



29 December 2022

Trading update

SRJ Technologies Group Plc (ASX: SRJ; “SRJ” or “the Company”) is pleased to announce a trading update following an extended period of suspension from the exchange.

Highlights

- Revenues for CY22 are expected to be in the region of £1m (A\$1.7m) which represents 200%+ increase compared to prior year FY21 revenues of £321k (A\$601k))
- ADNOC - Sixty-nine clamps and enclosures design and installation, preventing a toxic gas release in a valve pit on Das Island. This is expected to lead to repeat business in 2023
- SABIC - Large diameter oxygen pipe leak repair including the design and provision of a 10-inch #300 BoltEx® clamp to replace corroded bolts on an oxygen pipeline, along with flange enclosures on a 10-inch and an 18-inch flange to arrest an oxygen leak on the main O₂ pipeline
- MODEC - 3x hot bolting campaigns: from engineering assessment and work pack creation to offshore execution (bolt replacement) using SRJ BoltEx® clamps. Rental model and local delivery ensured successful delivery of these projects
- Global FPSO Operator - hot bolting campaign including rental and sales options for the provision of BoltEx® clamps secured and commenced in Q4 2022 with a second expected in early 2023
- A range of asset integrity consultancy and bespoke engineering projects have been completed for various customers globally (e.g., BLJ, Rio Tinto, NOWCo, British Sugar, EDL, TAQA, EnerMech, etc.)
- Strategic partnerships have been established with specialist niche inspection contractors to deliver end to end asset integrity services and solutions for pipelines and production facilities
- BD efforts are being focused on specific geographical areas i.e., Australia, Europe, Middle East and West Africa
- A senior BD appointment for the Middle East will be made in January 2023 to further exploit the successes of 2023
- Intense sales and BD investment during 2022 has built the sales pipeline and this will continue to grow
- Offering BoltEx® for sale as well as rental has transformed the revenue potential with significant sales enquiries from global players such as BP, Stork, Equinor, Chevron. The sales model is based on advanced payment at order placement therefore producing positive cash flow



Commenting on the trading update, CEO, Alex Wood, said:

“Our vision is to become a global leader in the provision of integrated asset integrity services and solutions with a strategy focused on developing a group of integrated asset integrity businesses through acquisition and synergistic growth.”

“We will be looking to acquire and grow established businesses and niche technology businesses and provide capital and management expertise to scale up. All within an entrepreneurial and technological business culture.”

“SRJ will build on the solid foundations created during 2022 in what is a highly fragmented growth market supported by strong drivers including ageing assets, the energy transition, increasing regulations and expectations surrounding Net Zero and ESG credentials.”

“We are excited about the opportunities as we move into 2023.”

This announcement has been approved by the Chief Executive Officer.

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