



APPENDIX 4D & HALF-YEAR REPORT

For the half-year ended 31 December 2023

SRG Global Limited
ABN: 81 104 662 259



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APPENDIX 4D INFORMATION FOR ASX

For the Half-Year Ended 31 December 2023

The following information is provided to ASX in accordance with Listing Rule 4.2A.3. This information should be read in conjunction with SRG Global Limited's Financial Report for the half-year ended 31 December 2023 as contained herein.

Name of entity

SRG Global Limited ('Company'; 'Group' or 'SRG Global'), ABN 81 104 662 259

Details of reporting period

| | 6-month period ended |
|-------------------------------|----------------------|
| Reporting period | 31 December 2023 |
| Previous corresponding period | 31 December 2022 |

Results for announcement to the market

For the six months ended 31 December

| | | | 2023 \$000's | 2022 \$000's |
|---|------|-----|-----------------|-----------------|
| Revenue from ordinary activities | Up | 34% | 510,668 | 380,021 |
| EBITDA | Up | 32% | 45,056 | 34,039 |
| EBIT(A) ⁽¹⁾ | Up | 36% | 28,369 | 20,897 |
| NPAT(A) ⁽²⁾ | Up | 33% | 17,672 | 13,242 |
| Profit before tax | Up | 17% | 20,950 | 17,966 |
| Profit from ordinary activities after tax attributable to members | Up | 23% | 15,265 | 12,424 |
| Net profit for the period attributable to members | Up | 23% | 15,265 | 12,424 |
| Earnings per share (basic) | Up | 4% | 2.9¢ | 2.8¢ |
| Net tangible assets per security (basic) ⁽³⁾ | Down | 22% | 24.3¢ | 31.1¢ |

⁽¹⁾ Earnings before interest, tax, and amortisation of customer contracts and intangible assets

⁽²⁾ Net profit before amortisation of customer contracts and intangible assets, and after tax

⁽³⁾ Decrease in net tangible assets per security (basic) for 1H FY24 is due to new shares issued during 2H FY23 relating to the acquisition of SRG Global Asset Care Pty Ltd

Dividends & distributions

| | Amount per security | Franked Amount per security |
|--|---------------------|-----------------------------|
| Reporting period | | |
| Interim dividend for the six months ended 31 December 2023 | 2.0¢ | 2.0¢ |
| Previous corresponding period | | |
| Interim dividend for the six months ended 31 December 2022 | 2.0¢ | 2.0¢ |

Dividend reinvestment plan

SRG Global does not have a dividend reinvestment plan.

Half-year information given to ASX under listing rule 4.2A.3

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made during the reporting period by the Company in accordance with the continuous disclosure requirements of the ASX Listing Rules and the *Corporations Act 2001*.

DIRECTORS' REPORT

For the Half-Year Ended 31 December 2023

The Directors submit their report for the half-year ended 31 December 2023 for the Group, consisting of SRG Global Limited and its controlled entities.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

| | |
|------------------------|---|
| Non-Executive Chairman | Peter McMorrow |
| Managing Director | David Macgeorge |
| Executive Director | Roger Lee (Appointed 23 November 2023) |
| Non-Executive Director | Kerry Wilson (Appointed 23 November 2023) |
| Non-Executive Director | Michael Atkins |
| Non-Executive Director | Amber Banfield |

Company Secretaries

The names of the Company Secretaries in office during the half-year and until the date of this report are set out below. Company Secretaries were in office for the entire period unless otherwise stated.

Roger Lee
Judson Lorkin

Principal Activities

During the half-year, the principal continuing activities of the consolidated entity consisted of delivering a suite of engineering-led specialist Asset Maintenance, Mining Services, and Engineering and Construction services across the entire asset lifecycle.

Review of Operations

Asset Maintenance Segment

The Asset Maintenance segment consist of supplying integrated services to customers across the entire asset life cycle. Services provided span multiple sectors including oil and gas, energy, major infrastructure, offshore, mining, power generation, water treatment plants, commissioning, decommissioning, shutdowns, specialist testing, inspection monitoring, and civil works. Contracts vary in length from medium to long-term.

For the six months ended 31 December 2023 the Asset Maintenance segment generated revenues of \$233.3m, an increase of 89.5% on the previous corresponding period. EBITDA for the six-month period was \$26.2m, an increase of 83.6% on the previous corresponding period.

Mining Services Segment

The Mining Services segment services mining clients and provides comprehensive ground solutions including production drilling, blasting, and ground and slope stabilisation. Contracts vary in length from medium to long-term.

For the six months ended 31 December 2023 the Mining Services segment generated revenues of \$73.4m, an increase of 4.2% on the previous corresponding period. EBITDA for the six-month period was \$15.4m, an increase of 7.8% on the previous corresponding period.

DIRECTORS' REPORT

For the Half-Year Ended 31 December 2023

Engineering and Construction Segment

The Engineering and Construction segment consist of supplying integrated products and services to customers involved in the construction of complex infrastructure. These typically include bridges, dams, office towers, high rise apartments, shopping centres, hotels, car parks, recreational buildings, and hospitals. Contracts are typically medium to long-term.

For the six months ended 31 December 2023 the Engineering and Construction segment generated revenues of \$204.0m, an increase of 9.4% on the previous corresponding period. EBITDA for the six-month period was \$14.8m, an increase of 7.0% on the previous corresponding period.

Matters subsequent to the end of the half-year financial results

On 20 February 2024, the Company declared an interim fully franked dividend of 2.0c per share. The Record Date for this dividend is 15 March 2024 and the payment is scheduled for 12 April 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the Group's state of affairs in future financial years other than the matters above.

Dividends

On 22 August 2023, the Company declared a final, fully franked dividend of 2.0c per share relating to FY23. The dividend was paid on 6 October 2023.

On 20 February 2024, the Company declared an interim 2.0c per share, fully franked dividend (2022: 2.0c per share fully franked). The Record Date for this dividend is 15 March 2024 with payment to be made on 12 April 2024.

Auditors' Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7 and forms part of the Directors' Report for the half-year ended 31 December 2023.

DIRECTORS' REPORT

For the Half-Year Ended 31 December 2023

Rounding

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials / Directors' Reports) Instrument 2016/91*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the interim financial report are rounded off to the nearest thousand dollars (\$'000), unless otherwise indicated.

This report is made in accordance with a resolution of the directors, pursuant to Section 306(3) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'Peter McMorow', written over a faint, larger version of the same signature.

Peter McMorow
Non-Executive Chairman
Perth, 20 February 2024

AUDITORS' INDEPENDENCE DECLARATION

For the Half-Year Ended 31 December 2023



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF SRG GLOBAL LIMITED

As lead auditor for the review of SRG Global Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of SRG Global Limited and the entities it controlled during the period.



Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 20 February 2024

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Half-Year Ended 31 December 2023

| | Note | 31 Dec 2023 \$'000 | 31 Dec 2022 \$'000 |
|--|------|--------------------------|--------------------------|
| Revenue | | 510,668 | 380,021 |
| Other Income | | 1,962 | 2,179 |
| Construction, servicing and contract costs | | (204,972) | (183,168) |
| Employee benefits expense | | (241,362) | (151,917) |
| Depreciation expense | | (16,687) | (13,140) |
| Other expenses | | (21,240) | (13,076) |
| Finance expenses | | (3,982) | (1,762) |
| Amortisation expense | | (3,438) | (1,169) |
| Share of net profits of joint ventures accounted for using the equity method | | 1 | (2) |
| Profit before tax | | 20,950 | 17,966 |
| Income tax expense | | (5,685) | (5,542) |
| Profit after tax for the period | | 15,265 | 12,424 |
| Other comprehensive income | | | |
| Exchange differences arising on translation of foreign operations | | 503 | 878 |
| Total comprehensive income for the period, net of tax | | 15,768 | 13,302 |
| | | 2023 | 2022 |
| Earnings per share attributable to members of the parent entity | | | |
| Basic earnings per share (cents per share) | 5 | 2.9 | 2.8 |
| Diluted earnings per share (cents per share) | 5 | 2.9 | 2.7 |

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at Half-Year Ended 31 December 2023

| | Note | 31 Dec 2023 \$'000 | 30 Jun 2023 \$'000 |
|---|------|--------------------------|--------------------------|
| Current assets | | | |
| Cash and cash equivalents | | 68,228 | 47,713 |
| Trade and other receivables | | 110,180 | 110,253 |
| Contract assets | | 88,550 | 87,964 |
| Inventories | | 24,509 | 21,475 |
| Other current assets | | 11,989 | 4,157 |
| Derivative financial instrument asset | | - | 144 |
| Equity accounted investments | | 6 | 133 |
| Current tax assets | | 2,557 | - |
| Total current assets | | 306,019 | 271,839 |
| Non-current assets | | | |
| Property, plant and equipment | | 117,107 | 119,043 |
| Right of use assets | | 26,102 | 25,822 |
| Intangible assets | | 169,508 | 170,417 |
| Contract assets | | 2,030 | 1,243 |
| Deferred tax assets | | 703 | 2,801 |
| Total non-current assets | | 315,450 | 319,326 |
| Total assets | | 621,469 | 591,165 |
| Current liabilities | | | |
| Trade and other payables | | 130,882 | 116,126 |
| Contract liabilities | | 43,263 | 34,825 |
| Borrowings | 3 | 18,119 | 20,314 |
| Right of use liabilities | | 10,030 | 11,420 |
| Current tax liabilities | | - | 452 |
| Provisions | | 48,846 | 46,905 |
| Derivative financial instrument liability | | 610 | - |
| Total current liabilities | | 251,750 | 230,042 |
| Non-current liabilities | | | |
| Borrowings | 3 | 43,728 | 44,382 |
| Right of use liabilities | | 17,636 | 15,742 |
| Provisions | | 12,133 | 10,521 |
| Total non-current liabilities | | 73,497 | 70,645 |
| Total liabilities | | 325,247 | 300,687 |
| Net assets | | 296,222 | 290,478 |
| Equity | | | |
| Issued capital | | 267,488 | 267,488 |
| Reserves | | 8,958 | 7,997 |
| Retained earnings | | 19,776 | 14,993 |
| Total equity | | 296,222 | 290,478 |

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Half-Year Ended 31 December 2023

| | Share capital \$'000 | Reverse acquisition reserve \$'000 | Total issued capital \$'000 | Retained earnings \$'000 | Share based payments reserve \$'000 | Foreign currency translation reserve \$'000 | Total equity \$'000 |
|---|----------------------------|---|--------------------------------------|--------------------------------|---|---|---------------------------|
| Balance at 1 July 2023 | 355,968 | (88,480) | 267,488 | 14,993 | 10,023 | (2,026) | 290,478 |
| Profit for the period | - | - | - | 15,265 | - | - | 15,265 |
| Other comprehensive income | - | - | - | - | - | 503 | 503 |
| Total comprehensive income | - | - | - | 15,265 | - | 503 | 15,768 |
| Transactions with owners in their capacities as owners | | | | | | | |
| Issue of ordinary shares, net of transaction costs | - | - | - | - | - | - | - |
| Share based payments | - | - | - | - | 458 | - | 458 |
| Dividends paid | - | - | - | (10,482) | - | - | (10,482) |
| Balance at 31 December 2023 | 355,968 | (88,480) | 267,488 | 19,776 | 10,481 | (1,523) | 296,222 |
| Balance at 1 July 2022 | 306,576 | (88,480) | 218,096 | 9,543 | 9,195 | (2,268) | 234,566 |
| Profit for the period | - | - | - | 12,424 | - | - | 12,424 |
| Other comprehensive income | - | - | - | - | - | 878 | 878 |
| Total comprehensive income | - | - | - | 12,424 | - | 878 | 13,302 |
| Transactions with owners in their capacities as owners | | | | | | | |
| Issue of ordinary shares, net of transaction costs | - | - | - | - | - | - | - |
| Share based payments | - | - | - | - | 496 | - | 496 |
| Dividends paid | - | - | - | (6,722) | - | - | (6,722) |
| Balance at 31 December 2022 | 306,576 | (88,480) | 218,096 | 15,245 | 9,691 | (1,390) | 241,642 |

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Half-Year Ended 31 December 2023

| | 31 Dec 2023 \$'000 | 31 Dec 2022 \$'000 |
|---|--------------------------|--------------------------|
| Receipts from customers | 572,706 | 448,079 |
| Interest received | 396 | 57 |
| Payments to suppliers and employees | (512,843) | (400,937) |
| Interest paid | (4,378) | (1,819) |
| Income tax paid | (6,087) | (879) |
| Cash inflow from operating activities | 49,794 | 44,501 |
| Payments for property, plant and equipment | (9,399) | (15,916) |
| Proceeds from sale of property, plant and equipment | 1,187 | 2,388 |
| Payment for acquisition of subsidiary, net of cash | - | (1,918) |
| Payment of software development costs | (1,163) | (794) |
| Cash outflow from investing activities | (9,375) | (16,240) |
| Proceeds from borrowings | 6,369 | 6,333 |
| Repayment of borrowings | (15,618) | (11,615) |
| Payment of dividends | (10,482) | (6,722) |
| Cash outflow from financing activities | (19,731) | (12,004) |
| Net cash increase in cash and cash equivalents held | 20,688 | 16,257 |
| Effect of exchange rates on cash and cash equivalents holdings | (173) | 232 |
| Cash and cash equivalents at the beginning of financial period | 47,713 | 59,302 |
| Cash and cash equivalents at the end of the financial period | 68,228 | 75,791 |

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

1. Basis of Preparation of Half-Year Financial Report

This general-purpose financial report for the interim half-year reporting period ended 31 December 2023 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, these statements should be read in conjunction with the most recent annual financial reports.

The consolidated financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Costs is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise indicated. The carrying amount of all financial assets and financial liabilities are not materially different to their fair value.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2023, except for the adoption of new standards effective as of 1 July 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

2. Segment Information

Description of segments

Management has determined that strategic decision making is facilitated and enhanced by evaluation of operations on the customer segments of Asset Maintenance, Mining Services, and Engineering and Construction. For each of the strategic operating segments, the Managing Director reviews internal management reports on a regular basis.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations have inherently different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

The following summary describes the operations in each of the Group's reportable segments:

Asset Maintenance segment

The Asset Maintenance segment consist of supplying integrated services to customers across the entire asset life cycle. Services provided span multiple sectors including oil and gas, energy, major infrastructure, offshore, mining, power generation, water treatment plants, commissioning, decommissioning, shutdowns, specialist testing, inspection monitoring, and civil works. Contracts vary in length from medium to long-term.

Mining Services segment

The Mining Services segment services mining clients and provides comprehensive ground solutions including production drilling, blasting, and ground and slope stabilisation. Contracts vary in length from medium to long-term.

Engineering and Construction segment

The Engineering and Construction segment consist of supplying integrated products and services to customers involved in the construction of complex infrastructure. These typically include bridges, dams, office towers, high rise apartments, shopping centres, hotels, car parks, recreational buildings, and hospitals. Contracts are typically medium to long-term.

The Managing Director assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement excludes certain non-recurring expenditures which are of an isolated nature such as equity settled share-based payments and corporate activities pertaining to the overall Group including the treasury function which manages the cash and funding arrangements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

2. Segment Information (continued)

Segment information provided to the Managing Director for the half-year ended 31 December 2023 is set out below:

Segment Revenues and Results

| | Asset Maintenance \$'000 | Mining Services \$'000 | Engineering and Construction \$'000 | Corporate \$'000 | Total \$'000 |
|-------------------------------------|--------------------------------|------------------------------|--|---------------------|-----------------|
| 31 December 2023 | | | | | |
| Construction revenue | - | - | 203,945 | - | 203,945 |
| Services revenue | 233,306 | 73,417 | - | - | 306,723 |
| Revenue from external customers | 233,306 | 73,417 | 203,945 | - | 510,668 |
| EBITDA | 26,220 | 15,354 | 14,751 | (11,269) | 45,056 |
| Depreciation | (8,170) | (3,231) | (4,525) | (761) | (16,687) |
| Amortisation | (3,124) | (3) | (3) | (308) | (3,438) |
| Finance costs | (331) | (478) | (318) | (2,855) | (3,982) |
| Equity accounted investment results | - | - | 1 | - | 1 |
| Profit before income tax | 14,595 | 11,642 | 9,906 | (15,193) | 20,950 |
| Income tax expense | | | | | (5,685) |
| Profit after income tax | | | | | 15,265 |

31 December 2022

| | | | | | |
|-------------------------------------|----------------|---------------|----------------|-----------------|----------------|
| Construction revenue | - | - | 186,435 | - | 186,435 |
| Services revenue | 123,102 | 70,484 | - | - | 193,586 |
| Revenue from external customers | 123,102 | 70,484 | 186,435 | - | 380,021 |
| EBITDA | 14,284 | 14,246 | 13,785 | (8,276) | 34,039 |
| Depreciation | (4,771) | (3,680) | (4,024) | (665) | (13,140) |
| Amortisation | (940) | - | - | (229) | (1,169) |
| Finance costs | (259) | (301) | (298) | (904) | (1,762) |
| Equity accounted investment results | - | - | (2) | - | (2) |
| Profit before income tax | 8,314 | 10,265 | 9,461 | (10,074) | 17,966 |
| Income tax expense | | | | | (5,542) |
| Profit after income tax | | | | | 12,424 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

2. Segment Information (continued)

Segment Assets and Liabilities

| | Asset Maintenance \$'000 | Mining Services \$'000 | Engineering and Construction \$'000 | Corporate \$'000 | Total \$'000 |
|-------------------------|--------------------------------|------------------------------|--|---------------------|-----------------|
| 31 December 2023 | | | | | |
| Segment assets | 262,940 | 70,271 | 215,823 | 72,435 | 621,469 |
| Segment liabilities | 112,019 | 38,602 | 143,455 | 31,171 | 325,247 |
| 30 June 2023 | | | | | |
| Segment assets | 278,783 | 67,134 | 197,202 | 48,046 | 591,165 |
| Segment liabilities | 112,834 | 34,762 | 122,133 | 30,958 | 300,687 |

3. Loans and Borrowings

| | 31 Dec 2023 \$'000 | 30 Jun 2023 \$'000 |
|--|--------------------------|--------------------------|
| Current | | |
| Secured borrowings | 18,119 | 20,314 |
| | 18,119 | 20,314 |
| Non-current | | |
| Secured borrowings | 43,728 | 44,382 |
| | 43,728 | 44,382 |
| Total loans and borrowings | 61,847 | 64,696 |
| The Group has access to the following lines of credit: | | |
| Total facilities available | | |
| Bank overdraft | 1,500 | 1,500 |
| Asset finance facility | 70,000 | 70,000 |
| Other facilities | 107,190 | 90,190 |
| Bank guarantee facility | 45,000 | 25,301 |
| Surety bond facility | 165,000 | 165,000 |
| | 388,690 | 351,991 |
| Facilities used at the end of the period: | | |
| Bank overdraft | - | - |
| Hire purchase facility | 35,345 | 35,445 |
| Other facilities | 26,458 | 29,526 |
| Bank guarantee facility | 17,242 | 21,490 |
| Surety bond facility | 106,321 | 95,405 |
| | 185,366 | 181,866 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

3. Loans and Borrowings (continued)

| | 31 Dec 2023 \$'000 | 30 Jun 2023 \$'000 |
|--|--------------------------|--------------------------|
| Facilities not used at the end of the period: | | |
| Bank overdraft | 1,500 | 1,500 |
| Hire purchase facility | 34,655 | 34,555 |
| Other facilities | 80,732 | 60,664 |
| Bank guarantee facility | 27,758 | 3,811 |
| Surety bond facility | 58,679 | 69,595 |
| | 203,324 | 170,125 |

For bank overdraft, bank guarantee and other facilities, a general security arrangement is in place which creates a security interest in all present and future assets of the Group.

4. Dividends

On 22 August 2023, the Company declared a final, fully franked dividend of 2.0c per share relating to FY23. The dividend was paid on 6 October 2023.

On 20 February 2024, the Company declared an interim 2.0c per share, fully franked dividend (2022: 2.0c per share fully franked). The Record Date for this dividend is 15 March 2024 with payment to be made on 12 April 2024.

5. Earnings Per Share

| | 31 Dec 2023 | 31 Dec 2022 |
|--|----------------|----------------|
| Profit attributable to members of the parent entity – \$'000 | 15,265 | 12,424 |
| WANOS used in the calculations of basic EPS (shares) | 520,710,677 | 447,350,424 |
| WANOS used in the calculations of diluted EPS (shares) | 529,766,240 | 453,187,665 |
| Earnings per share | | |
| Basic (cents per share) | 2.9¢ | 2.8¢ |
| Diluted (cents per share) | 2.9¢ | 2.7¢ |

6. Commitments and Contingencies

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, being 30 June 2023.

7. Related Party Information

There have been no new related party transactions since the last annual reporting date, being 30 June 2023, other than share based payments issued to key management personnel as disclosed in Note 8.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

8. Share Based Payments

On 27 October 2023, a total of 10,040,000 performance rights (convertible into one ordinary share per right) were issued to key management personnel and certain employees, subject to the terms of the SRG Global Performance Rights Plan (the "Plan"), which was approved by shareholders at the AGM held on 27 November 2018. Of the approved amount, 505,000 were deemed to be granted as terms and conditions had been agreed. The remaining 9,535,000 performance rights will be deemed to be granted once the relevant terms and conditions of the rights have been agreed between the Company and the relevant parties. The performance rights are subject to the satisfaction of performance hurdles which are based on achieving an increase in the earnings per share and agreed shareholder return targets. The performance rights are also subject to a continuous service requirement.

The following share-based payment arrangements were issued during the 31 December 2023 half-year period:

| Performance rights series | Number | Grant date | Expiry date | Method of valuation | Fair value at grant date (AUD) |
|---------------------------|-----------|------------|-------------|------------------------|--------------------------------|
| Tranche 1i | 62,500 | 15-Aug-23 | 30-Jun-28 | Black-Scholes | 0.65 |
| Tranche 1j | 62,500 | 15-Aug-23 | 30-Jun-28 | Monte Carlo Simulation | 0.33 |
| Tranche 1k | 62,500 | N/A | 30-Jun-28 | N/A | N/A |
| Tranche 1l | 62,500 | N/A | 30-Jun-28 | N/A | N/A |
| Tranche 1m | 190,000 | 15-Aug-23 | 30-Jun-29 | Black-Scholes | 0.65 |
| Tranche 1n | 190,000 | 15-Aug-23 | 30-Jun-29 | Monte Carlo Simulation | 0.33 |
| Tranche 1o | 190,000 | N/A | 30-Jun-29 | N/A | N/A |
| Tranche 1p | 190,000 | N/A | 30-Jun-29 | N/A | N/A |
| Tranche 1q | 190,000 | N/A | 30-Jun-29 | N/A | N/A |
| Tranche 1r | 190,000 | N/A | 30-Jun-29 | N/A | N/A |
| Tranche 1s | 1,400,000 | N/A | 30-Jun-31 | N/A | N/A |
| Tranche 1t | 1,400,000 | N/A | 30-Jun-31 | N/A | N/A |
| Tranche 1u | 1,462,500 | N/A | 30-Jun-31 | N/A | N/A |
| Tranche 1v | 1,462,500 | N/A | 30-Jun-31 | N/A | N/A |
| Tranche 1w | 1,462,500 | N/A | 30-Jun-31 | N/A | N/A |
| Tranche 1x | 1,462,500 | N/A | 30-Jun-31 | N/A | N/A |

The valuation was performed using the Black-Scholes model for Rights that are subject to non-market conditions and for Rights that are subject to an Absolute Shareholder Return (ASR), the Monte Carlo Simulation was utilised:

| Input | Value |
|---|------------|
| Dividend yield (%) | 6.3% |
| Expected volatility (%) | 35% |
| Risk free interest rate (%) | 4% |
| Expected life of performance rights (years) | 1.88 years |
| Rights exercise price (A\$) | - |
| Discount for lack of marketability (%) | 6.3% |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2023

8. Share Based Payments (continued)

Furthermore, on 31 August 2023, a total of 1,860,000 performance rights were exercised and converted into fully paid ordinary shares (see Note 9). These relate to the below share-based payment arrangements:

| Performance rights series | Number | Grant date | Expiry date | Method of valuation | Fair value at grant date (AUD) |
|---------------------------|---------|------------|-------------|------------------------|--------------------------------|
| Tranche 1e | 830,000 | 05-Nov-21 | 30-Jun-26 | Black-Scholes | 0.47 |
| Tranche 1f | 830,000 | 05-Nov-21 | 30-Jun-26 | Monte Carlo Simulation | 0.22 |
| Tranche 2c | 200,000 | 26-Nov-19 | 30-Jun-25 | Black-Scholes | 0.325 |

9. Issued Capital

| Share Capital | 31 Dec 2023 | | 30 Jun 2023 | |
|----------------------------|-------------|---------|-------------|---------|
| | Shares | \$'000 | Shares | \$'000 |
| Ordinary shares fully paid | 521,330,677 | 267,488 | 519,470,677 | 267,488 |

| | Number of shares | Total \$'000 |
|-----------------------------------|------------------|--------------|
| Balance as at 1 July 2023 | 519,470,677 | 267,488 |
| Share based payments (see Note 8) | 1,860,000 | - |
| Balance as at 31 December 2023 | 521,330,677 | 267,488 |

A total of 1,860,000 performance rights were exercised and converted into fully paid ordinary shares on 31 August 2023 under the SRG Global Long Term Incentive Plan (see Note 8).

10. Events Occurring After the Reporting Period

On 20 February 2024, the Company declared an interim 2.0c per share, fully franked dividend (2022: 2.0c per share fully franked). The Record Date for this dividend is 15 March 2024 with payment to be made on 12 April 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the Group's state of affairs in future financial years other than the matters above.

DIRECTORS' DECLARATION

For the Half-Year Ended 31 December 2023

The Directors of the Company declare that:

1. The financial statement and notes set out on pages 8 to 18 are in accordance with the *Corporations Act 2001*, including:
 - a) Complying with Accounting Standards AASB134 *Interim Financial Reporting* and *Corporation Regulations 2001* and other mandatory professional reporting requirements, and
 - b) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
2. There are reasonable grounds to believe that SRG Global Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors, pursuant to s303(5) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'Peter McMorro', written over a horizontal line.

Peter McMorro
Non-Executive Chairman
Perth, 20 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

For the Half-Year Ended 31 December 2023



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Perth WA 6000
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Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of SRG Global Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of SRG Global Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REVIEW REPORT

For the Half-Year Ended 31 December 2023



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd



Phillip Murdoch

Director

Perth, 20 February 2024

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CORPORATE DIRECTORY

For the Half-Year Ended 31 December 2023

Directors

| | |
|------------------------|-----------------|
| Non-Executive Chairman | Peter McMorrow |
| Managing Director | David Macgeorge |
| Executive Director | Roger Lee |
| Non-Executive Director | Kerry Wilson |
| Non-Executive Director | Michael Atkins |
| Non-Executive Director | Amber Banfield |

Company Secretaries

Roger Lee
Judson Lorkin

Registered Office & Principal Place of Business

Level 2, 500 Hay Street
Subiaco WA 6008

Contact Details

| | |
|-----------|-----------------------|
| Telephone | +61 8 9267 5400 |
| Email | info@srgglobal.com.au |
| Website | www.srgglobal.com.au |

ASX Code

SRG

Auditors

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring St
Perth WA 6000

Share Registry

Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth WA 6000

Bankers

| | |
|--|--|
| Commonwealth Bank of Australia 300 Murray Street Perth WA 6000 | National Australia Bank 100 St Georges Terrace Perth WA 6000 |
|--|--|