



6th April 2016

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Purchase of Road Maintenance Business

MACA Limited ('MACA') (ASX: MLD) is pleased to advise that it has entered into an agreement with the shareholders of Services South East Pty Ltd ('SSE') a privately owned road asset management and maintenance service provider which operates in Victoria and South Australia.

The agreement provides for the initial purchase by MACA of 75% of the shares of SSE, with a call/put option to acquire the remaining 25%, together with arrangements to provide ongoing funding support to SSE. This company offers alliance style asset management and road maintenance contracts for VicRoads and local government and minor civil works projects. The business holds a National R2/B1 road and bridge pre-qualification and a M2 maintenance pre-qualification with VicRoads for bridges, pavements and roadsides and has an annual turnover of \$25 million.

The purchase price is approximately \$1.35M for 75% plus the assumption of 75% of SSE's existing debt facilities of \$7.4M.

MACA CEO Chris Tuckwell said "The acquisition enables MACA to establish a baseline of recurring asset management and road maintenance work to underpin the civil business going forward. The acquisition also provides an immediate entry into the east coast civil market where Australian Road Agencies are progressively outsourcing road asset maintenance. SSE has 3 long term maintenance contracts and will add approximately \$60 million of recurring civil maintenance work to MACA's work in hand."

For further information please contact

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