

ASX ANNOUNCEMENT

13 April 2021

Redflex Holdings Limited | ABN 96 069 306 216

The Redflex logo features the word "Redflex" in a white, sans-serif font, followed by a stylized green circular graphic that resembles a lowercase 'r' or a similar shape.

Amendment to Western Alliance Bank Credit Facility

Redflex Holdings Limited (**ASX:RDF**) (**Redflex**) announces that its U.S. subsidiary, Redflex Traffic Systems, Inc. (**Redflex Americas**), has entered into a further amendment of its existing USD15 million credit facility agreement with Western Alliance Bank (**Western Alliance**).

As announced to the Australian Securities Exchange (**ASX**) on 2 March 2020, the Company's existing USD15 million credit facility consisted of a USD10 million non-revolving line of credit (**Non-Revolving Loan**) in addition to a USD5 million term loan (**Term Loan**). The term loan has an existing maturity of December 2021.

With the amendments, the existing credit facility has been varied:

- to increase the Non-Revolving Loan from USD10 million to USD15 million; and
- to include Redflex Traffic Systems (Canada) Limited.

As with the existing credit facility, the Non-Revolving Loan will be used by Redflex to fund capital expenditure associated with North American based customer contracts. The expansion of the facility and inclusion of Redflex Traffic Systems (Canada) Limited enables Redflex to use the facility to support growth in the Ontario speed program in Canada as well as other new program opportunities in the United States. USD10 million of the Non-Revolving Loan has already been drawn down for working capital requirements to fund new programs in Pennsylvania (see ASX Announcement dated 22 May 2019) and in California (see ASX Announcement dated 21 November 2019). At 31 December 2020, USD3.1 million remains outstanding under the Term Loan and USD8.8 million remains outstanding under the Non-Revolving Loan.

Redflex has had a strong relationship with Western Alliance in the U.S. since December 2017. Redflex values Western Alliance's ongoing commitment to Redflex in finding and establishing flexible financing arrangements that have met the needs of both parties.

Western Alliance Bank is a wholly owned subsidiary of Western Alliance Bancorporation and operates full-service banking divisions: Alliance Bank of Arizona, Bank of Nevada, Bridge Bank, First Independent Bank, Alliance Association Bank, and Torrey Pines Bank in the U.S.

Key terms and conditions of the amendment to the Credit Facility

The credit facility continues to be on terms and conditions considered standard for a facility of this nature. Key terms include:

Loan amount:	USD20 million loan amount but now consists of a USD15 million Non-Revolving Loan and a continuing USD5 million Term Loan.
Term:	The Non-Revolving Loan will be available until 31 December 2021. The Term Loan will be available until 14 December 2021.
Interest Rate:	The interest payable on each of the Non-Revolving Loan, will be a rate of interest per annum equal to the sum of the "Prime Rate" then in effect and 1.50% per annum, (and will be determined on the Closing Date).

Redflex Holdings Limited

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	<p>"Prime Rate" means the fluctuating rate of interest set out from time to time in the Western Edition of <i>The Wall Street Journal</i> as the "prime rate," without regard to whether any lending institution charges that rate to any customer. Any change to that rate takes effect at the opening of business on the day specified in the announcement of a change in that rate.</p>
Maturity Date:	<p>With respect to the:</p> <ul style="list-style-type: none">• Non-Revolving Loan – for each respective draw, the maturity date designated for the applicable draw in accordance with the applicable project entry in a schedule to the Amended and Restated Business Loan Agreement.• Term Loan – 14 December 2021
Restrictions on future borrowings:	<p>As long as any obligation under the amended credit facility remains unpaid or unperformed, without Western Alliance's consent, Redflex, Redflex Traffic Systems (Canada) Limited, Redflex Guardian, Inc. and Redflex Americas are restricted from creating, incurring, assuming or suffering any liabilities (not already in existence) beyond those incurred in the ordinary course of trading or which are intercompany in nature.</p>
Security:	<p>Redflex will continue to pledge all of the issued and outstanding certificated stock in Redflex Americas, which consists of 100,000 shares of common stock of Redflex Americas, as security for the amended credit facility.</p>
Guarantee	<p>Redflex, Redflex Traffic Systems (Canada) Limited, and Redflex Guardian, Inc. will continue to guarantee Redflex Americas obligations under the amended credit facility.</p>

About Redflex

During the past 25 years, Redflex has established itself as a world leader in developing and implementing intelligent traffic management products and services which are sold and managed in Asia Pacific, North America, United Kingdom, Europe and Middle East regions. Redflex develops, manufactures and operates a wide range of platform-based solutions all utilising advanced sensor and image capture technologies enabling active management of state and local motorways.

The Redflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With a continuous program of product development, Redflex has been helping to improve roadway safety, alleviate congestion and reduce the harmful impacts of vehicle emissions.

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

This document is authorised by the officers listed below. For further information please contact:

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