



APPENDIX 4D & HALF-YEAR REPORT

FOR THE HALF-YEAR ENDING 31 DECEMBER 2020
ABN: 81 104 662 259

For personal use only



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Appendix 4D Information for ASX

For the Half-Year Ending 31 December 2020

The following information is provided to ASX in accordance with Listing Rule 4.2A.3. This information should be read in conjunction with SRG Global Limited's Financial Report for the half-year ending 31 December 2020 as contained herein.

Name of entity

SRG Global Limited ('Company'; 'Group' or 'SRG Global'), ABN 81 104 662 259

Details of reporting period

	6-month period ended
Reporting period	31 December 2020
Previous corresponding period	31 December 2019

Results for announcement to the market

For the six months ending 31 December

			2020 \$000's	2019 \$000's
Revenue from ordinary activities	Up	6	283,299	267,093
EBITDA	Up	46	20,503	14,091
EBIT(A) ⁽¹⁾	Up	67	9,437	5,648
Profit before tax	Up	215	6,062	1,923
Profit from ordinary activities after tax attributable to members	Up	1	3,572	3,537
Net profit for the period attributable to members	Up	1	3,572	3,537
Earnings per share (basic)	Up	1	0.8¢	0.8¢
Net tangible assets per security (basic)	Down	6	21.2¢	22.6¢

⁽¹⁾ Earnings before interest, tax and amortisation of customer contracts

Dividends & distributions

	Amount per security	Franked Amount per security
Reporting period		
Interim dividend for the six months ending 31 December 2020	1.0¢	1.0¢
Previous corresponding period		
Interim dividend for the six months ending 31 December 2019	0.5¢	0.5¢

Dividend reinvestment plan

SRG Global does not have a dividend reinvestment plan.

Half-year information given to ASX under listing rule 4.2A.3

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report for the year ending 30 June 2020 and any public announcements made during the reporting period by the Company in accordance with the continuous disclosure requirements of the ASX Listing Rules and the *Corporations Act 2001*.

Directors' Report

For the Half-Year Ending 31 December 2020

The Directors submit their report for the half-year ending 31 December 2020 for the Group, consisting of SRG Global Limited and its controlled entities.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Non-Executive Chairman	Peter McMorrow
Managing Director	David Macgeorge
Non-Executive Director	Peter Brecht
Non-Executive Director	Michael Atkins

Company Secretaries

The names of the Company Secretaries in office during the half-year and until the date of this report are set out below. Company Secretaries were in office for the entire period unless otherwise stated.

Roger Lee
Paul Hegarty (Resigned 21 August 2020)

Principal Activities

During the half-year, the principal continuing activities of the consolidated entity consisted of delivering a suite of engineering-led specialist asset services, mining services and construction services across the entire asset lifecycle.

Review of Operations

Asset Services Segment

The Asset Services segment involve Specialist Maintenance and Access Solutions. Specialist Maintenance includes highly skilled specialist maintenance services focussing on refractory, oil & gas, industrial assets and transport and marine infrastructure. Access Solutions includes comprehensive structural and technical access solutions targeting the mining and resources, oil & gas, offshore marine and industrial locations. Contracts are typically long term in nature.

For the six months ending 31 December 2020 the Asset Services segment generated revenues of \$85.9m, an increase of 12.5% on the previous corresponding period. EBITDA for the six-month period was \$10.2m, an increase of 6.0% on the previous corresponding period.

Mining Services Segment

The Mining Services segment involve Production Drill & Blast and Specialist Geotech. Production Drill & Blast includes an integrated range of complementary production drill & blast services working across multiple commodities including gold, precious metals and iron ore. Specialist Geotech includes highly technical specialist ground and slope stabilisation services for all mining services applications. Contracts are typically long term in nature.

For the six months ending 31 December 2020 the Mining Services segment generated revenues of \$42.9m, an increase of 25.4% on the previous corresponding period. EBITDA for the six-month period was \$9.9m, an increase of 49.0% on the previous corresponding period.

Construction Segment

The Construction segment involve Civil & Engineering and Specialist Building. Civil & Engineering includes specialist engineering, post-tensioning and construction services for complex structures in key markets including dams, bridges, windfarms and tanks. Specialist Building includes specialist facade and structural construction and remediation services with repeat, tier one clients across multiple sectors. Contracts are typically medium term in nature.

Directors' Report

For the Half-Year Ending 31 December 2020

For the six months ending 31 December 2020 the Construction segment generated revenues of \$154.4m, a decrease of 1.3% on the previous corresponding period. EBITDA for the six-month period was \$7.4m, an increase of 39.7% on the previous corresponding period.

Matters subsequent to the end of the half-year financial results

On 4 February 2021, the Group secured two term contracts totalling \$45m with GFG Liberty OneSteel ('Liberty') and Pit N Portal Mining Services Pty Ltd ('Pit N Portal'). The term contract with Liberty is for the provision of engineered access solutions for a five-year period comprising an initial three-year term with the option for a further two years. The term contract with Pit N Portal is for an initial 12-month period to provide specialist production drill and blast services and explosives supply at RED 5 Limited's Great Western gold mine in Western Australia. Both contracts are expected to commence immediately.

On 16 February 2021, the Company secured a \$150m multi-disciplinary services contract with Fortescue Metals Group ('FMG'). The scope of services includes maintenance and shutdown services, rope access and electrical maintenance requirements across FMG's mine, rail and port locations throughout Western Australia. The contract is for a duration of five years with contract services commencing immediately.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the Group's state of affairs in future financial years other than the matters above.

Dividends

On Tuesday, 23 February 2021 the Company declared an interim one cent per share, fully franked dividend (2019: half a cent per share fully franked). The Record Date for this dividend is Wednesday, 10 March 2021 with payment to be made on Wednesday, 28 April 2021.

Auditors' Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set on the next page and forms part of the Directors' Report for the half-year ending 31 December 2020.

Rounding

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials / Directors' Reports) Instrument 2016/91*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the interim financial report are rounded off to the nearest thousand dollars (\$'000), unless otherwise indicated.

This report is made in accordance with a resolution of the directors, pursuant to Section 306(3) of the *Corporations Act 2001*.



Peter McMorro
Non-Executive Chairman
Perth, 23 February 2021

Auditors' Independence Declaration

For the Half-Year Ending 31 December 2020



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF SRG GLOBAL LIMITED

As lead auditor for the review of SRG Global Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of SRG Global Limited and the entities it controlled during the period.



Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 23 February 2021

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the Half-Year Ending 31 December 2020

	Note	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Revenue		283,299	267,093
Other Income		558	1,338
Construction and servicing costs		(146,162)	(128,456)
Employee benefits expense		(106,935)	(110,865)
Depreciation expense		(11,066)	(8,443)
Amortisation expense		(2,007)	(2,540)
Other expenses		(10,251)	(15,020)
Finance expenses		(1,368)	(1,184)
Share of net profits of joint ventures accounted for using the equity method		(6)	-
Profit before tax		6,062	1,923
Income tax (expense)/benefit		(2,490)	1,614
Profit after tax for the period		3,572	3,537
Other comprehensive income			
Exchange differences arising on translation of foreign operations		247	(86)
Total comprehensive income for the period, net of tax		3,819	3,451
		2020	2019
Earnings per share attributable to members of the parent entity			
Basic earnings per share (cents per share)	5	0.8	0.8
Diluted earnings per share (cents per share)	5	0.8	0.8

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at Half-Year Ending 31 December 2020

	Note	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current assets			
Cash and cash equivalents		40,320	28,106
Trade and other receivables		78,536	87,449
Contract assets		30,699	41,275
Inventories		17,349	15,568
Prepayments		7,218	4,092
Derivative financial instrument		-	86
Investments accounted for using the equity method		119	140
Total current assets		174,241	176,716
Non-current assets			
Property, plant and equipment		79,155	79,255
Right of use assets		23,131	25,972
Intangible assets		105,265	107,250
Deferred tax assets		32,253	33,668
Total non-current assets		239,804	246,145
Total assets		414,045	422,861
Current liabilities			
Trade and other payables		82,738	88,609
Contract liabilities		17,419	15,886
Borrowings	3	14,567	12,714
Right of use liabilities		4,969	8,412
Tax liabilities		2,268	2,477
Provisions		22,376	24,516
Derivative financial instrument		562	-
Total current liabilities		144,899	152,614
Non-current liabilities			
Borrowings	3	20,426	23,857
Right of use liabilities		19,074	18,324
Provisions		6,559	6,638
Total non-current liabilities		46,059	48,819
Total liabilities		190,958	201,433
Net assets		223,087	221,428
Equity			
Contributed equity		218,096	218,096
Reserves		8,457	8,141
Retained earnings		(3,466)	(4,809)
Total equity		223,087	221,428

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Half-Year Ending 31 December 2020

	Share Capital Ordinary \$'000	Reverse Acquisition Reserve \$'000	Total Issued Capital \$'000	Retained Earnings \$'000	Share Based Payments Reserve \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Total Equity \$'000
Balance at 1 July 2020	306,576	(88,480)	218,096	(4,809)	8,570	-	(429)	221,428
Profit for the period	-	-	-	3,572	-	-	-	3,572
Other comprehensive income	-	-	-	-	-	-	247	247
Total comprehensive income	-	-	-	3,572	-	-	247	3,819
Transactions with owners in their capacities as owners								
Issue of ordinary shares, net of transaction costs	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	69	-	-	69
Dividends paid	-	-	-	(2,229)	-	-	-	(2,229)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Balance at 31 December 2020	306,576	(88,480)	218,096	(3,466)	8,639	-	(182)	223,087
Balance at 1 July 2019	304,376	(88,480)	215,896	28,628	8,235	682	(713)	252,728
Profit for the period	-	-	-	3,537	-	-	-	3,537
Other comprehensive income	-	-	-	-	-	-	(86)	(86)
Total comprehensive income	-	-	-	3,537	-	-	(86)	3,451
Transactions with owners in their capacities as owners								
Issue of ordinary shares, net of transaction costs	2,200	-	2,200	-	-	-	-	2,200
Share based payments	-	-	-	-	28	-	-	28
Dividends paid	-	-	-	(2,203)	-	-	-	(2,203)
Fair value of consideration on acquisition of subsidiaries	-	-	-	682	-	(682)	-	-
Balance at 31 December 2019	306,576	(88,480)	218,096	30,644	8,263	-	(799)	256,204

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Half-Year Ending 31 December 2020

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Receipts from customers	335,736	281,543
Interest received	6	63
Payments to suppliers and employees	(303,718)	(291,779)
Interest paid	(1,374)	(1,247)
Income tax (paid)	(1,284)	(1,191)
Cash inflow / (outflow) from operating activities	29,366	(12,611)
Payments for property, plant and equipment	(6,987)	(7,650)
Proceeds from sale of property, plant and equipment	531	1,668
Cash (outflow) from investing activities	(6,456)	(5,982)
Proceeds from borrowings	11,366	30,179
Repayment of borrowings	(17,157)	(34,142)
Payment of dividends	(4,458)	(2,202)
Cash (outflow) from financing activities	(10,249)	(6,165)
Net cash increase / (decrease) in cash and cash equivalents	12,661	(24,758)
Effect of exchange rates on cash and cash equivalents in foreign currency	(447)	29
Cash and cash equivalents at the beginning of financial period	28,106	58,280
Cash and cash equivalents at the end of the financial period	40,320	33,551

The above statement should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Report

For the Half-Year Ending 31 December 2020

1. Basis of Preparation of Half-Year Financial Report

This general purpose financial report for the interim half-year reporting period ending 31 December 2020 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in annual financial report. Accordingly, these statements should be read in conjunction with the most recent annual financial reports.

The consolidated financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Costs is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise indicated. The carrying amount of all financial assets and financial liabilities are not materially different to their fair value.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Company's 2020 annual financial report for the financial year ending 30 June 2020, other than those stated below.

Comparative Information

The comparative balances for the half-year ending 31 December 2020 relating to a number of joint arrangements the Group have entered into have been restated to proportionately consolidate the financial position and profit or loss and other comprehensive income of these arrangements in accordance with AASB 11 *Joint Arrangements*. Previously, the Group had been applying the equity accounting method in recognising these arrangements.

The change arises because of a reassessment of the joint arrangements to determine if joint control is present.

As a result of the change to the comparatives:

- No change to the net profit for the half-year ending.
- No change to the net asset position.
- Revenue for the half year ending 31 December 2019 has increased by \$7.928 million with a corresponding increase in Construction and servicing costs of \$6.824 million.
- Share of net profits of joint ventures accounted for using the equity method has decreased by \$1.104 million.
- Investments accounted for using the equity method of \$4.478 million has been reclassified into Trade and Other Receivables as at 30 June 2020.
- Cashflow from operating activities for the half-year ending 31 December 2019 has decreased by \$2.253 million with a corresponding increase in Cashflow from investing activities.

The effect of the change was not considered to be material with respect to AASB108: Accounting Policies, Changes in Accounting Estimates and Errors.

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials / Directors' Reports) Instrument 2016/91*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the interim financial report are rounded off to the nearest thousand dollars (\$'000), unless otherwise indicated.

Notes to the Consolidated Financial Report

For the Half-Year Ending 31 December 2020

2. Segment Information

Description of segments

Management has determined that strategic decision making is facilitated and enhanced by evaluation of operations on the customer segments of Asset Services, Mining Services and Construction. For each of the strategic operating segments, the Managing Director reviews internal management reports on a regular basis.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations have inherently different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

The following summary describes the operations in each of the Group's reportable segments:

Asset Services segment

The Asset Services segment involve Specialist Maintenance and Access Solutions. Specialist Maintenance includes highly skilled specialist maintenance services focussing on refractory, oil & gas, industrial assets and transport and marine infrastructure. Access Solutions includes comprehensive structural and technical access solutions targeting the mining and resources, oil & gas, offshore marine and industrial locations. Contracts are typically long term in nature.

Mining Services segment

The Mining Services segment involve Production Drill & Blast and Specialist Geotech. Production Drill & Blast includes an integrated range of complementary production drill & blast services working across multiple commodities including gold, precious metals and iron ore. Specialist Geotech includes highly technical specialist ground and slope stabilisation services for all mining services applications. Contracts are typically long term in nature.

Construction segment

The Construction segment involve Civil & Engineering and Specialist Building. Civil & Engineering includes specialist engineering, post-tensioning and construction services for complex structures in key markets including dams, bridges, windfarms and tanks. Specialist Building includes specialist facade and structural construction and remediation services with repeat, tier one clients across multiple sectors. Contracts are typically medium term in nature.

The Managing Director assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement excludes certain non-recurring expenditures which are of an isolated nature such as equity settled share-based payments and corporate activities pertaining to the overall Group including the treasury function which manages the cash and funding arrangements of the Group.

Notes to the Consolidated Financial Report

For the Half-Year Ending 31 December 2020

Segment information provided to the Managing Director for the half-year ending 31 December 2020 is set out below:

Segment Revenues and Results

	Asset Services \$'000	Mining Services \$'000	Construction \$'000	Corporate \$'000	Total \$'000
31 December 2020					
Construction Revenue	-	-	154,446	-	154,446
Services Revenue	85,923	42,930	-	-	128,853
Revenue	85,923	42,930	154,446	-	283,299
EBITDA	10,237	9,899	7,350	(6,977)	20,509
Depreciation	(3,292)	(3,470)	(3,328)	(976)	(11,066)
Amortisation	(1,794)	-	(213)	-	(2,007)
Finance costs	(247)	(262)	(273)	(586)	(1,368)
Equity accounted investment results	-	-	(6)	-	(6)
Profit before income tax	4,904	6,167	3,530	(8,539)	6,062
Income tax (expense)					(2,490)
Profit after income tax					3,572

31 December 2019

Construction Revenue	-	-	156,486	-	156,486
Services Revenue	76,380	34,227	-	-	110,607
Revenue	76,380	34,227	156,486	-	267,093
EBITDA	9,654	6,644	5,261	(7,468)	14,091
Depreciation	(2,731)	(2,548)	(2,276)	(889)	(8,444)
Amortisation	(1,796)	-	(744)	-	(2,540)
Finance costs	(207)	(287)	(167)	(523)	(1,184)
Equity accounted investment results	-	-	-	-	-
Profit before income tax	4,920	3,809	2,074	(8,880)	1,923
Income tax benefit					1,614
Profit after income tax					3,537

Segment Assets and Liabilities

	Asset Services \$'000	Mining Services \$'000	Construction \$'000	Corporate \$'000	Total \$'000
31 December 2020					
Segment assets	131,720	48,632	184,904	48,789	414,045
Segment liabilities	48,522	23,668	96,517	22,251	190,958
30 June 2020					
Segment assets	127,594	48,920	189,748	56,599	422,861
Segment liabilities	50,653	29,544	93,125	28,111	201,433

Notes to the Consolidated Financial Report

For the Half-Year Ending 31 December 2020

3. Loans and borrowings

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current		
Secured borrowings	14,567	12,714
	14,567	12,714
Non-current		
Secured borrowings	20,426	23,857
	20,426	23,857
Total loans and borrowings	34,993	36,571
The Group has access to the following lines of credit:		
Total facilities available		
Bank overdraft	1,500	1,500
Hire purchase facility	50,000	40,000
Other facilities	51,972	53,003
Bank guarantee facility	20,000	20,000
Surety bond facility	134,644	178,402
	258,116	292,905
Facilities used at the end of the period:		
Bank overdraft	-	-
Hire purchase facility	23,521	26,067
Other facilities	11,542	10,503
Bank guarantee facility	10,346	14,550
Surety bond facility	64,945	70,543
	110,354	121,663
Facilities not used at the end of the period:		
Bank overdraft	1,500	1,500
Hire purchase facility	26,479	13,933
Other facilities	40,430	42,500
Bank guarantee facility	9,654	5,450
Surety bond facility	69,699	107,859
	147,762	171,242

For bank overdraft, bank guarantee and other facilities, a general security arrangement is in place which creates a security interest in all present and future assets of the Group.

Notes to the Consolidated Financial Report

For the Half-Year Ending 31 December 2020

4. Dividends

On Tuesday, 23 February 2021 The Company declared an interim one cent per share fully franked dividend (2019: half a cent fully franked). The Record Date for this dividend is Wednesday, 10 March 2021 with payment to be made on Wednesday, 28 April 2021.

5. Earnings Per Share

	31 Dec 2020	31 Dec 2019
Profit attributable to members of the parent entity – \$'000	3,572	3,537
WANOS used in the calculations of basic EPS (shares)	445,796,415	443,018,018
WANOS used in the calculations of diluted EPS (shares)	451,496,415	443,018,018
Earnings per share		
Basic (cents per share)	0.8¢	0.8¢
Diluted (cents per share)	0.8¢	0.8¢

6. Contingencies

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, being 30 June 2020.

7. Events occurring after the reporting period

On 4 February 2021, the Group secured two term contracts totalling \$45m with GFG Liberty OneSteel ('Liberty') and Pit N Portal Mining Services Pty Ltd ('Pit N Portal'). The term contract with Liberty is for the provision of engineered access solutions for a five-year period comprising an initial three-year term with the option for a further two years. The term contract with Pit N Portal is for an initial 12-month period to provide specialist production drill and blast services and explosives supply at RED 5 Limited's Great Western gold mine in Western Australia. Both contracts are expected to commence immediately.

On 16 February 2021, the Company secured a \$150m multi-disciplinary services contract with Fortescue Metals Group ('FMG'). The scope of services includes maintenance and shutdown services, rope access and electrical maintenance requirements across FMG's mine, rail and port locations throughout Western Australia. The contract is for a duration of five years with contract services commencing immediately.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the Group's state of affairs in future financial years other than the matters above.

Directors' Declaration

For the Half-Year Ending 31 December 2020

The Directors of the Company declare that:

1. The financial statement and notes set out on pages 7 to 15 are in accordance with the *Corporations Act 2001*, including:
 - a) Complying with Accounting Standards AASB134 *Interim Financial Reporting* and *Corporation Regulations 2001* and other mandatory professional reporting requirements, and
 - b) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ending on that date; and
2. There are reasonable grounds to believe that SRG Global Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors, pursuant to s303(5) of the *Corporations Act 2001*.



Peter McMorro
Non-Executive Chairman
Perth, 23 February 2021

Independent Auditor's Review Report

For the Half-Year Ending 31 December 2020



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of SRG Global Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of SRG Global Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Independent Auditor's Review Report

For the Half-Year Ending 31 December 2020



Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO


Phillip Murdoch

Director

Perth, 23 February 2021

Corporate Directory

For the Half-Year Ending 31 December 2020

Directors

Non-Executive Chairman	Peter McMorrow
Managing Director	David Macgeorge
Non-Executive Director	Peter Brecht
Non-Executive Director	Michael Atkins

Company Secretary

Roger Lee

Registered Office & Principal Place of Business

Level 1, 338 Barker Road
Subiaco WA 6008

Contact Details

Telephone	+61 8 9267 5400
Email	info@srgglobal.com.au
Website	www.srgglobal.com.au

ASX Code

SRG

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Bankers

Commonwealth Bank of Australia	National Australia Bank
300 Murray Street	100 St Georges Terrace
Perth WA 6000	Perth WA 6000