

SRG Limited
ABN 57 006 413 574

Offer Booklet

In relation to the offer (**Offer**) by SRG Limited ABN 57 006 413 574 (**SRG**) to Eligible Shareholders to acquire up to A\$15,000 of fully paid ordinary shares in SRG (**Shares**) under a share purchase plan (**Plan**).

IMPORTANT NOTICES

This document is not for release or distribution in the United States or elsewhere outside Australia and New Zealand.

This is an important document. If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser.

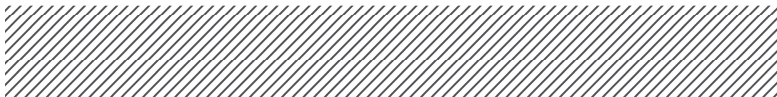
You are encouraged to carefully read the terms and conditions of the Offer (**Offer Terms**) set out in this document, because if you apply for Shares under the Plan you will be agreeing to be bound by the Offer Terms. By applying for Shares under the Plan, you will confirm that you have read, understood and agreed to the Offer Terms.

If you apply for Shares under the Plan, there is a risk that the market price of Shares on ASX may change between the date that you accept the Offer and the date Shares are issued to you under the Plan. This means that, at the time of issue, you may be able to buy Shares on market at a lower price than the issue price under the Plan. By applying for Shares under the Plan, you will be acknowledging and accepting this risk.

Key dates

Event	Date and time
Record Date	4.00pm (Perth time) on 4 April 2018
Opening Date	12 April 2018
Closing Date	5.00pm (Perth time) on 26 April 2018
<i>SRG reserves the right to close the Offer earlier if demand exceeds the \$4 million cap</i>	
Allotment Date	3 May 2018
Quotation of Shares on ASX	4 May 2018

Dates and times shown above are indicative only and are subject to variation by SRG in its discretion at any time.



12 April 2018

Dear Shareholder,

SRG ANNOUNCES OPPORTUNITY TO PARTICIPATE IN SHARE PURCHASE PLAN FOLLOWING STRATEGIC ACQUISITION OF TBS GROUP

It is my pleasure to write to you following our announcement on 5 April 2018 that SRG Limited (ASX: SRG) (**SRG**) will be acquiring New Zealand based TBS Group for NZ\$35.0 million (A\$32.9 million).

The acquisition will deliver SRG significant revenue and earnings and be highly EPS accretive to shareholders of approximately 30%¹.

Key Transaction Highlights

- Funded by A\$24m capital raising (A\$20m placement and A\$4m SPP) and balance from existing cash / NAB debt facilities
- FY18F revenue of ~A\$70m, EBITDA range of A\$7.5m – A\$7.9m and EBIT of A\$6.0m – A\$6.4m
- FY19F EBITDA range of A\$8.0m – A\$9.0m
- ~4.2x FY18F EV/EBITDA multiple and ~3.8x FY19F EV/EBITDA multiple

Background on TBS Group

TBS Group is a leading New Zealand-based specialist industrial contractor, providing asset and infrastructure maintenance services. The range of specialist services provided includes infrastructure maintenance services, building maintenance services, remedial services, protective coatings, industrial access solutions (scaffold and rope) and refractory services. Key sectors include oil and gas, transport infrastructure, energy, renewables, steel and dairy.

Originally established in 1948 in Auckland as the Farnsworth Group, today TBS Group employs 450 people and is headquartered in Auckland with operations and 9 branches throughout NZ.

TBS operates via four specialist companies including:

- **TBS Farnsworth** (including Total Bridge Services JV): Diverse asset maintenance and construction services provider and maintains some of New Zealand's largest infrastructure assets. TBS Farnsworth is a party to the Total Bridge Services JV with Fulton Hogan and WSP Opus NZ that provides maintenance activities on the Auckland Harbour Bridge
- **TBS Remcon**: Established in 2013 to offer construction solutions to remediate leaky, seismically-challenged end of life buildings and structures. Services include concrete and structural remediation, interior refurbishment, façade building deconstruction and reconstruction, structural strengthening and toxic waste removal
- **TBS Coatings**: Provides access solutions, abrasive blasting and protective coating services
- **Crow Refractory**: Leading provider of refractory services including the design, supply, construction, installation and maintenance of refractory lining

¹ Based on FY18 broker consensus for SRG and midpoint of TBS FY19F

Strategic Rationale

The acquisition of TBS Group represents a major expansion of SRG's presence in the New Zealand market and is consistent with SRG's strategy to grow into adjacent and complementary sectors whilst preserving its identity as a specialist and complex services provider.

- ✓ Acquisition of TBS Group is a strategically attractive acquisition
- ✓ Significantly enhances SRG's exposure in specialised services and maintenance
- ✓ Strategically aligned specialist services offering
- ✓ Enhances SRG's sector and customer diversity
- ✓ International geographic expansion and platform for future growth in New Zealand
- ✓ Synergies and cross-selling opportunities (accelerated SRG growth opportunities in New Zealand and TBS Group opportunities in Australia)
- ✓ Non-core asset acquired with significant untapped opportunities
- ✓ Highly experienced management team and an excellent cultural fit

For further information on the acquisition please see our announcements entitled *SRG - Strategic Acquisition and Underwritten Capital Raising* and *SRG - Presentation for acquisition of TBS Group*, both dated 5 April 2018 and available via our website at www.srglimited.com.au.

Acquisition funding

The acquisition will be funded by a combination of drawing down on existing NAB debt facilities, proceeds from the successful underwritten equity placement announced on 5 April 2018, and from the Plan covered in this offer booklet.

The placement, which was heavily oversubscribed by a mix of existing and new institutional and wholesale investors, raised a total of A\$20.0m. The Placement was undertaken by way of a fixed price offering at \$1.60 per share, representing a 5.3% discount to the five-day Volume Weighted Average Price and a 4.7% discount to last close, and will result in a maximum issue of approximately 12.5 million new ordinary shares.

Your opportunity to participate in SRG's growth through this Plan

In addition to the placement, SRG is offering shareholders the opportunity to participate in the Plan to raise a maximum of A\$4.0m at the same price paid by institutional investors under the placement. Funds raised under the Plan will be used to fund the acquisition price and for working capital purposes.

The Plan is open to shareholders with registered addresses in Australia or New Zealand who were shareholders as at 4.00pm Perth time on 4 April 2018.

Under the Plan, eligible shareholders including SRG Directors and employees are able to acquire up to A\$15,000 in new SRG shares on the terms and conditions set out in this offer booklet, subject to scale-back if oversubscriptions are received.

To accept the offer, please follow the instructions in this offer booklet. I recommend that you read the terms and conditions set out in this booklet carefully before deciding whether to participate in the Plan. If you are unsure whether to participate, you should contact your professional adviser.

Kind regards,

A handwritten signature in dark ink, appearing to read 'David Macgeorge', is positioned above the printed name.

David Macgeorge
Managing Director

1 Who is an Eligible Shareholder?

You are an **Eligible Shareholder** and may participate in the Offer if you were registered as a holder of Shares with an address on SRG's share register in Australia or New Zealand as at 4.00pm (Perth time) on 4 April 2018 (**Record Date**) unless:

- (a) you hold shares on behalf of another person who resides outside Australia or New Zealand, in which case you will not be eligible to participate in respect of the Shares held on behalf of that person; or
- (b) you are, or you are acting for the account or benefit of, a person in the United States.

SRG has determined that, regrettably, it is not practical for holders of Shares with addresses on SRG's share register in other jurisdictions to participate in the Offer, having regard to the time and cost involved in extending the Offer into other jurisdictions.

Directors and employees of SRG who are Eligible Shareholders may participate in the Offer.

2 Participation by Eligible Shareholders

- (a) **Single holders:** If you are the only registered holder of a holding of Shares, but you receive more than one offer under the Plan (for example, due to multiple registered holdings), you may only apply for up to a maximum of A\$15,000 of Shares.
- (b) **Joint holders:** If you are recorded with one or more other persons as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purposes of the Plan and the joint holders are entitled to participate in the Plan in respect of that single holding only. Certifications and representations given by a joint holder will be taken to have been given by all joint holders. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, the joint holders may only apply for a maximum of A\$15,000 of Shares.
- (c) **Custodians, trustees and nominees:** If you are a custodian, trustee or nominee within the definition of 'custodian' in Australian Securities and Investments Commission (**ASIC**) Class Order [CO 09/425] (a **Custodian**) and hold Shares on behalf of one or more persons (each a **Beneficiary**), you may apply for up to a maximum of A\$15,000 worth of Shares for each Beneficiary (but, as noted above, joint holders are taken to be a single holder), provided that you give SRG written certification of the matters set out in condition 9 of ASIC Class Order [CO 09/425] (**Custodian Certificate**). Custodians will not be entitled to participate in the Plan if their participation would be in breach of ASIC Class Order [CO 09/425].

However, Custodians may only apply for Shares under the Plan on behalf of a person who resides in Australia or New Zealand and who is not, and is not acting for the account or benefit of, a person in the United States or any other person outside Australia and New Zealand.

Copies of Custodian Certificates can be obtained from SRG's share registry, Computershare Investor Services Pty Limited (**Computershare**). Applications from Custodians must be accompanied by a duly completed and signed Custodian Certificate.

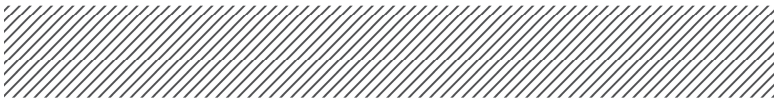
If you hold Shares as a trustee or nominee for another person, but you are not a Custodian as defined above, you cannot participate for the persons on whose behalf you hold Shares in the manner described above. The rules for multiple single holdings (as set out above) apply.

3 Participation is optional

Participation in the Plan is optional. If you are an Eligible Shareholder, you can choose whether or not to participate.

The Offer is not a recommendation in relation to Shares.

Participation is subject to the Offer Terms.



4 Nature of the Offer

The Offer is non-renounceable and you may not transfer your rights under the Offer to another person. The Offer under the Plan is made to each Eligible Shareholder on the same terms and conditions irrespective of the number of Shares which they held on the Record Date.

The Offer is open to all Eligible Shareholders from the Opening Date of 12 April 2018 until 5:00pm (Perth time) on the Closing Date of 26 April 2018. SRG reserves the right to close the Offer early if the aggregate number of Shares validly applied for by Eligible Shareholders exceeds the Offer Limit.

5 How much can you invest?

5.1 Parcels of Shares

Eligible Shareholders may apply for parcels of Shares of the following values:

\$2,500 of Shares

(1,562 Shares at \$1.60 per Share)

\$5,000 of Shares

(3,125 Shares at \$1.60 per Share)

\$7,500 of Shares

(4,687 Shares at \$1.60 per Share)

\$10,000 of Shares

(6,250 Shares at \$1.60 per Share)

\$12,500 of Shares

(7,812 Shares at \$1.60 per Share)

\$15,000 of Shares – this is the Maximum Amount of Shares

(9,375 Shares at \$1.60 per Share)

The amounts received under the Plan may be subject to a scale back – see further section 7 of these Offer Terms below.

5.2 Maximum Amount

The Offer must comply with ASIC's class order relief for share purchase plans, Class Order [CO 09/425].

Under ASIC's relief, Eligible Shareholders may only apply for up to the Maximum Amount, even if an Eligible Shareholder holds Shares in more than one capacity – for example, as a single holder and as a first (or subsequent) named holder of two or more joint holders (as set out in section 2 of these Offer Terms above). An Eligible Shareholder may apply for more than one parcel of Shares, but may not apply for Shares with an aggregate application price of more than the Maximum Amount. SRG may reject your application if it believes that you have not complied with this condition. The limit of the Maximum Amount applies irrespective of the number of Shares that the Eligible Shareholder held on the Record Date.

However, a Custodian may apply for up to the Maximum Amount for each Beneficiary subject to the arrangements set out in section 2 of these Offer Terms.



6 Issue Price

The **Issue Price** is \$1.60 per Share.

This is the same as the price paid by institutional investors under the recent placement conducted by SRG.

The Issue Price represents a 5.3% discount to the 5-day volume weighted average price of \$1.69 per Share up to 4 April 2018, being the last trading day prior to announcement of the placement.

You should note that the market price of the Shares may rise or fall between the date the Offer commences and the date when Shares are allotted, or otherwise allocated, to you under the Plan. This means that the price you pay per Share pursuant to the Offer may be either higher or lower than the market price of the Shares at the time of the Offer or at the time the Shares are allotted, or otherwise allocated, to you under the Plan. SRG recommends that you monitor the Share price and any SRG announcements, which can be found on SRG's website at www.srglimited.com.au.

7 Applications may be scaled back

SRG has set a maximum aggregate number of Shares that may be issued under the Plan of 2,500,000, being a capped amount of \$4 million divided by the Issue Price (**Offer Limit**).

If the aggregate number of Shares validly applied for by Eligible Shareholders exceeds the Offer Limit, then SRG will scale back applications as determined by it in its absolute and sole discretion. When determining the amount (if any) by which to scale back an application, SRG may take into account a number of factors, including the size of an applicant's shareholding in SRG, the extent to which an applicant has sold or bought additional shares after the record date and the date on which an application was made.

If a scale back produces a fractional number when applied to the parcel of Shares you applied for under the Plan, the number of Shares you will be allotted will be rounded up or down to the nearest whole number.

If the number of Shares you applied for is scaled back, the excess application monies will be refunded to you by direct credit to your nominated bank account or by cheque as soon as practicable following allocation. No interest will be paid on any application monies returned to you.

8 How to accept the Offer and apply for Shares

To apply for Shares under the Plan, Eligible Shareholders may either:

- (a) complete and return the enclosed Application Form with payment by cheque, bank draft or money order; or
- (b) make a payment by BPAY^{®2}.

Payments must be made in Australian dollars.

8.1 Using the Application Form

You may apply for Shares under the Plan by completing the enclosed Application Form and returning it, together with a cheque for the relevant amount, to Computershare in accordance with the instructions on the Application Form to the following address.

SRG Limited
C/O Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
AUSTRALIA

² ® Registered to BPAY Pty Limited ABN 69 079 137 518



Your cheque must be payable to 'SRG Limited' and crossed 'Not Negotiable'. It must be in Australian dollars and drawn on an Australian bank.

Sufficient cleared funds should be held in your account. If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred. If your cheque is dishonoured, it will not be re-presented.

8.2 Paying by BPAY®

You may apply for Shares under the Plan by making a payment by BPAY® if you have an Australian bank account enabled for this purpose, using the unique customer reference number shown on the enclosed Application Form to identify your shareholding.

If you make a BPAY® payment, you do not need to return your Application Form, but you will be taken to make the certifications and representations in section 9 of these Offer Terms.

Note that your financial institution may apply limits on your use of BPAY®, including as to the timing for processing payments, and that you should make enquiry about the limits that apply in your personal situation.

8.3 Payments that don't meet the set parcel values

If the amount of the cheque tendered with the Application Form or your BPAY® payment is:

- (a) less than \$2,500 – SRG will not allocate any Shares to you and will refund your application money to you;
- (b) greater than \$15,000 – subject to scale back, SRG will allocate to you the Maximum Amount of Shares and will refund the excess application monies to you; and
- (c) for an amount that is between \$2,500 and \$15,000 but is not \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000 – subject to scale back, SRG will allocate to you the number of Shares that would have been allocated to you had you applied for the amount of \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000 that is nearest to but less than the amount of your cheque or BPAY® payment, and will refund the excess application monies to you.

8.4 Closing Date for applications

All payments and applications must be received no later than 5.00pm (Perth time) on 26 April 2018. Applications received after this time will not be accepted.

8.5 General information regarding applications for Shares

SRG will not accept applications accompanied by cash payments.

Receipts for payment will not be issued.

You will not be able to withdraw or revoke your application once you have submitted your Application Form or BPAY® payment.

SRG may, in its absolute discretion, accept or reject your application for Shares under the Plan, including without limitation if:

- (a) your Application Form is incorrectly completed, incomplete or otherwise determined by SRG to be invalid or defective;
- (b) the cheque that you enclose with your Application Form is not made out for the exact amount that you have selected on the Application Form or is dishonoured or otherwise incorrectly completed;
- (c) your BPAY® payment is not received, or is incomplete or invalid;
- (d) SRG believes that you are applying to buy more than A\$15,000 (in aggregate) worth of Shares;
- (e) if you are a Custodian, SRG is not satisfied with your certification; or

- (f) SRG believes that you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements).

SRG must reject applications if required to do so under ASIC Class Order [CO 09/425].

SRG reserves the right to return your cheque or refund your BPAY® payment and not allot you any Shares.

Any application monies refunded to you will be paid by direct credit to your nominated bank account or by cheque as soon as practicable following allocation.

No interest will be paid on any application monies returned to you.

9 Effect of applying for Shares under the Plan

By completing and returning the Application Form to SRG or by making a BPAY® payment, you will be giving the following certifications and representations on behalf of each person on whose account you are acting:

- (a) you certify that you are, and each person on whose account you are acting, is an Eligible Shareholder and are lawfully permitted to accept the Offer and participate in the Plan in accordance with the Offer Terms and all applicable laws;
- (b) you acknowledge that the Shares have not been and will not be registered under the US Securities Act of 1933, as amended (**US Securities Act**) and may not be offered or sold, directly or indirectly in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;
- (c) you represent that have not and will not send this booklet or any other materials relating to the Offer or the Plan to any person in the United States or any other person outside Australia and New Zealand;
- (d) you agree that your application is made on, and you agree to be bound by, the Offer Terms set out in this booklet and on the Application Form, and you agree to be bound by SRG's constitution;
- (e) you declare that all details and statements in your Application Form are true and complete and not misleading;
- (f) you agree that your application is irrevocable and unconditional;
- (g) you certify that the aggregate of the application price for the following does not exceed A\$15,000:
 - (1) Shares the subject of your Application Form or BPAY® payment;
 - (2) any other Shares applied for by you under the Offer or any other Shares issued under similar arrangements operated by SRG in the 12 months prior to the date of submission of the Application Form or BPAY® payment;
 - (3) any Shares which you have instructed a Custodian to acquire on your behalf under the Offer; and
 - (4) any other Shares issued to a Custodian acting on your behalf under any similar arrangements operated by SRG in the 12 months prior to the date of submission of the Application Form or BPAY® payment,

even though you may have received more than one offer under the Plan or received offers in more than one capacity under the Plan;

- (h) if you are a Custodian and are applying for Shares with an aggregate application price of more than A\$15,000, you are providing with your Application Form certification, or agree to certify, the matters required by condition 9 of ASIC Class Order [CO 09/425], in accordance with the Custodian Certificate which can be obtained from Computershare;

- (i) you represent that you are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the *Corporations Act 2001* (Cth) (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering;
- (j) you are not a “designated person” or “designated entity” (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions;
- (k) you agree that SRG may determine that your Application Form is valid and in accordance with these Offer Terms even if it is incomplete, contains errors or is otherwise defective;
- (l) you agree that your application is only effective when received and not when posted;
- (m) you accept the risk associated with any refund that may be sent to you by direct credit to your nominated bank account or by cheque to the address shown on SRG’s share register;
- (n) you acknowledge and accept the risk that the market price of Shares may rise or fall between the date this Offer commences and the date when Shares are allotted, or otherwise allocated, to you under the Plan and that the price you pay per Share pursuant to this Offer may exceed the market price of Shares at the time the Shares are allotted, or otherwise allocated, to you under the Plan;
- (o) you agree that if you have previously provided SRG or its share registry with bank account details for the purposes of direct credit of dividends, any refund to be paid to you under the Plan may be directed to that nominated account;
- (p) you acknowledge that SRG is not liable for any exercise of its discretion referred to in these Offer Terms;
- (q) you agree to be responsible for any dishonour fees or other costs SRG may incur in presenting a cheque for payment that is dishonoured;
- (r) you agree that if there is a rounding of Shares and no scale back, any remaining balance of your payment after your allotment will be retained by SRG;
- (s) you accept that SRG, in its discretion, may make reduction in allotments of Shares under a scale back;
- (t) you acknowledge that no interest will be paid on any application monies held pending the allotment of the Shares or subsequently refunded to you for any reason; and
- (u) you acknowledge that you have not been provided with investment advice or financial product advice by SRG or its share registry.

10 Allotment and quotation of Shares

SRG expects to issue and allot Shares under the Plan on or about 3 May 2018. SRG will apply for Shares issued under the Plan to be quoted on ASX and expects quotation to commence on 4 May 2018.

Shares issued under the Plan will rank equally with existing fully paid ordinary shares in SRG.

SRG will send you a holding statement in respect of any Shares issued to you under the Plan. SRG recommends that Eligible Shareholders who apply for Shares under the Plan do not trade in the Shares applied for until they have received a holding statement for the Shares allotted to them under the Plan.

11 Foreign offering restrictions

This document does not constitute an offer of Shares in any jurisdiction in which it would be unlawful and has been prepared for distribution in Australia and New Zealand only and may not be released or distributed elsewhere.

New Zealand

The Shares under the Plan are not being offered or sold to the public in New Zealand other than to existing shareholders of SRG with registered addresses in New Zealand to whom the offer of Shares under the Plan is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has not been registered, filed or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

12 Additional information

12.1 No brokerage

No brokerage will be payable by Eligible Shareholders in respect of the application for, and issue and allotment of, Shares under the Plan.

12.2 Not investment advice

In preparing this booklet, SRG has not taken into account the individual objectives, financial situation or needs of individual Shareholders. Accordingly, before making a decision whether or not to accept the Offer and participate in the Plan, you may wish to consult with your financial or other professional adviser.

12.3 Amendment, suspension and termination of the Plan

SRG reserves the right to waive strict compliance with any provisions of the Offer Terms, to amend or vary those terms and conditions and to suspend, extend or terminate the Offer at any time. Any such amendment, variation, suspension or termination will be binding on all Eligible Shareholders even where SRG does not notify you of that event.

12.4 Dispute resolution

SRG may settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise under or in connection with the operation of the Plan, whether generally or in relation to any participant or class of participants, offer, application or Shares, and the decision of SRG shall be conclusive and binding on all participants and other persons to whom the determination relates. SRG's rights may be exercised by the SRG Board or any delegate of the Board.

12.5 Interpretation

The term 'Offer Terms' includes the terms and conditions contained in this document and the Application Form.

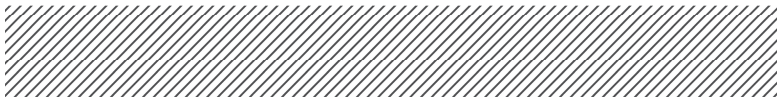
A reference to '\$' and 'dollars' is to Australian currency unless denominated otherwise.

12.6 Notices

Notices and statements to participating shareholders may be given in any manner determined by the Board from time to time.

12.7 Governing law

The Offer and these Offer Terms are governed by the laws of Western Australia. By accepting the Offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.



13 Questions and further information

If you have any questions please contact Computershare any time between 8.30am to 5.00pm (Melbourne time), Monday to Friday, on 1300 850 505 (inside Australia) or +61 3 9415 4000 (outside Australia).

