

# Presentation Update

**14 September 2023**

Please see attached presentation to the Bell Potter Decoded Virtual Conference on 14 September 2023.

Approved for release by the Board of Smartpay Holdings Limited.

**For further information contact:**  
Gregor Barclay, Chair, +64 21 306 594

**ASX: SMP**  
**NZX: SPY**

## SHARE INFORMATION

Issued Shares: 238,284,963

## BOARD OF DIRECTORS

Independent Chair:  
**Gregor Barclay**

Managing Director:  
**Martyn Pomeroy**

Independent:  
**Matthew Turnbull**

Independent:  
**Geoffrey Carrick**

Non-Executive:  
**Carlos Gil**

[www.smartpayinvestor.com](http://www.smartpayinvestor.com)

## REGISTERED AND PRINCIPAL OFFICES

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**Fax:** +61 (0)2 9869 4223

[www.smartpay.com.au](http://www.smartpay.com.au)

## SHAREHOLDER ENQUIRIES

*Enquiries concerning shareholdings should be addressed to:*

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

**Australia:**  
Computershare Investor Services Pty Limited  
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Melbourne, VIC 3001

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



Smartpay Holdings Limited

# Decoded Conference Presentation

2023



# Important Notice

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## Non-GAAP measures

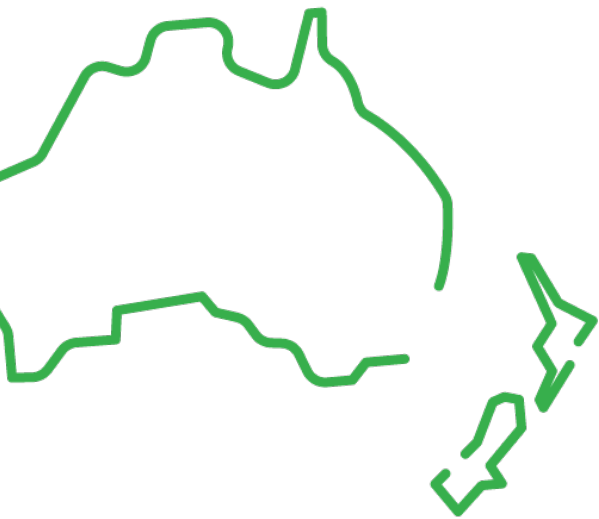
This presentation contains references to Non-GAAP measures including EBITDA and adjusted NPAT.

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



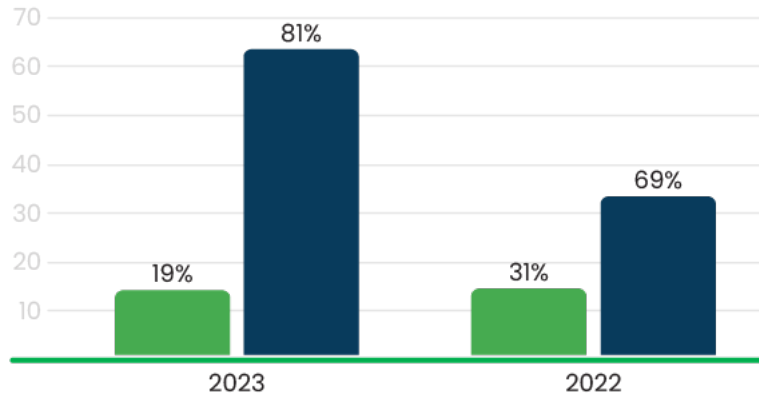
## **We Deliver**

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



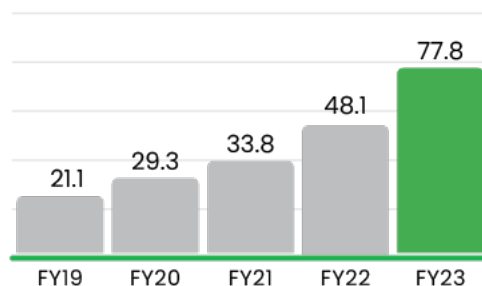
# The Business Fundamentals – Measured Investment

	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+

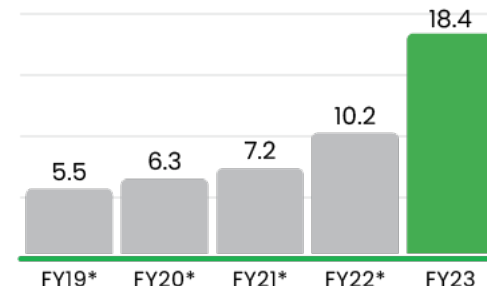
\*Restated

# FY23. Delivering Consistently with Improving Leverage and Cashflows

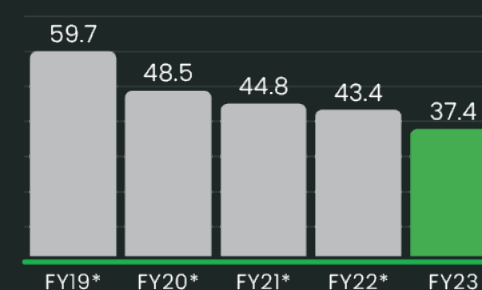
\$'m  
YoY Revenue Growth



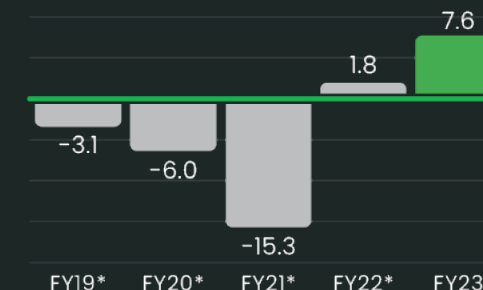
\$'m  
YoY EBITDA Growth



% improving  
OPEX\*\* to Revenue



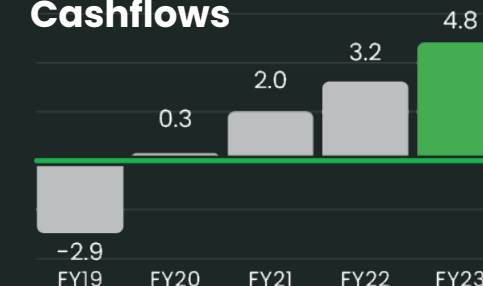
\$'m  
Profit Before Tax



\$'m  
Net Debt to Net Cash



\$'m  
Generating Free  
Cashflows

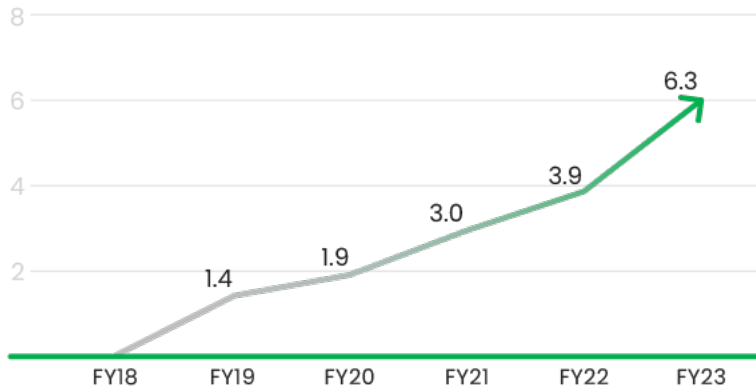


\*Restated

\*\*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**

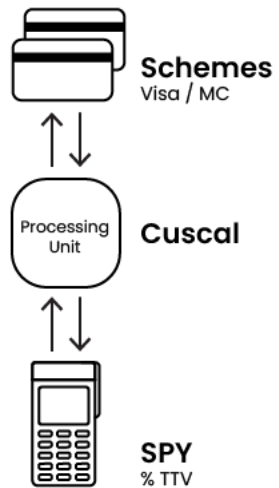
Develop and prepare to launch our New Zealand proposition



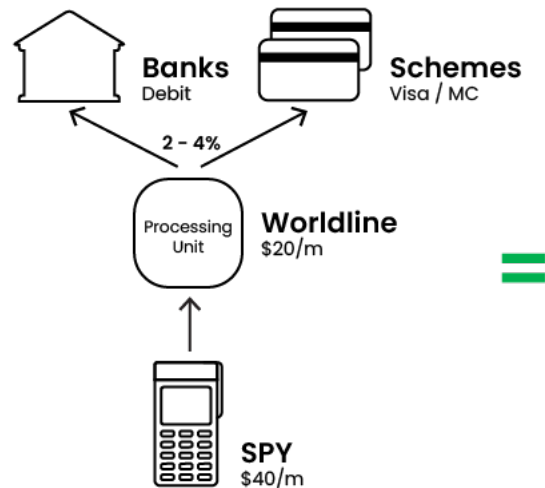
# Execute against our Strategic Ambition – Aligning the Two

	AUSTRALIA	NEW ZEALAND
<b>CURRENT STATE</b>		
Monthly Revenue	Terminal rental plus transactional revenue	Terminal rental revenue
<b>THE OPPORTUNITY</b>		
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

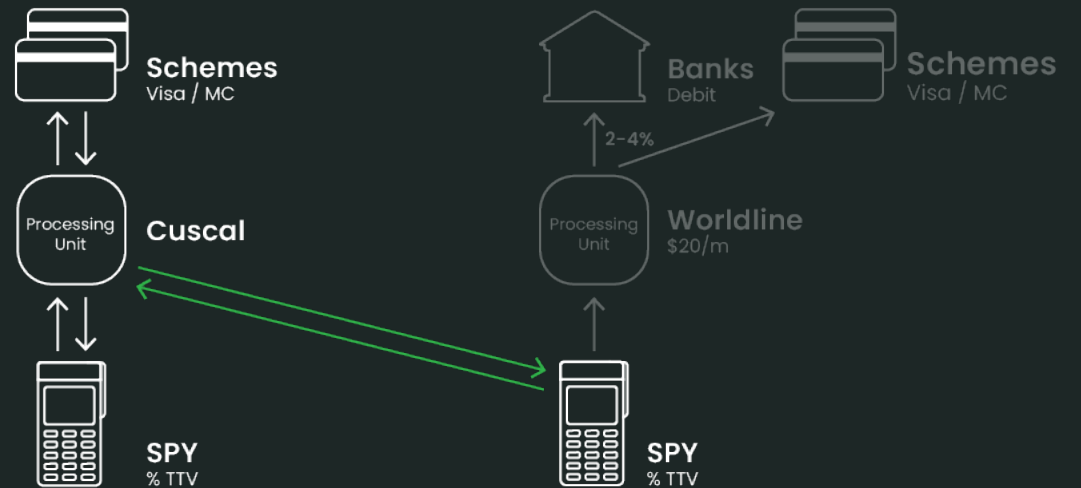


## NEW ZEALAND

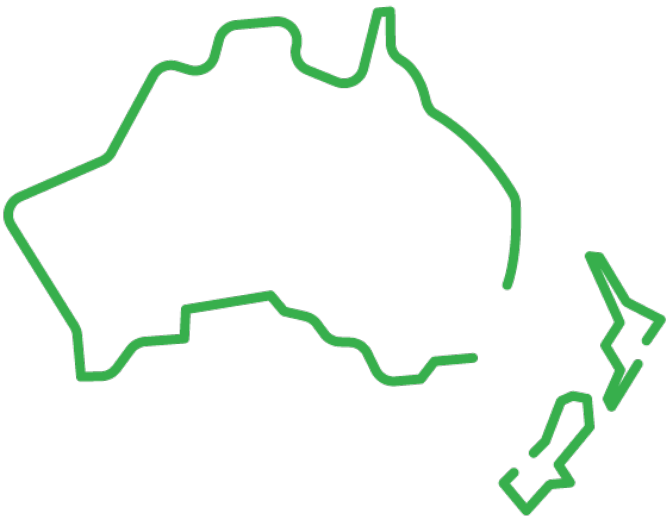


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# Progress against the **Strategic** **Ambition** of Aligning the Two



## **Android Terminal for Australia – ETA Calendar Year 2023**

- Scheme testing and Certification about to commence



## **Android Terminal for New Zealand – ETA Calendar Year 2024**

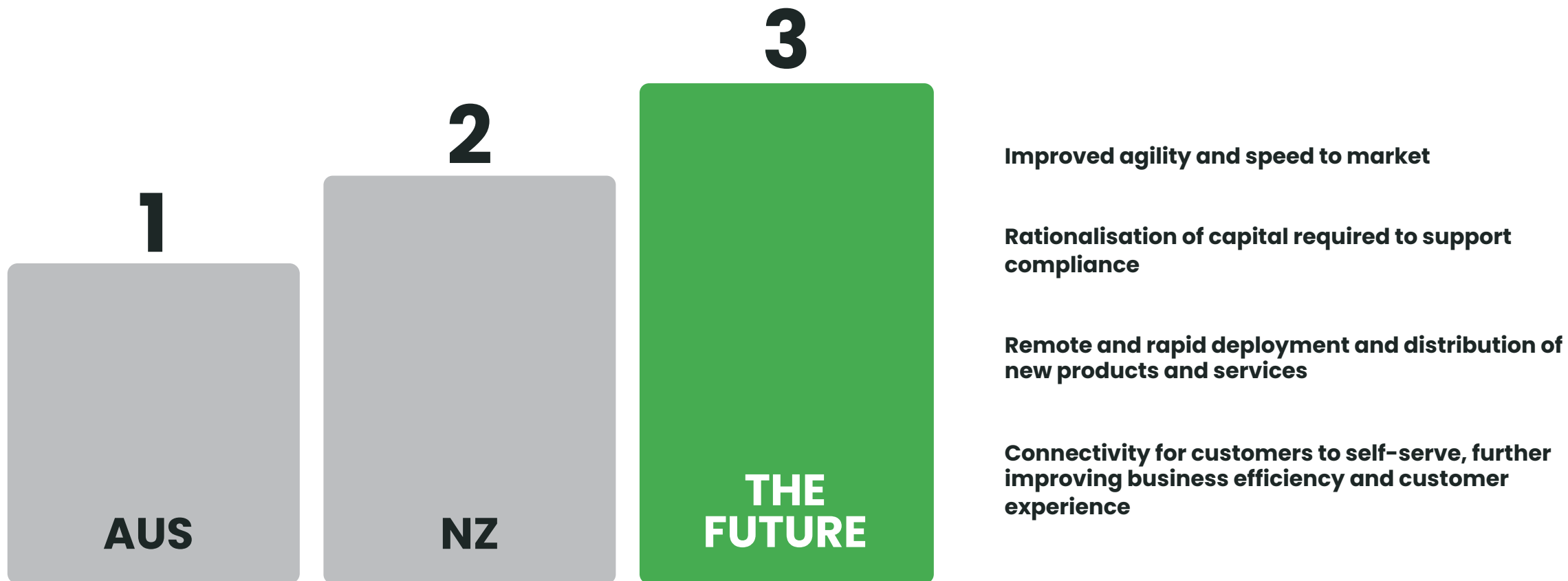
- Australia and thereafter New Zealand



## **Key partner agreements:**

- Cuscal
- Commercials being finalised
- Draft agreements received

# The 'Network Effect'





Smartpay Holdings Limited

**THANK  
YOU**

