



AUSGROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No 200413014R)

APPROVAL FOR AN EXTENSION OF TIME TO HOLD ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

The Board of Directors (the "**Board**") of AusGroup Limited (the "**Company**") and collectively with its subsidiaries, the "**Group**") refer to the announcement by the Company on 13 September 2016 in relation to the Company's application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for a waiver to comply with Rule 707(1) of the SGX-ST Listing Manual (the "**Listing Manual**") and an extension of time of two months to hold the annual general meeting (the "**AGM**") for the financial year ended 30 June 2016 ("**FY2016**") on or before 31 December 2016 instead.

The SGX-ST has on 20 September 2016 informed the Company that it has no objection to the Company's application for the said extension subject to the Company making this announcement and the following:

- (a) the Company announcing the period of extension granted, the reasons for seeking the extension of time and conditions as required under Rule 107 of the Listing Manual;
- (b) submission of a written confirmation from the Company that the extension of time does not contravene any laws and regulations governing the Company and the constitution of the Company;
- (c) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and
- (d) the Company convening the annual general meeting by 31 December 2016 subject to approval of the same from the Accounting and Corporate Regulatory Authority ("**ACRA**").

The Company had provided the confirmation under paragraph (b) above to the SGX-ST on 13 September 2016. The Company will be providing the confirmation under paragraph (c) above to the SGX-ST as well.

The Company will be writing in to ACRA under Section 201(1) of the Companies Act (Chapter 50) of Singapore for approval of an extension of time to present its accounts at its AGM. Subject to receipt of such approval from ACRA, the Company will conduct the AGM on or prior to 31 December 2016. The Board will keep shareholders updated on the same.

The Company had applied to the SGX-ST for the waiver for the following reasons:

1. The management and Board of the Company are in the process of engaging another valuer to prepare an independent valuation of the Port Melville assets and the Port & Marine business of the Company, as the management and Board wish to engage another valuer to obtain a more accurate and independent valuation of the Port Melville assets and the Port & Marine business of the Company.
2. The engagement of another independent valuer will provide a more accurate and independent valuation of the carrying value of the Port Melville assets, and ensure that the audited financial statements for FY2016 (the “**Full Year Financial Statements**”) are accurate.
3. The audited Full Year Financial Statements will not be ready in time for the Company to hold its AGM by 31 October 2016. The Company is hence applying for an extension of time to hold its AGM and release the Full Year Financial Statements in order to engage the independent valuer (the “**Independent Valuer**”) to prepare an independent valuation of the carrying value of the Port Melville assets for incorporation into the Full Year Financial Statements.
4. The Company will also require time to prepare, review, proof-read, typeset, print and distribute the annual report (the “**Annual Report**”) and observe the 14-day notice period to its shareholders.
5. As a result of certain recent changed commercial circumstances, the existing valuation by RSM Corporate Advisory Pte Ltd (“**RSM**”) as at 31 May 2016 is no longer true and fair from an accounting perspective for purposes of preparing the Full Year Financial Statements as the valuation by RSM was based on information and figures provided in April/May 2016. These recent changes from April/May 2016 will have a material impact on the valuation where certain businesses and services to be provided as envisaged in the valuation by RSM will vary and additional capacity available arising from these changes will be focused on additional projects that may be secured by the Company based on an uptick in activities in the oil and gas sector in the Northern Territories region.
6. As a result of the above, the value of Port Melville can only be accurately determined for purposes of preparing the Full Year Financial Statements by commissioning a new valuation to take into account these recent changed circumstances.
7. As Port Melville is a major asset of the Company, the valuation of Port Melville will have a significant and material impact on the Company’s audited financials. Effectively, from an accounting perspective, the Company has no numbers to present in its annual report at this point in time as the new valuation is not completed and without this new valuation, the Company is unable to prepare accounts based on the FRS accounting standards.
8. The management and the Board would hence require the extension of time to prepare the audited Full Year Financial Statements so that the valuation of Port Melville will be true and fair, and the Company can then present at the annual general meeting a more accurate and independent value of Port Melville inside the audited Full Year Financial Statements. This would also ensure that the financials presented in the annual report are a more accurate depiction of the financials of the Company for the financial year ended 30 June 2016, and present a more meaningful set of financials to shareholders and other stakeholders.



By Order of the Board
AusGroup Limited

Eng Chiaw Koon
Managing Director
21 September 2016

– Ends –

Issued by AusGroup Limited.

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ABOUT AUSGROUP LIMITED (Bloomberg Ticker: AUSG.SP)

Main board-listed, AusGroup Limited is an energy and resources specialist providing fabrication, precision machining, construction and integrated services to natural resource development companies. The Company also provides access services for construction and maintenance contracts through MAS Australasia Pty Ltd (MAS). AusGroup has an established operations network strategically positioned throughout Australia, Singapore and Thailand. For more information visit www.agc-ausgroup.com