



4 November 2020

## ASX ANNOUNCEMENT

### Trading Update and Dividend

The directors of Saferoads Holdings Limited (**ASX: SRH**) provide the following update.

The Company has experienced solid trading for the first quarter of FY21, and based on the latest unaudited management accounts revenue was \$3.78m for that quarter, with an underlying profit of \$275k supported by good cash flows. The current order intake is reasonable and the October result is expected to be another profitable one. Orders in hand are approximately \$2m at the time of this announcement.

The business has remained fully operational with a steady demand for Saferoads products and services, and that has been assisted by our strong COVID-19 safety protocols and our strategic position as an infrastructure market participant. We anticipate these good trading conditions for us will continue in Australia as we gradually see a national return to business-as-usual.

Due to the FY20 trading profit and our strong start to FY21, the directors of Saferoads Holdings have decided to pay a 1c per share fully franked dividend. The trading and cashflow position as noted above was what the directors wished to confirm before we declared a dividend. The dividend is to be paid out of operating profits for the 15 month period ended 30 September 2020. With the introduction of our Dividend Reinvestment Plan ("DRP") on 9 June 2020, shareholders need to finalise their elections on whether to participate in the DRP if this has not already been completed. It is pleasing to note that shareholders with over 56% of our capital have elected to have full DRP participation.

This return to dividends, all be it a very modest restart, is very pleasing and the strong DRP participation assists us to optimise our capital expenditure capability, particularly with funding the ongoing expansion of our Road Safety Rental business.

The \$0.01 dividend will be fully franked at our revised corporate tax rate of 26% and the last day for trading in our shares with the dividend entitlement will be 9 November 2020. The record date therefore will be 11 November 2020 and the last day for shareholders to lodge or change their DRP participation will be 5.00 pm on the 12th of November 2020. The DRP shares will be issued at the lower of \$0.23 per share or the weighted five day average trade price discounted by 5% during the period 10 - 16 November 2020. The dividend will be paid on 19 November either by EFT, cheque or the issue of DRP shares.

This announcement has been authorised for release by the Board.



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**ABOUT SAFEROADS**

Saferoads is an ASX listed company specialising in providing innovative safety solutions. Headquartered in Pakenham, Victoria with representation across Australia, New Zealand and the USA, the company provides state government departments, local councils, road construction companies and equipment hire companies with a broad range of products and services designed to direct, protect, inform and illuminate for the public's safety.