

For personal use only

Interim Consolidated Financial Statements

For the half-year ended 31 December 2025

Registered Office & Principal Place of Business	c/- DW Corporate Pty Ltd Suite 3, Level 1 17 Ord Street West Perth, WA 6005	Ph: (08) 9 389 2111
Postal Address	c/- DW Corporate Pty Ltd PO Box 1153 West Perth, WA 6872	
Company website	www.mcsservices.com.au	
Share Registry	Automic Registry Services, Level 5, 191 St George's Terrace, Perth, WA, 6000	www.automic.com.au (08) 9 324 2099 1300 288 664 (61) 2 9698 5414
Securities Exchange	Australian Securities Exchange	Ticker 'MSG'
Investor Queries	investors@mcsservices.com.au	
Bankers	National Australia Bank, 197 St Georges Terrace, Perth,WA, 6000	
Legal	Steinepreis Paganin Level 14, 250 St Georges Terrace Perth, WA, 6000	Ashurst Australia Level 10, 123 St Georges Terrace Perth, WA, 6000
Auditor	Stantons International Audit & Consulting Pty Ltd, Level 2, 40 Kings Park Road, West Perth, WA, 6005	
Board of Directors	The Hon Robert Charles Kucera APM JP Mr Paul Simmons Mr Geoff Martin	Non-Executive Chairman Non-Executive Director Non-Executive Director
Company Secretary	Mr Dennis Wilkins DW Corporate Pty Ltd	

For personal use only

Description Page

Directors' Report	4
Auditor's Independence Declaration	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Condensed Notes to Consolidated Financial Statements	13
Directors' declaration	21
Independent Auditor's Review Report	22

For personal use only

Your directors present their report, together with the financial report on MCS Services Limited (Company) and its subsidiary ("the Group" or "Consolidated Entity") for the half-year ended 31 December 2025 ("Period" or "half-year").

Directors

The names of Directors who held office during or since the end of the Period are set out below. Directors were in office for this entire period except where stated:

The Hon RC (Bob) Kucera APM JP	Non-Executive Chairman
Mr Geoffrey Martin	Non-Executive Director
Mr Paul Simmons	Non-Executive Director

Company Secretary

The Company Secretary, Mr Dennis Wilkins, held office throughout the Period.

Operating Results

The Group recorded:

- profit before interest, tax, depreciation and amortisation (EBITDA) of \$63,711 (loss of \$499,825 in the prior corresponding period) before significant items;
- a net loss after tax of \$215,101 (net loss after tax of \$786,835 in the prior corresponding period)

Operational Overview

The Group specialises in the traffic management sector in Western Australia.

During the Period the Company added a number of smaller contracts in the Traffic Business and continued with a phased replacement of its operational vehicle fleet to maintain operational effectiveness.

Corporate Overview

During the Period:

- the Board considered opportunities to retain shareholder value having regard to the limited scale, profitability and opportunities of its subsidiary Highways Traffic Pty Ltd ("Highways Traffic"), including considering a sale of the Highways Traffic business.
- Using an externally coordinated sale process, the Company received interest from a number of parties interested in making an acquisition. Having regard to price and other factors, the Board considered the proposal from Altus Traffic Pty Ltd (ACN 102 768 061) ("Altus Traffic") to be acceptable.
- As announced to shareholders on 25 November 2025 and 26 February 2026, the Company agreed to sell the business of Highways Traffic to Altus Traffic, subject to shareholder approval. A summary of the key terms of the New Agreement (defined below) is included in the announcement to shareholders of 26 February 2026.
- The Company and its advisors have commenced preparation of the necessary Notice of General Meeting to be issued to shareholders.

Capital

During the Period the following shares and options were issued, bought back or expired.

Directors' Report

MCS

	31 Dec 2025 Number	31 Dec 2024 Number
Ordinary shares: Movement in Period:		
Exercise of options	-	-
Exercise of Performance Rights	-	-
Share buyback	-	-
	-	-
Unlisted options: Movement in Period:		
Issued	-	-
Exercised	-	-
Expired	(12,000,000)	-
	(12,000,000)	-
Performance Rights: Movement in Period:		
Exercised	-	-
Issued	-	-
	-	-

During the Period:

- 12,000,000 6 cent unlisted options, issued to the then Directors and Company Secretary in November 2022 as incentives, expired unexercised
- as announced on 28th November 2025, the Company's shareholders approved at the Annual General Meeting for the continuation of a 10% placement capacity over the following 12 months.

The Company had the following securities on issue at the date of this report:

Ordinary shares	198,099,652
Unlisted Options	-
Performance Rights and Premium Priced Options	-

Signed in accordance with a resolution of the directors



The Hon RC (Bob) Kucera APM JP
Non-Executive Chairman

Dated this 27th day of February 2026



PO Box 1908
West Perth WA 6872
Australia
Level 2, 40 Kings Park Road
West Perth WA 6005
Australia
Tel: +61 8 9481 3188
Fax: +61 8 9321 1204
ABN: 84 144 581 519
www.stantons.com.au

27 February 2026

Board of Directors
MCS Services Limited
6 South Street
FREMANTLE W 6160

Dear Sirs

RE: MCS SERVICES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of MCS Services Limited.

As Audit Director for the review of the financial statements of MCS Services Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

A handwritten signature in black ink, appearing to read "Samir Tirodkar".

Samir Tirodkar
Director

For personal use only

Consolidated Statement of Financial Position as at 31 December 2025



	Note	31 Dec 2025 \$	30 June 2025 \$
ASSETS			
Current Assets			
Cash and cash equivalents		1,137,466	93,794
Trade and other receivables	10	2,469,784	8,723
Assets Held for Sale - Highways Traffic	9	671,088	4,013,971
Total Current Assets		4,278,338	4,116,488
Non-Current Assets			
Plant and equipment		850	1,028
Restricted Cash, Bond		20,000	-
Total Non-Current Assets		20,850	1,028
Total Assets		4,299,188	4,117,516

(Continued overleaf)

For personal use only

Consolidated Statement of Financial Position as at 31 December 2025



	Note	31 Dec 2025 \$	30 June 2025 \$
Current Liabilities			
Trade and other payables		(2,363,127)	(1,126,102)
Leave Provisions		(550,438)	-
Liabilities Held for Sale – Highways Traffic	9	(465,844)	(1,856,534)
Total Current Liabilities		(3,379,409)	(2,982,636)
Non-Current Liabilities			
Total Non-Current Liabilities		-	-
Total Liabilities		(3,379,409)	(2,982,636)
Net Assets		919,779	1,134,880
Equity			
Issued capital	5	18,393,658	18,393,658
Share option & Performance Right reserve	5	384,134	384,134
Profit reserve		2,621,018	2,621,018
Accumulated losses		(20,479,031)	(20,263,930)
Total Equity		919,779	1,134,880

For personal use only

This statement should be read in conjunction with the Condensed Notes to the Financial Statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Half Year Ended 31 December 2025



	Note	31 Dec 2025 \$	31 Dec 2024 \$
Continuing Operations			
Revenue		-	-
Cost of sales, incl operational staff expenses		-	-
Gross profit		-	-
Other income		121	2,327
Employee expenses and benefits (non-operational staff)		-	(140,605)
Directors fees and remuneration		(54,990)	(55,000)
Impairment of goodwill		-	(242,000)
Insurance		(23,405)	(14,528)
Other expenses		(87,300)	(127,984)
		(165,695)	(580,117)
		(165,575)	(577,790)
Finance expenses		-	-
Depreciation of Plant & Equipment		(179)	(179)
		(179)	(179)
Profit / (loss) before tax		(165,753)	(577,969)
Income tax benefit / (expense)		-	-
		(165,753)	(577,969)

(Continued overleaf)

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Half Year Ended 31 December 2025



	Note	31 Dec 2025 \$	31 Dec 2024 \$
Discontinuing Operations			
Loss from discontinuing operations	8/9	(49,348)	(208,866)
Profit/(loss) for the period attributable to members of MCS Services Limited		(215,101)	(786,835)
Other Comprehensive Income		-	-
Total Comprehensive Profit/(Loss) for the Period attributable to members of MCS Services Limited		(215,101)	(786,835)
Earnings per share		Cents	Cents
Basic and diluted (loss) per share from continuing operations	6	(0.10)	(0.29)
Basic and diluted (loss) per share from discontinuing operations	6	(0.00)	(0.11)

This statement should be read in conjunction with the Condensed Notes to the Financial Statements

For personal use only

Consolidated Statement of Change in Equity for the Half Year Ended 31 December 2025



For personal use only

	Profit Reserve \$	Ordinary shares \$	Share option Reserve \$	Accumulated losses \$	Total \$
Balance 30 June 2025	2,621,018	18,393,658	384,134	(20,263,930)	1,134,880
Loss for the period	-	-	-	(215,101)	(215,101)
Total comprehensive income	-	-	-	(215,101)	(215,101)
Balance 31 December 2025	2,621,018	18,393,658	384,134	(20,479,031)	919,779

	Profit Reserve \$	Ordinary shares \$	Share option Reserve \$	Accumulated losses \$	Total \$
Balance 30 June 2024	2,621,018	18,393,658	384,134	(19,870,783)	1,528,027
Loss for the Period	-	-	-	(786,835)	(786,835)
Total comprehensive income	-	-	-	(786,835)	(786,835)
Balance 31 December 2024	2,621,018	18,393,658	384,134	(20,657,618)	741,192

This statement should be read in conjunction with the Condensed Notes to the Financial Statements

Consolidated Statement of Cashflows for the Half Year Ended 31 December 2025



		31 Dec 2025	31 Dec 2024
		\$	\$
Cash flows from operating activities			
Receipts from customers		5,281,827	7,998,697
Payment to employees, suppliers and directors		(5,575,545)	(8,078,663)
Income tax paid		-	-
Net cash (used in)/from operating activities		(293,718)	(79,966)
Cash flows from investing activities			
Interest received		121	2,327
Interest paid		(28,250)	(51,358)
Payment for fixed assets		(194,247)	(1,496)
Receipt/proceed re settlement of Traffic business		-	151,553
Completion Price adjustment re sale of Security Business		(100,000)	-
Proceeds on sale of fixed assets		-	-
Net cash (used in) / from investing activities		(322,376)	101,026
Cash flows from financing activities			
Vehicle Finance		67,970	(62,062)
Net cash used in financing activities		67,970	(62,062)
Net (decrease) in cash and cash equivalents		(548,124)	(41,002)
Cash and cash equivalents at the beginning of the financial period		1,685,590	949,687
Cash and cash equivalents at the end of the financial period		1,137,466	908,685

For personal use only

This statement should be read in conjunction with the Condensed Notes to the Financial Statements.

Condensed Notes to the Consolidated Financial Statements for the Half Year Ended 31 December 2025



MCS Services Limited and its subsidiary (Group or Consolidated Entity) principal activity during the half-year was the provision of traffic management services.

1. General information and basis of preparation

These condensed interim consolidated financial statements (the interim financial statements) of the Group are for the six months ended 31 December 2025 and are presented in Australian dollars (\$), which is the functional currency of the Group.

These general purpose interim financial statements have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards Board (AASB) 134.: Interim Financial Reporting. They do not include all of the information required in the annual financial statements in accordance with International Financial Reporting Standards (IFRS), and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2025 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements under the Australian Securities Exchange (ASX) Listing Rules and *Corporations Act 2001*.

The interim financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The interim financial report covers MCS Services Limited (Company) and its 100% subsidiary (since 17 October 2022), Highways Traffic Pty Ltd (collectively, Group).

MCS Services Limited is a public company, incorporated and domiciled in Australia. The registered office is c/- Level 1, Suite 3, 17 Ord Street, West Perth, WA, 6005.

The Company was incorporated on 11 May 2006.

The interim financial statements for the half-year ended 31 December 2025 (including the comparatives) were approved by the board of directors on 27th February 2026.

2. Summary of significant accounting policies

Except as noted below, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The Company has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period. Adoption of the new amended Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies. Any new and revised Accounting Standards that are not mandatory have not been early-adopted.

Discontinuing Operations

Non-current Assets Held for Sale and Discontinued Operations

Non-current assets and loan liabilities are classified as held for sale and generally measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use.

For personal use only

Condensed Notes to the Consolidated Financial Statements for the Half Year Ended 31 December 2025



Classification as "held for sale" occurs when management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification and active marketing of the asset has commenced. Such assets are classified as current assets.

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash-generating units), that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversal of impairment recognised on classifications as held for sale or prior to such classifications is recognised as gain in profit or loss in the period in which it occurs.

3. Judgements, Estimates and Assumptions

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2025.

4. Going Concern

The financial statements of the Group have been prepared on a going concern basis which anticipates the ability of the entity to meet its obligations in the normal course of business.

As at 31 December 2025 the Consolidated entity had:

- recorded a loss after tax for the Period of \$215,101 (including a loss from discontinuing operations)
- a net cash outflow from operating and investing activities of \$616,094
- a Cash balance of \$1,137,466
- a working capital surplus of \$898,929 and
- net assets of \$919,779

As noted in Note 9 and as announced to shareholders on 26 February 2026, the Company has agreed to sell the business of its subsidiary Highways Traffic to Altus Traffic. The agreement is subject to shareholder approval at an Extraordinary General Meeting, and other factors. As such the Board cannot confirm if the sale will proceed.

Should the Group not achieve a sale of the Highways Traffic business, additional funding might be required. Therefore there is uncertainty whether the Group would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

No adjustments have been made in this report with regard to the recoverability or classification of recorded asset amounts or to the amounts on classification of liabilities that might be necessary should the group not be able to continue as a going concern.

Condensed Notes to the Consolidated Financial Statements for the Half Year Ended 31 December 2025



5. Equity

	Half Year Ended 31 December 2025 \$	Year Ended 30 June 2025 \$
Ordinary Shares (\$)		
At the beginning of the Period	18,393,658	18,393,658
Options exercised	-	-
Performance Rights exercised	-	-
Share buyback	-	-
At the end of the Period	18,393,658	18,393,658
Ordinary Shares (Number)		
At the beginning of the Period	198,099,652	198,099,652
Options exercised	-	-
Performance Rights exercised	-	-
Share buyback	-	-
At the end of the Period	198,099,652	198,099,652

At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

For personal use only

Condensed Notes to the Consolidated Financial Statements for the Half Year Ended 31 December 2025



	31 December 2025	30 June 2025
Share Option & Performance Right Reserve (\$)		
At the beginning of the Period	384,134	384,134
Issued	-	-
Exercised	-	-
At the end of the Period	384,134	384,134
Share Option (Number)		
At the beginning of the Period	12,000,000	12,000,000
Issued	-	-
Exercised	-	-
Expired	(12,000,000)	-
At the end of the Period	-	12,000,000
Performance Rights (Number)		
At the beginning of the Period	-	-
Issued	-	-
Exercised	-	-
Expired	-	-
At the end of the Period	-	-

During the half-year ended 31 December 2025:

- The 12,000,000 6 cent options issued to then Board members and Company Secretary in November 2022 expired without being exercised;
- No other options or performance rights were issued, lapsed, expensed or exercised.

6. Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit / (loss) from continuing operations attributable to shareholders of MCS Services Limited as the numerator.

The weighted average number of shares for the purposes of calculating the basic and diluted earnings per share are as follows:

	31 December 2025 No.	31 December 2024 No.
Weighted average number of shares: basic	198,099,652	198,099,652
Weighted average number of shares: dilutive	198,099,652	198,099,652

Condensed Notes to the Consolidated Financial Statements for the Half Year Ended 31 December 2025



7. Events subsequent to balance date

Except for the issues disclosed at Note 4 and Note 9, there has not been any matter or circumstances occurring subsequent to the end of the Period that has significantly affected or may significantly affect the operations of the Company, the results of operations or the state of affairs of the Company in future financial periods except

8. Segmental information

Information reported to the chief operating decision maker for the purposes of resource allocation, and assessment of segment performance focuses on operating sector. The Group's reportable segments under AASB 8 are as follows. There were no material inter-segment revenues and expenses.

31 Dec 2025	Traffic \$	Corporate \$	Total \$
Revenue	4,983,757	-	4,983,757
Gross Profit	1,349,587	-	1,349,587
Other Income	-	121	121
Other Overheads	(1,120,302)	(165,695)	(1,285,997)
Depreciation	(250,383)	(179)	(250,562)
Finance Expenses	(28,250)	-	(28,250)
Profit/(loss) before tax	(49,348)	(165,753)	(215,101)
Total Assets	4,266,532	32,656	4,299,188
Total Liabilities	(2,281,444)	(1,097,965)	(3,379,409)

For personal use only

31 Dec 2024	Traffic \$	Corporate \$	Total \$
Revenue	7,382,948	-	7,382,948
Gross Profit	957,968	-	957,968
Other Income	-	2,327	2,327
Other Overheads	(880,003)	(338,117)	(1,218,120)
Depreciation	(235,473)	(179)	(235,652)
Impairment	-	(242,000)	(242,000)
Finance Expenses	(51,358)	-	(51,358)
Profit/(loss) before tax	(208,866)	(577,969)	(786,835)
Total Assets	4,521,536	319,393	4,840,929
Total Liabilities	(3,110,210)	(989,527)	(4,099,737)

9. Discontinuing operations/Assets and Liabilities held for sale

As announced to shareholders on 25 November and 26 February 2026, as the Board are of the view that a sale may be in the best interest of the Company and shareholders, and after an externally coordinated sale process and the receipt of interest from a number of parties interested in making an acquisition, the Company announced that it had entered into a binding, conditional asset purchase agreement on 24 November 2025 (as varied by the deed of variation entered into on or about 31 January 2026) ("Sale Agreement") with Altus Traffic pursuant to which Altus Traffic has agreed to purchase, and the Company has agreed to sell, assign or novate, the core business assets of Highways Traffic ("Disposal").

It should be noted that the conditions precedent under the Sale Agreement were not satisfied by the original sunset date of 31 January 2026 however the parties continued to discuss an extension to this date.

On or about 18 February 2026, the Company entered into a new binding and conditional asset purchase agreement with Altus Traffic on terms substantially similar to those of the Sale Agreement ("New Agreement"). The material terms of the Disposal as governed by the New Agreement are set out below.

The agreement provides for \$1.16m payable by Altus Traffic on Settlement, and includes:

- the sale of the Highways Traffic vehicle fleet and other core fixed assets (\$0.67 million net book value at 31 December 2025) on an unencumbered basis;
- the then remaining balance on the Nab vehicle finance facility (\$0.47 million as at 31 December 2025) to be paid out from the \$1.16m Settlement proceeds, with the remaining Settlement proceeds paid in cash to Highways Traffic;
- the assignment of intellectual property used in the Highways Traffic business, including the Highways Traffic business name and branding;
- an assignment / novation of key client contracts;
- subject to Completion, offers of employment to all Highways Traffic employees by Altus.

Completion is expected to occur by early May 2026 subject to satisfaction of standard conditions precedent including shareholder approval at an Extraordinary General Meeting of the Company.

Further background in relation to the Disposal is set out in the Company's ASX announcements dated 25 November 2025 and 26 February 2026.

Remaining other assets (cash, trade debtors) and other liabilities of Highways Traffic are not part of the transaction and would remain as part of the MCS group, for subsequent realisation and payment. Net surplus funds from Highways Traffic would then be provided to the Company.

Financial information relating to the Traffic Business' Discontinuing Operations for the period is set out below.

For personal use only

	31 December 2025	31 December 2024
	\$	\$
Discontinuing Operations		
Revenue	4,983,757	7,382,948
Cost of Sales	(3,634,170)	(6,424,980)
Gross Profit	1,349,587	957,968
Other income	-	-
Employee expenses and benefits (non-operational staff)	(420,364)	(398,970)
Directors' fees and remunerations	-	-
Insurance	(447,545)	(262,338)
Other expenses	(252,393)	(218,695)
	(1,120,302)	(880,003)
	229,285	77,965
Finance Expenses	(28,250)	(51,358)
Depreciation of Plant & Equipment	(250,383)	(235,473)
	(278,633)	(286,831)
Loss from discontinuing operations before tax	(49,348)	(208,866)

Assets and Liabilities Held for Sale

As discussed above, as at 31 December 2025 and to the date of this Report, the Company has made the business of its Traffic Business subsidiary Highways Traffic available for sale.

The assets and liabilities of the discontinuing operations are disclosed as follows.

	31 December 2025	30 June 2025
	\$	\$
Cash and Cash Equivalents	-	1,591,796
Trade and Other Receivables	-	1,674,950
Restricted Cash, Bond	-	20,000
Plant and Equipment	671,088	727,225
Assets Available for Sale	671,088	4,013,971
Trade & Other payables	-	(844,152)
Asset Finance loan - Vehicles	(465,844)	(397,874)
Provisions - Leave	-	(614,506)
Liabilities Available for Sale	(465,844)	(1,856,532)
	205,244	2,157,439

10. Trade and other receivables

		31 December 2025	30 June 2025
		\$	\$
Accounts Receivable		1,508,840	-
Prepayments		739,665	8,723
Other		221,279	-
Classed as Trade and Other Receivables		2,469,784	8,723
Accounts Receivable		-	1,297,987
Prepayments		-	155,684
Other		-	221,279
Classed as Assets Available for Sale	9	-	1,674,950
		2,469,784	1,683,673

As at 30 June 2025 Trade Receivables and Prepayments of Highways Traffic were classed as Assets Available for Sale. As at 31 December 2025 the classification of such Trade Receivables and Prepayments had regard to the structure of the proposed sale to Altus Traffic wherein Trade Receivables and Prepayments are not included in the sale.

The movement in Accounts Receivable balances was materially affected by the timing of receipt of one large client's account. The movement in Prepayment balances is a function of the Group's insurance period being to 31 August each year.

Directors' Declaration

The directors of the Company declare that:

1. In the opinion of the Directors of MCS Services Limited (the "Company"):
 - (a) The financial statements and condensed notes are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance, for the half-year ended on that date, and
 - (ii) Complying with Australian Accounting Standards AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*;
 - (b) Subject to the matters disclosed in Note 4, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
2. The directors have been given the declarations required by section 303(5)(a) of the *Corporations Act 2001* for the half-year ended 31 December 2025.

Signed in accordance with a resolution of the Directors.



The Hon RC (Bob) Kucera APM JP
Non-Executive Chairman

Dated this 27th day of February 2026

For personal use only

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
MCS SERVICES LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of MCS Services Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2025, 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, condensed notes comprising a summary of material 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 causes us to believe that the accompanying half-year financial report of MCS Services Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of MCS Services Limited's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) 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 Group 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 our 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* has been given to the directors of the Company on 27 February 2026.

Material Uncertainty Relating to Going Concern

We draw attention to Note 4 of half-year financial statements, which indicates that during the half-year ended 31 December 2025, the Group incurred a loss before tax of \$215,101 and net cash outflows from operating and investing activities of \$616,094. As at 31 December 2025, the Group had \$1,137,466 in cash and cash equivalents and a net working capital surplus of \$898,929.



As stated in Note 4, the events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of MCS Services Limited 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 2025 and its 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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)**

A handwritten signature in black ink, appearing to read "Samir Tirodkar", written over a faint, larger signature that reads "Stantons International Audit and Consulting Pty Ltd".

Samir Tirodkar
Director

West Perth, Western Australia
27 February 2026

For personal use only