



**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
SMARTPAY HOLDINGS LIMITED**

Notice is hereby given that the 2013 Annual Meeting of Shareholders of SmartPay Holdings Limited ("Smartpay" or "the Company") will be held at Kings Lounge, North Shore Events Centre, Cnr Silverfield and Argus Place, Glenfield, Auckland on Tuesday 24 September 2013 commencing at 9.30am.

ITEMS OF BUSINESS

- A. Chairman's welcome and introduction
- B. Minutes of previous annual meeting held on 20th September 2012
- C. Managing Director's review
- D. Financial statements

In relation to Smartpay's annual report for the year ended 31 March 2013, to receive the financial statements for that period and the auditor's report on those financial statements.

- E. Shareholder questions
(See Explanatory Note 1)

F. Ordinary resolutions

To consider and, if thought fit, to pass the following ordinary resolutions:

Appointment of Auditor

- 1. That KPMG, be re-appointed as auditors to the company.

Fixing Remuneration of Auditor

- 2. That the Board be authorised to fix the auditor's remuneration for the ensuing year.
(See Explanatory Note 2)

Re-election of Director – Ivan Jeremy Hammerschlag

- 3. That Ivan Hammerschlag be re-elected as a director of Smartpay
(See Explanatory Note 3)

Re-election of Director – Matthew George Turnbull

- 4. That Matthew Turnbull be re-elected as a director of Smartpay.
(See Explanatory Note 4)

By order of the Board

A handwritten signature in black ink, appearing to read 'Ivan Hammerschlag'.

Ivan Hammerschlag, Chairman
2 September 2013



ORDINARY RESOLUTIONS

An ordinary resolution is a resolution passed by a simple majority of more than 50% of votes of shareholders who are entitled to vote on the resolution and who exercise their right to vote.

SHAREHOLDERS ENTITLED TO ATTEND AND VOTE

Pursuant to section 125 of the Companies Act 1993, the Board has determined that, for the purposes of voting at the Annual Meeting, only those persons who are registered as shareholders of the Company as at 9.30am (New Zealand time) on Friday 20 September 2013, being a day which is not more than 20 working days before the Annual Meeting, will be entitled to exercise the right to vote at the Annual Meeting.

VOTING RESTRICTIONS

There is no business being considered at this meeting where voting restrictions apply, all shareholders may vote on all resolutions.

PROXIES

Any person who is entitled to attend and vote at the Annual Meeting may appoint another person as his or her proxy to attend and vote instead of him or her. A proxy need not be a shareholder of the Company. You may appoint the "Chairman of the Meeting" as your proxy if you wish. A proxy form accompanies this Notice of Meeting.

Proxy Forms must be lodged at the offices of the Company's share registry, Computershare Investor Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Auckland (Private Bag 92-119, Auckland 1142), not less than 48 hours before the commencement of the Meeting, being no later than 9.30 am (New Zealand time) on Friday 20 September 2013.

EXPLANATORY NOTES

Explanatory Note 1: Shareholder Questions	After the Chairman and Managing Director have given their review of the financial year ended 31 March 2013 and any events which have occurred after 31 March 2013, there will be an opportunity for shareholder questions.
Explanatory Note 2: Remuneration of Auditor	This resolution authorises the Board to fix the fees and expenses of the auditor.
Explanatory Note 3: Re-election of Director – Ivan Jeremy Hammerschlag	<p>The NZSX Listing Rules require that at least one third of directors (excluding any directors appointed by the Board and offered for re-election pursuant to Listing Rule 3.3.6) or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office at the annual meeting each year, but shall be eligible for re-election at that meeting.</p> <p>Ivan Jeremy Hammerschlag is retiring from office and stands for re-election at this meeting.</p> <p>Ivan is an accountant and has extensive experience in retail, property and investment in both listed and unlisted companies in South Africa and Australia. In 1990, he purchased Freedom furniture which, during Ivan's years of ownership, grew to sales in excess of A\$200 million. Ivan spent 5 years in Australia working alongside private equity fund investors and was executive chairman of five of the businesses purchased by the private equity fund investors. In 2006 Ivan was instrumental in taking control of a retail conglomerate listed on the ASX called RCG Limited. At that time the market capitalisation of RCG was A\$8 million and the company was in severe financial stress. Today the business is highly profitable, with a market capitalisation in excess of A\$150 million. The business consists of 147 stores selling athletic and lifestyle footwear in Australia and New Zealand. It also has a wholesale division selling international brands into the Australian market.</p> <p>The Board unanimously recommends that shareholders vote in favor of Mr Hammerschlag's re-election.</p>
Explanatory Note 4: Re-election of Director – Matthew Turnbull	<p>NZSX Listing Rule 3.3.6 requires that any person who is appointed as a director by the Directors shall retire from office at the next annual meeting, but shall be eligible for election at that meeting.</p> <p>Matthew Turnbull was appointed as a director of the Company by the Board on 1st April 2013. Accordingly, he will retire from office at this annual meeting and, being eligible, offers himself for re-election.</p> <p>Matthew is a Chartered Accountant and is a member of the New Zealand Institute of Chartered Accountants. He commenced his career with PWC (the Price Waterhouse) and has over 20 years' experience providing accounting and corporate advisory services.</p> <p>Matthew has a detailed understanding of Smartpay, having assisted the company in the 2012 recapitalisation and restructure, and the recent acquisition of Viaduct.</p> <p>The Board has determined that Matthew Turnbull is an Independent Director. The Board unanimously recommends that shareholders vote in favor of Mr. Turnbull's re-election.</p>