



23 December 2019

ASX ANNOUNCEMENT

Trading update

The directors of Saferoads Holdings Limited (**ASX: SRH**) wish to provide a trading update for the half-year to 31 December 2019.

The Company currently estimates that trading revenue for the half-year to 31 December 2019 will be approximately 20% lower than the previous corresponding period ("pcp") to 31 December 2018.

This is primarily due to ongoing delays in projects, with secured orders that we had expected would be delivered in the second quarter having now been deferred into the new calendar year, particularly some International orders. Whilst we contain operational expenditure, the nature of some of our orders makes it challenging to predict timing (and therefore recognition) of sales.

Mitigating this revenue reduction is the growth in our equipment rental business, with an increase in sales of over 40% to the pcp, on the back of solid demand for our services.

As a result of the above factors and based on the latest forecasts from Management, we now anticipate that the Company will record a breakeven first half trading result.

With our existing order book, commercialisation of new products such as the HV2™ Temporary Barrier System and OmniStop™ Portable Bollard System and further growth anticipated in our equipment rental business, we anticipate an improved result in the second half of the financial year.

The Company expects to release its half-year results following the completion of the half year audit review in late February 2020.

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.

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