

SIS Australia Holdings Pty Ltd
ABN 65 132 211 459
Annual Report
for the year ended 31 March 2026

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Directors' report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of SIS Australia Holdings Pty Ltd and the entities it controlled at the end of, or during, the year ended 31 March 2026.

Directors

The following persons were directors of SIS Australia Holdings Pty Ltd during the financial year and up to the date of this report, unless otherwise stated:

Geoff Alcock (commenced 1 July 2025)
Murali Krishna (commenced 1 July 2025)
Geoff Askew (commenced 1 July 2025)
Patrick Bourke (commenced 1 July 2025)
Uday Singh (retired 30 June 2025)
Rituraj Sinha (retired 30 June 2025)
Rivoli Sinha (retired 30 June 2025)
Michael McKinnon (retired 30 June 2025)

Principal activities

SIS Australia Holdings Pty Ltd ("the Parent"), its subsidiaries and associates are engaged in rendering security and related services consisting of manned guarding, consulting and investigation, training, physical security, paramedic and emergency response services, loss prevention, asset protection, mobile patrols, facility management services, alarm monitoring and response services and installation of electronic security devices and systems.

Dividends

Dividends paid to shareholders during the financial year amounted to \$1.183 million (2025: \$0.130 million). No final dividend had been declared or recommended as at 31 March 2026. Subsequent to year end, the Board approved a non-cash distribution as part of the internal reorganisation disclosed in Note 35.

Review of operations

A summary of consolidated revenues and results is set out below:

Particulars	31 March 2026 \$000's	31 March 2025 \$000's
Revenue	1,149,955	985,343
Earnings before interest, depreciation and amortisation, and taxation	40,183	36,048
Depreciation and amortisation	(14,558)	(12,093)
Impairment of goodwill and other non-current assets	-	(35,676)
Profit/(loss) before interest and taxation	25,625	(11,721)
Finance costs	(9,813)	(8,990)
Other income	2,445	3,122
Other (loss)/gain	(697)	1,600
Share of profit of associates	902	1,659
Profit/(loss) before taxation	18,462	(14,330)
Income tax (expense)	(5,848)	(5,591)
Profit/(loss) after tax	12,614	(19,921)

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group from the beginning of the financial year to the date of this report, other than those listed below:

On 2 December 2025, the Group acquired 100% ownership of State Medical Assistance Holdings Pty Ltd and its subsidiaries for a consideration of \$2,169,020.

Subsequent to year end, the Board also approved an internal reorganisation within the Group under which the Company will distribute its interest in SIS Group International Holdings Pty Ltd to its parent entity by way of a non-cash dividend.

This transaction forms part of a broader simplification of the Group structure and is intended to align ownership and management of the relevant operations more closely with the Group's strategic objectives.

The distribution was approved after the reporting period and, accordingly, no amounts have been recognised in the Group's financial statements as at 31 March 2026. The transaction is expected to be completed during the following financial year, at which point the Group will cease to control the entity and it will no longer be consolidated.

Readers are referred to Note 35 for further details.

Matters subsequent to the end of the financial year

Apart from the matters disclosed in note 35, Events Occurring After the Reporting Date, no other matter or circumstance has arisen since 31 March 2026 that has significantly affected, or may significantly affect:

- (a) the Group's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Information on other likely developments in the operations of the Group and the expected results of operations have not been included in these financial statements because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation and Climate Related Disclosures

The Group is a reporting entity and in its first year of adoption of Australian Sustainability Reporting Standards (ASRS), which are aligned with the ISSB's **IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information)** and **IFRS S2 (Climate-related Disclosures)**.

Readers are referred to the SISAH Sustainability Report for the year ended 31 March 2026 for the Group's full climate-related disclosures prepared in accordance with AASB S1 and AASB S2. This includes information on greenhouse gas emissions, relevant quantitative and qualitative climate metrics, governance and risk management disclosures, and Group-level climate-related targets.

Insurance of officers

During the financial year, a related entity, MSS Security Pty Limited, paid a premium to insure the directors and officers of the Group.

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 entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from 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 someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group, with leave of the Court under section 237 of the *Corporations Act 2001*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

Rounding of amounts

The Group is of a kind referred to in Class Order 2026/183, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 325 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.



Geoffrey Alcock
Director



Murali Krishna
Director

Sydney
01 May 2026



Auditor's Independence Declaration

As lead auditor of SIS Australia Holdings Pty Ltd's audit of the financial report and review of specified sustainability disclosures within the sustainability report for the year ended 31 March 2026, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report or the review of the specified sustainability disclosures; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or the review of the specified sustainability disclosures.

A handwritten signature in black ink, appearing to read 'SW', with a long, sweeping underline.

Scott Walsh
Partner
PricewaterhouseCoopers

Sydney
1 May 2026

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SIS Australia Holdings Pty Ltd ABN 65 132 211 459

Financial Statements

for the year ended 31 March 2026

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These financial statements cover the consolidated entity consisting of SIS Australia Holdings Pty Ltd and its subsidiaries. The financial statements are presented in Australian dollars.

SIS Australia Holdings Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

SIS Australia Holdings Pty Ltd Level 20, 150 George Street, Parramatta NSW 2150.

A description of the nature of the Group's operations and its principal activities is included in the directors' report on pages 1 to 3, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 01 May 2026. The directors have the power to amend and reissue the financial statements.

SIS Australia Holdings Pty Ltd
Consolidated statement of financial position
As at 31 March 2026
All figures in \$'000

Particulars	Note	31 March 2026	31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	55,355	20,458
Intangible Assets	5	122,517	116,387
Financial assets			
(i) Investments in associates and joint ventures	7	32,977	33,194
(ii) Other investments	7	3,459	3,459
(iii) Other non-current financial assets	8	1,222	1,149
Deferred tax assets (net)	9	12,193	13,186
Total non-current assets		227,723	187,833
Current assets			
Inventories	11	114	54
Financial assets			
(i) Investments	7	-	14,076
(ii) Trade receivables	12	135,798	117,003
(iii) Cash and Cash Equivalents	13	104,524	90,877
(iv) Bank Balances other than above	13	6,849	5,800
(v) Other current financial assets	8	49,836	40,991
Other current assets	10	7,689	5,689
Total current assets		304,810	274,490
Total assets		532,533	462,323
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	4,000	4,000
Retained earnings		193,330	182,112
Foreign currency translation Reserves	15	940	2,944
Capital Reserves		(3,373)	-
Equity attributable to owners		194,897	189,056
Non-controlling Interests		-	11,653
Total equity		194,897	200,709
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	86,562	89,595
(ii) Non-current lease liabilities	19	32,386	5,017
Provisions	20	9,734	8,298
Total non-current liabilities		128,682	102,910
Current liabilities			
Financial liabilities			
(i) Borrowings	16	4,621	3,321
(ii) Trade payables	17	6,439	4,785
(iii) Current lease liabilities	19	3,366	3,159
(iv) Other current financial liabilities	18	113,144	76,196
Other current liabilities	21	139	44
Provisions	20	74,880	64,513
Current tax liabilities		6,365	6,686
Total current liabilities		208,954	158,704
Total liabilities		337,636	261,614
Total equity and liabilities		532,533	462,323

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

SIS Australia Holdings Pty Ltd
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 March 2026
All figures in \$'000

Particulars	Notes	31 March 2026	31 March 2025
INCOME			
Revenue from contracts with customers	23	1,149,955	985,343
Other income	24	2,445	3,122
Other (loss)/gain	25	(697)	1,600
Total income		1,151,703	990,065
EXPENSES			
Cost of materials consumed		440	559
Purchases of stock-in-trade		530	709
Changes in inventories of stock-in-trade		-	-
Employee benefits expense	26	912,400	746,855
Finance costs	27	9,813	8,990
Depreciation and amortization expenses	28	14,558	12,093
Impairment of non-current assets		-	35,676
Other expenses	29	196,402	201,172
Total expenses		1,134,143	1,006,054
Profit/(loss) before share of profit of associates and tax		17,560	(15,989)
Share of profit of associates		902	1,659
Profit/(loss) before tax		18,462	(14,330)
Tax expense/(benefit)			
Current tax		6,086	8,058
Deferred tax		(238)	(2,467)
Total tax expense/(benefit)	9	5,848	5,591
Profit/(loss) for the year		12,614	(19,921)
Other comprehensive income			
Items that will be reclassified to profit or loss:			
a) Foreign exchange (loss)/gain on monetary items included in net investment in foreign operations		(2,002)	1,844
Other comprehensive (loss)/income for the year (net of taxes)		(2,002)	1,844
Total comprehensive income/(loss) for the year		10,612	(18,077)
Profit/(loss) attributable to:			
Owners of the Group		12,289	(20,685)
Non-controlling interests		325	764
		12,614	(19,921)
Other comprehensive (loss)/income attributable to:			
Owners of the Group		(2,004)	1,844
Non-controlling interests		2	-
		(2,002)	1,844
Total comprehensive income/(loss) attributable to:			
Owners of the Group		10,285	(18,841)
Non-controlling interests		327	764
		10,612	(18,077)
Earnings per share for profit/(loss) attributable to ordinary equity holders:			
Basic and dilutive earnings/ (loss) per ordinary share (Dollars per share)	31	24.53	(41.29)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

SIS Australia Holdings Pty Ltd
Consolidated statement of changes in equity
For the year ended 31 March 2026
All figures in \$'000

For the Year ended 31 March 2025	Attributable to owners						Non-controlling interests	Total equity
	Equity share capital	Capital reserve*	Foreign currency translation reserve	Retained earnings	Total			
Balance at 1 April 2024	4,000	-	1,100	202,797	207,897	11,019	218,916	
Profit for the year	-	-	-	(20,685)	(20,685)	764	(19,921)	
Movement in foreign currency translation	-	-	1,844	-	1,844	-	1,844	
Total comprehensive income for the year	-	-	1,844	(20,685)	(18,841)	764	(18,077)	
Dividends provided for or paid	-	-	-	-	-	(130)	(130)	
Balance at 31 March 2025	4,000	-	2,944	182,112	189,056	11,653	200,709	
For the Year ended 31 March 2026								
Balance at 1 April 2025	4,000	-	2,944	182,112	189,056	11,653	200,709	
Profit for the year	-	-	-	12,289	12,289	325	12,614	
Movement in foreign currency translation	-	-	(2,004)	-	(2,004)	2	(2,002)	
Total comprehensive income for the year	-	-	(2,004)	12,289	10,285	327	10,612	
Dividends provided for or paid	-	-	-	(1,071)	(1,071)	(112)	(1,183)	
Acquisition of non-controlling interests*	-	(3,373)	-	-	(3,373)	(11,868)	(15,241)	
Balance at 31 March 2026	4,000	(3,373)	940	193,330	194,897	-	194,897	

*The movement in the capital reserve during the period relates to SIS Australia Holdings Pty Ltd's acquisition of the remaining 5% equity interest in SIS Australia Group Pty Ltd from the ultimate parent entity, SIS Limited.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SIS Australia Holdings Pty Ltd
Consolidated statement of cash flows
For the year ended 31 March 2026
All figures in \$'000

Particulars	Notes	31 March 2026	31 March 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before tax		18,462	(14,330)
Adjusted for:			
Depreciation and Amortisation expenses	28	14,558	12,093
Foreign exchange Loss/(Gain)		1,314	(176)
Net (Gain) on sale of fixed assets	25	(988)	(994)
(Gain) on re-measurement of Long Service Leave	25	(199)	-
Net (Gain) on financial liabilities measured at FVTPL		-	(430)
Finance costs	27	9,813	8,990
Interest income classified as investing cash flows		(2,490)	(3,122)
Bad debts (recovered)/provision		(52)	397
Share of (Profit) of associates and joint ventures	36	(902)	(1,659)
Impairment of non-current assets		-	35,676
Operating profit/(loss) before working capital changes		39,516	36,445
Movement in working capital:			
(Increase)/Decrease in Trade receivables		(15,638)	(3,673)
(Increase)/Decrease in Inventories		(60)	225
(Increase)/Decrease in other current assets		(1,783)	161
(Increase)/Decrease in other current financial assets		(9,140)	1,731
(Decrease)/Increase in Trade payables		(193)	(886)
Increase in provisions		10,753	1,126
Increase/(Decrease) in other current liabilities		108	-
Increase/(Decrease) in other current financial liabilities		34,230	1,139
Decrease/(Increase) in other non-current financial assets		41	(541)
(Decrease) in other non-current financial liabilities		-	(49)
Cash generated/(used in) from operations		57,834	35,678
Direct tax paid (net of refunds)		(6,771)	(1,447)
Net cash inflow/(outflow) from operating activities		51,063	34,231
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment/ Intangibles and capital work in progress		(13,902)	(11,350)
Proceeds from sale/disposal of property, plant and equipment		1,490	1,298
Proceeds from redemption of Rupee Denominated Bonds	7	12,762	-
Investments made		(2,168)	(578)
Dividend received		1,118	54
(Investment) in / matured fixed deposits		(1,049)	(3,021)
Interest received		2,767	3,119
Net cash (outflow)/inflow from investing activities		1,018	(10,478)
CASH FLOWS FROM FINANCING ACTIVITIES			
Foreign exchange (Gain)/Loss realised		-	(56)
Proceeds from term loans		6,863	5,997
Purchase of non-controlling interests		(15,241)	-
Repayment of term loans		(12,265)	(4,298)
(Repayment)/Drawdown of bank overdraft		(489)	141
Leases paid		(6,536)	(5,010)
Interest paid		(7,659)	(8,092)

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

SIS Australia Holdings Pty Ltd
Consolidated statement of cash flows
For the year ended 31 March 2026
All figures in \$'000

Particulars	Notes	31 March 2026	31 March 2025
Dividends paid		(1,183)	(130)
Net cash (outflow) from financing activities		(36,510)	(11,448)
Net (decrease)/increase in cash and cash equivalents		15,571	12,305
Cash and cash equivalents at the beginning of the year	13	90,877	76,728
Effects of exchange rate changes on cash and cash equivalents		(1,959)	1,844
Cash balances added on acquisition	33	35	-
Cash and cash equivalents at the end of the year	13	104,524	90,877

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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All figures in \$'000

1. The Group Overview

SIS Australia Holdings Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The ultimate parent entity is Security and Intelligence Services (India) Limited, a company incorporated in India and listed on both the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). Its registered office is located at Level 20, 150 George Street, Parramatta NSW 2150.

SIS Australia Holdings Pty Ltd and its subsidiaries, associates and joint ventures ("the Group") are engaged in rendering security and related services consisting of manned guarding, consulting and investigation, training, physical security, paramedic and emergency response services, loss prevention, asset protection, mobile patrols, facility management services, alarm monitoring and response services and installation of electronic security devices and systems.

The financial statements of the Group comprise the consolidated financial statements of SIS Australia Holdings Pty Ltd and its subsidiaries, associates and joint ventures in accordance with applicable accounting standards. A list of subsidiaries is included in Note 34.

The financial statements are presented in Australian Dollars (AUD) rounded off to nearest thousand dollars, or in certain cases, the nearest dollar as issued by the Australian Securities and Investments Commission under Class Order 2026/183.

The financial statements were authorised for issue by the directors on 01 May 2026.

2. Summary of material accounting policies

This note provides a list of material accounting policies adopted in the preparation of these financial statements.

2.1 Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations and mandatory professional reporting requirements issued by the Australian Accounting Standards Board and the *Corporations Act 2001*.

The consolidated financial statements of the Group have been prepared to comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Group is a for-profit entity for the purpose of preparing the financial statements.

AASB 1 First-time Adoption of Australian Accounting Standards

The Group has previously prepared Tier 2 general purpose financial statements in accordance with AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities. These financial statements are the first set of Tier 1 general purpose financial statements which requires the Group to adopt AASB 1 in preparing these financial statements. There was no impact either (i) at the date of transition; and (ii) the end of the previous comparative period as the Group already complied with the recognition and measurement requirements.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following material items which have been measured at fair value as required by relevant AASB:

- a. Certain financial assets and financial liabilities (including derivative financial instruments) and contingent consideration that are measured at fair value;
- b. Share based payments; and
- c. Contingent liability acquired in a business combination are measured at fair value.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent, its subsidiaries, and share in net assets of associates and joint ventures as at, and for the year ended, 31 March 2026. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),

2.3 Basis of consolidation (continued)

- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The acquisition method of accounting is used to account for business combinations by the Group.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Parent, i.e., year ended on 31 March 2026.

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. The policy for accounting for Business combinations explains the accounting for any related goodwill.
- (c) Eliminate in full intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group. Profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full. However, intraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
- (d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2.3 Basis of consolidation (continued)

- (e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognised within equity.
- (f) If the Group loses control over a subsidiary, it:
- Derecognises the assets (including goodwill) and liabilities of the subsidiary,
 - Derecognises the carrying amount of any non-controlling interests,
 - Derecognises the cumulative translation differences recorded in equity,
 - Recognises the fair value of the consideration received,
 - Recognises the fair value of any investment retained,
 - Recognises any surplus or deficit in profit or loss,
 - Reclassifies the Parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Non-controlling interest

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Parent's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

2.4 Summary of material accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no substantive right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as either non-current assets or liabilities.

2.4 Summary of material accounting policies (continued)

b. Property, plant and equipment

Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. Items of property, plant and equipment ('PPE') are initially recognised at cost. All items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, asset retirement obligation and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statements of profit or loss and other comprehensive income for the year during which such expenses are incurred.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work-in-progress.

Depreciation

The Group depreciates property, plant and equipment over the estimated useful lives using a written down value method (and straight-line method in respect of certain subsidiaries) from the date the assets are available for use. Right-of-use assets are depreciated over the asset's useful life or over the shorter of the estimated useful life of the asset and the related lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term. Leasehold improvements are amortised over the shorter of estimated useful life of the asset or the related lease term. Freehold land is not depreciated.

Category	Useful life
Furniture and Fixtures	3-10 years
Plant and Machinery	3-10 years
Vehicles	3-5 years
Computer Equipment	3-5 years

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment.

The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Additions are depreciated on a pro-rata basis from the date the asset is available for use until the date the assets are derecognised.

An item of property, plant and equipment and any significant part, initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of profit or loss and other comprehensive income when the asset is derecognised.

2.4 Summary of material accounting policies (continued)

c. Intangible assets

Intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at historical cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised software development costs, are not capitalised and the related expenditure is reflected in the statements of profit or loss and other comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life on written down value method (or straight line method in respect of certain subsidiaries) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statements of profit or loss and other comprehensive income.

The estimated useful lives of assets are as follows:

Category	Useful life
Goodwill	Indefinite
Computer Software	3-10 years
Brand name	20 years
Customer contracts	Expected contract duration

Intangible assets with indefinite useful lives are not amortised, but are tested annually for impairment, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statements of profit or loss and other comprehensive income when the asset is derecognised.

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units, and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose. The units or the groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in the Group's case are the respective entities carrying out business.

Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials, services, and direct payroll and payroll related costs of employees' time spent on the project.

2.4 Summary of material accounting policies (continued)

c. Intangible assets (continued)

Brand name

Brand name is amortised over 20 years.

Customer contracts

Customer contracts acquired on an acquisition of business are recorded at the fair value of respective assets on the date of acquisition. Customer contracts are amortised based on their useful life.

d. Investment in subsidiaries, associates and joint ventures

A subsidiary is an entity over which the Group has control. The Group controls an investee when it is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. This is generally the case where the Group holds between 20% and 50% of the voting rights.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control exist are similar to those necessary to determine control over the subsidiaries.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The statements of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Dividends receivable from associates and joint ventures reduce the carrying amount of the investment.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The financial statements of the associate or joint venture, for the purpose of reflecting the Group's share of the results of operations of the associate or joint venture, are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.4 Summary of material accounting policies (continued)

d. Investment in subsidiaries, associates and joint ventures (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as "Impairment of investment in associates /joint ventures" in the statements of profit or loss and other comprehensive income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

e. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income FVTOCI or fair value through profit or loss (FVTPL)

Financial instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions call and similar options) but does not consider the expected credit losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income based on EIR is included as interest income as a part of other income in the statements of profit or loss and other comprehensive income. The losses arising from impairment are recognised in profit or loss. A gain or loss on such financial asset which is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised. This category generally applies to trade and other receivables.

2.4 Summary of material accounting policies (continued)

e. Financial instruments (continued)

Financial instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income calculated using the EIR method, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

Financial instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is made only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss in respect of such assets that are not part of a hedging relationship. The gain /loss on assets measured at FVTPL are presented in the statement of profit or loss and comprehensive income within other gains/losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an Instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with gain/loss presented in the statement of profit or loss and other comprehensive income within other gains/losses in the period in which it arises.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Similarly, where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.4 Summary of material accounting policies (continued)

e. Financial instruments (continued)

Impairment of financial assets

The Group recognises loss allowances on a forward-looking basis using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Lifetime ECL allowance is recognised for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised in the statement of profit or loss and other comprehensive income.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss and other comprehensive income.

Financial liability at fair value through profit or loss also includes liabilities arising from forward contract/ call and put options for the purpose of non-controlling interests in subsidiaries and contingent liability acquired in a business combination. The fair value gain/loss arising on such liabilities is recognised in profit or loss.

Borrowings

After initial recognition, borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares which are mandatorily redeemable are classified as liabilities. The dividends on these preference shares, to the extent such dividends are mandatorily payable, are recognised in profit or loss as finance costs.

2.4 Summary of material accounting policies (continued)

e. Financial instruments (continued)

The fair value of the liability portion of an optionally convertible debenture/ bond/ preference share or a zero-coupon debenture/ bond/ preference share or compulsorily convertible debenture where the price of conversion of the debenture into equity share is not fixed, is determined using a market rate of interest for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

When the terms of a financial liability are renegotiated and the entity issues equity instrument to a creditor to extinguish all or part of a liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Borrowings are classified as current liabilities unless the Group has an substantive right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ losses. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income as other gains/losses.

Reclassification of financial instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines changes in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

f. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

g. Current and deferred tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and unused tax credits.

2.4 Summary of material accounting policies (continued)

g. Current and deferred tax (continued)

The current income tax is a charge calculated on the basis of tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It established provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are netted off in the statement of financial position.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

SIS Australia Holdings Pty Ltd and its wholly-owned Australian controlled entities are members of a consolidated group under the tax consolidation legislation.

The head entity SIS Australia Holdings Pty Ltd and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

2.4 Summary of material accounting policies (continued)

g. Current and deferred tax (continued)

Pillar Two model rules

SIS Australia Holdings Pty Limited is within the scope of the OECD Pillar Two model rules that became effective 1 January 2024. The jurisdiction of Australia, New Zealand and Singapore in which the Group falls into will apply the safe harbour provisions to the Global Anti-Base Erosion Model Rules. Based on the analysis prepared, the Group will not incur any top-up taxes due to the Pillar Two legislation for the financial year ended 31 March 2026. The Group applies the AASB 112 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

h. Inventories

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost includes custom duty, freight and other charges as applicable. The Group periodically reviews inventories to provide for diminution in the value of, and/or any unserviceable or obsolete, inventories.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Chemicals and consumables: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis or on weighted average method in respect of certain subsidiaries.
- Stores and Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

i. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit facilities) as they are considered an integral part of the Group's cash management. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

j. Non-current assets held for sale/distribution to owners and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale/distribution to owners if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use and sale is considered highly probable. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell/distribute will be withdrawn and Management must be committed to the sale/distribution being completed within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposals are measured at the lower of their carrying amount and the fair value less costs to sell/distribute except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Assets and liabilities classified as held for sale/distribution are presented separately in the statement of financial position.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell/distribute. A gain is recognised for any subsequent increases in fair value less costs to sell/ distribute an asset (or a disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of sale/ distribution of the non-current asset (or disposal group) is recognised on the date of derecognition.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

2.4 Summary of material accounting policies (continued)

j. Non-current assets held for sale/distribution to owners and discontinued operations (continued)

AA disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statements of profit or loss and other comprehensive income.

k. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

l. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30-60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m. Fair value measurement

The Group records certain financial assets and liabilities at fair value on a recurring basis. The Group determines fair value based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, bonds and debentures and mutual funds that have quoted price. The fair value of all financial instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Assets and liabilities are to be measured based on the following valuation techniques:

- (a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- (b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
- (c) Cost approach – Replacement cost method.

2.4 Summary of material accounting policies (continued)

n. Provisions and contingent liabilities

Provisions

A provision is recognised when the Group has a present legal or a constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are recognised for legal claims and service warranties. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognised as an interest expense.

These are reviewed at each statement of financial position date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognised as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or a reliable estimate of the amount cannot be made.

Liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

o. Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to income are recognised in the statements of profit or loss and other comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of related assets and presented within other income.

On the fulfilment of the above criteria, government grants were recognised in the Statement of profit or loss and other comprehensive income to match the related costs for which the grants are intended to compensate.

p. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts recognised as revenue are net of returns, trade allowances, discounts, rebates, deductions by customers, service tax, value added tax, goods and services tax and amounts collected on behalf of third parties.

2.4 Summary of material accounting policies (continued)

p. Revenue recognition (continued)

Revenue is recognised when the control is transferred to the customer and when the Group has completed its performance obligations under the contract. Revenue is recognised in a manner that depicts the transfer of goods and services to customers at an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. Revenue is recognised as follows:

- (a) Revenue from services is recognised as the services are rendered to the customer. Revenue represents the amount the Group expects to be entitled to for those services.
- (b) Revenue is recognised at the point in time when the goods are delivered or the services are performed, being when control of the promised goods or services passes to the customer. Revenue represents the amount the Group expects to be entitled to in exchange for those goods or services.
- (c) For contract-based business, revenue represents the sales value of work carried out for customers during the period. Such revenues are recognised in the accounting period in which the services are rendered.
- (d) Unbilled revenue net of expected deductions is recognized as current financial assets at the end of each period. Such current financial assets are reversed in the subsequent period when an actual invoice is raised.
- (e) Contract Liabilities representing revenue billed but for which services have not yet been performed are included under Advances from customers. The same is released to the profit and loss account as and when the services are rendered and the control is transferred to the customer.

Sale of goods

Revenue from the sale of goods is recognised when the control of goods has been transferred, being when the products are delivered to the buyer, the buyer having the full discretion over the use of the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Discounts and rebates are estimated based on accumulated experience. Certain subsidiaries of the Group provide normal warranty provisions for general repairs for one year on all its products sold, in line with industry practice. A liability is recognised at the time the product is sold. Revenue is deferred and recognised on a straight line basis over the extended warranty period in the case warranty is provided to a customer for a period beyond one year.

Rendering of services

If the contract includes an hourly fee, revenue is recognised in the amount to which Group has a right to invoice. Customers are invoiced on a monthly or a fortnight basis and consideration is payable when invoiced. In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule.

2.4 Summary of material accounting policies (continued)

p. Revenue recognition (continued)

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss and other comprehensive income.

Dividends

Dividend income from investments are recognised in the statements of profit or loss and other comprehensive income as other income when the Group's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

q. Foreign currency translation

Items included in the financial statements of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

The consolidated financial statements of the Group are presented in Australian Dollars (AUD) which is also the Parent's functional currency.

Transactions in foreign currencies are initially recorded by the entities of the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in statements of profit or loss and other comprehensive income with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation or a monetary item for which settlement is neither planned nor likely to occur in foreseeable future is considered as part of the entity's net investment in that foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into AUD at the rate of exchange prevailing at the reporting date and their statements of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates prevailing at the dates of the transactions). The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedge of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

2.4 Summary of material accounting policies (continued)

q. Foreign currency translation (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

r. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and compensated absences expected to be settled within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables and accruals.

Bonus

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually or legally obliged or where there is a past practice that has created a constructive obligation.

Compensated absences

The employees of the entities of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to a specified portion of the unutilised accumulated compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences relating to long service leave is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the reporting date. The expense on non-accumulating compensated absences is recognised in the statements of profit or loss and other comprehensive income in the year in which the absences occur. Actuarial gains / losses are immediately taken to the statements of profit or loss and other comprehensive income and are not deferred.

In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Post-employment obligations: Defined Contribution Plan

The Group's policy is to contribute on a defined contribution basis for eligible employees, to Employees' Superannuation Fund, towards post-employment benefits, and has no further obligation beyond making its contribution which is expected in the year in which it pertains. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

s. Equity settled stock-based compensation

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) from its ultimate parent entity, SIS Limited.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The fair value of options granted under various Employee Share option plans is recognised as an employee benefit expense with a corresponding increase in equity.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the profit or loss, with corresponding adjustment to equity.

2.4 Summary of material accounting policies (continued)

s. Equity settled stock-based compensation (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions, if any, are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

t. Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

u. Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The Group leases various buildings and vehicles. Rental contracts are typically made for fixed years of three to six years but may have extension options as described below. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Measurement and recognition of leases as a lessee

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- (i) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- (ii) The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- (iii) The Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

2.4 Summary of material accounting policies (continued)

u. Leases (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Group under residual value guarantees

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing, and
- Makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

After initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Extension and termination options

Extension and termination options are included in several property leases across the Group. Most of the extension and termination options held are exercisable only by the Group and not by the respective lessor.

On the statement of financial position, right-of-use assets have been included in property, plant, and equipment (except those meeting the definition of investment property) and lease liabilities have been included in lease liabilities.

Short-term and low value leases

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.4 Summary of material accounting policies (continued)

v. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of its fair value less cost of disposal and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units or CGU). Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's CGUs expected to benefit from the synergies arising from the business combination. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill recognised in the statement of profit or loss and other comprehensive income is not reversed in the subsequent period. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

w. Significant items

Significant items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

x. Cash dividend and non-cash distribution to equity holders of the parent

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity.

y. Earnings per share

Basic earnings per share is calculated as profit after tax attributable to equity holders divided by the weighted average number of ordinary shares issued.

Diluted earnings per share is calculated as profit after tax attributable to equity holders divided by the weighted average number of ordinary shares and potential dilutive ordinary shares except in periods in which there is a loss because the inclusion of the potential ordinary shares would have an anti-dilutive effect.

The Group had no dilutive potential ordinary shares on issue during the period and, accordingly, diluted earnings per share equals basic earnings per share.

z. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statements of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

aa. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.5 New and amended standards adopted by the Group

The Group has applied the following standards and amendments for first time for their annual reporting period commencing 1 April 2025:

- *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability [AASB1, AASB 121 and AASB1060].*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.6 New standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 March 2026.

- *AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments [AASB 7 & AASB 9]* (effective for annual periods beginning on or after 1 January 2026). Management is currently assessing the detailed implications of applying the new standard on the Group's financial statements. The Group will apply the new standard from its mandatory effective date of 1 January 2026.
- *AASB 18 Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027). Management is currently assessing the detailed implications of applying the new standard on the Group's financial statements. The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required.

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Litigation provision

Significant judgement is required in determining whether litigation matters meet the recognition criteria for a provision and, where recognised, in estimating the amount and timing of any expected outflow. Management's assessment is based on the status of the matter, legal advice, available evidence and the likely outcome of the claim.

(ii) Contingent liabilities

Judgement is required in determining whether claims, disputes and regulatory matters give rise to a present obligation at reporting date, and whether any outflow of economic benefits is probable or merely possible. Management considers the facts of each matter, the status of proceedings, and legal or other professional advice in assessing whether a provision should be recognised or whether disclosure as a contingent liability is appropriate. Refer to Note 32 Commitments and contingencies.

(iii) Impairment of non-current assets

The Group assesses at each reporting date, whether there are any indicators that assets may be impaired. If any indicators exist, the Group estimates the recoverable amount of the asset. Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Value-in-use calculations performed in goodwill impairment testing incorporate a number of key estimates. Refer to Note 6 for disclosure of key assumptions and reasonably possible changes in these key estimates which would have caused an impairment of these asset.

3. Critical accounting estimates and judgements (continued)

(iv) Impairment of financial assets

The Group assesses its principal financial assets, including trade and other receivables, and cash and cash equivalents that derive directly from its operations and loans, security and other deposits for impairment. Refer to note 37 for further information.

(v) Useful life (lease terms)

The estimation of the useful lives has been based on the assets' lease terms. There are a number of judgements made in determining the lease terms. The expected useful life of the asset includes a judgement as to whether available extension changes will be exercised. Changes to this assessment are reflected as a remeasurement, with a corresponding adjustment for the liability.

(vi) Deferred tax assets (net)

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and tax offsets, to the extent that it is probable that sufficient taxable profits will be available to utilise them. The group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income.

(vii) Acquired customer contracts

Significant judgement is applied in the accounting for acquired customer contracts, including the identification of contracts that meet the recognition criteria, assessment of whether the contracts give rise to separately recognisable assets or liabilities, and determination of the appropriate accounting treatment on acquisition. Management is required to exercise judgement in assessing the expected remaining contractual terms, renewal patterns, customer attrition rates and profitability of the contracts, as well as whether any related balances such as contract assets, contract liabilities or capitalised contract costs exist at the transaction date. Where contracts are acquired, management applies judgement in determining whether any consideration paid or payable reflects the cost of any assets to be capitalised, and whether the transaction gives rise to a gain or loss. These judgements may materially affect the carrying values of related assets recognised.

4. Property, Plant and Equipment

Year ended 31 March 2025

Description of Assets	Cost					Accumulated Depreciation				Net book value
	As at April 1, 2024	Acquired on Acquisition	Additions during the year	Sale and adjustments	As at March 31, 2025	Up to March 31, 2024	For the year	Sale and adjustments	Up to March 31, 2025	As at March 31, 2025
Right of Use Buildings	18,178	-	3,624	(833)	20,969	11,432	2,894	(288)	14,038	6,931
Plant & Machinery	7,057	-	1,664	(3)	8,718	4,877	1,661	(399)	6,139	2,579
Furniture & Fixture	5,290	-	232	-	5,522	3,371	546	17	3,934	1,588
Vehicles	14,789	-	4,445	(3,169)	16,065	8,499	2,977	(2,860)	8,616	7,449
Right of Use Vehicles	1,888	-	12	19	1,919	1,367	160	96	1,623	296
Computer Equipment	4,536	-	387	-	4,923	3,856	448	(3)	4,301	622
Right of Use Equipment	310	-	31	(123)	218	154	88	(122)	120	98
Capital work in progress	374	-	521	-	895	-	-	-	-	895
Grand Total	52,422	-	10,916	(4,109)	59,229	33,556	8,774	(3,559)	38,771	20,458

Year ended 31 March 2026

Description of Assets	Cost					Accumulated Depreciation				Net book value
	As at April 1, 2025	Acquired on Acquisition	Additions during the year	Sale and adjustments	As at March 31, 2026	Up to March 31, 2025	For the year	Sale and adjustments	As at March 31, 2026	As at March 31, 2026
Right of Use Buildings	20,969	842	31,145	(499)	52,457	14,038	4,273	(500)	17,811	34,646
Plant & Machinery	8,718	942	950	(199)	10,411	6,139	1,424	(255)	7,308	3,103
Furniture & Fixture	5,522	96	1,495	(67)	7,046	3,934	481	(93)	4,322	2,724
Vehicles	16,065	3,043	5,484	(3,008)	21,584	8,616	3,800	(2,648)	9,768	11,816
Right of Use Vehicles	1,919	-	298	27	2,244	1,623	315	8	1,946	298
Computer Equipment	4,923	105	2,143	1	7,172	4,301	639	(5)	4,935	2,237
Right of Use Equipment	218	-	298	(181)	335	120	197	(177)	140	195
Capital work in progress	895	-	(276)	(283)	336	-	-	-	-	336
Grand Total	59,229	5,028	41,537	(4,209)	101,585	38,771	11,129	(3,670)	46,230	55,355

5. Other Intangible Assets

Year ended 31 March 2025

Description of Assets	Cost					Accumulated Amortisation					Net book value
	As at April 1, 2024	Acquired on Acquisition	Additions during the year	Sale and adjustments	As at March 31, 2025	Up to March 31, 2024	For the year	Sale and adjustments	Impairment loss recognised	Up to March 31, 2025	As at March 31, 2025
Goodwill	198,397	-	-	-	198,397	61,188	-	-	35,676	96,864	101,533
Computer Software	12,836	-	5,015	-	17,851	10,843	1,229	-	-	12,072	5,779
Customer Contracts	20,565	-	-	(22)	20,543	14,561	2,084	-	-	16,645	3,898
Brand name	31	-	-	-	31	25	6	-	-	31	-
Total	231,829	-	5,015	(22)	236,822	86,617	3,319	-	35,676	125,612	111,210
Intangible Assets under development											
Computer Software	5,807	-	4,385	(5,015)	5,177	-	-	-	-	-	5,177
Grand Total	237,636	-	9,400	(5,037)	241,999	86,617	3,319	-	35,676	125,612	116,387

Year ended 31 March 2026

Description of Assets	Cost					Accumulated Amortisation					Net book value
	As at April 1, 2025	Acquired on Acquisition	Additions during the year	Sale and adjustments	As at March 31, 2026	Up to March 31, 2025	For the year	Sale and adjustments	Impairment loss recognised	Up to March 31, 2026	As at March 31, 2026
Goodwill	198,397	1,005	-	-	199,402	96,864	-	-	-	96,864	102,538
Computer Software	17,851	-	540	6	18,397	12,072	1,400	3	-	13,475	4,922
Customer Contracts	20,543	4,062	38	(305)	24,338	16,645	2,029	(43)	-	18,631	5,707
Brand name	31	-	-	-	31	31	-	-	-	31	-
Total	236,822	5,067	578	(299)	242,168	125,612	3,429	(40)	-	129,001	113,167
Intangible Assets under development											
Computer Software	5,177	-	3,985	188	9,350	-	-	-	-	-	9,350
Grand Total	241,999	5,067	4,563	(111)	251,518	125,612	3,429	(40)	-	129,001	122,517

6. Impairment testing

The Group recognised the following additions/(adjustments) to goodwill during the year ended 31 March 2026

Particulars	31 March 2026
Carrying value at the beginning of the year	101,533
Goodwill recognised on acquisition of State Medical Assistance Holdings Pty Ltd (Note 33)	1,005
Carrying value at the end of the year	102,538

The following key assumptions were used for testing of impairment on goodwill and other intangibles:

Particulars	Goodwill	Sales (% annual growth rate)	EBIT (%)	Long term growth rate (%)	Pre-tax discount rate (%)
Southern Cross Protection Pty Ltd and its controlled entities	62,406	1.0 – 3.5	2.9 – 6.1	2.5	13.6
MSS Security Pty Ltd	22,166	2.5	3.1	2.0	13.6
Platform 4 Group Ltd and its controlled entities	16,034	27% (FY27), 3%	3.3 – 5.3	2.5	15.1
Safety Direct Solutions and its controlled entities	927	2.5	3.9 – 5.4	2.0	13.6

The assumptions used for current reporting period may differ from the assumptions in the next reporting period as internal and external circumstances and expectations change. This may require further impairment write-downs. Recoverable amount has been determined based on Value In Use using a five-year cash flow forecast. Cash flows beyond the forecast period are extrapolated using a long term growth rate to estimate the terminal value. The projected cash flows are discounted to their present value using a pre-tax discount rate.

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Sales growth (%)	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
EBIT (%)	Based on past performance and management's expectations for the future.
Long term growth rate (%)	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rate (%)	Reflect specific risks relating to the relevant segments and the countries in which they operate.

Sensitivity to changes in key assumptions

The recoverable amount of Southern Cross Protection Pty Ltd and its controlled entities CGU is estimated to exceed the carrying amount of the CGU at 31 March 2026 by \$12.511 million. The recoverable amount of this CGU would equal its carrying amount if the key assumptions were to change as follows:

Particulars	31 March 2026	
	From	To
Sales growth (%)	1.0 – 3.5	(0.5%) annually
EBIT (%)	2.9 – 6.1	2.1 – 5.3
Long term growth rate (%)	2.5	1.0
Pre-tax discount rate (%)	13.6	15.2

The directors and management have considered reasonably possible changes in other key assumptions and have not identified any changes that would result in the carrying amount of any other CGU exceeding its recoverable amount.

7. Investments

Particulars	31 March 2026	31 March 2025
Current Investments		
Investments in Bonds	-	14,076
Total Current Investments	-	14,076
Non-current investments		
Investments in associates		
49 equity shares (March 31, 2025: 49) each fully paid up in Habitat Security Pty Ltd	63	73
8,000,000 equity shares (March 31, 2025: 8,000,000) each fully paid up in SMC Integrated Facility Management Solutions Limited	32,914	33,121
Total Investment in Associates (Note 36)	32,977	33,194

Particulars	31 March 2026	31 March 2025
Other Investments		
Investments in preference shares in SIS Asset Management Limited, at FVTPL	3,459	3,459
Total other investments	3,459	3,459
Total non-current investments	36,436	36,653

8. Other Financial Assets

Particulars	31 March 2026	31 March 2025
Other non-current financial assets		
Security deposits	929	870
Other non-current financial assets	293	279
Total Other non-current financial assets	1,222	1,149
Other current financial assets		
Unbilled revenue	49,734	40,651
Interest accrued on investments	-	278
Security deposits	102	62
Total other current financial assets	49,836	40,991
Total financial assets	51,058	42,140

9. Income Tax Assets, Liabilities and Expense

Movement in deferred tax balances:

31 March 2025	As at April 1, 2024	Acquired on acquisition	Recognised in profit or loss	Conversion of foreign currency balances	As at March 31 2025	Deferred tax assets	Deferred tax liabilities
Trade receivables	120	-	26	3	149	149	-
Property, plant and equipment	(484)	-	956	-	472	472	-
Right of use assets	(2,023)	-	(410)	(2)	(2,435)	-	(2,435)
Lease liabilities	2,025	-	(158)	3	1,870	1,870	-
Intangible assets	(1,851)	-	751	(3)	(1,103)	-	(1,103)
Tax losses and other attributes	88	-	(88)	-	-	-	-
Trade payables	(8,939)	-	197	54	(8,688)	-	(8,688)
Employee benefits and other provisions	21,291	-	1,083	5	22,379	22,379	-
Other	477	-	56	9	542	542	-
Net deferred tax assets/(liabilities)	10,704	-	2,413	69	13,186	25,412	(12,226)
Set-off deferred taxes						(12,226)	12,226
Net deferred tax assets/(liabilities)						13,186	-

31 March 2026	As at April 1, 2025	Acquired on acquisition	Recognised in profit or loss	Conversion of foreign currency balances	As at March 31 2026	Deferred tax assets	Deferred tax liabilities
Trade receivables	149	-	(183)	(2)	(36)	-	(36)
Property, plant and equipment	472	-	412	1	885	885	-
Right of use assets	(2,435)	-	(7,817)	(22)	(10,274)	-	(10,274)
Lease liabilities	1,870	-	7,883	23	9,776	9,776	-
Intangible assets	(1,103)	(1,123)	612	36	(1,578)	-	(1,578)
Tax losses and other attributes	-	-	-	-	-	-	-
Trade payables	(8,688)	-	(5,274)	(64)	(14,026)	-	(14,026)
Employee benefits and other provisions	22,379	-	4,581	(10)	26,950	26,950	-
Other	542	-	(49)	3	496	496	-
Net deferred tax assets/(liabilities)	13,186	(1,123)	165	(35)	12,193	38,107	(25,914)
Set-off deferred taxes						(25,914)	25,914
Net deferred tax assets/(liabilities)						12,193	-

Deferred tax assets and liabilities above have been determined by applying the income tax rates applicable to respective entities in the group.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

As at 31 March 2026, the Group had unutilised tax losses amounting to \$2,927,344 (2025: \$2,997,576), derives from SIS Henderson Holdings Pte Ltd and its controlled entities, which are available for offset against future taxable profits. No deferred tax asset was recognised due to the uncertainty of there being sufficient taxable profits against which the Group can use the benefits thereon. The tax losses do not expire under the current tax legislation.

9. Income Tax Assets, Liabilities and Expense (continued)

The major components of income tax expense for the years ended 31 March, 2026 and 31 March, 2025 are:

Reflected in the statement of financial position as follows:

Particulars	31 March 2026	31 March 2025
Current income tax:		
Current income tax charge	6,174	8,225
Adjustments in respect of current income tax of previous years	(88)	(167)
Deferred tax:		
Decrease/(Increase) in deferred tax assets	(238)	(2,467)
Income tax expense/(benefit) reported in the income statement	5,848	5,591

Reflected in Other Comprehensive Income as Follows:

Income tax charged to OCI	-	-
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Reconciliation of tax expense and the accounting profit multiplied by the tax rate for 31 March, 2026 and 31 March, 2025 are:

Particulars	31 March 2026	31 March 2025
Accounting profit before tax from continuing operations	18,462	(14,330)
Tax at the Australian tax rate of 30% (2025 - 30%)	5,539	(4,299)
Tax effect of amount subject to New Zealand tax rate of 28% (2025 - 28%)	(1)	(25)
Tax effect of amount subject to Singapore tax rate of 17% (2025 - 17%)	(38)	28
Tax effect of amounts which are not deductible in calculating taxable income:		
Share of net profit of associates	(271)	(498)
Non-taxable dividends	16	14
Income not subject to tax (including grants)	-	(21)
Deferred tax asset not recognised on tax losses	9	-
Other non-deductible expenses	773	10,603
Utilisation of previously unrecognised tax losses	(96)	-
Overprovision in respect of prior year	(88)	(215)
Franking credits on dividend	5	4
Income tax expense/(benefit) reported in the income statement	5,848	5,591

10. Other Assets

Particulars	31 March 2026	31 March 2025
Other current assets		
Prepaid expenses	6,689	5,689
Amount Paid Under Protest (Note 32b)	1,000	-
Total other current assets	7,689	5,689
Total other assets	7,689	5,689

11. Inventories

Particulars	31 March 2026	31 March 2025
Uniforms	111	40
Consumables	3	14
Total Inventories at the lower of cost or net realisable value	114	54

12. Trade Receivables

Particulars	31 March 2026	31 March 2025
Trade receivables	137,551	118,620
Less: Loss allowance (Note 38)	(1,753)	(1,617)
Total trade receivables	135,798	117,003
Movement in loss allowance		
At 1 April	(1,617)	(1,307)
Recognised in profit and loss	(61)	(310)
Acquired on Business Combination	(75)	-
At 31 March	(1,753)	(1,617)

13. Cash and cash equivalents

Cash and cash equivalents

Particulars	31 March 2026	31 March 2025
Balance with banks:		
Demand deposits	104,513	90,866
Cash on hand	11	11
Total cash and cash equivalent	104,524	90,877

Other bank balances not included in cash and cash equivalents

Short-term deposits with banks*	6,849	5,800
Total other bank balances	6,849	5,800

* Short-term deposits represent term deposits with original maturities of more than three months.

14. Equity Share Capital

a. Share capital

Particulars	31 March 2026 Shares	31 March 2025 Shares	31 March 2026 \$'000	31 March 2025 \$'000
Ordinary Shares				
Fully Paid	501,000	501,000	4,000	4,000

14. Equity Share Capital (continued)

b. Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of, and amounts paid on, the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have a \$1 par value and the Group does not have a limited amount of authorised capital.

No shares were issued during the year.

15. Foreign currency translation Reserve

Translation differences included in the foreign currency translation reserve arise as a result of translating the financial statement items from the functional currency into the presentational currency using the exchange rate at the balance sheet date, which differs from the rate in effect at the last measurement date of the respective item.

16. Borrowings

Particulars	31 March 2026	31 March 2025
Secured		
Non-current Borrowings		
Term Loans		
From Banks	77,928	84,341
Asset finance liabilities from various banks	6,201	-
Asset finance liabilities from others	2,433	5,254
Total non-current borrowings	86,562	89,595
Current Borrowings		
Term Loans		
Asset finance liabilities from various banks	3,767	1,537
Asset finance liabilities from others	854	1,784
Total current borrowings	4,621	3,321

The Group has access to a \$175 million syndicated debt facility. As at 31 March 2026, \$77.9 million of the facility has been drawn (31 March 2025: \$84.3 million).

The facility matures in November 2027 and is subject to a variable rate based on Bank Bill Swap Rate (BBSY) + 1.75% margin. Interest is payable quarterly in arrears.

(i) Secured liabilities and assets pledged as security

The Group's syndicated debt facility is secured by first-ranking general security agreements granted by each obligor within the Group. These securities provide the lenders with charges over all assets and undertakings of the obligor entities, including shares held in subsidiary entities.

Asset finance liabilities are effectively secured, because the rights to the assets recognized in the financial statements revert to the financier in the event of default.

The carrying amount of assets pledged as at 31 March 2026 are \$8,245,165 (31 March 2025: \$7,331,001).

16. Borrowings (continued)

(ii) Compliance with loan covenants

The Group has a syndicated debt facility, which is subject to financial covenants, including Group EBITDA to Net Interest Expense of not less than 3.00:1 and Net Debt to Group EBITDA of not more than 3.00:1. The covenants are tested and reported quarterly to the lenders, with the next testing date being for the 12 months ending 30 June 2026.

For covenant calculation purposes, Net Debt is calculated in accordance with the facility agreement and excludes lease liabilities and counter-indemnity obligations in respect of guarantees and bonds. EBITDA is calculated on a rolling 12-month basis and is based on Underlying Profit before interest, tax, depreciation and amortisation, adjusted to exclude unrealised foreign exchange gains or losses and impairment of goodwill and other non-current assets.

The Group complied with all financial covenants during the year ended 31 March 2026 and as at 31 March 2026. Based on management's forecasts and covenant calculations, there are no facts or circumstances that indicate the Group may have difficulty complying with the covenants when they are next tested.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in debt for each of the periods presented.

Particulars	31 March 2026	31 March 2025
Cash and cash equivalents	104,524	90,877
Short-term deposits with banks	6,849	5,800
Borrowings	(91,183)	(92,916)
Leases	(35,752)	(8,176)
Net debt	(15,562)	(4,415)

	Borrowings	Leases	Cash and cash equivalents	Short-term deposits with banks	Total
Opening as at 31 March 2025	(92,916)	(8,176)	90,877	5,800	(4,415)
Net cash flows	5,891	6,536	15,571	-	27,998
Investment in / (matured) fixed deposits	-	-	-	1,049	1,049
Effects of exchange rate changes on cash and cash equivalents	-	-	(1,959)	-	(1,959)
New leases	-	(33,376)	-	-	(33,376)
Assets/(Liabilities) acquired on acquisition (Note 33)	(4,145)	(736)	35	-	(4,846)
Interest expense	(8,166)	(1,647)	-	-	(9,813)
Interest payments	8,166	1,647	-	-	9,813
Others	(13)	-	-	-	(13)
As at 31 March 2026	(91,183)	(35,752)	104,524	6,849	(15,562)

16. Borrowings (continued)

	Borrowings	Leases	Cash and cash equivalents	Short-term deposits with banks	Total
Opening as at 31 March 2024	(91,487)	(8,916)	76,728	2,778	(20,897)
Net cash flows	(1,840)	5,010	12,305	-	15,475
Investment in / (matured) fixed deposits	-	-	-	3,022	3,022
Effects of exchange rate changes on cash and cash equivalents	-	-	1,844	-	1,844
Loan establishment cost	411	-	-	-	411
New leases	-	(4,270)	-	-	(4,270)
Interest expense	(8,297)	(693)	-	-	(8,990)
Interest payments	8,297	693	-	-	8,990
As at 31 March 2025	(92,916)	(8,176)	90,877	5,800	(4,415)

17. Trade Payables

Particulars	31 March 2026	31 March 2025
Current trade payables		
Trade payables	6,439	4,785
Total trade payables	6,439	4,785

The terms and conditions of the above financial liabilities are as follows:

Trade payables are non-interest bearing and are normally settled on credit terms ranging from 30-60 days which vary by vendor and type of service.

18. Other current financial liabilities

Particulars	31 March 2026	31 March 2025
Current		
Interest accrued but not due on borrowings	1,647	1,178
Payroll accruals	40,823	25,750
Payroll tax payables	4,419	4,084
Subcontractors accruals	13,689	6,744
Insurance premium funding	5,228	5,317
GST payable	16,301	13,460
Superannuation payable	11,892	6,367
Workers compensation payable	5,857	5,941
Other payables and accruals	13,288	7,355
Total other current financial liabilities	113,144	76,196

19. Lease Liabilities

This note provides information for leases where the Group is a lessee.

Particulars	31 March 2026	31 March 2025
Current	3,366	3,159
Non-current	32,386	5,017
Total lease liabilities	35,752	8,176

Particulars	31 March 2026	31 March 2025
Future lease payments in relation to lease liabilities as at period end are as follows:		
Within one year	5,422	4,324
Later than one year but not later than five years	16,392	4,658
Later than five years	36,601	2,160
Total Minimum lease payments	58,415	11,142

20. Provisions

Particulars	IBNR	Leave liabilities	Make good provision	Others	Total
As at March 31, 2025					
Current	1,124	63,051	-	338	64,513
Non-current	-	8,193	105	-	8,298
Total	1,124	71,244	105	338	72,811
As at March 31, 2026					
Current	1,124	73,228	-	528	74,880
Non-current	-	9,034	700	-	9,734
Total	1,124	82,262	700	528	84,614

Incurred But Not Reported (IBNR) Provision

The IBNR provision represents claims that have arisen from events occurring before the reporting date but have not yet been reported to the Group. It reflects the estimated cost of obligations that are incurred but not yet notified. The IBNR amount, together with reported claims, provides an estimate of the Group's total expected claims liability.

21. Other Liabilities

Particulars	31 March 2026	31 March 2025
Other current liabilities		
Amounts due to related parties	64	44
Others	75	-
Total other current liabilities	139	44

The amounts due to related parties are non-interest bearing and represent transactions made in the ordinary course of business. The balance is unsecured and payable on demand.

22. Segment information

The Group's operating segments are identified on the basis of internal reports regularly reviewed by the Chief Operating Decision Maker (CODM) - the Group CEO together with the Executive Leadership Team acting collectively, in order to allocate resources and assess performance. CODM's primary performance measure is EBITDA.

The Group's operating and reportable segments for the current period are:

Segment	Products and services
MSS Security Pty Ltd, Safety Direct Solutions Pty Ltd and its subsidiaries, MSS Strategic Medical and Rescue Pty Ltd, of State Medical Assistance Holdings Pty Ltd (MSS)	Rendering security and related services consisting of manned guarding, physical security and provision of emergency response services.
Southern Cross Protection Pty Ltd and its controlled entities (SXP)	Provision of services relating to all aspects of physical security.
SIS Henderson Holdings Pte Ltd and its controlled entities (Henderson)	Provision of security services, and installation of fire protection and security alarm systems.
Platform 4 Group Ltd and its controlled entities (P4G)	Security services including guarding, patrols and alarm monitoring services.

Amounts reported to the CODM are prepared on a basis consistent with the Group's accounting policies. The CODM reviews EBITDA by segment.

22. Segment information (continued)

Year ended 31 March 2026					
Segment	Revenue	Employee benefits expense	EBITDA	Finance costs	Depreciation and amortisation
MSS	925,289	(775,078)	37,527	(2,650)	(7,837)
SXP	136,567	(57,054)	4,202	(597)	(4,312)
Henderson	64,273	(60,504)	1,300	(62)	(1,316)
P4G*	23,826	(18,929)	848	(556)	(873)
All other segments	-	(835)	(3,694)	(5,948)	(220)
Total to consolidated statement of profit or loss and other comprehensive income	1,149,955	(912,400)	40,183	(9,813)	(14,558)
Depreciation and amortisation			(14,558)		
Finance costs			(9,813)		
Other income			2,445		
Other gain			(697)		
Share of profit of associates			902		
Profit/(loss) before taxation			18,462		
Year ended 31 March 2025					
Segment	Revenue	Employee benefits expense	EBITDA	Finance costs	Depreciation and amortisation
MSS	766,331	(618,813)	31,154	(1,714)	(6,616)
SXP	140,945	(59,418)	4,709	(498)	(4,179)
Henderson	50,428	(47,723)	690	(38)	(864)
P4G*	27,639	(20,530)	2,053	(575)	(837)
All other segments	-	(371)	(2,558)	(6,165)	403
Total to consolidated statement of profit or loss and other comprehensive income	985,343	(746,855)	36,048	(8,990)	(12,093)
Depreciation and amortisation			(12,093)		
Impairment of goodwill and other current assets			(35,676)		
Finance costs			(8,990)		
Other income			3,122		
Other gain			1,600		
Share of profit of associates			1,659		
Profit/(loss) before taxation			(14,330)		

* P4G does not meet the quantitative thresholds for separate reportable segment disclosure but is voluntarily disclosed separately as management reviews it as a distinct operating segment and considers separate disclosure useful for understanding the Group's international operations.

All other segments comprise remaining holding companies, dormant entities and corporate/unallocated items that are not part of the existing operating segments. These entities do not generate external revenue and are not separately reviewed by the CODM as operating segments. No operating segments have been aggregated in determining the Group's reportable segments.

22. Segment information (continued)

Geographic disclosures

The Group's principal operations are in Australia, with smaller operations in New Zealand and Singapore. Revenue, Intangible Assets, Property, plant and equipment attributable to each of the geographies are as follows:

Year ended 31 March 2026

Geography	External revenue	Property, plant and equipment	Intangible Assets
Australia	1,059,432	52,242	115,145
New Zealand	26,250	466	7,338
Singapore	64,273	2,647	34
Total	1,149,955	55,355	122,517

Year ended 31 March 2025

Geography	External revenue	Property, plant and equipment	Intangible Assets
Australia	905,266	18,195	108,510
New Zealand	29,649	902	7,873
Singapore	50,428	1,361	4
Total	985,343	20,458	116,387

Major customers

During the year, revenues from one external customer amounted to 10% or more of the Group's consolidated revenue. In accordance with AASB 8, the Group discloses that the revenue of that customer was reported in MSS Security Pty Ltd, subsidiary of the Group.

23. Revenue from operations

Particulars	31 March 2026	31 March 2025
Sale of products		
Revenue from sale of electronic security devices	449	345
Total	449	345
Rendering of services		
Security services		
From guarding and other security services	1,149,506	984,998
Total rendering of services	1,149,506	984,998
Revenue from operations	1,149,955	985,343
Time of revenue recognition		
At a point in time		
Sale of products	449	345
Total at a point in time	449	345
Over time		
Security services	1,149,506	984,998
Total over time	1,149,506	984,998
Revenue from operations	1,149,955	985,343

23. Revenue from operations (continued)

Trade receivable and unbilled revenue from contracts with customers.

Particulars	Note	31 March	31 March	1 April
		2026	2025	2024
Trade receivable		137,551	118,620	115,027
Loss allowance		(1,753)	(1,617)	(1,307)
Total trade receivable	12	135,798	117,003	113,720
Unbilled revenue	8	49,734	40,651	42,395
Total		185,532	157,654	156,115

24. Other Income

Particulars	31 March	31 March
	2026	2025
Interest income from banks	2,445	3,122
Total	2,445	3,122

25. Other gain/(loss)

Particulars	31 March	31 March
	2026	2025
Net gain on sale of property, plant and equipment	988	994
Foreign exchange (loss)/gain	(1,884)	176
Net gain/(loss) on financial liabilities measured at fair value through profit or loss	-	430 (a)
(Gain) on re-measurement of Long Service Leaves	199	-
Total	(697)	1,600

Note (a) - Gain on Fair Value arising on acquisition of remaining shares in Safety Direct Solutions Pty Ltd

Effective 11 July 2024, the Group acquired the remaining shares in Safety Direct Solutions Pty Ltd, Australia under the put and call option in place as part of the share purchase agreement for a consideration of \$578,000. As a result of this transaction, the Group recognised a gain of \$429,955 based on the fair value of the liability as on the date of settlement compared to its carrying value. The gain has been recognised as Income in the statement of profit or loss and other comprehensive income.

26. Employee Benefits

Particulars	31 March	31 March
	2026	2025
Salaries, wages and bonus	749,162	615,032
Contribution to Superannuation and other post-employment benefits	68,165	55,010
Annual Leave and Long Service Leave provision and related oncosts	71,473	57,973
Employee share-based payment expense	16	58
Provision for workers compensation and other staff welfare expenses	23,584	18,782
Total employee benefit expense	912,400	746,855

27. Finance Costs

Particulars	31 March 2026	31 March 2025
Interest on Lease Liability	1,647	693
Other borrowing costs	8,166	8,297
Finance costs expenses in profit or loss	9,813	8,990

28. Depreciation and Amortisation Expenses

Particulars	31 March 2026	31 March 2025
Depreciation on property, plant and equipment (Note 4)	11,129	8,774
Amortisation of intangible assets (Note 5)	3,429	3,319
Total depreciation and amortisation expenses	14,558	12,093

The above amounts include Depreciation on Right of use assets recognised under AASB 16 as below:

Particulars	31 March 2026	31 March 2025
Right of use assets - Building	4,273	2,894
Right of use assets - Vehicles	315	160
Right of use assets - Equipment	197	88
Total	4,785	3,142

29. Other Expenses

Particulars	31 March 2026	31 March 2025
Training expenses	2,624	2,826
Uniform and kit items	3,142	2,567
Sub-contracting costs	145,226	156,837
Selling expenses	757	1,208
Administrative expenses:		
Travelling and conveyance	12,098	10,116
Postage and telephone	5,190	4,284
Rent	1,855	856
Rates & taxes	1,221	995
Insurance	2,722	2,496
Stationery & Printing	656	655
Repairs and maintenance:		
Buildings	601	167
Machinery	552	488
Vehicle expenses*	406	290
Consulting fees	916	682
Legal and professional fees	7,516	6,534
Bad and doubtful debts (reversed)/provided	61	239
Bank charges	293	226
Information Technology and Software Maintenance	4,773	4,807
Other administration and general expenses	5,793	4,899
Total	196,402	201,172

* Vehicle expenses include costs relating to short-term vehicle leases and variable lease payments that are not included in the measurement of lease liabilities. The Group has applied the recognition exemption for short-term leases and low-value assets in accordance with AASB 16.

Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity:

Particulars	31 March 2026 \$	31 March 2025 \$
(a) PricewaterhouseCoopers Australia		
(i) Audit and other assurance services		
Statutory audit and review of financial statements	890,800	657,644
Other assurance services	132,600	-
Total remuneration for audit and other services	1,023,400	657,644
(ii) Taxation services		
Tax	108,820	136,214
Other services	-	15,662
Total remuneration for taxation services	108,820	151,876
Total remuneration of PricewaterhouseCoopers Australia	1,132,220	809,520

\$ Amounts in the auditor remuneration table are presented in dollars and have not been rounded to the nearest thousand.

30. Distributions Made and Proposed

Particulars	31 March 2026	31 March 2025
Total dividend paid to ordinary shareholders	1,183	130

31. Earnings Per Share

	31 March 2026	31 March 2025
Profit/(loss) attributable to the ordinary equity holders (AUD \$'000)	12,289	(20,685)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share below (shares)	501,000	501,000
Basic and dilutive earnings/(loss) per share attributable to the ordinary equity holders (Dollars)	24.53	(41.29)

The Group had no dilutive potential ordinary shares on issue during the period and, accordingly, diluted earnings per share equals basic earnings per share.

32. Commitments and Contingencies

a. Short term Leases

The Group has elected to apply the short-term and low-value lease recognition exemptions under AASB 16 for certain leases, primarily relating to IT equipment and motor vehicles used for casual business purposes. As a result, these leases are not capitalised as right-of-use assets on the statement of financial position.

Rental expenses relating to short term and low value leases

Particulars	31 March 2026	31 March 2025
Rental expenses relating to short term and low value leases	2,261	1,146

b. Contingent liabilities

The Group has bank guarantees and surety bonds as at 31 March 2026 of \$9,307,466 (31 March 2025: \$8,524,764).

MSS Security Pty Ltd and Southern Cross Protection Pty Ltd, subsidiaries of the Group, have received an adverse assessment from Revenue NSW in relation to payroll tax on payments made to subcontractors for the payroll years ended 30 June 2020 to 30 June 2024. Based on the assessment, the potential exposure is approximately \$12.3 million, including any applicable interest. Since no penalty was applied by Revenue NSW in consideration of the two entities taking reasonable care to comply with their payroll tax obligations under the Payroll Tax Act 2007, the same has not been considered by the management in their estimates.

The Group disputes the assessment and is in the process of lodging an objection. If the objection is unsuccessful, the Group intends to pursue the matter through the available appeal process. Having regard to external legal advice obtained and management's assessment of the matter as at 31 March 2026, the outcome of the dispute remains uncertain, and management consider the likelihood of an outflow of economic benefits to be not probable. Accordingly, no provision has been recognised in the financial statements at this time. The Group has made interim payment of \$1 million and is accounted under Amount Paid Under Protest.

In addition, management has considered whether there may be further potential exposure in respect of periods subsequent to the years assessed by Revenue NSW, including the payroll year ended 30 June 2025 and the year ending 30 June 2026. This assessment has been performed using available payroll and subcontractor payment information and by applying the methodology adopted by Revenue NSW in the issued assessments. Based on management's best estimate, the potential additional exposure for these subsequent periods, including estimated interest, is approximately \$4.9 million. The estimation of potential exposure, including interest and penalties, involves judgement and is subject to inherent uncertainty. Actual outcomes may differ from management's estimates depending on the timing and outcome of the objection and any subsequent appeal process.

32. Commitments and Contingencies(continued)

Management has further considered whether the Revenue NSW assessment gives rise to a broader risk of similar payroll tax claims in other Australian jurisdictions. Based on a high-level review of subcontractor arrangements in other states and having regard to differences in state-based payroll tax legislation and enforcement practices, management is not aware of any claims or assessments having been issued or currently in progress in other jurisdictions as at the reporting date. Management further notes that revenue authorities in other jurisdictions may monitor the outcome of the Revenue NSW matter before considering any similar compliance action and accordingly will continue to monitor developments in this area.

MSS Security Pty Ltd, a subsidiary of the Group, is currently involved in legal proceedings initiated by Construction, Forestry, Maritime, Mining and Energy Union in relation to Individual Flexibility Arrangements. Most recently, on 9 February 2026, the Court permitted further submissions after the Union sought to rely on new Federal Court authority following the hearing. MSS Security Pty Ltd filed its submission on 23 February 2026. Management consider the likelihood of an outflow of economic benefits to be not probable, and no provision has been recognised in the financial statements at this time. As the matter remains ongoing, the Company has determined that providing further information would seriously prejudice its position in the dispute. Accordingly, no additional details have been disclosed.

33. Business Combination - State Medical Assistance Holdings Pty Limited

On 2 December 2025, a subsidiary of the Company, SIS Australia Group Pty Ltd acquired 100% of State Medical Assistance Holdings Pty Ltd and its subsidiaries (SMA), a non-listed company based in Australia specialising in private patient transport and event medical services for cash consideration of \$2.17m. The Group acquired SMA to expand the Group's healthcare capabilities. The purchase price allocation in respect of the acquisition is provisional.

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities of SMA as at the date of acquisition were:

	Fair value recognised on acquisition date
Assets	
Property, plant and equipment	5,028
Acquired customer contracts (Note 5)	3,744
Cash and cash equivalents	35
Trade and other receivables	3,143
Other assets	359
Total assets	12,309
Liabilities	
Trade and other payables	1,860
Current Tax Liability	374
Deferred tax liabilities arise from acquired contracts	1,123
Borrowings	4,145
Provisions	393
Lease liabilities	736
Other liabilities	2,514
Total liabilities	11,145
Total identifiable net assets	1,164
Goodwill arising on acquisition (Note 5)	1,005
Purchase consideration transferred	2,169
(b) Purchase consideration - cash outflow	
	Amount (\$)
Purchase consideration	
Amount settled in cash	2,169
Total consideration	2,169

33. Business Combination - State Medical Assistance Holdings Pty Limited (continued)

Transaction costs of \$176,958 have been expensed and are included in other expenses. The goodwill is attributable to the workforce and an increase in market share. It will not be deductible for tax purposes.

(i) Acquired receivables

The fair value of acquired trade receivables is \$3,142,873. The gross contractual amount for trade receivables due is \$3,217,631, with a loss allowance of \$74,758 recognised on acquisition.

(ii) Revenue and profit contribution

The acquired business contributed revenues of \$3.85m and net profit of \$0.47m to the group for the period from 2 December to 31 March 2025.

If the acquisition had occurred on 1 April 2025, consolidated pro-forma contributed revenue and profit for the year ended 31 March 2026 would have been \$11.5m and \$1.4m respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortisation that would have been charged on the assumption that the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 April 2025, together with the consequential tax effects.

34. Group Information

Particulars	Country of Incorporation	Class of Shares	Equity Holding	
			2026 %	2025 %
SIS Australia Group Pty Ltd	Australia	Ordinary	100	95
SIS Group International Holdings Pty Ltd**	Australia	Ordinary	100	100
SIS Henderson Holdings Pte Ltd	Singapore	Ordinary	100	100
Henderson Security Pte Ltd	Singapore	Ordinary	100	100
Henderson Technology Pte Ltd	Singapore	Ordinary	100	100
SIS MSS Security Holdings Pty Ltd***	Australia	Ordinary	-	100
MSS Strategic Medical and Rescue Pty Ltd	Australia	Ordinary	100	100
Platform 4 Group Ltd	New Zealand	Ordinary	100	100
Triton Security Services Ltd	New Zealand	Ordinary	100	100
MSS Security Pty Ltd	Australia	Ordinary	100	100
Australian Security Connections Pty Ltd	Australia	Ordinary	100	100
Southern Cross Protection Pty Ltd	Australia	Ordinary	100	100
Charter Security Protective Services Pty Ltd	Australia	Ordinary	100	100
Askara Pty Ltd***	Australia	Ordinary	-	100
Safety Direct Solutions Pty Ltd	Australia	Ordinary	100	100
Safety Direct Solutions NZ Pty Ltd	New Zealand	Ordinary	100	100
State Medical Assistance Holdings Pty Limited*	Australia	Ordinary	100	-
State Medical Assistance Pty Ltd*	Australia	Ordinary	100	-
State Medical Assistance – Victoria Pty Ltd*	Australia	Ordinary	100	-
Western Australia Patient Transport Pty Ltd*	Australia	Ordinary	100	-
Clinical Governance Specialists Pty Ltd*	Australia	Ordinary	100	-

* Acquired during the year, refer Note 33

** Shares distributed to parent company as an in-specie dividend subsequent to the Balance Sheet date, refer note 35

*** Deregistered during the year

35. Events Occurring After the Reporting Date

Subsequent event – Non-Cash dividend after reporting date

On 15 April 2026, the Board authorised a non-cash dividend to the Company's parent company SIS Security Asia Pacific Holdings Pte Ltd, comprising the distribution of 10,000 shares held by the Company in its subsidiary SIS Group International Holdings Pty Ltd. As this dividend was approved and declared after 31 March 2026, it has been treated as a non-adjusting event after the reporting period. Accordingly, no liability has been recognised and no adjustment has been made to the carrying amounts of assets and liabilities as at 31 March 2026. The estimated fair value of the shares to be distributed is \$1. Had the distribution occurred at year end, management estimates there would have been no impact on profit or loss.

The distribution will result in the Group will lose control of SIS Group International Holdings Pty Ltd and the entity will be deconsolidated. The estimated financial impact of the deconsolidation on the Group's assets and liabilities as at 31 March 2026 is as follows:

- Total assets to be distributed: \$86.7 million
- Total liabilities to be distributed: \$89.1 million
- Total revenue of the distribution Group: \$64.3 million
- Total profit after tax of the distribution Group: \$0.9 million

No other matter or circumstance has occurred subsequent to reporting date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

36. Associates accounted for under the equity method

Particulars	31 March 2026	31 March 2025
Carrying amount at the beginning of the financial year	33,194	31,590
Share of profits after income tax – SMC Integrated Facility Management Solutions Limited *	865	1,589
Share of profits after income tax – Habitat Security Pty Ltd	37	70
Dividends received/receivable	(1,119)	(55)
Carrying amount at the end of the financial year (Note7)	32,977	33,194

* SMC Integrated Facility Management Solutions Limited is an associate of the Group operating in the commercial cleaning and facility management services sector. The entity provides integrated housekeeping and cleaning solutions across multiple industries in India. The principal place of business of the associate is India.

Summary financial information for SMC Integrated Facility Management Solutions Limited

Particulars	31 March 2026	31 March 2025
Statement of financial position		
Current assets	40,292	47,382
Total assets	68,993	74,637
Current liabilities	(31,443)	(32,383)
Total liabilities	(39,917)	(39,007)
Shareholders' equity		
Equity share capital	3,033	3,662
Retained earnings	26,043	31,968
	29,076	35,630
Profit for the year	1,808	3,976
Total comprehensive income for the year	1,808	3,994

37. Related Party Transactions

Particulars		Associates (\$)	Other Group Companies (\$)*	Key management personnel and their relatives (\$)	Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Group companies (\$)	Total (\$)
Consolidated						
Transactions during the year						
Fixed Assets purchased/(sold)	Mar-26	-	-	-	781,896	781,896
	Mar-25	-	-	-	38,483	38,483
Interest paid on Bonds; Debentures and loans	Mar-26	-	-	-	415,177	415,177
	Mar-25	-	-	-	325,295	325,295
Sub-contracting service charge (net) received	Mar-26	5,926,159	488,082	-	-	6,414,241
	Mar-25	4,195,269	753,339	-	-	4,948,608
Service charges / Expenses paid	Mar-26	-	-	-	2,389,118	2,389,118
	Mar-25	-	-	-	2,424,744	2,424,744
Salary & remuneration paid	Mar-26	-	-	3,297,689	-	3,297,689
	Mar-25	-	-	3,420,234	-	3,420,234
Dividends paid to parent company	Mar-26	-	-	1,183,000	-	1,183,000
	Mar-25	-	-	130,000	-	130,000
Purchase of shares from non- controlling Interest	Mar-26	-	-	15,241,000	-	15,241,000
	Mar-25	-	-	-	-	-
Balances outstanding at end of the year						
Share Options schemes	Mar-26	-	-	13,583	-	13,583
	Mar-25	-	-	72,703	-	72,703
Other payables and accruals	Mar-26	-	32,251	370,125	125,918	528,294
	Mar-25	-	75,963	360,503	56,605	493,071
Other receivables and accruals	Mar-26	217,728	-	-	-	217,728
	Mar-25	214,994	-	-	-	214,994
Bonds and Debentures	Mar-26	-	-	-	4,669,904	4,669,904
	Mar-25	-	-	-	4,045,242	4,045,242

\$ Amounts in this note are presented in Australian dollars and have not been rounded to the nearest thousand.

*Other Group Companies comprise entities within the SIS Limited group that are not controlled by SIS Australia Holdings Pty Ltd.

Share Options schemes

The Ultimate Parent entity of the Group has two share option schemes under which options to subscribe for its shares have been granted to certain executives and senior employees.

Terms and conditions of transactions with related parties

Transactions relating to dividends paid, subscription for new equity shares were on the same terms and conditions that applied to other shareholders.

The sales to, and purchases from, related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances at the year-end are unsecured and carry interest equivalent to market rate, where specified, in terms of the transactions and settlement occurs in cash. For the year ended March 31, 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: AUD Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

37. Related Party Transactions (continued)

Key Management Personnel (KMP) compensation

The aggregate compensation made to the Directors and other KMP of the Group is set out below.

Particulars	31 March 2026 \$	31 March 2025 \$
Short term benefits	3,281,870	3,257,049
Long term benefits	15,819	13,087
	3,297,689	3,270,136

\$ These numbers are unrounded numbers

38. Financial Risk Management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support the financing of the operations of its subsidiaries, joint ventures and associates. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and loans, security and other deposits.

Financial instruments by category

The Group holds the following financial instruments:

Particulars	Note	Fair value hierarchy Level	As at	
			31 March 2026	31 March 2025
Financial Assets:				
Investment in Bonds	7		-	14,076
Investments in preference shares in SIS Asset Management Limited	7	3	3,459	3,459
Trade receivables	12		135,798	117,003
Cash and Cash Equivalents	13		104,524	90,877
Bank Balances other than above	13		6,849	5,800
Other financial assets	8		49,836	40,991
Total Financial Assets			300,466	272,206
Financial Liabilities:				
Borrowings	16		91,183	92,916
Trade payables	17		6,439	4,785
Lease liabilities	19		35,752	8,176
Other financial liabilities	18		113,144	76,196
Total Financial Liabilities			246,518	182,073

Valuation inputs and relationships to fair value

The fair value of the Compulsorily Convertible Preference Shares (CCPS) has been determined using an income-based valuation technique, principally a discounted cash flow (DCF) model. Under this approach, forecast future cash flows attributable to equity holders are estimated over an explicit forecast period and a terminal period, and discounted to present value using a discount rate that reflects the risks associated with those cash flows.

The valuation was prepared using a free cash flow to equity (FCFE) methodology, under which projected cash flows to equity holders are discounted using an estimated cost of equity derived with reference to market-based inputs, including a risk-free rate, equity risk premium and a company-specific risk adjustment. The terminal value has been estimated using a perpetuity growth model.

38. Financial Risk Management (continued)

Key assumptions applied in the valuation include forecast revenue and cost projections, capital expenditure requirements, working capital movements, terminal growth rates and the discount rate. Forecast cash flows are based on management-approved business plans and reflect management's best estimates of future economic conditions.

Given the use of unobservable inputs, the valuation of the CCPS is categorised as a Level 3 fair value measurement under the IFRS 13 fair value hierarchy. Changes in key assumptions, particularly the discount rate and terminal growth rate, were not likely to result in materially different fair value outcomes.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements).

Year ended March 31, 2026			
Particulars	Fair Value at 31 March 26	Fair Value at 31 March 25	Unobservable Inputs
Investments in preference shares in SIS Asset Management Limited	3,459	3,459	Terminal Growth Rate of 4%, Discount Rates of 18% and Company Risk Premium of 6.81%

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, loans and deposits given, FVTOCI investments and derivative financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates which arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency revenue and cash flows. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group has limited foreign currency transactions and has limited exposure to foreign currency assets and liabilities resulting in the foreign currency risk being low.

The exchange rate between the Australian Dollar and foreign currencies has fluctuated in recent years and may continue to do so in the future. Consequently, the results of the Group's operations may be affected as the Australian Dollar appreciates/depreciates against these currencies.

The Group has the following foreign currency denominated financial liabilities or assets:

- a) An Indian Rupee denominated bond issued by its ultimate parent SIS Limited, which has been redeemed on 27 Sep 2025
- b) Preference Shares held in SIS Asset Management Limited

The assets and liabilities as at March 31, 2026 and March 31, 2025 were as follows:

Particulars	INR Million	
	31 March 2026	31 March 2025
Investment in bonds	-	750
Investments in preference shares in SIS Asset Management Limited	17.66	17.66

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate which is not material.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

38. Financial Risk Management (continued)

Particulars	31 March 2026	31 March 2025
Variable rate borrowings:		
Loans	77,928	84,341
Fixed rate borrowings	13,255	8,575
Total borrowings	91,183	92,916

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2026	31 March 2025
Interest rates - increase by 25 basis points *	195	215
Interest rates - decrease by 25 basis points *	(195)	(215)

*Holding all other variables constant

Credit risk

Credit risk arises from the possibility that counterparties may not be able to settle their obligations as agreed resulting in a financial loss.

The loss allowance as at 31 March 2026 and 31 March 2025 was determined as follows for both trade receivable and unbilled revenue:

Year ended March 31, 2026

Particulars	Current	Less than 180 days past due	More than 180 days past due	Total
Expected loss rate	-	-	25 - 100%	
Gross carrying amount – trade receivables	95,665	39,317	2,569	137,551
Gross carrying amount – unbilled revenue	49,734	-	-	49,734
Loss allowance	-	-	(1,753)	(1,753)

Year ended March 31, 2025

Particulars	Current	Less than 180 days past due	More than 180 days past due	Total
Expected loss rate	-	-	25 - 100%	
Gross carrying amount – trade receivables	74,205	41,356	3,059	118,620
Gross carrying amount – unbilled revenue	40,651	-	-	40,651
Loss allowance	-	-	(1,617)	(1,617)

Significant estimates and judgements

Impairment of financial assets

Trade receivables

The Group has applied the simplified approach to provide for impairment for ECL prescribed by AASB 9, which permits the use of the lifetime expected loss provision for impairment of all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECL also incorporate forward looking information.

Other receivables and deposits

Other financial assets measured at amortised cost includes other receivables and deposits, which are short-term in nature. The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

38. Financial Risk Management (continued)

Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and fixed deposit with bank. The Group considers that its cash and cash equivalents has low credit risk based on the external credit ratings of the counterparties. No impairment allowance has been recorded for this balance.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The Group consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet its financial obligations and maintain adequate liquidity for use.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, shareholder equity, and finance leases.

Approximately 4.98% of the Group's long term debt will mature in less than one year at 31 March 2026 (31 March 2025: 3.57%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and significant portion of short term debt maturing within 12 months can be rolled over with existing lenders. The Group believes that it has sufficient working capital and cash accruals to meet its business requirements and other obligations.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2026

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	2,474	7,373	94,577	-	104,424
Trade payables	-	6,439	-	-	-	6,439
Other Financial Liabilities	-	107,988	5,156	-	-	113,144
Contingent Consideration	-	-	-	-	-	-

Year ended March 31, 2025

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	3,519	10,482	102,912	-	111,574
Trade payables	-	4,785	-	-	-	4,785
Other Financial Liabilities	-	75,313	883	-	-	76,196
Contingent Consideration	-	-	-	-	-	-

There has been no default in servicing borrowings and/ or breaches in loan covenants.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains an appropriate amount of capital in order to support its business and maximise shareholder value. The capital managed is defined as total equity of the Group.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the return to shareholders, funding through financial support of shareholders or obtain credit facilities from the financial institutions. No changes were made in objectives, policies or processes during the financial year ended 31 March 2025 and 31 March 2026.

39. Parent Entity financial information

(a) Summary financial information

The individual financial statements for the parent entity, SIS Australia Holdings Pty Ltd, show the following aggregate amounts:

Particulars	31 March 2026	31 March 2025
Statement of financial position		
Current assets	360	9,318
Total assets	30,741	24,360
Current liabilities	(22,471)	(17,146)
Total liabilities	(22,471)	(17,146)
Shareholders' equity		
Equity share capital	(4,000)	(4,000)
Retained earnings	(4,270)	(3,214)
	(8,270)	(7,214)
Profit for the year	2,128	748
Total comprehensive income for the year	2,128	748

(b) Guarantees entered into by the parent entity

The parent entity is an obligor under the Group's banking facilities and is jointly and severally liable with other group entities for amounts owed under those facilities. SIS Australia Group Pty Ltd, a subsidiary entity is the borrower under the facilities, and the related borrowings are recognized in the consolidated financial statements as at 31 March 2026 and 31 March 2025.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 March 2026 or 31 March 2025.

(d) Contractual commitments for the acquisition of property, plant or equipment

As at 31 March 2026, the parent entity had no contractual commitments for the acquisition of property, plant or equipment (31 March 2025: \$nil).

In the directors' opinion:

- (a) the financial statements and notes set out on pages 5 to 61 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Group's financial position as at 31 March 2026 and of the Group's performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 2.1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



Geoffrey Alcock
Director



Murali Krishna
Director

Sydney
01 May 2026



Independent auditor's report

To the members of SIS Australia Group Pty Ltd

Our opinion

In our opinion the accompanying financial report gives a true and fair view of the financial position of SIS Australia Group Pty Ltd (the Company) and its controlled entities (together the Group) as at 31 March 2026 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards to the extent described in 2 of the financial report.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 31 March 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information; and
- the directors's declaration.

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

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Independence

We are independent of the Group in accordance with 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 audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – basis of accounting and restriction on distribution and use

We draw attention to 2 in the financial report, which describes the basis of accounting. The financial report has been prepared for internal purposes to assist SIS Australia Group Pty Ltd and its members. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for SIS Australia Group Pty Ltd and its members and should not be distributed to or used by parties other than SIS Australia Group Pty Ltd and its members. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 March 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 through our opinion on the financial report.

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 on the other information that we obtained prior to the date of this auditor's report, 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 management and the directors for the financial report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in 2 of the financial report and for such internal control as Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. The directors



have determined that the basis of preparation described in 2 to the financial report is appropriate to meet the needs of the members.

In preparing the financial report, Management is 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 Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/apzlwnoy/ar3_2024.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Scott Walsh'.

Scott Walsh
Partner

Sydney
1 May 2026