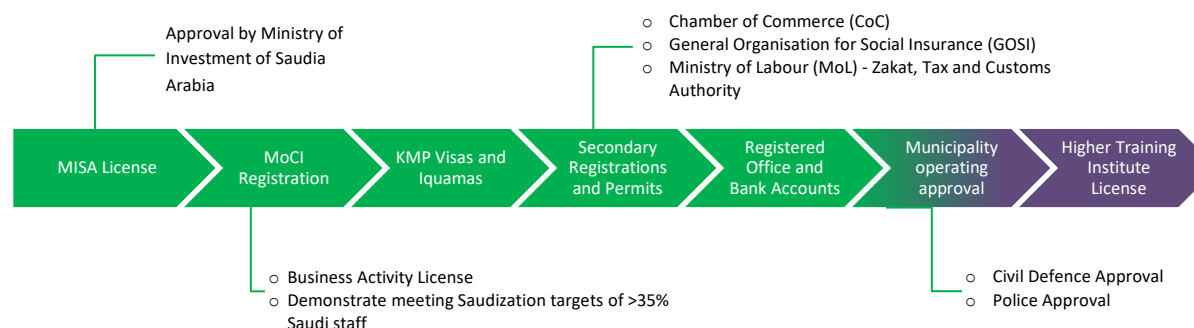
Training Corporation (TVTC). In September, Site Group LLC successfully commenced short courses in Hofuf, Medina, and Riyadh, training centre license marking our entry into the Saudi vocational training market under our local subsidiary.

Progress in KSA has been supported by our local strategic partner, Al Ajmi, who have invested over A\$1 million to date supporting Site Group LLC's set up, and HTI licensing requirements. Al Ajmi is committing a further ~\$800K to establishing operations in Riyadh and a mix gender facility, adding capacity and scope in the Saudi capital that will support our trade and technical operations in the Eastern Region at Saudi Water Academy (SWA). These facilities are both anticipated to come online early 2025 following finalisation of our Higher Training Institute registration which will enable direct delivery of 1, 2 and 3 yr Associate Diploma and Diploma programs.

Once licensed, our Riyadh and Eastern Region operations are expected to build strongly from January 2025 supported by:

- our pre-existing Aramco network of sponsoring companies and the HRDF funding model
- a strong enquiry book built during this preparation phase, and
- the increasing demand for quality vocational programs for females, particularly in the Saudi capital.

The attainment of Site Group LLC's own Higher Training Institute license will represent a significant milestone and inflection point for our operations in the MENA region. We are currently working through the Municipality Operating Approval steps, having completed all preceding applications, registrations and approvals.



Based on the current available facilities and stipulation of the Higher Training Institute licensing, the company remains on track to achieve a full-year run-rate of c. 1,200 trainees (stage 1 full-capacity) during CY25. We expect to update the market on the delivery of the license in the coming months which will allow the business to begin servicing the backlog of industrial skills trainees from Aramco-network sponsoring companies.

## Clark – Philippines

### Clark – International Training Operations

Multinational gold producer OceanaGold Corporation (TSX: OGC) 2<sup>nd</sup> cohort trainees commenced at our underground mining training at the Clark facility during the period. This group is progressing on-track through the program with the graduation ceremony scheduled for 8 November 2024.

### Clark – Property holding of SGH

Following the regularisation of its Balance sheet and changes to the company activities records, Site Group Holdings FY24 Audit was completed during the quarter. This enables the company's land development proposals including application to extend the lease, vary the purpose of use and change the FAR (Floor Area Ratio) from FAR 1.25 to FAR 6-8 allowing for significant high-rise development to be lodged with the Clark Development Corporation (CDC).

## **Site Institute – Australian CRICOS operations**

During the quarter, Site Institute achieved record student numbers with 361 students enrolled in September and revenue of \$1.1m up 94% on previous corresponding period. This demonstrates a return to the business' pre-COVID growth trajectory. Enrolments at Site Institute are expected to stabilise at approximately 420 students in December 2024.

Looking ahead, pending Australian Government legislation to cap international student numbers from 2025 is expected to result in only a minimal decline in enrolments for Site Institute through 2025, due to strong 2024 commencements in our two-year trade and engineering programs.

Subsequent to the quarter end, on 10 October, Site Institute received confirmation from the Australian Skills Quality Authority (ASQA) that its RTO Renewal Application and CRICOS Applications have been approved for seven years following a successful performance assessment audit.

## **Capital raise**

A key capital raising initiative was announced in September 2024 including:

- a placement for \$800,000 at \$0.002 per share to sophisticated and professional investors completed on 2 October 2024; and
- a share purchase plan of \$200,000 at \$0.002 per share fully underwritten by EGP Capital fund.

The Share Purchase Plan will close on 8 November 2024 with results announced on 14 November and shares issued the following day.

The capital raise and SPP were key steps in recapitalising the company to enable increased investment in training business in KSA and MENA region.

## **Related party payments**

Item 6.1 of Appendix 4C identifies payments made to related parties in the quarter of \$134k. These payments represent the salaries paid to executive directors of the Company.

*Authorised for release by the Board.*

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**Further information:**

**Company**

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**About Site Group:**

**Site Group International Ltd (ASX: SIT)** provides training services for the oil and gas, construction, mining, hospitality and industrial sectors. Having served global blue-chip clients such as ExxonMobil, GE and OceanaGold, the Site team have extensive experience in developing and upskilling international workforces at scale within a niche featuring high barriers to entry competencies. Following years of disruption due to Covid, the company is being recapitalised by existing and new investors so it can pursue a number of growth opportunities, most notably in developing and upskilling the workforce in Saudi Arabia in partnership with oil giant Saudi Aramco under the Kingdom's Vision 2030.

Site's balance sheet is bolstered by a significant investment in a large commercial land holding in Clark, the Philippines, representing an added tangible development-for-sale opportunity on the back of the Philippines government's efforts to decentralise the country away from Manila.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Site Group International Limited

**ABN**

73 003 201 910

**Quarter ended ("current quarter")**

30 September 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (..3...months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,491	1,491
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(9)	(9)
(d) leased assets		
(e) staff costs	(844)	(844)
(f) administration and corporate costs	(466)	(466)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(40)	(40)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>132</b>	<b>132</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(12)	(12)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..3...months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (cash securing bank guarantees)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(12)</b>	<b>(12)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (repayment of principal on lease liabilities)	(143)	(143)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(143)</b>	<b>(143)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	192	192
4.2	Net cash from / (used in) operating activities (item 1.9 above)	131	131
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(12)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..3...months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(143)	(143)
4.5	Effect of movement in exchange rates on cash held	(13)	(13)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>155</b>	<b>155</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	155	192
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>155</b>	<b>192</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	134
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
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<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	132
8.2	Cash and cash equivalents at quarter end (item 4.6)	155
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	155
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	N/A
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024.....

Authorised by: ..By the Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.