
Announcement pursuant to rule 703(1)(a) of the Listing Manual – Non-Cash Impairment of Carrying Value of NT Port and Marine cash generating unit

Pursuant to Rule 703(1)(a) of the Listing Manual, the Board of Directors (the “Board”) of AusGroup Limited (the “Company”) together with its subsidiaries (the “Group”) wishes to announce that further to the fourth quarter FY2020 results announced on 28 August 2020, the Company has recognised a non-cash impairment of AUD\$50 million on the carrying value of the NT Port and Marine cash generating unit which will form part of the final financial results to 30 June 2020 which are expected to be released to SGX before the end of September 2020.

The impact of the COVID-19 pandemic has increased pricing volatility in the oil and gas commodity markets and this uncertainty has led to delays in the development of an oil and gas field that is expected to be serviced by the NT Port and Marine business. The COVID-19 pandemic has also led to the temporary cessation of forestry exports from the Tiwi Islands, which further impacted the performance of the NT Port and Marine business.

The timeframe for full recovery from the effects caused by the COVID-19 pandemic is currently uncertain. The impact of these factors on the analysis of the recoverable amount over the near term for the NT Port and Marine business has resulted in this non-cash impairment.

By Order of the Board
AusGroup Limited

Shane Francis Kimpton
Managing Director
23 September 2020