

2 December 2020

Covid and Trading Update

In response to shareholder inquiries I am pleased to provide an update on the impact of Covid19 on the Company and the current general trading conditions.

Despite the challenges Covid19 has presented to our clients and the community at large, the Company has fared comparatively well during 2020. Even though faced with the Government restrictions imposed as a result of the pandemic, MCS has not had to access any significant Federal or State Government support. We maintained operational staffing levels despite a temporary dip in retail and event security. Our Retail and Commercial Security Divisions are back to normal levels of trading, and our Events Division is increasing its activity notwithstanding ongoing venue and crowd-number limitations. In addition, we have a specialist security team dedicated to servicing part of the hotel quarantine program in Western Australia, resulting in increased revenue and improved profitability.

The good trading conditions enabled us to successfully dispose of a final legacy issue remaining from the original ASX listing and repay the last tranche of vendor finance, leaving the company debt free.

Looking forward, we recently signed a Joint Venture Agreement (JV) with a The Karlayura Group, a major Aboriginal-owned business operating in the Pilbara region of Western Australia, and we will commence jointly tendering for opportunities in the Pilbara mining sector. This is an exciting development that augurs well for future development.

We have also now achieved all of our planned ISO Quality Management certifications, the last one being the Environmental Certification. MCS is now licensed to operate in all mainland States except Queensland (application in progress) and the Northern Territory and is the final process of being granted Australian Defence Force security clearance.

The Company now moves towards 2021 with a suite of long-standing blue-chip client contracts, a continuing robust tender stream, increased opportunities arising from the above developments, a healthy cash balance, and being well positioned to take on any expansion opportunities that may present.

We continue to be totally focused on maintaining maximum client satisfaction and increasing value to all of our committed shareholders.



As Managing Director, together with my Chairman and fellow Directors, I look forward with confidence towards the announcement of our current half yearly report.



PAUL R. SIMMONS
MANAGING
DIRECTOR MCS
SERVICES LTD

This announcement was authorised for release to the ASX by Mr Paul Simmons.

For further information contact Mr Simmons on 08 9301 2420

About MCS Services

MCS Services provides security services at major commercial property sites and retail shopping centres throughout the Perth metropolitan area and regional country areas of Western Australia. These security services include mobile patrols and response vehicle services. In addition, MCS provides electronic security services including the design, supply, installation and commissioning of security alarms, CCTV, biometric and access control systems to commercial, industrial and domestic sectors.



Chamber of Commerce
and Industry WA

