

Smart Parking Limited (ASX:SPZ)

Business Update

30 June 2020

CEO Paul Gillespie

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

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Business Update – COVID-19 Impact and emerging recovery



60%

Car volume down in first week of UK lockdown

**Week commencing 30 March on pre-COVID-19 car count*



78%

PBNs down in first month of UK lockdown

**Compared to pre-COVID-19 PBN issuance*

**107
35**

New sites added in FY20,

More committed in Q1 FY21



87%

Car volumes in UK recovering

**Compared to COVID-19 lows*



109%

PBN issuance in UK recovering

**Compared to COVID-19 lows*

\$3.2m

Committed Technology project revenue

**At 31 May 2020*

COVID-19 Impact

| Impact of lockdown on SPZ and driver behaviour

- 60% drop in car volumes vs pre-lockdown
- 78% drop in PBNs vs pre-lockdown
Higher drop in PBNs due to:
 - Shorter customer stay time
 - Lower contravention rate
 - Site closures during lockdown
 - Higher cancellations for NHS and essential workers
- PBN's recovered by 109% from Covid lows – currently 58% down on June 2019
- Delayed technology installations will see revenue recognised in FY21

COVID-19 Response

| Proactive measures to ensure SPZ can sustain a protracted downturn

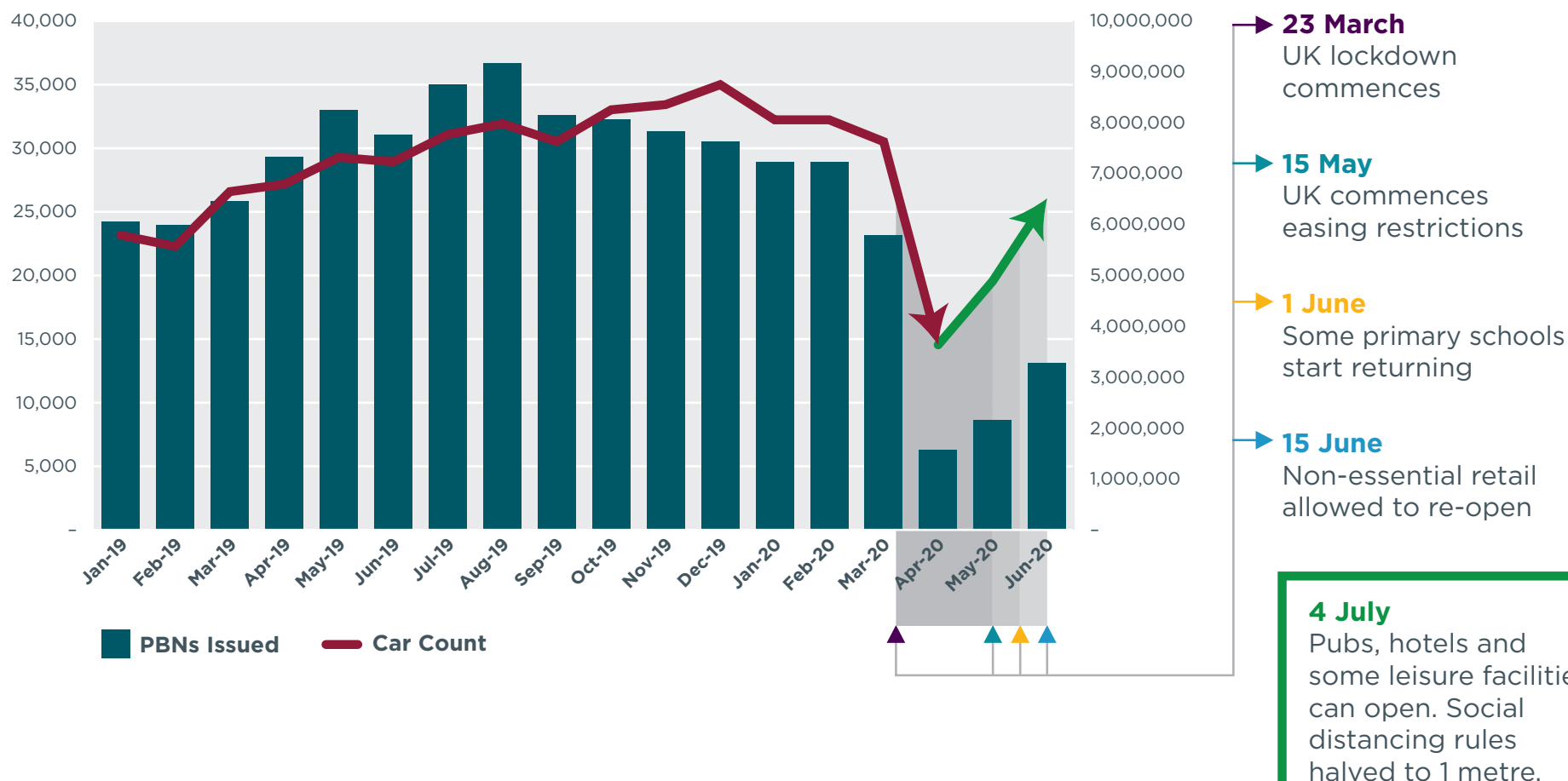
Proactive initiatives have an annualised reduction in costs of AUD\$6.7m:

- Reduction in fees for Directors of 40%
- Salary reduction of CEO, CFO and CTO of 20%
- Salary reduction of all other staff of between 10% & 15%
- 75 UK employees furloughed under the UK government COVID-19 job retention scheme
- Redundancies in both Australian and New Zealand businesses
- Deferral of all non-essential projects and capital expenditure including the roll out of technology on new UK parking sites during the lockdown period
- Freeze on all recruitment and travel expenses

UK Estate Update

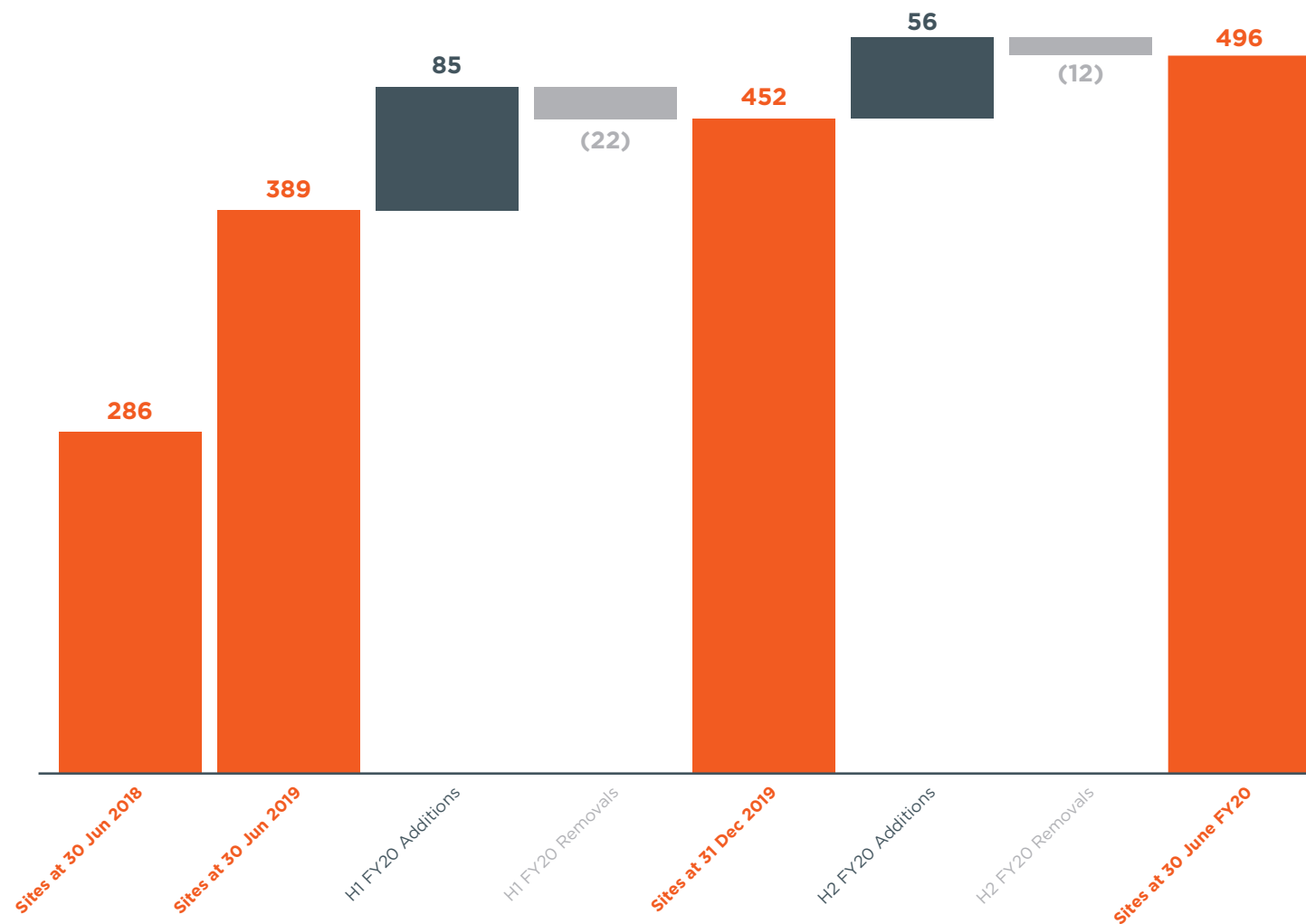
| Car count fell 60% in lockdown – rebounded 87% since COVID-19 lows

PBNs Issued vs Car Count



UK Site Growth

| 107 new sites added in FY20 with 35 new committed sites already in Q1 FY21



Technology

| Business continuing - \$3.2m of contracted orders

- Strong inbound interest during lockdown. Recent wins include City of Marion (405 sensors) and Wyndham City Council (2,008 sensors).
- Tender activity with Local Authority increased during COVID-19.
- Supply chain back to full capacity.
- Contracted project orders and confirmed letters of intent for \$3.2m for installation, with the majority scheduled for H1 FY21.
- Annualised personnel savings of \$1.2m from a reduction in head count - SPZ focused on the goal of the technology division being cashflow positive.



Emerging Recovery

Management Services | UK

- 60% drop in car count vs pre-lockdown average
- 78% drop in PBNs issued vs pre-lockdown average
- June PBNs issued currently 58% down on June 2019
- SPZ protective measures in place early and accessing furlough scheme saving \$0.8m cash

COVID-19 IMPACT

Technology | Global

- Delays to project installations due to lockdown rules across all SPZ operating territories
- Restructure of the technology business and reduction in head count of 13
- Zero installation work completed in early stages of lockdown

- Car count rebounded 87% as restrictions begin to lift
- PBN issuance increased 109% from April to June
- New site installations re-started with 15 completed in June
- Winning new business and growth continued with KFC

EMERGING RECOVERY

- \$3.2m of contracted orders to install
- Installations underway in all operating territories

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