

Smart Parking Limited (ASX:SPZ)

FY23 Business Update

12 May 2023
CEO Paul Gillespie

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

Q3 FY23

1,043 ANPR sites
up **24%** 

**As at 31 March 2023 compared to 30 June 2022*

Revenue of \$32.5m
(\$34.0m¹) up 

29%¹

**Compared to PCP (in constant currency)*

Adjusted EBITDA
\$8.5m (\$8.9m¹) up 

42%¹

Excludes \$1.2m investment in Germany

**Compared to PCP (in constant currency)*

Growth in parking breach notices up

28% 

**Q3 YTD compared to PCP*

Growth in APAC/Germany parking breach notices up

283% 

**Q3 YTD compared to PCP*

1,500

Global ANPR sites target by June 2025 - affirmed

FY23 Q3 update

| Strong Q3 with growth accelerating

Q3 HIGHLIGHTS

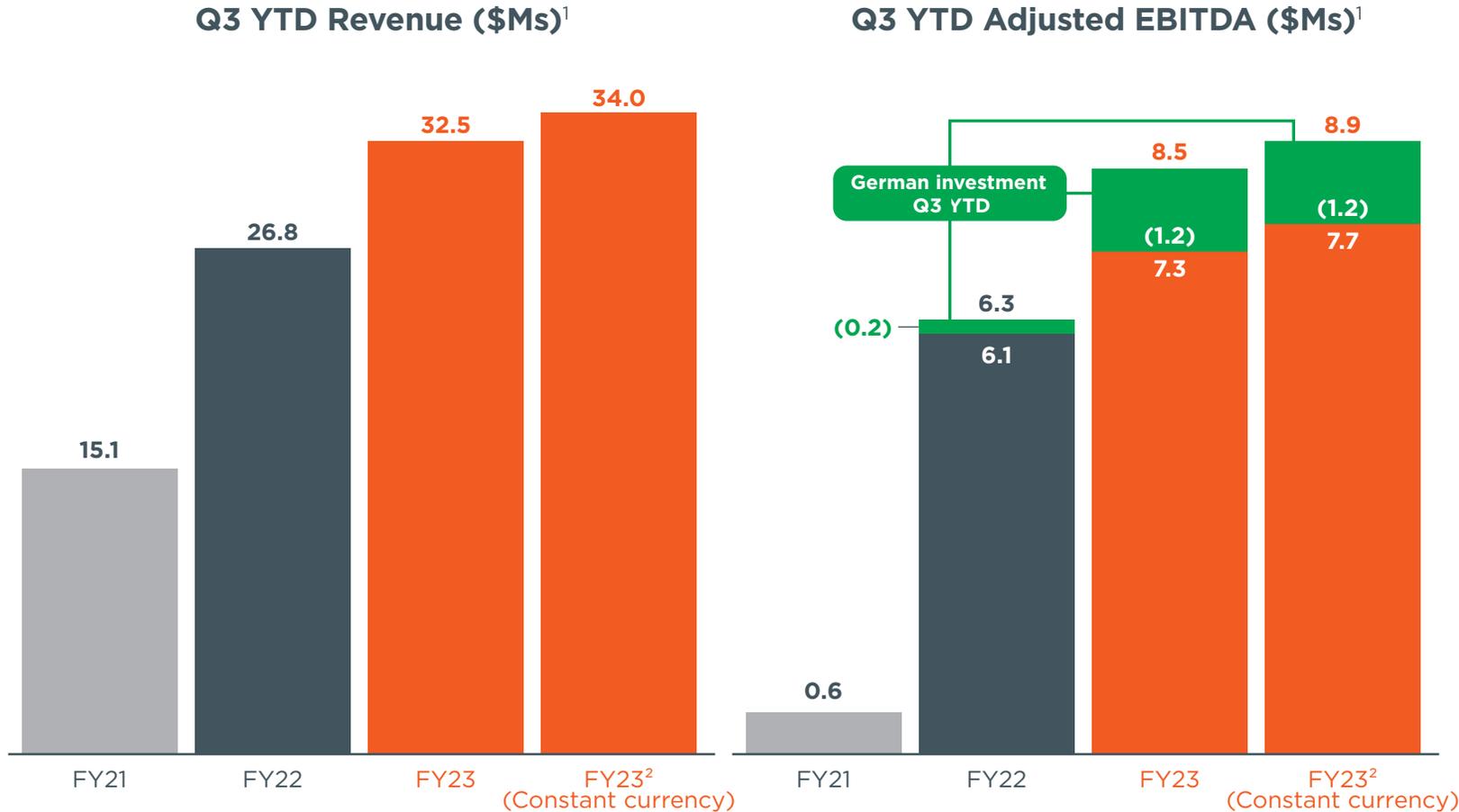
- YTD revenue of **\$32.5m (\$34.0m in constant currency, up 29%** compared to PCP), and Adjusted EBITDA of **\$8.5m (\$8.9m in constant currency, up 42%** compared to PCP) - excludes investment in Germany of \$1.2m.
- Continuous and disciplined execution of UK expansion plan in large addressable market of 45,000 sites.
- **Built foundations for growth** in Germany, while continuing to scale the core business in the UK and APAC.
- APAC Parking Services business experiencing **rapid growth** through disciplined execution of sales strategy with revenue **up 286% on PCP**.
- **1,043 total group ANPR sites** under management as at 31 March 2023.
- Successfully scaling the APAC services business, over 120 ANPR sites under management at 31 March (June 2022: 47).
- Germany starting to gain pace with contract wins in the retail and fast food sector. Key wins with Aldi, Burger King and KFC proving the business model in SPZ's largest addressable market.

OUTLOOK

- Q4 seasonally strongest quarter.
- Further growth in the UK and APAC.
- Q4 seeing full contribution from recent site additions.
- **FY24 ongoing tailwinds:**
 - Organic growth in existing markets with a TAM of 140,000 sites
 - Scope for further accretive acquisitions
 - Ongoing positive cashflow, operating leverage and net cash balance sheet to self fund organic growth strategy
- On track for **1,500 ANPR sites under management** by June 2025.

Growth track record

| Disciplined execution of growth strategy delivering results

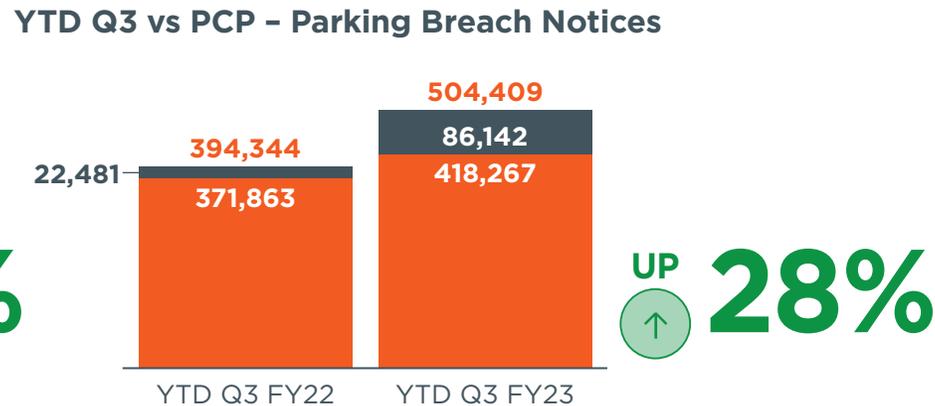
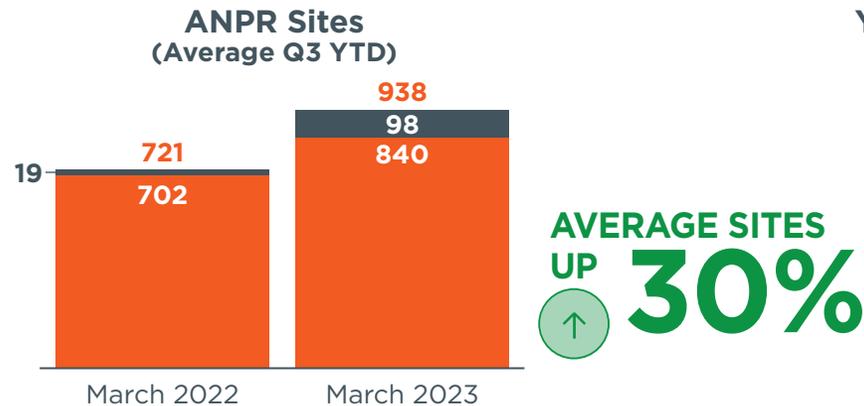
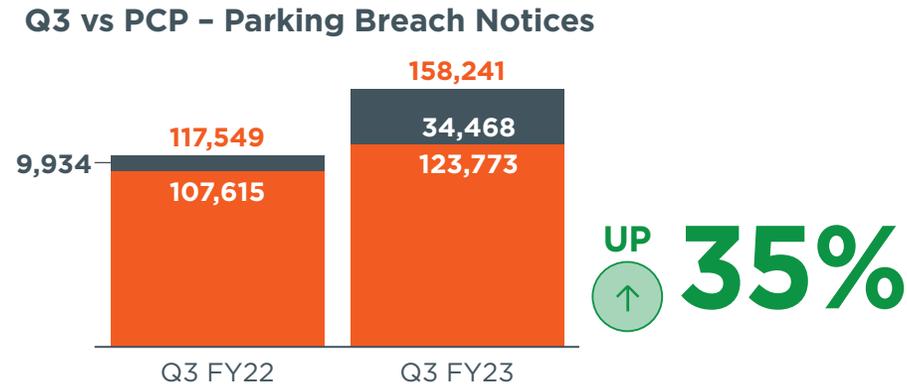
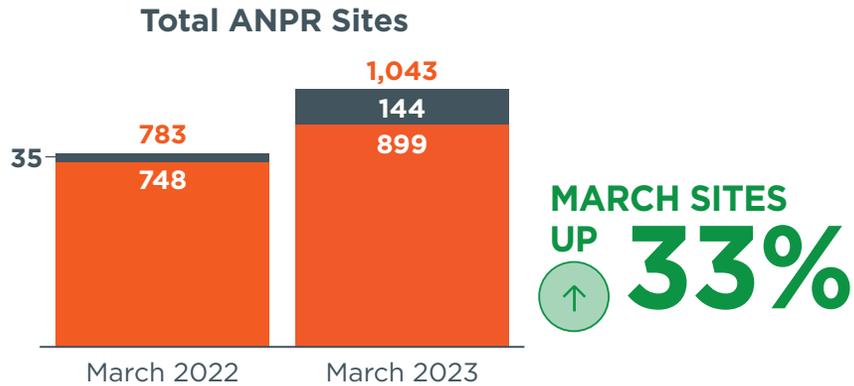


¹ Unaudited
² In constant currency (Q3 YTD FY22 exchange rates)

- Revenue of \$32.5m (\$34.0m in constant currency, up 29% compared to PCP).
- Revenue growth accelerating as new sites are installed.
- Momentum going into Q4, seasonally strongest quarter.
- Adjusted EBITDA of \$8.5m (\$8.9m in constant currency, up 42% compared to PCP) - excludes investment in Germany of \$1.2m.
- Adjusted EBITDA margin of 26.2% up 243 bps compared to PCP (excluding Germany).

Growth drivers

| Site growth in Q3 YTD FY23 at 24%, now over 1,000 global ANPR sites under management



■ UK ■ APAC/Germany

- Disciplined execution of expansion plan resulting in 33% increase in ANPR sites under management compared to PCP.
- Growth in ANPR sites has resulted in a 35% increase in Q3 PBNs compared to PCP, and a 28% increase in Q3 YTD PBNs compared to PCP.
- New territories supplement UK growth validating off shore expansion strategy.
- APAC helps to mitigate UK seasonality.
- Good momentum going into Q4.

The Smart Parking customer value proposition

Parking management improving customer satisfaction and revenue generation

Customer benefits

- Increased parking space turn over
- Uplift in footfall and revenue
- Reduction in abuse of parking spaces
- Prevents on-site confrontations with staff
- Utilisation of real time parking data for customer insight

High ROI

- Average CAPEX investment is AUD\$18,000
- ROI of c.7 months
- Free cash flow positive funds organic growth and expansion into new territories
- Strong cash balance of \$10.6m at end of Q3 to self fund growth strategy



After 12 successful installs, I'm happy to say we enjoy a fantastic relationship with the team at Smart Parking, whose open, honest and transparent service approach have made the entire process a breeze.



New River Real Estate Investment Trust (UK)



Since implementing the system at our Spotlight stores we've seen retail trade improve and an increase in customer satisfaction.



Brixton Properties Ltd (APAC)

Growth strategy – multiple drivers

| Three key pillars for growth

Organic existing markets



Growth in sites =
growth in PBNs =

revenue & profitability

High incremental margin

leveraging existing
fixed cost base

Existing markets:



TAM
45,000
SITES



TAM
3,000
SITES



TAM
2,000
SITES



TAM
90,000
SITES



1,500

ANPR site target by June 2025

Growth in new territories



Investigating and evaluating
new market territories

Low cost

expansion strategy

Focused on territories with
appropriate regulatory
environment where SPZ can
**leverage IP and market
leading technology**

M&A



Good pipeline
of opportunities



Disciplined selection criteria:
Strategic fit, technology and
earnings accretion



Ability to leverage technology
and deep domain expertise to
deliver synergies



Proven track record
with successful integrations

Building a larger and more profitable SPZ

- ✓ Strong Q3 performance, revenue growth of 29%¹ and adjusted EBITDA up 42%¹
- ✓ 1,060 sites at the end of April - reaffirming growth target of 1,500 global ANPR sites under management by June 2025.
- ✓ Execution of organic growth strategy - we are very early in the long term growth runway in large addressable markets - 140,000 TAM.
- ✓ Building scale in multiple territories to accelerate growth and strengthen SPZ.
- ✓ Grow German Parking Services business, focus on building scale in Europe's largest market - TAM 90,000 sites.
- ✓ Well capitalised to fund further strategic acquisition opportunities and new territory expansion.

¹ In constant currency (Q3 YTD FY22 exchange rates)
* All forward-looking statements can be subject to change.

A long-exposure photograph of a multi-lane highway at night. The image shows light trails from cars, with red trails from taillights and white trails from headlights. The highway is elevated and curves through a cityscape with modern buildings and greenery in the background.

Supplementary Information

Smart Parking Ltd (ASX:SPZ)

A global company focused on delivering industry leading technology innovations and solutions within the parking industry

Parking management services

Provision of parking management solutions, predominantly servicing the retail sector, managing agents and land owners in the UK, APAC and more recently Germany to run parking management services.

Technology

Proprietary technology to facilitate the growth of parking management services. Competitive advantage - SmartCloud allows successful plate matching with infringement business rules, mapping the full life cycle of a breach notice from issuance to payment or collection.

Research & development

Migration of legacy UK systems to SmartCloud, completion in 2023.



**SALES AND OPERATIONS IN
UK, GERMANY, NZ & AUSTRALIA**



**MANAGING OVER
1,000 ANPR SITES WORLDWIDE**

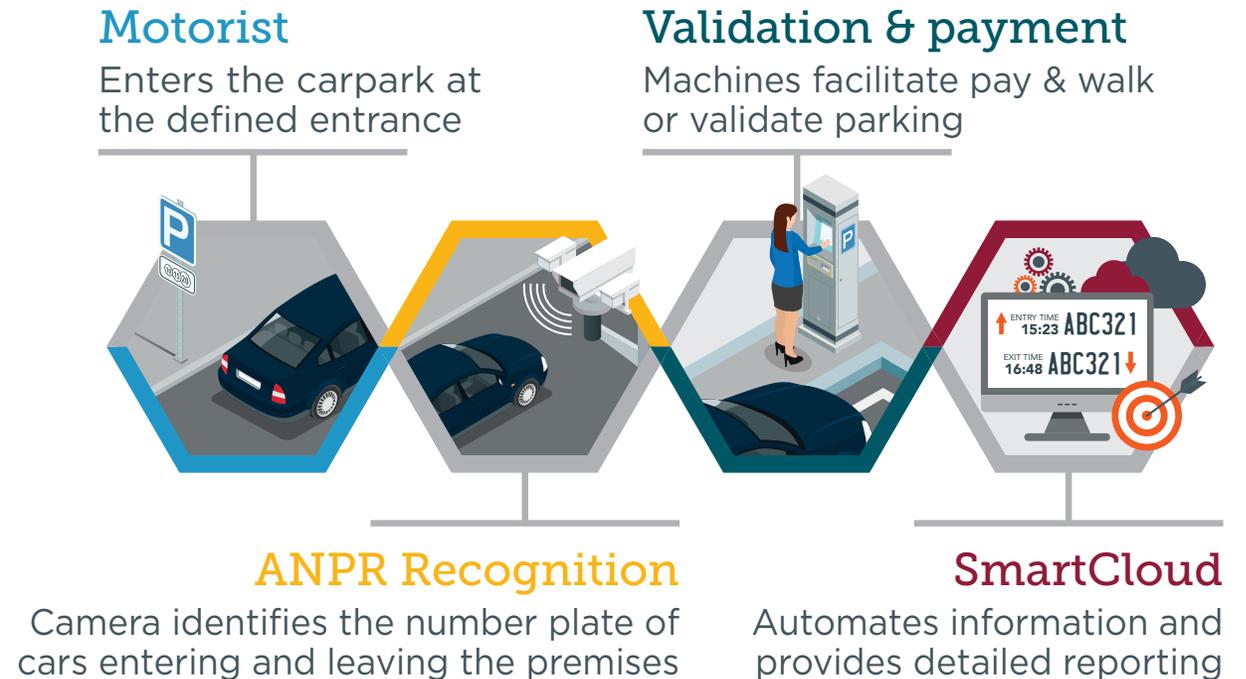


**OVER 13 MILLION CARS PER
MONTH THROUGH THE ESTATE**

Smart Parking - How it works

| Parking management improving customer satisfaction and revenue generation

- SPZ operates and manages thousands of car park spaces using proprietary Smart Parking ANPR (Automatic Number Plate Recognition) technology.
- This solution dramatically increases parking compliance and frees up car park facilities for genuine customers and visitors.
- Our clients include retail, property owners and managers, and our aim is to reinvent the parking experience and drive revenue growth.



Management services – ANPR estate growth

| Over 1,000 global sites under management



Thank you.

Paul Gillespie | Group CEO | paul.gillespie@smartparking.com

Richard Ludbrook | Group CFO | richard.ludbrook@smartparking.com