

Shareholder Annual Meeting Presentation

25 August 2022

The Board of Smartpay Holdings Limited (NZX:SPY, ASX: SMP) is pleased to attach the Chairman's address and CEO's presentation for for the Smartpay Annual Meeting of Shareholders commencing at 12.30pm NZST (10.30am AEST).

The meeting is being held as a hybrid meeting and virtual attendance is accessed using the Computershare Online Meeting Portal. The Notice of Meeting and details for logging onto the meeting virtually can be found on the Smartpay website: smartpayinvestor.com/meetings-presentations/

Approved for release by the Board.

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
Independent Chair:
Gregor Barclay
Managing Director:
Martyn Pomeroy
Independent:
Matthew Turnbull
Independent:
Geoffrey Carrick
Non-Executive:
Carlos Gil

REGISTERED OFFICE
New Zealand:
205 – 209 Wairau Road
Wairau Valley
Auckland 0627
New Zealand

Phone: +64 (0)9 442 2700
Fax: +64 (0)9 442 2722
info@smartpay.co.nz

ENDS

For further information contact: Gregor Barclay, Chair, +64 21 306 594 or Rowena Bowman, Company Secretary / 64 27 364 1138

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Australia:
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Sydney, NSW 2000

Email: info@smartpay.com.au
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Fax: +61 (0)2 9869 4223
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Shareholder Enquiries

Enquiries concerning shareholdings should be addressed to:

New Zealand:
Computershare Investor Services Limited
Private Bag 92119, Auckland 1142

Phone: +64 (0)9 488 8700
Fax: +64 (0)9 488 8787

Australia:
Computershare Investor Services Pty Limited
GPO Box 3329
Melbourne, VIC 3001

Free phone: 1 800 501 366
Fax: +61 (0)3 9473 2500

Chair's Introduction

25 August 2022

Welcome

Good morning everyone and welcome to Smartpay's Annual Meeting for 2022. I am Greg Barclay, Independent Director, and Chair of the company.

Having had the last two Annual Meetings virtually, it is fabulous to be able to hold a hybrid meeting. And it is a pleasure to be able to have this in our new Sydney office. So welcome to those shareholders who are attending the meeting in person and those shareholders joining us remotely via the Computershare Online Meetings Platform. As today's meeting is a hybrid meeting, all details of how to participate were distributed with the Notice of Meeting, and on the information screen in Computershare's Online Meeting Platform.

I would like to introduce the members of the Board and executive team joining us today. We have Matt Turnbull, Geoff Carrick, Carlos Gil, Marty Pomeroy, Cherise Barrie our new Chief Financial Officer, and Aidan Murphy our previous Chief Financial Officer and now Chief Business Officer.

Our Auditors, KPMG are available remotely, and our registrar, Computershare are here with us in person.

There will be opportunities for shareholders to ask questions following Marty's presentation and on each resolution before it is considered. Questions will not be addressed until the relevant time in the meeting. Please also note that your questions may be moderated or if we receive multiple questions on one topic, amalgamated together. Finally, due to time constraints we may run out of time to answer all your questions. If this happens, we will answer them in due course via email.

With that said, as Chair of the Meeting, I declare Smartpay's 2022 Annual Meeting formally open.

I note that the Board has received no apologies

Now moving to today's agenda.

Meeting Agenda

We will begin by reviewing the performance of Smartpay over the last financial year. Following the conclusion of the presentation we will welcome any questions that you may have.

The meeting will then proceed to the formal business where we have six resolutions to consider. These were set out in the Notice of Meeting, which has been sent to all shareholders and I will take this as read. This includes four resolutions relating to the re-election of directors, one ordinary resolution to consider director remuneration and one ordinary resolution that the Directors be authorized to fix the remuneration of KPMG as auditor for the ensuing year.

Board composition and changes

Before we move to our highlights this year, I would like to give a brief update on our Board composition, which has changed since our last Annual Meeting. Earlier this year, Bill Pulver retired from the Board, consequently, we are delighted to have appointed Geoff Carrick as an Independent Director. Geoff is a capable and experienced professional director who further strengthens the Board of Smartpay.

In accordance with the NZX Code, a majority of Independent Directors is maintained with three of our five directors currently being independent.

We remain committed to adding an additional board director together with building succession to the board. Independence, gender diversity, and Australian residency are our key criteria for this appointment as we recognise the size of the opportunity in the Australian market, together with the lack of diversity in our current board. We have engaged with a number of potential directors who meet these criteria and to date for a number of reasons an appointment has not been made. We will continue to work on succession and increasing the board size.

This leads nicely to the proposed changes to Directors' remuneration.

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NZX: SPY

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Directors' remuneration

We continue to provide full transparency of Directors' remuneration and committee membership in the Annual report. As can be seen the previously approved Directors' remuneration pool is now exhausted.

The Board considers that alignment of Directors' fees to market is important for the Company to be able to continue to attract and retain high performing Directors whose skills and experience are well-suited to the Company's requirements.

Further as I have mentioned, we remain committed to increasing the size of the board and managing succession at the Board level.

We undertook an assessment of the Directors fee pool by reference to the 2021 Australian Institute of Directors Remuneration Guide to benchmark remuneration. In considering this guide we took the mid-point of similar public listed companies by market cap and/or revenue. Further, for additional due diligence we referenced five similar sized, by market cap, New Zealand Listed companies to do a simple fee comparative. In all instances we were on the low side of this comparison.

It is important to note that we are not proposing to make any changes to the fees currently paid to the Directors in respect to the year ahead, or for the role as Chair of the Board. The benchmarking did identify that the additional fee paid to the Chair of the Audit Committee does need to be increased. The Chair of the Remuneration Committee currently receives no additional fee, and this may be amended in the future.

2022 Highlights

Before I hand to Marty for him to address you, I would like to make a few final comments.

Smartpay's strategy is clear, and we have remained committed to delivering against our strategy.

I want to acknowledge and thank Marty and his team for the effort and commitment that they have made on behalf of the company over the past year. Although it may seem a long time ago now, it has only been a few months since the business was still battling through some of the worst of the Covid related issues that have impacted all of us. It was a very difficult period, and I am truly appreciative for the endeavors of the team to navigate their way through the challenges they faced. Not only did they successfully overcome these challenges but in doing so managed to also drive Smartpay to unprecedented levels of growth in Australia whilst continuing to maintain a solid business in New Zealand.

On behalf of my Board colleagues, Management and wider Smartpay team, I would like to thank you all for joining us today. To our shareholders, as I have mentioned it has been another unique and challenging year and we remain committed to growing sustainable value for your investment. Thank you all again for your continued support of Smartpay.

I will now hand over to Marty Pomeroy

ENDS

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**Annual General Meeting
of Shareholders**

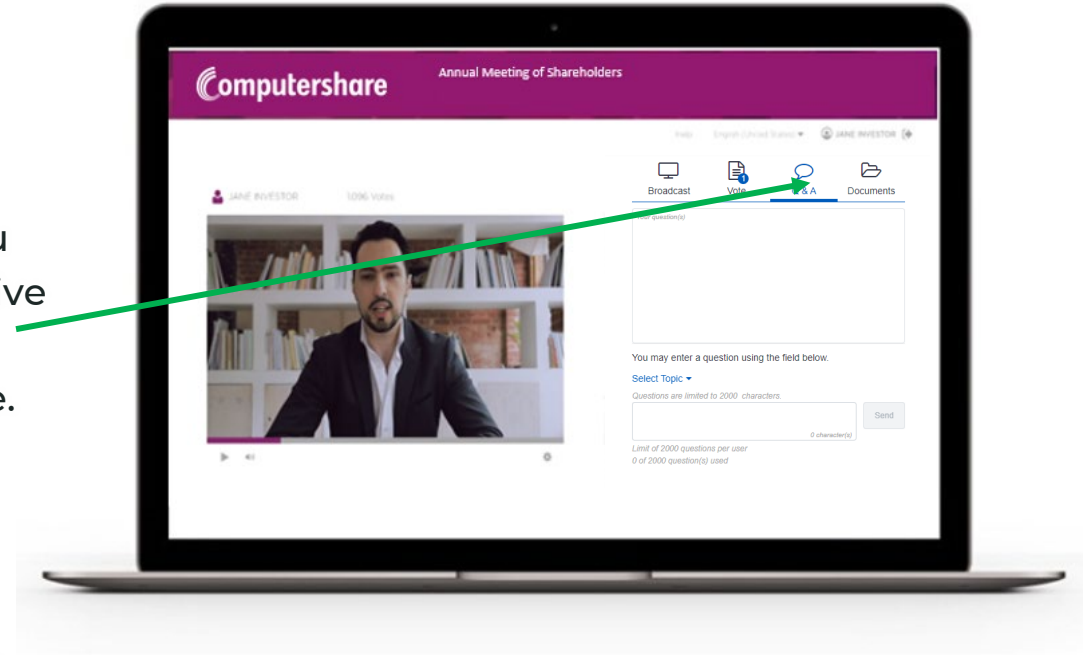
25 August 2022

Online Attendees – Question Process

Shareholder & Proxyholder Q&A Participation

Written Questions: Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

Help: The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



Welcome to Smartpay's Annual General Meeting of Shareholders

1. Chairmans welcome and introduction
2. Chief Executives report and Annual Financial Statements
3. Shareholder questions
4. Ordinary resolutions





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**Chairmans Welcome
and Introduction**



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Chief Executives Report and Annual Financial Statements

Disclaimer Statement

This presentation may contain certain statements and projections provided by or on behalf of Smartpay Holdings Limited Group (Smartpay) with respect to anticipated future undertakings. Any forward-looking statements reflect various assumptions by or on behalf of Smartpay. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingences associated with the business of Smartpay which may be beyond the control of Smartpay which could cause actual results or trends to differ materially, including but not limited to competition, industry downturns, inability to enforce contractual and other arrangements, legislative and regulatory changes, sovereign and political risks, ability to meet funding requirements, dependence on key personnel and other market and economic factors. Accordingly, there can be no assurance that any such statements and projections will be realized. Smartpay makes no representation as to the accuracy or completeness of any such statement of projections or that any projections will be achieved and there can be no assurance that any projections are attainable or will be realised.

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This document does not constitute, and should not be construed as, either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Smartpay.

2022 Annual Results

The year has seen us continue to execute against the strategic objectives of growth into Australia

We have strengthened the business, reduced debt, increased free cashflows and generated the first profit since launching the acquiring business into Australia



BUSINESS NEWS
THE SMARTPAY TIMES
ANNUAL REPORT 2022
May 2022

Smartpay, Smartcharge, Smart Growth
May 2022

"FY22 has been another year of growth on several fronts. Our Smartcharge solution is being very well received in the Australian market and sales numbers have increased from FY21. Revenue rose to \$42.1m, EBITDA is up 46.3% and a profit of \$3.1m shows that the activity is turning into strength in the financial statements."
- Marty Pomroy, CEO

Lockdowns impact AU revenue but long-term prospects unchanged
Jul 2021

We have witnessed in previous national and state specific lockdowns, sectors outside of tourism return to normal trading rather quickly and we are assuming that type of recovery to repeat in this instance as well. That type of recovery remains unique and competitive against competitors.

Terminals return in time for Christmas
Nov 2021

Smart continues to invest in its sales and marketing competencies, sustaining its strong sales momentum. It is also expected to gain further margin expansion as its TV continues to grow. History indicates Q3 to be generally the strongest quarter (5-10% uplift) and we expect the period to be no different. This will be further aided with VIC fully operational for the entire period.

AU recovery and Christmas accelerates growth trajectory
Jan 2022

AU segment reported rev of \$4.9m, up +81% PCP as merchants experienced favourable conditions with the easing of lockdowns and increased spending during Christmas. With a significant increase of +78% growth in TTV to \$795.4m, SaaS sales, investment in brand and product development in new payment technologies, they benefit from economies of scale with reduced transactional processing rates.

Disruptive FY21 but Aussie merchants are getting 'Smart'
May 2021

Outlook - Australia the Key for Growth Management indicates its growth in the AU market validates the customer demand for Smart's simple products. AU will remain its key focus and expects to scale quickly with its established in-bound sales capability. FY22 focus will shift to developing out-bound sales, investment in brand and product development in new payment technologies.

Inside this issue:
Average AU NPS of **66**
Average NZ NPS of **46**

Revenue	EBITDA
\$48.1m	\$11.1m
Up 42%	Up 46.3%

NPAT **\$3.1m**

For further stories and more info visit: smartpayinvestor.com

ANNUAL REPORT 2022

smartpay

FY 22 delivered a strong financial performance and strengthened the company



Large increase in revenue year on year

Revenue FY22 \$48,080k vs FY21 \$33,845

↑ 42.1%



Invested in the business and grew EBITDA*

EBITDA FY22 \$11,096k vs FY21 \$7,582

↑ 46.3%



Positive Net Profit after Tax

NPAT FY22 \$3,104k vs FY21 \$(15,200k)



Generated positive cashflows and reduced debt

Net debt FY22 \$1,106k vs FY21 \$4,463k

↓ 75.2%

*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.

The strategy delivered



43.4% growth in number of transacting terminals in Australia

FY22 9,684 vs FY21 6,754



5.3% increase year on year in revenue per terminal

FY22 \$4,105 vs FY21 \$3,900



Improvement in average Net Promoter Score (NPS)

FY22 66 vs FY21 59 Australia

FY22 46 vs FY21 42 New Zealand

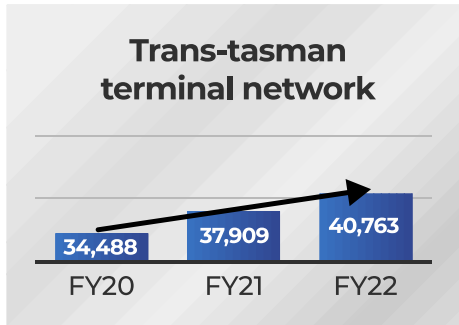
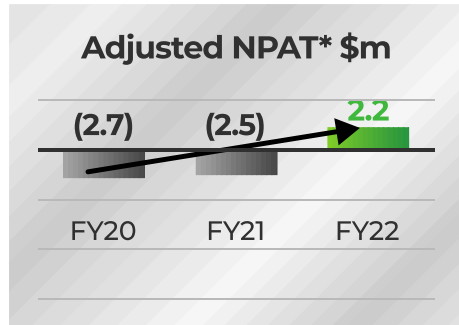
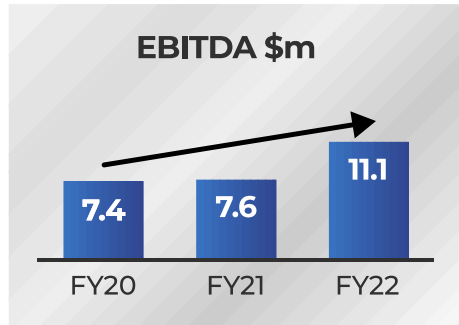
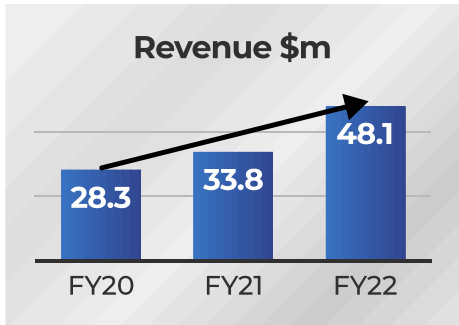
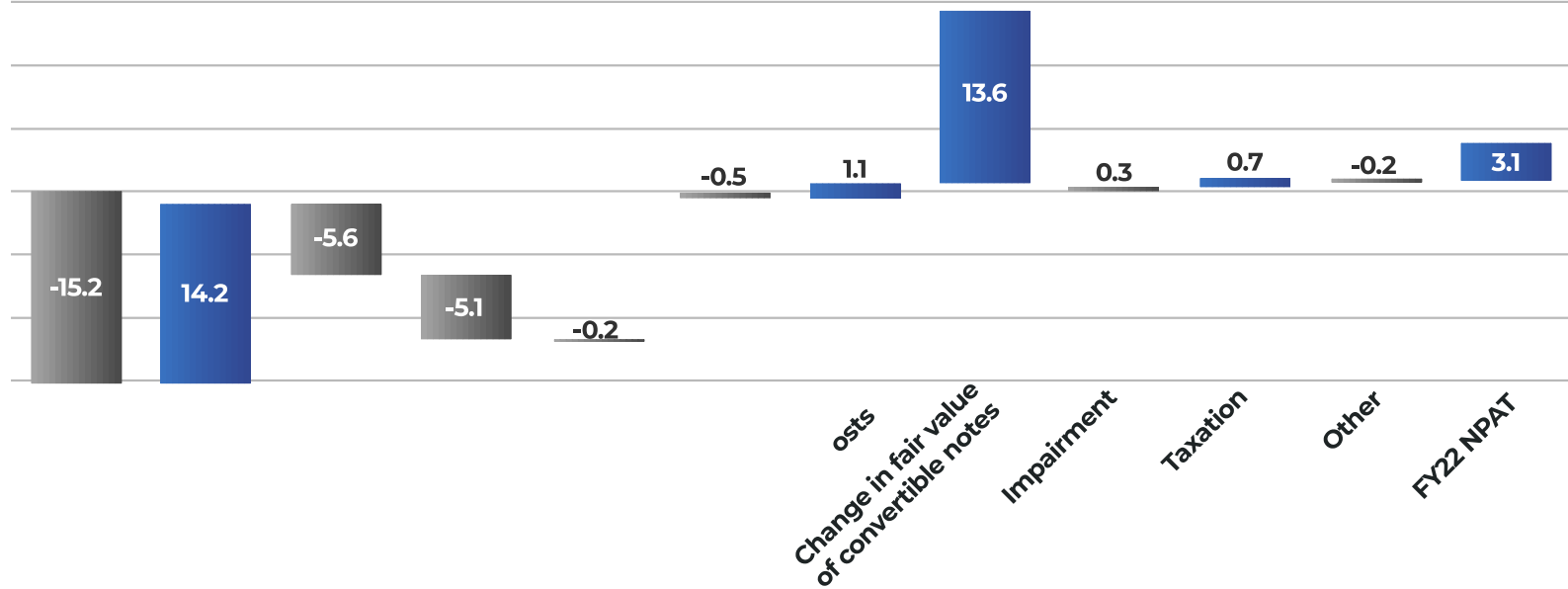


Invested in key resources with headcount primarily in sales and marketing

FY22 140 vs FY21 124

Growth in profitability year on year

\$18.3m change in NPAT year on year



*Adjusted NPAT is NPAT adjusted for the fair value of the convertible notes

Executing the Strategy

Kia Ora
AIR NEW ZEALAND INFLIGHT MAGAZINE

BUSINESS NEWS
THE SMARTPAY TIMES
ANNUAL REPORT 2022

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May 2022

"FY22 has been another year of growth on several fronts. Our Smartcharge solution is being very well received in the Australian market and sales numbers have increased from FY21. Revenue rose up 42%, EBITDA is up 46% and a profit of \$31m shows that the activity is turning into strength in the financial statements."
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Up 42%

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ANNUAL REPORT 2022

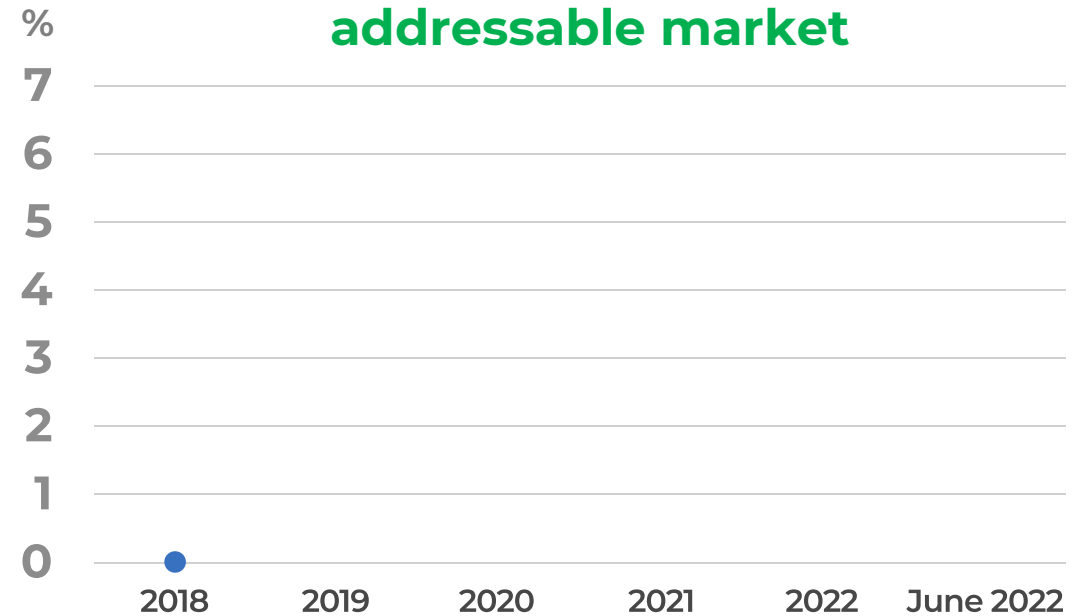
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Smartpay, Smartcharge,

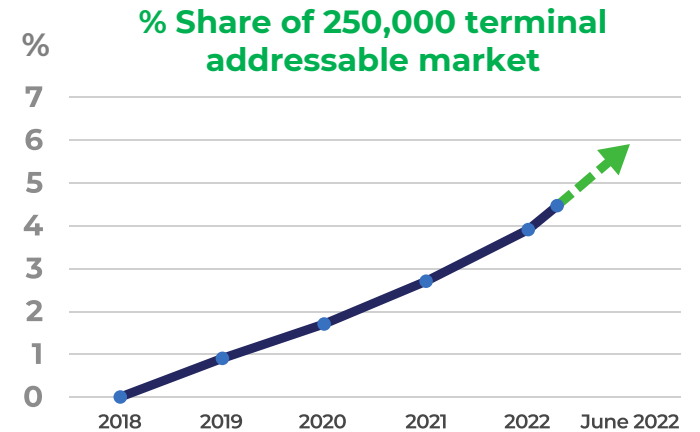
Addressable market
250,000 terminals of 1,000,000



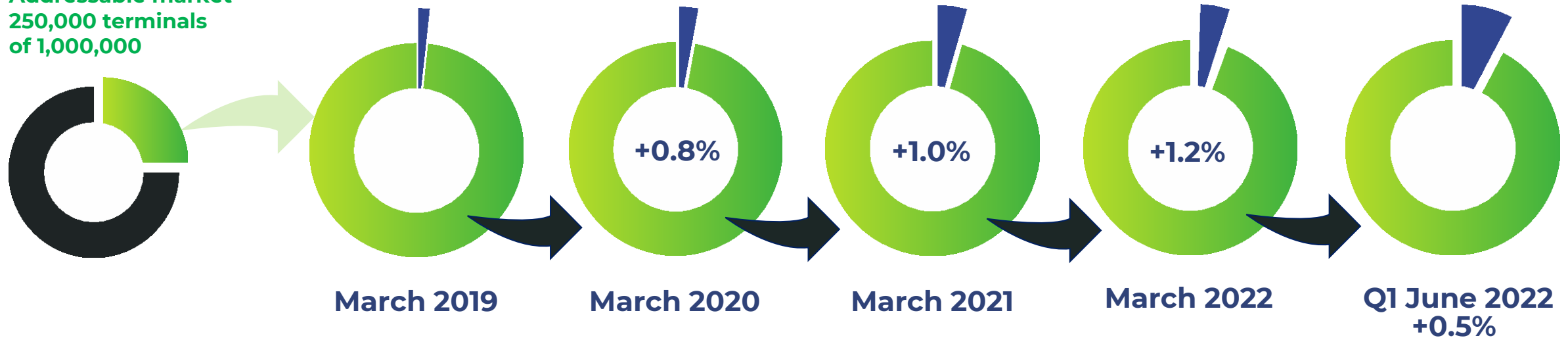
% Share of 250,000 terminal addressable market



Smartpay, Smartcharge, Smart growth... gaining momentum

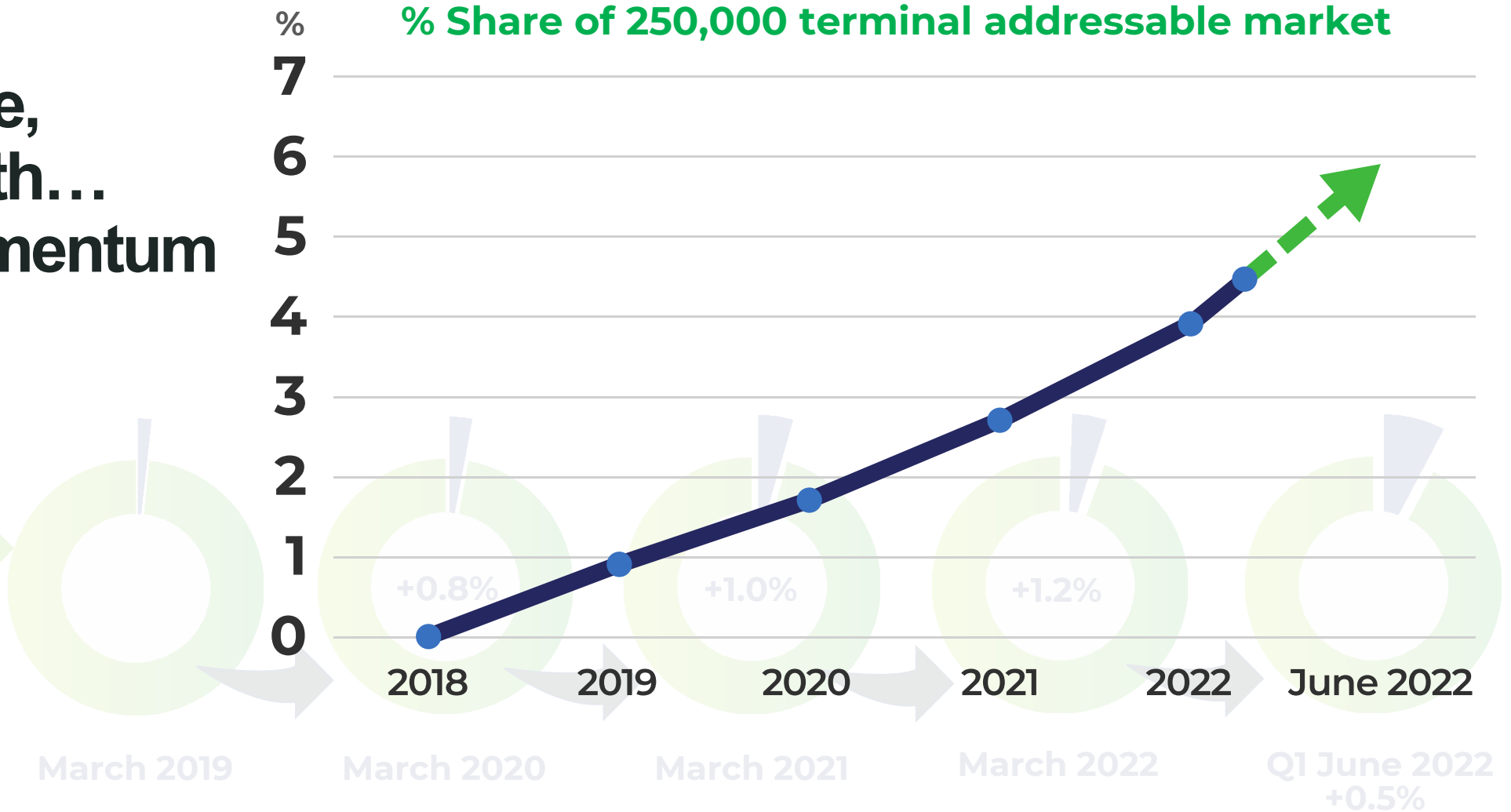


Addressable market
250,000 terminals
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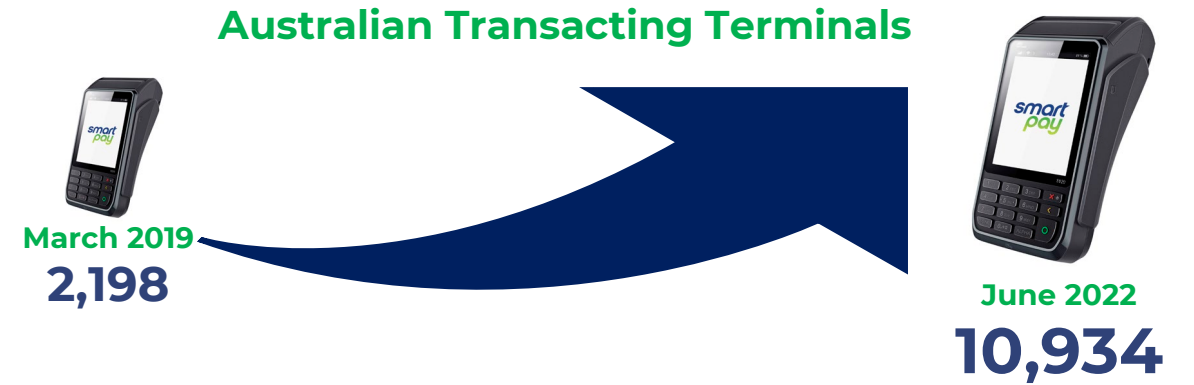


Investing in marketing for growth



	2017	2018	2019	2020	2021	2022
						
						
						
						
Smartpay Marketing brought in house						

Investing in key roles to deliver the growth



In addition to that, we are



- **Maximising margin** via scale
- **Measured and appropriate investment** in the business ensuring the investment is in the right place and delivers the benefits
- **Android in-store proposition** to serve both the Australian and New Zealand markets
- **Ongoing development** of online / digital customer solutions – the HUB
- **Imbedding and leveraging the ERP** (Netsuite) to maximise efficiencies and enhancements to the business
- **Appropriately engaging** in the developments in respect of ESG as they apply to Smartpay
- Ongoing **Brand** investment
- **Remaining open and agile** to look at new opportunities



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**Shareholder
Questions**

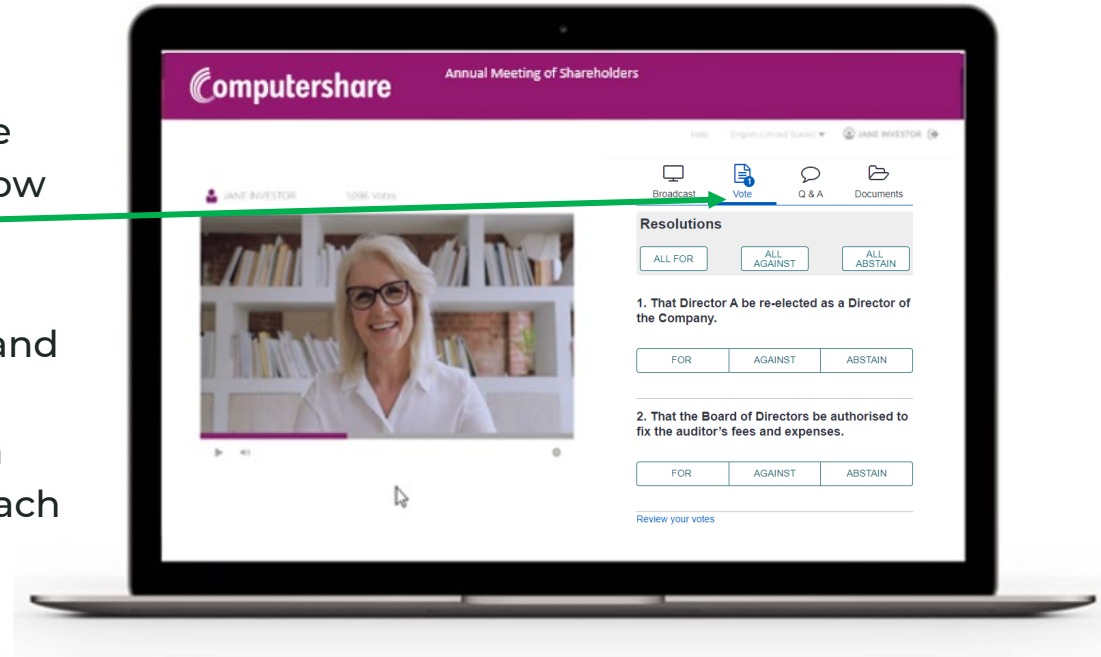
Online Attendees – Voting Process

Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.





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**Ordinary
Resolutions**

Ordinary Resolutions

Resolution 1: Fixing the remuneration of the auditors

“That the Board be authorised to fix the auditor’s remuneration for the ensuring year.”

Proxies:

For:	138,039,343 (57.93% of all securities)
Against:	54,002 (0.02% of all securities)
Discretionary:	266,049 (0.11% of all securities)
Abstain:	29,734 (0.01% of all securities)

Resolution 2: Re-election of Director – Matthew George Turnbull

“That Matthew George Turnbull be re-elected as a director of Smartpay.”

Proxies:

For:	138,115,969 (57.96% of all securities)
Against:	7,545 (0.00% of all securities)
Discretionary:	231,685 (0.10% of all securities)
Abstain:	33,929 (0.01% of all securities)

Ordinary Resolutions

Resolution 3: Re-election of Director – Martyn Richard Pomeroy

“That Martyn Richard Pomeroy be re-elected as a director of Smartpay.”

Proxies:

For:	134,716,916 (56.54% of all securities)
Against:	7,545 (0.00% of all securities)
Discretionary:	231,685 (0.10% of all securities)
Abstain:	3,432,982 (1.44% of all securities)

Resolution 4: Re-election of Director – Carlos Gil

“That Carlos Gil be re-elected as a director of Smartpay.”

Proxies:

For:	138,103,512 (57.96% of all securities)
Against:	19,002 (0.01% of all securities)
Discretionary:	231,685 (0.10% of all securities)
Abstain:	34,929 (0.01% of all securities)

Ordinary Resolutions

Resolution 5: Re-election of Director – Geoffrey Myles Carrick

“That Geoffrey Myles Carrick be re-elected as a director of Smartpay.”

Proxies:

For:	138,104,512 (57.96% of all securities)
Against:	19,002 (0.01% of all securities)
Discretionary:	231,685 (0.17% of all securities)
Abstain:	33,929 (0.01% of all securities)

Resolution 6: Board Remuneration

“That the aggregate fees payable to the Company’s non-executive Directors be increased from \$300,000 per annum to \$500,000 per annum with effect from 1 September 2022.”

Proxies:

For:	137,671,982 (57.78% of all securities)
Against:	320,697 (0.13% of all securities)
Discretionary:	225,711 (0.09% of all securities)
Abstain:	170,738 (0.07% of all securities)



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Thank you