

ASX ANNOUNCEMENT



22 August 2023

Advance Notice: Full Year Results Investor Briefing

SRG Global Ltd (ASX: SRG) advises that David Macgeorge (Managing Director) and Roger Lee (CFO and Company Secretary) will host an investor briefing in relation to its FY23 performance and the outlook for FY24, the details of which are set out below:

Date	Today, 22 August 2023
Time	09.00am WST / 11.00am AEST
Duration	Approximately 30 minutes
Access link	https://ccmediaframe.com/

The Company will make the investor briefing available on its website (srgglobal.com.au) shortly after the conclusion of the briefing.

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22 August 2023

SRG Global delivers a 40% profit increase, 33% dividend increase and record Work in Hand

SRG Global Ltd ('SRG Global' or 'the Company') (ASX: SRG) has delivered its financial results for the full year ended 30 June 2023 ('FY23').

- Underlying **FY23 EBITDA*** of \$80.1m, **up 40%** and **EBIT(A)*** of \$50.0m, **up 46%** from FY22
- **Earnings per share (A)*** of 6.7 cps **up 34%** against FY22
- **2H fully franked dividend** of 2.0 cps **up 33%**, total FY23 dividend of 4.0cps **up 33%** on FY22
- **Record Work in Hand** of \$1.9b **up 46%** from FY22
- Strategic transformation to a **diversified industrial services** business continues to deliver results
- FY24 guidance of circa **20% EBITDA growth**

	FY22	FY23	CHANGE
Revenue	\$644.2m	\$809.0m	▲ 26%
EBITDA	\$57.2m	\$80.1m	▲ 40%
EBIT(A)	\$34.2m	\$50.0m	▲ 46%
NPAT(A)	\$22.4m	\$31.8m	▲ 42%
EBITDA % margin	8.9%	9.9%	▲ 12%
EBIT(A) % margin	5.3%	6.2%	▲ 17%
NPAT(A) % margin	3.5%	3.9%	▲ 13%
Dividends (cents per share)	3.0 cents	4.0 cents	▲ 33%
Earnings Per Share (A)	5.0 cps	6.7 cps	▲ 34%

* Profits in this announcement are after one-off transaction costs of \$4.5m for Asset Care and \$2m of costs for exiting the Building PT business in Australia and the Middle East

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David Macgeorge, Managing Director said, “SRG Global has delivered a record profit result in FY23. This provides further evidence of the execution of our strategy and transformation to a truly diversified industrial services company which is delivering outstanding results for shareholders. Our FY23 result is underpinned by strong business fundamentals, positive cash generation and solid operational delivery and is a testament to the hard work of all 3,300 people at SRG Global.

“The Company has record Work in Hand of \$1.9b which is up 46% on the previous year and is well positioned for long term sustainable growth with greater than two thirds annuity-style earnings and positive exposure to broader macro-economic growth drivers across the asset services, industrial and mining sectors as well as significant investment in the infrastructure and construction sectors.

“I am particularly pleased that we continue to demonstrate our track record of acquisition success where we have most recently acquired ALS Asset Care which enhances our capability through providing front-end asset monitoring and testing services to complement our back-end Asset Maintenance execution capability.

“The strong result means SRG Global will pay shareholders a final fully franked dividend of 2.0c per share, bringing our full year dividend to 4.0c per share which is a 33% increase on the FY22 dividend and continues our track record of funding the growth phase of our strategy whilst delivering increased dividends to our shareholders.

“The Company has provided FY24 EBITDA guidance of circa 20% growth which continues the step-change growth journey of SRG Global.”

Business Overview

In FY23, SRG Global recorded revenue of \$809.0m and EBITDA of \$80.1m. In the same period the Company demonstrated a cash conversion rate of 68% which is a strong result given the significant growth being funded by the business.

Table 1: FY23 Segment Results

	TOTAL	ASSET MAINTENANCE	MINING SERVICES	ENGINEERING & CONSTRUCTION	CORPORATE
Revenue	809.0	302.3	140.4	366.4	-
EBITDA	80.1	35.8	29.5	31.8	(17.0)
EBIT(A)	50.0	20.7	21.6	23.5	(15.8)

Revenue ▲ 26%
EBITDA ▲ 40%
EBIT(A) ▲ 46%
EBITDA % Margin
of 9.9% ▲ from 8.9%

Asset Maintenance continued its strong growth with numerous contract wins and extensions. Solid financial performance and margin performance with EBITDA margin of 11.9%, in line with historical levels.

Mining Services delivered significant growth in FY23 combined with excellent operational execution and high levels of asset utilisation. Solid margin performance of 21.0%, in line with historical levels.

Engineering & Construction continued to deliver solid results with improved financials and increased EBITDA margin of 8.7%.

Civil Infrastructure performed strongly across a diverse range of sectors including transport, water, energy and mine site infrastructure.

Specialist Building performed strongly with record WIH with repeat blue-chip clients and a significant pipeline of future opportunities.

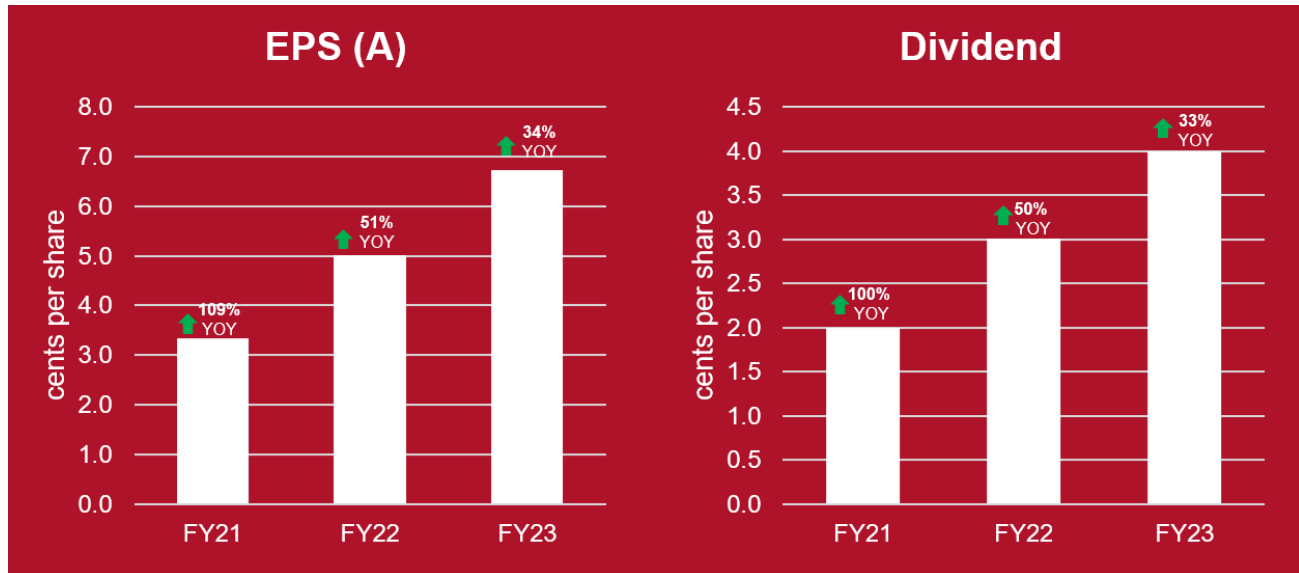
Corporate overheads of \$17.0m equates to 2.1% of revenue, decreased from 2.3% in FY22 with scope for further leverage as business grows.

Note: Corporate profits are before one-off transaction costs of \$4.5m for Asset Care and Engineering & Construction profits are before \$2m of costs for exiting the Building PT business in Australia and the Middle East

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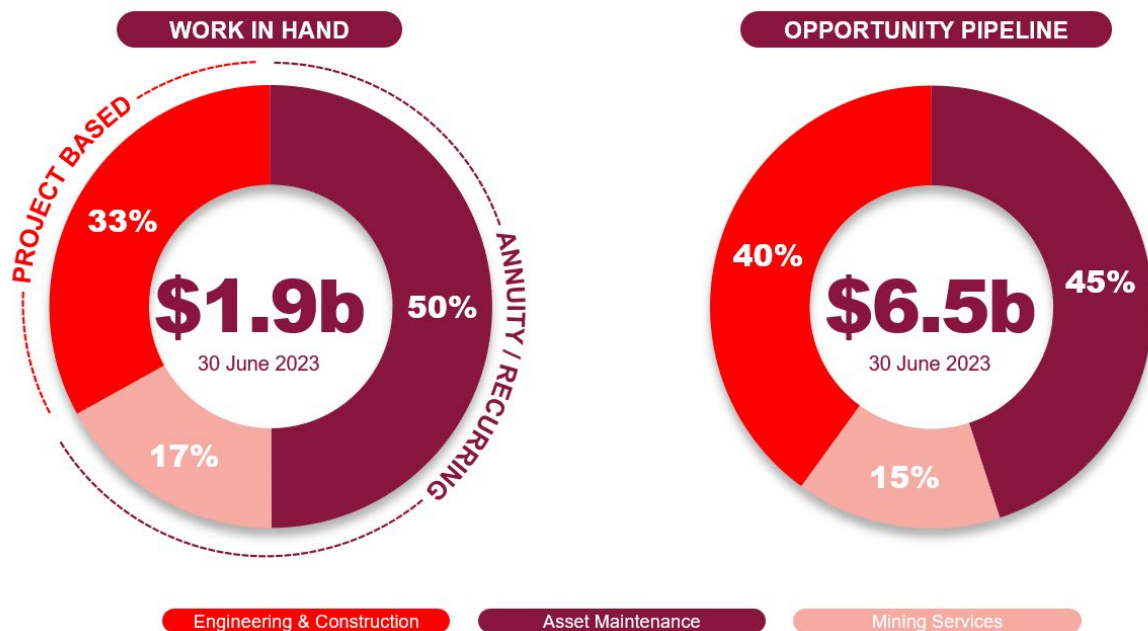


Table 2: Track Record of Delivering Increased Returns to Shareholders



Work in Hand

As at 30 June 2023, the Company has Work in Hand of \$1.9b and has a further \$6.5b pipeline of opportunities with positive exposure to government-backed infrastructure investment, high quality commodities, diverse industries and a blue-chip client base.



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Business Outlook

Operating segment performance...



Asset Maintenance

Delivering **step change growth** in diverse sectors with blue-chip clients



Mining Services

Operating in **high demand, high quality growth** commodities



Engineering & Construction

Positively linked to **significant infrastructure** investment



Engineered Products

Gaining momentum both **domestically and internationally**



Asset Care

Transformative acquisition adds market leading front-end asset monitoring and testing services



...driving positive momentum

- ✓ FY24 guidance of circa **20% EBITDA growth**
- ✓ **Strength / diversity** of business provides ongoing protection against labour / cost pressures
- ✓ **Robust balance sheet** position to support growth working capital requirements
- ✓ Earning profile of more than **two thirds annuity / recurring earnings** in FY24 and beyond
- ✓ Strategic transformation to a **diversified industrial services** business will continue to deliver results

Final Fully Franked Dividend

The Board of Directors has declared a final fully franked dividend of 2.0 cents per share, bringing the full year dividend to 4.0 cents per share. The record date of the dividend is 7 September 2023 with a payment date of 7 October 2023.

– ENDS –

CONTACT

Judson Lorkin
Group Financial Controller & Company Secretary
SRG Global
+61 8 9267 5400

ABOUT SRG GLOBAL

SRG Global is a diversified industrial services company bringing an engineering mindset to deliver critical services for major industry across the entire asset lifecycle of engineer, construct and sustain. The Company has over 3,300 employees across three operating segments of Asset Maintenance, Mining Services and Engineering & Construction. Our vision is to be the most sought-after in what we do through “Making the Complex Simple”. For more information about SRG Global, please click [here](#).

This announcement was authorised for release to ASX by the Managing Director.