



31 May 2021

## ASX ANNOUNCEMENT

### Market Update

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

Whilst all economies continue to manage the constraints of the COVID-19 global pandemic, we are pleased to have achieved several milestones in the current half as part of our overall growth strategy:

1. Our equipment hire portfolio has commenced operations in New South Wales and we have secured our first projects, commencing in June.
2. We are pleased to announce our first rental deployment of the HV2™ temporary barrier system on a major freeway upgrade works in Melbourne and are negotiating a further deployment for another project.
3. We have obtained a higher speed rating for our T-Lok™ concrete temporary barrier system allowing it to be deployed on a broader scope of work zone scenarios.
4. Our solar (off-grid) temporary lighting products are in demand and we continue to invest in this ever-growing market as customers continue to look for innovative, cost effective and environmentally friendly solutions.
5. We secured our first sale of the OmniStop™ Portable Bollard system to Canada.
6. We have received in full the final payment from the sale of the on-grid lighting assets.

### ***FY2021 Forecast***

Based on the latest unaudited management accounts and forecasts, the directors anticipate a Profit before tax for FY2021 of between \$550k and \$650k, dependent on timing of delivery of some customer orders.

This forecast takes into account the following COVID-19 related factors:

- A temporary pause in the growth of our equipment hire portfolio, reflecting the deferral of some road construction projects in Victoria. We expect this to change, evidenced by a number of recent projects won and expected to be deployed early in the new financial year.
- The delay in commencing our expansion of the equipment hire portfolio into the New South Wales market, albeit now open this month, this had been planned to happen earlier
- International opportunities have slowed as the various countries we have been dealing with have deferred plans for our products for now

Whilst we anticipate an 18-20% decline in overall revenue year on year (particularly impacted by our disposal of the on-grid lighting assets, previously announced in December 2020), we have been able to maintain (and in some cases improve) margins in a difficult trading environment, to be able to project this full year result which is similar to FY2020.



With the current pipeline of work and with the likelihood of long-term lockdowns lessened with the rollout of the COVID-19 vaccine across Australia and other parts of the world, we are confident we go into FY2022 in a stronger position to better harness the growth opportunities we have.

This announcement has been authorized for release by the Board.

**Enquiries/Additional Information:**

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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.