

ASX ANNOUNCEMENT

20 January 2020

Redflex Holdings Limited | ABN 96 069 306 216

Redflex

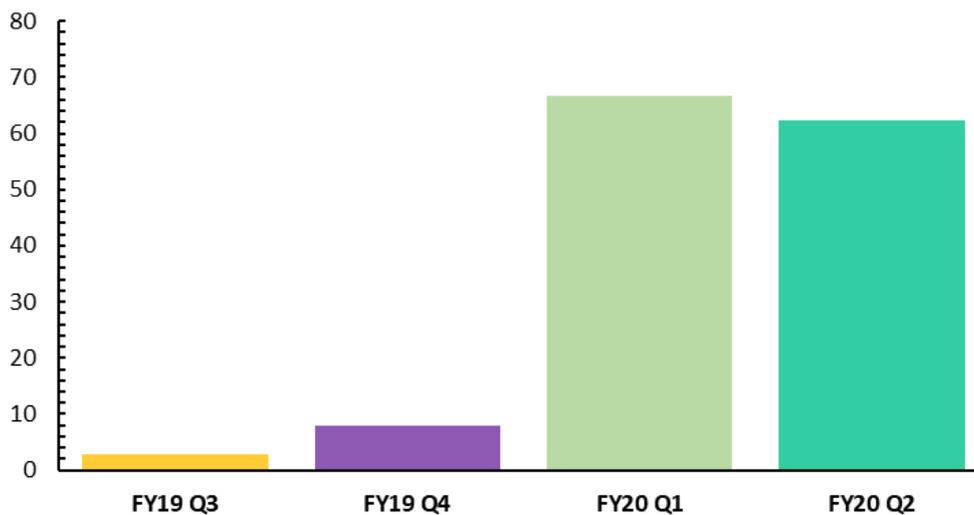
Q2 FY20 Sales Activity Update

Redflex Holdings Limited (ASX:RDF) releases to the market its Q2 FY20 Sales Activity Update.

During Q2 FY20, Redflex generated new business orders totaling **\$73.0m** of Total Contract Value ("TCV"). The TCV is comprised of service contracts of **\$62.2m** which will generate annual recurring revenue (over a 7-10 year period) and non-recurring project orders of **\$10.8m**.

The positive Q2 FY20 result represents a continuation of the strong momentum from Q1 FY20 and has resulted in TCV for new business orders of **\$142.0m** so far in FY20, of which **\$128.9m** relates to service contracts which will generate annual recurring revenue.

New Business - Annual Recurring Revenue (TCV - A\$m)



Redflex Holdings Limited

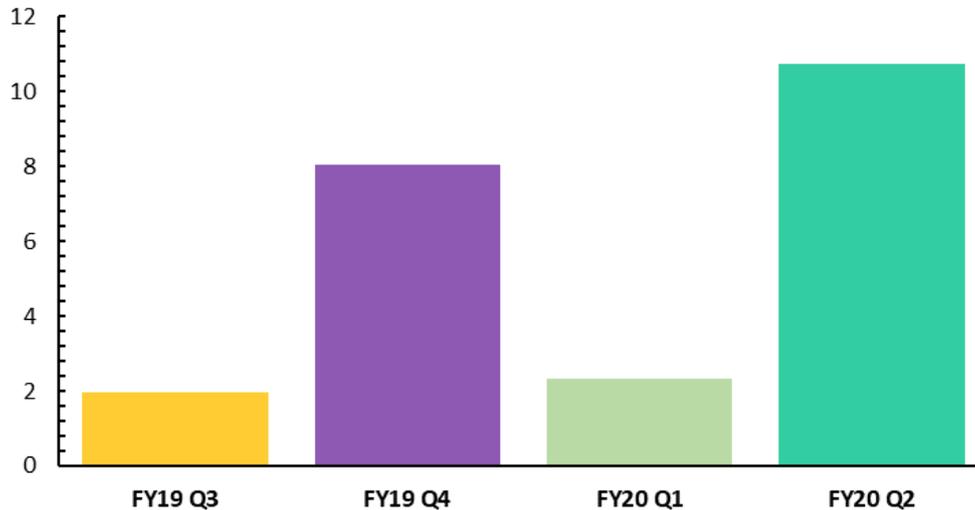
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New Business - Projects (TCV - A\$m)



Highlights for the current quarter include:

New Business Annual Recurring Revenue contracts (TCV of \$62.2m):

- Los Angeles County Metropolitan Transportation Authority in the United States to provide automated enforcement services at Metro rail crossings and dedicated bus lane intersections across the Los Angeles metropolitan area. The contract is for an initial term of eight years and has a TCV of US\$25.4m.
- Ontario Traffic Council in Canada for the provision of mobile speed services for ten years and has a TCV of \$22.6m.
- Additional speed enforcement in school zones in the province of Saskatchewan, Canada over seven years and TCV of \$5.3m.

New Business Projects (TCV of \$10.8m):

- Provision of additional digital enforcement camera systems to Highways England in the United Kingdom \$5.7m. This equipment is expected to be delivered and installed over the next seventeen months.
- Digital camera upgrades to the Dorset Police Safety Camera Team in the United Kingdom for speed enforcement \$1.8m.
- Provision and installation of smoky vehicle detection equipment on the WestConnex tunnel in New South Wales \$1.7m.
- Provision of additional fixed speed systems in New South Wales \$0.6m.
- Provision of additional red-light systems in New Zealand \$0.3m.

New annual recurring revenue delivering growth

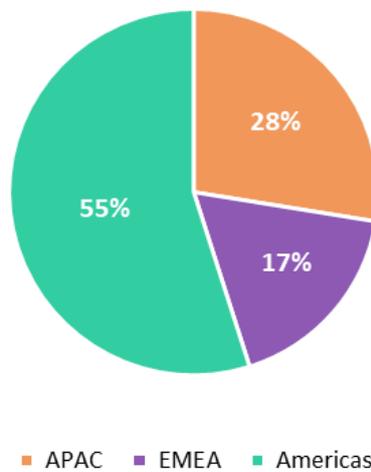
During FY20 to date Redflex has contracted new business orders with a TCV of \$128.9m relating to long term services. These orders relate to the contracts finalised during Q2 FY20 as well as the program with the Pennsylvania Department of Transportation announced during Q1 FY20.

Once implemented, it is expected that these programs will generate additional annual recurring revenue of approximately \$17m. These programs will be implemented over the remainder of FY20 and be fully operational during FY21.

Sales Pipeline remains strong

The rolling four quarter sales pipeline remains strong with qualified opportunities in excess of \$300m in each of our key geographies.

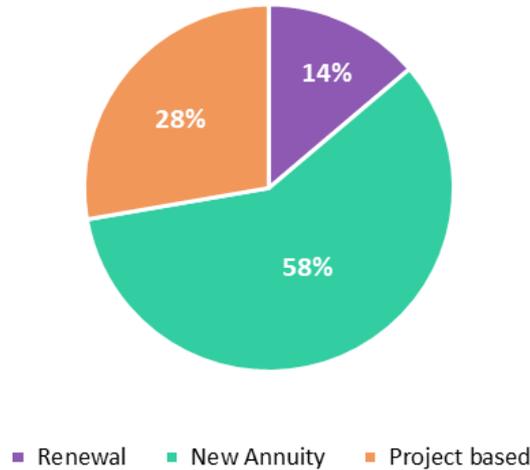
Sales Opportunity Pipeline - Total Contract Value by Region



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Sales Opportunity Pipeline - Total Contract Value by Revenue Type



About Redflex

During the past 25 years, Redflex has established itself as a world leader in developing and implementing intelligent traffic management products and services which are sold and managed in Asia Pacific, North America, United Kingdom, Europe and Middle East regions. Redflex develops, manufactures and operates a wide range of platform-based solutions all utilising advanced sensor and image capture technologies enabling active management of state and local motorways.

The Redflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With a continuous program of product development, Redflex has been helping to improve roadway safety, alleviate congestion and reduce the harmful impacts of vehicle emissions.

Redflex Holdings Limited was listed on the Australian Securities Exchange in January 1997.

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