

28 February 2020

Australian Securities Exchange
Level 40, Central Park
152-154 St George's Terrace
Perth WA 6000

RESULTS FOR ANNOUNCEMENT TO THE MARKET

HALF YEAR FINANCIAL REPORT & APPENDIX 4D

MCS Services Limited (**MCS Services** or the **Company**) (**ASX: MSG**) is pleased to present its auditor reviewed half-year report (**Report**) for the six months ending 31 December 2019 (**Period**) and Appendix 4D. The previous corresponding period is the six-month period from 1 July 2018 to 31 December 2018.

Highlights from the Period, as detailed in the Report, are as follows:

- A 5% increase in revenue from ordinary activities to \$12,250,027 compared to the previous corresponding period of \$11,704,827, an increase of \$545,200;
- An underlying EBITDA of \$75,158 compared to \$297,304 during the previous corresponding period, a decrease of \$222,146 (75%);
- An underlying net loss from ordinary activities after tax of \$33,172 compared to a \$178,965 net profit during the previous corresponding period, a decrease of \$212,137;
- A net loss attributable to members of \$45,922 compared to a net loss of \$271,035 during the previous corresponding period, an improvement of \$225,113 (83%);
- Net Tangible Assets per ordinary share on issue at 31 December 2019 of \$0.004 (\$0.004 at 30 June 2019, \$0.004 at 31 December 2018)
- During the Period the Company:
 - Successfully attained ISO 9001 (Quality), AS4801 an OHSAS 18001 (Health & Safety) certification following an independent audit;
 - Was recognised as the national *Outstanding Guarding Company* of the year by the Australia Security Industry Association;
 - Obtained a security licence in New South Wales, adding to existing licences in Western Australia, Victoria and South Australia;
 - Hired a very experienced General Manager based in Melbourne to grow the business in the Eastern States;
 - Commenced new contractual work in six shopping centres in WA, renewed commercial office building security contracts, commenced additional Events & Stadia work for an existing client, and commenced a preliminary contract for a private hospital operator
- No dividends were paid or declared during the Period. The Company is not proposing to pay a dividend in relation to the Period;
- The Company did not gain or lose control over any entities during the Period;
- The Company has no associates or joint ventures;

The Board and senior management are focused on meeting the needs of key stakeholders by providing excellent customer service, attracting and retaining quality staff, and delivering sustainable profitability and growth for its valued shareholders.

Yours faithfully



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

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.

For further information, please visit the MCS website www.mcssecurity.com.au

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning MCS Services Limited's planned activities, operations, expectations and other statements that are not historical facts. When used in this announcement, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and any other similar expressions are forward-looking statements. Although MCS Services Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.