

# Trading Update

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The Board of Smartpay is pleased to provide the following trading update following the completion of the first quarter to 30 June 2021 of the 2022 financial year.

# **Highlights**

Australian acquiring revenue continues to show strong growth: June quarter up **158%** year-on-year; **16%** up on previous quarter.

Australian acquiring margin continues to trend upward.

Australian transacting terminals at **7,306** reflecting positive ongoing customer acquisition through the quarter (end Q4 FY21: **6,754**).

Australian total transacting value up **167%** year-on-year; **11%** up on previous quarter.

#### **Australia**

Our targeted marketing efforts continue to deliver positive results. We are achieving improved economics from newly acquired customers, compared to churned customers, leading to ongoing improvement in average revenues and margins – with the exception of June due to the effect of regional lockdowns in Victoria and Sydney.

Monthly customer acquisition continued with the momentum from the previous quarter with a record month in June. Although customer churn was slightly up on the prior 12-month average, with an increase in business closures through the period, net customer acquisition improved compared to the prior quarter

A number of customers with multiple terminals reverted to a reduced number of transacting terminals in the quarter, which reflects a combination of seasonality and regional lockdowns effecting trading conditions.

The regional lockdowns in Victoria and Sydney in June also had an impact on newly acquired customers transacting in the month, with approximately 270 terminals delivered during June yet to complete a transaction.

Revenues in June were \$2.32million, down 8% from expected levels, due to a combination of the Victorian lockdowns early in the month and regional Sydney lockdowns later in the month.

The value of total transactions processed for the period increased 167% compared to prior year; \$599m Q1 FY22 versus \$224m Q1 FY21, and 11% compared to the prior quarter; \$599m Q1 FY22 versus \$541m Q4 FY21.

#### **New Zealand**

Our ongoing focus on best in market customer experience continues to be reflected in stable New Zealand revenues throughout the first quarter FY22.

#### **Impacts from Regional Lockdowns**

We are mindful of the impact the Australian regional lockdowns will have on our customers and expect to see challenging trading conditions leading to a reduction in overall Australian acquiring transaction volumes and associated revenues through the month of July 2021.

Depending on the extent and severity of the regional lockdowns, Australian acquiring transactional volumes could be impacted further into Q2 FY22.

↑ 158%
Acquiring
Revenue (YoY)
16% up on previous quarter

↑ 7,306
Transacting
Terminals
in the Australian market

**128**%

Average Revenue

Per Unit (YoY)

3% up from previous quarter

↑167%

Total Transacting
Value (YoY)

11% up on previous quarter

ASX: SMP NZX: SPY

#### SHARE INFORMATION

Issued Shares: 234,168,049

# **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

# REGISTERED OFFICES New Zealand:

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#### Australia:

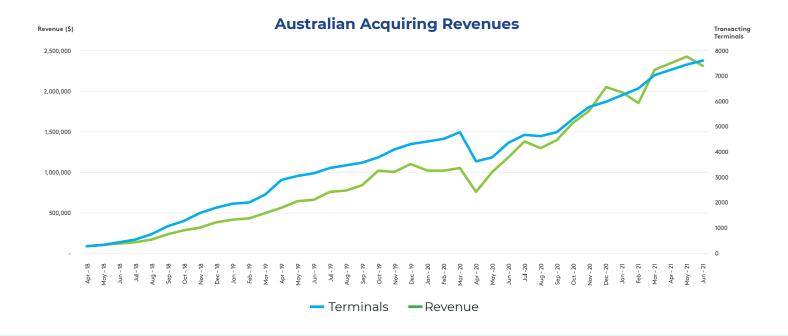
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# **Quarterly Revenue Analysis**

NZ\$'000	Year on Year to 30 June				Quarter on Quarter to 30 June			
	Q1 FY22	Q1 FY21	Variance \$	Variance %	Q1 FY22	Q4 FY21	Variance \$	Variance %
Total Consolidated Revenue	11,008	6,656	4,352	65%	11,008	10,046	962	10%
Australian Acquiring Revenue	6,716	2,604	4,112	158%	6,716	5,784	932	16%
Number of transactions processed	17,488,632	7,405,126	10,083,506	136%	17,488,632	14,848,159	2,640,473	18%
Total transaction value	598,567,522	224,227,282	374,340,240	167%	598,567,522	540,853,768	57,713,754	11%
Average Revenue Per Unit	993	777	217	28%	993	962	32	3%



#### **ENDS**

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#### **Corporate Directory**

# **Registered and Principal offices**

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#### Australia:

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Email: info@smartpay.com.au Phone: +61 (0)2 7903 6302 Fax: +61 (0)2 9869 4223 Website: www.smartpay.com.au

#### **Shareholder Enquiries**

# Enquiries concerning shareholdings should be addressed to:

#### **New Zealand:**

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#### Australia:

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