



25 September 2024

ASX ANNOUNCEMENT

Market Update

The directors of Saferoads Holdings Limited (**ASX: SRH**) provide the following update on significant matters, as previously advised to shareholders.

Bank Support

The Group continues to benefit from the financial backing of the Commonwealth Bank of Australia (CBA). Our directors have successfully negotiated a temporary extension of \$250,000 to our overdraft facility, along with a waiver for both past and future breaches of our EBITDA to debt covenant, effective until December 10, 2024. This aligns with the expiration date of our term loan and the temporary overdraft facility.

Strategic Review

As a key outcome of our strategic review, we have decided to solicit offers from major players in the rental industry for the potential sale of our Road Safety Rental division. To facilitate this process, we have engaged a capital markets specialist to prepare an information memorandum and present the opportunity to a select group of prospective buyers. We believe this is an opportune moment to pursue this course of action, given recent significant sales of established Australian rental businesses and our current challenges in funding essential fleet acquisitions to meet the growing market demand for our rental services.

Trading Update

The trading environment remains highly competitive, particularly in product sales. While we are achieving positive EBITDA results, our substantial depreciation charges are expected to result in modest bottom-line losses.

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.