



TRAFFIC
TECHNOLOGIES

FY23 HALF YEAR RESULTS

31 December 2022



COMPANY HIGHLIGHTS

- 19% increase in H1 FY23 revenue.
- 19% increase in term contracts - \$36m year on year with +5 year visibility underpinning future revenue.
- Refinancing agreed in December 2022 – now completed:
 - \$15m debtor and trade finance (Early Pay)
 - Repay ADM and Timelio
 - Reschedule First Samuel loan.
- Additional ATS Street Lighting has been approved by AEMO, strengthening our position in the market, reducing CO2 emissions for councils, power companies and road authorities.

1H FY23 RESULTS

(A\$m)	1H FY23	1H FY22
Revenue (\$m)	32.2	27.1
EBITDA (\$m)	1.9	2.2
D&A (\$m)	(1.1)	(1.2)
EBIT (\$m)	0.8	1.0
Interest (\$m)	(0.8)	(1.3)
NPAT (\$m)	(0.05)	(0.3)
EPS (cents)	(0.01)	(0.06)

- Revenue up 19%.
- NPAT improved by 85%.
- Group has continued strong trading in all states despite supply chain delays in electronic components.
- Costs increased by 7% in the 6 month period due to increased cost of materials and freight, along with the depreciation of the \$AUD affecting import costs.

FY23 OPERATIONAL UPDATE

- Diversified Revenue Base:
 - Products;
 - Software Platforms and IoT applications;
 - Installation and Maintenance;
 - Customers; and
 - Export markets;
- Long term supply contracts with authorities in Victoria, New South Wales, South Australia, Queensland and Tasmania up 19%
- Lighting approvals continue to bring significant orders.
- Urban Traffic Controllers continue to be exported worldwide despite challenges with supply chain.
- Traffic signals retain a dominant market position.
- Consolidation of operations commenced with resulting impact to start in Q4.

CASH FLOW (\$m)	1H FY23	1H FY22
Receipts	34.3	29.4
Payments	(30.1)	(28.6)
Interest	(0.7)	(1.0)
Operating Cash Flows	3.5	(0.2)
PP&E	(0.0)	(0.0)
Intangible Assets	(1.1)	(1.0)
Purchase of businesses	(0.0)	(0.5)
Investing Cash Flows	(1.1)	(1.5)
Issue of Shares	-	7.2
Capital Raising Costs	-	(0.2)
Borrowing Proceeds	0.2	0.5
Borrowing Repayments	(2.2)	(6.2)
Borrowing Costs	(0.0)	(0.1)
Financing Cash Flows	(2.1)	1.2
Cash Start	1.0	2.6
Net Cash Flow	0.3	(0.5)
Cash End	1.3	2.1

CASH FLOW

- Refinancing agreed in December 2022; settled in Q3 FY23.
- Operating cashflow impacted by prepayment of overseas suppliers.
- Interest payments 27% lower compared to prior period.
- Partial repayment of previous facilities in December 2022.

Balance Sheet (\$m)	1H FY23	FY22
Cash	1.3	1.0
Receivables	12.2	11.8
Inventories	16.5	15.2
Total Current Assets	30.0	27.9
PP&E	2.0	2.3
Goodwill	1.1	1.1
Intangibles	11.5	10.8
Total Non-Current Assets	14.6	14.2
Total Assets	44.6	42.1
Payables	14.9	11.3
Debt	9.0	12.2
Provisions	3.3	3.2
Total Current Liabilities	27.1	26.7
Debt	2.9	0.9
Other	0.2	0.2
Total Non-Current Liabilities	3.1	1.1
Total Liabilities	30.3	27.8
Equity	14.3	14.4

BALANCE SHEET

- Stronger balance sheet following refinancing and debt repayment.
- Net Debt: \$9.9m.
- Net Assets: \$14.3m.
- Prepayments of stock continue to be necessary to address ongoing supply chain issues.

Net Debt excludes \$0.7m relating to property leases capitalized

Gearing is Net Debt divided by Net Debt plus Shareholders' Equity

\$2.2M ORDER FOR SMART CITY STREET LIGHTING

- Additional order from Ausgrid for over 10,000 smart city-ready street lighting, worth approximately \$2.2 million, as part of the largest smart lighting upgrade program across Australia.
- The upgrade is being completed by Ausgrid in partnership with Southern Sydney Regional Organisation of Councils (SSROC) Inc. and up to 33 local NSW councils.
- Continues expansion of the Company's smart street light business, following the announcement by Ausgrid earlier this year that more than 92,000 street lights would be upgraded in NSW alone over the next three years.
- Validating Traffic Technologies as the supplier-of-choice of "P" (Pedestrian) category for illuminating roadways and public spaces, with our state-of-the-art, Smart City, energy efficient and environmentally friendly LED lighting technology.

EXTENSION OF TASNETWORKS CONTRACT UP TO \$5M

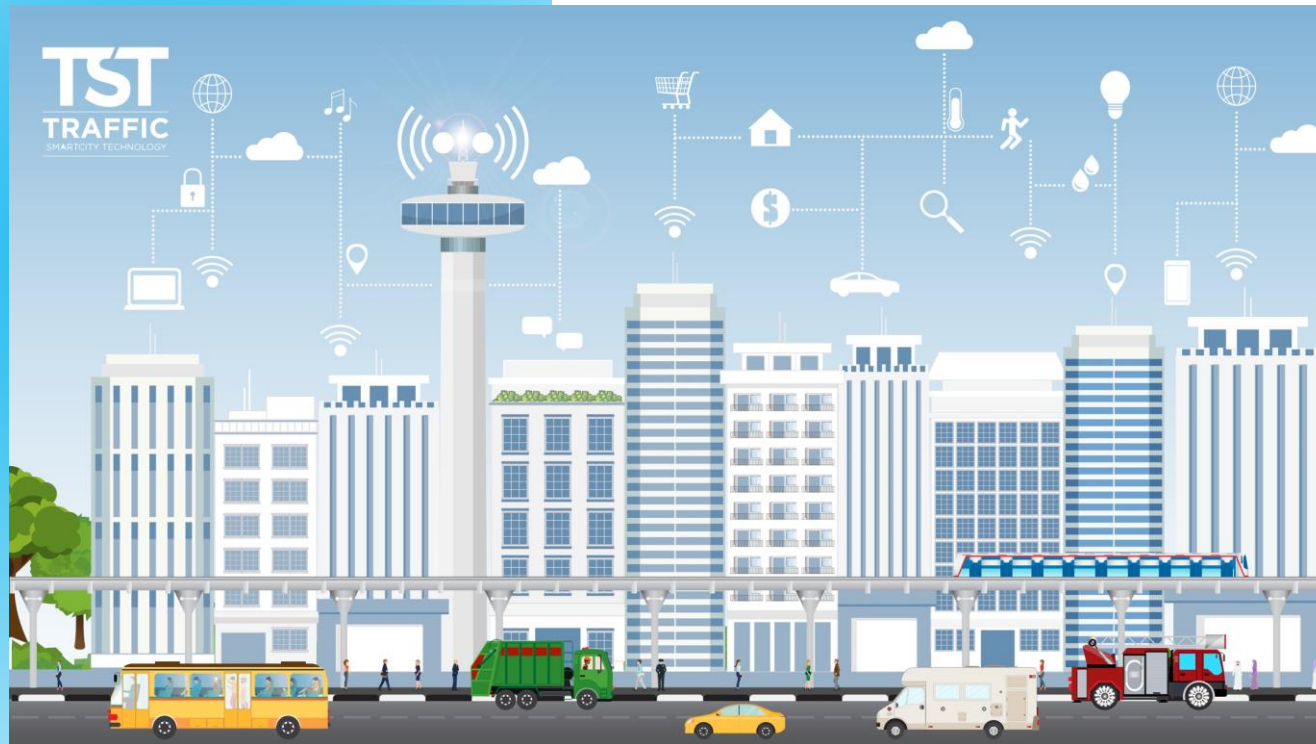
- Traffic Technologies was awarded a 12-month extension of the Company's contract with TasNetworks worth up to \$5 million.
- Building on the existing arrangement to supply TasNetworks with Smart City LED street light fittings throughout Tasmania; reducing gas emissions and annual power and maintenance costs.
- This significant contract establishes confidence that Traffic Technologies is the supplier-of-choice for street lighting in the Tasmanian market into the financial year 2023-24.

QATAR SOFTWARE CONTRACT

- Contract awarded to supply specialist software to Qatar for FIFA World Cup 2022.
- Follows successful trials earlier in 2022.
- 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.
- Expansion for growth in FY23



TST SMART CITY PLATFORM



The continued development and interest in the TST Smart City Platform have increased revenue and provided further opportunities.

TST platform enables road authorities, councils and power companies to fully utilise and maintain critical assets in real-time.

- 23 Countries
- +128 Cities
- +31,000 Intersections
- +600,000 Devices
- + 25,000,000 Data Points

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

TTL Group of Companies

Traffic Technologies Ltd	DeNeefe Signs	Aldridge Traffic Systems	QTC Traffic Solutions	Aldridge Traffic Systems UK	L&M Traffic Services	i:TS Intelligent Traffic Systems
<p>Head Office</p> <p>31 Brisbane Street Eltham Victoria 3095 Australia</p> <p>T: + 61 3 9430 0222 F: + 61 3 9430 0244</p> <p>Offices in:</p> <ul style="list-style-type: none"> Northern Territory Tasmania Queensland Western Australia Victoria New South Wales 	<p>Head Office</p> <p>25 Brisbane Street Eltham Victoria 3095 Australia</p> <p>T: + 61 3 9430 0266 F: + 61 3 9430 0277</p>	<p>12-14 Leeds Street, Rhodes NSW 2138 Australia</p> <p>T: + 61 2 9701 9900 F: + 61 2 9736 3391</p>	<p>12-14 Leeds Street Rhodes NSW 2138 Australia</p> <p>T: + 61 2 9701 9900 F: + 61 2 9736 3391</p>	<p>Units D3+D5 Cowlairs Southglade Business Park off Rigley Drive Top Valley Nottingham NG5 9RA UK</p> <p>T: + 44 7400 189720 F: + 44 1159 223836</p>	<p>Unit 1, 2-4 Souffi Place Dandenong South VIC 3175 Australia</p> <p>T: + 61 3 9768 2637 F: + 61 3 9768 2364</p>	<p>84 Bluestone Circuit, Seventeen Mile Rocks QLD 4074 Australia</p> <p>T: 1300 769 852 info@itsau.com.au</p>

www.trafficltd.com.au

