

30 January 2026

**Trading update,
 Quarterly Activities Report and ASX Appendix 4C For the Quarter Ended 31 December 2025**

BSA Limited (or the Group) today publishes its quarterly activities report, trading update and the related Appendix 4C statement of cashflows for the quarter ending 31 December 2025 (Q2 FY2026):

Business Update:

- The Group delivered Q2 FY2026 revenue of \$5.3 million and EBITDA of \$0.9 million. The current quarter delivered EBITDA margin of 16.4%, an increase of 5.9% versus prior comparative period (pcp), as a result of strong margin management and disciplined cost control partly offset by unfavourable outcomes in the NBN tender and other contract renewals.
- As of 31 December 2025, the business restructuring is completed. Redundancy-related cash outflows during the period of \$0.3 million. Staff numbers have been reduced from approximately 150 on 30 June 2025 to around 40 as at 31 December 2025.
- The Foxtel platform delivered positive financial performance. We continue to work closely with Foxtel in relation to the development and support of potential new service offerings, which may contribute to increased STB installations over time. In addition, a pipeline of contracted and planned work is expected to support activity levels throughout the remainder of the year and beyond.
- In Wireless, the Waveconn Statement of Work, covering small cell sites, is progressing on schedule with high-quality execution. Strong performance on this work may support BSA's consideration for additional site awards in future phases. The NSW Telcom Authority project delivered solid financial performance in Q2 FY2026 too.
- In our Electrical Services business, planned growth of installations in H2 is expected to drive revenue growth. We now are officially appointed to a national panel of contractors for the delivery of smart meter installations on behalf of Yurika.
- The second quarter delivered a profit of \$0.9 million, reflecting a recovery following the loss of key contracts, including NBN, Bluecurrent and Intellihub. Notwithstanding this improvement, there remains a risk that the Group may be unprofitable in the second half. Looking ahead, the Group is actively pursuing a range of growth opportunities, including organic initiatives and new client engagements within existing verticals, and remains focused on strengthening the business and delivering value for stakeholders.

Trading update:

BSA releases an unaudited trading update for the quarter ended 31 December 2025:

Results Group \$'m	Q2 FY2026	Q2 FY2025	Var	YTD FY2026	YTD FY2025	Var
Revenue	5.3	71.4	(66.1)	22.8	148.3	(125.5)
EBITDA <i>EBITDA margin %</i>	0.9 16.4%	7.5 10.5%	(6.6) 5.9%	4.7 20.8%	14.1 9.5%	(9.4) 11.2%

- YTD FY2026 revenue of \$22.8 million declined by 85% vs. pcp. The decrease in revenue is driven by the drop in volumes in relation to nbn, Bluecurrent and Intellihub, as a result of unfavourable outcomes in tender

and contract renewals.

- YTD FY2026 EBITDA of \$4.7 million declined by 66% vs pcp, as a result of unfavourable outcomes in tender and contract renewals. The YTD results were significantly supported by non-recurring transition out payments received from nbn and other projects. The nbn contract expired on 30 September 2025.

Commenting on the performance for Q2 FY2026, CEO Sasho Kacevski said:

BSA's Q2 FY2026 performance declined materially relative to the pcp, largely due to unfavourable outcomes in recent tenders and contract renewals. Despite this, the reported results demonstrate healthy EBITDA margins, underpinned by strong margin management and disciplined cost control. The company has taken proactive steps to reshape its operations by focusing on a more defined customer base and actively pursuing growth opportunities.

Financial Position

Net Cash/(Debt)* \$'m	Dec-25	Sep-25
Cash	18.8	19.0
Restricted cash	(1.7)	-
Net Cash	17.1	19.0

*Net Cash excludes Insurance Funding

The Group has a Guarantee facility of \$2.6m in place of which \$2.1m is utilised as at 31 December 2025. Effective 1 October 2025, 75% of the utilised amount has been cash backed.

Cashflow Performance

Cashflow \$'m	Q2 FY2026	H1 FY2026
Receipts from customers	9.2	43.4
Payments to suppliers and staff costs	(9.2)	(48.1)
Interest	-	(0.1)
Net cash flow generated from operations	-	(4.8)
Net payments used in investing activities	-	-
Net cash used in investing activities	-	-
Lease payments	(0.2)	(0.4)
Net cash used in financing activities	(0.2)	(0.4)
Net Cashflow for the period	(0.2)	(5.2)

Subject to rounding

Operating cash flow for the quarter was breakeven. After excluding redundancy-related cash outflows of \$0.3 million, the operating cash flow was an inflow of \$0.3 million.

In the prior period, operating cash flow was an outflow of \$4.7 million. After excluding redundancy-related cash outflows



Suite 1401, Level 14, Tower B,
The Zenith,
821 Pacific Highway, Chatswood
2067,
P: 02 9763 6200



www.bsa.com.au

of \$5.6 million, the operating cash flow was an inflow of \$0.9 million.

The reduction in operating cash flow excluding redundancy-related cashflows from \$0.9 million to \$0.3 million primarily reflects the loss of the nbn contract. The prior quarter was materially supported by non-recurring transition-out payments received from nbn.

The Group closed Q2 FY2026 in a net cash position of \$17.1 million with no external borrowing utilised.

Authorised for release by the Board of Directors.

Sasho Kacevski
Chief Executive Officer
BSA Limited
E: corporate@bsa.com.au

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity		Quarter ended ("current quarter")	
ABN		31 December 2025	
Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	9,185	43,379
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(6,239)	(32,265)
	(c) advertising and marketing	-	-
	(d) leased assets (disclosed in section 3.9)	-	-
	(e) staff costs	(2,099)	(12,126)
	(f) administration and corporate costs	(853)	(3,628)
	(g) legal settlements	-	-
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	5
1.5	Interest and other costs of finance paid	(24)	(119)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(24)	(4,754)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(e) intellectual property (f) other non-current assets	-	-
2.2	Proceeds from disposal of: (a) entities (b) businesses (c) property, plant and equipment (d) investments (e) intellectual property (f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
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3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease repayments)	(174)	(391)
3.10	Net cash from / (used in) financing activities	(174)	(391)
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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	19,022	23,968
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(24)	(4,754)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(174)	(391)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	18,824	18,824
5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	17,116	19,022
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Restricted cash)	1,708	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	18,824	19,022
6. Payments to related parties of the entity and their associates		Current quarter \$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1	304	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>			
Payment of directors' fees and salaries to executive and non-executive directors, including CEO and CFO.			

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000						
7.1 Loan facilities	-	-						
7.2 Credit standby arrangements	-	-						
7.3 Other (Guarantee Facility)	2,600	2,067						
7.4 Total financing facilities	-	-						
7.5 Unused financing facilities available at quarter end		533						
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.								
	<table border="1"> <thead> <tr> <th>Facility</th><th>Facility Limit</th><th>Drawn</th></tr> </thead> <tbody> <tr> <td>CBA Guarantee Facility</td><td>\$2.6m</td><td>\$2.1m</td></tr> </tbody> </table>	Facility	Facility Limit	Drawn	CBA Guarantee Facility	\$2.6m	\$2.1m	
Facility	Facility Limit	Drawn						
CBA Guarantee Facility	\$2.6m	\$2.1m						
	Effective 1 October 2025, 75% of the drawn amount has been cash backed. As at 31 December 2025 total amount of \$1.7 million was restricted cash.							
8. Estimated cash available for future operating activities		\$A'000						
8.1 Net cash from / (used in) operating activities (item 1.9)		(24)						
8.2 Cash and cash equivalents at quarter end (item 4.6)		18,824						
8.3 Unused finance facilities available at quarter end (item 7.5)		533						
8.4 Total available funding (item 8.2 + item 8.3)		19,357						
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)		806						
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>							
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:								
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?								
	Not applicable.							
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?								
	Not applicable.							

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not applicable.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

Authorised by: the Board