

SGX RELEASE
For Immediate Release

Company Registration Number 200413014R
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Singapore and Australia
9 August 2022

Profit guidance for the full year ended 30 June 2022 and update of RSM Corporate Advisory Pte Ltd engagement

Profit Guidance

The Board of Directors (the "Board") of AusGroup Limited (the "Company", together with its subsidiaries, the "Group") wishes to announce that following a preliminary review of the unaudited financial results, the Group is expected to report a loss for the year ended 30 June 2022. The expected loss is mainly due to outstanding claim positions from one client on one challenging construction contract, the East Rockingham waste to energy project in Western Australia, which is nearing completion.

Whilst the project is ongoing and the final outcome of outstanding claims is subject to ongoing discussions with the client, these discussions have escalated with senior management from the client over the previous months. The amount recovered to date from the client has led to the recognition of a loss on this contract as at 30 June 2022. AusGroup is actively pursuing all claims and is investigating all options to achieve a satisfactory outcome on this contract. Any future settlement of these claims will result in cash inflows to the Group.

In addition, the Group's NT Port and Marine business, as previously reported in the results to 31 March 2022, continues to be loss making.

As announced on 28 July 2022, the Group has entered into a sale and leaseback transaction which will generate AU\$13.3m for working capital purposes. As at 30 June 2022 the Group's cash balance was AU\$6.2m.

Further details of the Group's financial performance will be disclosed when the Company announces its full year results.

Update of RSM Corporate Advisory Pte Ltd Engagement

Further to the announcement on 7 March 2022 in which the Group appointed RSM Corporate Advisory Pte Ltd to undertake a strategic investor search process, the Group advises that whilst several parties were interested, to date the Group could not finalise investment terms with any of these parties.

Cautionary Statement

Shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the shares and securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares and securities of the Company.

By Order of the Board

AusGroup Limited

Shane Francis Kimpton
Managing Director
9 August 2022

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 Australasia. For more information visit www.ausgrouppltd.com