

Bell Potter Emerging Leaders Conference

27-May-2025



Smart

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Acknowledgement of Country

Smartgroup acknowledges the Custodians of Country throughout Australia. We pay our respects to Aboriginal and Torres Strait Islander cultures and to Elders past and present and thank them for their ongoing custodianship of this land and community.

Artist Statement

Co-existing with Mother Earth from the first days of understanding of kinship and the importance of caring for Country. Preparing for the future and prospering by putting country first which started through gatherings of our ancient ancestors which continues through time to this day, Country has always been an important part of First Peoples of Australia cultures.

Country has sustained us, revitalised, and rejuvenated our mind, body, and spirit for many millennia. And by putting Country first it will continue to do so. It has been our most important commandment handed to us down throughout the generations through loving careful instructions. A nourishing thought for the ages of our continuous culture on this ancient landscape.

Narrative written by Jade Kennedy of the Tatti-Tatti/ WadiWadi/Muddi-Muddi - West Kulin Nation and Wajak/Kaardjin - Noongar Nation.



Kengatha-nak-thangi Grow Mother Country

Investment proposition



CY 2024 vs CY 2023

Leading, resilient business	Leading player with diversified exposure	<ul style="list-style-type: none"> Positioned as a market leader in salary packaging and novated leasing Broad product offering incl. exposure to fleet management 	▶	541,000 LTM salary packaging customers ¹	~2.3m potential customers in existing client base
	Resilient business with high client retention	<ul style="list-style-type: none"> Resilient customer demand through the cycle Significant recurring revenue Long-term client contracts in attractive and growing segments 		46% Not-for-profit, 26% Government,	19% Health, 6% Education
Attractive financial profile	Consistent strong financial performance	<ul style="list-style-type: none"> Proven track record of revenue growth Solid margins supported by increasingly scalable model Strong operating cash flow conversion 	▶	+11.3% revenue ² CAGR (3y)	108% operating cash flow to NPATA
	Favourable operating environment	<ul style="list-style-type: none"> Continued demand for novated leasing Vehicle delivery timeframes improving Cost of living pressures 		+22% increase in novated leases under mgt ⁵	~44% improvement in average delivery time ³
Building profitable growth	Capital light business model	<ul style="list-style-type: none"> Strong and flexible balance sheet Minimal residual value exposure with limited on-balance sheet funding 	▶	P&A funding model	0.4x net debt / EBITDA ⁴
	Strategic Priorities increasing scalability	<ul style="list-style-type: none"> Focus on core business performance and simplification Investment in technology to drive scale benefits, strengthen customer experience and accelerate digitisation 		+10% in the number of packages / FTE ⁵	~10% improvement in NPS ⁵

Our Strategic Priorities and focus

Our ambition

Smarter Benefits for a Smarter Tomorrow

Simplifying benefits and adding value to our clients and customers, while enabling businesses to attract and retain great teams as we build a more sustainable Australia.

Our focus

Smarter Experiences

Market-leading customer experience, helping customers and employers work with us how and when they want

Smarter Products

Simple and innovative products and services to help customers do more and save more

Working Smarter

Simple and scalable operations, with improved capability that puts the customer first

Our Strategic Priorities

Customer-focused, digital and efficient salary packaging offering

Leadership in Novated Leasing via EVs

Innovation of propositions to meet growing customer needs

Targeted investment in fleet capabilities

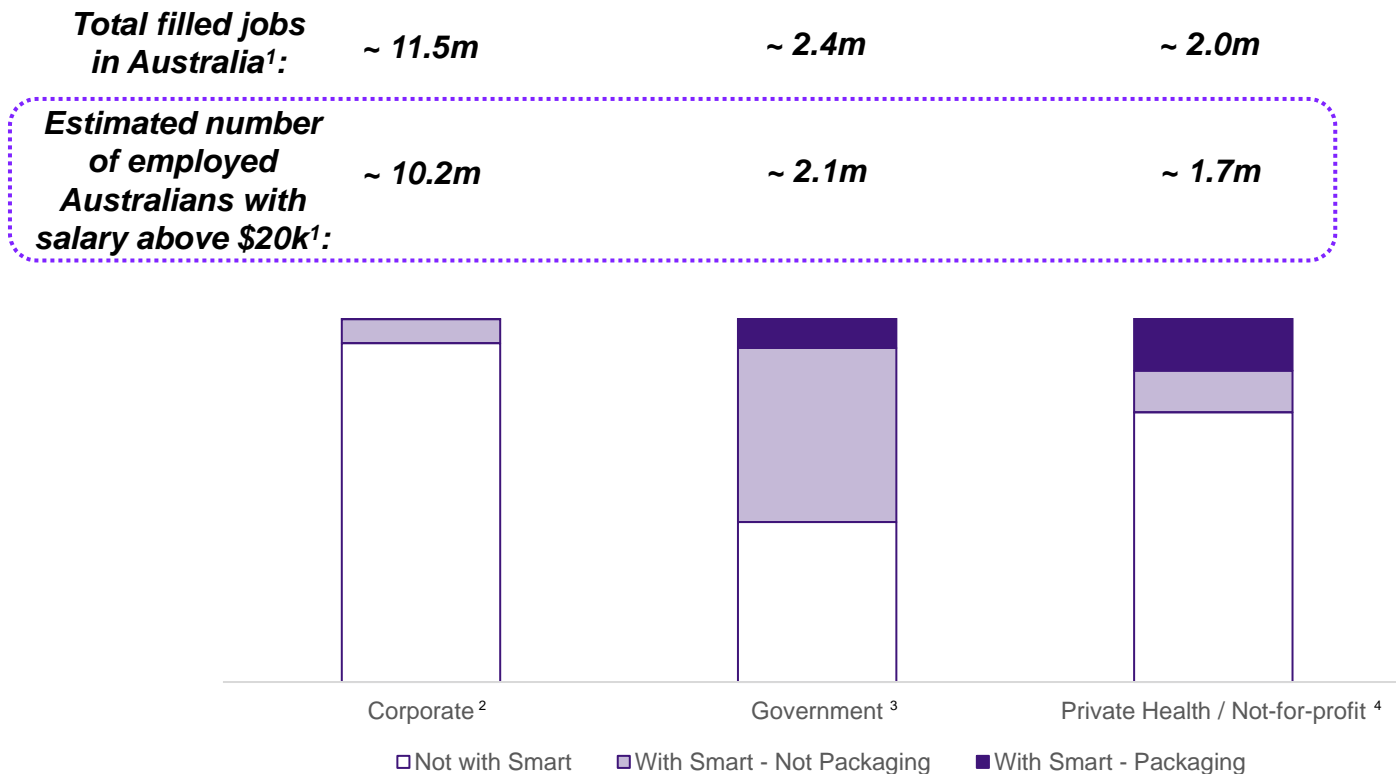
- Digitise operations and enhance self-service to delight clients and customers
- Simplify and consolidate the core technologies and drive scale benefits including moving to a single brand
- Maintain a market-leading proposition for EVs through sustained digital investment
- Accelerate our digital sales engine
- Expand our novated leasing offering to meet a broader set of needs
- Scale our benefits program
- Continue to support client demand for tailored products
- Increase capability via balance sheet-funded pilot

Delivering Smarter benefits for a Smarter tomorrow

Solid progress on our Strategic Priorities in CY24

Customer-focused, digital and efficient salary packaging offering	Leadership in Novated Leasing via EVs	Innovation of propositions to meet growing customer needs	Targeted investment in fleet capabilities
<ul style="list-style-type: none">• New brand 'Smart', progressed brand simplification from 6 to 4 brands in 2024• smart.com.au, our new digital home attracted over half a million total users since November 2024• Improved customer service and digital capabilities, NPS >10% higher in 2024• Delivered process improvements and automation, ~10% improvement in the number of packages / operations FTE• More than doubled new client wins¹	<ul style="list-style-type: none">• Grew number of settlements by 20% in 2024 v pcp• EV and ICE new car orders up 51% and 12% in 2024 v pcp, respectively• Continued growth in the SME segment• Enhanced our car leasing portal, increasing digital conversion²• Active yield management delivered 7% improvement v pcp	<ul style="list-style-type: none">• Expanded our benefits offering• Established new partnerships including Intellihub and Qantas• Over 30,000 users accessing Smartrewards in 2024• Progressed improvements in benefits sign-up process	<ul style="list-style-type: none">• Expanded our fleet offering to larger clients• Increased vehicles under management by 6% in 2024 v pcp• Grew self-funded fleet pilot to ~750 vehicles for ~40 clients• Implemented operational improvements for our clients

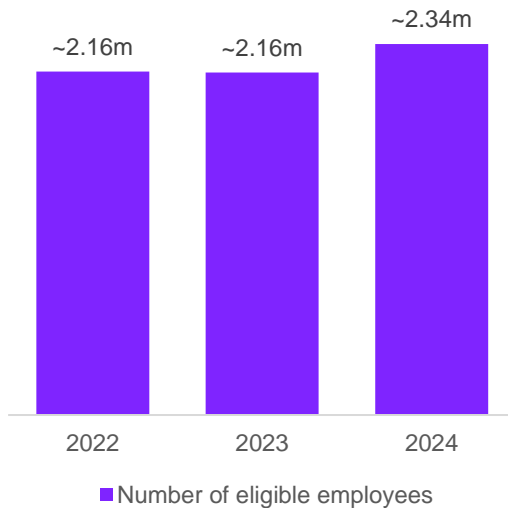
Our addressable market is a significant growth opportunity



- There are over 15 million employed Australians, of those circa **14 million** earn a salary above \$20k, and can benefit from salary packaging
- Of those 14 million potential customers, over **2.3 million are employed by Smartgroup clients**
- Smartgroup served **~541,000 customers** in the last 12 months, with the majority in Government, Health and Not-for-profit segments
- Our opportunity is to increase penetration in our existing client base, grow in the Corporate segment and acquire new clients

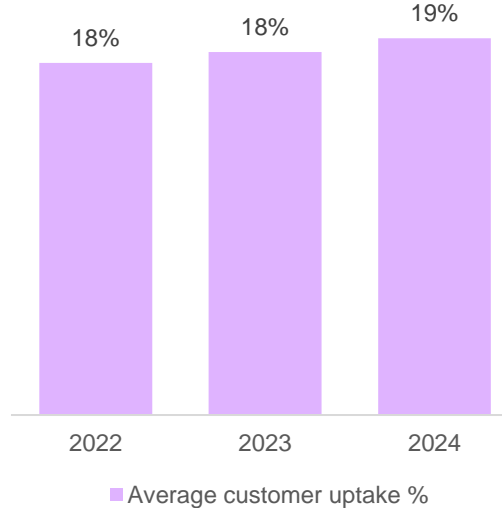
Positioning to drive scalability

Increasing eligible customer base¹



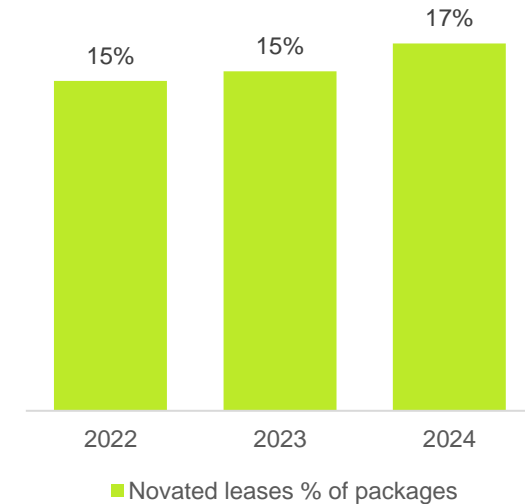
- Focus on increasing eligible employee numbers to leverage the scale of our platform

Increasing customer penetration¹



- Focus on the organic opportunity to expand penetration into our existing client base

Increasing customer lifetime value



- Focus on expanding our products and services to better meet customer needs and increase retention

CY 2024 Highlights



Trading Update



Strong leasing demand and yield sustained

	Q1 2025 v pcp	Q1 2025 v H2 2024	H2 2024 v pcp
New lease orders ¹	+21%	+9%	+19%
Total settlement volume ²	+9%	+1%	+15%
Leasing yield	+4%	Steady	+2%

Strong customer demand

- Continued customer interest in novated leasing
- Discount policy for plug-in hybrid (PHEV) ended in April, driving accelerated demand in Q1 2025

Vehicle delivery timeframes stable

- Total pipeline future revenue of c.\$12m at the end of March 2025 (in line with December 2024) remains above pre-COVID levels (c.\$4m)

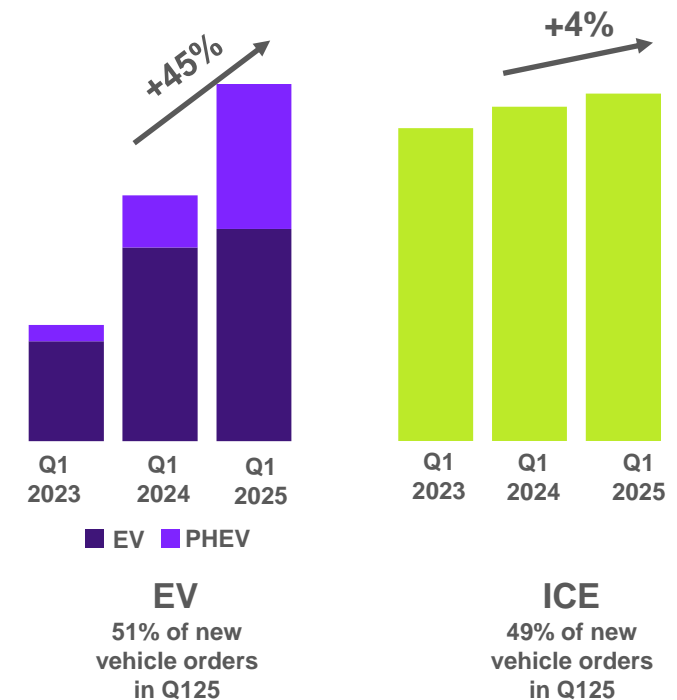
Yield focus

- A higher proportion of new car leases, supply chain renegotiation and vehicle mix delivered yield uplift vs pcp
- New lease settlements¹ improved to 86% of total novated volume for Q1 2025 (vs 82% in H2 2024), driven by pull-forward demand for PHEVs
- Q1 2025 yield remains in line with H2 2024

EV and ICE new vehicle orders continue to grow

- Availability of EVs remains good
- Q1 2025 ICE new vehicle orders grew 4% vs pcp, and were stable vs H2 2024
- ICE accounted for 49%, EV accounted for 51% of Q1 2025 new vehicle orders, of which PHEV was 21%
- Strong EV interest during Q1 2025, new vehicle orders +45% vs pcp. PHEV new vehicle orders +177% vs pcp, driven by the end of the discount policy
- From 1 April 2025, PHEVs no longer benefit from the government EV policy, but remain eligible for novated leasing

New vehicle orders growth (ICE and EVs)



Trading Update and Outlook

Operational performance

- Leasing demand was stable in Q1 2025, cautiously optimistic for the year ahead
- Growth in salary packages, novated leases and fleet vehicles under management
- Industry dynamics across all business lines remain competitive
- Monitoring for impact from inflation/interest rates and international factors on demand and supply

Q1 2025 financial performance

- Q1 2025 average monthly revenue was in line with H2 2024, representing a 10% increase vs pcg, supported by PHEV interest
- Continued focus on driving operating leverage, including through cost management and efficiency programs
- \$11-13m expected technology and digital capex spend in 2025

Strategic Priorities

- Executing well and progressing to plan
- Delivered new partnerships with Intellihub's Enreal and BMW Financial Services

Investor contact

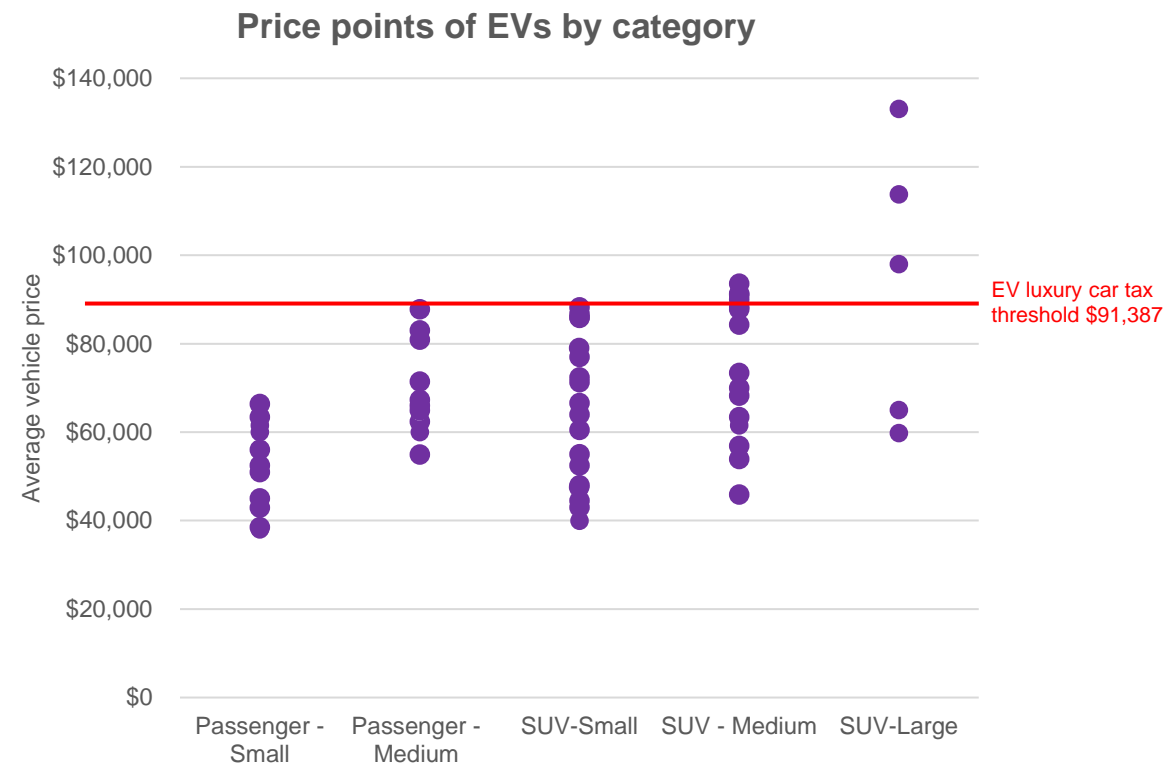
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0423 553 434

A woman with dark hair tied back, wearing a blue and white striped button-down shirt, is smiling and looking upwards. She is holding a black pen in her right hand. The background is blurred, showing what appears to be an office or conference setting. In the bottom right corner, there is a white speech bubble containing the word 'Smart' and a dark blue folder icon containing the word 'Group'.

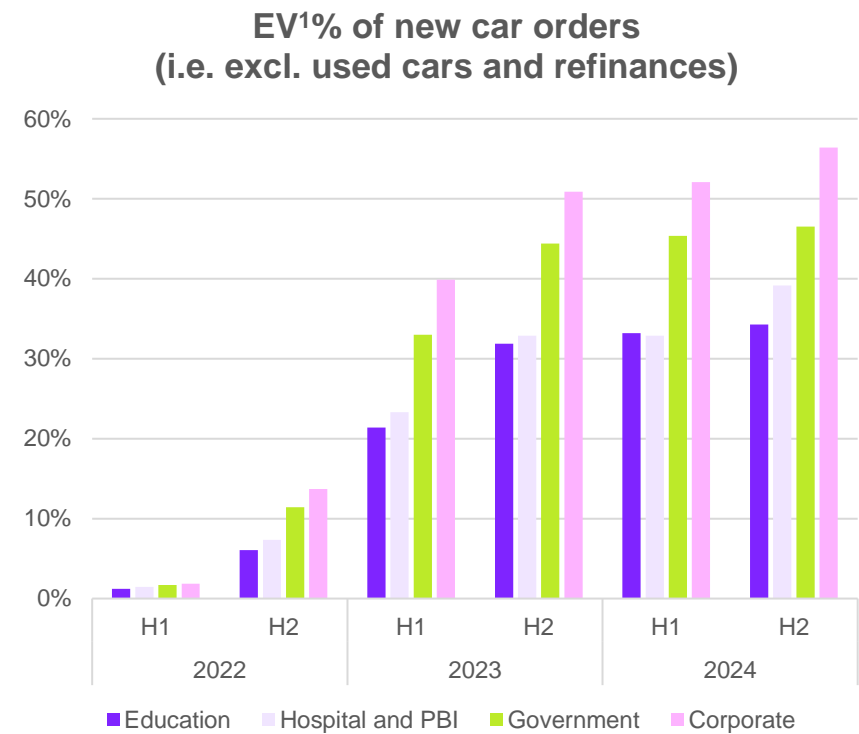
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The EV market is continuing to expand



- EV availability across most price points and categories



- EV proportion of new car lease orders and settlements continues to grow across all client segments

1. Includes EVs below the luxury car tax threshold of \$91,387.