

SMARTPAY HOLDINGS LIMITED

2024 ANNUAL RESULTS

27 MAY 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 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 resulted in a change of 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

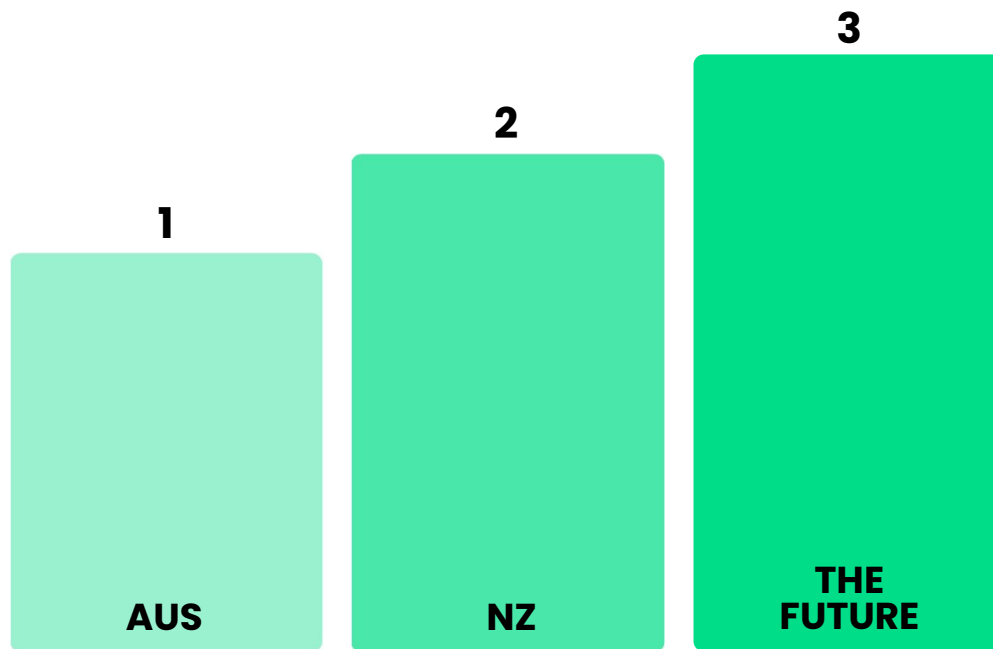
Cherise Barrie

Chief Financial Officer

- 1 3 Stage Strategic Plan
- 2 Performance and Financial Results
- 3 2025 – Looking Forward
- 4 Key Dates
- 5 Appendices

PHASE 1, 2 + 3

The Network Effect. A Truly Trans-Tasman Payments Provider



PHASE 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

PHASE 2 – ALIGNING THE TWO

New Zealand

Unlocking New Zealand Acquiring – Calendar Year 2024

- Android terminal tested and Certified
- New Zealand only development is underway
- Developing product offering
- Cuscal – **Agreement Executed and Notified**
- Preparing the business for launch

PHASE 3

The Network Effect

Delivering additional solutions and value to our Australasian customers

Continued strengthening and maturing of Smartpay

SMARTPAY HOLDINGS LIMITED

2024
**THE YEAR
THAT WAS**

**"Vision without execution
is hallucination"**

Thomas Edison

FY24 Objectives

How Did We Do?

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



Preparing for the New Zealand Opportunity
Develop and prepare to launch our New Zealand proposition



FY24. Robust Performance Through Challenging Conditions



Terminals in Market

48,000+

+4% YoY



Merchants

35,000+

Continuing
Revenue Growth

\$96.5m

Up 24% YoY

FY23 \$77.8m

Operating Cash to
Fund Growth

\$19.4m

Down 3% YoY

FY23 \$19.9m*

Delivers to
EBITDA

\$22.3m**

(statutory \$21.3m)

Up 21% YoY

FY23 \$18.4m

Free Cash to
Repay Debt

\$1.7m

Down 65% YoY

FY23 \$4.8m

Drops to the Bottom
Profit Before Tax

\$9.8m**

(statutory \$8.8m)

Up 29% YoY

FY23 \$7.6m

Net Cash

\$2.2m

FY23 Net Cash \$2.0m

The Business Drivers

(at 31 March 2024)

Australia

Terminal rental plus transactional revenue

~ \$400 per month



18,400+

Transacting Terminals



13,000

Merchants

New Zealand

Terminal Rental

~ \$40 per month



30,000+

Terminals in Market



22,000+

Merchants

No of Transactions Processed

174m+ per annum

Total Transaction Value

\$6.2bn per annum

Terminals in Market

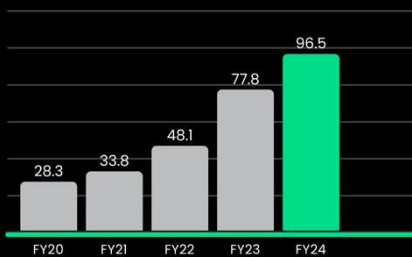
48,000+

Smartpay People

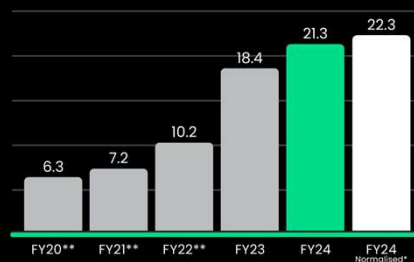
179

| | FY24 | FY23 |
|---------------------------|---------|--------|
| EBITDA to revenue | 23.1%** | 23.7% |
| Operating cost to revenue | 34.9%** | 37.1% |
| Revenue per head | \$539k | \$486k |
| | FY24 | FY23 |
| Total transaction value | \$6.2b | \$5.0b |

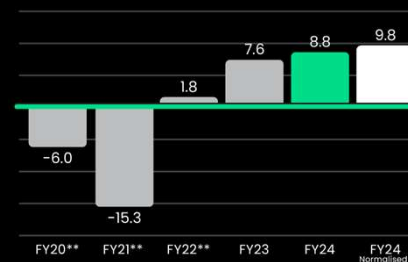
\$'m Revenue



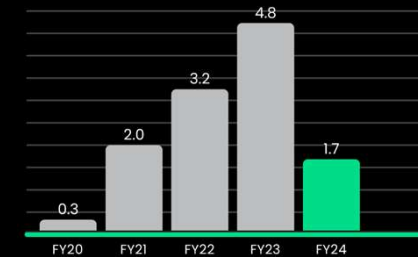
\$'m EBITDA



\$'m Profit Before Tax



\$'m Generating Free Cash Flows



Australian Metrics

Show the Benefit of Measured Investment

Acquiring Transactional Revenue

\$79.0m

Up 31% on FY23 \$60.5m

Transacting Terminals

18,400+

Up 17% on FY23 15,700+

Total Transaction Value

\$6.2b

Up 24% on FY23 \$5.0b

Average Annual Revenue per Terminal

\$4,640

Down 5% on FY23 \$4,860

Monthly Acquiring Revenue

\$7.2m

Up 16% on March 23 of \$6.2m

Net Promoter Score

70

FY23 70

Consistent New Zealand Metrics Preparing for Transformation

Revenue

\$14.1m

Down 3% on FY23 \$14.6m

Average Annual
Revenue per Terminal

\$444

Down 2% on FY23 \$454

Terminals

30,000+

FY23 31,000+

Net Promoter Score

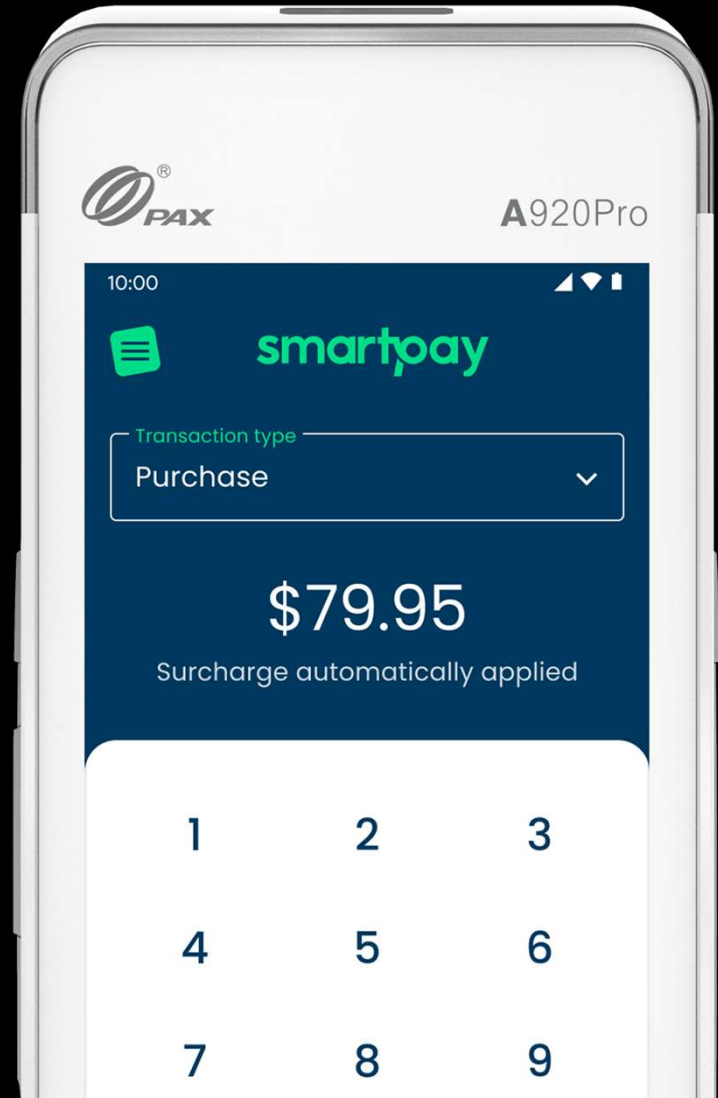
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FY23 49

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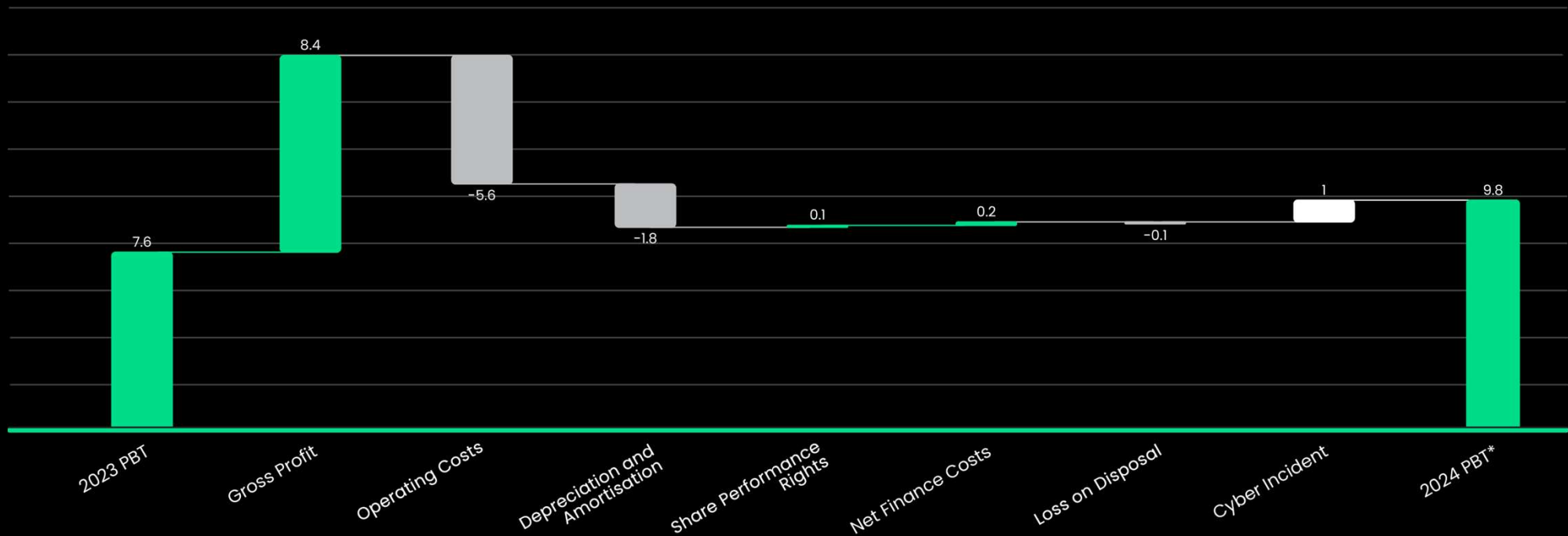
FINANCIAL RESULTS

for the Year Ended
31 March 2024



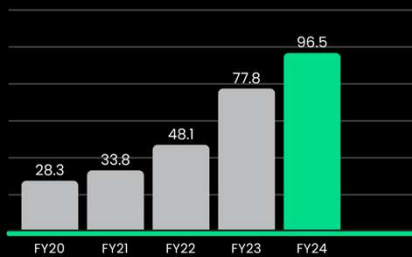
Increase in Profit Before Tax of 29% YoY

\$'m

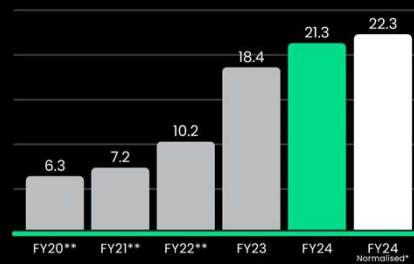


Growth in Financial Performance Measures Year on Year

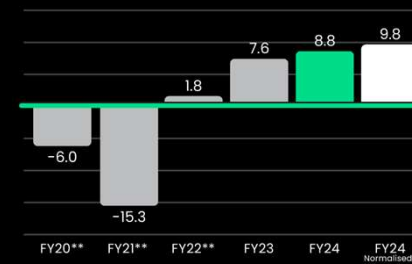
\$'m
Revenue



\$'m
EBITDA



\$'m
Profit Before Tax



\$'m
Operating Cashflows



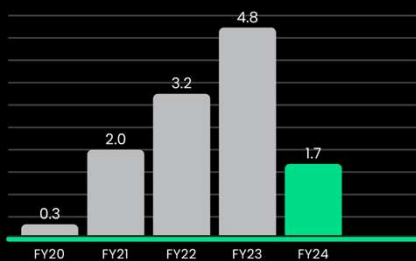
* normalised for cyber incident

** numbers have been restated to reflect change in accounting policy for SaaS assets. The restatements in relation to FY20 and FY21 have not been audited.

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

Generating Free Cashflows, with Operating Cash Funding Investment and Debt Repayments

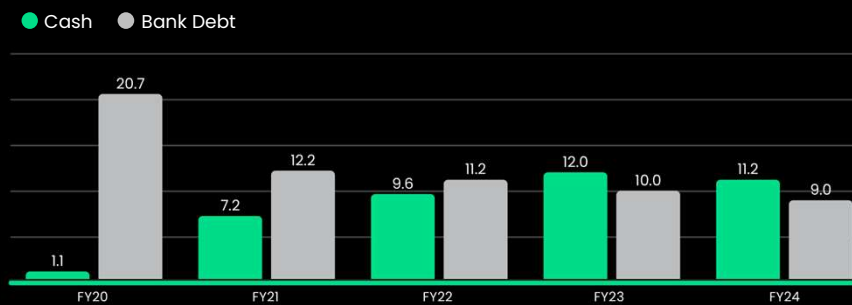
\$'m
Free Cashflows



\$'m
Internal Development
Drives CAPEX Spend



\$'m
Bank Debt to Cash

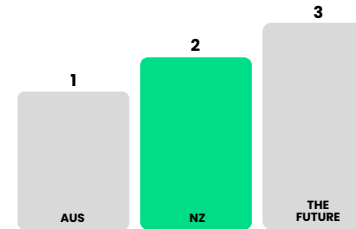


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2025
**LOOKING
FORWARD**

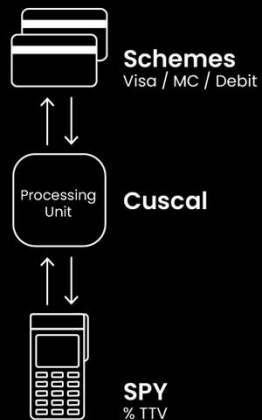
Execute Against Our Strategic Ambition.

Aligning the Two

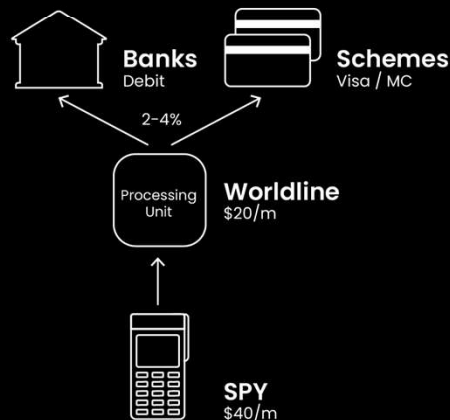


"... Smartpay represents a blend of resilience, innovation, and potential for sustained growth in the Trans-Tasman payments market..."

AUSTRALIA

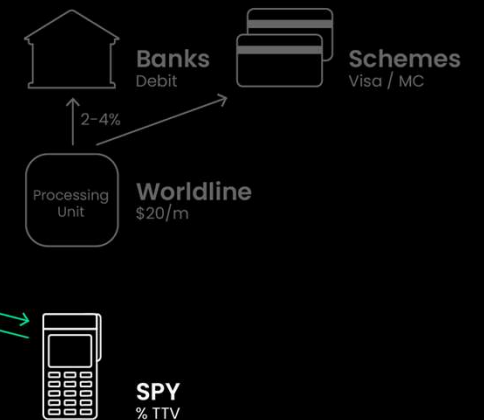
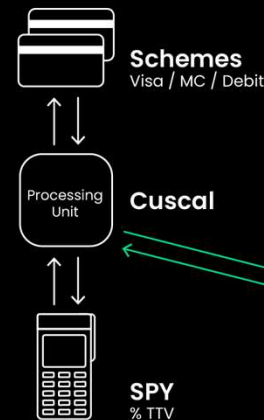


NEW ZEALAND



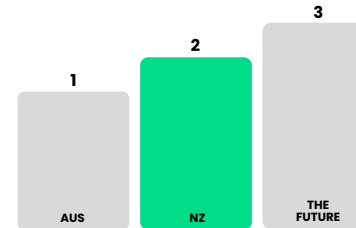
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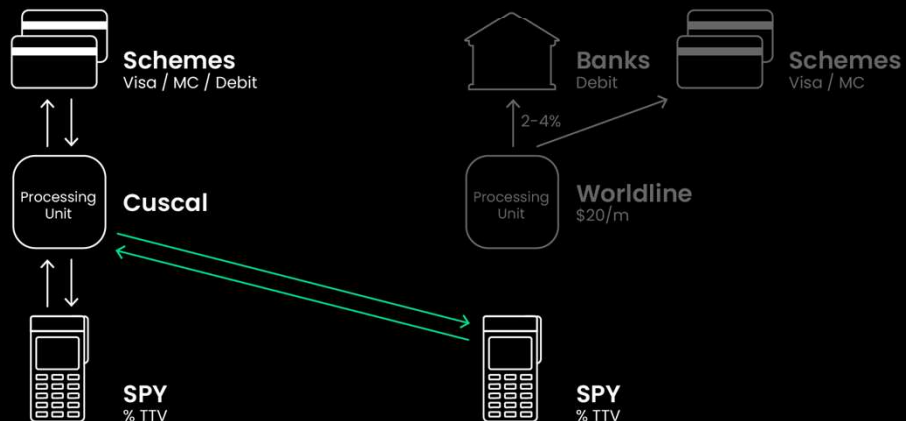
Execute Against Our Strategic Ambition.

The Opportunity



"... Smartpay represents a blend of resilience, innovation, and potential for sustained growth in the Trans-Tasman payments market..."

TRANS-TASMAN



| | Metric | Note |
|------------------------------------|--|---|
| Customer Conversion + Run Rate New | 500 – 800 per month | 2nd Half FY25 |
| Gross Profit | 30 – 40% | Domestic debit subject to processing cost |
| OPEX (incremental) | \$5m – \$6m Includes one-off \$1.0 – \$1.5m | Across FY25 \$1.0 – \$1.5m One-off FY25 |

SMARTPAY HOLDINGS LIMITED

KEY DATES

Save the Date. Keep Abreast of Smartpay Through FY25



**Annual
General Meeting**

12 July 2024



**2025 Interim Results
Announcement**

25 November 2024



**2025 Full Year Results
Announcement**

26 May 2025

SMARTPAY HOLDINGS LIMITED

APPENDICES

Statement of Comprehensive Income for the Year

(Ended 31 March 2024)

30 | Smartpay Holdings Limited | The Annual Report 2024

Income Statement

For the Year Ended 31 March 2024

| | Note | 2024 \$'000 | 2023 \$'000 |
|--|------|----------------|----------------|
| Revenue | 5, 6 | 96,513 | 77,775 |
| Other income | 6 | 28 | 4 |
| Operating expenditure | 7 | (75,224) | (59,158) |
| Impairment losses on financial assets | | (51) | (227) |
| EBITDA* | | 21,266 | 18,394 |
| Depreciation and amortisation | | (10,615) | (8,824) |
| Foreign exchange adjustments | | (78) | (86) |
| Share performance rights amortisation | 27 | (936) | (1,035) |
| Impairment and loss on disposal of plant, property and equipment | 7 | (387) | (238) |
| Finance income | 7 | 799 | 270 |
| Finance costs | 7 | (1,251) | (908) |
| | | (12,468) | (10,821) |
| Profit before taxation | | 8,798 | 7,573 |
| Income taxation (expense) / benefit | 8 | (392) | 885 |
| Profit for the year | | 8,406 | 8,458 |
| Earnings per share attributable to the shareholders of the Parent during the year | | | |
| Basic and diluted earnings per share (cents) | 9 | 3.53 | 3.55 |

* 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 Year Ended 31 March 2024

| | Note | 2024 \$'000 | 2023 \$'000 |
|--|------|----------------|----------------|
| Profit for the year | | 8,406 | 8,458 |
| Other comprehensive income, net of taxation | | | |
| Items that may be classified to profit or loss | | | |
| Exchange differences on translation of foreign operation | 26 | 303 | (115) |
| Total other comprehensive income, net of taxation | | 303 | (115) |
| Total comprehensive income for the year | | 8,709 | 8,343 |

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

SMARTPAY HOLDINGS LIMITED

**THANK
YOU**