



Annual Report

For the year ended 30 June 2026

Corporate Directory



MCS Services Limited - ABN 66 119 641 986

Registered Office & Principal Place of Business	Suite 3, Level 1, 17 Ord Street, West Perth, WA, 6005	Ph: (08) 9389 2111
Postal Address	PO Box 1153, West Perth, WA, 6872	
Company website	www.mcsservices.com.au	
Share Registry	Automic Registry Services, Level 5, 191 St Georges Terrace, Perth, WA, 6000	www.Automic.com.au (08) 9324 2099 1300 288 664 (61) 2 9698 5414
Securities Exchange	Australian Securities Exchange	Ticker 'MSG'
Investor Queries	investors@mcsservices.com.au	
Banker	National Australia Bank, 197 St Georges Terrace, Perth, WA, 6000	
Legal	Ashurst Perkins Cole Level 10, 123 St Georges Terrace, Perth, WA, 6000 Ryan & Co Level 13, 251, Adelaide Terrace, Perth, WA, 6000	Steinepreis Paganin Level 14, 250 St Georges Terrace 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 AM 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	 Non Executive Director Non Executive Director Non Executive Chairman

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Highlights

During the Reporting Period the Group:

Corporate

- Completed the sale of the Traffic Business effective 9th June 2026 (**Note 29**)
- As a result of the sale of the Company's main undertaking, the Company's securities have been suspended from quotation since 19 August 2026. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules.
- During and subsequent to the Reporting Period the Company has received approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules (**Note 30**);
- Whilst suspension from quotation materially constrains the Company's ability to raise equity if needed, the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities, and corporate level cost minimisation is in place to preserve cash reserves.

Operational - Traffic Business

Until the sale of the Traffic Business effective 9th June 2026:

- increased gross profit margin to 28.3% (2025:20.3%);
- recorded a profit for the Reporting Period from its Traffic Business subsidiary of \$0.87m net profit before tax (2025 \$0.42m net profit) (**Note 4**) including a Gain on the Sale of the Traffic Business of \$0.15m after costs (**Note 4, Note 29**) – but, in accordance with Accounting Standard AASB 5, not recognising depreciation of \$0.47m on Non-Current Assets of the Traffic Business as the business was Held for Sale (**Note 3, Note 12**)

Financial

- recorded an underlying EBITDA surplus of \$0.53million (including a \$0.15 million Gain on Sale of the Traffic Business, net of specific costs) (2025: \$0.42 million EBITDA surplus) before:
 - Traffic Business interest and depreciation of \$0.05 million (2025: \$0.58 million) (**Note 4**) and
 - a significant \$0.495 million legal claim provision, disclosed as an Other Item (**Note 15**);
- recorded an underlying Statutory Net Loss after tax of \$0.02 million (2025: \$0.40m loss).

Chairman's Report

On behalf of the Board of MCS Services Limited ("the Company") I present the Annual Report for the Company and related entity (collectively, "the Group") covering the financial performance, position and activities for the 12 months ended 30 June 2026 ("Financial Year").

Operational

Strategy

During the Reporting Period the Group, until the sale of the Traffic Business effective 9th June 2026, the Traffic Business:

- reported reduced Traffic Business revenue of \$9.87m (2025: \$14.6m), including as a function of a major client project nearing completion during the Reporting Period and the business being sold effective 9th June 2026;
- reported an improved Gross Profit margin of 28.3% (2025: 20.3%) and
- reported a profit before tax of \$0.87m (2025: \$0.42m profit) for the Traffic Business subsidiary (**Note 4**), including the Gain on Sale of the Traffic Business of \$0.15m after costs (**Note 4, Note 29**) but, in accordance with Accounting Standard AASB 5, not recognising depreciation on the Traffic Business non current assets of \$0.47m as the business was Held for Sale (**Note 3, Note 12**).

Management and Administration

Subsequent to the resignation of Paul Simmons as CEO in June 2024 the CEO role was not replaced. Mr Simmons continues as a non-executive Director. During the previous reporting period the position of Chief Financial Officer was retrenched. Subsequent accounting support has been provided on an hourly-charged contract basis.

Corporate

There was no change to the Board of Directors during the Reporting Period.

As a result of the sale of the Company's main undertaking, the Company's securities have been suspended from quotation since 19 August 2026. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules. During and subsequent to the Reporting Period the Company has received approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules (**Note 30**). Whilst suspension from quotation materially constrains the Company's ability to raise equity if needed. the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities, and corporate level cost minimisation is in place to preserve cash reserves.

I encourage shareholders to contact the Company should they have queries in relation to the Annual Report or the past and future activities of the Company.



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

Directors' Report

The Directors of MCS Services Limited ("the Company" or "Parent") present their report together with the financial statements of the consolidated entity, being MCS Services Limited and its Controlled Entity (collectively, the Group), for the year ended 30 June 2026.

The following persons were Directors of the Company throughout the Reporting Period and continue to be so. The below stated *Interests in Shares of the Company* were held throughout the Reporting Period and to the date of the Report.

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

Appointed 20 January 2016

The Honourable Bob Kucera, APM, JP achieved the rank of Assistant Commissioner in the WA Police before retiring in 2001 when elected to the WA State Parliament. Mr Kucera retired from Parliament in 2008, having served as a Cabinet Minister in a number of portfolios including Health, Small Business, Tourism and a number of other social service ministries. Whilst in Government he represented Western Australia nationally and internationally in various roles as a Cabinet Minister and Chair of various Governmental Committees and Delegations. Mr Kucera has experience in every facet of operational and administrative policing and law enforcement at State, Federal and International level, with particular emphasis on security, crime prevention and international terrorism studies. He holds tertiary qualifications in Business Management and Diplomas of Policing and Criminal Investigation. He is a graduate of Charles Sturt University, the Australian Staff College of Police Management, the WA Police Academy, AIM and the Central Metropolitan College of TAFE and is a Winston Churchill Memorial Fellow. He currently chairs a number of Not for Profit voluntary and sporting organisations, with considerable experience in the Not for Profit, community, aged care and Local Government sectors.

During a previous reporting period Mr Kucera undertook a refresher course in Governance with the Australian Institute of Company Directors (AICD) to ensure his personal currency as Chair and contemporary knowledge of new legislative and compliance requirements.

Other current directorships:

Chair and Director of National Trust of Western Australia
Chair, Combat Sports Commission of Western Australia

Previous Directorships (last 3 years):

Deputy Chair of Acacia Living Group
Deputy Chair Basketball Western Australia

Interests in shares of the Company: 512,909

Directors' Report



Mr Geoffrey Martin Independent Non-Executive Director

Appointed 14 July 2017

For many years Mr Martin was occupied with development of the family retailing business, Archie Martin & Sons, a major WA-based electrical retailer with stores in many shopping centres across Perth. As a director and joint Managing Director of that business, Geoffrey oversaw the conversion of the business into a public company, its ASX listing and its eventual takeover.

Geoffrey served for seven years on the Board of Racing & Wagering WA and is presently a Board member of RSL Care WA.

Other current directorships	None
Previous Directorships (last 3 years)	None
Interest in shares of the Company:	860,000

Mr Paul Robert Simmons, Non-Executive Director

Managing Director : 1 July 2019 until 19 June 2024

Non Executive Director: 19 June 2024 onwards

Paul brings a wealth of experience and a track record in business growth, management, and developing lasting client relationships. Paul has completed an AICD corporate governance course. Paul's career commenced as a Police Officer in the UK. Paul was later the Western Australia state security manager for a major national retailer for 12 years, leading to him becoming the founder and driving force of MCS Security Group Pty Ltd since its inception in 2005. MCS Security Group Pty Ltd was acquired by MCS Services Limited in 2015, with Paul continuing in the role as CEO and Managing Director until the sale of that Security Business subsidiary effective 19 June 2024. Paul continues as Non Executive Director of the Company and continues to hold some 19% of the shares in MCS Services Ltd.

Other current directorships:	None
Previous Directorships (last 3 years)	None
Interests in shares of the Company:	38,046,812

Dennis Wilkins, Company Secretary

Appointed 6 June 2025

Mr Wilkins is the founder and principal of DW Corporate Pty Ltd, a corporate advisory firm that has been providing corporate governance services for over 20 years.

Interests in shares of the Company:	Nil
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Directors' Report

Principal Activities

During the Reporting Period, until the sale of the Traffic Business effective 9th June 2026, the Company specialised in Traffic Management through its 100% owned subsidiary, Highways Traffic Pty Ltd ("Highways"). Highways serviced major road infrastructure projects in the Perth metropolitan area and regional WA.

Review of Operations and Financial Results

The Group had focused on meeting existing client needs and leveraging its traffic management experience into organic growth in new geographies and sectors

Operating Results

The statutory net loss after tax attributable to members of the Company for the Reporting Period of \$0.02 million (2025: \$0.40 million loss) included:

- \$0.87 million (2025: \$0.42 million) operating profit from the Traffic Business subsidiary, including a \$0.15m Gain on Sale of the Traffic Business after costs (**Note 29**) but, in accordance with Accounting Standard AASB 5, not recognising depreciation of \$0.47m on the non-current assets of the Traffic Business as it was Held for Sale (**Note 3, Note 12**),
- corporate costs of \$0.39 million (2025: \$0.57m);
- a Other Item of a \$0.49 million provision for a legal claim by the purchaser of the former Security Business in 2024 (**Note 6, Note 15**).

Significant Changes in State of Affairs

During the Reporting Period the Company sold the Traffic Business of its Highways Traffic Pty Ltd subsidiary effective 9th June 2026 (**Note 29**). The Highways Traffic Pty Ltd entity remains a 100% owned materially non-trading subsidiary of the Company.

Dividends

The Board has elected not to pay a dividend for the current year. The Company will be deploying available funds to efficiently manage its capital structure.

Events Arising since the End of the Reporting Period

As set out in **Note 30**, no adjusting events have occurred between the Reporting Date and the date of authorisation of this Report except for the following:

- On 19 June 2024 the Company sold its Security Business, MCS Security Group Pty Ltd (now Vibrant MCS Pty Ltd), to Vibrant Services Pty Ltd (together, Vibrant) under a Share Sale Agreement;

Directors' Report

- Following a Fair Work Ombudsman investigation into alleged underpayments by Vibrant MCS to its employees, Vibrant claimed against the Company in connection with the Share Sale Agreement's warranty provisions ("Claim"). MCS disputed the Claim and does not admit liability. Subsequent to the end of the Reporting Period the Company and Vibrant entered into a Deed of Settlement and Release dated 28th August 2026 under which the Company and Vibrant have agreed, on a no admissions basis, that the Company would pay Vibrant \$495,000 for the purpose of Vibrant MCS making additional wage payments to its employees in relation to the period 7 December 2023 to 19 June 2024;
- The above has been disclosed in the Reporting Period as an Other Items in Overheads, Administration and Other Expenses (**Note 6**) and as a Provision in the Consolidated Statement of Position (**Note 15**). Payment of the above amount was made by the Company to Vibrant subsequent to the Reporting Period.

No significant non-adjusting events have occurred between the Reporting Date and the date of authorisation of this Report except for the following:

- ASX Guidance Note 12 states the ASX will generally continue quoting an entity's securities for a period of up to 6 months from the date of agreement to dispose of its main undertaking, to allow the entity time to complete the disposal and to identify and announce its intentions to acquire a new business. As a result of the Company's decision to sell its remaining operating business, on 19th August 2026 the Company's securities were suspended from quotation under ASX Listing Rule 17.3. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules.
- During and subsequent to the Reporting Period the Company has received approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules;
- Whilst suspension from quotation materially constrains the Company's ability to raise equity if needed, the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities, and corporate level cost minimisation is in place to preserve cash reserves.

Except for the matters at **Note 30** there are no matters or circumstances that have arisen since the end of the year that have significantly affected or may significantly affect either the entity's operations in future years, the results of those operations in future financial years; or the entity's state of affairs in future financial periods.

Potential Developments, Business Strategies and Prospects

As a result of the sale of the Company's main undertaking, the Company's securities have been suspended from quotation since 19 August 2026. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules.

Directors' Report

During and subsequent to the Reporting Period the Company has received approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules (**Note 30**). Whilst suspension from quotation materially constrains the Company's ability to raise equity if needed, the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities, and corporate level cost minimisation is in place to preserve cash reserves.

Directors Meetings

The number of Directors Meetings held during the Reporting Period, and the number of meetings attended by each of the Directors, is as follows:

Director's name	Board Meetings Entitled to Attend	Board Meetings Attended
Bob Kucera	3	3
Geoffrey Martin	3	3
Paul Simmons	3	3

In addition, two Circulating Resolutions were passed by all Directors.

As discussed in the Remuneration Report and in the Company's Corporate Governance statement (available on the Company's website www.mcsservices.com.au), the Group currently does not have a separate Audit & Risk Committee or Nomination & Remuneration Committee, with the full Board carrying out the duties that would otherwise be assigned to such Committees.

Shares on Issue

As at 30 June 2026 the Company had 198,099,652 (30 June 2025: 198,099,652) ordinary shares on issue.

Unissued Shares Under Option

During the 2023 reporting period 3 million unquoted 6 cent November 2025 options were issued as incentives to each of the three non executive directors and the Company Secretary at that time. None of the unquoted options entitled the holder to participate in any share issue of the Company. The unquoted options all lapsed without being exercised during the Reporting Period. No further Options were issued, exercised or lapsed during the Reporting Period or to the date of this Report.

Directors' Report

Remuneration Report (Audited)

The Directors of the Company present the Remuneration Report for non-Executive Directors, Executive Directors and other Key Management Personnel prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

1. Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- to align awards to business outcomes that deliver value to shareholders;
- to drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment market place to support attraction, motivation and retention of executive talent.

The Company has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

For the purpose of this Report the term Key Management Personnel encompasses:

- Mr Robert Kucera, Chair and non-executive Director;
- Mr Geoffrey Martin, non-executive Director
- Mr Paul Simmons, non-executive Director
- Mr Mark Englebert as Chief Financial Officer (CFO) until January 2025,
- Mr Dennis Wilkins, (from June 2025) Company Secretary

Due to the size of the Company's operations the Directors do not believe that the establishment of a Remuneration Committee was warranted during the Reporting Period. All matters that would normally be the responsibility of a Remuneration Committee are dealt with by the full Board of Directors (in conjunction with an external Remuneration Consultant when considered necessary by the Board) who are responsible for determining and reviewing compensation arrangements for the Directors and Key Management Personnel. The Board will continue to monitor the appropriateness of forming such a Committee as further circumstances dictate.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration, being annual salary (refer Section 5 below); and
- Short-term incentives (such as cash bonuses);
- Long-term incentives, incl Performance Rights and Options **(Note 17)**.

Directors' Report

Remuneration Report (Audited)

The full Board of Directors assess the appropriateness of the nature and amount of fixed remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high quality Board and Key Management Personnel.

The Group's short-term incentives (STI) and performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Group values. The STI performance measures are able to be set annually after consultation with the Directors and Key Management Personnel and are specifically tailored to the areas where each person has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures. The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed key performance indicators (KPI).

In respect of the Group's long-term Performance Rights incentives, the value to holders of 12 million 6 cent November 2025 Options (as issued to Board members and key management personnel during the 2023 reporting period) was dependent on an increase in the Company share price. The November 2025 unquoted options all lapsed without exercise during the Reporting Period. No further options were issued, lapsed or exercised during the Reporting Period or to the date of this Report (**Note 17**).

The payment of any bonuses and other incentive payments, and the issue of options or Performance Rights, are reviewed by the full Board of Directors annually as part of the review of Key Management Personnel. All bonus, options, performance rights and other incentives must be linked to pre-determined performance criteria.

2. Consequences of performance on shareholder wealth

Item	2026	2025	2024	2023	2022
EPS (cents)	(0.01)	(0.20)	(0.41)	(0.96)	0.57
Dividends (cents per share)	-	-	-	-	-
Profit / (loss) (\$'000)	(21)	(395)	(811)	(1,879)	1,066
Share Price at 30 June (cents)	0.3	0.5	0.4	2.6	4.1

The Company's securities have been suspended from quotation since 19 August 2026 (**Note 30**). No quoted Share Price has been available since that date.

3. Share-based remuneration

Except for the Key Management Personnel incentives at Section 1 / Section 6, no share-based remuneration facilities existed or were implemented during the Reporting Period or up to the Reporting Date.

Directors' Report

Remuneration Report (Audited)

4. Bonuses included in remuneration

During the Reporting Period \$nil bonuses (2025: \$nil) accrued to or were paid to Key Management Personnel as part of remuneration.

5. Details of Remuneration including Service Agreements

Remuneration and other terms of employment for the Directors and other Key Management Personnel are formalised in Service Agreements, including:

- Superannuation does not accrue on Director or Company Secretary fees
- All Directors and the Company Secretary role are engaged on an ongoing basis
- Notice Period: None

The remuneration is set out overleaf:

Directors' Report

Remuneration Report (Audited)

Remuneration	2026				2025			
	Salaries / Fees \$	SBP \$	Total \$	SBP as % of total	Salaries / Fees \$	SBP \$	Total \$	SBP as % of total
Non-Executive Directors								
Bob Kucera ¹	40,000	-	40,000	-	40,000	-	40,000	-
Geoffrey Martin ¹	35,000	-	35,000	-	35,000	-	35,000	-
Paul Simmons ¹	35,000	-	35,000	-	35,000	-	35,000	-
Sub total	110,000	-	110,000	-	110,000		110,000	-
Executive Directors								
	-	-	-	-	-	-	-	-
Sub total	110,000	-	110,000	-	110,000	-	110,000	-
Other Key Management Personnel								
Mark Englebert, CFO ²	-	-	-	-	107,653	-	107,653	-
Superannuation					12,899		12,899	
Sub total	-	-	-	-	120,552	-	120,552	-
Company Secretary								
Jonathan Asquith ^{1,3}	-	-	-	-	23,333	-	23,333	-
Dennis Wilkins ³	31,151	-	31,151	-	-	-	-	-
Sub total	31,151	-	31,151	-	23,333	-	23,333	-
TOTAL	141,151	-	141,151	-	253,885	-	253,885	-

1 Director fees for Mr Kucera, Martin and Simmons and Company Secretary fees for Mr Asquith from 1 July 2024 had been accrued as a liability of the Company as they were incurred but the parties had agreed to defer payment of those FY2025 and FY2026 fees until a later period. The outstanding fees for Mr Asquith and \$40,000 of the Director fees were paid in the Reporting Period. The remainder of Director Fees for FY2025 and FY2026 were paid in July 2026 shortly after the end of the Reporting Period.

2 The role of CFO was retrenched effective 4 January 2025. The above Table reflects salary to that date but excludes retrenchment costs and excludes subsequent accounting services provided on a contract basis.

3 Mr Asquith was no longer Company Secretary in May 2025, and Mr Wilkins commenced in the role in June 2025.

Directors' Report

Remuneration Report (Audited)

Details of Remuneration including Service Agreements (continued)

In addition to fixed remuneration (salaries / fees):

- cash bonuses may be granted at the discretion of the Board. During the Reporting Period no bonuses were paid.
- the Directors and Key Management Personnel may be also reimbursed for business-related expenses.

6. Other Information

Shares held by Key Management Personnel

The number of ordinary shares held in the Company during the 2026 Reporting Period by each of the Key Management Personnel of the Group, including their related parties, are set out below:

	Start of the Reporting period	Movement	Resignation, Retirement, Retrenchment	End of the Reporting Period
Directors				
Bob Kucera, Chairman	512,909	-	-	512,909
Geoffrey Martin	860,000	-	-	860,000
Paul Simmons	38,046,812	-	-	38,046,812
Other Key Management Personnel				
-	-	-	-	-
Company Secretary				
Dennis Wilkins	-	-	-	-
TOTAL	39,419,721	-	-	39,419,721

Directors and other Key Management Personnel shareholdings are measured up until the date of their retirement / resignation.

No shares were issued to the Directors or Key Management Personnel during the Reporting Period as part of their remuneration or through the exercise of options.

Directors' Report



Remuneration Report (Audited)

6. Other Information (continued)

Options held by Directors and Other Key Management Personnel

The number of options held over ordinary shares in the Company during the Reporting Period by each of the Key Management Personnel of the Group, including their related parties, is set out below:

Unlisted 6 cent November 2025 Options granted on 30 Nov 2022, \$nil consideration							
	Balance at Start of Period		Exercised in Period		Lapsed unexercised in Period		Balance at End of Period
	Number	\$ Value at Grant Date	Number	Value \$	Number	Value \$	Number
Bob Kucera (Chairman)	3,000,000	42,709	-	-	(3,000,000)	-	-
Matthew Ward (Former Director)	3,000,000	42,709	-	-	(3,000,000)	-	-
Geoffrey Martin (Director)	3,000,000	42,709	-	-	(3,000,000)	-	-
	9,000,000	128,127	-	-	(9,000,000)	-	-
Jonathan Asquith (former Co Sec)	3,000,000	42,709	-	-	(3,000,000)	-	-
	3,000,000	42,709	-	-	(3,000,000)	-	-
Total	12,000,000	170,836	-	-	(12,000,000)	-	-

Unlisted 6 cent November 2025 Options:	
Exercise Price	6 cents, being a premium to the Company's share price at the time of issue
Expiry Date	On or before 30 November 2025
Issue Price	\$nil

The issue of the above 9 million Options to Directors had been approved by Shareholders at the Annual General Meeting on 30 November 2022. The Options were issued as a cost effective incentive to attract and retain the Directors and the Company Secretary then in office of their particular skills and experience and form part of a reasonable and appropriate remuneration package.

Directors' Report

Remuneration Report (Audited)

6. Other Information (continued)

The options vested immediately on being granted in November 2022, and their fair value was calculated at \$170,836 at the grant date using the Black Scholes model. The fair value of the options was expensed in full in the FY2023 reporting period.

All of the above Options were unlisted.

Performance Rights held by Directors and Key Management Personnel

During the Reporting Period, and to the date of this Report, there were no performance rights on issue.

When previous Performance Rights vested and converted into the equivalent number of ordinary shares in the Company the applicable value was transferred from the Share Option Performance Right Reserve into Share Capital (**Note 17**)

Other

The above valuations of the Unlisted Options and Performance Rights were recorded where applicable in the Share Option Reserve (**Note 17**) in the relevant reporting periods.

Except for the above, no other Options or Performance Rights to acquire shares in the Company;

- o were held by any of the Directors or Key Management personnel of the Group, or their related parties, during the 2025 or 2026 reporting periods;
- o were issued to the Directors or Key Management Personnel as part of their remuneration in the year ended 30 June 2025 or year ended 30 June 2026.

Except for the above, no Options or Performance Rights were issued, exercised, lapsed or forfeited during the Reporting Period or until the date of this Report.

Director option and performance rights holdings are measured up until the date of their retirement or resignation.

Engagement of Remuneration Consultants

No Remuneration Consultants were engaged during the previous and current Reporting Periods.

Other Transactions with Key Management Personnel

Refer to **Note 21**.

Directors' Report

Material Business Risks

Following the sale of the Group's Traffic Business in June 2026 the Company currently does not have an operating business or a material income source.

Further, the Company's securities have been suspended from quotation since 19 August 2026 which materially constrains the Company's ability to raise equity if needed. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules. Such recompliance is not assured and will be subject to shareholder approval and capital raising conditions.

Mitigating factors include:

- the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), and cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities;
- corporate level cost minimisation to preserve available cash reserves;
- the Company has been approached by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules. (**Note 30**).

Following the sale of the Group's Security Business in June 2024 the Group's principal activity was providing Traffic Management services until the sale of the Group's Traffic Business in June 2026. Companies in the Traffic industry are subject to many and varied kinds of risks. While risk management could not eliminate the impact of all potential risks, the Company strived to manage such risks to the extent possible and practical. Following were the material business risks which the Company believed were the most important in the context of the Group's Traffic business

- **Contractual risk**
The Group's Traffic Business revenue was derived mainly from contractual arrangements with third parties. Consequently the Group was exposed to the possibilities of failures by the third parties to fulfill their contractual commitments or to seek to vary the terms of those commitments.
- **Credit risk**
The Company is exposed to the creditworthiness of third parties, a failure of which could result in the non-payment of accounts receivable or delays in collections of accounts receivable
- **Contracts duration**
Many of the Traffic Business contracts of the Group were for relatively short periods and there could be no guarantees that contracts would be renewed or replaced on similar or more favourable terms.
- **Labour supply**
The Group required the use of skilled and semi-skilled labour to meet its Traffic Business contractual commitments. Whilst such labour was often the subject of employment contracts, the Group might be subject to pressures from shortages of available labour and increased costs of such labour.

Directors' Report



Diversity Report

a) Policy

The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people. The following is the Diversity Report for the financial year end 30 June 2026 for the Company prepared for the purposes of the Company's Annual Report.

The diversity policy is outlined in Schedule 10 of the Company's Corporate Governance Plan as available on the Company's website, www.mcsservices.com.au.

b) Current Position

The Group had an aggregate of three Directors and approximately 54 Traffic Business staff during the Reporting Period (2025: 83). Following the sale of the Traffic Business effective 9th June 2026 the Group no longer employs any Traffic Business staff. Of the above, until the sale of the Traffic Business effective 9th June 2026:

- 18 were female, including 7 (2025: 15) in supervisory or middle-management positions;
- 15 (2025: 6) were of mature age, being at least 60 years old; and
- 16% (2025: 23%) of employees were of diverse ethnic or cultural backgrounds.

c) Compliance

Having regard to the size of the Group and the nature of its enterprise, it is considered that the Group complies as far as possible with the spirit and intentions of the ASX Corporate Governance Council's Corporate Principles and Recommendations in respect of diversity.

Environmental Legislation

The Traffic Business operated by the Group until 9th June 2026 was not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

There have been no breaches of regulations in relation to any activity notified during the Reporting Period or to the date of this Report.

Remuneration Report Voting and Comments made at the last Annual General Meetings

The Company received:

- 98% 'yes' votes on its Remuneration Report for the financial year ended 30 June 2024 presented at the Annual General Meeting on 29 November 2024, and
- 97% 'yes' votes on its Remuneration Report for the financial year ended 30 June 2025 presented at the Annual General Meeting on 28 November 2025.

The Company received no specific feedback on its Remuneration Report at any of the above Annual Meetings.

Directors' Report



Indemnities given to, and insurance premiums paid for, auditors and officers

Indemnity of Directors

The Group is required to indemnify the Directors and Officers of the Company and related entities against any liabilities incurred by the Directors & Officers that may arise from their position as a Director or Officer. During the year, the Company paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors of the Company and subsidiary.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group companies, and any other payment arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or to cause detriment to the Group. Details of the amounts of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract. The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as an officer.

Indemnity of Auditors

No indemnity has been provided to the auditors.

Non Audit Services

No non-audit services were provided to the Company by Stantons, the Company auditors, during the Reporting Period. In previous reporting periods where non-audit services had been provided, the Board considered the non-audit services provided and ensured it was satisfied that the provision was compatible with, and did not compromise, the auditor independence requirement of the Corporations Act 2001 for the following reasons:

- any non-audit services would be subject to the corporate governance procedures adopted by the Company and had been reviewed by the Board to ensure they did not impact upon the impartiality and objectivity of the auditor, and
- any non-audit services did not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company, Stantons, and its related practices for audit and non-audit services provided during the Reporting Period are set out in **Note 20** to the financial statements.

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 23 of this financial report and forms part of this Directors' Report.

Directors' Report

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Rounding of amounts

The Company is a type of company referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016 / 191 and therefore the amounts contained in the report and in the financial report have been rounded to the nearest \$1,000, or in certain cases to the nearest dollar.

Signed in accordance with a resolution of the directors.



The Hon RC (Bob) Kucera APM JP,

Non-Executive Chairman Dated 30 September 2026



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30 September 2026

Board of Directors
MCS Services Limited
Suite 3, Level 1,
17 Ord Street,
West Perth, WA 6005

Dear Directors

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 audit of the financial statements of MCS Services Limited for the year ended 30 June 2026, 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 audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

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

Samir Tirodkar
Director

Introduction

The Board of the Company is committed to achieving and demonstrating the highest standards of corporate governance consistent with the size and nature of the Company.

The Group's Corporate Governance Statement for the financial year ended 30 June 2026 is dated as at 30 June 2026 and was approved by the Board on 30 September 2026.

The Corporate Governance statement is available on MSG's website at www.mcsservices.com.au.

Company Website

The Company's Corporate Governance Plan is available in the Investor section of the Company's website www.mcsservices.com.au

Governance and Policy Reviews

The Corporate Governance policies and practices of the Company are reviewed annually in accordance with the standards required of the Company by the Directors, the ASX, ASIC and other relevant stakeholders, to ensure that the highest appropriate governance standards are maintained, commensurate with the size and operations of the Company.

Performance Evaluations

No Performance Evaluations for senior executives were undertaken in the Reporting Period or the previous reporting period.

Risk Management

The Board reviewed the risk management framework during the 2023 reporting period.

Board Structure

Having regard to the size and nature of the Company, the current Board structure of three Directors is considered sufficient at this stage.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

MCS

For the year ended 30 June 2026

	Note	30 June 2026 \$'000	30 June 2025 \$'000
Revenue	5	-	-
Cost of Sales, incl. operational Employee Expenses	7	-	-
Gross Profit		-	-
Other Income			
Interest	5	-	3
		-	3
Overheads			
Overheads, Administration and Other Expenses	6	(394)	(358)
Employee Expenses (non-operational staff)	7	-	(216)
		(394)	(574)
		(394)	(571)
Finance expenses	8	-	-
Depreciation of property, plant and equipment	12	-	-
		-	-
		(394)	(571)
Other Items			
Impairment of value of Traffic Business contracts acquired	13	-	(242)
Legal Claim Provision	6,15	(495)	-
		(495)	(242)
Profit (Loss) before tax		(889)	(813)
Income tax benefit	9	-	-
		(889)	(813)
Profit from Discontinued Traffic Business, incl Gain on Sale	4, 29	868	418
Total comprehensive loss for year		(21)	(395)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	30 June 2026 Cents	30 June 2025 Cents
Earnings per share			
Basic earnings per share from continuing operations	18	(0.45)	(0.41)
Basic earnings per share from discontinued operations	18	0.44	0.21
		(0.01)	(0.20)
Diluted earnings per share from continuing operations	18	(0.45)	(0.41)
Diluted earnings per share from discontinued operations	18	0.44	0.21
		(0.01)	(0.20)

	Note	30 June 2026 Number	30 June 2025 Number
Weighted average of ordinary shares outstanding: Basic	18	198,099,652	198,099,652
Weighted average of ordinary shares outstanding: Diluted	18	198,099,652	198,099,652

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

Consolidated Statement of Financial Position

As at 30 June 2026

Assets	Note	30 June 2026 \$'000	30 June 2025 \$'000
Current			
Cash and Cash Equivalents	10	1,772	94
Other Receivables	11	895	9
Assets Held for Sale	29	-	4,012
Total Current Assets		2,667	4,115
Non-Current			
Plant and Equipment	12	2	1
Intangibles	13	-	-
Other	10	20	
Total Non-Current Assets		22	1
Total Assets		2,689	4,116
Liabilities			
Current			
Income Tax	9	-	-
Trade and other payables	14	(1,082)	(1,126)
Provisions	15	(495)	-
Liabilities held for sale – Traffic Business		-	(1,857)
Total Current Liabilities		(1,577)	(2,983)
Non-Current			
Total Non-Current Liabilities		-	-
Total Liabilities		(1,577)	(2,983)
Net Assets		1,112	1,133

Consolidated Statement of Financial Position

As at 30 June 2026

Equity			
Share Capital	17	18,394	18,394
Profit Reserve	17	2,621	2,621
Share Option/Performance Rights Reserve	17	384	384
Accumulated Losses		(20,287)	(20,266)
Total Equity		1,112	1,133

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

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	Note	Share Capital \$'000	Share Option Reserve \$'000	Profit Reserve \$'000	Accumulated Losses \$'000	Total \$'000
Balance 30 June 2024		18,394	384	2,621	(19,871)	1,528
Loss for the year	4	-	-	-	(395)	(395)
Total Comprehensive Loss		-	-	-	(395)	(395)
Balance 30 June 2025		18,394	384	2,621	(20,266)	1,133
Loss for the year	4	-	-	-	(21)	(21)
Total Comprehensive Loss		-	-	-	(21)	(21)
Balance 30 June 2026		18,394	384	2,621	(20,287)	1,112

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

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Note	30 June 2026 \$'000	30 June 2025 \$'000
Cash flows from Operating activities			
Receipts from customers		11,747	16,651
Payments to employees, suppliers and directors		(10,998)	(14,726)
Payments for BAS		(827)	(1,209)
Income tax refunded / (paid)		-	41
Net cash from / (used in) operating activities	19	(78)	757
Cash flows from Investing activities			
Proceeds on sale of Traffic Business, incl Plant & Equipment	12, 29	1,158	-
Interest received	5	1	3
Interest Paid	8	(51)	(76)
Proceeds on sale of Plant & Equipment	12	2	64
Payment for Plant & Equipment	12	(197)	(55)
Payment to Purchaser of Security Business – Completion Accounting	14	(390)	-
Proceeds from vendor of Highways Traffic	11	39	152
Net cash from investing activities		562	88
Cash flows from financing activities			
Proceeds of Borrowings: Vehicle Finance Facility	16	130	-
Repayment of Borrowings: Vehicle Finance, monthly scheduled	16	(120)	(111)
Repayment of Borrowings: on sale of Traffic Business	16	(408)	-
Net cash used in financing activities		(398)	(111)
Net increase/(decrease) in cash and cash equivalents		86	734
Cash and cash equivalents at beginning of the year		1,686	952
Cash and cash equivalents at end of the year	10	1,772	1,686

Cash and cash equivalents include cash classified as Held for Sale in the comparative period **(Note 10)**.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

The principal activity of MCS Services Limited and its subsidiary (**Group or Consolidated Entity**) during the Reporting Period was providing traffic management services in WA.

During the Reporting Period, effective 9th June 2026, the Group sold the Traffic Business of its Highways Traffic Pty Ltd subsidiary in an Asset Sale Arrangement. The Highways Traffic Pty Ltd entity remains a materially non-trading 100% owned subsidiary of the Company.

1. General Information and statement of compliance

These consolidated general purpose financial statements of the Group for the year ended 30 June 2026 are presented in Australian dollars (**\$ or A\$**), which is the functional and presentation currency of the parent company and have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards Board (**AASB**), and on an accruals basis and under the historic cost convention.

Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

MCS Services Limited is a for-profit entity for the purpose of preparing financial statements.

The financial report covers MCS Services Limited (**Company**) and its 100% owned subsidiary Highways Traffic Pty Ltd. MCS Services Limited is the Group's ultimate parent company. It is a public company, incorporated and domiciled in Australia.

The registered office and principal place of business is c/- Suite 3, Level 1, 17 Ord Street, West Perth, WA 6005.

The Company was incorporated on 11 May 2006.

The consolidated financial statements for year ended 30 June 2026 (including the comparatives) were approved and authorised for issue by the Board of Directors on 30 September 2026.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

2. New and Amended Accounting Policies

New and Amended Accounting Standards Not Yet Adopted by the Group

Certain amendments to accounting standards have been published that are not mandatory for 30 June 2026 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the group in the current or future reporting periods.

There are a number of standards, amendments to standards, and interpretations which have been issued by the AASB that are effective in future accounting periods that the group has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 July 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to AASB 9 *Financial Instruments* and AASB 7 *Financial Instruments: Disclosures*)

The amendments do not have a material impact on the financial statements when adopted.

The following standards and amendments are effective for the annual reporting period beginning 1 July 2027. The group is currently assessing the effect of these new accounting standards and amendments.

- AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 *Presentation and Disclosure in Financial Statements*, which was issued by the AASB in June 2024 supersedes AASB 101 *Presentation of Financial Statements* and will result in amendments to Australian Accounting Standards, including AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* (renamed to *Basis of Preparation of Financial Statements*). Even though AASB 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

New and Amended Accounting Policies Adopted by the Group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of the Standards and Interpretations did not have a material impact on the financial statements.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Basis of Consolidation

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group financial statements consolidate those of the Parent Company and its subsidiary as of 30 June 2026. All entities have a reporting date of 30 June. All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with accounting policies adopted by the Group. Profit or Loss of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

3. Summary of Material Accounting Policies

Overall considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

Going Concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group has reported a net loss after tax of \$0.02 million (2025: loss of \$0.40 million). The Group had net assets of \$1.1 million (2025: \$1.1 million) including cash and cash equivalents of \$1.77 million (2025: \$1.69 million) as at 30 June 2026. The Company's listed securities have been suspended from quotation since 19th August 2026 which materially constrains the Company's ability to raise equity if needed.

The Directors believe that the Going Concern basis of accounting is appropriate due to:

- the abovementioned bank balances, and cashflow forecasts estimating sufficient cash balances throughout the next 12 months without a need for capital raising;
- corporate level cost minimisation to preserve available cash reserves;
- approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules. The Board remains open to such approaches (**Note 30**)

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

No adjustments have been made relating to the recoverability, amount and classification of recorded assets and liabilities that might be necessary should the consolidated Group not continue as a Going Concern.

Discontinued Operations

AASB 5 Non-current Assets Held for Sale and Discontinued Operations (AASB 5)

In accordance with Accounting Standard AASB 5

- 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.

- The assets and liabilities of the Traffic Business, being a business made available for sale as at 30 June 2025 and throughout the Reporting Period, were classified as Assets Held for Sale / Liabilities Held for Sale in the Consolidated Statement of Financial Position at 30 June 2025 and generally measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount would be recovered principally through sale as opposed to continued use;
- the trading results of the Traffic Business were separately classified as Profit on Discontinued Traffic Business in the Consolidated Statement of Profit or Loss & Other Comprehensive Income in the Reporting Period and prior reporting period;
- no depreciation or amortisation was charged against the Traffic Business assets classified as Held for Sale during the Reporting Period. This resulted in \$468,296 of depreciation of the Traffic Business’ non-current assets (primarily, motor vehicles) not being recognised in the Reporting Period with a resulting upward effect on the trading profit of the Traffic Business (**Note 4**) and a corresponding downward effect on the Gain on Sale of the Traffic Business (**Note 29**). There was no net effect on overall Net Profit for the Reporting Period.

Investments in associates and joint arrangements

The Group does not have interests in Associates (being entities over which a company is able to exert significant influence but which are not subsidiaries) or Joint Ventures (being arrangements where a company controls jointly with one or more other investors, and over which the company has rights to a share of the arrangement’s net assets rather than direct rights to underlying assets and obligations for underlying liabilities).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Segment Reporting

The Group had one segment, Traffic Management, during the Reporting Period.

Although not a reportable segment under Accounting Standard AASB 8, the corporate costs, assets and liabilities of the Parent Company not directly attributable to the Traffic Management business activities are disclosed as 'Corporate' in Note 4 and elsewhere.

Following the Group's acquisition of Highways Traffic Pty Ltd in October 2022, and until the sale of the Traffic Business effective 9th June 2026, the Group provided traffic planning and accredited traffic controllers (typically with vehicles and associated signage) to major infrastructure construction companies, government bodies, the Resource sector and other clients, in Western Australia.

The measurement policies that the Group uses for segment reporting under AASB 8 are the same as those used in its financial statements.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

Revenue

The Group's revenues were primarily from billings charged to clients for hours of work undertaken at agreed contractual rates recognised when the work has been undertaken.

Revenues are measured in accordance with AASB 15 *Revenue from Contracts with Customers*, recognising an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring services or goods to a customer. It excludes GST, rebates and discounts. Interest income and expenses are reported on an actual basis.

Operating Expenses

Operating expenses are recognised in Profit or Loss upon utilisation of the service or at the date of their origin.

Borrowing Costs

During the current Reporting Period, as for the previous reporting period, the Group:

- arranged premium funding for its insurance for its operating businesses, with 10 monthly instalments payable to June each year (**Note 8, Note 16**);
- had a Vehicle Finance Facility with NAB for its Traffic Business vehicle fleet renewal needs. Scheduled monthly instalments were paid during the Reporting Period, and the remaining balance owing on the Facility was repaid in full upon the sale of the Traffic Business in June 2026. (**Note 16, Note 29**).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Income Taxes

Tax expense or benefit recognised in Profit or Loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income or directly in equity.

Current income tax assets / or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting Date. Income tax is calculated on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the Reporting Period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities at reporting date and their tax bases. Deferred tax is not provided on the initial recognition of Goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax assets and liabilities. Deferred tax liabilities are always provided for in full. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The Company and its wholly-owned Australian controlled entities at the time implemented the tax consolidation legislation during the 2017 financial year. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax expenses. In addition to its own current and deferred tax assets or liabilities, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

Trade Receivables

Trade Receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30-45 days of being invoiced and are therefore all classified as current. Trade Receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the Trade Receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate. An allowance for doubtful debts is made when there is objective evidence that the Group might not be able to collect a debt. Bad debts are written off when identified.

Plant and Equipment

The Group does not own any freehold land or buildings. Motor vehicles, IT and other equipment (including office fittings and furniture) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management. Motor vehicles, IT and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment tests.

Depreciation is recognised on a straight-line basis to write down the costs less estimated residual value. The following useful lives are applied:

Item	Assumed Useful Life
IT / software	3 years
Office equipment	4 years
Motor vehicles	4 years

As noted above, in accordance with Accounting Standard AASB 5, depreciation was not recognized on the Traffic Business non-current assets (primarily motor vehicles) during the Reporting Period as the Traffic Business had been made available for sale (**Note 12**).

Material residual value estimates and estimates of useful lives are updated as required, but at least annually. Gains or losses arising on the disposal of Property, Plant & Equipment are determined as the difference between disposal proceeds and the carrying amount of assets and are recognised in Profit & Loss within Other Income or Other Expenses.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Goodwill

Goodwill represents future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is calculated after separate recognition of identifiable intangible assets – including Customer Contracts Acquired.

Intangibles

Intangibles are amortised by the Company over the estimated period over which benefits will occur and the carrying value is assessed for impairment at the end of each reporting period and written down where applicable.

Impairment testing of Goodwill, other intangible assets and plant & equipment

For impairment assessment purposes, assets would be grouped at the lowest levels for which there are largely independent cash inflows (cash generating units).

As a result, some assets would be tested individually for impairment and some would be tested at cash-generating unit level. Goodwill would be allocated to those cash-generating units that were expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which Goodwill may be allocated (determined by the Group's management as equivalent to its operating segments) would be tested for impairment at least annually. All other individual assets or cash-generating units would be tested for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss would be recognised for the amount by which the asset's or cash-generating unit's carrying amounts exceed its recoverable amount, which is the higher of fair value less costs to sell and value-in-use.

To determine the value-in-use, management would estimate expected future cashflows from each cash-generating unit and determine a suitable interest rate in order to calculate the present value of those cashflows. The data used for impairment testing procedures would be directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisation and asset enhancements. Discount factors would be determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

Impairment losses for cash-generating units would reduce first the carrying amount of any Goodwill allocated to that cash-generating unit. Any remaining impairment loss would be charged pro-rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets would be subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge would be reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Employee Benefits

Short term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating Annual Leave and certain Long Service Leave. Short-term benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

As the Traffic Business contributed to an industry Long Service Leave fund for applicable operational staff, Long Service Leave accrued by the Group related only to applicable Traffic Business office staff and applicable Company staff. A Long Service Leave provision, paid in full prior to 30 June 2026, related to 1 employee during the Reporting Period (30 June 2025: 1 employee).

The Group presents its Long Service Leave employee benefits obligations in the Statement of Financial Position as:

- o Current Liabilities: employee has unconditional right to Long Service Leave having reached the relevant service-period threshold such that the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting date, irrespective of when the actual settlement is expected to take place;
- o Non Current Liabilities: employee has not yet earned an unconditional right to Long Service Leave.

As the amounts owing were not considered material, they were measured at the undiscounted amounts expected to be paid when the liabilities are settled. Accordingly, full allowance has not been made for the present value of the expected future payment to be made to employees which might have allowed for the expected future payments incorporating anticipated future wage and salary levels, experience of employee departures and periods of service, and / or discounting at rates determined by reference to market yields at the end of the reporting date.

Share based payments

Equity-settled share-based payments are measured at fair value at the date of grant. Fair value is measured by use of the Black and Scholes model or binomial model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Right of Use Assets (AASB 16)

The Group has reviewed all the Group's arrangements to identify leases. The Group did not have any material lease agreements, or act as a lessor, during the Reporting Period.

Equity, reserves and dividend payments

Share Capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include:

- o the Share Option & Performance Right Reserve which records items recognised on the valuation of share options and Performance Rights over the vesting period until such instruments are converted to ordinary shares at which point the value is transferred to Share Capital; (**Note 17**)
- o the Profit Reserve, which includes the net profit of the Company if applicable for the reporting period. These profits are not otherwise made unavailable for distribution as a dividend; (**Note 17**) and
- o Retained earnings, which includes all prior period profits / losses.

Provisions, contingent liabilities and contingent assets

Provisions for legal disputes, onerous contracts or other claims would be recognised when:

- o the Group has a present legal or constructive obligation as a result of a past event,
- o it is probable that an outflow of economic resources will be required from the Group, and
- o amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risk and uncertainties associated with the present obligation. Provisions are discounted to their present values where the time value of money is material. Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation would be recognised as a separate asset. However, this asset may not exceed the amount of the related provision. No liability is recognised if an outflow of economic resources as a result of a present obligation is not probable. Such situations would be disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability would be recognised or disclosed.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of any item of the expense.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Receivables and Payables in the Statement of Financial Position are shown inclusive of GST. Cashflows are presented in the statement of cashflows on a gross basis, except for the GST components of investing and financing activities which are disclosed as operating cash flows.

Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars (A\$), which is also the functional currency of the Parent Company and its subsidiary.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign currency gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year end exchange rates are recognised in Profit or Loss. Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rate at the date of transaction), except for non-monetary items measured at fair value which are transacted using the exchange rates at the date when fair value was determined.

Foreign Operations

The Group did not have any foreign operations during the Reporting Period.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than A\$ are translated into A\$ upon consolidation. The functional currency of the entities in the Group have remained unchanged during the Reporting Period. On consolidation, assets and liabilities have been translated into A\$ at the closing rate at the reporting date. Income and expenses have been translated into A\$ at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity.

Financial Instruments

Financial Assets at Amortised Cost

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments. After initial recognition, financial assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Financial Assets at Fair Value Through Other Comprehensive Income (Equity Instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- o the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding; and
- o the financial asset is held within a business model with the objective of both holding to collect contractual cashflows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or renewals are recognised in the statement of profit or loss and computed in the same manner as for financial asset measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under *AASB 132 Financial Instruments - Presentation* and are not held for trading. During the Reporting Period the Group did not hold any financial assets of this nature.

Financial Assets at Fair Value Through Profit or Loss (FVPL)

Financial assets at fair value through Profit or Loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. During the Reporting Period the Group did not hold any financial assets of this nature.

Derecognition

Financial assets are derecognised when the contractual rights to the cashflows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For Trade Receivables, the Group applies the simplified approach permitted by AASB, which requires expected timeline losses to be recognised from initial recognition of the Receivables.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities are initially recognised at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss. Financial liabilities are subsequently measured at:

- o amortised cost; or
- o fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- o a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- o held for trading; or
- o initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- o it is incurred for the purpose of repurchasing or repaying in the near term;
- o part of a portfolio where there is an actual pattern of short-term profit taking; or
- o a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss. The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to Other Comprehensive Income and are not subsequently reclassified to profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income

Rounding of Amounts

The Parent Entity has applied the relief available to it under ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and, accordingly, amounts in the financial statements and Directors' Report have been rounded off to the nearest \$1,000 or, in certain cases, the nearest dollar.

Significant management judgement in applying accounting policies

When preparing the 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 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 except where stated. The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

- *Recognition of deferred tax assets*

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future tax income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

- *Impairment*

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cashflows and uses an interest rate to discount them. Estimation uncertainty relates to the assumptions about future operating results and the determination of a suitable discount rate.

- *Useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to practical and technical obsolescence.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

○ *Fair value of financial instruments*

Management uses valuation techniques to determine the fair value of financial instruments and non-financial assets. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available.

○ *Recoverability of Trade Debtors*

Management regularly assesses Trade Receivables throughout the year for indicators of impairment including having regard to timeliness of payments, past default experience and analysis of the debtor's financial position and credit-worthiness, and makes provision for impairment as applicable. Management bases its assumptions on the best available observable data.

4. Segmental Information

Management currently identifies the Group as having had one operating segment during the Reporting Period, traffic management, which operated entirely within Australia until the sale of the Traffic Business effective 9th June 2026. The Group's reportable segments under AASB 8 is therefore Traffic Management.

The Group's operating segments are monitored by the Group's chief operating decision-maker and strategic decisions are made on the basis of adjusted segment operating results. The following is an analysis of the Group's revenue and results by reportable segment.

Although not a reportable operating segment under AASB 8, the results of the parent entity, MCS Services Limited, which functions solely in fulfilling corporate responsibilities for the Group, are also shown below as 'Corporate'.

Notes to the Consolidated Financial Statements **MCS**

For the year ended 30 June 2026

30 June 2026	Note	Corporate \$'000	Traffic Business \$'000	Total \$'000
Revenue	5	-	9,866	9,866
Gross Profit	5,7	-	2,789	2,789
Other Income	5	-	1	1
Overheads				
Overheads, Administration and Other Expenses	6	(394)	(1,286)	(1,680)
Employee Expenses – Non-operational	7	-	(736)	(736)
		(394)	768	374
Net Gain on Sale of Traffic Business	29		154	154
EBITDA incl Net Gain on Sale of Traffic Business		(394)	922	528
Finance costs	8	-	(51)	(51)
Depreciation	12	-	(3)	(3)
Profit / (Loss) before Other Items & income tax		(394)	868	474
Other Items				
Legal Settlement Provision	6, 15	(495)	-	(495)
Profit / (Loss) before income tax		(889)	868	(21)
Income tax	9	-	-	-
Profit / (Loss) attributable to members		(889)	868	(21)
Segment Assets	28,29	54	2,635	2,689
Segment Liabilities	28,29	(1,284)	(293)	(1,577)
Segment Net Assets		(1,230)	2,342	1,112

In accordance with Accounting Standard AASB 5, the result of the Traffic Business segment for the Reporting Period of \$0.87 million profit (2025: \$0.42 million profit), including the \$0.15 million Gain on Sale of the Traffic Business, has been separately disclosed as the *Profit of Discontinued Traffic Business* in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The remaining assets and liabilities of the former Traffic Business subsidiary as at 30 June 2026, following the sale of the Traffic Business effective 9th June 2026, were primarily remaining Cash at Bank (including proceeds of sale of the Traffic Business), Trade Receivables, and residual Trade Creditors and GST owed to ATO.

During the Reporting Period all of the Traffic Management segmental income and results were incurred in Australia, being where all their customers, assets and liabilities are situated. All of the Parent Entity income and results were incurred in Australia.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

30 June 2025	Note	Corporate \$'000	Traffic Business \$'000	Total \$'000
Revenue	5	-	14,582	14,582
Gross Profit	5,7	-	2,967	2,967
Other Income	5	3	-	3
Overheads				
Overheads, Admin and Other Expenses	6	(358)	(1,214)	(1,572)
Employee Expenses	7	(216)	(754)	(970)
EBITDA		(571)	999	428
Finance Costs	8	-	(76)	(76)
Depreciation of Plant & Equipment	12	-	(490)	(490)
Loss on sale of Plant & Equipment	12	-	(15)	(15)
Profit / (Loss) before Other Items & income tax		(571)	418	(153)
Other Items:				
Impairment of Traffic Business Contracts Acquired	13	(242)	-	(242)
Profit/(Loss) before income tax		(813)	418	(395)
Income tax (expense) / benefit	9	(19)	19	-
Profit/(Loss) attributable to members		(832)	437	(395)
Segment assets	28, 29	103	4,013	4,116
Segment liabilities	28, 29	(1,126)	(1,857)	(2,983)
Segment Net Assets		(1,023)	2,156	1,133

In accordance with Accounting Standard AASB 5, the assets and liabilities of the Traffic Business segment as at 30 June 2025, being when the Traffic Business was for sale, were classified as *Assets Held For Sale / Liabilities Held for Sale* on the face of the Statement of Financial Position at 30 June 2025.

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments. Revenues have been identified based on the customer's business segment. Non-current assets are allocated based on their physical location. Segment assets include all assets used by a segment and consist principally of cash, receivables, intangible assets and plant & equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of any assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Segment assets and liabilities do not include deferred income taxes. Other operating income and expense mainly consists of Sundry Income and bank interest earned.

Intersegment Transfers

For the periods ended 30 June 2026 and 30 June 2025 there were no material intersegment transfers.

5. Revenue and Other Income

Revenue		2026 \$'000	2025 \$'000
Traffic Business: Operations		9,523	13,886
Traffic Business: Planning		343	696
	4	9,866	14,582
Other Income			
Interest	4	1	3
		1	3

The above Revenue relates to the Traffic Business, which is included in Discontinued Operations.

6. Overheads, Administration and Other Expenses

	Note	2026 \$'000	2025 \$'000
Professional Fees		356	307
Directors Fees		110	110
Administration and Occupancy		356	345
Insurance		820	742
Bad Debt Impairment	11	8	34
Other		30	34
Legal Claim Provision	15	495	-
		2,175	1,572
Represented as			
Continuing Operations - Corporate costs	4	394	358
Continuing Operations – Other Items	4, 15	495	-
Discontinued Operations - Traffic Business	4	1,286	1,214
		2,175	1,572

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

7. Employee Expenses

Expenses recognised for employee benefits are analysed below:

Employee Expenses within Cost of Sales	Note	2026 \$'000	2025 \$'000
Gross wages and salaries		4,979	7,610
Movement in leave provisions		(177)	99
Superannuation		531	703
Payroll Tax		317	493
		5,650	8,905
Other Costs of Sales		1,427	2,710
		7,077	11,615
Represented as:			
Cost of Sales, Continuing Business	4	-	-
Cost of Sales, Discontinued Traffic Business	4	7,077	11,615
		7,077	11,615
Employee Expenses	Note	2026 \$'000	2025 \$'000
Gross wages and salaries		640	825
Superannuation		21	67
Other		75	78
		736	970
Represented as:			
Employee Expenses, Continuing Business	4	-	216
Employee Expenses, Discontinued Traffic Business	4	736	754
		736	970

The Group does not have any share-based payment schemes for employee remuneration.

8. Finance Expenses

Finance expenses for the reporting periods consist of the following:

	Note	2026 \$'000	2025 \$'000
Interest expense: Vehicle Asset Finance Facility	16	30	33
Interest expense: Insurance Premium Funding	16	21	43
		51	76

All of the above related to the Discontinued Traffic Business.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

9. Income Tax Expense

The major components of tax expense and reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25% (2025: 25%):

	2026 \$'000	2025 \$'000
a) Recognised in the Income Statement		
Current tax		
Current Year	-	-
Under / (Over) provision for Prior Year	-	-
Deferred Tax		
Origination & Reversal of temporary differences	-	-
Under / (Over) Provision for Prior Periods	-	-
Income tax (benefit)/ expense	-	-
Numerical reconciliation between Tax Expense and Pre-Tax Net Profit / Loss		
Profit (loss) before tax	(21)	(395)
Domestic tax rate for the Group	25%	25%
Income Tax expense / (benefit)	(5)	(99)
Increase in Income tax due to tax effect of:		
Non-deductible expenses	168	(15)
Under (over) Provision in Prior Year	-	-
Current year tax losses not recognised	-	-
Decrease in Income Tax expense due to:		
Current year Tax losses not recognised	-	-
Derecognition of previously recognized tax losses	-	32
Movement in unrecognised temporary tax losses	(30)	126
Utilisation of previously unrecognised tax losses	(72)	(105)
Impairment of goodwill	-	61
Non-assessable income	(60)	-
Income tax expense	-	-

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

	2026 \$'000	2025 \$'000
b) Deferred Tax Recognised Directly in Equity		
Using a corporate tax rate of	25%	25%
Relating to equity raising costs	-	-
Deferred tax expense attributable to equity recognised in equity	-	-
c) Recognised Deferred Tax Assets and Liabilities		
Opening balance	-	-
Charged to Income	-	-
Charged to Equity	-	-
Acquisitions / disposals	-	-
Deferred Tax Assets		
Accruals and Provisions	1	160
Other	-	-
Gross Deferred tax assets	1	160
Set off of deferred tax liabilities	(1)	(160)
Net deferred tax assets	-	-
Deferred Tax Liabilities		
Prepayments	(1)	(41)
Plant & Equipment	-	(119)
Other	-	-
Gross Deferred Tax Liabilities	(1)	(160)
Set off of deferred tax assets	1	160
Net Deferred tax liabilities	-	-

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

	2026 \$'000	2025 \$'000
d) Unused tax losses and temporary differences for which no deferred tax asset has been recognised at 25% (2025: 25%)		
Deductible temporary differences	69	126
Tax revenue losses	1,303	1,364
Tax capital losses	1,171	1,210
Total	2,543	2,700
e) Current tax assets / (liabilities)		
Income tax refundable / (payable)	-	-

10. Cash and Cash Equivalents

Cash and cash equivalents include the following components:

	Note	2026 \$'000	2025 \$'000
Current Assets			
Cash at Bank		1,772	94
Cash at Bank: Traffic Business held for sale	29	-	1,592
		1,772	1,686
Non-Current Assets			
Restricted Cash: Security for landlord bank guarantee	16	20	-
Restricted Cash: Security for landlord bank guarantee: Traffic Business Held for Sale	16, 29	-	20
		20	20

The balances as at 30 June 2025 related primarily to the Traffic Business, considered Held for Sale at that date, and so were separately disclosed at part of Assets Held for Sale on the Statement of Financial Position in accordance with Accounting Standard AASB 5 (**Note 3, Note 29**).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

11. Trade and Other Receivables

Trade and other receivables consist of the following:

	2026 \$'000	2025 \$'000
Trade Debtors	414	1,298
Prepayments	3	165
Other Receivables	478	221
	895	1,684

The balances as at 30 June 2026 primarily relate to remaining Trade Receivable and Insurance Refund amounts owed to the Highways Traffic subsidiary arising from the trading activities of its former Traffic Business until its sale on 9th June 2026.

The balances as at 30 June 2025 related primarily to amounts owed to the Traffic Business, considered Held for Sale at that date, and so were separately disclosed at part of Assets Held for Sale on the Statement of Financial Position in accordance with Accounting Standard AASB 5 (**Note 3, Note 29**).

All amounts are short-term and interest free. The carrying value of Trade and Other Receivables is considered a reasonable approximation of fair value.

All of the Group's Trade Receivables and Other Receivables as at 30 June 2026 have been reviewed for indicators of impairment. The Group applies the simplified approach in assessing for expected credit losses, with expected credit losses on Trade Receivables estimated using a provision matrix by reference to past default experience and analysis of the debtor's current financial position. In addition, a specific review for individual impaired accounts is undertaken.

Specific balances of \$7,568 (2025: \$30,000) have been identified as past-due and impaired, and \$7,568 (2025: \$34,419) has been expensed to Profit & Loss in relation to the impairment provision and bad debt.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

12. Plant and Equipment

30 June 2026	Furniture & Equipment \$'000	Motor Vehicles \$'000	Software \$'000	Total \$'000
Cost or Valuation				
Balance at 1 July 2025	42	1,783	7	1,832
Additions	58	142	-	200
Transfers and other movements	-	-	-	-
Disposals	-	(12)	-	(12)
Disposal on sale of Traffic Business	(96)	(1,913)	(7)	(2,016)
Balance at 30 June 2026	4	-	-	4
Depreciation				
Balance at 1 July 2025	(19)	(1,083)	(3)	(1,105)
Disposals	-	10	-	10
Disposal on sale of Traffic Business	18	1,073	5	1,096
Depreciation	(1)	-	(2)	(3)
Balance at 30 June 2026	(2)	-	-	(2)
Carrying amount at 30 June 2026	2	-	-	2

The above Plant and Equipment related primarily to that held by the Traffic Business until sold effective 9th June 2026 (**Note 29**). The remaining Net Fixed Assets as at 30 June 2026 are sundry office equipment.

In accordance with Accounting Standard AASB 5 (**Note 3**), depreciation calculated at \$468,296 on the Traffic Business non-current assets was not recognized to Profit or Loss during the Reporting Period as they were Held for Sale.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

30 June 2025	Furniture & Equipment \$'000	Motor Vehicles \$'000	Software \$'000	Total \$'000
Cost or Valuation				
Balance at 1 July 2024	33	1,917	5	1,955
Additions	9	44	2	55
Disposals	-	(178)	-	(178)
Balance at 30 June 2025	42	1,783	7	1,832
Depreciation				
Balance at 1 July 2024	(10)	(702)	(1)	(713)
Depreciation	(9)	(479)	(2)	(490)
Transfers and other movements	-	98	-	98
Balance at 30 June 2025	(19)	(1,083)	(3)	(1,105)
Carrying amount at 30 June 2025	23	700	4	727

Except for \$1,000 of corporate office equipment, all the above Plant and Equipment as at 30 June 2025 related to the Traffic Business and was separately disclosed at part of *Assets Held for Sale* on the Statement of Financial Position in accordance with Accounting Standard AASB 5 (**Note 3, Note 29**).

13. Intangibles

	Note	2026 \$'000	2025 \$'000
Goodwill on Acquisition of Highways Traffic		-	242
Tax Effect		-	-
Impairment		-	(242)
		-	-

During the previous reporting period, having regard to the Traffic Business being made available for sale (**Note 29**), the remaining Goodwill arising from acquisition was considered impaired and expensed.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

14. Trade & Other Payables

Trade and Other Payables consist of the following:

	Note	2026 \$'000	2025 \$'000
Continuing Business - Corporate			
Trade Payables		21	-
Accruals		51	71
Insurance Premiums	16	3	-
GST		(7)	(47)
Directors Fees		180	110
Traffic Business Vendor Liability		540	540
Security Business Purchaser Liability		-	452
		788	1,126
Discontinued Traffic Business			
Trade Payables		46	-
GST and Payroll Tax		185	-
Insurance Premium Funding	16	23	-
Accruals		40	-
Liabilities Held for Sale: Traffic Business	29	-	844
		294	844
		1,082	1,970

The Security Business Purchaser Liability of \$452,000 as at 30 June 2025 related to Completion Accounting. The liability was extinguished in full during the Reporting Period through the payment of \$390,000 and the offset of \$62,000 received by the Purchaser but due to the Company.

All amounts are short-term unless otherwise stated. The carrying values are considered a reasonable approximation of fair value. The Trade Payables are payable within 30-60 days.

As at 30 June 2025 all liabilities of the Traffic Business, considered Held for Sale at that date, were classed as *Liabilities Held for Sale* and separately disclosed on the Statement of Financial Position in accordance with Accounting Standard AASB 5 (**Note 3, Note 29**).

The subsequent sale of the Traffic Business in the Reporting Period effective 9th June 2026 was structured as an asset sale such that the liabilities of the Traffic Business remained with the Highways Traffic Pty Ltd subsidiary. Prior to 30 June 2026 the majority of Trade Payables, PAYG, Superannuation and Payroll Tax had been paid by the Highways Traffic subsidiary.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

15. Provisions

Employee Leave Provisions

All Annual Leave provisions are considered current liabilities. Long Service Leave provisions were considered current liabilities where an employee had an unconditional right to the benefit (had reached the required length of continuous employment) as at 30 June 2026, or were considered non-current liabilities where an employee does not yet have an unconditional right to the benefit.

All leave provisions related to Annual Leave and Long Service Leave of the Traffic Business staff. The directors of the Company do not accrue Annual or Long Service Leave in relation to their directorships.

		2026 \$'000	2025 \$'000
Current Leave Liabilities			
Annual Leave		-	-
Long Service Leave		-	-
Liabilities Held for Sale - Traffic Business	29	-	615
		-	615
Non-Current Leave Liabilities			
Long Service Leave		-	-
		-	615
Movement			
Balance 1 July		615	615
Movement in year		(615)	-
Balance 30 June		-	615

As at 30 June 2025 all liabilities of the Traffic Business, considered held for sale at that date, were classed as *Liabilities Held for Sale* and separately disclosed on the Statement of Financial Position in accordance with Accounting Standard AASB 5 (**Note 3, Note 29**).

The subsequent sale of the Traffic Business effective 9th June 2026 was structured as an asset sale – with offers of employment made to staff by the Buyer. As such, the employee leave liabilities of the Traffic Business remained with the Highways Traffic subsidiary. Shortly after the sale of the Traffic Business, and prior to 30 June 2026, the Leave Balances had been paid to former employees by the Highways Traffic subsidiary.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Other Provisions

On 19 June 2024 the Company sold its Security Business, MCS Security Group Pty Ltd (now Vibrant MCS Pty Ltd), to Vibrant Services Pty Ltd (together, Vibrant) under a Share Sale Agreement. Following a Fair Work Ombudsman investigation into alleged underpayments by Vibrant MCS to its employees, Vibrant claimed against the Company in connection with the Share Sale Agreement's warranty provisions ("*Claim*"). MCS disputed the Claim and does not admit liability. Subsequent to the end of the Reporting Period the Company and Vibrant entered into a Deed of Settlement and Release dated 28th August 2026 under which the Company and Vibrant have agreed, on a no admissions basis, that the Company would pay Vibrant \$495,000 for the purpose of Vibrant MCS making additional wage payments to its employees in relation to the period 7 December 2023 to 19 June 2024 (**Note 30**).

The above has been disclosed in the Reporting Period in Other Items in Overheads, Administration and Other Expenses (**Note 6**) and as a Provision in the Consolidated Statement of Position.

Payment of the above amount had been made by the Company to Vibrant subsequent to the Reporting Period but prior to the date of this Report.

Except for the above, no provision has been made for legal claims. Whilst the Group periodically deals with a number of Workers' Compensation matters in the ordinary course of business, management are of the view such claims are individually immaterial to the Group and / or are adequately covered by the Group's insurance policies.

16. Financial Liabilities: Borrowings

The Group had finance facilities with NAB as set out below:

Facility type	Note	Facility limit at 30 June 2026 \$'000	Facility used at 30 June 2026 \$'000	Facility unused at 30 June 2026 \$'000
Bank Guarantee Facility		20	20	-
Vehicle Finance Facility	29	-	-	-

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Bank Guarantee Facility

The Bank Guarantee facility is secured against a \$20,000 term deposit (**Note 10**) and provides a Bank Guarantee to the landlord of the Traffic Business depot premises. The Highways Traffic subsidiary is in the process of vacating the former depot.

Vehicle Finance Facility

The Asset Finance Facility was utilized by the Traffic Business for ongoing operational fleet vehicle needs, was secured against the relevant Traffic Business vehicles and present and future rights, property and undertakings of parent Company. The facility was used when needed to undertake a rolling upgrade of its vehicle fleet over time to:

- add additional items to the fleet;
- replace ageing vehicles; and
- reduce the need for rented vehicles.

The terms and conditions of the Asset Finance Facility Loan were as follows:

- Lender: National Australia Bank
- Security: Secured over relevant vehicles, guaranteed by MCS Services Ltd
- Interest: 7.41% on commencement
- Limit: \$650,000
- Principal Repayments: Drawn balance repaid in equal instalments over 60 months.

During the Reporting Period scheduled monthly repayments were made as they fell due and then the remainder of the facility was repaid in full, and the facility cancelled, utilizing some of the proceeds of the Traffic Business sale to repay the \$0.41 million owing as at 9th June 2026 (**Note 29**).

	Note	2026 \$'000	2025 \$'000
Opening Balance		398	509
New Drawdowns in Period		130	-
Interest	8	30	33
Repayment of Borrowings: monthly scheduled, incl interest		(150)	(144)
Repayment of Borrowings: on sale of Traffic Business	29	(408)	-
		-	398
Represented by			
Liabilities Held for Sale - Traffic Business	29	-	398
		-	398

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Insurance Premium Funding

During the Reporting Period and previous reporting period the Group had insurance Premium Funding arrangements in place in relation to its insurance costs. The Group's insurances are placed annually for the periods 1 September to 31 August, with ten equal repayments of the Premium Funding made over the period September to June.

The premium funder holds security rights over the relevant Group company's insurance policies.

As at 30 June 2026 an amount of \$23,212 was remaining on the Premium Funding (**Note 14**).

As at 30 June 2025 an amount of \$36,517 was remaining on the Premium Funding and was disclosed as part of Trade and Other Payables in Liabilities Held for Sale (**Note 29**).

17. Equity

Share Capital

The share capital of the Company consists only of fully-paid ordinary shares as follows:

	2026 \$'000	2025 \$'000	2026 Number	2025 Number
Ordinary shares				
At the beginning of reporting period	18,394	18,394	198,099,652	198,099,652
Shares Issued on conversion of Performance Rights	-	-	-	-
Shares Issued on exercise of options	-	-	-	-
Share Buyback	-	-	-	-
At the end of reporting period	18,394	18,394	198,099,652	198,099,652

All issued shares are equally eligible to receive dividends and the repayment of capital, and represent one vote at shareholders meetings of the Company.

Profit Reserve

A meeting of the Board of directors of the Company in a prior reporting period resolved that the 2022 net profit for that reporting period of \$1,065,708 was not to be offset against the Company's Accumulated Losses but appropriated to a 2022 Profit Reserve. These profits are not otherwise made unavailable for distribution as a dividend. Movement in the Profit Reserve follows:

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

	2026 \$'000	2025 \$'000
At the beginning of reporting period	2,621	2,621
Profit	-	-
At the end of reporting period	2,621	2,621

Share Option and Performance Rights Reserve

The Share Option & Performance Rights Reserve records items recognised on the valuation of Share Options and Performance Rights over the vesting period.

	2026 \$'000	2025 \$'000
At the beginning of the year	384	384
Options issued during the period	-	-
Options expensed during the period	-	-
At the end of the year	384	384

The Company has the following Share Options and Performance Rights outstanding:

	Quoted Options		Unquoted Options			Performance Rights	
	2026 Number	2025 Number	2026 Number '000	2025 Number '000	Weighted Average Exercise price	2026 Number '000	2025 Number '000
At 1 July	-	-	12,000	12,000	-	-	-
Expired	-	-	(12,000)	-	-	-	-
Exercised	-	-	-	-	-	-	-
Issued	-	-	-	-	-	-	-
At 30 June	-	-	-	12,000	-	-	-

All of the above 12 million Unquoted Options were issued for \$nil consideration, had an exercise price of 6 cents, were exercisable at any time up to 30 November 2025, and were valued using the Black Scholes model at \$170,836 which was expensed in full in the 2023 reporting period.

None of the above 12 million Unquoted Options had been exercised during the current or previous reporting periods and all expired unexercised during the Reporting Period.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

18. Earnings per share and dividends

Earnings per share

Both basic and diluted earnings per share have been calculated using the profit (loss) attributable to shareholders of the Parent Company as the numerator. The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	2026 '000 of shares	2025 '000 of shares
Number of Shares used in Calculation of Earnings per share:		
Weighted average number of shares used in basic earnings per share calculation	198,099	198,099
Weighted average number of shares used in diluted earnings per share calculation	198,099	198,099
Profit / (loss) used in calculation of Earnings per share:	\$'000	\$'000
From Continuing operations	(889)	(813)
From Discontinued Operations	868	418
	(21)	(395)

	2026 Cents	2025 Cents
Basic earnings per share		
From Continuing operations	(0.45)	(0.41)
From Discontinued operations	0.44	0.21
	(0.01)	(0.20)
Diluted earnings per share		
From Continuing operations	(0.45)	(0.41)
From Discontinued operations	0.44	0.21
	(0.01)	(0.20)

The Company's securities have been suspended from quotation since 19 August 2026 (**Note 30**). No quoted Share Price has been available since that date.

Dividends

The Board has elected not to pay a dividend for the current year to shareholders of the Company. The Company will be deploying funds to efficiently manage its capital structure.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

19. Reconciliation of cashflows from operating activities

	Note	2026 \$'000	2025 \$'000
Profit (Loss) for the year		(21)	(395)
Adjustments for:			
Interest received and receivable	5	(1)	(3)
Interest Paid: Other		-	-
Depreciation	12	3	490
Expensing of value of contracts acquired	13	-	242
Gain on sale of Traffic Business	29	154	-
Net change in Working Capital:			
Change in Tax Asset / Liability	9	-	60
Change in Trade & Other Receivables	11	789	795
Change in other net assets		8	(82)
Change in Trade Creditors and Other Payables	14	(888)	(350)
Change in Provisions	15	(121)	-
Net Cash from / (used in) Operating Activities		(78)	757

20. Auditor Remuneration

Stantons International Audit & Consulting Pty Ltd ("Stantons") were appointed as auditors of the Company on 27 November 2014. The appointment was confirmed by shareholders at the 2014 Annual General Meeting. Stantons continues in that position.

	2026 \$'000	2025 \$'000
Audit & Review of financial statements	51	30
Other Services: Non-audit assistance	-	-
Total	51	30

The Auditor's Independence Declaration is set out on page 23 of the Annual Report.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

21. Related Party Transactions

Transactions with Key Management Personnel

Key management of the Group during the Reporting Period and previous reporting period are the members of the Company's Board of Directors, the CFO (until retrenchment of the role in January 2025) and the Company Secretary. Key management's remuneration includes salaries / fees as follows. The Directors and Key Management Personnel may be also reimbursed for business-related expenses.

	2026	2025
	\$	\$
Short term (director fees, salaries)	110,000	217,653
Post Employment (superannuation)	-	12,899
Company Secretary fees	31,151	23,333
	141,151	253,885

22. Contingent Liabilities

Commensurate with the size of its workforce and the nature of their work the Group is periodically subject to Workers Compensation and other employee-related claims. As at the Reporting Date the Group may be subject to a number of such claims. The validity of any such claims and the ultimate amount that might be payable is not certain. Further information on any such contingencies is omitted so as to not prejudice the Group's position in the related disputes.

The Board considers any claims pending as at the Reporting Date to be adequately covered by its insurance policies or otherwise financially immaterial to the Group.

23. Capital Commitments

As at the Reporting Date the Group had not formally committed to any future capital expenditure.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

24. Interests in Subsidiaries

Composition of the Group

Set out below are details of subsidiaries held directly by the Group:

Name of Subsidiary	Incorporation and Principal Place of Business	Principal Activity	Group ownership % 30 June 2026	Group ownership % 30 June 2025
Highways Traffic Pty Ltd	Australia	Traffic Management (formerly)	100%	100%

Subsequent to the sale of the Traffic Business effective 9th June 2026 the Highways Traffic Pty Ltd subsidiary is engaged in the collection of remaining Trade Receivables and payment of remaining Trade Liabilities. It is otherwise non-trading, has no employees, and is in the process of vacating its former depot premises.

Interests in Unconsolidated Structured Entities

The Group has no interests in unconsolidated structured entities.

25. Financial Instrument Risk

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised below. The main types of risks are market risk, credit risk and liquidity risk. The Group's risk management is co-ordinated by senior management, in close co-operation with its Board of Directors, and focusses on actively securing the Group's short to medium term cashflows by obtaining, and renewing, long-term security contracts with credit-worthy customers. The Group does not actively engage in trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

Market Risk Analysis:

a) Foreign Currency sensitivity

Materially all of the Group's transactions are carried out in Australian Dollars (A\$). All of its Cash Balances are held in A\$ and all of its Trade & Other Receivables, Trade Payables and Borrowings are denominated in A\$.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

The Group has no foreign currency loans or material liabilities in foreign currencies. The Group does not enter into forward exchange contracts or otherwise seek to hedge any such exposure. As such, the Group has minimal exposure to foreign currency movements.

b) Interest Rate sensitivity

The Group has no material interest rate cash flow risk exposure as:

- the interest received on its bank account balances, being with a major Australian bank, are not material to the Group's financial performance (**Note 5**);
- the Group's Bank borrowings were with a major Australian lender, but were repaid in full prior to 30th June 2026 (**Note 16**)

c) Credit Risk Analysis

Credit Risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, primarily in granting Trade Receivable facilities with customers and placing Cash deposits with its bank. The Group's maximum exposure to credit risk at the Reporting Date is limited to the carrying amount of financial assets as summarised below:

	Note	2026 \$'000	2025 \$'000
Current Assets: Cash and Cash Equivalents	10	1,772	1,686
Current Assets: Trade Debtors	11	414	1,298
Current Assets: Insurance Receivable		296	-
Non-Current Assets: Restricted Cash	10	20	20

The credit risk for Cash and Cash Equivalents is considered by management to be negligible as the counterparty to all of the Group's bankings is a reputable Australian bank, National Australia Bank.

In respect of Trade Debtors, the Group's remaining largest 5 customers (either a single counterparty or a group of related counterparties) accounted for some 81% (2025: 71%) of the Trade Debtors amount owing as at 30 June 2026. Management does not consider it to be exposed to any significant credit risk exposure to any single Trade Debtor counterparty or any group of counterparties having similar characteristics. Based on historical information about customer default, management consider the credit quality of Trade Debtors that are not past due or impaired to be good.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

The Group continuously monitors for signs of potential default of Trade Debtors – including through regular meetings with customers, monitoring of trade-account regularity and through external sources. The Group's policy is to deal only with creditworthy customers. Credit risk is managed on a Group basis and reviewed regularly by the Board.

d) Price Risk

The Group is not exposed to price risk.

e) Liquidity risk analysis

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs including by monitoring forecast cash inflows and outflows in day-to-day business, managing working capital, especially the timely receipt of customer accounts, and preparing short-medium term forecasts. The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its Cash resources and Trade Receivables. The Group's cash inflows from Trade Receivables are generally all contractually due within 30–60 days of invoice. Until the sale of the Traffic Business effective 9th June 2026 the Group's primary cash outflows were for payroll, tax and superannuation obligations which could be estimated as to timing with reasonable certainty. The Group's existing Cash resources and Trade Receivables exceed the current forecast cash outflow requirements.

26. Fair Value Assessment

Fair value measurement of financial instruments

The following table shows the level within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2026 and 30 June 2025:

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
30 June 2026				
Cash	10	-	1,772	-
Restricted Cash	10	-	20	-
Trade & Other Receivables	11	-	895	-
Trade & Other Payables	14	-	(1,082)	-
Provisions	15		(495)	
Vehicle Finance Facility	16	-	-	-

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

30 June 2025				
Cash	10	-	1,686	-
Restricted Cash	10	-	20	-
Trade & Other Receivables	11	-	1,684	-
Trade & Other Payables	14	-	(1,970)	-
Vehicle Finance Facility	16	-	(398)	-
Insurance Premium Funding	16	-	(36)	-

Fair value measurement of non-financial instruments

The book value of the Group's Plant & Equipment and acquired Intangibles is based on depreciated acquisition cost and management's view on the ongoing usability of the assets by the Group.

27. Capital management policies and procedures

The Company's objectives when managing capital are to ensure the Group can fund its operations and continue as a Going Concern and to provide shareholders with adequate returns by pricing its services commensurately with the level of risk. The Group has no externally imposed capital requirements or external debt covenants. The Company monitors capital on the basis of liquidity, funding requirements, and dividend return to shareholders. There have been no changes in this strategy since the prior year.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of its business operations. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

28. Parent entity information

Information relating to MCS Services Limited ("**Parent Entity**" or "**the Company**") is as follows:

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Statement of Financial Position			
Current Assets	10,11	53	103
Non-Current Assets	12	1	1
Total Assets		54	104
Current Liabilities	14,15	(1,283)	(1,126)
Non-Current Liabilities		-	-
Total Liabilities		(1,283)	(1,126)
Net Assets		(1,229)	(1,022)
Issued Capital	17	18,394	18,394
Share Option & Performance Right Reserve	17	384	384
Accumulated Losses		(22,628)	(22,421)
Profit Reserve	17	2,621	2,621
Total Equity		(1,229)	(1,022)
Financial Performance			
Loss for the Year	4	(889)	(571)

No dividend to shareholders of the Company was declared in the current or previous year.

Both the Parent Entity and the Highways Traffic subsidiary have \$nil capital commitments as at 30 June 2026 (**Note 23**)

The Parent Entity has not entered into a deed of cross guarantee nor are there any contingent liabilities at the year end except as noted at **Note 22**.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

29. Discontinued Operations / Assets and Liabilities Held for Sale: Traffic Business

As at 30 June 2025, and into the Reporting Period, the Company had made its Traffic Business subsidiary Highways Traffic Pty Ltd available for sale. During the Reporting Period the Company received a number of non-binding indicative offers and, after due consideration and advice, proceeded with the proposal from Altus Traffic Limited for an Asset Purchase Agreement.

The proposal was confirmed by shareholders at an EGM held 21 April 2026 and was completed effective 9th June 2026. The transaction was in the form of an Asset Purchase Agreement with Altus acquiring the Traffic Business vehicle fleet and signage, client contracts & relationships and IP and offering employment to all staff on equivalent terms. The Trade Debtors owing as at 9th June 2026 (**Note 11**) remained an asset of Highways Traffic Pty Limited and liabilities (**Note 14**) (including employee leave provision, **Note 15**) remained a liability of Highways Traffic Pty Limited

Subsequent to the sale of the Traffic Business, Highways Traffic Pty Ltd remains a 100% owned subsidiary of the Company and is collecting remaining Trade Debtors and paying outstanding liabilities – the majority of which were paid prior to 30 June 2026. Highways Traffic Pty Ltd is otherwise non-trading.

The sale of the Traffic Business was as follows:

	Note	\$'000	\$'000
Proceeds			1,158
Non Current Assets Sold			
Cost	12	2,016	
Acc Depn	12	(1,096)	
			(920)
Gain on Sale			238
Specific Broker and Legal Fees			(85)
Net Gain on Sale			154

Financial information relating to the Discontinued Operations for the period is set out overleaf.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

	Note	30 June 2026 \$'000	30 June 2025 \$'000
Discontinued Operations			
Revenue	5	9,866	14,582
Cost of Sales	7	(7,077)	(11,615)
Gross Profit		2,789	2,967
Other Income	5	1	-
Insurance	6	(777)	(706)
Other expenses	6	(509)	(508)
Employee Expenses	7	(736)	(754)
		(2,022)	(1,968)
		768	999
Gain on Sale of Traffic Business		154	-
EBITDA incl Net Gain on Sale of Traffic Business		922	999
Finance Expenses	8	(51)	(76)
Depreciation of Plant & Equipment	12	(3)	(490)
Loss on Sale of Plant & Equipment	12	(1)	(15)
Profit/(Loss) from Discontinued Operations before tax		868	418
Income tax benefit	9	-	19
Profit/(Loss) from Discontinued Operations attributable to members		868	437

The remaining assets and liabilities of the Traffic Business subsidiary as at 30 June 2026 are included in the Consolidated Statement of Financial position as current assets, non current assets and liabilities as follows:

	Note	30 June 2026 \$'000	30 June 2025 \$'000
Cash and Cash Equivalent	10	1,723	1,592
Trade and Other Receivables	11	891	1,674
Restricted Cash	10	20	20
Plant and Equipment	12	1	726
		2,635	4,012
Trade & Other payables	14	(293)	(844)
Provisions - Leave	15	-	(615)
Vehicle Finance Facility	16	-	(398)
		(293)	(1,857)
Net		2,342	2,155

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

The above assets and liabilities of the Traffic Business as at 30 June 2025 were disclosed in the Consolidated Statement of Financial Position as *Assets Held for Sale* and *Liabilities Held for Sale* in accordance with Accounting Standard AASB 5 (**Note 3**).

30. Events Arising since the End of the Reporting Period

No adjusting events have occurred between the Reporting Date and the date of authorisation of this Report except for the following:

- On 19 June 2024 the Company sold its Security Business, MCS Security Group Pty Ltd (now Vibrant MCS Pty Ltd), to Vibrant Services Pty Ltd (together, Vibrant) under a Share Sale Agreement;
- Following a Fair Work Ombudsman investigation into alleged underpayments by Vibrant MCS to its employees, Vibrant claimed against the Company in connection with the Share Sale Agreement's warranty provisions ("Claim"). MCS disputed the Claim and does not admit liability. Subsequent to the end of the Reporting Period the Company and Vibrant entered into a Deed of Settlement and Release dated 28th August 2026 under which the Company and Vibrant have agreed, on a no admissions basis, that the Company would pay Vibrant \$495,000 for the purpose of Vibrant MCS making additional wage payments to its employees in relation to the period 7 December 2023 to 19 June 2024;
- The above has been disclosed in the Reporting Period as an Other Items in Overheads, Administration and Other Expenses (**Note 6**) and as a Provision in the Consolidated Statement of Position (**Note 15**). Payment of the above amount was made by the Company to Vibrant subsequent to the Reporting Period.

No significant non-adjusting events have occurred between the Reporting Date and the date of authorisation of this Report except for the following:

- ASX Guidance Note 12 states the ASX will generally continue quoting an entity's securities for a period of up to 6 months from the date of agreement to dispose of its main undertaking, to allow the entity time to complete the disposal and to identify and announce its intentions to acquire a new business. As a result of the Company's decision to sell its remaining operating business, on 19th August 2026 the Company's securities were suspended from quotation under ASX Listing Rule 17.3. Reinstatement would be conditional on ASX being satisfied with compliance with Listing Rule 12.1 and in practice require a recompliance transaction and recompliance with Chapters 1 and 2 of the ASX Listing Rules.
- During and subsequent to the Reporting Period the Company has received approaches by a number of 3rd parties expressing preliminary interest in a potential restructure and recompliance with Chapters 1 and 2 of the ASX Listing Rules;
- Whilst suspension from quotation materially constrains the Company's ability to raise equity if needed, the Company had Cash balances of \$1.7m as at 30 June 2026 (**Note 10**), cashflow forecasts estimate sufficient cash over the next 12 months after payment of liabilities, and corporate level cost minimisation is in place to preserve cash reserves.

Consolidated Entity Disclosure Statement

MCS Services Limited provides the tax residency of its subsidiaries below:

Name of Entity	Type of Entity	Trustee, partner or participation in JV	% of share capital	Country of incorporation	Australia resident of foreign resident	Foreign jurisdiction(s) of foreign residents
MCS Services Limited	Body Corporate	N/A	-	Australia	Australia	N/A
Highways Traffic Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the s295 (3A)(a) of the Corporations Act 2001 and includes the required information for MCS Services Limited and the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. For the purposes of this section, an entity is an Australian resident at the end of a financial year if the entity is:

- an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a partnership, with at least one partner being an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Consolidated Entity Disclosure Statement

Key assumptions and judgements

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

At the reporting date, the Company did not have any consolidated entities with foreign residency.

Directors' Declaration

In the opinion of the Directors of the Company the consolidated financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
- Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements,
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable,
- the consolidated entity Disclosure Statement on page 73 is true and correct.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

Note 1 confirms that the consolidated financial statements also comply with International Reporting Standards as issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors



The Hon RC (Bob) Kucera AM APM JP

Non-Executive Chairman

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MCS SERVICES LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MCS Services Limited ("the Company") and its subsidiary ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, 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 year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 & Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audits of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be Key Audit Matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
<i>Disposal of the business assets of Highways Traffic</i> <i>(refer to Notes 3 and 29 to the financial statements)</i> During the year, the Group completed the disposal of the business assets of its wholly owned subsidiary, Highways Traffic Pty Ltd, to Altus Traffic Pty Ltd for cash consideration of \$1.16 million. We considered the disposal to be a key audit matter due to the significance of the transaction to the Group and the judgement involved in determining the appropriate accounting treatment, including the derecognition of the assets and associated liabilities, recognition of the resulting gain or loss on disposal, and the related financial statement disclosures.	Inter alia, our audit procedures included the following: • Obtaining an understanding of the transaction including reviewing the Assets Purchase Agreement and other relevant supporting documentation to understand the key terms and conditions of the disposal; • Assessing the accounting treatment applied by management; • Agreeing the disposal consideration to the Assets Purchase Agreement and supporting documentation; • Testing the derecognition of the business assets and related finance loans arising from the disposal; • Recalculating the gain or loss on disposal and agreeing the disposal proceeds to supporting documentation; and • Assessing the adequacy of the disclosures in the consolidated financial statement.

Key Audit Matters	How the matter was addressed in the audit
Revenue recognition (refer to Notes 3 and 5 to the financial statements) The Group earns revenue primarily from the provision of traffic management services in Western Australia. Revenue is generally recognised when the Group provides the services to its customers. During the year ended 30 June 2026, the Group continued to generate revenue of \$9.87 million from its traffic management operations up to the disposal of this traffic business on 9 June 2026. We considered revenue recognition to be a key audit matter due to the following: - the application of AASB 15 <i>Revenue from Contracts with Customers</i> (AASB 15) involves certain key judgements relating to identification of distinct performance obligations and the determination of transaction price of the identified performance obligations; and - the significance of the revenue to the Group.	Inter alia, our audit procedures included the following: • Obtaining an understanding of the revenue transaction cycles including identifying key controls over revenue transactions and carrying out walk-through tests; • Assessing the appropriateness of the Group's revenue recognition accounting policies for compliance with AASB 15; • Analysing significant sales contracts to verify correct accounting treatment in accordance with the Group's accounting policy and AASB 15; • Performing substantive tests on revenue; • Performing cut-off testing at disposal date; and • Assessing the adequacy of the disclosures in the consolidated financial statement.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.



We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of MCS Services Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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

Samir Tirodkar
Director
West Perth, Western Australia
30 September 2026

ASX Additional Information

Additional information required by ASX listing rules and not disclosed elsewhere in this report is set out below. The information is effective as at 8 September 2026.

Securities Exchange

The Company is listed on the Australian Securities Exchange. The Company's securities have been suspended from quotation since 19 August 2026 under Listing Rule 17.3 and remain suspended pending ASX being satisfied of compliance with the Listing Rules including Listing Rule 12.1

Substantial Shareholders

The number of substantial shareholders and their associates are set out below

	Shareholder	Number of shares	%
1	PR & M Simmons	38,046,812	19.21%
2	Mr Amarandhar Reddy Kotha	19,267,745	9.73%
3	Mr Richard Batrachenko & Mrs. Jacqueline Batrachenko	15,230,665	7.69%
4	Mr Adam Leonard Goulding & Mrs. Renee Louise Goulding	14,917,500	7.53%
5	Lehav Pty Ltd	11,507,263	5.81%

Distribution of Equity Security Holders as at 8 September 2026

Holding	Shareholders	Total Units
1-1000	20	4,941
1,001-5,000	10	24,031
5,001-10,000	12	99,893
10,001-100,000	126	6,080,028
100,000 and over	118	191,890,759
	286	198,099,652

ASX Additional Information

	Top 20 Shareholders	Number of Ordinary Shares	% of Issued shares	
1	PR & M Simmons Pty Ltd (Simmons Super Fund a/c)	38,046,812	19.21	
2	Mr Amarandhar Reddy Kotha	19,267,745	9.73	
3	Mr Richard Batrachenko & Mrs. Jacqueline Batrachenko (Batrachenko Superfund a/c)	15,230,665	7.69	
4	Mr Adam Leonard Goulding & Mrs. Renee Louise Goulding (Race Superfund a/c)	14,917,500	7.53	
5	Lehav Pty Ltd	11,507,263	5.81	
6	Lisa Mayne	5,291,336	2.67	
7	Mr Giancesare Moro	5,000,000	2.52	
8	Dr David George Maxwell Welsh	4,000,000	2.02	
9	Dr David George M Welsh	4,000,000	2.02	
10	Mr Gabriel Govinda	3,900,000	1.97	
11	Mr Salvatore Di Vincenzo	3,707,606	1.87	
12	BNP Paribas Noms (Clearstream)	3,474,173	1.75	
13	Carol Anne Capelli	3,321,691	1.68	
14	Graziano Giacomo Capelli	3,321,691	1.68	
15	BNP Paribas Nominees (IB AU Noms Retail Client)	3,232,280	1.63	3.27
16	Savol Pty Ltd	2,513,480	1.27	
17	Mr Basileus de Tenebrae	2,500,000	1.26	
18	Mr Lawrence Liwei Lin	2,499,999	1.26	
19	Mr David Ariti	2,370,426	1.20	
20	Mrs Elena Encheva Golakova Brooks	2,100,000	1.06	
		150,202,627	75.82	
	Total Remaining Holders (balance)	47,897,025	24.18	
	Total Ordinary Shares on issue	198,099,652	100%	

Less than Marketable Parcel

There were 182 holders of less than a marketable parcel of ordinary shares.

Escrowed Shares

None

Unissued Equity Securities

No Equity Securities were issued during the Reporting Period or the previous reporting period.

On-Market Buy-Backs

There were no shares bought back during the Reporting Period.

Voting Rights

Ordinary Shares	On a show of hands, every member present at a meeting, in person or by proxy, shall have one vote and upon a poll each share shall have one vote
Escrow Shares	None on issue
Options	None on issue
Performance Rights	None on issue

Quoted Options

There are no quoted options.

Unquoted Options

None

END OF REPORT