



ASX Announcement

Release date: 10 May 2023

2023 AGM presentation materials

Attached are the following documents to be presented at the 2023 Annual General Meeting (**AGM**) of Smartgroup Corporation Limited (**ASX: SIQ**) to be held at 11.00am this morning at Wesley Conference Centre, Lyceum Room, 220 Pitt Street, Sydney NSW 2000.

1. Chairman's address
2. CEO's address
3. AGM presentation slides

This announcement was authorised for release to the ASX by Sophie MacIntosh, Chief Legal and Sustainability Officer and Company Secretary.

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SMARTGROUP CORPORATION LIMITED

2023 ANNUAL GENERAL MEETING – CHAIRMAN’S SCRIPT

11.00 AM, WEDNESDAY 10 MAY 2023

1. CHAIRMAN’S ADDRESS

Introduction and 2022 results

Smartgroup’s 2022 financial result was again adversely impacted by the ongoing challenges of a significantly delayed vehicle supply chain and higher operating costs. We recorded revenues of \$224.7 million, EBITDA of \$93.4 million and NPATA of \$61.2 million. Revenue was in line with 2021, while EBITDA and NPATA were down 9% and 12% respectively. Operating cash flow generation remained high at 117% of NPATA, compared with 113% of NPATA in the previous period.

Novated leasing leads and the vehicle order delivery pipeline continued to expand throughout 2022, and this trend has continued into 2023.

We remain optimistic that 2023 will bring some improvement of the global vehicle delivery supply chain, which will both release the significant delayed revenue we have in connection with this pipeline, as well as alleviate some of the pressure on our team who are currently dedicating more resourcing to managing this pipeline.

We were pleased to secure a number of new large and medium-sized organisations as clients throughout 2022. We renewed or extended the majority of the top 20 contracts that fell due in 2022, with one notable loss. We have continued this progress in 2023, and Tim will provide a further update on the business in his presentation.

The introduction of the Federal Government Electric Car Discount Policy, in November 2022, provides a substantial benefit to our customers who transition to a novated lease of an electric vehicle. Our teams have been working hard to ensure we are well positioned to support our customers to take advantage of this benefit and to easily transition into an electric vehicle.

We are pleased with the high interest and engagement levels we have seen from our customers since the introduction of this Policy.

Delivery of our Smart Future assets continued in 2022, with the successful go-live of our new Smartsalary website, a new salary packaging calculator and a customer contact and journey tool. In early 2023, we followed this with the launch of our Car Leasing Portal, which facilitates a complete online solution for our customers from quote through to credit application, allowing our customers to interact with us at any time of day or night.

We were very proud to formally endorse our first Sustainability Strategy in 2022, demonstrating our commitment to *A Smarter, More Sustainable Tomorrow*. This strategy includes a range of initiatives and targets, including our commitment to Net Zero from our direct operations by 2030 as well as a

range of initiatives supporting the uptake of electric vehicles and the transition to a low emissions future for Australia.

Shareholder returns

Since listing in 2014, Smartgroup has delivered good returns for shareholders both in capital appreciation as well as fully franked dividends, with approximately \$448 million being returned to shareholders in fully franked dividends and an increase in market capitalisation from approximately \$160 million to approximately \$940 million today. This slide demonstrates the strong history of value that Smartgroup has delivered to its shareholders over this period.

CEO transition

In early 2023, we announced Tim Looi's intention to retire, after 14 years with Smartgroup. Today will be Tim's last AGM with Smartgroup and the Board would like to take this opportunity to extend our sincere thanks to Tim for his service and dedication to Smartgroup. Tim has been an important part of the Smartgroup journey and we wish him all the very best for his future.

Tim will be succeeded by Scott Wharton, who will join Smartgroup as our new CEO and Managing Director on 17 July 2023. Scott comes to us with an impressive background and experience and we are optimistic about the future of Smartgroup under his guidance.

Conclusion

In conclusion, I would like to thank Tim, the entire management team and all of our employees for their hard work and strong focus throughout 2022.

I would also like to thank our loyal clients, suppliers and shareholders for their ongoing support and to take this opportunity to thank my fellow Non-Executive Directors for their continued commitment and guidance.

2. CEO PRESENTATION

I will first introduce Smartgroup and then I will recap our 2022 financial results as well as providing more recent updates on novated leasing. I will give some details on the early successes we are seeing with the Smart Future program as well as the demand for electric vehicles. Finally, I will comment on how the business is currently tracking.

Smartgroup is one of Australia's leading employee management services businesses with approximately 740 team members managing approximately 378,000 customers and approximately 84,000 cars, in both novated and fleet.

Smartgroup's investment proposition to shareholders is underpinned by our capital light business model. It is through this business model that we are able to generate strong free cashflows and pay fully franked dividends to shareholders.

More recently, we have seen government legislation supporting the adoption of electric vehicles through novated leasing. The transition to electric vehicles is at an early stage and Smartgroup should be a beneficiary as electric vehicles increase in popularity.

One of Smartgroup's key strengths is the long-term relationships we have with employer clients across a range of sectors. Our top clients have been with us, in some cases, for more than 15 years.

Many of our clients operate in attractive segments. 46% of our customer base comprise Not for Profits – these are national, state and local based aged care, disability care and other charitable organisations. Public and private hospitals account for around 24% of our clients and government and education around 27%. These segments have exhibited good and consistent employment growth and currently have a long list of vacancies to be filled. There are thousands of open roles from teachers to nurses to care workers, creating medium to longer term participation opportunities for Smartgroup.

Our strength as a business comes from the diversity, experience and skills of our team members. We continue to support and encourage diversity as a powerful and distinct part of our culture. We retained our Workplace Gender Equality Agency citation for the third year and we were also recognised for the fourth year as an Inclusive Employer by Diversity Council Australia. Both, a testament to our focus and efforts over multiple years.

As mentioned by Michael, we also committed to our first formal Sustainability Strategy last year, including a range of initiatives and targets. We have made a commitment to reach Net Zero carbon emissions in our direct operations by 2030 and have rolled out a range of initiatives to play our part in driving the uptake of electric vehicles in Australia.

Smartgroup's service performance was again recognised by the Customer Service Institute of Australia, the peak body for service quality with nominations and winners in multiple categories.

The work done by the Smartgroup Foundation reinforces our commitment to supporting the not-for-profit sector and the communities that we work with and service. The Foundation, in its fourth year, supported 17 organisations and their grassroots projects.

2022 performance and operational update

I will now offer some comments to recap on our performance in 2022 together with an operational update on novated leasing.

2022 was a mixed year for Smartgroup as we managed through another year of challenging headwinds in the form of vehicle supply chain disruption, a tight labour market, high inflation and a rapid rise in interest rates from May 2022 onwards. Despite these challenges, the business had a steady operational performance with a strong focus on service excellence and tech deployment.

The summary of 2022 is as follows:

First, we delivered NPATA of \$61.2m. Revenue was at \$224.7 million dollars which was 1 percent higher than the prior corresponding period. Meanwhile, EBITDA and NPATA were lower than pcp, which reflected the continued car supply constraints and higher operating costs.

Second, we were able to generate strong leasing interest and demand throughout 2022. Leasing leads grew by 14%, with digital being the most significant growth channel. We also recorded a further 25% growth in the excess new lease vehicle order pipeline.

Third, we saw some strong interest in, and demand for, electric vehicles, supported by the passing of the Federal Government Electric Car Discount Policy late last year. I will give the latest update on EV interest from customers later on.

Fourth, we continue to make good progress on the Smart Future program. During 2022, a number of new digital assets were delivered, including the new Smartsalary website and salary packaging calculator. I will give more details later on the data and trends we are seeing from these digital assets.

And finally, our capital light business model means we generate a strong level of free cashflows. After-tax operating cashflows were at 117% of NPATA.

Our strong financial position allowed us to declare and pay dividends of 46 cents per share, fully franked, representing a payout of 100% of NPATA.

I am pleased to report that in Quarter 1 2023, we are seeing a continuation of strong leasing leads. Total leasing leads, compared to the prior corresponding period, are up 31% with the digital channel growing by 42%. Leasing quotes, new lease orders, settlement volumes and yields are all showing good growth compared to pcp. We are working through our open leasing leads, which are up 55% vs pcp.

Despite the continued tightness of the vehicle supply market, settlement volumes increased 12% vs pcp and our excess vehicle order pipeline grew by a further \$1m to \$16m. The total revenue pipeline for vehicle orders now sits at \$20m.

Leasing yields improved by 3% despite new novated leases as a percentage of total novated volumes being lower at 73% vs historical levels of 78%-80%.

If we are successful at closing these open leads we will recognise the revenue when the vehicle is delivered. Given the extended delays in vehicle delivery timeframes, revenue from these leads should largely flow through in Half 2 2023 with some into early next year.

Turning to page 15, this graph shows the increase in the timeframe for the average vehicle order to delivery for Smartgroup's top 30 car models. As you can see, there has been a significant increase in the timeframe over 2021 and the first half of 2022. There was little change to vehicle delivery timeframes in the second half of 2022 and unfortunately, the delivery timeframe has not improved into 2023, however there is some variation by make and model.

The current average delivery timeframe for our top makes and models is much longer than 2021 and pre-COVID. The lengthy, and also changing delivery schedules, have caused additional work in our sales pipeline management in the form of credit re-approvals and administrative work. Given the continued delays, the leasing team resourcing has been increased to meet this additional workload.

As supply improves, we should see the required resourcing reduce as there will be less need to speak to customers about changing delivery dates and to re-perform customer credit assessments.

Moving to Slide 16, this graph shows vehicle orders are continuing to run above vehicle deliveries. We have also seen that the decision timeframe for customers to order a car has extended by around 20%.

The revenue from this excess vehicle order pipeline represents high margin future revenue as most of the costs have already been incurred. This revenue will be recognised as and when vehicle deliveries normalise and those vehicle settlements are completed. At this stage, we expect supply constraints to continue in the near term.

Smart Future

Smartgroup has around 3,700 clients, employing over 1 million people across thousands of locations throughout Australia. Our Smart Future program aims to provide a great customer experience, enabled by technology and delivered

by engaged team members, to continue to be the trusted partner for our clients and, in turn, grow and build scale within our business.

If we are able to do this, it will deliver more customers to us at a lower cost of acquisition as well as deliver a better experience and service, lowering the cost to serve.

I will talk to several of these digital tools that we have launched and show you the data that we are seeing.

The online novated leasing calculator is one of the first interaction points for our customers. This is where individuals educate themselves as well as obtain estimates of tax savings. Since launch, the Smartleasing and the Autopia novated leasing calculators have seen significant increases in unique visitations. These visitations are represented by the dotted purple line.

Together with better engagement and education processes, these digital tools have improved leasing leads significantly and, in the case of Smartleasing, have outpaced the growth in visitations. Both statistics demonstrate the importance of not only digital, but customer engagement.

The new Smartsalary website and its salary packaging calculator went live around 10 months ago. Since going live, we have seen consistent growth in user sessions as well as strong growth in customers educating themselves on the benefits of salary packaging. That in turn, is reflected in a 17% increase in salary packaging sign ups through leads from the website.

A single and integrated appointment booking system was rolled out to our Customer Education workforce in the second half of 2022. The appointment system segregates customers into different journeys based upon their individual requirements. As you can see on the chart, this tool has assisted our education consultants to drive more customer enrolments, lifting productivity and effectiveness.

Turning to Slide 22, in late February this year, we launched our Car Leasing Portal to around 100 pilot clients. These pilot clients historically contributed around 9% of all new lease quotes.

The Car Leasing Portal is designed to enable customers to interact with us after hours, expanding and extending the sales opportunity pipe.

While it's early days, we are seeing encouraging data points and successes from the Portal, with good interactions and usage outside of business hours. More importantly, quote volumes from these pilot clients increased 23% vs pcp.

We have recently launched it to around another 100 clients and the plan is to progressively roll it out to all of our Smartleasing clients in 2023.

Electric vehicles

Turning to Slide 23, the introduction of the Federal Government Electric Car Discount Policy in November 2022 will provide substantial savings to our novated leasing customers. We are excited to help our existing customers

and new customers as they start their journey into an Electric Vehicle and we are well prepared to ensure that their transition is seamless, simple and cost effective.

While it has only been several months since the legislation was passed, we have already seen strong demand coming from all segments of our client base.

Turning to Slide 24, we have updated some graphs that we used for our 2022 full year results presentation to show the most recent interest in electric vehicles in Q1 2023. I would like to highlight some key points:

Firstly, interest in electric vehicles is accelerating. As represented in the top chart, in Q1 2023, EVs as a percentage of total quotes is nearing 25%, up significantly from Q4 2022 and from the prior corresponding period.

The bottom chart shows that EV quotes in just Q1 2023, across all segments, are close to our total EV quotes for the whole of 2022. It also shows that EV interest is coming from all segments of our client base, particularly, government, corporates and the health sector.

EV orders as a percentage of total new vehicle orders are around 21% or 1 in 5 cars for Q1.

As more EVs are launched over the course of this year and the next, we expect these EVs to be at differing price points, enabling more customers from differing segments to start their journey into an electric vehicle. Already we

are seeing more and differing manufacturers announcing their interest to supply electric vehicles. This will be an exciting space for Smartgroup over the coming years.

Update and outlook

We are pleased with our progress into Q1 2023. Our salary packages and novated lease vehicle numbers are stable and we have continued with several new client wins. None of the wins are material but it does demonstrate good momentum.

We are also pleased to report some good wins in fleet.

Operationally, we continue to see high levels of enquiries and open leads. It's imperative that we are able to deal with these leads well and if we are successful, a proportion of these leads will convert to vehicle deliveries in half 2 and next year.

Unfortunately, vehicle delivery timeframes remain relatively static though with some improvements for certain makes and models.

Despite the loss of a major client late last year, it is pleasing to see good growth in revenue in Q1. The growth in revenue and a targeted cost review have offset the negative financial impact of a higher cost base arising from wage inflation as well as additional resourcing. Currently, the average Q1 2023 NPATA per month is in line with H2 2022.

We have minimal capitalised IT costs and as per usual, strong cashflow conversion with a low net debt position.

The business is well positioned to take advantage of improvements in car supply, progress from the investment in digital capabilities as well as the opportunities in electric vehicles.

Thank you Chair, Directors, my executive team and all our team members for your hard work and dedication for 2022. To our clients, customers and, of course, our shareholders, we would like to convey our appreciation for your ongoing support.

As previously announced in February, I will be leaving Smartgroup after 14 years of service once we complete the transition of the role and responsibilities to our in-coming Chief Executive Officer, Scott Wharton.

As I reflect on the last decade and a half, I am thankful for the opportunities and learnings that Smartgroup has afforded me. I will leave the organisation with lifelong friends and fond memories of the strong relationships and support from our clients, our customers and our team members for what we are trying to achieve.

When Scott starts in mid-July, we will be spending some time together to ensure there is a smooth transition of leadership. I would also like to convey my appreciation to our Chair, Michael Carapiet, the Board members and the Executive Team for their wise counsel and trust in me and our vision for the

business. On behalf of Smartgroup, we are excited about the long-term outlook and the opportunities arising over the next twelve months.



Annual General Meeting 2023



Chairman's Address

Michael Carapiet

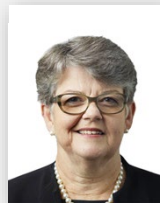
Smartgroup Board of Directors



Gavin Bell
Non-Executive
Director



Michael Carapiet
Chairman and
Non-Executive
Director



Anne McDonald
Non-Executive
Director



Deborah Homewood
Non-Executive
Director

4



Carolyn Colley
Non-Executive
Director



Tim Looi
Managing Director
and CEO



Ian Watt AC
Non-Executive
Director



John Prendiville
Non-Executive
Director

2022 highlights - Steady operational performance

- **NPATA of \$61.2 million**
 - Revenue of \$224.7 million
 - EBITDA of \$93.4 million
 - Operating cash flow generation at 117% of NPATA
- **Novated leasing leads and vehicle order pipeline continued to grow**
- **Introduction of the Federal Government Electric Car Discount Policy**
- **Ongoing delivery of Smart Future assets**
- **Endorsement of our Sustainability Strategy, *A Smarter, More Sustainable Tomorrow***

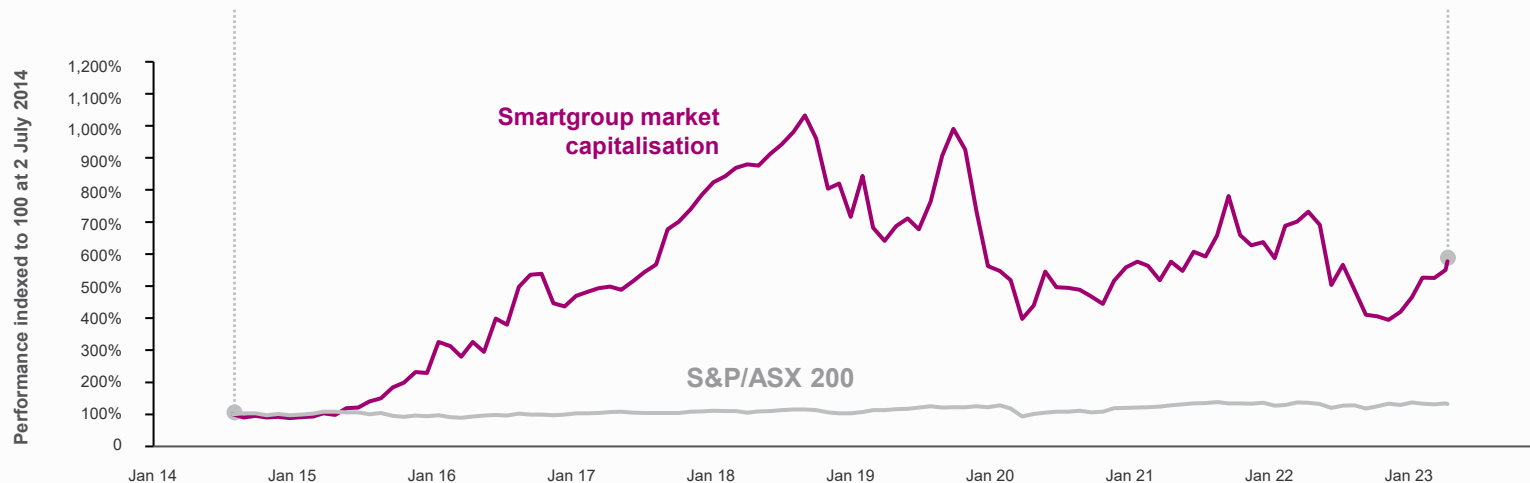
We have delivered c.650% Total Shareholder Returns since IPO, including franking value

Since listing in 2014, Smartgroup has paid ~\$448m in fully franked dividends (~\$192m franking value)

~\$160M SIQ Market Cap | 2 July 2014



~\$940m SIQ Market Cap | 5 May 2023



Source: Factset, IRESS, Refinitiv, S&P Capital IQ, ASX (at 5 May 2023)

Current market cap is ~5.8x IPO market cap and share price is ~4.4x IPO issue price¹

1. Based on 5 May 2023 share price of \$7.05.

CEO transition

- Scott Wharton to commence on 17 July 2023
- Tim Looi for remain for a transition period



MD and CEO's Address

Tim Looi

Our investment proposition – capital light business model, strong cash flows and dividends



378,000

Salary Packaging
customers



58,000

Novated
Leases



25,900

Fleet Vehicles
Managed



~740

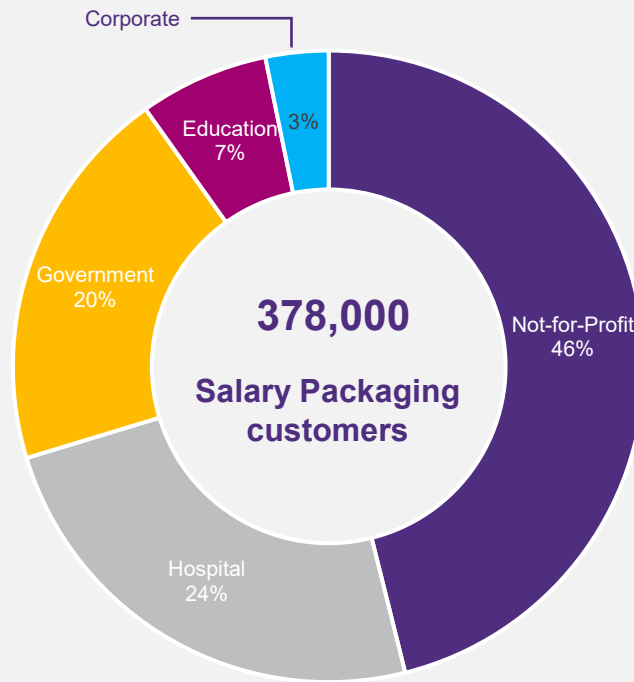
Full Time
Equivalents

- ✓ Premium established player with scale
- ✓ Proven and resilient earnings, with high cash flow conversion, solid returns and fully franked dividends
- ✓ Robust capital light business model supported by a strong balance sheet
- ✓ Diversified customer base operating in attractive sectors
- ✓ Growth strategy and enhanced operational efficiencies through digital investment
- ✓ Recent supportive government legislation related to Electric Vehicles

Smartgroup operates in attractive market segments

Our employer clients and employee customers

- **Not-for-Profit** – charities, disability and aged care providers
- **Hospital** – public and private
- **Government** – local, state and federal
- **Education** – schools, universities, state departments and dioceses
- **Corporate** – small, medium and large



We invest in our customers and communities and are committed to a smarter, more sustainable tomorrow



- ✓ **Employer of Choice for Gender Equality 2021-2023.** 40/40/20 gender target achieved at every level
- ✓ Recognised again as an **Inclusive Employer in 2021/2022** by Diversity Council Australia



- ✓ Endorsed our **first Sustainability Strategy** with comprehensive **targets and initiatives**
- ✓ Released our **first standalone Sustainability Report** aligned with GRI standards



- ✓ Continued recognition for high service standards
 - ▶ **Winner – 2022 CSIA and Customer Service Institute of America International Customer Service Team of the Year - Medium awards**
 - ▶ **Winner – 2022 CSIA Service Hero individual award**



- ✓ Fourth year of grants, **donating almost \$250,000** across 17 charitable projects in the community
- ✓ **Over \$750,000 of grants** since inception



2022 recap and 2023 operational update

Steady operational performance for 2022 calendar year



NPATA of \$61.2m

Revenue of \$224.7m
(up 1% v pcp)
EBITDA of \$93.4m
(down 9% v pcp)
NPATA¹ of \$61.2m
(down 12% v pcp)
reflecting car supply
constraints and higher
operating costs



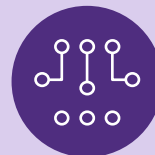
Strong leasing demand

Strong 14% growth in
leasing leads² v pcp
c.25% growth in 'excess'
new lease vehicle order
pipeline
Vehicle supply remains
constrained



Significant uptick in Electric Vehicle (EV) demand

c.270% increase in EV
quotes in Q4 2022 v avg.
Q1-Q3 2022
EVs c.15% of total quotes
in Q4 2022 v <1% in Q4
2021



Progress on Smart Future program

New Smartsalary website
and salary packaging
calculator delivered
Car Leasing Portal live
February 2023



Strong cash flow conversion and 2022 dividends at 100% of NPATA

Strong operating cash flow
at 117% of NPATA
Total 2022 dividends of
46.0cps
fully franked

Strong level of leasing enquiries and orders has continued into 2023

Mar 2023 YTD	v. pcp ¹
Digital leasing leads	+42%
Total leasing leads	+31%
Total leasing quotes	+12%
New lease vehicle orders	+7%
Settlement volume	+12%
Leasing yield	+3%
Mar 2023 v Mar 2022	
Open leasing leads ²	+55%



Strong customer interest has continued into 2023

- ▶ Customer enquiry levels remain strong
- ▶ Additional open leads represent potential revenue of \$3-4m³



Electric Car Discount Policy is contributing to quote uplift

- ▶ Mature conversion rates to become clearer in Q2 2023. Additional customer education will continue to be required until legislation and EV ownership is more widely understood



Car supply challenges remain

- ▶ Further growth in the excess VO pipe⁴ from c.\$15m at Dec 2022 to c.\$16m at 31 Mar 2023, with a total pipeline of c.\$20m



Yield improvements are being maintained

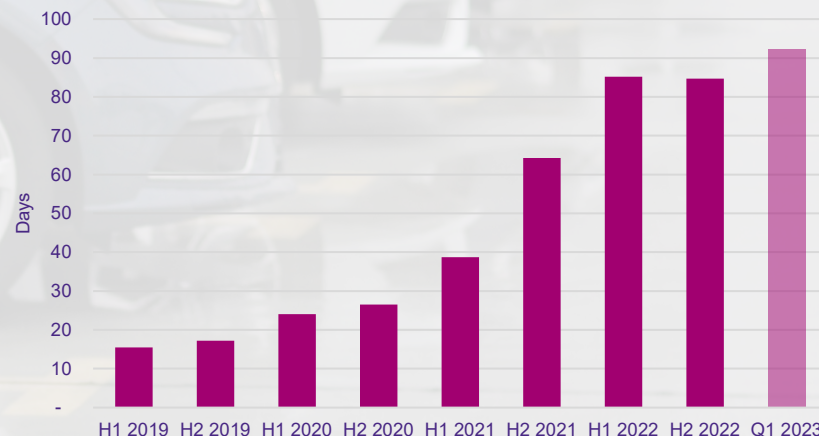
- ▶ New car prices remain high compared to historic levels
- ▶ Higher yielding new novated leases stable at c.73% of novated volumes for Q1 2023, remaining lower than pre-COVID levels of c.78-80%

1. Comparison to pcp excludes DET Victoria, which transitioned out in October 2022. Mar 2023 YTD digital leads, total leads, quotes, orders and settlements were +37%, +26%, +7%, +0% and +7% versus pcp respectively, if DET Victoria is included.
2. 'Open' leads are those at the start of the sales process.
3. Comparison of open leads at 31 March 2023 v 31 March 2022, assuming H1 2022 fully mature conversion rates and 2022 leasing yield.
4. 'Excess' pipeline represents committed customer orders above pre-COVID levels.

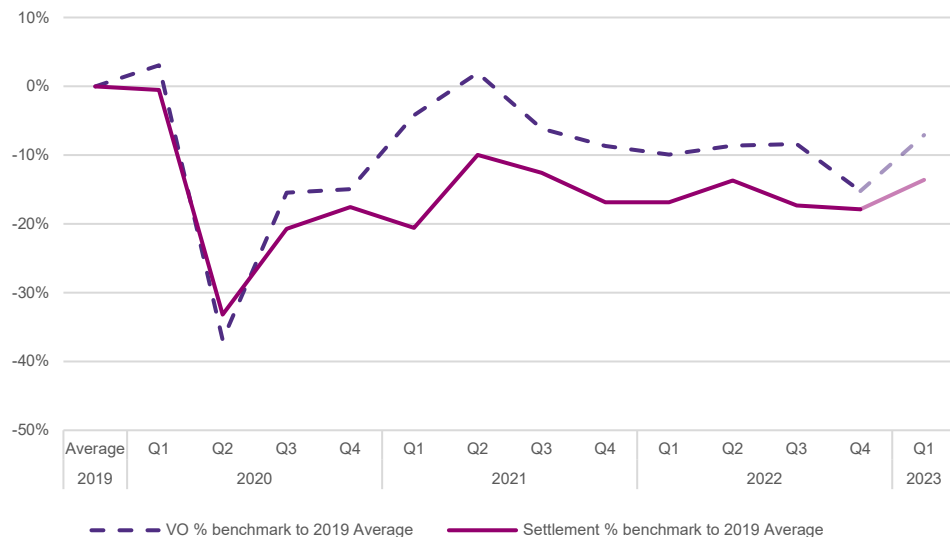
Vehicle supply more stable but challenges remain

- ▶ Delivery timeframes extended further in 2022, though appears to be stabilising, leading to further growth in the Vehicle Order pipeline in 2022 and Q1 2023
- ▶ Delays are resulting in credit re-approval for a large proportion of deals – leasing team resourcing has been increased further to meet additional workload
- ▶ As significant costs are incurred to generate orders, supply improvements will flow to earnings at good margins

Average vehicle order to delivery timeframes for Smartgroup top 30 makes/models by volume¹



New vehicle orders continue to exceed settlements¹, leading to further growth in the open order pipe in Q1 2023



Customers delaying buying decisions

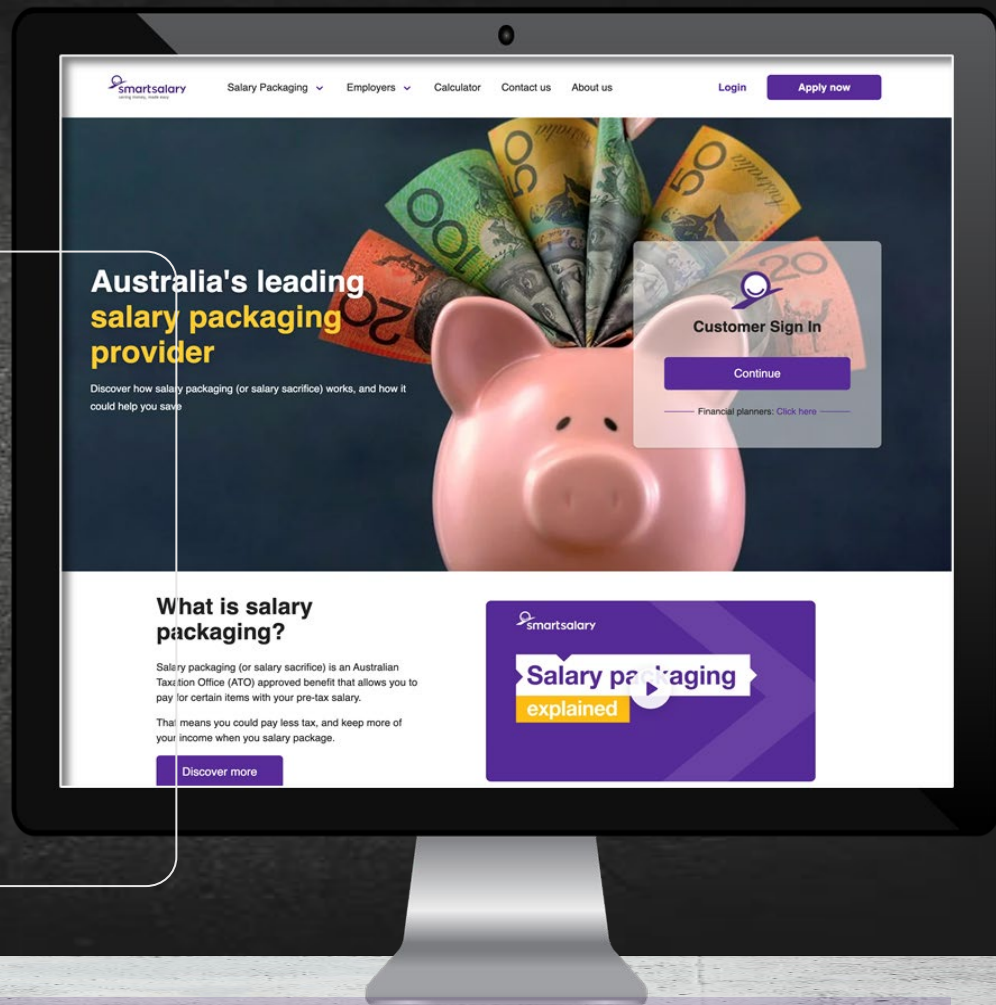
- ▶ Credit approval to vehicle order timeframe extended by c.20% in 2022



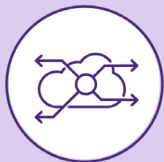
Car supply continues to impact settlements

- ▶ 'Excess' VO pipeline² grew c.\$3m in 2022
- ▶ Supply constraints expected to continue. Some recent improvements for certain makes and models

Smart Future



Smart Future 'scorecard' – meaningful progress made



Foundations

- ✓ Customer sales incentive scheme restructure
- ✓ Digital experience platform
- ✓ API and data platforms



Leasing calculators

- ✓ Strong, sustained visit to lead conversion rate uplift
- ✓ Significant increase in lead volume with digital now almost 60% of all new lease leads (vs <40% in 2019)



Smartsalary website and salary packaging calculator

- ✓ Meaningful increase in salary package sign-ups via website
 - ✓ Increasing engagement with self-education content



Integrated appointment booking system

- ✓ Increase in education session enrolments by potential customers



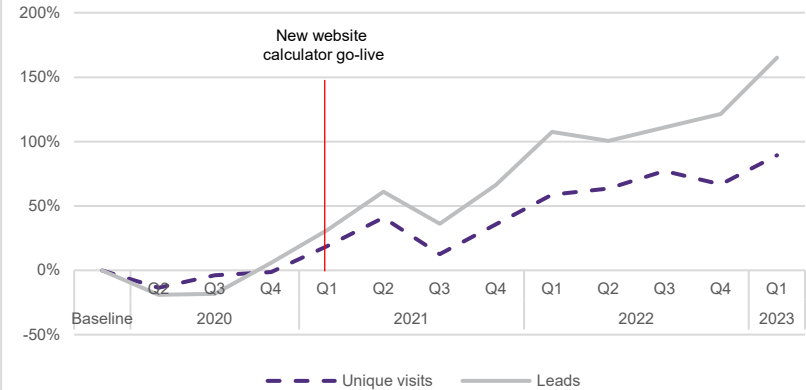
Car Leasing Portal 24/7 quoting

- ✓ Lift in quote volumes for pilot clients since go-live
- ✓ 1 in 3 interactions outside business hours

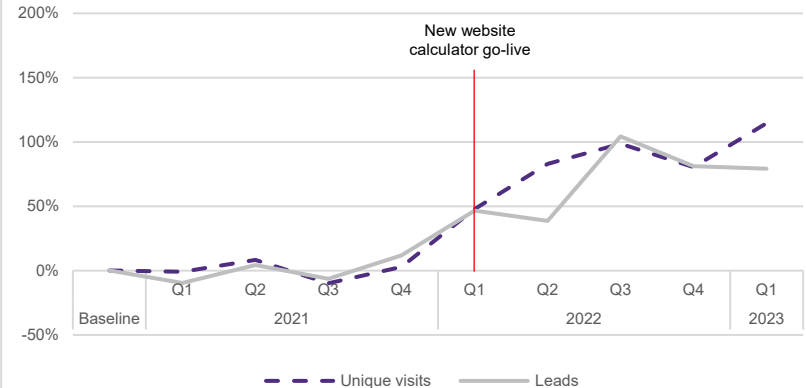
Online novated leasing calculators continue to generate strong lead growth

- ▶ Smartleasing live Q1 2021 (c.90% of group novated leases)
 - Significant increase in customer engagement and visit to lead conversion sustained in 2 years since launch
- ▶ Autopia live Q1 2022 (c.10% of group novated leases)
 - Visit to lead conversion results more mixed, though significant increase in total lead volume evident

Smartleasing



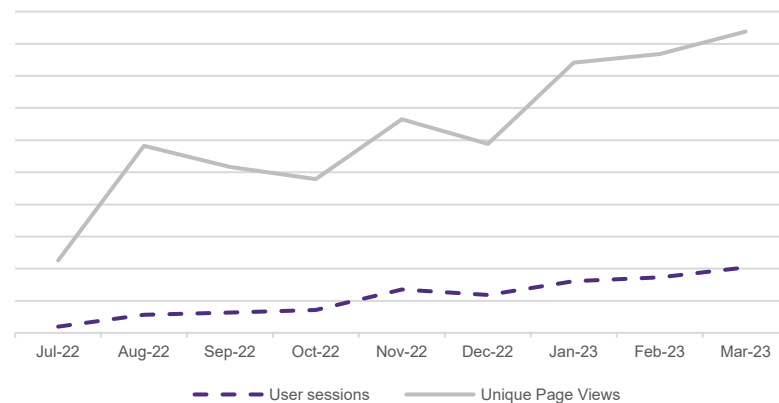
Autopia



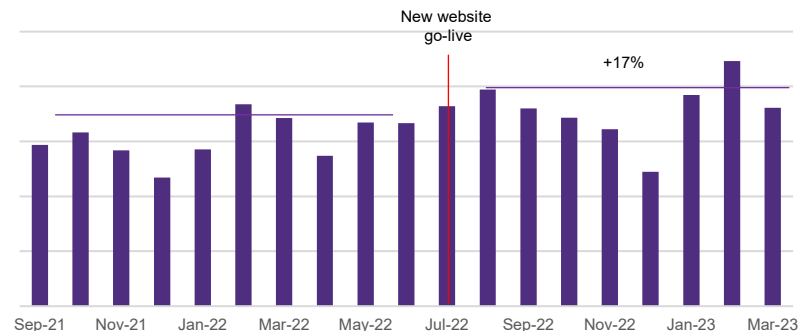
Smartsalary website and packaging calculator

- ▶ New website including self-education content went live in July 2022; Smartsalary packaging calculator education tool live October 2022
 - c.17% increase in salary package sign-ups from website leads
 - Around 1 in 3 calculator visits are occurring outside business hours¹
- ▶ Significant month on month increase in engagement with education content

Education content engagement



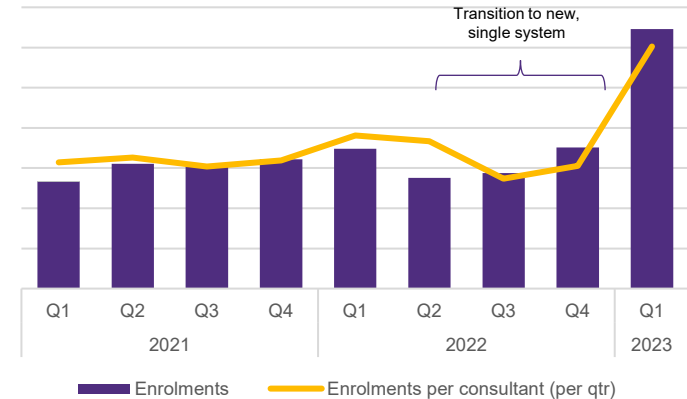
Salary package sign-ups via website leads



Integrated appointment booking system

- ▶ Single system rolled out across all Smartgroup brands in Q3 and Q4 2022
- ▶ Incentive structure updated at start of 2023 to drive increase in potential customer reach
- ▶ c.58% uplift in enrolments per customer education consultant in Q1 2023 versus pcp, reaching more potential customers via digital and non-digital interactions¹

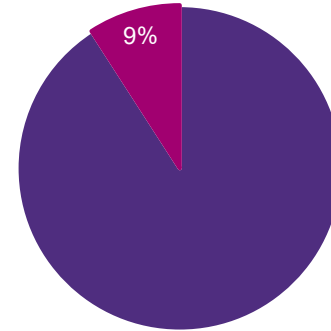
Smartsalary customer education team enrolments¹



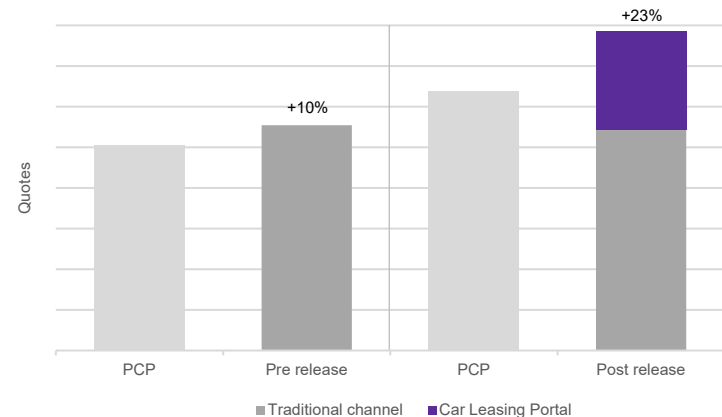
Car Leasing Portal – 24/7 quoting

- ▶ Pilot commenced in February 2023 to c.100 clients (pilot clients accounted for c.9% of total 2022 new lease quotes)
- ▶ Quote volume from pilot clients increased 23% v pc
- ▶ Around 1 in 3 portal interactions are occurring outside business hours
- ▶ A further c.100 clients live in mid-April 2023
- ▶ Portal to be rolled out to all Smartleasing clients (c.90% of group leasing business) progressively throughout 2023

Pilot client group proportion of 2022 new lease quotes



Average monthly quotes – pilot client 2 months pre and post release



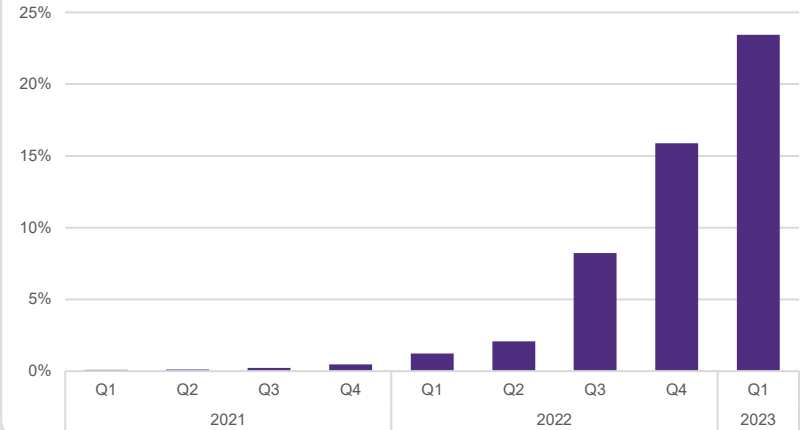
A woman with long brown hair and a floral headband is plugging a black charging cable into the charging port of a light blue electric car. The car is parked outdoors, and the background is a blurred street scene with trees and buildings. A semi-transparent purple rectangle is overlaid on the left side of the image, containing the text 'Electric Vehicles'.

Electric Vehicles

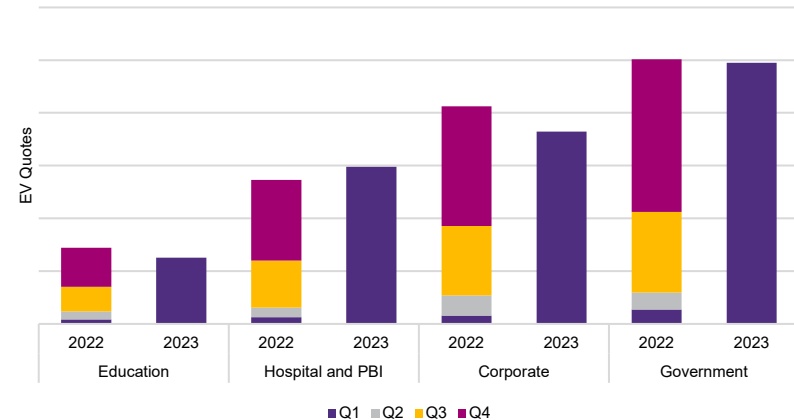
Federal Government policy generating strong increase in EV demand

- ▶ Federal Government Electric Car Discount Policy abolishes FBT on new EVs provided through novated leases¹
- ▶ Strong EV demand growth across all segments
- ▶ Mature quote to order conversion rates will be known in late Q2 2023

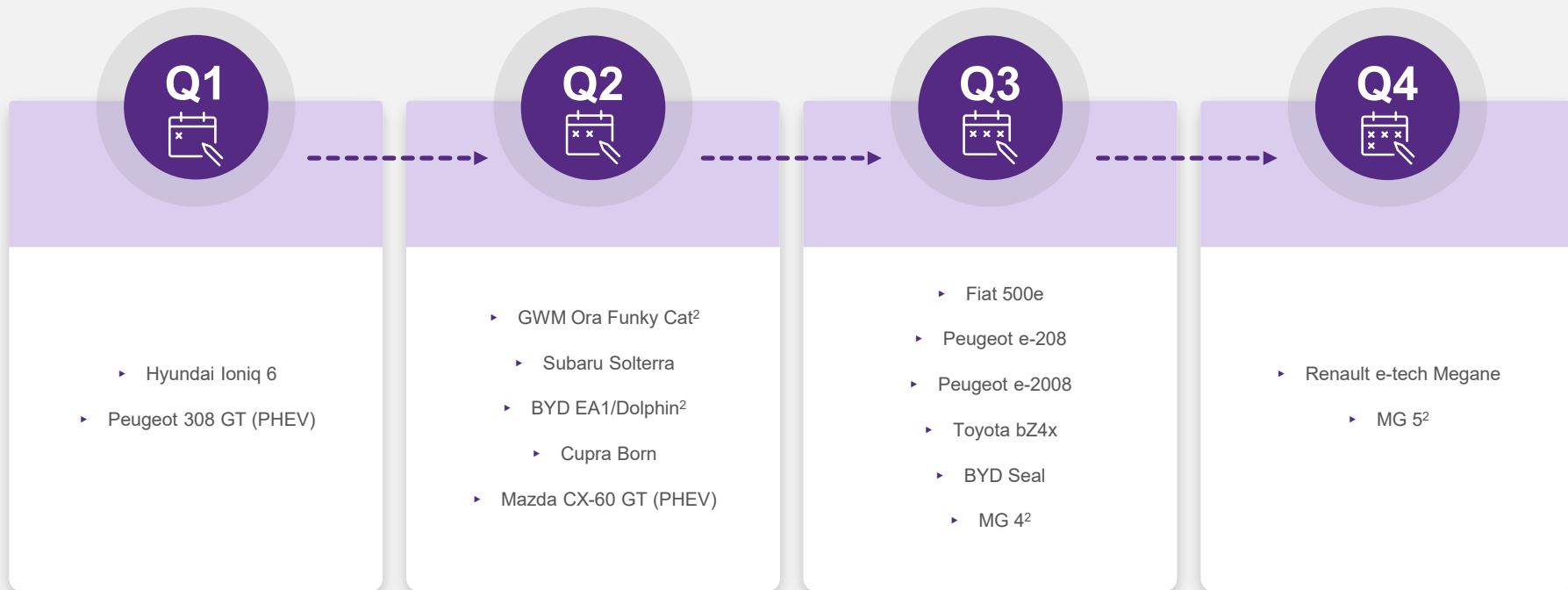
EV % of total quotes



EV quotes by segment



New EVs¹ due in Australia in 2023; EV and PHEV supply is expected to improve through the year, with more models at accessible price points





Update to March 2023 and Outlook

Positive trading momentum with increased revenue offsetting cost inflation

Continued client success

- ✓ Stable salary packages with several new client wins
- ✓ Novated lease vehicles under management stable
- ✓ Fleet vehicles under management expected to grow in H2 by c.2,000 vehicles (+10%) from new clients

Operational performance

- ✓ Continued high levels of enquiries and open leads
- ✓ Vehicle delivery timeframes remain relatively static with some improvements for certain makes and models

Q1 2023 financial performance

- ✓ Higher costs from 2022 remuneration reviews and additional resourcing to meet novated leasing demand are being offset by increased revenue and a targeted cost review – average Q1 2023 NPATA per month in line with H2 2022
- ✓ Minimal capitalised IT cost, strong cashflow conversion and low net debt position of \$55m
- ✓ Continued focus on delivering benefits from the Smart Future program

CEO transition

- ✓ Scott Wharton to commence on July 17, with Tim Looi to work with Scott through a transition process

Important notice and disclaimer

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