



1 August 2025

Listings Compliance
Australian Securities Exchange
Exchange Centre, 105/20 Bridge Street
Sydney NSW 2000

By email: ListingsComplianceSydney@asx.com.au

SRJ Technologies Group Plc (ASX:SRJ) ("SRJ" or the "Company") provides the following response to the ASX's letter dated 28 July 2025 using the numbering in that letter.

1. Invoice Discounting Facility Update

As disclosed in prior announcements, SRJ has actively pursued an invoice discounting facility to support working capital. In June 2025, the Company managed to finalise acceptable commercial terms and draw down funds of A\$250k. Consequently, this facility has indeed contributed to cash flow as previously anticipated. The Company continues to assess alternative non-dilutive funding options to complement the equity capital raising.

2. Clarification Regarding Use of Placement Proceeds and Suspension Justification

a) Rationale for Acquisition and Use of Placement Funds

SRJ's announcement of 24 July 2025 disclosed that the funds raised from the Placement would be used *"to support completion of the Acquisition and for working capital"*.

As announced to ASX when it submitted its request for voluntary suspension:

- will again have less than two quarters of available funding as at 30 June 2025.
- d) As announced in April 2025, the Company has commenced a strategic review of its operations (which remains ongoing) and which recommended several cost cutting measures as well as a need to stabilise cash flows by increasing recurring revenue streams. To implement the restructure and new strategy, the Company needs to raise additional financing for the business. The securing of such additional financing is critical to the Company's success. The Company has considered a range of different financing options for the business and believes that an equity capital raising is the most viable funding option.

The acquisition of First Avenue General Contracting – Sole Proprietorship LLC is strategically important to the Company's new direction. The entity, while currently non-trading, holds UAE NOC registration, enabling SRJ to directly bid for, and deliver, NOC-related energy infrastructure contracts in a high-growth region. This acquisition forms a core pillar of the Company's restructured growth strategy, positioning SRJ for access to recurring, long-term revenue streams.

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The Company considers that implementation of the new strategy (in addition to raising short-term working capital) is critical to the Company's financial viability.

There was an expectation at the time of the request for Voluntary suspension that the Company would have less than 2 quarters of available funding as of 30 June 2025, but the calculation had not been prepared. The settlement of outstanding debtors alongside initial cost-cutting strategies and active management of working capital resulted in a better-than-expected 'Net Cash used in operating activities' (section 1.9 of the 4C) in the quarter. This had a positive impact on the calculation in 8.5 - 'Estimated of quarters funding available' which came in at 5.5 quarters. Despite this, Management were still of the belief that it was and continues to experience genuine financial difficulties.

You refer to similar financial positions of the Company in the previous quarterly reporting. At the time of these announcements, the Board evaluated the available opportunities and determined that the company could potentially recover through trading, though it also recognised the need for a strategic review. This review was initiated after a leadership change and concluded that immediate action was required, including both a restructuring and a capital raise.

This strategic acquisition was also essential to:

- Unlock commercial opportunities underpinned by regional client demand;
- De-risk future contract execution in the UAE;
- Provide a foundation for new financing, particularly to attract underwriting support for the entitlement offer.

Without completing this acquisition, SRJ would not have had a credible foundation to restructure or raise additional capital at scale. The Board considered this investment as critical to the Company's transition and survival.

(b) Reason Suspension Was Necessary and Disclosure Could Not Be Made

The request to suspend was to manage our continuous disclosure obligations in the context of the Company's proposed capital raising

As disclosed to the market on seeking its voluntary suspension, the Company's strategy to revitalise the business is contingent upon a new business direction and a capital raising to support that. At the time that the Company sought its voluntary suspension, as discussed with ASX at the time, its proposed acquisition and joint venture announced today remained under confidential negotiation and there was no certainty they would proceed. As a result, the Company was not in a position to fully inform the market about the capital raising, including the proposed use of funds but needed to announce the proposed raising due to the requirement to seek shareholder approval for an increase



in authorised share capital under Jersey law. If the voluntary suspension was not obtained, SRJ considered it was likely that the Company would not be able to complete the transaction and associated raising, which would result in the Company being in a severe cashflow position and needing to review its solvency position, with a view to suspension while the Board sought protection. The Board believed it was prudent to call a suspension to stop additional trading in the Company's securities while there was uncertainty about its ability to implement its new strategy and its going concern.

3. Peloton Capital Pty Ltd – Fees

Peloton Capital Pty Ltd, acting as lead manager for the Placement and entitlement offer, will receive:

- management fee - 3% of proceeds; and
- selling/underwriting fee – 3% of proceeds

These fees are applicable to the entitlement offer and the placement components of the raise.

4. Compliance with ASX Listing Rules

The Company confirms that it is in compliance with the ASX Listing Rules, including Listing Rule 3.1. SRJ remains committed to meeting all continuous disclosure obligations and maintaining transparent engagement with shareholders and regulators.

5. Authorisation

This response has been authorised by the Board of SRJ Technologies Group Plc in accordance with the Company's published continuous disclosure policy.

We trust these responses address the queries you had.

Yours sincerely

George Gourlay
Chair, SRJ Technologies Group Plc



28 July 2025

Reference: 111128

Mr Ben Donovan
Company Secretary
SRJ Technologies Group Plc
Argus Corporate Partners
Level4
225 St Georges Terrace
Perth WA 6000

By email only.

Dear Mr Donovan

SRJ Technologies Group PLC ('SRJ'): Query Letter

ASX refers to the following:

- A. SRJ's quarterly cashflow report for the quarter ended 31 March 2025, lodged on the ASX Market Announcements Platform ('MAP') on 30 April 2025 which disclosed (relevantly) that SRJ had an estimated 1.3 quarters of funding available, and that it expected to continue its operations and meet its business objectives on the basis that:
- i. *"(T)he position is expected to improve. The sales pipeline remains strong with revenue generation expected to strengthen across the remainder of the year which will positively impact net operating cash flows. The strategy review led by the new leadership team will also consider opportunities for cost restructuring and, as discussed in the activity report, the targeting of new recurring revenue streams.";* and
 - ii. *"(SRJ) is looking to reduce funds tied up in working capital and has finalised invoice factoring for the ACE operations which is captured above. The Company is also finalising an invoice discounting facility for £250k which is expected to be secured in early May 2025. This facility will bring forward the monthly invoices already pending payment that are not captured by the existing factoring facility such as the recently announced supermajor contract. Following the finalisation of the Strategic review the Company will also explore the option of raising further funds led by the new leadership team."*
- B. SRJ's cashflow reports for the quarters ended 30 June 2024 and 30 September 2024, lodged on MAP on 31 July 2024 and 31 October 2024 respectively, each disclosing an estimated 1.1 quarters funding available.
- C. SRJ's request for voluntary suspension, released on MAP on 2 July 2025, which stated (relevantly):
- "a) The Company requests the voluntary suspension to manage its continuous disclosure obligations with respect to a proposed capital raising for the Company. While the terms of the raising are not yet finalised, SRJ anticipates that the capital raising will comprise a placement and entitlement offer to fund working capital and future growth initiatives.*
 - b) As a Jersey registered entity it must comply with the Companies (Jersey) Law (1991) and in order to facilitate the entitlement offer, the Company must convene an extraordinary general meeting (EGM) to increase its authorised share capital in accordance with this law. The Company believes that continued trading in its securities while shareholder approval is sought is likely to be materially prejudicial to its ability to complete such a transaction, that is critical to its continued financial viability.*

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- c) *As disclosed in its quarterly report for Q1 2025, the Company only had approximately 1.3 quarters of funding available and based on its results to date, SRJ expects that it will again have less than two-quarters of available funding as at 30 June 2025.*
- d) *As announced in April 2025, the Company has commenced a strategic review of its operations (which remains ongoing) and which recommended several cost cutting measures as well as a need to stabilise cash flows by increasing recurring revenue streams. To implement the restructure and new strategy, the Company needs to raise additional financing for the business. The securing of such additional financing is critical to the Company's success."*
- D. SRJ's announcement titled 'Acquisition of an NOC registered UAE entity and Placement', released on MAP on 24 July 2025, which disclosed the completion of a placement raising A\$357,000 at a price of A\$0.004 per share, with the proceeds being applied to complete an acquisition of First Avenue General Contracting – Sole Proprietorship LLC for A\$440,000, and working capital (the 'Announcement').
- E. SRJ's Appendix 3B released on MAP on 24 July 2025, which disclosed Peloton Capital Pty Ltd as the lead manager/broker for the placement and that they would receive 'standard commissions' as the consideration payable to them for acting as lead manager/broker.
- F. ASX Guidance Note 16 *Trading Halts*, which states at section 4.3 (relevantly):
- "A voluntary suspension will generally only be granted for the period ASX considers reasonably necessary for an entity to manage its continuous disclosure obligations.*
- ASX may agree to suspend quotation of an entity's securities (or continue an existing suspension) where ASX is satisfied that the entity is in genuine financial difficulties and continued trading in its securities is likely to be materially prejudicial to its ability to complete a transaction critical to its continued financial viability.*
- In such a case, the entity must make a written request for the suspension that includes the information required under Listing Rule 17.2, including the reasons for the suspension (or continued suspension) and a proposed timetable for trading in its securities to resume, for release to the market. The stated reasons for the suspension must include a forthright account of the entity's current financial situation, details of the transaction that the entity says is critical to its continued financial viability, and an affirmation that, in the entity's opinion, continued trading of its securities is likely to be materially prejudicial to its ability to complete that transaction."*
- G. Example I on page 93 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 - 3.1B* which states (relevantly):
- "The fact that the situation is developing and all of the relevant facts are not yet known is unlikely to be, of itself, a reason to delay disclosure of what is known. It is important to keep in mind that the question of a trading halt or voluntary suspension only arises because the entity is aware of market sensitive information and is unable to rely on the exceptions in Listing Rule 3.1A (which provides the normal mechanism for avoiding the premature disclosure of information)."*

Request for information

Having regard to the above, ASX asks SRJ to respond separately to each of the following questions:

1. Please provide an update on the 'invoice discounting facility' described at Paragraph A(ii).
2. ASX notes SRJ's stated position in its request for voluntary suspension that the capital raising, which was likely to comprise a placement and entitlement offer, included transactions which were critical to SRJ's continued financial viability, and the basis for this assessment was that SRJ '*only had approximately 1.3 quarters of available funding...*'.

However, following the Announcement, it is not clear to ASX why SRJ considers it has genuine financial difficulties and that the completion of the placement is critical to its continued financial viability, given:

- i. SRJ used the placement funds to acquire First Avenue General Contracting – Sole Proprietorship LLC, an entity that is non-revenue generating and not actively trading;
- ii. SRJ expressly stated in its quarterly cashflow report for the quarter ended 31 March 2025 that it expected to be able to meet its business objectives with the 1.3 quarters of available funding; and
- iii. SRJ has previously had less than 1.3 quarters of available funding remaining and did not consider that it was in genuine financial difficulties that would necessitate a voluntary suspension to complete a transaction critical to its continued financial viability.

Noting the above, please explain:

- a) why SRJ decided to acquire First Avenue General Contracting – Sole Proprietorship LLC and attribute the proceeds of a placement towards this acquisition, if it also considers that it is experiencing genuine financial difficulties; and
 - b) why SRJ considered that continued trading in its securities while shareholder approval is sought to increase its authorised share capital would be materially prejudicial to SRJ's ability to complete the entitlement offer. In your answer, please specifically address why SRJ considers it is unable to make an announcement in accordance with its continuous disclosure obligations to resume trading.
3. Please confirm the quantum of the fees or commission payable to Peloton Capital Pty Ltd for acting as lead manager/broker.
 4. Please confirm that SRJ is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 5. Please confirm that SRJ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of SRJ with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.00 AM AEST Friday, 1 August 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, SRJ's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require SRJ to request a trading halt immediately if trading in SRJ's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in SRJ's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to SRJ's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that SRJ's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance