

**SGX/MEDIA RELEASE  
For Immediate Release**

Company Registration Number 200413014R  
438B Alexandra Road #05-08/10 Alexandra Technopark,  
Singapore 119968

**Singapore and Australia**  
24 November 2020

## Response to SGX Queries on Q1 FY2021 Preliminary 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 Q1 FY2021 Quarterly Preliminary Report. The Company sets out below its response to the query.

### Question 1

*We refer to the financial statements for the first quarter ended 30 September 2020 announced on 12 November 2020. We noted in the consolidated statement of comprehensive income that "Other operating costs" increased in this quarter despite a drop in revenue and the cost reduction measures undertaken by the Company due to COVID-19. Please provide a breakdown of the significant items and its comparative figure in a tabular format and elaborate on the increase in material items.*

### Company's response

Other operating costs for Q1 FY2021 have increased by 24.7% since the comparative quarter of Q1 FY2020. The table below details the most significant items with accompanying commentary.

Item	Q1 FY2021	Q1 FY2020	Variance	Commentary
Bad debts	187,806	0	187,806	Impairment of receivables
Consultancy	22,991	18,700	4,291	no material variance
Depreciation	338,218	358,734	(20,516)	annual depreciation movement
Office costs	320,102	315,832	4,270	no material variance
Staff	1,041,254	839,720	201,534	Costs of retaining key operational staff during COVID-19
<b>Grand Total</b>	<b>1,910,371</b>	<b>1,532,986</b>	<b>377,385</b>	

### Question 2

*We note that the Company has not made its periodic announcement under Listing Rule 706A for its Q1 FY2021 period. Please confirm whether the Company has made any acquisitions or sales that would fall under Listing Rule 706A.*

### Company's response to question 2

The Company has made no acquisitions or sales in the quarter (Q1 FY2021) that would fall under the Listing Rule 706A, however the Company disclosed under 1 (d) (v) of the Q1 FY2021 Preliminary Report and also in the SGX General Announcement dated 31 August 2020 of the de-registration of the dormant subsidiary, Teras Australia Pty Limited relating to the cancellation and/or use of the subsidiary holding as at the end of the current financial period reported on, being the quarter, Q1 FY2021.

By Order of the Board

Shane Francis Kimpton  
Managing Director  
24 November 2020

**Ends**

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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 Australasia. For more information visit [www.ausgrouppltd.com](http://www.ausgrouppltd.com)