

TRAFFIC@
TECHNOLOGIES



Traffic Technologies Ltd

AGM PRESENTATION - NOVEMBER 2022

Company Highlights

- 21% increase in Q1 FY23 revenue
- 17% increase in term contracts - \$30m year on year with +5 year visibility underpinning future revenue
- 28% increase in back orders - locking in forward orders for FY23
- 130% increase in annuity revenue from Smart Cities Platform
- \$7.2m capital raising completed in FY22, enabling debt repayment
- Stronger balance sheet
- Further debt refinancing under discussion

23
Countries

128
Cities

+600,000
Devices

+25,000,000
Data Points

+31,000
Intersections



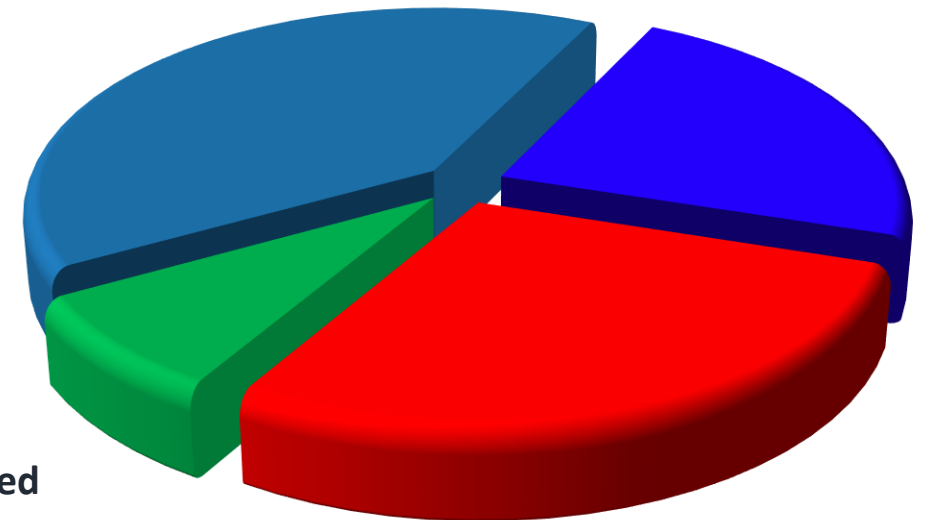
FY22 Results Summary

- Operating revenue of \$54m for FY22, up 3% on FY21 despite impact from global disruptions to supply chains causing c.\$7m to be deferred from FY22 into FY23.
- Operating margins impacted by higher raw material and freight costs.
- Strong order book, up 28% over the 12 months to 30/9/22, giving FY23 a strong start with continued growth in government expenditure on infrastructure.
- Increase in term contracts up 17% (\$30m), over the 12 months to 30/9/22, with visibility up to 5 years giving greater certainty for FY23 and future revenue.
- FY22 finance costs reduced 31% from \$1.3m in H1 to \$0.9m in H2.

| (A\$m) | FY22 | FY21 |
|----------------|-------|-------|
| Revenue (\$m) | 53.8 | 52.3 |
| EBITDA (\$m) | 4.1 | 4.5 |
| D&A (\$m) | (2.3) | (2.2) |
| EBIT (\$m) | 1.7 | 2.3 |
| Interest (\$m) | (2.2) | (2.1) |
| NPAT (\$m) | (0.5) | 0.2 |

FY22 Operational Update

- **Diversified Revenue Base:**
 - Software Platforms and IoT applications;
 - Smart, safer products;
 - Installation and Maintenance;
 - Customers; and
 - Export markets.
- Long term supply contracts with authorities across Australia
- Smart City Data Concentrator and iCell listed on the latest AEMO unmetered load table
- Lighting approvals continue to bring significant contracts and orders
- Urban Traffic Controllers continue to be exported worldwide despite COVID-19
- Traffic Signals retains dominant market position with next generation launched



■ Signals & Controllers

■ Installation & Maintenance

■ Lighting, ITS & IoT

■ Signage & Safety Products

FY22 Operational Update



Road & Street Lighting

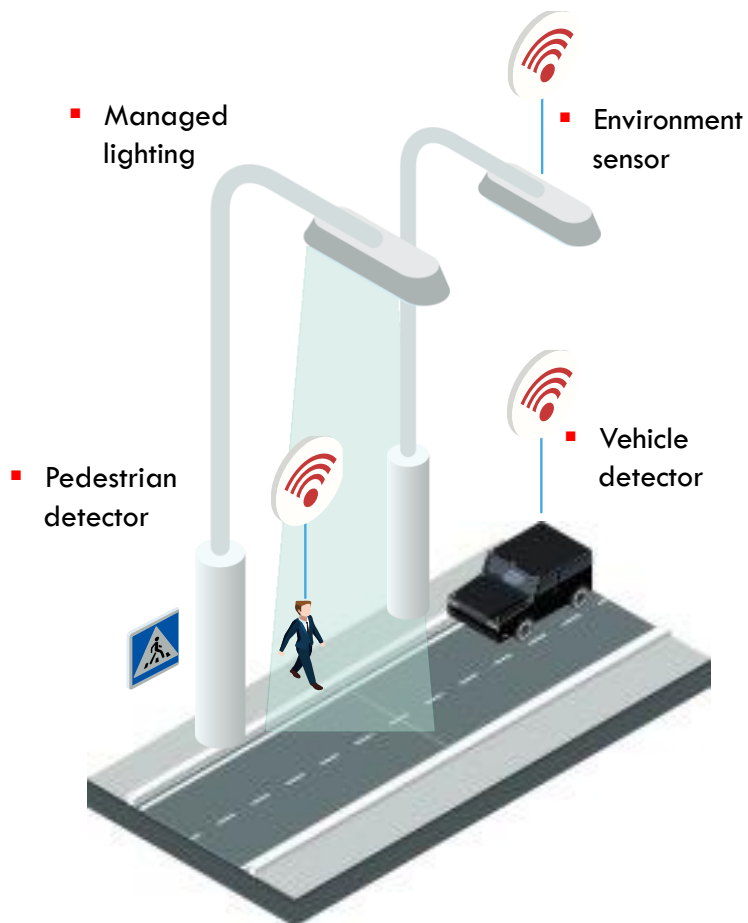
- Providing Smart City street lighting upgrade for Sydney. Ausgrid - 60,000 next-generation street lights, as part of the largest smart lighting upgrade program across Australia
- 12-month extension of the Company's contract with TasNetworks worth approximately \$3.0 - \$5.0 million
- Continuing roll-out 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

Safety Signage

- Continues to be one of Australia's major suppliers of road signs and safety products 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
- iTouch touchless push button (for pedestrian signals) for the world market with orders and trials across Australia, Asia and UK



How the Business is Evolving

- Launched SaaS platform to underpin future revenue growth
- SaaS platform sold on an annual licensing basis, creating new annuity revenue streams
- TTI's platform – TST integrating with third-party hardware and vice versa, increasing the company's total addressable market
- Data analytics providing additional upside to solutions



Qatar Software Contract

- Contract awarded to supply specialist software to Qatar for FIFA World Cup 2022
- Follows successful trials earlier in the year
- Provides real-time spatial model and accurate representation of road intersections for traffic management control
- Determines traffic priorities ensuring that emergency vehicles and services have priority
- Enables public transport to move visitors to and from the FIFA World Cup with minimum delay and maximum efficiency
- First major international deployment of 150 intersections outside of Australia and New Zealand



Well positioned for growth

TTI expect earnings enhancements and cost savings from a variety of sources:

- Strong current **order book** and term supply contracts with **greater visibility of \$30m.**
- Consolidation of manufacturing planned in FY23 with an increased focus on engineering efficiencies with **annualised savings of up to \$1.6m**
- Increased government expenditure on road infrastructure
- Demographic and fiscal policy tailwinds
- A pipeline of bolt-on strategic acquisition opportunities within the IoT environment
- Stronger balance sheet following capital raising and repayment of debt
- Further debt refinancing under discussion

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This announcement has been authorised by the Board of Directors of TTI

TTL Group of Companies

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