

14 July 2022

The Manager

Market Announcements Office  
Australia Securities Exchange  
20 Bridge Street  
SYDNEY NSW 2000

**Electronic Lodgement**  
**14 July 2022 Strategic Review Update**

Below is an announcement for release to the market.

*Authorised for lodgement by Adrian Lucchese, Company Secretary.*

**Investor Relations**

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**About us**

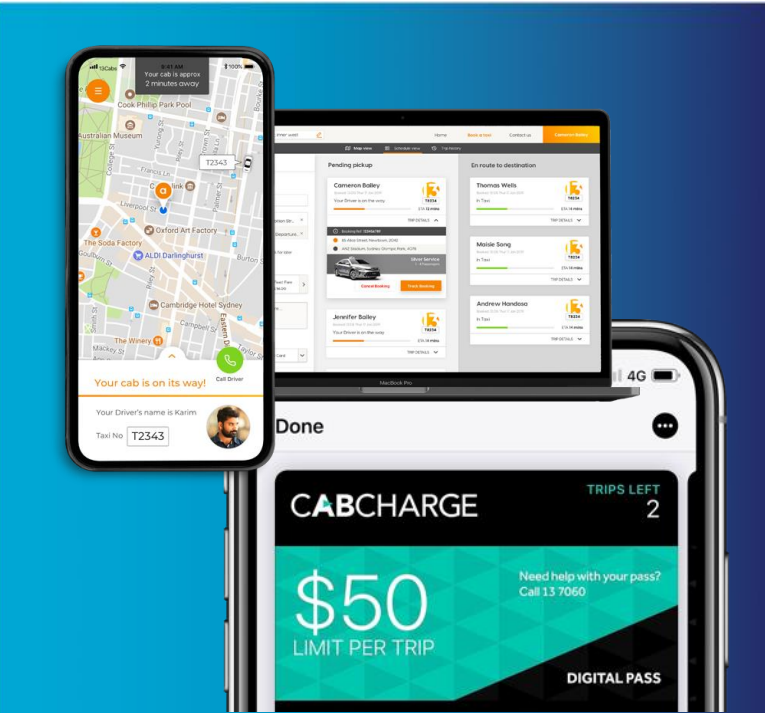
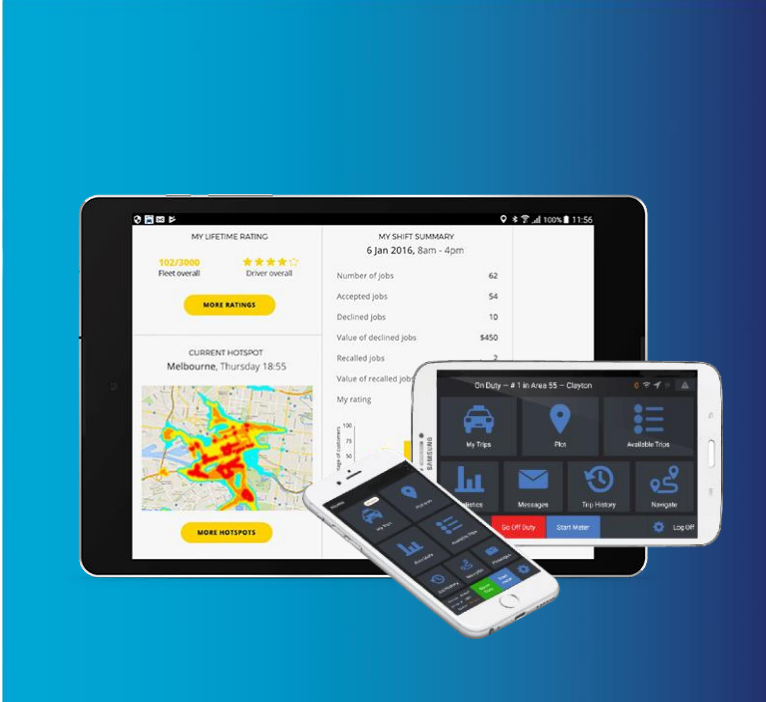
Operating since 1976, over the past 40+ years A2B has grown to become the market leader in the personal transport sector, backed by our emergence as a leading innovator in the fields of payment solutions and communication platforms.

For further information, please visit: <https://www.a2baustralia.com/>.



# Strategic Review Update

July 2022



## A2B | Today's Presenters



**MARK BAYLISS**

**EXECUTIVE CHAIRMAN**



grays:eommercegroup



**Anchorage**  
CAPITAL PARTNERS



**TON VAN HOOFF**

**CFO**



**AIRFRANCEKLM**  
GROUP

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## 1. Executive Summary



# A Refreshed Corporate Strategy of Being “Better Before Bigger”



Developed clear plan for growth in profit and cash



Addressed cost base and rightsized organisation



Simplified operating structure with clearly delineated responsibilities and accountabilities



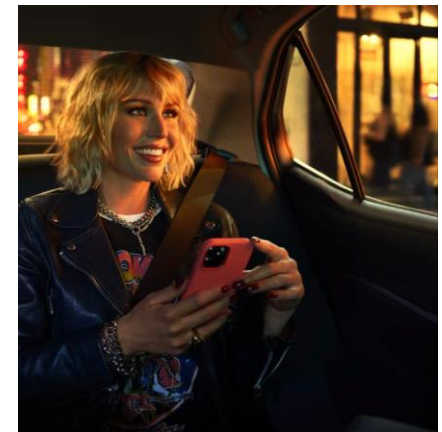
Stopped or closing non-core and underperforming activities



Decision on property to unlock value and return capital to shareholders



Significant improvement in culture and values

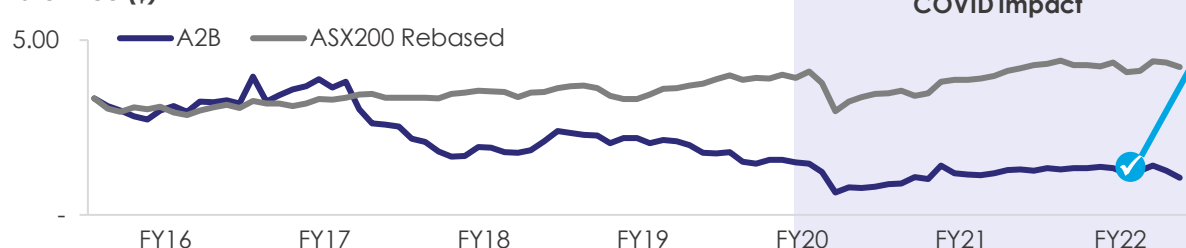


## Recent Performance & Announced Strategic Review Process

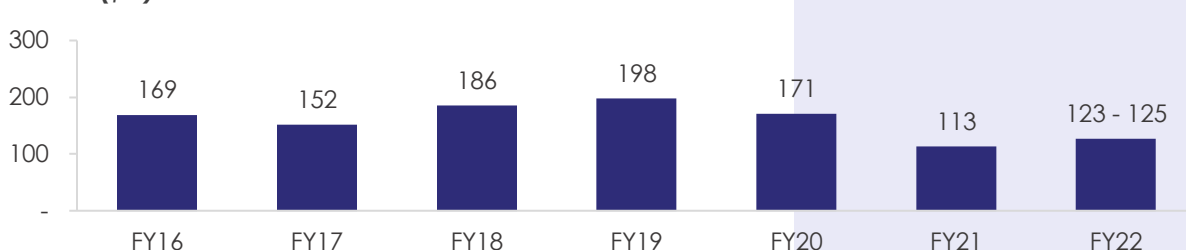
COVID materially impacted the A2B business due to temporary mobility related restrictions and short-term impacts to supply and demand. A2B has undertaken a strategic review to identify paths to profitability and sustainable growth.

### Track Record Pre-COVID & Impacts of COVID-Related Restrictions

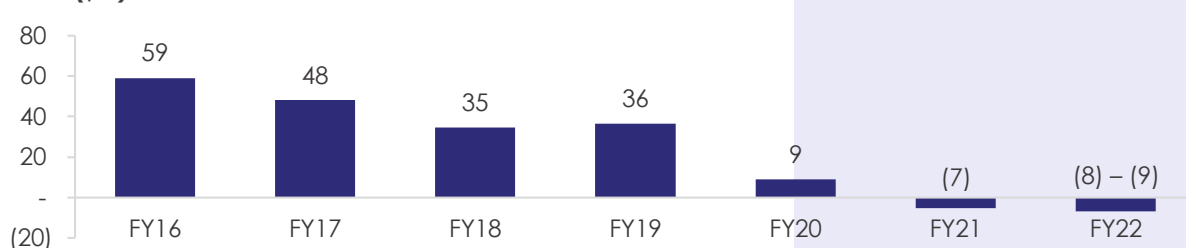
Share Price (\$)



Revenue (\$m)



EBITDA (\$m)\*



\* Underlying EBITDA pre-AASB16

#### Strategic Review Process

- On 8 February 2022 the Board announced that a strategic review would be conducted following leadership changes within A2B.
- This review was focused around enhancing A2B's near term return to profitability and sustainable growth while acknowledging the delayed recovery in the Australian taxi market following the impacts of COVID.
- In addition the Board committed to undertake a wider review of the company's asset portfolio, in particular its property assets.

# 1 Executive Summary

## Summary of Strategic Review Outcomes



### Leadership

- On 7 March 2022 Mark Bayliss was appointed as Executive Chairman of A2B who has since led the strategic review and transformation process of A2B.
- Ongoing CEO search and board changes (including personnel and remuneration).



### Operating Business

- Focus on our core operations with a "Better Before Bigger" strategy to achieve a solid and sustainable profit and cash improvement in FY23.
- Significantly improve the financial performance of A2B through a series of initiatives in growth, cost efficiency and portfolio management.
- Need for greater regard for the economics of the taxi drivers who represent the underlying revenue generators of our business.
- Refinement and reduction of FY22 initiatives to improve near term cash flow and profitability.
- Implement a new, leaner and more effective organisational structure.
- Primary focus on the Australian market.



### Property Assets

- Independent review of A2B's property portfolio completed by MA Moelis Australia aimed at maximising value outcomes for investors while considering A2B's future property needs.
- Independently assessed valuation of c.\$102M – 114M (\$0.84 - \$0.94 per share sale proceeds before costs and tax).
- The independent review concludes that it is in all stakeholders' interest for A2B to dispose its O'Riordan St property on-market through a competitive process in the near term (~6 months to complete).



### Corporate Efficiencies

- Simplified corporate structure into 2 divisions, B2C and B2B, and reduction in the number of brands we operate.
- Cost efficiency initiatives have been implemented resulting in a 128 FTE reduction, a decrease of 15%.
- Discontinuation of loss making businesses, FlamingoPay and the Couriers business in Qld.
- Reduction in technology expenses as part of implementation of labour efficiencies.



## 1 A2B is a well positioned business

- A2B remains a leader in the Australian personal transport sector with widely recognised brands.
- Our national footprint, strength in brand and service, superior safety record and end-to-end platform offers a differentiated position.
- Through continued engagement and support, A2B is well positioned to become an organisation of choice for the driver community when labour supply conditions normalise.
- With 6,831 vehicles in our network across Australia we are the clear number 2 player in the domestic personal transport market, only behind Uber and ahead of all other taxi and rideshare.

## 2 Operating conditions gradually improving

- Australian taxi usage is resilient however, COVID had a large impact on the business and has taken cars out of our fleet, our biggest revenue driver. FY22 recovery has been consistent however slower than expected.
- In 2H22 revenue improved vs 1H22, however discontinuation of Government support and increased cost resulted in an EBITDA deterioration.
- As such further cost efficiencies needed to be implemented to reflect this change in revenue in the near term.
- Guidance for FY22 Revenue and EBITDA of \$123M – \$125M and (\$8M) – (\$9M) respectively.

## 3 Positive FY23 outlook with return to profit

- FY23 outlook driven by new operating principles (i.e. focus on core, “Better-Before-Bigger”, new organisational structure, return to sustainable growth).
- FY23 targeting incremental fleet growth of 10% - 15%.
- Targeting return to positive free cash flow driven by gradual recovery of key revenue drivers, cost efficiencies and divestment of non-core assets.
- Targeting net debt in the low single-digit million range.

## 2. The Strategic Review Process

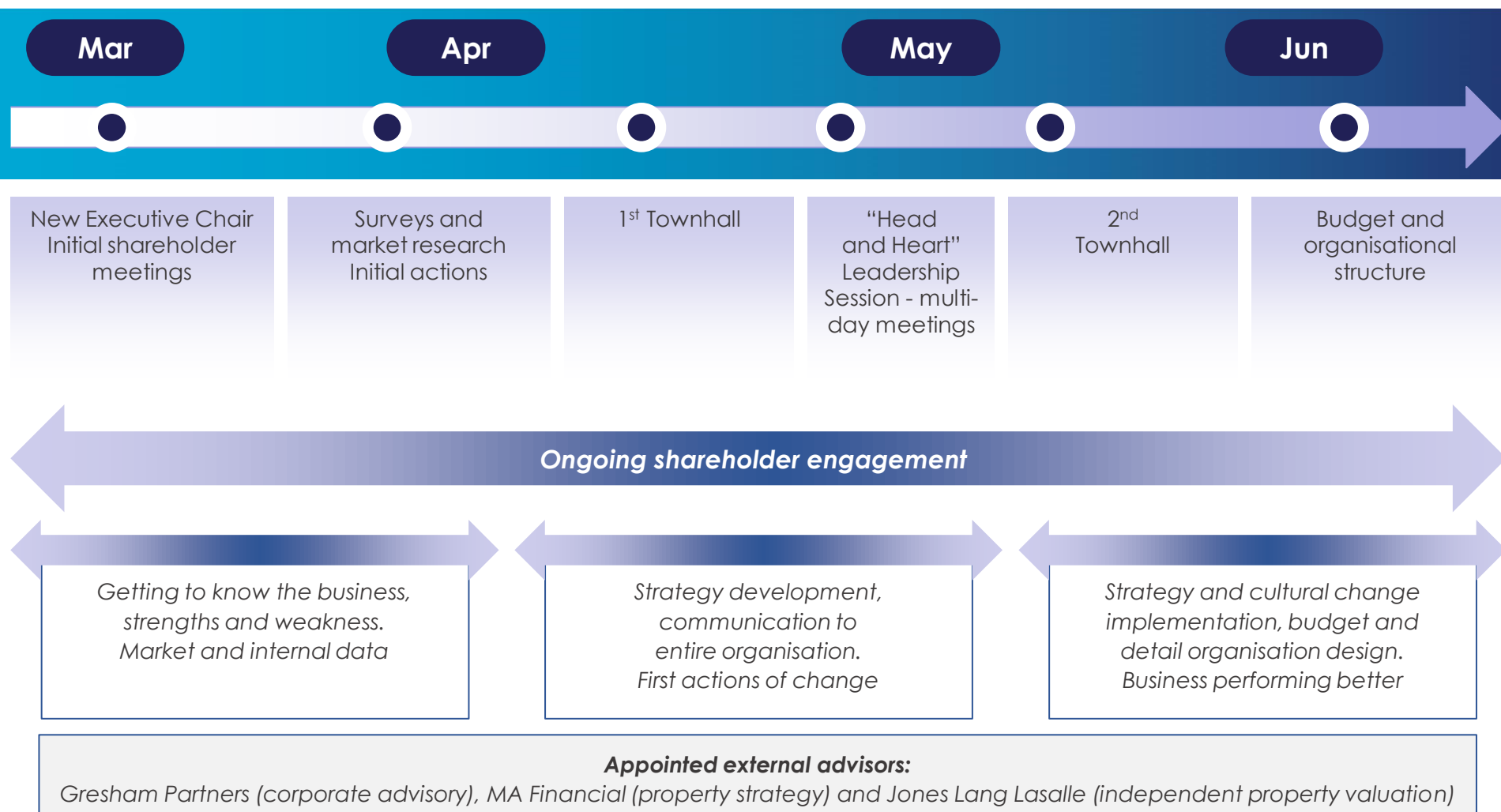


## 2 The Strategic Review Process

### Timeline of Recent Events



The last few months have seen a surge in energy and outcome orientation in the business, with performance starting to improve



## 2 The Strategic Review Process

# Initial Research Resulting In Early Improvements



Areas of immediate improvements were identified following surveys with key stakeholders. Actions were taken in certain areas requiring urgent intervention which resulted in positive quick wins.



### Drivers

- **Feedback:** A2B is hard to do business with and is not responsive enough.
- **Solution:**
  - Changes in driver contact centre improving responsiveness.
  - Implementation of Premium Driver program allowing Drivers to see destination data.
  - Project underway to streamline onboarding process for new Drivers using technology.
  - Improvement in in-car technology with accelerated roll-out of Samsung tablets.



### Passengers

- **Feedback:** Service levels and waiting times in the contact centre are unsatisfactory.
- **Solution:**
  - Change in technology, rostering and leadership resulting in contact centre meeting required service levels.
- **Feedback:** General availability of taxis.
- **Solution:**
  - Improvements in dispatching rules has reduced cancellation rates.



### Employees

- **Feedback:** Urgent and strong need for a strategy, vision and purpose that brings the company together.
- **Solution:**
  - Completion of strategic review involving group of 40 key staff.
  - Commencement of the new strategy as of 1 July 2022.
- **Feedback:** Must improve culture, leadership and people skills.
- **Solution:**
  - Changes in senior leadership.
  - Introduction of Town Halls and culture champ program.

## 2 The Strategic Review Process

# FY22 Improved Service Delivery to Drivers and Passengers

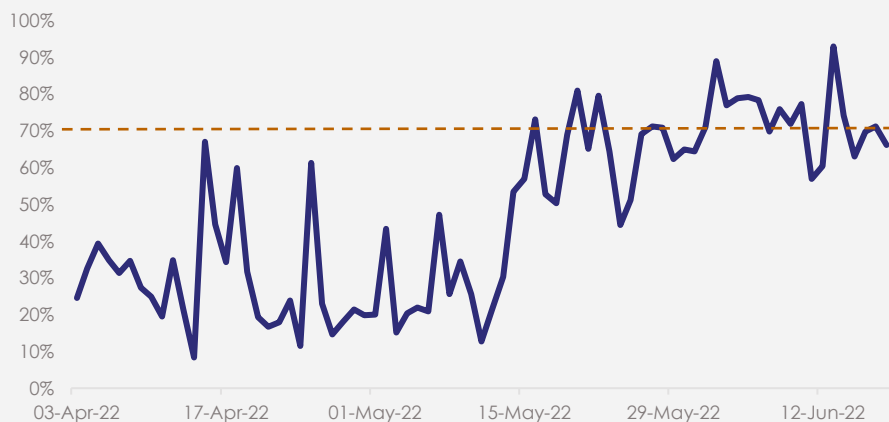


Initiatives introduced in 2H22 resulted in improved contact centre service levels and a higher automation rate. New IVR technology coupled with increase in App and Web traffic resulted in a booking automation rate of 77%, compared to 51% at the start of FY22.

### Improving quality

- Change in leadership, technology, culture and rostering resulted in dramatic improvement in Contact Centre Service levels.

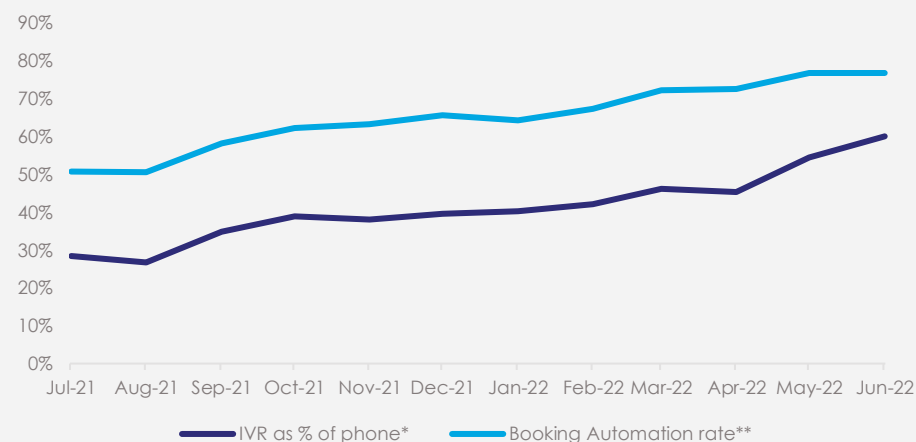
Contact centre service levels (Targeting 70% of calls within 30 seconds)



### Improving efficiency

- Growth in bookings continued while experiencing a decline in hail trips.
- Further improvement in booking automation rates were required to ensure service levels while not increasing cost to service a booking.
- Implementation of new Interactive Voice Response (IVR) system in May resulted in a significant improvement in IVR bookings.

Booking automation rates



\*Number of IVR bookings as a % of total phone bookings (IVR + contact centre combined)

\*\*Total bookings not requiring human intervention as a % of total bookings

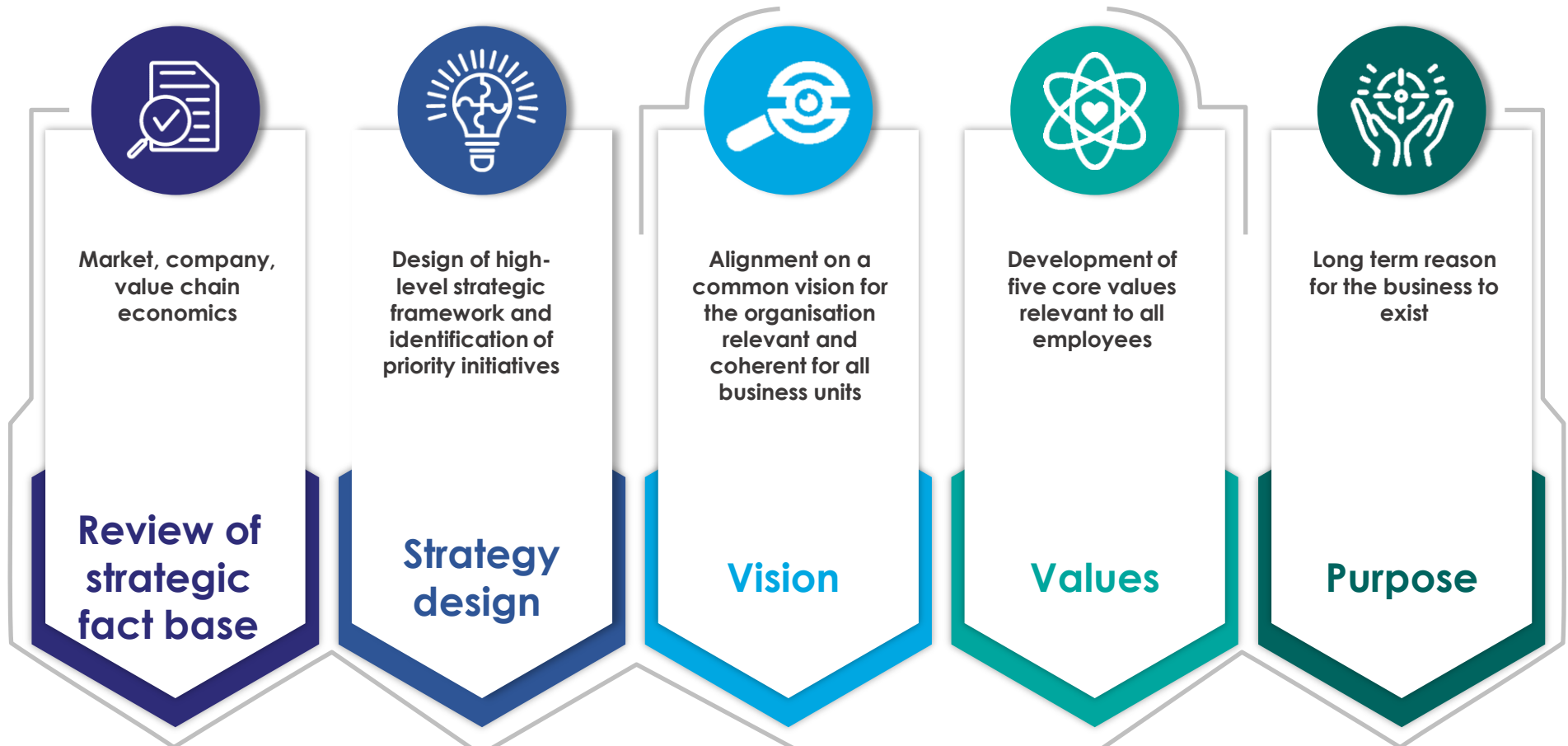


## 2 The Strategic Review Process

# Strategy & Culture Workshop



The foundation for culture revitalisation and strategy design was a three-day workshop (“Head and Heart”) involving over 40 people from across the organisation





### 3. Key Learnings from the Strategic Review

### 3 Key Learnings from the Strategic Review

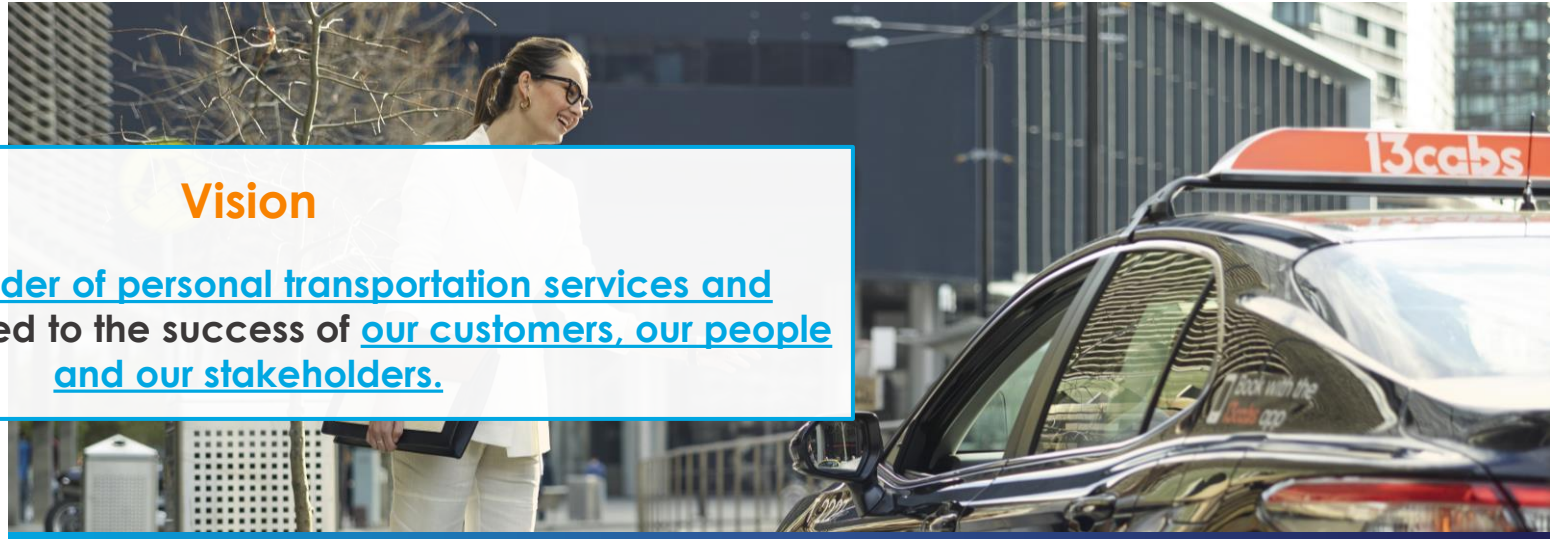
## Revitalised Our Vision & Purpose



“

### Vision

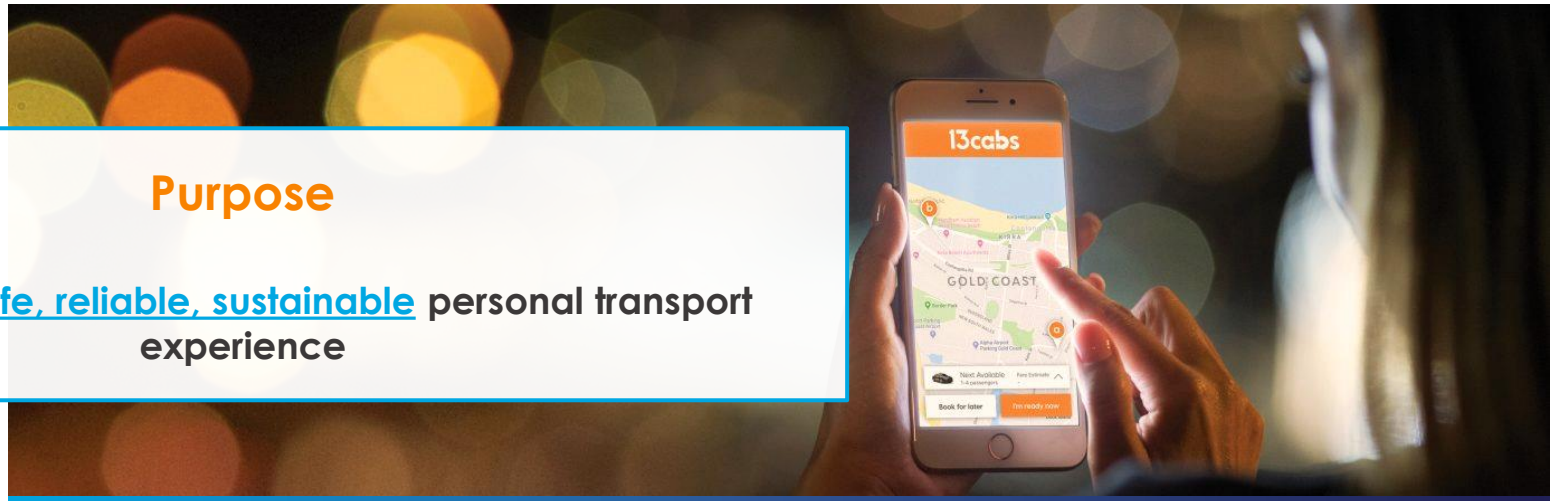
A leading provider of personal transportation services and solutions, committed to the success of our customers, our people and our stakeholders.



“

### Purpose

Delivering a safe, reliable, sustainable personal transport experience



### 3 Key Learnings from the Strategic Review

## Expanding on Our Vision



Our vision articulates the core identity of the business

Identity	Comments
<b>A Leading</b>	"Leading" purposely undefined but encompasses a variety of behavioural, strategic and financial metrics underpinned by innovation
<b>Provider of Personal Transportation</b>	Defines our target market and also what we exclude (e.g. public transport)
<b>Services and Solutions</b>	Recognises our ambition to operate as an integrated company including also end users (passengers) and the critical role of technical and non technical solution to achieve this. Primary geographic focus is Australia with international coverage from MTL dispatch and payment software
<b>Committed to the success of our customers, our people and our stakeholders</b>	Highlights a focus on our customers (drivers and passengers but also operators and merchants) and including employees and other relevant stakeholders

### 3 Key Learnings from the Strategic Review

## Implemented Core Culture & Values



Five core values have been developed and are being embedded across the organisation



**Caring**

We care about our business, our customers, each other. We care about safety, quality, reliability and having fun.



**Collaborative**

We work together as one connected team, including our customers and our partners.



**Authentic**

We are straight-up. We call it as it is with respect for each other.



**Accountable**

We keep our word and take responsibility for our work.



**Progressive**

We are innovative, we keep moving forward and are goal oriented.



### 3 Key Learnings from the Strategic Review

## A2B's Core Competencies



### Integrated End-to-End Platform

#### 1. Customer Bookings & Order

- Improves convenience and enhances customer loyalty.
- Drives booking and payment efficiency.



4.8 (iOS)



3.3 (Google Play)



#### 2. Fleet Dispatch & Booking Technology

- World Class Dispatch Technology.
- Revenue derived from fee charged on a subscription basis.



#### 3. Ride & Fleet Management

- Monthly network fee for vehicles.
- Ancillary fees for additional value add services provided.



#### 4. Customer Payment

- Transaction fee charged on trip transaction value.



#### 5. Reconciliation capability

- Corporate customers, operators and networks.
- Taxi Subsidy Schemes for State Governments.

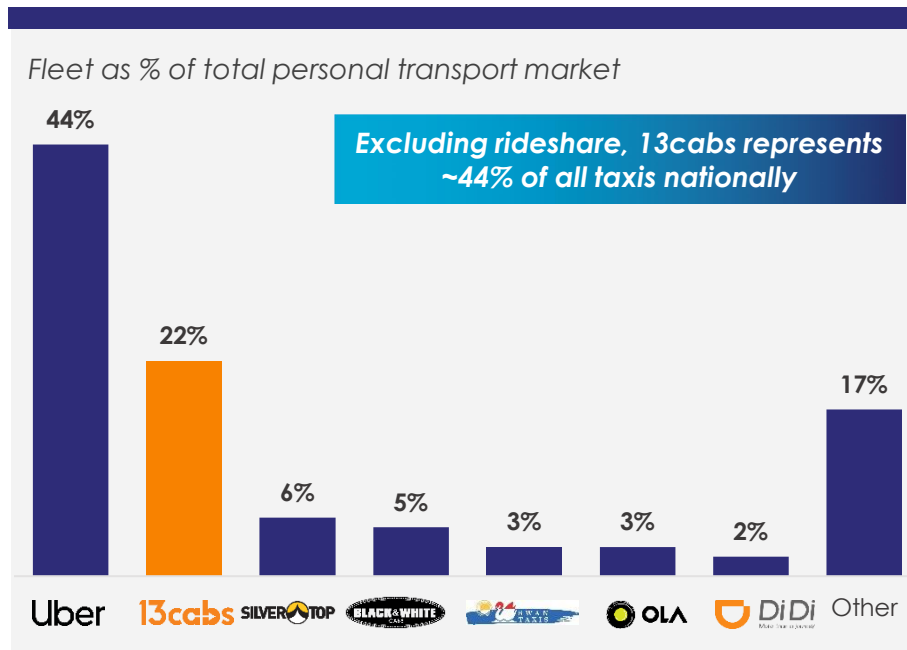
Date	Time	Traveler	Card / Seq No.	Cost	Product	Tag status
Mon 07 Jul	12:30	Sharma Neelam	999999999	\$27.50	Digital FASTCARD	Tag
<div> <div> </div> <div> <p> <b>TRIP SUMMARY</b>            FROM: 1234 Main St, New York, NY 10001            TO: 5678 9th Ave, New York, NY 10018            DISTANCE: 12.34 Miles            DURATION: 45 mins            PASSENGER: 1            DRIVER: 2            TOTAL: \$27.50            TAX: \$2.00            TOTAL: \$29.50            PAYMENT METHOD: CASH            RECEIPT NUMBER: 1234567890         </p> </div> </div>						
Tue 08 Jul	08:45	Sharma Neelam	999999999	\$12.86	Digital FASTCARD	Tag
Tue 08 Jul	20:30	Sharma Neelam	99999	\$12.63	FASTCARD	Tag
Wed 09 Jul	14:20	Sharma Neelam	99997	\$13.31	Digital Pass	Tag
Thu 10 Jul	20:10	Sharma Neelam	99998	\$14.42	FASTCARD	Tag

### 3 Key Learnings from the Strategic Review

## A2B is the Clear Number 2, With Scale in a Fragmented Market



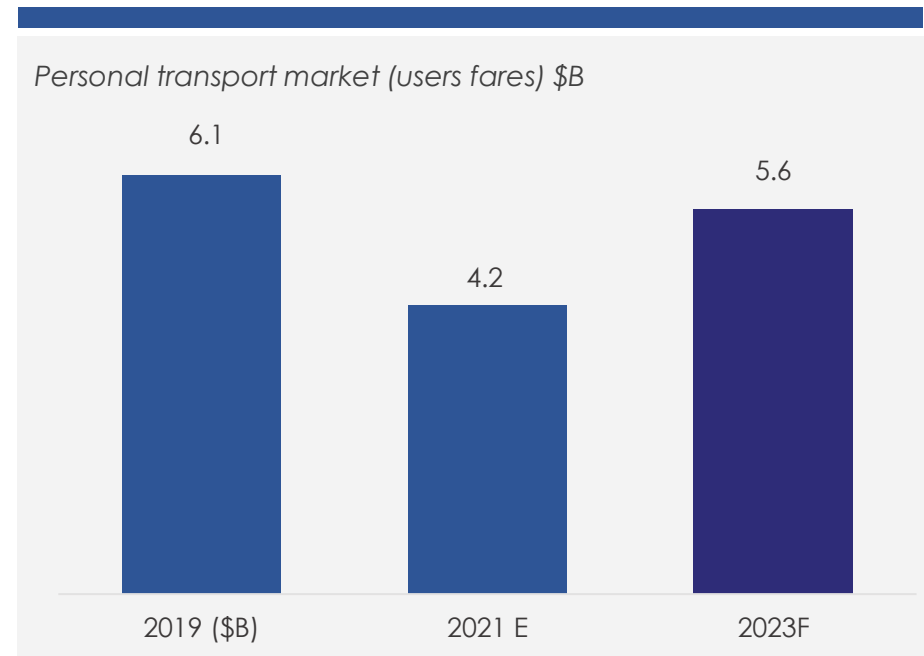
### A2B is a clear leader in a fragmented market



- A2B's business is the clear number 2 player, second only to Uber, in a market with a long tail of smaller and regional operators.
- During and post pandemic A2B retained its market share and is well positioned to recover nationally.

Note: Does not include ubereats  
Source: IBIS, Statista, A2B

### The personal transport market is recovering



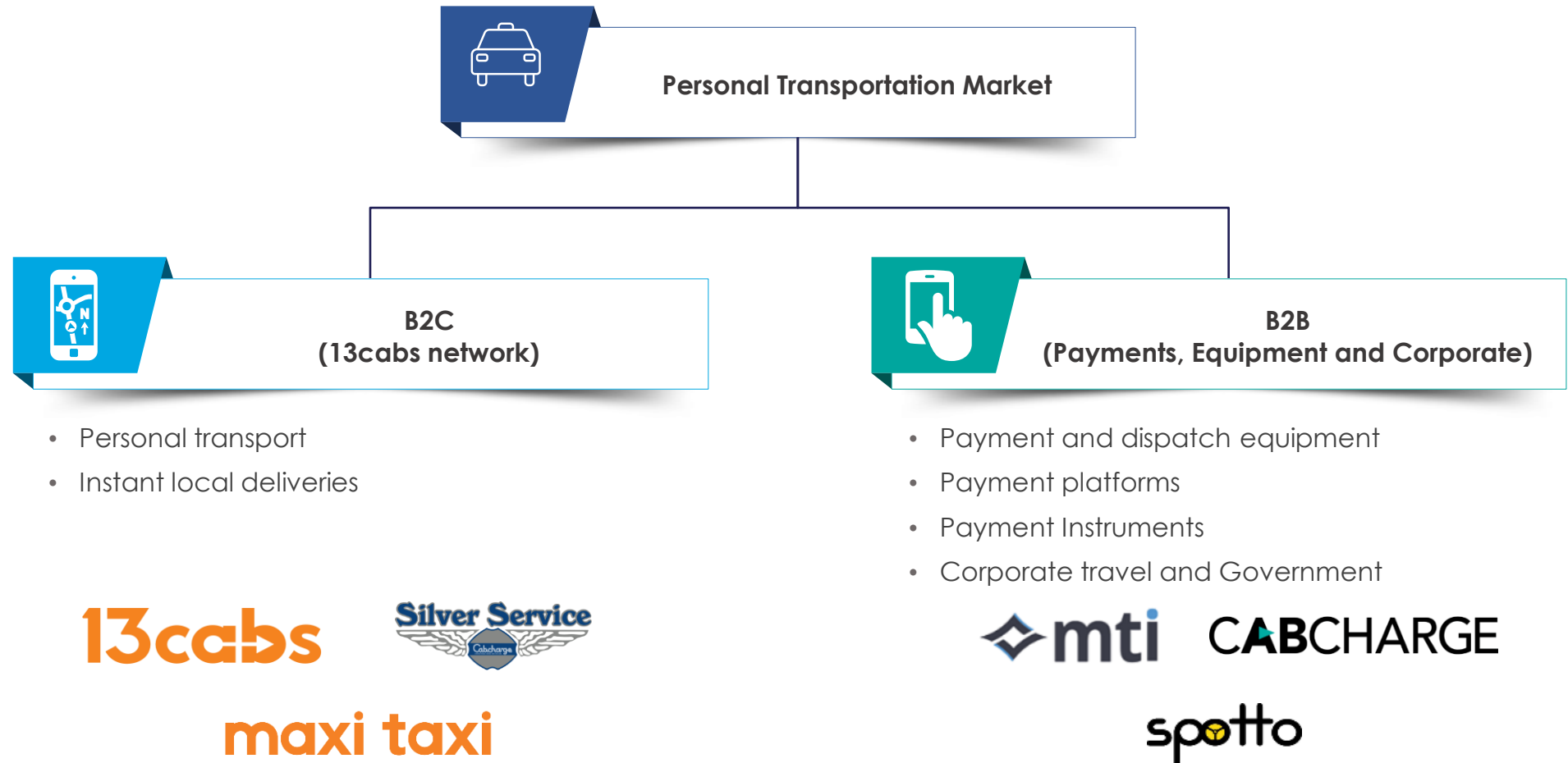
- Total personal transport market is estimated to be worth ~\$5.6B, and slowly recovering towards pre-covid levels

### 3 Key Learnings from the Strategic Review

## Reorganising A2B's Segments



A2B currently competes with multiple leading brands in a market which can be divided into two different segments



### 3 Key Learnings from the Strategic Review

## Reorganised Segmental Structure



At the highest level, a simpler corporate structure with proper P&L accountability has been implemented with Technology underpinning and supporting both the B2C and B2B divisions

	B2C (13cabs Network)	B2B (Payments, Equipment and Corporate)
What We Do	<ul style="list-style-type: none"> <li>Personal transport</li> <li>Generate trips for drivers and operators</li> <li>Instant local deliveries</li> </ul>	<ul style="list-style-type: none"> <li>Equipment and dispatch</li> <li>Payment platforms &amp; instruments</li> <li>Corporate travel solutions</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Drivers</li> <li>Operators &amp; taxi license owners</li> <li>Passengers of 13cabs network</li> </ul>	<ul style="list-style-type: none"> <li>Taxi networks</li> <li>Independent operators</li> <li>Corporate clients and government</li> </ul>
Competencies	<ul style="list-style-type: none"> <li>Relationship with large number of customers</li> <li>Understanding of fares, flows of funds, drivers' economics, drivers and owners "needs and wants"</li> <li>Management of brand and passengers demand / supply dynamics</li> <li>Design of pricing and fare structure</li> </ul>	<ul style="list-style-type: none"> <li>Management of corporate and Government clients</li> <li>Management of equipment and payment system portfolio</li> <li>Consolidation of corporate sales and Cabcharge into one division</li> </ul>
KPIs	<ul style="list-style-type: none"> <li>Revenue and EBITDA for division</li> <li>Fleet size and mix</li> <li>Number and mix of trips in network</li> </ul>	<ul style="list-style-type: none"> <li>Revenue and EBITDA for division</li> <li>Number and value of fares processed</li> <li>Share of corporate/Government markets</li> </ul>

### 3 Key Learnings from the Strategic Review

## Outcomes of Fact Based Review



The fact base review confirmed that the market was slowly recovering from COVID restrictions and A2B still had strong potential, despite recent performance setbacks

01

Market expected to close FY22 at ~70% of pre-COVID levels in fleet size and ~85% of trips / fares and now growing at about 5% per annum



02

A2B's performance improving but inheriting high-cost structure despite decline in revenues



03

Strong competitive position in personal transport (B2C) and solutions (B2B) supported by internal enthusiasm following change in leadership: **passion, potential and opportunity**





### 3 Key Learnings from the Strategic Review

## B2C Segment – Demand For Rides Are Improving

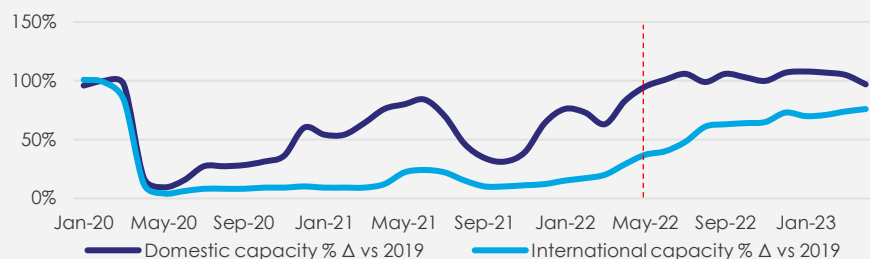


Whilst demand for rides is improving, fleet size is recovering more slowly

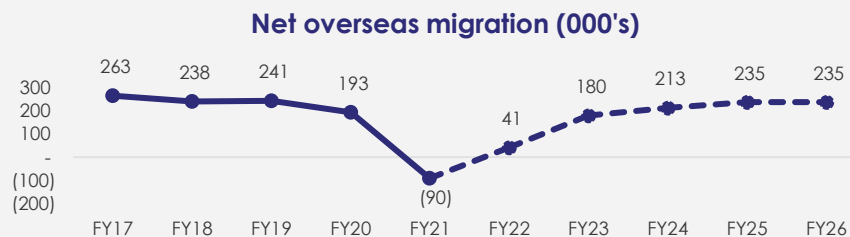
Encouraging signs of recovery in the Australian economy with A2B well placed as a post-COVID beneficiary

#### Macro economic recovery

Domestic airline activity returning to pre-COVID levels with International to follow

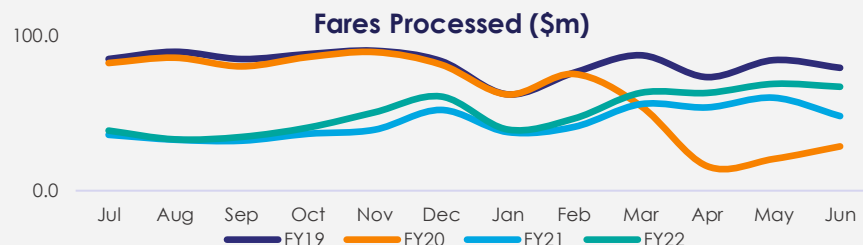


Net overseas migration expected to return. This will be a key contributor to driver and fleet growth.

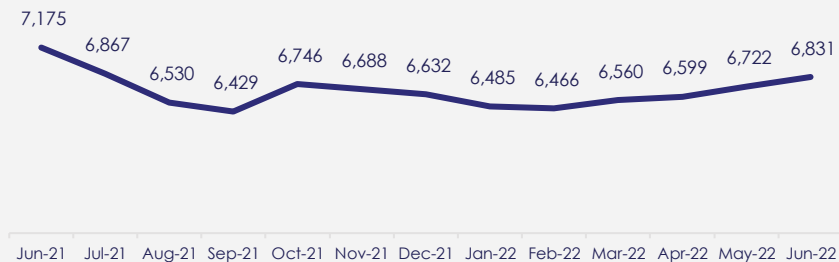


#### A2B recovery

Demand returning and flowing through to A2B through an increase in taxi fares processed, reaching 85% of FY19 levels in June 2022



Fleet recovery slow and gradual, picking up momentum in Q423  
Affiliated fleet at end of month (number of cars)



### 3 Key Learnings from the Strategic Review

## B2C Segment – Addressing the Macro Factors to Return to Growth



#### Factors

#### Regulatory Environment

- Restricts the fleet growth.
- Holds Taxi fares at artificially low rates (e.g. fares in Victoria have not increased since 2014).
- Limits the ability of Taxi to respond to sudden changes in market dynamics and costs (e.g. sudden increase in fuel prices).
- Imposes higher costs on businesses wishing to operate a Taxi rather than rideshare.



#### Dynamics and initiatives

- State Governments are addressing the regulatory inequity between Taxi and rideshare.
- NSW, SA, the NT and Qld are all looking to introduce legislation which would allow Taxi unrestricted fleet growth, equalise costs including Compulsory Third Party Insurance (CTP) premiums between Taxi and Rideshare and deregulate fare setting for Taxis.
- NSW is looking at a billion-dollar compensation package for Taxi licence holders.
- Recent fare increases include Vic (10.4%), Qld (+6%), WA (+6%) and NSW (expected to announce shortly).

#### Operating Environment

- Competition is strong in the personal transport sector.
- Demand has steadily increased since the beginning of the year but varies by market (SA and Qld nearing pre COVID while NSW and Vic still down significantly).
- Average fares are currently higher than pre pandemic.
- Driver supply remains a challenge with a tightening labour market, vehicle manufacturing delays and fare structures that constrain Driver earnings.
- Actively listening to our Drivers and Operators.
- Partnership with Bureaus to enhance business offerings.
- Our 13cabs brand continues to offer significant value to new and returning Operators and Drivers.
- 13cabs fleet is growing at a faster pace than rideshare with our active Driver numbers up 4% since January (twice as fast as Uber drivers are returning).
- Significant 13cabs Brand presence at the Melbourne Grand Prix and other high-profile events (Townsville V8)
- Industry leadership through Driver Expo's to showcase and elevate Driver profile and Driver opportunities.
- Our fixed price option remains popular with travellers.

### 3 Key Learnings from the Strategic Review

## B2C Segment – Implementing Customer & Passenger Improvements



Key actions we are focusing on to better serve Passengers, Drivers, and Operators to grow fares and fleet



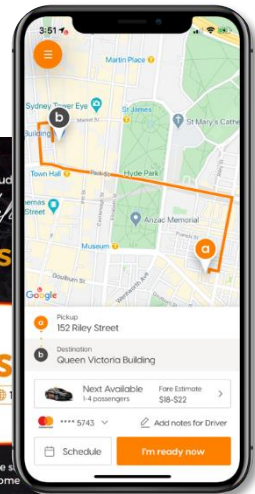
#### Drivers

- ✓ Guaranteed Driver payments for failed app payments
- ✓ Continued partnership with 7 Eleven providing 6 cents off a litre for fuel for all our Drivers nationally
- ✓ Upgraded in-vehicle dispatch hardware (tablets)
- ✓ Premium Driver rollout in selected locations
- ✓ Trialling destination on pick-up; expanding plotting areas



#### Passengers

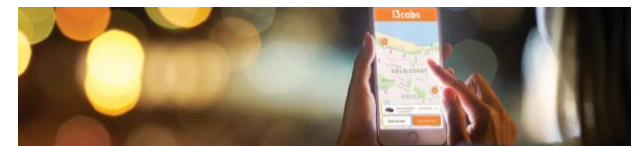
- ✓ Continued improvement in the 13cabs App
- ✓ Providing price certainty through our Price Guarantee offering
- ✓ Improving our Contact Centre capabilities to quickly respond to Passenger and Driver enquiries



#### Got a favourite Driver?

Request them again with MyDriver

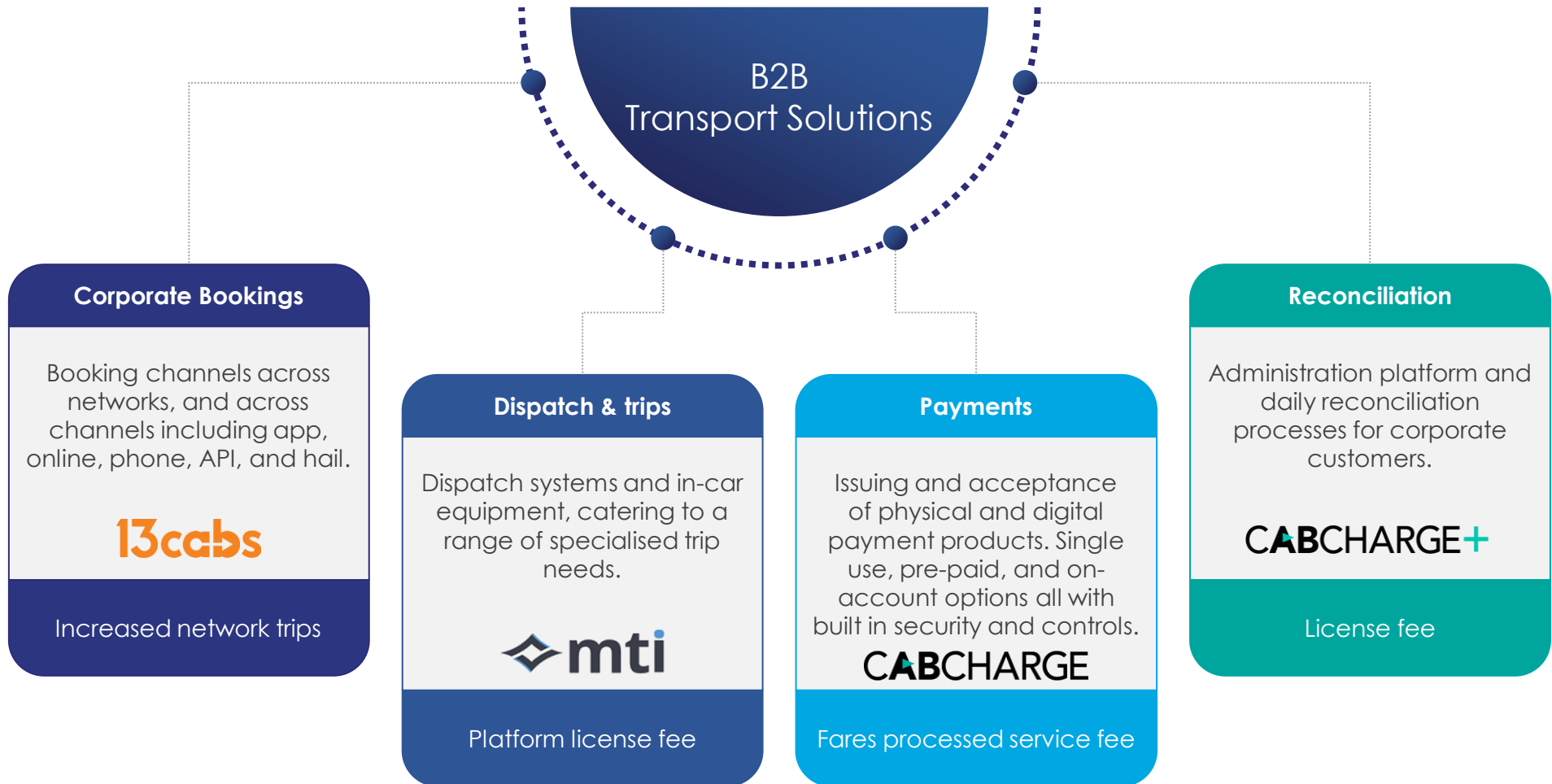
Our price guarantee puts you in **total control.**



### 3 Key Learnings from the Strategic Review

## B2B Segment – End-to-End capability with an Extensive Offering of Products and Services

The market is recovering with fares processed currently running at ~85% of pre pandemic levels.

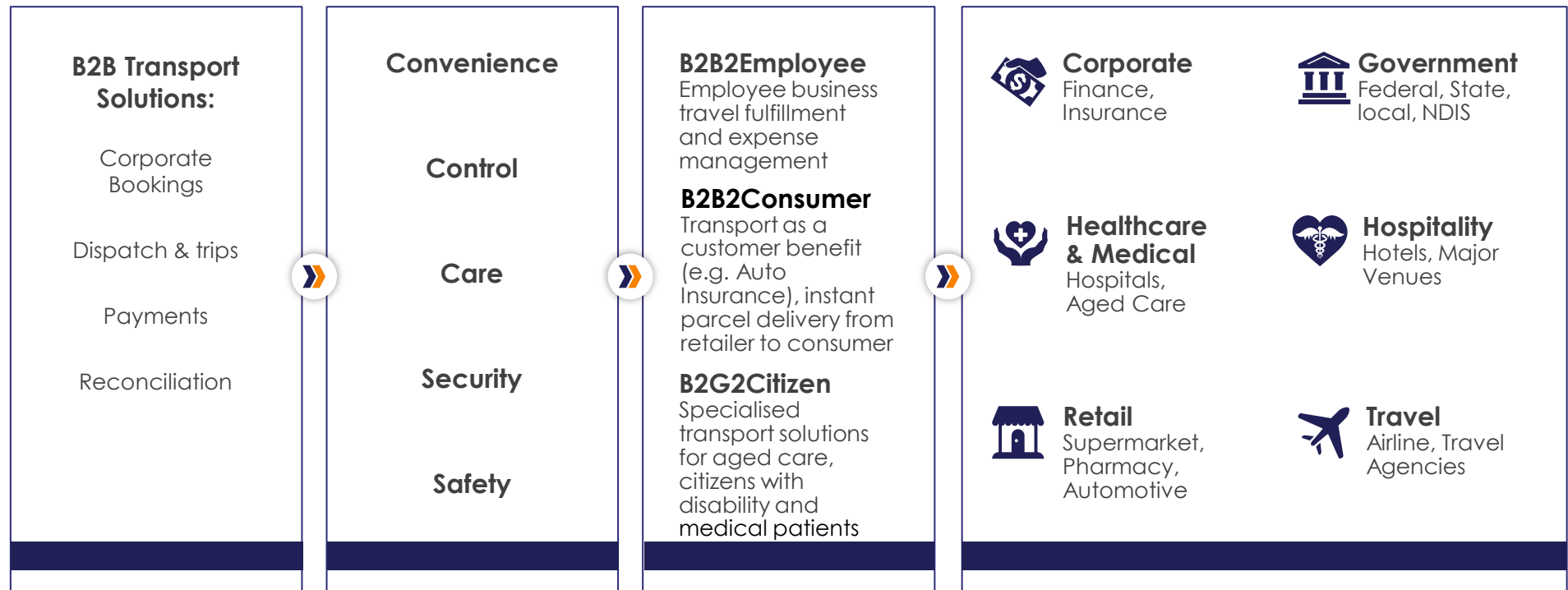


### 3 Key Learnings from the Strategic Review

## B2B Segment – Simplify and Enhance Corporate Transport Offering



Newly formed organisational structure brings together all business-to-business brands, offering growth opportunities through bundled or modularised solutions, and creating efficiencies in our go-to-market.





## 4. Our New Operating Strategy

## 4 Our New Operating Strategy “Better Before Bigger”



A2B is implementing a strategy of rapid return to profitability and sustainable growth, underpinned by 10 major initiatives

### Defence by growth of the core business

1

Growth of revenue and market share from trips and fleet

2

Increase value provided by our Business To Business Products

3

Expansion into relevant adjacent markets

1.0 Streamline low value adding activities

3.1 Maximise NDIS opportunity

1.1 Pricing review (drivers and passengers)

2.1 Improve B2B personal transport solutions in car technology

3.2 Grow share in parcel and delivery markets

1.2 Improve drivers and passengers acquisition and retention

2.2 Review payments portfolio of brands and products

3.3 Explore Premium service opportunity

1.3 Improve drivers and passengers dispatch and pick up experience

2.3 Simplify and grow corporate and B2B offering

A



World Class Culture and Organisation

B



Leading KPIs and Financial Management

C



Superior Personal Transport Technology

















## 4 Our New Operating Strategy

### Planned Divestitures



Each non-core and loss-making parts of the business have been reviewed, resulting in closures and potential disposals

	 <b>Flamingo Pay</b>	 <b>Couriers</b>	 <b>Buses</b>	 <b>Owned taxi fleet</b>
 <b>Non-core Business</b>				
 <b>Contributes to core</b>			 	
 <b>Status</b>	Sale process underway	Sale agreed	Continuation	In progress, closure in Adelaide improved efficiency in Queensland
		 <b>Yes</b>	 <b>No</b>	

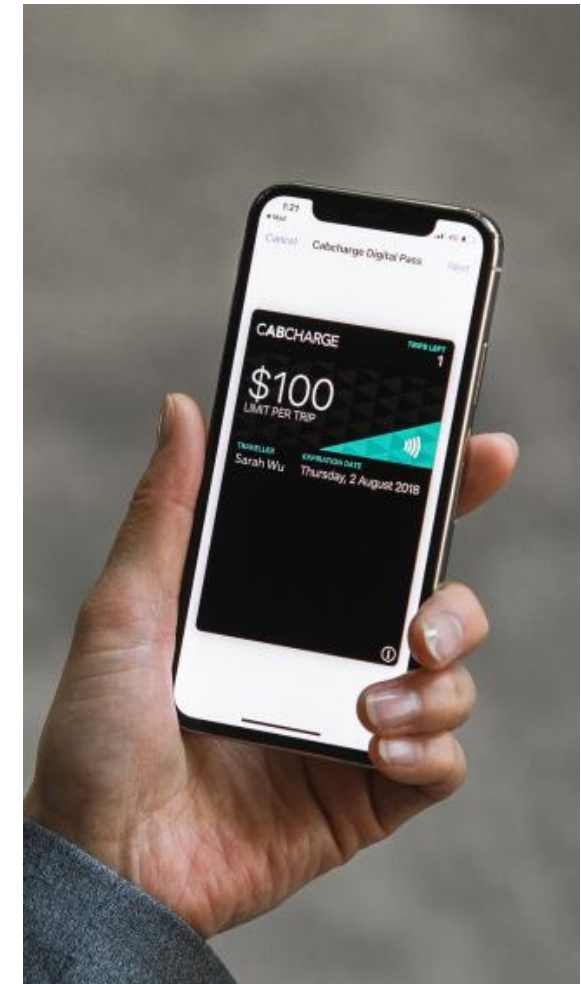
## 4 Our New Operating Strategy

# Labour & Cost Savings



The new strategy and new corporate structure has resulted in a total cost reduction of 15% or ~\$15M of the cost base. FTE has been reduced by 128 positions, overhead levels continue to be reviewed.

	Process	Action Plan
Labour (65% of cost base)	<ul style="list-style-type: none"> <li>Strategy before structure</li> <li>Zero based approach with reference to pre-covid cost ratios</li> <li>Focus on positions rather than names</li> </ul>	<ul style="list-style-type: none"> <li>Rigorous process of consultation</li> <li>Communication including broader organisation</li> <li>Customised packages delivered, and post event communication</li> </ul>
Marketing (10% of cost base)	<ul style="list-style-type: none"> <li>Review of marketing spend effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>Focused on driver recruitment and fleet growth</li> </ul>
Overheads (25% of cost base)	<ul style="list-style-type: none"> <li>First review across all categories</li> </ul>	<ul style="list-style-type: none"> <li>Reductions across most areas</li> <li>Further review 1Q23</li> </ul>



## 4 Our New Operating Strategy

### CEO & Board Refresh



CEO search	Board Refresh
<ul style="list-style-type: none"><li>• Recruitment process initiated with initial candidate long list being developed.</li><li>• Executive Chairman Mark Bayliss to remain full time until suitable CEO candidate appointed; thereafter transitioning to 2 days per week.</li></ul>	<ul style="list-style-type: none"><li>• NED renewal process underway; number of independent directors to be reduced from 4 to 3.</li><li>• Non-Executive Director fees are being reduced to a fixed component of \$90k and an incremental \$10k per committee attendance. A reduction of 15%.</li></ul>



## 5. Our Property Portfolio



## 5 Our Property Portfolio

# Property Summary



Independent property portfolio review completed with recommendation to sell all 3 properties. Independent valuation by JLL valuing all 3 properties combined at \$102M - \$114M

### A2B Property Portfolio

### Current Use Case

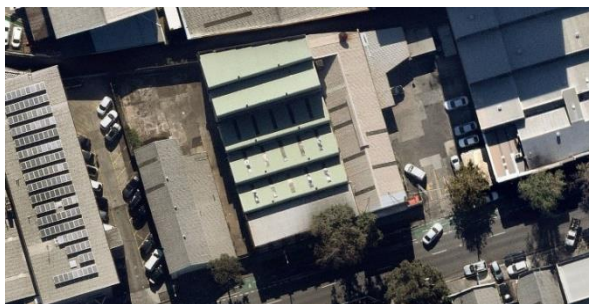
### 2022 Strategic Review Process

9-13 O'Riordan  
Street  
Alexandria NSW



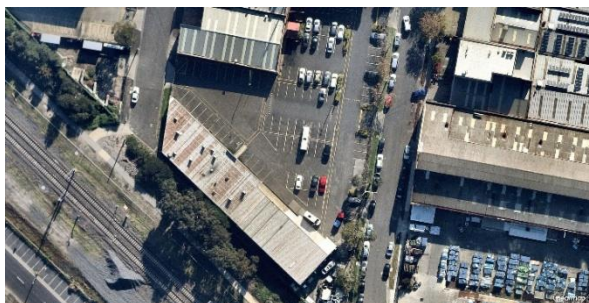
A2B's  
headquarters  
Sydney  
operating  
facilities

9-13 Bourke Road  
Alexandria NSW



Leased to a  
third party

35 Downing Street  
Oakleigh Vic



Melbourne  
operating  
facilities

- A2B appointed MA Financial to undertake a strategic review of A2B's national property requirements
- MA Financial appointed JLL to conduct an independent property valuation
- Overarching objectives to identify A2B's property requirements and advise on optimal value-maximising outcomes for shareholders
- MA Financial has concluded its review and the findings are set out on following page

## 5 Our Property Portfolio

# Independent Property Expert Findings



### Independent Property Recommendations

<b>A2B property requirements</b>	<ul style="list-style-type: none"><li>• A2B's strategy is unaffected by property and can fund the incremental (estimated ~\$3M) rent expense if properties were sold.</li><li>• Determined to realise value over time and return capital to shareholders.</li><li>• A2B will lease head office and operating facilities, providing greater flexibility for A2B's evolving business.</li><li>• A2B has appointed a sales agent for the sale of 9-13 O'Riordan Street, Alexandria.</li></ul>
<b>Valuation and estimated capital return</b>	<ul style="list-style-type: none"><li>• Current value of the combined property portfolio has been independently valued at \$102M to \$114M (\$0.84 - \$0.94 per share).</li><li>• After deduction of sale costs and tax this results in an estimated net cash in flow of \$84M to \$92M (\$0.69 - \$0.76 per share) – subject to sale proceeds.</li><li>• A2B's intention would be to fund a fully franked dividend to shareholders after assessing future working capital and debt requirements.</li></ul>
<b>Timeline</b>	<ul style="list-style-type: none"><li>• Timeline for sale 6 months</li></ul>

A photograph of a man with dark hair and a light beard, smiling and looking out the window of a car. He is wearing a blue and white checkered shirt and a seatbelt. The car's interior is visible, including the headrest and window frame. The background is a solid dark blue with a white diagonal line separating it from the photo. A semi-transparent grey bar with a blue border is positioned over the lower part of the photo, containing the section header.

## 6. FY22 Performance and Financial Outlook



## 6 FY22 Performance and Financial Outlook

### Expected FY22 Outcome



Revenue growth more than offset by \$16M reduction in Government support and increased costs.

(\$m)	FY22F	FY21
Fleet (# of vehicles)	6,831	7,175
Fares processed	607	525.0
Revenue	123 – 125	113.4
Government support	2.0	18.0
Underlying EBITDA*	(8) – (9)	(6.9)
Impairments PPE and internally developed IP	(9) – (10)	-

\*excl. AASB16 adjustments, excl. impairments and other one-off items

- Fleet declines in 1H22 recovering with increased momentum in Q4.
- Network fee discounts continued in 1H22 during lockdowns.
- Fares processed recovery encouraging with Q4 reaching 84% of FY19 levels and growth continuing. Corporate travel recovering slower than personal spend.
- Revenue increase YoY, more than offset by the reduction of covid related Government support of \$16M.
- YoY overall reduction in costs. Further expected savings in FY23 of \$15M.
- Following strategic review certain business lines have been discontinued and asset review completed resulting in an expected asset write off of \$9M-\$10M.

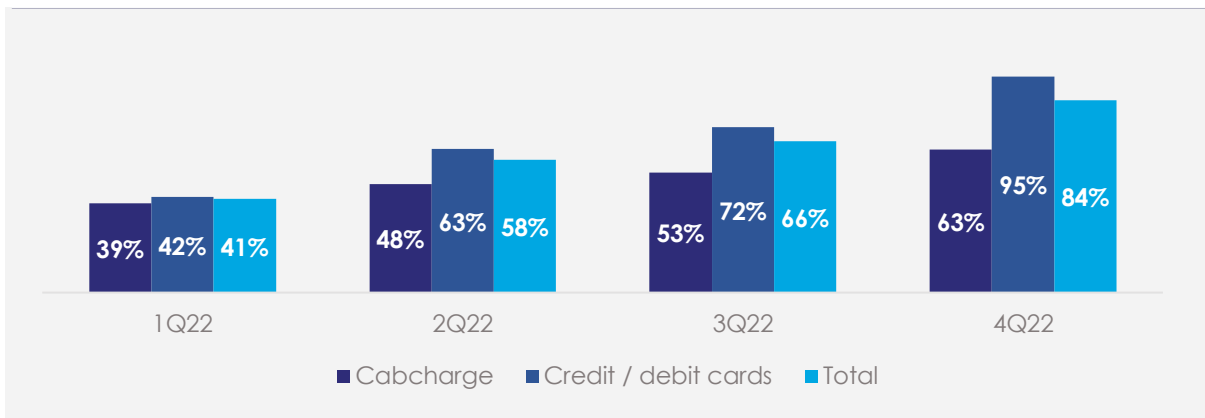
## 6 FY22 Performance and Financial Outlook

### FY22 Fares Processed



Continued recovery in FY22, accelerating in Q4.

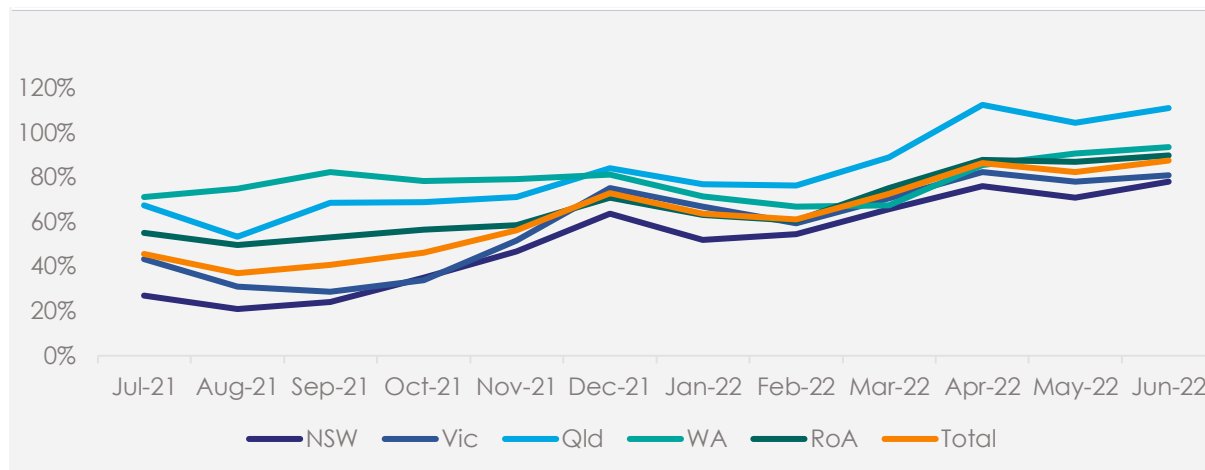
Total Taxi Fares Processed (FY22 as % of FY19)



- Recovery in fares processed has been accelerating in Q422 with credit / debit card transactions nearing FY19 levels – **reaching 95% of 4Q19 levels.**

- Immediate opportunity remains with Corporate Account customers – **reaching 63% of 4Q19 levels.**

Total fares processed (% of FY19 by state)



- All states and channels heading towards FY19 levels. Upside remaining through recovery in Cabcharge fares.

## 6 FY22 Performance and Financial Outlook

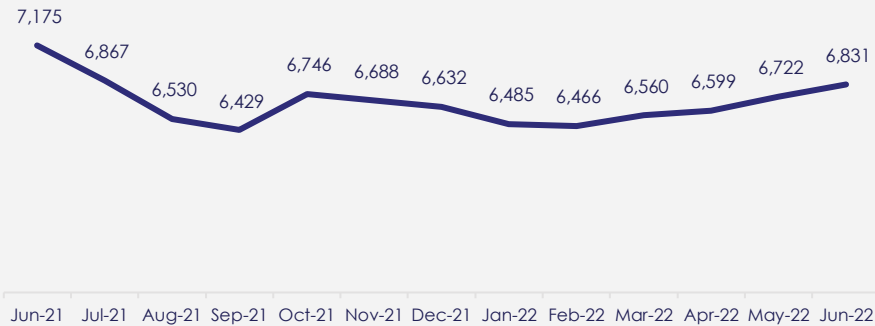
### FY22 Affiliated Fleet



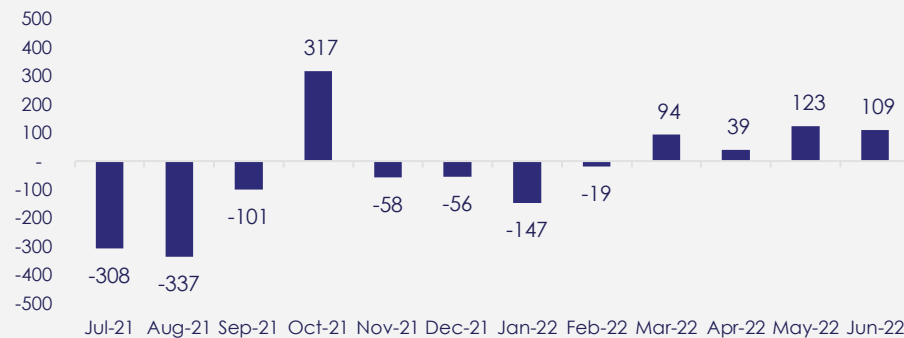
Extensive lock downs in NSW and Vic in 1H22 resulted in further fleet decline. Recovery in fleet is slowly becoming visible in March with growth building in May and June.

Growth in Q4 driven by operational improvements and continuation of increased demand

Affiliated Fleet (#) end of month

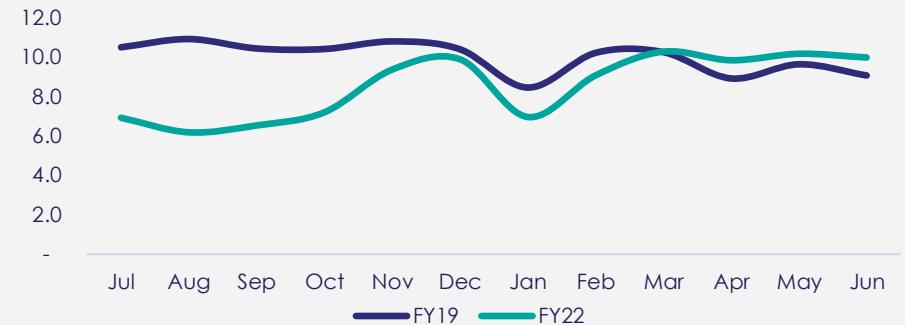


Affiliated Fleet (#) month-on-month growth

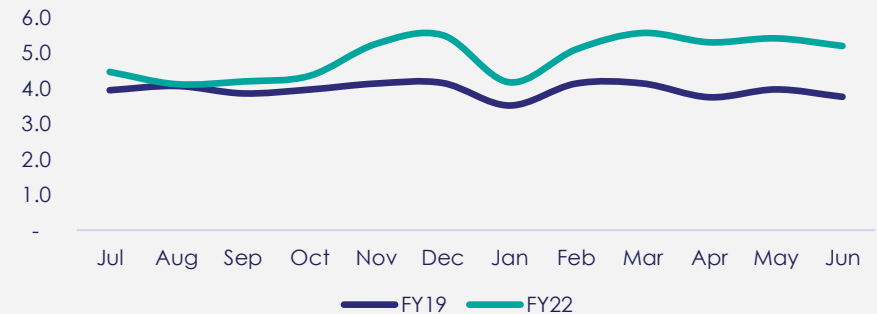


Average trips per car improving and exceeding FY19 levels with a greater contribution from booked trips

Average completed trips per car per day



Average completed bookings per car per day



## 6 FY22 Performance and Financial Outlook

# FY23 Financial Building Blocks



Committed to Returning to Profitability in FY23.

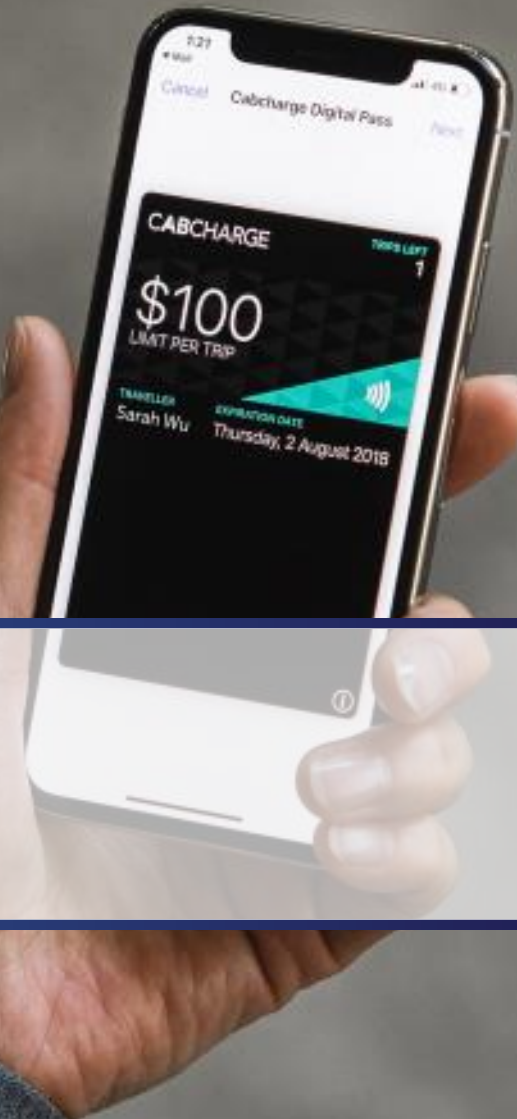
	FY22	FY23	
<b>Fleet 30 June</b> (number of cars)	<b>6,831</b>	<b>+10% - 15%</b>	Fleet growth gaining momentum in 4Q22, targeting 10% to 15% growth in FY23.
<b>Fares processed</b> (\$m)	<b>\$607M</b>	<b>+5% on June 2022 run rate</b> (\$67M in Jun-22)	Q422 encouraging with total fares reaching 84% of pre-COVID. 5% growth on June 2022 run rate targeted.
<b>Revenue</b>	<b>\$123M - \$125M</b>	<b>~+10%</b>	Targeted revenue growth primarily driven by our core revenue streams, fleet growth and growth in fares processed.
<b>Cost control</b>		<b>~15% reduction</b> Indirect cost	Decisive action taken around costs, effective July 2023, acknowledging delayed recovery in fleet and supporting focus on "Better Before Bigger".
<b>EBITDA margin*</b>		<b>targeting ~13%</b>	FY23 objective to return to positive EBITDA and cash flow. Reflective of discontinuation of certain loss making business lines, revenue recovery and cost efficiencies.
<b>D&amp;A and Capex</b>	<b>D&amp;A \$14M - \$15M</b> <b>Capex \$7M - \$8M</b>	<b>D&amp;A \$8M - \$9M</b> <b>Capex \$6M - \$7M</b>	Focus on core resulting in discontinuation certain business lines and associated non-cash write-offs. In addition go forward capex spend reflecting new strategy and structure.
<b>Net Debt**</b>	<b>\$7M</b>	<b>low single-digit millions</b>	Reduction in net debt following return to positive cash flow. Projected net debt at 30 June 2023 excludes any property sale proceeds.

\* on an underlying basis

\*\* excluding the impact of accounting standard AASB16

## 7. Summary & Closing Remarks

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## We are Focused on Being “Better Before Bigger”



### Refreshed Corporate Strategy



Developed clear plan for growth in profit and cash



Addressed cost base and rightsized organisation



Simplified operating structure



Stopped or closing non-core and underperforming activities



Decision on property to unlock value and return capital to shareholders



Significant improvement in culture and values

**FY22 results date is scheduled for Tuesday 23rd August**

# Disclaimer

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