

10 June 2022

Operational Update

MCS Services Limited (*"the Company"*) is pleased to provide the following Operational Update

Quarantine Hotel Security:

In line with the WA State Government's recent announcement of a major easing of COVID travel and vaccination requirements, the Company's security work at a Perth quarantine hotel has materially ended.

Security Officers from the quarantine hotel have been promptly re-assigned to other roles within MCS's portfolio of clients, including into our expanding Health Service division.

MCS Services CEO Paul Simmons said:

"MCS has been proud to contribute towards the WA State Government's COVID risk-mitigation over the past two years.

Our high level of service at the Quarantine Hotel, with no contagion incidents throughout our tenure and our services being required by the client until the very end of the quarantine operations period, has been, I believe, a function of our tailored ISO-certified HSEQ protocols, our teamwork with all stakeholders, our rapid adaptability to changing requirements during our tenure, and the professionalism and dedication of our Security Officers.

The successful completion of the role clearly demonstrates to the market our capabilities in unique and no-fail situations".

Health Service Security:

The Company's security work for WA Department of Health continues to grow, with the Company providing security across a number of hospitals in Perth including for the North Metropolitan Health Service's Sir Charles Gairdner / Perth Childrens' Hospital, King Edward Memorial and Osborne Park hospitals. Work for NMHS is diverse, from access-control duties to security provision in high acuity areas.

The Company anticipates lodging tenders in the near future with a number of other Metropolitan Health Services for similar types and scale of work.

The Company's work in the private hospital sector also continues to expand, with contracts in place for The Mount Hospital (a Healthscope hospital) and all St John of God Health Care's hospitals across Perth, including Subiaco and Midland.

The Company's rapid growth in the Health sector has been tempered to some degree by manning availability, primarily the effect of COVID travel restrictions on candidate availability that has also affected many other sectors of the WA economy. The recent reassignment of Quarantine Hotel security officers to our Health Service division will alleviate much of the current situation.

Chief Operating Officer:

MCS is pleased to announce the appointment of Mr. Michael Georgiou to the new role of Chief Operating Officer. Mr Georgiou was successful on appointment against a strong cohort of applicants for this senior position within the Company. Mr. Georgiou's extensive operational service delivery and commercial experience presented a strong position to the Board and senior management during the recruitment process.

Mr. Georgiou's career spans more than 20 years in the military, resources and safety industries, bringing practical operational and executive experience to the professional services market within the Australasian / Pacific market.

Post military service, Mr. Georgiou identified an opportunity to bring to market an industry leading emergency response company and its subsidiary companies within the oil & gas sector, successfully developing the nation's premier private emergency response capability for Australia's largest terrestrial-based liquified natural gas projects.

Mr. Georgiou will provide a strong focus on leading performance improvement initiatives via empowerment through education, challenging accepted standards with continual improvement through experience and exposures. He is passionate about corporate and social responsibility, and championing workplace initiatives including improvements in safety, a commitment to diversity and removing the stigma associated around mental health.

Traffic Management Company Acquisition:

The proposed acquisition of a Perth-based traffic management company remains in progress, with the Company awaiting updated financial information from the vendor ahead of a finalisation of the acquisition agreement and then moving to completion.

The Company will update shareholders in due course.



PAUL R. SIMMONS

CHIEF EXECUTIVE OFFICER

MCS SERVICES LTD

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.