



Traffic Technologies Ltd
2020 Annual General Meeting
Presentation
27 November 2020



FY20 RESULTS SUMMARY

Result Commentary

- Slower than expected revenue and profits in the domestic market mainly due to timing delays of government expenditures
- Trading conditions volatile, including impact of COVID-19 but Group has continued to trade despite supply chain issues
- Second half EBITDA up by almost 90% despite lockdown
- Sales and customer orders improved during the second half, despite the lockdowns
- Export markets expected to improve once international travel restrictions ease, although exports have continued during the COVID-19 lockdown
- Net debt reduced by 22%
- Occupancy costs, depreciation and finance costs impacted by AASB 16, capitalisation of property leases
- Impairment provision against goodwill \$10.6m

(A\$m)	FY20	FY19
Revenue	44.5	48.3
EBITDA	1.4	4.3
D&A	(2.3)	(1.5)
Impairment	(10.6)	-
EBIT	(11.4)	2.8
Interest	(2.4)	(1.4)
NPAT	(14.0)	1.3

KEY ACHIEVEMENTS IN 2020

- Development of “SmartCity” (TST) platform
- Further development and deployment of lighting products, TST enabled
- Developed VC6 next generation traffic controller – awaiting approval
- Development of the “iTouch” touchless pedestrian push button
- L&M Traffic Signals acquisition completed – positive start
- Continued to trade throughout COVID lockdown restrictions in all states



FY20 Operational Update

Road & Street Lighting

- Continuing roll-out of LED street lights for state road authorities, local councils and other customers
- Third generation LED road lights are substantially more energy efficient relative to conventional road lights, providing material savings to power bills and maintenance costs in a time of rising electricity prices
- Secured long-term supply contracts and orders with state and local government agencies, major power companies and contractors
- Since Ausgrid contract signed in August 2020, orders received for over 14,000 street lights

Safety Signage

- Continues to be one of Australia's major suppliers of road signs to all states and territories in the domestic market
- Further enhanced integration synergies with other business units

Traffic Controllers & Signals

- Growing demand for traffic controllers and signals in key export markets, including New Zealand, Singapore, Ecuador, China, and the Middle East
- Introduction of "iTouch" touchless push button (for pedestrian signals) for the world market with trials across Australia





FY20 Operational Update

TST SmartCity Platform

- Successful roll-out of the company's proprietary TST SmartCity Platform across the east coast and South Australia
- TST platform enables road authorities, councils and power companies to fully utilise and maintain critical assets in real time
- Identified a number of opportunities to supply its state-of-the-art lighting control systems and SmartCity technology to overseas markets, including England, Asia and South America



L&M ACQUISITION

- Acquisition of L&M Traffic Signals business completed in August 2020
- Established in Dandenong South, Victoria in 1985
- Accredited provider and installer for the Department of Transport Victoria for traffic controllers, traffic signals, electronic speed signs, ITS equipment and road lights
- L&M also holds a number of term maintenance contracts with several local councils across Victoria
- L&M has won over \$1.5m of work since it was acquired in August 2020



OUTLOOK AND BUSINESS STRATEGY



OUTLOOK AND BUSINESS STRATEGY

- TTI is confident about its prospects for FY21, which is expected to include a number of projects deferred from previous years
- The company expects to benefit from a number of significant projects, including:
 - Continued roll-out of our “Smart City” platform
 - LED street, road and tunnel lighting installations
 - Term supply contracts
 - Further export sales to a range of overseas markets
- The increase in multi-year term contracts with power, road authorities and municipalities is also expected to underpin our earnings base in future years
- Strategic review undertaken, implementation delayed by COVID-19



NEW TECHNOLOGY AND PRODUCTS



TRAFFIC SMARTCITY TECHNOLOGY

TTI's proprietary TST brings together the functionality of today's modern cities into a single platform to improve the efficiency of services across:

ASSET MANAGEMENT

MANAGEMENT

- Rapid batch device information input
- Compatibility with multiple surveillance devices
- Auto-equipment commissioning

ENERGY REPORTING

REPORTING

- Real-time energy consumption
- Real-time equipment status monitoring
- Energy saving statistics

ENVIRONMENTAL MONITORING

MONITORING

- Real-time element monitoring, including: temperature, humidity and illumination

ROAD, STREET & TUNNEL LIGHTING

LIGHTING

- Light sensor and vehicle detection interface
- Emission and cost saving data for local councils

TRAFFIC CONTROL

CONTROL

- Interpretation of traffic data to maximise traffic flow by adjusting traffic lights and other signals
- Potential to guide emergency vehicles via the fastest route



LED LIGHTING OPPORTUNITIES



LED LIGHTING OPPORTUNITIES

- Approx. 2.3 million street lights in Australia
- Under 20% converted to LED to date
- Significant savings in power and maintenance
- Recent contracts include NSW, Victoria and Tasmania
- Environmental benefits
- Tunnel and decorative lighting

SIDE ROAD ACTIVATED SIGNS (SRAS)

TTI has implemented the SRAS system for VicRoads in 9 locations throughout Victoria. Saving the risk of fatal or serious injury to drivers on major highways

- Side Road Activated Signs (SRAS) is an innovative treatment applied to high speed rural intersections to reduce the risk of a fatal or serious injury
- 'The Safe System Principle' of collision speeds note that the survivability of a side impact crash dramatically decreases when a vehicle impacts another vehicle at speeds greater than 50km/h
- Vehicles travelling on a Side Road that are approaching an intersection with a Major Road trigger a detector which activates a temporary speed reduction on the Main Road for a short period of time, using Electronic Speed Limit Signs (ESLS)



ALDRIDGE iTOUCH

Aldridge have designed, developed and manufactured the new iTouch. Now installed in trial sites throughout Australia and in Dublin, the iTouch is expected to bring increased sales from councils wanting to implement the safer touchless system

- Pedestrians can now activate the push button controls at the signalised intersection with just a wave of their hand.
- Safer Pedestrian Signalised Crossings
- With traditional push button controls, pedestrians physically push the button at traffic signal intersections to inform the traffic signals they are waiting to cross the road. With the Aldridge iTouch no physical touch is necessary

Contactless Pedestrian Crossing Sensor www.traffictd.com.au



▪ Stop on 'Red Man' signal.
▪ 红灯请停下
▪ قف عند الإشارة الحمراء



▪ Hold hand close without touching. Sensor button will flash green when activated.
▪ 请把手贴近安全行走感应器，但不要触摸。当手接近时，感应开关会显示绿色。
▪ اقترب دون لمس الي ان يضيء اللون الاخضر



▪ WAIT until 'Green Man Walk' signal before crossing the road.
▪ 请等绿色人步行信号显示时再穿越马路
▪ انتظر قبل العبور الي ان تشاهد الرجل الاخضر

 **Brisbane City Council**

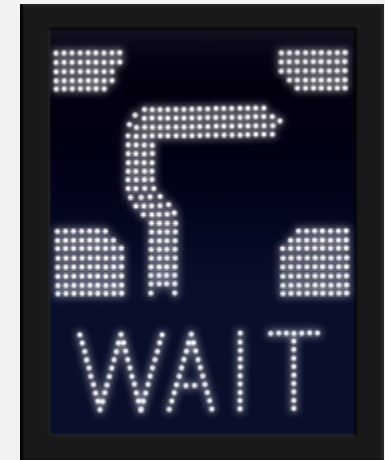
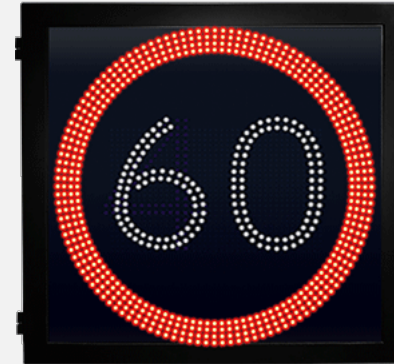


ELECTRONIC LED SIGNAGE (ELS)

Aldridge Traffic Systems have been at the forefront of Electronic signage, design and manufacturing. We are currently working on new technologies and smart LED signage all designed to be connected to via our SmartCity platform TST

Aldridge Electronic LED Signs includes :

- Variable Speed Limit Signs (VSL)
- Electronic Speed Limit Signs (ESLS)
- No Right Turn / No Left Turn (NRT / NLT)
- Variable Message Signs (VMS)
- Vehicle Actuated Signs (VAS)
- Portable Flashing Arrow Signs

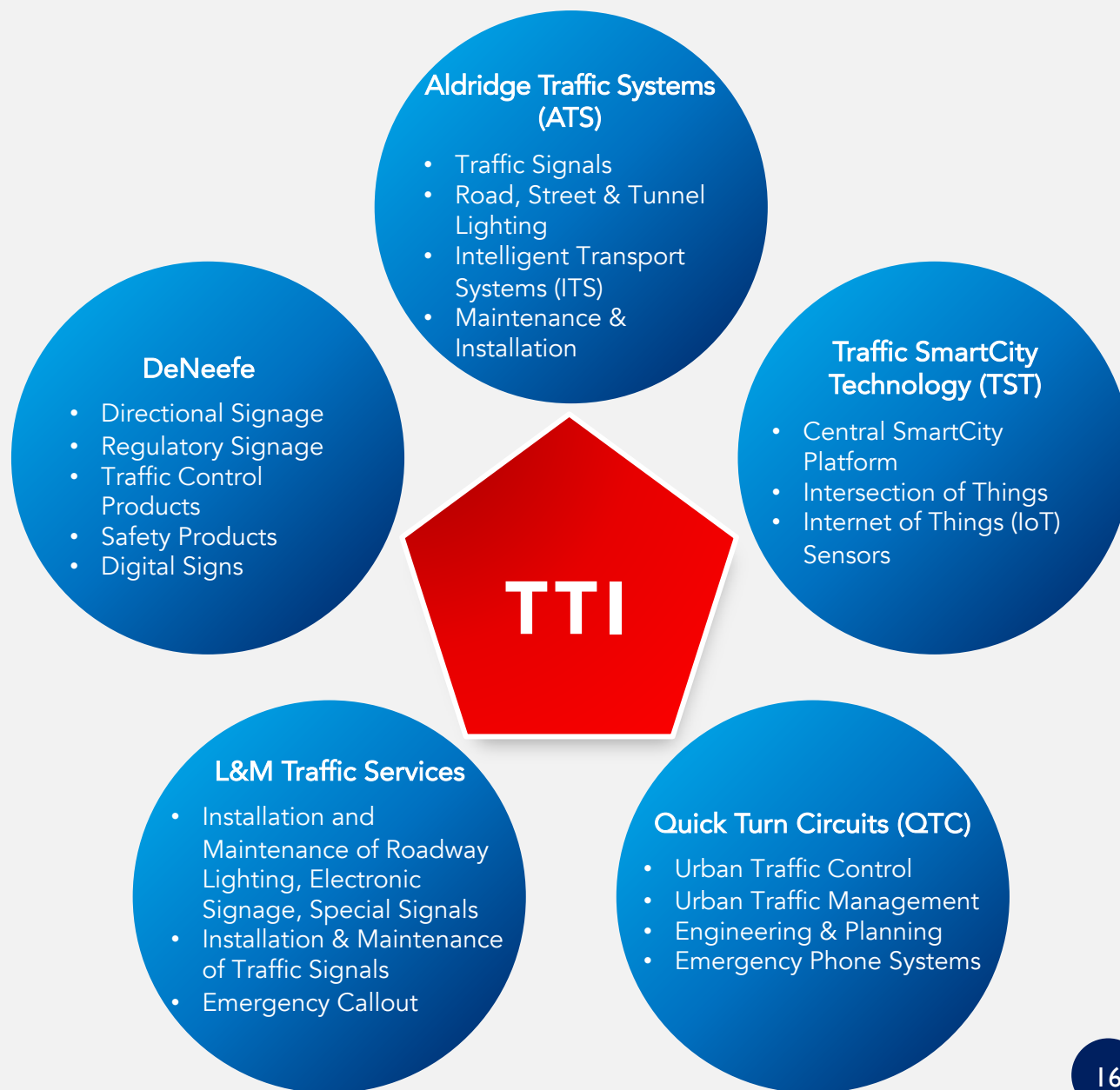


BUSINESS DIVISIONS & PRODUCT SUITE

TTI Background

Capital Structure	
Shares on Issue	482.2m
Price (25-Nov-20)	4.3¢
Market Capitalisation	20.7m
Net Debt (30-June-20)	\$7.9m
Enterprise Value	\$28.6m

Board & Management	
Managing Director	Con Liosatos
Non-Executive Chairman	Mark Hardgrave
Non-Executive Director	Tim Fry
CFO & Company Secretary	Peter Crafter



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