

New Zealand Shareholders Association Presentation



2023

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Non-GAAP measures

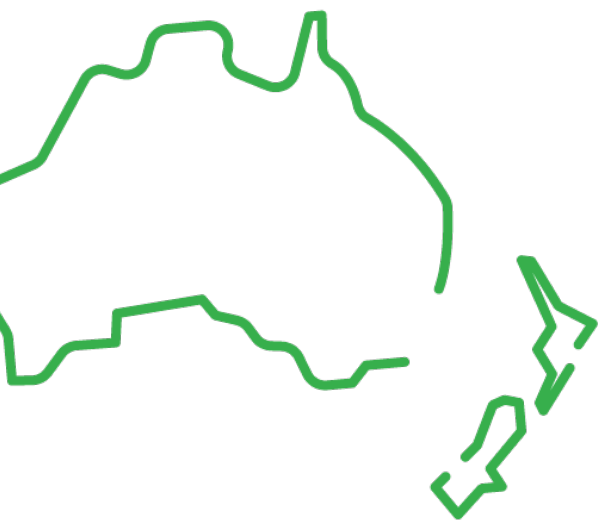
This presentation contains references to Non-GAAP measures including EBITDA and adjusted NPAT.

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 Smartpays 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 has resulted in a change in accounting policy in the year ended 31 March 2023.

Who We Are, How We Are, What We Do

Smartpays Strategic Goal is to be recognised as the most reliable, capable, agile and innovative omni-channel payments provider in Australia and New Zealand



Smartpay designs, develops and implements innovative payment solutions for customers in New Zealand and Australia.

Our vision has been and remains to be **The Payments Partner of Choice.**



One Team

We will work together to create an inspiring company that we are all proud to work for



Fearless

In our approach to our focus on our customer



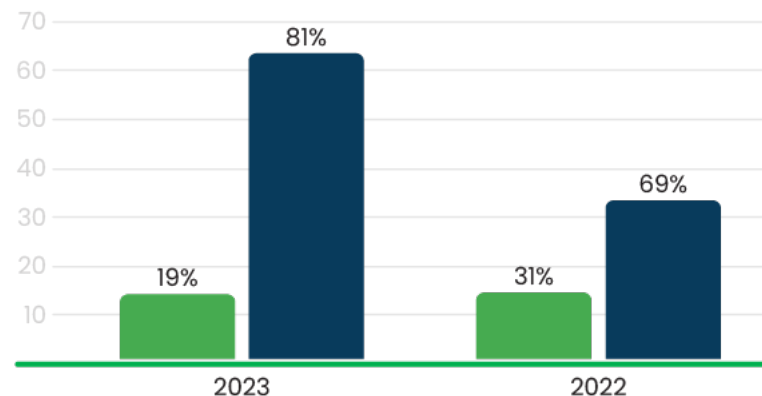
We Deliver

By listening, engaging and being held accountable

Our Products, Our Markets

\$m Revenue by Country

● New Zealand ● Australia



SmartCharge

A Zero Cost EFTPOS solution



Simple Flat Rate

Simplified monthly statements



Retail Radio

A compliant instore music and signage solution



Merchant Portal

Summary of transactions across all payment types, by day, week, month and year.



SmartConnect

Integrations to third party applications



EFTPOS Terminal

A compliant rental EFTPOS terminal for New Zealand customers



The People Behind the Name

BOARD OF DIRECTORS:

Greg Barclay

Chairman and Independent Director

Marty Pomeroy

Managing Director and Chief Executive Officer

Matt Turnbull

Independent Director

Geoff Carrick

Independent Director

Carlos Gill

Non-Executive Director

EXECUTIVE TEAM:

Marty Pomeroy

Chief Executive Officer

Cherise Barrie

Chief Financial Officer

Aidan Murphy

Chief Business Officer

Peter Thomas

Chief Marketing & Product Officer

Lucy Williams

Chief Customer Officer

Andrew Davies

Chief Revenue Officer

Denise Doyle

Chief People Officer

Arron Patterson

Chief Technology Officer



Smartpay Holdings Limited

2023 THE YEAR THAT WAS



“Vision without
execution is
hallucination”

– Thomas Edison

FY23. The Breakthrough Year



Terminals in Market

46,000+

+14% YoY



Smartpay People

160

+14% YoY

Continuing
Revenue Growth
Up 62% YoY

\$77.8m

FY22 \$48.1m

Operating Cash to
Fund Growth
Up 57% YoY

\$18.6m

FY22 \$11.8m*

Delivers to
EBITDA
Up 81% YoY

\$18.4m

FY22 \$10.2m*

Free Cash to
Repay Debt
Up 47% YoY

\$4.7m

FY22 \$3.2m

Drops to the Bottom
Profit Before Tax
Up 328% YoY

\$7.6m

FY22 \$1.8m*

From Net Debt
to Net Cash

\$2.0m

FY22 Net Debt \$1.6m

*Restated

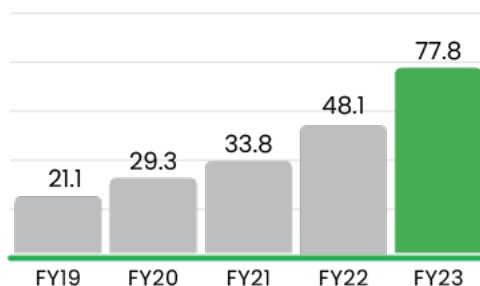
The Business Fundamentals – Measured Investment

	FY23	FY22*
EBITDA to revenue	↑ 23.7%	21.1%
Operating cost to revenue	↓ 37.4%	43.4%
PBT to revenue	↑ 9.7%	3.7%
Gearing ratio	↓ 23.6%	34.5%
Headcount	↑ 160	140
Revenue per head	↑ \$486k	\$343k
Marketing investment	↑ \$6.9m	\$4.0m
Transacting terminals	↑ 15,700+	9,650+
Trans-Tasman terminal fleet	↑ 46,000+	40,000+

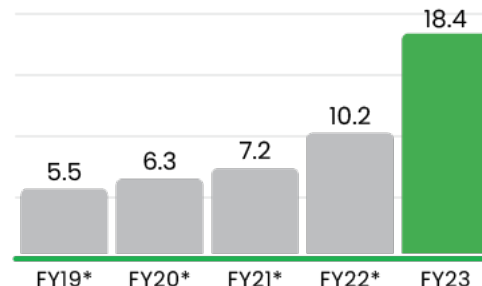
*Restated

FY23. Delivering Consistently with Improving Leverage and Cashflows

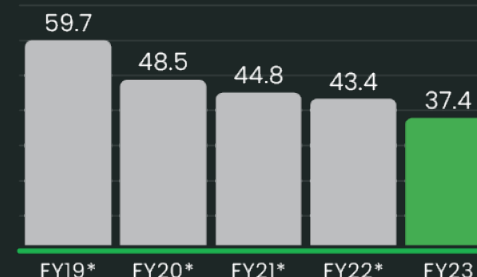
\$'m
YoY Revenue Growth



\$'m
YoY EBITDA Growth



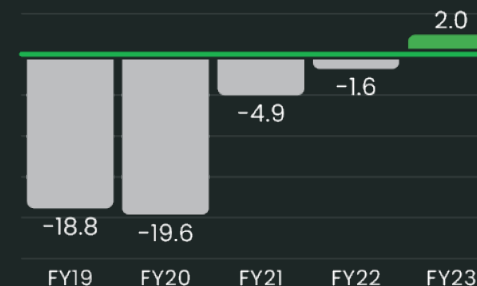
% improving
OPEX** to Revenue



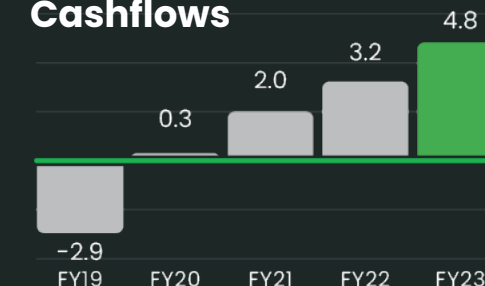
\$'m
Profit Before Tax



\$'m
Net Debt to Net Cash



\$'m
Generating Free
Cashflows

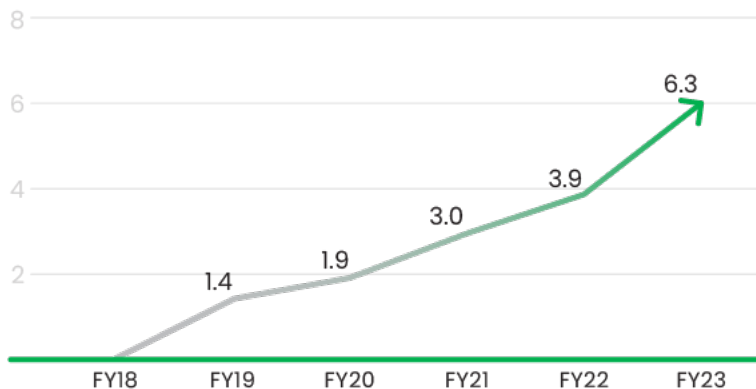


*Restated

**OPEX excludes cost of goods sold

Australian Metrics Show the **Benefit of Measured Investment**

**62% increase YoY in % share
of 250,000 addressable
market**



**Acquiring Transactional
Revenue**

\$60.5m

Up 94% on FY22 \$31.2m

Transacting Terminals

15,700+

Up 62% on FY22 9,650+

Total Transaction Value

\$5.0b

Up 83% on FY22 \$2.7b

**Average Revenue per
Terminal**

\$4,860

Up 18% on FY22 \$4,105

**Monthly Acquiring
Revenue**

\$6.2m

Up 68% on March 22 of \$3.7m

Net Promoter Score

70

FY22 66



Consistent New Zealand Metrics – Maintaining the Asset for the Future

Revenue

\$14.6m

Down 2% on FY22 \$14.8m

Average Annual
Revenue per Terminal

\$454

Down 2% on FY22 \$464

Terminals

31,000+

Consistent YoY

Net Promoter Score

49

FY22 46



Smartpay Holdings Limited

SUSTAINABILITY AT SMARTPAY



Sustainability

we are Always Improving

“We are who we are –
we just do the right thing –
by our team, our customers,
our community and environment”

The Environment

- Measurement of greenhouse gases to support **Aotearoa Climate Reporting** and implement changes to reduce Smartpays impost – preparing for reporting as at 31 March 2024
- 100% of fully depreciated terminals sent for **recycling**
- **Hybrid cars** to partially replace existing vehicle fleet whilst also reducing overall fleet size
- **Terminal packaging** in Australia updated to reduce the requirement for plastic satchels

Delivery socially

- Increasing the Smartpay team by 20 people taking total permanent headcount to 160
- Living wage employer
- Accredited Work Visa employer
- Contributing to the community through donating to charities
- A team led Wellbeing Committee running events to support the wellness and diversity of our Smartpay team
- Implemented policy of company contributions for KiwiSaver and Superannuation to staff over 65

Governance

- **Reduced debt** and focus on **good governance**



Smartpay Holdings Limited

2024 LOOKING FORWARD



The Smartpay Philosophy is to Deliver Outcomes, Not Sell Dreams



Continued acceleration into the Australian opportunity

Explore new opportunities to accelerate



Android Terminal in store

Australia and thereafter New Zealand



One-Team, One-Organisation

Maximise capability as we grow



Continued strengthening of Smartpay

Measured and disciplined investment together with continuous improvement to ensure the business is operating in a manner appropriate for the size, scale and volume we contribute to the payments and settlements system



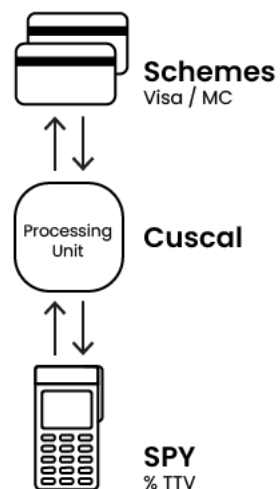
Aligning the Two

Develop and prepare to launch our New Zealand proposition

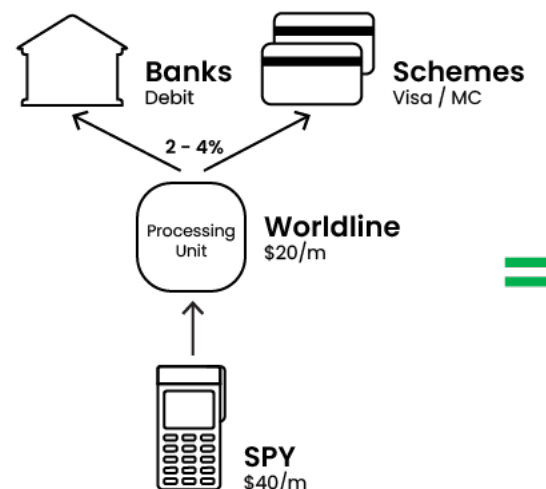
Execute against our Strategic Ambition – Aligning the Two

	AUSTRALIA	NEW ZEALAND
CURRENT STATE		
Monthly Revenue	Terminal rental plus transactional revenue	Terminal rental revenue
THE OPPORTUNITY		
Monthly Revenue	Terminal rental plus transactional revenue	Terminal rental plus transactional revenue
Customer Acquisition	Sales team Marketing \$'s to generate leads	~ 30,000 terminals in market ⇒ conversion of fleet
Marketing Collateral	New	Leverage Australian materials

AUSTRALIA

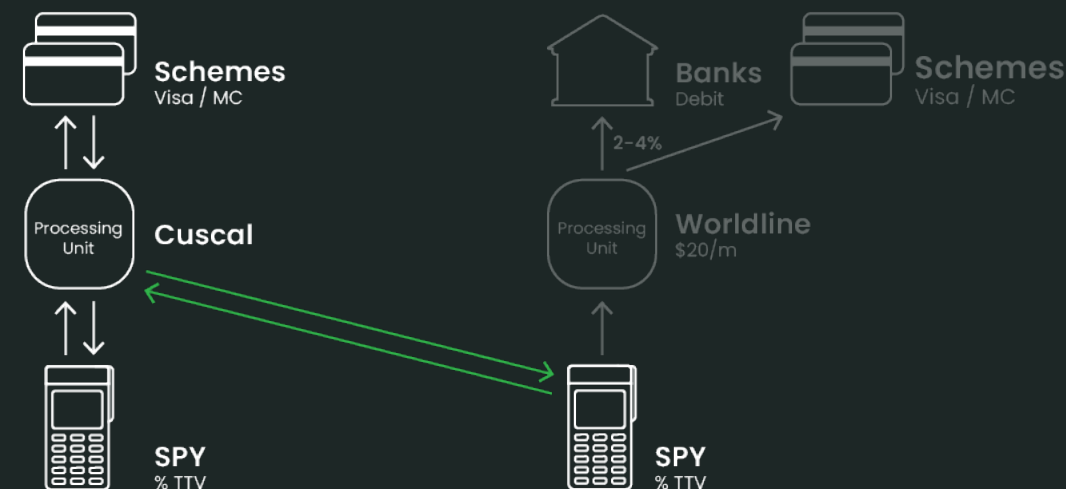


NEW ZEALAND



+

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Progress against the **Strategic Ambition** of Aligning the Two



Android Terminal for Australia – ETA Calendar Year 2023

- Scheme testing and Certification about to commence



Android Terminal for New Zealand – ETA Calendar Year 2024

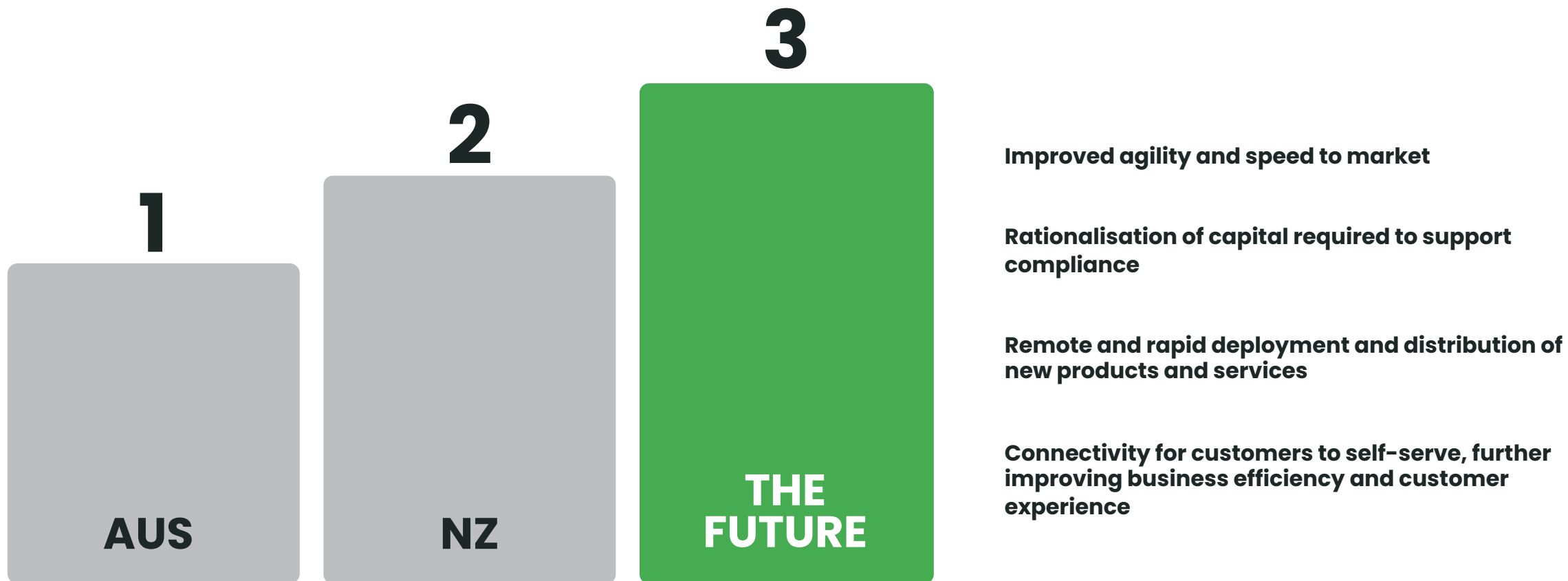
- Australia and thereafter New Zealand



Key partner agreements:

- Cuscal
- Commercials being finalised
- Draft agreements received

The 'Network Effect'





THANK YOU



Smartpay Holdings Limited