

SERVCORP LIMITED
ABN 97 089 222 506

APPENDIX 4D

Interim Financial Report
For the six months ended
31 December 2025

The information in this document should be read in conjunction with Servcorp Limited's Directors' Report and Financial Report for the six months ended 31 December 2025, the 2025 Annual Report and public announcements made during the period in accordance with continuous disclosure obligations arising under the Corporations Act 2001 and ASX Listing Rules.

Servcorp Limited
ABN 97 089 222 506
Interim Financial Report
31 December 2025

Reporting Period

Current period: 1 July 2025 to 31 December 2025
 Previous corresponding period: 1 July 2024 to 31 December 2024

Results for announcement to the market

				\$m
Revenue and other income from ordinary activities	up	11%	to	187.0
Profit from ordinary activities after tax attributable to members	up	13%	to	39.2
Net profit for the period attributable to members	up	13%	to	39.2

Dividends	Total amount \$m	Amount per security (cents per share)	Franked amount per security (cents per share)
<i>Current period</i>			
Interim dividend declared	15.9	16.00c	1.60c
<i>Previous corresponding period</i>			
Interim dividend paid	13.8	14.00c	1.40c

Record date for determining entitlements to the dividend	5 March 2026
Dividend payment date	1 April 2026

The interim dividend is 90% conduit foreign income.

	31 December 2025	30 June 2025
	\$	\$
Net tangible asset backing		
Net tangible asset backing per ordinary security	2.32	2.16

Additional 4D disclosures can be found in the Notes to the Servcorp Consolidated Interim Financial Report for the six months ended 31 December 2025 lodged with the ASX on 18 February 2026.

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Management Discussion & Analysis

FY26 Guidance (Upgraded on 21 January 2026)

- Underlying¹ NPBIT between \$80.0m and \$84.0m – **ON TARGET**
- Underlying Free Cash of more than \$100.0m – **ON TARGET**

1H26 Underlying Operating Profit up 29% on pcp; Underlying NPBT up 34%

Servcorp delivered a pleasing underlying performance in the first half of FY26. Underlying NPBIT of \$47.0m for 1H26, up 34% on pcp, achieved within six months, was comparable to the full-year result achieved in FY23 (\$47.8m), demonstrating the earnings capacity of the portfolio.

Underlying Operating Revenue increased to \$182.0m, up 11% on pcp, driven primarily by growth in effective revenue via pricing discipline, improved utilisation, and the depth of the mature asset base. Underlying Operating Profit increased by 29%, reflecting improving operating leverage as the portfolio continues to mature.

Underlying Free Cash increased to \$52.7m, up \$12.2m on pcp, with free cash representing 112% of Underlying NPBIT. Servcorp maintained a strong balance sheet, with unencumbered cash increasing to \$162.6m as at 31 December 2025, providing financial resilience and flexibility across the global platform.

Three new operations were opened or expanded during 1H26, while three locations were closed, allowing capital to be redeployed into more prestigious assets. As at 31 December 2025, Servcorp operated 135 floors across 38 cities in 19 countries, with net office capacity increasing by 19 offices to 5,566, reflecting disciplined growth aligned with management depth and operational readiness.

¹ "Underlying" is a non-statutory measure and is the primary reporting measure used by senior management & Board of Directors for the purpose of assessing the performance of the business.

Headline

- Underlying NPBIT up 34% to \$47.0m from \$35.0m² in 1H25
- Underlying Operating Revenue up \$17.5m or 11% on 1H25
- Underlying EPS 42.1 cents, up 27% from 33.1 cents in 1H25
- Underlying Free Cash \$52.7m, up 30% on 1H25
- Cash balance currently in excess of \$150.0m
- NTA³ \$2.32 per share, up 7% on FY25
- Statutory NPBT \$45.1m, up \$6.9m or 18% on 1H25
- Statutory NPAT \$39.2m, up \$4.6m or 13% on 1H25

Financial Summary

	1H26	1H25
		\$'m
Revenue		
Revenue and other income from ordinary activities	187.0	168.1
Underlying Operating Revenue	182.0	164.5
Statutory Results		
Statutory NPBT	45.1	38.3
<u>Less</u>		
Income tax expense	6.0	3.7
Statutory NPAT	39.2	34.6
Underlying Results		
Underlying NPBIT	47.0	35.0
<u>Less</u>		
Underlying income tax expense	5.2	2.4
Underlying NPAT	41.8	32.6
Net cash inflow		
Free Cash	53.2	38.7
Underlying Free Cash	52.7	40.5
Other KPIs		
Unencumbered cash (\$'m)	162.6	143.9
Return on Net Funds Employed	104%	60%
NTA per share (\$)	2.32	1.77
EPS (cents)	39.4	35.1
Underlying EPS (cents)	42.1	33.1
DPS (cents)	16.0	14.0

² Underlying NPBIT for 1H25 was adjusted to reflect the pre-mature/ post-closure floors in 1H26

³ NTA and Unencumbered cash as at 31 December 2025, comparing to that at 30 June 2025

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Financial Summary - continued

1H26 revenue and other income was \$187.0m, up 11% on pcp (1H25: \$168.1m). Underlying Operating Revenue increased \$17.5m or 11% compared to 1H25.

1H26 Statutory NPBT was \$45.1m, up \$6.9m or 18% from 1H25 NPBT of \$38.3m, attributable to strong momentum in revenue growth. 1H26 Statutory NPAT was \$39.2m, up \$4.6m or 13% from 1H25 NPAT of \$34.6m.

1H26 Underlying NPBIT was \$47.0m, up \$12.0m or 34% on 1H25.

Basic EPS was 39.4 cps, up 12% year-on-year. Underlying EPS was 42.1 cps, up 27% year-on-year.

Underlying Free Cash was \$52.7m, up \$12.2m or 30% on pcp. Unencumbered cash balances at 31 December 2025 of \$162.6m, up \$18.7m from \$143.9m at 30 June 2025.

As at the date of this report, cash balances are in excess of \$150.0m.

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Operating performance

Reconciliation of Statutory and Underlying performance:

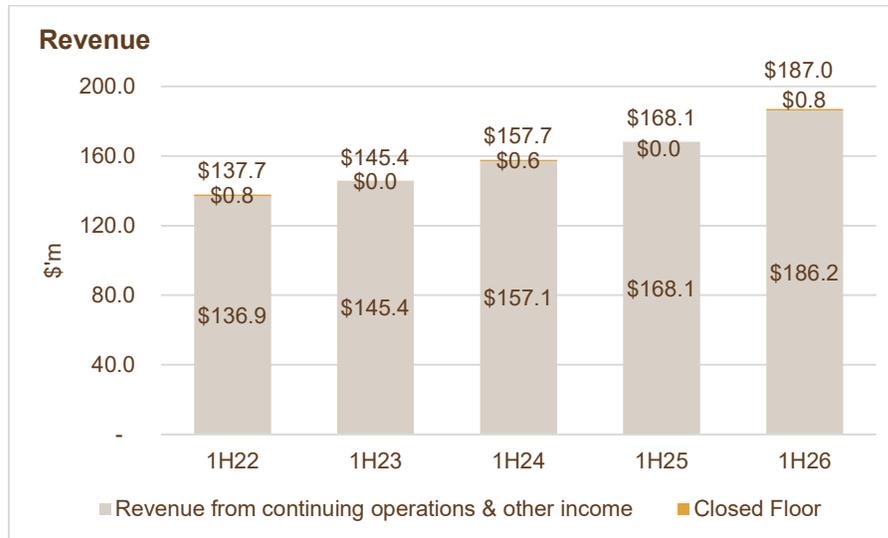
	1H26	1H25
		\$'m
Statutory NPBT	45.1	38.3
<u>Add</u>		
Operating loss from new floors pre-maturity or from closed floors post-maturity	2.2	3.6
Impairment loss, closure costs and other non-recurring costs	(0.4)	(6.8)
Underlying NPBIT	47.0	35.0
<u>Less</u>		
Interest & franchise income	(1.8)	(0.8)
Forex gain	(1.8)	(3.3)
Other non-operating items	(0.1)	2.5
Underlying Operating Profit	43.2	33.4
<u>Less</u>		
Operating loss from new floors pre-maturity or from closed floors post-closure	(2.2)	(3.6)
Total Operating Profit⁴	40.9	29.8

⁴ Total Operating Profit is also referred to Statutory Operating Profit. The two terms may be used interchangeably in this document and public announcements including the Results Presentation made during this period.

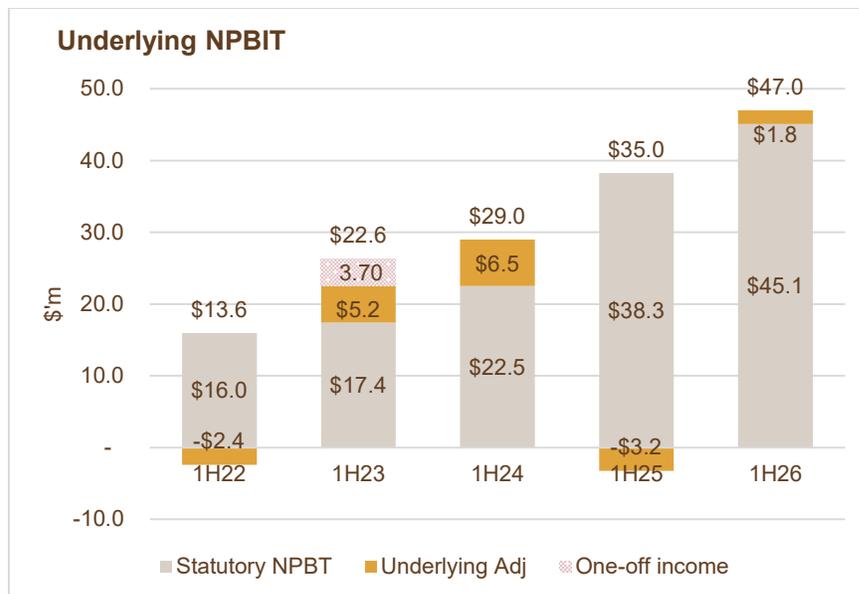
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1H26 – Overview

1H26 revenue \$187.0m, up 11% on 1H25. Revenue from continuing operations⁵ and other income \$186.2m, up 11% on 1H25.



1H26 Underlying NPBIT \$47.0m, up 34% on 1H25. 1H26 Underlying NPBIT was underpinned by a solid performance in Europe & Middle East (“EME”), steady recovery in Australia, New Zealand and South East Asia (“ANZ & SEA”), and continued growth in the USA.



⁵ Calculated as consolidated segment revenue for the period as disclosed in the Note 2 Operating segments in the 1H25 Financial Report, adjusted for Revenue from discontinued operations.

Servcorp Limited
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Cash Flow

Reconciliation of Net Operating Cash Flows to Free Cash and Underlying Free Cash:

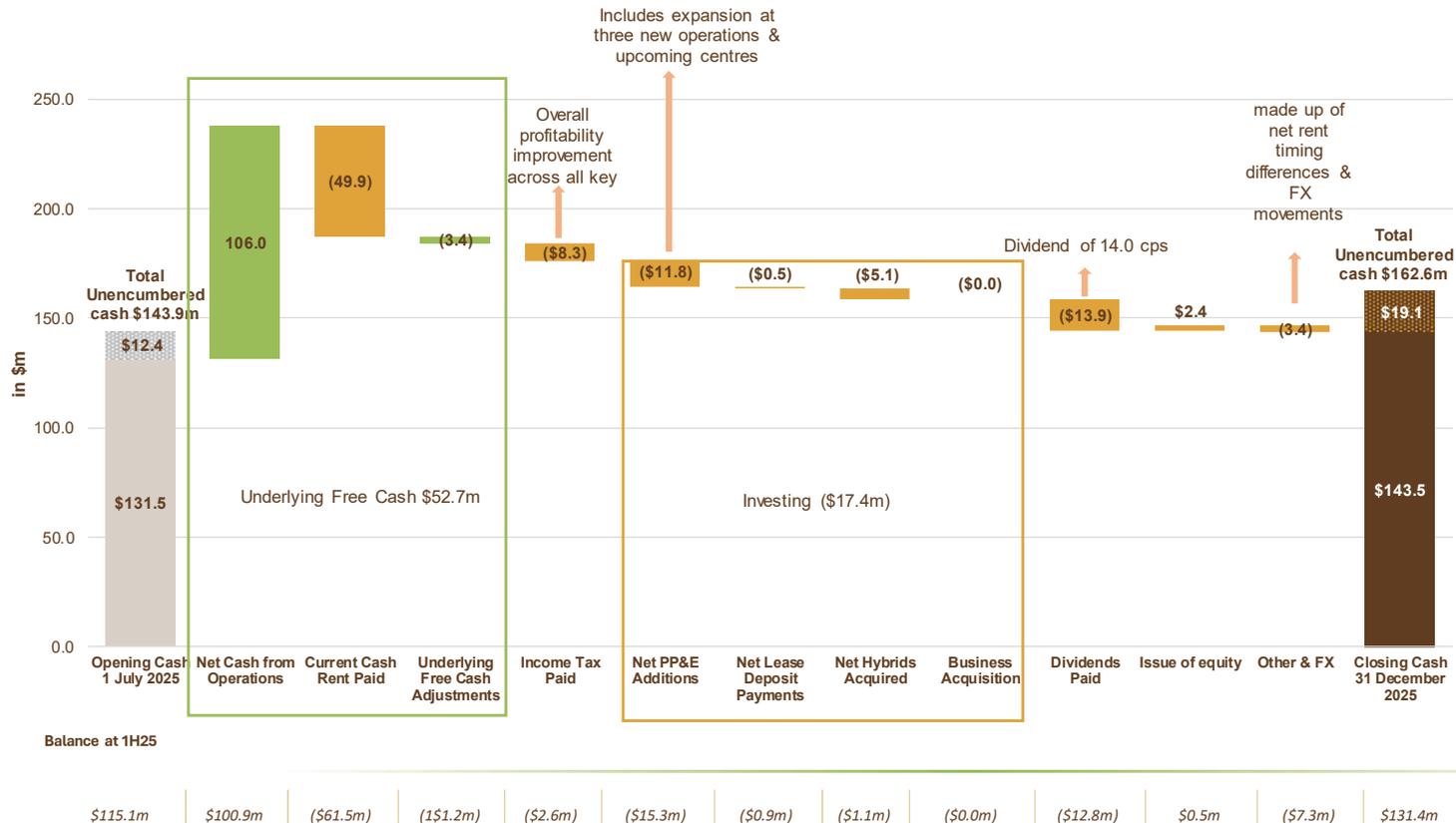
	1H26	1H25
		\$'m
Net Operating Cash flow	90.1	91.7
<i>Add:</i>		
Tax paid	8.3	2.6
<i>Less:</i>		
Cash Rent for related period paid in related period	42.3	54.9
Cash Rent timing differences	2.8	0.7
Free Cash	53.2	38.7
<i>Add:</i>		
Cash Rent previously withheld now paid	2.9	0.8
<i>Less:</i>		
Cash Rent relating to current period withheld	1.0	0.4
Other timing differences & write-off	2.4	(1.5)
Underlying Free Cash	52.7	40.5

Free Cash of \$53.2m, up 38% compared to 1H25. Underlying Free Cash of \$52.7m, up 30% on 1H25.

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Cash Flow - continued



Servcorp produced Underlying Free Cash in 1H26 of \$52.7m, paid tax of \$8.3m and incurred net capital expenditure of \$11.8m (down \$3.5m from \$15.3m in 1H25). Servcorp paid \$0.5m in net lease deposits, and invested an additional \$5.1m in hybrid securities and ordinary shares. Servcorp also paid \$13.9m in dividends in 1H26 and received \$2.4m cash from the issue of equity for exercised options.

Other cash outflows of \$3.4m include \$3.4m of Underlying Free Cash adjustments (refer reconciliation on page 7), \$6.1m of Cash Rent relating to future years, \$0.7m effects of exchange rate changes.

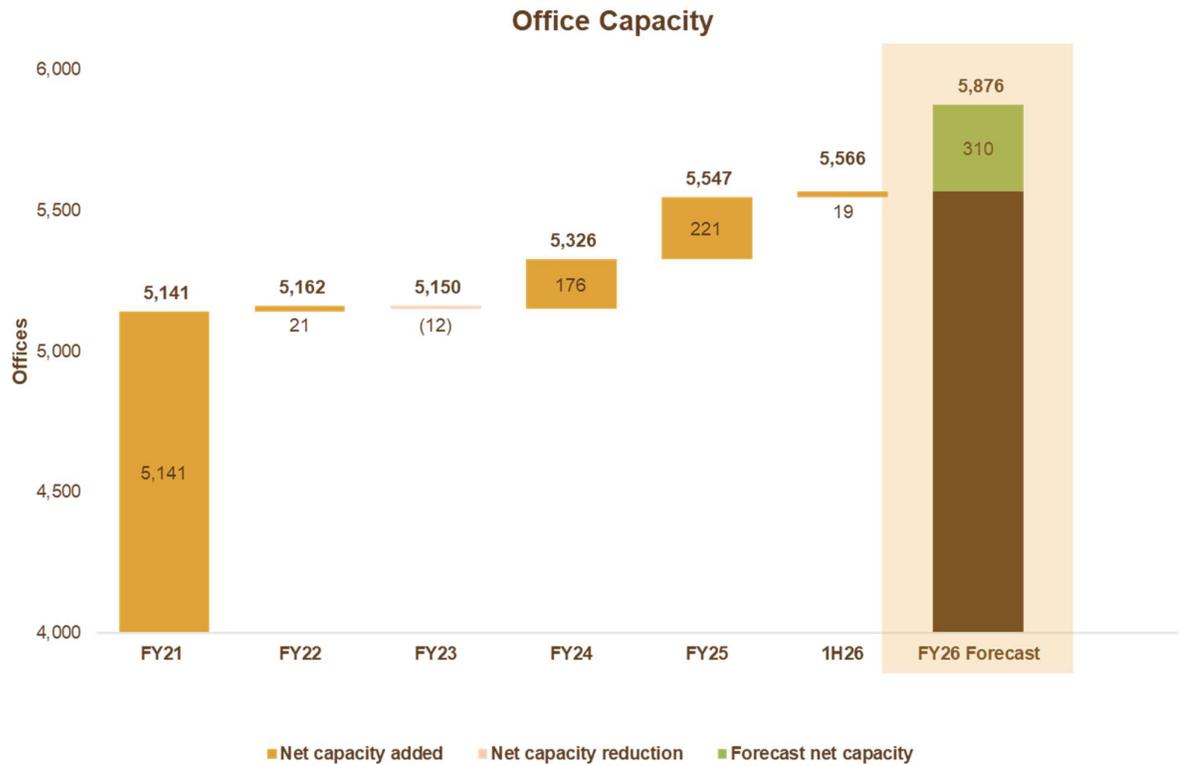
Overall cash increased by \$18.7m from \$143.9m at 30 June 2025 to \$162.6m at 31 December 2025.

Office Capacity

In 1H26, Servcorp continued expanding its global footprint where suitable opportunities and management depth are present.

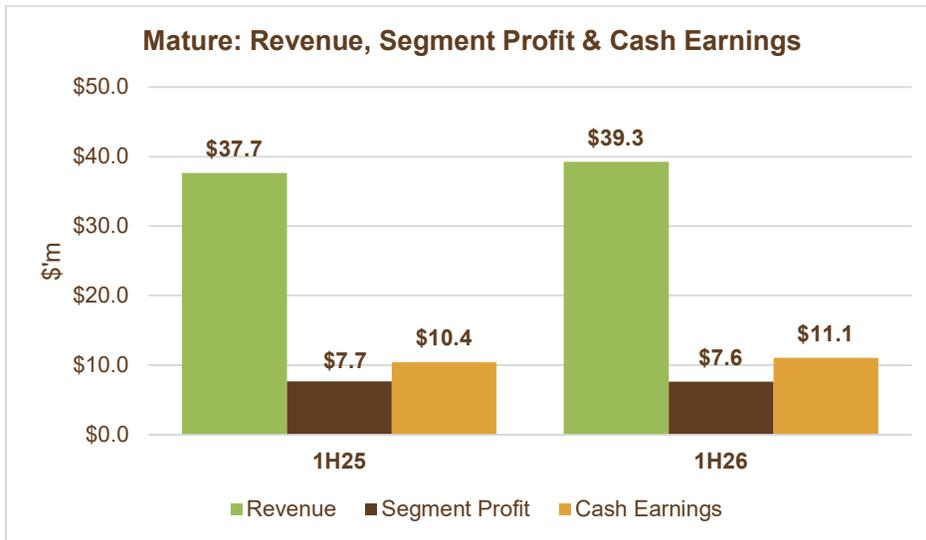
In the 6 months to 31 December 2025, \$11.8m capital expenditure were invested to launch 2 new locations and an expansion, taking the floor count to 135 as of 31 December 2025, in 38 cities across 19 countries.

Net capacity increased by 19 offices to 5,566, and capacity for FY26 is forecast, based on the new leases signed or scheduled to be signed in the coming weeks, to increase by 310 offices to 5,876.



Operating Summary by Region⁶

ANZ & South East Asia



Revenue increased from \$37.7m to \$39.3m, supported by stable demand and disciplined pricing across the region.

Segment profit remained stable at \$7.6m (1H25: \$7.7m). Cash earnings strengthened to \$11.1m, reflecting ongoing focus on cost control and revenue efficiency.

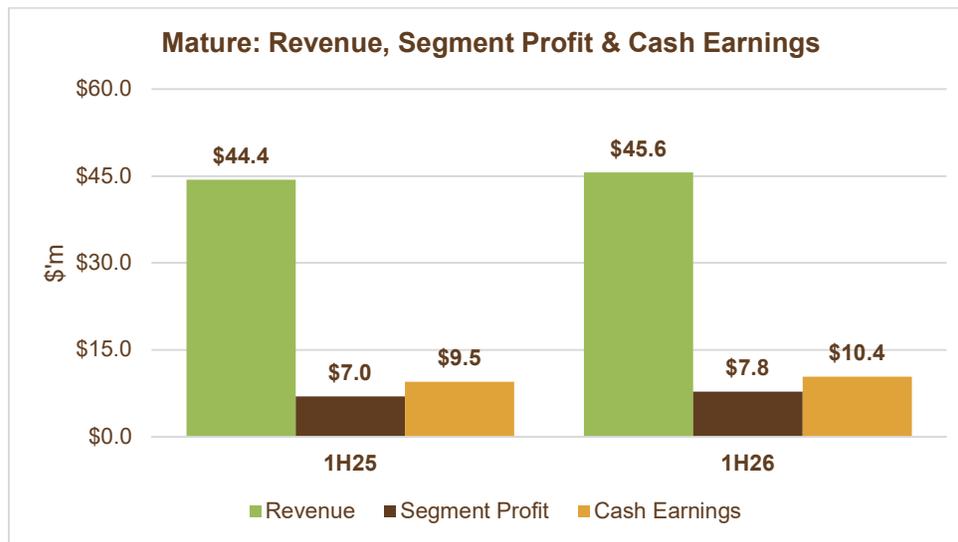
The combination of revenue growth, improved profit conversion, and cash generation reflects a stable operating profile for the region.

⁶ Mature revenue and Mature Segment profit is also known as Underlying Operating Revenue and Underlying Operating Profit. Segment cash earnings from operating activities (exclusive of non-operating activities and any timing difference in cash receipts/ payments).

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Operating Summary by Region – continued

North Asia



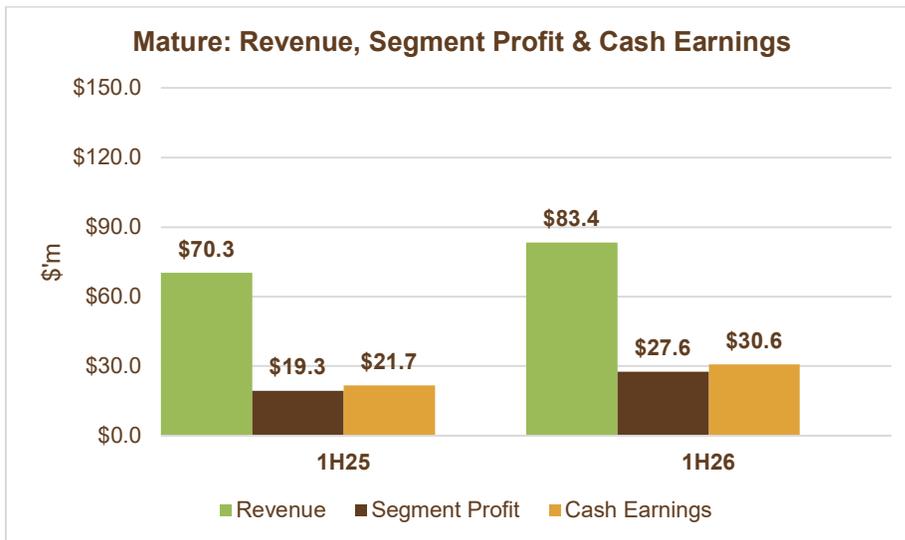
North Asia recorded a stable performance during the period, supported by contribution from the mature operations.

Mature segment revenue increased from \$44.4m to \$45.6m, reflecting steady demand across core markets. Segment profit increased to \$7.8m (1H25: \$7.0m), supported by cost management and ongoing attention to operational efficiency.

In Greater China, market conditions remained challenging amid broader macroeconomic uncertainty. Operating performance has shown signs of stabilisation at selected locations. While it remains early to draw conclusions regarding a sustained improvement, recent trends suggest that previously implemented operational and commercial initiatives are contributing to improved positioning.

Operating Summary by Region – continued

Europe & Middle East

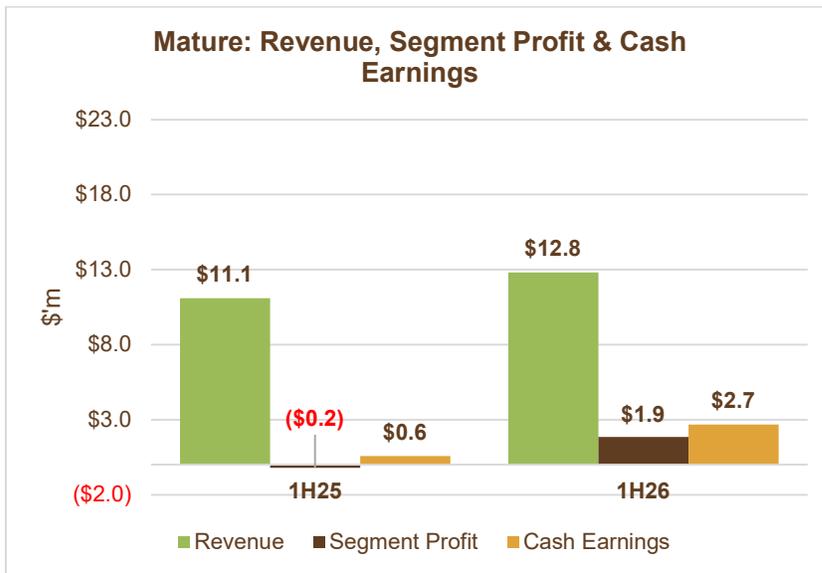


Europe & Middle East recorded higher performance during the period, with mature segment revenue increasing from \$70.3m to \$83.4m.

Segment profit increased to \$27.6m from \$19.3m in 1H25. Cash earnings rose to \$30.6m, reflecting underlying cash generation and continued cost management alongside utilisation improvements.

Operating Summary by Region – continued

USA



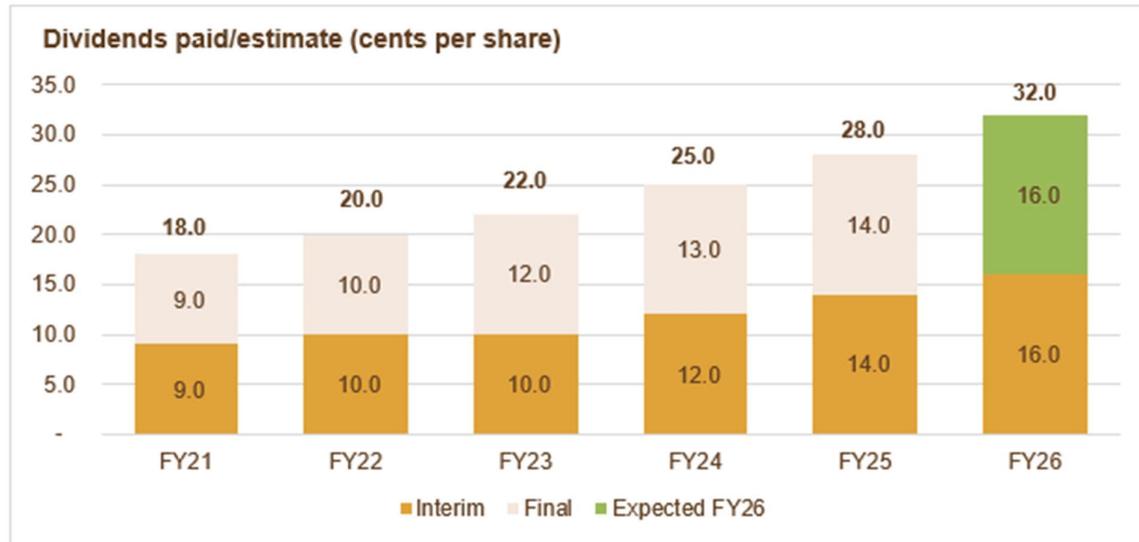
Following an initial period of performance variability, results over the most recent six months have become more stable, showing a steady growth.

Mature segment revenue increased from \$11.1m to \$12.8m, while segment profit improved to \$1.9m, compared with a loss of \$0.2m in the prior period.

Cash earnings increased to \$2.7m (1H25: \$0.6m), reflecting improved cash conversion and tighter operational control. Profit contribution has increased during the period, indicating improved consistency relative to the prior year.

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Dividends



The Directors have declared an interim dividend of 16.0 cps, 10% franked, payable on 1 April 2026.

The FY26 final dividend will be no less than 16.0 cps (franking uncertain). We expect to make dividend payments consistent with our long term history and commitment to shareholders.

Future dividends are subject to currencies remaining constant, continued strong cash generation, and the global economic climate.

Outlook & Risks⁷

Strategic Priorities and Operational Focus

Servcorp delivered continued operating momentum in the first half of FY26, supported by improved revenue efficiency and operating leverage across mature locations, disciplined cost management, and strong cash generation. This momentum is expected to continue into the second half, supported by the scale and efficiency of the current operating base. A diversified global portfolio and strong balance sheet provide resilience in a mixed macroeconomic environment and support a disciplined approach to growth. Underlying NPBIT for 1H26 was comparable to the full-year result achieved in FY23, demonstrating the earnings capacity of the portfolio within a six-month period.

Looking ahead, continued investment in people and capability remains a priority, supporting stronger execution and enhancing revenue efficiency across the portfolio. This focus underpins improved service conversion and more effective monetisation of the existing client base, while maintaining consistency of delivery across markets.

Ongoing investment in technology continues to support cost discipline and productivity improvements across the business. The application of AI and automation across operations, IT, training, marketing, and support functions is expected to enhance scalability and efficiency, enabling growth to be pursued without a commensurate increase in headcount or corporate overheads.

Expansion will be pursued selectively, where opportunities are supported by management depth and operational readiness, maintaining a measured and disciplined approach to growth.

Ongoing Risks

- **Macroeconomic Volatility**

Macroeconomic volatility has increased due to diverging monetary and fiscal policy settings across major economies, including the United States, Australia, Japan, the European Union and the United Kingdom. Inflationary pressures continue to vary by region, reflecting differences in labour market conditions, energy prices and domestic demand. This divergence has contributed to uneven business confidence and more cautious customer decision-making in certain markets. Periodic policy disruptions, including fiscal uncertainty and the risk of temporary government shutdowns in the United States, may further impact market sentiment and short-term demand.

Servcorp actively monitors global economic and policy developments and maintains disciplined cost control, operational flexibility and scenario-based planning to manage the effects of heightened volatility. Servcorp's diversified geographic footprint and strong balance sheet provide resilience against regional fluctuations, while management retains the ability to adjust pricing, cost structures and investment timing in response to changing economic conditions.

- **Foreign Exchange Exposure**

Servcorp operates across multiple currencies and is exposed to foreign exchange translation and transaction risks. Increased currency volatility has been observed in recent periods, driven by diverging interest rate paths, geopolitical developments and uneven economic performance across regions. Sharp movements in certain currencies may impact reported earnings, cash flows and the comparability of financial performance between periods.

⁷ These statements are future looking and based on our reasonable assumptions at the time they were made. They include possible outlooks for our operating environments, but are subject to external factors outside Servcorp's control

Servcorp manages foreign exchange risk through a combination of natural hedging, aligning local revenues and costs within each market, and ongoing organic expansion to diversify currency exposure. Where appropriate, forward exchange contracts are used selectively to manage short-to-medium-term volatility. Currency exposures are monitored centrally with consistent oversight, enabling a disciplined and risk-aware approach to foreign exchange management across the portfolio.

- **Geopolitical and Regulatory Change**

Servcorp is exposed to geopolitical uncertainty and evolving regulatory environments across its international footprint. Ongoing conflicts, shifting trade dynamics, sanctions regimes and regional political instability continue to influence global economic conditions and business confidence. At the same time, changes in tax, employment, data protection and other regulatory requirements may increase compliance complexity, operating costs or restrict market access in certain jurisdictions.

These risks are managed through strong governance and compliance frameworks, supported by regular legal and regulatory reviews and centralised oversight. Servcorp's diversified geographic presence and local market expertise further mitigate exposure by reducing reliance on any single market and enabling timely adaptation to regulatory and geopolitical change.

- **Long-Term Lease Commitments**

Servcorp holds a portfolio of long-term lease commitments with staggered expiries across its global network. These commitments create exposure in the event of sustained occupancy weakness, economic downturns or structural changes in workspace demand, potentially limiting short-term operational flexibility and increasing fixed cost pressure in certain markets.

This risk is mitigated through rigorous feasibility analysis prior to entering new leases, active portfolio and lease management, and ongoing negotiation to maintain market-aligned terms. Location-level performance is closely monitored to enable early intervention, cost management initiatives or strategic repositioning where required.

FY26 Guidance Reaffirmed

Underpinned by a demonstrated track record of strategy execution and the solid 1H26 results, we reaffirm the upgraded FY26 full year profit guidance⁸ of Underlying NPBIT between \$80.0m and \$84.0m, and at least \$100.0m free cash.

These projections underscore our commitment to profitability, cash flow strength, and long-term value creation. Servcorp remains dedicated to operational excellence, strategic expansion, and delivering sustained value to stakeholders.

Forecasts and future dividends are subject to currencies remaining constant, continued strong cash generation, and the continued impacts of global economic uncertainties on the operations.

⁸ Profit upgrade released on 21 January 2026

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Glossary	
1H	First half of financial year - six months to 31 December
2H	Second half of financial year - six months to 30 June
ANZ	Australia & New Zealand
Cash Earnings	Is profit minus depreciation and other non-cash expenses
cps	Cents per share
EPS	Earnings per share
EME	Europe & Middle East
Free Cash	Is the Net Operating Cash Flows before tax as reported in the Consolidated Statement of Cash Flows contained in the Servcorp Consolidated Financial Report minus Cash Rent paid
FY	Financial year
Immature	Immature means floors that are not mature, excluding closed floors
m or \$'m	Million
Mature	Mature means floors that were open in both the current and comparative reporting periods. A floor is categorised as Mature at the earlier of 24 months from the date it becomes operational or 3 months consecutive operating profit For the avoidance of doubt, Mature excludes closed floors
NPAT	Net Profit After Tax
NPBT	Net Profit Before Tax
NPBIT	Net Profit Before non-cash Impairment of Assets and Tax
NTA	Net tangible asset per share
ROFE	Return on Net Funds Employed
SEA	South East Asia
Segment Profit/(Loss)	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
Statutory NPAT/ NPBT	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
Underlying Free Cash	Is Free Cash adjusted for significant items (before tax) which relate to the reported financial year however, because of timing, either occurred in the preceding financial year or will occur in the subsequent financial year
Underlying NPAT	Is the Statutory NPAT adjusted for significant items (net of tax) that are one-off in nature and that do not reflect the underlying performance of our business
Underlying NPBIT	Is the Statutory NPBT adjusted for significant items (before tax) that are one-off in nature and that do not reflect the underlying performance of our business
Underlying Operating Revenue	Is revenue generated from operating activities from Mature floors. Is also known as Mature Revenue
Total Operating Profit	Is profit generated from operating activities from all floors, excluding any profit or losses generated from non-operating activities. Is also known as Statutory Operating Profit
USA	United States of America

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Servcorp Limited

ABN 97 089 222 506

Consolidated Interim Financial Report

For the half-year ended 31 December 2025

Servcorp Limited

For the Half Year Ended 31 December 2025

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Servcorp Limited

Directors' Report

31 December 2025

The Directors of Servcorp Limited ("the Company") submit herewith the consolidated interim financial report for the Company and its consolidated entities ("the Consolidated Entity") for the half-year ended 31 December 2025. In order to comply with the provisions of the Corporations Act 2001 the Directors report as follows:

1 Principal activities

The Consolidated Entity provides a global network of the finest flexible workspace solutions.

2 Directors

The Directors of the Company at any time during or since the end of the half-year period are:

Name	Position	Date Appointed
Mr Alf Moufarrige AO	Managing Director and CEO	August 1999
The Hon. Mark Vaile AO	Chairman and Independent Non-Executive Director	June 2011
Mrs Wallis Graham	Independent Non-Executive Director	October 2017
Mr Tony McGrath	Independent Non-Executive Director	August 2019

3 Other

(1) Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Consolidated Entity during the half-year.

(2) Subsequent events

Dividend

On 18 February 2026, the Directors declared an interim dividend of 16.00 cents per share franked to 10%, payable on 1 April 2026.

No other matters or circumstances have arisen since the end of the financial half-year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in future financial years.

Directors' Report

31 December 2025

4 Operating results and review of operations for the year

4.1 Review of operations

Revenue and other income from operating activities increased by 11.2% to \$187.0 million for the half-year ended 31 December 2025 (31 December 2024: \$168.1 million).

Net profit before tax for the half-year ended 31 December 2025 was \$45.1 million, an increase of 17.8% from \$38.3 million net profit before tax for the half-year ended 31 December 2024.

Net profit after tax was \$39.2 million (31 December 2024: \$34.6 million).

Cash and cash equivalents as at 31 December 2025 was \$143.5 million (30 June 2024: \$131.5 million).

The Directors have declared an interim dividend of 16.00 cents per share franked to 10%, payable on 1 April 2026.

4.2 Servcorp capacity

As at 31 December 2025, Servcorp operated 135 floors, in 38 cities across 19 countries.

During the half-year ended 31 December 2025, net capacity increased by 19 offices to 5,566.

4.3 Operating summary by region

a Australia, New Zealand and Southeast Asia

During the half-year ended 31 December 2025, mature revenue increased from \$37.7 million to \$39.3 million, up 4.2% year on year.

The region's mature cash earnings was \$11.1 million (31 December 2024: \$10.4 million).

b North Asia

Mature revenue was \$45.6 million (31 December 2024: \$44.4 million).

North Asia's mature cash was \$10.4 million (31 December 2024: \$9.5 million).

c Europe and the Middle East

Europe and the Middle East continued to perform well. Mature revenue was \$83.4 million (31 December 2024: \$70.3 million), an increase of 18.6% year on year.

Mature cash earnings increased to \$30.6 million (31 December 2024: \$21.7 million).

d United States of America

Mature revenue continued to grow in the United States of America, recording an increase of 15.3% compared to the first half of the previous year. Mature revenue was \$12.8 million (31 December 2024: \$11.1 million).

Mature cash earnings increased to \$2.7 million (31 December 2024: \$0.6 million).

Directors' Report

31 December 2025

5 Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the Corporations Act 2001 for the half-year ended 31 December 2025 has been received and is set out on page 4, and forms part of this report.

6 ASIC Corporations Instrument 2016/191 rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191 dated 24 March 2016 and, in accordance with that Instrument, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of Directors made pursuant to s 306(3) of the Corporations Act 2001.

On behalf of the Directors



Director:

A G Moufarrige AO
Managing Director and CEO

Dated this 18th day of February 2026



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Servcorp Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Servcorp Limited for the half-year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Paul Thomas

Partner

Sydney

18 February 2026

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2025

		31 Dec 2025	31 Dec 2024
	Note	\$ '000	\$ '000
Revenue	8	185,146	167,258
Other revenue and income	8	1,859	856
Total revenue		187,005	168,114
Amortisation of right-of-use asset		(49,017)	(48,862)
Service expenses		(41,997)	(40,686)
Occupancy expenses		(19,298)	(19,389)
Marketing expenses		(13,721)	(12,680)
Administrative expenses		(13,895)	(12,602)
Impairment losses		-	(6,811)
Finance costs attributable to lease liability		(7,602)	(6,596)
Net foreign exchange gains realised and unrealised	7	1,791	3,964
Fair value gains/(loss) on financial assets	7	1,594	(679)
Share of gains of joint venture		349	232
Net other (loss)/gains	9	(90)	14,248
Total expenses		(141,886)	(129,861)
Profit before income tax		45,119	38,253
Income tax expense	10	(5,959)	(3,703)
Profit for the half-year		39,160	34,550
Other comprehensive income, net of income tax			
Items that will be reclassified to profit or loss when specific conditions are met			
Translation of foreign operations (items may be reclassified subsequent to profit or loss)		(12,110)	9,915
Other comprehensive (loss)/income for the half-year, net of tax		(12,110)	9,915
Total comprehensive income for the half-year		27,050	44,465
		Cents	Cents
Basic EPS	11	39.4	35.1
Diluted EPS	11	38.3	34.3

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position

As at 31 December 2025

	31 Dec 2025	30 Jun 2025
Note	\$ '000	\$ '000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	143,460	131,500
Trade and other receivables	12 44,452	43,126
Other financial assets	13 21,028	14,064
Current tax receivable	5,426	4,200
Prepayments and other assets	5,322	4,577
TOTAL CURRENT ASSETS	219,688	197,467
NON-CURRENT ASSETS		
Other financial assets	13 38,257	41,561
Property, plant and equipment	14 95,299	97,065
Intangible assets	15 2,608	2,652
Right-of-use assets	16 308,911	318,511
Deferred tax assets	47,704	47,814
Goodwill	17 17,113	17,113
TOTAL NON-CURRENT ASSETS	509,892	524,716
TOTAL ASSETS	729,580	722,183
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	77,451	74,580
Security deposits	32,992	34,323
Lease liabilities	99,801	98,557
Provisions	14,388	14,708
TOTAL CURRENT LIABILITIES	224,632	222,168
NON-CURRENT LIABILITIES		
Lease liabilities	253,273	264,616
Provisions	1,906	1,811
TOTAL NON-CURRENT LIABILITIES	255,179	266,427
TOTAL LIABILITIES	479,811	488,595
NET ASSETS	249,769	233,588
EQUITY		
Contributed equity	18 159,031	156,844
Reserves	(36,942)	(25,702)
Retained earnings	127,680	102,446
TOTAL EQUITY	249,769	233,588

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the Consolidated Financial Statements

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2025

	Contributed Equity \$ '000	Share Buy- Back Reserve \$ '000	Foreign Currency Translation Reserve \$ '000	Employee Equity Settled Benefits Reserve \$ '000	Retained Earnings \$ '000	Total \$ '000
Balance at 1 July 2025	156,844	(4,733)	(23,030)	2,061	102,446	233,588
Profit attributable to members of the parent entity	-	-	-	-	39,160	39,160
Translation of foreign operations (net of tax)	-	-	(12,110)	-	-	(12,110)
Transactions with owners in their capacity as owners						
Dividends paid	-	-	-	-	(13,926)	(13,926)
Share based payment transactions	2,187	-	-	870	-	3,057
Balance at 31 December 2025	159,031	(4,733)	(35,140)	2,931	127,680	249,769

	Contributed Equity \$ '000	Share Buy- Back Reserve \$ '000	Foreign Currency Translation Reserve \$ '000	Employee Equity Settled Benefits Reserve \$ '000	Retained Earnings \$ '000	Total \$ '000
Balance at 1 July 2024	155,567	(4,733)	(33,776)	1,600	75,959	194,617
Profit attributable to members of the parent entity	-	-	-	-	34,550	34,550
Translation of foreign operations (net of tax)	-	-	9,915	-	-	9,915
Transactions with owners in their capacity as owners						
Dividends paid	-	-	-	-	(12,817)	(12,817)
Share based payment transactions	626	-	-	169	-	795
Balance at 31 December 2024	156,193	(4,733)	(23,861)	1,769	97,692	227,060

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes in the Consolidated Financial Statements

Consolidated Statement of Cash Flows
For the half-year ended 31 December 2025

	31 Dec 2025 \$ '000	31 Dec 2024 \$ '000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	205,282	183,842
Payments to suppliers and employees	(100,911)	(83,570)
Interest received	1,588	619
Interest and other costs of finance paid	(7,602)	(6,596)
Tax paid	(8,293)	(2,641)
Net operating cash inflows	90,064	91,654
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(11,152)	(14,758)
Payment for intangible asset	(667)	(596)
Proceeds on disposal of property, plant and equipment	-	15
Payments for securities and shares	(6,065)	(1,841)
Proceeds from sale of variable rate bonds and listed ordinary shares	982	711
Payments for landlord lease deposits	(520)	(933)
Net investing cash outflows	(17,422)	(17,402)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity securities of the parent	2,362	466
Dividends paid	(13,926)	(12,817)
Prepayment of leasing liability relating to future occupancy periods	(6,080)	(3,415)
Repayment of leasing liabilities relating to current period occupancy	(42,289)	(54,926)
Net financing cash outflows	(59,933)	(70,692)
Effects of exchange rate changes on cash and cash equivalents	(749)	12,103
Net increase in cash and cash equivalents held	11,960	15,663
Cash and cash equivalents as at 1 July	131,500	103,300
Cash and cash equivalents as at 31 December	143,460	118,963

The Consolidated Statement of Cash Flows is to be read in conjunction with the notes to the Consolidated Financial Statements

Notes to the Financial Statements

For the half-year ended 31 December 2025

1 Reporting entity

Servcorp Limited ("the Company") and the subsidiaries ("the Consolidated Entity") is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The address of the Consolidated Entity's registered office is Level 63, 25 Martin Place, Sydney NSW 2000. Servcorp Limited is a for-profit entity, and the principal activities of the Consolidated Entity during the half-year were the provision of a global network of the finest flexible workspace solutions.

The financial report of the Consolidated Entity for the half year ended 31 December 2025 was authorised for issue in accordance with a resolution of the Directors on 18 February 2026.

The consolidated annual financial report of the Consolidated Entity as at and for the year ended 30 June 2025 is available from the Consolidated Entity's website www.servcorp.com.au or upon request from the Consolidated Entity's registered office.

2 Basis of preparation

The consolidated interim financial statements for the half year ended 31 December 2025 represent a condensed set of financial statements and have been prepared in accordance with *AASB 134 Interim Financial Reporting*.

The consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Consolidated Entity's annual consolidated financial statements as at 30 June 2025 and any public announcements made by Servcorp Limited during the half year ended 31 December 2025 in accordance with the continuous disclosure requirements of the ASX listing rules.

3 Judgements and estimates

In preparing this consolidated interim financial report, significant judgements and key sources of estimation of uncertainty were the same as those applied to the annual financial report for 30 June 2025.

4 Principal risks

As a part of the half year risk assessment the Directors considered the impact of geopolitical factors on the principal risks of the Consolidated Entity over the next six months to remain unchanged.

5 Changes to accounting standards

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the Consolidated Entity's annual consolidated financial statements for the year ended 30 June 2025.

Several amendments and interpretations apply for the first time in the current period but do not have a material impact on the interim consolidated financial statements of the Consolidated Entity.

Notes to the Financial Statements

For the half-year ended 31 December 2025

6 Going concern

Occupancy levels through the year have been growing steadily. Growth in Virtual Offices and Coworking has also helped maintain a strong cash positive operating environment.

The Consolidated Entity has prepared an assessment of its ability to continue as a going concern, taking into account information available up to the date of signing the financial report. The Directors have also considered that the Consolidated Entity is in a net current asset deficiency position of \$4.9 million at balance date.

The Directors remain confident that the Consolidated Entity will be able to continue as a going concern. This assumes the Consolidated Entity will be able to manage actual and potential risks faced by the Consolidated Entity including those risks related to inflation. In reaching this position, the following factors have been considered.

- The Consolidated Entity has a cash balance totaling \$143.5 million;
- The Consolidated Entity produced positive cash from operations of \$90.1 million;
- The Consolidated Entity is in a net current liabilities position due to the capitalisation of lease commitments. The corresponding Right of Use Asset ("ROU") is classified as non-current asset in full. Net current liabilities are impacted by the current position of lease liabilities of \$99.8 million;
- The Consolidated Entity has no external debt; and
- The Consolidated Entity has net assets of \$249.8 million as at 31 December 2025;

On the basis of these factors, the Directors have a reasonable expectation that the going concern basis of preparation is appropriate.

7 Operating segments

Segment information

The Consolidated Entity identifies its operating segments based on the business activities it engages from which it earns revenues and incurs expenses. These are reviewed regularly by the chief operating decision makers of the Consolidated Entity.

The geographic segments are based on the geographic regions in which business units largely share a high level of similarity in regulatory, economic relationships, time zones, market characteristics, cultural similarities, language clusters, which form the basis for geographic results to the chief operating decision maker. Each reportable segment has its own distinct senior manager responsible for the performance of the segment. The chief operating decision maker is responsible for performance and resource allocation amongst operating segments. All reportable segments are involved in the provision of workspace solutions.

In line with the requirements under AASB 8 Operating Segments (AASB 8), the Consolidated Entity is run on a worldwide basis but has four reportable segments: Australia, New Zealand and South East Asia (ANZ/SEA); United States of America (USA); Europe and Middle East (EME); North Asia. Information about other business activities and operating segments that are not reportable under the four reportable segments identified under AASB 8 is aggregated and disclosed as Other.

The accounting policies of the reportable operating segments are the same as those disclosed in the annual financial report for 30 June 2025.

Notes to the Financial Statements
For the half-year ended 31 December 2025

7 Operating segments (continued)

Segment performance

	Lease revenue	Service and other revenue	Total revenue	Lease revenue	Service and other revenue	Total revenue	Segment profit/ (loss)	Segment profit/ (loss)
31 Dec 2025	31 Dec 2025	31 Dec 2025	31 Dec 2024	31 Dec 2024	31 Dec 2024	31 Dec 2025	31 Dec 2024	
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	
Continuing operations								
Australia, New Zealand and Southeast Asia	30,415	10,631	41,046	30,395	9,135	39,530	9,020	6,990
North Asia	35,027	11,691	46,718	34,084	11,182	45,266	11,602	6,646
Europe and Middle East	52,219	30,557	82,776	43,434	26,844	70,278	24,083	17,114
USA	9,032	3,788	12,820	8,901	2,186	11,087	1,871	17
Other	673	304	977	815	286	1,101	(3,833)	(2,342)
Total continuing operations	127,366	56,971	184,337	117,629	49,633	167,262	42,743	28,425
Closed floors (i)								
Australia, New Zealand and Southeast Asia	599	178	777	-	(4)	(4)	(243)	-
North Asia	30	2	32	-	-	-	(293)	-
Europe and Middle East	-	-	-	-	-	-	(26)	-
	629	180	809	-	(4)	(4)	(562)	-
Consolidated total	127,995	57,151	185,146	117,629	49,629	167,258	42,181	28,425

Notes to the Financial Statements
For the half-year ended 31 December 2025

7 Operating segments (continued)

Segment performance

Other

Interest revenue	-	1,596	1,596	-	837	837	1,596	837
Net foreign exchange gains realised and unrealised	-	-	-	-	-	-	1,791	3,964
Fair value gains/(loss) on financial assets	-	-	-	-	-	-	1,594	(679)
Gain on derecognition of lease (iii)	-	-	-	-	-	-	-	14,855
Central unrecovered head office overheads	-	-	-	-	-	-	(1,872)	(992)
Share of profits of joint venture	-	-	-	-	-	-	349	232
Gain on asset disposal	-	-	-	-	-	-	(90)	(633)
Impairment of ROU assets (ii)	-	-	-	-	-	-	-	(6,814)
Restructure	-	-	-	-	-	-	-	(1,231)
Unallocated	-	263	263	-	19	19	(430)	289
Income tax expense	-	-	-	-	-	-	(5,959)	(3,703)

Total

	Lease revenue	Service and other revenue	Total revenue	Lease revenue	Service and other revenue	Total revenue	Segment profit/ (loss)	Segment profit/ (loss)
	31 Dec 2025	31 Dec 2025	31 Dec 2025	31 Dec 2024	31 Dec 2024	31 Dec 2024	31 Dec 2025	31 Dec 2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Total	127,995	59,010	187,005	117,629	50,485	168,114	39,160	34,550

Note:

- i. Closed floors represent floors no longer operational, either through deconsolidation or termination.
- ii. Refer to note 16 for details on the net impairment of the ROU asset.
- iii. Refer to Note 9 for further details.

Notes to the Financial Statements

For the half-year ended 31 December 2025

7 Operating segments (continued)

Segment net assets

	Segment assets	Segment liabilities	Net assets	Segment assets	Segment liabilities	Net assets
	31 Dec 2025	31 Dec 2025	31 Dec 2025	30 Jun 2025	30 Jun 2025	30 Jun 2025
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Australia, New Zealand and Southeast Asia	369,228	(226,260)	142,968	363,567	(201,902)	161,665
North Asia	128,154	(111,916)	16,238	150,014	(137,143)	12,871
Europe and Middle East	268,003	(77,672)	190,331	242,112	(78,704)	163,408
USA	(34,969)	(63,902)	(98,871)	(32,688)	(70,790)	(103,478)
Other	(836)	(61)	(897)	(822)	(56)	(878)
Total	729,580	(479,811)	249,769	722,183	(488,595)	233,588

8 Revenue and other income

Revenue

The Consolidated Entity has three main revenue streams: lease, service and communications income.

	31 Dec 2025	31 Dec 2024
	\$ '000	\$ '000
Revenue		
- Lease revenue	127,995	117,629
- Service revenue	31,441	27,222
- Communication revenue	25,710	22,407
Total revenue	185,146	167,258
Other income		
- Interest income - bank deposits	1,596	837
- Other income	263	19
Total revenue and other income	1,859	856

Notes to the Financial Statements
For the half-year ended 31 December 2025

9 Net other (loss)/gains

	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
	\$	\$
Gain on derecognition of lease	-	14,855
Other losses	(90)	(607)
	<u>(90)</u>	<u>14,248</u>

During the comparative period 31 December 2024, \$14.8 million arose from the derecognition of lease liabilities and other related payables following the termination of operations in North Asia.

10 Tax expense

Profit before income tax includes the following specific expenses:

	31 Dec 2025	31 Dec 2024
	\$ '000	\$ '000
Profit before income tax	45,119	38,253
Tax rate	30 %	30 %
Income tax expense calculated at 30%	<u>13,536</u>	11,476
Add:		
Tax effect of:		
- (Utilisation of previously unrecognised tax losses)/current year loss for which no deferred tax is recognised	<u>844</u>	(1,881)
	14,380	9,595
Adjustments:		
Tax effect of:		
- Deductible local taxes	(143)	(130)
- Effect of different tax rates of subsidiaries operating in other jurisdictions	(6,751)	(9,219)
- Other non (assessable)/deductable items	(1,175)	145
- Income tax (over)/under provision in prior years	(352)	1,193
- Derecognition of previously recognised timing difference	-	2,119
Income tax expense	<u>5,959</u>	<u>3,703</u>

Notes to the Financial Statements
For the half-year ended 31 December 2025

11 Earnings per share

(a) Earnings used to calculate Earnings Per Share ("EPS")

	31 Dec 2025 \$ '000	31 Dec 2024 \$ '000
Profit attributable to security holders used to calculate basic and diluted EPS (\$'000)	39,160	34,550

(b) Weighted Average Number of Ordinary Shares ("WANOS") outstanding during the year used in calculating EPS.

	31 Dec 2025 No.	31 Dec 2024 No.
WANOS used in calculating basic EPS ('000)	99,354	98,574
WANOS used in calculating diluted EPS ('000)	102,223	100,827

The movement in number of shares reflects the exercise of options during the half year end.

	31 Dec 2025 Cents	31 Dec 2024 Cents
Basic EPS	39.4	35.1
Diluted EPS	38.3	34.3

12 Trade and other receivables

	31 Dec 2025 \$ '000	30 Jun 2025 \$ '000
At amortised cost		
Trade receivables	48,467	46,797
Less: impairment of trade receivables	(6,051)	(5,729)
Net trade receivables	42,416	41,068
Other receivables	2,036	2,058
Total current trade and other receivables	44,452	43,126

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

There has been no change to the Consolidated Entity's accounting policies in relation to trade receivables and provision for expected credit loss (ECL) in the half-year period ended on 31 December 2025. For further explanation of the ECL approach, refer to the annual financial statements for 30 June 2025.

Notes to the Financial Statements
For the half-year ended 31 December 2025

13 Other financial assets

	31 Dec 2025	30 Jun 2025
	\$ '000	\$ '000
CURRENT		
At fair value through profit or loss		
Investment in bank hybrid variable rate securities (i)	4,842	5,743
Foreign listed shares	5,437	-
Australian ordinary listed shares	9,498	7,190
At amortised cost		
Other financial asset	1,251	1,131
	<u>21,028</u>	<u>14,064</u>
NON-CURRENT		
At fair value through profit or loss		
Forward foreign currency exchange contracts	1,534	759
At amortised cost		
Lease deposits	36,668	39,417
Other	55	1,385
	<u>38,257</u>	<u>41,561</u>
Total other financial assets	<u>59,285</u>	<u>55,625</u>

Note:

(i) Australia has \$0.7 million in securities which are encumbered (30 June 2024: \$0.7 million).

Notes to the Financial Statements

For the half-year ended 31 December 2025

14 Property, plant and equipment

	Freehold land and buildings \$ '000	Leasehold improvements \$ '000	Office furniture and fittings \$ '000	Office equipment \$ '000	Capital works in progress \$ '000	Total \$ '000
Dec 2025						
Balance at 1 July 2025	3,227	76,180	12,329	4,587	742	97,065
Additions	5	7,275	1,117	1,182	1,573	11,152
Disposals	(5)	(258)	(51)	(77)	-	(391)
Depreciation expense	(16)	(6,374)	(1,508)	(1,097)	-	(8,995)
Foreign exchange movements	(124)	(2,761)	(500)	(147)	-	(3,532)
Net book value at 31 Dec 2025	3,087	74,062	11,387	4,448	2,315	95,299

	Freehold land and buildings \$ '000	Leasehold improvements \$ '000	Office furniture and fittings \$ '000	Office equipment \$ '000	Capital works in progress \$ '000	Total \$ '000
Cost	3,499	247,947	45,555	52,406	2,315	351,722
Accumulated depreciation	(412)	(173,885)	(34,168)	(47,958)	-	(256,423)
Net book value at 31 Dec 2025	3,087	74,062	11,387	4,448	2,315	95,299

	Freehold land and buildings \$ '000	Leasehold improvements \$ '000	Office furniture and fittings \$ '000	Office equipment \$ '000	Capital works in progress \$ '000	Total \$ '000
Jun 2025						
Balance as at 1 July 2024	3,162	65,373	9,999	3,553	7,529	89,616
Additions/(transfers)	-	26,072	4,894	2,989	(6,787)	27,168
Disposals	-	(1,818)	(229)	(66)	-	(2,113)
Impairment	-	(2,372)	-	-	-	(2,372)
Depreciation expense	(32)	(14,161)	(2,923)	(2,058)	-	(19,174)
Foreign exchange movements	97	3,086	588	169	-	3,940
Net book value at 30 Jun 2025	3,227	76,180	12,329	4,587	742	97,065

	Freehold land and buildings \$ '000	Leasehold improvements \$ '000	Office furniture and fittings \$ '000	Office equipment \$ '000	Capital works in progress \$ '000	Total \$ '000
Cost	3,643	253,420	47,316	53,318	742	358,439
Accumulated depreciation	(416)	(177,240)	(34,987)	(48,731)	-	(261,374)
Balance as at 30 Jun 2025	3,227	76,180	12,329	4,587	742	97,065

Notes to the Financial Statements
For the half-year ended 31 December 2025

14 Property, plant and equipment (continued)

Leasehold improvements are assessed for indicators of impairment under AASB 136 *Impairment of Assets*. Refer to note 16 for further details of impairment assessment.

15 Intangible assets

Intangible assets relate to software assets and customer contracts acquired. For detailed disclosure of goodwill refer to note 17.

	31 Dec 2025 '000 \$	30 Jun 2025 '000 \$
Opening balance	2,652	2,707
Additions	666	1,574
Amortisation	(710)	(1,479)
Disposals	-	(150)
Closing balance	2,608	2,652

16 Right-of-use assets

The Consolidated Entity leases property. Information about leased property for which the Consolidated Entity is a lessee is presented below:

	31 Dec 2025 \$ '000	30 Jun 2025 \$ '000
Balance at beginning of year	318,511	316,490
Additions to right-of-use assets	48,245	94,943
Disposals	(8)	-
Amortisation charge for the period	(47,247)	(99,945)
Impairment charge of right-of-use assets	-	(12,388)
Foreign exchange movements	(10,590)	19,411
	308,911	318,511

The key assumptions and methodology in calculating right-of-use assets and the corresponding lease liability remain consistent with those noted in the annual financial report for 30 June 2025.

Right-of-use assets and leasehold improvements are assessed for indicators of impairment under AASB 136. Where impairment indicators exist, the CGU is tested for impairment. This test has respective assets grouped into CGUs to determine its "Value in Use" (ViU). The ViU assessment is conducted using a discounted cash flow methodology requiring the Directors to estimate the discounted future cash flows expected to arise from the respective CGU. When applying the ViU approach to calculate the recoverable amount for each CGU, we deduct the carrying amount of the lease liability both from the CGU's carrying amount and from its ViU. The recoverable amount of ROU Assets is the higher of fair value less costs to sell and value in use ("VIU").

Challenging market conditions have had an impact on the business in the half year to 31 December 2025. As a result of these conditions, the Consolidated Entity continues to review the whole portfolio at a CGUs level for indicators of impairment.

Notes to the Financial Statements

For the half-year ended 31 December 2025

16 Right-of-use assets (continued)

Impairment tests for right-of-use assets are performed on a CGU basis when impairment triggers arise. CGUs are defined as individual cities, being the smallest identifiable group of assets that generate cash flows that are largely independent of other groups of assets. The Consolidated Entity assesses whether there is an indication that a CGU may be impaired, including persistent operating losses, net cash outflows and poor performance against forecasts. The recoverable amounts of right of use assets are based on the higher of fair value less costs to sell and ViU. The Consolidated Entity considered both fair value less costs to dispose and ViU in the impairment testing on a city by city level. Value in use calculations are based on cash flow projections and discount rates that are developed using market participant based assumptions for items of right of use assets.

In the approach detailed above, no impairment loss was raised in relation to CGUs for the half year ended 31 December 2025.

17 Goodwill

For goodwill impairment testing purposes, goodwill is allocated to groups of cash generating units (CGUs) based on the country where the CGUs reside. This represents the lowest level which goodwill is monitored for internal management purposes and is lower than the operating segment level.

The carrying amounts of goodwill relating to each group of cash-generating unit as at 31 December 2025 were as follows:

	31 Dec 2025	30 Jun 2025
	\$ '000	\$ '000
Japan	9,161	9,161
Australia	6,136	6,136
New Zealand	785	785
Singapore	706	706
Thailand	325	325
	17,113	17,113

The Consolidated Entity will complete and report the annual goodwill impairment testing under AASB 136 Impairment of Assets in the annual financial report for the financial year ending on 30 June 2026.

Notes to the Financial Statements
For the half-year ended 31 December 2025

18 Contributed equity

	31 Dec 2025	30 Jun 2025
	\$ '000	\$ '000
31 December 2025: 99,734,888 (30 June 2025: 98,935,388)		
Opening balance	156,844	155,567
Exercise of share options (Refer to Note 20)	2,187	1,277
Total issued capital	159,031	156,844

19 Bank guarantees and contingent liabilities

The Consolidated Entity has bank guarantees and letters of credit held with certain banks, predominantly in support of leasehold contracts with a variety of landlords, amounting to \$30.3 million (30 June 2025: \$28.9 million).

There are no contingent liabilities as at 31 December 2025 (30 June 2025: nil).

20 Equity settled employee benefits reserve

The equity-settled employee benefits reserve arises on the grant of rights to Key Management Personnel ("KMP"), senior executives and managers in accordance with the provisions of Servcorp's Employee Incentive Plan, and previously the Executive Share Option Scheme. Further information about the share-based payments to employees are set out in the Remuneration Report contained in the Annual Report for the year ended 30 June 2025.

During the six months ended 31 December 2025, the Company issued 639,500 ordinary shares as a result of the exercise of Options over unissued shares. The amount paid on each share ranged from \$2.48 to \$4.90. The total due upon exercise was \$2,187,000 which increased contributed equity.

During the six months ended 31 December 2025, 1,800,000 unquoted options over unissued shares in Servcorp Limited were issued to the CEO at an exercise price of \$7.20 per option. The options were granted 13 November 2025. The fair value of services received in return for options granted is based on the fair value of options granted, measured using the Binomial approximation model.

During the six months ended 31 December 2025, 97,500 Options over unissued shares expired or were cancelled. The options lapsed as a result of conditional rights to securities' conditions having not been met, or having become incapable of being satisfied.

During the six months ended 31 December 2025, the Company issued 160,000 ordinary shares as a result of the exercise of Performance Rights. The amount paid on each share was Nil.

Notes to the Financial Statements
For the half-year ended 31 December 2025

21 Distributions

Ordinary distributions paid / payable and distribution per security:

Recognised amounts

		Cents per share	Total amount \$'000	Date of payment	Tax rate for franking credit	Percentage franked
30 June 2025						
Interim	Fully paid ordinary share	14.00	13,816	2 April 2025	30 %	10 %
Final	Fully paid ordinary share	14.00	13,926	2 October 2025	30 %	10 %
30 June 2024						
Interim	Fully paid ordinary share	12.00	11,810	4 April 2024	30 %	20 %
Final	Fully paid ordinary share	13.00	12,817	2 October 2024	30 %	20 %

Unrecognised amounts

Since the end of the financial half-year, the Directors have declared the following dividend:

Interim	Fully paid ordinary share	16.00	15,967	1 April 2026	30 %	10 %
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In determining the level of future dividends, the Directors will seek to balance growth objectives and rewarding shareholders with income. The continuing macroeconomic uncertainties and capital allocation policy of the Consolidated Entity is subject to the cash flow requirements and its investment in new opportunities aimed at growing earnings. The Directors cannot give any assurances concerning the extent of future dividends, or the franking of such dividends, as they are dependent on future profits, the financial and taxation position of the Company and the impact of taxation legislation.

Dividend franking account

	31 Dec 2025 \$ '000	30 Jun 2025 \$ '000
30% Franking credit available	3,068	547

The above amounts represent the balance of the franking account as at the end of the half-year, adjusted for:

- Franking debits that will arise from the prepayment of dividends recognised as a liability at the reporting date; and
- Franking credit that will arise from the receipt of dividends recognised as receivable at the reporting date.
- The amount disclosed includes the franking credits that will arise from the receipt of tax refunds recognised as a receivable at the reporting date.

The tax rate at which paid dividends have been franked at 31 December 2025 is 30% (30 June 2025: 30%). Dividends declared and unpaid will be franked at the tax rate of 30% as at 31 December 2025 (30 June 2025: 30%).

Notes to the Financial Statements
For the half-year ended 31 December 2025

22 Fair value measurement

Fair value hierarchy

The Consolidated Entity measures various financial assets and liabilities at fair value which, in some cases, may be subjective and depend on the inputs used in the calculations. The different levels of measurement are described below:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Not traded in an active market but calculated with significant inputs coming from observable market data; and
Level 3	Significant inputs to the calculation that are not based on observable market data (unobservable inputs).

The Consolidated Entity holds level 1 and level 2 financial instruments.

The Board of Directors consider that the carrying amount of financial assets and financial liabilities approximate their fair value other than in respect of the Company's investment in subsidiaries.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Level 1 to 3 based on the degree to which fair value is observable.

The table below shows the assigned level for each asset and liability held at fair value by Consolidated Entity:

	Level 1	Level 2	Level 3	Total
31 December 2025	\$ '000	\$ '000	\$ '000	\$ '000
Fair value measurements				
Financial assets				
Bank hybrid variable rate securities	4,842	-	-	4,842
Foreign listed shares	5,437	-	-	5,437
Australian ordinary listed shares	9,498	-	-	9,498
Forward foreign currency exchange contracts	-	1,534	-	1,534
	Level 1	Level 2	Level 3	Total
30 June 2025	\$ '000	\$ '000	\$ '000	\$ '000
Fair value measurements				
Financial assets				
Bank hybrid variable rate securities	5,743	-	-	5,743
Australian ordinary listed shares	7,190	-	-	7,190
Forward foreign currency exchange contracts	-	759	-	759

Notes to the Financial Statements
For the half-year ended 31 December 2025

22 Fair value measurement (continued)

Fair value hierarchy (continued)

	Fair value at 31 Dec 2025 \$ '000	Fair value at 30 Jun 2025 \$ '000	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets				
Bank hybrid variable rate securities	4,842	5,743	1	Quoted price in an active market
Foreign listed shares	5,437	-	1	Quoted price in an active market
Australian ordinary listed shares	9,498	7,190	1	Quoted price in an active market
Forward foreign currency exchange contracts	1,534	759	2	Future cash flows are estimated based on observable forward exchange rates

23 Events occurring after the reporting date

Dividend

On 18 February 2026, the Directors declared an interim dividend of 16.00 cents per share, franked to 10% and payable on 1 April 2026.

The financial effect of the above transaction has not been brought to account in the financial statements for the half-year ended 31 December 2025.

No other matters or circumstances have arisen since the end of the financial half-year which significantly affected or could significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Directors' Declaration

The Directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 5 to 23 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



A G Moufarrige AO

Managing Director and CEO

Dated at Sydney this 18th day of February 2026.



Independent Auditor's Review Report

To the shareholders of Servcorp Limited

Report on the Consolidated Interim Financial Report

Conclusion

We have reviewed the accompanying **Consolidated Interim Financial Report** of Servcorp Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Consolidated Interim Financial Report of Servcorp Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Consolidated Entity's** financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Consolidated Interim Financial Report** comprises:

- Consolidated Statement of Financial Position as at 31 December 2025
- Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half-year ended on that date
- Notes 1 to 23 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Consolidated Entity** comprises Servcorp Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Consolidated Interim Financial Report* section of our report.

We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

For personal use only

Responsibilities of the Directors for the Consolidated Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Consolidated Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Consolidated Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Consolidated Interim Financial Report

Our responsibility is to express a conclusion on the Consolidated Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Consolidated Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Consolidated Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



KPMG



Paul Thomas

Partner

Sydney

18 February 2026