

SMARTPAY HOLDINGS LIMITED

2025 INTERIM RESULTS

25 NOVEMBER 2024



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Non-GAAP measures

This presentation contains references to Non-GAAP measures including EBITDA, normalized EBITDA, normalized profit before taxation, and free cashflow.

Because Smartpay complies with accounting standards, investors know that comparisons can be made with confidence between reported profits and those of other companies. These non-GAAP figures are provided as a supplementary measure for readers to assess Smartpay's performance alongside NZ GAAP reported measures.

Some reported measures have been amended from those previously reported due to the implementation of the IFRS Interpretations Committee (IFRIC) agenda decision which resulted in a change in accounting policy in the year ended 31 March 2023.

Welcome to Smartpay's Investor Update

PRESENTED BY:

Marty Pomeroy

Chief Executive Officer and Managing Director

Cherise Barrie

Chief Financial Officer

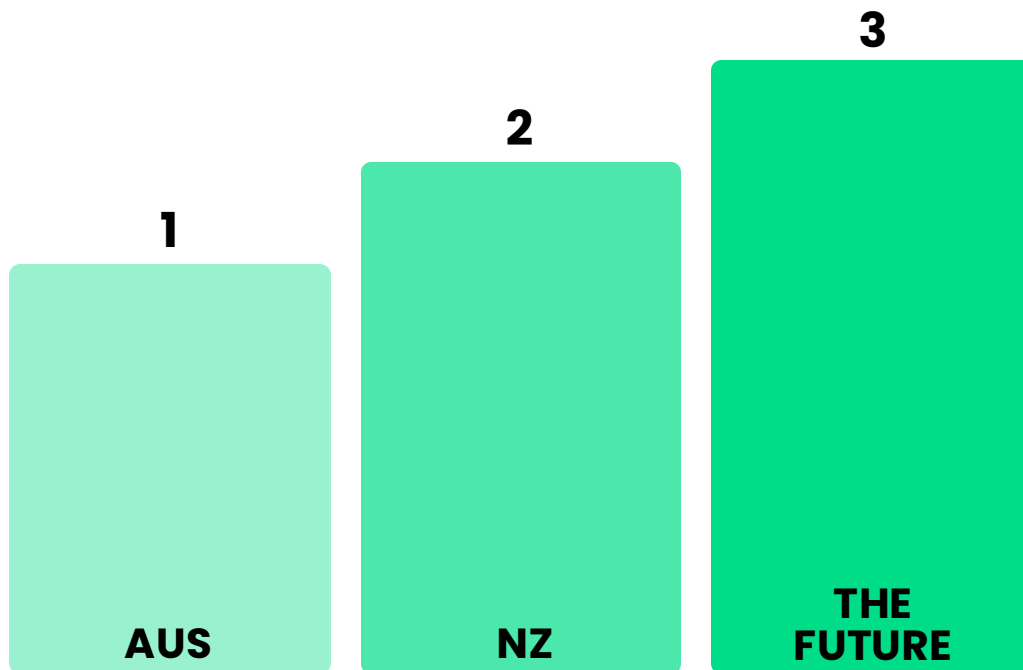
Aidan Murphy

Chief Business Officer

- 1 3 Stage Strategic Plan
- 2 Performance and Financial Results
- 3 Progress Against Strategy, Stage 2 and 3
- 4 FAQ on the RBA Payments Review
- 5 Key Dates
- 6 Appendices

STAGE 1, 2 + 3

The Network Effect. A Truly Trans-Tasman Payments Provider



STAGE 1

Australia

Continued to grow market share

- Expanding verticals

Leveraging one-team one-organisation

- Mature the Australian business to have a focus on customer growth and customer retention

Building brand presence and awareness

- Launching the Australian brand to continually build on our presence that can be leveraged into the New Zealand opportunity

STAGE 2 – ALIGNING THE TWO

New Zealand

Unlocking New Zealand Acquiring – Financial Year 2025

- Android terminal tested and Certified
- Developing product offering – **Initial offering complete**
- Cuscal – **Agreement Executed and Notified**
- Pre-Sales – **Executed and continuing to grow**
- Preparing the business for launch – **People onboarded and platforms scaling**

STAGE 3

The Network Effect

Delivering additional solutions and value to our Australasian customers

Continued strengthening and maturing of Smartpay

FY25. Robust Performance Through Challenging Conditions



**Total Trans-Tasman
Terminal Fleet**

55,000+

+15% YoY



Merchants

40,000+

**Continuing
Revenue Growth**

\$50.8m

1H24 - \$46.9m

**Operating Cash to
Fund Growth**

\$10.0m

1H24 - \$9.0m

**Delivers to
EBITDA**

\$8.8m

(normalised \$7.9m*)

1H24 - \$9.6m

**Free Cash Used to Fund
Asset Acquisition**

(\$4.1m)

1H24 - \$1.0m

Profit Before Tax

\$0.7m

(normalised (\$0.2m*))

1H24 - \$3.8m

Net (Debt) / Cash

(\$2.8m)

1H24 - \$2.2m

The Business Drivers

(at 30 September 2024)

Australia

Terminal rental plus transactional revenue

~ \$400 per month



20,100+

Transacting Terminals



14,000+

Merchants

New Zealand

Terminal Rental

~ \$40 per month



35,000+

Terminals in Market



26,600+

Merchants

No of Transactions Processed

85.3m⁺

1H FY25

Total Transaction Value

\$3.3bn

1H FY25

Terminals in Market

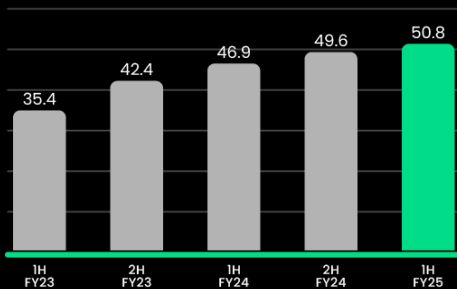
55,000⁺

Smartpay People

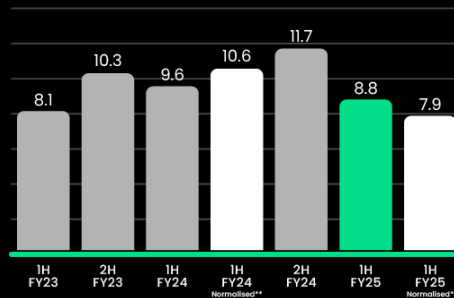
256

	1H24	1H25
EBITDA to revenue	22.5%**	15.4%*
Operating cost to revenue	35.5%**	43.0%*
Revenue per head	\$262k	\$198k
	1H24	1H25
Total transaction value	\$3.0b	\$3.3b

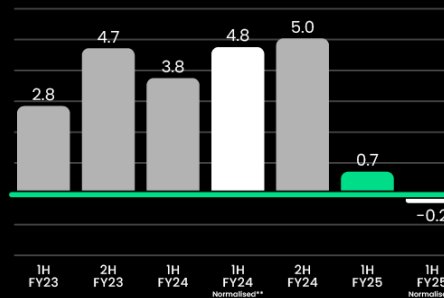
\$'m
Revenue



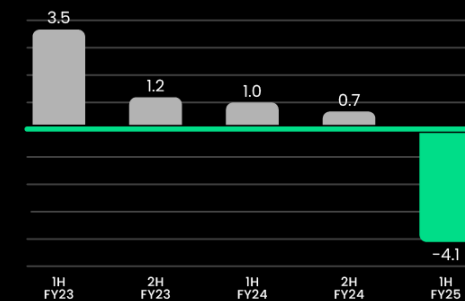
\$'m
EBITDA



\$'m
Profit Before Tax



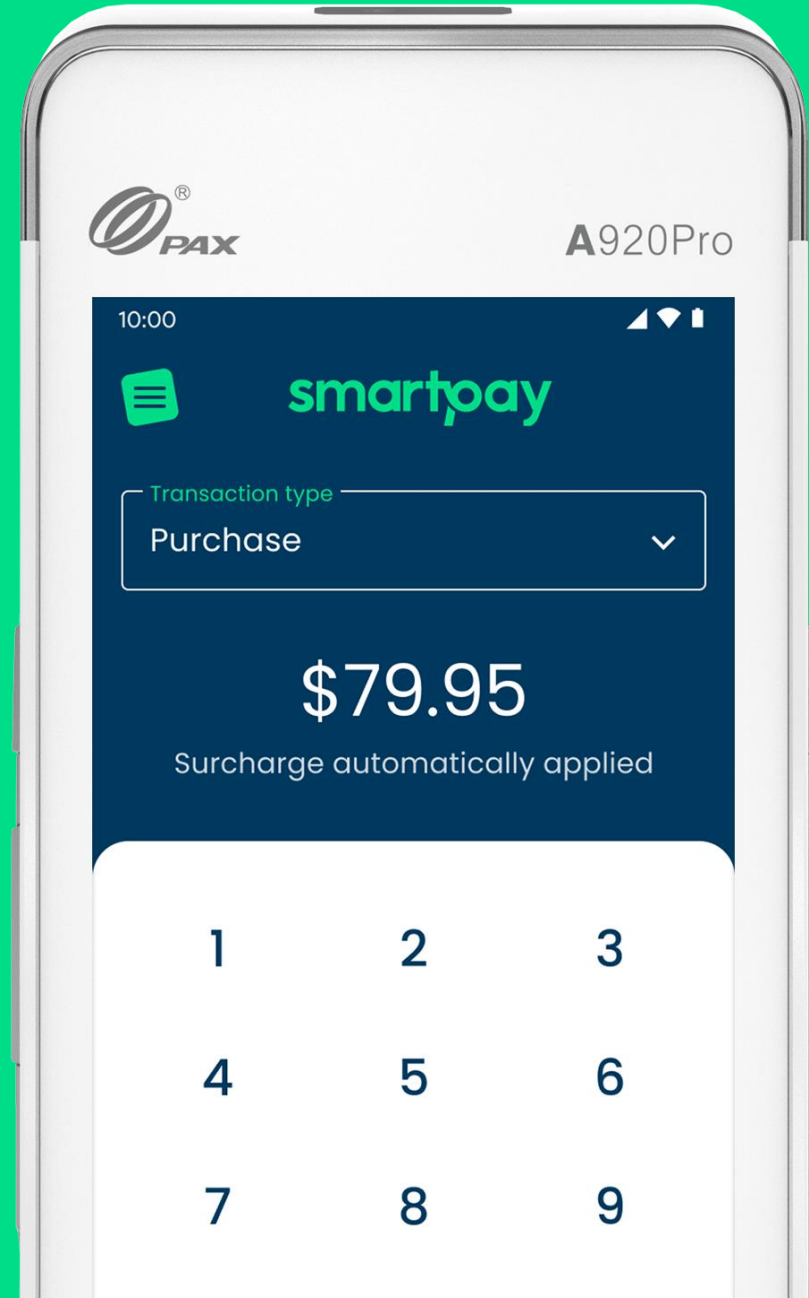
\$'m
Generating Free Cash Flows



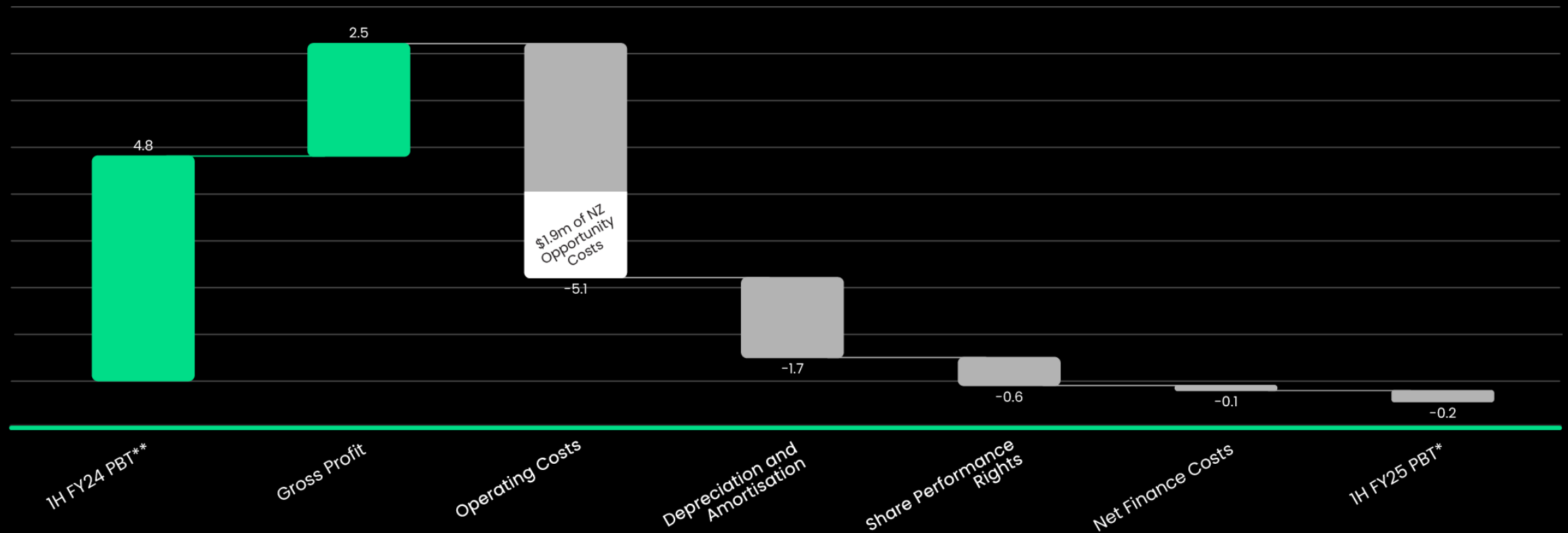
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INTERIM FINANCIAL RESULTS

for the six months
to 30 September 2024



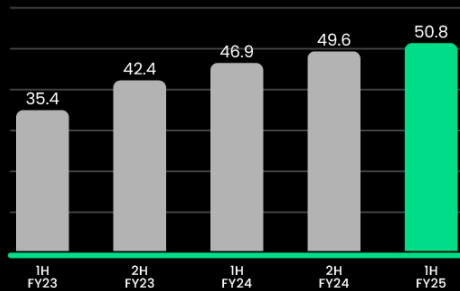
Investing in Growth



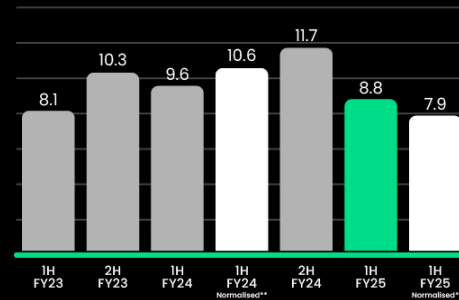
* Normalised for cyber insurance recovery
** Normalised for cyber incident

Growth in Financial Performance Measures Year on Year

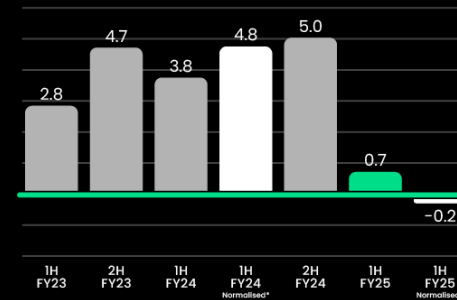
\$'m
Revenue



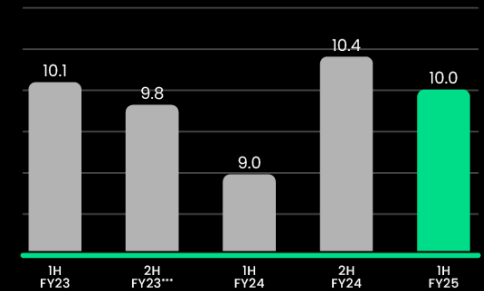
\$'m
EBITDA



\$'m
Profit Before Tax



\$'m
Operating Cashflows



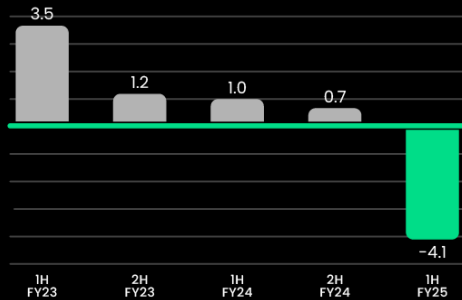
* normalised for cyber insurance recovery

** normalised for cyber incident

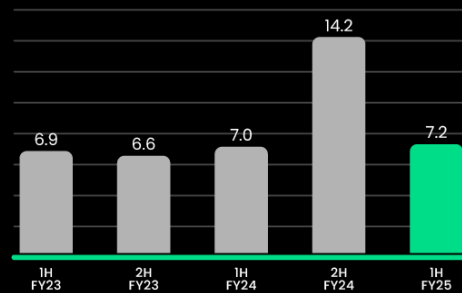
*** numbers have been restated to reflect reclassification of capitalised employee costs

Funded New Zealand Asset Acquisition from Free Cashflows, with Operating Cash Funding Investment and Debt Repayments

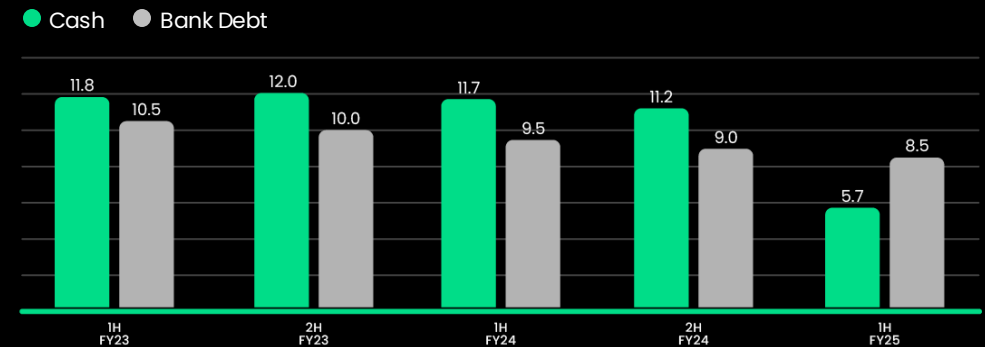
\$'m
Free Cashflows



\$'m
Internal Development Drives CAPEX Spend



\$'m
Bank Debt to Cash

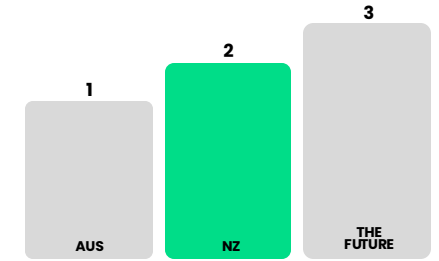


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2025
PROGRESS
AGAINST
STRATEGY

STAGE 2

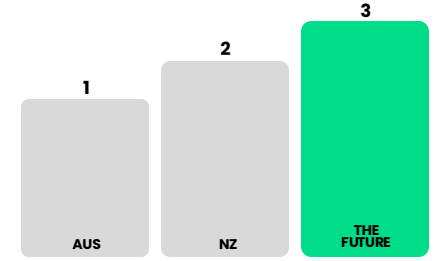
Execute Against Our Strategic Ambition. The NZ Opportunity



	METRIC	UPDATE
Customer Conversion + Run Rate New	500 – 800 per month	2,000+ Terminals pre-signed – begin roll out 2025 4,000+ Android terminals on hand in NZ ready for deployment
Revenue Profile	Per Terminal	\$385 per terminal
Gross Profit	30 –40%	GP within range across signed customers
OPEX (incremental)	\$5m – \$6m Includes one-off \$1.0 – \$1.5m	\$1.9m in first half, mostly sales headcount, additional engineering resource, customer onboarding headcount. Initial investment in brand.
Funding in place for NZ credit and debit 7-day settlements		\$12.5m intraday facility in place Capacity to increase with merchant settlement growth requirements

STAGE 3

Delivering additional value to Australasian Small and Medium Businesses



The Payments Partner of Choice

Executed strategic 'white-label' agreement with POS partner to provide **complete POS / Payment solution** to Hospitality, Retail and Services industry across Australia and New Zealand – FY26.

Executed partnership to deliver next generation merchant ecosystem across Australia and New Zealand – FY26 – **a comprehensive small business toolset.**



FAQ on the RBA Australian Payments Review

..“Does not allow customers to set their surcharge excessively”..

..“Provides visibility of surcharge pre-payment to the cardholder”..

..“Regulation benefits the market from a merchant and cardholder perspective”..

..“Review likely to be completed end 2025 and implementation of changes from early 2027”..

..“Simple Flat Rate product is well received with 10% of the fleet using”..

..“Full surcharge ban – would be up to 10% on Australian revenue”..

1. How does the Smartpay ‘Smartcharge’ solution work?
2. Why did Smartpay offer surcharge this way and what do consumers actually pay?
3. How does Smartpay think about regulation and the current Payments review being undertaken by the Reserve Bank of Australia?
4. What is the timeline for the payments review by the RBA?
5. Can Smartpay provide a non-surcharge product if there is a surcharge ban?
6. What would be the impact on Smartpay from an outright ban on surcharging?
7. Isn’t there regulation also in New Zealand and a review underway there too?

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KEY DATES

Save the Date.

Keep Abreast of Smartpay Through FY25



**2025 Full Year Results
Announcement**

26 May 2025



**Annual
General Meeting**

17 July 2026



**2026 Interim Results
Announcement**

24 November 2026

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APPENDICES

Statement of Comprehensive Income for the Six Months to 30 September 2024

Income Statement

For the six months ended 30 September 2024

	Note	30 Sep 2024 Unaudited \$'000	30 Sep 2023 Unaudited \$'000	31 Mar 2024 \$'000
Revenue	3	50,796	46,913	96,513
Other income	4	817	20	28
Operating expenditure	5	(42,749)	(37,451)	(75,224)
Revaluation gains / (losses) on financial assets		(81)	71	(51)
EBITDA*		8,783	9,553	21,266
Depreciation and amortisation		(6,576)	(4,943)	(10,615)
Foreign exchange adjustments		409	28	(78)
Share performance rights amortisation		(1,085)	(535)	(936)
Impairment and loss on disposal of plant, property and equipment		(97)	(62)	(387)
Finance income		354	380	799
Finance costs		(1,084)	(640)	(1,251)
		(8,079)	(5,792)	(12,468)
Profit before taxation		704	3,761	8,798
Income taxation (expense) / benefit	6	203	(1,124)	(392)
Profit for the period		907	2,637	8,406
Earnings per share attributable to the shareholders of the Parent during the period				
Weighted average number of shares ('000)		240,628	238,285	238,285
Basic and diluted earnings per share (cents)		0.38	1.11	3.53

* EBITDA represents earnings before finance income and finance costs, taxation, depreciation, amortisation, foreign exchange adjustments, share performance rights amortisation, impairment and loss on disposal of property, plant and equipment.
The above Income Statement should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

For the six months ended 30 September 2024

	Note	30 Sep 2024 Unaudited \$'000	30 Sep 2023 Unaudited \$'000	31 Mar 2024 \$'000
Profit for the period		907	2,637	8,406
Other comprehensive income / (loss), net of taxation				
Items that may be classified to profit or loss				
Exchange differences on translation of foreign operation		(28)	45	303
Total other comprehensive income / (loss), net of taxation		(28)	45	303
Total comprehensive income		879	2,682	8,709

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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**THANK
YOU**