



**SMART**  
PARKING

## Smart Parking Limited ASX:SPZ Full Year Results Presentation

CEO Paul Gillespie & CFO Richard Ludbrook  
21<sup>st</sup> August 2017

# Smart Parking | Business Overview



World leading technology for parking design, development & management



## MANAGEMENT SERVICES | UK

Profitable and operates exclusively in the UK. Specialises in managing car parks on behalf of retail customers, land owners and managing agents and currently generates 88% of Smart Parking's revenue.



## TECHNOLOGY | GLOBAL

Designs, develops and specialises in on-street and off-street parking technology and software, enabling clients to manage parking efficiently and cost effectively. Critical to competitive advantage in the Services business and to the future growth of Smart Parking.





# HIGHLIGHTS

- Record FY17 results
- Global technology rollout
- New clients & deals
- New R&D Smart City Platform development
- Expanding workforce



Smart Parking has made **excellent progress** throughout the 2017 financial year. Our robust financial results has been supported by continued customer wins, refinements to our operational performance and continued installation of Smart Parking's technology around the world



# Highlights | FY17



**CARDIFF, United Kingdom**  
The Cardiff City Council order represents Europe's first city-wide deployment of parking bay sensor technology



**Services Technology Expansion**  
Smart Parking Services business continues the roll out of ANPR technology



**Wilson Parking New Zealand**  
Smart Parking wins new contract with Wilson Parking, the APAC market leader in car park operations



# FINANCIALS

- **Adjusted Group EBITDA up 44% to \$3.2 million\***
- **Adjusted Group EBITDA margin up 4% to 10.8%\***
- **Parking Management EBITDA up 47% to \$7.9m\***

\* In constant currency and before non-recurring items



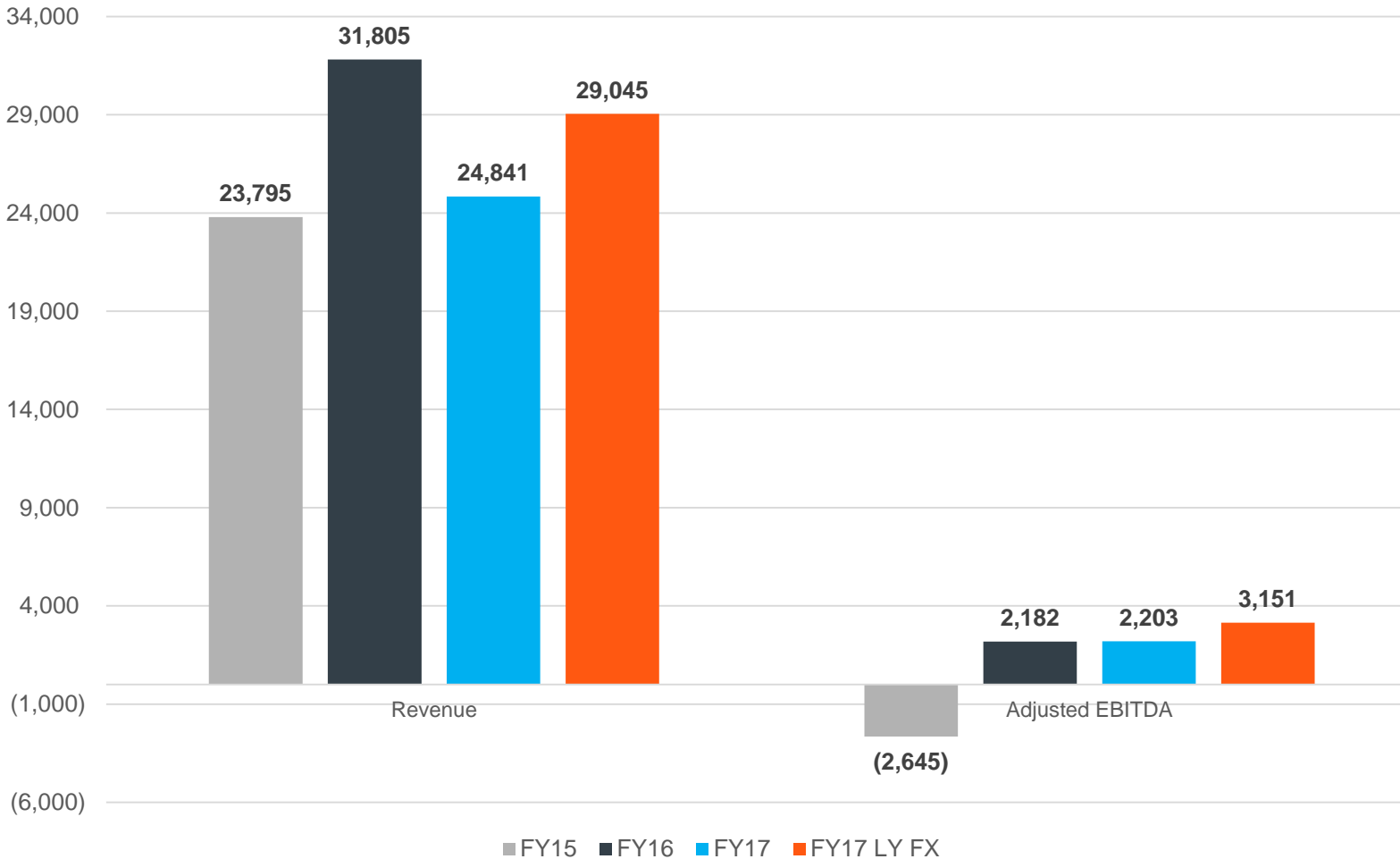


Smart Parking's **transformation** continues following a **44% Adjusted EBITDA improvement** (in constant currency) from the prior corresponding period despite the loss of the Asda contract in April 2016. Adjusted EBITDA (in constant currency) **rose to \$3.2 million** while the group Adjusted EBITDA margin items rose 4% from the prior corresponding period **supported by growth** in our Parking Management division.

# Group Financials | FY17



## EBITDA margin growth continues into FY17



**In Constant Currency**

**Adjusted EBITDA**

Up \$1.0m on FY16 despite loss of Asda

**Adjusted EBITDA margin**

Up from 6.9% to 10.8%

**Revenue**

\$29m down 9% on FY16 following Asda contract loss

\*LY FX = Constant Currency



# Statutory Results - Reconciliation | FY17



(000's)	FY17	FY17 at FY16 exchange rates	FY16	FY17 at FY16 exchange rates versus FY16
<b>Total Revenue</b>	<b>24,841</b>	29,045	31,805	<b>Down 8.7%</b>
<b>NPBT</b>	<b>(1,067)</b>	(658)	(2,210)	<b>Up 70.2%</b>
<b>Group - EBITDA</b>	<b>1,314</b>	2,071	1,351	<b>Up 53.3%</b>
<i>Adjustments:</i>				
Professional fees	0	0	831	
Dispute Settlement	(339)	(407)	0	
Onerous Lease Reversal	(110)	(132)	0	
Provision for VAT	1,338	1,619	0	
<b>Group - Adjusted EBITDA before non-recurring items</b>	<b>2,203</b>	3,151	2,182	<b>Up 44.4%</b>
<b>Group - Adjusted EBITDA margin before non-recurring items</b>	<b>8.9%</b>	10.8%	6.9%	<b>Up 3.9%</b>

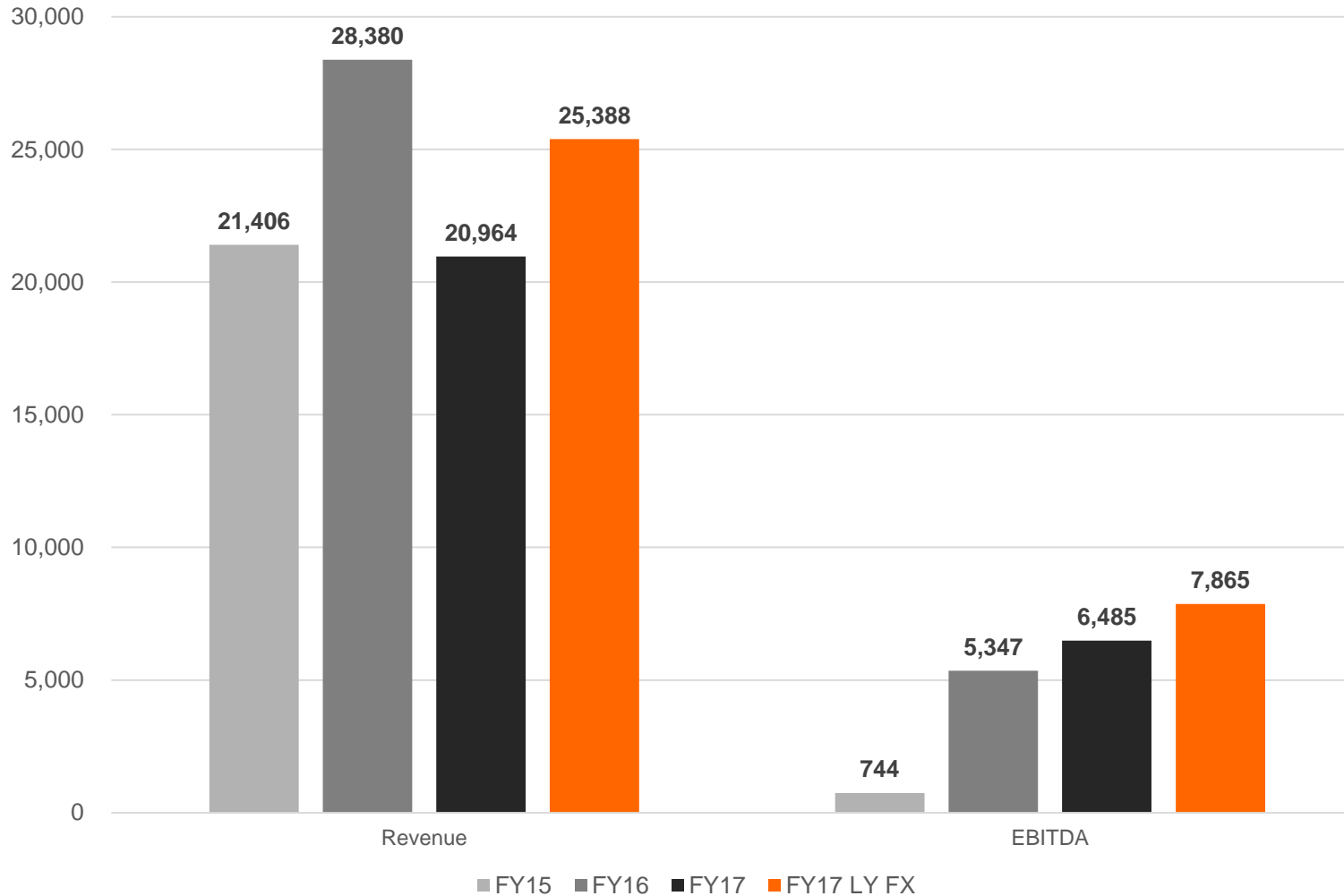
## Provision for VAT

The Company is aware of an Upper Tier Tribunal Ruling in the UK impacting the treatment of input VAT incurred on expenditure relating to the administration of Parking Breach Notice activities. As at 30 June 2017 the company has booked an appropriate provision for VAT of \$1.3m based on an assessment of probability adjusted outcomes as required under the accounting rules. Refer to Note 20 in the Preliminary Annual Report for additional information

# UK Management Services | FY17



## EBITDA margin growth continues into FY17



### EBITDA

Up 21% on FY16

Up 47% in constant currency  
on FY16

### EBITDA margin

Up from 18.8% to 30.9%

### Revenue

\$21.0m is down 26% on FY16  
following Asda contract loss and  
foreign exchange movements

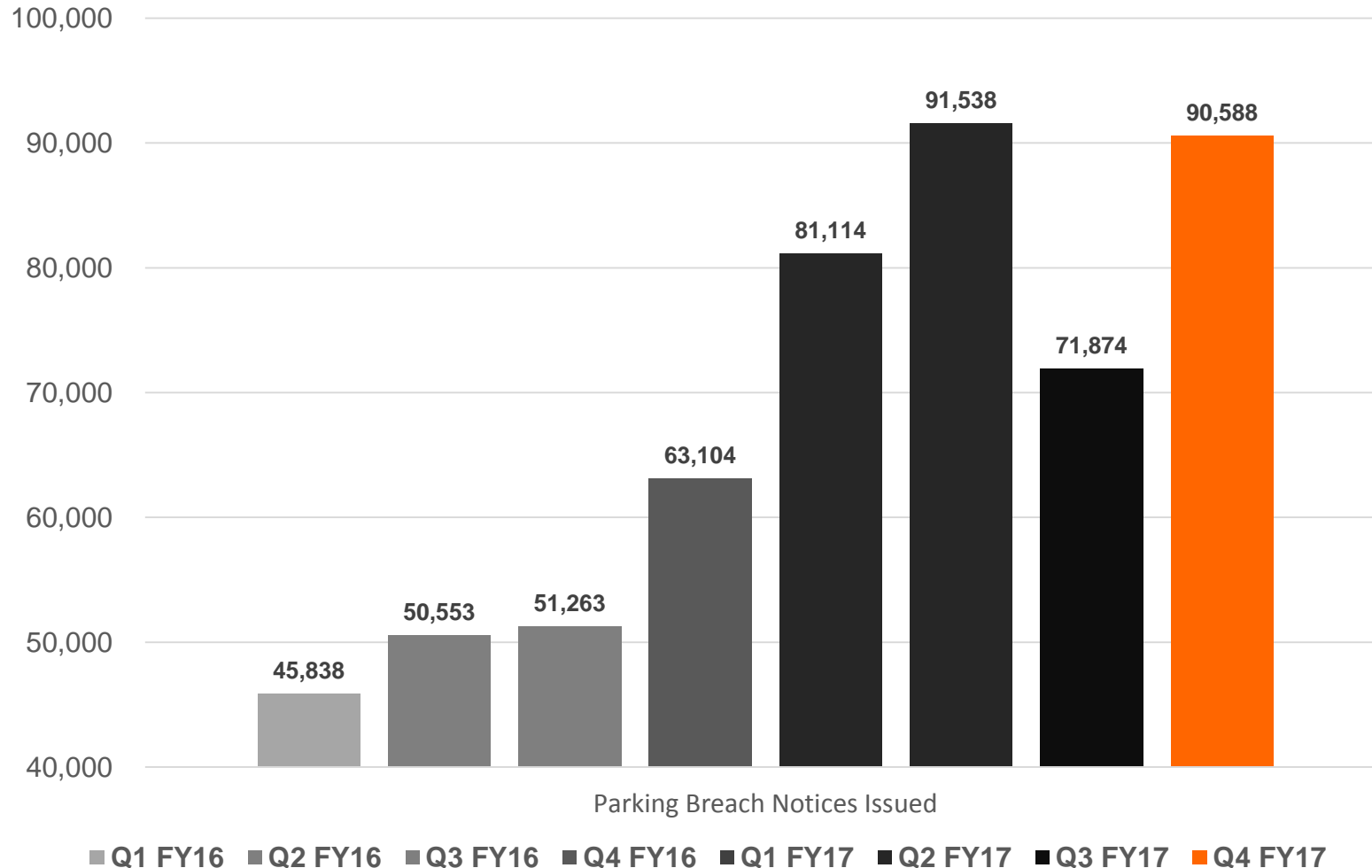
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# UK Management Services | ex Asda



## Growth in parking breach notices set to continue



**Parking Breach Notices**  
up 59% compared to  
FY16

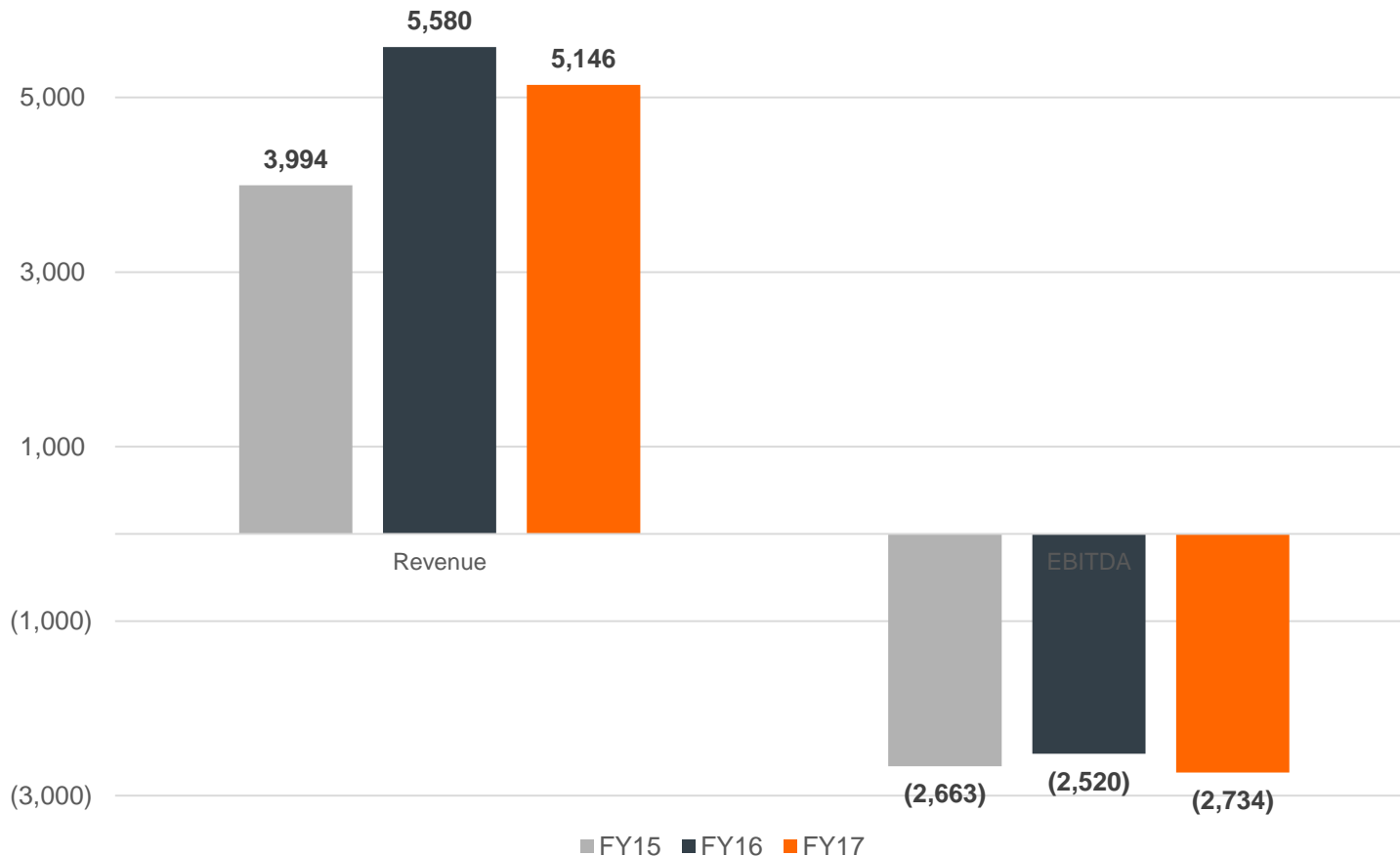
**Strong growth**  
**expected** in FY18 with  
the continued roll out of  
ANPR

**Jul 2017 up 14% on Jun**  
**2017**

# Technology | FY17



## Ongoing investment in Technology



### New Wins

New contract wins in the UK, New Zealand and Australia

### Continued Technology Investment

Delivers new Smart City technology platform in FY17

### Growth Ahead

Stronger performance expected in FY18 based on sales pipeline and order book





# Group Financial Position

## Completed \$11.1m capital raising

(\$000's)	Jun 2017	Jun 2016
Current Assets	21,386	11,050
Non Current Assets	7,405	8,929
<b>Total Assets</b>	<b>28,791</b>	<b>19,979</b>
Current Liabilities	6,375	7,190
Term Liabilities	80	-
<b>Total Equity</b>	<b>22,336</b>	<b>12,789</b>

**Current Assets & Equity** reflect \$11.1m capital raising

**Deferred Tax Asset** reduced by \$0.4m following UK profitability

**Fixed Asset Additions** of \$1.2m related mainly to the deployment of technology in the UK which has led to improved earnings

**Current Liabilities** include Provisions for VAT of \$1.3m and reversal of onerous lease provision following settlement in FY17

**Borrowings** related to facility used to acquire hardware

# Group Cash Flow



**Capital raising of \$11.1 million** funds for future growth

**Net operating cash inflow** of \$0.7m, Q4 had operating cash inflows of \$0.8m (excluding \$0.5m onerous lease settlement)

**Closing cash** of \$13.5m, excludes cash held on behalf of customers

**Fixed Asset additions** of \$1.3m related mainly to the deployment of technology in the UK which has led to improved earnings. Capex was down on prior year following the loss of Asda and the redeployment of cameras to more profitable sites.

**Non cash financing & investing** of \$0.2m related to facility used to acquire hardware for deployment on parking sites in the UK.

(\$000's)	Jun 2017	Jun 2016
Operating cash flows	659	798
Investing cash flows	(1,457)	(2,398)
Financing cash flows	11,086	(90)
Net cash flows	10,288	(1,690)
<b>Closing cash</b>	<b>13,541</b>	<b>3,369</b>





# BUSINESS UPDATE

## Management Services

- UK Services business continues to deliver earnings growth

## Technology

- New business wins and significant technological advancement



# Management Services | FY17 Highlights



**UK Management Services** continues to deliver growth through installation of Automatic Number Plate Recognition [ANPR] technology

**EBITDA margin growth** of 12% to 31% demonstrates the quality of new business

**EBITDA increased** 47% to \$7.9m (in constant currency)

**Business transformation continues** following the loss of the Asda contract



# Management Services | FY17



UK Services business continues to deliver great results



**FY18 pipeline looking strong and supports the continued investment in ANPR technology**



## Secured new customer orders across UK, New Zealand and Australia

- Cardiff City Council – 3,000 sensors
- Hamilton City Council – 1,345 sensors
- Coles Supermarkets – 1,100 sensors
- Hobart City Council – 2,100 sensors
- Wilson Parking New Zealand 3,000 + sensors

**Continued Technology Investment**  
In Smart Cities & Internet of Things (IoT) ready  
capabilities

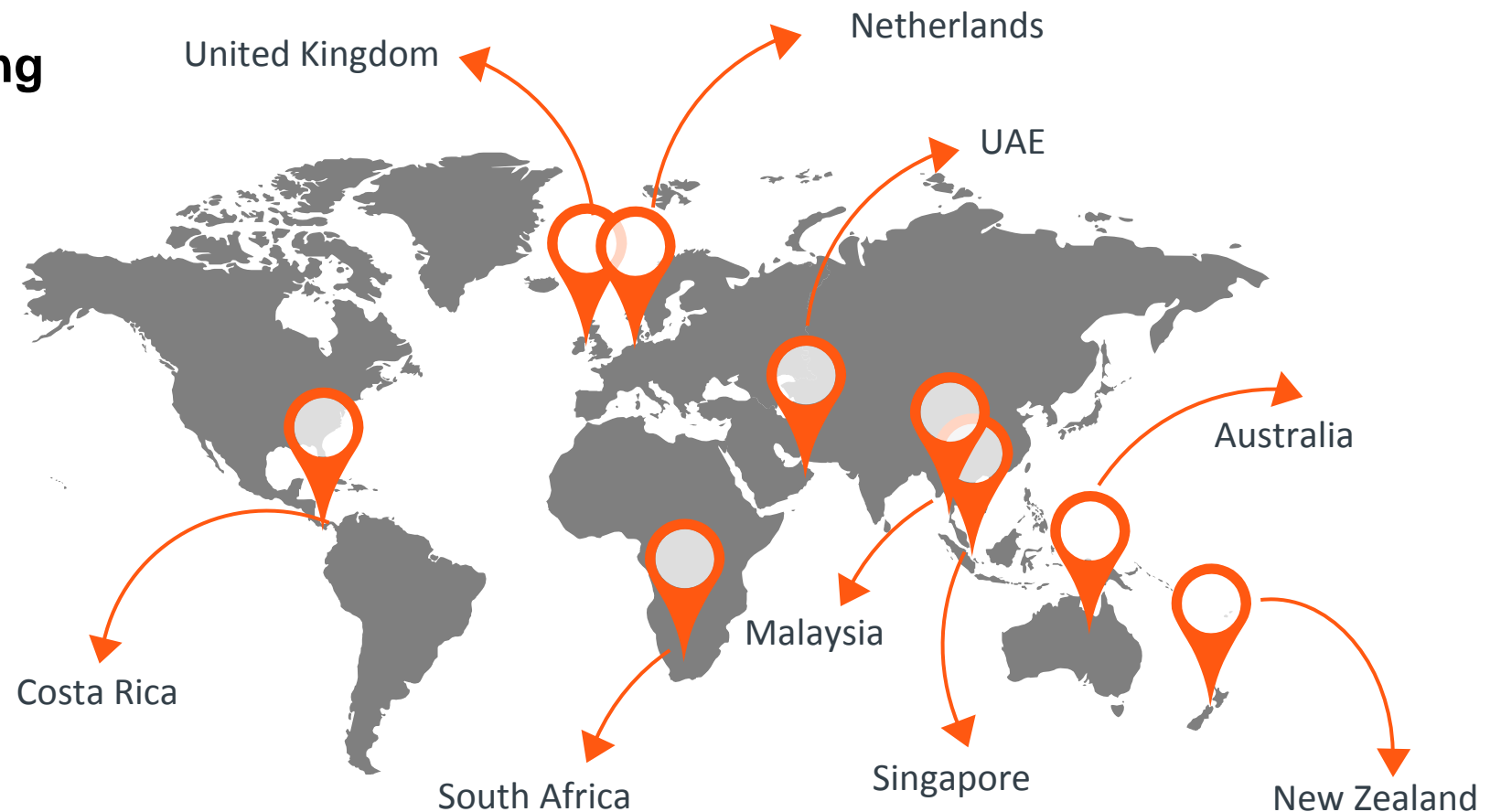


# Technology Global Footprint | FY17



**We have delivered and support sophisticated parking systems across the globe, with solutions for:**

- shopping centres
- supermarkets
- airports
- commercial parking sites
- universities
- medium and large scale municipal environments





# Technology | Expansion ramps up



Expanding across key markets: UK, AUS, NZ | Strengthening sales capacity



OUR TECHNOLOGY CUSTOMERS

**UK:** Cardiff City Council order to install 3,000 sensors

**Australia:** Coles Supermarkets order to install 1,100 sensors across 5 locations

**Australia:** Hobart City Council order 2,100 sensors to provide real time data

**New Zealand:** Wilson Parking order to install in excess of 3,000 sensors across

multiple locations

# Technology orders for FY18 Revenue



Firm orders of \$2.5m secured for FY18

## Australia:

- Coles Supermarkets 262 sensors
- Hobart City Council order 2,100
- Telstra 449 sensors
- City of Gold Coast 120 sensors

## New Zealand:

- Wilson Parking 3,000+ sensors across multiple locations
- Hamilton City Council 1,345 sensors



# FY17 R&D | New Smart Cities Platform



**New Smart Cities platform** delivers break-through advantages for our Smart Information Services for Cities and Businesses

**Eliminates costs** associated with code development and maintenance

**SPZ ready** for the future of Smart Cities and the **Internet of Things (IoT)**





# FY17 R&D | New Smart Cities Platform



**New Revenue opportunities** for subscription and pay-for-use based service

**Modular Service Solutions Delivery Platform** beyond the parking vertical

**Integration of leading Big Data, IoT capabilities and analytics**



# Global Application for FY18



**Cardiff City Council** chose Smart Parking Technology to transform the parking experience across the city

**Smart Parking** have developed a new app to provide guidance, payment and enforcement capabilities

**SPZ App** ready for global release







# OUTLOOK

- **Strong pipeline of business**
- **Growing client relationships**
- **Well placed to capture demand**
- **Investing in technology innovation**
- **Fully funded to execute strategy**
- **Future ready for Smart City growth**





# GLOSSARY

**Adjusted EBITDA** – The Board assesses the underlying performance of the Group based on a measure of Adjusted EBITDA which takes into account costs incurred in the current period but not expected to occur in the future.

**EBITDA** – represents Earnings before interest, taxation, depreciation and amortisation.

**LY FX** – current years results presented using the prior periods average exchange rates (constant currency).



## Smart Parking Contact

**Paul Gillespie**

Chief Executive Officer

[paul.gillespie@smartparking.com](mailto:paul.gillespie@smartparking.com)

**Richard Ludbrook**

Chief Financial Officer

[richard.ludbrook@smartparking.com](mailto:richard.ludbrook@smartparking.com)

## Media & Investor Enquiries

**Julia Maguire**

T: +61 419 815 386

[investorinfo@smartparking.com](mailto:investorinfo@smartparking.com)



# SMART PARKING

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

Connect with Smart Parking







# SUPPLEMENTARY INFORMATION



# Management Services | How it works



Parking management improving customer satisfaction & revenue generation

**SP 123**

MON 02 APR  
11:43AM

Q1  
 Q2  
 Q3



**ANPR** | Automatic Number Plate Recognition

**Pay & Display** | ANPR Linked Automated Payment System

**Site Surveys** | Real-time information, analysis and trend data

**Parking Attendants** | Trained and qualified staff

**DPC** (Disabled, Parent and Child) | Protecting the vulnerable  
**Marshaling** | Trained, professional and customer-friendly marshals



# ANPR | How it works

## Automatic Number/ License Plate Recognition (ANPR)

- **ANPR parking system:** Reliable, accurate, cost effective off-street parking management solution
- **Proven to serve a wide range of industry:** Supermarkets, retail, hotels, hospitals, leisure centres
- **Smart Parking's ANPR solution:** Ensures greater compliance and increased parking revenue

### ANPR BENEFITS

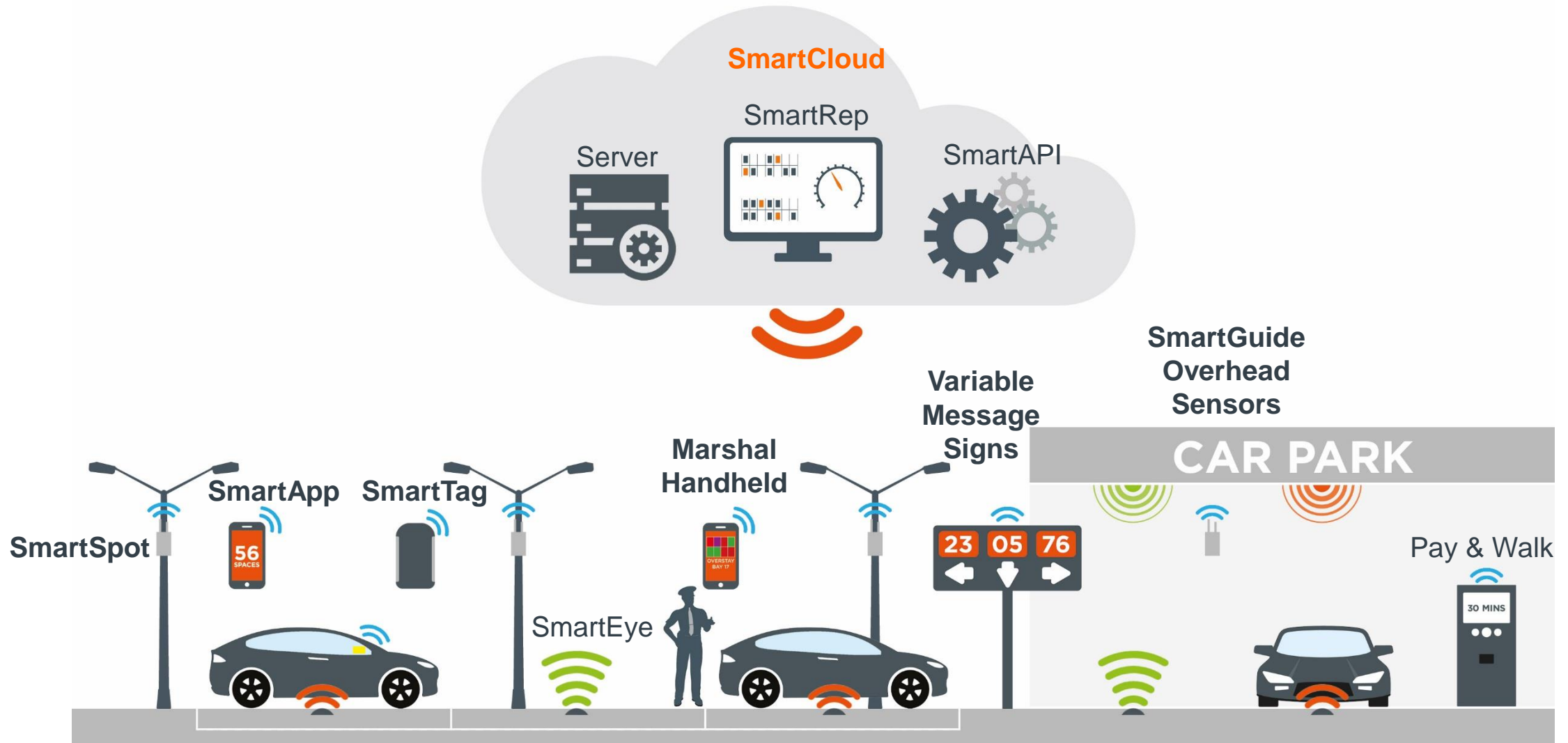
- Ticketless, barrier-free system, parking areas managed 24/7
- Automatically generated and issued parking charge notices
- Increased security, comprehensive reporting & account management
- Supply and installation at no cost to the customer



# Technology | How it works

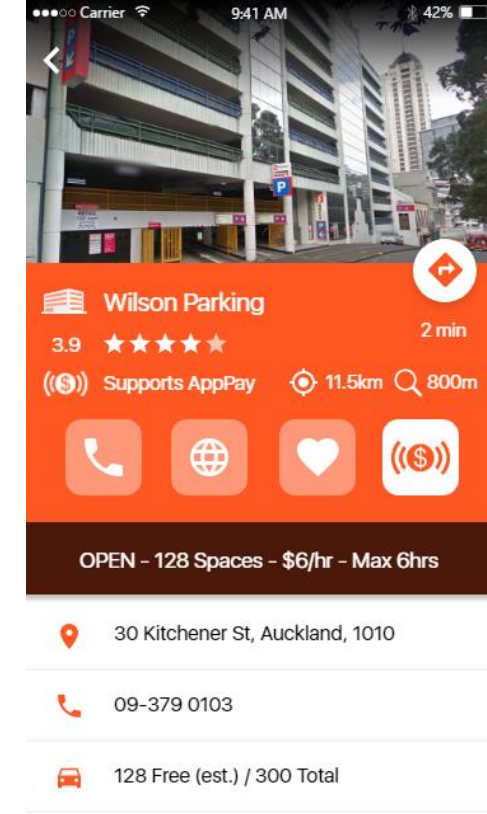
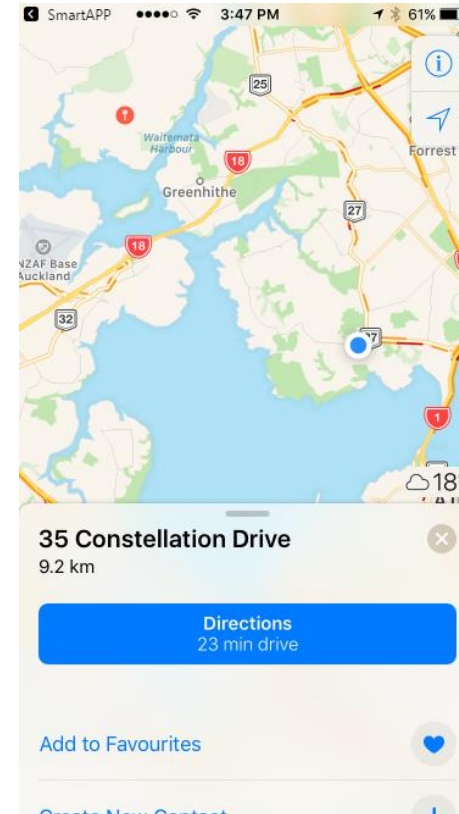
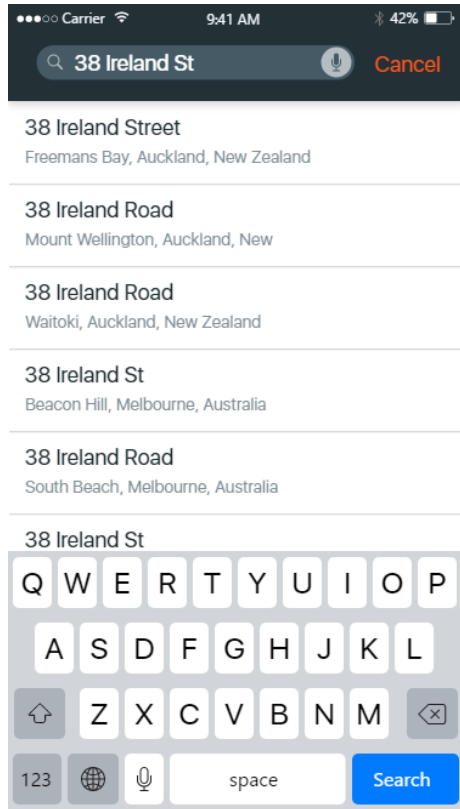


Providing effective parking management solutions around the world



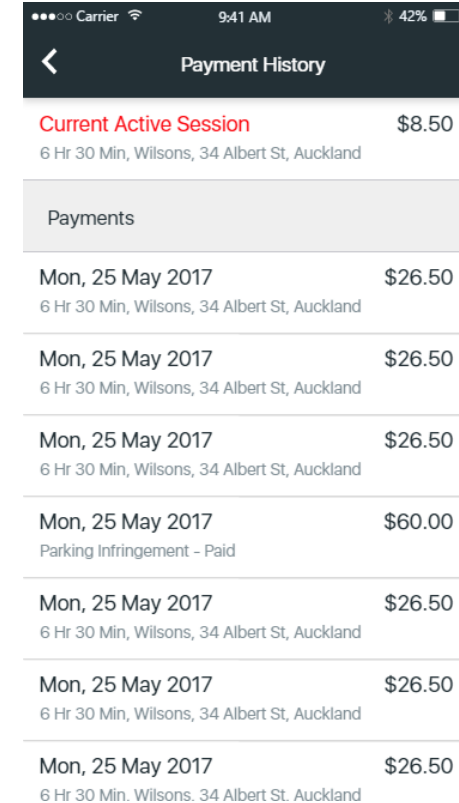
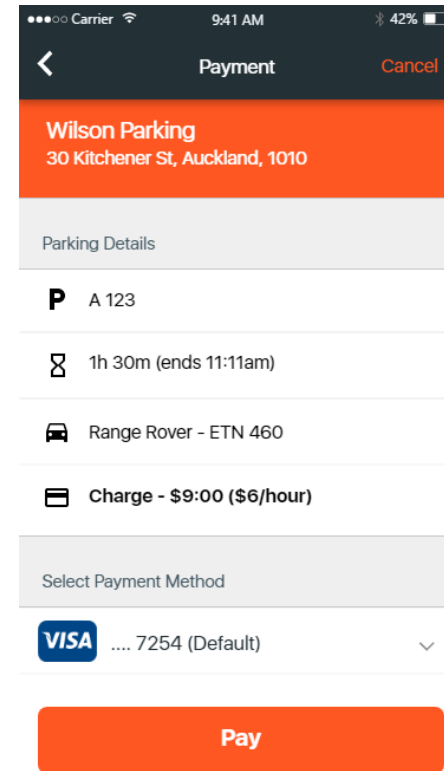
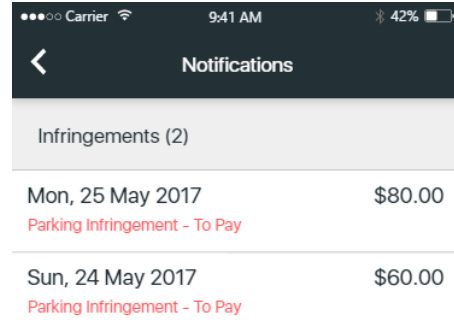
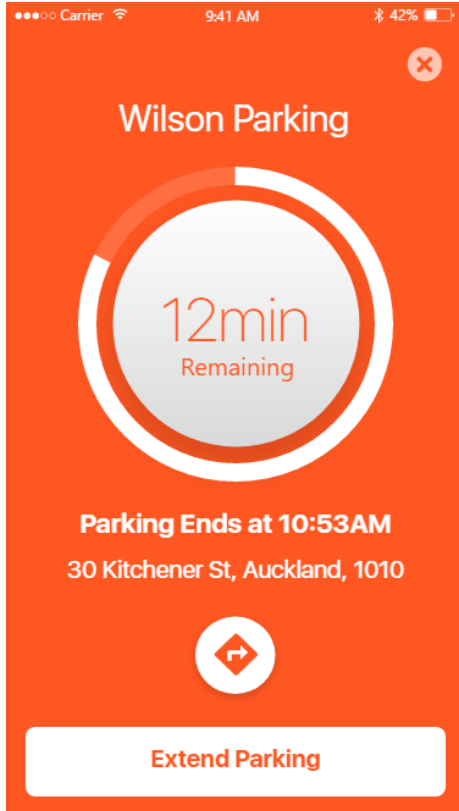


# Technology | SmartApp Features



**Search** for nearby parking, **see** real-time data on a map **receive** directions to a car park and **discover** additional car park information

# Technology | SmartApp Features



**Set** a timer or extend parking, **receive** notifications  
**make** a payment and **see** a full transaction history

# Sydney Operations | Video Highlights



## [Mosman / BridgePoint Shopping Centre](#)

Off and on-street sensor technology, overhead lights and in-ground sensors give real-time data to improve parking



## [Waverley Council](#)

In-ground vehicle sensors and partnership with APARC enhance parking in one of the world's most iconic coastal suburbs



## [Baulkham Hills Shopping Centre](#)

Improving the customer experience of parking through overhead parking guidance and real-time data on available spaces



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