Site

ASX RELEASE

30 October 2020

Appendix 4C Quarterly Report

The Directors of Site Group International Limited ("Site", ASX:SIT) have released the Appendix 4C quarterly cash flow for the quarter ended 30 September 2020.

The results for the quarter saw revenues of $6.3m with an EBITDA of $0.3m. The cash position of Site at the end of the September was $0.84m with undrawn facilities of $0.71m. Operating cash for the quarter was a net outflow of $0.3m. The group successfully raised $0.32m in the quarter via the Share Purchase Plan completed in early July.

Authorised for release by the Board.

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Media and Investors

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About Site

Site Group International Limited ("Site") operates several businesses specialising in the delivery of education, training and labour services. Services are delivered to government, corporate and individual clients, predominately operating in energy, mining, construction, oil and gas and industrial sectors.

Site Group International Limited is an emerging company with a strategic business model pursuing earnings-accretive growth based on previous acquisitions along with organic growth.

Wild Geese International

Site operate a Perth based specialist Oil and Gas Competency Development and Design consultancy business unit, out of Perth, and had been operating for ~15 years prior to joining Site.

An Australian Registered Training Organisation, Wild Geese have integrated in to Site's broader national and international service capability.

Site Skills Training

An Australian Registered Training Organisation, Site Skills Training delivers Accredited and Non-Accredited High-Risk Licence, Health and Safety and industry programs extensively throughout Australia and internationally. Site deliver ~25,000 short course programs in Australia each year including delivery of Apprenticeships and Traineeships, and VET in Schools programs.

Site Institute

Site Institute is an Australian Registered Training Organisation and International CRICOS education provider specialising in engineering, trade and business qualifications. Site Institute has students studying from more than 25 countries including Brazil, China, Colombia, France, Germany, Hong Kong, Italy, Nepal, Taiwan UK and Zimbabwe.

Site Online

Site established an online learning, learning software and platform development business. Site Online services and hosts Site's learning, student and competency management systems across its businesses, develops online learning programs, and converts existing learning content in to online programs.

Site Online is also established to service requirements of clients including those of other business units.

Site Group International Pte Ltd

The Site Group International business division builds immersive training environments for the purposes of undertaking competency development, specifically the Engineering, Procurement, Construction and Commissioning of Safe Live Process Plant environments.

SGI is based in Singapore and Malaysia and services predominately oil and gas industry clients throughout the world, utilising industry best practice and international standards for the development of competency frameworks and implementation of training programs.

TESOL Asia

TESOL Asia is a training and industry focussed organisation for Teachers in the English as a Second Language (ESL) sector. It provides access to training, consulting, industry conferences and academic journals around the world.

Teaching English to Speakers of Other Languages (TESOL) focusses on bringing English language acquisition academics together with professional teachers to support and develop the industry globally.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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Name of entity	
Site Group International Limited	
ABN	**Quarter ended ("current quarter")**
73 003 201 910	30 September 2020

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (..3...months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	4,979	4,979
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs		
	(c) advertising and marketing	(162)	(162)
	(d) leased assets		
	(e) staff costs	(2,470)	(2,470)
	(f) administration and corporate costs	(3,160)	(3,160)
1.3	Dividends received (see note 3)		
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	(298)	(298)
1.6	Income taxes paid	(10)	(10)
1.7	Government grants and tax incentives	778	778
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(335)**	**(335)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(245)	(245)
	(d) investments	-	-
	(e) intellectual property	(77)	(77)
	(f) other non-current assets		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (..3...months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	28	28
	(d) investments	199	199
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (cash securing bank guarantees)	4	4
2.6	**Net cash from / (used in) investing activities**	**(91)**	**(91)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	323	323
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Repayment of principle on lease liabilities)	(285)	(285)
3.10	**Net cash from / (used in) financing activities**	**38**	**38**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,247	1,247
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(335)	(335)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(91)	(91)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (..3...months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	38	38
4.5	Effect of movement in exchange rates on cash held	(23)	(23)
4.6	**Cash and cash equivalents at end of period**	**836**	**836**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	836	1,247
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**836**	**1,247**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	116
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	7,610	6,901
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	7,610	6,901

7.5	**Unused financing facilities available at quarter end**	709

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

- On 21 June 2018, the Company announced a financing facility of $US4 million with Punta Properties a company associated with Non-Executive Director Nicasio Alcantara. Repayment of fund drawn will be via cash or equity to be issued at 4 cents per share subject to the approval of shareholders. Interest charged will be at a fixed rate of 10% per annum.
- On 31 December 2019 the Company announced a funding agreement with Lucerne Investment Partners for $A15 million with an initial drawdown of $2 million on 31 December 2019. On 27 March 2020 the Company announced that due to market circumstances and and the COVID-19 further drawdowns have ceased and the facility is suspended until market conditions become clearer. The existing $2 million facility remains in place. Interest charged will be 9.5% per annum

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(335)
8.2	Cash and cash equivalents at quarter end (item 4.6)	836
8.3	Unused finance facilities available at quarter end (item 7.5)	709
8.4	Total available funding (item 8.2 + item 8.3)	1,545
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	4.61

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

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8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2020.....

Authorised by: ..By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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