

# ASX ANNOUNCEMENT

18 October 2018

Redflex Holdings Limited | ABN 96 069 306 216

Redflex

## Q1 FY19 Sales Activity Update

Redflex Holdings Limited (**ASX:RDF**) releases to the market its Q1 FY19 Sales Activity Update.

### About Redflex

The Redflex Group has established itself as a world leader in traffic enforcement products and services, developing leading enforcement camera technology and owning and operating one of the largest networks of digital speed and red-light cameras in the world. Redflex develops and manufactures a wide range of digital photo enforcement solutions including red light camera, speed camera and school bus stop arm camera systems, all utilising the most advanced sensor and image capture technologies.

The Redflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With our continuous development of new safety products, the Redflex Group has been helping to reduce collisions and to save lives for more than 20 years.

Redflex Holdings Limited was listed on the Australian Securities Exchange in January 1997.

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# Redflex Holdings Limited ASX.RDF

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## Q1 FY19 Sales Activity Update

19 October 2018

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# Q1 FY19 Sales Activity Update



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## Continued growth in confirmed new business sales orders

- Total Contract Value (TCV) of **\$9.7m** in confirmed sales orders received in Q1 FY19.
- Orders received in each key geography in which Redflex operates highlighting our strengthened sales and business development capability.

## Confirmed order for sale of Halo units to a North American customer (\$3.3m)

- After a several week performance demonstration period, an order for Halo units was received for delivery in FY19.
- Our customer will use Redflex's photo enforcement technology to seek to reduce overall casualty rates on roadways. Our customer will utilise our end-to-end platform to operate their network of photo enforcement systems and process the traffic violations generated by those systems.

## Confirmed order for sale of equipment upgrades in the U.K. (\$1.1m)

- An initial order for equipment upgrades was received from Highways England for delivery in Q2 of FY19.

## Continued equipment orders received from Australian customers (\$2.4m)

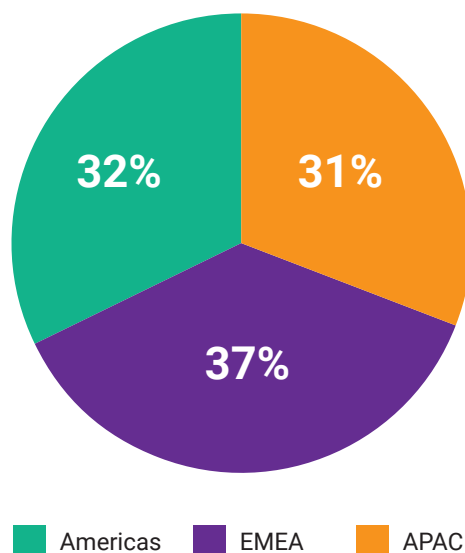
- A confirmed order for the delivery of mobile speed units to South Australian police in Q2 and Q3 of FY19.
- Further orders for our ticketless parking solution at shopping centre sites through Australia.

## Retention of all significant contracts due for renewal in Q1

- **\$12.9m** of TCV was renewed in Q1 across both the Americas and International businesses.

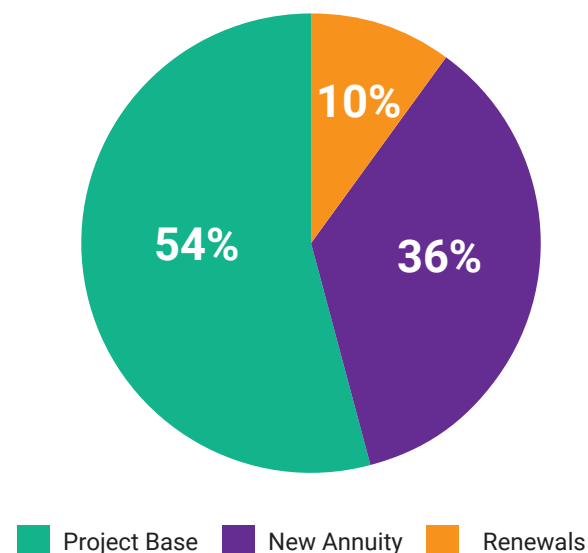
# Sales Pipeline remains strong with continued focus on deal conversion and maintaining >\$300m TCV

Sales Pipeline - TCV by Region



- Global Sales Pipeline with estimated close dates in the next four quarters in excess of **\$300m**.
- The Sales Pipeline remains geographically diverse with significant opportunities in all key regions.
- Sales Pipeline value is measured as the TCV attributable to an opportunity.

Sales Pipeline - TCV by Revenue Type



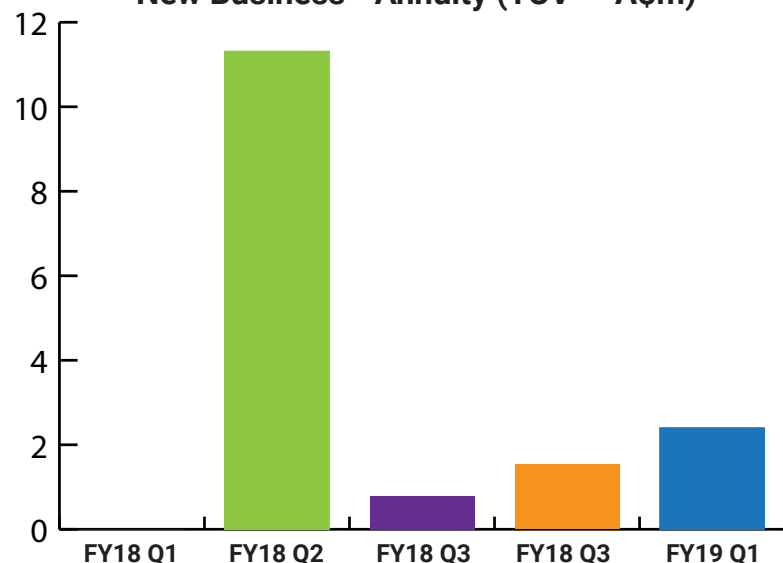
- Balance of sales opportunities between new projects and annuity streams.
- Lighter renewal year compared to FY18.
- Growth in annuity streams will be driven by improved capture rate of opportunities in the Americas and pursuit of services opportunities in APAC and EMEA.
- Renewal rates remain stable at above 90%.

**New Business - Projects (TCV\* - A\$m)**



Q1 FY19 new business TCV awarded **increased by 302%** vs Q1 FY18 and **increased by 55%** from Q4 FY18

**New Business - Annuity (TCV\* - A\$m)**



- TCV of **\$9.7m** in confirmed sales orders received in Q1 FY19:
  - Confirmed project orders of **\$7.3m (TCV)** is the highest achieved in recent years.
  - Annuity orders of **\$2.4m (TCV)** underpinned by expansion of sites / services on our Trotwood, Ohio contract in the Americas as part of a long term renewal in Q1.
- In Q1 we also received strategically important orders from Highways England for upgrades to the HADECS3 system as well as Halo order from a North American customer.
- Solid geographic spread on new project orders with key orders received in EMEA, Americas and APAC producing new business.

\*TCV = Total Contract Value which is the expected contracted revenue over the life of the contract.

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# Glossary

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<b>Annuity Revenue</b>	Annually recurring revenue generated by service contracts which have a term of three to five years.
<b>Project Revenue</b>	Non-recurring revenue generated by a sales order which is expected to be recognised within 18 months from the order date.
<b>Sales Pipeline</b>	Qualified sales opportunities with expected order dates within the next four quarters.
<b>Total Contract Value (TCV)</b>	The total expected revenue to be recognised over the base contract term plus priced option periods.

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# Disclaimer

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## Overview

This Q1 FY19 Sales Activity Update ("Presentation") has been prepared by Redflex Holdings Limited (ACN 96 069 306 216) ("RDF" or "Company") and is dated 19 October 2018.

## Summary Information

This Presentation contains summary information about the current activities of RDF as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with RDF's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au). Neither RDF nor its directors, employees or advisers give any warranties in relation to the statements and information in this Presentation.

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## Financial data

All dollar values are in Australian dollars ("A\$") unless stated otherwise.

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Past performance information is given for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. This Presentation may also contain certain forward-looking statements with respect to the financial condition, results of operations, projects, contracts and business of RDF and certain plans and objectives of the management of RDF. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice. Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither RDF nor any other person gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of RDF. Further, none of RDF, its officers, agents or employees, except to the extent permitted by law, accept responsibility for any loss, claim, damages, costs or expenses arising out of or in connection with the information contained in this Presentation. Investors should independently satisfy themselves as to the accuracy of all information contained herein.

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