SAFEROADS HOLDINGS LIMITED

ABN 81 116 668 538

RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF-YEAR ENDED 31 DECEMBER 2024

The directors provide the following observations on the attached first half financial report.

The loss for the period

The loss for the six months is well down on the comparative period reflecting significant cost reductions made in response to the difficult trading environment faced by the company. Our loss was $19,434 compared to a loss of $533,602 for the comparative six months after allowing for one off expenses in that comparative six months period.
The cash generated from operations for the period of $1,039,064 is pleasing and has enabled us to continue to reduce our bank debts.

Financial Summary

$'000		Six Months Ending	
	December 2024	December 2023	December 2022
Operating Revenue	5,789	6,656	7,700
EBITDA	1,020	340	1,136
Profit (Loss) for period	(19)	(1,933)	161
Net Operating Cash Flow	1,039	854	1,484
Gearing (net debt/net debt + equity	33.5%	33.1%	26.6%
Debt/Finance	2,487	3,562	3,879

Operational highlights for the half year

The trading environment has been particularly challenging with continued competition both from a products sales perspective and a rental perspective. We continue to have success in securing sales at appropriate margins however our forward order book is well down on previous years. We have responded operationally by further trimming our headcount and our spending on product research and development.

One product highlight for the period has been the finalisation of the design and testing of a T-lok connection system for use on permanent barrier applications. This system has been approved for use on New Highway 's in Victoria.

Strategic initiatives

The most significant initiative continues to be our pursuit of a sale of a road safety rentals business assets. We are in negotiations with our preferred purchaser and we are hopeful that an agreement can be reached on price and conditions in the near future.

In the context of this potential sale our bankers have agreed to extend our facilities out to 31 May 2025 that will allow us time to finalise a sale transaction or renegotiate our facilities with the bank.

Appendix 4D

Interim Condensed Consolidated Financial Report for the Six Months Ended 31 December 2024

Name of entity	ABN Reference
SAFEROADS HOLDINGS LIMITED	81 116 668 538

1. Reporting periods

Year ended ('current period')	Year ended ('previous corresponding period')
31 December 2024	31 December 2023

2. Results for announcement to the market

Key information	**Current period** $	Previous corresponding period $	% Change increase / (decrease)	Amount ($) increase / (decrease) $
Revenue from ordinary activities	**5,789,242**	6,655,575	-13%	(866,333)
Profit/(loss) from ordinary activities after tax attributable to members	**(19,434)**	(1,933,391)	-99%	1,913,957
Net profit/(loss) for the period attributable to members	**(19,434)**	(1,933,391)	-99%	1,913,957

Dividends (distributions)			Amount per share	Franked amount per share
Final dividend	Record Date Paid	N/A N/A	N/A	N/A
Interim dividend	Record Date Paid	N/A N/A	N/A	N/A

Supplementary comments

For the financial half year the consolidated entity recorded an overall loss after income tax of $19,434 (2023: $1,933,391) with net cash generated from operating activities of $1,039,064 (2023 $853,582). This consolidated entity's sales results for the half year continues to reflect the fierce competition faced in the industry after multiple infrastructure projects were downsized or put on hold due to funding cuts.The company has strongly responded to this with further savings on its operating costs, cash flow and debt reduction. The previous corresponding period comparative result reflected two significant expenses of $247,196 for Asset Impaiments and the $1,152,593 writeoff of the Deferred Tax Asset, both of these expenses have not been repeated this half year. On a like for like comparason basis the loss for the comparative period was $533,602 after adjusting for the two significent expenses noted above.

3. NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share (including right-of-use assets)	**10.80 cents**	**13.90** cents

4. Dividends

	Date paid/payable	Amount per share	Franked amount per share	Amount per share of foreign source dividend	Amount $
Final dividend:	N/A	N/A	N/A	N/A	N/A
Interim dividend:	N/A	N/A	N/A	N/A	N/A

5. Dividend reinvestment plans

The Company's Dividend Reinvestment Plan ("DRP") was registered on 9 June 2020 and remains active for eligible shareholders who may participate in the DRP in respect to all or part of their shareholding. For more details refer to the Company's website: https://www.saferoads.com.au/investors.

6. Details of associates and joint venture entities

Not Applicable

7. Foreign entities

Not Applicable

8. Audit qualification or review

Details of audit/review dispute or qualification (if any):

SAFEROADS HOLDINGS LIMITED

ABN 81 116 668 538

INTERIM CONDENSED CONSOLIDATED FINANCIAL REPORT

FOR THE SIX MONTHS ENDED

31 December 2024

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 for purchase or hire that are designed to direct, protect, inform and illuminate for the public's safety.

SAFEROADS HOLDINGS LIMITED

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity consisting of Saferoads Holdings Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

DIRECTORS

The Company's directors in office during the half-year and until the date of this report are:

David Ashmore (Chairman)
Darren Hotchkin (Managing Director)
Steven Difabrizio (Director)

REVIEW OF OPERATIONS

The directors report a half-year consolidated loss before tax of $19,434 compared with a loss of $1,933,391 for the previous corresponding period ("pcp"). Revenues were down 13% on the pcp. EBITDA (Earnings Before Interest,Tax, Depreciation and Amortisation) of $1,020,37 was well up on the $340,374 for the pcp, The discretionary cost base of the business has continued to reduce with further operational restructuring and a scale back in research and development expenditure. Depreciation is down slightly on the pcp and also reflecting the continued conservative assessment of useful lives of our rental fleet. The revenue from our equipment hire business has stabilised reflecting the scale back in fleet asset acquisitions given our inability to continue to expand our asset finances.
The business prospects for the group remain positive with the likely sale of our Road Safety Rentals business assets and the injection of the sale proceeds to repay borrowings and recapitalise the group. If such a sale does not eventuate the whole business is now very close to a break even position and we are confident that we will retain the ongoing financial support of our bankers.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial half-year.

MATTERS SUBSEQUENT TO THE END OF THE HALF-YEAR

The directors continue to work with a potential buyer of the Road Safety Rentals business assets to reach agreement on the terms and conditions for the sale and a related product supply agreement to continue to supply our barrier products to expand their rental fleet following the acquisition.

In February the CBA advised that they were extending our facilities out to 31 May 2025 to allow time for the potential settlement of a RSR sale.

There has been no other matter or circumstance which has arisen since 31 December 2024 that has significantly affected or may significantly affect the operations of the Group or the results of those operations or the state of affairs of the Group.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

We have obtained the attached Independence Declaration from our auditors, Crowe Audit Australia in accordance with S307c of the Corporations Act 2001 for the half year ended 31 December 2024.

Signed in accordance with a resolution of the directors.

David Ashmore
Director 28 February 2025

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Pakenham VIC 3810
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Australia

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www.crowe.com.au

Auditor's Independence Declaration
To the Directors of Saferoads Holdings Limited

In accordance with the requirements of section 307 C of the Corporations Act 2001, as lead auditor for the review of Saferoads Holdings Limited for the half - year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

Yours sincerely,

Crowe Audit Australia

Crowe Audit Australia

Gordon Robertson
Partner

28 February 2025

SAFEROADS HOLDINGS LIMITED

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Notes	CONSOLIDATED December 2024 $	December 2023 $
Revenue			
Revenue from product sales and services	3	**5,789,242**	6,655,575
Other income	3	**114,406**	30,733
Total revenue and other income		**5,903,648**	6,686,308
Raw material, finished goods and logistics		**(2,428,025)**	(2,997,532)
Employee benefits		**(1,563,849)**	(2,048,953)
Insurance		**(106,555)**	(132,056)
Motor vehicle costs		**(67,038)**	(119,239)
Occupancy costs		**(26,278)**	(39,622)
Professional fees		**(214,232)**	(171,912)
Travel and accommodation costs		**(47,009)**	(67,543)
IT & Communications costs		**(103,593)**	(68,594)
Warehouse costs		**(76,227)**	(147,565)
Marketing costs		**(127,815)**	(92,602)
Other expenses		**(122,656)**	(213,120)
Impairment of fixed assets		**-**	(105,091)
Impairment of intangible assets		**-**	(142,105)
Total Expenses		**(4,883,277)**	(6,345,934)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,020,371**	340,374
Depreciation and Amortisation		**(883,815)**	(943,396)
Earnings before interest and tax (EBIT)		**136,556**	(603,022)
Finance costs		**(155,990)**	(177,776)
Profit/(loss) before income tax		**(19,434)**	(780,798)
Income tax benefit/(expense)		**-**	(1,152,593)
Net profit/(loss) for the period		**(19,434)**	(1,933,391)
Net profit/(loss) attributable to members of the parent		**(19,434)**	(1,933,391)
Other comprehensive income		**-**	-
Total comprehensive income/(loss) for the period		**(19,434)**	(1,933,391)
Total comprehensive income/(loss) attributable to members of the parent		**(19,434)**	(1,933,391)

Earnings per share	**Cents**	Cents
- Basic for profit/(loss) for the full year	**(0.04)**	(5.16)
- Diluted for profit/(loss) for the full year	**(0.04)**	(5.16)
Dividend paid per share (cents)	**-**	-

The accompanying notes form part of the Interim Condensed Consolidated Financial Report

SAFEROADS HOLDINGS LIMITED
Interim Condensed Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2024

	Notes	CONSOLIDATED December 2024 $	June 2024 $
ASSETS			
Current Assets			
Trade and other receivables		**1,321,645**	1,631,611
Inventories		**1,328,013**	1,667,745
Disposal Group	5	**6,257,550**	-
Prepayments		**181,473**	171,751
Total Current Assets		**9,088,681**	3,471,107
Non-current Assets			
Property, plant and equipment	5	**990,330**	8,144,215
Intangible assets	6	**-**	-
Deferred tax assets	7	**-**	-
Other non-current assets		**135,255**	135,254
Total Non-current Assets		**1,125,585**	8,279,469
TOTAL ASSETS		**10,214,266**	11,750,576
LIABILITIES			
Current Liabilities			
Bank overdraft		**141,156**	361,716
Trade and other payables		**1,081,675**	1,741,189
Contract liabilities		**82,273**	297,502
Interest-bearing loans and borrowings		**938,459**	2,414,881
Lease liabilities ROU		**606,003**	760,265
Disposal Group		**1,619,456**	-
Provisions		**496,221**	487,376
Total Current Liabilities		**4,965,243**	6,062,929
Non-current Liabilities			
Interest-bearing loans and borrowings		**-**	136,633
Lease liabilities		**47,110**	791,536
Provisions		**-**	18,131
Trade and other payables		**480,000**	-
Total Non-current Liabilities		**527,110**	946,300
TOTAL LIABILITIES		**5,492,353**	7,009,229
NET ASSETS		**4,721,913**	4,741,347
EQUITY			
Contributed equity		**6,012,220**	6,012,220
Accumulated losses		**(1,290,307)**	(1,270,873)
TOTAL EQUITY		**4,721,913**	4,741,347
		-	

The accompanying notes form part of the Interim Condensed Consolidated Financial Report

SAFEROADS HOLDINGS LIMITED
Interim Condensed Consolidated Statement of Changes in Equity
SIX MONTHS ENDED 31 DECEMBER 2024

	Contributed Equity $	Retained Earnings (losses) $	Total Equity $
CONSOLIDATED			
At 1 July 2023	5,593,998	2,546,693	8,140,691
Net profit/(loss) for the period	-	(1,933,391)	(1,933,391)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(1,933,391)	(1,933,391)
At 31 December 2023	5,593,998	613,302	6,207,300
At 1 July 2024	**6,012,220**	**(1,270,873)**	**4,741,347**
Net profit/(loss) for the period	**-**	**(19,434)**	**(19,434)**
Other comprehensive income for the period	-	-	-
At 31 December 2024	**6,012,220**	**(1,290,307)**	**4,721,913**

The accompanying notes form part of the Interim Condensed Consolidated Financial Report

SAFEROADS HOLDINGS LIMITED

Interim Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Notes	CONSOLIDATED December 2024 $	December 2023 $
Cash flows from operating activities			
Receipts from customers		**6,560,548**	6,839,703
Payments to suppliers and employees		**(5,521,484)**	(5,986,121)
Net cash flows from operating activities	4	**1,039,064**	853,582
Cash flows from investing activities			
Proceeds from sale of hire inventory, plant and equipment		**135,864**	10,455
Purchase of plant and equipment		**(22,517)**	(482,686)
Product development costs		**-**	(209,180)
R&D tax incentive received		**-**	159,823
Net cash flows from investing activities		**113,347**	(521,588)
Cash flows from financing activities			
Proceeds from borrowings		**-**	506,266
Repayment of loans and borrowings		**(408,767)**	(624,368)
Repayment of lease liabilities		**(367,105)**	(278,470)
Interest received		**-**	2,252
Interest paid		**(155,990)**	(177,813)
Net cash flows from financing activities		**(931,862)**	(572,133)
Net increase/(decrease) in cash and cash equivalents		**220,549**	(240,139)
Cash and cash equivalents at beginning of period		**(361,716)**	220,111
Effects of exchange rate changes on cash		**11**	(4)
Cash and cash equivalents at end of period	4	**(141,156)**	(20,032)

The accompanying notes form part of the Interm Condensed Consolidated Financial Report

1 STATEMENT OF MATERIAL ACCOUNTING POLICIES

(a) Basis of prepatarion of the half year report

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore does not provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full annual financial report. The half year financial report should be read in conjunction with the annual 2024 financial report together with any public announcements made by Saferoads Holdings Limited during the half year ended 31 December 2024.
The consolidataed financial statements comprise the financial statements of Saferoads Holdings Limited and its subsidiary.
The half year report financial report is a general-purpose financial report which has been prepared in accordance with the reqiirements of the Corporatioons Act 2001 and applicable Accounting Standardsincluding AASB 134 - Interim Financial Reporting.Compliance with AASB 134ensures that the financial statements and notes comply with International Financial Reporting Standard IAS 134. The group is a for profit entity for financial reporting purposes under Australian Accounting Standards. The half year financial report has been prepared on a historical cost basis.
For the purposes of preparing the half year financial report the half year has been treated as a discrete reporting period.

(b) New Accounting Standards

The group has adopted all new and revised Australia Accounting Standards and interpretations that became effective for the first time and where relevant to the Group. The group has adopted all new and revised standards and are mandatory to apply to the interpretations issued by Australia Accounting Standards Board (the AASB) which current interim period. Disclosures that are deemed to be material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

(c) Material Accounting Policies

The half year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2024 and the corresponding interim reporting period.
When preparing the Interim Financial Report management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual position may differ from the judgements, estimates and assumptions made by management and will seldom equal them.
The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Groups last annual financial statements.

Key Judgements
(i) Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The provision for impairment of receivables is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower. There has been no change to the receivables impairment provision this half year financial period.

(ii) Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence. There has been no change to the inventory impairment provision this half year financial period.

(iii) Intangible assets - capitalised development costs
Development expenditure incurred on an individual project is carried forward when its future recoverability is probable. Determining whether the recognition requirements for the capitalisation of these development costs are met requires judgement. After capitalisation, management monitors whether there are any indicators that capitalised costs may be impaired. In the prior financial year these costs were assessed as fully inpaired and no change to that assessment has been made in this financial period. All development costs have been expensed this half year financial period.

(iv) Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In the prior financial year this asset was assessed as fully inpaired and no change to that assessment has been made in this financial period.

(v) Impairment of Intangibles
At the end of each reporting period, the Group assesses whether there is any indication that an intangible asset may be impaired. The assessment will include the consideration of external and internal sources of information including whether the

net assets of the Group exceed its market capitalisation at reporting date. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss. The Group specifically considers the potential impairment of intangible assets, represented by:

- Capitalised development costs
- Right of use assets

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In the prior financial year these costs were assessed as fully inpaired and no change to that assessment has been made in this financial period.

(vi) Going Concern

The financial statements have been prepared on the basis that the Group is a going concern, which assumes that the Group will continue normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the half year ended 31 December 2024, the Group incurred a net loss before tax of $19,434 and had a net current assets deficit (current assets less current liabilities) of $2,134,112 without allowing for the Disposal Assets.

The Group has a term loan of $901,112, an overdraft of $141,156 and asset finance loans of $880,038 at balance date that were subject to terms contained in the facility agreements with our long term bankers CBA. During this reporting period the Group applied for and were granted a temporary extension of $250,000 to our $500,000 overdraft facility and we have also been granted a waiver for current and future breaches of our EBITDA covenant. The term loan and the additional overdraft were due for repayment on 10 December 2024 but during and subsequent to the reporting period, extensions have been granted to the due date for repayment of the term loan that is now 31 May 2025, on the understanding that all facilities will be repaid from the proceeds of a potential sale of the Road Safety Rentals ("RSR") business assets. Accordingly all of the CBA debt has been classified as a current liability in this financial report. The sale of the RSR net assets is still being negotiated with a potential buyer.

The above factors create significant business uncertainty including a material uncertainty on going concern and whether the Group will be able to realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

Despite these business uncertainties, the directors are of the opinion the Group will continue as a going concern, taking into consideration various factors including:

The Directors believe that it is probable that a buyer, at an appropriate price, will be secured for a trade sale of our RSR business assets that would provide a substantial cash injection to repay bank debt and other asset finance contracts and recapitalise the Group.

If a RSR sale cannot be finalised the directors have substantially reduced the overhead cost structure of the business and currently produce cash earnings sufficient to service the bank and other borrowings. The Directors also have the ability to undertake a capital raising to provide sufficient funds to allow us to retain CBA support and finance the business into the future.

Financial forecasts for the 16 month period to 30 June 2026 supports the directors' assertions and has been prepared based on assumptions about ongoig bank support, certain economic, operating and trading performance achievements that are contingent on future events and actions yet to occur, and which may not necessarily occur. Whilst the directors believe the assumptions are best estimate assumptions based upon information available, the occurrence and timing of future events are not certain. The directors will continually monitor the operating performance against the budget and cash flow

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. The financial statements do not include any adjustments relating to amounts or classification of recorded assets or liabilities that might be necessary should the Group not be able to continue as a going concern

2 SEGMENT INFORMATION

The Group's chief operating decision maker (Managing Director) reviews financial information on a consolidated basis and makes strategic decisions based on this consolidated information.

3 REVENUES

Profit/(loss) before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

	December 2024 $	December 2023 $
(i) Revenue		
Revenue from product sales - point in time	**3,347,446**	3,817,879
Revenue from provision of services - over time	**2,441,796**	2,837,696
	5,789,242	6,655,575
(ii) Other income		
Net gain/(loss) on sale of assets	**92,383**	(39,311)
Interest	**1**	2,252
R&D tax rebate	**7,857**	63,967
Net foreign exchange gains/(losses)	**2,408**	(14,424)
Other	**11,757**	18,249
	114,406	30,733

4 NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation from the net profit/(loss) after tax to the net cash flows from operations

	December 2024 $	December 2023 $
Profit/(loss) after tax for the year	**(19,434)**	(1,933,391)
Adjustments for:		
Depreciation and amortisation	**883,815**	943,396
Impairment of fixed assets	**-**	105,091
Impairment of intangible assets	**-**	142,105
Net (profit)/loss on disposal of plant and equipment	**(92,383)**	39,311
Movement in slow moving stock provision	**-**	51,737
Movement in expected credit loss provision	**-**	(24,615)
Effects of exchange rate changes on cash	**(11)**	4
Interest received	**(1)**	(2,252)
Interest paid	**155,990**	177,813
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	**309,966**	(362,301)
(Increase)/decrease in inventories	**339,732**	(266,152)
(Increase)/decrease in other assets	**(134,581)**	1,117,628
(Decrease)/increase in trade and other payables	**(179,514)**	982,224
(Decrease)/increase in contract liabilities	**(215,229)**	(140,898)
(Decrease)/increase in provisions	**(9,286)**	23,882
Net cash from operating activities	**1,039,064**	853,582

5 PROPERTY, PLANT AND EQUIPMENT

	December 2024 $	June 2024 $
Property, plant & equipment at cost	**16,107,534**	16,274,117
Less accumulated depreciation	**(8,754,563)**	(8,024,811)
Less accumulated impairment	**(105,091)**	(105,091)
Less held for sale	**(6,257,550)**	-
Total plant & equipment	**990,330**	8,144,215

Movements in Carrying Amounts	**Property & Leasehold improvements $**	**Plant & equipment $**	**Motor vehicles $**	**Rental equipment $**	**Total $**
Balance at 1 July 2024	**1,090,179**	**604,175**	**361,270**	**6,088,591**	**8,144,215**
Additions	**12,244**	**8,768**	**-**	**-**	**21,012**
Depreciation expense	**(288,594)**	**(79,384)**	**(41,373)**	**(474,464)**	**(883,815)**
Disposals	-	**-**	**(16,470)**	**(26,692)**	**(43,162)**
Assets transferred from inventories	**-**	**-**	**-**	**9,630**	**9,630**
Disposal Group	**(276,889)**	**(242,575)**	**(141,021)**	**(5,597,065)**	**(6,257,550)**
Carrying amount at 31 December 2024	**536,940**	**290,984**	**162,406**	**-**	**990,330**

6 INTANGIBLE ASSETS

	December 2024 $	June 2024 $
Product development costs	**2,104,729**	2,104,729
Less accumulated amortisation	**(1,251,544)**	(1,251,544)
Less accumulated impairment	**(853,185)**	(853,185)
	-	-
Patents and product approvals	**370,715**	370,715
Less accumulated amortisation	**(161,871)**	(161,871)
Less accumulated impairment	**(208,844)**	(208,844)
	-	-

* During the 2024 financial year impairment assessments were carried out and the Intangible Assets were found to be impaired in full.

7 INCOME TAX

As at 31 December 2024, the Group has carry forward tax losses with an estimated tax effect of $1,800,000 (2023 $1,435,096) measured at the corporate tax rate of 25%. No carry forward tax losses have been brought to account as a net deferred tax asset at 31 December 2024 (2023: $Nil) .Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

8 CONTINGENT ASSETS AND LIABILITIES

There are no Contingent liabilities as at 31 December 2024 (2023 NIL) There are no Contingent assets as at 31 December 2024 (2023 NIL)

9 EVENTS AFTER THE REPORTING PERIOD

The group is currently progressing with a potential sale of the Road Safety Rentals business assets and a successful sale will have a significent favourable impact on the state of affairs and financial position of the group. There has been no other matter or circumstance which has arisen since 31 December 2024 that has significantly affected or may significantly affect the operations of the Group or the results of those operations or the state of affairs of the Group.

Directors' Declaration

In the opinion of the directors of Saferoads Holdings Limited:

(a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position as at 31 December 2024 and the performance for the half-year ended on that date of the consolidated entity; and

(ii) complying with Accounting Standard *AASB 134 - Interim Financial Reporting*; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors

David Ashmore
Director

28 February 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SAFEROADS HOLDINGS LIMITED

CONCLUSION

We have reviewed the accompanying half-year financial report of Saferoads Holdings Limited (the Company) and its subsidiary (collectively the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Saferoads Holdings Limited and its subsidiary does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

BASIS FOR CONCLUSION

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 1(vi) *Going Concern* in the financial report, which indicates that the Group incurred a net loss after tax of $19,434 during the half year ended 31 December 2024. As stated in Note 1(vi) *Going Concern*, these events or conditions, along with other matters as set forth in Note 1(vi), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

DIRECTORS RESPONSIBILITIES FOR THE HALF-YEAR FINANCIAL REPORT

The directors of Saferoads Holdings Limited and its subsidiaries are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES FOR THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

Gordon Robertson
Partner

Pakenham
28 February 2025