



SAFEROADS HOLDINGS LIMITED

ABN 81 116 668 538

Appendix 4C Quarterly Activities Report.

Quarter Ended 31 December 2024

Quarter Financial Highlights (unaudited)

Total revenue from operations was \$3,334k that was down 1.7% from \$3,393k for the September 2024 quarter. The Balance Sheet position continues to reflect the continued strong debt reduction and our cash management with our overdraft and other borrowings down by \$473k to \$2,488k.

Group Activity and Business Update

Potential sale of the Road Safety Rentals business.

The project to sell the RSR business continues with final Due Diligence just about completed. We anticipate that a final position on this will be known next month.

Fixed Crash Barrier Approval

During the second quarter we finalised our testing of a Fixed Crash Barrier version of our patented T-Loc connection system and we obtained approval for its use on Victorian freeway and major road construction projects.

Bank Support.

We continue to have the support of our primary bankers, the Commonwealth Bank of Australia. During the quarter we have received an extension to the time frame to settle the term bank loan and our facilities will remain in place until the conclusion of the RSR business sale project. The bank has waived all past covenant breaches. All facilities with them are likely to be repaid following a successful RSR sale.

Authorised for release by the Board of Saferoads Holdings Ltd on 31 January 2025

Inquiries to David Ashmore Chairman 0418 155 500.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Saferoads Holdings Limited

ABN

81 116 668 538

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,334	6,696
1.2 Payments for		
(a) research and development	(3)	(10)
(b) product manufacturing and operating costs	(1,318)	(2,513)
(c) advertising and marketing	(55)	(103)
(d) leased assets		
(e) staff costs	(814)	(1,639)
(f) administration and corporate costs	(488)	(971)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(59)	(120)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	3	5
1.9 Net cash from / (used in) operating activities	600	1,346

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(51)	(171)
(d) investments		
(e) intellectual property	(7)	(23)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	(f) other non-current assets		
	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
2.3	(f) other non-current assets		
	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(58)	(194)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(380)	(932)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(380)	(932)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	(304)	(362)
4.2	Net cash from / (used in) operating activities (item 1.9 above)	600	1,346
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(58)	(194)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(380)	(932)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	(142)	(142)

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances		
5.2	Call deposits		
5.3	Bank overdrafts	(142)	(304)
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	(142)	(304)

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	208
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

The amount at item 6.1 includes gross salary and superannuation payments to the Managing Director and Chief Operating Officer of \$143k, non-executive Directors fees of \$58k, and \$7k in payments to entities made at normal commercial rates and conditions for certain manufacturing materials related to the Managing Director. The Managing Director received no direct benefit from these related entity payments.

Note that the Chief Financial Officer resigned as of 19 July 2024 and his responsibilities have been redistributed to the three directors.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000																																																	
7.1	Loan facilities																																																			
7.2	Credit standby arrangements																																																			
7.3	Other (please specify)																																																			
7.4	Total financing facilities																																																			
7.5	Unused financing facilities available at quarter end																																																			
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <table border="1"> <thead> <tr> <th>Lender</th><th>Product Facility</th><th>Limit</th><th>Utilised</th><th>Available</th><th>Interest Rate</th><th>Maturity</th></tr> </thead> <tbody> <tr> <td>CBA</td><td>Asset Finance</td><td>2,000,000</td><td>880,038</td><td>1,119,962</td><td>Various</td><td>N/A</td></tr> <tr> <td>Various</td><td>Asset Finance</td><td>564,796</td><td>564,796</td><td>0</td><td>Various</td><td>N/A</td></tr> <tr> <td>CBA</td><td>Term Loan</td><td>901,112</td><td>901,112</td><td>0</td><td>8.00%</td><td>N/A</td></tr> <tr> <td>CBA</td><td>Overdraft</td><td>750,000</td><td>141,317</td><td>608,683</td><td>9.12%</td><td>N/A</td></tr> <tr> <td>CBA</td><td>Charge Card</td><td>75,000</td><td>247</td><td>74,754</td><td>17.99%</td><td>N/A</td></tr> <tr> <td colspan="2"></td><td>4,290,908</td><td>2,487,510</td><td>1,803,398</td><td colspan="2"></td></tr> </tbody> </table> <p>The bank facilities are secured by a registered charge over certain assets and undertakings. Drawdowns on the Asset Finance Facility are at the discretion of the CBA and may be limited to asset purchases required for long-term rental income opportunities supported by signed customer contracts. Refer to the attached Quarterly Activities report for more details on the Bank Finance facility position.</p>			Lender	Product Facility	Limit	Utilised	Available	Interest Rate	Maturity	CBA	Asset Finance	2,000,000	880,038	1,119,962	Various	N/A	Various	Asset Finance	564,796	564,796	0	Various	N/A	CBA	Term Loan	901,112	901,112	0	8.00%	N/A	CBA	Overdraft	750,000	141,317	608,683	9.12%	N/A	CBA	Charge Card	75,000	247	74,754	17.99%	N/A			4,290,908	2,487,510	1,803,398		
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8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	600
8.2	Cash and cash equivalents at quarter end (item 4.6)	-142
8.3	Unused finance facilities available at quarter end (item 7.5)	1,803
8.4	Total available funding (item 8.2 + item 8.3)	1,661
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:		

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2025

Authorised by: Audit and Risk Committee
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.