



**SGX/MEDIA RELEASE
For Immediate Release**

Company Registration Number 200413014R
15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316

**Singapore and Australia
14 November 2018**

Response to SGX Query in FY2018 Annual Report

The Board of Directors (the "**Board**") of AusGroup Limited (the "**Company**" or "**Group**") would like to respond to the query from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") regarding the FY2018 Annual Report. The Company sets out below its response to the query.

Question 1

Paragraph 9.4 of the Code of Corporate Governance 2012 (the "Code") states that for transparency, the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S\$50,000. The company need only show the applicable bands.

As recommended by Guideline 9.4 of the Code, please disclose or otherwise explain the reason(s) for the deviation from the following Code.

Company's response

There is no employee of the Group who is an immediate family member of any Director or CEO and whose remuneration exceeded S\$50,000 during the last financial year, FY 2018.

Question 2

Please explain why the "interest charges and rental of accommodation village from Aus Am Pte Ltd a subsidiary of Charisma Energy Services Limited, whereby Ezion Holdings Limited has a 42% interest" amounting to AU\$600K was not included in the Interested Person Transactions section on page 32 of the Annual Report. If this amount is included, will the value of the Interested Person Transactions exceeds 3% of the group's latest audited net tangible assets? Please disclose.

Company's response

On 15 October 2014, Aus Am Pte Ltd ("**Aus Am**") and Ezion Offshore Logistics Hub (Tiwi) Pty. Ltd. ("**EOLHT**") entered into a lease agreement in respect of the accommodation village. At that point in time, EOLHT was a subsidiary of Ezion Holdings Limited ("**Ezion**"). Aus Am was not a subsidiary of Charisma Energy Services Limited and was not related to the Company.

Subsequently, on 7 November 2014, following the acquisition of EOLHT by the Company from Ezion, which was approved by shareholders of the Company as an interested person transaction at an extraordinary general meeting held on 29 October 2014, EOLHT became a subsidiary of the Company. As a result, Aus Am, an associate of Ezion, would be deemed an "interested person" for the purposes of Chapter 9 of the Listing Manual.

The interest charges and rental of accommodation village from Aus Am amounting to AU\$600,000 was not included in the Interested Person Transactions section on page 32 of the Annual Report as the agreement for the provision of the said accommodation services was entered into between Aus Am and EOLHT before such a transaction became an interested person transaction for the purposes of Chapter 9 of the Listing Manual.



**SGX/MEDIA RELEASE
For Immediate Release**

Company Registration Number 200413014R
15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316

Although the interest charges and rental of accommodation village from Aus Am was not included in the Interested Person Transactions section on page 32 of the Annual Report, it was included in the Related Party Transactions section on page 95 of the Annual Report.

By Order of the Board

Eng Chiaw Koon

Ends

Issued by AusGroup Limited.

For more information, please contact Romil Singh
T +65 6438 2990 | F +65 6438 0064 | E romil@financialpr.com.sg

For further information in Australia, please contact Christian Johnstone
T +61 8 6210 4500 E christian.johnstone@ausgrouppltd.com

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 Australasia. For more information visit www.ausgrouppltd.com