

Smartpay Full Year Results Announcement

30 May 2022

The Board of Smartpay is pleased to announce its audited full year results to 31 March 2022.

Full Year Financial Highlights

Revenue \$48.1m, a **42.1% increase** on the prior year \$33.8m.

EBITDA* \$11.1m, a **46.3% increase** on the prior year \$7.6m.

Net profit after tax \$3.1m, compared to the prior year net loss after tax of \$15.2m.

Net debt, excluding the convertible note, reduced to **\$1.1m**.

Monthly Australia acquiring revenue **\$3.7m** at March 22.

Operating Results

Overall revenues were \$48.1m, up 42.1% increase on the prior year \$33.8m with our Australian revenues showing strong growth throughout the reporting period.

Australian acquiring transactional revenue grew to \$31.2m, an increase of 82.6% on the prior year.

The growth in the Australian revenue reflects the continued investment in marketing and sales activities in Australia with expenditure for FY22 of \$4.0m compared to \$1.8m in the prior year.

This investment resulted in customer numbers continuing to increase across the year with March 2022 being a record month and reinforces that we are executing on the opportunity in Australia.

EBITDA grew to \$11.1m for the year, up 46.3% on the prior year of \$7.6m. A positive result given the challenging trading conditions experienced by many of our customers in both Australia and New Zealand through-out the year, due to COVID-19 and regional flooding events.

The 46.3% increase in EBITDA is larger than the 42.1% increase in revenue and reflects ongoing improvement in our gross profit. The gross profit improvement largely reflects work to reduce our switching and processing fees and the ongoing uptake of our SmartCharge solution and we expect further improvement as our volumes increase.

Profit after tax of \$3.1m is favourable to the prior year Net loss after taxation of \$15.2m, primarily due to underlying business growth, together with the reduction in funding costs and the benefit of the reduction in the principal balances outstanding on the convertible notes in FY21. The convertible notes fully matured during the year ended 31 March 2022.

Our continued investment in technology throughout the year remained focused on the ongoing development of our next generation customer interface systems and the digitisation of our terminal management and acquiring platform. An ERP implementation was also completed which positions the company very well for the future.

↑82.6%
Acquiring Transactional Revenue (YoY)

↑42.1%
Consolidated Revenue (YoY)

↑9,650+
Transacting Terminals

↑78.8%
Total Transaction Value (YoY)

ASX: SMP
NZX: SPY

SHARE INFORMATION
Issued Shares: 238,284,963

WEBSITES
www.smartpay.co.nz
www.smartpay.com.au
www.smartpayinvestor.com

BOARD OF DIRECTORS

Non- Exec Chairman:
Greg Barclay
Managing Director:
Martyn Pomeroy
Non-Executive:
Matthew Turnbull
Non-Executive:
Carlos Gil
Non-Executive:
William Pulver

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Summary and Outlook

FY22 demonstrated the ability to deliver on the strategic opportunity of our business and has further validated our ability to scale into the opportunity that exists for the company.

We have strengthened the business, reduced debt, increased free cash flows and generated our first profit since launching our acquiring business into Australia.

FY23 will see Smartpay continue to develop our payments offerings in both countries, broaden awareness of our brand and our product offering in our chosen segments and further scale our operations to deliver EBITDA growth and strengthen the company.

*EBITDA – Earnings Before Interest, Tax, Depreciation, Amortisation, impairments, foreign exchange adjustments and share performance rights. EBITDA is a useful non-GAAP measure as it shows the contribution to earnings prior to finance costs and non-cash items.

ENDS

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Corporate Directory

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