McGarran Partners

INFORMATION MEMORANDUM

August 2026

STRICTLY CONFIDENTIAL

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Leonoran Advising, Perth — producing firm for this illustrative demonstration.

INFORMATION MEMORANDUM

Contents

Opportunity Snapshot (1 of 2)

McGARRAN PARTNERS

Six standing panel seats span government, utility, university and contractor programmes, 38.5% of a A$13.4m fee base is panel-appointed, and the fee margin widens to 24.2% by FY2026F (FY25: 22.9%).

Panel-Appointed Professional Services Platform

A 38-year, panel-appointed platform — not a lifestyle QS practice.

- Founded 1987; now held by four executive directors (founder retains 40%)
- 52 staff, 49 fee-earning
- Five service lines — cost, contract, assurance, expert-witness, tax

Est. 1987
38-year track record
4 executive directors

6 panels
standing appointments — transport, water, defence, contractors, university

Diversified Fee Base by Service Line (FY25)

No single service line carries the business alone.

Cost planning & estimating	36.4%
Contract administration	26.4%
Programme cost assurance	23.2%
Expert witness & advisory	8.9%
Tax depreciation schedules	5.1%

Operating & Programme Footprint

Where the platform actually operates — offices plus embedded programme sites.

2 offices · **10** programme sites

- Offices — Perth (HQ), Brisbane
- Programme reach — WIDA, Coastline Water, Harberton Defence, Bellchambers

9 of 10 programme sites placed; 1 (state not disclosed) grouped, not mapped.

Key Operating Metrics for Fee Quality and Stability

Margin, concentration, and the rising panel mix all read as a governed platform — not an opportunistic one.

11.0%
Largest client share of FY25 fees

35.0%
Top-5 client share of FY25 fees

STANDING PANEL APPOINTMENTS AND ACTIVE PROGRAMME CLIENTS

1 Platform — company profile; signed statements · 2 Service-line mix — signed statements · 3 Operating & programme footprint — company-profile offices + vendor-RFI sites (geography register) · 4 Operating metrics — signed statements; fee/client register; vendor RFI

McGARRAN PARTNERS

52 staff (49 fee-earning) generate c.A$274k of fees each, average tenure is 7.2 years, and committed WIP stands at c.A$0.8m.

How a Panel Appointment Is Delivered

A panel seat converts into booked, renewing work orders.

Panel / deed appointment → Embedded FTE placement → Scoped work orders → QA-governed delivery → Re-tender / renewal

re-tender / renewal feeds back to the seat — 3-5 yr incumbency-favoured cycles

17 embedded FTE
across the four profiled anchor panels

Accreditation Moat & Senior Bench

Accreditation is the access gate — and the bench that holds it is senior and retained.

22 AIQS/RICS accredited — all four directors · ISO 9001 certified

7.2 yrs	38%	9%
Average staff tenure	Staff >5 years' tenure	Voluntary turnover FY25

Associate	6	Senior	14	Quantity Surveyors	16
Graduate	5	Corporate	3	Contract	4

Equity 6.0% executed 1 Jul 2025 → 10% planned at completion

Work in Progress & Committed Forward Work

Forward work is already committed, not projected.

A$0.8m · 21 days	44.0%
WIP at 30 June 2025 (c.21 days of fees)	Held in 3 largest engagements

- WIDA — work orders booked through FY2027 H1
- Coastline Water — Stage-3 orders booked through Dec 2026
- Harberton Defence — Tranche-1 orders committed through FY2027

End-Markets Breadth

The fee base spreads across many end-markets — no single one carries it.

14 end-markets
sectors served across the client base — none dominant

State government · Education · Mining & resources · Commercial developer · Health

42 active clients — none lost in 4 years.

1 Delivery mechanism — vendor RFI responses Q3; company profile · 2 Accreditation & bench — vendor RFI responses Q1, Q2; staff register (discipline bands) · 3 WIP & committed work — WIP schedule, reconciled to signed Balance Sheet · 4 End-markets breadth — fee/client register (sector diversification); customer rollforward (churn)

The six investment highlights are set out on the next page, in the order the deck proves them.

Investment Highlights

McGARRAN PARTNERS

McGarran holds six standing panel seats and 22 accredited staff, no client accounts for more than c.11% of fees, and succession has been executed.

1	**Six Standing, Deed-Governed Panel Appointments**	6 seats 38.5% of FY25 fees	✓ Six standing appointments — state transport, water, defence estate, contractors, university capital programmes — each deed- or MSA-governed and named per client. Up from 32.5% in FY2023.
2	**38 Years of Accredited Delivery Behind Every Tier-1 Panel**	22 staff 38 years	✓ Accredited staff hold AIQS/RICS accreditation, including all four directors — the credential bar that gates tier-1 panel eligibility. A track record since 1987 underpins every current panel renewal.
3	**Succession Already Executed, Not Merely Promised**	6.0% equity 0 of top-5 founder-held	✓ Equity already transferred to two associate directors, 1 July 2025; a further 10% planned at completion, with retention deeds signed across all six ADs.
4	**No Client Above 11%, Across 42 Active Relationships**	11.0% top client 42 active clients	✓ Spread across the client register — Top-5 35.0%, Top-10 53.5% of FY2025 fees. Embedded FTE presence inside four anchor programmes keeps each relationship broader than any one contract.
5	**Three-Year Revenue Growth, Margins Expanding Every Year**	A$10.8m → A$13.4m A$3.4m normalised EBITDA	✓ EBITDA margin expanding every year: 20.4% → 22.2% → 22.9% → 24.2%, FY2023-FY2026F. Normalised EBITDA carries three named add-backs — no unexplained adjustments.
6	**A Tendered Pipeline Already Scoped, on a Bench Already Scaled East-Coast**	c.A$1.9m tendered decision Nov 2026	✓ Harberton Defence tranche 2 already tendered; WIDA package 4 c.A$0.9m and Coastline stage 3 c.A$0.7m scoped under existing deeds. Named margin lever: contractor-to-permanent conversion, c.A$140k annualised. Brisbane already c.30% of fee load.

01

The Business

IN THIS SECTION

Company Overview & History

McGARRAN PARTNERS

Three decades of Perth project estimating were converted into six standing panel appointments (2015-2021), held alongside the original project book.

McGarran Partners is a privately owned, director-led quantity surveying and cost-consultancy practice delivering cost planning, contract administration, programme cost assurance, expert witness and advisory, and tax depreciation services to government infrastructure agencies, the federal defence estate, and tier-1 construction and resources contractors across Western Australia and Queensland. Founded in Perth in 1987, the practice has converted three decades of project-based estimating work into six standing panel appointments — a 38-year track record now spanning Perth (HQ) and Brisbane (opened 2016, c.30% of fee load).

1987 Founded — Perth practice

2015 First panel: WIDA

2016 Brisbane office opens

2017 Coastline Water panel

2021 Harberton Defence sub-panel

FY23-25 Cost-assurance line → 23% of fees

Service line	FY25 revenue ($'000)	FY25 share
Cost planning & estimating	4,890	36.4%
Contract administration	3,540	26.4%
Programme cost assurance (panel)	3,120	23.2%
Expert witness & advisory	1,190	8.9%
Tax depreciation schedules	690	5.1%
Total fee revenue	**13,430**	**100%**

Cross-check: 100.0% sums the five service-line shares above — ties to A$13.4m signed FY2025 total fee revenue.

Systems / Accreditation	Detail
AIQS corporate membership	Covers the practice's estimating and cost-planning practice
RICS-chartered directors	3 of 4 executive directors hold FRICS chartered status
ISO 9001 QA system	Certified quality-management system underpinning panel delivery
CostX + benchmarking database	c.2,400 projects, 1992–2025
Panel-specific QA workflows	Documented, audit-ready under each panel agency's own terms
Bench redundancy by design	Client-side key-person dependency low below director level

Est. 1987
38-year track record

52 staff
49 fee-earning · Perth + Brisbane

6 panels
2015–2021

The panels and the project practice are one capability, staffed by one senior bench under a shared estimating discipline. Standing panel work generates the recurring workflow that keeps a senior, fee-earning bench utilised and promotable — and the depth of that bench is precisely what each panel's re-tender scoring rewards, which is how the seats keep renewing. Cost planning and contract administration keep the same accredited people current on live project delivery between panel work orders; expert-witness and advisory work draws on the identical estimating discipline. Separate the two halves and neither is whole: the project book alone is a cyclical fee stream, and the panel obligations alone cannot be staffed. Held together, each makes the other more defensible — that symbiosis is the platform.
The platform is underwritten at the institutional level — by the practice's accreditations and its quality systems. The practice carries AIQS corporate membership, three FRICS-chartered directors, and an ISO 9001-certified quality-management system, with documented, audit-ready QA workflows maintained under each panel agency's own terms — the credentialing that panel-appointed delivery demands. Delivery runs on CostX and an in-house benchmarking database of roughly 2,400 projects spanning 1992 to 2025. Key-person dependency below director level is low: every panel carries a named second, and a 52-strong workforce (49 fee-earning) sits behind the six-panel platform rather than behind any single relationship.
The conversion was a deliberate decision — and the leadership that made it is the same leadership that stays past completion.

Management & Succession

McGARRAN PARTNERS

Every top-five client relationship sits with a named non-founder director, on executed equity, signed deeds and completed handoffs.

R. McGarran (62)
Managing Director — transition role

H. Okafor (51)
Director — Infrastructure
owns WIDA

T. Liang (47)
Director — Defence & Brisbane
owns Harberton Defence

S. Brennan (49)
Director — Commercial
co-leads Coastline Water

Associate Directors (6)
M. Reeve · A. D'Souza named; 4 further ADs

Bench — Senior QS 14 · QS 16 · Grad QS 5 · Corp/admin 3 · Contract pool 4

Stat	Value
Total FTE (4 executive directors + bench)	52 (49 fee-earning)
Average workforce tenure	7.2 yrs
Staff >5 years' tenure	38%
Voluntary turnover (FY2025)	9%
AIQS/RICS accredited staff	22 (incl. all 4 directors)

Name (age)	Role (tenure)	Role scope
R. McGarran (62)	Managing Director (Founder 1987; now transition)	Chairs bid reviews; no top-5 relationship (2 legacy clients, c.3% FY25 fees)
H. Okafor (51)	Director — Infrastructure (WIDA since 2022)	Owns WIDA — largest client (c.11.0% of FY25 fees)
T. Liang (47)	Director — Defence & Brisbane (Harberton since 2021; Brisbane opened 2016)	Owns Harberton Defence; Brisbane also serves Stirling Range Uni (no named owner)
S. Brennan (49)	Director — Commercial (Coastline since Mar 2025 handoff)	Runs contract admin + expert-witness; co-leads Coastline with AD M. Reeve
M. Reeve	Associate Director — Perth infra (equity recipient, 1 Jul 2025)	Co-leads Coastline Water with Director S. Brennan
A. D'Souza	Associate Director — Brisbane (equity recipient, 1 Jul 2025)	FY2025 equity recipient, Brisbane (no further detail)

Bellchambers Construction Group sits within the Commercial director's contract-administration remit; no single individual owner.

Ownership: the four executive directors hold 100% between them (founder 40%). The 6.0% executed and 10% planned associate-director transfers are stated as transfer percentages only.

EXECUTED

- 6.0% aggregate equity to two named Associate Directors, 1 Jul 2025
- WIDA, Harberton, Coastline handoffs complete — none founder-held
- Retention deeds signed with all 6 ADs — 3-month notice + 12-month non-solicit

PLANNED

- Further 10% equity transfer at/before completion
- 12-month post-completion transition consultancy — R. McGarran available, offered now, arrangement itself post-completion by definition

FOUNDER'S RESIDUAL

- Two legacy mid-tail clients, c.3% of combined FY25 fees
- Chairs the firm's bid reviews

Every top-five relationship already sits with a named director or AD, none with the founder (owners in the table above). What remains with R. McGarran is narrow — two legacy mid-tail clients (c.3% of combined FY2025 fees) and the bid-review chair. What these directors own is not a client list; it is the panel machine itself.

Operations & Panel Governance

McGARRAN PARTNERS

Every anchor seat is deed- or MSA-governed, spans multiple programme offices, is booked forward, and is staffed by teams embedded inside the clients' own delivery.

Dimension	WIDA	CW Coastline Water	HD Harberton Defence	BC Bellchambers
Contract mechanism	Panel deed, re-tendered 2024, expires 2027	Capital-programme QS panel, 2023-2026 + 2yr option	Sub-panel deed, 2021-2028	Internal cost-verification MSA, evergreen
Scope delivered	Cost assurance at gate reviews; programme estimating	Capex programme QS + contract admin	Estimating + cost assurance, cleared staff	Independent cost verification on tenders
Sites / business units	3 programme offices	Head office + 2 regional	2 estate programmes	WA + QLD pre-contracts
Embedded FTE	6	4	5 (cleared)	2
Trajectory	1 → 3 programmes since 2015	2 → 3 programmes since 2017	Fastest-growing; Tranche 2 tendered	Stable since 2019
Committed forward work	Booked through FY2027 H1	Stage-3 booked through Dec 2026	Tranche-1 committed through FY2027	Rolling POs under MSA
Change-of-control status	Notification only, no consent	No CoC clause	Notification only, no consent	No CoC clause

WIDA — Largest client (c.11.0% FY25 fees), owned by H. Okafor since 2022 — independent of the founder.

Coastline Water — Moved from founder R. McGarran to S. Brennan + M. Reeve in FY2025, ahead of any exit.

Harberton Defence — Held by T. Liang since 2021 — never founder-held; fastest-growing, Tranche 2 tendered.

Bellchambers — No named owner; seven unbroken years carry it — evergreen MSA, 90-day termination.

Two anchors carry change-of-control notification clauses; none carries a termination right, so completion needs no counterparty consent. The platform runs lean behind those seats — 49 of 52 staff are fee-earning; relationship tenure is set out on the customer page. WIP and the largest engagements are quantified in the Opportunity Snapshot and on the Growth page.

Entrenchment is the mechanism. What it earns — the fee base, its growth, and its widening margin — is the next page.

02

Financial Performance

IN THIS SECTION

Financial Performance

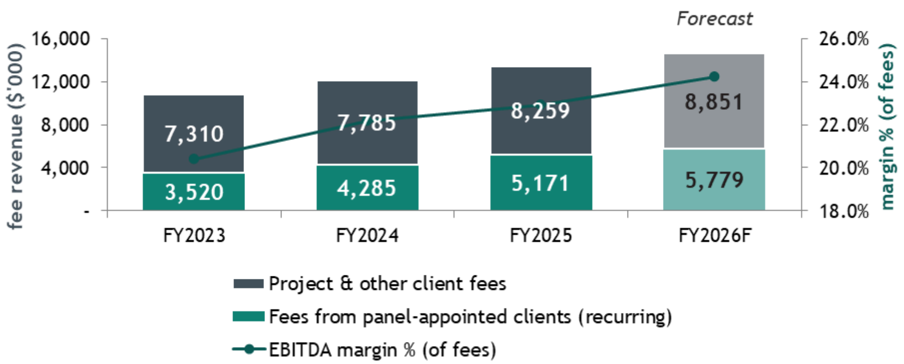
McGARRAN PARTNERS

Fees grew c.10.5% a year to A$13.4m, the margin widened every year to 24.2% of fees, and programme cost assurance was the fastest-growing line.

Summarised Income Statement ($'000)

Year ended 30 Jun	FY23	FY24	FY25	FY26F
Total fee revenue	10,830	12,070	13,430	14,630
Other income	42	51	63	66
Operating expenses	(8,663)	(9,446)	(10,417)	(11,154)
EBITDA	**2,209**	**2,675**	**3,076**	**3,542**
Depreciation	(176)	(172)	(168)	(160)
Profit before income tax	**2,033**	**2,503**	**2,908**	**3,382**
Income tax	(508)	(626)	(727)	(845)
Net profit after tax	**1,524**	**1,877**	**2,181**	**2,536**
YoY fee growth %	*n/a*	*11.4%*	*11.3%*	*8.9%*
EBITDA margin % (of fees)	*20.4%*	*22.2%*	*22.9%*	*24.2%*
Panel-appointed fee share %	*32.5%*	*35.5%*	*38.5%*	*39.5%*

Revenue CAGR **c.10.5%** *EBITDA CAGR* **c.17.0%** *FY2023-FY2026F*



Source: signed FY2023-FY2025 financial statements; FY2026 management forecast (unaudited).

Commentary

- **Fees grew c.10.5% a year to A$13.4m — broad-based.** All five service lines grew FY2023→FY2025; the FY2026F forecast of A$14.6m shows as the shaded column, continuous with the three audited years.
- **Margin drivers.** Fee growth beat people-cost growth every year — genuine operating leverage on a stable, senior-weighted bench (margin and cost ratios on the strip above).
- **The second driver is mix.** Programme cost assurance — the fastest-growing line — lifted its share of fees while cost planning & estimating eased; panel-appointed fee share kept rising (entrenchment detail in Customer & Contract Analysis).
- **Forecast basis (FY2026F): the four-year trajectory continued.** Every service line grows, the mix shift steps one further, and people cost holds — the same mix-and-leverage mechanism, plus a small named cost lever (detailed in Growth).
- **Earnings compounded faster than fees.** The EBITDA growth rate runs ahead of the fee growth rate across the four years, on a bench that grew more slowly than the work.
- **Panel work is the larger part of the growth.** The panel-appointed share of fees rose across the period — the teal band in the chart — so more of the base renews under standing appointment than is re-won per project.
- **The earnings base is capital-light.** Depreciation falls in absolute terms while fees grow, consistent with a people-and-systems practice carrying no material asset base.

The bridge from reported EBITDA of A$3.1m to A$3.4m maintainable is on the next page.

EBITDA Normalisation

Reported EBITDA of A$3.1m normalises to A$3.4m via three named one-off add-backs totalling A$283,000.

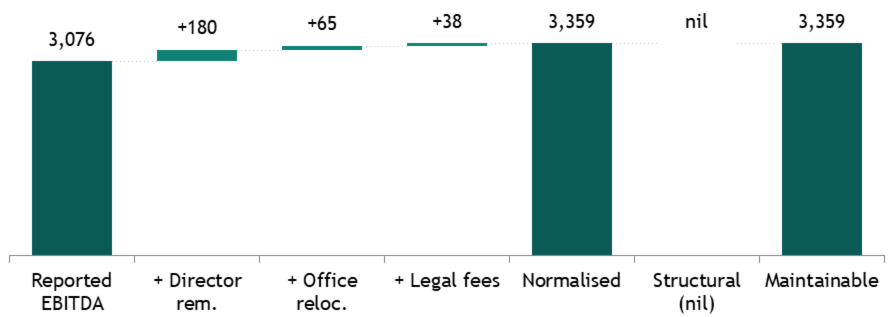
FY2025 Normalisation Bridge ($'000)

FY2025 normalisation	($'000)
Reported EBITDA FY2025	3,076
Add-back: excess director remuneration	180
Add-back: one-off office relocation	65
Add-back: non-recurring legal fees	38
Normalised EBITDA	**3,359**
Structural adjustments (stated nil)	-
Maintainable EBITDA	**3,359**

Basis of preparation

- FY2023-FY2025: signed annual financial statements; FY2026F: management forecast, unaudited.
- Forecast basis: the four-year trajectory continued — fees +8.9% with every service line growing, people cost held at 63.8% of fees, plus the named c.A$140k cost lever (detailed in Growth).
- Single trading entity — no consolidation eliminations, no unallocated costs; no AASB16 lease restatement or standalone-cost adjustments.
- All tables in $'000 unless labelled; currency AUD; fictitious-data basis per the Important Notice (p2).

Waterfall — Reported to Maintainable



The FY2025 bridge

- The bridge walks Reported EBITDA (A$3.1m, per signed statements) through three named, one-off adjustments totalling A$283,000 to Normalised EBITDA (A$3.4m).
- **Excess director remuneration (A$180,000).** Director pay above a stated A$1.0m market benchmark for the four working directors (normalisation schedule).
- **One-off Perth/Brisbane office relocation (A$65,000).** A discrete operating one-off completed October 2024; no further relocation spend in the cost base from FY2025 onward.
- **Non-recurring legal fees (A$38,000).** A contract dispute settled with no admissions in February 2025; the business carries no current or threatened disputes.
- Structural/perimeter adjustments are a stated nil — single entity, no AASB16 restatement required — landing Maintainable EBITDA at the same A$3.4m.

Only maintenance capex, not growth capex, is charged against this earnings base — the split is on the next page.

Balance Sheet & Working Capital

McGARRAN PARTNERS

Working capital has held at c.10% of fees (c.37 days) across all four years, with capex under 1% of fees and no debt.

Summarised Balance Sheet + FY25 Pro-Forma Walk ($'000)

Item	FY23	FY24	FY25	FY26F	Completion adj.	Pro-forma
Cash	543	538	710	921	(710)	-
Other current assets	2,048	2,305	2,544	2,760	-	2,544
Plant & equipment, net	620	518	460	400	-	460
Total assets	**3,211**	**3,361**	**3,714**	**4,081**	**(710)**	**3,004**
Trade & other payables	956	1,059	1,161	1,262	-	1,161
Employee provisions	720	790	860	930	-	860
Income tax payable	260	310	360	420	(360)	-
Total liabilities	**1,936**	**2,159**	**2,381**	**2,612**	**(360)**	**2,021**
Net assets	1,275	1,202	1,333	1,469	(350)	983

Basis of the pro-forma column: The *Completion adj.* and *Pro-forma* columns present FY2025 on a cash-free / debt-free completion basis: cash of A$710k is retained by the vendor and income tax payable of A$360k is settled by the vendor at completion (net impact on net assets A$350k). No other adjustments are made; there is no interest-bearing debt in the perimeter.

Net Working Capital Components ($'000)

Item	FY23	FY24	FY25	FY26F
Trade receivables (AR)	1,340	1,510	1,660	1,800
Accrued revenue (WIP)	620	700	780	850
Prepayments	88	95	104	110
less: Trade payables	(380)	(420)	(455)	(490)
less: GST payable	(290)	(325)	(360)	(392)
less: PAYG withholding	(148)	(162)	(178)	(196)
less: Superannuation	(138)	(152)	(168)	(184)
NWC subtotal	**1,092**	**1,246**	**1,383**	**1,498**
NWC as % of fee revenue	10.1%	10.3%	10.3%	10.2%

Source: signed FY2023-FY2025 statements + FY2026F management forecast; Balance Sheet (verbatim) rows 21/22 (dividends / NPAT).

Commentary

- **No interest-bearing debt; the pro-forma carve-out is narrow.** The FY2025 pro-forma column removes cash (A$0.7m, cash-free) and settled income tax payable (A$0.4m, debt-free at completion) only — landing statutory net assets of A$1.3m at a A$1.0m pro-forma perimeter.
- **Read the statutory trend across four years.** Net assets held broadly flat across four years — A$1.3m in FY2025, A$1.5m forecast; the FY2024 dip is a distribution effect.

Earnings vs distributions ($'000)

	FY23	FY24	FY25	FY26F
NPAT	1,524	1,877	2,181	2,536
Dividends paid	1,900	1,950	2,050	2,400

Distributions broadly tracked earnings, keeping the net-asset base broadly flat.

- **Working capital moves with revenue — stable at c.10% of fees.** The NWC subtotal held at a stable 10.1%-10.3% of fee revenue across all four years — receivables and WIP grew with fees, payables-side obligations at a comparable pace. Annual year-end basis.

Provisions note. Accrued annual + long-service leave (A$0.7m→A$0.9m FY23-FY25) sit outside NWC — debt-like, settled at completion.

Capex note. Maintenance capex (c.A$61k FY25) is split from discretionary growth capex (c.A$49k FY25, Brisbane/Perth fit-out); only the maintenance line feeds the Maintainable-EBITDA capital-replacement provision.

Working-capital days have remained broadly stable through FY2026F.

Metric	FY2023	FY2024	FY2025	FY2026F
Debtor days (DSO)	45.2	45.7	45.1	44.9
WIP days	20.9	21.2	21.2	21.2
Creditor days (DPO)	32.2	32.0	31.6	31.5
NWC days	**36.8**	**37.7**	**37.6**	**37.4**

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03

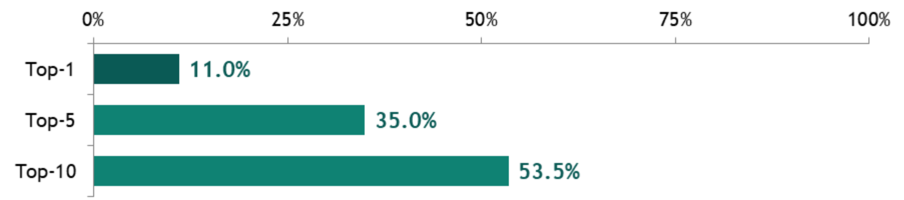
Clients & Market

IN THIS SECTION

Customer Concentration & Register

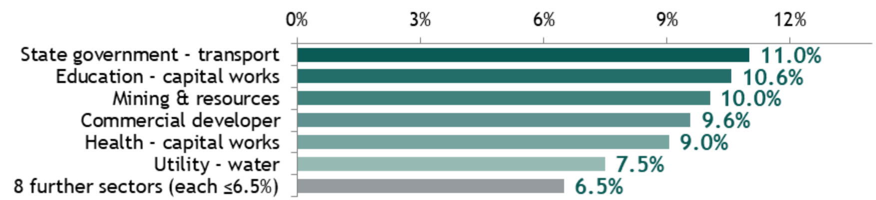
No client exceeds 11% of FY25 fees and no sector accounts for much more, across 42 client relationships in 14 end-markets.

Top-Client Concentration



No client exceeds 11.0% of FY25 fees (Top-5 35.0%, Top-10 53.5%); 42 clients.

Sector Diversification (FY25)



14 end-markets share the fee base, none dominant.

No top-five relationship is a single decision-maker — each spans multiple programme offices or estate programmes (per-row detail below); only Bellchambers (6.5%) is one undivided account, carried by seven unbroken years since 2019. The founder holds none of the top-5 (c.3% of FY25 fees).

Client Register — Top 5 + Remaining 37

Client	%FY23	%FY24	%FY25	Sector	Panel/Project	Engagement nature & status
Western Infrastructure Delivery Authority	9.0%	10.0%	11.0%	State government - transport	Panel	Panel deed, re-tendered 2024→2027; H. Okafor since 2022; notification-only CoC
Coastline Water Corporation	6.5%	7.0%	7.5%	Utility - water	Panel	Capital-programme QS panel to 2026 +2yr; founder→Brennan+Reeve Mar 2025; no CoC
Bellchambers Construction Group	6.0%	6.5%	6.5%	Tier-1 contractor	Panel	Evergreen cost-verification MSA, 90-day notice, no named owner; 7 yrs since 2019
Harberton Defence Estate Program	3.5%	4.5%	5.5%	Federal government - defence	Panel	Sub-panel deed 2021–2028; notification-only CoC; T. Liang since 2021; T2 tendered (c.1.9m)
Stirling Range University	4.0%	4.0%	4.5%	Education - capital works	Panel	Standing panel; c.52% fee growth FY2023→FY2026F; no entrenchment disclosed
Remaining 37 clients	**71.0%**	**68.0%**	**65.0%**	**Mixed — govt, utilities, mining, ports, health, developers**	**1 panel + 36 project**	**Diversified project base + 1 secondary panel (Arden & Slade); zero losses FY23-26F (see rollforward)**

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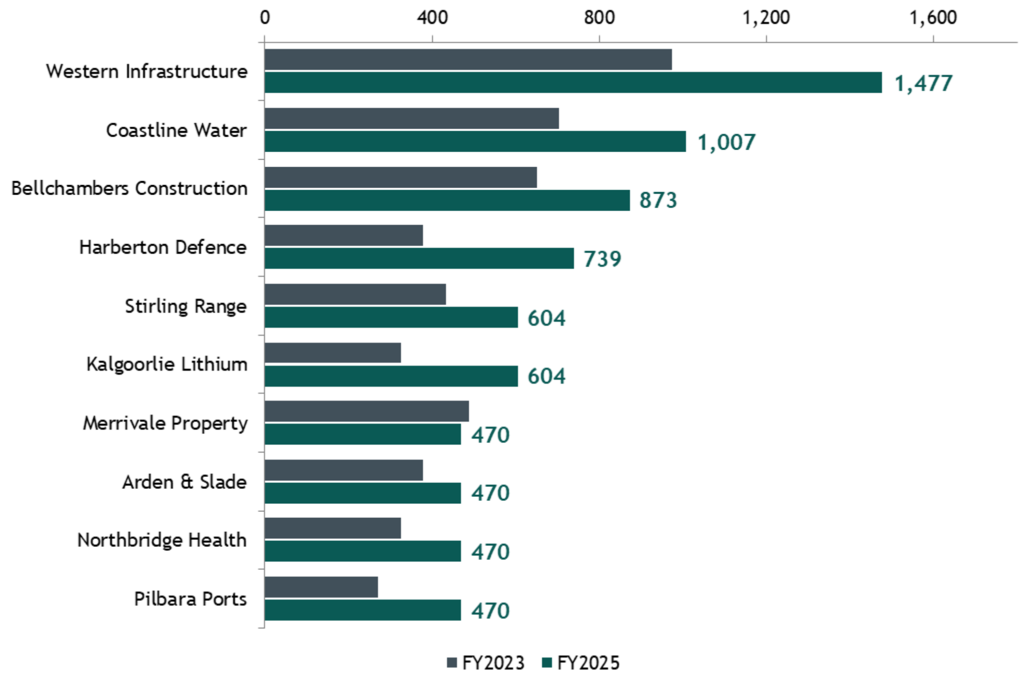
Retention & Tenure

No clients were lost across the four observed years and net revenue retention exceeded 100% in each.

Client Rollforward & Net Revenue Retention

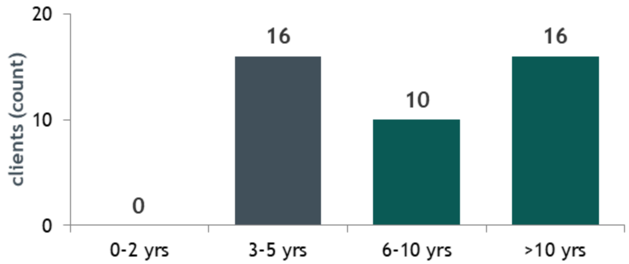
Metric	FY24 (v FY23)	FY25 (v FY24)	FY26F (v FY25)
Clients retained	42	42	42
Clients lost	0	0	0
Clients new	0	0	0
Of retained — expanded	41	41	42
Of retained — contracted	1	1	0
Revenue from retained clients ($'000)	12,070	13,430	14,630
Net revenue retention %	111.4%	111.3%	108.9%

Expansion within the held base — top-10 clients, FY2023 vs FY2025 fees ($'000)



Source: Fee Register — per-client FY2023 / FY2025 fees; top-10 ranked by FY2025. Ties out to top-10 concentration (p16).

Relationship Tenure — Client Base



Long tenure dominates the client BASE: 26 of 42 (61.9%) over 5 years; avg 9.5 yrs, fee-weighted 11.9 yrs (vs 7.2yr staff, p9).

Key Insights

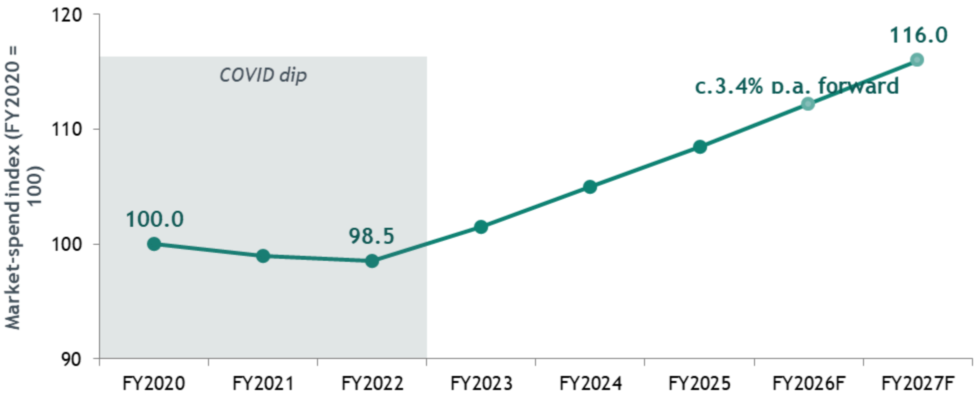
- **Zero client losses across four observed years.** 42 clients retained in each of FY24, FY25 and FY26F; 0 lost, 0 new. Of the retained base, 41 / 41 / 42 expanded their fees (FY24 / FY25 / FY26F).
- **Expansion is broad-based.** The ten largest clients' fees rose from A$4.9m (FY2023) to A$7.2m (FY2025), spread across the held base rather than concentrated in one account — consistent with deeper embedding across multiple programme offices (Management, p9; Client Register, p16).
- **New-logo intake paused by design.** Intake was paused FY2023-FY2026F while the six panel seats were mobilised; period growth came from net revenue retention above 100% within the held base. Intake re-opens FY2027 via the QLD health-infrastructure panel RFT.

Market Position (1 of 2)

McGarran holds 3.0% of a carved A$446m WA+QLD public-infrastructure assurance slice, with spend shifting toward the panel-governed work it leads.

All market-sizing figures on this page are FICTITIOUS/ILLUSTRATIVE — invented for a process-demonstration engagement, not sourced from any real market report.

Sector-Demand Panel — the WA+QLD public-infrastructure market, McGarran-lens



McGarran lens · 3.0% of the slice | A$13.4m FY25 fees | 46% public-infra share, rising

Post-COVID recovery c.3.4% p.a.; public-infra/defence share (46%) rising — spend shifting toward the panel-governed work McGarran leads.

Addressable-Slice Calculation ($m)

National QS/cost-consulting pool	2,700.0
— WA share	430.0
— QLD share	540.0
WA+QLD combined addressable base	**970.0**
× Public infra/defence demand share	46.0%
Addressable slice (public-programme carve)	**446.2**
McGarran FY2025 fees ÷ addressable slice	13.4
McGarran's share of addressable slice	**3.0%**

Addressable slice = WA+QLD combined pool × public infra/defence demand share (46%); McGarran holds 3.0% of the carved slice, not a naked share of the c.A$2700m national pool. FICTITIOUS/ILLUSTRATIVE.

Market Live-Demand Pipeline — agency programmes feeding the slice (A$m/yr, market-side)

Programme / panel	Annual addressable	Agency	Status	McGarran role
WA Metro Assurance Panel refresh	18	State transport	Refresh due FY2027	Incumbent seat
QLD Health-Infrastructure QS panel	9	State health	RFT expected FY2027	Eligible
Defence Estate cost-assurance sub-panel	6	Cwlth defence	Contracted (cleared)	Incumbent seat
WA Water programme gate-assurance	11	State water	Contracted panel	Incumbent seat
National social-housing pipeline (state-procured)	7	State housing	Tendering	Bidding
Resources sustaining-capital cost control	8	Private resources	Rolling	Preferred / panel
Total market-side annual addressable	**59**			

Note: *values are market-side annual addressable (the agency programme coming to market), not McGarran fees or its order book. FICTITIOUS/ILLUSTRATIVE.*

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McGARRAN PARTNERS

The two capabilities this slice demands, genuine panel eligibility and a security-cleared bench, are the two rows only McGarran ticks together on the capability matrix.

All market-sizing figures on this page are FICTITIOUS/ILLUSTRATIVE — invented for a process-demonstration engagement, not sourced from any real market report.

Capability Matrix — the two rows only McGarran ticks together

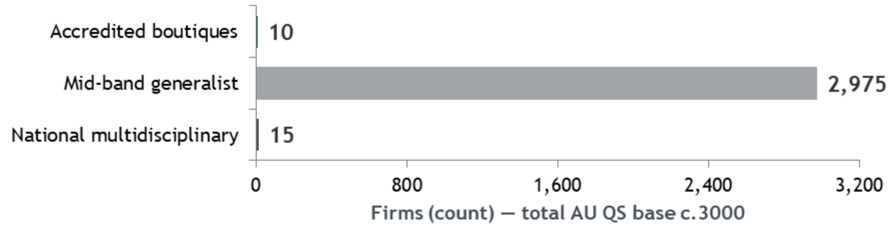
Capability	McGarran	Continental	Bellwood	Ashcombe
Cost planning & estimating	✓	✓	✓	✓
Contract administration	✓	✓	✓	✓
Programme cost assurance (panel)	✓	✗	✗	✗
Expert witness & advisory	✓	✓	✗	✓
Tax depreciation schedules	✓	✗	✗	✓
Gating capabilities — cannot be originated cold				
Panel eligibility (genuine)	✓	✗	✗	✗
Security clearance	✓	✓?	✗	✗

Across the seven capabilities, McGarran alone clears both without qualification: panel eligibility and security clearance — the two rows a buyer cannot originate cold. A bigger firm can outspend McGarran on people and scale, but that buys a seat, not the standing behind it — the three gates below show why. *McGarran column = fact; competitor cells are archetype-level positioning against fictitious peers. ✓? = plausible at archetype level, not verifiable.*

Why those two rows can't be originated cold — three gates, each years to build

A larger rival is stopped at the outer gate: accreditation density, a security-cleared bench and scored incumbency each take years. Its only shortcut is to **buy** a seat.

Market Structure & Right to Win



Of the c.3,000 AU quantity-surveying firms, only c.10 hold genuine panel-accredited assurance standing (c.15 national multidisciplinary firms hold the mega-programme fee value; the c.2,975 mid-band are generalists). The market is fragmented AND the panel-accredited targets are scarce — the strategic-buyer logic: panel incumbency cannot be bought cold.

Right to win — the demand is mandated, not asserted

"Under the (illustrative) WA Infrastructure Assurance Framework, projects above A$30m require panel-appointed independent cost assurance at each gate review."

If the framework mandates panel-appointed assurance, the 6 panel seats McGarran holds are the qualifying credential. ***Illustrative agency policy — a rule a buyer can underwrite, not a quote. FICTITIOUS/ILLUSTRATIVE.***

04

Growth Outlook

IN THIS SECTION

Growth

McGARRAN PARTNERS

The signed order book of A$1.6m covers c.135% of the forecast uplift; the named pipeline sits outside the forecast.

The Growth Arc: McGarran's growth is what a standing panel appointment produces once it is held. WIDA has gone from one programme (2015) to three (2024) under the same deed; Coastline Water from two programmes to three since 2017; panel/programme cost-assurance revenue has climbed from 19% of fees (FY2023) to 23% (FY2025), with a further step forecast as the defence sub-panel scales — the firm's own trajectory already tracks the market driver before a single new tender is won. Each order performed under a standing appointment becomes the evidence base the next re-tender or adjacent tranche is scored against — that is the compounding mechanism, not a one-off win.

RUNG 1 — CONTRACTED · WIP

WIP at 30 June 2025: **A$0.8m** — started, unbilled; on balance sheet, the most secure rung.

A$0.8m

RUNG 2 — CONTRACTED · SIGNED ORDER BOOK

A$1.6m — 9 engagements for existing clients, signed-but-unstarted at 30 Jun 2025, delivering across FY2026. c.135% of the FY2026F fee uplift; with WIP = A$2.4m c.2 months of forecast fees.

A$1.6m

RUNG 3 — NAMED PIPELINE (excluded from forecast)

HD Harberton Tranche 2 c.A$1.9m FY27–28 · WIDA Metro Package 4 c.A$0.9m · CW Coastline Stage 3 c.A$0.7m — tenders or option-period extensions under existing deeds, each held outside FY2026F.

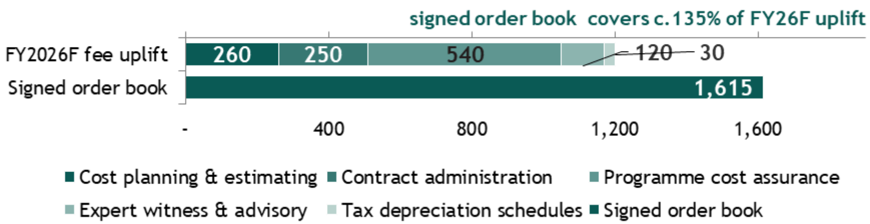
A$3.5m

RUNG 4 — TAILWIND

QLD health-infrastructure QS panel — unquantified; RFT expected FY2027. Brisbane bench accreditation-qualified (22 accredited staff); McGarran an existing QLD panel incumbent, not a new entrant.

unquantified

Signed Orders Cover the Forecast Uplift



Signed order book overtops the forecast fee uplift.

Harberton Tranche 2 is set out on the next page.

Margin Mechanism

A 4-strong contract/casual QS pool, averaging c.A$132/hr fully loaded, converts 2 of those 4 seats to permanent senior QS hires (c.A$95/hr equivalent), planned FY2027 as Brisbane utilisation firms — a contractor-to-permanent staffing swap.

c.A$140,000
annualised uplift at current chargeable hours, before any rate movement

Step Change: Harberton Tranche 2

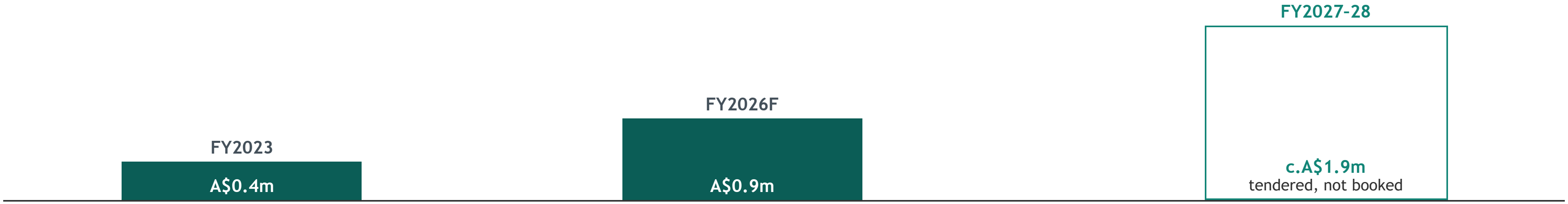
McGARRAN PARTNERS

The one step-change is a dated, tendered extension of a deed McGarran already holds, on the same bench and the same client, with a decision due November 2026.

Status: RFT lodged May 2026 · decision expected November 2026

c.A$1.9m expected fee revenue, FY2027-28 (tendered, not booked)

> Operational blueprint — staged FTE ramp or phased revenue recognition off the current 5-FTE base — sits with the buyer to confirm pre-award; the evidence for the bid is the entrenchment and right-to-win detail below.



Embedded Entrenchment — Why This Is a Step-Change, Not a Cold Bid

Sub-panel deed sitting under a head programme running 2021–2028; Harberton is already McGarran's fastest-growing panel; Tranche-1 orders already committed through FY2027. The bid exists because of an already-entrenched deed and a security-cleared bench McGarran already staffs — not a one-time opportunistic approach.

Why the Bench Qualifies (Right-to-Win)

5 security-cleared embedded FTE currently delivering estimating + cost assurance across two estate programmes (mid-west and metro) — the bench that would deliver Tranche 2 is the same bench delivering Tranche 1 today.

Same Client, Same Bench — Not a Cold Bid

Tranche 2 would be delivered by the same five security-cleared FTE already embedded on the programme, for the same client — a re-tender inside a live relationship, extending work under way.

This is a tendered bid, not booked revenue. The c.A$1.9m FY2027-28 figure does not appear in, add to, or get implied by any FY2026F forecast on the Growth page or in the Financial Performance section — the forecast horizon ends FY2026F, before the Tranche-2 fee period begins — and it is not summed into any pipeline total as if secured. If awarded (decision Nov 2026), it would extend the Harberton trajectory by c.A$1.9m in FY2027-28, on an entrenched deed and the same cleared bench.

05

The Transaction

IN THIS SECTION

Transaction Overview

McGARRAN PARTNERS

The transaction is 100% of a single entity, with no change-of-control consent in the panel book, no debt, no related parties and no property.

Perimeter

100% sale of the issued share capital of McGarran Partners Pty Ltd (the "Company") — a single-entity perimeter, share sale not asset sale.

OUT office property — both premises are leased, not owned

IN
the entire 52-FTE employee base (49 fee-earning) | all client agreements and panel deeds | normalised working capital | the full forward work pipeline (including work currently being bid) | plant & equipment

Leases: Perth (head office, West Leederville) on a 3+3 year term expiring 2028, Brisbane on a 2-year term expiring 2027, both from unrelated third-party landlords, arm's length. No sale-and-leaseback and no related-party landlord to negotiate: both leases predate the transaction and continue unchanged, with the buyer confirming the existing terms at completion rather than negotiating new ones. **Optional:** nothing — no earn-out structure, no property acquire-or-lease choice, and no partial-perimeter variant offered.

Consideration Preference

Completion cash, with up to **20%** of consideration deferred over a maximum of **24 months**. The deferred-percentage cap and the term cap are fixed ceilings, not opening positions.

Change-of-Control Flags

Panel / client	CoC provision
WIDA	Notification clause — consent not required
Harberton Defence Estate	Notification clause — consent not required
Coastline Water	No CoC clause
Bellchambers	No CoC clause

A Clean Balance Sheet at Completion

No interest-bearing debt at the balance-sheet date (p14). No related-party loans or leases: the Balance Sheet (verbatim) tab carries no related-party loan, receivable, or payable line at all — nothing to eliminate at completion, and nothing for the pro-forma perimeter walk to carve out beyond cash and settled income tax payable.

Timetable

IM release	target Q1 2027 (illustrative)
NBIO submission due	6 weeks from IM release
Completion (target)	FY2027 H1

Warranty & Indemnity

The vendor has separately indicated openness to customary W&I insurance as part of the risk-allocation structure — named here as an openness, not a requirement, so bidders can propose either a fully-warranted structure or a W&I-backed one.

No client contract in the panel book carries a change-of-control termination right. Two of the four governed anchors require notifying the counterparty of the transaction; none requires the counterparty's consent to complete it.

Leases & Provisions

Both office leases are with unrelated third-party landlords. Employee long-service and annual-leave provisions are treated as debt-like and settled at completion on the cash-free / debt-free basis — the figure and its completion treatment sit on the balance-sheet page (p14).

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The offer criteria are set out on the next page.

Offer Criteria

What your bid must contain.

	Criterion	What we need
☐	**Consideration**	A single amount in Australian dollars — not a range.
☐	**Acquirer details**	Legal identity, major shareholder(s), ultimate holding company; background/credentials; contact name and numbers.
☐	**Approvals**	Level of internal approval already obtained; additional approvals required before an unconditional binding agreement.
☐	**Funding**	Means by which the transaction is to be funded, substantiating ability to proceed.
☐	**Reasons for acquiring**	Summary of interest and post-transaction plans for the Company and its staff.
☐	**Due diligence**	Named advisers to be engaged; indicative timeline from offer acceptance to settlement.
☐	**Conditions**	Any material terms or conditions to be highlighted as part of the offer.
☐	**Balance-sheet basis**	Cash-free, debt-free, inclusive of normal working capital.
☐	**Property intentions**	Confirm no property acquisition contemplated — both offices continue on existing third-party leases.
☐	**Debt retained**	Confirm treatment of financial debt — the Company carries none at the balance-sheet date.
☐	**FIRB status**	Whether FIRB approval is required; preference for a party not requiring it or holding pre-approval.
☐	**Sales structure**	Confirm the acquirer's proposed structure — 100% share purchase.

Closing

Indicative, non-binding offers are invited within 6 weeks of the release of this document.

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