

21st April 2026

Approval of Disposal of Main Undertaking

MCS Services Limited (“the Company” or “MCS”) wishes to advise that following an extraordinary general meeting of shareholders (EGM) held today, it has received shareholder approval for the sale of the assets of its subsidiary Highways Traffic Pty Ltd (“Highways Traffic”) under an executed Asset Purchase Agreement (“Agreement”) with Altus Traffic Pty Ltd (“Altus”)

At the EGM, shareholders passed the sole resolution approving the disposal of the Company’s main undertaking by the requisite majority. The Company is working toward completion of transaction.

Overview of Transaction

As announced on 26 February 2026, the Agreement provides for \$1.16m payable by Altus on Settlement, and includes:

- The sale of the Highways Traffic vehicle fleet and other core fixed assets and equipment (Net Book Value \$0.67m as at 31 December 2025) on an unencumbered basis (vehicle finance, current balance \$0.46m as at 31 December 2025, to be paid out by Highways Traffic at Settlement);
- the assignment of intellectual property used in the Highways Traffic business, including the Highways Traffic business name and branding;
- the novation or assignment of material contracts; and

subject to Completion, offers of employment to all Highways Traffic employees by Altus.

Conditions Precedent still to be completed are

- i. Equipment inspection: inspection by Altus Traffic of the vehicle fleet and fixed assets of Highways Traffic (Equipment) and such Equipment remaining substantially in a condition consistent (fair wear and tear excepted) with that as at the inspection date carried out by Altus Traffic;
- ii. the Company using its best endeavours to transfer material contracts of the Highways Traffic business by way of novation to Altus Traffic; and
- iii. the Company facilitating meetings between Altus Traffic and a particular client.



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Timetable

The Company anticipates that satisfaction/ waiver of all conditions under the Agreement should be complete by 28 April 2026 and completion of the disposal by 30 April 2026.

Next Steps

Subsequent to the completion of the transaction, the structure of the Company will remain unchanged and the Board intends for Highways Traffic to realise its remaining assets (primarily trade debtors), pay remaining liabilities (including employee entitlements), and provide net surplus funds to the Company.

The Company confirms that it intends to:

- (a) remain open to third-party offers relating to restructures and re-compliance with Chapters 1 and 2 of the ASX Listing Rules;
- (b) anticipate future ventures and courses of action following Completion; and
- (c) depending on the outcome of the above process, either:
 - (i) assess suitable investment and acquisition opportunities in order to acquire a new business asset for the Company; or
 - (ii) look at the most appropriate method of returning the Company's available cash to Shareholders

An announcement of the results of the meeting follows.

For further information contact:

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