

Appendix 4D

Smart Parking Limited and its Controlled Entities

ABN 45 119 327 169

Half-year ended 31 December 2024

(Previous corresponding half-year ended 31 December 2023)

Results for announcement to the market

Financial Results	Dec 2024 \$	Dec 2023 \$	Change \$	Change %
Revenue from ordinary activities	31,910,500	26,580,734	5,329,766	20%
Profit from ordinary activities after tax attributable to members	3,907,207	2,297,833	1,609,374	70%
Net Profit for the period attributable to members	4,377,893	2,174,981	2,202,912	101%

Dividends

Current period: There were no dividends paid, recommended or declared during the current financial period.

Previous period: There were no dividends paid, recommended or declared during the previous financial period.

Net Tangible Asset Backing	Dec 2024	Dec 2023
Net tangible asset backing per ordinary security	6.10 cents	5.83 cents

Other explanatory notes

The results from the underlying business reflect the increased sites under management in various countries. The Company has established parking management businesses in NZ, Australia (Queensland), Germany and Denmark in the last 4 years.

The Group's Adjusted EBITDA is \$8.4m after non-recurring/non-operating items, an increase from the prior period of 12%. When allowing for the new Danish operations which commenced in H2 FY24 and costs of investigating new territories, adjusted EBITDA increased further to \$9.5m, growth of 26% compared to 2023.

The Group won and installed 187 new ANPR sites globally during the half year, increasing sites under management by a net 137 sites to 1,561. The total number of Parking Breach Notices issued increased by 22% compared to the previous corresponding period.

The Group had net operating cash inflows (before non-recurring/non-operating items) for the half-year ended 31 December 2024 of \$6.8m (31 December 2023: \$5.3m). The company spent \$3.1m on property, plant and equipment which will drive revenue and earnings growth in future periods. This is largely related to the installation of new parking management sites.

In November 2024, the Group executed debt facilities with HSBC Australia including a \$10m AUD multicurrency revolving credit facility and a \$10m AUD multicurrency accordion facility made available for general corporate purposes and certain permitted acquisitions for a 3 year term. The HSBC facilities are currently undrawn.

Controlled entities acquired or disposed of

Not applicable.

Details of associates and joint ventures

Not applicable.

Foreign entities

For foreign entities, International Financial Reporting Standards are used in compiling the half-year consolidated report.

Refer to the review and results of operations included within the Directors' Report for further commentary on the results of the Company and its controlled entities.

The information required by listing rule 4.2A is contained in both this Appendix 4D and the attached Interim Financial Statements. These Interim Financial Statements should be read in conjunction with the most recent Annual Financial Report of the Group.

Smart Parking Limited
and its Controlled Entities
ABN 45 119 327 169



Interim Financial Report

for the half-year ended
31 December 2024

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Smart Parking Limited and its Controlled Entities

ABN 45 119 327 169

Interim Financial Report

For the half-year ended 31 December 2024

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These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by Smart Parking Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Smart Parking Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is at 85 Dundas Place, Albert Park, Victoria 3206. Its shares are listed on the Australian Securities Exchange.

Directors' Report

Your Directors present their report together with the consolidated financial statements for the half-year ended 31 December 2024.

Directors

The names of the Directors in office during the half-year and until the date of this report are as follows:

Mr Christopher Morris	Chairman
Mr Paul Gillespie	Managing Director
Ms Fiona Pearse	Non-Executive Director
Mr Jeremy King	Non-Executive Director

All Directors were in office for the entire period.

Principal activities

The Group operates three divisions:

- Parking Management:** Provision of parking management solutions, predominantly servicing the retail sector, managing agents and landowners in the United Kingdom, New Zealand, Australia, Germany and Denmark.
- Technology:** The sale of technology, hardware and software predominantly for parking solutions around the world and to support the parking management division.
- Research and Development:** Includes costs to research, develop and enhance ANPR software/ hardware for both the Technology and Parking Management divisions.

Directors' Report (continued)

Review of Operations

The Group's revenue for the half-year ended 31 December 2024 was up 20% to \$32.0m compared to the period ending 31 December 2023. The increase reflects the uplift in sales activity, growth in new operating territories and acquisitions. The Group made progress expanding its international footprint and building scale in new markets. Smart Parking has established parking management businesses in New Zealand, Australia (Queensland), Germany and Denmark in the last 4 years.

The Group reported a net profit after income tax increase of 70% to \$3.9m (2023: \$2.3m) for the half-year ended 31 December 2024. The outstanding result is driven by increased revenue from new sites, partly offset by increased costs including investment in new territories, and assisted by significant positive foreign exchange gains this period.

Excluding investment in Denmark which commenced in H2 FY24, net profit after income tax would increase by a further \$1.0m, a total 115% increase to \$4.9m.

The Group's Adjusted EBITDA is \$8.4m after non-recurring items, an increase from the prior period of 12%. When allowing for the new Danish operations which commenced in H2 FY24 and costs of investigating new territories, the adjusted EBITDA increased further to \$9.5m, growth of 26% compared to 2023.

Adjusted EBITDA is calculated after excluding the effects of items incurred but not related to underlying operations or not expected to occur in the future and is outlined below.

	Half-Year	
	2024	2023
	\$	\$
Revenue	32,006,633	26,725,667
Net profit for the half-year after tax	3,907,207	2,297,833
Group EBITDA ¹	9,145,934	6,715,711
Professional fees ²	30,512	339,684
Other non-recurring items ³	-	166,707
Foreign exchange (gains)/losses	(738,799)	335,447
Adjusted EBITDA⁴	8,437,647	7,557,549
Depreciation and amortisation	(4,300,746)	(3,185,027)
Loss on disposal of fixed property, plant and equipment	(51,079)	(34,057)
Adjusted EBIT⁴	4,085,822	4,338,465
Adjusted EBITDA margin	26.4%	28.3%

¹EBITDA represents earnings before interest, taxation, depreciation, amortisation and loss on disposal of plant and equipment.

²The professional fees relate to completed and evaluated business acquisitions.

³The other non-recurring items are either non-recurring and/or non-operating in nature.

⁴The Board assesses the underlying performance of the business based on measures of Adjusted EBITDA and Adjusted EBIT which exclude the effect of non-operating and non-recurring items. Adjusted EBITDA and Adjusted EBIT are non-IFRS financial measures.

Directors' Report (continued)

Review of Operations (Continued)

The Group has 80% of its revenue derived in the United Kingdom resulting in revenue and profits denominated in Great British Pounds (“GBP”). These are impacted by movements in the exchange rate between GBP and the Group’s presentation currency.

As at 31 December 2024, the Group had cash on hand of \$8.5m (30 June 2024: \$7.2m).

The Group had net operating cash inflows (before non-recurring/non-operating items) for the half-year ended 31 December 2024 of \$6.8m (2023: \$5.3m).

The cashflow from operating activities includes tax paid of \$1.2m (2023: \$0.6m).

The table below summarises the net operating cash movements for the half year.

	Half-Year	
	2024	2023
	\$	\$
Net operating cash inflow excluding non-recurring items	6,766,054	5,275,317
Non-recurring cash items ¹	(66,805)	(506,391)
Net reported cash inflow from operating activities	6,699,249	4,768,926

¹The non-recurring items are either non-recurring or non-operating in nature.

The Group spent \$3.1m on property, plant and equipment (largely equipment and installation costs for new sites) which will support revenue and earnings growth in future periods.

The UK Coronavirus Business Interruption Loan repayments were \$0.2m with the loan fully repaid in September 2024. Annual principal repayments in the previous full year were \$0.9m.

In November 2024, the Group executed debt facilities with HSBC Australia including a \$10m AUD multicurrency revolving credit facility and a \$10m AUD multicurrency accordion facility made available for general corporate purposes and certain permitted acquisitions for a 3 year term. The HSBC facilities are undrawn as at 31 December 2024.

Directors' Report (continued)

Review of Operations (Continued)

Parking Management Division

Revenue in the Parking Management division of \$31.1m (2023: \$25.0m) is up 24% compared to H1 FY24.

The Group's sales effort continues to deliver by adding a net 137 new Automatic Number Plate Recognition (ANPR) sites for existing and new customers during the half year, which combined with the 72 ANPR sites from the acquisition of Local Parking Security resulted in a net 28% increase in sites from 31 December 2023.

Our NZ business continues to perform strongly with 203 sites installed at 31 December 2024 generating revenue of \$3.4m, up 61% on H1 FY24. Parking Breach Notices (PBNs) issued increased by 34% to 83,847 compared to H1 FY24. The business achieved strong operating leverage with an EBITDA margin of 41% (2023: 26%). NZ remains an attractive market with limited competition and significant potential for growth.

The rate of site growth accelerated in the UK with 111 sites being installed in H1 FY25 (H1 FY24: 75). Revenue in the UK of \$25.4m was up 17% compared to H1 FY24. The growth in sites and acquisition of Local Parking Security was partially offset by a lower average value per Parking Breach Notice in the period. On 1st October 2024, the BPA (British Parking Association) and the International Parking Community (IPC) successfully implemented a single Code of Practice for parking on private land, that all private parking operators have to abide by. The higher standards have further legitimised the PBNs and as a result, motorists are paying PBNs earlier at the discounted rate. The Group continues to work with the trade associations to ensure improving standards and that the industry delivers positive outcomes for all stakeholders. The site portfolio will continue to be optimised to increase yields.

On 1 January 2024, the company launched its second operation in mainland Europe by opening a Parking Management business in Denmark. The Denmark business has experienced pleasing growth, with 31 signed contracts and 21 sites live at 31 December 2024 generating revenue of \$0.3m, up from \$0.1m in H2 FY24. In Denmark the majority of the competitive landscape provides manual parking management through the use of people/parking attendants instead of technology. The company believes the technology-led solutions that it currently provides in other operating territories will be a significant point of difference during the sales process and will lead to greater client wins.

The German business had 72 sites installed at 31 December 2024 delivering revenue of \$2.0m, up 83% on H1 FY24. The EBITDA loss of \$0.5m improved 49% compared to H1 FY24 following the increase in number of sites and optimisation of the estate. The German market presents a substantial opportunity leveraging the Group's technology, knowledge and expertise.

In Australia, the Queensland government continued its temporary pause on private parking operators' access to the Queensland Motor Vehicle Register. It is unclear if or when access to the Queensland Motor Vehicle Register will be reinstated. At the date of the pause in operations, 71 ANPR sites were installed in Queensland. The Queensland plant and equipment can be redeployed in other jurisdictions as deemed necessary. Some sites are now manually operated, pending the outcome of the government decision.

Directors' Report (continued)

Review of Operations (Continued)

Parking Management Division (Continued)

Across the Group, Parking Breach Notices (PBNs) issued increased by 22% to 515,851 compared to H1 FY24 due to the increased sites under management in all operating territories (except Australia).

Adjusted EBITDA for H1 FY25 in the Parking Management Division of \$8.0m was up 20% on H1 FY24. This included an EBITDA loss of \$0.9m related to the Denmark business (established in January 2024), and an EBITDA loss of \$0.3m related to the Queensland business where the State government has continued its temporary pause on private operators' access to the Queensland Motor Vehicle Register.

Despite a revenue increase of 19% (excluding Denmark), overheads of \$12.2m (excluding Denmark and new territory investigation costs) were only up 7% compared to H1 FY24 reflecting higher resourcing requirements following increased activity, ongoing expansion into new territories, the acquisition of Local Parking Security and the ongoing redeployment of staff from the Technology division, along with inflationary increases.

Technology Division

External revenue in the Technology division was \$0.8m (H1 FY24: \$1.6m) down 47% with an intentional shift to higher margin products and growing the Parking Management division.

The Adjusted EBITDA profit was \$1.6m, a decrease of 24% from \$2.1m in H1 FY24, the reduction in revenue being partially offset by the reduction of costs following the redeployment of staff into the fast-growing Parking Management division. The Technology division results include a licence fee received from the Parking Management Division that is linked to revenue in that division.

Research and Development Division

The Group invested \$0.3m on Research and Development, continuing its investment in technology. During H1 FY25 the Group capitalised development costs of \$0.4m related to the continued development of the technology to support expansion of the Parking Management business into new territories and enhancement of the functionality of the Smart Cloud platform.

Outlook

The Group is well placed to take advantage of opportunities as they arise. All countries in which the Group operates (with the possible exception of Australia) have significant opportunity for growth. The Group remains focused on its strategy of growing the installed number of group ANPR sites to 3,000 by 31 December 2028. Growth in sites is expected to drive increased revenue and deliver earnings growth.

The Group has a strong balance sheet and undrawn debt facilities to take advantage of further acquisition opportunities and explore new territories suitable for the Group's technology and commercial model.

Directors' Report (continued)


Dividends

No dividend has been paid or recommended by the Directors since the commencement of the financial year.

Auditor's Independence Declaration

The Auditor's Independence Declaration on Page 9 forms part of the Directors' Report for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors.



Christopher Morris
Chairman



Paul Gillespie
Managing Director

14 February 2025

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Auditor's Independence Declaration

To the Directors of Smart Parking Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Smart Parking Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



M J Climpson
Partner – Audit & Assurance
Melbourne, 14 February 2025

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Independent Auditor's Review Report

To the Members of Smart Parking Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Smart Parking Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Smart Parking Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Report on other legal and regulatory requirements

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Grant Thornton Audit Pty Ltd
Chartered Accountants



M J Climpson
Partner – Audit & Assurance

Melbourne, 14 February 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

	Note	2024 \$	Half-Year 2023 \$
Revenue from operations	4	32,006,633	26,725,667
Raw materials and consumables used		(1,086,001)	(848,541)
Employee benefits expense		(9,161,204)	(7,638,636)
Depreciation and amortisation expense	2	(4,300,746)	(3,185,027)
Rental and operating lease costs		(569,652)	(375,793)
Share-based payments expense		(329,376)	(166,964)
Interest expense		(252,547)	(356,584)
Foreign exchange gains/(losses)		738,799	(335,447)
Other expenses	3	(12,408,211)	(10,533,699)
Profit before income tax		4,637,695	3,284,976
Income tax expense		(730,488)	(987,143)
Profit for the half-year		3,907,207	2,297,833
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		470,686	(122,852)
Other comprehensive income for the half-year, net of tax		470,686	(122,852)
Total comprehensive income for the half-year		4,377,893	2,174,981
Total comprehensive income for the half-year attributable to owners of Smart Parking Limited		4,377,893	2,174,981
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company:			
- basic earnings per share (cents per share)		1.12	0.66
- diluted earnings per share (cents per share)		1.11	0.66

The above Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		8,479,722	7,229,643
Trade and other receivables		17,379,943	16,260,823
Contract assets		-	1,783
Inventories		305,996	586,090
Other financial assets		617,074	642,200
Total Current Assets		26,782,735	24,720,539
Non-Current Assets			
Property, plant and equipment	5	13,364,797	11,458,125
Right-of-use asset		8,731,476	9,074,673
Intangible assets	6	11,329,139	11,008,316
Deferred tax asset		1,815,921	1,294,422
Total Non-current Assets		35,241,333	32,835,536
TOTAL ASSETS		62,024,068	57,556,075
LIABILITIES			
Current Liabilities			
Trade and other payables		13,970,372	13,323,019
Lease liabilities		2,934,720	2,723,939
Borrowings	7	-	239,407
Contract liabilities		296,883	796,216
Current tax liabilities		2,244,432	1,959,415
Employee benefit obligations		1,079,403	1,210,425
Total Current Liabilities		20,525,810	20,252,421
Non-Current Liabilities			
Lease liabilities		6,938,756	7,359,480
Deferred tax liabilities		1,907,247	1,999,188
Total Non-current Liabilities		8,846,003	9,358,668
TOTAL LIABILITIES		29,371,813	29,611,089
NET ASSETS		32,652,255	27,944,986
EQUITY			
Contributed equity		65,931,468	65,931,468
Accumulated losses		(39,882,420)	(43,789,627)
Reserves	9	6,603,207	5,803,145
TOTAL EQUITY		32,652,255	27,944,986

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Note	Contributed equity \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2024		65,931,468	5,803,145	(43,789,627)	27,944,986
Total comprehensive income for the year					
Profit for the year		-	-	3,907,207	3,907,207
Other comprehensive income		-	470,686	-	470,686
Total comprehensive profit for the year		-	470,686	3,907,207	4,377,893
Transactions with owners, recorded directly in equity					
Contributions by owners					
Share-based payment transactions		-	329,376	-	329,376
Total transactions with owners		-	329,376	-	329,376
Balance at 31 December 2024	8, 9	65,931,468	6,603,207	(39,882,420)	32,652,255
Balance at 1 July 2023		65,931,468	5,246,085	(47,478,290)	23,699,263
Total comprehensive income for the year					
Profit for the year		-	-	2,297,833	2,297,833
Other comprehensive income		-	(122,852)	-	(122,852)
Total comprehensive profit for the year		-	(122,852)	2,297,833	2,174,981
Transactions with owners, recorded directly in equity					
Contributions by owners					
Share-based payment transactions		-	166,964	-	166,964
Total transactions with owners		-	166,964	-	166,964
Balance at 31 December 2023		65,931,468	5,290,197	(45,180,457)	26,041,208

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	Note	2024 \$	Half-Year 2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST and VAT)		29,956,196	26,088,505
Payments to suppliers and employees (inclusive of GST and VAT)		(22,115,575)	(20,381,749)
Professional fees (acquisition and regulatory matters)		(66,805)	(506,391)
Interest received	4	96,133	144,933
Income taxes paid		(1,170,700)	(576,372)
Net cash inflow from operating activities	10	<u>6,699,249</u>	<u>4,768,926</u>
Cash flows from investing activities			
Payments for intangible assets	6	(613,976)	(344,490)
Payments for property, plant and equipment		(3,080,856)	(1,675,914)
Purchase of investments in subsidiaries, net of cash acquired		-	(1,841,523)
Net cash outflow from investing activities		<u>(3,694,832)</u>	<u>(3,861,927)</u>
Cash flows from financing activities			
Interest and other finance costs paid		(252,547)	(356,584)
Principal elements of lease payments		(1,443,606)	(992,649)
Repayment of borrowings		(239,407)	(480,310)
Net cash outflow from financing activities		<u>(1,935,560)</u>	<u>(1,829,543)</u>
Net increase/(decrease) in cash and cash equivalents		1,068,857	(922,544)
Cash and cash equivalents at beginning of the half-year		7,229,643	10,726,176
Effects of exchange rate changes on cash and cash equivalents		181,222	(98,116)
Cash and cash equivalents at end of the half-year		<u><u>8,479,722</u></u>	<u><u>9,705,516</u></u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements For the half-year ended 31 December 2024

1. Basis of preparation

These condensed consolidated interim financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any publications made by Smart Parking Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*. The half-year financial statements do not include full disclosures of the type normally included in annual financial statements. The accounting policies adopted are consistent with those of the previous financial year except where otherwise disclosed.

2. Segment Information

a) Description of segments

The Chief Operating Decision Maker (CODM), which comprises the Board of Directors and the Group Chief Financial Officer, reviews reports used for strategic decision-making and resource allocation. Based on these reports, management has identified seven reportable segments, considering both product and geographical perspectives:

1. Technology: this part of the business sells Smart City and IoT technology products and solutions predominantly to the parking market globally.

2, 3, 4, 5, 6. Parking Management: provides car parking management services in the United Kingdom, New Zealand, Australia, Germany and Denmark, both on behalf of third party owners and on sites leased and managed by the Group. The CODM monitors the performance of each location separately.

7. Research and Development: includes costs to research, develop and enhance software/hardware for both the Technology and Parking Management divisions.

The segment disclosures are before corporate costs. The corporate function's main purpose is to conduct financing and Head Office activities and represents parent company costs which are not otherwise allocated to operating segments and foreign exchange gains and losses on the translation of foreign operations.

The CODM assesses the performance of operating segments based on Adjusted EBITDA and Adjusted EBIT which excludes non-operating and non-recurring costs and income. Interest income is not allocated to segments as it is managed centrally by the Group function to optimize the cash position for the Group as a whole.

The CODM also receives information about the segments' revenue on a regular basis. Information about segment revenue is disclosed in Note 2(b).

Notes to the Financial Statements

2. Segment Information (continued)

b) Segment information provided to the Board

The segment information provided to the Board for the reportable segments for the half-year ended 31 December 2024 is as follows:

			Parking Management						
	Technology	R&D	United Kingdom	New Zealand	Australia	Germany	Denmark	Total Parking Management	Total
Half-year 2024	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total segment revenue	2,553,701	-	25,360,687	3,419,680	43,069	1,992,220	267,965	31,083,621	33,637,322
Inter-segment revenue	(1,726,822)	-	-	-	-	-	-	-	(1,726,822)
Revenue from external customers	826,879	-	25,360,687	3,419,680	43,069	1,992,220	267,965	31,083,621	31,910,500
Timing of revenue recognition:									
Over time	826,879	-	501,353	39,391	-	-	68,198	608,942	1,435,821
At a point in time	-	-	24,859,334	3,380,289	43,069	1,992,220	199,767	30,474,679	30,474,679
	826,879	-	25,360,687	3,419,680	43,069	1,992,220	267,965	31,083,621	31,910,500
Segmental Adjusted EBITDA	1,579,606	(324,008)	8,370,945	1,389,791	(336,641)	(496,482)	(931,331)	7,996,282	9,251,880
Depreciation and amortisation	(225,371)	-	(3,025,918)	(549,418)	(135,989)	(322,876)	(41,174)	(4,075,375)	(4,300,746)
Loss on disposal of fixed property, plant and equipment	-	-	(44,880)	-	-	(6,199)	-	(51,079)	(51,079)
Segmental Adjusted EBIT	1,354,235	(324,008)	5,300,147	840,373	(472,630)	(825,557)	(972,505)	3,869,828	4,900,055
Total Segment Assets									
31 December 2024	621,797	-	68,610,178	4,907,428	308,966	4,907,233	1,236,713	79,970,518	80,592,315
30 June 2024	824,468	-	62,442,480	4,093,276	439,476	4,625,230	391,596	71,992,058	72,816,526

Notes to the Financial Statements

2. Segment Information (continued)

b) Segment information provided to the Board (continued)

The segment information provided to the Board for the reportable segments for the half-year ended 31 December 2023 was as follows:

	Technology	R&D	Parking Management					Total Parking Management	Total
			United Kingdom	New Zealand	Australia	Germany	Denmark		
Half-year 2023	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total segment revenue	3,526,508	-	21,764,257	2,124,717	44,398	1,088,500	-	25,021,872	28,548,380
Inter-segment revenue	(1,967,646)	-	-	-	-	-	-	-	(1,967,646)
Revenue from external customers	1,558,862	-	21,764,257	2,124,717	44,398	1,088,500	-	25,021,872	26,580,734
Timing of revenue recognition:									
Over time	1,558,862	-	114,999	-	-	-	-	114,999	1,673,861
At a point in time	-	-	21,649,258	2,124,717	44,398	1,088,500	-	24,906,873	24,906,873
	1,558,862	-	21,764,257	2,124,717	44,398	1,088,500	-	25,021,872	26,580,734
Segmental Adjusted EBITDA	2,067,843	(379,358)	7,672,395	553,390	(597,705)	(976,733)	-	6,651,347	8,339,832
Depreciation and amortisation	(176,983)	-	(2,460,063)	(253,864)	(200,932)	(93,185)	-	(3,008,044)	(3,185,027)
Loss on disposal of fixed property, plant and equipment	-	-	(24,807)	-	-	(9,250)	-	(34,057)	(34,057)
Segmental Adjusted EBIT	1,890,860	(379,358)	5,187,525	299,526	(798,637)	(1,079,168)	-	3,609,246	5,120,748

The Board assesses the performance of the operating segments based on a measure of Adjusted EBIT and Adjusted EBITDA which excludes the effects of non-operating and non-recurring costs and income. Interest income is not allocated to segments, as this type of activity is driven by the Group function, which manages the cash position for the Group as a whole.

Notes to the Financial Statements

2. Segment Information (continued)

A reconciliation of Segment Adjusted EBIT to operating profit before income tax is provided as follows:

	Half-Year	
	2024	2023
	\$	\$
Segment Adjusted EBIT¹	4,900,055	5,120,748
Interest revenue	96,133	144,933
Interest expense	(252,547)	(356,584)
Non-recurring items ²	(30,512)	(506,391)
Foreign exchange gain/(loss)	738,799	(335,447)
Adjusted EBIT for Group Corporate function	(814,233)	(782,283)
Profit before income tax from continuing operations	4,637,695	3,284,976

¹ Segment Adjusted EBIT is for the operating divisions which excludes corporate costs and non-recurring items.

² The other non-recurring items are either non-recurring and/or non-operating in nature.

A reconciliation of Segment Adjusted EBIT to Adjusted Group EBIT is provided below:

Segment Adjusted EBIT	4,900,055	5,120,748
Adjusted EBIT for Group Corporate function	(814,233)	(782,283)
Adjusted Group EBIT	4,085,822	4,338,465

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Notes to the Financial Statements

	Half-Year	
	2024	2023
	\$	\$
3. Other expenses		
Audit fees	146,906	113,993
Legal fees	246,449	166,272
Loss on disposal of property, plant and equipment	51,079	34,057
Motor vehicle expenses	429,811	456,961
Travel and accommodation	670,762	510,207
Insurance	191,401	201,475
Telephone and communications	252,656	278,851
Other site service costs	1,955,776	1,571,941
Licencing authority fees	1,931,154	1,692,126
Recruitment expenses	166,647	132,048
Repairs and maintenance	719,054	373,686
IT Support	471,908	290,472
Professional fees for completed and evaluated business acquisitions	30,512	339,684
Bad debts provision and write-offs	245,610	120,411
Debt recovery costs	1,927,316	1,880,836
Other expenses	2,971,170	2,370,679
	<u>12,408,211</u>	<u>10,533,699</u>

4. Revenue and other income

From continuing operations	Note		
Revenue			
Revenue from external customers	2	31,910,500	26,580,734
Interest revenue		96,133	144,933
Total revenue from continuing operations		<u>32,006,633</u>	<u>26,725,667</u>

Notes to the Financial Statements

5. Property, plant and equipment

	Motor Vehicles	Office Equipment	Plant and Equipment	Leasehold Improvements	Total
Consolidated	\$	\$	\$	\$	\$
Year ended 30 June 2024					
At 30 June 2024					
Cost or fair value	308,130	780,304	29,101,549	749,874	30,939,857
Accumulated depreciation & impairment	(185,679)	(557,594)	(18,388,891)	(349,568)	(19,481,732)
Net book amount	122,451	222,710	10,712,658	400,306	11,458,125

Half-year ended 31 December 2024

Opening net book amount	122,451	222,710	10,712,658	400,306	11,458,125
Additions	119,925	47,766	3,100,263	319,015	3,586,969
Disposals	-	(44)	(22,287)	-	(22,331)
Depreciation charge	(17,089)	(42,162)	(2,021,445)	(38,700)	(2,119,396)
Foreign exchange translation	4,898	4,331	420,327	31,874	461,430
Closing net book amount	230,185	232,601	12,189,516	712,495	13,364,797

At 31 December 2024

Cost or fair value	326,737	849,935	33,403,930	1,122,141	35,702,743
Accumulated depreciation & impairment	(96,552)	(617,334)	(21,214,414)	(409,646)	(22,337,946)
Net book amount	230,185	232,601	12,189,516	712,495	13,364,797

6. Intangible assets

	Software	Developed Technology	Goodwill	Customer Relationships	Commission Asset	Total
Consolidated	\$	\$	\$	\$	\$	\$
Year ended 30 June 2024						
At 30 June 2024						
Cost or fair value	1,564,287	6,762,999	6,934,937	4,874,359	372,445	20,509,027
Accumulated amortisation & impairment	(1,397,754)	(5,946,858)	(953,472)	(1,057,239)	(145,388)	(9,500,711)
Net book amount	166,533	816,141	5,981,465	3,817,120	227,057	11,008,316
Year ended 31 December 2024						
Opening net book amount	166,533	816,141	5,981,465	3,817,120	227,057	11,008,316
Additions	35,375	419,486	-	-	159,115	613,976
Disposals	-	-	-	-	-	-
Amortisation charge	(38,689)	(194,936)	-	(498,188)	(89,673)	(821,486)
Exchange differences	4,752	-	320,372	195,202	8,007	528,333
Closing net book amount	167,971	1,040,691	6,301,837	3,514,134	304,506	11,329,139
At 31 December 2024						
Cost or fair value	1,633,942	7,182,486	7,310,716	5,016,811	540,517	21,684,472
Accumulated amortisation & impairment	(1,465,971)	(6,141,795)	(1,008,879)	(1,502,677)	(236,011)	(10,355,333)
Net book amount	167,971	1,040,691	6,301,837	3,514,134	304,506	11,329,139

Notes to the Financial Statements

7. Borrowings

In November 2024, the Group entered into a new debt facility with HSBC Australia (the 'Facility'). The Facility provides the Group with access to a total of \$20,000,000, comprising:

- Revolving multicurrency credit facility: \$10,000,000 available for general corporate purposes and certain permitted acquisitions, with a term of 3 years.
- Accordion multicurrency facility: \$10,000,000 available upon request and satisfaction of certain conditions.
- Other on demand facilities: Includes letters of credit and credit card facilities.

As at 31 December 2024, the Group had not drawn down on the revolving credit facility or the accordion facility. The loan is secured by way of a floating charge over the assets of certain Group subsidiaries.

The Group incurred fees of \$291,139 in obtaining the Facility. These fees are initially carried forward in prepayments within trade and other receivables and will be recognised as a transaction cost upon drawdown of the Facility.

The Group is required to comply with the following financial covenants:

- Net Leverage Ratio is less than 2.5 times;
- Interest Cover Ratio is greater than 4 times; and
- Tangible Net Worth is more than \$16,000,000.

The Group complied with these ratios since entering into the Facility.

8. Issued Capital

There are 349,277,206 shares on issue. There have been no equity securities issued during the half year.

9. Reserves

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Share based payments	4,778,629	4,449,253
Foreign currency translation	1,824,578	1,353,892
	<u>6,603,207</u>	<u>5,803,145</u>

Notes to the Financial Statements

	2024	Half-Year	2023
	\$		\$
10. Reconciliation of cash flows from operating activities			
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax for the period	3,907,207		2,297,833
Adjustments for:			
Loss on disposal of plant and equipment	51,079		34,057
Depreciation and amortisation expense	4,300,746		3,185,027
Interest expense	252,547		356,584
Share-based payments expense	329,376		166,964
Net foreign exchange differences	(738,799)		335,447
Change in operating assets and liabilities, net of effects from purchase of controlled entity:			
Increase in trade receivables and contract assets	(438,584)		(344,919)
(Increase)/decrease in inventories	280,095		(8,458)
Increase in other current assets	(679,744)		(829,422)
Decrease in trade payables and accruals	(236,251)		(1,065,526)
Increase/(decrease) in tax payable and deferred tax	(328,423)		641,339
Net cash inflow from operations	6,699,249		4,768,926

11. Dividends

No dividends were paid or declared during the period.

12. Events Subsequent to Reporting Date

No matter or circumstance has arisen since the reporting date which is not otherwise reflected in this report that has significantly affected or may significantly affect the operations of the consolidated entity.

13. Contingent Liabilities

There have been no changes in contingent liabilities since the last annual reporting date.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on page 12 to 23 are in accordance with the *Corporation Act 2001*, including:

(i) complying with Australian Accounting Standard: *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional requirements; and

(ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Smart Parking Limited will be able to pay its debts as and when they become due and payable; and

This declaration is made in accordance with a resolution of the Directors and is signed for on and behalf of the Directors by:



Christopher Morris
Chairman



Paul Gillespie
Managing Director

14 February 2025

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