



Saferoads Holdings Limited (SRH)

Annual General Meeting

Melbourne 21 November 2012

Welcome

The Board of Directors and the
Management of Saferoads
Holdings Limited are pleased to
welcome you to the Company's
Seventh Annual General Meeting

21 November 2012



Saferoads Holdings Limited (SRH)

ADDRESS BY GARY BERTUCH
CHAIRMAN OF DIRECTORS

Melbourne – 21 November 2012

Saferoads Holdings Limited

CHAIRMAN'S ADDRESS

- Operating loss of \$2.9 million mainly due to:
 - General downturn in economic activity
 - Significant losses in Civil contracting
 - Instability at senior management level
- Non-cash asset writedowns of \$6.4 million
- Breach of bank covenants
 - Relationship with bank now more positive as debt reduction program has realised desired outcomes to date



Saferoads Holdings Limited

CHAIRMAN'S ADDRESS (continued)

- **New management team in place**
 - Headed by founder, Darren Hotchkin
- **FY2013 is a rebuilding phase for the company**
 - Focus on core business and better promote our proprietary product offerings
 - Focus on operational efficiencies
 - Return to profitability
 - Look for new (profitable) growth opportunities
 - Reduce debt and associated finance costs
 - Restore and improve shareholder value





Saferoads Holdings Limited (SRH)

ADDRESS BY DARREN HOTCHKIN

CHIEF EXECUTIVE OFFICER

Melbourne – 21 November 2012

Saferoads Holdings Limited

FY2012 PERFORMANCE RECAP

- Reduced activity in the road construction industry due to reduced budget constraints
- Significant losses in Civil contracting
- Instability at senior management level
- Uncertain regulatory environment re: water-filled temporary barriers
- Loss of EASI distribution agreement
- Profitable growth in Rentals offering



Saferoads Holdings Limited

FY2012 PERFORMANCE RECAP

(continued)

- **Focus on stabilising business operations**
 - **New senior mgmt team headed by founder, Darren Hotchkin**
 - **Focus on core business**
 - **Focus on operational efficiencies**
 - **Stabilised working capital requirements (stock replenishment, cashflow)**
- **Commenced debt reduction program**



Saferoads Holdings Limited

1st QTR FY2013 ACHIEVEMENTS

- Trading result for the quarter substantively in line with budget
- Strong cashflows generated from operations ensuring working capital needs are comfortably managed and met
- All financial covenants for the quarter were met
- Sale of head office site in Drouin for \$1.5 million allowing reduction in core debt from \$8.2 million to \$6.7 million



Saferoads Holdings Limited

CURRENT QTR FY2013 FOCUS

- Secured sale of Signals portfolio for \$950k this month allowing further debt reduction from \$6.7 million to \$5.8 million
- Implement new business plan for go-forward Civil services (national) model
- Finalise transition of New Zealand operation to a distributor arrangement simplifying business model and minimising business risk
- Explore opportunities to expand our Rentals offering



Saferoads Holdings Limited

LOOKING AHEAD – FY2013

- Year of consolidation – operational result significantly better than FY12 (excl. Asset sales)
- Significant restructure of National Civil operation
- Focus on core customer and product base
- Focus on profitable sales opportunities generating and maintaining positive cashflows
- Restore and improve shareholder value





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Proxies for Item 2

Proxies received for Item 2 – Re-election of Mr Gary Bertuch

Votes in favour	3,838,649	57.96%
Votes against	189,225	2.86%
Proxy's discretion	2,595,129	39.18%
Total votes cast	6,623,003	100%
Abstentions	0	0

Proxies for Item 3

Proxies received for Item 3 – Remuneration Report

Votes in favour	2,576,960	48.47%
Votes against	189,764	3.57%
Proxy's discretion	2,550,129	47.96%
Total votes cast	5,316,853	100%
Abstentions	59,500	-

Proxies for Item 4

Proxies received for Item 4

– Appointment of Grant Thornton as Auditor

Votes in favour	3,920,305	59.20%
Votes against	95,569	1.44%
Proxy's discretion	2,607,129	39.36%
Total votes cast	6,623,003	100%
Abstentions	0	-

Saferoads Holdings Limited

QUESTIONS





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