



17 April 2019

ASX ANNOUNCEMENT

Market update

Further to the advice contained in our 26 February 2019 half-year announcement, the directors of Saferoads Holdings Limited (**ASX: SRH**) wish to provide this update.

Our overall sales performance remains flat and we are now forecasting that total revenue for FY2019 is likely to be at a similar level to FY2018. There are areas of our business with continued sales growth, particularly international sales and equipment rental services, however the market conditions for some of our domestic product sales continue to be competitive, resulting in reduced sales volumes in comparison to the previous financial year.

Our equipment rental offering is performing well and we continue to invest in more rental assets to meet market demand. We are utilising debt to finance these new assets and in doing so, will continue to maintain a very manageable debt/equity position.

This year we have significantly invested in various business development initiatives, in particular to open up export markets, and it is our view that these initiatives continue to be a vital component needed for the commercialisation of our new products, particularly in our target US and NZ markets, to provide returns for the medium to long term. We continue to have success in the task of obtaining the required USA State approvals for the HV2™ Barrier, having now achieved approvals in five States. We are progressively winning support from established industry partners and we are getting closer to formal sales and marketing agreements for the HV2™ Barrier and the Omni-Stop™ Bollard range.

As a result of the above factors, we anticipate that the profit for the FY2019 year will be less than our reported FY2018 pre-tax profit of \$712k, to be within the range of \$150k and \$400k, dependent on timing of customer orders.

Enquiries/Additional Information:

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ABOUT SAFEROADS

Saferoads is an Australian company specialising in providing innovative road safety solutions for domestic and International markets. 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.

SAFEROADS HOLDINGS LIMITED

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